

15 December 2015

### **Leasing Progress at Eastgate Shopping Centre**

NPT Limited announces further progress at Eastgate Shopping Centre Christchurch.

Lease agreements that have previously been announced as being conditional, are now unconditional.

These lease agreements are:

1. An area of 900m<sup>2</sup> in the vacant area on the upper level of the Centre to be occupied by Linwood Avenue Medical Centre. Linwood Avenue Medical Centre will relocate from its current location at 279 Linwood Avenue into a new, purpose-built Integrated Family Health Centre within a portion of the space vacated by Farmers after the 2011 earthquake.

The lease is for an initial term of 9 years from the completion of construction.

2. An area of 1200m<sup>2</sup> in the vacant area on the upper level of the Centre to be occupied by a cluster of social services providers that will co-locate together into new office space, in the balance of the area vacated by Farmers. The organisations we welcome include Aviva, Barnardos, Family Help Trust, Red Cross and He Waka Tapu.

The lease is for an initial term of 6 years from the completion of construction.

Hawkins Construction has been appointed for the works on the upper level of the Centre after a competitive tender process.

3. A new stand-alone Restaurant Brands outlet will be constructed at 283 Linwood Avenue on a site previously occupied by a house demolished earlier this year.

The lease is for an initial term of 12 years from the completion of construction.

All three projects will commence in January 2016 with completion in the middle of 2016.

NPT estimates the combined capital expenditure on these projects will be \$7m and will provide an annualised yield on cost of 9.25%. NPT will fund these developments via its existing bank facility.

This investment represents a further step on the path towards NPT's redevelopment of Eastgate Shopping Centre; and the upper level 'health and wellbeing services hub' will create a large increase in foot traffic that will generate significant, additional sales opportunities for the Eastgate retailers. Over the next few years this strategy includes investment in additional food & beverage outlets, larger format retail spaces and other value-adding commercial initiatives.

These developments, combined with the previously announced internalisation of the property management of the portfolio, are expected to add 6% to the net earnings of the company on an annualised basis.

ENDS

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#### Key Facts about NPT Limited

- NPT Limited is an NZX-listed company; its code is NPT.
- The Board is comprised of Sir John Anderson (Chairman), Kerry Hitchcock, Jim Sherwin, Tony McNeil and Carol Campbell.
- The Managing Director is Kerry Hitchcock.
- NPT has a diversified portfolio of retail, commercial and industrial properties located in Auckland, Hawke's Bay and Christchurch.