



# Overview 2016

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# Rewarding investment through superior asset selection and active asset management.

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## About Centuria Property Funds

*“Centuria is an experienced Investment Manager with a proven track record.”*

Centuria Property Funds Limited, formerly Century Funds Management, was formed in 1999 to arrange the syndicated purchase of investment grade property on behalf of a limited number of private investor clients. These investors wished to participate in the ownership of high-value commercial property (\$10-\$100 million), not normally accessible to individuals.

We presently own and manage a portfolio of 24 individual properties with a combined value of approximately \$1.1 billion. This portfolio comprises our ASX-listed fund, the Centuria Metropolitan REIT (CMA), plus 11 unlisted funds including our first residential development fund.

Centuria is committed to delivering investment performance and personal service to its clients. Each offering by Centuria follows a careful study of the risks and returns of the property investment. A primary focus is placed on the quality of the property as the underlying asset of each investment opportunity. Our experienced, hands-on approach means that we're able, with every purchase, to identify investments with a strong mix of income, capital growth potential and tax benefits.

The Senior Executives of Centuria Property Funds have extensive experience in the property and funds management industries. Together they have diversified, yet complimentary, skills with strong industry backgrounds.

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## Centuria has completed 32 Funds with a combined value of approximately \$1.21 billion and an average return to Investors of 12.65% per annum.\*

*“Centuria has established itself as a leading property fund manager in the Australian market.”*

### Asset Management

A critical part of the success of property investment is the quality of the ongoing management of tenants and the physical aspects of the property, both of which we consider to be strengths within our business.

In addition, capital gain potential is maximised by ensuring the most efficient use of space, conducting services upgrades, building refurbishment and assessing potential re-development.

The majority of our portfolio is managed by our in-house property division. Our team is comprised of experienced property professionals with backgrounds in leasing, agency and valuation.

Any property managed externally is managed by hand picked experts in their locations and asset types. They report directly to Centuria's Head of Portfolio and Asset Management and the National Leasing Manager.

### Fund Management

Investors can keep up to date with information related to their investment, including all Fund correspondence, distribution and tax statements and property performance through regular updates on the Centuria website ([www.centuria.com.au/unlisted-property-funds](http://www.centuria.com.au/unlisted-property-funds)) and by logging into the Investor Database via the website.

We believe that our fundamental property experience, coupled with our funds management pedigree, place us in a unique position to maximise benefits for Investors.

**\*Past performance is not indicative of future performance.** Annualised total return of 12.65% is current as at 15.03.16 and is the average of returns across all funds managed to completion and wound up by Centuria Property Funds Ltd as responsible entity/trustee since 1998 and includes capital gains as well as distributions paid during the life of completed funds shown on a per annum basis. The annualised total return does not represent the current performance of any of Centuria's funds currently under management. **Each fund managed by Centuria Property Funds will have different characteristics, properties and risk and should be assessed by an investor independently of the performance of completed funds.** Average per annum returns calculated at the completion of a fund does not take into account returns in any particular year and current or future funds may experience fluctuations in asset values and distributions during the life of a fund.





# Case Studies Recent Sales\*

## 80 Waterloo Road/16 Byfield Street Macquarie Park, NSW



Acquisition Price	\$24,000,000
Sale Price	\$101,000,000

- Acquired in 2001/2002.
- The asset is located within the urban centre of Macquarie Park.
- Unprecedented property development opportunity for mixed use and residential.
- Nabers Energy Rating 4.5 stars.
- Sold to a property developer with settlement due to occur July 2016.

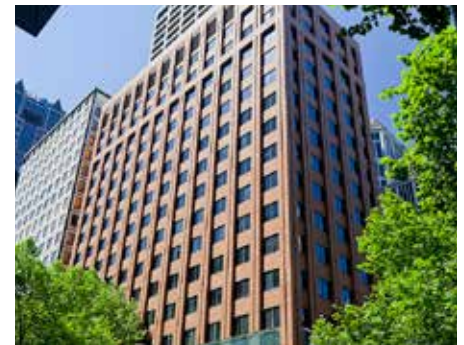
## 175 Castlereagh Street Sydney CBD, NSW



Acquisition Price	\$56,000,000
Sale Price	\$98,000,000

- Acquired in 2013.
- Refurbished lobby and common areas.
- 17% vacant at acquisition, sold with 100% occupancy.
- Centuria executed 10 new leasing deals.
- A mixed use development scheme was part of the sale process.
- Sold in December 2015 delivering an average total return of 34.8% p.a. over 2.6 years.

## 50 Queen Street Melbourne, VIC



Commencing Valuation	\$26,500,000
Sale Price	\$40,700,000

- Centuria took management control of the trust from Sept 2010 and the asset was independently valued at \$26.5million in Nov 2010.
- Following the recapitalisation of the fund, the property was actively managed to improve rents from \$264/sqm gross to \$491/sqm gross at sale.
- The foyer and common areas were refurbished and the tenant mix was improved.

## 441 St Kilda Road Melbourne, VIC



Acquisition Price	\$58,000,000
Sale Price	\$82,100,000

- Acquired in April 2012.
- Three major tenants vacated in 2014 and Centuria sought to reposition the building to maximise value.
- Over 4,000 sqm of space was leased within six months of the previous tenants vacating.
- Result was a significant increase in occupancy and a long term WALE.
- Sold in October 2014 for \$82.1 million with average total return of 21.0% p.a. over 2.5 years.

## 100 Bennelong Road Sydney Olympic Park, NSW



Acquisition Price	\$10,500,000
Sale Price	\$24,500,000

- Acquired in December 2002.
- The property was actively managed and retained 100% occupancy throughout.
- We worked with planners, architects and the local planning authority to change zoning to permit residential development.
- The property was sold to a residential developer for \$24.5 million in April 2013 delivering an average total return of 24.5% p.a. over 11 years.

## Burwood Plaza Burwood, NSW



Commencing Valuation	\$47,600,000
Sale Price	\$80,000,000

- Centuria took management control of the trust from Sept 2010 and the asset was independently valued at \$47.6million in Nov 2010.
- Located in Railway Parade Burwood next to the transport hub.
- Extended Woolworths lease by 10 years at an increased rental rate.
- Installed energy efficient lighting, reducing energy consumption by 29%.
- Mixed use development scheme prepared and property sold to a residential developer.

**\*Important information – Sales case studies. Past performance is not indicative of future performance** - Case studies on recent sales provide a selection of historical information relating to the sale of a particular property. The case studies are in summary form only and have no correlation to any other property or fund. Where the case study relates to a single asset trust, total returns to unitholders have been provided in the case studies. Total returns include capital gains as well as distributions paid during the life of completed funds shown on a per annum basis. Properties that do not include total returns form part of a multi-asset trust. Performance has been determined after the properties are wound up. **Each fund managed by Centuria Property Funds will have different characteristics, properties and risk and should be assessed by an investor independently of the performance of completed funds.** Average per annum returns calculated at the completion of a fund does not take into account returns in any particular year and current or future funds may experience fluctuations in asset values and distributions during the life of a fund.

# Case Studies Recent Acquisitions

## 8 Central Avenue, Fund No. 2 Eveleigh, Sydney, NSW



Acquisition Price \$109,384,667 (50%)

- Acquired in July 2015.
- Institutional-grade office building only 2.5km from the Sydney CBD.
- 100% occupancy at acquisition.
- High quality tenant profile including Seven West Media Group and the NSW State Government
- Modern asset with low forecast capital expenditure requirements.

## 2 Wentworth Street Parramatta, Sydney, NSW



Acquisition Price \$45,050,000

- Acquired in December 2014.
- Parramatta office market forecast to deliver strong rental growth underpinned by a low vacancy rate.
- 100% leased with 82% of income secured by NSW State Government tenants.
- Recently refurbished asset with minimal future capital expenditure requirements.

## 10 Spring Street Sydney CBD, NSW



Acquisition Price \$91,600,000

- Acquired in June 2013.
- Located in a core Sydney CBD location.
- Refurbished lobby and retail arcade.
- 19% vacant at acquisition.
- Centuria executed 12 new leasing deals.
- Asset is now 100% occupied.

## About Centuria Capital

Centuria Capital is a specialist investment manager offering a range of investment products. We have approximately \$1.8 billion in assets under management across two divisions:

- **Centuria Property Funds** focuses on providing investors consistent income returns and capital growth potential. Centuria Property Funds manages a portfolio of commercial real estate throughout Australia worth approximately \$1.16 billion and has completed 32 funds worth \$1.21 billion since inception delivering investors an average 12.65% return\* per annum.
- **Centuria Life** offers a range of investment bonds for investors seeking a tax-effective investment over the medium to long term. The bonds are intended for individuals who want simplicity in their investment, tax planning and estate planning needs covered in one tax-effective investment. A range of portfolio options cater to risk/return profiles from Cash to High Growth. Find out more at [www.centuria.com.au/investment-bonds](http://www.centuria.com.au/investment-bonds)

Centuria Capital has a track record of developing high quality investment products and delivering growth to investors. Our drive, allied with our inside knowledge of the sectors in which we operate, as well as our intimate understanding of our clients, allows us to transform opportunities into rewarding investments.



To discuss investment opportunities please contact Centuria Property Funds on 1300 22 44 24 or [contactus@centuria.com.au](mailto:contactus@centuria.com.au)

**Important information- acquisition case studies: Past performance is not indicative of future performance.** \*Refer to page 2 for further information on how the annual total returns are calculated. Case studies on recent acquisitions detail information that was current at the time the property was acquired along with current occupation figures as at 15.03.16. Case studies are in summary form only and do not contain current valuation or performance information in relation to any of the properties noted.

**Disclaimer:** This document is issued by Centuria Property Funds Limited (Centuria) ABN 11 086 553 639 AFSL 231149. Information in this document is general information only. Before you make any decision in relation to investing, we recommend that you obtain financial advice from a licensed financial adviser. Information in this document is current as at 15 March 2016, unless otherwise stated.