

Sydney Property Tour Guide

February 2014



Cromwell Property Group comprises:
Cromwell Corporation Limited (ABN 44 001 056 980) and
Cromwell Diversified Property Trust (ARSN 102 982 598)
the responsible entity of which is
Cromwell Property Securities Limited (ABN 11 079 147 809, AFSL 238052)

STRICTLY CONFIDENTIAL

Date: 4 February 2014

Notice to Recipients

Cromwell Property Securities Limited ACN 079 147 809 AFSL 238052 (CPS) has prepared this document. CPS is the responsible entity of the Cromwell Diversified Property Trust ARSN 102 982 598 (DPT). Units in the DPT are stapled to shares in Cromwell Corporation Limited ACN 001 056 980 and the stapled securities are listed on the ASX.

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1. Qantas Global HQ, Mascot NSW



Sector: Commercial

Address: 203 Coward Street Mascot NSW

Acquired: August 2010

Ownership: 100%

Major Tenant: Qantas

Description: The Qantas Global Headquarters is an iconic building, strategically located in Mascot, near Sydney's Kingsford Smith International and Domestic Airports. It is just south of the Sydney CBD and only 200 metres from Mascot Railway Station.

Property Statistics

NLA	46,546sqm
Construction Date	1990 - 1992
Acquired	\$142.4m (Aug-10)
Latest External Valuation	\$320m (Dec-13)
Valuation Rate per sqm	\$6,875
Valuation Cap Rate	7.00%
WALE	19 years
Outgoings Recovery Profile	Triple Net
Number of Car Parks	1,079 (ratio of 1 space per 43 sqm)
Occupancy	100%
Site Area	2.72 hectares
NABERS Energy Rating	Not Rated
NABERS Water Rating	Not Rated

Executive Summary

The Qantas Global Headquarters is 100% owned by Cromwell Property Group and was acquired in August 2010 for \$142.4m based on a capitalisation rate of 8.3%.

Following acquisition, a new lease was negotiated with Qantas that extended the term to 2032 and incorporated a major building refurbishment and integrated fit out. The works, which commenced in October 2011 achieved practical completion on 30 January 2014, included an extensive integrated fit out of the existing office accommodation as well as the conversion of an existing warehouse to provide an additional 6,900sqm of new office space. Further space was provided with the construction of new meeting pods and breakout areas.

The base building works also included the construction of a new auditorium, retail space, main entrance and “the Hub”, a covered street linking existing buildings. The new campus accommodation can house 3,800 employees, which has allowed Qantas to consolidate eight other properties and their HQ operations within the campus.

Property Summary

The Qantas Global Headquarters was originally constructed between 1990 and 1992. It comprises buildings specifically constructed for Qantas’ operations and strategically positioned in Mascot near Sydney Airport, 10km south of the Sydney CBD and only 200 metres from Mascot Railway Station. Qantas is strategically committed to the precinct.

The site is located on the corner of Coward Street and Bourke Road and is surrounded by office and light industrial development.

The site is L shaped with a total area of 2,716 hectares. It houses four separate buildings, known as Buildings A, B, C and D, which now make up Qantas’ Global Headquarters. The separate buildings previously had a total net lettable area of 46,546sqm. This has been expanded to approximately 50,758sqm following the refurbishment. There are 944 covered basement car parks and 135 open/undercover car spaces.

Property Plan

The property was purchased with a new 10 year lease to Qantas which commenced in December 2010.

Cromwell entered into a development deed with Qantas to fund refurbishment works to a maximum of \$83.7 million, with a further \$47.7m for tenant fit out. FDC Construction & Fitout were awarded the contract and commenced construction on site in October 2011, achieving practical completion in January 2014.

The works commenced with the conversion of Block D which was originally a uniform store and warehouse. By generating an additional 6,900sqm of office space, the occupants of Block A were able to relocate. This enabled the commencement of a rolling program to address each block in turn whilst constructing areas such as the Hub as each phase progressed.

Now that the works are complete, the lease provides for annual rental increases of the greater of CPI or 4%.

2. Victoria Avenue, Chatswood NSW



Sector: Commercial

Address: 475-501 Victoria Avenue Chatswood NSW

Acquired: March 2006

Ownership: 100%

Major Tenants: Reed Elsevier Australia Pty Ltd and Leighton Contractors Pty Ltd

Description: The complex comprises two 13-level office buildings complete with ground floor retail outlets and three levels of basement car parking.

Property Statistics

NLA	24,970sqm
Construction Date	1986
Acquired	\$102.6m (Mar-06)
Latest External Valuation	\$135m (Jun-13)
Valuation Rate per sqm	\$5,406
Valuation Cap Rate	8.75%
WALE	3.4 years
Outgoings Recovery Profile	Net
FY 14 Budgeted Outgoings Expenses per sqm	\$113
Number of Car Parks	366 (leased entirely to Wilsons Parking)
Office Area	24,135sqm (96.7%)
Retail Area	835sqm (3.3%)
Typical Floor Plate	923sqm
Occupancy as at 1 February 2014	88.6%
Site Area	6,030 sqm
NABERS Energy Rating	4.5 stars
NABERS Water Rating	2.5 stars

Executive Summary

The property is 100% owned by Cromwell Property Group and was acquired in March 2006 for \$102.6m. It was last valued externally at 30 June 2013 for \$135m.

Occupancy as at 1 February 2014 is 88.55% following the 31 January 2014 vacation of Evans and Peck Services (2,770 sqm). However, we are already receiving solid interest in this space. The building currently carries a 4.5 star NABERS Energy Rating and a 2.5 star NABERS Water Rating.

Property Summary

The complex was originally constructed in 1986 and consists of two 13 level office towers and a two level podium building, plus ground floor retail and three levels of secure basement parking for 366 cars. The net lettable area totals 24,970sqm, with an approximate typical floor plate of 923sqm in each of the towers.

The complex is located in the commercial centre of Chatswood and is well serviced by amenities, including:

- Road – The Pacific Highway is within metres of the western side of the complex.
- Rail and Bus – It is approximately 100 metres to the major Chatswood rail and bus interchanges.
- Taxi – Located directly in front of the complex, providing immediate and undercover access to taxis.
- Shopping / Retail – Within a short walk to Westfield's Chatswood Mall which is considered one of Sydney's strongest retail centres.

Property Plan

Cromwell is currently reviewing the capital expenditure programme with a view to maximizing the leasing potential for the complex in the short – medium term. We are optimistic that with the existing amenity, increased residential population and recent development activity in the area, that Chatswood will present a compelling case and that the price point difference should make it an extremely viable relocation opportunity.

3. Northpoint Tower, North Sydney NSW



Sector: Commercial

Address: 100 Miller Street North Sydney NSW 2060

Acquired: December 2013

Ownership: 50%

Major Tenant: Think Education Services Pty Ltd, Griffith Hack Lawyers

Description: The landmark Northpoint Tower is a 44 level mixed office / retail complex in the heart of North Sydney comprising 35 office levels, three retail podium levels and six basement car parking levels.

Property Statistics

NLA	35,144sqm
Construction Date	1977
Acquired	\$278.7m (Dec-13) (100%)
Latest External Valuation	\$278.7m (Dec-13) (100%)
Valuation Cap Rate	7.75%
Valuation and Acquisition Rate per sqm	\$7,930
WALE	3 years
Outgoings Recovery Profile	Semi Gross / Gross
FY14 Budgeted Outgoings Expenses per sqm	\$120
Number of Car Parks	423 (leased entirely to Secure Parking)
Office Area	32,541sqm (92.6%)
Retail Area	2,603sqm (7.4%)
Typical Floor Plate	997sqm
Occupancy as at 1 February 2014	100%
Site Area	5,020sqm
NABERS Energy Rating	3.5 stars
NABERS Water Rating	Not Rated

Executive Summary

Northpoint Tower is the foundation asset of the Cromwell Partners Trust, a new unlisted wholesale trust managed by Cromwell. Northpoint Tower was acquired in December 2013 for \$278.7m (100% share) based on an initial yield of 8.7%.

Cromwell Property Group owns 50% of the units in Cromwell Partners Trust. The remaining 50% are owned by South African property investment group Redefine Properties Limited, which is a major Cromwell security holder.

The building consists of 32,541sqm of office accommodation, 2,603sqm of retail space and 423 car parks over six basement levels. Total NLA is 35,144sqm with approximately 90 different tenant entities in occupation.

Property Summary

Northpoint was constructed in 1977 and is a landmark B Grade office and retail development located at North Sydney's major intersection on the corner of Miller Street and Pacific Highway. Its key features include:

- 360 degree views, particularly towards Sydney Harbour, due to the natural fall down the south direction of the Pacific Highway.
- Car park ratio of one space per 83sqm.
- Easy access to public transport with North Sydney Rail Station within approximately 250 metres and several bus and taxi pick up locations nearby.
- Excellent access and egress from the car park to main arterial roads.
- Located approximately 4km, and two rail stations away, from Sydney's CBD.
- Typical almost 1,000sqm office floor plates in the tower, which is generous for North Sydney
- Lift service – 15 lifts (12 passenger and three service lifts) and six escalators.

Property Plan

In our view, the main opportunity for this asset relates to the retail area and the growing need for amenity to service North Sydney's growing number of permanent residents (currently circa 75,000).

In terms of the physical building and associated services, the building was purchased with significant works in mind targeting the:

- External façade
- Mechanical services
- Lifts
- Fire services
- Common area presentation

4. Bligh House, Sydney NSW



Sector: Commercial

Address: 4 Bligh Street Sydney NSW 2000

Acquired: June 2013

Ownership: 100%

Major Tenant: NSW State Government

Description: Bligh House is a 23-level predominantly commercial office building located on Bligh Street in the Sydney CBD and is 95% leased to the NSW State Government.

Property Statistics

NLA	9,963sqm
Construction Date	1965
Acquired	\$53m (Jun-13)
Latest External Valuation	\$56m (Dec-13)
Valuation Rate per sqm	\$5,620
Valuation Cap Rate	8.50%
WALE	4.3 years
Outgoings Recovery Profile	Net
FY14 Budgeted Outgoings Expenses per sqm	\$127
Number of Car Parks	21
Office Area	9,407sqm (94.5%)
Retail Area	556sqm (5.5%)
Typical Floor Plate	490sqm (upper levels), up to 994sqm on lower podium levels
Occupancy as at 1 February 2014	100%
Site Area	1,220sqm
NABERS Energy Rating	4.0 stars
NABERS Water Rating	3.5 stars

Executive Summary

The property is 100% owned by Cromwell Property Group and was acquired in June 2013 for \$53m based on a capitalisation rate of 8.75%.

The building is 94% leased to Government Property NSW (GPNSW) until June 2018. The balance comprises two ground floor retail tenancies with leases expiring in September 2014 (Ministry of Food) and May 2017 (Anthony Squires Menswear) respectively.

The building currently has a NABERS Energy Rating of 4 stars and 3.5 stars for water. In accordance with the lease to GPNSW, Cromwell will be replacing the Building Management System and high load chiller in the current financial year.

Property Summary

Bligh House was constructed in 1965 and comprises 17 upper floors with approximate floor plates of 490 sqm (levels 4 to 21) and three larger lower levels ranging from 634sqm to 994sqm. The ground floor has two retail tenancies of 367sqm and 189sqm and a basement level with 21 car parks. The overall NLA of the building is 9,963sqm.

The site is located within Sydney's core CBD precinct on the eastern alignment of Bligh Street, approximately 60 metres north of its intersection with Hunter Street and approximately 120 metres south of its intersection with Bent Street.

The building is constructed with prestressed concrete external walls, floors and roof, with a central core providing a bank of five lifts which service the building together with fire stairs. Male and female amenities can be found on each floor in addition to a kitchenette.

Property Plan

A WALE of 4.3 years gives Cromwell time to undertake feasibility studies on refurbishing the existing building, or converting the building for alternative uses, if necessary beyond the expiry of the current lease.

5. Cromwell Management



Paul Weightman

MANAGING DIRECTOR / CEO

Mr Weightman holds degrees in commerce and law, and has extensive experience in property development and investment, financial structuring, public listings, mergers and acquisitions, revenue matters and joint ventures. Mr Weightman was Cromwell's Executive Chairman from 1998 until the appointment of Mr Levy in April 2008, and has acted as Chief Executive Officer since that date. He has been a Director of companies in the property, energy and retail sectors. Mr Weightman is a member of Cromwell's Investment Committee.



Jodie Clark

COO / LICENSEE

Jodie is the Group's Licensed Director of Cromwell Property Services Pty Ltd throughout Australia and Chief Operations Officer for the Group. She has over 23 years experience in the property industry.



Phil Cowling

DIRECTOR, PROJECTS & TECHNICAL SOLUTIONS

Responsible for technical due diligence on acquisitions, management of new development projects and environmental improvement of all assets, Phil is a pivotal part of the team. He has 28 years experience in building design, facilities and property management and holds a Bachelor of Engineering (Hons). Phil is a registered Chartered Engineer with the Engineering Council, a Member of the Chartered Energy Institute and the Royal Chartered Institution of Occupational Safety and Health and is the Queensland Chair of the Chartered Institution of Building Services Engineers.



Robert Percy

ASSOCIATE DIRECTOR / TRANSACTIONS MANAGER

Robert is a core member of the transactions team and is responsible for Cromwell's Investment Committee process, as well as playing a central role in the development and capital raising of new products for both the Group's ASX listed business and Funds Management operations. He has over 15 years of financial services and property experience in both the UK and Australia. Robert holds a Masters in Science specialising in Chemical Physics in addition to a number of industry qualifications.



Bobby Binning

DIRECTOR, LEASING

Bobby is responsible for coordinating and negotiating the leasing across Cromwell's property portfolio. This extends to new leasing campaigns and major lease renewals. He has over 18 years experience as a property professional, working for both owners and occupiers in Australia and the UK. Bobby has a Bachelor of Business in Property Studies.



Trent Logue

PORTFOLIO PROPERTY MANAGER NSW/ACT

Based in Sydney, Trent is responsible for the overall performance of the NSW and ACT property portfolios. Trent brings with him over 15 years of commercial property expertise, with groups such as Mirvac, Aspen and Colliers.



Luke Tarrant

SENIOR PROPERTY MANAGER

Located in the Sydney office, Luke is responsible for the property management of a number of the larger assets within the Sydney portfolio. Luke has over 8 years property/asset management with ING Real Estate and Knight Frank.



Michael O'Brien

PORTFOLIO FACILITIES MANAGER (NSW/ACT)

Located in the Sydney office, Mike is responsible for the effective operations of the NSW and ACT portfolio. Mike joins the Property Services leadership team and will work alongside Andrew Page, Brad Collins and Trent Logue. Mike has over 20 years experience as a Facilities Manager.



Chris Hansen

PROJECT MANAGER

Chris Hansen is a member of the Projects and Technical Solutions Team located in the Sydney office. Chris is responsible for managing the delivery of refurbishment, capital works across the NSW and ACT portfolios, as well as working with the project team on major acquisitions and new developments. Having been involved in the delivery of multi million dollar projects, most recently as Senior Project Manager and Superintendant on our Qantas Headquarters major refurbishment, Chris brings with him a high level of knowledge and experience.



Carlos Maureira

GENERAL MANAGER – NORTHPOINT TOWER

Based on site in Northpoint Tower, Carlos is responsible for the day to day property management of Northpoint. Carlos has had extensive property management experience with a number of agencies including Jones Lang LaSalle and CBRE.



Ross McGlade

MANAGER – STRATEGY AND INVESTOR RELATIONS

Based in the Sydney office, Ross undertakes investor relations for Cromwell Group and is the primary access point for investors and analysts. Ross also takes an active role in group strategy. Ross has a Bachelor of Business (Land Economy), Grad Dip Finance and is a Registered Valuer and Licensed Real Estate Agent in NSW.



Hamish Wehl

ANALYST – FUNDS MANAGEMENT AND INVESTOR RELATIONS

Hamish is responsible for the unlisted retail direct property trusts and is a key member of the Investor Relations team. Hamish has over 11 years experience in both financial services and property funds management in Australia and the UK. Hamish is a Chartered Accountant, holds degrees in Business Economics and Commerce and a Masters of Philosophy in Real Estate Finance from Cambridge University.