

**Perth battle**

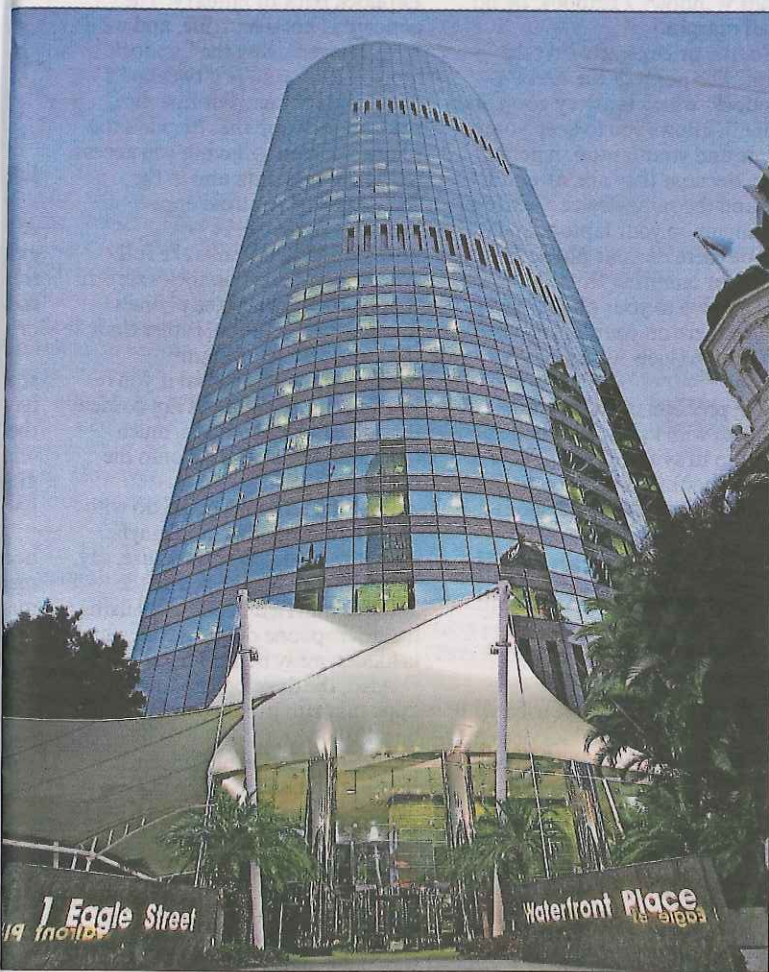
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Future Fund's half-interest ... Waterfront Place, a top Brisbane office tower.

# Portfolio heads home

**Ben Wilmot**

The Future Fund's purchase of a half stake in Brisbane's Waterfront Place is a landmark for the \$74.6 billion vehicle.

It marks the fund's entry into the Australian office property market, a move that came after its investments in assets ranging from UK shopping centres to office towers in the United States and local retail property funds.

"We're pleased to have secured this opportunity as we continue to build out the portfolio with exposures to quality properties and through relationships with a select group of managers," a spokesman said.

More plays for assets are expected with Sydney fund manager CorVal now among the group's partners, alongside the likes of Lend Lease and Colonial First State Global Asset Management, which each own retail centres with the fund.

At the end of March, property accounted for about \$4.45 billion of the fund's holdings — or 6.1 per cent of assets excluding its Telstra stake.

There is more to come: the Future Fund's investment director of private markets, Barry Brakey, is aiming to place \$9 billion to \$10 billion over the next few years.

Mr Brakey has flagged that the fund portfolio will be global, with a skew towards Australia.

He may opt for the relative safety of the domestic market or continue his adventurous investing offshore.

In March, the Future Fund bought a 49 per cent stake in a midtown Manhattan office tower that is now being refurbished, and it is working with its institutional partner, TIAA-CREF, to find more CBD and suburban opportunities.

## RESOURCES FILL BRISBANE'S A-GRADE SPACE

Listed coal seam gas company Bow Energy has committed to about 1000 square metres of office space in Brisbane's A-grade Gold Tower, owned and managed by Brookfield Multiplex. Bow Energy chief financial officer Peter Harbison said the space allowed the company to consolidate its premises needs into one location.

Bow Energy also has an option to lease another 1000 sq m of space in the Gold Tower in July this year to cater for further expansion.

Market rent in the tower is about

\$600 a square metre gross. CB Richard Ellis's Queensland director of office services David Prosser negotiated the deal.

He said growth in the coal seam gas market was driving strong levels of new enquiry for short and long-term office space in the Brisbane CBD. "Brisbane's A-grade office market had performed extremely well in recent times and demand in this sector of the market will continue to be strong in years to come," he said.

**Matthew Cranston**

**Colliers**  
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