



FEBRUARY 2011

AUSTRALIAN CBD OFFICE

Annual Development Activity Report

Knight Frank

1 Bligh Street, Sydney - co-owned by DEXUS Property Group, DWPF and Cbus Property.

HIGHLIGHTS

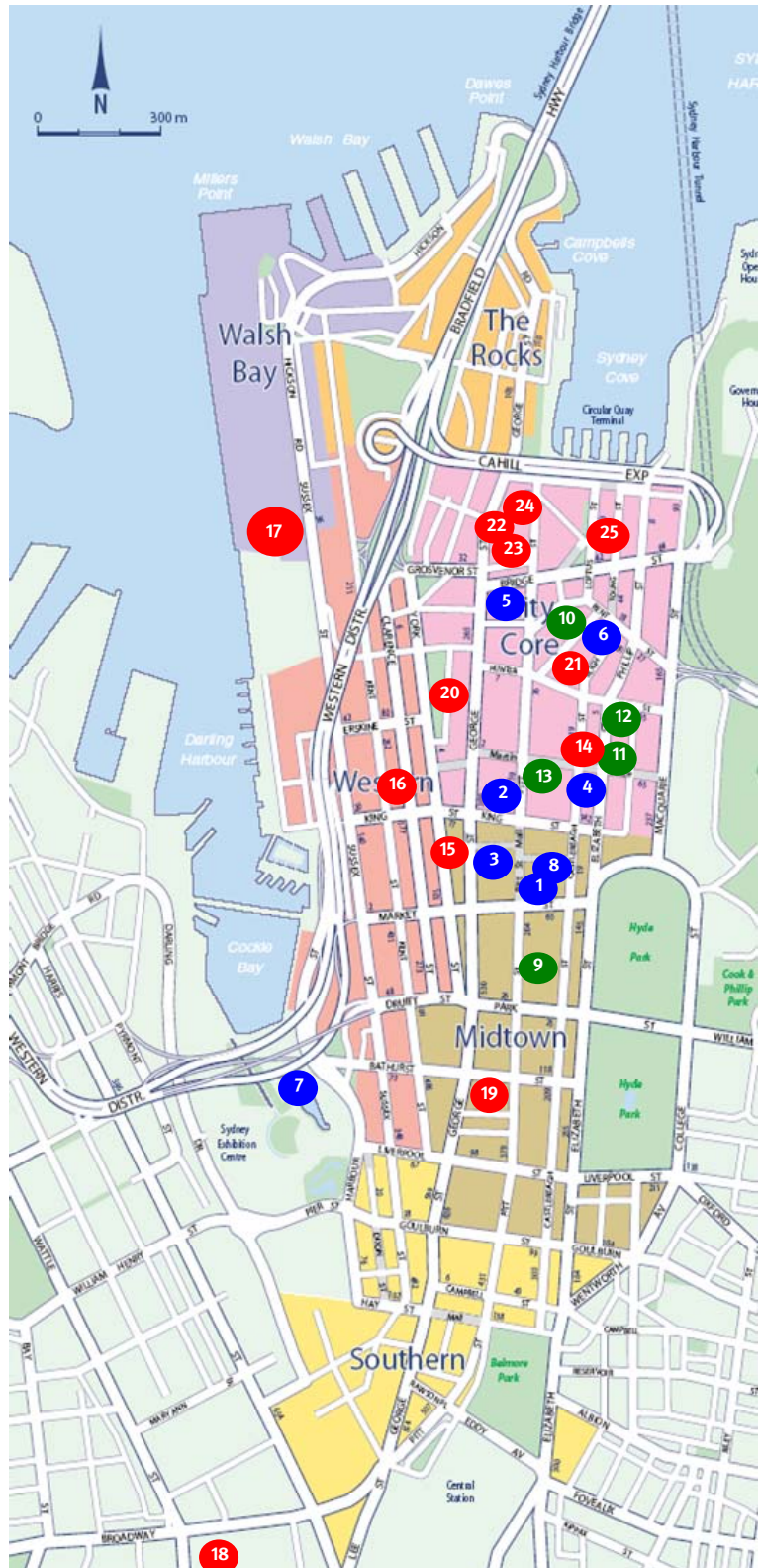
- After gross supply additions of 1.25 million m² over the past two years, 2011 and 2012 are expected to deliver 780,000m² of new and refurbished stock (422,716m² in 2011 and 358,026m² in 2012). Many landlords took the opportunity to complete refurbishment programs on vacant buildings in 2009 and 2010 in an effort to reposition the asset and boost market appeal. However, only 20% of the space coming online over the next two years will be made up of refurbishment projects, as new development projects have been underpinned by major tenant commitments and equity injections.
- Backfill space will remain a significant influence on the market in 2011 and 2012, given major tenant relocations over the past 12-18 months and pending relocations which will add a total of 180,000m² to the market in 2011 and 2012 combined. This will continue to drive underperformance in secondary assets and fuel further refurbishments in the medium term.
- The recent confidence about future take-up has led to many developers/owners reigniting development pipelines in an effort to grow their prime portfolios. The confidence in the market was demonstrated in 2010, with many development sites changing hands or receiving equity injection over the year, with the likes of Grocon, GPT/LaSalle, Cbus, AAIG, Brookfield and Billbergia Group becoming new owners or JV partners of major sites with the potential for office development into the future.

SYDNEY CBD

- 1 100 Market St # - 28,900m² (ASIC)
Westfield - completed Q1 2010 - 100% committed.
- 2 175 Pitt St # - 23,150m² (Human Rights)
Colonial (CPA) - completed Q1 2010 - 75% committed.
- 3 420 George St - 37,900m² (State Street/AECOM)
Fortius/APPF - completed Sept 2010 - 75% committed.
- 4 39 Martin Place # - 12,500m² - 35% committed.
Colonial GAM (DPIF) - Q4 2010
- 5 10-20 Bond St # - 35,000m² (Trust)
ING/Mirvac - Q1 2011 - 20% committed.
- 6 1 Bligh St - 41,936m² (Clayton Utz)
DEXUS/Cbus - May 2011 - 55% committed.
- 7 Darling Walk - 56,000m² (CBA) - 100% committed.
APPF (Lend Lease)/ADIA - from May 2011
- 8 85 Castlereagh St - 32,837m² (JP Morgan)
Westfield - mid/late 2012 - 75% committed.
- 9 161 Castlereagh St (242 Pitt St) - 54,350 m² (ANZ)
Grocon/GWOF/La Salle - mid 2013 - 90% committed.
- 10 1 O'Connell St # - ~20,000m²
APPF (Lend Lease)/ADIA - late 2013
- 11 52 Martin Place # - ~17,000m²
QIC/Stockland - 2012/13
- 12 8 Chifley Square - 19,000m²
Mirvac - mid/late 2013
- 13 5 Martin Place (120 Pitt St) - 33,700m²
Colonial (CPA) - mid 2014
- 14 48 Martin Place - ~20,000m²
Commonwealth Bank - 2014+
- 15 383 George St (38 York St) - 15,081m²
Fife Capital - 2014+
- 16 161-165 Clarence St - 15,902m²
Brookfield - 2014+
- 17 Barangaroo - ~up to 300,000m²
Lend Lease/SHFA - commencing from 2014+
- 18 Central Park (CUB site) - up to ~70,000m²
Fraser - 2013/14+
- 19 cnr Bathurst & Pitt Sts - 35,893m²
Brookfield (Syd.Water site) - 2016+
- 20 301 George St (City One) - ~60,000m²
Thakral - 2016+
- 21 33 Bligh St - 21,000m²
Energy Aust./Investa - 2016+
- 22 190-200 George St - ~38,000m²
Mirvac - 2016+
- 23 George, Dalley & Pitt Sts - 35,000m²+
GE Real Estate - 2016+
- 24 19-31 Pitt St - ~10,000m²
Cambooya - 2017+
- 25 Loftus & Young Sts - 35,000m²
AMP - 2016+

- Under Construction/Complete
- DA Approved / Confirmed / Site Works
- Mooted / Early Feasibility

NB. Dates are Knight Frank Research estimates
 * Major tenant precommitment in brackets
 # Major refurbishment
 Office NLA quoted



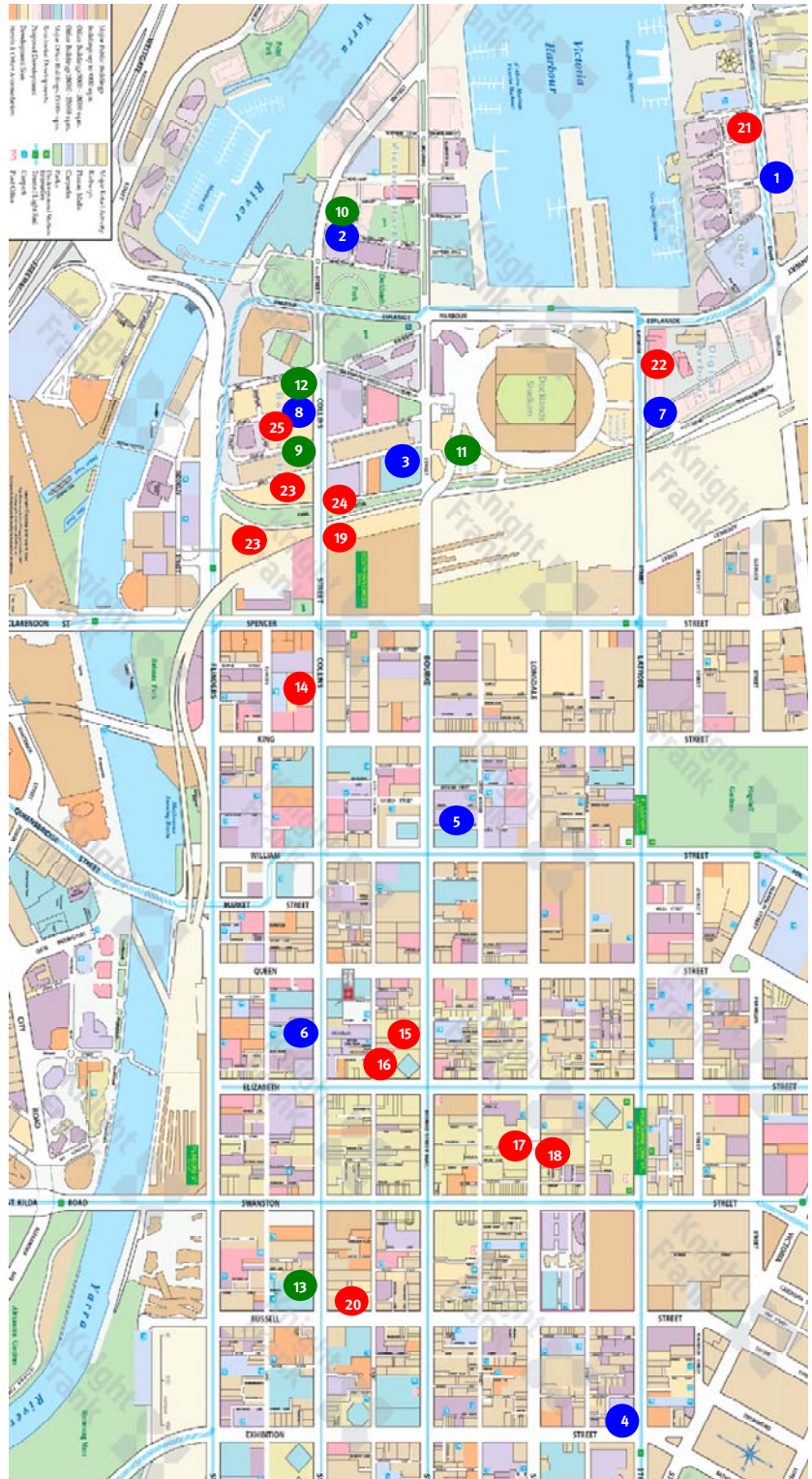
Source of Map: PCA



MELBOURNE CBD

- 1 380-400 Docklands Drive - 14,200 m² (CSC)
MAB - completed in Q1 2010 - 100% committed.
 - 2 800 Collins St - 28,650 m² (Myer) - 100% committed.
SEB/Lend Lease - completed in Q1 2010
 - 3 717 Bourke St - 39,872 m² (9 Network)
REST - completed in Q3 2010 - 100% committed.
 - 4 321 Exhibition St # - 30,824 m² (Origin Energy)
Cromwell - mid/late 2011 - 84% committed.
 - 5 555 Bourke St - 16,000 m² (Holding Redlich)
Julliard - Q1 2012 - 50% committed.
 - 6 357 Collins St - 30,000 m² - uncommitted.
Australand - Q2 2012
 - 7 990 Latrobe St - 13,500 m² (Melbourne Water)
Digital Harbour - Q2 2012 - 100% committed.
 - 8 735 Collins St - 38,000 m² (ATO)
Walker - Q4 2012 - 90% committed.
 - 9 The Goods Shed - 11,000 m² (Pearson)
Walker - mid/late 2012 - 73% committed.
 - 10 850 Collins St - 15,840 m² (Aurecon)
Lend Lease - Oct 2012 - 60% committed.
 - 11 Bourke Junction, Nth Tower - 62,000 m² (NAB)
ISPT/Cbus Property - Q2 2013 - 100% committed.
 - 12 745 Collins St - 39,500 m² (Marsh Mercer)
Walker - Q2 2013 - 65% committed.
 - 13 171 Collins St - 27,700 m² (BHP)
Charter Hall/Cbus - Q2 2013 - 45% committed.
 - 14 567 Collins St - 52,000 m²
APN / Leighton Properties - 2014+
 - 15 399 Bourke St - 63,000 m²
Brookfield - 2014+
 - 16 385 Bourke St - 27,000 m²
Colonial First State - 2014+
 - 17 275 Lonsdale St - 22,000 m²
Colonial First State - 2014+
 - 18 300 Lonsdale St - 25,000 m²
GPT Group - 2014+
 - 19 664 Collins St - 45,000 m²
Mirvac - 2014+
 - 20 150 Collins St - 15,000 m²
APN - 2014+
 - 21 395 Docklands Drive - 22,000 m²
MAB - 2014+
 - 22 1000 Latrobe St - 32,500 m²
Digital Harbour - 2014+
 - 23 Sites 5 & 6B - 100,000 m²
Vicurban - 2014+
 - 24 680 Collins St - 80,000 m²
Vicurban - 2014+
 - 25 735 Collins St (Bldg C) - 25,000 m²
Walker - 2014+
- **Under Construction/Complete**
 - **DA Approved / Confirmed / Site Works**
 - **Mooted / Early Feasibility**

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 # Major refurbishment
 Office NLA quoted

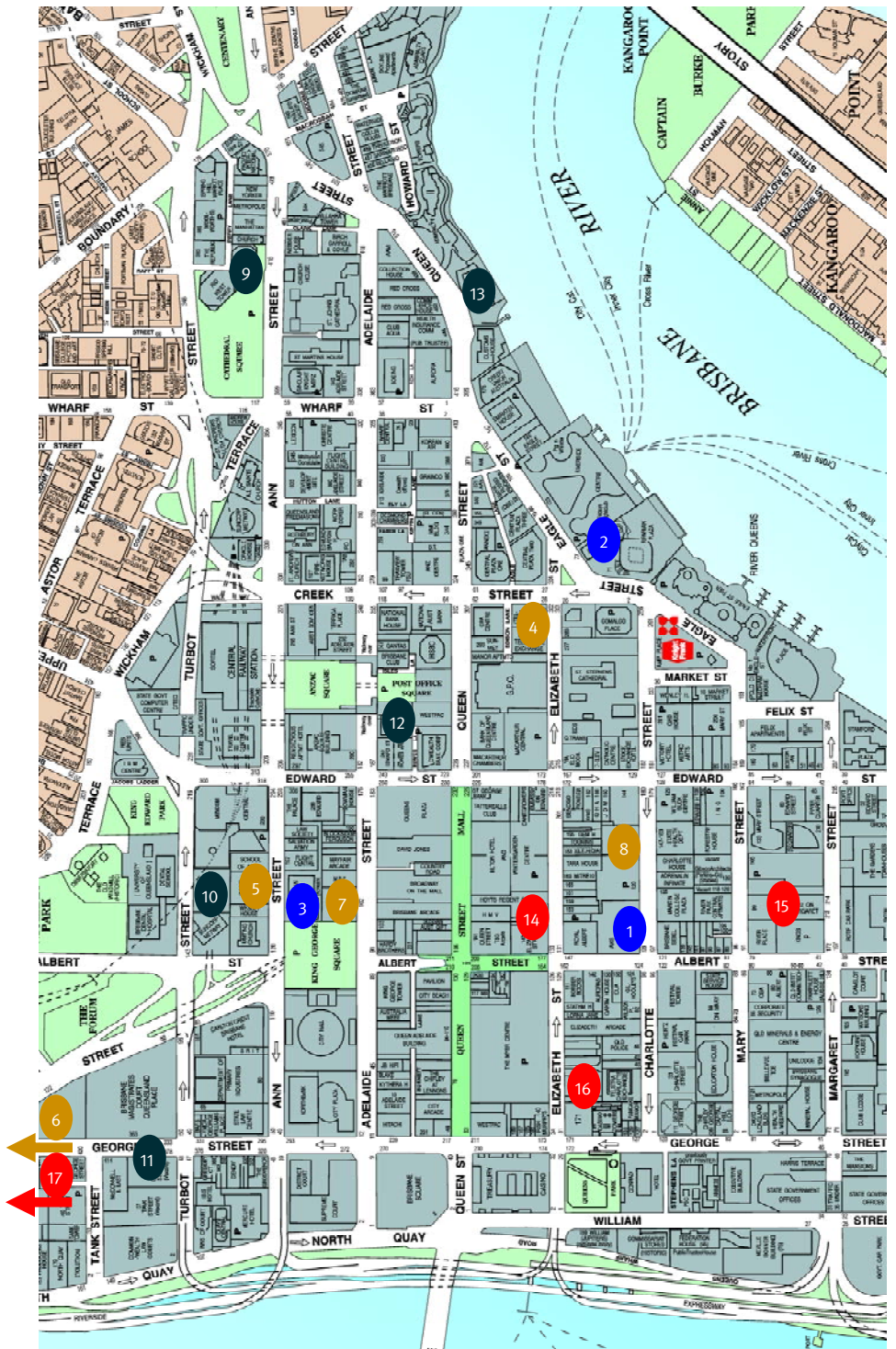


Source of Map: Knight Frank

BRISBANE CBD

- 1 123 Albert St - 38,500m² (Rio Tinto)
DEXUS - Q1 2011 - 80% committed.
 - 2 111 Eagle St - 64,000m² (Norton Rose)
GPT consortium - Q4 2011 - 8% committed.
 - 3 145 Ann St - 27,660m² (GHD/CUA)
Leighton/CPA - Q2 2012 - 68% committed.
 - 4 40 Creek St # - 11,888m² - Charter Hall
Q2 2009 - 17% committed.
 - 5 160 Ann St # - 12,570m² (CQU)
Investa Wholesale - Q4 2009 - 60% committed
 - 6 Roma Street Transit Centre # - 29,120m²
(Bris City Council)- GPT/APPF - Q1 2010 - 75% committed
 - 7 116 Adelaide St # - 6,938m²
Private Investor - Q2 2010 - 11% committed
 - 8 150 Charlotte St # - 11,255m²
Stockland - 2012
 - 9 410 Ann St - 6,373m²
Investa - Q1 2009.
 - 10 179 Turbot St - 5,875m²
APG - Q2 2009
 - 11 400 George St - 5,816m²
Grosvenor/HSBC Trinkaus & Burnhardt Immobilien - Q1 2010
 - 12 215 Adelaide St - 5,331m²
GIC - Q1 2011
 - 13 443 Queen St - 5,546m²
Bramley Properties - Q2 2011
 - 14 Regent theatre Dev'pment - 50,000m²
ISPT - 2013+
 - 15 Vision Site commercial component
Billbergia - 30,000m²+ - 2013+
 - 16 Empire Site commercial component
Grocon - 26,000m² - 2013+
 - 17 Roma Street Transit Centre - 70,000m²
GWOF/APPF - subject to pre-commit.
- Under Construction** (Blue circle)
- Major Refurbishments** (Yellow circle)
- Existing larger space (5,000m²)** (Dark Green circle)
- Mooted/Early Feasibility** (Red circle)

NB. Dates are KF Research estimates
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 # Major refurbishment
 Office NLA quoted



Source of Map: Knight Frank

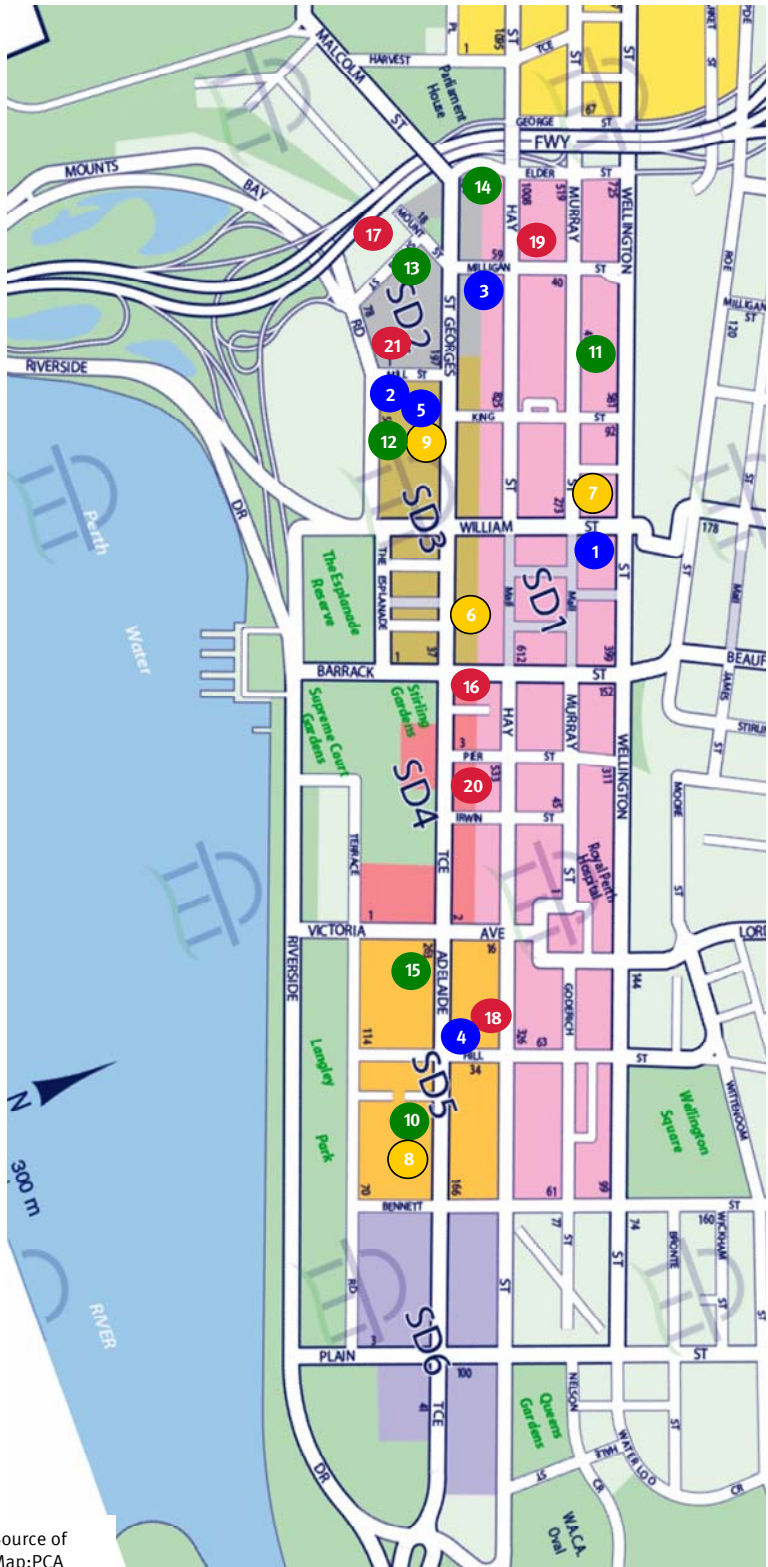


PERTH CBD

- 1** 140 William St - 36,000 m² (WA Gov't) - 100% committed. Cbus Property - completed Q2 2010
- 2** Alluvion, 58 Mounts Bay Rd - 21,980 m² (Clough) Cape Bouvard/CPA - comp. Q2 2010 - 100% committed.
- 3** Dynon Plaza, Milligan & Hay St - 13,200 m² (Chevron) Stamford Group - comp. Q2 2010 - 100% committed.
- 4** 226 Adelaide Tce - 13,594 m² - 75% committed. First State Group - completed Q3 2010 (ENI, DEEWR)
- 5** 167 St Georges Tce - 9,819 m² - 30% committed. WA Insurance Commission - completed Oct 2010
- 6** 50 St Georges Tce - 7,425 m² # - 100% committed St Martins - end 2010 (Calibre)
- 7** Raine Square, 298-306 Murray St - 45,450 m² (Bankwest) West Gem Investments - end 2011 - 100% committed.
- 8** 181 Adelaide Tce - 7,115 m² - 20% committed. Finbar - end 2011
- 9** 125 St Georges Tce (C2 - City Square) - 77,000 m² ^ Brookfield Multiplex - Q2 2012 (BHP) - 100% committed.
- 10** 187 Adelaide Tce - up to 20,000 m² Finbar - DA Approved, seeking pre-commit
- 11** 374-396 Murray St - 28,000 m² Private owner - DA Approved, seeking pre-commit
- 12** 123 St Georges Tce (City Square) - 24,000 m² Brookfield - DA Approved, seeking pre-commit
- 13** 239 St Georges Tce (Bishops See no.2) - 46,000 m² Brookfield/Hawaiian - DA Approved, seeking pre-commit
- 14** 999 Hay St - 9,800 m² Private owner - DA Approved, seeking pre-commit
- 15** 257 Adelaide Tce - 6,000 m² Private owner - DA Approved, seeking pre-commit
- 16** Treasury Building - 37,000 m² (WA Gov't) Mirvac/Cbus consortium - 2013/14
- 17** Capital Square (old Emu Brewery site) - 57,000 m² AAIG - DA Lodged - 2014+
- 18** 339 Hay St (Grosvenor Hotel site) - 12,200 m² Private owner - 2014+
- 19** 942 Hay St - 10,000 m² (old Melbourne Hotel site) Oakesfield P/L - 2014+
- 20** 32 St Georges Tce - 13,000 m² # Private owner - 2014+
- 21** 1-5 Mill St - 34,000 m² Colonial (CPA) - 2014+

- Blue circle** Completed 2010
- Yellow circle** Under Construction
- Green circle** DA Approved / Confirmed / Site Works
- Red circle** Mooted / Early Feasibility

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 # Major refurbishment
 ^ includes 6,000 sqm refurb of heritage bldg.
 Office NLA quoted



Source of Map:PCA

- 1** 11-19 Gilles St (The Wave) - 2,500 m²
Adabco P/L - completed Q1 2010
- 2** 420 King William St Stage 2 (The Edge) - 5,040 m²
Adabco P/L - completed Q1 2010 - 90% committed.
- 3** 251 Morphett St - 3,000 m² #
Guide Dogs SA - completed Q1 2010
- 4** Worldpark Stage A - Richmond Rd, Keswick - 11,554 m²
Axiom - (Coffey/SA Gov't) - late 2010 - 100% committed.
- 5** 100 Angas St - 19,000 m² (SAPOL) - 100% committed.
Commercial & General P/L (Maras Grp) - late 2011
- 6** 115 King William St - 6,150 m²
PMF Developments Pty Ltd - 2013+
- 7** Tower 8 - cnr Bentham & Franklin Sts - 34,000 m² (ATO)
Aspen - late 2012/early 2013 - 95% committed.
- 8** 80 Grenfell St - 24,000 m² (Bendigo & Adelaide Bank)
Gandel Group - mid 2013
- 9** 135 Pirie St (Aurora West Tower) - 16,000 m²
Urban Construct - 2013+
- 10** 42-56 Franklin St - 17,000 m²
Private (Molfetas) - 2013+
- 11** 102-120 Wakefield St - 18,000 m²
Kambitsis Group - 2013+
- 12** Worldpark - Richmond Rd, Keswick - 22,600 m²
Axiom (Stage B&C) - 2014+
- 13** Tower 7 - 2-10 Franklin St - 13,000 m²
Aspen - 2014+
- 14** 77 Pirie St - 18,000m²
Adelaide Development Company - 2014+
- 15** 37-45 Wakefield St - 23,000 m²
Catholic Church - 2014+
- 16** 130 Angas St (Yorke Campus Stg 2) - ~25,000 m²
Commercial & General P/L (Maras Grp) - 2014+
- 17** 44-52 Flinders St - 24,000 m²
Savings & Loans - 2014+
- 18** Tower 4 - 141 King William St - 30,000 m²
Aspen - 2014+
- 19** 51 Pirie St - 32,000 m²
Charter Hall - 2014+
- 20** 58-78 Franklin St - 26,900 m²
Kyren - 2014+
- 21** 71-83 Franklin St - 23,000 m²
Urban Construct - 2014+



Under Construction/Complete



DA Approved / Confirmed / Site Works



Mooted / Early Feasibility

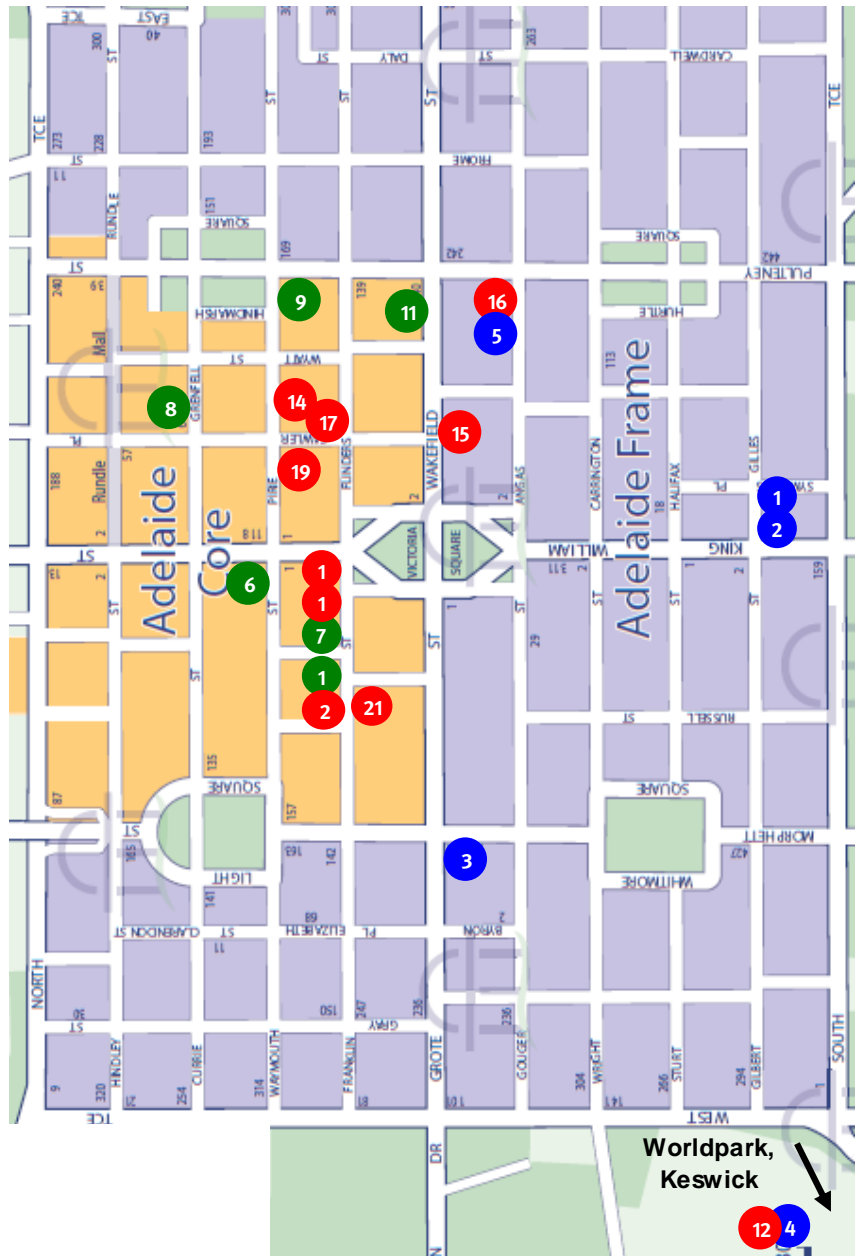
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Major refurbishment

Office NLA quoted

ADELAIDE

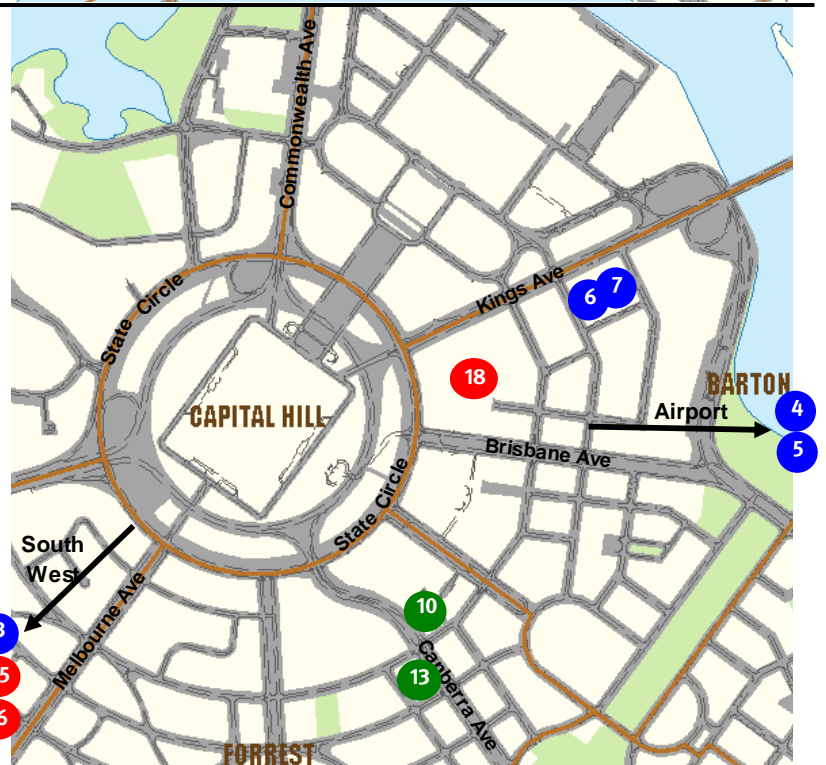
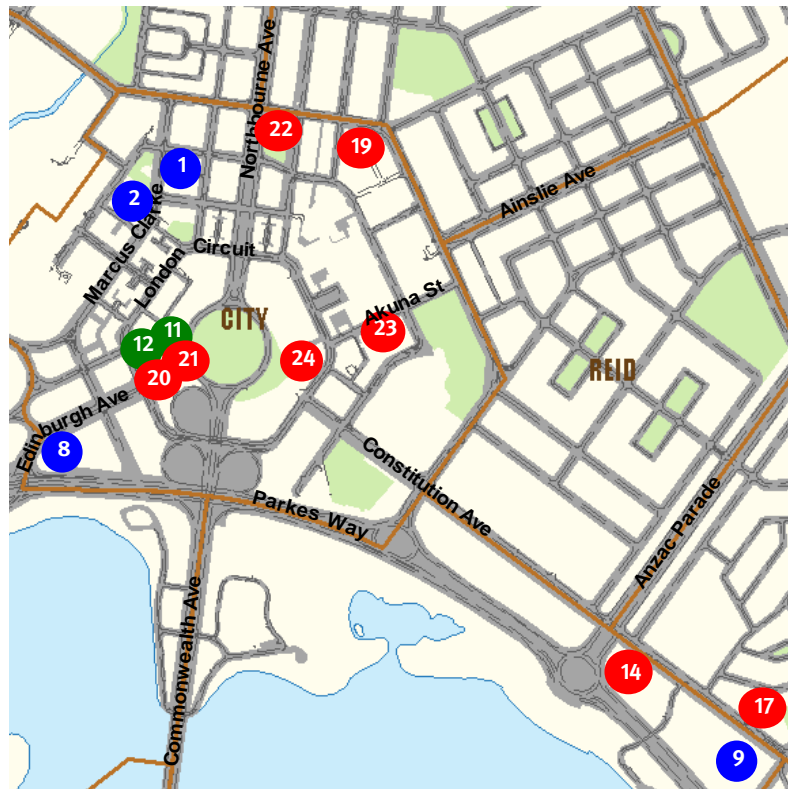


Source of Map:PCA



CANBERRA

- 1 50 Marcus Clarke St[^] - 39,817m² (DEEWR)
Walker Group - compl. Q2 2010 - 100% committed
- 2 121 Marcus Clarke St[^] - 26,000m² (EY)
MTAA - compl. Q2 2010 - 25% committed
- 3 Equinox Business Park, 70 Kent St, Deakin - 22,000m²
Evri Group - Q4 2010 - 36% committed (Thales)
- 4 15 Lancaster Ave, Majura (Airport) - 12,840m²
Capital Airport Group - Q1 2011 uncommitted
- 5 3-7 Molonglo Drive, Airport - 34,000m²
Capital Airport Group - 2011 uncommitted
- 6 4 National Circuit - West, Barton - 18,000m²
ISPT - Q2 2012 - 44% committed (Attorney General)
- 7 4 National Circuit - East, Barton - 11,600m²
ISPT - Q3 2012 - uncommitted
- 8 Nishi Towers[^] - 21,000m² (Dept of Climate Change)
Molonglo Group - Q4 2012 - 57% committed
- 9 ASIO HQ, Constitution Ave, Parkes - 40,000m² (ASIO)
Federal Govt - Q4 2012 - 100% committed
- 10 1 Canberra Ave, Forrest - 24,500m²
Willemsen Group - Q2 2013+ seeking pre-commit
- 11 Vernon North - Building 4, London Circuit[^] - 25,000m²
Leighton/Mirvac JV - 2013+ seeking pre-commit
- 12 Signature Building 2, London Circuit[^] - 16,000m²
Leighton/Mirvac JV - 2013+ seeking pre-commit
- 13 St John's Ambulance site, Forrest - 14,000m²
Doma Group - 2013+ seeking pre-commit
- 14 Anzac Park East, Parkes # - 12,534m²
Federal Govt - 2012+
- 15 45 Furzer St, Phillip - 22,000m²
Doma Group - 2013
- 16 162 Callam St, Phillip - 18,000m²
Hindmarsh Group - 2013+
- 17 71 Constitution Ave, Campbell - 20,000m²
Hindmarsh Group - 2013+
- 18 York Park North, Brisbane Ave, Barton - 65,000m²
Dept. Finance and Deregulation - 2013+
- 19 Precinct D Section 84[^] - 30,000m²
QIC - 2013+
- 20 Landmark Building, London Circuit[^] - 50,000m²
Leighton/Mirvac JV - 2014+
- 21 Vernon South - Building 3, London Circuit[^] - 25,000m²
Leighton/Mirvac JV - 2014+
- 22 Myuna Complex, Northbourne Ave[^] - 48,297m²
Stockland - Q2 2014+
- 23 The Boulevard[^] - 16,500m²
Lend Lease - 2014+
- 24 Section 4[^] - 58,000m²
ACT Government - 2014+
- Under Construction/Complete
- DA Approved / Confirmed / Site Works
- Mooted / Early Feasibility



Source of Map: ACT Planning and Land Authority (ACTMAPi)

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 # Major refurbishment
 ^ Civic precinct
 Office NLA quoted

RESEARCH



Americas

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