

ASX Announcement – Australian Unity Office Fund

17 April 2020

Development application approved for ~28,000 sqm building at 2-10 Valentine Avenue, Parramatta

Australian Unity Investment Real Estate Limited (**AUIREL**), as Responsible Entity of Australian Unity Office Fund (ASX: **AOF**), is pleased to announce that the Sydney Central City Planning Panel has approved AOF's development application relating to a ~28,000 sqm commercial office building at 2-10 Valentine Avenue, Parramatta.

James Freeman, AOF's Fund Manager said "Approval of this development application represents a significant milestone for AOF following receipt of the site specific planning proposal in March."

"The additional developable area is likely to add considerable value for AOF unitholders when we obtain a tenant pre-commitment for the proposed development. We are actively working to seek such a commitment and expect a number of significant leasing briefs to come to market in the short to medium term which would fit well with the specifications of our building."

This development consent follows gazettal of the site specific planning proposal on 28 February 2020, now formally known as Parramatta Local Environmental Plan Amendment No. 44, which increased the floor-space-ratio for the site from 6.1:1 to 13.25:1 and amended the height limit applicable to the site.

Parramatta Council had previously approved a ~8,000 sqm building on the site. The development approval recently received (DA/517/2019) provides for an additional ~20,000 sqm, taking the total developable area to ~28,000 sqm (2 Valentine Avenue), in addition to the existing building of 16,020 sqm on the site (10 Valentine Avenue).

In line with AOF's Valuation Policy, given approval of the development application, AUIREL has independently revalued 2-10 Valentine Avenue, Parramatta as at 31 March 2020. This valuation includes an assessment of market movements relating to the existing building at 10 Valentine Avenue, Parramatta and the proposed development at 2 Valentine Ave, Parramatta – noting that both are on the same title. The revised valuation is \$138.5 million, representing an increase of approximately \$16.3 million above the 31 December 2019 book value or approximately 10 cents per unit.

Commencement of the development is subject to a number of conditions including board approval of a tenant pre-commitment for part or all of the building and a major works contract with a builder.

Once a tenant pre-commitment has been achieved, AUIREL will revalue AOF's Valentine Avenue, Parramatta property again in line with its Valuation Policy.

Authorised by the AUIREL Disclosure Committee.

Contact information

James Freeman
Fund Manager – AOF
Phone: 0458 286 250

ASX code:

AOF

Issuer:

Australian Unity Investment Real Estate Limited

ABN 86 606 414 368

AFSL 477434

Enquiries:

Australian Unity Office Fund Investor Services

1300 721 637 or

+61 2 8016 2890

(outside Australia)

Contact details:

271 Spring Street

Melbourne VIC 3000

Tel: 13 29 39

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About AOF

AOF is an ASX-listed REIT that wholly owns a diversified portfolio of nine office properties located across Australian metropolitan and CBD markets in Sydney, Adelaide, Melbourne, Brisbane and Canberra.

This announcement is issued by Australian Unity Investment Real Estate Limited ABN 86 606 414 368 AFSL 477434 (AUIREL). AUIREL is owned by Australian Unity Keppel Capital Pty Ltd ABN 67 637 410 505, a joint venture company owned equally by subsidiaries of Australian Unity Limited ABN 23 087 648 888 and Keppel Capital Holdings Pte Ltd CRN 201302079N, the asset management arm of Singapore based Keppel Corporation Limited CRN 196800351N.

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