
ASX ANNOUNCEMENT

3 July 2018

VALUATION OF 141 ST GEORGES TERRACE, PERTH

GDI Property Group¹ is pleased to announce that the independent valuation for 141 St Georges Terrace, Perth ('Westralia Square') has increased to \$255.00 million as at 30 June 2018, up from \$216.25 million at the time of acquisition in October 2017.

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. The property currently has a 5.0 star NABERS energy rating and is approximately 93.5% occupied (by NLA). The property is predominantly occupied by State Government departments with lease expiries in the first half of 2020.

The valuation increase is largely a result of improvements in both the Perth rental and capital markets, and the forecast rental uplift following the current capital expenditure program upgrading the floors, lifts, end of trip facilities and the lobby. This has resulted in a significant increase from the previous independent valuation in the assumed net market rents on expiry of the existing leases and a 25 basis point tightening in the capitalisation rate from 7.25% to 7.00%.

GDI Property Group is also having both assets of GDI No. 42 Office Trust² independently valued as at 30 June 2018. One of those assets, 223 – 237 Liverpool Road, Ashfield, will be classified as an asset held for sale in the 30 June 2018 accounts given GDI Property Group is currently marketing the asset for sale with expressions of interest closing on 18 July 2018. GDI Property Group will update the market on the independent valuations of the two assets of GDI No. 42 Office Trust and the sales campaign for 223 – 237 Liverpool Road, Ashfield with the release of its annual results, anticipated to be Monday 20th August 2018.

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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).
2. GDI No. 42 Office Trust is consolidated in to the accounts of GDI Property Group.