

# Centuria

Quarterly Fund Update  
December 2020

## Centuria Healthcare Medical Development Fund No.1

52-64 Annerley Rd, Woolloongabba QLD

### Key Points

- As at 30 September 2020, the Fund's Net Asset Value (NAV) is \$0.8525 per unit.
- Ministerial Infrastructure Designation (MID) application progressing through its public notification period.
- Delays with anchor tenant has resulted in protracted leasing negotiations, however, functional briefs have largely been finalised.
- Leasing interest is being registered for the balance of the property, however, active leasing is on hold until the anchor is secured.

### Fund Summary

During the December 2020 quarter, the Manager and its Project Partners progressed the development's planning application. As part of the Ministerial Infrastructure Designation (MID) process, the project has commenced its public notification period, which is due to conclude on 31 January 2021. All public submissions received are required to be considered.

Following this, the Department will finalise its assessment and provide notice of its decision. Once a designation is granted, no further planning approvals are required and the decision is not open to third party appeal rights.

Negotiations with the proposed anchor tenant have been protracted, due to a process between the potential anchor tenant and its joint venture partner, which has impacted the anchor tenant's ability to execute its strategy. However, this has not changed the proposed anchor tenant's strategic commitment to the site. The proposed anchor tenant's space planning and identification of its operational requirements have largely been finalised.



Item	Description	Indicative Timing	Comments
1	Prepare revised planning submission	Jul 2020 – Aug 2020	MID submitted
2	Submit revised planning application	Aug 2020	MID submitted Estimated 6 month approval period
3	Negotiate and finalise non-binding Heads of Agreement (HOA)	Sept 2020 – Feb 2020	Draft HOA has been updated based on revised anchor tenant brief
4	Negotiate binding Agreement for Lease (AFL), subject to conditions precedent (e.g. MID approval)	Oct 2020 – Feb 2020	Process and timing to confirmed and agreed
5	Prepare construction tender documentation and healthcare company warm shell fitout (separate work packages) and tender period	Nov 2020 – Jan 2020	Process and timing to confirmed and agreed
6	MID approval received	31 Jan 2021	QLD Government is in caretaker mode from October 2020
7	Construction period	Apr 2021 – Jan 2023	Program of works TBC
8	Anchor tenant integrated fitout period	May 2022 – Dec 2022	Program of works TBC
9	Practical Completion/Testing & Commissioning/Handover to anchor tenant	Jan 2023	

## Financial Snapshot

Fund Commencement Date	11 April 2017
Net Asset Value (NAV) (\$ per Unit)	\$0.8525 <sup>1</sup>
Investor Equity (drawn) (\$m)	15.25

<sup>1</sup> Based on the accounts as at 30 September 2020.

## Key Development Milestones

Milestone	Progress	Information Memorandum	Date
Development Application Approval	Completed	Dec 2017	Mar 2019
MID Approval	Progressing	N/A	Expected Jan 2021
Commencement of Construction	Not Commenced	Jul 2017	Expected Apr 2021
Practical Completion	Not Commenced	Sept 2018	Expected Jan 2023
Expiry of Investment Term	Progressing	Jun 2019	TBA <sup>1</sup>

<sup>1</sup> The expiry of the investment term is dependent on a number of factors, including the type of sale (as-is, fund-through or turn-key) and whether a rental guarantee is agreed with the buyer of the property.

## Property Details

### ASSET VALUES

Property Addresses	52-64 Annerley Road, Woolloongabba QLD
Current Valuation (May 19)	\$11.3m
Cap Rate (May 19)	N/A
Valuer	HTW

## Contact Details

If you require assistance with your Centuria Investor account or have any questions regarding your investment in the Fund, please contact **Centuria Investor Services** on **1800 182 257** or by email on **Property.Enquiry@CenturiaInvestor.com.au**.

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