



NorthRock

Opportunity Fund
Arana Hills

**Fund Update
Number 12**

Fund Update

NorthRock Investments is pleased to announce the twelfth update for our NorthRock Opportunity Fund - Arana Hills

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Project Progress

Property Update

Executive Summary

- With wet weather and public holidays, there were only 17 work days on site in April.
- Work was delayed as the contractor encountered unsuitable fill material, which had to be excavated and removed off-site; these works are continuing.
- Bulk earthworks are nearing completion, with the transport of fill on hold until soil rectification works on Lot 1 are completed.
- Civil works program is now due for completion by the end of July 2026, subject to further weather conditions.
- National Storage agreed to the extension to the Sunset Date in the contract as requested by the project lender.

Construction Progress

Construction has faced some schedule challenges this month due to environmental and material factors, but mitigation efforts are actively underway to advance the project.

- **Site Work & Weather Delays:** With wet weather and public holidays, there were only 17 work days on site in April.
- **Earthworks & Fill Material:** Work was delayed as the contractor encountered unsuitable fill material, which had to be excavated and removed off-site. These rectification works are continuing. Bulk earthworks are nearing completion. However, the transport of fill is currently on hold until soil rectification works on Lot 1 are fully completed.
- **Timeline Update:** The civil works program is now due for completion by the end of July 2026, subject to further weather conditions.
- **Gym Building Design:** A structural engineer has begun preparing design drawings for the gym building, with a view to providing them to a builder for costing. Additionally, a private certifier and a fire engineer have been engaged to advise on the potential addition of a mezzanine area.
- **Neighbourhood Management:** Meetings were held with three neighbours to resolve fence encroachment issues and agree on rectification steps.

Sales, Leasing, and Marketing Update

- **Gym Operator - Tenant Negotiations:** A meeting was held with the gym operator to update them on progress and discuss the building design. The tenant requested that we consider providing the fit-out as part of our construction works in return for higher rent. The tenant will provide a scope for us to cost and respond. The tenant also requested that we investigate the feasibility of building a mezzanine area.
- **Storage Contract:** The Storage operator has agreed to the extension to the Sunset Date in the contract, as requested by the project lender.

Conclusion

While April presented scheduling challenges due to wet weather, public holidays, and unsuitable fill material, the team has actively managed these issues. Bulk earthworks are nearing completion, and civil works are scheduled for completion by the end of July 2026.

On the commercial front, positive strides have been made with Gym design and fit-out negotiations, and the contract extension with the Storage facility operator has been successfully secured to satisfy the project lender. We remain focused on progressing the civil works efficiently over the coming months and finalising the gym building scope.

FUND OVERVIEW

The Trustee is seeking to deliver Investors a pre-tax return of 15% per annum on their investment money for the term of the Fund, net of fees and costs but excluding tax, while preserving Investor capital.

INVESTMENT STRATEGY

The Trustee will use the equity raised under the Offer to lend to its related body corporate, the Borrower, for the purposes of:

- a) acquiring the Property and then developing the Project on the Property;
- b) to pay the costs of the Offer; and
- c) to pay management fees to the Trustee and the costs of operating the Fund.

PROJECT SUMMARY

The acquisition of the Property, the subdivision of the Property into three lots and the construction on those lots of:

- commercial gym and associated parking;
- self - storage complex; and
- a series of industrial units.

Development approval for the Project has been lodged but not yet council approved, and so ultimately the Project may differ.

HOW TO APPLY

Application for investment can be made on the application form contained in the Information Memorandum.

The Offer opened on 19 April 2024. Units will be issued progressively, usually within five business days of acceptance of applications.

To obtain an Information Memorandum please call 1300 667 789 or visit www.northrock.com.au

ABOUT NORTHROCK

The NorthRock group began its evolution in 2017. NorthRock endeavors to democratise property investment opportunities, by providing access to quality assets that are typically available only to the well heeled.

Our expertise is practical, not just theoretical and proven.

NorthRock's strengths are in the depth of experience and relationships within the industries invested into.

The experienced NorthRock team generate tangible returns, through a considered approach to real estate investment.

With abilities honed over many decades working across every aspect of real estate assets, NorthRocks' team exudes experience, and strong relationships within the industry.

This makes NorthRock somewhat different to other fund managers. We approach investments from an 'Asset First' perspective based on realisable returns, not paper profits.

Real People delivering Real Returns for Real Investors.

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