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**JOINT MEDIA RELEASE:** Capital Corporation and Cencorp Property Group Merger

Prominent Australian commercial property development and investment organisations **Capital Corporation Pty Ltd** and **Cencorp Property Group** (Cencorp Investments Pty Ltd) are pleased to announce the merger of their respective businesses.

In a strategic move in 2004, Steve Grant sold award winning construction company **Grant Constructions** to Queensland listed construction company Watpac to allow him to redirect his focus to property development through company **Capital Corporation**, and through his interest in **Cencorp Property Group** with co-founder Garry Lingard.

Capital Corporation has built a substantial investment property portfolio since its origins in 1992 and has grown significantly since 2004. Consisting of 5 income-producing properties, with a combined value of approximately AU\$100 million Capital Corporation has developed over 25 properties within Norwest Business Park alone.

One of Capital Corporation's recently completed developments **Burbank Corporate Centre** has been designed and built to achieve a 4.5 star Australian Building Greenhouse Rating (ABGR) contributing greatly to environmental sustainability.

This market leading development has attracted occupants such as Subaru Australia, Frankpile Australia and Watty Limited – all having relocated their national headquarters to Norwest Business Park from other locations within Sydney. Rental rates achieved at Burbank average \$327.50/m<sup>2</sup> net. Demand is strong for this type of accommodation with current occupancy at approximately 80% and likely to be leased to capacity within the next few months.

With a history of developing over 1,000 strata business units and an enviable level of repeat investors and tenants, Capital Corporation reviews the learning and experience of completed developments to enhance upcoming developments as demonstrated in its latest offering **Nexus Norwest**.

Officially opened by Councillor Sonya Phillips, Mayor of Baulkham Hills Council on Friday 18 April, 2008, Capital Corporation's knowledge of what small to medium sized business want has led to 97% of the 96 units located within Nexus Norwest being sold or leased prior to completion with sales achieved at approximately \$4,300.00/m<sup>2</sup>, and a total sales revenue of approximately \$40 million.

Three developments are planned for Norwest Business Park which include the first redevelopment of a site within the business park – the former CSR site to be known as **Eden Norwest**, **Eclipse Norwest** on Lexington Drive and prominently located **Atlas Norwest** on the corner of Windsor Road and Norwest Boulevard destined to become a local landmark at the entrance to the business park.

Further expansion is planned across the eastern seaboard with various joint venture projects in the pipeline, including the signature Jack Nicklaus Golf Course and Golden Bear club house in the Hunter Valley, NSW and an as yet unnamed combined residential/commercial development in Roseberry, NSW. New opportunities are currently being investigated on the Gold Coast and Canberra.

For any further information contact Capital Corporation on (02) 8853 5000  
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Established since 1996, **Cencorp Property Group** has an impressive \$200m of property under management directly owned by the group. It also has a strong development track record with over AU\$250 million of property previously developed.

With multiple properties located across the Sydney metropolitan area, Cencorp's primary development is Century Estate in Norwest Business Park which sits on 5.5 hectares and is a major asset that when complete will provide 54,000sqm of A-grade commercial space.

Century Estate is known for bringing a campus like environment to Norwest Business Park with modern office accommodation balanced by amenities and facilities to enable occupants to achieve true work life balance. Existing occupants of Century Estate include Schneider Electric Australia, Imperial Tobacco, Real Insurance and Harvey Norman. The rentals at Century Estate average \$335.00/m<sup>2</sup> net.

The merger will have immediate impact on the developments currently under construction and in the pipeline with the goal to capitalise on efficiencies. The directors believe that this merger will reinforce and enhance the business allowing continued expansion and growth via the new platform.

Garry Lingard, Cencorp Property Group Director says, "The future of the business is based on bringing together the many talents of Cencorp and Capital Corporation employees, to more efficiently manage the development and property management of each group's activities and investments allowing the group to focus on creating increased opportunities."

With over \$300million of assets held by the stakeholders of the combined entity it does provide an opportunity to create a united entity that will manage the development process, property management and administrative tasks for each development.

The goal is to work toward continued improvement of operational productivity to ensure the company will be highly competitive in the market place. The management will then move to examine other opportunities to widen its client base and further increase productivity for the ultimate benefit of stakeholders and staff.

Steve Grant, Director who is the common link between the two groups says, "We believe this merger will provide ongoing benefits to our employees, stakeholders and most importantly our clients, providing the business with a substantial base from which to grow over the longer term."

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