

# An opportunity to invest in Australia's strongest non-metro office market, at an attractive entry price

The APN Regional Property Fund offers investors the opportunity to invest in two A-grade office properties that have recently undergone a major asset enhancement program. Located in a fast-growing region, with access to excellent transport options, the buildings are well leased to Government and national corporate tenants, underpinning stable and secure rental income.



- ✓ **Attractive valuation**, supporting strong capital growth potential
- ✓ **No stamp duty or asset acquisition costs**
- ✓ **164 secure car parking spaces** and close to bus, train and light rail
- ✓ **New state of the art end of trip facilities**, bathrooms and foyer refurbishments
- ✓ **Energy efficient buildings** with estimated NABERS rating of 4.5 stars
- ✓ **Conservatively geared** at 34% (target range of 30-45%)<sup>2</sup>
- ✓ **Rental growth**, with 3-4% annual fixed rent reviews
- ✓ **Managed by a specialist property manager** with more than 14 years local Newcastle knowledge

## Offer summary

<b>Investment type</b>	Direct property fund with liquidity event intended to be provided in 2024
<b>How to invest</b>	Limited units available
<b>Forecast distribution yield</b>	7.10% in FY20 (Distributions will be paid monthly from 1 January 2020)

For further information and to download a copy of the Product Disclosure Statement, please visit us at [www.apngroup.com.au](http://www.apngroup.com.au), contact us on **1800 996 456** or email us at [apnpg@apngroup.com.au](mailto:apnpg@apngroup.com.au)

**7.10%<sup>pa</sup><sup>1</sup>**  
FORECAST FY20  
DISTRIBUTION  
YIELD

**99%**  
OCCUPANCY  
(10 YEAR AVERAGE)

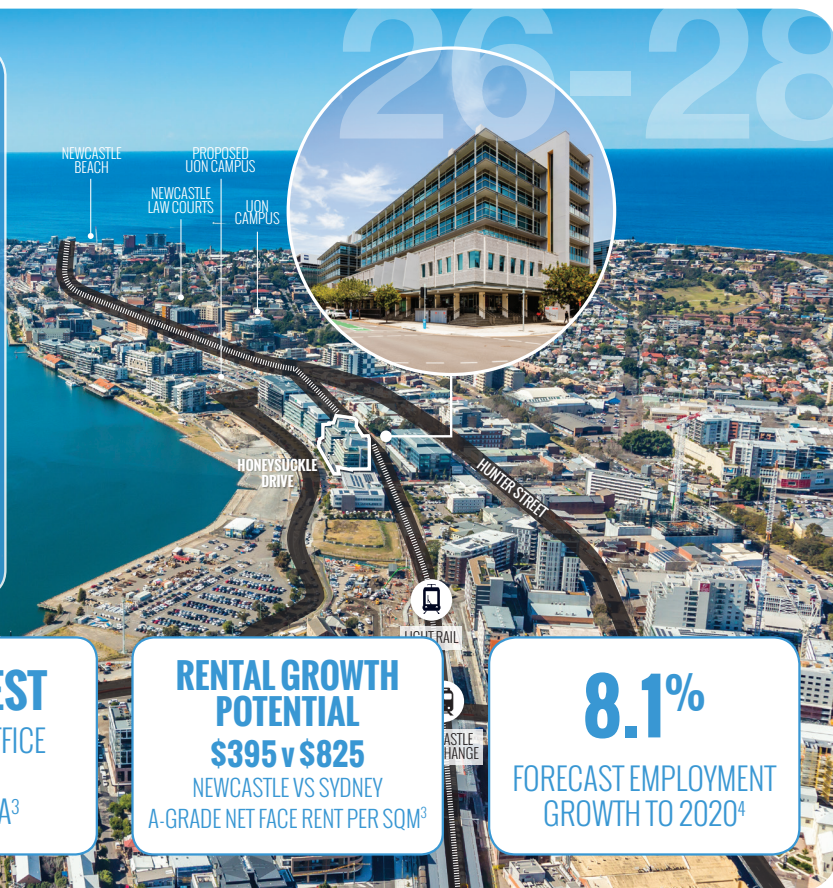
**96%**  
OF INCOME FROM  
GOVERNMENT OR NATIONAL  
CORPORATE TENANTS<sup>2</sup>

1. Forecast distribution rates are not promised nor guaranteed, and are calculated in accordance with the assumptions outlined in the Product Disclosure Statement dated 4 February 2019. Returns are not guaranteed. 2. As at 30 September 2019.

**“The Newcastle CBD is being transformed with education, residential, commercial and retail development, complemented by attractive open public spaces”**

*Colliers International, Jan 2019*

This region offers much more than coal, wine and sandy white beaches; a fact recognised by the NSW Government, which has committed \$650m, in addition to more than \$3bn development activity, which is set to revitalise the city into a vibrant economy.



**7<sup>th</sup>**

LARGEST CITY IN AUSTRALIA

**STRONGEST**  
NON-METRO OFFICE  
MARKET  
IN AUSTRALIA<sup>3</sup>

**RENTAL GROWTH  
POTENTIAL**  
**\$395 v \$825**  
NEWCASTLE VS SYDNEY  
A-GRADE NET FACE RENT PER SQM<sup>3</sup>

**8.1%**  
FORECAST EMPLOYMENT  
GROWTH TO 2020<sup>4</sup>

## Portfolio summary

<b>Address</b>	26 & 28 Honeysuckle Dr, Newcastle NSW
<b>Property Type</b>	Two A-grade office buildings – each seven levels
<b>Years built</b>	26 Honeysuckle Dr – 2005 & 28 Honeysuckle Dr – 2002
<b>Independent Valuation</b>	\$51.75m – 7.25% capitalisation rate and \$5,493/sqm Net Lettable Area
<b>Occupancy<sup>5</sup></b>	96.3%
<b>Weighted Average Lease Expiry (by income)<sup>5</sup></b>	3.3 years

## About APN

APN Property Group is an ASX-listed specialist real estate investment manager with 12 Funds, 100 properties and approximately \$2.9 billion in funds under management. Established in 1996, APN has a strong and proven track record in managing commercial property investments.

## Risks

As with all investments, an investment in the Fund will be subject to risks, some of which are outside the control of the Responsible Entity and the Directors. All investments are subject to varying degrees of risk and investments generally go up, as well as down, in value. Asset classes perform differently at different times and have different risk characteristics and volatility. When you consider an investment in the Fund, you should consider your personal risk tolerance. Past performance is no guarantee of future performance. The Responsible Entity does not guarantee the income of the Fund or the return of capital to investors. It is important that you read the Product Disclosure Statement in full before deciding whether to invest and consult your financial adviser, stockbroker or other professional advisers should you require advice or clarification.

For further information and to download a copy of the Product Disclosure Statement, please visit us at [www.apngroup.com.au](http://www.apngroup.com.au), contact us on **1800 996 456** or email us at [apnpg@apngroup.com.au](mailto:apnpg@apngroup.com.au)

3. January 2019, Colliers International. 4. ABS REI NSW Newcastle Regional Plan 2036. 5. As at 30 September 2019 following commencement of the Yancoal lease.

This brochure has been prepared by APN Funds Management Limited (ACN 080 647 479, AFSL No. 237500) as the responsible entity of and the issuer of the financial products in respect of the APN Regional Property Fund (ARSN: 110 488 821 APIR Code: APN1341AU). Information contained in this brochure is current as at 4 February 2019, does not constitute financial product advice and does not purport to contain all relevant information necessary for making an investment decision. Each recipient is responsible for making their own assessment of financial needs, and must read the Product Disclosure Statement dated 4 February 2019 in full before deciding whether to invest and seek further independent advice as is considered appropriate. This brochure does not constitute an offer, invitation, solicitation or recommendation with respect to the subscription for, purchase or sale of any security, nor does it form the basis of any contract or commitment. It is important that you read the Product Disclosure Statement in full before deciding whether to invest and consult your financial adviser, stockbroker or other professional advisers should you require advice or clarification.