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**22 August 2016**

## **GDF – Acquisition**

GARDA Capital Limited (**GARDA**) as the responsible entity of GARDA Diversified Property Fund (**Fund** or **GDF**) announces that the Fund has entered into an agreement to acquire a modern industrial distribution facility for \$29.5 million.

The property is leased to Wesfarmers subsidiary Blackwoods until 2029 providing the Fund with the benefit of a WALE in excess of 12 years. Blackwoods was founded in 1878 and is now Australia's dominant business to business supplier of industrial, engineering and workplace safety needs.

The 13,843m<sup>2</sup> distribution facility was completed in late 2013 and is situated on a 3.01 hectare site located in Mackay's primary industrial suburb of Paget, approximately 8km's from the Mackay CBD.

The property is being acquired from a Charter Hall managed fund with settlement due to occur within three business days. Purchased on an initial yield of 7.7%<sup>1</sup>, the acquisition will be fully funded from senior debt facilities with St. George Bank. Post-acquisition, the Fund will have senior debt facilities totalling \$83.6 million which will be drawn to \$77 million. The Fund's property portfolio will total \$183 million with a loan to value ratio of 42%.

GARDA's Managing Director, Matthew Madsen said *"the transaction is consistent with the Fund's stated acquisition strategy and provides a material increase in exposure to the industrial sector, rising from 6% to 21% of portfolio assets by value while portfolio WALE increases to 4.1 years<sup>2</sup>. We are very pleased with obtaining exposure to the security of the rental stream from Wesfarmers subsidiary Blackwoods and the associated minimum 3% increases annually until expiry in 2029"*.

**-Ends-**

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<sup>1</sup> Initial yield calculated on the first full year income from acquisition.

<sup>2</sup> Portfolio metrics calculated as at 1 July 2016.

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**About GARDA Diversified Property Fund (ARSN 104 391 273)**

GDF is an ASX listed real estate investment trust (REIT) which invests in commercial offices in city and suburban markets as well as industrial facilities along the eastern seaboard of Australia.

GDF currently holds seven established property assets independently valued at \$153 million.

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**About GARDA Capital Limited**

GARDA Capital Group is an ASX listed (ASX: GCM) real estate investment and funds management group. The GARDA Capital Group is co-invested in GDF holding a 10.7% stake.

GARDA Capital Limited is the responsible entity of GDF, is a member of the GARDA Capital Group and holds AFSL 246714 which permits it to act as the responsible entity for GDF.

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