



APN REGIONAL PROPERTY FUND QUARTERLY UPDATE

31 MARCH 2021

APN | Property Group

Highlights and summary

- As a multi-let building, leasing and proactive asset management are critical to ensure we have an attractive proposition for tenants. A summary of ongoing asset management activity includes:
 - Nine Entertainment, the new tenant moving to Level 3, 28 Honeysuckle Drive (1,000 sqm) are nearing completion of their fitout works, with the lease to commence 1 June 2021;
 - Landlord works across levels 4 and 5, 28 Honeysuckle Drive will soon be underway to allow the handover to QBE on 1 August 2021. The lease officially commences on 1 November 2021, seeing QBE's occupation increase from 1,000 sqm to 1,470 sqm;
 - We have a number of active leads for the remaining vacancy of 334 sqm at 28 Honeysuckle Drive;
 - The overall capital improvement program for the buildings is nearing completion with a number of projects finalised, including replacement of the two lifts within 26 Honeysuckle Drive and a bathroom refurbishment for Nine Entertainment. The capital works undertaken have contributed to both tenant retention (QBE renewal) and attracting new tenants to the building (Nine Entertainment).
- We are pleased with the recent leasing activity and resultant value uplift of 27%. However, near term expiries totalling ~25% of the rental income will place downward pressure on available cash for distributions, a matter we continue to assess, along with the early refinancing of the debt and completing of the financial year budget. We will continue to keep investors updated over the coming months.

Key metrics – 31 March 2021

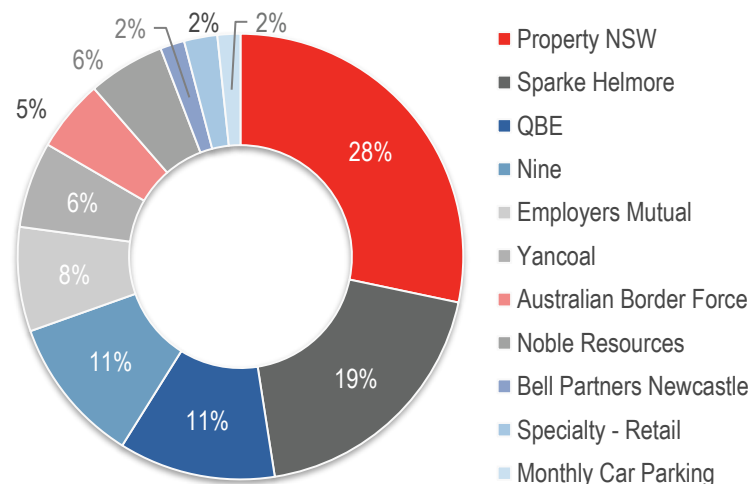
Net Asset Value (NAV)	— \$1.8877 per unit*
Property portfolio value	— \$66.00m (6.00% cap rate)
Loan to Value ratio	↑ 29%
Interest Cover Ratio (ICR)	↓ 6.3x*
Weighted Average Lease Expiry	↓ 3.9 years (by income)
Portfolio occupancy	96%
Annual distribution	— 10.20 cents per unit
Distribution payments	Monthly
Fund Maturity	30 June 2024

*Unaudited

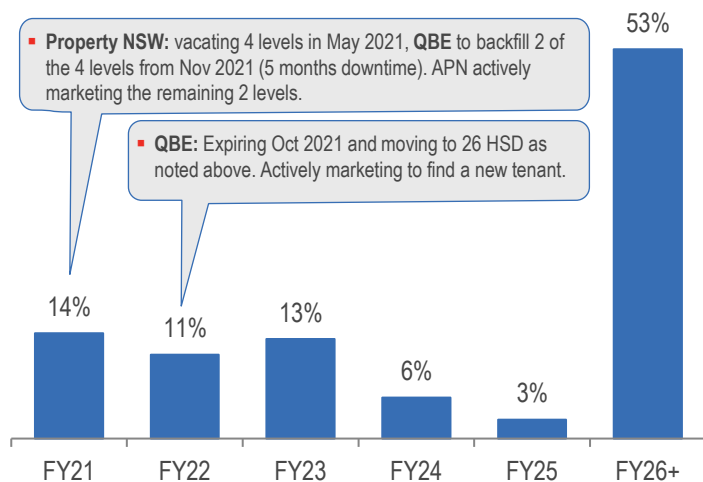


Fund information and history

Tenant diversity (by income)



Expiry Profile (by income)



Historical unit values

Date	NAV per unit
31 December 2020	\$1.8822
30 June 2020	\$1.4037
31 December 2019	\$1.4062
30 June 2019	\$1.3970

Important information / dates

Unit price revaluation	Changes to Net Asset Value per unit are advised following the completion of the audited Annual and Half-Yearly financial reports. Please see the 'Key metrics' table within this update for the latest NAV.
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.
Tax statement	Dispatched annually (by end of August).

Investment team members

Tom Forrest – Fund Manager, Direct Property
 Alex Abell – Head of Direct Property

APN Property Group

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