

THE PROPERTY COUNCIL/IPD AUSTRALIA QUARTERLY HEALTHCARE PROPERTY INDEX

DECEMBER 2016

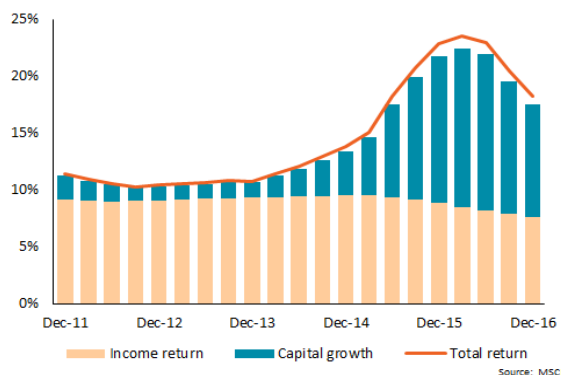
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- The Australia Healthcare Index provides a broad measure of investment returns for the healthcare property market in Australia on a quarterly basis.
- The index tracks investment performance of 85 healthcare assets representing cA\$ 2.3 billion.
- The index provides a tool to analyse the link between healthcare operational performance and investment performance.
- The index allows healthcare investment performance to be benchmarked against competing property sectors.

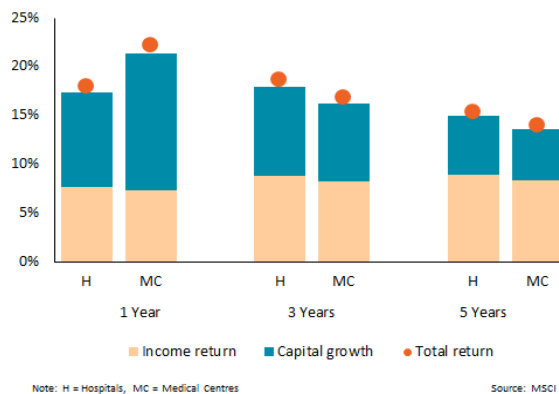
HEADLINE RESULTS FOR DECEMBER 2016

- The annualised total return for the year ending December 2016 was 18.2%. This result was below the annualised return to December 2015 of 22.8%.
- The sector delivered annualised income return of 7.6% and capital growth of 9.9%.
- Hospitals and Medical Centres returned 18.0% and 22.2% respectively.
- Cap rates continued to firm by 75bps from 7.9% in December 2015 to 7.2% in December 2016.

TRENDS IN AUSTRALIA HEALTHCARE PROPERTY RETURNS ANNUALISED RETURNS ON QUARTERLY PERIODS TO DECEMBER 2016



RETURNS FOR HOSPITALS AND MEDICAL CENTRES RETURNS TO DECEMBER 2016



INDEX PARTICIPANTS

Arena Investment Management
Australian Unity

Generation Healthcare REIT
Heathley Limited

Vital Healthcare Property Trust

CONTACT US

+61 2 9033 9300
realestate@msci.com
msci.com

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