

2020 - 2021

Annual Review



MESSAGE FROM THE Independent Chair

I am delighted to present the 2020-2021 BHC Annual Review. This year we saw the completion of our newest development in Woolloongabba, with the Hon. Leeanne Enoch MP, Minister for Communities and Housing officially opening the building in May. This \$12.1m development was one of the first projects completed under the Queensland Government's Partnering for Growth initiative and provides 32 new affordable homes, including five homes for young people. You can read more about this development and the residents who call it home on page 3.

In 2020, after ten years on the BHC Board, we farewelled director Ben Foster. During his tenure, Ben's professional expertise as a quantity surveyor and his knowledge of the property sector was invaluable to BHC as the company experienced a significant growth phase. We thank him for his incredible contribution. Following Ben's departure, we were pleased to welcome Matt Leyshon to the Board. With over 35 years of property experience, Matt's insights will be crucial as BHC works closely with the Queensland Government and other partners to continue to grow the supply of affordable housing.

We were honoured to receive the UDIA Queensland 2020 Mitchell Brandtman Award for Excellence in the Affordable Housing category for BHC's Benson Place development. This property was delivered in partnership with the Department of Housing and Public Works and provides 35 apartments for senior public housing residents in the Logan area who were looking to downsize into more suitable accommodation.

We are very excited about what we have achieved with this project and the genuinely welcoming community that has formed amongst the residents who call Benson Place home.



We all know the importance of having a safe place to call home like Benson Place, and whilst we are incredibly proud of the number of homes we have developed, we know we need to do more. This year the Board endorsed BHC's Strategic Plan 2021 – 2025, outlining the company's ambitious growth strategy and commitment to supporting residents and their communities. In the coming year, we are focused on building a strong development pipeline to increase the delivery of affordable homes to those who need them most. Alongside this growth, one of the key new initiatives from the Plan is the establishment of the BHC Impact Fund - an annual commitment of a minimum of \$150,000 to directly invest in programs and supports that create positive outcomes for residents and their communities.

I would like to thank our partners, stakeholders and friends for their support over the past year. I look forward to continuing to work together, to deliver quality homes and positive outcomes for Queenslanders in the year ahead.

Eloise Atkinson
Independent Chair

WELCOME FROM THE Chief Executive Officer

Over the past year, the ongoing health and wellbeing of BHC residents and staff, and the continuity of our service offering have been key priorities. I am immensely proud of the entire BHC team who have worked tirelessly and with a great deal of care to support the BHC community. Whilst BHC's residents have demonstrated tremendous resilience during the pandemic, I acknowledge how extremely challenging it has continued to be for many, particularly those who have experienced ongoing isolation from their family and broader support networks. I have been humbled by the optimism, compassion and tenacity that our community has shown during this time and I believe that, in many ways, we will emerge from the pandemic more unified and resilient than ever.

When I became CEO, I had a very clear vision for the organisation and I'm proud to say that we have been able to bring this vision to life in the new BHC Strategic Plan. The Plan focuses on the delivery of two key goals. Our first goal is our focus on increasing the supply of affordable housing over the next five years by growing our portfolio by 2,000 homes. Working together with our partners - government, institutional investors and strategic partners - will be essential in achieving this ambitious goal. Our second goal is our desire to do more to directly assist our residents and communities to thrive. The first step towards this goal has been the establishment of the BHC Impact Fund and details about the programs and initiatives provided through this Fund can be found on page 7.

In developing the Strategic Plan, we sought input from all BHC staff and directors and combined this with crucial insights from our residents. The final Plan reflects these collaborative efforts and I'd like to thank all stakeholders for their vital contributions. Our revitalised Plan will steer us in the years ahead and help us achieve our vision of Creating Homes, Empowering Lives, Enabling Transformation. See page 5 for full details of BHC's Strategic Plan.



This year, we also moved to our new office and the team has seamlessly adjusted into the new environment after many months of working from home. Our central location in the Brisbane CBD provides a COVID safe working environment for staff and stakeholders, but most importantly a highly accessible, welcoming environment for residents and visitors.

With an ever-increasing number of people in need of a safe, secure and affordable home, the demand for high quality, affordable and stable housing has never been greater. As we look ahead to the coming year, we remain committed to growing the supply of affordable housing and enhancing our services to residents and the communities we serve.

Rebecca Oelkers
Chief Executive Officer

INTRODUCING Cornwall Street, Woolloongabba

BHC's newest development at 126 Cornwall Street, Woolloongabba, provides quality affordable accommodation in a mixed-tenure complex.

Designed by award-winning architects KO&Co, this development provides 32 new homes including 27 for people on low incomes and key workers, and five homes specifically allocated for young people at risk of homelessness.

This project is the first to be constructed under the Queensland Government's Partnering for Growth initiative, with the Queensland Government contributing a substantial \$6.35m towards the project, through the Housing Construction Jobs Program. On May 6, we officially opened the doors to Cornwall Street and were privileged to have the Minister for Communities and Housing, the Honourable Leanne Enoch MP officiate the event.

Cornwall Street provides a striking addition to the local streetscape and includes an iconic 21m high artwork installed down the side of the building. The artwork, Woolloon, acknowledges and pays respect to the Indigenous derived name for the suburb with one interpretation of 'Woolloongabba' being 'whirling waters'. The property also has an upstairs common room and open-air rooftop terrace for the enjoyment of all residents.

BHC has partnered with Brisbane Youth Service (BYS) to support the young people at Cornwall Street. The residents in these homes, including a two-bedroom unit reserved for a young family, benefit from BY's wrap-around support services, including assistance to help them to sustain their tenancy and engage in education, training and employment.

In creating homes for the young people, BHC joined with BY's to create the Furnishing Young Futures (FYF) program. With over \$36,000 of generous support donated from corporate partners, the FYF project team were able to set up the homes for the young residents with the essential furnishings and white goods to enable them to successfully take the next step in their transition to independent housing.

We would like to acknowledge and thank FYF's corporate supporters including Stokes Wheeler, Knisco, Insurance Advisernet Foundation, Minter Ellison and Saunders Havill Group. Additional in-kind support was provided by JL Property Service, The Good Guys Commercial, Amart and IKEA.

These homes are providing life-changing opportunities for their new residents to work, connect and thrive within proximity to local services, transport and the amenity of the inner city. We are incredibly proud of the diverse community that now calls Cornwall Street home.



We are so grateful to be here. Imagine our surprise when the apartment turned out to be so thoughtfully constructed and built for purpose. There has obviously been a lot of thought and respectful consideration in the design of the apartments for people who are most vulnerable.

— Frankie, one of the building's first residents —



Woolloon – by Inkahoots

The work stands in solidarity with local First Nations peoples, using a symbolic graphic pattern to optically hide and reveal the Indigenous derived name for the suburb. One interpretation of 'Woolloongabba' is 'whirling waters', after a chain of waterholes that flowed through the region, likely teeming with fish and birdlife.

2021 - 2025 BHC Strategic Plan

BHC's new Strategic Plan outlines the vision and ambition for the organisation over the next five years. The Plan was developed in consultation with our Board of Directors and team members and incorporates feedback from our residents and shareholders.

Goal Statement

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

Goal Statement

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



Goal Statement

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

Goal Statement

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

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.



The BHC Strategic Plan 2021 - 2025 focuses on the delivery of two key goals:

GOAL 1: GROWING THE SUPPLY OF AFFORDABLE HOUSING

It is clear that a significant investment in the supply of new affordable housing is required. To make inroads into assisting the significant numbers of people on the social housing waitlist, and those experiencing housing need, but who are outside the formal social housing system, we need to do much more. BHC has delivered 1,800 units of accommodation across Brisbane and over the next five years, we want to grow our portfolio to 3,500 homes. We know we can not do this alone and so we will be working towards new projects and development pipelines with our partners in all levels of government, seeking to facilitate opportunities for institutional investment and collaborating with other strategic partners to bring this new supply to life.

GOAL 2: SUPPORTING OUR COMMUNITIES AND RESIDENTS TO THRIVE

We know that the affordable homes we develop and manage provide a critical platform for people to move forward with their lives, however we also know that many of our residents have a real need for much more than just a roof over their heads. To empower people to create the changes they want to make in their lives, they also need support and opportunities to participate in employment, training, social and community activities. Supporting our residents in these ways will also be a key focus of the Strategic Plan. The first step towards this goal has been the establishment of the BHC Impact Fund (see page 7).

CRUCIAL STRATEGIC ENABLERS

To achieve these two key Goals, we also recognise the crucial Strategic Enablers that will enable us to succeed. As an organisation we will ensure we have the right people and culture, efficient processes and good governance ensuring financial sustainability. We also need strong and clear communication about what we do, both as BHC and as a sector, and why it matters.

Our Strategic Plan is supported by a series of annual Business Plans that will ensure our focus and activities keep moving us towards our objectives. We look forward to sharing the progress of this ambitious plan.



THE BHC IMPACT FUND
Supporting residents
to achieve their goals


We are proud to announce the establishment of the BHC Impact Fund, an annual commitment of a minimum of \$150,000 that allows us to work alongside residents to identify and directly fund initiatives that support their goals, and those of their communities.

Providing safe and affordable housing is our number one priority, however, we know for many, accessing housing is just the beginning of their journey. To empower people to reach toward their goals, some residents may also need support and opportunities to participate in employment, training, social and community activities.


The BHC Impact Fund will provide BHC residents with important access to programs and services not funded elsewhere, across four priority areas:

BHC IMPACT FUND PRIORITY AREAS


TENANCY SUSTAINMENT AND PROGRESSION

 Initiatives to support residents experiencing mental health concerns, domestic violence and other complex issues that can lead to tenancy breakdown.


EMPLOYMENT SKILLS AND PARTICIPATION

 Providing access to training, education and volunteering opportunities for people of all ages and abilities.

ENHANCED RESIDENT WELLBEING

 Ensuring residents are able to access services and initiatives that promote health, wellbeing and inclusion.

COHESIVE COMMUNITIES

 Ensuring residents feel positive about their communities and are connected to relevant facilities and activities.

Each year BHC will work with residents and support providers to identify the priority programs and services that will be of most benefit, and these initiatives will be funded through the Impact Fund.

In the first year of operation, the Impact Fund will invest in a range of programs and services to support residents to achieve their life goals, including a grants program to enable residents experiencing financial hardship to access digital technologies and to fund education, employment or participation opportunities.

BHC is also developing an Outcomes Framework to measure and communicate the difference that BHC's housing services and Impact Fund initiatives make. Each year we will seek feedback from residents to ensure that our services and programs are accessible, inclusive and properly reflect their priorities and goals.

“ We know that many of our residents have a need for much more than just a roof over their head. To empower people and help them to transform their lives, they also need support, and opportunities to participate in employment, training, social and community activities. This is the purpose of the Impact Fund. ”

— Rebecca Oelkers, CEO —

ELEVATE RESIDENTIAL

Changing real estate for good

Over the past year, Queensland has been a favoured destination for interstate migration given the comparatively low rate of COVID, and avoidance of extended lockdowns. This has resulted in Brisbane's property market experiencing strong growth, outperforming all expectations. Whilst these market conditions present significant challenges for those in need of affordable housing, in the market-focused sector it has enabled our 'profit-for-purpose' real estate agency, Elevate Residential to close out the year with strong financial performance that exceeded budget forecasts.

The Elevate team is incredibly proud of this achievement, as every dollar of profit they earn is invested back into the work of BHC, through the BHC Impact Fund. Elevate's partnership with BHC is about far more than roofs over heads – it is a joint commitment to helping BHC's residents and communities reach towards their life goals and aspirations. This promise is outlined in the Elevate Residential "Impact Commitment" providing confidence to Elevate clients and stakeholders that their support is truly making a difference.

Over the past 12 months, Elevate has secured outstanding results for landlords, tenants, vendors and property investors. The team has achieved solid portfolio growth - doubling the number of properties under management and achieving great market returns for investors.

The team has also expanded their sales offering, not only delivering outstanding property results but securing a sound sales pipeline for the coming year.

The Elevate team is driven by their mandate to help the community and have been pleased to develop some great partnerships this year with community organisations looking for values-aligned real estate services. The team has assisted community housing provider Jacaranda Housing with their property sales and renewal strategy, as well as assisting specialist disability services provider Youngcare with property management services. These partnerships ensure all commissions received remain in the charitable sector, supporting Queenslanders in housing need to access critical supports and opportunities.

Looking ahead, Elevate Residential is focusing on further expanding their rental portfolio, broadening their sales services, and connecting with charitable organisations to support their property needs.



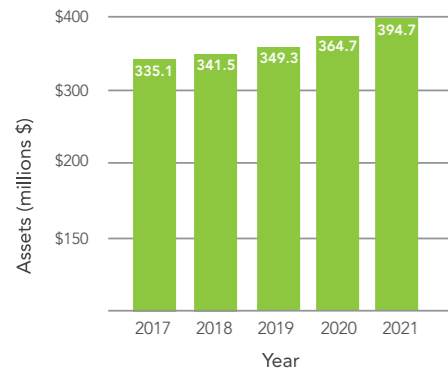
“ It's real estate with heart. And as Brisbane consumers demand businesses to be more socially aware and responsible, we are seeing more and more people choosing us as a trusted partner to sell or manage their properties. ”

Chris Meadmore,
Elevate Residential's Principal Licensee

2020/21

Financial operations summary

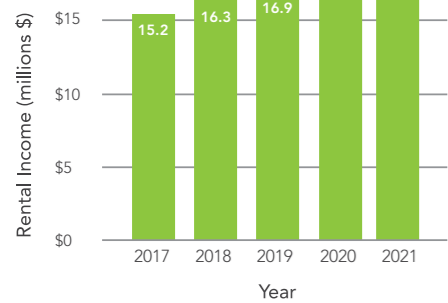
TOTAL ASSETS



Revenue and expenses for 2020/21 were both \$24.3m, broadly in line with the previous year. Rent revenue remained stable at \$17.5m, the additional rent from the new Cornwall Street development was offset due to higher vacancy rates in BHC's boarding rooms arising from a management decision to not re-let those dwellings with shared facilities because of COVID.

During 2020/21, BHC invested \$6.5m in the construction of the Cornwall Street affordable housing development which was completed in January 2021. BHC also commenced preliminary work on a number of other affordable housing developments in Brisbane.

TOTAL RENTAL INCOME



BHC's AA- credit rating was reaffirmed by Standard and Poor's during the year. BHC continues to explore funding options to increase the supply of affordable housing, including accessing long-term funding via the National Housing Finance Investment Corporation and also institutional investors who are interested to invest in social and affordable housing. These funding options will be assessed as part of the initiatives announced in the 2021/22 State Budget, including the new \$1b Housing Investment Fund.

Summary Statement of Financial Performance	2020/21 '000	2019/20 '000	2018/19 '000
Revenue			
Rent	\$ 17,455	\$ 17,516	\$ 16,889
Grants	\$ 4,863	\$ 4,474	\$ 6,988
Other	\$ 2,026	\$ 2,002	\$ 1,195
Total Revenue	\$ 24,344	\$ 23,991	\$ 25,072
Total Expenses	\$ 24,301	\$ 23,629	\$ 21,678
Revaluation of Property Assets	\$ 22,328	\$ 6,684	\$ 8,888
Total Comprehensive Income	\$ 22,371	\$ 7,046	\$ 12,281
Cash at the end of the Financial Year	\$ 22,515	\$ 19,409	\$ 16,150
Total Assets	\$ 394,701	\$ 364,660	\$ 349,263
Total Liabilities	\$ 20,321	\$ 12,652	\$ 4,301
Total Equity	\$ 374,380	\$ 352,008	\$ 344,962



BHC SKILL BASED Board of Directors

BACK (L-R): Les Jones, Julie Heckenberg, Stuart Gregory, Stacey Ross, Geoff Woolcock, Kirsty Smith
FRONT (L-R): John Gallimore, Eloise Atkinson, Matt Leyshon

Eloise Atkinson - Independent Chair

Eloise is an architect and director of the cross-disciplinary design practice, Deicke Richards. She has over 25 years experience in the design of public and affordable housing and has worked with clients in state government, community organisations and private developers. She is committed to using design to achieve social purpose and works closely with education clients across the government, Catholic and independent spheres, with a particular focus on collaborative master planning work.

Eloise is the Independent Chair of BHC, contributing to all committees. She is also sits on advisory committees for two other not-for-profit organisations addressing older women's housing and ending homelessness in Brisbane.

John Gallimore

John was long-time Partner in, and subsequently a Consultant to, an international law firm. He is also a Board Member of Multicap Limited. John is a former Board Member of Queensland Sudden Infant Death Research Foundation and has had various roles in the Anglican Church in Brisbane. John is a State Government appointed Director of BHC and is a member of BHC's Property, and Audit and Risk Committees.

Julie Heckenberg

Julie holds over 25 years' experience in leadership and organisational development, and education and training at both enterprise and government levels. Julie has successfully translated her skills to the community sector through her work as Founder and Interim Board Member of Under 1 Roof. Julie is the Chair of BHC's Tenancy Management Committee and a member of the Catalyst Board.

Stuart Gregory

With over 30 years' experience in professional services as both a Finance Director and Chief Executive, Stuart has a wide array of skills in Finance, Administration and Business Management. Stuart is the Brisbane City Council appointed Director and is the Chair of BHC's Finance Committee and a member of the Audit & Risk Committee.

Matt Leyshon

Matt has more than 35 years' experience in the property industry. He is currently the Head of Development at Grocon and a Development Director in their 'build-to-rent' business. He has been at Grocon since 2014 and during this time has overseen a range of projects including 480 Queen Street and the 2018 Commonwealth Games Village / Smith Collective. Matt is a member of BHC's Property Committee.

Les Jones

Les is a retired Grant Thornton Partner with extensive involvement in not-for-profit organisations. At Grant Thornton, Les headed up Assurance Services and was the Office Managing Partner for five years. Les has been a Director of various not-for-profits and contributed to the Professional Education program for the Australian Institute of Chartered Accountants. Les is Chair of BHC's Audit & Risk Committee and a member of the Finance Committee.

Kirsty Smith

Kirsty is Managing Director of Kelen Property. Previously CEO for the City of Brisbane Investment Corporation, Kirsty was responsible for its property development and investment strategies. Her property experience across both public and private sectors follows an early career in finance and business management roles. Kirsty is a Director of Mt Alvernia College.

Stacey Ross

Stacey is a Director and CEO of The Centre For Women & Co. specialising in domestic and family violence and women's wellbeing services. With over 20 years' experience in the community sector Stacey is passionate about community development at a grassroots level, she leads with integrity and has an endless desire to empower others to reach their full potential. Stacey is a State government appointed Director and is a member of BHC's Tenancy Management Committee.

Geoff Woolcock

Geoff is a Senior Research Fellow at the University of Southern Queensland's Institute for Resilient Regions, and an Adjunct Associate Professor at Griffith University and University of the Sunshine Coast. Geoff has over 30 years' community-based research experience nationally and internationally in the housing, social policy and public health sectors. Geoff is a Director of the Australian National Development Index (ANDI) and the Making Futures Foundation, and is a member of BHC's Tenancy Management Committee.



2020 UDIA QLD Win

Designed by leading Brisbane firm Ultralinea Architecture, BHC's Benson Place won the 2020 Urban Development Institute of Australia (QLD) Mitchell Brandtman Award for Excellence in the Affordable Housing category.

We are incredibly proud of our residents for making Benson Place the strong and welcoming community it is today.



Benson Place residents celebrating our UDIA Queensland win.

ANNUAL REVIEW 2020/21

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Dedicated to a better Brisbane

BHC takes this opportunity to acknowledge the funding received from the Commonwealth, Queensland Government and Brisbane City Council and the continued support of all our community shareholders. BHC is a public company limited by shares, a public benevolent institution, an income tax exempt charity and deductible gift recipient.

All images within this publication are of BHC residents, families and properties. We thank our tenants and investors for their generous input.

