

Sentinel secures IPL base

SENTINEL Property Group has acquired a major industrial investment with development upside (STCA) within the prime Australia TradeCoast precinct at Pinkenba in Brisbane's east for \$48.5 million.

The waterfront bulk storage industrial facility located on a 140,006sq m site at 69 Tingira St, Pinkenba, was purchased in a leaseback arrangement with global diversified industrial chemical company Incitec Pivot Pty Ltd.

IPL will continue to run its fertiliser distribution centre from the site and will lease about 11.5ha of the property with 2.5ha on Souther St available to Sentinel for further development.

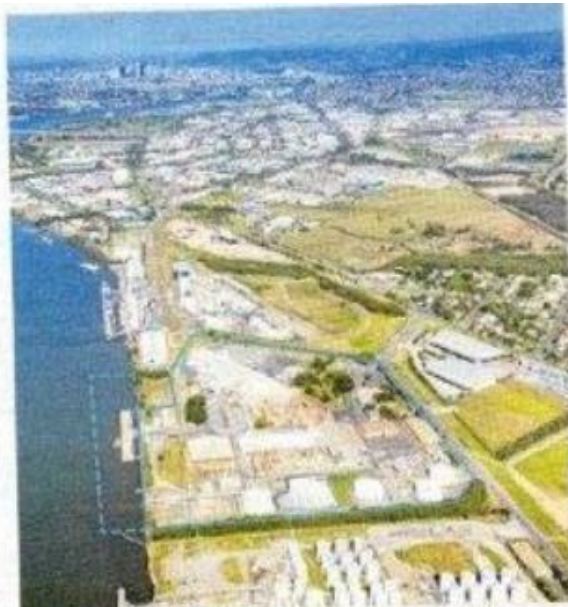
The site benefits also from an adjoining wet lease of 15,370sq m with associated wharf infrastructure.

The Pinkenba property,

purchased through Anthony White and Simon Beirne of Colliers International, adds to Sentinel's pooled Industrial Trust portfolio which includes properties at Mayfield in Newcastle, Oxley in Brisbane and Paget in Mackay.

Sentinel managing director Warren Ebert said this was a tremendous opportunity to acquire a major industrial facility in Pinkenba at a strong investment yield above what prime industrial assets are currently trading for, as well as benefitting from development upside.

"This site offers unique ongoing investment potential with core bulk storage and liquid storage assets in low supply throughout Brisbane, particularly when coupled with direct river access," he said.



MAJOR DEAL: Sentinel Property Group has bought the waterfront bulk storage industrial facility on 140,006sq m at 69 Tingira St, Pinkenba. PHOTO: CONTRIBUTED

"Recent sales of industrial facilities have reflected yields in the range of 5.5% to 7.5%.

"This property is being purchased at a passing net yield of 8.2%.

"This is also one of very few sites with wharf access in Brisbane that can accommodate Handymax class vessels of up to 188m long and 34m wide and capable of both liquid and bulk cartage."

Mr Ebert said it was an ideal time for Sentinel to purchase in the Australia

TradeCoast precinct as it was a tightly held market due to the lack of available land.

"The proximity to Brisbane Airport, Port of Brisbane and major transport infrastructure continues to drive demand in this precinct," he said.

"There are also some major infrastructure projects in play with Brisbane Airport Corporation funding over \$2.5 billion worth of infrastructure over the next 10 years to keep up with the city's growing demands."