

Boatyard fund ropes in \$33m marina

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The ASX-listed alternative asset manager MA Financial has added a \$33 million private marina near Brisbane to a growing boatyard fund that offers its investors a 7 per cent yield or better.

Although at first glance, yachting might seem like the ultimate discretionary activity, berthing boats is not. There is a lack of berths relative to the number of boats needing space along the east coast – an imbalance that underpinned the creation of the MA Marina Fund less than a year ago.

“The supply and demand fundamentals are very much in favour of the marina owner,” MA Financial’s joint chief executive, Julian Biggins, told The Australian Financial Review this week.

Exacerbating that imbalance are restrictive rules and a lack of access to new sites, particularly around built-up metro areas that appeal to boat owners. Berthing fees, which make up more than 50 per cent of an asset’s income, rose 11 per cent last year.

The fund has grown to about \$300 million since MA Financial bought the d’Albora marina portfolio – including well-known marinas at Rushcutters Bay, The Spit and Cabarita Point in Sydney Harbour – for \$225 million from investment house Balmain Corporation.

The latest addition to the fund is the East Coast Marina, with its 330 berths, dry storage for 240 vessels, 595 square metres of commercial buildings and a 160-bay car park. The facility is about 20 kilometres from the Brisbane CBD and was acquired from a private investor who developed it more than 40 years ago. It is the only private marina in the 1800-berth Manly Harbour, which is the country’s largest such facility.

“We see more opportunities than we want to buy,” Mr Biggins said. “We’ll look to expand it pretty drastically this year. The goal is to get to \$500 million plus.”

The ASX-listed manager focuses on alternative assets, and has investments in retail, accommodation hotels, hospitality and the growing marinas fund, tapping the shift in investor interest beyond traditional real estate sectors.

Along with the Sydney facilities, the fund’s portfolio includes two marinas near Melbourne CBD and two regional NSW marinas: Bate-mans Bay Marina and Port Macquarie Marina.