

## ASX ANNOUNCEMENT

15 October 2019

### Value-add acquisition to leverage platform at Brisbane Technology Park

#### Highlights

- Exchanged contracts to acquire 10 Brandl St, Eight Mile Plains, Queensland, for \$10.0 million
- Value-add acquisition leverages APN's management expertise at Brisbane Technology Park and broadens the tenant offering
- FY20 FFO guidance of 3.5% growth maintained

APN Funds Management Limited ('APN'), as Responsible Entity and Manager of APN Industria REIT is pleased to announce the acquisition of 10 Brandl St for \$10.0 million.

The two-level 3,060 square metre building is situated at the entrance to Brisbane Technology Park (BTP), on an under-developed piece of land totalling 6,787 square metres – a site coverage of 31%. The building includes 350 square metres of warehouse, a unique offering that enhances leasing prospects by appealing to many medical-related users who are already attracted to the location and offering at BTP.

The asset has been acquired on a cap rate of 8.25%, and includes income support for 15 months, equivalent to a 9.0% initial yield. Due to the temporary nature of the income support, it will not be recognised as part of Funds From Operations.

Alex Abell, Fund Manager of APN Industria REIT said: "Over the last two financial years we have completed 71 leasing deals over 13,600 square metres at the Tech Park, and this property creates an opportunity to leverage our on-site presence and expertise to add considerable value by re-leasing at an expected yield on cost of 8 – 9%. The surplus land on the site also provides optionality to meet the be-spoke requirements of tenants in the medical and tech industries, which could further enhance the returns under our ownership."

Settlement is anticipated for late October. Gearing is anticipated to rise to ~33%, which is toward the bottom-end of the Fund's 30 – 40% target gearing band.

**ENDS**

For further information, please contact:

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#### About APN Industria REIT

APN Industria REIT ('Industria') (ASX code: ADI) is a listed Australian real estate investment trust which owns interests in office and industrial properties that provide functional and affordable workspaces for business. Industria's \$757 million portfolio of 29 properties located across the major Australian cities provides sustainable income and capital growth prospects for security holders over the long term. Industria has a target gearing band of 30 – 40%, providing flexibility for future growth without compromising the low-risk approach to management. Industria is managed by APN Property Group, a specialist real estate investment manager established in 1996, and governed by a majority independent Board.

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## Property Information

### Brisbane Technology Park – existing ownership and 10 Brandl St



<b>10 Brandl St, Eight Mile Plains</b>	<b>Area</b>
Ground floor	1,540 square metres
Level 1	1,170 square metres
Warehouse	350 square metres
Total	3,060 square metres
Car parking	80 bays