

# Accord Early Learning Fund



**\$1.03**

NTA

**10**

NUMBER OF ASSETS  
(+3 UNDER  
DEVELOPMENT)

**\$60.3m**

PORTFOLIO  
VALUE

**5.39%**

WEIGHTED  
AVERAGE CAP  
RATE

**18.5yrs**

WALE

**5.25%**

TARGET FY23  
DISTRIBUTION  
YIELD

**34.5%**

GEARING

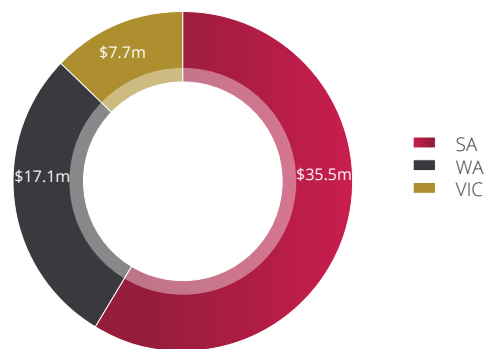
## Portfolio Update

The June 2023 quarter has been a period of significant progress for the Accord Early Learning Fund. We have successfully completed the acquisition and development of an additional six properties, bringing the total number of investment properties to 10. A further three properties are currently under development and are expected to be completed over the coming 12 months.

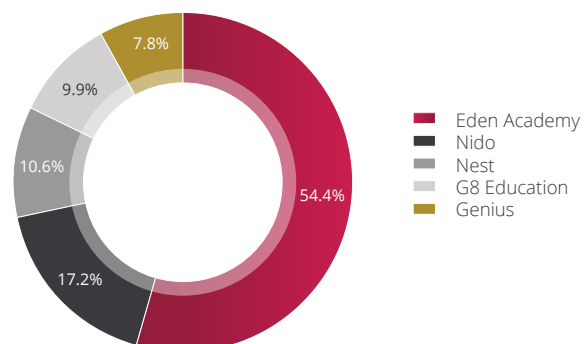
Once the remaining three properties are complete, the Accord Early Learning Fund will hold 13 investment properties, which pleasingly means the fund remains on track toward our stated target portfolio size. Importantly, Accord remains focused on continuing to grow the portfolio in a prudent and disciplined approach, only transacting where we believe there to be value and is in the best interests of investors. As mentioned in previous reports, we are seeing opportunities to acquire sites at softer valuations, however we believe there continues to be some stress still to play out and are watching keenly to acquire when appropriate.

The broader equity raising environment has been mixed, whilst there remains strong interest from investors into defensive yield sectors such as the early learning and childcare sector, investors are now seeking opportunistic growth and more 'active' return products. We believe given the mix of development 'fund through' opportunities and the ability to leverage off our Accord development pipeline the Fund is well positioned to deliver on

## Value of Portfolio By State as at 30 June 2023



## Tenant Spread as at 30 June 2023



both of these investor requirements. The Fund successfully raised additional capital during the quarter, enabling us to pursue further expansion opportunities and enhance our portfolio. Investor confidence remains high, driven by the strong performance and growth prospects of the sector.

## Sector Update

The Australian childcare sector has shown remarkable resilience and strength over the course of 2023, and we believe this will continue into FY24 and beyond. The ongoing demand for quality early learning and childcare services, coupled with government support, has contributed to the sector's stability and growth. Recent auction results, particularly those assets with long leases such as childcare assets, have continued to be the most resilient. The sector continues to attract strong investment interest, driven by its defensive income characteristics and the essential nature of its services.

Looking ahead, the Accord Early Learning Fund remains committed to its growth strategy, seeking opportunities to acquire and develop additional properties where management sees value and make sense for Fund. We will continue to monitor the broader economic environment and align investor interest to continue to expand our portfolio and maximise returns for investors. The Australian childcare sector's strength and defensive income attributes position us well to navigate future challenges and capitalize on growth opportunities.

In conclusion, the June 2023 quarter has been marked by significant achievements for the Accord Early Learning Fund. With 10 completed properties and three properties under development, our portfolio continues to grow steadily. The Australian childcare sector's resilience, coupled with the positive equity raising environment for the sector and the outlook for the return to a more stabilised interest rate environment, bodes well for our future prospects. We remain focused on delivering solid financial performance, generating defensive income, and maximising value for investors.

## Registry Update

As announced in the March quarter report, Accord transitioned to Automic Group to provide registry services for all of the Accord funds. Automic Group is a leading provider of secure registry services across the Funds Management Industry. We thank those investors who have logged on and set up their accounts and encourage those who haven't to do so. Whilst there may be some teething issues, we thank investors for being patient. Automic provide a new and improved functionality and efficiency for the Accord Funds business and marks an exciting new chapter in the business evolution.

## Distributions

Unitholders will have received email notification that their respective distribution statements are available through their online portal over the past week – we encourage you to access these and provide any further feedback.

As always please feel free to call or email if you have any questions.

### Fund at a Glance

Manager	Accord Property Funds Management AFSL 481749
APIR Code	AIF8777AU
Registry and Fund Administration	Automic Group
Distribution Frequency	Quarterly
Fund Type	Wholesale Unit Trust
Access	Direct via Accord or the following Platforms: <ul style="list-style-type: none"> <li>› Xplore Wealth</li> <li>› Hub24</li> <li>› Powerwrap</li> </ul>

## ABOUT ACCORD

Accord is a national property development and funds management company. We provide development and investment solutions across a range of sectors, including commercial, retail, childcare, healthcare and industrial. We focus on providing outstanding results for our investors and tenant partners, which has resulted in ongoing long-term relationships.

Accord Early Learning Fund ABN: 88 978 552 101



**Chris Brockett**  
Head of Funds Management  
m: 0423 702 932  
e: cbrockett@accord.property  
w: accord.property



**Nicholas Allen**  
Head of Capital  
m: 0437 194 171  
e: nallen@accord.property  
w: accord.property

### Adelaide

301/89 Pirie Street  
ADELAIDE SA 5000

### Melbourne

15/627 Chapel Street  
SOUTH YARRA VIC 3141

### Brisbane

Suite 801, 200 Mary Street  
BRISBANE QLD 4000

### Perth

19/22 Railway Road  
SUBIACO WA 6008

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