



**8 December 2022**

### AMP Capital Core Infrastructure Fund

I am delighted to advise that the AMP Capital Core Infrastructure Fund (CIF), alongside one of AMP Capital's institutional infrastructure funds, has reached financial close on the acquisition of a newly developed student accommodation facility, known as SA8, from the Australian National University ('ANU') in Canberra.

This transaction adds a new 731 bed student accommodation facility to our existing ANU portfolio of 11 residences. The new facility brings the total number of beds under our management at the ANU to 4,915 with a project value of A\$800m+.

Following the long period of global COVID-19 uncertainty and lockdowns, international demand for an Australian on-campus education experience is at historically high levels. Recent data from the Home Affairs Department reports monthly offshore student visa applications in advance of the upcoming commencement of the 2023 academic year are exceeding pre-COVID record levels set between 2017 and 2019.

Occupancy at our ANU student accommodation facilities returned to 100% in August 2022, with excess applications having been placed on a wait list. This, together with strong demand for 2023, emphasises ANU's leading position in Australia and underpins the need for more supply in the form of SA8 to cater to new student demand.

While we are confident that this level of occupancy will continue, our deal team have focused on maximising investor outcomes in this transaction. They have negotiated a revenue underwrite from the ANU for 2023 across our entire portfolio capped at the total revenue of SA8. This provides a high level of certainty over our investment case for 2023.

The SA8 acquisition IRR exceeds the discount rate on the current independent valuation for our existing ANU student accommodation facilities, providing value upside for investors.

This acquisition is an exciting addition to CIF's portfolio. I expect it to deliver attractive risk-adjusted returns, including a strong cash yield to CIF investors.

### About ANU and SA8

The ANU is Australia's leading university, ranked number 1 in the country and 30th globally in the QS World Rankings for 2023. ANU's strong academic record and reputation has high domestic and international appeal and has attracted a growing number of domestic and international students.

Providing attractive and affordable accommodation options for these students is fundamental to the university achieving its strategic goals. As a result, the university has developed the largest portfolio of on-campus purpose-built student accommodation in Australia.

AMP Capital and the ANU have had success in managing the complexities of the COVID-19 period and this transaction builds on that long-term partnership. We meet regularly and value the strong relationship at operational and executive levels.

SA8 is a new student accommodation facility providing 731 beds across 4 buildings. The acquisition is structured as a 35-year concession over the new facilities, which are located on the campus of the ANU in Acton, adjacent to the centre of Canberra.

The SA8 accommodation village has been designed to retain its natural bushland setting along Sullivans Creek. Environmental considerations have also been well thought through with the inclusion of natural cross flow ventilation and advanced metering and building management systems.

### Further Information

If you have any further questions about this update, please contact your Account Manager or our Client Services Team on 1800 658 404, between 8.30am and 5.30pm (Sydney time) Monday to Friday or via email at [clientservices@ampcapital.com](mailto:clientservices@ampcapital.com).

Yours sincerely



John Julian  
**Fund Manager - AMP Capital Core Infrastructure Fund**

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