



## **PRESS RELEASE FOR AXIOM/ISPT**

**22 February 2007**

### **AXIOM & ISPT SNAP UP THE AGE SITE FOR \$66.1 MILLION**

Axiom Properties Limited has formed a joint venture with Industry Superannuation Property Trust No. 3 to buy "The Age" newspaper's Melbourne headquarters for \$66.1 million.

The site comprises nearly a whole city block of 15,200 square metres opposite the newly-redeveloped Spencer Street railway station, and is ear-marked for a mixed-use redevelopment.

The Age will lease back all of the buildings on the property for three years to show the joint venturers a return of 6.5% per annum while planning the redevelopment. "The Age" had previously proposed a major new office building and up to 1,000 apartments on the site, before deciding to relocate to the Docklands precinct.

The Executive Director of Axiom, Mr Ben Laurance, said the purchase and scheme for redevelopment were part of the long-term vision Axiom's major shareholder, Pivot Group, presented to Axiom shareholders during the battle for control with Macquarie Bank, which Pivot won last year.

"The purchase of this prominent redevelopment site in partnership with ISPT provides further strength and diversity to Axiom's development portfolio," Mr Laurance said.

"We believe that the site is directly in the path of the new growth centre of the Melbourne CBD, and adjoins massive, newly-developed retail, office and residential facilities around the Spencer Street station," he said.

"We think this is an opportunity to accommodate major office tenants and apartment dwellers with environmentally sustainable space in a village atmosphere with all of the transport access and retail conveniences everybody wants," Mr Laurance said.

Mr Laurance said: "The size, prominence, and location of this site will enable the partners to transform this site from "The Age" site to the "New Age" site.

The Chief Executive Officer of ISPT, Mr Daryl Browning, said: "This acquisition ideally suits our new opportunity fund, ISPT No. 3, which was formed last year to undertake a diverse range of developments including major city commercial projects such as this. ISPT No. 3 managed by David McFadyen has secured a number of projects which will have an end value approaching \$1 billion. The Age site complements a number of residential and industrial development opportunities already acquired."

"We already have an existing joint venture with Pivot Group and Axiom Properties Limited in our Century City project in Perth and this will build on that relationship," Mr Browning said.

ISPT has \$5 billion of property assets domestically under management in its ISPT Core Fund, ISPT No. 3 and over \$700 million in IGIPT, its international fund with co-investor and manager, Grosvenor.

Mr Laurance said: "Our participation in "The Age" site with ISPT shows that through its strategic alliance agreement with Pivot Group, Axiom has the capacity to assess and take on profitable property projects of all sizes, in all States."

The joint venture is the second for Axiom and ISPT which follows the joint deal they have on the office component of their Century City project presently under construction at 100 St. George's Terrace, Perth.

Century City comprises a 12,000 square metre, three-level shopping centre between Hay Street mall and St. George's Terrace, and a 17-storey, 30,000 square metre office building above.

It is expected to be completed in December next year, and will have an end value in excess of \$300 million.

**ENDS**

For further information ring Ben Laurance 0408 955 281.