

# APN Nowra Property Fund

## Fund overview

The APN Nowra Property Fund is a single asset, fixed-term, unlisted property fund that was launched in November 2018. The property is located at 198 Princes Highway, South Nowra, New South Wales and comprises a large format retail building that was constructed in 2016. The Fund aims to provide a stable income profile whilst achieving moderate capital growth through the Fund's 5 year expected life.

## Manager's report

Since the Fund's successful launch in November 2018 the distributions of 7.80% have been paid on a monthly basis.

We have been in communication with Home Consortium who have recently negotiated a sub-lease with Bunnings Warehouse to occupy the site for a two year period whilst they refurbish their existing store in Nowra. Although this does not impact the Fund directly given it's a sublease, it demonstrates the asset's attractiveness to major tenants such as Bunnings, who will fit-out the premises and expected to commence trading in mid 2019.

The lease term with Home Consortium is for another 12.61 years and is guaranteed by Woolworths Limited until expiry.

The asset's internal valuation has been held at \$24.2 million as at 31 December 2018. This value remains in line with the most recent independent valuation as at 30 June 2018. Accordingly, the Net Asset Value (NAV) has also been maintained at \$1.05 per unit (5 cents above the initial \$1.00 investment). The Funds debt position has remained unchanged with gearing at 43.5%.

## Historical unit values

Date	Net Asset Value (NAV) per unit
31 December 2018	\$1.05
8 November 2018	\$1.05

## Important distribution details / dates

**Distribution payment** Accruing at the end of each month. Payment is made on the 10th day following month's end unless that day is a non-business day in which case the distribution will be paid on the following business day.

**Distribution statement** Dispatched at the time of payment above.

**Tax statement** Dispatched annually (by end of August).

## Investment team members

Tim Slattery | Chief Executive Officer  
Tom Forrest | Head of Direct Property  
Scott Johnston | Analyst



## AT A GLANCE as at 31 December 2018


NAV	\$1.05 per unit
Unit price revaluation	Changes to Net Asset Value per unit are advised following the completion of the audited Annual and Half-Yearly financial reports.
Property value	\$24.2 million
Borrowings (loan to value ratio)	43.5%
Weighted Average Lease Expiry (WALE)	12.61 years (by income)
Occupancy	100%
Fund commenced	8 November 2018
Fund maturity	7 November 2023
Redemption facility	Not available
Annual distribution	7.80 cpu
Distribution payments	Monthly
Distribution reinvestment	Not available
Sector allocation by value	100% Retail
Geographic allocation (by value)	New South Wales: 100%

## APN Property Group

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