

# Centuria

Fund Update  
September 2022

## Centuria 111 St Georges Terrace Fund

(ARSN 098 126 660)

### Key points

- As at 30 June 2022, the Net Asset Backing of the Fund increased to \$3.99 per unit.
- Distributions remain at 30.00 cents per unit (annualised).
- The portfolio is approximately 92.26% occupied with a weighted average lease expiry (WALE) of approximately 2.89 years.
- Three new leases signed over the half-year plus two renewals and terms agreed on four more deals.

### Fund summary

Distributions for the Centuria **111 St Georges Terrace Fund** for FY2023 are forecast to remain at at 30.00 cents per unit (annualised), which is in line with the distribution for FY2022. The corresponding distribution statement for the Fund can be accessed from our online investor portal at [CenturiaInvestor.com.au](http://CenturiaInvestor.com.au).

Management continues to monitor upcoming lease expiries and market vacant space. We are pleased to advise three new leases totalling 1,389 sqm have been signed with four Heads of Agreement signed for a total of 726.9 sqm.

Sentinel Bar and Grill have agreed to a new 10-year lease from January 2023. Sentinel are planning extensive refurbishment works which will allow for additional dining space and attract more customers to an already well performing offering.

In addition, we have renewed Securitech Consultants (105 sqm or 0.53% by NLA) and Traction360 (95.2 sqm or 0.48% by NLA) for a further 2-years.

A warm shell was recently completed on 260 sqm on level 9. Agents are currently reviewing these plans for a potential spec fit however we have early interest from sitting tenants Subsea and Talent Quarter who may take this space.

The recent activity in the building will increase occupancy to 95% which is very encouraging.

The 30 June 2022 audited financial report is now available to download from the online investor portal at [CenturiaInvestor.com.au](http://CenturiaInvestor.com.au). The report confirms the Net Asset Backing (NAB) of units in the Fund increased from \$3.96 (as at 31 December 2021) to \$3.99 per (as at 30 June 2022).

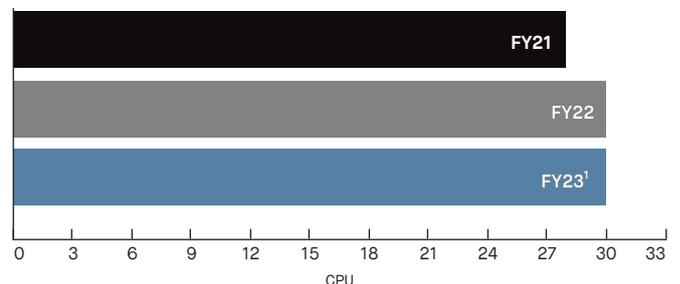


### Financial snapshot

<b>Fund commencement date</b>	31 January 2002
<b>Net Asset Backing</b>	3.99 <sup>1</sup>
<b>Distribution rate (cents per unit)</b>	30.00 <sup>2</sup>
<b>Weighted average lease expiry (WALE) (years)</b>	2.9 <sup>3</sup>
<b>Next investor vote on term of Fund</b>	31 January 2027

### Distribution details

#### ANNUALISED DISTRIBUTION



1. Forecast (annualised).

The distribution rate for the remainder of the 2023 financial year is forecast to remain at 30.00 cents per unit (annualised). This forecast distribution rate reflects the current performance of the Fund and assumes that all tenants will continue to satisfy their contractual obligations under their respective leases within a timely manner and that there are no significant unforeseen capital costs and no material changes to the Fund's financial obligations.

1. Based on the most recent audited accounts as at 30 June 2022.

2. June quarter, annualised.

3. As at 30 September 2022.

## Property details

ASSET VALUES	
Property address	111 St Georges Terrace, Perth WA
Purchase price (Jul 02)	\$42.50m
Previous valuation (Dec 21)	\$160.50m
Current valuation (Jun 22)	\$160.50m
Cap rate (Jun 22)	6.50%
Valuer	Cushman

The key metrics of the 30 June 2022 valuation are outlined in the table above.

## Top five tenants by net lettable area (NLA)

Commonwealth of Australia Lease expires 30 Nov 2022	19.1%
WA Industrial Relations Commission Lease expires 30 Jun 2024	15.4%
Bank of Queensland Limited Lease expires 31 Jul 2029	11.1%
Minister for Works Lease expires 31 Dec 2026	8.5%
21st Century Lease expires 30 Nov 2027	5.1%

We are pleased to advise that as a result of recent leasing success and the Property is 92.26% occupied, with a WALE by income of approximately 2.89 years as at 30 September 2022, which is an excellent result for investors.

## Property statistics

	DEC-21	SEP-22
Net Asset Backing	3.96	3.99
Property occupancy rate	93%	92%
Weighted average lease expiry (WALE) (years)	3.2	2.9

## Debt summary

	CURRENT PERIOD	LOAN COVENANTS
Total facility limit	\$90.00m	
Undrawn amount	\$5.96m <sup>1</sup>	
Loan expiry	30 Jun. 2025	
% of debt hedged	Nil <sup>1</sup>	
Loan to value ratio (LVR)	56.1% <sup>2</sup>	65.0%
Interest cover ratio (ICR)	8.15 <sup>3</sup>	1.75

Financier approved three-year extension to the debt facility which expired 30 June 2022.

Under the terms of the debt facility, the Fund is required to comply with certain loan covenants over the course of the year. Based on the most recent audited accounts as at 30 June 2022, the Fund remains compliant with all covenants including the Interest Cover Ratio (ICR) and Loan to Value Ratio (LVR).

## Centuria investor website

You can access all information relating to your Centuria investments at [CenturiaInvestor.com.au](https://www.centuriainvestor.com.au).

## 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 (within Australia); +61 2 9290 9689 (outside Australia) or by email on [Property.Enquiry@CenturiaInvestor.com.au](mailto:Property.Enquiry@CenturiaInvestor.com.au).

**Note:** The latest RG46 Statement for the Fund is available at [CenturiaInvestor.com.au](https://www.centuriainvestor.com.au). It includes gearing ratio, calculated using ASIC methodology, gearing covenant sensitivities, details of the related party transactions in the period and further information on the source of distributions.

1. As at 30 June 2022.
2. The LVR is based on the most recent independent valuation as defined under the debt facility agreement.
3. Based on the most recent audited accounts as at 30 June 2022.

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