

ASX Release

24 August 2016

BWR Produces 26% Total Return

Key Details

- **A final distribution of 4 cents per unit** to be paid on 9 November 2016 – 100% tax-deferred.
- **26% total return** for the 12 months ended 30 June 2016.
- Gross assets up 16% to \$139 million.

Units on Issue	57.8 million
Gross Assets	\$139 million
Debt	45% LVR
NTA	\$73 million - \$1.27 pu
EPU	19 cpu

About the Trust

BlackWall Property Trust is a **total-return real estate investment trust**. It generates and distributes income returns from assets held in its **Income Portfolio** and takes on special situations or development properties to generate above average NTA gains - the **Growth Portfolio**. Once assets in the Growth Portfolio stabilise or mature, they move to the Income Portfolio to grow distributions. The Trust either purchases real estate directly or holds positions in property joint ventures.

As at 30 June 2016 the Trust had \$15 million of carried forward revenue losses and approximately \$17 million of capital losses. As a consequence for a significant period all distributions will be 100% tax-deferred.

The Trust's **Income Portfolio** has a WALE of just under 5 years and is carried on a weighted average passing yield of 9%.

"The Trust holds two small industrial properties which are legacy assets acquired under previous management" said Jess Glew, BlackWall's Head of Property. "We have listed them for sale and if our price expectation is reached their sale will add over \$10 million of capacity to the balance sheet."

The Trust's **Growth Portfolio** is invested in the recently acquired WOTSO House in the ACT, 55 Pymont Bridge Road in Sydney and the Bakehouse Quarter in North Strathfield.

The Bakehouse Quarter has significant residential development potential in addition to the existing 40,000 sqm of commercial, retail and development uses. A master plan approval has been lodged seeking increased density and scale to accommodate the construction of up to 1,000 apartments. The aim is to secure the town planning and then joint venture the residential development opportunities or sell the development sites.

WOTSO House and 55 Pymont Bridge Road are leasing turnaround projects that are both gaining traction. At WOTSO House just over 4,400 sqm of the available 8,000 sqm is occupied. At Pymont BlackWall recently completed a 1,600 sqm office transaction with an ASX 200 company.

BlackWall expects all three projects to contribute significantly to both NTA and income growth over the coming years.

For more information contact Stuart Brown, Chief Executive Officer or Tim Brown (Chief Financial Officer) on + 612 9033 8611.