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Precision pays \$80m for retail above rail
By Paddy Manning

Acquisitions

THE developer of Sydney's new \$361 million Chatswood transport interchange project, CRI Australia, has sold the retail component for an estimated \$80 million.

The 10,000sqm convenience-based shopping centre, expected to include a Woolworths or Coles Myer mini-supermarket of between 1200sqm and 1500sqm, was sold to private investor, the Precision Group, owner of the Adelaide Central Plaza in Rundle Mall and the AXA and Zurich office towers in Brisbane.

When it is built and opened in February 2008, Chatswood will be Precision's first Sydney shopping centre.

Precision is understood to have beaten a number of institutions. One underbidder said there was concern about the spread of retail space over four small levels, and about the location of a food court at the top of the centre.

One party, understood to have shown interest early on, was the Commonwealth Bank-owned Colonial First State Property, owner of the nearby Chatswood Chase shopping centre.

The Commonwealth Bank is a member of the CRI-led consortium which includes mezzanine financiers Babcock & Brown, builder Barclay Mowlem, and architects Cox Richardson. Precision will take over leasing the centre.

Chief executive and owner **Shaun Bonett** said the shopping centre, opening at the same time as the redeveloped Chatswood station and the new railway line to Epping, would serve "not only the travelling public, but also the workers and residents in Chatswood and Sydney's lower north shore". CRI Australia chairman Peter Wills declined to disclose the sale price but industry sources believed it to be more than \$80 million.

Mr Wills said the shopping centre and station redevelopment would be completed by December 2007, forming the podium for three planned towers containing more than 500 apartments.

He said major construction work had begun last Friday after CRI reached financial close on the public-private partnership with the NSW Government's Transport Infrastructure Development Corporation. Under the partnership, TIDC would get a new Chatswood railway station for nothing, Mr Wills said.

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Section: FINANCE

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