

WA investor snaps up Northam Boulevard

Mercedes Ruehl

Northam Boulevard Shopping Centre in Western Australia has changed hands to a private investor in an off-market deal for \$14.05 million.

Vendors Kahlua Pty Ltd and Shaunella Pty Ltd have owned the neighbourhood shopping centre, about 100 kilometres from Perth, since 1999.

The purchase, by a West Australian private investor on a yield of 8.5 per cent, was brokered by Colliers International director Mark Werrett.

"The centre was sold to a local investor off-market, which highlights the strong level of demand we're seeing from home-grown buyers in this sector," Mr Werrett said.

Local investors are facing competition from overseas buyers who are willing to pay a premium for well-located retail centres, according to Colliers.

"Nationally, 54 per cent of commer-

cial property was sold to overseas buyers last year and this was reflected in our own experience in WA, with a series of strong sales to overseas interests."

These included the sale of Phoenix Shopping Centre for \$76.5 million, Kelmscott Plaza Shopping Centre for \$15 million, and a new neighbourhood centre in Wellard, all to Singaporean buyers. The 6346-square-metre Northam centre is anchored by supermarket giant **Woolworths**, which has a long-term lease expiring in 2030.

Other tenants include **OPSM**, Thingz, Red Dot and Subway.

It is in Fitzgerald Street in Northam, and has 373 car bays.

"I'd anticipate that as a result of the reduced opportunities to purchase neighbourhood centres this year, we will see upward pressure on prices, and it's likely that yields will tighten by 0.5 per cent to 1 per cent by the end of 2014," Mr Werrett said.