

Market Release

1 July 2016

Vital announces 30-year lease at Kensington Hospital, Boulcott Private Hospital settlement & portfolio WALE of 18.2 years

New 30-year lease with Kensington Hospital Limited

Chief Executive of Vital's Manager David Carr said "It's great to announce a long-term partnership has been renewed with Kensington Hospital Limited who have signed a new 30-year lease as the operator at Kensington Hospital until 2046. It continues to demonstrate management's proactive approach to mitigating future lease expiries and recognises the depth of our long-term partnerships with our operators. The new 30-year lease is effective from 1 July 2016 and includes annual CPI reviews and periodic reviews to market."

Kensington Hospital is a two-level private hospital comprising three theatres and 19 beds, and includes an adjoining primary care facility, located in the Whangarei suburb of Kensington, approximately 2.5 kilometres from the Whangarei, CBD.

Settlement of Boulcott Private Hospital acquisition

On 24 December 2015 Vital announced the conditional acquisition of Boulcott Private Hospital in Lower Hutt. Vital is pleased to confirm that following the receipt of regulatory approvals it has now settled the acquisition for \$30.7m on a 22-year lease to ASX listed Pulse Health Group.

Market leading portfolio WALE extended to ~18.2¹ years

Mr Carr said "Once we factor in the new 30-year lease at Kensington, the 22-year lease at Boulcott and the previously announced 10-year lease extension at Epworth Eastern Hospital in Melbourne, Vital's WALE improves to ~18.2¹ years. On average, Vital now has approximately 1.8% of total income expiring annually over the next ten years, with the largest single expiry over the same period representing approximately 2.2%. The benefit of a long dated WALE and low average lease expiry profile is that it provides Vital with long-term income stability and underlines the defensive nature of the asset class."

– ENDS –

ENQUIRIES

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¹ WALE remains subject to completion of FY16 year end results

About Vital Healthcare Property Trust

Vital Healthcare Property Trust (NZX: VHP) is Australasia's largest listed investor in healthcare real estate. Tenants include hospital operators and healthcare practitioners who deliver a wide range of medical and healthcare related services. The Manager of Vital Healthcare Property Trust is Vital Healthcare Management Limited.