

PRIMEWEST (PWG)
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PRIMEWEST FUND BUYS SEVEN WEST MEDIA HEADQUARTERS IN OSBORNE PARK

A new Primewest fund has now gone unconditional on its purchase of the Osborne Park headquarters of WA's leading media company, Seven West Media, for \$75 million.

The large, 5.65 hectare home to Channel Seven and The West Australian and Sunday Times newspapers sits across three titles at 50 and 54 Hasler Drive and 44 Walters Drive in Osborne Park.

The off-market transaction was negotiated on a 15 year, triple net sale and leaseback basis with a below market, net rent of \$4.3 million per annum and 3% pa rent reviews.

The Primewest Media Trust is paying investors in the fund a monthly cash distribution of 8% pa with a forecast total return on equity of 15%.

Primewest Executive Chairman John Bond said the acquisition provided the company with an exceptional, counter-cyclical investment opportunity at below replacement cost, but more importantly an opportunity to create something very special for the area in the long term.

He said it also provided strong cash flow to help fund its future development potential.

"If the draft Herdsman Glendalough Structure Plan is approved it will be a game changer for the property and opens up significant opportunities for mixed-use as well as commercial development," Mr Bond said.

"We believe the Herdsman Glendalough area, together with the Stirling City Centre, will form Perth's second CBD with a vibrant urbanism that embraces mixed use development, dense built form, high frequency public transport and quality public spaces for the enjoyment of residents and employees.

“The Seven West location is the landmark, gateway site in the new precinct and will be developed over a relatively long time frame. There may however be some shorter term opportunities which could be undertaken with the consent of Seven West.”

Mr Bond said Primewest would work with Seven West to identify site/business efficiencies to unlock potential office and mixed use development opportunities in the medium term.

The current Seven West Media property consists of 11,395 square metres of office space and 31,166 square metres of industrial warehousing, providing a total net lettable area of 42,561 square metres. There are also approximately 500 car bays on site.

Seven West Media Limited is an ASX listed company that owns extensive media and other assets including The West Australian and The Sunday Times newspapers and Channel Seven.

ASX listed Primewest (PWG) is one of Australia’s most active and successful property fund managers with over \$4 billion of assets under management across all mainland states of Australia and the west coast of the USA. Established in 1995 PWG is a value-add and often counter-cyclical manager, operating in the retail, industrial, commercial, residential and large format retail property sectors to achieve maximum returns for holders of its stapled securities and investors in the underlying funds it manages.

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For further information please contact John Bond at Primewest on (08) 9321 7133.