

Bid for offices in CBD hots up

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A TOWNSVILLE CBD office building has sold for \$15.5 million, the city's biggest commercial sale of the year.

The eight-level office building at 370 Flinders St, Townsville City was bought by Sentinel Property Group with the sale settling yesterday.

The Brisbane-based property fund looks set to make a claim on Townsville as job-generating projects continue to fire up the economy.

Last year Sentinel recorded the biggest commercial sale in Townsville by buying the River Quays building, home to the Adani headquarters, for \$28.6 million while they also own Woodlands Deeragun Shopping Village.

They have not ruled out buying more commercial investments in Townsville as the city's future becomes more prosperous.

Sentinel managing director Warren Ebert said the group was interested in investment opportunities in Townsville as the city was at the centre of \$22 billion worth of projects across multiple sectors.

"The Department of State Development has brought forward the delivery of the stadi-

um project which is expected to generate up to 750 jobs throughout the design and construction stages," he said.

"Some other significant benefits to the region include the military training agreement between Australia and Singapore, while Surbana Jurong Private, a Singaporean infrastructure group, have set their sights on Townsville for new acquisitions."

Central Plaza, at 370 Flinders St, has major tenants including Hutchinson Builders, Queensland Government (public trustee) and QBE Insurance.

Sentinel was attracted to the building due to the high-quality tenants and proximity to the North Queensland Stadium.

The property will add to Sentinel's Regional Office Trust along with other office buildings in Newcastle, Darwin, Brisbane, Port Macquarie and Cairns.

It's the ninth addition to the trust in the past 18 months which now has a combined value of almost \$250 million with a forecast distribution to investors of 9.5 per cent per annum.

Mr Ebert said Central Plaza was expected to deliver returns above recent transactional evidence with national sales of CBD commercial buildings reflecting yields of at or below 6 per cent.