

# goodresults+



## features+

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[www.goodman.com/nz](http://www.goodman.com/nz)



## Building to meet demand+

Strength in the Auckland industrial market is behind an intensive building programme being undertaken by GMT.

With over \$100 million of new projects currently in progress the Trust is undertaking the largest volume of new building work in more than 10 years. With a combination of pre-committed and uncommitted projects it's a successful strategy that is delivering efficient new workspaces to meet occupier demand.

John Dakin, Chief Executive Officer of Goodman (NZ) Limited said, "With occupancy at record highs and continued economic growth supporting business expansion there are very few options available for companies seeking high quality business premises. The market is effectively full, and with no vacancy, there is a real shortage of new buildings for customers looking to move."

It's an observation shared by the region's leading commercial real estate agencies, with market research from CBRE, Colliers International and Jones Lang LaSalle all confirming that vacancy for prime industrial property in Auckland is at historic lows.

Chris Dibble, Director Research & Consulting at Colliers International said, "Economic growth continues to support the expansion of the industrial sector in Auckland, however construction activity is not keeping pace with demand."

Goodman has taken advantage of the strong property fundamentals to accelerate its development programme with eight industrial projects currently under construction. The building work is happening across the city's main industrial precincts of Penrose, Otahuhu and East Tamaki.



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John Dakin, Chief Executive Officer of Goodman (NZ) Limited





# New Customer in VXV Precinct+

A new commitment from Auckland Transport has secured the VXV20 Building on a long term lease.

Opposite the Fonterra Centre, on the corner of Halsey and Fanshawe Streets in central Auckland, the 14,085 sqm office building will be extensively refurbished prior to the commencement of the new nine year lease in November 2017.

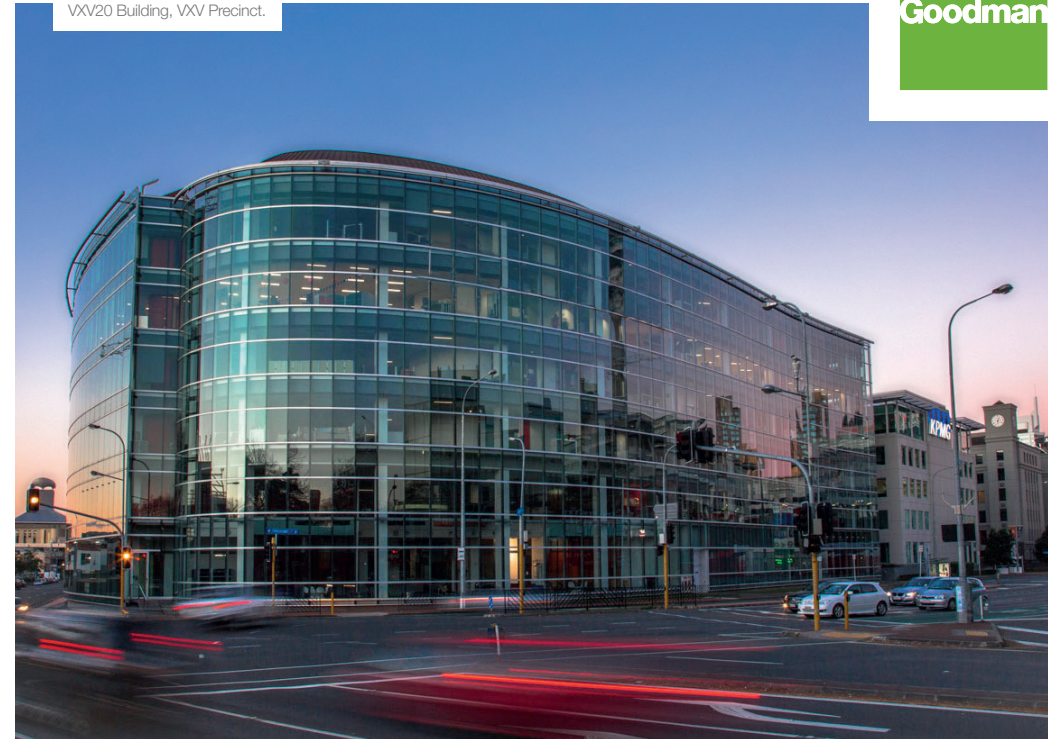
John Dakin said, “Securing a new customer commitment, 7 months ahead of the expiry of the Vodafone tenancy, is a great

result for the business. It’s an iconic building in a superb location and we will be upgrading the office areas and building services to provide Auckland Transport with a modern and efficient work environment for its 1,600 staff.”

The property is owned within the Wynyard Precinct joint venture between Goodman Property Trust and GIC, the sovereign wealth fund of Singapore.

[vxv.co.nz](http://vxv.co.nz)

**“It’s an iconic building in a superb location and we will be upgrading the office areas and building services to provide Auckland Transport with a modern and efficient work environment for its 1,600 staff.”** John Dakin, Chief Executive Officer of Goodman (NZ) Limited



# Fonterra Centre wins awards+

The quality of the Trust’s landmark office building has been recognised with a number of prestigious industry awards.

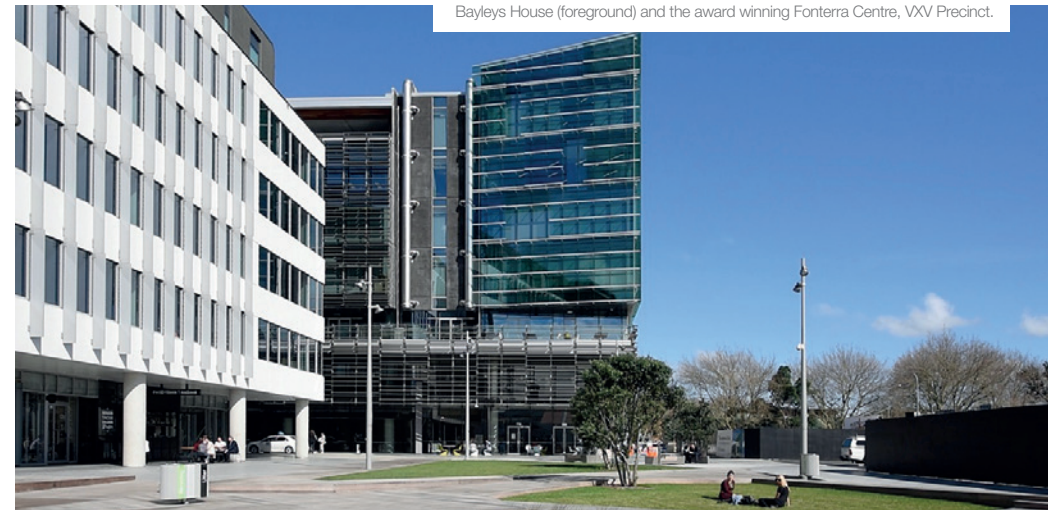
Located in the heart of the VXV Precinct, the recently completed Fonterra Centre received the excellence award for commercial property and a merit award in the green building category at the Property Council of New Zealand annual awards in June.

The judges noted, “The Fonterra Centre is a stand-out example of a purpose-built office complex that has benefited from extensive

tenant collaboration and first class design, construction and integrated fit out. A great example of sustainable design that will positively impact the environment, its tenants and users too.”

The building received further accolades at the NZ Interior Design Awards winning the workplace over 1,000 sqm category. Acknowledging the work of architects Jasmax the

comments were, “The space focuses on the changing role of the workplace and integrates Activity Based Working and a palette of natural materials while also deftly weaving architecture, interior design, corporate and national identity into a true testament of the designer’s deep understanding of the dairy giant’s core values, branding and its relationship with rural New Zealand.”







## Further Sales Success+

It was announced in July that GMT had conditionally sold three adjoining office properties in Greenlane for \$206 million.

The sale to local investor and property funds manager, Oyster Management Ltd, includes the two Millennium office estates and the Yellow HQ building at 600-604 Great South Road.

John Dakin, said “This is a landmark sale and a continuation of an investment strategy that is focused on organic growth. With asset disposals funding the Trust’s award-winning development programme we’re rebalancing the portfolio with greater investment in the Auckland industrial sector.”

The transaction will have a positive impact on debt levels, reducing the Trust’s loan to value ratio by around 5%. Still conditional on the purchaser’s due diligence, the sale is contracted to settle later this financial year.

# GMT establishes presence out West+

It was announced in September that GMT had acquired two adjoining industrial properties in Henderson, Auckland for \$18.9 million.

John Dakin, said, “Acquiring the former boat building facilities, and amalgamating them into a single four hectare estate, provides GMT with a strategic opportunity in the rapidly developing West Auckland industrial market.

Close to the CBD and with direct access to SH16 from the Lincoln Road interchange, this property will become one of Auckland’s best located industrial estates when the Waterview Connection project in the Western Ring Route completes in 2017.”

Located on the corner of Selwood Road and The Concourse, the premises provide 23,370 sqm of high volume warehouse space and associated office area. Currently vacant, the existing warehouse buildings will be refurbished and reconfigured, and

once fully leased are expected to generate a passing yield of around 7%.

With significant yard areas and additional land, the purchase also offers future development opportunity.





# Goodman Stepping Out+

Goodman is the global sponsor of September a fund raising initiative that encourages individuals and teams to get active while raising money for cerebral palsy.

The New Zealand office led the world with an early morning walk around the picturesque esplanade reserve at Highbrook Business Park on 1 September. Led by fitness guru and local September Ambassador, Lee-Ann Wann the group of staff and customers have stepped up to the challenge!

Aiming to complete 10,000 steps a day for 28 days, the purpose of the initiative is to raise vital funds for people living with cerebral palsy – a debilitating condition that affects movement.

Carlson School, Auckland, celebrated the start of September with songs and music with Cerebral Palsy Ambassador Stan Walker. The School provides programmes and an environment for students ranging from 5 years to 21 years with significant physical disabilities and other complex needs due to cerebral palsy.



Above: Lee-Ann Wann, September Ambassador and John Dakin, CEO Goodman NZ, launch September at Highbrook.  
 Below right: September participants walking around Highbrook's parklands.  
 Below left: Stan Walker, September Ambassador, with children celebrating September at Carlson School.



James Spence, Director Investment Management

## New Senior Management Appointment+

With a more active investment strategy being pursued a new senior management role has been created. Reporting directly to the Chief Executive Officer, The Director Investment Management will be responsible for overseeing the investment decisions of GMT.

James Spence was appointed to the position, effective from 12 September.

James is a highly capable executive who has spent the last five years managing Goodman's wholesale funds and leading its capital transaction programme across Europe. Prior to this he worked within the Goodman business here in New Zealand so he has a detailed understanding of GMT's assets and the markets in which it invests.

## GMT key metrics+

55,700 sqm of new leasing FY17 YTD

5.7 years weighted average lease term

96.6% occupancy

## Investor Tour+

As part of its investor relations programme, executives of the senior management team accompanied the Chairman of the Board on a tour of five provincial centres during September.

Hosted by Forsyth Barr the presentations in Tauranga, Wellington, Christchurch, Dunedin and Invercargill were attended by over 250 investors. They were positive meetings with Unitholders taking the opportunity to learn more about the performance and strategy of the Trust from those directly responsible for managing their investment.



The Trust's website [www.goodman.com/nz](http://www.goodman.com/nz) enables Unitholders and Bondholders to view information about their investment, download investor forms, check current prices and view publications and announcements.



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