

# DEXUS Wholesale Property Fund

## Media release

9 July 2013

### DEXUS Wholesale Property Fund acquires Sydney industrial property

DEXUS Wholesale Property Fund (DWPF) today announced the acquisition of 4 Inglis Road, Ingleburn, NSW for a total consideration of \$34.35 million (excluding acquisition costs).

The property, a 43,442 square metre modern and highly-functional industrial distribution facility, is located in Sydney's desirable south west industrial corridor, 32 km from Port Botany and 43 km from the CBD.

Graham Pearson, DWPF Fund Manager, said: "The property is an excellent fit with DWPF's industrial strategy of building a high quality diversified industrial portfolio located in key markets across the eastern seaboard. In addition, the property meets the objective of securing high quality assets that can be actively managed to increase returns to the Fund's unitholders.

"Faced with a highly competitive investment market for prime, long-tenanted industrial properties, this acquisition represents a unique strategic opportunity where we can leverage DEXUS's industrial asset management capabilities to reposition the property through proactive leasing."

The Fund achieved favourable pricing terms, acquiring the asset on a 9.0% capitalisation rate, with an initial yield of 13.5% with opportunity to generate further value through securing a new long-term tenant. The asset has been acquired from a leading transport and logistics provider, which has taken a short-term lease-back over the majority of the building. A transport company occupies the balance of the facility on a short-term basis, with the property having a weighted average lease expiry of 1.1 years.

The property is well located within a core market which is well known to DWPF. Positioned close to key infrastructure and transport hubs, Ingleburn will benefit from future demand expected to be generated by the proposed intermodal hub at Moorebank, the existing intermodal terminal at the Macarthur International Shipping Terminal at Minto and the recent upgrades to nearby roads and rail infrastructure.

The DEXUS industrial team has a demonstrated track record of leasing success within the south-west Sydney industrial corridor, including the recently completed leasing deals at the nearby DWPF-owned properties at 93 Williamson Road, Ingleburn and 46 Airds Road, Minto. In both cases, new five year leases were secured, resulting in significant valuation increases.

"The acquisition of 4 Inglis Road, Ingleburn increases DWPF's industrial portfolio allocation to 12%. The Fund has successfully raised \$823 million of total equity over the past 12 months and is well positioned to pursue its development pipeline and targeted acquisitions as part of its investment strategy," said Graham Pearson.

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#### About DWPF

DEXUS Wholesale Property Fund (DWPF) is an open-ended unlisted property fund with a \$4.3 billion diversified portfolio of high quality retail, office and industrial properties in key locations in Australia. DWPF is managed by DEXUS, one of Australia's leading real estate groups with total assets under management of \$13.1 billion.

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