



HCAP South Brisbane Single Asset Trust

HCAP South Brisbane Single Asset Trust ("Fund")

HCAP offers wholesale investors access to a single asset property trust, called a "HCAP Single Asset Trust", where the risk and return is linked directly to a single boutique residential development in South Brisbane. The development is called Fleet Lane Apartments ("Fleet Lane"). HCAP South Brisbane Single Asset Trust provides mezzanine funding to the development in search of superior target returns - 25% net of costs and fees. The Fund investors have priority access to returns over normal equity investors.

Target Total Return: 25% net of fees

Target Investment Horizon: 18 months

Trust Status: Closed to new subscriptions - oversubscribed

Project

Fleet Lane is a residential development project consisting of 66 apartments, providing for 24 one-bedroom, 36 two-bedroom and 6 three-bedroom apartments, all with car spaces. The development is one of the closest new apartment projects to the Brisbane CBD. Located within 500m, Fleet Lane offers spectacular city views for all residents with private access to over 300sqm of premium roof top terrace including spa, sun lounges, shaded barbeques and dining areas, Zen garden, and premier cocktail terrace.

Fleet Lane has an 18 month target investment horizon from the date of commencement. Importantly, HCAP South Brisbane Single Asset Trust seeks to invest where there is a strong risk management plan in place to achieve Fleet Lane's pre-sale targets for construction finance. That is, "off the plan" sales targets, which meet standard bank construction requirements. Pre-sale targets are normally 70% of total apartments to be built.

Trustee

HCAP Asset Management is the trustee for HCAP South Brisbane Single Asset Trust. HCAP is a performance driven and active investment manager with deep skills in credit; rates; securities; property and commodity investments. HCAP is fully licensed and regulated by the Australian Securities and Investment Commission (AFSL No 332100).

Project Sales and Marketing

Australasian Property Partners, through its aligned interest approach, brings together a wealth of experience in property development, investment and sales. APP has strong relationships both within the property industry as well as the banking and finance community. Through an alliance network approach, APP has exclusive access to "developments" that are not generally available to the public.

Trust Information

Base Currency:	AUD	Automatic Redemptions:	Upon project completion
Domicile:	Australia	Income Distributions:	Upon project completion
Investment Type:	Unit Trust	Minimum Investment:	AUD 100,000
Underwritten:	Yes - by HCAP	Administrator:	Precision Fund Services
Gross Annual Return:	20% p.a.	Sales and Marketing:	Australasian Property Partners
Management Fee:	2.0% p.a.	Development Management:	Marquee Projects
Administration Fee:	1.3% p.a.	Architect:	Deicke Richards Architects
Launch Date:	21-May-14	Builder:	TBA
Offer Close Date:	5-Aug-14		

Trustee

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HCAP Single Asset Trust – a single asset property fund targeting a 25% return to investors

HCAP at times assists wholesale and professional investors to invest in the equity of a particular residential project, alongside the developer. The investment is by way of subscription to a single asset unit trust (HCAP Single Asset Trust), targeting high target returns.

HCAP Asset Management ("HCAP") is a regulated and ASIC accredited Investment Manager, Trustee and Custodian.

For each development project that HCAP supports, a new single asset unit trust, called a HCAP Single Asset Trust is established. This ensures that risk and target return is linked directly to a single residential development and not to other projects and external influences.

On completion of each residential development project the respective HCAP Single Asset Trust distributes according to its Information Memorandum, providing investors with a clear and defined liquidity event. Investors know in advance when they may get access to their money and target return. Importantly, all HCAP Single Asset Trusts to date have performed in line or above expectations (see table below).

HCAP's Single Asset Trusts are somewhat unique in the world of Australian property funds. The vast majority of property funds in the market place are "open ended" funds that invest in multiple projects, risks and provide investors with limited transparency and liquidity. HCAP is at the other extreme by providing simplicity in approach, a defined and easy to understand target liquidity date and, importantly, superior target returns.

HCAP is proud of its track record of delivering super returns to investors. HCAP Single Asset Trust clients have achieved a minimum gross return of 25%, on top of their original principal investment, in each of HCAP's respective Single Asset Trusts - "Vivid" at Kangaroo Point; "Binary" at Kelvin Grove and "Vivid" at New Farm in Brisbane. Each fund returned principal and returns, on average, within 18 months from launch of the respective development.

HCAP Single Asset Trusts - track record

	Trust name	Development location	Target return	Return distributed
1	New Farm Trust	1 km from Brisbane CBD	20%	28%
2	Kelvin Grove Property Unit Trust	2 km from Brisbane CBD	20%	25%
3	Kangaroo Point Unit Trust	1 km from Brisbane CBD	20%	25%
4	Lane Cove Single Asset Trust	9 km from Sydney CBD	25%	Launched in April 2014

Security considerations for HCAP South Brisbane Single Asset Trust investors

- 1 Target apartment "pre sales" to cover 100% of the projected peak bank debt financing levels.
- 2 Investors get paid before development equity.
- 3 The developer has significant experience in residential building and development.

Taxation considerations for HCAP South Brisbane Single Asset Trust investors

Tax implications vary depending on an Investor's individual circumstances. Investors should seek their own independent tax advice prior to investing.

HCAP South Brisbane Single Asset Trust may be classified as a Public Trading Trust and may be taxed like a company, with profits taxed at the Company Tax rate (currently 30%) and distributed with associated franking credits to investors.

Important Notice

Please register your interest and you will receive the final Information Memorandum once this document is completed.

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