
MARKET RELEASE

New 10 year lease at New Zealand Post House

Argosy is pleased to announce a new lease to NZ Post has been agreed for a 10 year term over all but the top 3 floors of the New Zealand Post building in Waterloo Quay, Wellington. The new lease replaces the current 5 year evergreen lease over the whole building.

Argosy has been working with NZ Post to achieve an outcome that reflects the changes in the NZ Post business and is beneficial to both parties. The remaining upgrade work to the building has been revised as a result of NZ Post's changed accommodation requirements.

NZ Post will make a payment of \$12 million to Argosy, \$6 million as a reduction of the original purchase price of the building and \$6 million in consideration for the termination of the lease over the top 3 floors. Given the strength of the current market, we don't expect that the period to re-lease this space will be prolonged.

A new construction contract with Hawkins Construction NI Limited has been agreed. The expected cost of the new construction contract is \$13 million and the project will provide functional improvements to the lifts, stairwells, ablutions and other associated services.

The rental rate per square metre, both during the construction period and after the project has been completed, is as per the original agreement.

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Enquiries

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