

Wednesday, 23 March 2016

To Whom It May Concern,

I am the Managing Director of Harvest Property.

In 2010, we acquired 26 Wharf Street, Brisbane alongside our Joint Venture partners, Denison Capital. Our primary objective of this acquisition was to Project Manage and execute an Office Refurbishment and re-positioning of this CBD Asset, which had suffered from the downturn in the CBD Leasing Market. 26 Wharf Street is an 11 Level Office Tower, that upon acquisition, was considered C/D-Grade Office Accommodation.

Alongside Chesterton International and another international Agency House, Harvest Property Group carried out a comprehensive refurbishment of the asset and an aggressive leasing campaign, re-positioning the asset as a more institutional investment grade product. In doing this, we undertook a cosmetic upgrade of all Common Areas, Lift Cars, re-painting the façade, improvement of Ground Floor Entrance Statement and updating the on-floor finishes.

Throughout the Leasing campaign, Ben Sikalas of Chesterton International was the dominant agent. Ben concluded the majority, if not all, of the Leasing deals that we facilitated during our refurbishment program. Tenants secured by Ben include Macquarie Telecommunications, APT Allgas Energy Limited, Cougar Energy Limited, Elementos Limited, Dynamiq Business Solutions, Noetic Group and Roy Morgan Research. Upon reaching fully-leased status, the asset yielded 12% to our Investors. Harvest and Denison exited the asset in 2012, divesting the Building through Chesterton International's Investment Sales Department to an Internationally-sourced Investor. The IRR on Equity this showed our Investors was 29.7%.

We found that the point of difference with Chesterton International was their knowledge and buy-in on the our investment objectives of the turnaround play. In our experience, most Leasing Agents did not have this foresight, or the ability to be as influential as Ben Sikalas was during the structuring of deals, and recommendation of finishes. I would strongly recommend Chesterton International to the Leasing program of any Asset class, but in particular, to the Leasing and repositioning of a Building within the Brisbane CBD.

If you wish to discuss this further, my contact details can be found below enclosed.

Kind Regards,

Mr Chris Slack
Managing Director
Harvest Property