

SE Business
HD **Mirvac buys up Altis assets**
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MIRVAC **Group** has deepened its reach into the hot industrial **property** market by snapping up five properties from a portfolio offered by Altis **Property** Partners in a \$224.1 million play.

The **purchase** lifts the value of Mirvac's industrial holdings to \$629.7m and signals it has serious intentions in the sector.

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While sector giant Goodman **Group** and a series of private players have been offloading industrial properties, heavyweights Stockland and Charter Hall and offshore-backed Logos **Property** have been bulking up.

Mirvac managing director Susan Lloyd-Hurwitz said the **purchase** raised the **group**'s exposure to the industrial sector to 9 per cent of its portfolio. She added that the properties would offer an initial yield of 7 per cent.

"With the Altis portfolio predominantly situated in Sydney, we are pleased to bolster our industrial position in this competitive market, and over 90 per cent of our industrial portfolio is now weighted towards Sydney as a result of this **transaction**," Ms Lloyd-Hurwitz said.

The portfolio being **sold**, Altis Real **Estate** Equity Partnership Fund No 1, spanned about nine properties in total, with the portfolio campaign led by Colliers. Of the five properties bought by Mirvac, the most prominent is a 36,847sq m facility at St Leonards, on Sydney's north shore, for \$150m, which has long-term **residential** potential. Three are in Sydney and one in Adelaide.

A Victorian asset **sold** early in the campaign and remaining assets are being carved up. A private **group** is running the ruler over 2 Elizabeth Plaza, a \$50m North Sydney tower.

Two other properties, one in Sydney's NorwestBusiness **Park**, and the other a bulky good centre, are in due diligence.

Gavin Bishop and Roger Miller of Colliers International handled the portfolio, which was pitched as the largest in the industrial arena for five years.

Mr Bishop said interest had been exceptional. "With a strong offering of high-quality industrial and warehouse assets, institutional investors were drawn to the strong tenant covenants combined with the development upside many of these assets offered." Interest came from Singapore and **Hong Kong** and Mr Miller said A-REITs also chased the portfolio, which had been built up by Altis over the past four years. CBRE's Angus Klem, who was involved in the St Leonards deal with colleagues Matthew Ramsay and Matthew Lee, said industrial assets with **residential** upside "are the hottest ticket in town, especially those that offer an existing income".

CO magmgp : Goodman Group | mirva : Mirvac Group

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