

9 May 2016

## MIRVAC ACQUIRES TOOMBUL SHOPPING CENTRE, BRISBANE

Mirvac Group (“Mirvac”) [ASX: MGR] is pleased to announce it has exchanged contracts to purchase Toombul Shopping Centre in Brisbane for a total consideration of \$233.3 million<sup>1</sup>, representing a core capitalisation rate of 6.50 per cent.

Located just seven kilometres from Brisbane’s CBD and six kilometres from Brisbane Airport, Toombul is situated in a growing inner urban area and benefits from its close proximity to major roadways (including the recently completed Airport Link tunnel) and public transport links.

The centre, which sits on a site area of approximately 98,850 square metres, has a total gross lettable area of over 44,000 square metres. It is anchored by a strong performing Coles, as well as Kmart, Target, Aldi and BCC Cinemas, with household hardware giant, Bunnings, expected to open in 1H17.

The centre has a moving annual turnover of \$234.1 million, specialty productivity of over \$8,100 per square metre and specialty occupancy costs of 14.5 per cent. Centre occupancy is currently 92.8 per cent<sup>2</sup>, and as part of the transaction, Mirvac has secured a two-year rental guarantee over the existing vacancies.

Toombul formed part of a portfolio of four shopping centres offered for sale by Vicinity Centres. Mirvac bid jointly with affiliates of funds managed by Blackstone as a consortium for the portfolio. Mirvac will acquire a 100 per cent interest in Toombul Shopping Centre with Blackstone to purchase the remaining assets.

Commenting on the acquisition, Mirvac’s Head of Retail, Susan MacDonald, said, “Toombul presents Mirvac with a fantastic repositioning opportunity, in line with our successful urban retail strategy.

“It’s situated within a fast-growing metropolitan area, with forecast population growth of over 2 per cent per annum and forecast spending growth of 4.7 per cent per annum, according to key research.

“Our focus for the centre in the short term will be to improve car park convenience and enhance the retail offer to better align with changing trade area demographic. Over the medium-to-long term, we will look to deliver a new entertainment offering and dining precinct, using our proven integrated retail development capability.

“This acquisition increases our exposure to the Greater Brisbane market, and follows our recent successful expansions at both Kawana and Orion Springfield.

“We were extremely pleased to work alongside our existing capital partner, Blackstone Real Estate Asia, to secure this new opportunity.”

Settlement is anticipated in the last quarter of FY16.

1) Including adjacent land of approximately 2,800 square metres.

2) Including the Bunnings’ tenancy.

Appendix:



For more information, please contact:

Media enquiries:  
Marie Festa  
Head of Culture and Reputation  
+61 2 9080 8956

Investor enquiries:  
Narelle Checchin  
GM, External Communications  
and Investor Relations  
+61 2 9080 8315