



**Preston
Rowe
Paterson**

National Property Consultants

CAPITAL *RAISINGS*

About This Report

Preston Rowe Paterson prepare standard research reports covering the main markets within which we operate in each of our capital cities and major regional locations.

The markets covered in this research report include the commercial office market, industrial market, retail market, hotel and leisure market, residential market and property fund capital raisings.

We regularly undertake valuations of commercial, retail, industrial, hotel and leisure, residential and special purpose properties for many varied reasons, as set out later herein.

We also provide property management services, asset and facilities management services for commercial, retail, industrial property as well as plant and machinery valuation.

OCT 2012 — OCT 2013

A YEAR IN REVIEW

Inside this Issue

Capital Raisings	Page 2
About Preston Rowe Paterson	Page 3
Contact Us	Page 4



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Capital Raisings

\$50 million capital raising closed early

A **\$50 million capital raising** has been closed early due to an oversubscription. Cromwell Property Group was raising capital for its Ipswich City Heart Trust. The property was completed in mid-2013 and forms part of the ICON Ipswich redevelopment.

[AFR 12/10/2012]

\$150 million capital raising

Private equity company Altis has raised almost \$150 million to acquire assets within the industrial and office sectors. Additional funds will be supplied by international investors.

However, experts within the industry have expressed that a culmination of the high Australian dollar and the climbing withholding tax has hindered offshore players investing in Australia.

[AFR 16/10/2012]

\$100 million capital raising

Charter Hall REIT has purchased three shopping centres in regional NSW and will undertake a **\$100 million institutional placement**, at \$3.45 a unit. The fully underwritten raising is issuing units which are a 2.1% premium to net tangible assets.

Charter Hall Retail REIT is also planning to raise around **\$20 million** through a unit Purchase Plan where the units are also \$3.45 each. The shopping centres that the fund has acquired were Dubbo Shopping Centre, Tamworth City Plaza, a 50% stake in the Lake Macquarie Fair shopping centre and a 50% stake in the Mount Hutton shopping centre.

[AFR 19/10/2012]

\$125 million capital raising

The Investa Office Fund has raised \$125 million through a medium-term note issue. The proceeds will be used towards paying down bank debt. No further details were released.

[AFR 30/10/2012]

\$40 million capital raising

ALE has instigated a capital raising of \$40 million to secure funding for lower borrowing costs. The pub landlord has not purchased a pub since 2008, however industry insiders have expressed that this is a vigilant strategy the company uses. The forecast earnings of 16 cents per security is expected to remain the same.

[AFR 31/10/2012]

\$400 million capital raising

Goodman Group has raised \$400 million in equity to fund their growing number of properties. Industry insiders have expressed that due to restricted access to development capital, Goodman has a competitive advantage with partners boasting strong funding lines.

[AFR 12/11/2012]

\$100 million capital raising

A **\$100 million capital raising** will soon be introduced by Japara Aged Care Property Trust. The company, which invests in freehold properties specializing in retirement living, currently has over 25 freehold aged care facilities. Seeing growth in the sector, they have plans on targeting superannuation funds and institutional investors for capital.

[AFR 06/02/2013]

\$250 million capital raising

A **\$250 million capital raising** has been completed by GPT Group from US debt investors. The raising comes as GPT Group follows other real estate investment companies turning to local and international bond markets for funding, thus diversifying debt sources from banks.

[21/03/2013]

\$400 million capital raising

Australia's largest diversified real estate investment trust, Stockland, have **raised \$400 million** to help fund a shopping centre expansion and repay debt. Industrial insiders have expressed that retail property was Stockland's greatest immediate opportunity given the group's expertise and investor demand. Stockland owns 41 shopping centres, which are expected to be worth \$5.5 billion by the end of 2013.

[AFR 22/05/2013]

\$6.25 million capital raising

Poinciana Place Property Trust has raised **\$6.25 million in equity** for a Woolworths-anchored shopping centre at Tewantin on Queensland's Sunshine Coast, valued at \$12.36 million. Strength of the raising was due to solid cash returns, quality assets and no acquisition, sale or performance fee according to Stockwell Group senior development manager Andrew Dalton.

[AFR 15/08/2013]

\$70.8 million capital raising

Trafalgar Corporate Group has purchased fund manager 360 Capital through a **\$70.8 million capital raising**. The offering of 120 million new units at 59c apiece was several times over-subscribed. The managing director of 360 Capital, Tony Pitt will own 25% of the new company which will have a market capitalization of approximately \$150 million.

[AFR 21/08/2013]

\$300 million capital raising

Allan Moss, Michael Carapiet and John Prendiville, former Macquarie Bank employees have used their connections and banking skills to buy into an unconventional Wesfarmers **\$300 million capital raising**. The trio formed the consortium that bought \$17 million of the 'residual equity' notes that backed \$270 million of debt linked to lease payments made to a portfolio of 15 Buntings Warehouse properties.

[AFR 03/09/2013]

\$150 million capital raising

Stockland has raised **\$150 million in new debt** through an Australian dollar-denominated senior unsecured medium term note. No further details were released.

[AFR 04/09/2013]

\$61.7 million capital raising

Ingenia Communities, a retirement village operation has **raised \$61.7 million** in order to expand its manufactured home park business with the purchase of eight more properties. Contracts have already been exchanged on the Drifters Holiday Village at Kingscliff NSW, while another 7 acquisitions with a combined value of around \$82 million are expected to be announced in the near future.

[AFR 12/09/2013]

\$12 million capital raising

Olympian Mark Stockwell has begun raising **\$12 million** for a second retail property in Queensland—The Sabrina Town Centre. The raising is in conjunction with his intention to place approximately \$65 million worth of his shopping centres in trusts and avoid more bank debt. The Sabrina Town Centre is valued at around \$21 million and the trust aims to be geared at 55%. The 6,200 sqm centre is anchored by a Supa IGA and Target and has a weighted average lease expiry of 8.7 years.

[AFR 19/09/2013]

\$147.5 million capital raising

The Galileo Japan Trust has **raised \$147.5 million** in equity in order to recapitalize the trust and reinstate distributions. The joint lead managers and underwriters of the raising were Macquarie Capital and Moelis. No further details were released.

[AFR 04/10/2013]

\$569 million capital raising

The GPT Wholesale Shopping Centre Fund (GWSCF) has beaten a capital raising target with an **oversubscribed offer of \$569 million**. The fund intends to use the capital to improve gearing in the unlisted vehicle and to prepare for future acquisitions.

[AFR 28/10/2013]

Our Research

At Preston Rowe Paterson, we pride ourselves on the research which we prepare in the market sectors within which we operate. These include Commercial, Retail, Industrial, Hotel & Leisure and Residential property markets as well as infrastructure, capital and plant and machinery markets

We have property covered

- Investment
- Development
- Asset
- Corporate Real Estate
- Mortgage
- Government
- Insurance
- Occupancy
- Sustainability
- Research
- Real Estate Investment Valuation
- Real Estate Development Valuation
- Property Consultancy and Advisory
- Transaction Advisory
- Property and Asset Management
- Listed Fund, Property Trust, Super Fund and Syndicate Advisors
- Plant & Machinery Valuation
- General and Insurance Valuation
- Economic and Property Market Research

We have all real estate types covered

We regularly provide valuation, property and asset management, consultancy and leasing services for all types of Real Estate including:

- CBD and Metropolitan commercial office buildings
- Retail shopping centres and shops
- Industrial, office/warehouses and factories
- Business parks
- Hotels (accommodation) and resorts
- Hotels (pubs), motels and caravan parks
- Residential development projects
- Residential dwellings (individual houses and apartments/units)
- Rural properties
- Special purpose properties such as: nursing homes; private hospitals, service stations, oil terminals and refineries, theatre complexes; etc.
- Infrastructure

We have all types of plant & machinery covered

We regularly undertake valuations of all forms of plant, machinery, furniture, fittings and equipment including:

- Mining & earth moving equipment/road plant
- Office fit outs, equipment & furniture
- Agricultural machinery & equipment
- Heavy, light commercial & passenger vehicles
- Industrial manufacturing equipment
- Wineries and processing plants
- Special purpose plant, machinery & equipment
- Extractive industries, land fills and resource based enterprises
- Hotel furniture, fittings & equipment

We have all client profiles covered

Preston Rowe Paterson acts for an array of clients with all types of real estate, plant, machinery and equipment interests such as:

- Accountants
- Banks, finance companies and lending institutions
- Commercial and Residential non bank lenders
- Co-operatives
- Developers
- Finance and mortgage brokers
- Hotel owners and operators
- Institutional investors
- Insurance brokers and companies
- Investment advisors
- Lessors and lessees
- Listed and private companies corporations
- Listed Property Trusts
- Local, State and Federal Government Departments and Agencies
- Mining companies
- Mortgage trusts
- Overseas clients
- Private investors
- Property Syndication Managers
- Rural landholders
- Self managed super funds
- Solicitors and barristers
- Sovereign wealth funds
- Stock brokers
- Trustee and Custodial companies

We have all locations covered

From our central office location within the Sydney Central Business District we serve our clients' needs throughout the Sydney CBD, greater Sydney metropolitan area, throughout the state of New South Wales. For special purpose real estate asset classes, infrastructure, and plant & machinery we operate throughout Australia and globally either directly or through our relationship offices.

We have your needs covered

Our clients seek our property (real estate, infrastructure, plant and machinery) services for a multitude of reasons including:

- Acquisitions & Disposals
- Alternative use & highest and best use analysis
- Asset Management
- Asset Valuations for financial reporting to meet ASIC, AASB, IFRS & IVSC guidelines
- Compulsory acquisition and resumption
- Corporate merger & acquisition real estate due diligence
- Due Diligence management for acquisitions and sales
- Facilities management
- Feasibility studies
- Funds management advice & portfolio analysis
- Income and outgoings projections and analysis
- Insurance valuations (replacement & reinstatement costs)
- Leasing vacant space within managed properties
- Listed property trust & investment fund valuations & re-valuations
- Litigation support
- Marketing & development strategies
- Mortgage valuations
- Property Management
- Property syndicate valuations and re-valuations
- Rating and taxing objections
- Receivership, Insolvency and liquidation valuations and support/advice
- Relocation advice, strategies and consultancy
- Rental assessments and determinations
- Sensitivity analysis
- Strategic property planning

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