

26 August 2016

Settlement of Acquisition and Leasing Update

GARDA Capital Limited as the responsible entity (**RE**) of GARDA Diversified Property Fund (**Fund** or **GDF**) has today settled the acquisition announced on 22 August of the Blackwoods Mackay 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.

The 13,843m² distribution facility was completed in late 2013 and is wholly leased to Blackwoods, established in 1878 and is now Australia's dominant business to business supplier of industrial, engineering and workplace safety needs.

As a result of the acquisition the GARDA Diversified Property Fund portfolio now totals \$183 million.

Senior Debt

The acquisition was fully debt funded from senior debt facilities with St. George Bank. The Fund now has \$77.4 million of drawn senior debt from facilities totalling \$83.6 million, with a loan to value ratio of 42% and interest cover of approximately 4.5 times.

Portfolio Overview

The impact of the acquisition on the portfolio is highlighted below:

Metric	GDF at 30 June 2016	GDF plus Mackay at 30 June 2016
Portfolio Value (\$)	\$153.1m	\$182.6m
WACR (%)	8.35%	8.13%
NLA (m²)	44,914m ²	58,747m ²
Occupancy	92%	93%
WALE	2.91 years	4.10 years

Leasing Update

The following table details recent leasing activity within the portfolio:

Property	Tenant	NLA (m ²)	Term (years)	Start Date	Rent Review
Richmond	Fulton Hogan	1,847	6	1/07/2016	3.50%
Varsity Lakes	QLD Police Service	968	3	1/02/2017	4.00%
Murarie	Automatic Data Processing	204	5	1/03/2016	3.75%
Cairns	Cape Flattery Mines	260	7	16/12/2015	3.50%
Cairns	Morgans Financial	123	7	1/06/2016	3.50%
Cairns	Native Title Tribunal	401	3	1/09/2016	3.50%
Cairns	Thomson Adsett	87	3	1/08/2016	3.00%
Cairns	ARUP	215	5	1/11/2016	3.50%
Cairns	QLD Government	110	5	1/06/2016	3.00%
Cairns	QLD Government	286	2	1/09/2015	4.00%

-Ends-

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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 eight established property assets independently valued at \$183 million.

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.
