

INVESTMENT OBJECTIVE

The RAM Healthcare Opportunity Fund ("HOF") is an open-ended property fund aimed at building a portfolio of premium healthcare real estate assets in Australia through asset repositioning and development.

It offers investors rare access to the scarce and defensive healthcare real estate asset class.

INVESTMENT FEATURES & BENEFITS

- ◆ Strong capital return over medium term investment horizon
- ◆ A de-risked development and value add strategy that gives exposure to scarce, premium healthcare assets in Australia
- ◆ A defensive, economically robust sector and a fund that offers security of capital and liquidity options
- ◆ Invest with confidence given RAM's listed track record and strict compliance and governance controls

INVESTMENT STRATEGY

Development fund to build a portfolio of premium healthcare real estate assets in Australia and to be strategically poised to adapt to the dynamic needs of the evolving healthcare industry.

- ◆ Development fund to build a portfolio of premium healthcare real estate assets in Australia
- ◆ Targeting a range of development and value-add opportunities
- ◆ Culture of active management and de-risking through depth of operator relationships
- ◆ Integrated approach with in-house development and tenant/partner relationship management
- ◆ Significant deal flow pipeline sourced both on and off market

18-20%*

3 Year IRR (Target Total Return)

FUND KEY TERMS

Location	Metropolitan and larger regional cities in Australia
Target Equity Returns	Targeting 18-20%* total return with 4-6% distribution target post portfolio establishment
Borrowing	Targeted gearing of 50% LVR (max 60% at a portfolio level)
Term	Open-ended with quarterly liquidity facility
Fund Type	Registered, open-ended unit trust
Unit Pricing	Monthly
Distributions	Quarterly
Minimum Investment	\$50,000
Fees	<ul style="list-style-type: none"> ◆ Investment management fee of 1.00% per annum ◆ Performance fee of 20% of excess performance greater than the hurdle rate of 8%



KEY SEED ASSET – 19-21 Middle Street Cleveland, QLD

- ◆ **Purchase Price:** \$6.5 million
- ◆ **Capital Expenditure:** \$32 million
- ◆ **Asset:** Off-market site with development approval in an underserved metropolitan growth catchment east of Brisbane
- ◆ **Proposed development:** A circa 5,000sqm integrated medical hub with hospital, specialist consulting, and allied health services integrated over four levels with basement parking, anchored by an ASX-listed healthcare operator with a 25-year lease.
- ◆ **Key Tenant:** Ramsay Health Care



KEY SEED ASSET – 20 Nellie Street Nundah, QLD

- ◆ **Purchase Price:** \$51 million
- ◆ **Capital Expenditure:** \$15 million
- ◆ **Asset:** Off-market site with development approval in Inner Brisbane, 7km from the CBD
- ◆ **Proposed development:** A circa 10,000sqm (GFA) of medical and supporting uses medical building, anchored by a top-tier private hospital operator with a 25-year lease.
- ◆ **Key Tenant:** iHM (Joint venture between Aurora Healthcare and Amplar Health (Medibank))

*Gross of fees.

WHY HEALTHCARE ASSETS?

Economic, demographic, and social drivers continue to support the demand for Australian healthcare real estate:

- ◆ **Population and Life Expectancy**
Australians over 65 are forecast to grow at 3.1% p.a. over the next decade. Government data estimates by 2055, average life expectancy will be 95.1 for men and 96.6 years for women.
- ◆ **Chronic Illness**
67% of Australian adults are overweight or obese, 14.5% of people aged 18 years and over smoked daily (16.9% of men and 12.1% of women). In 2017-18, 580,000 Australians aged 18 years and over had some type of "heart disease".
- ◆ **Government Spending**
During 2020-21, spending on health by all governments amounted to \$156 billion, which accounted for 15.4% of total government tax expenses and represented 26.8% of government tax revenue.
- ◆ **Real Per Capita Expenditure**
Over the last 20 years, health expenditure has increased from \$91 billion to \$201 billion, an average growth rate of 4.0% per year, compared to average annual inflation of 2.4% over the same period.
- ◆ **Per Capita Utilisation**
78.6% of people, or 20 million Australians, had a long-term health condition in 2020-21, with 46.6% (11.9 million) reporting at least one selected chronic condition, according to data released by the Australian Bureau of Statistics.

ABOUT RAM

Real Asset Management ('RAM') is an Australian alternative asset manager, providing investment solutions in Credit, Real Estate, and Private Equity markets, for institutions and wealthy families globally. RAM Real Estate has established its brand as a successful acquirer and manager of healthcare, essential services retail and commercial real estate holdings. The real estate group manages more than 42 properties across Australia through the ASX listed RAM Essential Services Property Fund and unlisted portfolios.

A\$4.4B+

Assets Under Management

100+

Finance Professionals

5

Offices

15

Investment Strategies

7

Licences



**IMAP
MANAGED ACCOUNT
AWARD WINNER**
AUSTRALIAN FIXED
INTEREST



**Australian
Fixed
Interest
Winner**
2020 IMAP MANAGED
ACCOUNT AWARDS



**Australian
Fixed
Interest
Winner**
2019 IMAP MANAGED
ACCOUNT AWARDS



**Other Asset
Classes
Winner**
2018 IMAP MANAGED
ACCOUNT AWARDS



FINANCIAL
SERVICES
COUNCIL



Responsible
Investment
Association
Australasia



INVESTMENT MANAGEMENT



Matthew Strotton
Executive Director, Head of Real Estate

26+ years of experience in global real estate markets across capital transactions, product development, investment and funds management.

Former Global Director and Head of Funds Management at QIC Global Real Estate. Responsible for overseeing all direct and unlisted investment activities and establishing QIC's offshore capabilities in the United States.



Sam Wood
Director, Funds Management

20+ years of experience in commercial real estate having previously worked for CBIC (City of Brisbane Investment Corporation), Vicinity Centres and Urbis.

Former Portfolio Manager for CBIC overseeing the retail portfolio and heading up the fund and investment analytics function of the business.



Adam Thompson
Development Director

25+ years of experience in the construction industry across Australia and the UK.

Former Executive Manager of Development and Construction at Health Care Australia, one of Australia's leading private hospital operators, managing and delivering over \$350 million of both brownfield and greenfield projects.

This document is not for distribution to the general public but for intended recipients only and may not be published, circulated, reproduced or distributed in whole or part to any other person without the written consent of Real Asset Management Group or its affiliated companies.

Investment returns are not guaranteed. Actual returns may differ from target returns for a range of factors including investment performance, taxation and indirect costs. Equity Trustees Limited ("Equity Trustees") (ABN 46 004 031 298), AFSL 240975, is the Responsible Entity for the RAM Australia Healthcare Opportunity Fund. Equity Trustees is a subsidiary of EQT Holdings Limited (ABN 22 607 797 615), a publicly listed company on the Australian Securities Exchange (ASX: EQT). The Investment Manager for the Fund is RAM Healthcare Property Investment Management Pty Ltd (ACN 667 163, AFSL No. 484263). This material has been prepared by Real Asset Management Group to provide you with general information only. In preparing this material, we did not take into account the investment objectives, financial situation or particular needs of any particular person. It is not intended to take the place of professional advice and you should not take action on specific issues in reliance on this information. Neither Real Asset Management Group, Equity Trustees nor any of its related parties, their employees or directors, provide and warranty of accuracy or reliability in relation to such information or accepts any liability to any person who relies on it. Past performance should not be taken as an indicator of future performance. You should obtain a copy of the IM before making a decision about whether to invest in this product.

Real Asset Management Pty Ltd
ACN 162 123 408 | AFSL 484263

Sydney: (61) 2 8880 6688
Melbourne: (61) 3 8658 0988
Brisbane: (61) 7 3063 9544
Hong Kong: (852) 3727 0900
Email: info@ramgroup.com
Website: www.ramgroup.com