

Caddens Corner - Smart Retail Case Study







Introduction to Kaipara

Founded in 2011

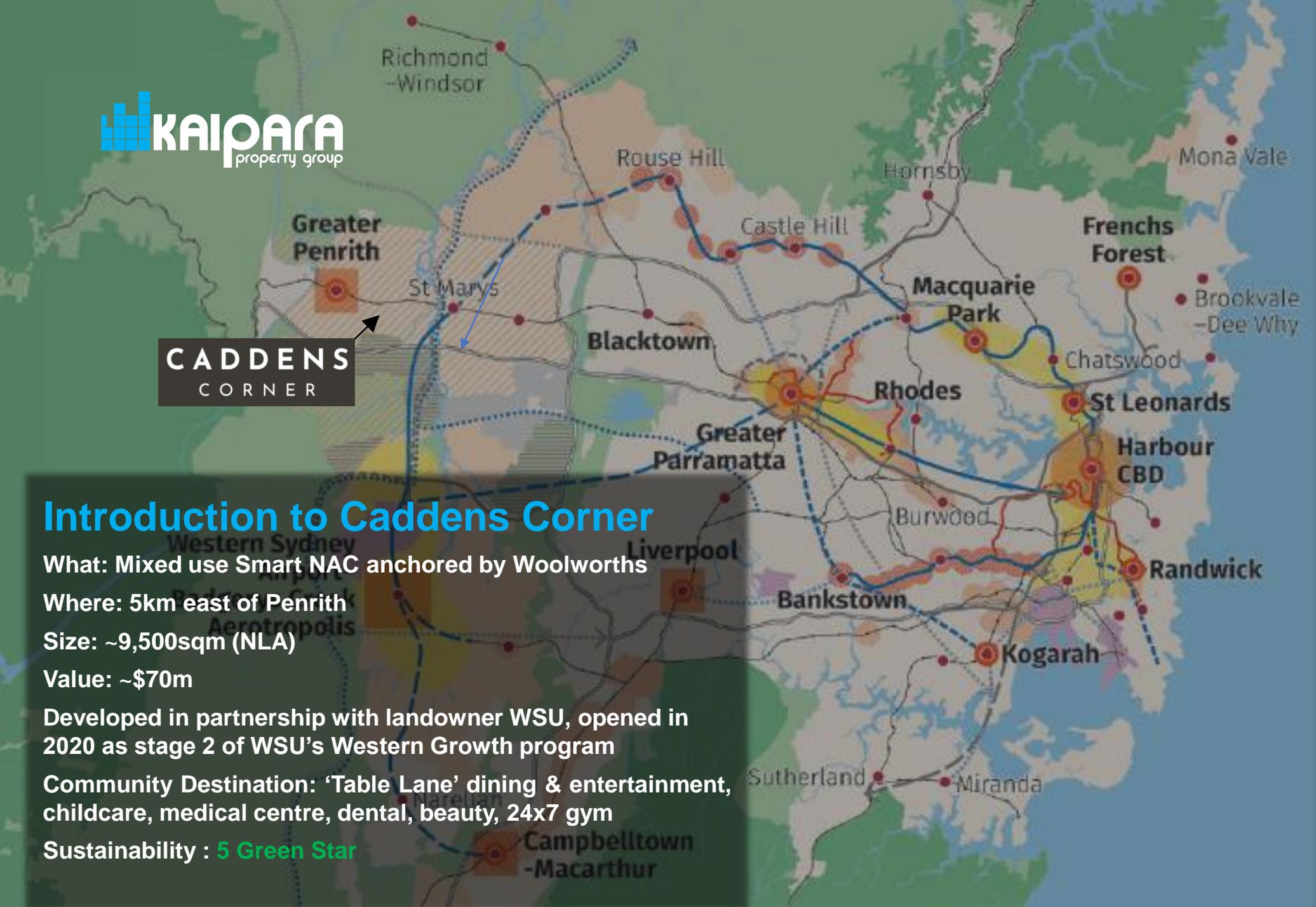
Independent Developer and Asset Manager

Past projects: Belle Residences, Auburn Central, Greenway Village

Current project: Neeta City, Harris Farm Dural, Home Centre Bathurst

Recently completed: Caddens Corner





**CADDENS
CORNER**

Introduction to Caddens Corner

What: Mixed use Smart NAC anchored by Woolworths

Where: 5km east of Penrith

Size: ~9,500sqm (NLA)

Value: ~\$70m

Developed in partnership with landowner WSU, opened in 2020 as stage 2 of WSU's Western Growth program

Community Destination: 'Table Lane' dining & entertainment, childcare, medical centre, dental, beauty, 24x7 gym

Sustainability : 5 Green Star



2. Caddens Corner - Objectives



Project Purpose

- Sustainable income stream and liquid asset available for funding WSU education operations
- Rigorous design management to control future operating costs, maintenance and sustainability
- Provide a new benchmark in convenience, experience and sustainability for the people of western Sydney
- Caddens Corner was built on a decommissioned drive-in cinema, overlooking a riparian corridor



Regulatory Drivers

- Penrith Council – DCP 2014:
 - Setbacks, heights, riparian corridor
 - Energy efficiency & sustainability requirements
- Sydney West Planning Panel – Urban Design review
- National Greenhouse and Energy Scheme requirements for WSU as a large user of energy



University Drivers

- Western Growth program roll-out
- Sustainable income stream
- Liquid asset
- WSU UN Sustainable Development Goals:
 - Research solutions to sustainable development challenges
 - Educational opportunities to foster knowledge and skills need to promote SDGs
 - Ensure campus programs and development are environmentally sustainable

Social / Community Drivers

- Local job creation
- Local entrepreneurial business opportunities
- Essential services - childcare, medical and services
- Entertainment

Kaipara Drivers

- Deliver the latest generation neighbourhood activity centre
- Australian Excellence Greenstar Standard
- Exceed financial objectives
- Placemaking - create an enduring community social hub





3. Caddens Corner – Sustainability



Green Star Points



5 Star Green Star: 60 – 74 points

“AUSTRALIAN EXCELLENCE”

Commercially Sustainable for Landlord and Tenants

Management

- Accredited professionals
- Services and Maintainability Review
- Building commissioning
- Building system tuning
- Climate adaptation plan
- Building information
- Environmental building performance
- End of life waste performance
- Monitoring systems
- Environmental management system
- High quality staff support
- Operation waste management plan
- Car park heat management – natural landscaping, shade sails



Indoor Environmental Quality

Indoor Air Quality

- Outdoor air supply / CO2 monitoring
- Kitchen exhaust directly ducted to external building façade
- Tenant design guides to meet GBCA standards
- Additional power outlets
- Low VOC paints & carpets
- Low-formaldehyde wood products

Daylight

- High levels of natural daylight
- High levels of natural diffused daylight over direct
- Windows location to allow views

Lighting

- General illuminance & glare control via installation of lighting ballasts and quality preferred fittings.

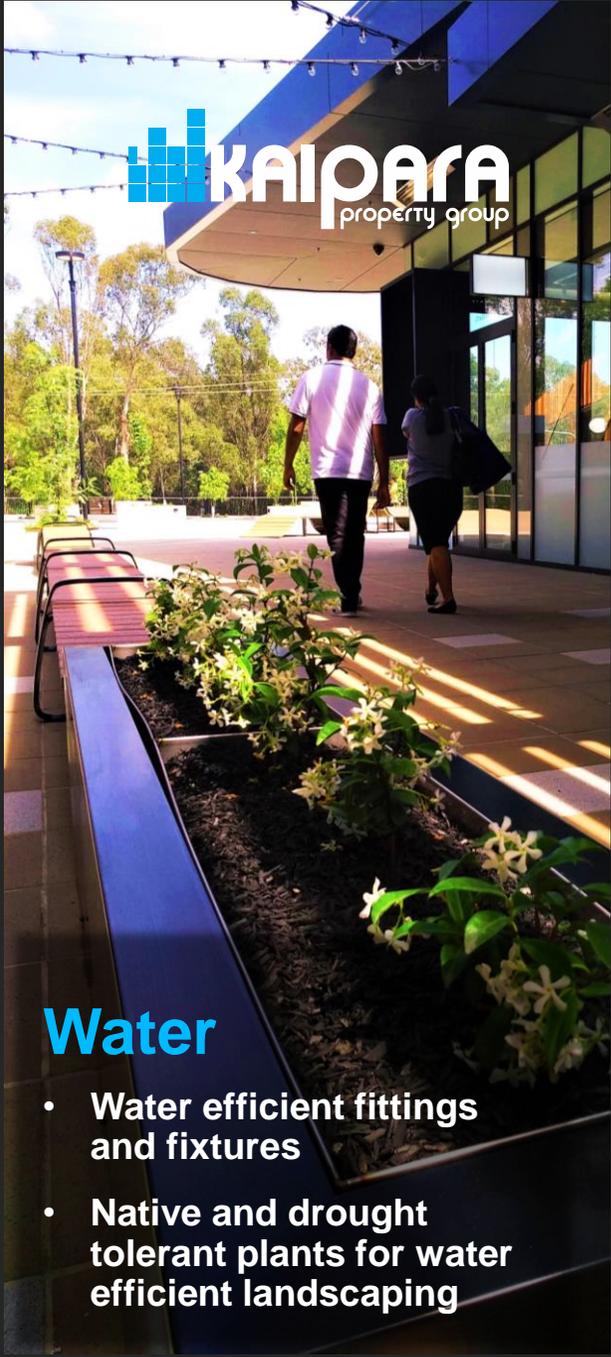


Energy

- On-site photovoltaic system
- External shading
- High performance glazing
- Thermally efficient construction
- Thermally efficient building fabric
- High performance façade
- Efficient HVAC systems and appliances
- Low-flow taps
- Efficient lighting system (LED) & lighting controls
- Operable windows







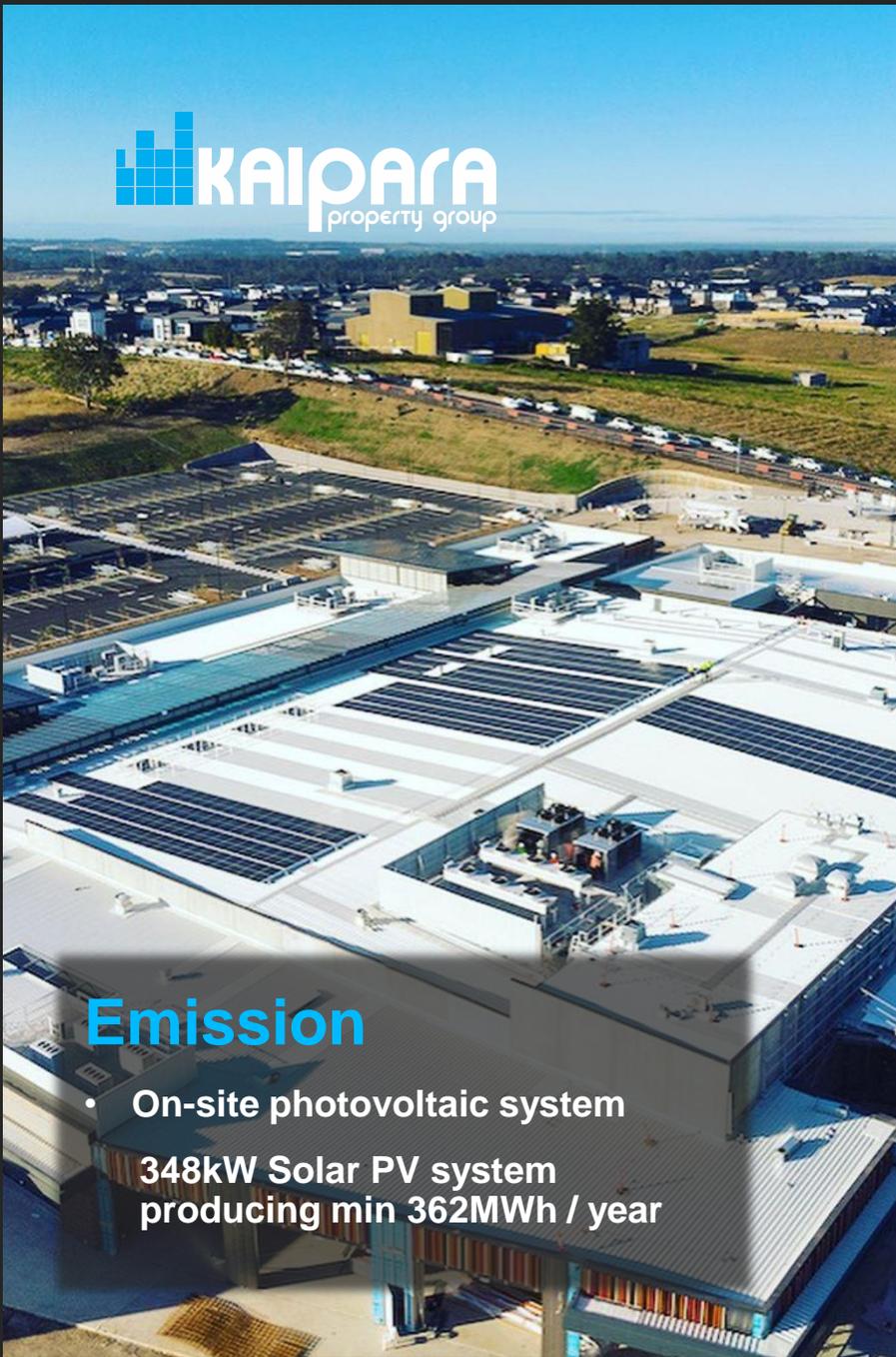
Water

- Water efficient fittings and fixtures
- Native and drought tolerant plants for water efficient landscaping

Materials

- LED lighting
- Low VOC paints & carpets
- Best practice PVC plastics
- Structural & reinforcing steel to be sourced from suppliers who maintain membership with the Australian Steel Institute – Sustainability Charter, including best practice manufacture techniques;
- Use of insulants in walls that are low or zero ozone depleting (ODP) and low global warming potential (GWP);
- A target of 90% recycling could be considered for the construction and demolition waste produced on this project. Construction waste can be managed through contractual requirements outlining this.





Emission

- On-site photovoltaic system
348kW Solar PV system
producing min 362MWh / year



Carbon sequestered of over 4,000 tree seedlings grown 10 years (EPA US figure)





Innovation

- On-site photovoltaic system providing 10% energy surplus
- Ultra low VOC paints
- Stormwater Pollution Targets





Sustainability Risks

- Achieving Green Star targets
- Assumed energy consumption
- Sustainability of development costs / rents / tenant viability

Mitigants

- Innovative leading technical project team
- Continuously test and reassess commercial viability for landlord and tenants alike



Caddens Corner:

- ❖ smart & healthy retail
- ❖ sustainable and a great commercial success

The image shows a modern outdoor dining area with a wooden pergola structure, string lights, and people sitting at tables. A sign for 'ITALIAN FOOD' is visible on the right.



4. More About Us



The Kaipara Advantage

Kaipara has unique skills, experience, networks and a 'hands on' executive team which unlocks real estate value for our partners and clients.





Kaipara is a passionate, independent firm which was established in 2011.

We provide property development, asset management and advisory services.

Kaipara has a wealth of experience in mixed-use commercial, retail, industrial and residential real estate.

Kaipara possesses institutional quality capabilities, with the nimbleness of a boutique.



Our Values



Quality



Integrity



**Service
Excellence**



Thorough





Services & Capabilities

Services & Capabilities

Corporate Property Advisory

- Build to Suit Facilities
- Highest and Best Use
- Sourcing/Site Selection
- Joint Ventures
- Project Delivery Agreements
- Asset Masterplans
- Value-add Strategies

Investment & Asset Management

- Investment Management
- Due Diligence
- Origination
- Transaction Management
- Asset Masterplans
- Value-add Strategies
- Strategic Mix/Leasing
- Tenant Relationships
- Risk Identification
- Risk Mitigation
- Repositioning
- Debt Funding

Development Advisory

- Greenfield and Infill
- Highest and Best Use
- Due Diligence
- Feasibility
- Risk Management
- Development Strategies
- Masterplans
- Pre-DA
- Manage Consultants
- Rezoning & DA

Development & Project Management

- Tenant Negotiations
- Project Leasing
- Sales & Marketing
- Planning & Authorities
- Design Mgmt
- Construction Mgmt
- Tenancy Co-ordination
- Cost Reporting
- Value Engineering
- Cost Management

Capital Management

- Syndication
- Capital Structuring
- Debt Advisory
- Co-Investment
- Joint Ventures
- Bridging
- Forward Funding



Our Experience



Investment Management

Our experienced senior personnel have worked with many global investment institutions in a variety of jurisdictions and structures, both on direct property and indirect property funds including the following investments*:

Investor	Investment	Sponsor	Role
 	Oxford Cold Storage Logistics ~A\$200m	Logos Property	Origination, Capital Raising and Investment Management
	A\$50m into Investa Fund	Investa Office Management	Manager selection and fund due diligence
	EUR 1 billion Industrial/Logistics Mandate	Babcock & Brown	Acquisitions and Investment Management of GPT/B&B JV
	~A\$100m into Alcoa Industrial Subdivision & IPS Logistics Ventures	Logos Property	Asset due diligence and Joint Venture Management

* Includes Joint MD's experience at previous companies



Sydney – West (Confidential)

Project Type: Mixed-use Masterplan

Value: ~\$100m (Stage 1 being 10,000sqm retail and office)

~\$400m+ (Stage 2 being 700+ apartments)

Completion: 2024 (Stage 1)

The site is in a major growth precinct in Sydney's West.

The Kaipara Advantage: Kaipara has commenced a staged development and long term Masterplan for the highest and best use.

For Stage 1, Kaipara secured interest from a major supermarket to anchor the Retail / Commercial.

- ✓ Anchor Tenant Lease Negotiation
- ✓ Development Management



Tweed Mall

Project Type: Mixed-use Masterplan

Value: ~\$300m+ (Multiple Stages)

Completion: July 2019 (Aldi Stage 1)

Tweed Mall is a sub-regional retail centre on a 5 hectare site with significant development potential over time.

The Kaipara Advantage: Kaipara has commenced a staged redevelopment and long term Masterplan for the highest and best use including office and residential.

For Stage 1, Kaipara quickly secured Aldi as a new mini-major to replace Lincraft. This extended the asset's WALE and brings more activity, traffic and vibrancy whilst increasing rent and creating more defensive rental income. The Aldi handover occurred ahead of Program. Masterplan work continues.

- ✓ Acquisition Due Diligence
- ✓ Anchor Tenant Lease Negotiation
- ✓ Development Advisory
- ✓ Project Management
- ✓ Tenancy Co-ordination
- ✓ Asset Masterplan



Auburn Central

Project Type: Trading Shopping Centre Redevelopment

Value: ~\$130m

Completion: November 2020 (Stage 1)

Auburn Central is a neighbourhood shopping centre which was anchored by Woolworths and Big W. The redevelopment involved converting the Big W into an Aldi and approximately 20 tenancies.

The Kaipara Advantage: Kaipara closed the Aldi AFL and managed the completion of works to create the Aldi and other tenancies on program and on budget.

The redevelopment extends the asset's WALE, drives additional foot traffic and provides significant income uplift.

This asset entails complicated strata ownership and building services and was redeveloped whilst part of the Centre continued to trade.

- ✓ Anchor Tenant Lease Negotiation
- ✓ Development Management
- ✓ Project Management
- ✓ Tenancy Co-ordination
- ✓ Re-positioning



Neeta City

Project Type: Trading Shopping Centre Redevelopment

Value: ~\$100m+

Completion: October 2020 (Stage 1)

Neeta City is a neighbourhood shopping centre which was anchored by Woolworths and Big W. The redevelopment involved converting the Big W to a carpark, rebranding and delivering additional tenancies. This is a major repositioning of the asset which improves convenience and retail mix for customers, thereby driving MAT growth.

The Kaipara Advantage: Kaipara managed Stage 1 works ahead of program and is on track to deliver additional value uplift in Stage 2 with a new childcare, gym and independent supermarket included.

- ✓ Asset Masterplan
- ✓ Development Management
- ✓ Project Management
- ✓ Tenancy Co-ordination
- ✓ Re-positioning



Belle Residences Syndicate

Project Type: Luxury Residential

Value: ~\$20m

Completion: August 2018

Belle Residences is a luxury residential development in the exclusive eastern suburbs of Sydney.

The Kaipara Advantage: Kaipara negotiated the site off-market for below market value and successfully completed the project which achieved a profit margin in excess of forecast feasibility.



- ✓ Acquisition Due Diligence
- ✓ Development Management
- ✓ Project Management



Harris Farm Dural

Project Type: Brownfield Development

Value: ~\$20m

Completion: Q4 2021

The development involves converting and extending a Petbarn Warehouse to a Harris Farm Supermarket.

The Kaipara Advantage: Kaipara secured and negotiated the Harris Farm AFL and worked with a builder on an ECI basis to de-risk the development early.

The additional income plus extended lease profile and covenant strength will provide a substantial value uplift.

- ✓ Anchor Tenant Lease Negotiation
- ✓ Development Management
- ✓ Project Management



Greenway Village

Project Type: Neighbourhood Retail Centre

Value: ~\$30m

Completion: May 2017

Greenway Village is a neighbourhood shopping centre anchored by Woolworths and 12 specialty shops developed by Kaipara.

The Kaipara Advantage: Kaipara was pivotal in turning around the anchor leasing strategy for the development and attracting multiple commercial offers.

Kaipara had fully leased the development and de-risked all authority approvals prior to handing the site over to the builder.

The project completed more than one month ahead of program and exceeded feasibility forecast.

- ✓ Asset Management
- ✓ Anchor Tenant Lease Negotiation
- ✓ Development Management
- ✓ Project Management
- ✓ Tenancy Co-ordination



Lismore Central

Project Type: Neighbourhood Retail Centre

Value: ~\$30m

Completion: 2015

Lismore Central is a neighbourhood shopping centre anchored by Woolworths and includes a mini major, food court and approximately 15 specialty shops.

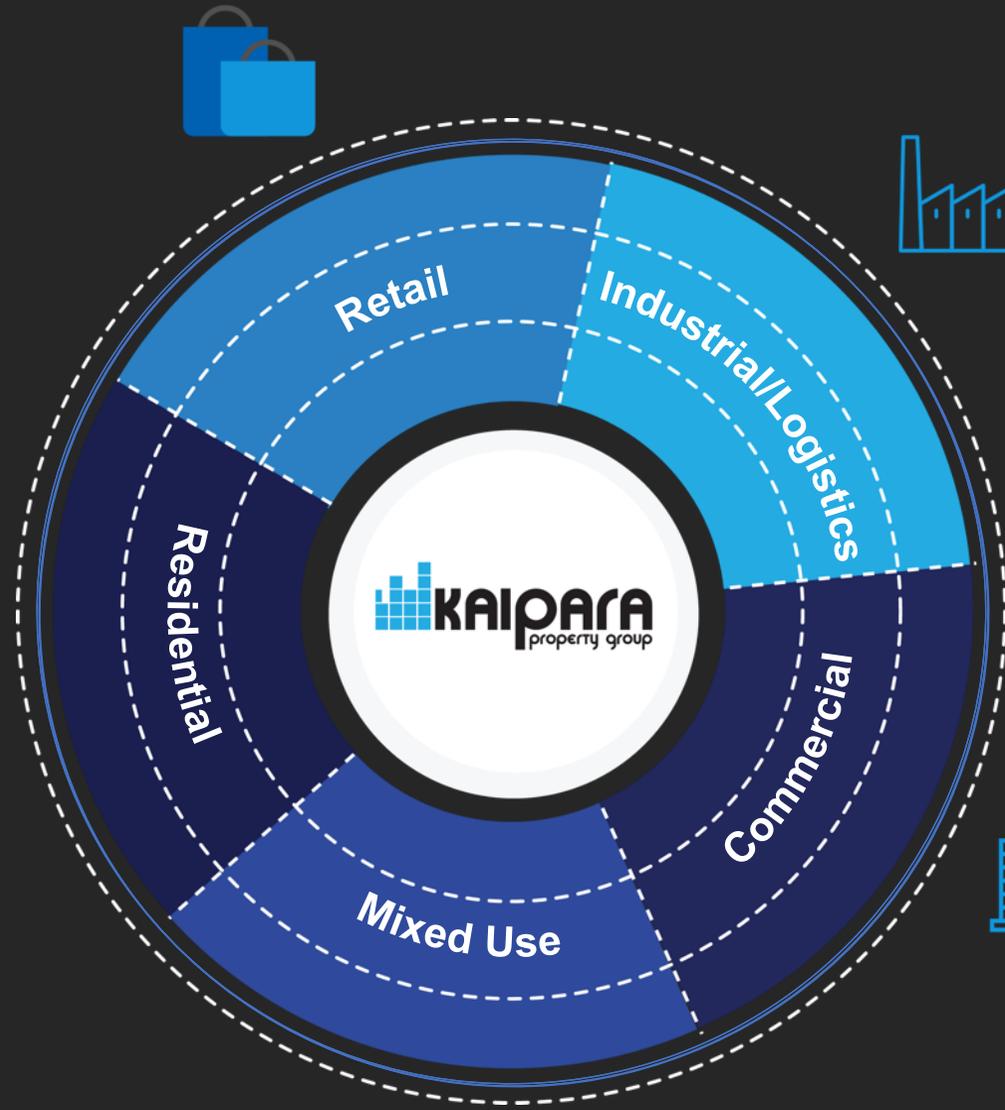
The Kaipara Advantage: Kaipara provided the investor with an end-to-end development and project management solution, taking a tired 30 year old shopping centre and completely transforming it internally and externally.

Kaipara maintained trading for the centre during the redevelopment and was instrumental in substantially increasing the centre's occupancy. The Centre was successfully repositioned as a preferred retail destination in the local market.

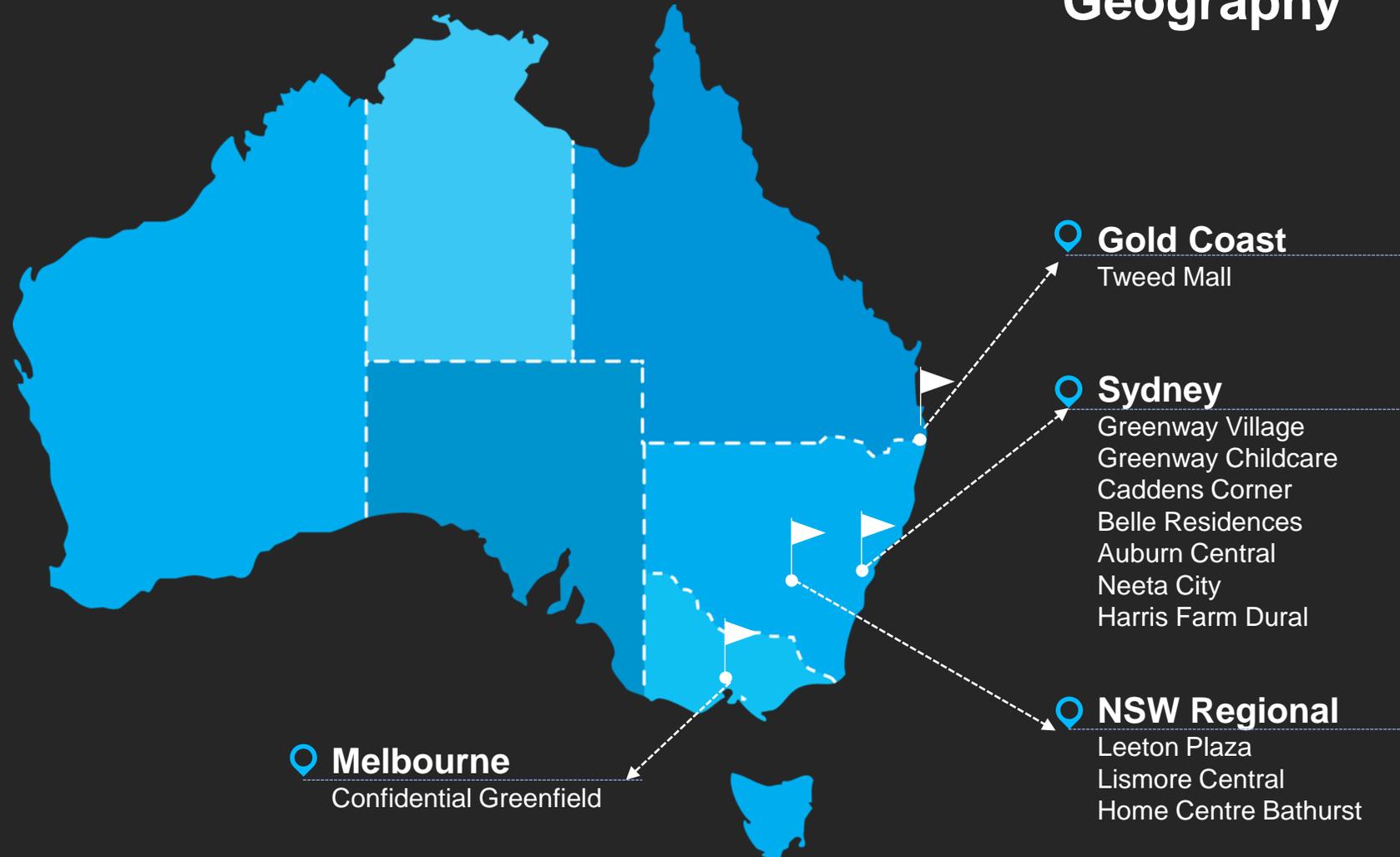
- ✓ Development Management
- ✓ Project Management



Market Segments



Geography





Caddens Corner Sod Turning, September 2019

Kaipara in the Community



Industry

Kaipara and its team are proud to be members of these industry bodies.





Community

Kaipara is a proud sponsor of these organisations.





**Kaipara adds value to property
by developing/repositioning in
partnership with landowners**

For more information please visit kaipara.com.au



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