

Sentinel seals deal for Unity

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TAKEOVERS

Warren Ebert's Sentinel Property Group has finally struck a deal with Unity Pacific, allowing it to move closer to floating as a \$1 billion property funds manager by taking over the small listed company.

Sentinel had to fight off a rival bid from Silverstone Developments, whose talks with Unity ended this week, and Ebert had upped his stake in the company to about 16 per cent as he chased a deal worth about \$17m.

Sentinel has grown rapidly to manage \$1bn of property assets across Australia, with a portfolio of 45 retail, industrial, office, land, tourism and agribusiness assets.



Warren Ebert

"It all came together for us," Mr Ebert told *The Australian*, noting the potential to use Unity as an entity to float his property funds business.

"It depends on how quick all that happens. We are just continuing buying properties and growing our business. We will use that as an entity (to list) in the near future."

Unity has entered into a bid implementation deed with Ebert Investments, part of Sentinel, under which Ebert will acquire all the units in Unity it does not currently own for 47 cents per share.

Unity's last major asset is a 120 ha site in San Remo in Victoria valued at \$8.5m, and some apartments.

The Ebert offer comprises 41.5c cash and one share in San Remo, which will be paid at 5.5 cents if Unity's land in San Remo is sold for \$8.5m within nine months of the offer period.

The final pricing of the takeover would depend on the net proceeds of the land sale. At 47c per share the price would be an 11.9 per cent premium to Unity's net tangible assets and 6.8 per cent premium above its latest close.

Unity managing director Chris Morton said he was pleased with the deal although the whole process had taken longer than expected.

"The offer provides an immediate cash return for the remaining corporate assets as well as the potential for price upside being achieved by the expected sale of the San Remo land," he said.