



📷 An artist's impression of Karalee Shopping Village in Ipswich where work is due to start to more than double its size by adding a Coles and a dozen new stores.

— QLD Business —

Work due to double size of Karalee Shopping Centre and put in a Coles next to Woolworths

WORK will start next month on the expansion of an Ipswich neighbourhood shopping centre to more than double its size.

Consolidated Properties and Melbourne-based boutique property finance company CVS Lane Capital Partners will build a 3900sq m Coles supermarket and 12 speciality shops at the Karalee Shopping Village, next to an existing 3429sq m Woolworths-anchored neighbourhood centre.

Consolidated Properties executive chairman Don O'Rorke said the 5.92ha property, which is over three lots, was bought for \$26 million in 2015.

“Our attraction to the centre was that the existing Woolworths was trading well and it came with two additional development sites, one of which had approval for a Coles supermarket

and other speciality shops,” he said.

“Effectively we will be building two neighbourhood centres side-by-side and its value will be about \$80 million.”

Once finished next year, Karalee Shopping Village will have 25 speciality shops as well as the two anchor tenants, and when the third stage is completed it will have a gross lettable area of more than 10,000sq m.

Consolidated Properties and CVS Lane plan to hold the redeveloped shopping centre, on the corner of Junction Rd and Essex St, in the medium term as a defensive asset.

“We were attracted to the neighbourhood shopping centre sector because it is not threatened by the tidal wave of Amazon,” Mr O’Rorke said.

“We believe in defensive assets because tenants are primarily services-based and have different offerings than what you would get on the internet.”

CVS Lane managing director Lee Centra said retail continued to be a strong sector.

“For us it was an attractive project to generate a reliable income stream for our investors and add value through a development upside,” he said.

“That third lot is really a bonus and while we haven’t developed a plan, it’s earmarked for a medical centre, a convenience food outlet and more.”