



Stride Property Group (NS)

NZX Announcement

IMMEDIATE –21 November 2017

Stride Property Group – Waste Management’s 25 year Commitment to East Tamaki Site

Stride Property Group (**‘Stride’**) is pleased to announce a new redevelopment project with Waste Management NZ Limited, on Stride Property Limited’s 5.2 hectare industrial site situated at 11 Springs Road, Auckland.

At the recent 2017 Annual Meetings for Stride, shareholders were updated on Stride’s industrial development capability, with a number of initiatives signalled as being in the development pipeline, including the Springs Road site.

Previously leased to Lion as a bottling facility (with the lease expiring 30 September 2017), the planned redevelopment at Springs Road will involve the demolition of the existing site structures to make way for a purpose built 8,285 square metre industrial facility for Waste Management. Occupying the entire site, the development will provide comprehensive logistics and operational facilities from which Waste Management can both service the Auckland market and oversee their national operations.

Following the completion of the redevelopment (targeted for the quarter ending September 2019), Waste Management will commit to a lease with Stride for an initial 25 year term, with initial net rental of \$3.89 million per annum and structured rental growth. The development is forecast to cost \$43 million, and the agreement with Waste Management allows for the expansion of the scope of works by up to \$23 million with an associated increase in rental.

Stride Investment Management Limited’s Chief Executive, Philip Littlewood, said “We are delighted to be working with a great customer to deliver an outstanding real estate outcome for both parties. This is another example of Stride creating great places, that are well located and that meet our customer’s long term requirements”.

Following the completion of the development at Springs Road, the weighted average lease term (**‘WALT’**) of Stride’s industrial portfolio is projected to increase to over 10 years and the WALT of the total Stride portfolio to over 6 years. By comparison, current WALT as at 30 September 2017 is 3.8 years and 4.9 years respectively for the industrial and overall Stride property portfolios.

The development project with Waste Management is subject to Overseas Investment Office approval and resource consent.

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A Stapled Security of the Stride Property Group comprises one ordinary share in Stride Property Limited and one ordinary share in Stride Investment Management Limited. Under the terms of the constitution of each company, the shares in each can only be transferred if accompanied by a transfer of the same number of shares in the other.

Stapled Securities are quoted on the NZX Main Board under the ticker code SPG. Further information is available at www.strideproperty.co.nz or at www.nzx.com/companies/SPG.