

Corval Property Fund

Portfolio Update | June 2026

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46

Properties



5%

Distribution yield



7.6

Years WALE



98%

Occupancy



34%

Gearing

The Corval Property Fund (Fund) provides investors with a single point of access to Corval's active approach to investing. The Fund provides investors with exposure to a diversified portfolio of high quality Australian real estate.

1. Executive Summary

A summary of the Fund's major activity and results over the quarter is outlined below:

- Total return over the 12 months to 30 June 2026 was 9.57% comprised of 4.93% income return and 4.64% capital growth.
- Key portfolio metrics remained steady with occupancy at 98% and WALE over 7 years.
- The weighted average cap rate of the Fund compressed by 3 basis points to 6.80%
- Leasing outcomes continue to drive value, with notable lease transactions completed at 140 Magnesium Drive, Crestmead QLD, Brisbane Technology Park, QLD and 545 Queen Street, Brisbane QLD
- The Fund's debt facility with ANZ bank was refinanced and extended by 3 years to July 2029.
- The Fund remains active in the investment market, and completed the purchase of 65-69 West Avenue, Edinburgh SA, increasing the Fund's exposure to the industrial sector.
- On the divestments side, Corval successfully sold the property held in the Corval WorkZone Trust, 1 Nash Street, Perth.

Key Fund Facts

Gross assets	218.2m
Net assets	177.1m
Number of properties	46
Occupancy	98%
WALE	7.6 years
Weighted average cap rate	6.80%
Gearing	34%
Unit price	\$1.1294
Distribution rate p.a.	5%
Quarterly total return	2.30%
1-year total return	9.57%



33 Shaddshock Avenue, Villawood NSW



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2. Returns & Valuations

The Fund's return since inception is 8.05%, driven by 5.05% income return and 3.00% capital growth. Returns for the 30 June quarter have been driven by valuation increases across the sectors. Positive leasing spreads have driven increases in the industrial portfolio and the office portfolio has seen increases from leasing outcomes and capitalisation rate compression, particularly on assets acquired within the past six to twelve months.

The investment in the Queensland office properties provided strong valuation upside. The assets owned in Brisbane Technology Park (Corval BTP Trust) have increased by 8.6%, driven by recent leasing (further detail below) and capitalisation rate compression of 50 basis points. 545 Queen Street, Brisbane has increased by 6% reflecting several positive leasing outcomes.

The industrial valuations were driven by leasing transactions throughout the portfolio which have all shown positive leasing spreads.



545 Queen Street, Brisbane QLD

Time Period	3 Month	6 Month	1 Year	3 Year	Since Inception (p.a.)
Income Return	1.20%	2.42%	4.93%	5.00%	5.05%
Capital Growth	1.10%	0.78%	4.64%	2.85%	3.00%
Total Return	2.30%	3.21%	9.57%	7.85%	8.05%

Performance is shown after all fees and costs are accounted for. Inception date was 28 February 2022. Past performance is not a reliable indicator of future performance.

3. Asset Management & Leasing

As previously mentioned, industrial valuations have been driven by positive leasing spreads throughout the portfolio. These have been new leases and renewals that have addressed most of the Fund's exposure to lease expiries in 2026.

Industrial Leasing Highlights

- [140 Magnesium Drive, Crestmead QLD](#) - both tenants have agreed to three and five year extensions with an average 25% increase in rents (6.8% of the Fund's income).
- [380 Victoria Road, Malaga WA](#) - a new leasing deal resulted in a 67% positive leasing spread (0.4% of the Fund's income).



140 Magnesium Drive, Crestmead QLD



380 Victoria Road, Malaga WA

Office Leasing Highlights

In addition, leasing activity has been achieved in the Queensland office portfolio which further reduces the 17% expiry risk in 2026 to 7%. Notable lease transactions in the office portfolio are as follows:

- [51 McKechnie Drive, Eight Mile Plains QLD](#) – Department of Housing (1.3% of Fund's income) have agreed terms to extend its 30 June 2026 expiry for 7 years at \$600 per sqm which represents an 8% increase in rent.
- [545 Queen Street, Brisbane QLD](#) – Department of Defence (2.3% of Fund's income) has exercised its 2-year option extending its lease to June 2028. The rent is subject to market review and is expected to increase by approximately 10%.
- [545 Queen Street, Brisbane QLD](#) – terms have been agreed with a tenant for a 5-year term at \$830 per sqm to lease the ex Superloop tenancy which expired on 30 June 2026 (1.3% of Fund's income). This represents over 10% increase on the rent previously being paid by Superloop.

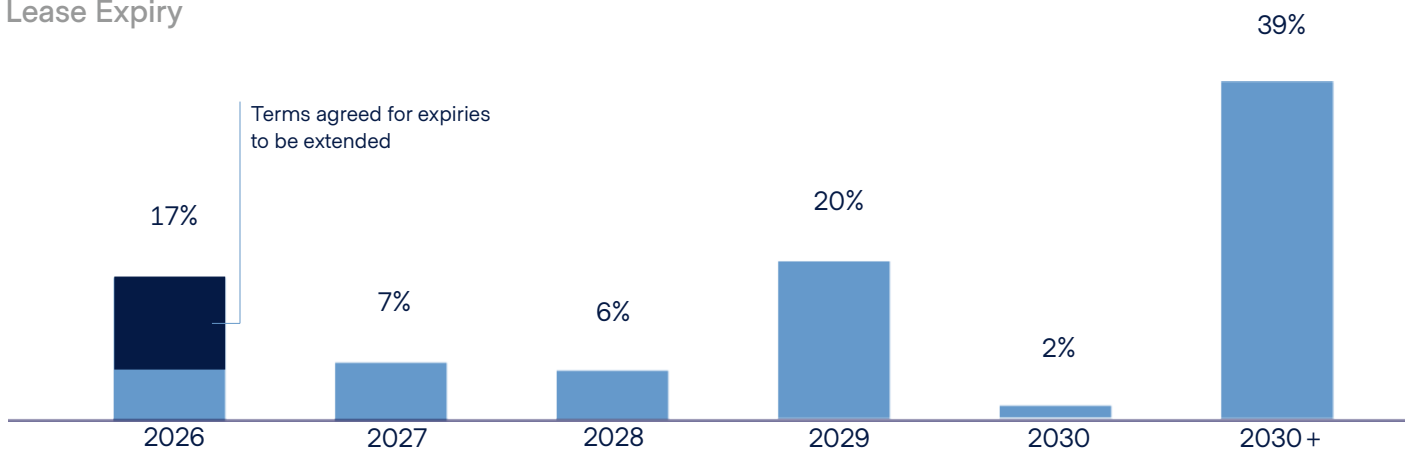
Combined, this leasing activity reduces 2026 expiry by 10% to 7%, of which 5% relates to vacant suites at 545 Queen Street, Brisbane QLD that has a rental guarantee in place until 31 December 2026. Corval's asset management team are working with appointed leasing agents to actively lease this remaining vacancy, as soon as possible.

Elsewhere in the portfolio, Corval has agreed to fund \$2 million of capital works for the tenant of 50-60 Millers Road, Wingfield SA with the works to be rentalised at a yield of 7.25%, which has resulted in a 5% increase in the property's value from \$15.5m to \$16.0m.



50 – 60 Millers Road, Wingfield SA

Lease Expiry



4. Portfolio Composition & Investment Activity

The Fund is well diversified across sector and geography with a collective 77% invested across the office and industrial sectors, where Corval has its deepest track record and experience. The Fund will also selectively consider investments across a variety of alternative sub-sectors particularly agricultural and hotel investments where Corval has a demonstrable track record. The Fund’s portfolio is 73% invested across its preferred Eastern Seaboard locations and will continue to consider assets in WA, SA and New Zealand, particularly in the industrial sector where those locations have proven to be strong performers.

Recent Aquisition

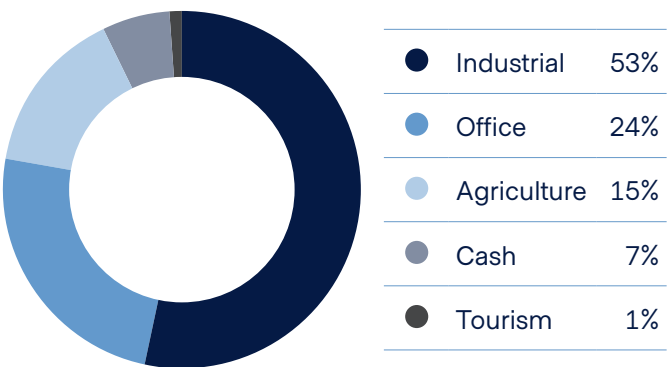
65-69 West Avenue, Edinburgh SA

In May 2026 the Fund acquired a 100% interest in 65-69 West Avenue, Edinburgh SA. This property is 100% leased to a subsidiary of the ASX listed Metcash, with three years remaining until April 2029, providing robust, near-term cashflow for the Fund. Corval has assessed the market rents to be approximately 60% above the current rent being paid, providing potential value upside for the Fund at the current lease expiry. Having secured the Property off-market, with no competitive bidding, the acquisition metrics are favourable, reflecting a capitalisation rate of 7.00% and an approximate 40% discount to replacement cost.

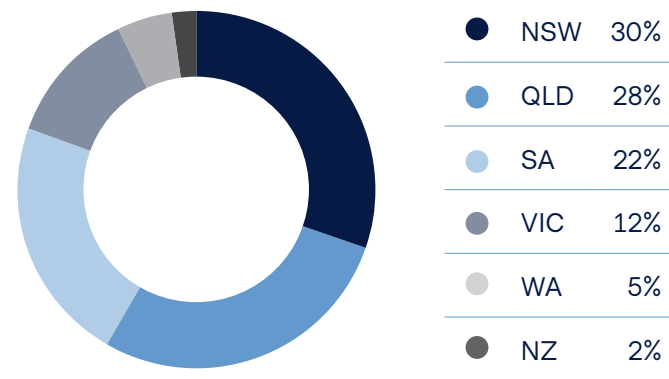


65 – 69 West Avenue, Edinburgh SA

Sector Allocation



Geographic Allocation



5. Capital Management

The Fund has a debt facility of \$41.1m with ANZ bank that is currently drawn to \$22.7m. The margin is 1.35% with \$17.7m of the debt hedged at a rate of 3.97%. The Fund holds indirect exposures to debt via its investment in 11 separately managed Corval trusts that results in the Fund’s look-through loan to value ratio (LVR) being 33.8% compared to the LVR covenant of 55%. The Fund’s target gearing range is 30-45% and will generally operate at the lower end of this range. The interest cover ratio (ICR) for the year to 30 June 2026 was approximately 6.8 times compared to the ICR covenant of 1.8 times.



33 Longland Street, Newstead QLD

6. Market Commentary



Industrial

The industrial and logistics market is transitioning from the exceptional growth phase of recent years into a more measured period of consolidation. The sector remains fundamentally supported, with stronger-than-expected occupier demand offsetting the impact of recent supply additions. National vacancy remained steady at 3.2% during the first half of 2026. Occupier demand strengthened materially, with approximately 1.4 million sqm of space taken up during the six months, more than double the level recorded in the second half of 2025.

The outlook for supply remains an important positive. While the development pipeline has the potential to add significant supply, delivery risk is increasing due to higher construction costs, tighter financing conditions and increased pre-commitment requirements from financiers. Approximately 40% of the 2026–27 pipeline is already pre-committed, and the increasing deferral of speculative projects should assist the absorption of recently completed stock. This provides a supportive backdrop for well-located assets, particularly those offering efficient transport access, modern specifications and proximity to major population centres.

Office

The office recovery is continuing, although performance remains highly differentiated by market, precinct and asset quality. Demand continues to favour high-quality, well-located assets, with the clearest rental growth occurring in Sydney and Brisbane. Melbourne is also showing improving leasing momentum, although its recovery remains at an earlier stage.

Capital markets were becoming more active, but have been subdued in recent months, likely due to elevated inflation and geopolitical events. Australian office transactions reached \$4.1 billion in H1 2026, up 15% year-on-year, with activity led by major Sydney transactions. The combination of improving rental growth, a historically constrained future supply pipeline and evidence of stabilising investor liquidity is increasingly supportive of the office investment case.

Overall, the office recovery is becoming more established, but it remains highly selective. Sydney Core and Prime Brisbane assets are benefiting most clearly from the combination of tenant upgrading, rental growth and constrained future supply. For investors, asset quality, location, building amenity and the ability to capture rental reversion remain the key determinants of performance.





Economy

The Australian economy continues to expand, although the outlook remains finely balanced between resilient underlying activity and persistent inflationary pressure. Real GDP grew by 2.5% over the year to Q1 2026, while the unemployment rate was 4.4% in May, indicating that labour market conditions remain relatively firm despite a gradual easing from the very tight conditions of recent years. Business conditions have stabilised following the sharp deterioration in sentiment earlier in the year.

Inflation remains the key point of interest. Headline CPI eased to 4.0% over the year to May, but trimmed mean inflation increased to 3.6%, suggesting that price pressures are becoming more broad-based as the effects of higher energy and supply-chain costs flow through the economy. The RBA held the cash rate at 4.35% in June, with the balance of risks still tilted towards further tightening; however, the subsequent sharp fall in oil prices has reduced one important source of near-term inflation pressure, subject to further development in the Middle East.

For commercial property, the implications of elevated interest rates and bond yields continue to constrain development feasibility and cap-rate compression, but resilient employment and consumption provide support to occupier demand. The resulting environment is likely to benefit assets with secure income, limited competing supply and the ability to capture rental growth, where the Fund continues to invest.



Sanjeev Sahota

Fund Manager

Sanjeev Sahota is the Fund Manager for the Corval Property Fund and has overall responsibility for setting the Fund's strategy and capital management. Sanjeev works with the wider Corval team to formulate asset plans for each of the Fund's properties and make acquisitions and divestments.



Oliver Picone

Chief Investment Officer

Oliver Picone is Chief Investment Officer of the Corval group and is responsible for all acquisitions and divestments at Corval, including identifying, sourcing and analysing opportunities as well as managing due diligence and contract negotiations.



Con Tsilous

Head of Asset Management

Con Tsilous is the Head of Asset Management for Corval bringing over 25 years of industry experience and is responsible for establishing and implementing asset management strategies to maximise value for investors.



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