

ASX ANNOUNCEMENT

GROWTHPOINT PROPERTIES AUSTRALIA (ASX Code: GOZ)

16 April 2014

ALTONA AND KEYSBOROUGH PROPERTY UPDATE

Altona property successfully leased

Growthpoint Properties Australia (“**Growthpoint**”) is pleased to announce the leasing of the final industrial unit at 9-11 Drake Boulevard, Altona.

The property comprises three adjoining distribution warehouses each with office accommodation and separate street access. The buildings occupy a prime corner position within the Access Altona Industrial Estate approximately 15 kilometres west of the Melbourne CBD. The property was developed by Australand and achieved practical completion on 4 December 2013.

Key terms of the new lease are as follows:

Tenant	Peter Stevens Motorcycles
Premises	Warehouse A, 9-11 Drake Boulevard, Altona
Net lettable area	13,625 m ²
Lease term	Ten years
Options	Two options each of five years
Annual fixed reviews	3.50%

Peter Stevens Motorcycles is one of Australia’s leading motorcycle and motorcycle parts & accessories retailer. PSM was formed over 40 years ago and is a family owned and run business. PSM wholesale and retail a large range of new and used bikes, and are dealers for Harley Davidson, Honda, KTM, MV Augusta, Vespa and Piaggio, Kawasaki, Suzuki, Yamaha, Sea Doo, Triumph, Hyosung, Arctic Cat and Can-Am, with spare parts and after sales support.

Warehouse B of 5,481 m² and Warehouse C of 6,637 m² at 9-11 Drake Boulevard, Altona have been leased to Atlas Specialty Metals and Prolife Foods, respectively, for 5 year terms (previously announced). The WALE of the property is 7.5 years as at 1 April 2014. The 5 year rent guarantee provided by Australand no longer applies to the property.

The final cost of the property (excluding acquisition costs) is expected to be \$25,485,914 (1), after adjustment for the longer lease term under the Peter Stevens lease. A valuation of the property has been received from Urbis valuing the property at \$26,000,000 (1), based upon a market capitalisation rate of 8.00%, as at 1 April 2014.

(1) The tenant has the option within the first 3 months of the lease to require the landlord to reimburse ground floor office expansion costs worth up to \$800,000. The landlord will rentalise any such expenditure and the final property cost, and updated valuation assume that the tenant has exercised its option and the full \$800,000 has been spent and rentalised.

Keysborough property completed

19 and 20 Southern Court, Keysborough achieved practical completion on 4 April 2014. As previously announced, Transport Management Solutions, a third party logistics provider, has leased the 6,455 m² office/warehouse for 5 years, with annual 3.5 % fixed rent reviews. The 11,430 m² office and warehouse is available for lease, however, is covered by a 5 year rental guarantee provided by Australand, developer of the property.

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Growthpoint Properties Australia

Growthpoint Properties Australia is a publicly traded ASX listed A-REIT (ASX Code: GOZ) that specialises in the ownership and management of quality investment property. GOZ owns interests in a diversified portfolio of 50 office and industrial properties throughout Australia valued at over \$1.8 billion (including the recently announced Scott's, Laverton North property acquisition) and has an investment mandate to invest in office, industrial and retail property sectors.

GOZ aims to grow its portfolio over time and diversify its property investment by asset class, geography and tenant exposure through individual property acquisitions, portfolio transactions and corporate activity (M&A transactions) as opportunities arise.