



## **January 2017**

### **EG BUYS ASSET IN INNER MELBOURNE SUBURB**

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**January 2017 (Sydney, Australia)** – Leading non-core real estate fund manager EG Funds Management (EG Funds) has purchased an industrial asset in the inner north Melbourne suburb of Northcote, VIC for \$13.45 million.

The asset is the first acquisition for the Yield Plus Infrastructure Fund No. 2 (YPI 2), launched in August 2016. The industrial asset is located at 150 Arthurton Road, Northcote. The property, on a land area of 5,190 sqm, has more than 550 storage units, two 1,500 kg goods lifts servicing the first floor and an internal clearance of 5.2 metres. The site has a net lettable area of 4,650 sqm and was acquired on a 6.2 per cent passing yield.

“The site is able to provide solid income with a longer term development potential in the gentrifying suburb,” says Associate Director Sean Fleming.

Located in the inner Melbourne suburb of Northcote, 6.4 kilometres north of the CBD, the property will benefit from its proximity to the recently upgraded tram line and the nearby Northcote train station and town centre.

“EG is renowned for its ability to rezone, repurpose and add significant value while respecting the local community. We have an impeccable record in returns for our investors,” says EG’s Chair Dr Michael Easson commenting on the success of YPI 1, the predecessor fund.

The fund, YPI 2, was launched in August 2016 as \$750 million real estate fund targeting yielding assets near new or upgraded infrastructure, such as Sydney’s North West Rail Link or the Melbourne Metro Rail project. The rezoned assets will then be ready for development at the appropriate point in the market cycle.

Jeremy Gruzewski and Hamish Burgess of Colliers International negotiated the sale.

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The vendor was specialist self-storage investment group Storeinvest.

“The sale of the StoreLocal Northcote facility represented an ideal asset recycling opportunity for our investment group as the future residential redevelopment value opportunity is not within our mandate. Our strategy of adding value through expansion and then rezoning has provided our investors with an outstanding income and capital return since acquiring the asset in 2011”, said StoreInvest Director Hans Pearson.

StoreInvest has been focussed on the storage sector since 2009 and has developed or acquired more than \$70m of assets in this time. StoreInvest continues to grow its portfolio through acquisition and greenfield development right across Australia. The Northcote asset was jointly managed with investment group White & Partners.

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WE'RE AN AUSTRALIAN BUSINESS INVESTING ON BEHALF OF LEADING INDUSTRY AND PUBLIC SECTOR SUPERANNUATION FUNDS, AS WELL AS A RANGE OF FAMILY OFFICES.

EG is a leading real estate fund manager founded in 2000. We're a disciplined, entrepreneurial group of people with over AU\$2.4 billion in assets under management. Our team's ability to identify and realise opportunities has helped us achieve consistently high, risk-adjusted returns for our investors.

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