



29 October 2007

AXIOM TO PURCHASE MAJOR BULKY GOODS DEVELOPMENT IN ADELAIDE

Axiom Properties Limited has contracted to buy a 50% interest in the development of a 60,000 square metre bulky goods centre at Gepps Cross, 10kms north of the Adelaide CBD for \$25m from Pivot Group. The other 50% will be joint-ventured by Harvey Norman, who will anchor the centre with a 12,000 square metre store, and publicly listed fund manager, Charter Hall.

The acquisition reinforces Axiom as a national property developer delivering investment grade properties across various property sectors, including bulky goods.

As an extension of the successful relationship between Pivot, Harvey Norman and Charter Hall, Axiom is developing the project with its other joint venture developers, all of whom are partners in a new 40,000sq.m. bulky retail project at Mentone in Melbourne.

The three developers have agreed to buy the 16 hectare site on Main North Road from Axiom's major shareholder, Peter Laurance's Pivot Group, who coordinated the amalgamation, rezoning and development approvals for the site. Earthworks have already commenced and construction is expected to start early next year, for a March 2009 opening.

The Managing Director of Axiom, Ben Laurance, said that bulky goods retailers had pointed out the shortage of quality, large-scale homemaker centres in Adelaide, and it was therefore no surprise that expressions of interest had been received for most of the proposed tenancies.

"This will be one of the biggest bulky goods centres in Australia, so it will be truly a one-stop comparison shopping destination on one of the most high profile sites in Adelaide," Mr Laurance said.

"The fact that Harvey Norman is taking their biggest format store gives the stamp of approval to the site and is a strong endorsement of the quality of the development," he said.

"Significant interest from most of the high quality National retailers with proven trading records has been received for the major part of the rest of the centre," Mr Laurance said.

"The zoning sensibly permits more than a dozen small food and beverage tenancies, so the whole centre will be a family-friendly shopping environment."

The developers also have approval to install traffic lights on Main North Road leading into the centre, and to construct a new road through the site to connect to Port Wakefield Road.

"The direct road connection to the two major northern arterial roads means the new centre will be directly accessible to more than 60,000 cars of passing traffic every day," Mr Laurance said.

The centre is being leased by John Savva of CBRE Adelaide, and Jeff Klopper, CBRE's National Leasing Director.

HOME HQ Gepps Cross, as the centre will be known, is expected to have an end value of \$150 million. Shareholders will be asked to approve the transaction from Pivot Group at the Axiom Annual General Meeting to be held on 27 November 2007.

ENDS – For further information contact Ben Laurance on 0408 955 281