



Aspen Group

Ord Minnett Perth Tour

19 June 2024



aspen living
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GUILDFORD

Aspen's Business Model and Integrated Platform

Owner

Proprietary approach - 100% focused on maximising returns for Aspen securityholders

Operator

Intensive management of properties to boost profitability through provision of various lease terms and additional services

Developer

Cost effective creation of quality accommodation through brownfield and greenfield development

Capital Manager

Disciplined acquisitions and recycling capital to optimise portfolio, and maximise profits and equity value

Provider of Quality Rentals on Competitive Terms

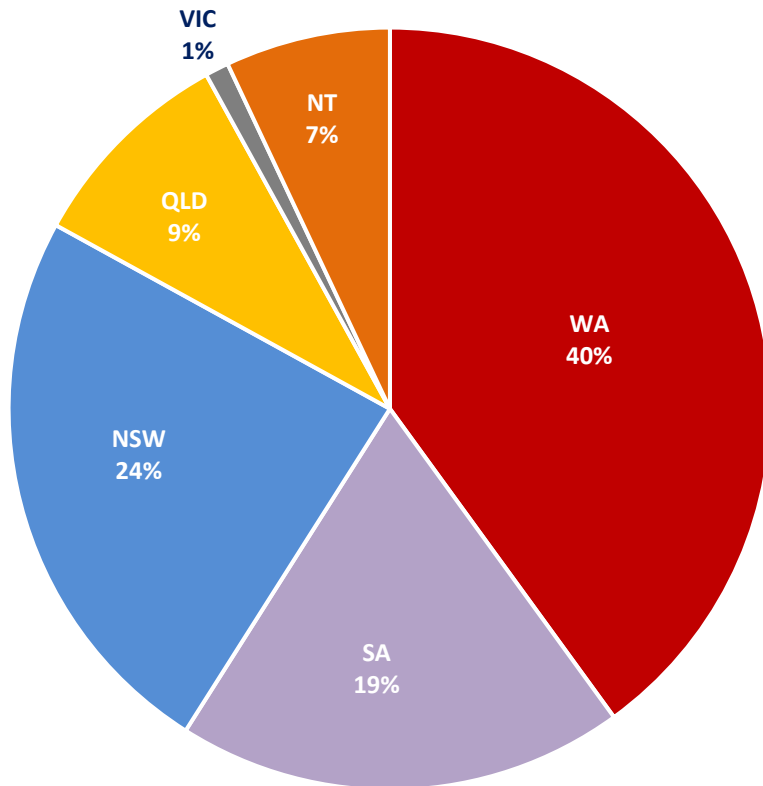
Dwellings and Land Sites

Average Weekly Rent¹ of \$316

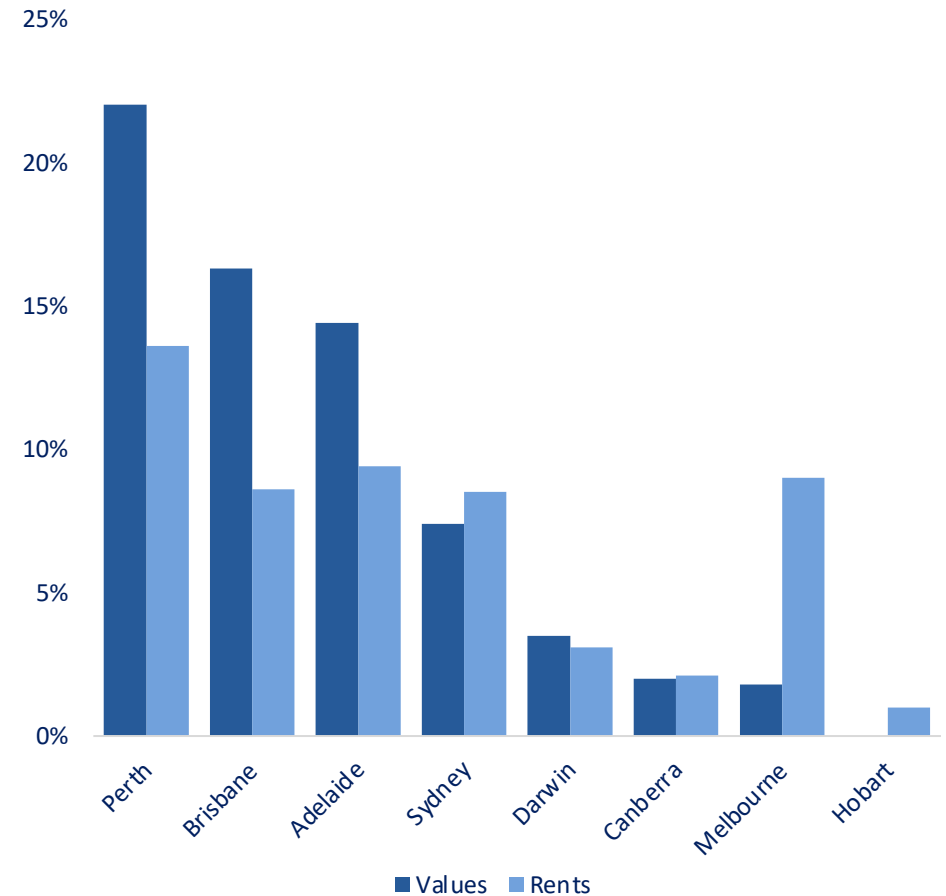
Aspen is Positioned Very Well in WA

WA's residential markets are performing very well due to strong population growth driven by a solid economy, good employment prospects, attractive lifestyle opportunities, and relatively cheap housing costs in our opinion...

Aspen's Portfolio Weighting¹



Change in Dwelling Values and Rents²



CoVE Maylands

- ❑ Build to rent project completed in April 2024 – efficient and environmentally friendly up-cycling of a 1960s building
- ❑ CoVE branded – premium level of co-living amenity and some fully furnished apartments
- ❑ 1 freestanding house and 119 apartments over 10 storeys – extensive views from Level 6 including the Swan River and the CBD
- ❑ 128 car spaces
- ❑ Total project cost of \$22.7m – \$190k per apartment
- ❑ Fully leased at completion including four floors to WA Uni and affiliates
- ❑ Average passing rent \$432 per week
- ❑ Expected annualised NOI of \$1.75m
- ❑ Expected ROIC¹ 7.7%
- ❑ External valuation November 2023 - \$29.8m at completion assuming average rent of \$400pw and cap rate of 5.5% - only \$248k per apartment
- ❑ Additional development potential on c.2,000sqms of spare land – considering cost-effective townhouses



CoVE Maylands

The refurbishment included:

- ❑ Full gut refurbishment of all apartments
- ❑ New energy efficient lifts
- ❑ Removal of reticulated gas system and transformer upgrade to allow fully electric systems
- ❑ Embedded power network with solar system - free common area power for Aspen
- ❑ Replacement of all internal and external lights to energy efficient LEDs
- ❑ Full fibre to all units for high-speed internet - no capital outlay by Aspen
- ❑ Mobile phone-based control to all site access points for improved security
- ❑ Use of motion sensors and timers to bathroom exhaust fans to minimise damp issues
- ❑ Inclusion of sub boards to each unit to isolate any electrical issues
- ❑ EV charging station in car park



WA Residential Living (dwelling rentals)

Perth Apartments

- ❑ Located in Maylands, Applecross, Claremont, Swanbourne, Trigg and Glendalough
- ❑ 16 complexes with 508 apartments in total
- ❑ Refurbishment program almost complete – final 16 apartments underway
- ❑ Highly competitive rents averaging \$414 per week
- ❑ Frictional vacancy only
- ❑ Spare land for further development at some of the properties providing future growth opportunities

Perth Houses

- ❑ All individual houses from the original portfolio have been sold - typically at c.3% net yield
- ❑ Ellenbrook strata-titled complex of 12 townhouses - 9 sold/contracted at average price of \$466k – 2.5x purchase price
- ❑ Other smaller complexes currently being strata-titled to maximise exit value



Aspen Karratha Village

- ❑ One of the best accommodation facilities in Karratha – extensively refurbished over the past few years
- ❑ Highly diversified customer base of over 80 corporate clients has now been established after exit of Woodside in 2021
- ❑ Both occupancy and rate have grown steadily in FY24 - YTD revenue is up about 50% and NOI is up about 100% to c.\$3.5m
- ❑ Expect continued growth in FY25 and beyond with increasing diversification of Karratha's economy and a large pipeline of planned projects in the Pilbara region – hydrogen, solar & renewables, ammonium products, salt, iron ore, lithium, tourism

WA Lifestyle (land rentals)

Sierra

- ❑ Located at Wundowie in the picturesque Darling Ranges, only 60kms from Perth CBD
- ❑ 205 approved dwellings/sites – 64 leased and 141 development pipeline
- ❑ Significant progress to date repositioning the property post acquisition:
 - Sold 6 lifestyle houses – leased sites increased to 37
 - Refurbished “The Ranges” – leased 21 apartments to neighboring Linley Valley Pork to house some of its workers
 - Refurbished and leased 3 villas to >50s
 - Commenced redevelopment of community centre and other facilities
- ❑ Lifestyle site fee of \$164 per week for singles and \$176 for couples – well below CRA caps
- ❑ Recent record sales price of \$355k
- ❑ 11 new lifestyle houses ordered for FY25



Meadowbrooke

- ❑ Located 20kms from Bunbury, a major regional town with one of the fastest growing house prices in Australia over the past year
- ❑ 184 approved dwellings/sites - 27 leased and 157 development pipeline
- ❑ Lifestyle site fee of \$182 for singles and \$194 for couples – well below CRA caps
- ❑ Sold 6 new lifestyle houses YTD
- ❑ 11 new lifestyle houses ordered for FY25

Mandurah Gardens

- ❑ Located at Mandurah, a major coastal town only 73kms south of Perth CBD
- ❑ Mature community of 158 leased sites
- ❑ Site fee of \$202 per week – well below CRA cap
- ❑ Recent record sales price of \$355k for a 20+ year old house
- ❑ Potential creation of 3 new sites on underutilised land

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Western Australia Portfolio

	Perth Apartment Portfolio	Mandurah Gardens	AKV	Perth House Portfolio	Sierra Lifestyle Village	Meadowbrooke	WA Total
Type	Residential Living	Lifestyle	Residential Living	Residential Living	Lifestyle	Lifestyle	
Location	Perth Metro	South Coast	Pilbara	Perth Metro	Darling Range	South Coast	
Land Ownership	Freehold	Freehold	Freehold	Freehold	Freehold	Freehold	
Resident Tenure	Rental	Land Lease	Rental	Rental	Land Lease / Rental	Land Lease	
Total Land Area (HA)	4.5	6.8	2.9	1.1	39.0	9.1	63
Operational Sites	508	158	180	38	63	27	974
Pipeline - Refurbishment Dwellings	-	-	-	-	1	-	1
Pipeline - Undeveloped Sites	-	-	-	-	141	157	298
Total Approved Sites	508	158	180	38	205	184	1,273
- per Ha	112	23	62	35	5	20	20
Owned Dwelling Inventory	508	0	180	38	28	5	759
- per Approved Site	100%	0%	100%	100%	14%	3%	60%
1H FY24 Book Value (\$m)	\$142.3	\$18.1	\$16.4	\$14.9	\$5.5	\$3.4	\$201
Costs to Complete (\$m)	\$3.4						\$3
As if Complete Value (\$m)	\$145.7	\$18.1	\$16.4	\$14.9	\$5.5	\$3.4	\$204
Valuation Cap Rate	5.3%	6.3%	20.0%	3.8%	9.2%	N/A	6.6%
Value Per HA (\$m)	\$31.5	\$2.7	\$5.6	\$13.5	\$0.1	\$0.4	\$3.2
Value Per Approved Site	\$280k	\$115k	\$91k	\$391k	\$27k	\$18k	\$158k

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