

Announcement

19 March 2021

Australian Unity Property Income Fund (the Fund) – ARSN 094 220 498

Revaluations, Lease extensions and Solar Initiatives

223 - 227 Governor Road, Braeside VIC and 91 - 97 Woodlands Drive, Braeside VIC

As at 15 March 2021, 223 - 227 Governor Road, Braeside VIC and 91 - 97 Woodlands Drive, Braeside VIC (the Properties) were independently revalued resulting in an aggregated 8.5% increase over the prior June 2020 valuation of \$32.95 million to \$35.75 million. This increased valuation is the result of a firming of the capitalisation rate from 5.50% to 4.75% coupled with a lease extension.

We are very pleased to advise that Flavour Makers, the tenant at the Properties has executed a variation of lease, increasing the lease expiry from around 13.5 years to 20 years.

In exchange for the lease extensions, the Fund has commenced a solar initiative rollout at the Properties with 'full roof' solar installation of ~1,400KW (Governor Rd) and 500KW (Woodlands Dr) to be installed. The cost of the installation of solar panels across both sites is approximately \$2.45 million plus GST. Solgen Energy Group has been contracted to deliver the works.

This significant solar investment will reduce the tenant's reliance on power from the grid and increase the energy efficiency of the Properties. Separately, the tenant is creating an outdoor 'green space' for staff and client use. This space will be powered by solar and will harvest rainwater.

As outlined, this overall transaction has been value enhancing while also extending the Fund's lease duration.

More information

We regularly provide up to date information about the Fund, including quarterly Fund Updates and continuous disclosure information. These contain current information about the Fund's gearing, interest cover, borrowings, Fund diversification, valuation policy, related party transactions, distribution practices and withdrawal rights.

Please refer to the 'Fund information' section of this website or contact Investor Services on 13 29 39 for copies of the Fund Update.