

Healthcare Property Trust – Wholesale Units

Fund Update
30 June 2022



RPAH Medical Centre, Newtown, NSW

Fund Facts as at 30 June 2022

June Quarter Distribution	Unit Price	Gross Asset Value	Gearing Ratio
2.5150 cents per unit (CPU) (2.5000 CPU March 2022 quarter)	\$2.6940 exit price (cum distribution)	\$3,330.61 m (\$3,243.79m at 31 March 2022)	20.93% (18.99% at 31 March 2022)

Portfolio Occupancy	Weighted Average Lease Expiry (WALE)	Number of Tenants
98.5% leased by income	16.0 years by base rental income	177

Ratings / Awards



Performance as at 30 June 2022

	3 mths %	1 yr %	3 yrs % p.a.	5 yrs % p.a.	7 yrs % p.a.	10 yrs % p.a.	Since inception % p.a.
Distribution return	0.93	4.56	5.03	5.37	5.95	6.58	7.94
Growth return	(0.19)	19.18	14.58	10.74	10.40	7.42	4.93
Total return	0.74	23.74	19.61	16.11	16.35	14.00	12.87

Inception date for performance calculations is 28 February 2002.

Returns are calculated after fees and expenses and assume the reinvestment of distributions. Past performance is not a reliable indicator of future performance.

Contribution summary as at 30 June 2022

The relative contribution of major variables on growth returns over the last quarter and year.

Contributor	3 mths %	1 yr %
Property revaluations	0.04	17.49
Interest Rate Swaps (realised and unrealised marked to market movements)	0.41	1.42
Unrealised gains/(losses) on investments in listed/unlisted trusts	(0.63)	0.80
Other	(0.01)	(0.53)
Growth return	(0.19)	19.18

Return calculations are based on actual distributions reinvested, which may vary slightly to the performance table illustrated above. Past performance is not a reliable indicator of future performance. Property revaluations are calculated in accordance with accounting standards and includes capital expenditure, lease incentives and/or commissions (both of which are amortised), this represents the increase/decrease from the property book value immediately prior to valuation. 'Other' may include: retained earnings during the period, swap break costs, estimated gains distributed, realised gains/losses on property, distributions from prior period retained earnings, realised gains/losses from unlisted property trusts and non-material movements.

Key portfolio statistics as at 30 June 2022

Geographical allocation (by value)

State	No. assets	%
QLD	25	39.14
VIC	28	35.21
NSW	27	21.28
WA	2	2.23
SA	2	2.14
Total	84	100.00

Sector allocation (by value)

Sector	No. assets	%
Hospital	15	58.68
Medical Centre or Medical Office	23	26.18
Aged Care	13	11.38
Development Site	33	3.76
Total	84	100.00

Top 5 tenants (by income)

Tenant	%
MNHHS	17.80
Ramsay	17.15
Infinite Care	9.73
Healthe	9.65
Sonic	5.49
Total	59.82

Property data

Number of properties	84
Total number of tenants	177
WALE (by income) [#]	16.0 yrs
Occupancy rate (by income)	98.5%

[#] Excludes assets under development.

Financials

	\$m
Gross assets	3,330.61
Total debt	697.00
Other liabilities [^]	44.78
Net assets	2,588.83

[^] Other liabilities include a provision for the distribution.

Debt

Gearing (RG 46 ASIC definition)	20.93%
Interest Cover Ratio (ICR) (RG ASIC definition)	7.50 times
Hedging (% of debt hedged)	66.00%

Valuations

Valuations during the quarter	10
Change in total direct property book value	1.94%
Change in book value of the properties revalued	2.90%

* Change in book value over the quarter includes revaluation impacts along with capital expenditure and other minor variations but excludes acquisitions and disposals.

Market commentary

The end of the 2022 financial year has coincided with a changing global and local economic and political environment. In particular, May 2022 saw a change in Federal Leadership with the Australian Labour Party elected. The Reserve Bank of Australia (RBA) also began increasing the cash (interest) rates. Concerns over escalating inflation levels and the consequent rising cost of living are being experienced in many global markets, while geo-political pressures remain with the Russian-Ukraine conflict ongoing and COVID-19 constrained goods production in China continuing to hamper global supply chains. As a result, the June 2022 quarter has seen increased volatility across financial markets, sensitive to economic changes as stakeholders adjust to a post COVID-19 financial environment.

As the direct implications of the COVID-19 pandemic subside, the Australian economy continues to perform relatively well with GDP growth of 0.8% over the March 2022 quarter, meaning the economy is now 4.5 percent larger than it was in Q4 2019 (KPMG, June 2022). A historically low unemployment rate, 3.9% in May 2022, together with reduced underemployment has resulted in significant tightness in the labour market, driving an acceleration in wages growth in some sectors. However, despite such labour supply restrictions, the Australian Bureau of Statistics (ABS) reported that year on year wage growth to March 2022 was 3.4% below the current inflation levels being experienced; albeit the national minimum wage level was increased by 5.2% in July 2022. Continued supply restrictions and a post COVID surge in demand for goods saw rising costs passed on to consumers who are also now also facing increasing mortgage repayment levels, surging energy costs and rising fuel costs as Government stimulus simultaneously rolls off. While household savings levels remain healthy, consumer demand is forecast to subside as increasing costs of living are absorbed which may serve to dampen economic growth expectations going forward. Inflation is currently forecast to peak at 7% (KPMG, June 2022) with NAB anticipating GDP to grow by 2.7% over 2022 (previously 3.4%) and a below-trend 1.8% in 2023 (previously 2.1%).

Following the cash (interest) rate increases in both May and June, July 2022 saw the RBA increase the cash rate by a further 50bps to 1.35%, its highest level since 2019. The decision was taken to combat rising inflation levels as the country winds back COVID-19 related stimulus following resilient economic performance. While current official headline inflation levels in Australia are c.5.1% (March 2022), substantially above the RBA's target range of 2%-3%, it remains below levels currently being experienced by other western economies. As such, the RBA's somewhat hawkish approach to these initial rate rises would appear to reflect a desire to address the position sooner rather than later, arguably somewhat ironic given its sluggishness to commence rising rates in comparison to the stance taken by some other central banks globally. The attention is now at what level the cash rate is forecast to peak. In its July 2022 statement the RBA Board noted that they expect to take further steps to raise rates over the coming months, with decisions and timing to be guided by their assessment on the outlook for inflation and the labour market.

The pressures of rising inflation and further interest rate increases are anticipated to continue in the short term, as both businesses and consumers deal with escalating costs. From a property perspective the higher inflationary and interest rate environment is likely to impact individual assets and sectors to varying degrees going forward. It is worth noting most commercial real estate leases provide for annual contractual rent escalations, either indexed to inflation or a fixed amount, acting as a partial hedge against inflation. Some sectors such as industrial property are

currently benefiting from strong underlying rental conditions while essential spend shopping centres, hospitals and childcare assets as an example continue to be highly prized by investors. In addition, Australia is regarded as a highly desirable destination by global real estate investors (JLL 2022). Overall, properties with strong underlying cash flow profiles and owned in investment structures with conservative debt and interest rate profiles are better positioned to weather any future market uncertainty.

Portfolio activity for this quarter

Acquisitions

During the quarter, the Trust completed settlement on the following properties:

- **Corio Medical Clinic, 1-9 & 11 Bacchus Marsh Road and 41 & 45 Georgia Grove, Corio, VIC** – On 23 June 2022, the Trust completed settlement for the acquisition of the Corio Medical Clinic and adjoining expansion land for \$9.5 million (plus acquisition costs). The property is leased by a subsidiary of Betta Medical Pty Ltd, a national General Practice Clinic and provides for development upside over the longer term.
- **South Haven Aged Care Facility, 7-11 Queensbury Road, Padstow Heights, NSW** – On 30 June 2022, the Trust completed settlement for the acquisition of 7-11 Queensbury Road, Padstow Heights, NSW for \$24.1 million (plus acquisition costs). The property comprises a 141-bed residential aged care facility and has been leased to Infinite Care Aged Care on a 25 year lease term. Expansion land is included in the purchase price allowing for further development of the property.
- **59 East Street, Ipswich, QLD** – on 27 June 2022, the Trust completed settlement for the acquisition of 59 East Street, Ipswich, QLD for \$6.85 million (plus acquisition costs). The property is located adjacent to land owned and used by West Moreton Health and provides a unique opportunity to co-locate and leverage off the local public health service within a substantial and growing catchment area.

The Trust also completed settlement for the acquisition of a further residential land holding for \$1.53 million (plus acquisition costs) in Meadowbrook, QLD. The acquisition is strategically relevant to the Trust's development activity in the area. Several acquisitions are also currently in due diligence with further announcements expected over the coming months.

On 30 June 2022, leases to Christadelphian Aged Care at Chamberlain Gardens Aged Care Facility, Wyoming (NSW) and Casa Mia Aged Care Facility, Padstow (NSW) were surrendered following a business sale to Infinite Care. Simultaneously, the Trust has entered into new 25-year leases to Infinite Care across the two facilities.

Changes to Base Management Fee

During the quarter, the Trust finalised a restructuring of the base management fee through an expansion of the existing tiered fee structure. Effective 12 April 2022, the base management fee for Trust's Gross Asset Value (GAV) over \$4.0 billion will be reduced from 0.50% to 0.40%.

Property Valuations

The Trust valued 10 properties during the June quarter. The valuations resulted in an uplift of approximately \$1.1 million, or 0.87% from the properties book value immediately prior to the valuation. The material valuations included:

- **9–13 Flintoff St, Greensborough, VIC** – The property's value increased by \$0.75 million or 1.76% from the book value prior to valuation. This increase in value is primarily a result of the capitalisation rate firming from 4.75% to 4.50%.
- **84–88 Bridge Road, Richmond, VIC** – The property's value increased by \$1.20 million or 4.83% from the book value prior to valuation. This increase in value is primarily a result of the capitalisation rate firming from 4.75% to 4.25%.
- **39–43 Orth Street, Kingswood, NSW** – The property's value decreased by \$0.04 million or 0.18% from the book value prior to valuation. The decrease in valuation is primarily due to writing off capital expenditure relating to the development of the project.

Property Development

- **Sunshine Private Hospital & Medical Centre, St Albans, VIC** – this development is in the final stages of construction. The fitout of the Ground floor to Level 3 is well progressed and operating theatres are now ready for installation of tenant equipment. The project is now expected to reach completion in late October. Tenant fitout works are expected to commence in November 2022 with the hospital opening currently scheduled for early 2023. Leasing interest is strong and pre-commitments stand at 83% by projected income with a further 8% well progressed. The hospital will be leased to Uunitas on a 30-year lease term.
- **Matilda Private Hospital Nepean, Kingswood, NSW** – The roof slab was completed in June whilst installation of building services to the ground floor and levels 1 and 2 are continuing. Practical completion of the new 90 bed facility is expected to occur in November with the hospital opening planned for early 2023. The hospital will be leased to Matilda Healthcare on a 30-year lease term.
- **Robina Private Hospital, Robina, QLD** – Commercial terms with Aurora Healthcare and another proposed anchor tenant have been issued with negotiations expected to conclude within the next quarter. The proposed development comprises a new, 9 level building, 6 theatres, 92 surgical beds, 48 rehabilitation and an additional 60 mental health beds. A development application was lodged in February and is awaiting council approval.
- **Brisbane Waters Private Hospital, Woy Woy, NSW** – During the quarter commercial terms were agreed with Health Care for a further \$11.2 million brownfield expansion of Brisbane Waters Private Hospital. The expansion will include a new 28 bed mental health ward, associated support rooms, additional carparking and refurbishment of existing accommodation. Development approval was obtained in late June 2022.
- **Peninsula Private Hospital, Langwarrin, VIC** – Works are progressing on the \$23 million brownfield expansion of the hospital. The works comprise a new radiation bunker, cardiac catheter lab, ancillary services and 3 additional levels to the southern carpark. Practical completion is currently scheduled to occur in late September 2022. Master planning, design and development for further stages of the hospital's expansion are continuing.
- **Wyvern Private Hospital, Terrey Hills, NSW** – works have commenced on the new \$90 million, 84 bed private hospital in Terrey Hills however due to wet weather, the current program has been adjusted for a target practical completion date of early December 2023. The hospital will be leased to Wyvern Health Pty Ltd for a 30-year term.

- **Our Medical Kellyville, 1A and 1B President Road, Kellyville, NSW** – works are expected to commence in early July for the construction of a new medical centre with practical completion currently scheduled to occur in April 2023. The centre will be leased to Cornerstone Health for a 15-year term.



Brisbane Waters Private Hospital, Woy Woy, NSW



Matilda Private Hospital Nepean, Kingswood, NSW

Outlook

It remains to be seen what impact interest rate movements and inflationary pressures will have on healthcare real estate. However, given the sectors relatively strong fundamentals, access to the healthcare real estate sector remains high on the radar of many investors underpinning demand and influencing pricing.

JLL recently published an article titled "Exploring Australian Healthcare Opportunities" which concluded that whilst the healthcare real estate sector would not be immune to pricing impacts, the negative impact is likely to be more moderate with investors favouring assets underwritten by essential services and stable income profiles. Given the limited depth of the healthcare real estate sector and frequency of those opportunities coming to market, pricing is likely to remain competitive particularly for hospitals with long Weighted Average Lease Expiries (WALE).

Fund portfolio as at 30 June 2022

Property Details			Tenancy Details				Valuation Details			
Address	Note	Lettable Area (sqm)	Major Tenant	Number of Tenants	Occupancy Rate (% by income)	WALE (years by income)	Current Valuation (\$m)	Valuation Date	Capitalisation Rate (%)	Book Value (\$m)
Direct Properties										
Hospital										
Herston Quarter - STARS, Herston, QLD	-	32,307	MNHHS	6	99.7	18.0	596.00	Dec-21	4.00	596.18
Peninsula Private Hospital, Langwarrin, VIC	-	27,886	Ramsay Healthcare	1	100.0	28.1	283.00	Dec-21	4.00	286.49
Mulgrave Private Hospital, Mulgrave, VIC	6	16,605	Healthe	1	100.0	25.5	179.50	Feb-22	4.25	179.65
Beleura Private Hospital, Mornington, VIC	4	10,055	Ramsay Healthcare	1	100.0	23.9	179.40	Dec-21	4.00	179.41
Sunshine Day Surgery and Clinic, St Albans, VIC	5	2,412	Fresenius Medical Care	9	100.0	2.9	103.20	Feb-22	4.75	133.67
Brisbane Waters Private Hospital, Woy Woy, NSW	-	8,351	Brisbane Water	1	100.0	20.6	69.50	Feb-22	4.50	69.64
Brunswick Private Hospital, Brunswick, VIC	-	8,000	Aurora Healthcare	1	100.0	22.1	55.90	Feb-22	4.25	55.59
Robina Private Hospital, Robina, QLD	-	5,854	Aurora Healthcare	1	100.0	19.2	54.50	Feb-22	4.25	55.15
Western Hospital, Henley Beach, SA	-	9,655	Western Hospital	1	100.0	21.4	54.00	Feb-22	5.25	54.19
North Shore Specialist Day Hospital, Greenwich, NSW	-	2,190	IVF Australia	1	100.0	10.3	34.00	Feb-22	4.25	34.71
Tuggerah Lakes Private Hospital, 645 and 647 Pacific Highway, Kanwal, NSW	-	4,751	Tuggerah Lakes Private Hospital	1	100.0	16.6	34.00	Feb-22	4.75	34.00
Townsville Private Clinic, Townsville, QLD	-	4,897	Aurora Healthcare	1	100.0	15.9	33.00	Feb-22	4.75	33.02
Hunters Hill Private Hospital, Hunters Hill, NSW	-	2,678	Ramsay Healthcare	1	100.0	13.3	31.50	Feb-22	4.50	31.68
Berkeley Vale Private Hospital, Berkeley Vale, NSW	-	4,132	Ramsay Healthcare	1	100.0	13.3	31.50	Feb-22	4.50	31.67
Figtree Private Hospital, Figtree, NSW	-	7,277	Ramsay Healthcare	1	100.0	13.3	24.50	Feb-22	4.50	24.60
Sub total										1,799.65
Medical Centre or Medical Office										
RPAH Medical Centre, Newtown, NSW	-	7,232	Wilson Parking	59	99.1	3.1	133.50	Feb-22	4.75	133.76
15 Butterfield St, Herston, QLD	-	11,261	QLD Government	2	100.0	3.2	120.00	Feb-22	5.00	120.44
8 Herbert Street, St Leonards, NSW	-	10,595	Stryker Australia	2	93.6	5.4	82.50	Feb-22	4.75	83.48
103 Victoria Parade, Collingwood, VIC	-	8,975	Sonic Healthcare	1	100.0	5.8	65.00	Feb-22	4.50	65.00
310 Selby Road North, Osborne Park, WA	-	4,997	Clinipath Pathology	1	100.0	10.8	55.00	Feb-22	4.50	55.00
Manningham Medical Centre, Templestowe Lower, VIC	-	4,993	MMC General Practice	15	86.4	3.5	51.85	Feb-22	4.75	52.16
Greensborough Medical Centre, Greensborough, VIC	-	3,529	ForHealth	1	100.0	10.7	43.25	May-22	4.50	43.26
Campus Alpha Building, 2 Investigator Drive, Robina QLD	-	4,425	Community Housing (QLD) Ltd	7	66.2	<1	28.00	Feb-22	6.25	28.07
HIS Diagnostic Imaging Centre, Richmond, VIC	-	1,227	Healius	1	100.0	13.5	26.00	May-22	4.25	26.01
Ipswich Medical Centre and Day Hospital, QLD	-	2,778	Ipswich Day Surgery - Lot 3	11	96.1	4.8	22.25	Feb-22	4.75	22.45
Robina Medical Centre, 1 Campus Crescent, Robina, QLD	-	1,553	ForHealth	1	100.0	11.0	20.75	Feb-22	4.25	20.77
Corrimal Medical Centre, 46-50 Underwood Street, Corrimal, NSW	-	1,496	Primary Health Care	1	100.0	9.5	20.00	Feb-22	4.50	20.00
566 Olsen Avenue Molendinar, QLD	-	2,939	Cornerstone Health	1	100.0	13.8	19.60	Feb-22	4.75	19.60
2 Short Street, Southport, QLD	-	2,349	Australian Hospital Care	5	90.2	1.4	17.80	Aug-21	5.75	18.54
Gosford Private Medical Centre, North Gosford, NSW	-	1,830	Sonic	6	79.9	2.2	17.00	Feb-22	5.75	17.13
14 Highfields Circuit, Port Macquarie, NSW	-	1,084	Healius	1	100.0	11.6	15.80	Feb-22	4.50	15.80
Victoria House Medical Centre, WA	-	2,647	Sonic Healthcare	1	100.0	2.6	13.50	Feb-22	5.75	13.50
1 & 3 Addison Road, Pennington, SA	-	1,137	ForHealth	1	100.0	10.9	11.40	Aug-21	4.75	11.42
Eureka Medical Centre, Ballarat, VIC	-	1,504	ForHealth	1	100.0	3.2	10.75	Feb-22	5.00	10.77
Corio Medical Clinic, Corio, VIC	-	1,324	Better Medical	1	-	5.4	9.50	Mar-22	4.85	10.26
80-82 Bridge Road and 3 & 5 Rotherwood Street, Richmond, VIC	10	790	Healius	1	49.1	6.6	7.00	May-22	5.00	7.03

Property Details			Tenancy Details				Valuation Details			
Address	Note	Lettable Area (sqm)	Major Tenant	Number of Tenants	Occupancy Rate (% by income)	WALE (years by income)	Current Valuation (\$m)	Valuation Date	Capitalisation Rate (%)	Book Value (\$m)
Direct Properties										
Medical Centre or Medical Office cont.										
151-153 Furlong Road, St Albans, VIC	11	1,074	Capital Radiology Pty Ltd	1	100.0	4.0	6.00	Feb-22	4.25	6.00
7 Vidler Avenue, Woy Woy NSW	-	387	Luckstar Pty Ltd	1	100.0	3.4	2.60	Feb-22	5.50	2.60
Sub total										803.05
Aged Care										
The Terraces Aged Care Facility, QLD	-	13,360	McKenzie Aged Care Group	1	100.0	24.4	35.00	Feb-22	5.25	35.00
Edge Hill Orchards Aged Care Facility, QLD	-	11,959	Infinite Care	1	100.0	22.5	33.85	Feb-22	6.25	33.85
Capella Bay Aged Care Facility, QLD	-	7,446	McKenzie Aged Care Group	1	100.0	24.4	31.10	Feb-22	5.25	31.10
Edmonton Gardens Aged Care Facility, QLD	-	8,687	Infinite Care	1	100.0	22.5	28.15	Feb-22	6.00	28.15
Caravonica Aged Care Facility, QLD	-	8,181	Infinite Care	1	100.0	22.5	28.15	Feb-22	6.00	28.15
53-67 Chamberlain Road, Wyoming, NSW	-	13,710	Christadelphian Homes	1	100.0	25.0	27.30	Nov-21	5.75	27.78
Seabrook Aged Care Facility, QLD	-	6,574	McKenzie Aged Care Group	1	100.0	24.4	27.60	Feb-22	5.25	27.60
Southhaven, Padstow Heights, NSW	-	5,542	Padstow Heights) Pty Ltd	1	100.0	25.0	24.10	May-22	5.75	27.38
Mount Lofty Aged Care Facility, QLD	-	8,211	Infinite Care	1	100.0	22.6	27.30	Feb-22	5.75	27.30
Cornubia Aged Care Facility, QLD	-	8,045	Infinite Care	1	100.0	22.6	27.10	Feb-22	5.75	27.10
Constitution Hill Aged Care, Northmead, NSW	-	8,668	Australian Unity Care Services	1	100.0	6.5	26.75	Feb-22	5.75	26.90
Ipswich Aged Care Facility, QLD	-	4,963	Infinite Care	1	100.0	22.6	19.30	Feb-22	5.75	19.30
28-36 Alma Road, Padstow NSW	-	3,650	Padstow) Pty LTd	1	100.0	25.0	6.80	Nov-21	6.00	9.32
Sub total										348.93
Development Site										
39-43 Orth Street, Kingswood, NSW	17	-	N/A	1	-	-	23.00	May-22	4.75	28.16
Wyvern, 4A Larool Road, Terrey Hills, NSW	12	-	N/A	1	-	-	0.00	Sep-21	N/A	14.30
145 Bunjil Way Knoxfield, VIC	12	-	N/A	1	-	-	12.26	Feb-22	N/A	12.40
38 & 40 Orth Street, 1-5 Hargrave Street & 26 Somerset Street, Kingswood, NSW	12	-	N/A	0	-	-	9.60	May-22	N/A	9.66
Herston Private Hospital, Herston, QLD	12	-	N/A	0	-	-	8.80	May-22	N/A	8.81
59 East Street, Ipswich, QLD	12	-	N/A	0	-	-	6.85	May-22	N/A	7.41
1, 1A, and 1B President Road, Kellyville, NSW	15	-	N/A	1	-	-	4.25	May-22	N/A	4.27
34 Investigator Drive, Robina, QLD	12	-	N/A	0	-	-	4.25	Feb-22	N/A	4.26
Lot 907, Oceanside Health Hub, Birtinya QLD	12	-	N/A	0	-	-	3.90	May-22	N/A	3.93
19 Buttercup Close, Meadowbrook QLD	16	-	N/A	0	-	-	0.47	Jan-22	N/A	1.62
70 Moreland Road, Brunswick, VIC	14	-	N/A	0	-	-	1.43	Feb-22	N/A	1.49
22 Buttercup Close, Meadowbrook QLD	16	-	N/A	1	-	-	0.44	Sep-21	N/A	1.34
7 Westwood Avenue, Belmore, NSW	12	-	N/A	1	-	-	1.20	Feb-22	N/A	1.21
9 Westwood Avenue, Belmore, NSW	12	-	N/A	1	-	-	1.20	Feb-22	N/A	1.20
101 Herbert Street, Mornington, VIC	7	-	N/A	1	-	-	1.20	Feb-22	N/A	1.20
17 Buttercup Close, Meadowbrook, QLD	16	-	N/A	1	-	-	0.53	Mar-22	N/A	1.16
93 Davies Street, Brunswick, VIC	14	-	N/A	0	-	-	1.07	Jun-21	N/A	1.12
7 Wiowera Road, Kanwal, NSW	8	-	N/A	1	-	-	1.10	Feb-22	N/A	1.10
24 Gillon Court St Albans, VIC	-	-	N/A	0	-	-	1.00	Feb-22	N/A	1.00
22 Gillon Court, St Albans, VIC	11	-	N/A	0	-	-	0.95	Feb-22	N/A	0.95

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Direct Properties										
Development Site cont.										
15 Dwyer Avenue, Woy Woy, NSW	-	-	N/A	1	-	-	0.85	Feb-22	N/A	0.85
20 Gillon Court St Albans, Vic	11	-	N/A	0	-	-	0.80	Feb-22	N/A	0.81
99 Herbert Street, Mornington, VIC	7	-	N/A	1	-	-	0.77	Feb-22	N/A	0.77
105 Herbert Street, Mornington, VIC	7	-	N/A	1	-	-	0.73	Feb-22	N/A	0.73
103 Herbert Street, Mornington, VIC	7	-	N/A	1	-	-	0.73	Feb-22	N/A	0.73
651 Pacific Highway, Kanwal, NSW	8	-	N/A	0	-	-	0.70	Feb-22	N/A	0.70
11 Gillon Court, St Albans, VIC	11	-	N/A	0	-	-	0.70	Feb-22	N/A	0.70
199 St Albans Rd, St Albans, VIC	11	-	N/A	0	-	-	0.69	May-22	N/A	0.69
203 St Albans Rd, St Albans, VIC	11	-	N/A	0	-	-	0.69	May-22	N/A	0.69
205 St Albans Rd St Albans, VIC	11	-	N/A	0	-	-	0.62	Feb-22	N/A	0.62
9 Gillon Court St Albans, VIC	11	-	N/A	0	-	-	0.62	Feb-22	N/A	0.62
3 Wiowera Street, Kanwal, NSW	8	-	N/A	0	-	-	0.46	Feb-22	N/A	0.46
1 Wiowera Road, Kanwal, NSW	8	-	N/A	0	-	-	0.42	Feb-22	N/A	0.42
Sub total										115.38
Direct Properties Total										3,067.01
Listed property										
Arena REIT										107.84
Cash and cash equivalents										5.14
Class A cash reserve										48.14
Other										58.27
Loan receivables										44.19
Total Cash and other assets										263.58
Total (T) / Weighted Average (A)				177 (T)	98.5 (A)	16.0 (A)	2,997.3 (T)		4.55 (A)	3,330.61 (T)

Notes

- Valuation Policy - Regular valuation of underlying property assets is an important aspect of managing the Fund. Valuations are conducted by qualified independent valuers in accordance with industry standards. We also have a policy of generally obtaining independent valuations on Fund direct properties each year and, for assets under development, within an 18-month period. Additionally, as part of our active management approach, we may test asset values on market. At times we may enter arrangements at arm's length with third parties which may impact the value of assets within the portfolio including, but not limited to, put and call options in respect of all or part of an asset within the portfolio. If the value of an asset is impacted in this way, the value may replace the last independent valuation obtained.
- Weighted Average Lease Expiry (WALE) by base rental income. Vacancies are valued at market income. Assets under development excluded.
- A market capitalisation rate is the rate, expressed as a percentage, that reflects the likely yield a property will generate over the medium term. It has regard to a property's unique characteristics and is a measure of the property's risk/return profile with higher rates reflecting higher risk and its function is to convert a property's income into value. The market capitalisation rate is assessed by the independent valuer by dividing the stabilised net property income of the property or a portfolio of properties by the assessed valuation of the property or portfolio, excluding costs of acquisitions and fees.
- Beleura Hospital now includes additional NLA from the new Mental Health & Rehab buildings pending survey.
- Valued on a project related site value basis. Property now reflects consolidation of land holdings formally referred to as 2, 4 Ginifer Court, St Albans and 13,15 Gillon Court, St Albans.
- Property formally known as The Valley Private Hospital.
- Properties adjoining Beleura Private Hospital, Mornington, VIC.
- Land held for future expansion of Tuggerah Lakes Private Hospital, NSW.
- Previous development site now subject to a lease campaign with respect to the unoccupied space.
- Property adjoining Sunshine Day Surgery and Clinic, St Albans, VIC. This property is earmarked as future development space.
- Asset held pending development.
- Residential property strategically relevant to future proposed development.
- Development site earmarked for future Medical facility.
- Residential property strategically relevant to future proposed development.
- Capitalisation Rate on completion.

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Important Information

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