Cromwell
PROPERTY GROUP

Cromwell Property Group announces $405m acquisition

Cromwell Property Group (ASX: CMW) has entered into unconditional agreements to purchase a portfolio of seven office assets from the NSW State Government (NSW Portfolio), with settlement anticipated to occur in mid June 2013. The total consideration for the NSW Portfolio is $405 million, which represents an attractive initial portfolio yield of 9.0%.

68% of the NSW Portfolio is leased to Government Property NSW with an overall NSW Portfolio WALE of 10.0 years, increasing Cromwell's weighted average lease expiry and exposure to high quality Government tenants.

The NSW Portfolio comprises three Sydney CBD assets ($316m) and four regional NSW assets ($89m) and is expected to enhance Cromwell's existing portfolio quality and provide additional weighting to the Sydney and broader NSW office market.

Cromwell CEO, Paul Weightman said, "The acquisition of the NSW Portfolio is consistent with our strategy of providing secure, steadily growing distributions to investors through the management of a portfolio of high quality assets with a long weighted average lease expiry. The NSW Portfolio significantly increases our investment portfolio to over $2.3 billion, improves the WALE to 6.7 years and increases exposure to the Sydney office market."

ENDS.

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