

Jandakot Airport in sell off

Airfield bought by developer Dexus in \$1.5b industrial property swoop

ADRIAN LOWE

Property giant Dexus, known for its portfolio of shopping malls and offices, has snapped up Perth's Jandakot Airport as part of a national \$1.5 billion deal.

The off-market deal, expected to settle by the end of October, includes APN Industria — recently bought by Dexus — eventually acquiring 33.3 per cent of the entities that own the 76-year ground lease.

Dexus will retain the remaining two-thirds interest. The pur-

chase will involve a \$350 million equity raising by APN.

Long marketed to prospective tenants as a growth area for the city, Dexus forked out \$875m for the broader industrial site, home to 49 properties including Kmart's WA distribution centre, Reece and General Electric.

Also included in the complex deal is 80ha of developable land, for another \$225m, and the airport itself for a further \$200m. Its income comes from long-term ground leases, landing fees and infrastructure services.

The 620ha site was owned by WA property developers Ascot Capital for 16 years. Ray White Commercial senior commercial property adviser Brett Wilkins introduced the parties to begin negotiations.

Also included in the broader deal was land and property in outer Sydney and Melbourne for a combined \$194m.

The rise in online shopping, enhanced by nearly 18 months of lockdowns across much of the country, has triggered a bull run for industrial land as companies

vie for more space for warehouses and other storage facilities.

Mr Wilkins said the deal was a further sign of the strength in Perth's industrial property market.

"This is in line with blue chip industrial portfolios Australia-wide," he said. "It is the hottest property asset and class. This just continues to reaffirm that.

"There's a lot of Eastern States interest in the WA property market.

"Industrial portfolios of this size are very tightly held and

generally, we're not finding many of them for sale."

In Perth, Dexus also owns Carillon City arcade in the CBD, and has attracted heavy criticism this week for a mass eviction of tenants there by October, as part of a \$200m redevelopment.

The Jandakot purchase is the first foray into the WA for APN.

Dexus chief executive Darren Steinberg described the deal as a "compelling opportunity" because of the scope to enhance returns.