

15 January 2024

**Indicative valuation changes to 31 December 2023; non-core asset sales update**

Northwest Healthcare Properties Management Limited, the manager of Vital Healthcare Property Trust (**Vital**), advises that it expects Vital to record a property revaluation loss of ~NZ\$145m for the six months ended 31 December 2023, with ~44% of the portfolio (by value) having been independently valued.

This preliminary draft revaluation loss represents a ~4.4% decrease since 30 June 2023 comprising a ~5.0% decrease for the Australian portfolio and a ~2.7% decrease for the New Zealand portfolio. The primary driver of this indicative result is ~16 basis points of softening in the weighted average capitalisation rate for the portfolio (~14 basis points softening for Australia and ~16 basis points softening for New Zealand).

The indicative weighted average capitalisation rate is expected to be ~5.21% at 31 December 2023 reflecting ~5.02% for the Australian portfolio and ~5.61% for the New Zealand portfolio.

The indicative revaluation loss referred to above is subject to audit and final board approval which will be confirmed when Vital's interim results are released (expected to occur on 15 February 2024).

Consistent with announcements made in November 2023, Vital has also sold five aged care assets leased to Hall & Prior for NZ\$65m reflecting a ~1% discount to the 30 June 2023 book value. Settlement occurred on 19 December 2023 with proceeds used to repay debt.

Over the last 12 months, Vital has sold ~NZ\$220m of non-core assets at a weighted average discount of ~8.2% to the 31 December 2022 book values and has a further ~NZ\$90m under conditional contract.

**– ENDS –**

**ENQUIRIES**

Aaron Hockly  
Fund Manager, Vital Healthcare Property Trust  
Tel 09 973 7301, Email [aaron.hockly@nwhreit.com](mailto:aaron.hockly@nwhreit.com)

Michael Groth  
Chief Financial Officer, Northwest Healthcare Properties Management Limited  
Tel +61 409 936 104, Email [michael.groth@nwhreit.com](mailto:michael.groth@nwhreit.com)

**About Vital (NZX code VHP):**

Vital Healthcare Property Trust is an NZX-listed fund that invests in high-quality healthcare properties in New Zealand and Australia including private hospitals (~81%\* of portfolio value), ambulatory care facilities (~17%\* of portfolio value) and aged care (~2%\* of portfolio value).

Vital is the leading specialist listed landlord of healthcare property in Australasia.

Vital is managed by Northwest Healthcare Properties Management Limited, a subsidiary of Toronto Stock Exchange listed Northwest Healthcare Properties REIT, a global owner and manager of healthcare property.

\*All figures indicative as at 31 December 2023. Visit [www.vhpt.co.nz](http://www.vhpt.co.nz) for more information about Vital.