



green leaves
EARLY LEARNING

RICHLANDS CENTRAL

CNR GARDEN AND PROGRESS ROAD - RICHLANDS



INFORMATION MEMORANDUM

'LEASED TO ONE OF AUSTRALIA'S LARGEST PRIVATELY OWNED EARLY LEARNING OPERATORS GREEN LEAVES.'



Outline indicative only

INTRODUCTION

GREEN LEAVES EARLY LEARNING,
RICHLANDS (96 GARDEN ROAD, RICHLANDS) – A PREMIUM CHILD CARE OFFERING
IN THE HEART OF THE BRAND NEW RICHLANDS CENTRAL DEVELOPMENT.

Tenanted by one of the countries most sought after early learning providers and neighbouring national and highly trafficked retailers including Repco and Total Tools the subject property is located at the intersection of two major arterials in the heart of Queensland's fastest growing corridor.

Green Leaves is synonymous with success, operating as one of Australia's largest privately owned child care groups with 38 centres under operation and further in the development pipeline. Standards of care aim to exceed the traditional parameters outlaid in the industry and this is sought after by families with centres exceeding traditional volumes of occupancy in all states.

Constructed in 2019, the subject property offers significant depreciation benefits to the incoming purchaser, in addition to a long term income stream with fixed increases and minimised forecast capital expenditure.

INVESTMENT HIGHLIGHTS

'A HIGHLY DESIRABLE, LONG-TERM LEASE SEE'S LONG TERM 'SET AND FORGET' SECURITY.'



A BLUE-CHIP COVENANT

Leased to one of Australia's largest privately owned early learning operators Green Leaves. With 39 existing centres nationwide, the brand is synonymous with success and continues to innovate and offer a premium standard of care reflected via strong occupancy rates nationwide. The groups success is reinforced via existing partnerships with some of the countries largest developers and retail landlords including Stockland, Westfield, Mirvac and Blackstone.



PROMINENT CORNER EXPOSURE

Richland Central enjoys unparalleled exposure from its corner position at the intersection of Garden and Progress Roads, two major arterial roads spanning fourteen lanes of traffic and carrying 350,000 cars every week.



INCOME GROWTH AND SECURITY

A highly desirable lease see's long term 'set and forget' security with an initial term of 15 year plus multiple further options atop highly attractive fixed annual increased of 3.5% per annum.



ADJACENT TRAIN STATION

Located directly adjacent to the Richlands Train Station and bus interchange, Richlands Central capitalizes on the travel routes of 15,750 passenger trips a week. The accompanying 650-bay car park extends the existing parking provisions of the centre.



EXTENSIVE DEPRECIATION BENEFITS

Completed only in late 2020, Richlands Central provides a tax-effective income stream via extensive depreciation benefits and removes any need for medium-term capital expenditure.



SUBSTANTIAL POPULATION GROWTH

The Richlands area has boasted population growth of an incredible 12.3% each year over the past ten years. Richlands is expected to further grow to 34,971 people by 2036, a substantial increase of 88.0% over the next sixteen years.

PRIME LOCATION

RICHLANDS CENTRAL OCCUPIES A RARE PRIME LOCATION IN QUEENSLAND'S FASTEST GROWTH AREA ON THE CORNER OF TWO ARTERIAL ROADS SUPPORTED BY EXCELLENT HIGHWAY CONNECTIVITY AND THE INDUSTRIAL AND EMPLOYMENT EPICENTER.

Richlands Central enjoys a prominent 2,715 sqm* corner site at the intersection of two major arterial roads, Garden and Progress Roads. Its extensive 205 metres* of combined frontage is exposed to a total of fourteen lanes of traffic and over 350,000 cars passing weekly.

Richlands Central adjoins the Richlands Train Station and bus interchange, which generate 15,750 passenger trips a week and attract significant foot traffic to the tenancies. The adjoining commuter car park accommodates 650 parking spaces and provides extra parking to the customers of Richlands Central. Other tenants on the site including Green Leaves Childcare already experience benefits of adjoining this major transportation hub.

Richlands Central occupies a key location in the heart of an industrial logistics hub just 16 kilometers southwest of the Brisbane CBD. Its position directly linking to the Centenary Highway, and proximity to the Ipswich and Logan Motorways, make it popular with logistics operators such as Coca Cola, DHL, ALS, Target, Myer, Volvo, TOLL, Penske, Allied Pickfords, and VISY. As such, it is one of Brisbane's largest employment hubs and its dense industrial and manufacturing neighbourhood ultimately underpins trade demand.

Richlands forms a central component of Brisbane's southern growth corridor, the fastest-growing region in Queensland. Having experienced an average annual population growth of 12.3% over the past decade, the Richlands area is now expected to reach 34,971 people by 2036; this is an extraordinary growth rate of 88.0% over the next sixteen years .

Intense residential development around Richlands is being undertaken to accommodate this growth, including The Heights, a five-acre development within two kilometers, and Lakes Edge, a five-acre development by Penfold Property group, just 2.3km south.

Richlands Central is easily accessible from Gardens Road via a left-hand turn. Access from both directions of Progress Road is also highly convenient through the Gardens Road intersection.



WHY INVEST IN CHILDCARE

1,399,440
Children in Childcare

45%
of children aged between 0-5 years

\$2.183M
for last quarter 2019

+\$40BN
in forecast government childcare subsidies in next 4 years

\$8.5BN
in total childcare subsidies

+6.2%
of 5 year revenue compounded annually

13,113
services operated in Australia[^]

\$12.9BN
in revenue operation



SNAPSHOT OF THE SECTOR*

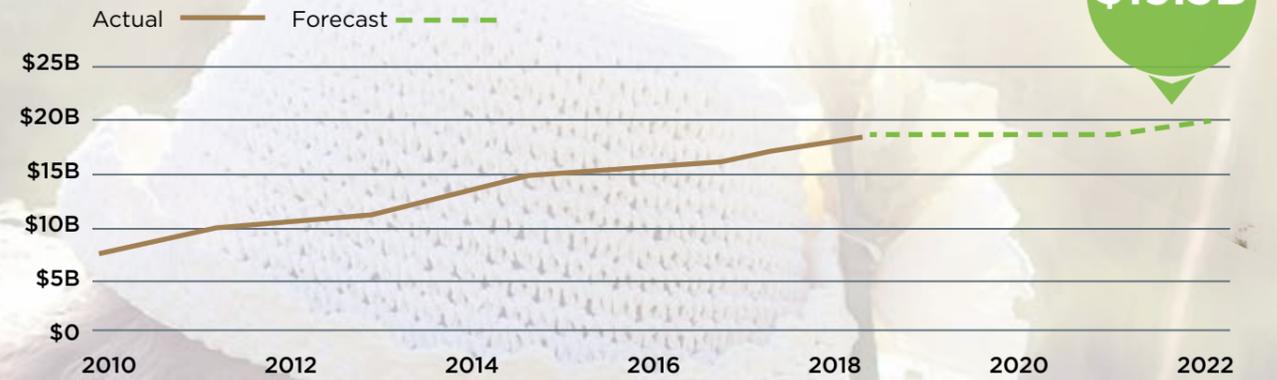
	2017	2018	%
INDUSTRY REVENUE	15,172.2	16,747.5	10.4%
NO. OF ESTABLISHMENTS	33,253	34,137	2.7%
NO. OF EMPLOYEES	187,688	192,662	2.7%

[^]Australian Government approved childcare centre in September quarter 2019

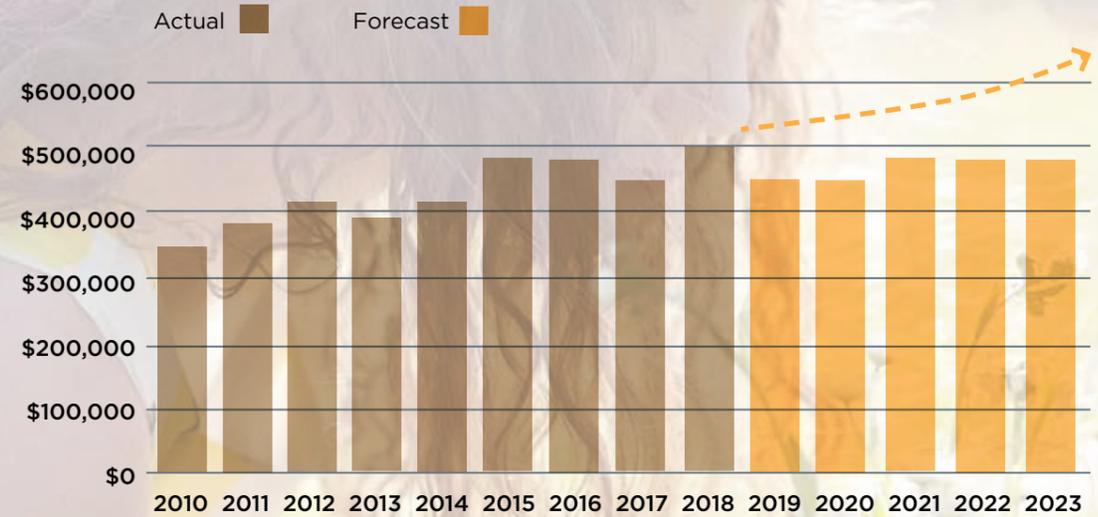
*Source (portfolio Budget Statement 2017/18 (www.education.govcms.gov.au))

CHILDCARE INDUSTRY REVENUE 2010-2023

'Revenue is expected to reach \$19.5 billion by 2023 with main drivers over next 5 years seeing more women in workforce, higher number of children under the age of 12 and expected increase in Fed Government assistance with fees.'



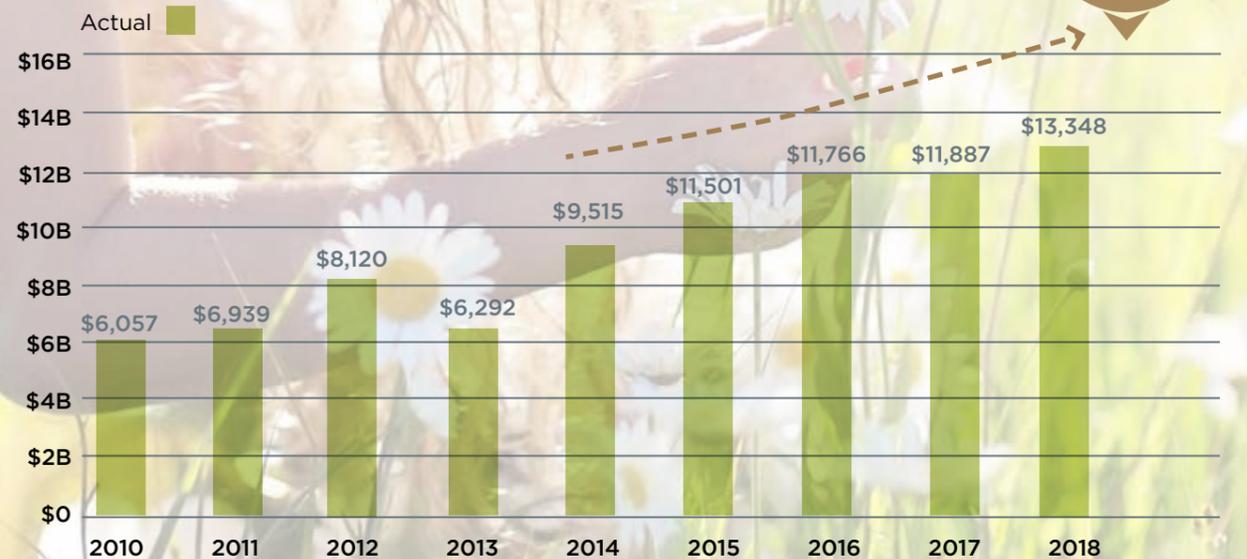
REVENUE PER ESTABLISHMENT 2010-2023



'Stability is forecasted on average for each establishment with an estimate increase of revenue increase by 207% over the next five years.'

CHILDCARE SERVICES SECTOR REVENUE 2010-2018

'Childcare services, the largest sector in the industry, performed particularly well with revenue growing by 61% over the five years to June 2018 to \$13.3 billion.'



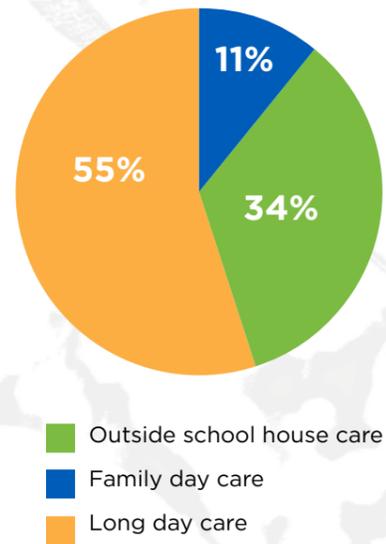
CHILDCARE SUPPLY & DEMAND

POSITIVE OUTLOOK FOR BALANCE OF SUPPLY AND DEMAND IS PREDICTED.

During last qtr of 2019 a further 4% increase in children attendance. Average weekly hours increased to 30 in the 12 months to 30 Sept (+7.0% on pcp). Centre numbers increased 4.2% in 2019 with forecast to remain same for 2020. Demand response to CCS has been strong with last qtr of 2019 showing better affordability for families with significant increase in participation at +4.0% on pcp - record level of participation). With 12 months to 30 Sept 2019 showing +7.0% on pcp. The population aged 12 or under is rising and will boost future demand for childcare. Over the next five years, the growth rate for the population under the age of 3 is expected to outpace the growth rate of the total population (9.9% and 8.5%).

CHILDCARE SERVICES USED

'Long day care centres provide all day care or part time care for children, usually below school age.'



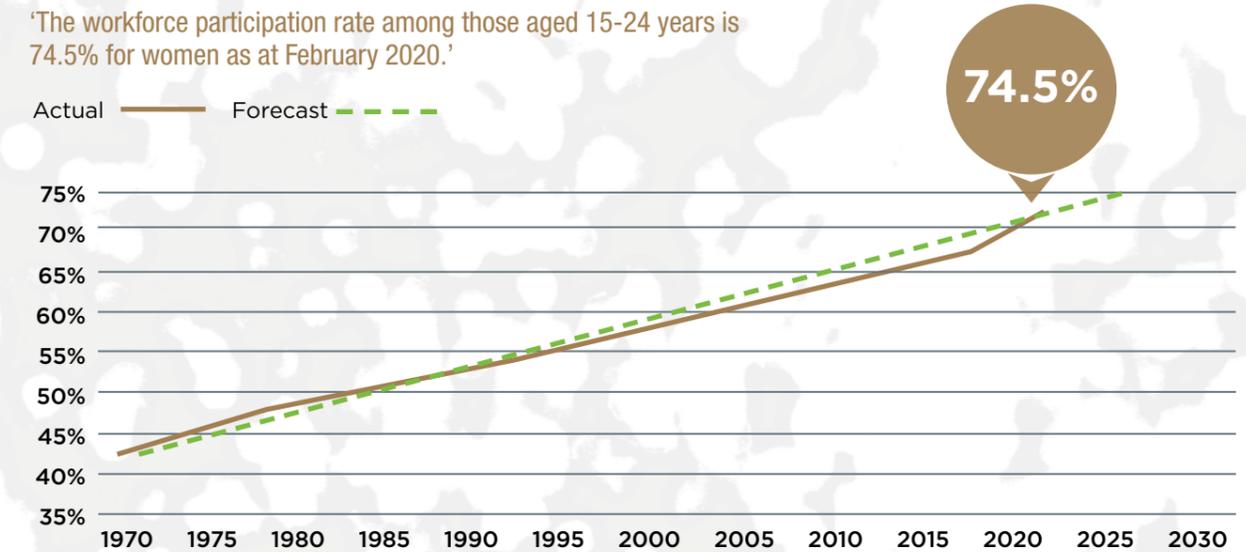
AUSTRALIAN POPULATION CHANGE ESTIMATES 2018

Change	Total	<12	<6	<2
5 yrs	8.5%	6.8%	7.2%	9.9%
10 yrs	16.6%	13.8%	15.6%	16.8%
20 yrs	31.5%	25.5%	25%	25.5%

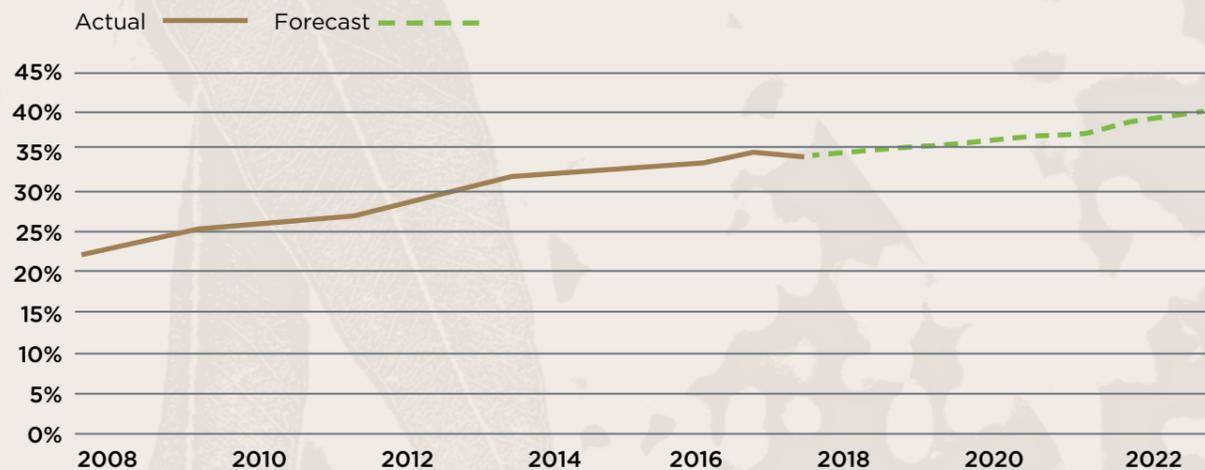
'Growth in the Australian population aged 12 and under will fuel growth in the childcare services industry – over the next 20 years the population aged 12 and under is expected to increase by 25.5%.'

FEMALE PARTICIPATION IN THE WORKPLACE 15-64 YEARS

'The workforce participation rate among those aged 15-24 years is 74.5% for women as at February 2020.'



PROPORTION OF CHILDREN ATTENDING CHILDCARE SERVICES 2008-2022



MALE VS FEMALE IN THE WORKFORCE AS AT FEBRUARY 2020

Couple families with children younger than five, mothers who worked full-time increased to 24 per cent in 2019, up from 17 per cent in 2009.



THE COVENANT



PROPERTY PARTICULARS



PROPERTY DETAILS	
ADDRESS	96 Gardens Road, Richlands
TENANT	Green Leaves Early Learning Centres Pty Ltd
PASSING RENT	\$398,496 p.a + GST & Outgoings
LAND TAX	\$12,500 recoverable from tenant

LEASE BREAKDOWN	
LEASE TERM	15 (Fifteen) Years
COMMENCEMENT DATE	21 January 2019
LEASE EXPIRY	20 January 2034
OPTIONS	3 (three) further terms of 5 (five) years
ANNUAL REVIEWS	Fixed 3.5%
MARKET REVIEWS	At the commencement of each further term
BANK GUARANTEE	3 (three) months rental + GST
DIRECTOR GUARANTEES	No
OUTGOINGS	Payable by the leasee

PROPERTY OVERVIEW	
ZONING	QPP-SP3 - Special Purpose (Transport Infrastructure) Zone
OVERLAY	QPP-SP3 - Special Purpose (Transport Infrastructure) Zone
LAND AREA	2,500 sqm*
BUILDING AREA	883 sqm
CAR PARKING	24
NUMBER OF PLACES	120

\$
1,000
EMPLOYEES

39
CENTRES

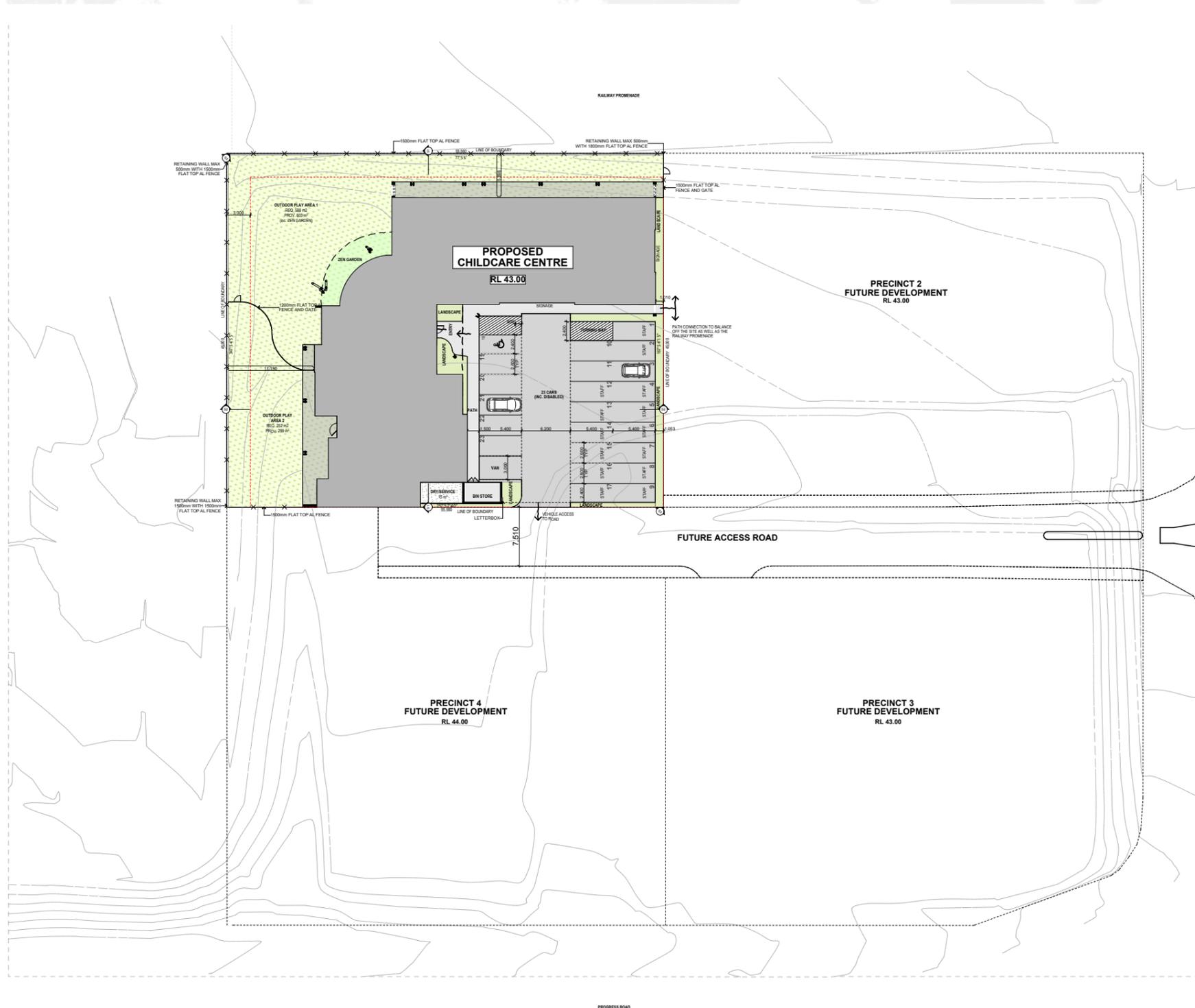
\$398K*
P.A. PASSIVE RENT

GREEN LEAVES EARLY LEARNING IS A PRIVATELY OWNED BUSINESS WITH A PURPOSE TO PROVIDE EARLY EDUCATION AND CARE THAT EXCEEDS TRADITIONAL CARE AND EDUCATION STANDARDS.

To achieve this, the company often do a number of things differently, from architecture to teaching programs. Firstly, Green Leaves know that service excellence is where it all begins with a passionate and professional teams throughout the country committed to giving careful attention to every task and every relationship. Secondly, all centres are designed to be spacious and purpose built so the company can strike the perfect balance between providing innovative early education experiences and meeting the needs of the communities they operate in.

With almost 1000 employees, Green Leaves Early Learning is fast becoming the early education sectors employer of choice. This is because the company recognise there high levels of occupancy would not occur without premium early learning staff. Green Leaves currently feature 38 existing centres with further in the development pipeline and on the medium to longer term horizon as the provider continues to go from strength to strength.

PLANS



AREA SCHEDULE	
SITE COVER:	45.6%
SITE COVER:	1138m ²
SITE AREA:	2500m ²
CHILDCARE:	883m²
OUTDOOR STORE:	17m ²
PLAY AREAS:	863m ²
CARPARK:	514m ²
OTHER:	223m ²
POPULATION:	
CHILDREN:	120
FULL TIME STAFF:	23
CARPARKING REQUIRED:	
1 PER 5 PLACE	
TOTAL	24
CARPARKING PROVIDED:	
TOTAL	23 + 1 VAN

Received
 20.11.2017
 BCC DS

PLANS AND DOCUMENTS
 referred to in the
APPROVAL
 Dated: 29/01/2018

Neighbouring Property Consent
 This approval does not authorise or give permission to enter onto, under or over any neighbouring private properties to survey or carryout any works without any prior consultation or without the prior consent of the relevant land or property owner(s).
[This includes for any works for: built to boundary walls; any construction (retaining walls) within neighbouring buildings structural zones, boundary fences; temporary rock anchoring; or crane oversail.]



CONCEPT
NOT FOR CONSTRUCTION

18/10/2017
SITE PLAN

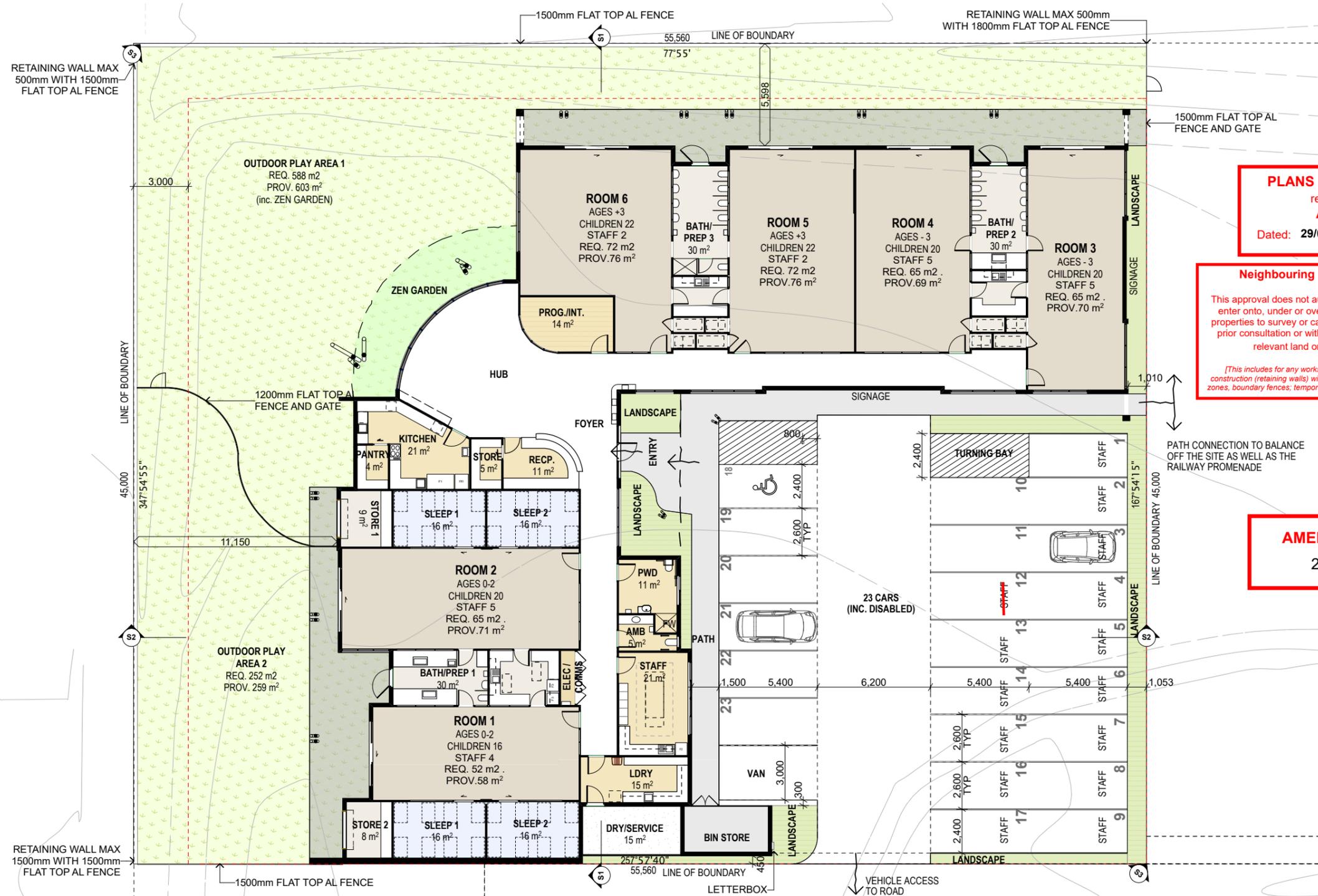
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 ABN 12 887 885 845



RICHLANDS ELC
 225 PROGRESS ROAD,
 RICHLANDS, QUEENSLAND,
 4077

project no: 17178
 dwg no: 17178_DA-100_B
 issue date: 18/10/2017
 scale: 1:500 @ A3

PLANS



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BCC DS

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AMENDED IN RED
29/01/2018

CONCEPT
NOT FOR CONSTRUCTION

18/10/2017

GROUND FLOOR PLAN

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architects master planners interior designers
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Member Australian Institute of Architects
green leaves
ENGAGE HOLDINGS & **M-SPACE GROUP**

RICHLANDS ELC project no: 17178
225 PROGRESS ROAD, RICHLANDS, QUEENSLAND, 4077
dwg no: 17178_DA-130_B
issue date: 18/10/2017
scale: 1:200 @ A3

