

GARDA DIVERSIFIED PROPERTY FUND

OPERATIONAL UPDATE
22 JANUARY 2016



GDF OVERVIEW

PORTFOLIO

\$140.7_M

PORTFOLIO VALUE

Valuations at 1 April 2015.

8.9%

WEIGHTED AVERAGE
CAP RATE

93%

OCCUPANCY

3.3 YEARS

WALE

(agreed leases, subject to documentation)

CAPITAL

\$0.09 per unit

FULL YEAR DISTRIBUTION
FORECAST

\$0.0225 per unit

Paid October 2015

\$0.0225 per unit

Due 27 January 2016

\$1.028

NTA PER UNIT

As at 30 June 2015

32%

LVR

GDF SINCE LISTING

LEASING

2,716m² leased or renewed across the portfolio assets, further mitigating income risk in FY16 and FY17 and resulting in a relatively stable portfolio WALE of 3.3 years and an occupancy of 93%.

CAPITAL INVESTMENT

Capital reinvestment program is being executed as expected. \$3m investment anticipated by June 2016.

DISTRIBUTIONS - QUARTERLY

\$0.0225 per unit paid in October 2015

\$0.0225 per unit declared for December 2015 quarter and due to be paid 27 January 2016

Full year distribution forecast of \$0.09 per unit inline with PDS forecast¹

ON MARKET BUY-BACK

3.3 million GDF units have been bought back at a weighted average price of \$0.97 per unit, representing a 5.6% discount to NTA².

1. As per product disclosure statement dated 22 May 2015

2. NTA as at 30 June 2015

1. PORTFOLIO - LEASING

- Tenant retention has been a primary focus during first half of the 2016 financial year.
- New leasing outcomes also achieved.
- Materially GDF's 4th largest tenant representing 6% of fund income, Fulton Hogan, have renewed 1,847m² in Richmond for 6 years from 1 July 2016 to 30 June 2022.

PORTFOLIO LEASING COMPLETED					
PROPERTY	TENANT	NLA (M ²)	TERM	START DATE	RENT REVIEW
Richmond	Fulton Hogan *	1,847	6 years	01/07/2016	3.50%
Cairns	Dep. Of Public Works	286	2 years	01/11/2015	4.00%
Cairns	Cape Flattery Silica Mines *	260	7 years	01/12/2015	3.50%
Cairns	Morgans Financial *	123	7 years	01/06/2016	3.50%
Murarrie	Automatic Data Processing *	200	6 years	01/04/2016	3.75%

* Agreed leases subject to documentation

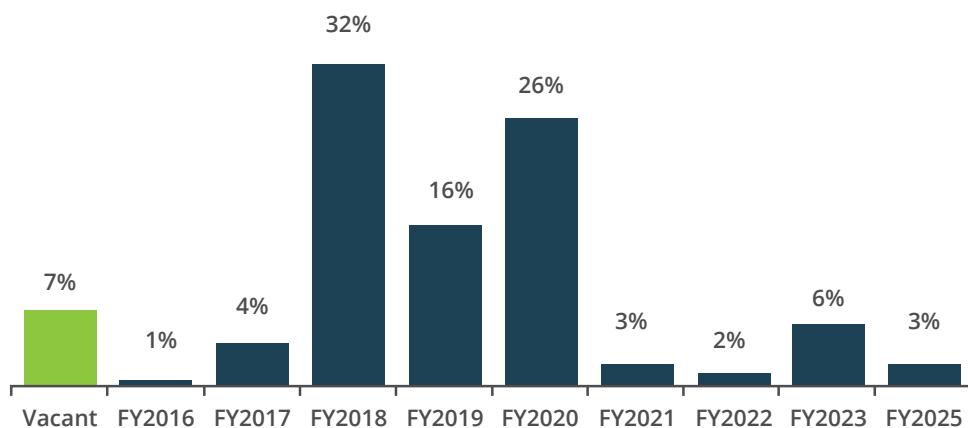
AT RISK INCOME – FY16 & FY17

- At July 2015 the net income that was due to expire through FY16 was 5% and through FY17 was 10%.
- 2,716m² has been leased or renewed during the first half reducing FY16 expiry to 1% and FY17 expiry to 4%.
- Continued focus on addressing remaining FY16 and FY17 lease expiries and portfolio vacancy including:

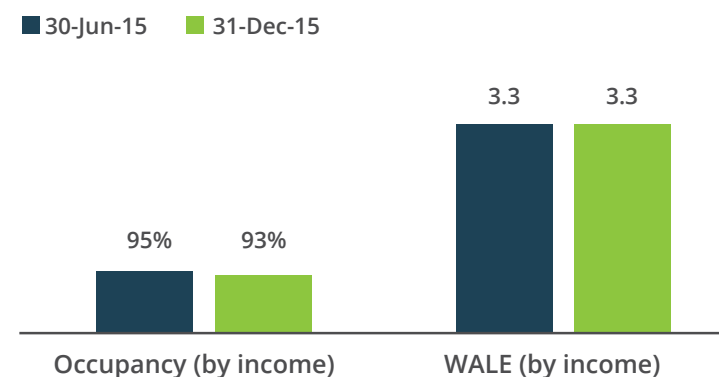
TENANT	PROPERTY	NLA (M ²)	EXPIRY
Native Title Tribunal	Cairns	401	June 2016
Qld State Government	Cairns	110	June 2016
Kuene & Nagel	Lytton	2,200	December 2016
Qld Police	Varsity Lakes	953	February 2017

- However FY18 expiries are a key focus for management.

LEASE EXPIRY PROFILE



PORTFOLIO REVIEW



2. DEBT MANAGEMENT

DEBT FACILITY - COVENANTS @ 31 DEC 2015

	Actual	Covenant
LVR	32%	45%
Interest Cover Ratio	6x	2.5x

DEBT FACILITY - DRAWN @ 31 DEC 2015

	Drawn	Limit
Facility 1	\$42.6m	\$42.6m
Facility 2	\$2m	\$20.7m

- Initial drawn amount of \$42.6m was fixed for 4 years at an annualised rate of 3.845% per annum.
- Subsequently GDF has drawn \$2m which has been applied to capital reinvestment and the on market buy back. This has been fixed for approximately 3.5 years to align with the initial \$42.6m draw, at an annualised rate of 3.78% per annum.
- Weighted average annualised interest rate of 3.84%.
- Conservative capital structure with loan-to-value ratio of 32% with interest obligations serviced at 6 times income.
- Further draws are anticipated during FY16 which will be applied to the capital reinvestment program and any continued activity in the on market buy back.

3. DISTRIBUTIONS

- First quarter FY16 GDF distribution was paid on 22 October 2015 at a rate of \$0.0225 per unit.
- Second quarter FY16 distribution is due for payment on 27 January 2016 at a rate of \$0.0225 per unit.
- GDF maintains its forecast FY2016 of \$0.09 per unit annual distribution¹.
- FY2016 forecast tax advantage income of between 33% and 43%¹.

1. As per product disclosure statement dated 22 May 2015

4. ON MARKET BUY-BACK

- GDF may acquire up to 20.0 million GDF units up to and including 11 May 2016, as approved by unitholders.
- 3.3 million units have been bought back since 2 July 2015.
- Units purchased back at a weighted average price of \$0.97 representing a \$0.06 discount to NTA (\$1.028)¹.
- Average daily trading volume of 175,308 units supporting a liquid secondary market.

1. NTA as at 30 June 2015

02

PORTFOLIO OF ASSETS

PORTFOLIO SUMMARY – PROPERTY

7-19 LAKE STREET, CAIRNS, QLD

Date acquired: Jun-06

Valuation @ 1 April 2015: \$37,000,000

Ownership interest: 100%

NLA: 14,813m²

Car spaces: 254

Occupancy: 83%

WALE: 3.4

(agreed leases, subject to documentation)

Tenants: 27

NABERS: 5 star 



PORTFOLIO SUMMARY – PROPERTY

572 - 576 SWAN STREET,
RICHMOND, VIC



Date acquired: Nov-07

Valuation @ 1 April 2015: \$31,600,000

Ownership interest: 100%

NLA: 6,587m²

Car spaces: 178

Occupancy: 100%

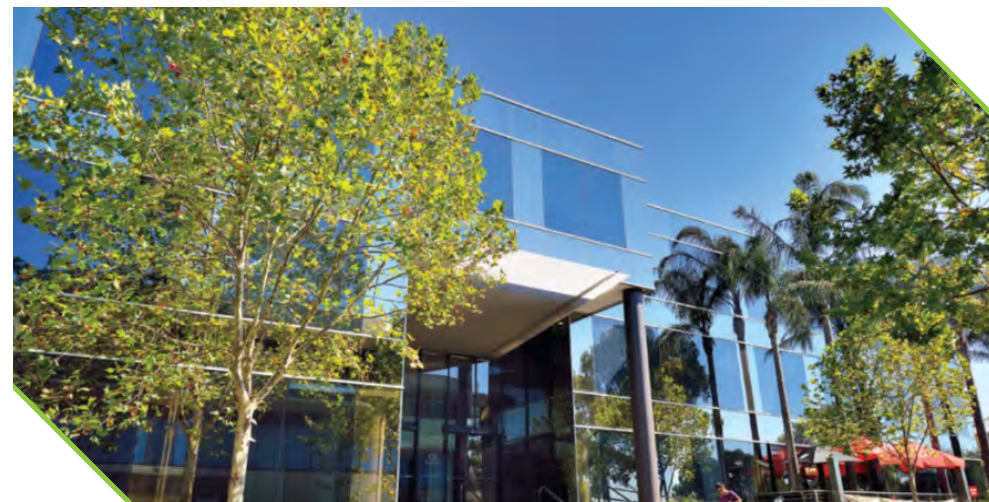
WALE: 3.3

(agreed leases, subject to documentation)

Tenants: 2 

NABERS: 5 star 

436 ELGAR ROAD,
BOX HILL, VIC



Date acquired: Sept-07

Valuation @ 1 April 2015: \$18,500,000

Ownership interest: 100%


NLA: 5,725m²

Car spaces: 197

Occupancy: 100%

WALE: 3.5

Tenants: 3 

NABERS: 2 star 

PORTFOLIO SUMMARY – PROPERTY

747 LYTTON ROAD, MURARRIE, QLD



Date acquired: May-07

Valuation @ 1 April 2015: \$13,600,000

Ownership interest: 100%

NLA: 3,617m²

Car spaces: 167

Occupancy: 91%

WALE: 2.9

Tenants: 4

NABERS: 3 star

12-14 THE CIRCUIT, BRISBANE AIRPORT, QLD



Date acquired: Jan-07

Valuation @ 1 April 2015: \$20,000,000

Ownership interest: 100%

NLA: 4,675m²

Car spaces: 51

Occupancy: 100%

WALE: 3.9

Tenants: 1

NABERS: 5 star

PORTFOLIO SUMMARY – PROPERTY

154 VARSITY PDE, GOLD COAST, QLD



Date acquired: Aug-07

Valuation @ 1 April 2015: \$12,000,000

Ownership interest: 100%

NLA: 3,994m²

Car spaces: 134

Occupancy: 89%

WALE: 2.3

Tenants: 4 

NABERS: 5 star 

142 BENJAMIN PLACE, LYTTON, QLD



Date acquired: Sept-07

Valuation @ 1 April 2015: \$7,950,000

Ownership interest: 100%

NLA: 5,677m²

Car spaces: N/A

Occupancy: 100%

WALE: 3.0

Tenants: 2 

NABERS: N/A

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