



LEIGHTON PROPERTIES



GROSVENOR

JOINT MEDIA RELEASE

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Leighton and Grosvenor acquire Brisbane CBD development site

Leighton Properties and Grosvenor Australia today announced they had secured a new CBD development site at 400 George Street, Brisbane for \$18.9 million. The joint venture partners plan to develop an A-grade commercial development on the site, located on the western edge of the Brisbane CBD.

Queensland Manager and Director of Leighton Properties, Mr Bob Borger, said the joint venture planned to lodge a development application for an A-Grade office building with a view to start construction in mid-2006.

"We are intending to develop a substantial, A-Grade office development of between 25,000 to 35,000 sqm on the site to capitalise on Brisbane's robust office conditions," Mr Borger said.

"The new development follows closely on Leighton Properties successful MacArthur retail and office CBD development, and further enhances our expertise as one of Queensland's leading commercial, industrial and retail developers."

Managing Director of Grosvenor Australia, Mr Rob Kerr, confirmed that "this purchase accords with our strategy of maintaining our exposure to the Brisbane office market, one of the tightest national office markets with a vacancy of under 4% and A grade vacancy at an all time low of 1.9%. Limited supply additions and continuing tenant demand will translate into strong rental growth going forward."

"The strength of 400 George St is its location, opposite the recently completed Magistrate's Court and very close to the Roma Street Transit Centre where we believe CBD growth will occur. There are very few opportunities elsewhere in the CBD."

"The plans of the Joint State Government - Brisbane City Council City West Planning Task Force in advocating a new pedestrian link, extending from the Roma Street Parklands through Queensland Place on George Street and down Tank Street with a river crossing to Queensland Cultural Centre precinct, further enhances the location of the site. It is at the centre of the City West Precinct which is being reinvigorated by planning initiatives and the State's development of Queensland Place."

This is the third joint venture project between Grosvenor and Leighton Properties. It follows the sale by Leighton Properties and Seymour Group of their joint venture office component of the MacArthur project in Brisbane to Grosvenor in 2004 for \$118.9 million. Grosvenor and Leighton recently purchased an office development site in Smith Street, Parramatta which is scheduled to commence in the next few months.

For further Information Contact:

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