



NZX release+

GMT Viaduct JV Extends Portfolio With Quality Acquisition

Date 12 May 2017

Release Immediate

Goodman (NZ) Limited, the Manager of Goodman Property Trust ("Trust" or "GMT"), is pleased to announce that its joint venture with Singapore's GIC¹ has agreed to acquire Bayleys House for \$62.3 million.

The recently completed 8,106 sqm office building adjoins the Fonterra Centre on the corner of Gaunt and Halsey Streets in the VXV Precinct of central Auckland.

John Dakin, Chief Executive Officer of Goodman (NZ) Limited said, "This is a high quality acquisition that extends and diversifies the joint venture's portfolio of Viaduct properties. The partnership strategy provides scale for GMT and gives the Trust greater exposure to Auckland's fastest growing commercial precinct."

Featuring large flexible floor plates, and incorporating sustainable architectural elements and energy efficient building systems, the low-rise office property is designed to a 5 Green Star rating. It is also expected to achieve a 5 star NABERSNZ base building rating when assessed in 12 months' time.

Predominantly leased to real estate specialists Bayleys, technology provider IBM and law firm Mayne Wetherell, the new leases incorporate fixed review structures and have a weighted average term of nine years.

The ground lease obligations are structured for a period of 15 years.

Acquired from Goodman Group, which undertook the development on a build-to-lease basis, the purchase price reflects an initial yield of 7.6% on contract rentals. Additional fit-out rent increases the passing yield to 8.8%.

The acquisition, which remains conditional on the approval of the freehold land owner, is expected to settle in June 2017.

Following this acquisition and the purchase of the Datacom Building, which settles today, the joint venture will own seven buildings within the VXV Precinct. With a value of more than \$470 million, the portfolio will provide over 88,000 sqm of office accommodation to around 20 customers. The portfolio has an occupancy rate of 96% and a weighted average lease term of more than nine years when future lease commitments are incorporated.

For further information please contact:

¹ Wynyard Precinct Holdings Limited is the joint venture entity between Goodman Property Trust ("GMT") and Singapore's sovereign wealth fund ("GIC") that is investing in Auckland's VXV Precinct. GMT has a 51% interest in the entity with GIC owning the remaining 49%.

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About Goodman Property Trust:

GMT is an externally managed unit trust, listed on the NZX. It has a market capitalisation of around \$1.5 billion, ranking it in the top 20 of all listed investment vehicles. The Manager of the Trust is a subsidiary of the ASX listed Goodman Group, Goodman Group are also the Trust's largest investor with a cornerstone unitholding of 21%.

GMT is New Zealand's leading industrial and business space provider. It has a substantial property portfolio with a value in excess of \$2.4 billion that accommodates around 240 customers. The Trust holds an investment grade credit rating of BBB from Standard & Poor's.

Appendix 1: Bayleys House Image



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