



Gazit Globe and its Canadian Partnership to Acquire York Mills Centre in Toronto for Approximately CAD \$250 Million

TEL-AVIV, ISRAEL; December 4, 2019 – Gazit Globe (TASE: GZT) (the "Company"), a leading global real estate company focused on the ownership, management and development of income-producing properties located in densely populated urban areas, announced today that its wholly owned subsidiary has entered into an agreement, along with its recently announced Canadian partnership with Dori Segal ("Gazit TripLLe Canada"), to acquire York Mills Centre in Toronto Canada, for approximately CAD \$250 million (at a 100% interest in the property, including transaction costs). The Company is acquiring York Mills Centre through a joint venture, in which the Company and Gazit TripLLe Canada collectively will acquire 66.7% of the property (33.3% by the Company and 33.3% by Gazit TripLLe Canada) and the remaining approximately 33.3% will be acquired by a privately held Toronto based real estate investment firm. The transaction is expected to close prior to year-end, subject to customary conditions.

The York Mills Centre property is a well-located, low-rise office complex with approximately 570,000 leasable square feet which includes retail area with approximately 35,000 square feet of leasable area situated on 6.7 acres of land. The property is located in midtown Toronto, at the intersection of Yonge Street and York Mills Road, built on top of and with direct access to the York Mills subway station, two bus terminals with more than 20 regional and local lines, and a nearby connection to Highway 401.

The property is currently 94% leased with a weighted average lease term of 8.4 years, anchored by strong creditworthy tenants occupying the majority of the building such as Royal Bank of Canada, Minto (a developer of residential communities which operates Minto Apartment REIT, traded on the Toronto Stock Exchange), and other attractive tenants. The building amenities include a Good Life operated fitness center, restaurants and in excess of ten medical offices.





The North Yonge corridor is an irreplaceable, transit-oriented area which continues to exhibit growth. Currently, there are 7 active and more than 10 proposed condo development projects slated for the area, totaling over 7,000 units. Directly across the street from the property, there is a proposed mixed-use development project comprising of approximately 430,000 square feet of residential, commercial and retail uses. The population within 3 kilometers and 5 kilometers of the property is approximately 82,000 and 347,000, respectively, which is expected to grow by 15% in the next 10 years. The average annual household income within 3 kilometers and 5 kilometers of the property is approximately CAD \$147,000 and CAD \$143,000, respectively.

The Company believes that the York Mills Centre will generate an attractive risk adjusted return over the medium to long-term. The Company expects to leverage the property with a ten-year secured mortgage at a loan to value ratio of 60%.

In addition, Gazit TripLLLe Canada announced that it has purchased three low-rise commercial properties in urban locations with attractive demographics in Toronto for a total investment of approximately CAD \$23 million.





Gazit Globe

Gazit Globe is a leading global real estate company focused on the ownership, management and development of income-producing properties located in densely populated urban areas in North America, Brazil, Israel, Northern, Central and Eastern Europe. Gazit Globe is listed on the Tel Aviv Stock Exchange (TASE: GZT) and is included in the TA-35 index in Israel. As of September 30, 2019, Gazit Globe owns and operates 101 properties, with a gross leasable area of approximately 2.4 million square meters and a total value of approximately NIS 37 billion.

FOR ADDITIONAL INFORMATION

A comprehensive copy of the Company's financial report is available on Gazit Globe website at www.gazitglobe.com

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