

# FINANCIAL REVIEW

**SE** Property  
**HD** **Chinese buyer pays \$11.5m for Bunnings**

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A mainland Chinese investor has snapped up a new Bunnings Warehouse in Yarrowonga, regional Victoria, for \$11.5 million on a sub-5 per cent yield.

The outlet was offered off the plan by builder and developer Pellicano Group.

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Selling agent CBRE said it was the first time a Chinese investor had acquired a Bunnings warehouse, and the yield was a record for a Bunnings store outside a major metropolitan region.

Backed by long leases to the Wesfarmers unit, Bunnings warehouses are among the most-sought-after retail properties by private investors. A new benchmark for the asset class was set in June when a Perth private investor paid \$7.05 million on a 4.7 per cent yield for a small-format 1736-square-metre Bunnings warehouse in Osborne Park with a new 12-year lease.

Recently it was revealed that New Zealand commercial property investor Ben Cook bought the 14,760-square-metre Bunnings warehouse in Sydney's Eastgardens that sold for a record \$56 million in October.

The sales campaign for the Yarrowonga Bunnings was steered by Justin Dowers, Mark Wizel, Kevin Tong and Joseph Du Rieu of CBRE Retail Investments. "There is evidence that buyers are gaining more confidence in the performance of key regional cities within Victoria, stemming from increased government expenditure in these regions, along with improved living conditions (mostly related to affordability) driving population growth," said Mark Wizel.

**CO** wsfrm : Wesfarmers Ltd

**IN** ireest : Real Estate | icre : Real Estate/Construction | i8396 : Diversified Holding Companies | ibcs : Business/Consumer Services

**NS** ccat : Corporate/Industrial News

**RE** china : China | austr : Australia | apacz : Asia Pacific | asiaz : Asia | ausnz : Australia/Oceania | bric : BRICS Countries | chinaz : Greater China | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | easiaz : Eastern Asia

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