

Property

Kmart commmits to boom town

RACHEL DONKIN

Retailers and property developers have thrown their weight behind predictions Geraldton will be the State's next commercial hot spot, with discount retailer Kmart locked in as anchor tenant for a 7600sqm shopping centre/office precinct under construction in the booming Mid-West city.

Salter Point-based developer Marret Property Group commenced groundwork on the \$25 million Geraldton Central shopping centre site last month. The project is a joint venture with Grant Samuel's property arm.

The centre, located behind Marine Terrace on Fitzgerald Street, will be anchored by Geraldton's first Kmart and will house more than 12 specialty stores.

It will feature 5500sqm of retail space over one level, with a three-storey office tower above one section of the centre offering 2100sqm of office space.

Kmart has pre-committed to 4100sqm of the retail space. The centre is due to be completed by June 2009.

A spokesman for the developer said the project had been driven by the region's strong economy and solid population growth and would be a significant boost to the city's existing retail offering, which includes Target.



Commercial centre: An artist's impression of the shopping centre development in Geraldton which will feature the city's first Kmart, specialty stores and offices.

Geraldton has come on the radar of investors and property analysts such as hotspotting.com.au's Terry Ryder of late due to its potential to capitalise on the mining boom. Up to 14 iron ore projects — more than \$6 billion in investment — are planned for the Mid-West, with five already under way.

Lease Equity has been appointed exclusive leasing and managing agents

to undertake the project leasing of the centre. Lease Equity associate director Adam Musbah said the centre was walking distance to the city's main street and local schools so was well-placed to capture daytime consumer traffic.

"The centre is being anchored by Kmart and with their biggest competitor, Big W, not having a store in the region, we are extremely confident

the leasing campaign will be well-received," he said.

"We have planned a tenancy mix for the centre which consists mainly of national retailers who do not have a presence in Geraldton, but a number of local independent retailers who already have a presence in (Geraldton) have also indicated an interest in (opening) a second outlet because of strong trade."

Several parties had already expressed interest in the site and Lease Equity expected to have leases finalised for both the retail and office sites before construction was completed.

Mr Musbah expected the office space to fetch \$300/sqm, with resource-related businesses planning to expand to service a \$3.5 billion regional economy.

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JON JESSOP

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