

Driving our success is our extensive experience across all segments of the property market, coupled with the holistic view that we adopt when developing a property strategy.

Our property services are built upon our experience with:

- Day to day property management including the implementation of strategies to mitigate holding costs;
- Dispute resolution and lease negotiation;
- Effective taxation strategies for different classes of property;
- Regulatory compliance with respect to environmental, heritage, indigenous, development and construction matters;
- Commercial assessment of development projects (including partially completed developments); and
- The effective marketing and sale of all classes of property.

## Market Segment Experience

- **Residential** – We have considerable experience in realising residential properties as Administrators, Receivers & Managers and Trustees. We are acutely aware of the emotional impact of such an appointment as well as the scope for reputational risks to both ourselves and an appointor. As such, we pride ourselves on our professional approach and our swift, cost effective methodology, to achieve the highest possible market realisation.

An example of our expertise in this segment was an appointment to three (3) residential properties located in suburban Sydney, two (2) of which were occupied by the borrower's extended family. We adopted a sensitive approach and successfully achieved vacant possession prior to swiftly implementing a marketing and sales strategy which maximised the competitive tension resulting in interested parties bidding on multiple properties, achieving a result that surpassed expectations.

- **Commercial/Industrial** – We have considerable experience in the management and realisation of commercial and industrial properties in both Western Sydney and Regional New South Wales in both Administration and Receivership capacities. These appointments have showcased our commercial acumen by achieving pleasing results for key stakeholders.

Our expertise in this market segment includes:

- A mixed use commercial property in Campbelltown with a tenant in occupation without a formal lease agreement in place. We were successful in negotiating a lease at above market terms resulting in an increased return for the secured creditor; and
- A vacant industrial property in Granville whereby we undertook cost effective renovations, addressed

environmental concerns regarding the soil and conducted an effective marketing campaign highlighting both the location and potential for the property resulting in a well attended auction and a sale price above valuation.

- **Development** – We have significant experience with development land and are particularly mindful of the key commercial considerations of the property 'cycle'.

Our expertise includes:

- The appointment over a significant land holding in North Queensland, which incorporated property at various stages of development (ranging from englobo land to titled lots). The key challenge for this engagement was the depressed state of the market for vacant residential lots, which in turn made englobo properties an uncommercial and unviable proposition to developers at that time.

Accordingly, a longer term realisation strategy was adopted focusing on a strong marketing campaign to realise the titled lots at higher prices than had been achieved in the previous twelve months, which in turn has a flow on effect to the value of the englobo property. During this time options were explored to secure income to meet holding costs including securing tenants to farm the englobo land.

## Current Market Trends

Following a period of relative price stagnation, the residential property market has experienced exponential growth in recent years, driven largely by low interest rates, favourable taxation treatment for investors and limited supply.

The effects of the property boom have been felt in areas which historically have been known as light industrial enclaves such as Alexandria, Botany and Mascot. The increase in demand for residential land in these areas has resulted in a migration of this asset class further west. Similarly, in the property sites which previously have been used for commercial developments such as Mascot and St Leonards, are being purchased by residential developers and this asset class has shifted to areas such as Parramatta, Macquarie Park and the Norwest precincts.

As we have seen in previous property cycles, industry participants are starting to question the fundamentals of the current boom. Accordingly, the challenge for participants will be to prepare for what might trigger the next phase of the cycle such as changes in:

- Interest rates;
- Input costs;
- Lending practices; and
- Foreign investment policy.