

ASX/Media Announcement

25 September 2017

Propertylink acquires Sydney industrial asset at 12a Rodborough Road, Frenchs Forest, continuing growth of the Propertylink Australian Industrial Partnership II

- 12a Rodborough Road, Frenchs Forest acquired for \$20.75m
- Capitalisation rate of 7.69% and a fully let passing yield of 8.40%
- Grows the Propertylink Australian Industrial Partnership II (PAIP II) to 14 industrial properties with total assets under management of \$273 million
- Propertylink co-investment of 17.5% alongside Townsend Group and Norinchukin Bank

Propertylink Group (ASX:PLG) announces the settlement of an industrial asset at 12a Rodborough Road, Frenchs Forest for \$20.75 million, reflecting a capitalisation rate of 7.69% and a fully let passing yield of 8.40%.

“With the Northern Beaches Hospital due for completion in the third quarter of 2018, combined with State Government infrastructure development, principally the implementation of the B Line rapid transport corridor, we see strong future prospects for office and warehousing space in the Northern beaches precinct,” Propertylink’s Chief Investment Officer, Peter McDonald said.

“This has led to an uptick in sales and leasing activity throughout the region led by Woolworths who recently leased 6,750 sqm of distribution space in Brookvale to increase proximity to their online shopping customers.

“With improving demand in the area, we think the whole precinct will provide solid rental growth in the next few years which has not been priced into this acquisition.

“The acquisition of this property provides PAIP II investors with a high-quality asset with strong covenants, in an excellent Sydney infill location.”

The asset at 12a Rodborough Road, Frenchs Forest comprises a prominent and highly functional office and warehouse facility with a total lettable area of 7,490 sqm set on an 8,725 sqm site within the tightly held Frenchs Forest commercial precinct. Occupancy is currently 82.5% with the major tenant being Integrates Technology Services Limited, a wholly owned subsidiary of Linfox Group.

The asset was acquired off market from a private vendor.

PAIP II currently comprises of 14 industrial properties with total assets under management of \$273 million. Propertylink maintains a co-investment of 17.5% alongside Townsend Group and Norinchukin Bank.

The acquisition is part of the continued growth of the Propertylink Australian Industrial Partnership II (PAIP II). The fund was established in 2015 with the objective of building a portfolio of core-plus and value-add industrial assets, where Propertylink's active approach to asset management could enhance asset value, while delivering a strong income stream.

Propertylink's Managing Director and CEO, Stuart Dawes, said Propertylink was pleased to expand the successful partnership with Townsend Group and Norinchukin Bank, through the growth of PAIP II.

He said Propertylink's strong track record of delivering market leading returns across the investment management business continued to attract support from external fund investors.

"Our ground up approach to asset management, led by our strong and experienced local team, gives Propertylink a strategic advantage as we identify opportunities for disciplined acquisitions and generate sustained returns for investors through the property cycle," Mr Dawes said.

The selling agent was Martin O'Brien from Shore Commercial Property.

Further Enquiries

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About Propertylink

Propertylink is an A-REIT, listed on the Australian Stock Exchange under the code "PLG". Propertylink is an internally managed real estate group that owns and manages a diversified portfolio of logistics, business park and office properties and is a leading investment and asset management business with over A\$1.5 billion of assets under management. Propertylink's integrated, in-house approach to active asset management is aimed at maximising the performance and value of assets under management for our global investors from North America, Europe, the Middle East, Asia and Australia.