



20 June 2018

ASX ANNOUNCEMENT

GROWTHPOINT PROPERTIES AUSTRALIA (ASX Code: GOZ)

Commencement of new office development in Richmond, Victoria

Growthpoint Properties Australia (“**Growthpoint**”) is pleased to announce the commencement of a new office development at the Botanicca Corporate Park in Richmond, Victoria.

The new development will comprise approximately 19,300 square metres (sqm) of A-grade office accommodation across two towers in Melbourne’s CBD-fringe office market. The buildings, designed by award winning architects, Gray Puksand, have been designed to achieve a 5-star NABERS energy rating and a 5-star Green Star rating.

The Botanicca 3 construction tender was a highly competitive process with Growthpoint subsequently appointing Hacer Group, a respected, mid-tier commercial builder under a design and construct contract. The development is expected to achieve practical completion in the second half of CY20.

Colliers and JLL have been appointed joint leasing agents to the project.

Growthpoint’s Managing Director, Timothy Collyer, said:

“We are extremely excited to be commencing construction of a high-quality, A-grade office building to complement our existing properties at the Botanicca Corporate Park. The development has been designed with a focus on high levels of tenant amenity and green building sustainability.

“Securing 15-year leases to Country Road and David Jones on Buildings 1 and 2 at Botanicca gave us the opportunity to investigate the best potential use for Building 3, currently consisting of a single-storey office building and large adjoining open-air carpark across a site of approximately 8,600 sqm in the inner-city suburb of Richmond.

“While a range of options were considered to activate the site, the opportunity to grow the portfolio and create a brand-new office building on a large parcel of under-utilised land in Richmond is the best outcome for our Securityholders.

“Feedback from the pre-leasing campaign has been positive with prospective tenants expressing interest in the modern design specifications and convenient location of the new building. The decision to proceed provides development certainty for prospective tenants and is an opportunity to capitalise on the strong Richmond and Cremorne office markets, which have become a technology and innovation hub attracting high calibre tenants. The office vacancy rate in the Yarra precinct is now 7.0%¹, well below the long-term average fringe vacancy rate of 9.3%¹, while rent growth in the Richmond/Cremorne area has been strong, rising 15%² over the past 12 months.

Growthpoint’s Key Metrics at 31 March 2018	
Total property portfolio value	\$3.3 billion
Distribution guidance FY18	22.2 cents
Number of properties	57
Office / industrial	66% / 34%
Average property age	10.3 years
Occupancy	98%
Weighted average lease expiry	5.5 years
Weighted average rent review (assumes CPI of 1.9%)	3.3%
Weighted average capitalisation rate	6.4%
NTA per stapled security (as at 31 December 2017)	\$3.08
Balance sheet gearing	35.5%
Percentage debt fixed	80%
Weighted average debt maturity	4.3 years
Average NABERS rating (energy)	4.5 stars

¹ JLL research, 2018

² Colliers International research, 2018



“The decision to proceed with the development is the product of a detailed due diligence process utilising the expertise of Growthpoint’s internal project management team, in conjunction with a highly credentialed independent project management team. The development is a continuation of Growthpoint’s long-term strategy of working to enhance its existing portfolio and taking advantage of opportunities to add value to existing assets. Growthpoint will draw on its development experience gained from previous ‘on balance sheet’ projects, its internal project management expertise and the construction expertise of the Board to ensure successful delivery of the project. The leasing capabilities of our asset managers, as well as their ability to build and maintain relationships with tenants puts us in a strong position to capitalise on the new development.”

Financial implications and expected outcomes

Growthpoint expects the new development to deliver a fully let yield on development cost of between 7.5% and 8.5%, together with the opportunity for capital gain above development cost.

On a FY18 pro-forma basis, assuming consistent market conditions, Growthpoint expects the development will be accretive to Funds from Operations (FFO) per security upon ~50% leasing of the building at practical completion.

Please refer to the accompanying information memorandum for further information on Botanicca 3.

For further information, please contact:

Investor Relations and Media

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Growthpoint Properties Australia

Growthpoint Properties Australia is a publicly traded ASX listed A-REIT (ASX Code: GOZ) that specialises in the ownership and management of quality investment property. Growthpoint owns interests in a diversified portfolio of 57 office and industrial properties throughout Australia valued at approximately \$3.3 billion and has an investment mandate to invest in office, industrial and retail property sectors.

Growthpoint is included in the S&P/ASX 200 Index and has been issued with an investment grade rating of Baa2 for senior secured debt by Moody’s.

Growthpoint aims to grow its portfolio over time and diversify its property investment by asset class, geography and tenant exposure through individual property acquisitions, portfolio transactions and corporate activity (M&A transactions) as opportunities arise.

BUILDING 3, 572 SWAN STREET, BURNLEY

BOTANICCA 3

A NEW DIMENSION IN OFFICE SPACE



BOTANICCA³
A NEW DIMENSION IN OFFICE SPACE



Artist Impression

Perfectly Positioned

Botanicca 3 will offer the Melbourne office market a new benchmark in quality and amenity. Located in a prominent and commanding position at the front of the Botanicca Corporate Park, this new generation of office design is perfectly suited for major local and international corporate offices.

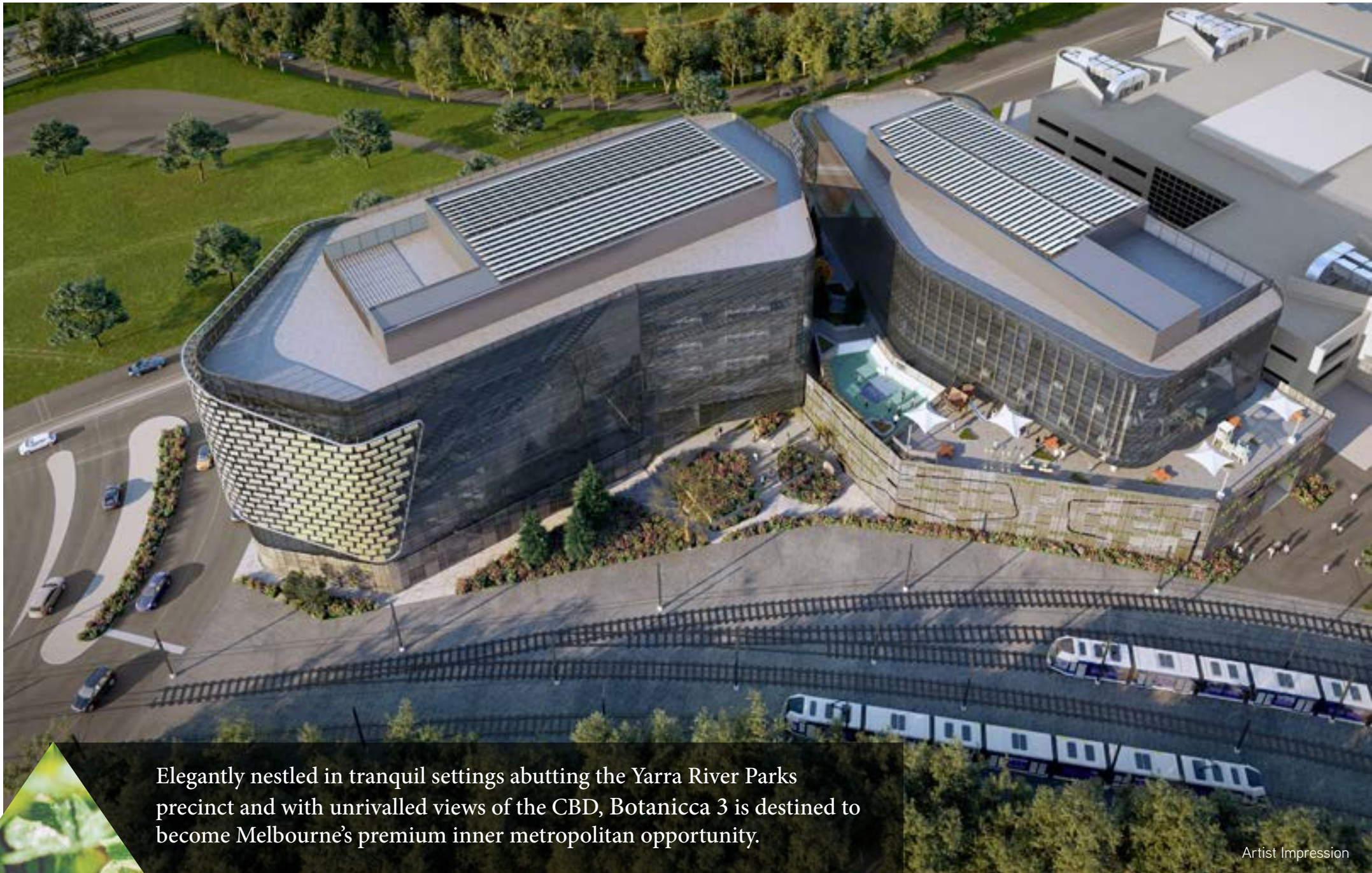
Nestled in a picturesque setting next to the Yarra River Park precinct, the building is surrounded by superior running, bicycle and sporting facilities.

Allow the ease of access for staff and clients with three metro rail stations and light rail nearby and just a 2 minute drive to the M1 Motorway.

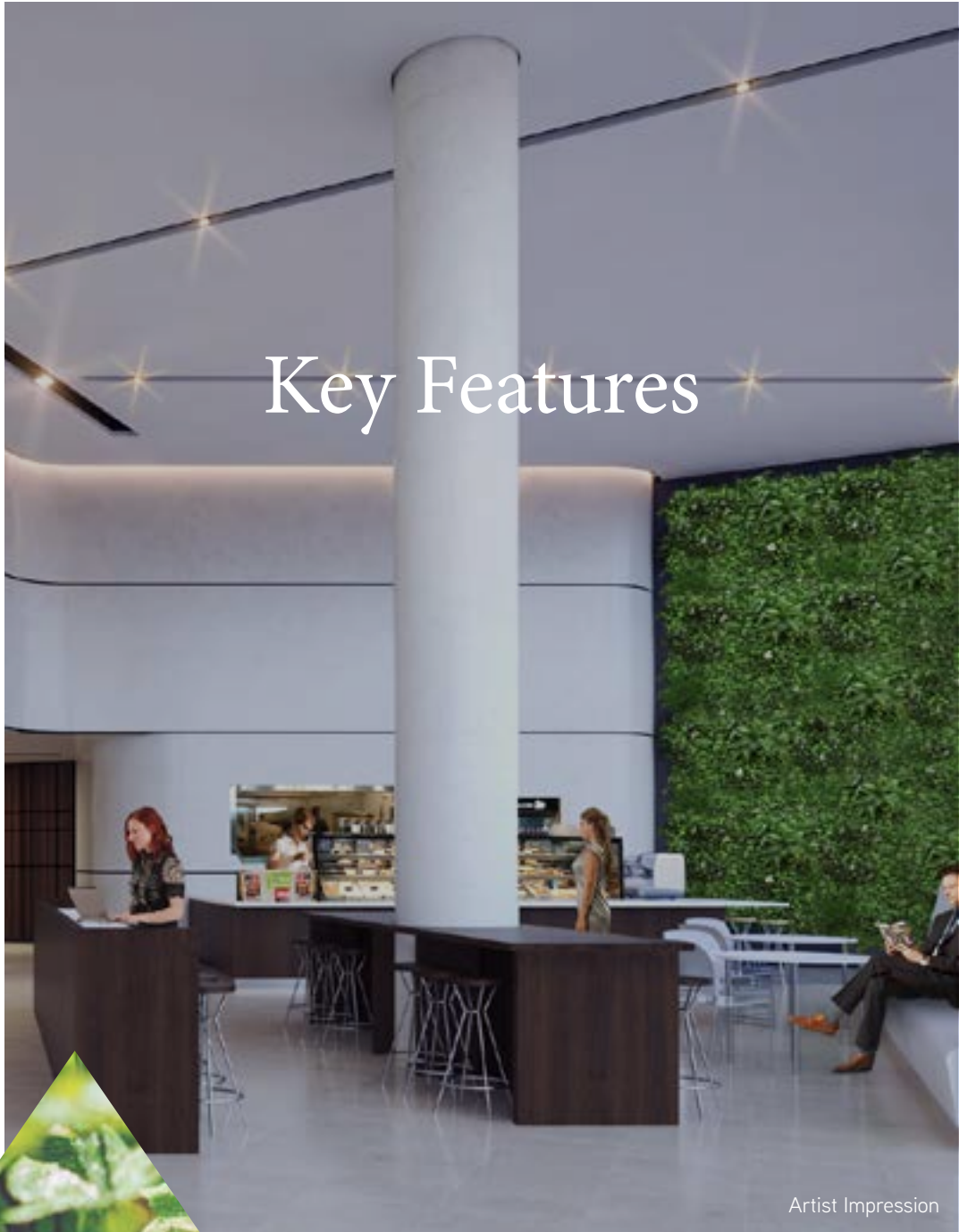
Amenity is plentiful with the Church and Swan Street retail precincts only a short walk away as well as gateway access to Melbourne's premiere sporting precinct.

Botanicca 3's enviable inner metropolitan location will allow your business to attract, retain and build the best quality team for future success.

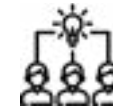




Elegantly nestled in tranquil settings abutting the Yarra River Parks precinct and with unrivalled views of the CBD, Botanica 3 is destined to become Melbourne's premium inner metropolitan opportunity.



5 Star
NABERS
Rating



20,000sqm of
PCA A Grade
innovative office



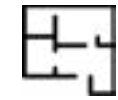
5 Star Green Star
credentials



Lift capacity



Excellent natural light
with 360 degree views



Flexible floorplates of
2,000sqm+



Hotel style
End-of-Trip facilities



Secure car
parking



Onsite amenity



Yarra Bike Trail



Childcare facilities



Onsite gym



Proximity to CBD



Excellent public
transport access



Outdoor garden

**Botanicca Corporate Park :
Melbourne's newest fashion precinct.**

Surround yourself with the headquarters of Australia's
top retailers...



COUNTRY ROAD

FOREVER NEW



MIMCO

...along with some of Australia's top companies.



WELLS FARGO

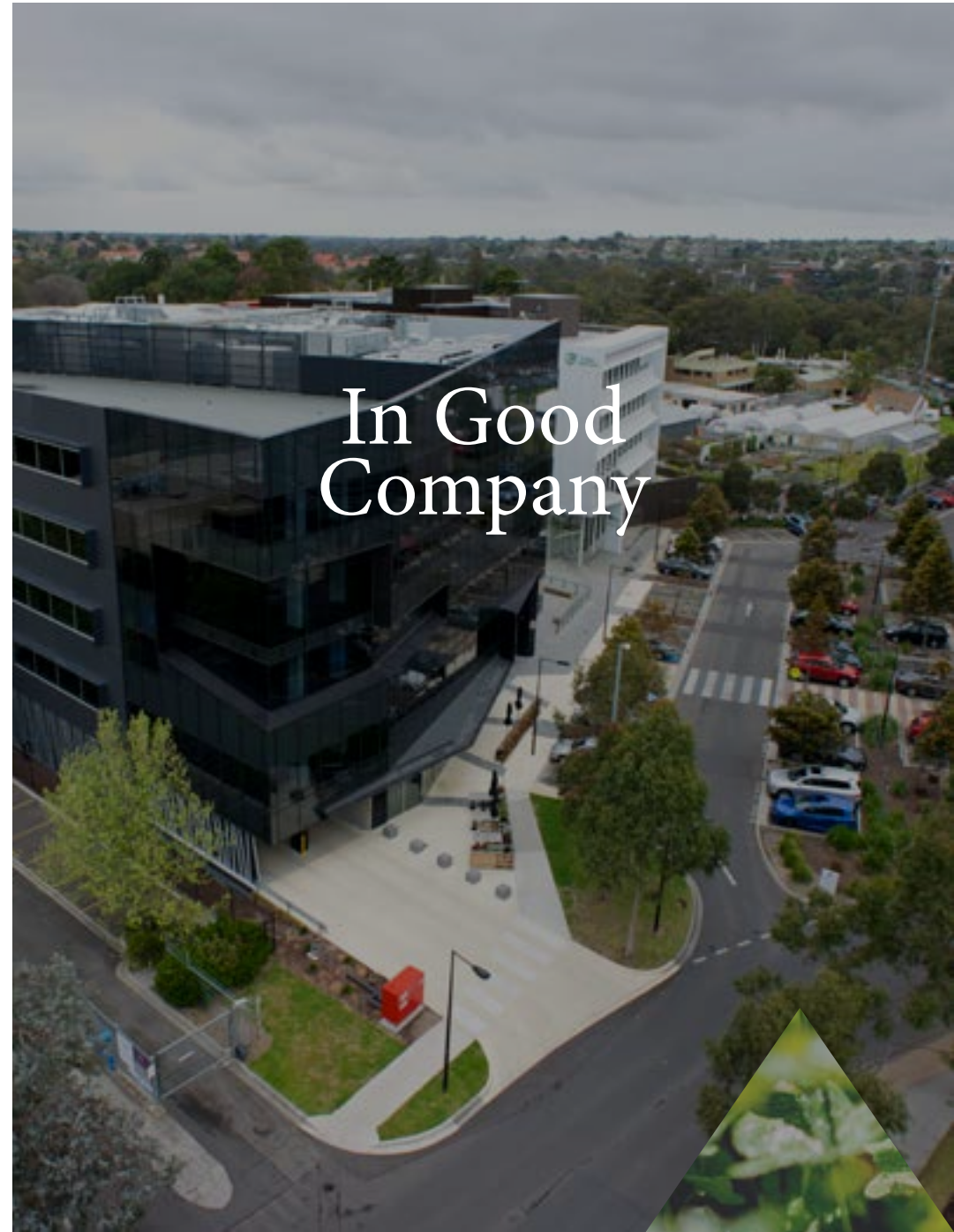


PACIFIC BRANDS



api

carsales.com.au



Unrivalled amenity.

Positioned in close proximity to Richmond & Hawthorn, Burnley is perfectly placed to experience the best amenity Melbourne has to offer.



Serentonin Eatery
52 Madden Grove,
Burnley



Burnley Train Station
Burnley



Yarra Bike Trail



The Grand
333 Burnley Street,
Richmond



Anytime Fitness
53 Coppin Street,
Richmond



Friends of Mine
506 Swan Street,
Richmond

An abundance of iconic cafes, restaurants, gyms, child care and shopping is all within a stones throw of Botanica.





Melbourne CBD
(5kms*)

Burnley Train
Station (1km*)

Monash Freeway
on/off ramp
(850m*)

BOTANICCA 3
A NEW DIMENSION IN OFFICE SPACE

Yarra Bike Trail
(50m*)

Tram No. 70
(50m*)

Hawthorn Train
Station (950m*)

Heyington Train
Station (1.2km*)

By car, bicycle, train or tram, Botanicca 3 is connected to all forms of transportation, making it Melbourne's most accessible inner metropolitan office location.

A world leading and award winning design team.



Aurecon provides advisory, design, delivery and asset management services on projects across a range of markets.



GrayPuksand is a multi-studio architecture and interior design practice delivering cutting edge, sophisticated designs for clients worldwide.



SEMZ has been providing high level executive advisory services since 2012. SEMZ believe property is a resource that should be utilised in a sustainable way that best meets clients' objectives.



Waterman Group is an international engineering and environmental consultancy providing multi-disciplinary services to the property, infrastructure, energy and environmental markets around the world.



Equipped with an intimate understanding of local intricacies, world-class talent and proactive leadership, WSP plan, design, manage and engineer long lasting and impactful solutions to uniquely complex problems.



Artist Impression



In Safe Hands

Artist Impression

Growthpoint Properties Australia.

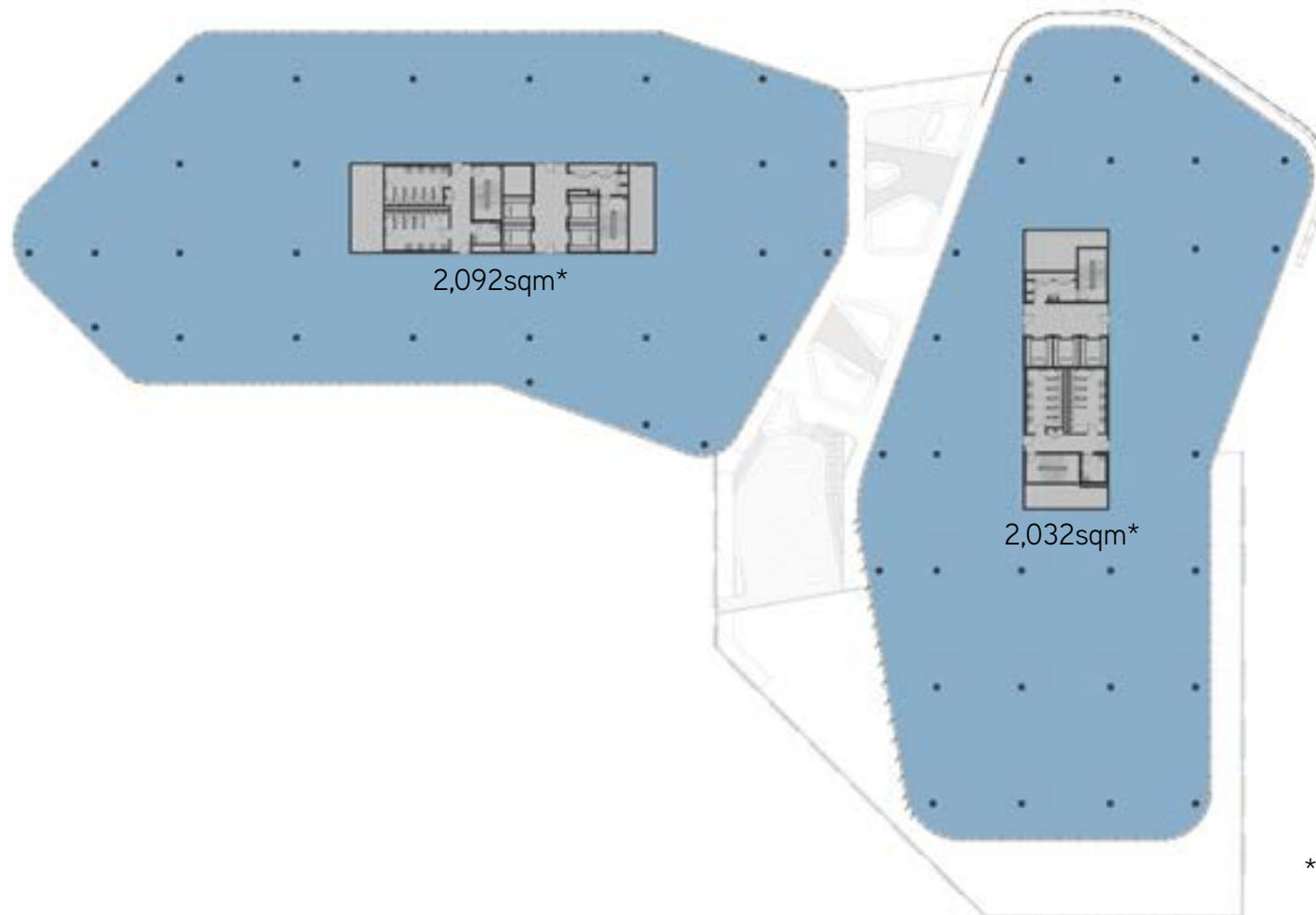
The landlord, Growthpoint Properties Australia is an ASX listed real estate investment trust with a total property portfolio of over \$3billion. As an institutional investor, the group has a mandate to invest in Australian property in the industrial, office and retail sectors.

“Our philosophy is to be a pure landlord, with 100% of our income derived from rent under leases to quality tenants from commercial real estate”.

Development Timeline

Botanica 3 has a development approval in place. Growthpoint Properties Australia has the ability to deliver the project within 18 months of a fully executed Agreement for Lease.

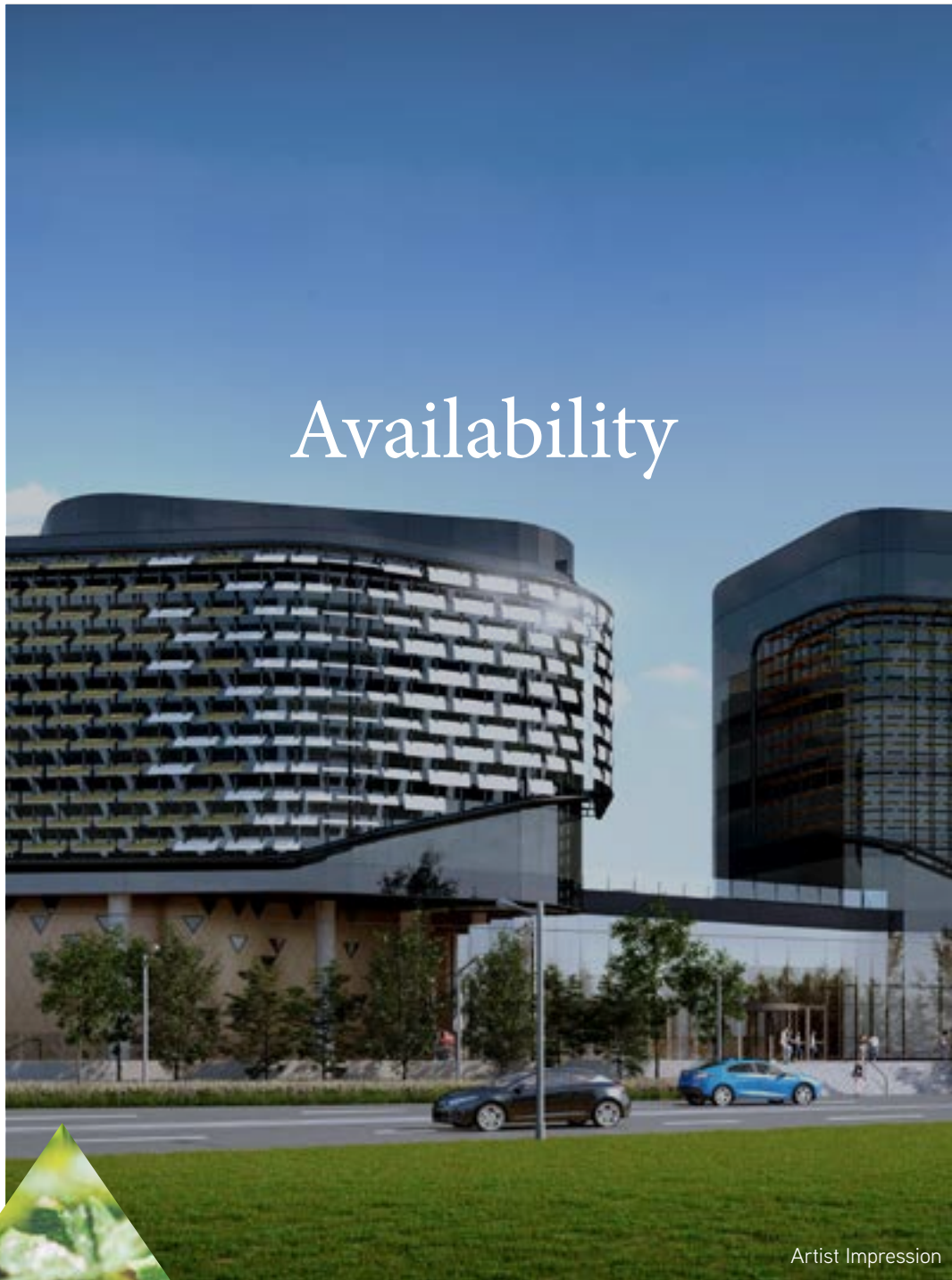




*Indicative Floor Plan Level 3
(Approx)



Availability



Artist Impression

East Tower

Floor	Area (NLA)
Level 2	1,788sqm
Level 3	2,032sqm
Level 4	2,028sqm
Level 5	1,700sqm
Cars	165

Total NLA: 7,548sqm

West Tower

Floor	Area (NLA)
Level 1	1,309sqm
Level 2	2,076sqm
Level 3	2,092sqm
Level 4	2,086sqm
Level 5	2,083sqm
Level 6	2,077sqm
Cars	255

Total NLA: 11,723sqm

Cars

Floor	Spaces
Basement	193
Ground	117
Level 1 / Void	98
External Carpark	12

Total spaces: 420

Secure your position at Botanica 3.

Leasing opportunities are now available.
For further information about this groundbreaking office building contact the leasing team listed.



Josh Tebb 0414 755 881



Kevin Tutty 0416 721 184
Rob Joyes 0418 137 277

