

Retail Leasing

- Retailer demand remains strong for highly productive assets contributing to an improvement in leasing metrics
- Investment in the shopper experience bringing first to market and new retail concepts into the portfolio
- Portfolio continues to deliver strong specialty rental growth

PORTFOLIO LEASING STATISTICS

	Dec 2016	Dec 2015
Specialty Deal Count	504	544
- Avg. Annual Fixed Increase	4.8%	4.8%
- Avg. Lease Term	4.7 years	4.8 years
Leasing Spread	0.3%	(1.6%)
Retention Rate	75%	70%
Portfolio Occupancy	99.6%	99.2%
Specialty Rent - % of Income Expiring	26%	28%
Specialty WALE	2.7 years	2.5 years
Specialty Occupancy Cost	16.9%	17.4%

Note: Portfolio leasing statistics exclude assets sold: Dandenong Plaza and Westfield Woden.



GPT 2016 Annual Result

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We have had a solid year of leasing activity, negotiating 504 specialty leases, achieving fixed rent escalations of 4.8% across these deals and securing on average lease terms of 4.7 years.

Strong demand for space across our portfolio has our occupancy sitting at 99.6% a 40 basis point improvement from 2015.

We have seen an improvement in leasing spreads across the portfolio, with a number of assets, such as Rouse Hill Town Centre and Charlestown Square, reporting positive spreads.

The lower churn and higher retention rate of 75% coupled with strong occupancy is enabling us to drive growth in our specialty base rental line.

The leasing market continues to see both domestic and international retailers seeking space, whilst the emergence of new retail concepts are also now creating demand. A great example of this is the first to market Kit Kat concept store at Melbourne Central.

The demand for retail space, as evidenced through these results has remained strong, given our quality portfolio.