
ASX ANNOUNCEMENT

17 August 2015

Sale of 233 Castlereagh Street, Sydney

GDI Property Group is pleased to announce that the buyer of 233 Castlereagh Street, Sydney, (the property) has exercised the call option to purchase the property. The buyer has also paid the third instalment under the option deed of \$7.6 million, taking total payments to \$15.6 million. Settlement of the sale is expected to occur on or around 30th September 2015.

Leasing update

GDI Property Group is also pleased to announce that it has now successfully leased all the vacant space at 66 Goulburn Street, Sydney, with the 23,031sqm building now 100% leased. When GDI Property Group acquired in property in July 2014, there was approximately 5,700sqm of vacant space and in the time since its ownership this space has been leased to eight different tenants.

Commenting on the successful leasing, Steve Gillard, Managing Director of GDI Property Group stated that he was extremely pleased with the results of leasing up the vacant space. "Not only have we leased the space up in a time much shorter than we anticipated, we have done so at rental levels well in excess of the original valuation with incentives lower than we had planned" Mr Gillard stated.

30 June 2015 valuations

On the back of this successful leasing, GDI Property Group is also pleased to announce that the independent valuation for 66 Goulburn Street, Sydney, has increased by \$19 million to \$157 million. This increase is primarily a result of an assumed increase in market rents following the successful leasing, together with a 0.50% tighter capitalisation rate. Mr Gillard further stated that having paid only \$5,800/sqm for the property a year ago, he anticipated further valuation upside once the financial year 2017 expiries are addressed.

In accordance with its policy of valuing half of its portfolio every six months, GDI Property Group also revalued 307 Queen Street, Brisbane, with a resultant increase of \$1.5 million in the independent valuations from 12 months prior. GDI Property Group's other two assets, Mill Green, Perth and 25 Grenfell Street, Adelaide, were independently valued at 31 December 2014.

As a result of these independent valuations, GDI Property Group's unaudited net tangible asset per security has increased to \$0.99. GDI Property Group is due to release its audited financial report on Monday, 24th August 2015.



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