

## THE AUSTRALIAN

# Buxton and Lowy families link for Sunshine mall

By **BEN WILMOT**, COMMERCIAL PROPERTY REPORTER

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The Lowy family-backed Assembly Funds Management has teamed up with a company run by a scion of Melbourne's Buxton family to buy a shopping centre in the city's northwestern suburb of Sunshine for \$39m.

But the play is very different from the Westfield empire they co-founded and ran for almost six decades, with Assembly and Cadence Property Group buying a Harvey Norman-anchored 22,000sq m large-format retail centre.

While larger regional malls are facing a tenant revolt, at the Sunshine centre trading is ticking over as shoppers focus on everyday needs.

The deal, the fourth for the Assembly venture, came after it had backed residential developments with senior and mezzanine debt before the coronavirus crisis struck.

It had been slim pickings but the change has thrown up a raft of new opportunities, Assembly managing director and former Westfield veteran Michael Gutman said.

"We were struggling to find suitable acquisitions to make prior to COVID," he said, adding the large-format sector had been "quite resilient" and the property had a strong long-term position.

It was acquired off market from Queensland-based Sentinel Property Group and on a fully let market yield of 6.95 per cent. The deal was brokered by Stuart Taylor and Sam Hatcher from JLL.

The 6ha site is opposite the Albion train station in Sunshine's town centre and next to a major Bunnings superstore, 14km northwest of Melbourne's CBD.

The purchase is a joint venture between Assembly, through its recently launched first fund ADPFI, and Cadence, which will manage the centre.

The partners plan to revitalise the asset via a capital works program, a full rebranding and active management. The property is also zoned for high-density commercial and residential - development.

“We’re big believers in the ongoing growth of Melbourne’s west and in particular the outlook for Sunshine. The property is well positioned to take advantage of a number of these strong thematics playing out,” said Charlie Buxton, managing director of Cadence Property.

Assembly was started in September by Mr Gutman, the Lowy Family Group and Alceon. It raised \$155m for ADPF1 in its first close with a final target of \$350m.

Cadence develops, builds and manages commercial and industrial property and has land holdings with the potential to develop about \$1.5bn of completed properties.

**BEN WILMOT, COMMERCIAL PROPERTY REPORTER**

Ben Wilmot has been The Australian's commercial property editor since 2013. He was previously a property journalist with the Australian Financial Review.