

CIP Bolsters Value-Add Pipeline with Six Urban Infill Acquisitions

- **\$132m portfolio acquisition of six high-quality assets in urban, infill markets**
 - includes a five-unit Campbellfield development; \$104m on-completion value; five-star Green Star target
- **Three acquisitions adjoin existing CIP assets, consolidating larger sites in land constrained markets**
- **Acquisitions 100% weighted to high performing eastern seaboard markets**

SYDNEY (Monday, 17 January 2022) - Centuria Industrial REIT (**ASX: CIP**) today announced it acquired six high-quality industrial assets across Australia's eastern seaboard with a combined value of \$132.4million. The assets capitalise on land constrained, urban infill markets that are in high demand from ecommerce operators seeking close proximity to densely populated areas to improve supply chain efficiencies.

Acquisitions

Properties	State	Value	Initial yield	Capitalisation Rate	GLA ¹ (sqm)	WALE ¹ (yrs)	Occupancy ¹
90-118 Bolinda Road Campbellfield ²	VIC	\$37.7m	4.5%	4.50%	8,210sqm	0.7	100%
159-169 Studley Court, Derrimut	VIC	\$17.1m	4.3%	4.25%	7,725sqm	4.8	100%
43-49 Wharf Road, Port Melbourne	VIC	\$11.5m	3.0%	4.25%	2,387sqm	1.7	100%
8 Hexham Place, Wetherill Park NSW	NSW	\$12.2m	3.6%	3.63%	3,217sqm	1.7	100%
590 Heatherton Road, Clayton South	VIC	\$27.5m	4.0%	4.00%	9,575sqm	10.0	100%
5/243 Bradman Street, Acacia Ridge	QLD	\$26.5m	3.9%	4.25%	9,897sqm	7.8	100%
Total / weighted average		\$132.4m	4.0%	4.21%	41,011sqm	4.7	100%

Among the acquisitions is an eight-hectare site in the north Melbourne industrial market of Campbellfield, which has a short term lease. Upon lease expiration, a Project Delivery Agreement (PDA) will take effect and a brand new, sustainable five-unit industrial estate of approximately 44,000sqm will be delivered.

The acquisitions in Derrimut, Port Melbourne and Wetherill Park, adjoin existing CIP assets. The Acacia Ridge and Clayton South acquisitions build further scale in CIP's sub-portfolios in the infill markets of south Brisbane and southeast Melbourne, respectively.

Jesse Curtis, CIP Fund Manager and Centuria's Head of Industrial said, "One of CIP's strategic focuses is to provide investors with exposure to urban infill industrial locations that cater to last-mile, ecommerce operators. The urban infill locations of these eastern seaboard acquisitions provide a favourable leasing outlook for rental growth, underpinned by near zero vacancy, buoyant tenant demand and limited land supply. These conditions provide opportunities to extract outsized returns from the assets.

"The purchase of this portfolio marks a strong start to 2022 and continues to demonstrate CIP's management capability to source and execute on strategic acquisitions. The Campbellfield site provides a rare, value-add opportunity to deliver a much-needed new and sustainable multi-unit industrial estate to attract high-quality tenant customers and premium rents. The other acquisitions' WALE and rent review structures provide rental upside opportunities. The acquisitions adjoining existing CIP-owned assets create future development sites of scale in desirable and land constrained urban infill markets."

Centuria Industrial REIT (CIP)

ASX Announcement

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90-118 Bolinda Road, Campbellfield VIC was secured for \$37.7million. In partnership with Cadence Property Group, a five-unit industrial estate will be delivered with tenancies ranging from 3,200sqm to 20,000sqm catering to the most active leasing size range in the market. The 44,000sqm estate will provide an estimated on-completion value of \$104.1million.

Construction is expected to commence in 2023 with practical completion in 2024. The estate will target a Green Building Council of Australia Five-Star Green Star rating.

159-169 Studley Court includes two modern industrial facilities and adjoins CIP's existing asset at 179 Studley Court, creating a 4.0ha continuous landholding in inner west Melbourne. The acquisition will be the ninth asset in CIP's Derrimut sub-market, collectively worth \$229million

43-49 Wharf Road adjoins CIP's recently acquired 51-65 Wharf Road, Port Melbourne and creates a 1.0ha landholding in one of Melbourne's most tightly held industrial markets. Additionally the site provides a short WALE and is considered under rented, providing near term value-add upside.

8 Hexham Place adjoins CIP's recently acquired 160 Newton Road and 164-166 Newton Road assets, creating a 5.3ha landholding in a land constrained and highly sought after central western Sydney industrial market. The asset holds a short WALE and additionally provides near term value-add through positive rental reversion.

590 Heatherton Road is leased to Canterbury Windows and Doors and builds on CIP's southeast Melbourne portfolio which includes nine assets worth \$866million.

5/243 Bradman Street sits within the Westridge Industrial Park in the urban infill market of Acacia Ridge. The site is leased to a high quality tenant in Lincoln Sentry. The asset is considered under-rented and with a mid-term market rent review provides opportunity to capture positive rental reversion in the short term.

The acquisitions increase CIP's total portfolio to c.\$4billion and will be funded by new and existing debt facilities.

– Ends –

For more information or to arrange an interview, please contact:

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Authorised for release by Anna Kovarik, Company Secretary.

About Centuria Industrial REIT

CIP is Australia's largest domestic pure play industrial REIT and is included in the S&P/ASX 200 Index. CIP's portfolio of high-quality industrial assets is situated in urban infill locations throughout Australia and is underpinned by a quality and diverse tenant base. CIP is overseen by a hands-on, active manager and provides investors with income and an opportunity for capital growth from a pure play portfolio of high quality Australian industrial assets.

Centuria Property Funds No. 2 Limited (CPF2L), is the Responsible Entity for the ASX-listed Centuria Industrial REIT (CIP) (ARSN 099 680 252). CPF2L is a wholly owned subsidiary of Centuria Capital Group (CNI). CNI is an ASX-listed specialist investment manager with more than \$18billion in total assets under management and strong offerings across listed real estate investment trusts, unlisted real estate funds and investment bonds.

www.centuria.com.au

¹ By Income as at 31 December 2021

² Acquisition metrics. On expiry of the current lease CIP will enter into a Development Management Agreement to deliver a ~44,000sqm unit estate with an end value of c.\$104.1million