

Intergen buys Centrepoint Tamworth mall

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Sydney funds manager Intergen Property Group has bought the Centrepoint Tamworth Shopping Centre for \$38.5 million in the first acquisition for its wholesale land fund.

The 9200sq m shopping centre on Peel Street, developed by Andrew Richardson in 2008, was sold at a yield of 7.5 per cent in an off-market transaction through Cushman and Wakefield's Nick Potter and Sashi Makkapati.

I-Gen Funds Management was created in November as a \$200m fund to target mid-sized retail, office and industrial properties in NSW, Victoria and Queensland. Intergen Property Group chief executive officer Trevor Hardie, formerly of Challenger, said there was strong investor interest for the assets.

"We have targeted a range of them for judicious acquisition across the eastern seaboard," Mr Hardie said.

"We expect this wholesale fund will deliver our clients an attractive initial distribution yield of 8.77 per cent with strong earnings growth into the future."

The Centrepoint complex includes the 400-seat Capital Theatre, Forum 6 cinemas, Aldi supermarket, JB Hi-Fi and 27 specialty shops.

It is located on Peel Street, in the city centre.

Intergen's capital transactions director, Dennis Kalofonos, said the fund's managers were strong believers in the strength and growth of regional towns.

"This high-quality centre will deliver excellent income security for our clients as it features prominent retailers and government-backed tenants in the heart of Tamworth and its 130,000-people market trade area," Mr Kalofonos said.

The Tamworth property market is showing confidence following the approval of residential subdivisions to the city's north and west, according to property analysts Herron Todd White.

There has been strengthening employment in the agricultural, education and industrial sectors.