

# Axiom Properties Limited

AGM UPDATE

23 November 2016

# Axiom Overview

- Axiom Properties Limited (“Axiom”) is an ASX listed property development and investment company (ASX code: AXI), which has developed institutional grade commercial assets around Australia.
- Currently, Axiom has a strong presence and active portfolio of property developments and investments in various states of Australia. Current pipeline of opportunities is in excess of \$600M in end value
- Axiom has a very strong track record in creating and delivering large scale office, retail and other mixed-use projects.
- Axiom has delivered in excess of \$1billion worth of end value, institutional-grade property projects across most property sectors
- Axiom’s major shareholder is Pivot Group Pty Ltd, one of Australia’s most successful private property development companies. Since 1972, it has developed shopping centres, bulky goods centres, office buildings, medical centres, theme parks, hotels, resorts and marinas with a value in excess of \$2 billion. Its founder and Chairman is an advisor to the Axiom Board. Pivot Group is most commonly known for its previous ownership of Sea World on Queensland’s Gold Coast as well as developing Movie World on the Gold Coast in partnership with Village Roadshow and Warner Brothers.

# Recent developments

- Axiom has a very strong track record of successful development and delivery of property projects across a wide range of property sectors all around Australia. Some recent developments include:
  - The re-zoning and development of 24 hectares of Government owned land known as the Islington Railyards, South Australia, into a major retail destination. Stage One of this project was the completion of a 12,600 sq.m. Bunnings Home Improvement and Outdoor Living Centre, which opened for trade in December 2011, within 13 months of Axiom gaining tenure of the land;
  - The construction and completion of a major sub-regional shopping centre known as Churchill North in Adelaide's Kilburn, anchored by Coles and Kmart, together with approx. 55 specialty tenancies and several pad sites. Additionally, the securing and completion of the first Costco store in Adelaide which sits alongside the shopping centre;
  - The conception and development of "Worldpark:01", a Green Office campus situated on 3 hectares of land on Adelaide's CBD fringe on Richmond Rd, Keswick, SA. Stage One involved the delivery of a \$50million, 12,000 sq.m. boutique office building boasting 5 star Green credentials and setting a new benchmark in Adelaide for this style of office development. The Stage One building was completed well within time and budget and is occupied by Coffey International, Genessee and Wyoming Australia, and SA Government (Safework SA);
  - The re-zoning and development of Gepps Cross Homemaker Centre (South Australia) – a 16 hectare parcel of land (previously an abattoir) which now is a completed homemaker centre of 62,000 sq.m. incorporating most of Australia's premier bulky goods retailers, including Harvey Norman, The Good Guys, Spotlight, Radio Rentals, Toys'r'Us, JB Hi-Fi, Super Amart and Rebel Sport. This Centre was the largest centre of its kind in the southern hemisphere (until recently) and one of the best trading Centres nationally; and
  - The development in Joint Venture with Industry Super Property Trust (ISPT) of a \$200million, 30,000sq.m. office building at 100 St George's Terrace, Perth, WA for National Australia Bank's state headquarters

# Axiom Overview – Recent Key Milestone Dates

- Oct 2010 Successful delivery of Stage One Worldpark:01 – boutique office building on the fringe of Adelaide's CBD
- Oct 2010 Securing of "Islington Railyards" site – 24ha of high profile land in Kilburn, SA
- Dec 2010 Sale of Stage One Worldpark office building for \$46m to Growthpoint Properties Ltd
- Dec 2010 Sale of 50% interest in Gepps X Centre – 62,000 sq.m bulky goods centre developed by Axiom
- Jan 2011 Secured Bunnings for Stage One of Churchill Centre South (formerly known as Islington Railyards)
- Aug 2011 Successful rezoning of Islington Railyards site to retail and residential
- Feb 2012 Successfully delivered Stage One Bunnings at Churchill Centre South; Sale of Stage One Bunnings at Churchill South for \$19m
- Sep 2012 Secured Coles and Kmart to anchor Stage One of Churchill Centre North, to be a major retail development
- Oct 2012 Sale of remaining 50% interest in Gepps X Centre
- Oct 2012 Joint Venture agreed with Southern Cross Equity Group – sale of 50% interest in the Churchill North development for \$11.25m
- Mar 2013 Heads of Agreement signed with US retail giant Costco for 50 year ground lease at Churchill Centre North Stage Two
- May 2013 Construction work commences on Stages One and Two Churchill Centre North
- Feb 2014 Construction commences on Stage 2 Churchill South – 6,000 sq.m large format retail precinct
- May 2014 Completion of construction of Churchill North and successful leasing campaign to lease 55 specialities and several pad sites
- Nov 2014 Costco opens its first South Australian store
- Nov 2014 Completion of construction and commencement of trade of Stage 2 Churchill South large format retail precinct
- Mar 2015 Axiom secure Aldi to anchor next stage of Churchill North – one of Aldi's first SA store
- May 2015 Secures \$150million residential sub-division opportunity at Mt Barker, SA in Joint Venture
- June 2015 Announces strategic partnership with new major shareholder to investigate Student Accommodation opportunities
- October 2015 Development Application lodged for 500 lot subdivision at Mt Barker
- February 2016 Announces Joint Venture project at Darwin, NT for major retail development including proposed sub-regional shopping centre
- July 2016 Axiom and partner Built. announced as Preferred Proponent for \$300m mixed-use project at Double Bay, NSW

# Current Projects – Churchill Centres North and South

## **CHURCHILL CENTRE** (formerly “Islington Railyards”)

- The Islington Railyards site consists of two separate large tracts of land of 6 hectares (south) and 18 hectares (north) for a total of 24 hectares, strategically located in the inner northwest suburbs of Adelaide, 5kms from the CBD.
- The Company has “ownership” of the land under a 97 year lease with the South Australian Government.
- Axiom undertook a substantial rezoning of the site in consultation with all stakeholders, and secured the pre-leasing commitments with the anchor tenants prior to construction commencing in all Stages of the Project
- The master plan for the two sites will result in a major retail destination, servicing the needs of Adelaide’s inner northwestern suburbs.
- The master plan incorporates a mix of bulky goods and hardware tenancies, alongside a major supermarket, shopping centre and a mix of other exciting retail opportunities.
- The two distinct sites are referred to as Churchill Centre North and Churchill Centre South

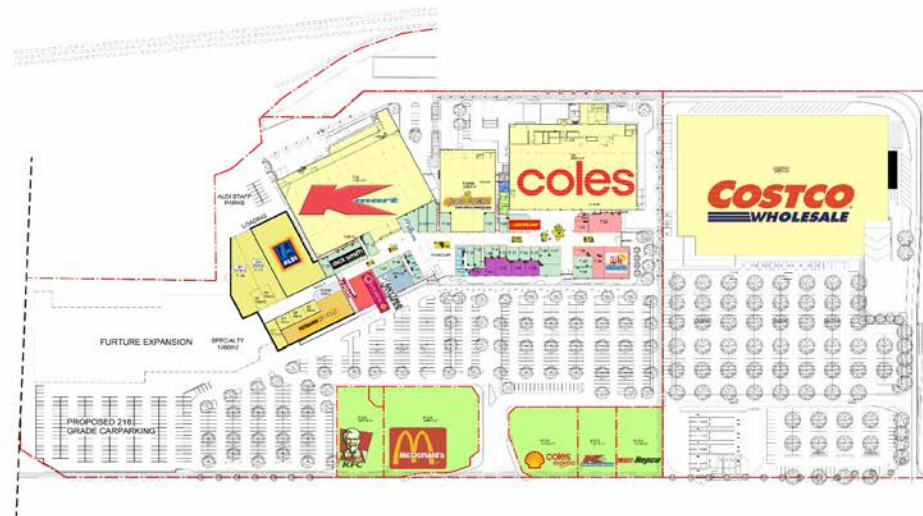
# Churchill Centre Location



# Churchill Centre Whole of Site Plan



**Churchill South**



**Churchill North**

**WHOLE OF PRECINCT PLAN - NORTH & SOUTH SITES**  
CHURCHILL NORTH



PLN14 380-428 CHURCHILL RD KILBURN RD 5064

DATE:

1/1/13

31405  
**ASK-26**

rev

**HAMES SHARLEY**

www.hamessharley.com.au

+61 8 81234000

# Churchill Centre North

- In October 2012, Axiom agreed a strategic tie-up with Southern Cross Equity Group, a syndicate of Adelaide based investors who have purchased a 50% share in the Centre by providing an equity investment of \$11.25m to the development.
- Completion of construction of the Company's flagship Churchill Centre North Shopping Centre occurred in May 2014. It comprises a Coles, Kmart, Cheap as Chips and 56 other specialty stores. The site also includes a Coles Petrol and other pad sites of McDonalds, KFC, Repco and Kmart Tyre & Auto. Adjacent to the Shopping Centre is South Australia's first Costco which commenced trading in Nov 2014, comprising a 14,000 sq.m retail warehouse.
- The Company has also just completed the Stage 2 expansion of the Centre which incorporates Aldi's 7th supermarket in SA as well as an additional 1,000 sq.m of retail and services tenancies.
- Churchill Centre North still has approximately 3 hectares of surplus land available for future development.





# Churchill Centre South

- Stage One Bunnings was developed and subsequently sold in March 2011.
- Bunnings occupied approx half of the 6ha site, leasing a 12,600sq.m. hardware and outdoor lifestyle store.
- Stage Two, 6,000 sq.m mixed large format retail centre adjoining Bunnings was completed in November 2014 with an end value of \$15m. Stage Two was fully let prior to construction commencing.
- Stage 3 incorporates an additional 2,000 sq.m and was substantially pre-let prior to construction commencing and was completed in January 2015
- Additional pad site pre-let to Hungry Jack's on a long term ground lease basis



# Mt Barker – Residential Subdivision

- Axiom has Joint Ventured (50/50) this land with prominent Mt Barker family
- Family to contribute the land, Axiom to contribute delivery expertise and development management
- Net proceeds to be split equally once each stage is complete, or at completion of project
- Land already rezoned residential
- Master plan approved, allowing for 506 lots
- End value expected to be \$120+ million
- One of SA's fastest growing regions, close proximity to Town Centre, 25 minutes from Adelaide CBD
- Low-risk exposure to residential sector in fast growing area with strong demand



# Mixed-Use Project Double Bay, NSW

- Axiom selected as Preferred Proponent after exhaustive, 2.5 year Expression of Interest campaign run by Woollahra Council
- Axiom in Joint Venture with national construction and development group, Built.
- Redevelopment of Council owned Cross St carpark to include public carparking, multi-screen cinema complex, retail, commercial and residential apartments
- Palace Cinema to operate multi-screen cinema component on long term lease basis
- JV currently negotiating Project Development Agreements and Planning Approvals with Council



# Mixed-Use Project Double Bay, NSW



# World Park

- The conception and development of “Worldpark:01”, a Green Office campus situated on 3 hectares of land on Adelaide’s CBD fringe on Richmond Rd, Keswick, SA. Stage One involved the delivery of a \$50million, 12,000 sq.m. boutique office building boasting 5 star Green credentials and setting a new benchmark in Adelaide for this style of office development. The Stage One building was completed well within time and budget and is occupied by Coffey International, Genessee and Wyoming Australia, and SA Government (Safework SA).
- Balance of development incorporates another 2 boutique office buildings
- Axiom currently in pre-leasing phase to secure sufficient anchor tenants



# Previous Projects - Gepps Cross Homemaker Centre

- The re-zoning and development of Gepps Cross Homemaker Centre (South Australia) – a 16 hectare parcel of land (previously an abattoir) which now is a completed homemaker centre of 62,000 sq.m. incorporating most of Australia's premier bulky goods retailers, including Harvey Norman, The Good Guys, Spotlight, Radio Rentals, Toys'r'Us, JB Hi-Fi, Super Amart and Rebel Sport. This Centre was the largest centre of its kind in the southern hemisphere (until recently) and one of the best trading Centres nationally. Completion of construction of the Company's flagship Churchill Centre North Shopping Centre occurred in May 2014. It comprises a Coles, Kmart, Cheap as Chips and 56 other specialty stores. The site also includes a Coles Petrol and other pad sites of McDonalds, KFC, Repco and Kmart Tyre & Auto. Adjacent to the Shopping Centre is South Australia's first Costco which commenced trading in Nov 2014, comprising a 14,000 sq.m retail warehouse.



# Previous Projects - 100 St George's Terrace, Perth

- The development in Joint Venture with Industry Super Property Trust (ISPT) of a \$200million, 30,000sq.m. office building at 100 St George's Terrace, Perth, WA for National Australia Bank's state headquarters.
- Mixed – use development also included a 12,000 sq.m retail component anchored by Woolworths supermarket and specialty retail arcade over 3 levels



# Contact Details

For further information, please contact:

Ben Laurance  
Managing Director  
Level 20, Australia Square  
264 George St  
SYDNEY  
NEW SOUTH WALES 2000

Phone: +61 2 8243 2801  
Mobile: 0408 955 281  
Email: [ben@axiompl.com.au](mailto:ben@axiompl.com.au)

Paul Rouvray  
General Manager  
Level 3, Stafford House  
25 Leigh Street  
ADELAIDE  
SOUTH AUSTRALIA 5000

Phone: +61 8 8120 2401  
Mobile: 0400 557 477  
Email: [paul@axiompl.com.au](mailto:paul@axiompl.com.au)