

Catalyst strikes gold

The European private equity real estate firm Catalyst Capital has acquired Stratford Shopping Centre in east London for £91.5 million near to the site of the London 2012 Olympics site

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Catalyst Capital has acquired Stratford Shopping Centre in east London for £91.5 million (€107 million; \$143 million) - its first acquisition in two years for its European Property Fund.

Germany's Deutsche Pfandbriefbank said it had provided a £59.9 million loan to fund the deal, struck between Catalyst and the seller, UK property company Land Securities, on 20 August.

The 320,000 square foot centre is near to the site of the London 2012 Olympics.

As well as the fully leased centre with 60 retailers, the acquisition includes Morgan House, an adjoining 113,000 square foot office building and future development site.

Peter Kasch, co-founder of Catalyst Capital, said: "The Stratford Centre fits within our fund requirements and is one of the best value retail investment opportunities we have seen this year. As well as a strong tenant line up, the centre also has excellent development opportunities which will allow us to utilise our asset management and development expertise."

The European Property Fund closed to commitments in 2009. It raised a total of €230 million.

The centre is far smaller than the new retail provision that Australian shopping centre developer Westfield is hoping to open in time for the 2012 Games.

Overall there is provision at Westfield Stratford City for 2.9 million square feet of retail and leisure space, plus a 5 million square foot commercial office district, 1.3 million square feet of hotel space, and new homes.

The Australian firm said last month that the shopping centre would be opened in September 2011 and was around 70 percent let.

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