



Company Overview and Development Pipeline

August 2023

Thanks to HTW

Acknowledging Herron Todd White's specific role with BHC for the past four years:



Annual rental valuations



Annual capital valuations



Valuations to support acquisitions

HTW's work is central to BHC's core operating business and our future growth strategy.

About BHC



Established 2002



Founding Shareholders Queensland State Government and Brisbane City Council



Company Limited by Shareholding



Charitable Entity

OUR VISION

Creating Homes, Empowering Lives,
Enabling Transformation

OUR MISSION

BHC's vision is delivered by building and maintaining quality affordable homes for people in need and engaging with and supporting people to sustain their tenancies.

OUR VALUES

Making a difference

Working with integrity

Supporting each other

Working safely

Valuing our differences

Being accountable and delivering quality

Celebrating achievement

About BHC



OUR IMPACT

7000+

HOUSEHOLDS
ASSISTED



OUR PORTFOLIO

45

DEVELOPMENTS

1600

SOCIAL AND
AFFORDABLE HOMES
OWNED & MANAGED



OUR CAPABILITY

TIER 1 CHP

DEVELOPMENT AND
CONSTRUCTION

TENANCY MANAGEMENT

ASSET MANAGEMENT

COMMUNITY DEVELOPMENT



OUR FINANCIAL CAPACITY

\$393m

NET ASSETS



Social and Affordable Housing Developments 2002 - 2023

2021 - 2023
1,958 Dwellings



Cornwall St
Woolloongabba
32 Affordable



Wardle St
Mt Gravatt-East
32 Affordable



Sutton Street
Redcliffe
82 Affordable



Ethel Street
Chernside
34 Affordable

2016 - 2020
1,788 Dwellings



Spectrum
Lutwyche
60 Mixed Tenure



Jingeri
Enoggera
10 Mixed Tenure



Benson Place
Springwood
35 Affordable



Arbor Sherwood
Sherwood
52 Retirement

2015
1,631 Dwellings



Bowen Court
New Farm
51 Affordable



Caggara House
Mt Gravatt
57 Affordable



Shearwater
Gladstone
12 NRAS



Fisher Crest
Gladstone
32 Mixed Tenure

2012
1,479 Dwellings



Eildon
Windsor
55 Mixed Tenure



Daintree
Fitzgibbon
4 NRAS



Cargo
Coopers Plains
70 Mixed Tenure



Quadrant
Chernside
84 Mixed Tenure



Century
Woolloongabba
73 Mixed Tenure

2011
1,193 Dwellings



Disaster Relief
Grantham
3 Shared Equity



Bonney Ln
Fortitude Valley
82 Affordable



Richmond
Bowen Hills
107 Mixed Tenure



Townhouses
Fitzgibbon
22 Affordable

2010
979 Dwellings



Core
Fitzgibbon
64 Mixed Tenure



Green Square
Fortitude Valley
80 Affordable



Syrah
Mitchleton
31 Mixed Tenure



Aris
Newstead
96 Mixed Tenure



Kulgun Cir
Inala
21 Affordable



Lavender St
Inala
6 Affordable

2009

2002

681 Dwellings



Thanbarran
Richlands
39 Affordable



Colton
Lutwyche
29 Affordable



Earnshaw
Nudgee
43 Affordable



Hurworth St
Bowen Hills
15 Affordable



Musk Ave
Kelvin Grove
56 Affordable



Danby Ln
Nundah
67 Affordable



Hartopp Ln
Kelvin Grove
42 Affordable



Alderley Ave
Alderley
16 Affordable



Ramsgate St
Kelvin Grove
32 Affordable



Warry St
Fortitude Valley
104 Affordable



Guthrie St
Paddington
50 Affordable



Lake St
Yeronga
34 Affordable



Ashton St
Camp Hill
21 Affordable



Welsby St
New Farm
10 Affordable



Terrace St
Spring Hill
20 Affordable



Alford St
New Farm
11 Affordable



Ryan St
West End
11 Affordable



Cardross St
Yeerongpilly
11 Affordable



Jeays St
Bowen Hills
70 Affordable



OUR DEVELOPMENT PORTFOLIO

Tenure:

- Affordable rental
- NRAS Rental
- Properties for Sale
- Market for Rent
- Retirement Living

A photograph of a modern, multi-story building at night. The building features a mix of dark and light-colored facades, with several balconies and large windows. The interior lights are on, and the balconies are illuminated from within. The building is set against a dark blue sky. A semi-transparent blue horizontal band is overlaid across the middle of the image, containing the text "Strategic Direction" in white. The foreground shows a grassy area and a fence.

Strategic Direction

Strategic Plan 2021 - 2025

GOALS

Goal Statement

By 2025 our portfolio will consist of 3,500 homes that meet the current and future needs of our residents

1

Growing the supply of affordable housing

2

Supporting residents and communities to thrive

Goal Statement

Our service delivery approach actively enhances the lives of our residents and strengthens our communities



Communicating with influence and impact

5

Goal Statement

We have a strong brand and reputation, we communicate with impact and we are effective sector advocates

Delivering a high performing and inclusive team culture

3

Goal Statement

We are an employer of choice, with a highly engaged and skilled workforce that supports a collaborative, high performance culture

Ensuring the financial sustainability and efficiency of our business

4

Goal Statement

Our business is financially sustainable, underpinned by a clear governance framework and we will continue to look for better ways of doing things

STRATEGIC ENABLERS

AT BHC WE VALUE:

- Making a difference
- Working with integrity
- Supporting each other
- Working safely
- Our differences
- Being accountable and delivering quality
- Celebrating achievements



Future Growth

A low-angle photograph of a modern, multi-story residential building. The building features a mix of brickwork and white panels, with dark accents around the windows and balconies. The sky is a clear, bright blue, and the tops of green trees are visible in the upper corners of the frame. A semi-transparent blue horizontal band is overlaid across the middle of the image, containing the text 'Housing Investment Fund' in white.

Housing Investment Fund



HIF Program Overview

BHC QIC Consortium Program



1st Tranche 600 units

Funding support from the \$2b Queensland Government Housing Investment Fund
Senior debt provided through National Housing Finance and Investment Corporation
Sub debt provided through Australian Retirement Trust (ART)
Construction finance through Queensland Treasury Corporation (QTC)

2nd Tranche 600 units

Sites currently being identified and acquired
Opportunities for further work with the State to consider further partnerships and priorities.

HIF Demonstration Projects



Ethel St, Chermside

- 34 social and affordable housing dwellings
- Construction Commencement: June 2023
- Project Completion: Q3 2024

UNDER CONSTRUCTION



Sutton St, Redcliffe

- 82 social and affordable housing dwellings
- Construction Commencement: August 2023
- Project Completion: Q4 2024

UNDER CONSTRUCTION

A photograph of a modern multi-story building with a light green facade and a central section with a white and black wavy pattern. A blue horizontal band is overlaid across the middle of the image, containing the text "Partnering for Growth".

Partnering for Growth

Partnering for Growth



Cornwall St, Woolloongabba

- 32 social and affordable housing dwellings
- Project Completed: Q1 2021



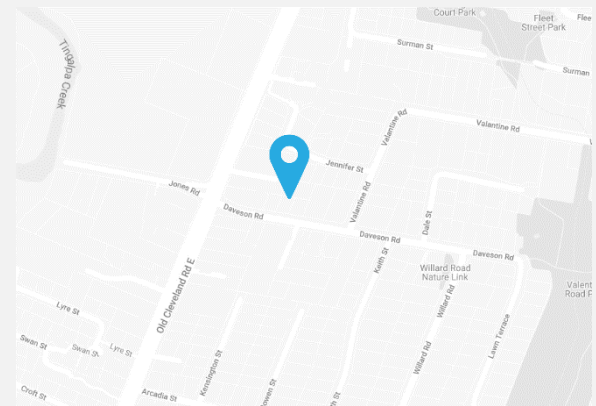
Wardle St, Mt Gravatt East

- 32 social and affordable housing dwellings
- Project Completed: Q2 2023



Park Rd, Yeronga

- 75 social and affordable housing dwellings
- Project Commencement: Q2 2024
- Project Competition: Q3 2025



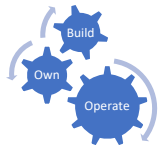
Daveson Rd, Capalaba

- 55 social and affordable housing dwellings
- Project Commencement: Q1 2024
- Project Competition: Q3 2025



Growth Challenges

Development Program – framework



BHC's operating model is a build, own and operate approach – we are a vertically integrated business incorporating in-house development capacity, housing and asset management functions.



BHC's Social and Affordable Housing investments are measured through a lens of operating profitability over a minimum twenty-year horizon – ensuring a sustainable business is core to BHC's DNA.



To achieve this outcome, developments must be long lasting, minimize re-current operating costs and have the ability to maintain their appeal to the target market over time (great quality homes!)

Site Acquisition



In most instances, BHC competes in the market against all other residential developers for sites – there is no “special arrangement” that provides priority access to Government land etc.



BHC prioritises access to local community amenity when selecting sites – access to shops, work, schools, health and community services and recreational facilities is paramount.



Whilst BHC has expanded its geographical scope to include a broad South-East Queensland focus for future portfolio development, development in inner and middle ring Brisbane remains a key priority for the Company (addressing high levels of demand for housing in these locations).



To address high levels of demand and to support operational efficiency, sites capable of yielding more than seventy dwellings are preferred



These factors combined result in a relatively small pool of sites that are suitable for BHC’s growth program

Construction Environment - Challenges



Unprecedented growth in construction costs over the past two years has had a significant impact on BHC's investment decisions.



Builder and in particular sub-contractor availability has declined, and contracting arrangements have shifted to reflect a less competitive environment.



Risk of builder failure has increased significantly, requiring a greater focus on potential mitigation strategies for this potential.



Construction programs (timeframes) have come increasingly under pressure, as contractors have struggled with (initially) building material availability and more recently labor shortages (associated longer programs and prelims).



In contrast, demand for social and affordable housing has continued to increase at a rapid rate during the same period, demanding increased development output to meet community expectations.

Construction Environment - Mitigants



Enhanced due diligence process prior to entering construction contracts



Focus on using builders that BHC has worked with extensively in the past (relationships).



Use of ECI arrangements to support cost certainty and commence early value management on all builds



Greater allowance for latent conditions within feasibility models.

A woman with short, curly grey hair is sitting on a white plastic bench outdoors. She is wearing a sleeveless top with a blue and white floral pattern, dark blue pants with circular cutouts at the hem, and gold sandals. A small, fluffy white and black dog is sitting on the ground next to her. The background is filled with lush green foliage, including large ferns. A semi-transparent blue horizontal bar is overlaid across the middle of the image, containing the text "People First" in white.

People First



2022 Tenant Feedback to BHC

BHC's success is measured by the quality of the experience of our tenants:



88%

Overall satisfaction



85%

BHC keeps you informed



89%

Satisfied with the overall
quality of their home



88%

Satisfied with services
provided by BHC



94%

Anticipate staying in
their BHC home

Questions

