

Brockstar on way to Tipperary

Matthew Cranston

United States-based portfolio manager Brockstar is in due diligence to acquire the famous Tipperary aggregation of cattle stations in the Northern Territory owned by prominent barrister Allan Myers.

When Mr Myers put the entire 1 million hectare aggregation up for sale in October last year, industry sources said it could fetch as much as \$200 million.

Since that time several buyers have looked at the property, including Australian Agricultural Co, which put in a \$105 million bid to acquire two of the core aggregated stations, Tipperary and Litchfield.

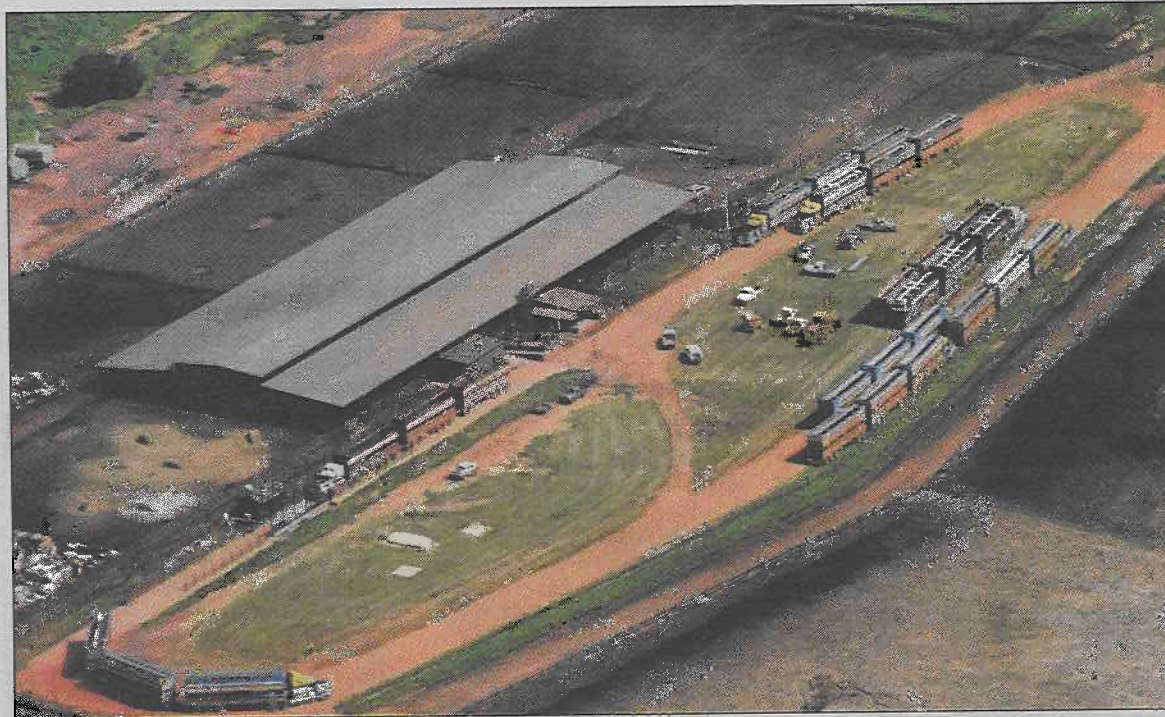
That attempt was voted down by AAco's shareholders at an extraordinary meeting after it was revealed that Mr Myers would take a near 20 per cent stake in AAco if the transaction went ahead.

Brockstar director of Australian operations Peter Smith told *The Australian Financial Review* that he could "not confirm nor deny" that Brockstar had made an offer of up to \$140 million for all but one of the aggregated stations.

"We are running the ruler over it at this stage," Mr Smith said.

"We are looking at it as a potential investment, but it is not appropriate that we speak about it at this stage.

"There are a few things happening down the track and we are looking at a number of different



A long and winding road . . . the sale of Tipperary has been a drawn out and convoluted affair.

properties both here and overseas."

The US-based Brockstar manages private portfolio investment opportunities and looks at submissions concerning project financing and credit facilities between \$US1 million and \$US500 million.

Brockstar works directly with both the World Bank Group's International Finance Corporation

and the United States government's Overseas Private Investment Corporation.

"If and when we do something, we will have the bigger picture in mind," Mr Smith said.

The group of properties Brockstar is looking at includes the 205,500 hectare Elizabeth Downs, the 194,600 ha Douglas Station and the 209,800 ha

Tipperary, as well as Litchfield.

Mr Myers is believed to have paid more than \$50 million to the former owner, Perth-based property developer Warren Anderson, for the Tipperary group six years ago. The deal excluded the 2000 exotic animals at the property's private zoo, which had attracted much media attention for Mr Anderson.

Wyllie Group buys up

Charter Hall Group's unlisted Diversified Property Fund has sold its 50 per cent share of the Fosters Abbotsford portfolio in Melbourne to joint venture partner the Wyllie Group for \$18.3 million. The pair picked up the 10-property portfolio in 2007. The sale was at a 9 per cent discount to Charter Hall's December 2008 book value and showed an implied yield of 8.15 per cent.

Ben Wilmot

Thakral warning

Thakral Holdings has flagged a substantial fall in the value of its property portfolio and warned that trading conditions in its hotels have weakened in the second half. Thakral flagged writedowns of about \$150 million on its hotels and \$6 million on retail and commercial assets. Another \$50 million of writedowns is expected on development inventory.

Ben Wilmot

Investment review

Canberra Investment Corporation expects operating profit before tax and impairment for the six months to June 30 to be between \$3.1 million and \$4.1 million. The developer said it would review its investment in the Port Geographe project in Busselton, Western Australia.

Ben Wilmot

CFS debt facility

CFS Retail Property Trust has secured a \$100 million bank debt facility which will expire in June 2012. The facility adds to the issue of \$125 million in medium-term notes in May.

Ben Wilmot

Miner buys \$4m cattle station

Ray White

Double Bay