

Media Release

[For Immediate Release]

Tuesday, 29 October, 2019

NEWMARK CAPITAL PURCHASES BUNNINGS LARGE FORMAT RETAIL CENTRE IN WARRAGUL, VICTORIA

Newmark Capital has commenced development of a large format retail centre in Warragul, Victoria anchored by Bunnings and Kmart for \$51M to boost the growth of the Newmark Hardware Trust.

The site was purchased with development agreements in place with the Troon Group to deliver the completed centre.

The 57,230sqm site will include 25,238sqm of large format retail on a highly visible site off the Princes Highway in Warragul, 107 km south-east of Melbourne.

The centre includes a further 9 tenancies and is 85% pre-leased including leases to Bunnings and Kmart.

The site settled in July and construction has commenced. The Centre will be completed by June 2020.

The acquisition is the fourth Bunnings-focussed property for the Newmark Hardware Trust.

Joint Managing Director of Newmark Capital, Chris Langford said, *“The acquisition of Warragul is consistent with our approach to acquire well located properties in strong local economies. The Hardware Trust focuses on Bunnings as the major occupier on long term leases.”*

“We have seen a surge of interest from private investors in direct property since the Federal election and the subsequent drop in interest rates. The SMSF investor in particular relates to the Bunnings based centres owned by the Hardware Trust. They like the secure rental which grows over time. The Trust is generally regarded as a defensive stock by investors, with the potential for capital growth seen as a ‘cherry on top’”.

“The Trust has delivered over 14% per annum (total returns) to the investors who jumped on board back in 2014.”

Warragul is the fourth asset for the Hardware Trust with properties in Launceston, Lake Haven, and Maroochydore. The Trust is paying a distribution yield of 6% with the potential for capital gains. The Trust presently has a WALE of 8.5 years and is 100% occupied.

About the Newmark Hardware Trust

Hardware is Newmark's first open ended unlisted property fund. It offers:

- Available for SMSF investment,
- Daily unit pricing,
- Tax effective quarterly distributions,
- Potential for capital gain,
- Invest from as little as \$10k,
- Limited monthly withdrawal facility.

About Newmark Capital

Newmark Capital is an unlisted property funds management business that places strong emphasis on real estate fundamentals and 'hands-on' strategic management. Newmark believes it has a strong track record in delivering growth and upside from this management approach and through repositioning of assets.

Newmark was founded in 2011 to provide the opportunity for private investors to have access to high calibre commercial properties which deliver regular distributions with long term capital growth. Since 2011, we have carefully grown the portfolio to almost \$1 billion of high-quality properties in 2019.

Newmark has a track record of delivering strong returns and growth to investors in both income and value-add investments since its establishment. We have enjoyed great success to date with office and retail properties across the Eastern Seaboard including: The Jam Factory, The Como Centre, Brandon Park Shopping Centre, Tooronga Village Shopping Centre and Chadstone HomePlus Homemaker Centre.

Newmark Capital recently purchased the Tooronga Village Shopping Centre which was fully subscribed.

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Media contact: Chris Langford

Phone: (03) 9820 3344

Fax: (03) 9066 3999

The Como Centre

Corner Chapel Street and Toorak Road

South Yarra VIC 3141

