

Announcement

13 November 2020

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

We are delighted to update investors regarding a period of successful active management for the Fund. We have resolved two upcoming lease expiries to Synergy Packaging (Synergy), purchased an industrial property and sold another while resolving Synergy's expansion requirements. These transactions have extended the Fund's lease duration and enhanced the Fund's income profile, while realising value for investors.

10 International Square Tullamarine VIC

We have finalised with Synergy a 10-year lease extension commencing 1 January 2021 at 10 International Square Tullamarine VIC.

As at 30 September, 10 International Square Tullamarine VIC was independently revalued resulting in a 17.2% increase over the prior June 2020 valuation of \$4.95 million to \$5.80 million. This is reflective of a firming of the capitalisation rate from 6.50% to 5.50% coupled with the 10-year lease extension.

11 International Square, Tullamarine VIC

On 19 October 2020, the Fund settled the acquisition of a property located at Unit 8, 11 International Square, Tullamarine VIC for a purchase price of \$4.02 million (excluding transaction costs). The newly acquired property is next to the Fund's existing property at 10 International Square in Tullamarine leased to Synergy (head office). An opportunity arose to acquire the subject property as vacant possession and simultaneously lease the property to Synergy for 10 years, providing them with scope to expand their operations within proximity to their head office.

65 Beverage Drive, Tullamarine VIC

We have finalised a 5-year lease extension commencing 1 January 2021 at 65 Beverage Drive Tullamarine VIC.

On 28 October 2020, the Fund exchanged contracts of sale in relation to 65 Beverage Drive, Tullamarine VIC. The agreed sale price is \$8.5 million which is a 26.9% premium compared to the property's prior independent valuation conducted in June 2020. Settlement is anticipated to occur around 30 November 2020.

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.