

13 December 2019

Australian Unity Diversified Property Fund – ARSN 106 724 038

Borrowing facility refinanced

The Fund's syndicated borrowing facility has been refinanced following the successful merger with the Australian Unity Retail Property Fund (RPF). The Fund's borrowing capacity increased from \$155 million to \$300 million and is secured against all of the Fund's direct property assets including North Blackburn Shopping Centre, North Blackburn, VIC and Caltex Twin Service Stations, Wyong, NSW. The refinancing is a positive outcome for the Fund's investors as it delivers certainty for the Fund's expected capital expenditure and development pipeline.

The new syndicated borrowing facility is provided by two top-tier banks, both of which were financiers of the Fund and RPF prior to the merger. The refinancing demonstrates the quality of the Fund, its assets and our active management approach.

Continuous disclosure information

The Fund's borrowing facility is secured by all the Fund's assets and is summarised in the table below as at 30 November 2019:

Borrowing details	
Borrowing facility drawn amount	\$244.38 million
Borrowing facility limit	\$300 million
Borrowing facility maturity	Tranche A: 25 October 2022 Tranches B and C: 25 October 2024
Borrowing facility Loan to Valuation Ratio covenant limit	55.00%
Fund Loan to Valuation Ratio calculated in accordance with borrowing facility definition	48.33%
Amount by which value of assets must decrease before a borrowing facility covenant is breached	12.13%
Borrowing facility Interest Cover Ratio covenant limit	2 times
Fund Interest Cover Ratio calculated in accordance with borrowing facility definition ¹	2.07 times
Amount by which the operating cash flow must decrease before a borrowing facility covenant is breached	3.34%
Borrowing facility interest rate (inclusive of borrowing margin, line fees and interest rate hedges)	3.95% p.a.
% of borrowings hedged	57.29%
Weighted hedge expiry	3.82 years

1. The Fund Interest Cover Ratio (ICR) is calculated in accordance with the borrowing facility definition and includes Fund costs. The Fund's normalised ICR at 30 November 2019 is estimated to be 2.52 times which is exclusive of one-off merger costs and interim pre-merger performance fees crystallised during FY20.

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, diversification, valuation policy, related party transactions, distribution practises and withdrawal rights.

Please refer to the 'Fund Information' section of this website or contact Investor Services on 13 29 39 (select Option 4) for copies of these documents.

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Applicable to
Australian Unity Diversified Property Fund – Ordinary Units YOC0018AU