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Acquisition of Bunnings Warehouse, Port Melbourne, Victoria

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The Directors of Bunnings Property Management Limited, the responsible entity for the Bunnings Warehouse Property Trust, today announced the acquisition of a Bunnings Warehouse in the suburb of Port Melbourne, Victoria for a purchase price of \$24.0 million (excluding acquisition costs). The property was sold by an institutional owner through a public campaign.

The 3.0 hectare property is situated on the corner of Williamstown Road and Bertie and Bridge Streets in Port Melbourne, approximately 2.5 kilometres south-west of the Melbourne central business district. The building comprises a total retail and office area of 13,846 square metres with approximately 327 car parking spaces.

The property is leased to Bunnings Group Limited, with an initial term expiring in March 2020 and four options, exercisable by the tenant, for a further five years each. The rental is reviewed annually to the consumer price index ("CPI") and subject to a market review in March 2013 and at the exercise of each option. Market reviews are subject to a 10 per cent cap and 5 per cent collar; ensuring that the revised rent may be no greater than 110 per cent, nor less than 95 per cent, of the rent in the preceding year.

The passing annual rent of \$1,650,288, which will be subject to a CPI review on 17 March 2011, represents an initial yield of 6.9 per cent on the purchase price of \$24.0 million. The acquisition will be funded from current cash reserves.

The Responsible Entity considers this to be an outstanding investment property, due to its proximity to the Melbourne central business district; a prominent corner location with three street frontages - including exposure to Williamstown Road; and a committed 9.2 year lease to a blue-chip tenant.

The acquisition increases the number of Bunnings Warehouses owned by the Trust to 54 and brings the total number of properties in the portfolio to 60.

For further information please contact:

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