



TAMIM

TAMIM PROPERTY

PRESENTED BY JEFF TAITZ
Head of TAMIM Property

JUNE 2024






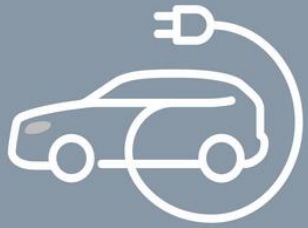



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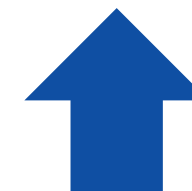
Disclaimer





Our Investment Platform

EQUITIES				OTHER ASSET CLASSES		
AUSTRALIAN		GLOBAL		PROPERTY		PRIVATE DEBT
 AUSTRALIA ALL CAP	 SMALL CAP INCOME	 GLOBAL HIGH CONVICTION	 GLOBAL MOBILITY	 TAMIM PROPERTY	 LISTED PROPERTY	 TAMIM CREDIT FUND



-
1. TAMIM Property – How & what we have done to date
 2. Biggest impetus for property values
 3. What lenders are thinking?
 4. Where value might be found in Australia property?

Discussion Points



**TAMIM
Property:
Investment
Philosophy**

Capital Preservation

Yield (income)

Capital Preservation

TAMIM Property: Investment Process

Acquire

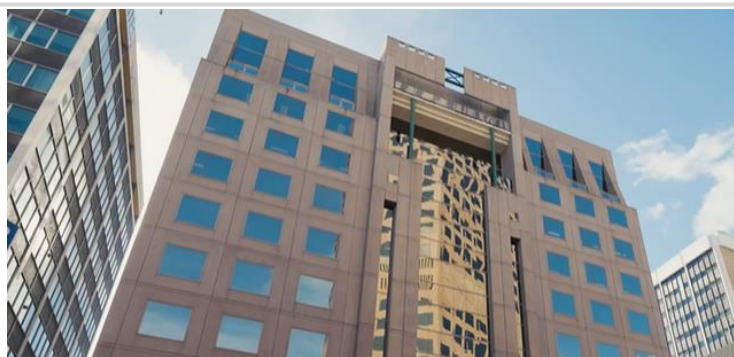
- Deal Selection
- Financial Model & Scenario Risk Analysis
- Disciplined Offer & Negotiation
- Due Diligence
- Debt

Manage

- Information
- Hands-on with an eye for detail
- Understand the tenant and its business
- Creative Problem Solving

Exit

- Exploit complicated site characteristics which often scare other buyers
- Value enhancement



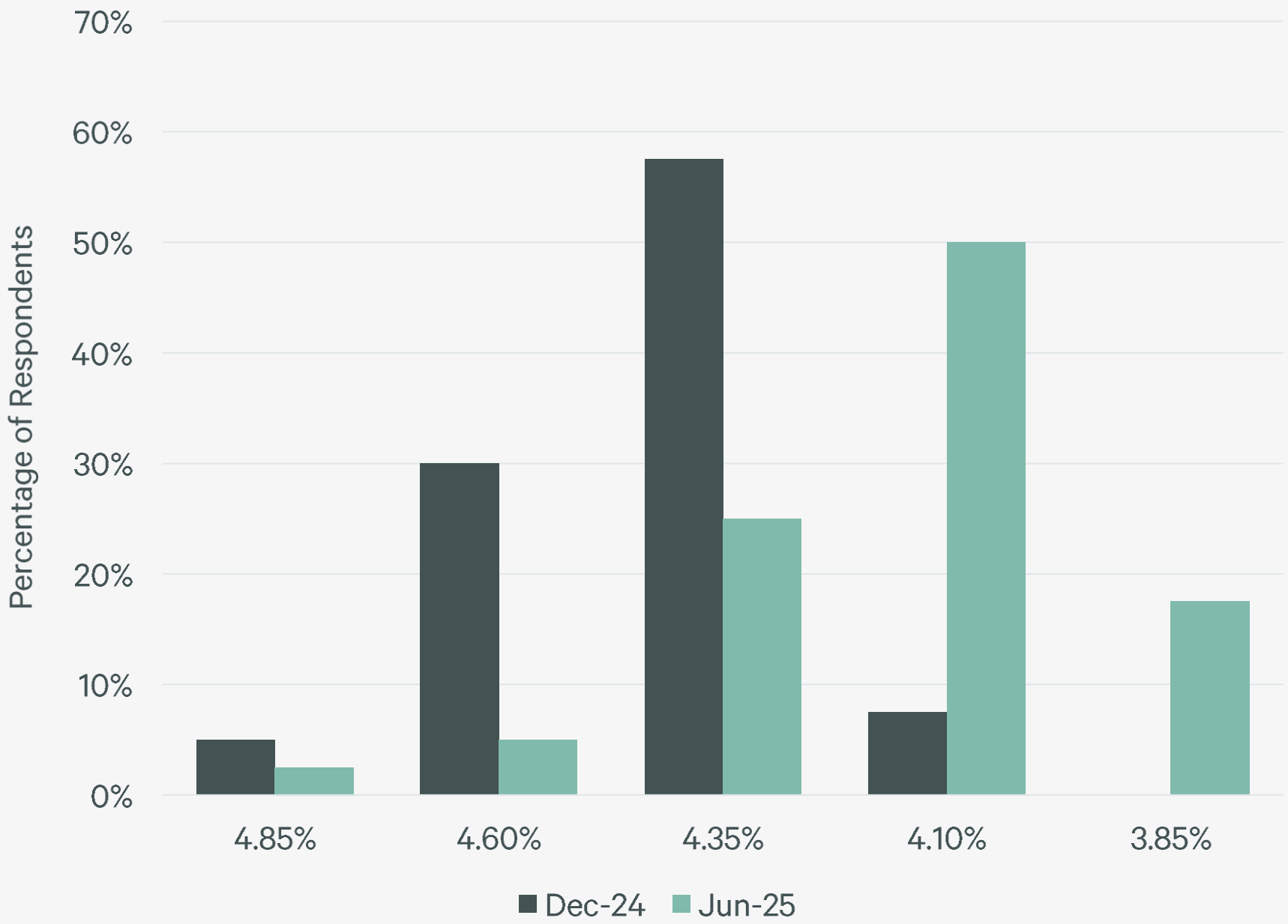
	TAMIM Property Fund: Peel Place	TAMIM Property Fund: LFR Rutherford	TAMIM Property Fund: Fairfield Heights	TAMIM Property Fund: Elermore Vale
Acquisition price	\$ 40,000,000	\$ 23,200,000	\$ 23,800,000	\$ 17,500,000
Acquisition date	February 2022	December 2020	December 2019	August 2017
Property location	Adelaide SA 5000	Rutherford NSW 2320	Fairfield Heights NSW 2165	Elermore Vale NSW 2287
Site area (approx.)	1,288 sqm	28,770 sqm	5,140 sqm	24,500 sqm
Net Lettable Area	9,215 sqm	12,040 sqm	3,863 sqm (Gross Lettable Area)	4,048 sqm
Sold Date & IRR				June 2023 – 14.5%
Occupancy	94%	100%	100%	N/a

TAMIM Property Funds



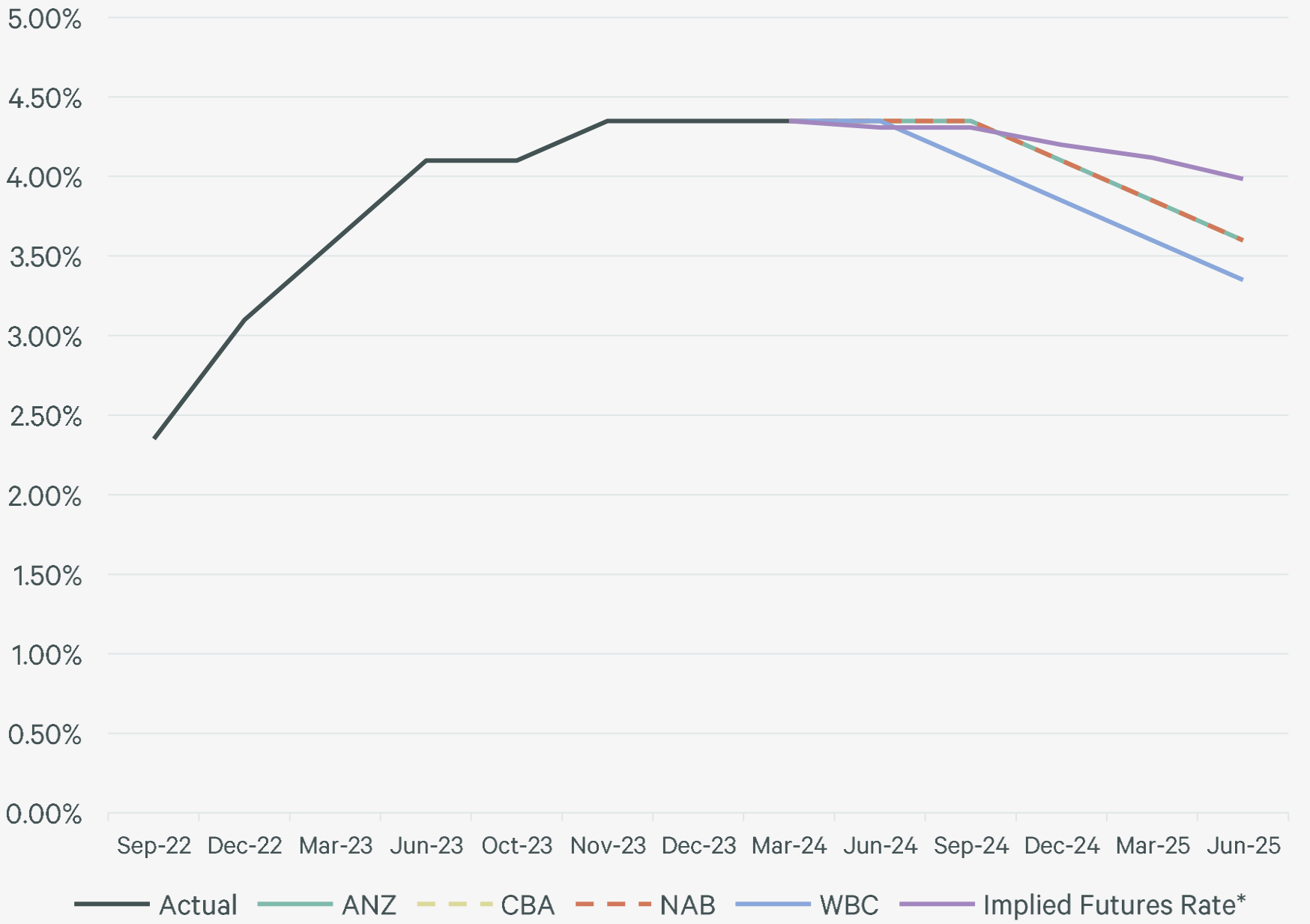
Interest Rates – Australia Lender Sentiment Survey

FIGURE 2: Lender Expectations for the official RBA cash rate as of:



Source: CBRE Research

FIGURE 3: Official RBA cash rate forecasts.

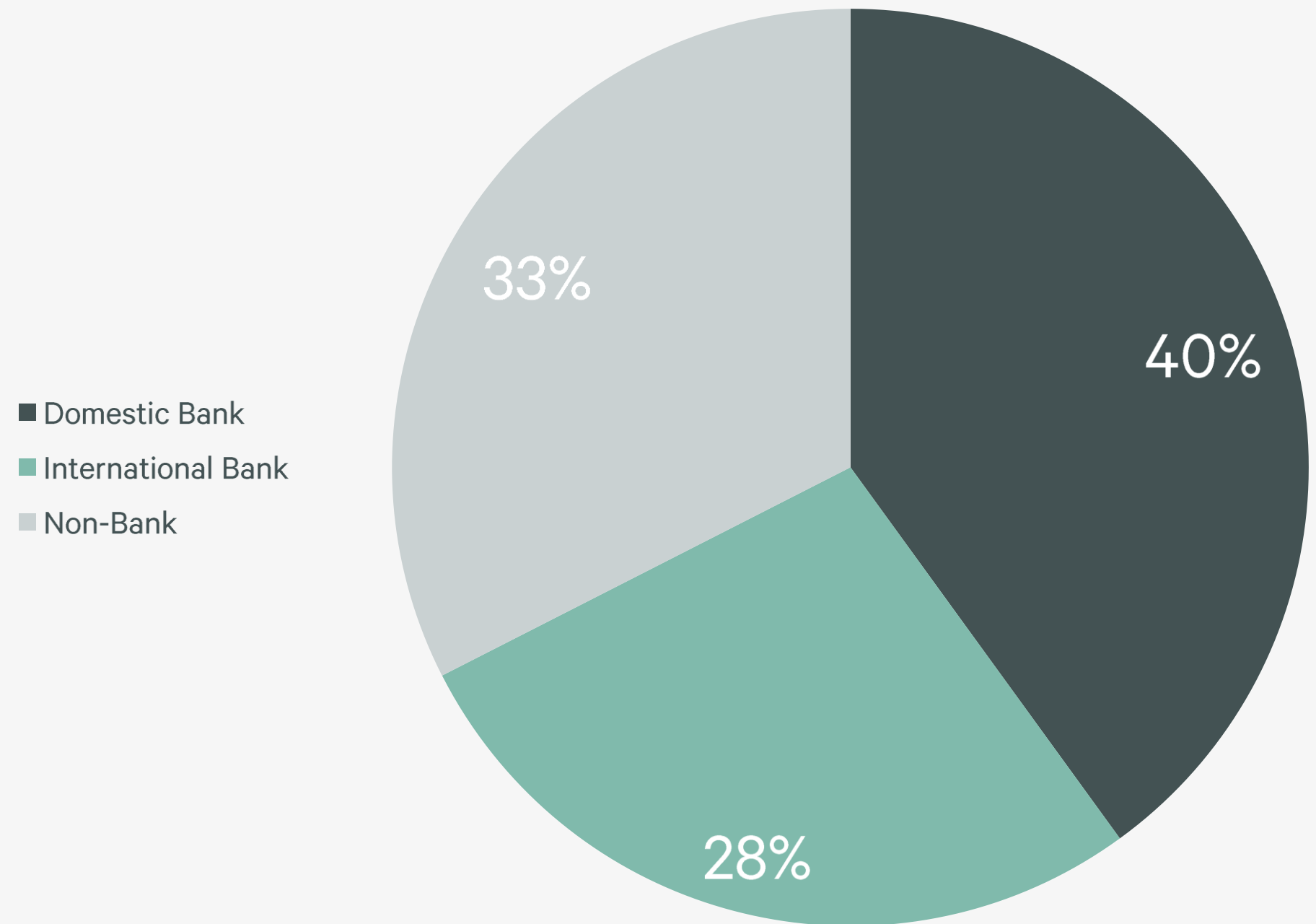


Source: CBRE Research, Respective institution's Forecast Reporting, ASX.
 Note: Implied futures rate data was collected on the 20th of May 2024.

Survey Profile of Lenders

- Conducted by CBRE in May 2024 following the 7th May 2024 RBA Cash Rate Decision
- 40 responses

FIGURE 13: H1 2024 Respondent Profile by Type of Respondent Surveyed.

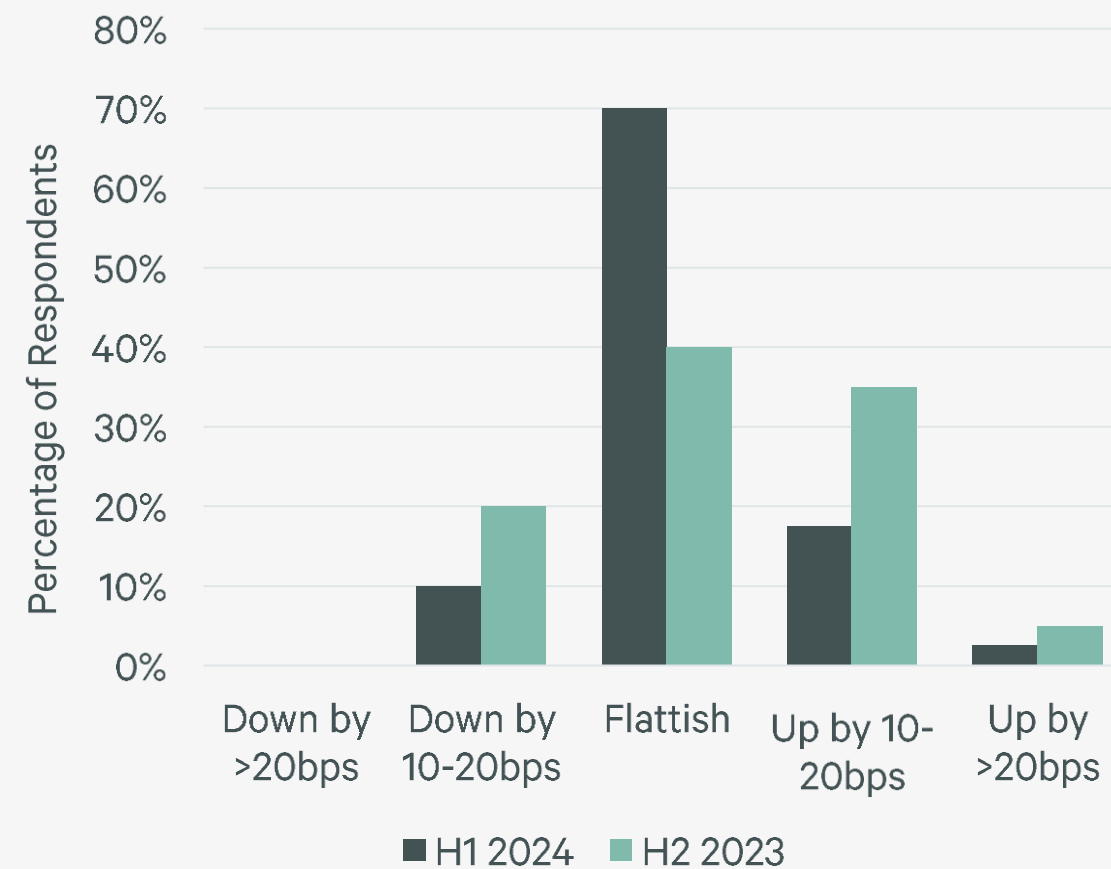


Source: CBRE Research

Margins & Hedging

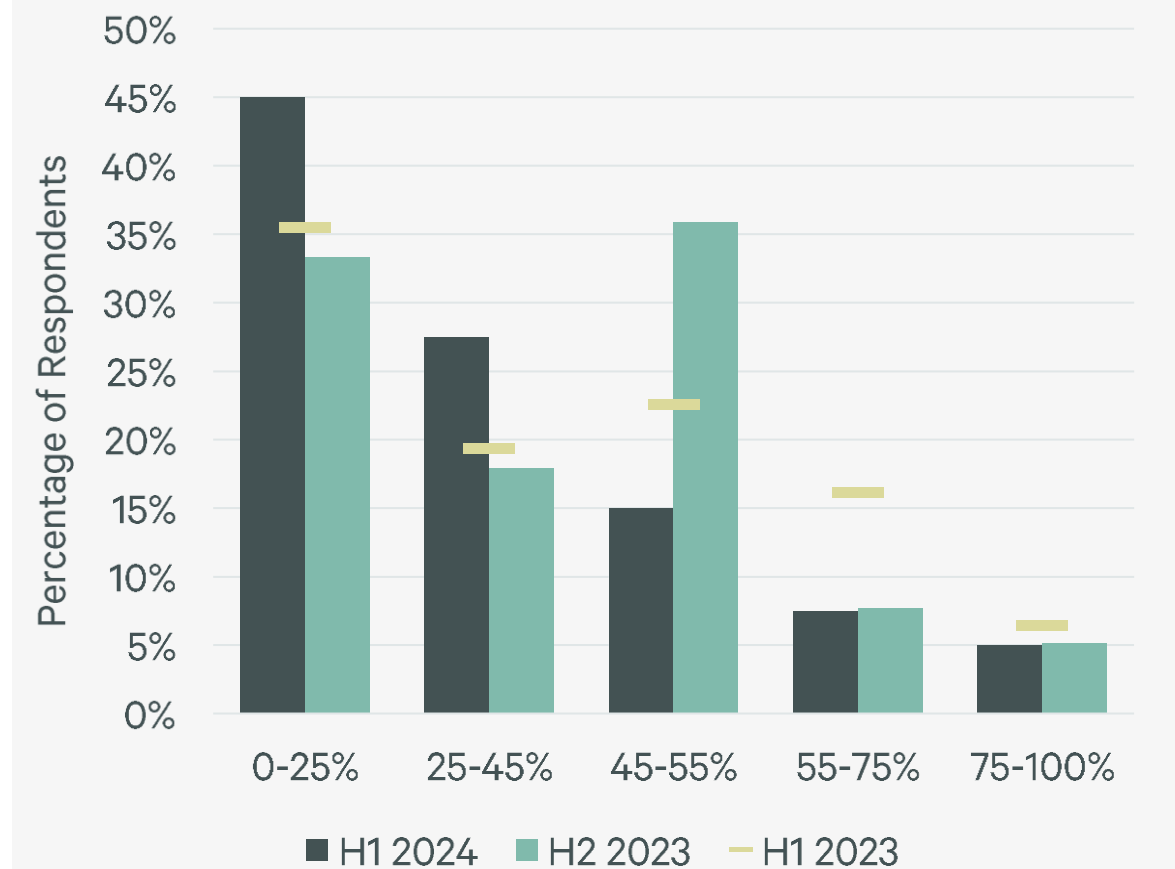
- Credit margins are expected to be mostly stable
- As of H1 2024 45% of lenders require at least 25% of the loan hedged down from 67% in 2023

FIGURE 4: Expectations for credit margin movements over next 3-months on new loans.



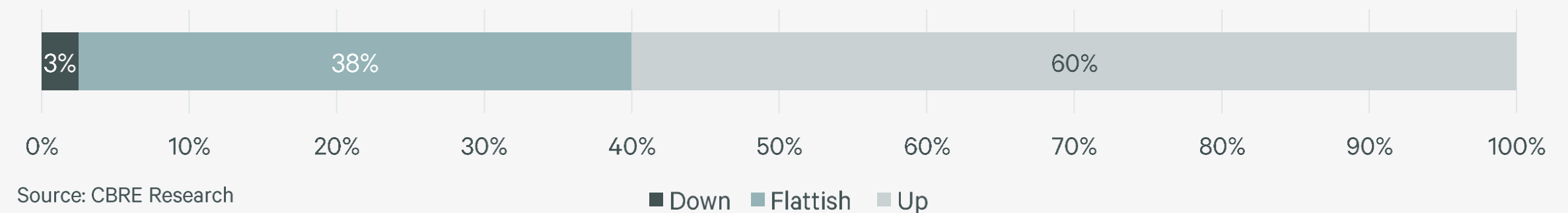
Source: CBRE Research

FIGURE 5: Current lender interest rate hedging requirements by survey period.



Source: CBRE Research

FIGURE 6: New loan appetite expectations over the next 3-months.

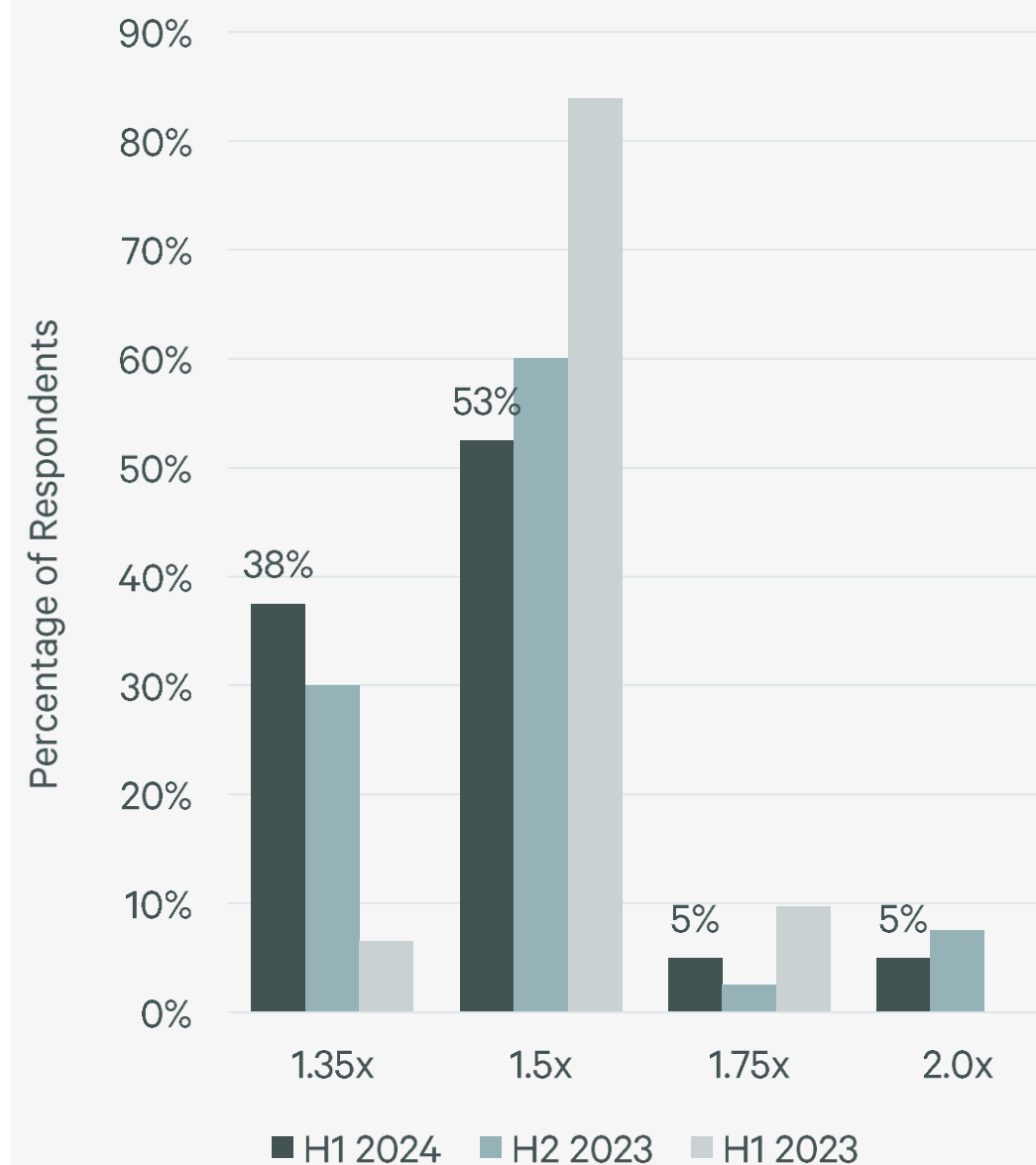


Source: CBRE Research

Lending Ratios

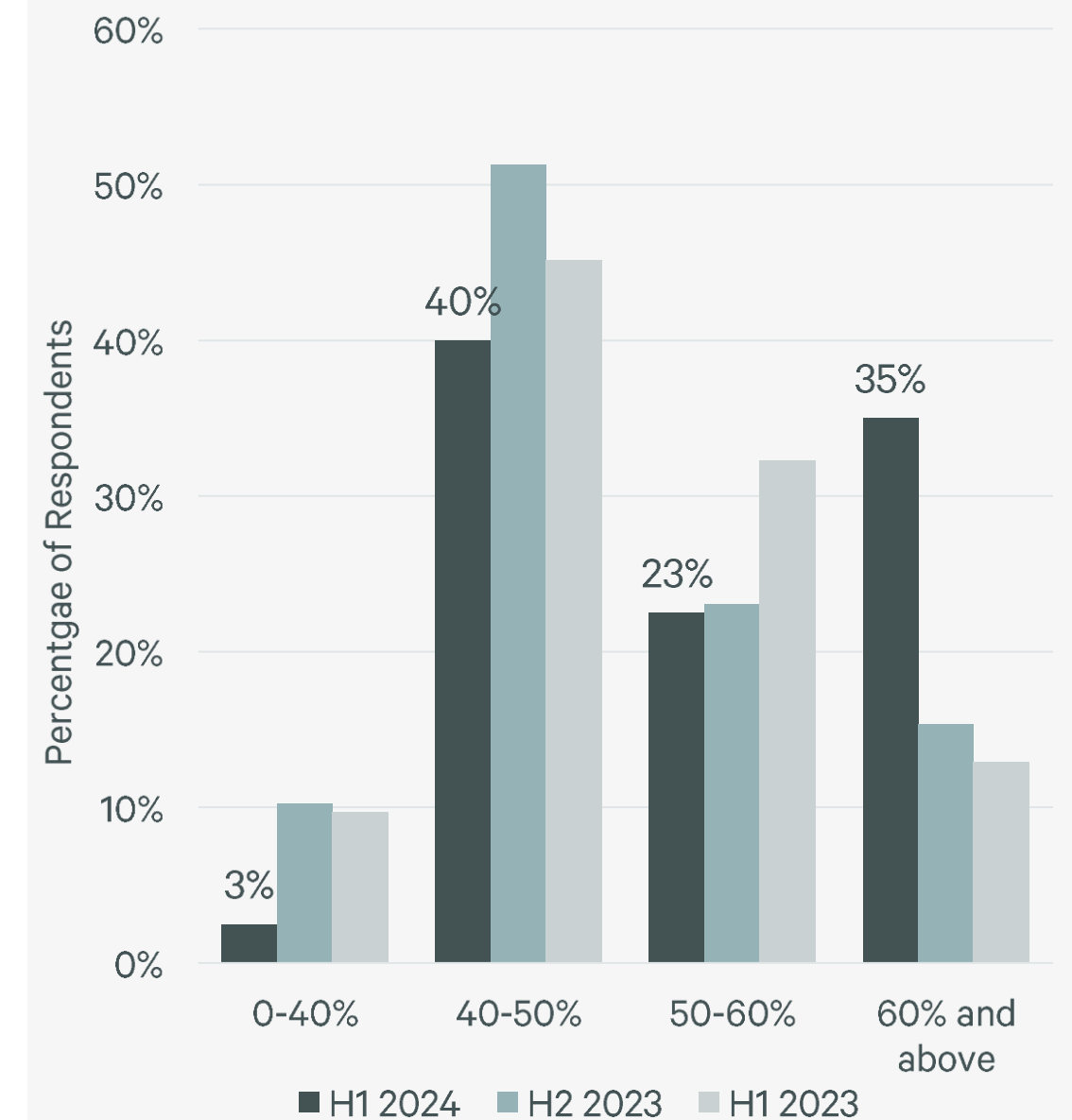
- Australian lender loan to value (LVR) 1/3 of loans now have a LVR requirements of 60% and above
- Mostly non-bank lenders in this category

FIGURE 7: Lender ICR requirements for new investment grade lending.



Source: CBRE Research

FIGURE 8: Lender preferred LVR requirement.

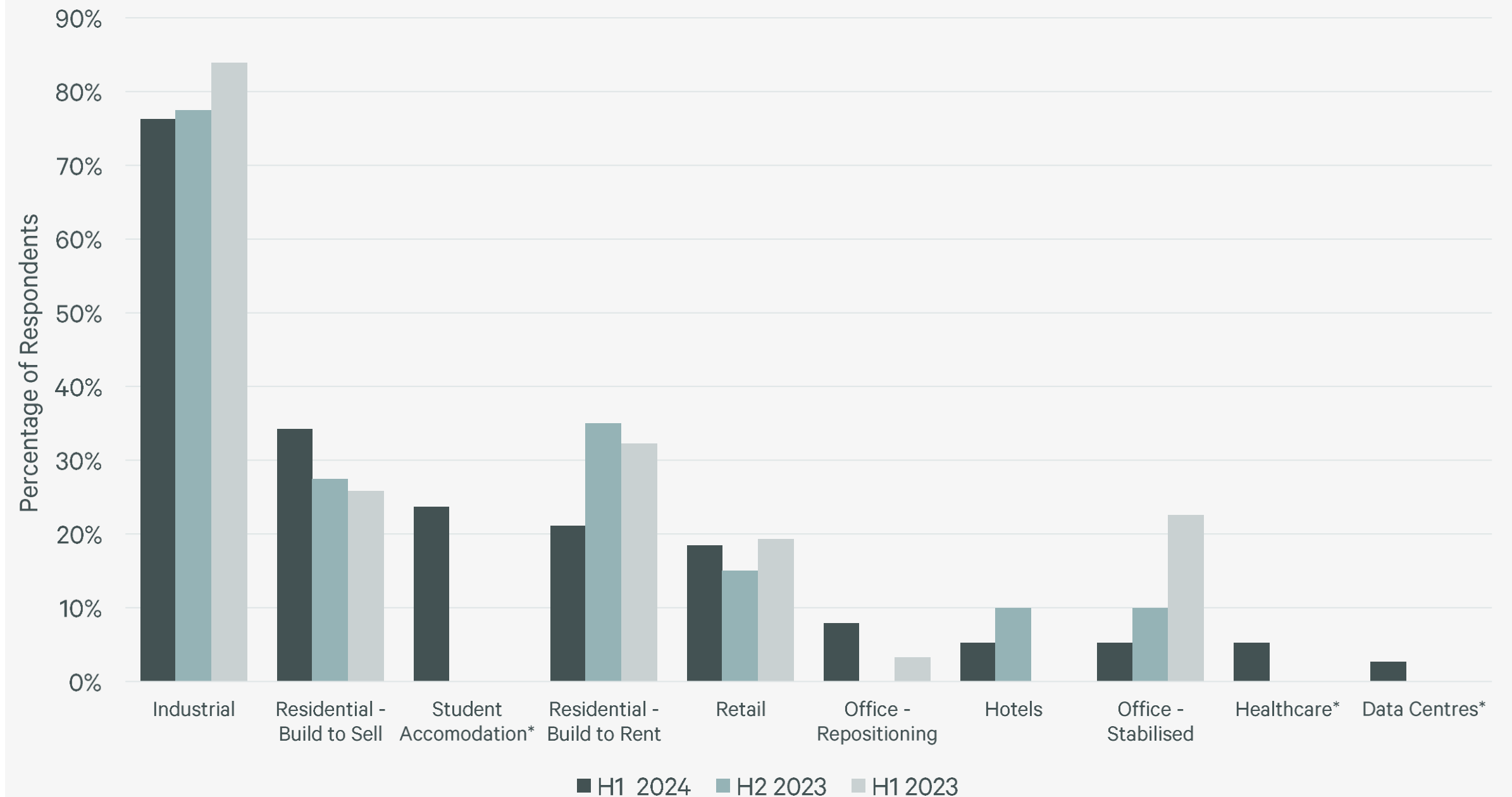


Source: CBRE Research

Preferred Asset Class

- Industrial sector strongest with record low vacancy rate
- Retail and office starting to pick up in H1 2024

FIGURE 9: Lender preferred asset class for new investment (top two responses).



Source: CBRE Research

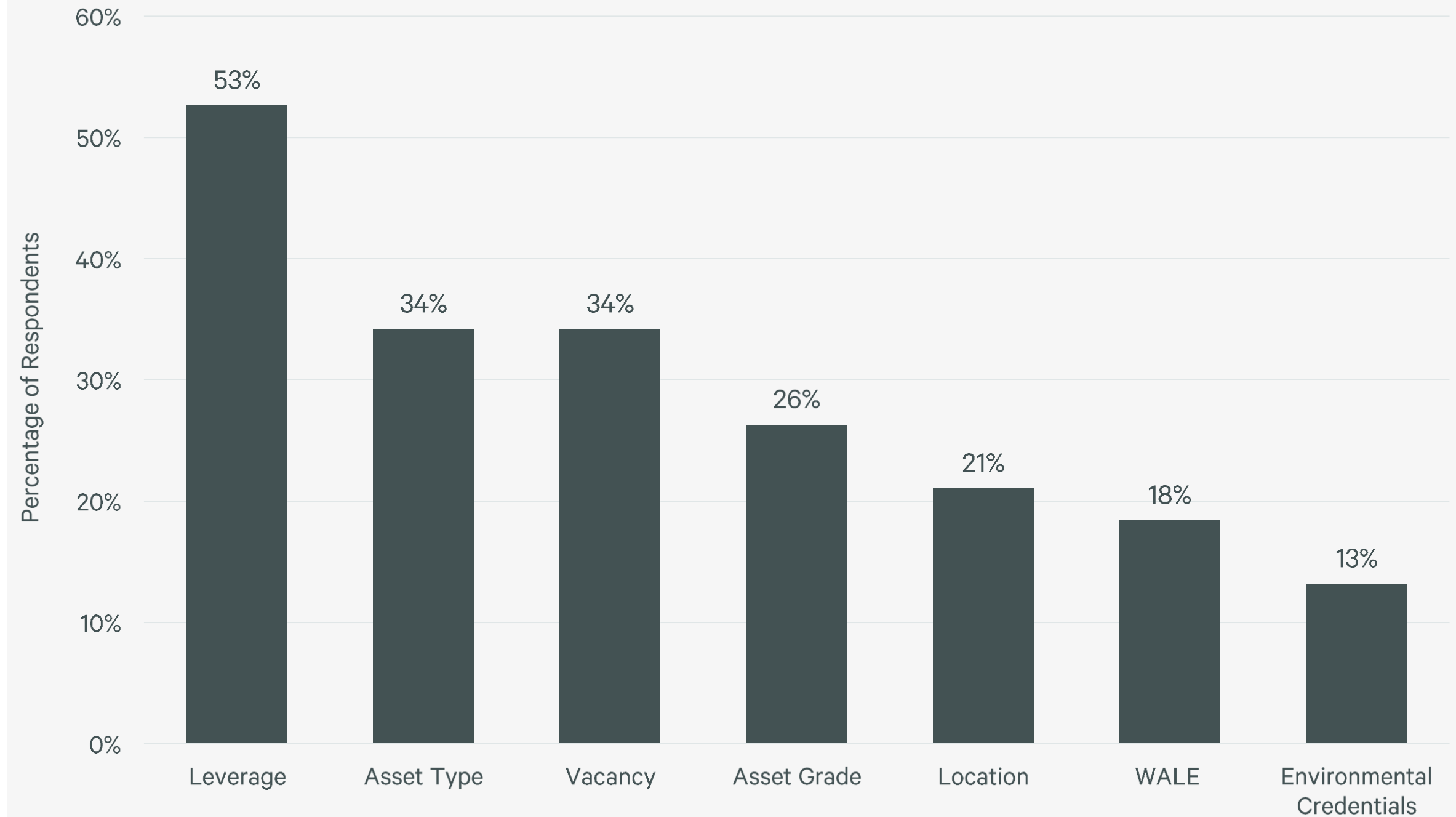
Note: CBRE Research H1 2024 Lenders Sentiment Survey is the first time Student Accommodation, Data Centres and Healthcare have been available options.

¹CBRE research 'Accommodating the growth in students'.

Lender Appetite For Refinance

- 53% lenders noted leverage as a key concern impacting refinancing

FIGURE 14: Key variables impacting lender appetite for refinance (top two responses)

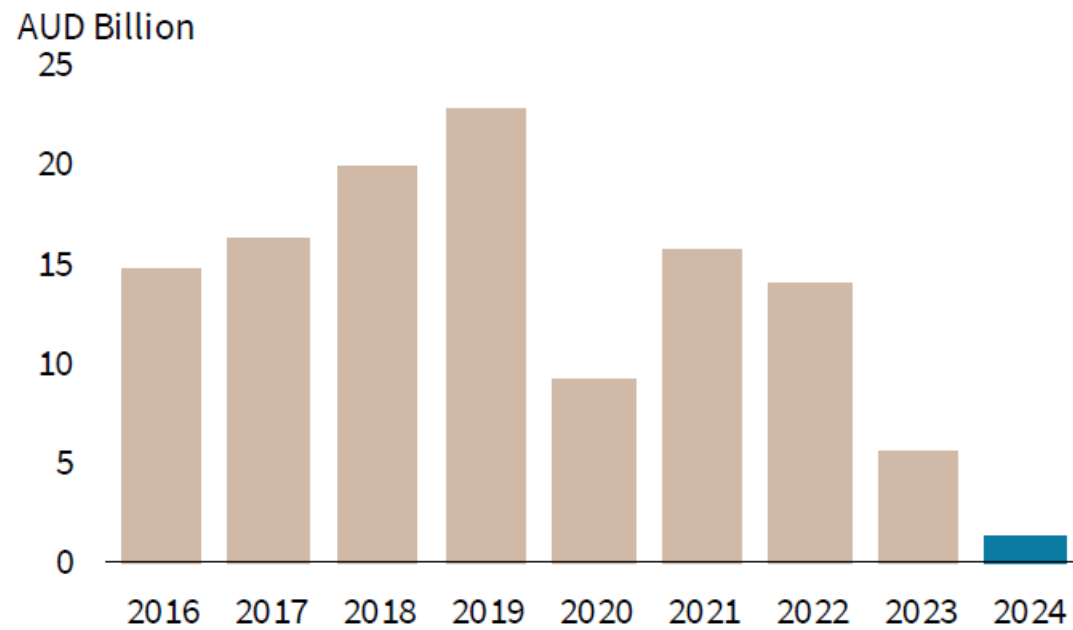


Source: CBRE Research

Australian Property Market

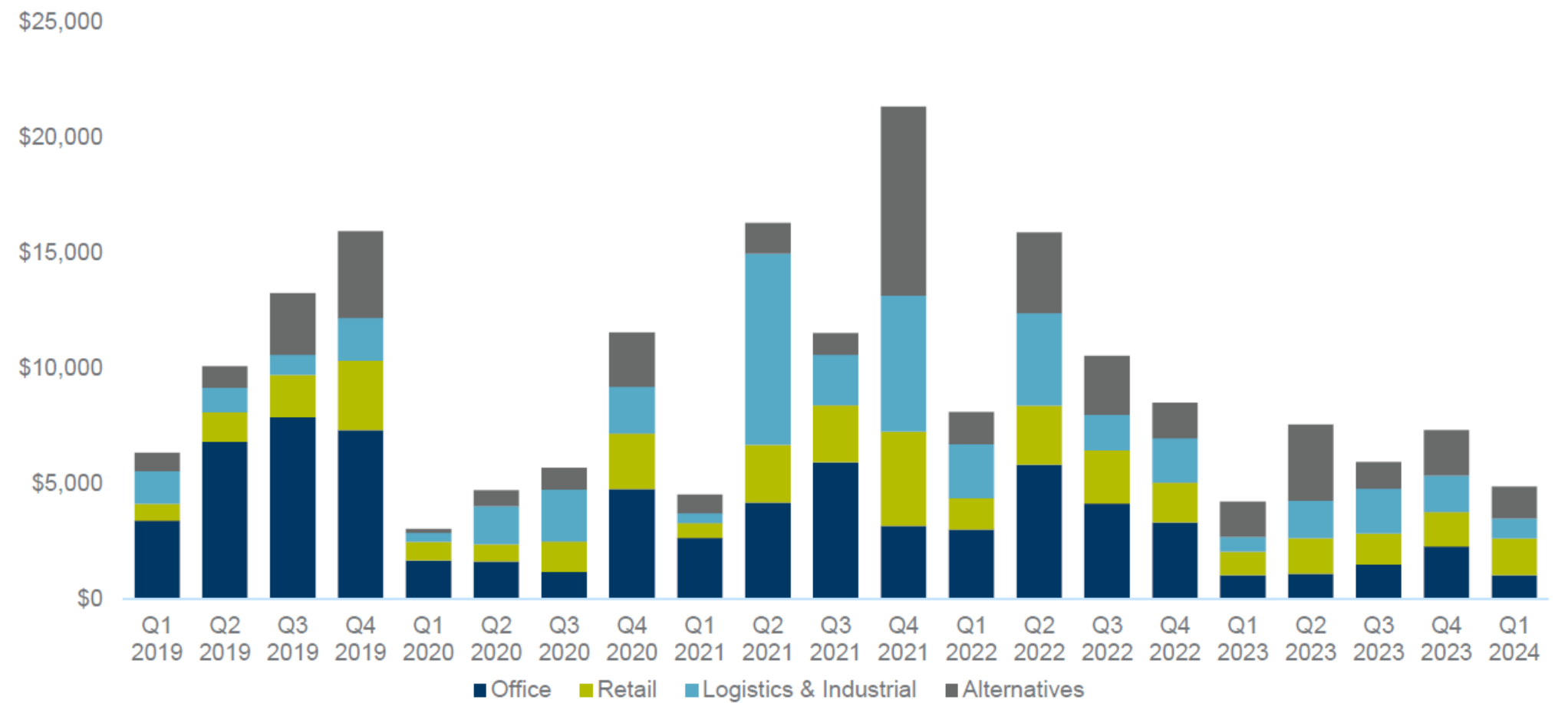


Figure 1
Transaction Volume



Source: JLL: Office Market Overview Q1 2024

QUARTERLY COMMERCIAL REAL ESTATE INVESTMENT VOLUME (AUDm)



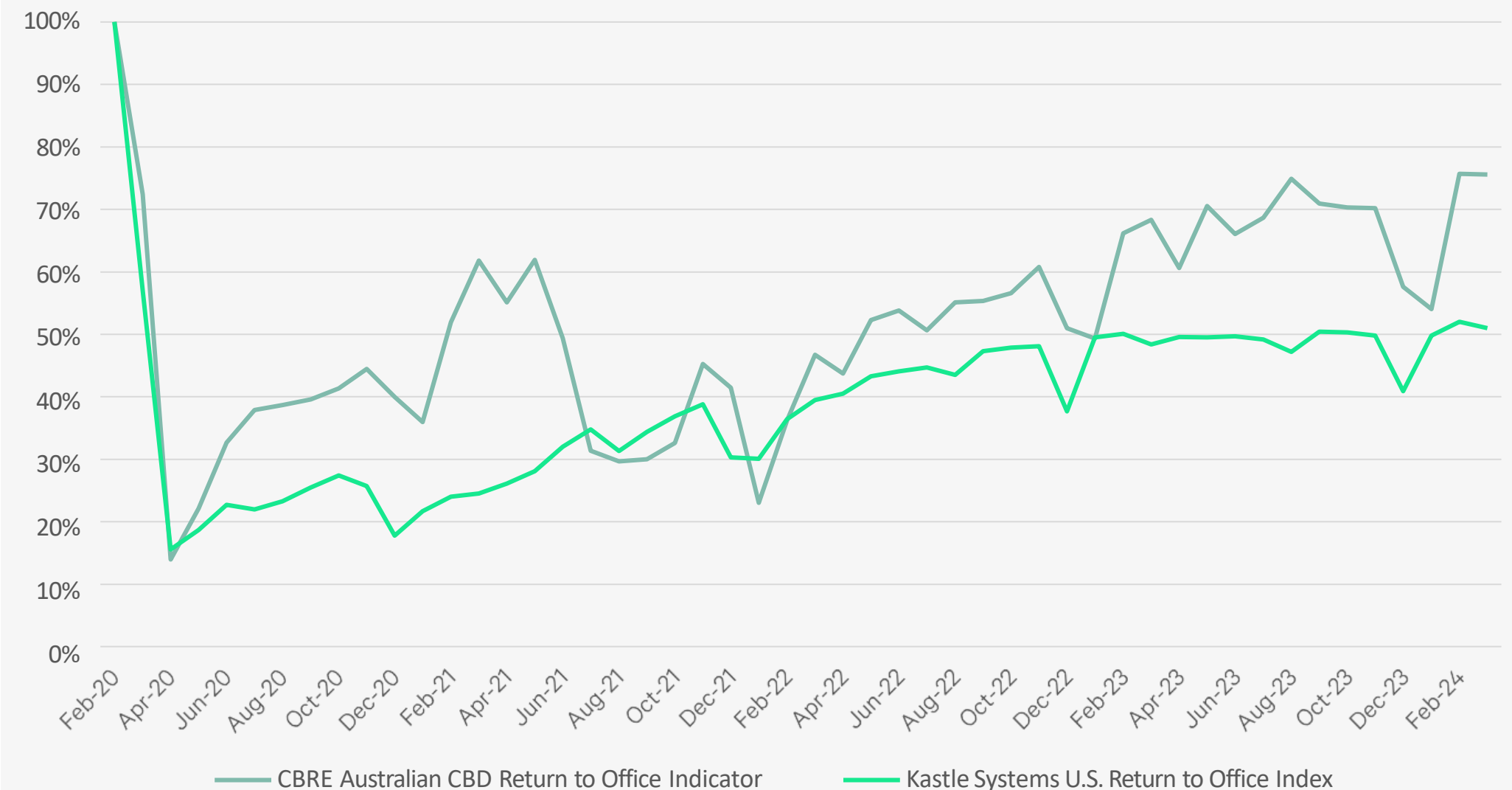
*'Alternatives' includes; aged-, health- and child-care, build to rent, student accommodation, serviced apartments and hotels, mixed use properties, pubs, service stations and self-storage.

Source: Real Capital Analytics; Cushman & Wakefield

Return to office

- Australia is not the same as US
- Average occupancy reached 76% in Q1 2024 (exc Jan)
- Corporate encouraging staff to back to office

FIGURE 2: Australian Office Occupancy by CBD Market in Q1 2024 (compared to pre-covid levels)



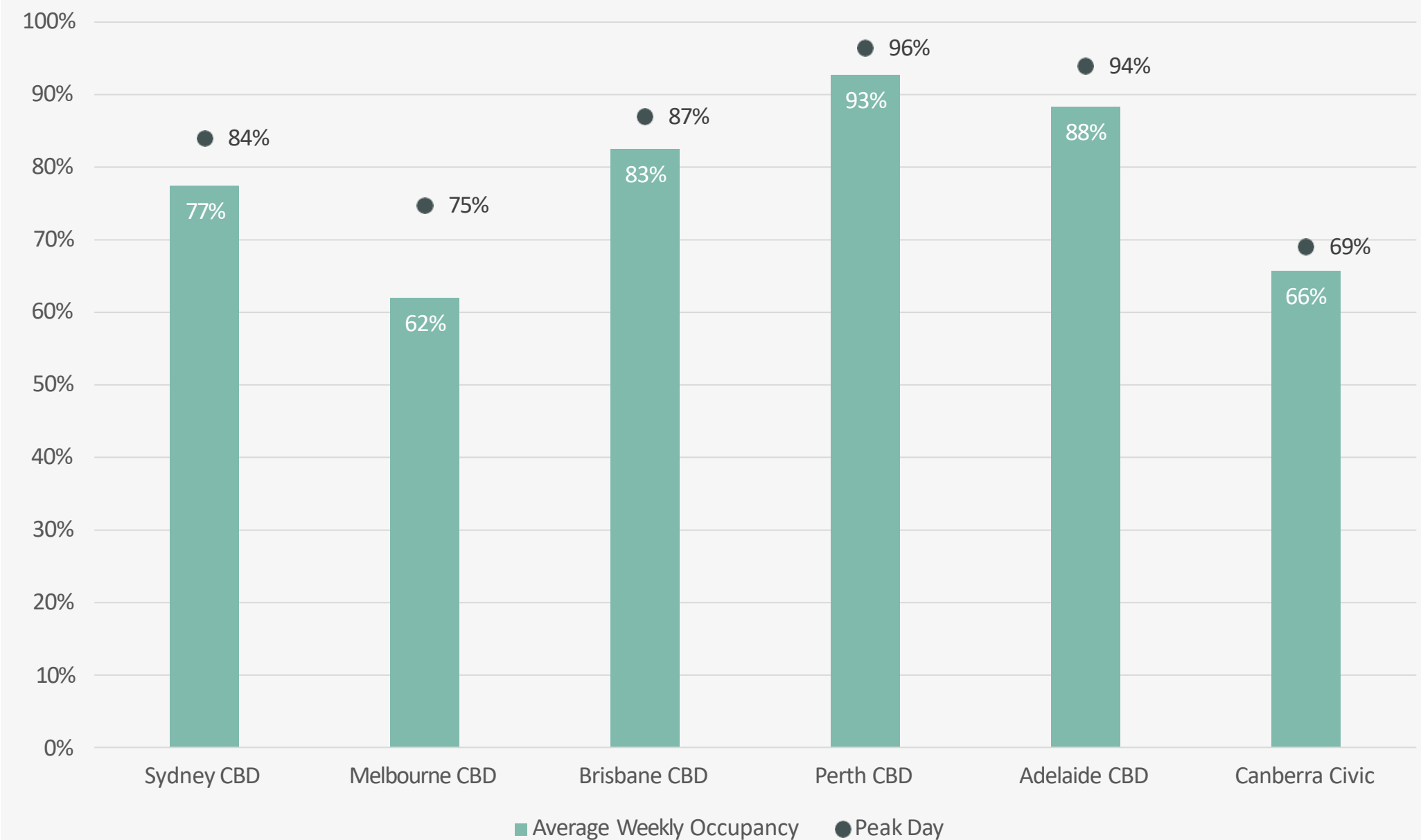
Source: CBRE Research, Kastle Systems

*Indicator uses a combination of data sources as well as CBRE Research statistical analysis. Sources include Pathzz, NSW Government, City of Sydney, Victorian Government, City of Melbourne, QLD Government, Government of WA, Government of SA. The CBRE Australia indicator is derived from individual city's data and weighted depending on the size of the market.

CBD in Australia

- All CBD saw improvement past 12 months
- Perth and Adelaide strongest with 93% and 88% respectively
- Brisbane strong despite 35% public sector tenant who have been slower to return to office
- Sydney improved due to major banks and professional service return to office plans
- Lowest attendance day is Friday across all

FIGURE 2: Australian Office Occupancy by CBD Market in Q1 2024 (compared to pre-covid levels)

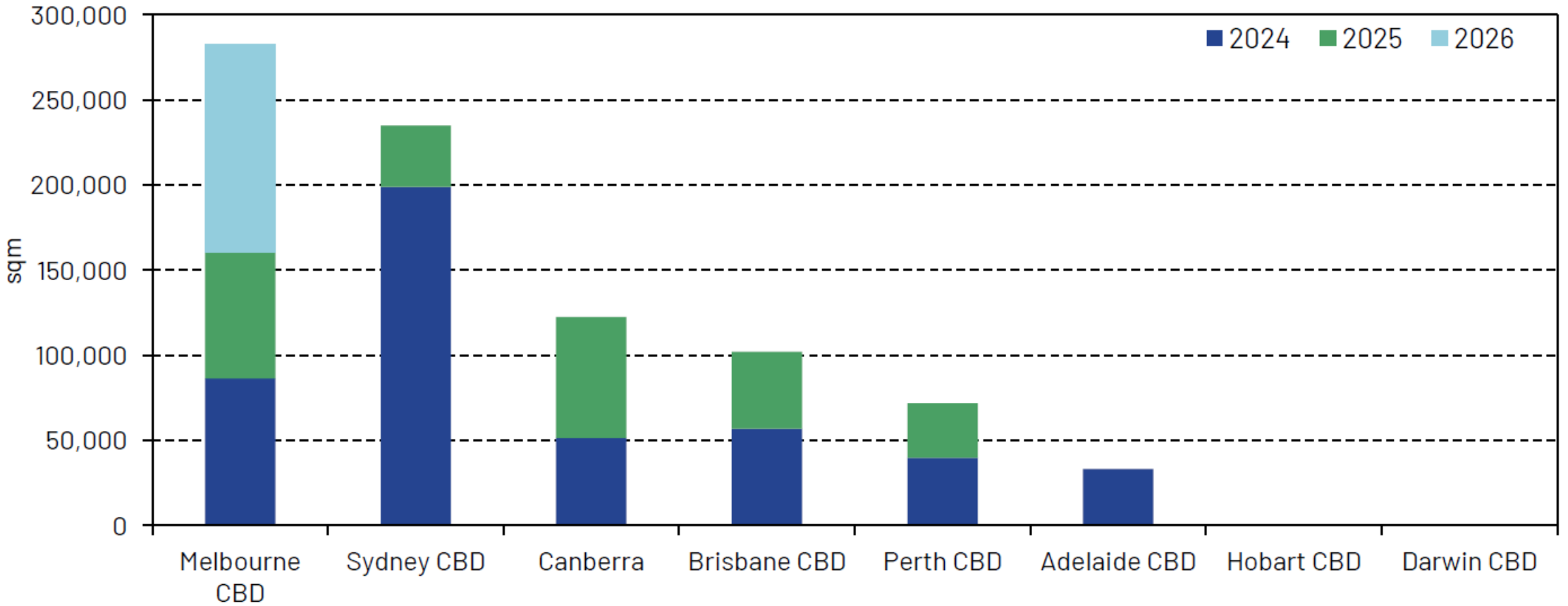


Source: CBRE Research

National CBD Office Supply



Future Supply of CBD markets (2024-2026)



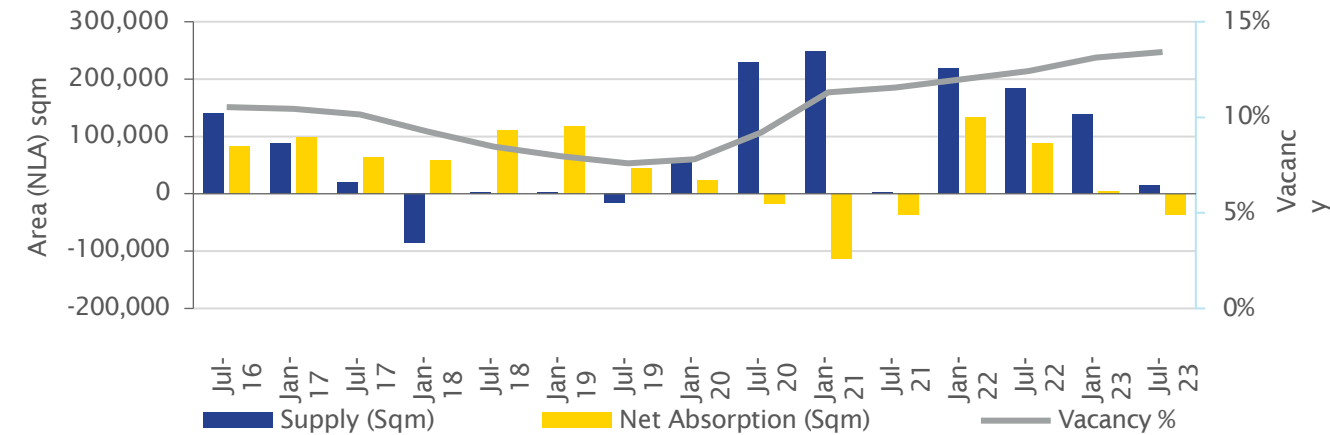
	Melbourne CBD	Sydney CBD	Canberra	Brisbane CBD	Perth CBD	Adelaide CBD	Hobart CBD	Darwin CBD
% of Current Stock	5.5%	4.5%	5.2%	4.4%	4.2%	2.1%	0.0%	0.0%
Pre-Commitment	10.4%	51.5%	35.4%	70.5%	16.9%	2.1%	0.0%	0.0%

Over half of the stock coming online in Sydney and Brisbane is pre-committed to

Source: Property Council of Australia: Office Market Report Jan 24

National CBD Office Supply

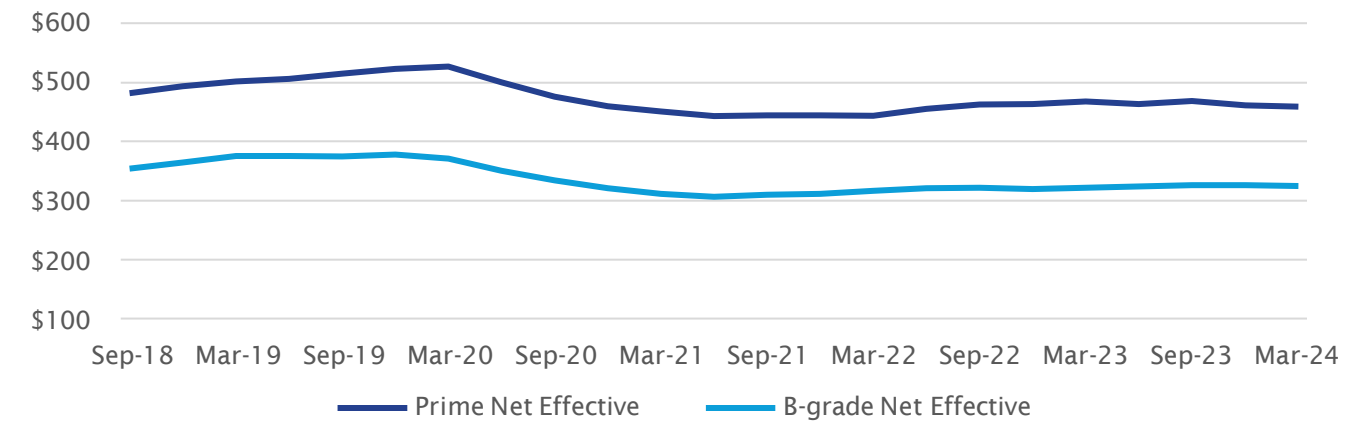
Net Supply, Vacancy and Net Absorption



Source: PCA, Colliers Research

National CBD office vacancy increased from 13.4% to 14.2% over H2 2023 (latest data) driven by large negative net absorption figures for Sydney and Melbourne. Vacancy remains lower across prime assets at 13.7% compared to secondary at 15.2% despite both reporting increases over Q1.

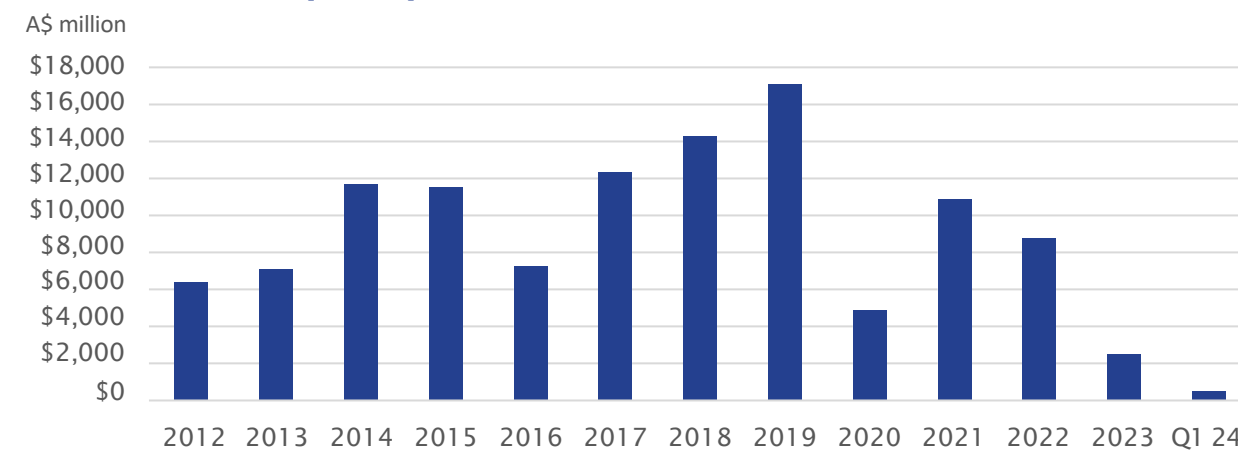
National Weighted Average Net Effective Rents (\$psm p.a.)



Source: Colliers Research

Average prime net effective rents have decreased by 0.5% over Q1 and by 1.9% YoY driven by slight increases to incentives offsetting minimal levels of face rental growth. Average B-grade net effective rental growth was also negative at -0.4% but remains positive on a YoY basis at 0.9%.

Sales Volumes (AUD)

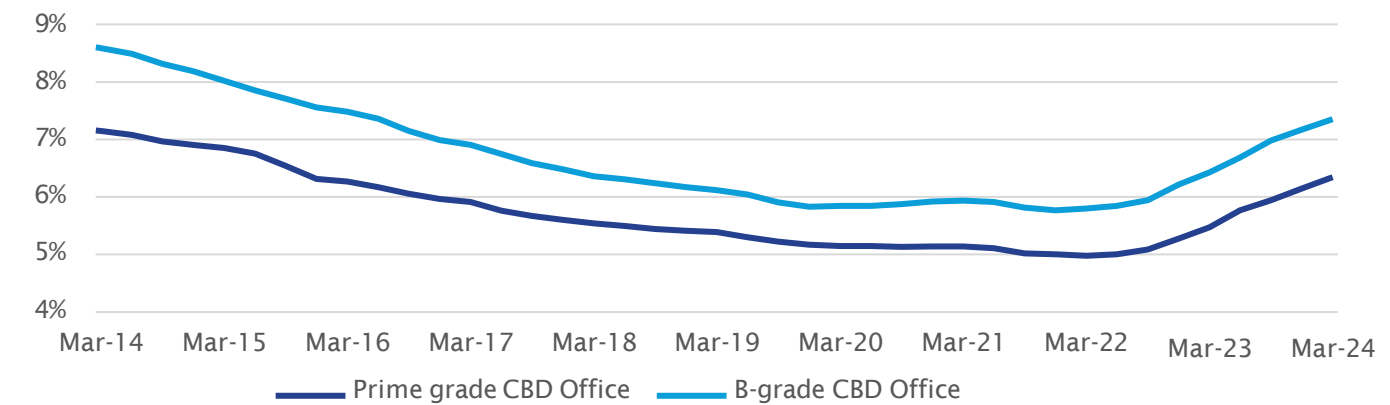


Source: Colliers Research

Following a 72% decline in sales volumes from 2022 to 2023, only five sales has transacted over the first quarter of 2024. However, more positive sentiment around debt market stability and pending transactions to benchmark pricing, should support a pickup in activity over H2 2024.

Source: Colliers Q1 2024 Key Findings

National Weighted Average Yields



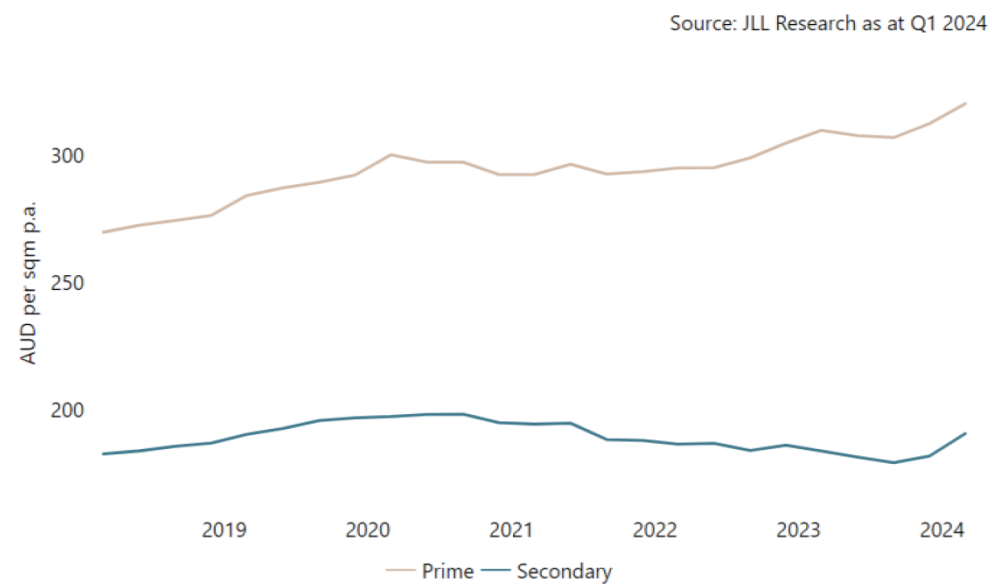
Source: Colliers Research

Colliers Research data shows further softening has occurred across all grades over Q1 however, the yield softening cycle in our view is close to fruition as debt market stability is more apparent. Average Premium grade yields have softened by 21 basis points (bps), A-grade 19 bps and B grade 18 bps.

Gross Effective Rents

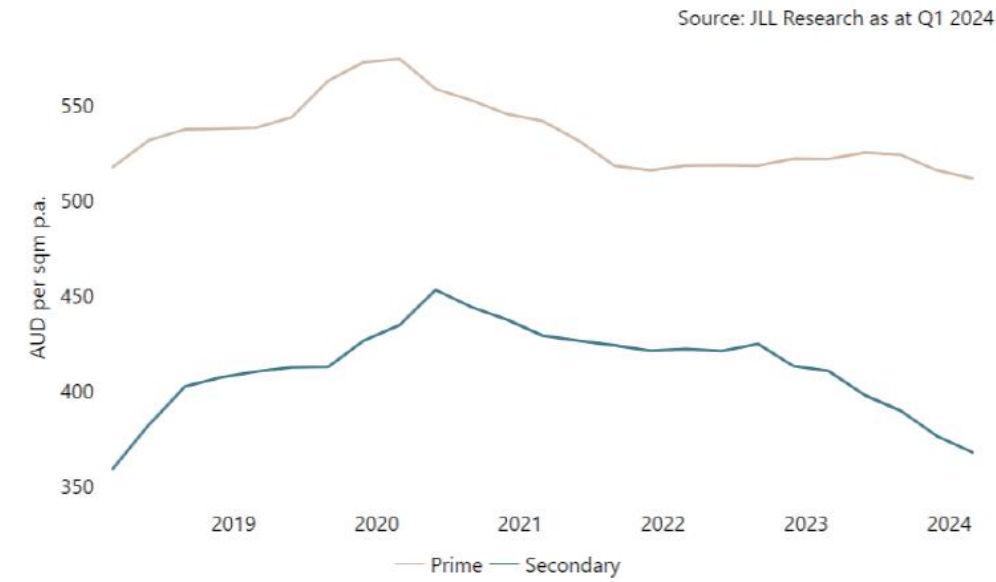
Adelaide

Figure 2
Gross Effective Rent



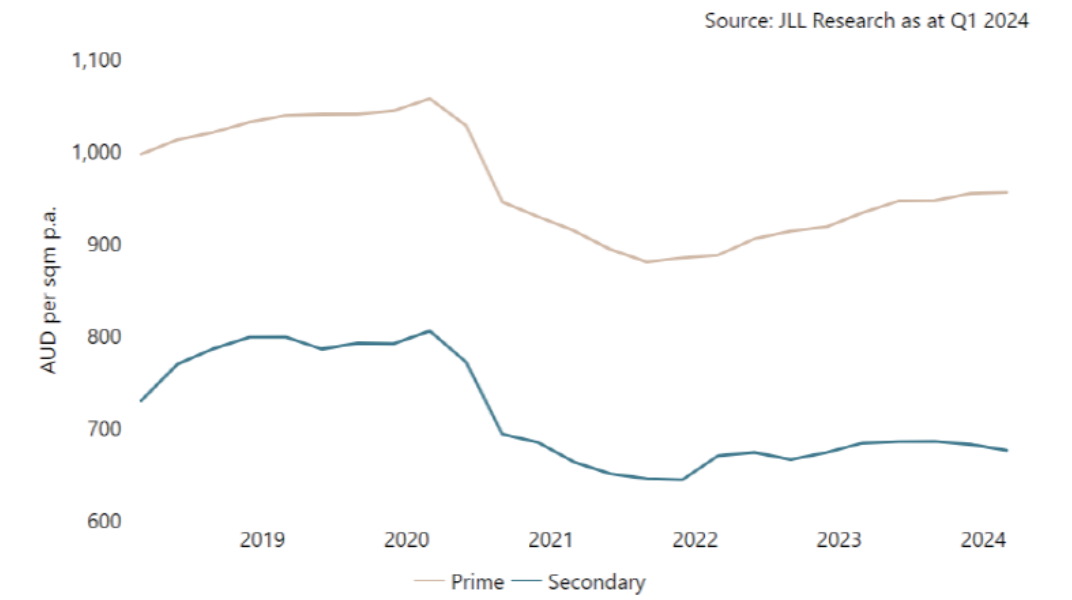
Melbourne

Figure 2
Gross Effective Rent



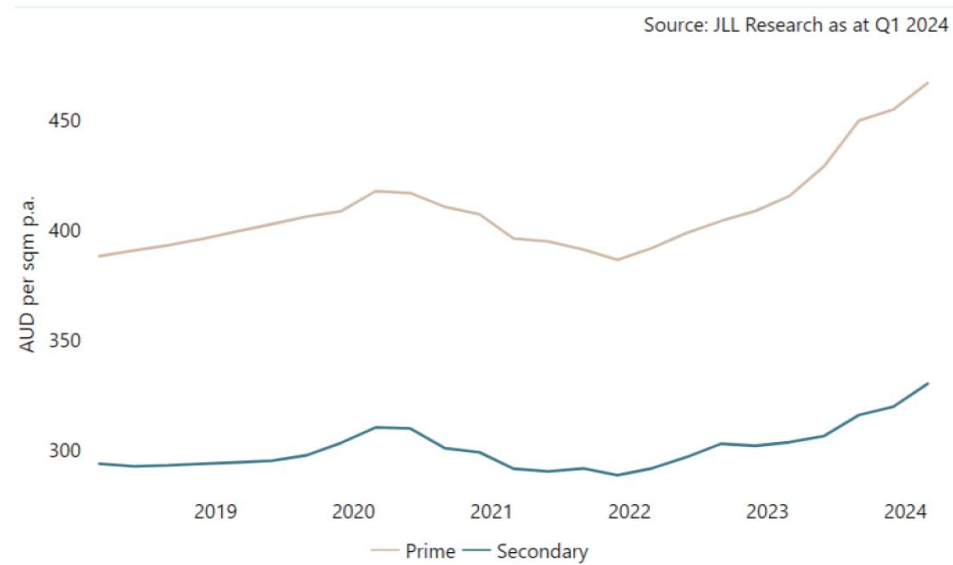
Sydney

Figure 2
Gross Effective Rent



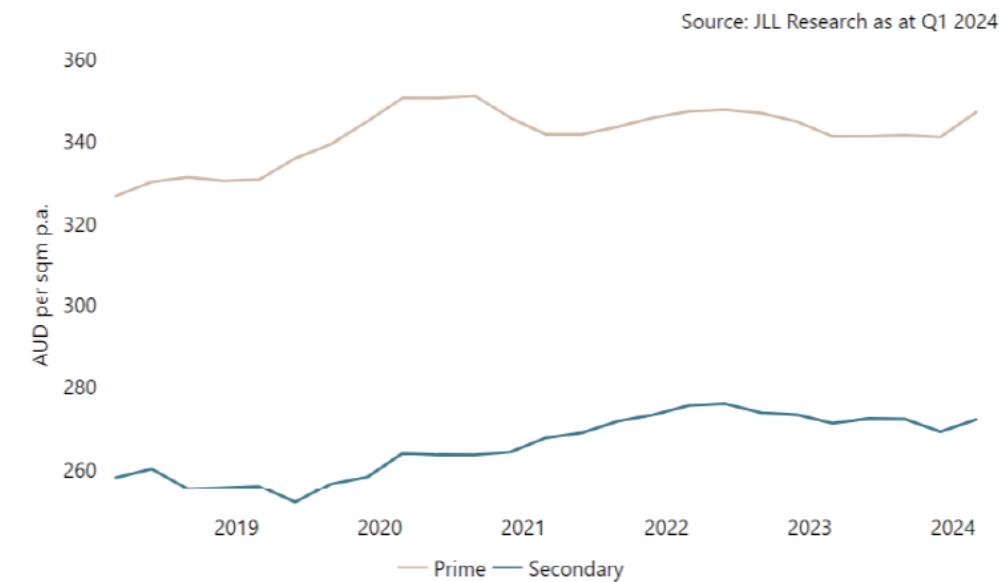
Brisbane

Figure 2
Gross Effective Rent



Canberra

Figure 2
Gross Effective Rent



National CBD Office Supply

Economic Snapshot



1.5%

GDP Growth
YoY to Dec-23



4.1%

Inflation Rate (Qtr)
YoY to Dec-23



4.35%

Cash Rate
As at Mar-24



2.5%

Population Growth
YoY to Sep-23



3.8%

Unemployment Rate
As at Feb-24



+2.9pts

Business Conditions
Monthly change Feb-24

Source:

Missing source

HEAD OF PROPERTY

Jeff Taitz



Jeff's extensive career spans finance, accounting, investing, tax, and property. He has managed transactions worth over \$3 billion in sectors like mergers and acquisitions, property dealings, structuring and debt-raising, and more. Jeff leverages his wealth of experience to create customisable financial products benefiting hard working Australians' wealth creation and retirement planning.





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Q&A



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