

CASE STUDY No.1

PREFERRED EQUITY INVESTMENT



BACKGROUND

- Investment is a Joint Venture with a private developer to acquire and reposition 15Ha of land in Caboolture, 30 minutes north of Brisbane on the Bruce Highway. The property included an operating pub.
- Asset was purchased with planning pin place for a fuel/travel centre and some retail uses. In addition the site had planning permission for further commercial and industrial uses.

STRUCTURE

- Investment has been made via a preferred equity structure

MANAGEMENT ACTIVE APPROACH

- During the DD period, Management secured a major fuel retailer to formally commit to the lease the proposed travel centre as well as gaining letters of offer and EOI's from fast food operators for the adjoining space.

PERFORMANCE

- Construction of the travel centre is anticipated in Q3 2016. Further planning amendments to the site are being applied for which will bring out further development opportunities.
- Multiple exit avenues are available for this asset which may include a fund through transaction, asset sale or develop and hold for income.

TRANSACTION	CHARACTERISTICS	INVESTMENT SIZE	INVESTMENT PERIOD	FORECAST INVESTMENT IRR
COMMERCIAL JOINT VENTURE	INVESTMENT/REPOSITIONING /DEVELOPMENT	\$5 MILLION	36 MONTHS	30%