
ASX ANNOUNCEMENT

29 August 2017

GDI Property Group¹ is pleased to announce it has exchanged contracts to acquire Westralia Square, 141 St Georges Terrace, Perth for \$216.25 million, with settlement to occur on or around 27 October 2017, subject to satisfaction of customary conditions.

Westralia Square is an A grade property located in a core Perth CBD location on St Georges Terrace, adjacent to Brookfield Place. The property comprises approximately 32,635sqm of net lettable area over 18 levels of office space with an average floor plate of 1,800sqm, above a multilevel car park providing a total of 537 car bays on a mix of tenant and public parking levels. It was constructed in 1991 and the property currently has a 5.0 star NABERS energy rating. Westralia Square is currently approximately 93.5% occupied (by NLA) with a weighted average lease expiry (WALE) of 2.5 years (by total NLA). The property is predominantly occupied by State Government departments with lease expiries in the first half of 2020.

Commenting on the acquisition, GDI Property Group Managing Director, Mr Steve Gillard stated that Westralia Square was a typical GDI Property Group property. "Westralia Square has all the things we look for in an office building. It is well located, has good natural, easily divisible floor plates, is being acquired for considerably less than replacement cost and offers an opportunity to add significant value through refurbishment and releasing. With the State Government leases expiring in the first half of 2020, we expect to be releasing in to a much stronger leasing market and following a major capex program we anticipate high appeal for the property given its central location, excellent river views, large floor plates, significant parking and connectivity to public transport. We believe this is another opportunity like 66 Goulburn Street, Sydney, where we can add significant value for our securityholders."

GDI Property Group proposes to fund the acquisition through the proceeds of the sale of its 66 Goulburn Street, Sydney asset which it recently sold for \$252 million, with settlement of that asset anticipated to be on or around 19 October 2017.

ENDS.

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1. GDI Property Group comprises the stapled entities GDI Property Group Limited (ACN 166 479 189) and GDI Property Trust (ARSN 166 598 161)

141 St Georges Terrace, Perth WA



Key metrics

Acquisition price	\$216.25 million
Price per sqm	\$6,626
Passing yield ¹	11.34%
FY18 forecast Net Rental Income ²	\$24.525 million
FY18 capital expenditure ³	\$2,000,000
NLA – Office (sqm)	32,635
Typical floor area (sqm)	1,800
Car parking	537
Occupancy	93.5%
WALE by NLA	2.5 years
Date of construction	1991
NABERS Energy rating	5.0 stars

Top three tenants by NLA

Tenant Name	NLA		Rent review		Lease Expiry
	Sqm	% total	Type	% p.a.	
Minister For Works	20,068	61.5%	Fixed	4.5%	FY20
United Group Resources Pty Ltd	3,374	10.3%	Fixed	5%	FY20
Minister For Works	1,882	5.8%	Fixed	5%	FY20

Notes:

- 1 Excluding acquisition costs
- 2 Excluding any straight line adjustments
- 3 Estimated

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