

Trusts still keen to shop in Europe

The Australian incursion into European property continues after Rubicon Europe Trust Group and Mariner Financial announced acquisitions in Austria and Germany.

The \$500 million Rubicon Europe Trust Group has bought two health and medical centres — in the Austrian cities of Innsbruck and Salzburg — for €58 million (\$95.8 million).

The two are underpinned by long leases to more than 30 tenants, including operating theatres, medical specialists and sports operators. Yield on both purchases is 6.4 per cent.

Backed by a \$245 million capital raising, the trust has been an aggressive acquirer this year. Acquisitions include a €207 million portfolio of commercial property loans.

Mariner has spent €48 million buying four properties to seed a Mariner Germany Property Trust. The four — in Berlin, Kassel, Nuremberg and Munich's Aschheim-Dornach — are leased to a banking-sector IT provider for eight years.

Mariner Financial managing director Bill Ireland said the upswing in the German economy and its attractive commercial sector, helped by the introduction of legislation on real-estate investment trusts, offered “very strong long-term prospects”.

Mr Ireland expected the Mariner German Property Trust to be listed in the next six months.