

## PROPERTY ASSET MANAGEMENT SERVICES

Fine Grain Property Pte Ltd ('Fine Grain') offers superior property asset management services to institutional and private equity investors, and lenders that have taken direct control of property.

The Fine Grain team is lean, highly experienced, and commercially oriented. The team includes seasoned, hands-on property professionals, mature business managers and senior accountants, with a depth of property experience in Singapore.

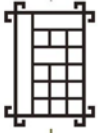
The current challenging global investment environment calls for cost-effective, focused, hands-on property management. Lean management structures and excellent internal processes with attention to detail, enable Fine Grain to be opportunistic in delivering returns to investors.

Fine Grain's property asset management service draws on our capability to manage assets through the entire investment cycle. We adopt a strategic approach, looking at each specific asset enabling the successful execution of value added real estate strategies.

Fine Grain works closely with investors to understand their specific risk appetite and return expectations. Through this single point of contact, institutional and private Investors benefit from a coherent strategic approach to the effective acquisition, management and, where appropriate, strategic disposal of assets. In short, we aim to buy well, manage well, and sell well.

Fine Grain is a high energy, focused team which effectively executes the agreed strategy; our dynamic, experienced team delivers value throughout with proactive, dedicated management of every detail of the property.

In addition to decades of property management expertise, the Fine Grain team has an unrivalled depth of financial expertise both in-house, and through our relationship with MKO Partners, a boutique public-based chartered accountancy practice. Our proven expertise in developing appropriate transaction structures coupled with our local real estate market insight provides comfort to our partners and investors, enhancing returns on assets, without exposing investors to unnecessary risks.



## ACQUISITION

The experienced team in Singapore conducts extensive on-the-ground due diligence on target locations appropriate to investors' appetite and strategy, identifying suitable off-market opportunities and underperforming assets in these locations through the Directors' extensive contact network. Specific services include:

- a) Assessment of suitable locations and asset in line with investor strategies.
- b) Identification of a suitable Property for acquisition
- c) Research and preparation of an Investment Proposal for consideration by acquiring party, incorporating financial model(s).
- d) Recommendation of structures and strategies to acquire property in a timely and cost effective manner.
- e) Project-management of the acquisition process on behalf of the Investor, including negotiations with vendors.

## ASSET MANAGEMENT

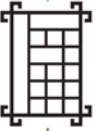
### Routine Property Management

We provide comprehensive property asset management services to assist Investors in achieving their forecast level of return, including:

- a) Carrying out and project managing value add strategies to cost-effectively refurbish and renovate property, including:
  - Development of budget and timeline for works.
  - Recommendation and management of appropriate professionals, such as architects, interior designers, engineers, M&E consultants.
  - Management of necessary government approvals and licenses.
  - Recommendation of appointment and management of building contractors.
- b) Proposing and project management of strategies to market and lease property to achieve the expected level of return, including:
  - Implementation of marketing strategy for property, including re-branding and advertising, where necessary.
  - Recommendation and management of appropriate professionals, such as leasing agents, branding consultants, and advertising companies.
- c) In advance of completion, monitoring the establishment of the Management Corporation ("MC"), as appropriate.
- d) Providing advice in relation to the sourcing and management of appropriate professionals necessary to ensure the effective management of the common areas through the MC.
- e) Managing the Investors' interests via participation in the Council of the MC, as appropriate.

### For Properties under construction

- a) Conduct regular site inspections to highlight completion risk factors, and propose remedies for decision where required.
- b) Monitor completion progress via review of monthly construction progress reports.



## Leasing

- a) At Fine Grain we recognize that the management of investment and operation of assets needs quality information. Close monitoring and tracking of market trends, transactions and factors specific to each property, means that we are well placed to advise our clients on leasing strategies
- b) Develop and execute a leasing strategy for each property.
- c) Recommend, advise on negotiations of terms, and manage appropriate professionals, such as leasing agents, branding consultants, and advertising companies.
- d) Continuous reassessment of each property's performance, ensuring that leasing strategy remains aligned to market fundamentals and is focused on creating maximum value.

## SALE

- a) Develop and execute a sales strategy for each unit of property, including positioning and advertising property for sale, where necessary.
- b) Project-manage the sale process on behalf of the Investor.

## REPORTING

The Investor will receive:

### Monthly

- a) Management Accounting package for the Investment Vehicle, including:
  - Executive Summary
  - Profit and Loss
  - Balance Sheet

### Semi-Annually

- a) Investment Vehicle Administration Activity Report including activities undertaken on behalf of vehicle, and confirming compliance in audit tax and other statutory areas.
- b) Draft Investor Report for issuance by Board of Vehicle.

In addition to the above services, Fine Grain can also assist with **Routine Investment Vehicle Administration Services** such as Investor Relations Advisory, Fund Accounting, Treasury Management and Compliance.

Where these services are not available in-house, we **recommend and manage appropriate professionals** necessary for the ongoing routine management of the Vehicle, including Legal Counsel, Tax Advisors, Corporate Secretarial, Audit and Insurance.

## THE FINE GRAIN ADVANTAGE – CLIENT CASE STUDY:

### SEVEN HUNDRED BEACH - Boutique Office Development



#### Investment structuring, set-up, and syndication:

##### Optimal Investment Structure

- Established in 2007, a Singapore-registered investment consortium was structured to provide tax-efficient, low cost structure for a group of international and local Singapore Private Equity investors.
- Fine Grain Property provides investment vehicle administration services, including compliance, governance, and investor reporting/relations services.

#### Property Acquisition and Asset Management:

##### Knowledge of Area Development Plans

- The Beach Road Corridor is proximate to Singapore's CBD, in an area which continues to see considerable infrastructural and other public and private sector investment. Seven Hundred Beach is situated 100 metres from the new Circle Line underground rail line, which is scheduled to commence operations in early 2010.

##### Cost-effective, design-led upgrade

- Change of use from residential to office.
- Conversion from 55 apartment units totalling 5,850sqm to eight floors of office totalling 6,286 sqm (an effective 7.45% increase in efficiency).
- Rebranding and repositioning as a boutique office building, featuring 4.5 metre ceiling heights, with swimming pool and gym on rooftop.
- Design-led interior refurbishment by world-renowned Hirsch Bedner Associates.

##### Focus on High Quality Occupant Mix

- Hirsch Bedner Associates, international hospitality interior designer.
- GroupM, member of WPP Advertising Group.

##### Exit Planning

- High quality building upgrade and blue chip tenant make the building attractive to an institutional investor or REIT.

For more information, or to discuss investment opportunities, please visit us at [www.finegrainproperty.com](http://www.finegrainproperty.com), or contact:

#### SINGAPORE

FINE GRAIN PROPERTY PTE LTD

39 Boat Quay • Singapore 049828

Colin MacDonald • Chief Executive • Tel: +65 97513218

or email [nicole.lim@finegrainproperty.com](mailto:nicole.lim@finegrainproperty.com)