

Media Release

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Australian Unity grows Specialist Disability Accommodation Portfolio with \$9.2m apartments acquisition

Australian Unity's Specialist Disability Accommodation (SDA) Fund has settled ten occupied/leased apartments in Chermside, 10km north of Brisbane.

The apartments, purpose built for people with a disability, are part of the Park House complex, which includes 53 individual apartments over nine levels and is located next to 7th Brigade Park. Each apartment has spacious interiors and balconies, a modern fit-out, and access to an on-site wellness centre.

The acquisition takes the assets and pipeline commitments of the SDA Fund to ~\$220 million and grows its Queensland footprint to 27 operational SDA Places over seven sites with a further 146 places under development across 26 sites.

The Fund also continues to advance its development pipeline nationally, which currently includes an additional ~220 dwellings (consisting of ~290 SDA places) now under construction at a forecast total cost of ~\$150 million.

The apartments were purchased as a going concern, let by Youngcare, enabling SDA fund investors to benefit from immediate SDA rental income. The arrangement sees Youngcare provide accommodation to residents who sign a 12-month lease where they are only required to pay their Reasonable Rent Contribution (which includes Commonwealth Rent Assistance and 25% of their Disability Support Pension).

Jacob Edwards, Fund Manager, Specialist Disability Accommodation Fund, Australian Unity, said the Chermside asset is an essential addition to the fund.

"Like all the assets in our portfolio, Chermside provides accommodation services that deliver outcomes that enable quality of life and meet the living needs and goals of every resident", he said.

"Partners like Youngcare are crucial to providing participant-led accommodation solutions that ensure premium care for residents while also delivering for investors.

“Working with the right organisations is vital to our long-term approach and advancing our \$150 million pipeline which will increase accommodation options and choice for NDIS participants eligible for SDA”, Mr Edwards said.

Ryan Banting, General Manager – Social Infrastructure, Australian Unity, said the acquisition is another example of the importance of partnerships in delivering critical social infrastructure assets, like specialist disability accommodation.

“Whether its capital partners, development partners, or service providers – ensuring we’re working with the right people who understand this sector is critical”, he said.

Greg Johnson, CEO, Youngcare, said suitable and appropriate supported housing is one of the most significant areas of unmet need for people living with disabilities in Australia.

“For almost two decades, Youngcare has designed and developed innovative and quality disability housing.

“Our partnership with Australian Unity is a critical enabler of us continuing to provide our clients with accommodation that provides connectedness to community, access to essential services, and the ability to live independently”, Mr Johnson said.

Australian Unity’s Specialist Disability Accommodation Fund will open its next capital raising program in August 2022 and is seeking to raise a further \$30 million to support its continued growth.

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About the Australian Unity Specialist Disability Accommodation Fund

Australian Unity established the Specialist Disability Accommodation Fund in 2020. The Fund invests in accessible residential property that has been purpose built for people with severe functional impairments or very high support needs. The Fund is a landlord only, with rent paid from the National Disability Insurance Scheme (NDIS) on behalf of Participants. Since inception in April 2020, the Fund has raised ~\$80 million of equity. This capital, alongside the Fund’s debt facility has been used to acquire 42 SDA dwellings (consisting of 54 SDA places). Once its development pipeline is complete and contracted acquisitions are settled, the Fund will house more than 350 people with a disability who would otherwise be living in an unsuitable setting. There is ~7.75 years remaining in the expected ten-year investment term. Due to growing interest in the Fund from institutional investors, we are developing options to

provide access to the portfolio for institutional investments over \$50 million via separately managed accounts and other alternatives.

About Australian Unity

Established in 1840, Australian Unity is a member-owned wellbeing company with 260,000 members and more than 700,000 customers. Our range of health, wealth and care products and services provides member, customer and community value that is supportive of personal and community wellbeing.

www.australianunity.com.au

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