

investLogan



Q3 Shareholder Activities
Update 2019–2020

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CEO's Foreword

It has been a positive start to 2020 as investLogan moves into a construction phase with three projects set to commence in the coming months.

All approvals are in place and final preparations are underway to enable commencement of construction next month on The York in Beenleigh. The York is a seven-storey, mixed-use commercial development in Beenleigh.

The project will deliver more than \$40 million in benefits to the economy, create 100 construction jobs and 140 additional permanent jobs and act as a catalyst to further investment in Beenleigh.

Design activities are also well underway to enable construction activity to commence on our NDIS housing project in Marsden, and our mixed business and industry units in Berrinba later this year.

In these challenging times it is critical that investLogan continues to take pro-active steps to ensure that pre-committed projects are progressed without delay, and that we continue to initiate new projects to assist in expediting economic recovery.

We also continue to actively engage with the local business community. I recently spoke at the Logan Chamber of Commerce Business and Networking Breakfast about embracing business change and leveraging business growth opportunities off a growing Logan population.

Over the coming year, investLogan will roll out a newly focused strategic plan that builds on the foundation established over the past two and a half years, and will direct the future growth and successes of investLogan. Detailed business planning is underway, and the strategic plan will be released later this year.

Finally, we are eager to engage with the newly elected Logan City Councillors, following the Local Government Election held on 28 March 2020. Logan City Council is the Shareholder of investLogan and this election is a significant milestone for the Logan community.



Anthony Jones
Acting CEO

Property Development

investLogan has been progressing several development opportunities across the City of Logan.

Business Centre Activation: 96-98 York Street, Beenleigh

About this project

Beenleigh is set for a \$40m economic and jobs boom with the proposed mixed-use development at 96-98 York Street.

The York will be a new seven storey commercial office building that will combine premium workspace with study or home office space (SOHO) opportunities, and pedestrian access to John Lane.

As the first new major commercial office building to be constructed in Beenleigh in the last decade, the project is expected to bring 140 new full-time jobs and 100 construction jobs to the area.

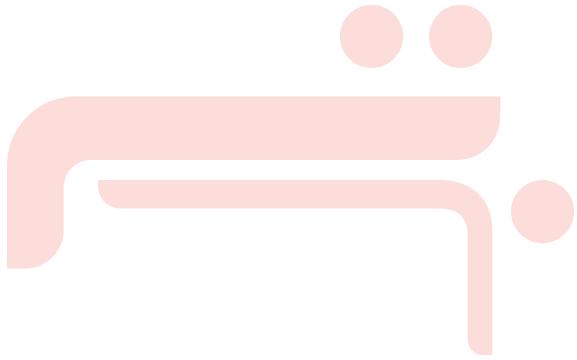
The SOHO apartments will act as a business incubator, providing housing and business premises in one product to help small businesses establish, grow and succeed.

The anticipated social and community benefits that arise from the development includes:

- a facelift to John Lane between John Street and George Street, with new public amenity which may include art and smart technology, including WIFI – beyond what is required as part of the development; and
- integrating 10 short-term publicly accessible car parking sites in the development at an estimated \$250,000.



Figure 1: Artists impression of the active frontage of The York



Current status

- The leasing of all commercial office space has been agreed and an Agreement for Lease has been executed. Prospectus material for other lettable areas has been distributed and marketing/leasing activities will continue during the construction period.
- The Queensland Government has issued term leases for the construction of some areas of the basement carpark under John Lane and for small areas of the building above ground projecting over the boundaries of York St and John Lane.
- Development Approval has been obtained from Logan City Council.
- Site establishment occurred in late March 2020 and construction will commence in April 2020.
- The development is scheduled to be completed mid to late 2021.

The development partners

investLogan, in partnership with Alder Developments are committed to delivering an innovative new destination that will reinvigorate Beenleigh.

Alder Developments, alongside sister company Alder Constructions, is an agile development and construction business, which has recently completed the \$5.5 million redevelopment at the Beenleigh Aquatic Centre in Alamein Street.



100

construction jobs



140 new full-time jobs

once the redevelopment is complete



**\$4.1m of direct benefits and
\$10.6m of indirect benefits**

generated during the construction phase



**\$16.5m of direct benefits and
\$8.5m of indirect benefits**

generated during the operational phase

Source: Urbis

Community and Sport Infrastructure: Community Housing in Marsden

About this project

The Community Housing Project in Marsden will deliver two, three-bedroom dwellings that can be used as National Disability Insurance Scheme (NDIS) housing, and also provide facilities for a Supported Independent Living Provider to be present on site.

The dwellings will be designed and constructed to the High Physical Support Specialty Disability Accommodation (SDA) Design Category, which ensures a high level of physical access provision for people with significant physical impairment who require very high levels of support.

The Community Housing Project in Marsden will provide a permanent, purpose-built home for six Logan community members.

Australia's community housing crisis is a result of decades of inadequate investment and there is currently a 650,000-dwelling shortfall. Statistics from the Community Housing Industry Association forecast Australia to have a deficit of 1 million community homes within 20 years.

investLogan is actively responding to that demand locally by creating community homes that support the tenants, not just physically, but by allowing them to feel connected to the local community. This will drive broader social and economic benefits.

Current status

Concept designs have been developed and construction is expected to commence mid-2020 and is scheduled for completion in mid-2021.

The development partners

Compass Housing has been appointed to operate and manage the housing project, alongside BlueCHP who will conduct the design, construction and certification.

Compass Housing has 30 years' experience in the provision of secure and affordable housing for low to moderate income households, and the delivery of innovative housing products for disadvantaged people. Compass Housing currently manages more than 6,400 properties across Queensland and New South Wales, including 130 Specialist Disability Accommodation dwellings. It is contracted to manage a further 280 SDA dwellings.

BlueCHP are presently designing and delivering nearly 70 NDIS Group Homes.



Figure 2: A NDIS high support home, delivered by BlueCHP

Mixed business units in Berrinba

About this project

investLogan is proposing the development of mixed business units at 180-186 Wayne Goss Drive, Berrinba.

Four of the mixed business units will be approximately 200 sqm and two will be approximately 240 sqm, all providing office and showroom space, amenities, kitchenettes and high clearance warehouses. The mixed business units will be of a high design quality, finished with high quality materials and each will be strata titled.

The development is readily accessible to the Logan Motorway business corridor, occupying a highly visible site within the South West 1 Industrial Park. It is directly adjacent to the proposed Berrinba Central.

The mixed business units are suitable for a range of commercial or industrial businesses looking to make a statement, or for personal storage of caravans, boats and other recreational toys.

Current status

Design and approvals are being finalised ahead of an anticipated construction commencement mid-2020. The commencement of construction is being reconsidered at this time given sales risk as a result of the COVID-19 pandemic.

- A commercial review is being completed on the emerging sales / leasing risks associated with the COVID-19 pandemic. In the interim, project planning is continuing.
- A concept design for a small industrial mixed-use development has been completed and a preferred design and construct contractor has been selected following the tender process.
- Early consultant works have commenced to enable securing a development approval.
- Negotiations for acquisition of the land from Logan City Council have been completed and a conditional contract of sale is in place for the acquisition of the land.
- Should construction commence mid-2020, the development is scheduled to be completed by the end of 2020.

The development partners

An announcement of the preferred contractor will be made in 2020.



Figure 3: Artists impression of the industrial mixed-use development in Berrinba

Other Development Projects Update

The investLogan Plan has identified interest in a number of Council land holdings as opportunities for acquisition and development. The following table sets out the current status of each as of 31 March 2020.

PROJECT	ACTION	EXPECTED RESULT	
		SHORT-TERM 2019-2020	CURRENT STATUS
Bardon Road, Berrinba	Finalise leasing Obtain all necessary approvals Strategic development partner announced Commence construction	Construction underway	The Board has agreed to have second right of refusal on this land at the request of the Shareholder and based on ongoing negotiations between the Shareholder and a third party to deliver jobs for Logan residents.
Chetwynd Street, Loganholme	Development strategy endorsed Finalise leasing Obtain all necessary approvals Strategic development partner announced	Development approvals secured	Detailed site feasibility is underway to inform a development strategy. Market engagement has commenced with potential tenants.
Third Avenue, Marsden	Development Strategy endorsed Obtain all necessary approvals Strategic Development Partner announced	Development approvals secured	Detailed site feasibility is underway to inform a development strategy. Market engagement has commenced with potential tenants.
Gritl Court, Kingston	Development strategy endorsed Obtain all necessary approvals Strategic development partner announced	Development approvals secured	A detailed site feasibility has been completed and a development is unlikely to proceed.
Lovell Street, Slacks Creek	Development strategy endorsed Obtain all necessary approvals Strategic development partner announced	Development approvals secured	investLogan is continuing negotiations with the Shareholder regarding acquisition.

PROJECT	ACTION	EXPECTED RESULT	
		SHORT-TERM 2019-2020	CURRENT STATUS
Park Ridge Road, Park Ridge	Business case finalised EOI released Market operator identified Obtain necessary approvals	Submission to the Shareholder to endorse collaboration approach Development approvals secured and ready to commence detailed design	InvestLogan is considering development finance options prior to engagement with market operators.



Transparency and Accountability

Governing Framework

investLogan understands and embraces the importance of good corporate governance and the vital role it plays in the activities undertaken by investLogan.

Our Governance framework ensures transparency and accountability and maintains the integrity of investLogan and its operations.

investLogan's Corporate Governance frameworks and suite of governance documents ensure:

- effective and efficient delivery and monitoring of strategic objectives;
- clarity of objectives;
- clear and effective decision making;
- productivity and operational efficiency;
- accountability; and
- transparency.

Transparency – Our Commitment to the Public

investLogan is committed to transparency and accountability, ensuring all stakeholders have confidence in the way we manage our business and make decisions.

The investLogan Corporate Governance framework has undergone a full independent legal review and multiple audits (including forensic) ensuring we go above and beyond our statutory obligations.

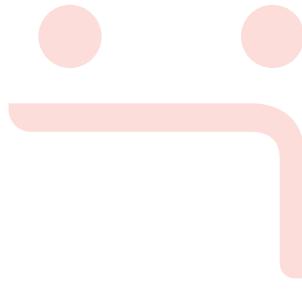
Workplace Health and Safety (WHS) Framework

investLogan has a primary duty, so far as is reasonably practicable, to ensure:

- the health and safety of workers; and
- that health of other persons is not put at risk from work carried out as part of the undertaking.

investLogan is currently developing a comprehensive WHS Management System, having already completed the contractor documentation to ensure commencement of projects are in accordance with all appropriate WHS requirements.

The WHS Management System is tailor made for investLogan to ensure compliance with WHS legislation.



Finance

investLogan's financial performance is reflective of its early years of growth.

Activities continue to focus on building a financially sustainable business and achievements in Q3 include:

- working towards the commencement of three development projects;
- the acquisition of 21-23 Brandon Street in readiness for construction of NDIS housing;
- the expansion of the investLogan property portfolio to \$3.3 million;
- investment in The York development project reaching almost \$1 million; and
- Progressing negotiations for bank finance for construction of The York; meanwhile
- navigating changed economic conditions relating to COVID-19.

Shareholder Engagement

Shareholder Meetings

investLogan continues to acknowledge the importance of keeping the Shareholder informed with individual meetings where necessary and quarterly presentations on the general strategic direction of investLogan and specific matters.

Shareholder Corporate Representative

Council's Corporate Representative, Logan City Council's Acting Chief Executive Officer is provided with all Board papers and minutes, and invited to all Board meetings. A regular two week catch up remains planned between the Corporate Representative and the investLogan Chief Executive Officer and is undertaken on an as-needs basis.

Council Officer Meetings

investLogan understands the important role the Logan City Council officers play in the success of our business. Regular engagement is an integral part of working together achieve the Shareholder's vision. As such, regular engagement continues through correspondence and meetings.

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