

Longyard Capital Mezzanine Fund Pty Ltd

ACN 662 812 544

Information Memorandum

DATED 15 OCTOBER 2022





For the offer of 1,900,000 Units in the Longyard Capital Unit Trust at an issue price of \$1.00 per Unit.

The Offer of Units under this document should be considered by potential investors as a speculative medium-term investment in the Trust. If in doubt, please consult your professional advisors.

This Information Memorandum should be read in conjunction with the Publication provided by Investire (Operator) under the Class Order 02/0273 and ASIC Corporations (Business Introduction Services) Instrument 2022/77(Class Order).

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Important Information

This Information Memorandum (IM) dated 15 October 2022 is issued by Longyard Capital Mezzanine Fund Pty Ltd ACN 662 812 544 as Trustee for the Longyard Capital Unit Trust (Trustee or Fundraiser). This IM relates to an Offer to subscribe for 1,900,000 fully paid Units in Longyard Capital Mezzanine Fund Pty Ltd at an issue price of \$1.00 per Unit.

Previous IM's issued by an associated Company raised \$5,425,000 in Preference Shares to assist with the acquisition of Lot 100 and meet various expenses associated with the development of land known as Majestic Lifestyle Resorts, Hillvue Tamworth NSW.

The Publication dated 6 August 2020 has been prepared by Business Introduction Services Pty Ltd ACN 637 411 002 (BIS) trading as Investire. It is generic in nature and does not contain any information in relation to a specific Offer and complies with the Class Order 02/0273 and ASIC Corporations (Business Introduction Services) Instrument 2022/77 (Class Order).

The IM contains information specific to the Offer including details about the Trustee, location of the project, details of projected returns and term of the project.

Potential investors are required to read both the Publication and this IM to gain an appreciation of the risks and rewards associated with the Offer.

Excluded Offer

The offer of Units in the Trust contained in this IM is an offer which does not require disclosure for the purposes of Part 7.9 of the Corporations Act. The Fundraiser is not, nor is it required to be, registered as a managed investment scheme under the Act.

Participation in this Offer is available only to selected retail and wholesale or sophisticated investors as permitted by the Class Order and to parties whose participation in the Offer allows the Company to comply with section 708 of the Corporations Act (Investors).

The accuracy, reliability and completeness of information contained in this IM is not guaranteed and to the extent permitted by law, each of the Fundraiser, the Project Manager and BIS accept no liability for any loss or damage arising from investors relying on any information contained in this IM.

Updated Information

The information contained in this IM is current as at the date shown on the front page and is subject to change without notice.

To obtain updated information email us at **bob.andersen@propertystrategies.net**

Due Diligence

This IM does not represent the entire offer with respect to an investment in the Trust. Investors are required to undertake their own due diligence before investing in the Trust and if necessary seek their own legal or financial advice.

Limitation of Liability

Except in certain circumstances (including fraud, negligence or default by the Trustee), the Trustee enters into transactions on behalf of the Investors and its liability in relation to those transactions is limited to the assets of the Trustee.

No Financial Advice

The information provided in this IM is general information only and does not take into account your personal objectives, financial situation or needs.

It is not intended to be a recommendation by the Fundraiser, Developer or the Project Manager or any other person to invest in the Trust.

The Trustee is not licensed to provide financial product advice in relation to investments in the Trust.

You should read both the Publication and this IM in full and consider your own needs and situation and, if necessary, obtain your own financial and legal advice prior to investing in the Trust. No cooling-off rights apply in relation to an investment in the Trust.

No recipient of this IM in any jurisdiction other than Australia may treat it as constituting an offer to acquire Units in the Trust.

No recipient of this IM in any jurisdiction other than Australia may treat it as constituting an offer to acquire Units in the Trust.

It is your responsibility to comply with laws of any country relevant to your application for Units in the Trust.

Drawings and photos shown in this IM are for illustrative purposes only and are not assets of the Trust unless indicated otherwise. This offer is only open to Investors receiving this IM from the Trust as a hard copy or electronically.

Certain capitalised words and expressions used in this IM are defined in the Glossary. All dollar amounts are in Australian dollars, unless otherwise indicated.

2.0 Director's Letter

15 October 2022

Dear Investor,

An associated Company has issued 5,425,000 Shares to assist with the settlement of Lot 100 and to meet various costs. Funds are on deposit to pay for the settlement of Lot 101 in late October 2022. The initial capital raising has been used to meet costs such as the purchase of Lot 100 and obtaining the development permit, obtaining the construction certificate, various consultant fees, construction of a public cul-de-sac to the entry to the development, running sewer and power across the site, stormwater works, the establishment of a display suite in the main street, substantial marketing collateral and advertising resulting in several EOI's and deposits.

We are now seeking an additional \$1,900,000 to construct Stage 1 civil works, build the manager's residence, display home, temporary community building, Stage 2 civil works and marketing.

The project proposes a luxury over 50's resort on the renowned Greg Norman designed Longyard Golf Course in Tamworth. The luxury retirement resort will bring together an integrated community to accommodate Tamworth's ageing population and provide a centre for wellness, lifestyle activities and healthiness, while ensuring the longevity of the Longyard Golf Course and providing a vast economic benefit to the town and region.

Longyard Golf Course will be the focal point of the resort and will support the activation of Tamworth Sports Dome and Tamworth Regional Entertainment Centre. The development aims to create a world-class, integrated over 50s lifestyle village where residents are valued, can live safely in the community, and receive a premium lifestyle and facilities at an attractive price point.

Majestic Lifestyle Resorts is excited at the possibility of aligning itself with the city of Tamworth, due to its colourful backdrop, forward thinking and Council's passion for "vibrant communities and landscapes for the future". The proposed "Majestic Lifestyle Resorts, Hillvue" luxury over-50s lifestyle community will enhance the city's status as the "Country Music Capital of Australia", a major regional centre for the New England region and will further strengthen Tamworth and surroundings' economy. Majestic Lifestyle Resorts would like to bring its luxury resorts to Longyard Golf Course in Tamworth.

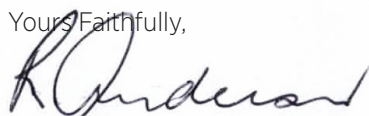
The proposal is to develop 99 homes (2 bedroom + multi-purpose room) to provide the ultimate luxury living with direct access to the Longyard Golf Course and surroundings. The resort will be created among architectural designed gardens and landscaping where residents will enjoy the luxurious resort style living while maintaining their independence among friends.

The resort will offer housing for approximately 150 persons in an over 50s community. The residents are most likely to come from a 25-kilometre catchment radius; however it can also be further afield in rural areas. Marketing campaigns will be targeted at Sydney showing the benefits of the regional resort style living to further grow the Tamworth region.

This proposal aims to address the issue of ageing population within the region. "Majestic Lifestyle Resorts, Hillvue" will incorporate all the modern luxuries of 5-star resort living, i.e. state-of-the-art community facilities, café, pool, gym, craft room, men's shed, bar, function area, cinema, bowls green, indoor golf simulator, outdoor entertaining areas and many other luxuries to make the lifestyle a holiday, every day.

This IM, issued by Longyard Capital Mezzanine Fund Pty Ltd is made under a Investire (Operator) under the Class Order 02/0273 and ASIC Corporations (Business Introduction Services) Instrument 2022/77(Class Order) allowing investments from both retail and wholesale Investors. The Operator will hold all Application Money in a designated bank account and these Application Monies will be transferred to the Company as required in order to loan funds to the Developer to purchase the balance lot 101 and to commence civil works, housing, the community building and towards the development of the balance of the project.

Yours Faithfully,



Bob Andersen
Director

3.0 Key Features of the Offer

This section provides a summary of the key features of an investment in the Trust. It is not intended to be exhaustive. For more detailed information please refer to the relevant section of the IM noted in the column on the right. You should read the whole of this IM to make an informed decision about whether to invest in the Trust.

Feature	Overview	Section
Structure of the Offer	<p>Longyard Capital Mezzanine Fund Pty Ltd ACN 662 812 544 (Trustee) is a special purpose vehicle set up by its directors to loan funds to the Developer to undertake the Project.</p> <p>Investors will subscribe for Units in the Trust pursuant to this IM which is an unregistered managed investment scheme.</p>	4.1
Minimum Application Amount	<p>The minimum application amount per Investor under the Offer is 100,000 Units at the Offer price of \$1.00 per Unit.</p> <p>The Trustee may waive the Minimum Application Amount at its discretion.</p>	4.7
Minimum Subscription Amount	The Minimum Subscription Amount under this offer is 500,000 Units issued at \$1.00 per Unit which can be waived at the discretion of the Trustee.	4.5
Maximum Subscription Amount	The total number of Units on offer by the Trust is 1,900,000 Units issued at \$1.00 per Unit.	4.5
Purpose of the Offer	The funds raised to date have been used to part purchase land adjacent to Longyard Golf Course Tamworth NSW (Property) and costs expended in obtaining the Development Approval, Construction Certificate, certain civil works, display unit, marketing collateral and certain subdivision costs. The site, which currently forms part of the Longyard Golf Course, is to be acquired in two parcels. Lot 100 has already been purchased by the Trustee for \$1,820,000 net of GST. The Construction Certificate has been obtained and Stage 1 of nineteen (19) lots will commence in November 2022. The balance of funds raised in this IM will be used to acquire Lot 101 and meet construction costs associated with construction of the nineteen lots in Stage 1 and the continuation of the development of Stage 2. Once the funds are raised no further capital will be required from external sources.	4.2
Projected returns to Investors	<p>By holding Units in the Trust as outlined in this IM, Investors will be entitled to return of their capital via redemption of Units and distributions equivalent to 17.00% per annum in arrears secured by a registered second mortgage over the property.</p> <p>Distributions will be paid at 5% per annum quarterly in arrears with a final distribution of 12% per annum payable on completion and sale of the developed lots and after repayment of the first mortgage and any secured creditors.</p>	7.2

3.0 Key Features of the Offer

Feature	Overview	Section
Expected term of the Investment	The term of the investment is expected to be eighteen (18) months from the Issue date of the Units under this IM. The investment may be extended by the Trustee for a further term of six (6) months at its sole discretion and without notice.	4.9
Key Dates	The offer opens as at the date of this replacement IM.	4.6
Who Can Invest	The Offer is subject to the Class Order which allows investment of up to \$2,000,000 from no more than twenty (20) retail investors with the balance from wholesale, sophisticated as defined in the Act (Investors). Units in the Trust will be issued once the Application has been approved by the Trustee and cleared funds received from Investors.	8
Investor Information		
Application Money	The Operator will hold all Application Money in a designated bank account until disbursed to the Trustee in terms of this IM. The Trustee will issue Units to Investors and these Application Monies will be transferred to the Trustee in order to continue with the Project as outlined above.	8
Issue of Units	Units in the Trust will be issued once the Minimum Subscription Amount is achieved.	4.8
Liquidity	Investors will not have a right to withdraw their investment during the life of the Project. This is a fixed-term investment with no ongoing liquidity and your investment should be viewed as illiquid with no redemption rights.	4.10
Tax information	Before investing, you should obtain your own independent tax advice, taking into account your own individual circumstances.	10
Due Diligence	Information in this IM should not be considered as the whole Offer. Investors should undertake their own due diligence before investing in the Trustee.	
Property Details		
Property	The proposed lots currently form part of the Longyard Golf Course Tamworth NSW which will be acquired in two parcels. Namely Lot 100 being 2.93 hectares and Lot 101 being 3.42 hectares. Lot 100 has already been purchased for \$1,820,000 net of GST and Lot 101 for \$1,770,000 net of GST due for settlement in November 2022.	5
Projected Profit	Upon satisfactory completion of the Project within time and budget, the estimated profit from the Project is \$8,160,800 before tax.	6.3

3.0 Key Features of the Offer

Fees and Costs

There are fees and costs payable by the Trustee to the Operator and ongoing annual costs will also be payable in relation to the management and administration of the Trustee.

8

Key Risks

An investment in the Trust is subject to known and unknown risks. Return of capital or projected distributions are not guaranteed by the Trustee or any of its associates.

9

Project Management

The Project Manager is responsible for providing project management services and for managing the development of the Project on a day to day basis.

If the Project Manager fails to do so effectively, then this could negatively affect the Trustee's performance.

Second Mortgage Risk

A registered first mortgage (held by an associated company of the Developer) over the Property will rank ahead of Unitholders in the Trust. Return of capital and final distribution will be dependent on completion and sale of the developed lots and after repayment of the first mortgage at the end of the term and any remaining secured creditors.

Property Market

The ongoing value of the Project is influenced by changes in property market conditions including supply, demand and availability of capital.

There is no guarantee the Project will achieve a capital gain on sale nor is there a guarantee the Project will not fall in value as a result of assumptions upon which the relevant feasibility is based proving to be incorrect.

Construction and development risk

Investments made by the Fundraiser will be used to undertake development of real estate assets as described in this IM. There are specific risks associated with these types of development projects, including:

- construction or development costs can exceed budgeted costs and the Fundraiser may be unable to complete a project unless the developer of the project can obtain further funds;
- funds kept in reserve by the Fundraiser for the project to complete a project being insufficient to meet the cost of completion;
- a change in market conditions could result in the value of a project on completion being worth less than anticipated, or in lower sale rates and prices than expected; and
- Market risk / Settlement risk where pre-sales or pre-commitments are not honoured by the purchaser or tenant which may delay the repayment of the investors capital and its return on investment.

Returns to investors are independent to the performance of the project.

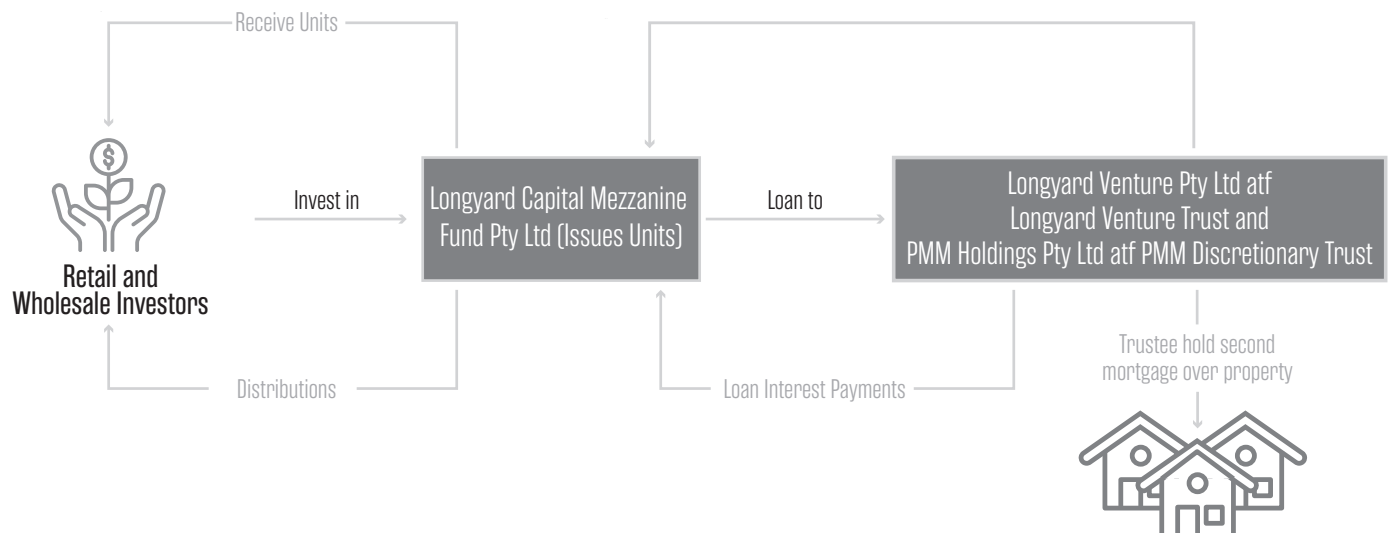
4.0 The Offer

4.1 Investment Structure

The structure of an investment in the Trust will be from the issue of Units to Eligible Investors.

Investors will receive Units in the Trustee (Longyard Capital Mezzanine Fund Pty Ltd) which, in turn, will loan funds to the developer / property Owner for the purposes set out in the above table.

The Developer / Property Owner will offer a registered second mortgage over the property to the Trustee as security for the Loan. The first mortgage is held by an associated company of the developer to secure the interests of the Preference Shareholders who subscribed funds under a previous IM.



4.2 Use of Funds from the Offer

Funds raised from the issue of Units under this IM will be used to:

- a) contribute to the purchase price of the Property and all associated acquisition costs (e.g. stamp duty, inspection fees, bank fees, conveyancing fees);
- b) reimburse the Developer / Property Owner for monies previously expended in securing the property under contract and undertaking due diligence investigations;
- c) reimburse Council fees and other charges required to obtain approvals for the Project
- d) engage Consultants to provide advice and prosecute a Construction Certificate in relation to the Property. The property already has a Development Permit;
- e) contribute to the cost of construction of the project infrastructure;
- f) provide a cash buffer as determined to be appropriate by the Project Manager;
- g) pay holding costs associated with the Property and the Construction Loan;
- h) pay administration costs associated with the Project; and
- i) meet associated costs that the Project Manager determines are appropriate and in the Trust's best interest.

By holding Units, you will share in the income generated from the loan between the Trustee and Developer / Property Owner.

Distributions are not guaranteed, and neither are any capital returns.

You should refer to Section 10 for more information about the risks associated with this investment.

4.0 The Offer

4.3 Loan Repayment During Development of the Project

Debt is retired during the development of the project from project cashflow as follows:

1. Repayment of the Loan in full including unpaid dividends;
2. Payment of any other secured creditors for the Project;
3. Any outstanding taxation obligations will be paid;
4. Payment of final distributions to Investors as set out in this IM;
5. Full or partial redemption of Units at face value.

The Trustee may deduct from distributions amounts of tax payable by the Trustee for the Investor, including interest withholding tax for investors who are not residents of Australia, or any other amount required by law.

An investment in the Trust should be considered medium-term with no redemption rights.

4.4 Amount Being Raised from the Offer

The Trustee is seeking to raise the Maximum Subscription Amount of \$1,900,000 under this IM.

4.5 The Closing Date of the Offer

The Closing Date of the Offer is ninety (90) days from the date of this IM. Any applications received on or before the Closing Date that have been accompanied by Application Money will be granted an allocation of Units in the Trust. The Trustee reserves the right to close the Offer earlier than the Closing Date or extend the Offer after the Closing Date at its discretion and without notice.

4.6 Application Price and Minimum Subscription Amount

Units in the Trust will be issued at \$1.00 each.

The minimum amount you must invest is \$100,000. The Trustee reserves the right to accept applications for lower amounts, at its discretion.

4.0 The Offer

4.7 Issue of Units

If your Application is accepted by the Trustee, then the Trustee expects to issue Units to you on or before the Closing Date. There is no cooling off period under this IM, meaning you cannot withdraw your Application once it has been accepted by the Trust.

4.8 Expected Term of the Offer

Units in the Trust will be issued with an investment term of eighteen (18) months, commencing on the date Units are issued to Investors. However, the Trustee has the right to reduce the Term to completion and sale of the Development, whichever occurs earlier. The investment may be extended by the Trustee for a further term of six (6) months at its sole discretion and without notice.

4.9 Illiquid investment

You will not have any right to withdraw your money from the Trust. Investment in the Trust is illiquid, and the Trustee is not obligated to meet any redemption requests before the Project is completed and sold.

Therefore, once your Application Form has been accepted, you should expect that your investment will remain in the Trust until the end of the expected investment term or any extension to the term.

There will not be any established secondary market for the sale of Units. If you want to sell Units then under the law there are certain restrictions placed on the Trustee in relation to the level of assistance the Trustee can provide. Subject to those restrictions, the Trustee will endeavour to assist you should you wish to sell your Units.

Under the Constitution, the Trustee has discretion to refuse to register any transfer of Units.

4.10 How you can invest

Applications to invest must be made by completing the Application Form available from the link in Section 14 of this IM. Only Eligible Investors can invest in the Trust and participate in the Offer. Investors may also be required to provide to the Fundraiser a declaration that they qualify as a Wholesale or Sophisticated Investor which will be provided to them on or before the IM is distributed for investment. The Application Form should be completed in accordance with the instructions in Section 14 of this IM.



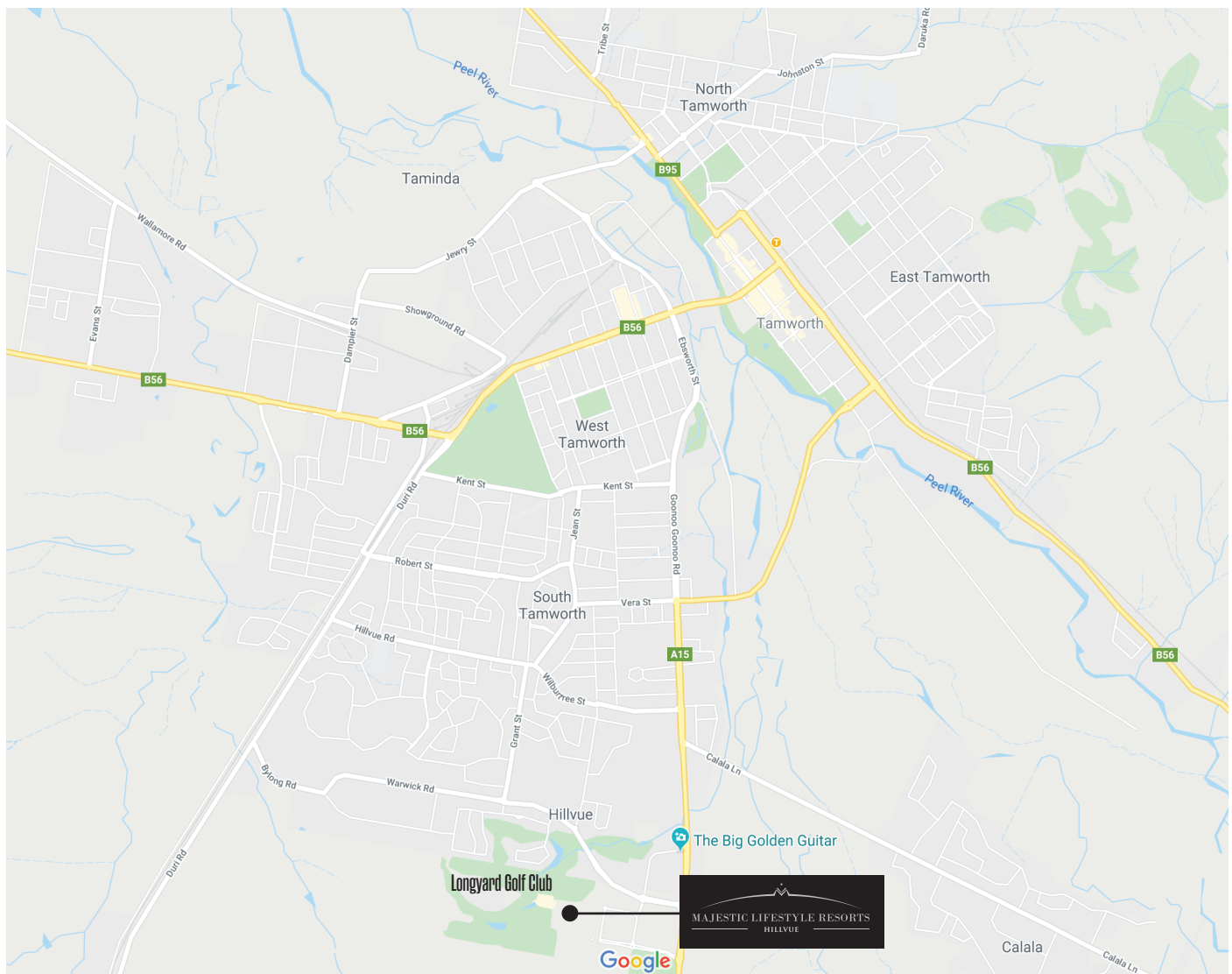
5.0 The Property

5.1 Location

The proposed site adjoins the Greg Norman designed 18 hole championship Longyard golf course in Tamworth NSW and the final occupants of the developed townhouses will be able to take advantage of the many facilities offered by the golf club and its current amenities.

Tamworth is a city and the major regional centre in the New England region of northern New South Wales. Situated on the Peel River within the local government area of Tamworth Regional Council, approximately 318 kilometres from the Queensland border, it is located almost midway between Brisbane and Sydney. According to the 2016 Census, the city had a population of approximately 60,000.

The city is known as the “First town of Lights”, being the first place in Australia to use electric street lights in 1888. Tamworth is also famous as the “Country Music Capital of Australia”, annually hosting the Tamworth Country Music Festival in late January; the second biggest country music festival in the world. The city is recognised as the “National Equine Capital of Australia” because of the high number of equine events held in the city and the construction of the world class Australian Equine and Livestock Events Centre, the biggest of its kind in the Southern Hemisphere.



5.0 The Property

5.2 Title and Statutory Details

Real Property Description of the Land	Proposed Lot 100 and Lot 101
Current Registered Owner	Dromahair Pty Ltd
Local Authority	Tamworth City Council
Zoning	RE2 and SP3

5.3 Land Details

Area of the Land	Approximately 6.34ha for Lot 100 and Lot 101
Services	All services available

Location Masterplan



6.0 Proposed Development

6.1 Details of the Project

The developers are proposing a luxury over 50's resort on the renowned Greg Norman designed Longyard Golf Course in Tamworth. The luxury resort will bring together an integrated community to accommodate Tamworth's ageing population.

The proposal is to develop 99 homes, 2 bedroom + entertaining room (3 bedroom) and community facility to provide the ultimate luxury living with direct access to the Longyard Golf Course and surroundings. The resort would be created among architectural designed gardens and landscaping where residents will enjoy the luxurious resort style living while maintaining their independence amongst friends.

The resort will offer housing for approximately 150 persons in the 50+ community in purpose-built age-in-place accommodation. The residents are most likely to come from a 25km catchment radius; however, it can also be further afield in rural areas.

The site, which currently forms part of the Longyard Golf Course, is to be acquired in two parcels. Namely Lot 100 being 2.93 hectares and Lot 101 being 3.42 hectares. Lot 100 is to be acquired three months after obtaining development approval and a registered separate title for \$1,820,000 net of GST and Lot 101 within eighteen months of settling on Lot 100 for \$1,770,000 net of GST.

The Project was recently granted a Development Approval (DA) from the Tamworth Regional Council and once the Construction Certificate (CC) is obtained construction will commence on Stage 1 consisting of the first 19 lots. The Developer will engage a suitably qualified civil contractor to undertake the civil construction of the Project on a fixed price contract and a suitably qualified builder to undertake the house and community centre construction.

Both contractors will need to be licenced with the NSW Fair Trading, have the appropriate insurances in place and meet the developer's competency requirements. Other property professionals will also be engaged by the Company based on previous relationships.

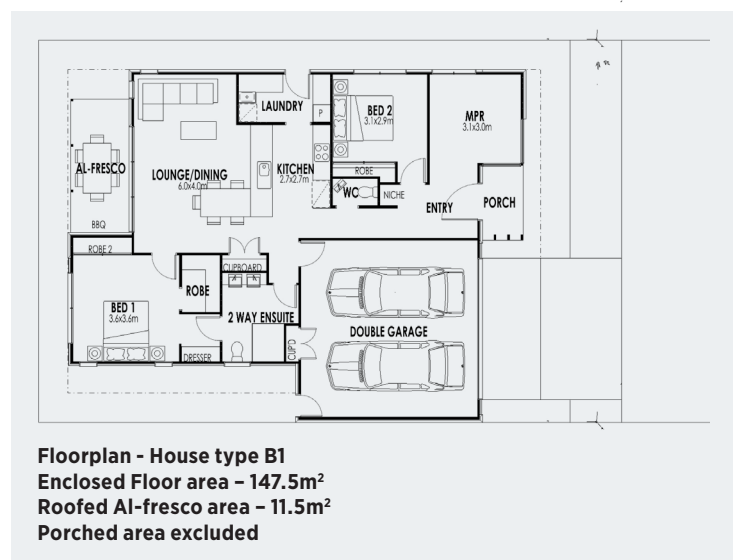
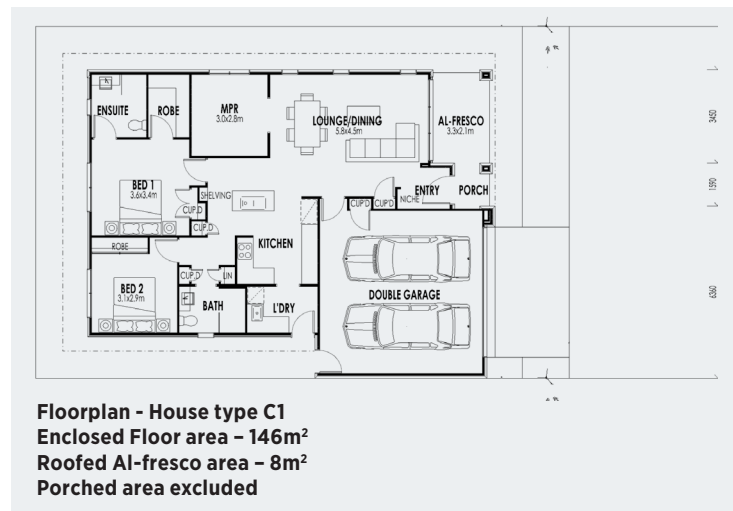
The Developer will require all loan drawdowns for the Project to be certified by their appointed Quantity Surveyor or other suitable professional on a cost expended and a cost to complete basis. A final building price can only be obtained once the developer has obtained the Construction Certificate from the local council.

Design and Floorplans

Floor Plans – Houses

Zoran Architecture, which has been involved in the design of over thirty retirement villages, has been engaged to develop the masterplan, individual house designs and design the community facility.

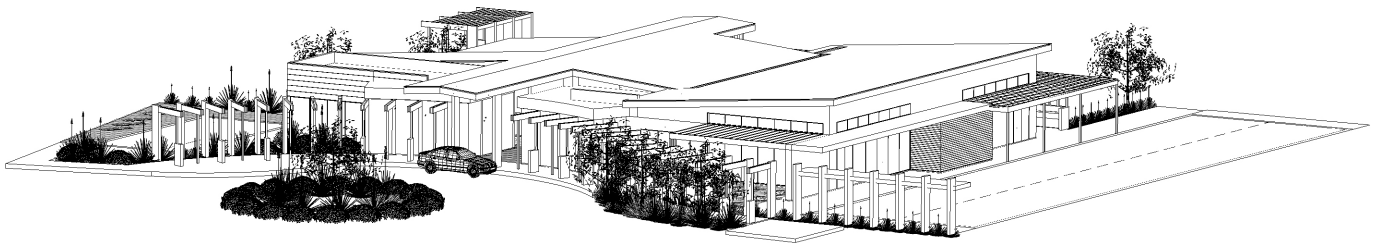
The houses are approximately 150m² in size and consist of two bedrooms plus entertaining room, making them potentially three bedrooms. Each home has two bathrooms and double car accommodation.



6.0 Proposed Development

Plans Clubhouse

The community facility (clubhouse) is situated overlooking the lake and consists of a pool, spa, sauna, lawn bowls, gym, golf simulator, billiards, BBQ, café & sports bar, kitchen, office, library, cinema and rooms for hair & beauty, massage, arts & crafts and visiting doctor.



6.0 Proposed Development

6.2 Project Feasibility

Total Sales Revenue		27,825,395
Less Costs		
Land	4,167,925	
Construction	9,207,000	
Professional Fees	1,064,900	
Contributions & Charges	605,400	
Project Contingency	1,504,800	
Holding Costs	150,000	
Finance Costs	1,253,300	
Interest	2,994,270	
GST Credits Reclaimed	(1,283,000)	19,664,595
Development Profit		8,160,800
Margin on Costs (net selling costs)		41.5%

1. Based on quotes received to date by the Trustee and estimates of costs of similar projects undertaken by the Directors of the Trustee. A Quantity Surveyor or Engineer has confirmed construction costs and fees in a format to be approved by the Trustee.
2. Project Management fees, referral fees to introducers and Authorised Intermediary fees are included as Project costs in the Professional Fees quoted above.
3. Interest rates and fees shown above are based on current market interest rates for private first mortgage lending.
4. Project Revenue is based on profit per house as purchasers finance construction via progress payments.

6.3 Estimated Project Timeline



Note: This timetable is indicative only. The Trustee reserves the right to vary the times and dates of the Offer including closing the offer early or accepting late Applications, without notifying any recipient of this Information Memorandum or Applicant for Shares.

The Trustee and its Director have already conducted due diligence on the Project.

6.34 Loan to Value Ratios

Loan to Net Realisation Value is 69.7%

At the end of the current capital raising (first and second mortgage) to take construction to Stage 2 completion the total funds raised will be \$11.3M. Net realisation at that point of peak debt will be \$16.2M.

Note

Total Net Realisation at end of Stage 2 is calculated as:

47 house sales at net \$246,000 = \$11,562,000

Residual undeveloped lots –
50 @ \$60,000 = \$3,000,000

3 completed houses @ \$550,000 = \$1,650,000

7.0 Investment Strategy

7.1 Exit Strategy

The preferred exit strategy is to pay out investors from project cashflow prior to project completion. This is possible because the project is developed over five stages and the developers are to retain and manage the project on completion.

The Developer and Project Manager will pursue the preferred exit strategy unless circumstances change, and it becomes necessary or desirable to adopt an alternative strategy. In determining whether to adopt an alternative exit strategy, the Developer and Project Manager will take into account prevailing real estate market conditions, progress of the Project and the best risk/return outcome for Investors.

7.2 Anticipated Returns to Investors

The Fundraiser will hold a registered second mortgage from the Developer over the Property.

Subject to satisfactory receipt of interest payments from the Borrower, the Fundraiser will pay distributions equivalent to 17% per annum payable at 5% per annum quarterly in arrears and a final distribution of 12% per annum on the face value of the Units held by each Investor.

A thorough assessment of the potential costs associated with the Project has been undertaken. An extract of the preliminary feasibility for the Project is contained in section 6.2 of this IM.

Neither the Developer, Project Manager nor the Trustee guarantees the performance of the Project. The anticipated returns and assessments provided in this IM are targets only, and neither the Project Manager, the Operator nor the Trustee or any of its associates accept any responsibility for failure to achieve the anticipated outcome.

Returns to investors are independent to the performance of the project. The developer currently has invested over \$1,100,000 into the project and intends to hold and manage the project on completion so their interests are aligned with the interests of investors and will work hard to achieve the anticipated return.

7.3 Anticipated Time Frames

As outlined above in section 6.4 of this IM, the Developer and Project Manager anticipate that the total Project will be completed within approximately forty-eight (48) months from the date the Property is acquired. Investors in the Trust will be paid out earlier from project cash flows. The Project may be completed in a shorter period of time but could take longer to complete due to unforeseen circumstances.

The Project Manager has identified the following items as the key variables that may affect the length of the Project:

- ▶ time taken to construct the new houses; and
- ▶ time taken to sell the dwellings.

Eligible Investors should note that all timeframes included in this Information Memorandum represent the Project Manager's best estimates at the time of preparation and are indicative only.

7.0 Investment Strategy

7.4 Project Delivery Team

The following table sets out the consultancy firms that are part of the project's delivery team. The project team has been carefully selected, using a team of locally based consultants with a track record of delivery of similar project types in the past.

Discipline	Company
Project Manager	Majestic Development Corporation Pty Ltd
Town Planner	RPS Group
Architect	Zoran Architecture Marchese Partners
Civil Engineer	Kelley Covey Group
Electrical, Hydraulic, Mechanical Engineer	Marline
Geotechnical Engineer	RCA Australia
Surveyor	Bath Stewart
Quantity Surveyor	Mitchell Brandtman
Accounting	ZM Partners
	BDO
Lawyers	Construction Legal
	HWL Ebsworth
Marketing	One Fell Swoop
Structural Engineer	TBA
Builder	Pioneer Homes

7.0 Investment Strategy



7.5 Developer / Project Manager Details

Bob Andersen is the major shareholder and driving force behind the development. Bob has over 40 years of experience in the development, investment, finance and marketing

sectors of the property industry. He is the founder and managing director of Positive Property Strategies Pty Ltd, a company at the cutting edge of property development. See www.propertystrategies.net

As well as operating his own development companies Bob has held both state and national management positions with some of Australia's major development companies. Bob has developed high rise commercial buildings, shopping centres, retirement complexes, student accommodation, subdivisions, townhouses and units.

Bob also operates a parallel business known as Property Mastermind Pty Ltd which educates and mentors property investors to make the transition to becoming property developers. See www.propertymastermind.com.au. He is well known in property circles nationally and has appeared in magazines such as Money, Australian Property Investor, Your Investment Property, and Success as well as books The New Way To Make Money In Property and Secrets Of Property Millionaires Exposed and property shows on Foxtel and Sky News Business. Recently Bob was interviewed ABC Radio and Channel 7 regarding the development of the Project.

Bob has been a keynote speaker in delivering a number of papers to property industry bodies and financiers on the development and management of a variety of retirement products. Bob delivered a number of lectures with Professor Helen Bartlett, former head of Australasian Centre on Ageing University of Queensland, to members of the Planning Institute of Australia in regard to retirement products, legal structures and planning issues in developing retirement villages.

Bob has held a personal and corporate Real Estate Agents Licence, is a Commissioner of Declarations and holds a representative's Australian Financial Services Licence to deal with retail and wholesale clients regarding managed investment schemes.

Bob is a major shareholder in the Development and Project Management companies for this project.



Below is a list of a cross section of some of the projects in which Bob Andersen has been involved:

Commercial

- Cnr. Coronation Drive & Landsborough Terrace, Toowong
- Jephson Street, Toowong
- 55 Little Edward Street, Spring Hill
- Cnr. Creek & Adelaide Street, Brisbane

Land Subdivisions

- Austinville Rise, Austinville Road, Mudgeeraba
- Glenwood, Whitehouse Road, Kallangur
- Heritage Park, Middle Road, Hillcrest
- Parkland Springs, Parkland Boulevard, Caloundra
- Riverwood, Castle Hill Drive, Murrumba Downs
- Tallai Woods, Moralla Street, Mudgeeraba
- Third Avenue, Marsden
- Waterview Estate, Waterview Drive, Moffatdale
- Worongary Woods, Grosvenor Court
- Mudgeeraba Torrens Road, Caboolture

Retail

- Mudgeeraba Village Shopping Centre, Mudgeeraba

Retirement

- 22 Board Street, Deagon
- Kate Street, Newmarket
- Whites Road, Manly
- 42a Moores Pocket Road, Tivoli
- Radke Road, Bethania
- High Street, Bendigo

7.0 Investment Strategy



Townhouses / Units

- Argonaut Street, Slacks Creek
- Bleasby Road, Robertson
- Browns Plains Road, Marsden
- Calam Road, Sunnybank Hills
- Collins Street, Toombul
- Creek Road, Mt Gravatt East
- Daveson Road, Capalaba
- Debra Street, Coopers Plains
- Galway Street, Greenslopes
- Glenefer Street, Runcorn
- Gosford Street, Mt Gravatt
- Hellawell Road, Sunnybank Hills
- Hood Street, Sherwood
- Lima Street, Auchenflower
- Little Jenner Street, Nundah
- Montrose Road, Taringa
- Old Cleveland Road, Carina
- Overend Street, East Brisbane
- Oxley Road, Corinda
- Ridge Street, Greenslopes
- Ridley Street, Auchenflower
- Rutland Street, Coorparoo
- Samford Road, Alderley
- Settlement Road, The Gap
- Spencer Street, Redbank
- Tremain Street, Tingalpa
- Vinyl Street, Robertson
- Lockhart Street, Woolloongabba
- South Pine Road, Alderley

8.0 Role of the Operator

Role of Investire as the Operator

Investire has been appointed by the Trustee to provide a Business introduction Service as the Operator under a Class Order 02/0273 and ASIC Corporations (Business Introduction Services) Instrument 2022/77. The Operator controls the fund raising exercise including holding of Investor funds in a designated bank account and releasing funds to the Trustee subject to the terms and conditions outlined in this IM.

The Operator is not the issuer of and has not prepared this IM. The Operator makes no representation in, and to the maximum extent permitted by law takes no responsibility for, the accuracy or truth of any statement or omission from any part of this IM.

The Operator is responsible for accrediting potential investors under the Class Order and providing them with the IM as follows:

- distributing to persons or entities in Australia that qualify as Investors copies of the Information Memorandums by the Fundraiser or any appointed representatives of the Fundraiser;
- receiving the Application Forms from Investors;
- banking the Application Money into a designated bank account controlled by the Operator;
- providing to the Trustee a list of Investors and the number of Shares applied for;
- notifying the Trustee once the Minimum Subscription Amount has been achieved;
- arranging for the Trustee to issue the Preference Shares to relevant Investors and to lodge the appropriate forms with ASIC;
- upon notification by the Trustee that all contracts and other documents are in order as set out in the Information Memorandum, transferring the Application Amount to the Trustee;
- close the bank account and finalise any outstanding matters with the Trustee.

The Trustee and the Operator are parties to an agreement. Under that agreement:

- the Trustee has appointed the Operator to provide business introduction services to the Fundraiser to make offers to Investors and to arrange for the issue of the Units by the Trustee; and
- the Trustee will issue those Units in accordance with such offers if the offers are accepted.

The Operator is entitled to a fee based on the face value of Units issued by the Trustee for its services. This fee is payable once Units are issued by the Trustee.

9.0 Risks

As with any investment, there are risks associated with investing in the Trust. Many risks are outside the control of the Trustee and the Project Manager. If these risks eventuate, returns to investors may not be as expected and distributions may be reduced or suspended, and the capital value of the Trust may be reduced. Distributions are not guaranteed, and neither is the return of your capital.

The risks discussed below are not an exhaustive list. At the date of this IM, the director of the Trustee considers the following are key risks of an investment in the Trust:

9.1 Real estate specific risks

An investment in the Trust comes with risks associated with investing in residential property.

The following Property specific risks may cause the projections and assumptions in this IM to be negatively impacted:

a) Gross Realisation “on completion”

The ongoing value of the Project is influenced by changes in property market conditions including supply, demand and availability of capital. There is no guarantee that the Project will achieve a profit on completion nor is there a guarantee the Property will not fall in value as a result of assumptions upon which the relevant valuation is based proving to be incorrect.

b) Construction and development risk

- construction or development costs can exceed budgeted costs and the Fundraiser may be unable to complete the project unless the Developer of the Project can obtain further funds;
- funds kept in reserve by the Fundraiser for the Project to complete the Project being insufficient to meet the cost of completion;
- a change in market conditions could result in the value of the Project on completion being worth less than anticipated, or in lower sale rates and prices than expected; and
- Market risk / Settlement risk where pre-sales or pre-commitments are not honoured by the purchaser or tenant which may delay the repayment of the investors capital and its return on investment.

c) Builder risk

The Builder appointed by the Developer may not be able to complete the Project within time or budget, may incur cost overruns or delays or be unable to complete the Project. Appointment of a new builder will substantially incur more costs and delays to completion of the Project which may impact on the Fundraisers ability to meet projected dividends or redeem units within the projected time frame.

d) Development Approval

There is a risk the property may not receive the necessary approvals or may not receive necessary approvals in a timely manner, which will prohibit the progression of the development of the Project and impact on returns to investors.

e) Uncontrolled events

There is a risk uncontrolled events, such as natural phenomena and terrorist attacks, may affect the Property and/or the Project for which insurance is not available or for which the Trustee does not have insurance cover. Should such an event occur, a loss will result which will have negative impact on the income and capital value of the Trust.

f) Property settlement risk

The risk the vendor of the Property may not settle on the date settlement is expected to occur on, if at all.

g) Project Manager risk

The Project Manager is responsible for providing project management services to the Trustee and for managing the development of the Property on a day to day basis. If the Project Manager fails to do so effectively, then this could negatively affect the Trust's performance.

In particular, there is a risk that the Project Manager may fail to manage the development risks appropriately or fail to properly execute the Trustee's development strategy. These factors could have an adverse impact on the financial position and performance of the Trust.

The Project Manager's key personnel have extensive experience in transacting property, operating residential developments, financing, structuring, and funds management.

9.0 Risks

9.2 General risk factors

a) New fund risk

The Trust is a newly established unregistered managed investment scheme and has no track record or past performance. However, the Trustee and the Project Manager's management team possesses extensive property asset and finance experience.

b) Liquidity

There is no established external secondary market for the sale of Units in the Trust. Investors may arrange for their own private sale and the Trustee, without obligation, will assist in that process. There is no right for Investors to require their Units to be purchased by the Trustee or by any other person, or to have their Units redeemed. The Trust will not be listed on the ASX or any other exchange.

In addition, real estate assets are, by their nature, illiquid assets. It may be difficult for the Trustee to dispose of the Project at the end of the Term in a timely manner at its optimal sale price.

c) Insurance risks

Various factors might influence the cost of maintaining insurance over the Project and/or the Property, or the extent of cover available. Increased insurance costs, or limits on cover, can have a negative impact on the performance of the Trust. There are also some potential losses that cannot be insured including force majeure events.

d) Related party risks

The Trustee has appointed the Project Manager, a related body corporate of the Trustee, to provide project management services in relation to the Property. The engagement of the Project Manager constitutes a related party transaction. The risk with related party transactions is that the transaction may not have occurred on the same terms as the transaction may have occurred on had the transaction been with an unrelated, third party.

This risk is mitigated by the Trustee complying with its internal policies and procedures. The Trustee is satisfied the terms of the Project Manager's appointment are on no more favourable terms than if an unrelated party had been appointed as Project Manager.

e) Tax and stamp duty risk

Changes to tax law and policy (including any changes in relation to how income of the Trust is taxed or to the deductibility of expenses or stamp duty law) might adversely impact the Trust and Investors' returns.

You should obtain independent tax advice in respect of an investment in the Trust.

f) Investment term

There is no guarantee Investors' capital will remain invested for the expected term of eighteen (18) months from the date Units are issued. There are circumstances which may result in the Term of the Investment being shorter. For example, while it is not the current intention to dispose of the Property prior to the project completion, if the Trustee, on advice from the Project Manager, considers it appropriate to take advantage of a selling opportunity, then it may sell the Property prior to the proposed termination date if it believes that an early disposal of the Property is in the best interest of Investors.

The Trustee also has the right to extend the Term at its discretion.

g) Investment return

Neither the performance of this investment nor the repayment of Investor capital is guaranteed.

h) Property due diligence and use of experts

In acquiring the Trust's interest in the Property, the Trustee will engage experts to prepare reports as part of its due diligence enquiries. These reports will be relied on by the Trustee in assessing the risks associated with ownership of the Property. Whilst the Trustee has no reason to believe those enquiries will not be appropriate and complete, it cannot guarantee all risks and potential problems associated with this investment will be identified and will be properly addressed.

i) Concentration risk

Generally, the more diversified a portfolio, the lower the impact that an adverse event affecting one investment will have on the income or capital value of the portfolio. The Trustee will own a single property and is not diversified by asset class, geographic location of properties or exposure to different property sectors.

j) Forward looking statements

There can be no guarantee that the assumptions and contingencies on which the forward looking statements, opinions and estimates are based will ultimately prove to be valid or accurate. The forward looking statements, opinions and estimates depend on various factors, many of which are outside the control of the Developer and the Project Manager.

9.0 Risks

9.3 Second Mortgage Risk

A registered first mortgage (held by an associated company of the Developer) over the Property will rank ahead of Unitholders in the Trust. Return of capital and final distribution will be dependent on completion and sale of the developed lots and after repayment of the first mortgage at the end of the term and any remaining secured creditors.

In addition to the specific risks identified above, there are also other more general risks that can affect the value of an investment in the Trust. These include the following:

- a) The state of the Australian and world economies.
- b) Movements in the inflation rate.
- c) Negative investor and/or consumer sentiment which may keep the value of assets depressed.
- d) The illiquidity and cost of capital markets.
- e) Changes in taxation legislation
- f) Geopolitical circumstances and events

The Trustee, The Project Manager, the Operator and their associates, employees, advisors and representatives do not guarantee an investment in the Trust. Property development investment, by its nature, carries a level of risk and no guarantee is or can be given that an investment in the Trust will not decrease in value and that investors will not suffer losses.

Please read both parts of this IM in full and consider your attitude towards risk before deciding to invest in the Trust. You should also assess, in consultation with your professional advisers, how an investment in the Trust fits into your overall investment portfolio.



10.0 Taxation Information

Neither the Trustee, the Operator nor the Project Manager provides tax advice, nor have they obtained taxation advice specific to the Offer.

Taxation of the Trust

10.1 Taxation of Unit Holders

Investors will be required to include any dividends paid by the Trustee in their assessable income in the financial year to which the dividends are made. As a result, Investors are likely to be subject to income tax or capital gains tax on dividends received. The Trustee will determine the distribution policy and provide investors with taxation statements advising them of the classification and treatment of dividends paid by the Trustee.

10.2 Capital Gains Tax

The proposed redemption of Units will not be treated as income to the Unit Holders. Any funds treated as a return of capital will reduce the cost base of the Units for Capital Gains Tax (CGT) purposes. Investors will be advised and provided with a taxation statement advising of the treatment of any distributions made.

10.3 GST

Goods and Services Tax (GST) is not directly applicable to your Investment as a Unit Holder in the Trust or in the redemption of your Units. Additionally there should be no GST implications on the payment of any distributions or payments to Unit Holders. Each intending investor should seek their own taxation advice in regard to any taxation implications that may apply to their own individual circumstances as a result of an investment in the Trust.



11.0 Additional Information

11.1 Important Agreements

Constitution

The Trust is governed by its Constitution which governs Investors' rights as an investor in the Trust.

Potential Investors should consider whether it is necessary for them to obtain independent legal advice on the Constitution of the Trust and this IM which sets out the rights and obligations of the Trustee and the Unit Holders.

The Trust Deed is the primary document governing the relationship between its Unit Holders and the Trustee. It contains extensive provisions about the legal obligations of the parties and the rights and powers of each.

A copy of the Constitution is available free of charge by emailing bob.andersen@propertystrategies.net

Potential investors are advised to obtain a copy of the Constitution and Trust Deed to obtain a better understanding of the rights and powers of directors. If in doubt please obtain independent legal advice.

This IM is dated 15 October 2022 and has been signed by Bob Andersen pursuant to Section 351 of the Act.

11.0 Additional Information

11.2 Responsibility for Costs

The Developer, Project Manager, the Trustee or the Operator are not liable to reimburse or compensate any party or any of their representatives for any costs or expenses incurred by any party or its representatives in conducting their review and evaluation of this IM, undertaking due diligence or otherwise in connection with the Project.

11.3 Provision of Information

Requests for further information must be directed in writing to the Trustee. The provision of additional information is at the discretion of the Trustee and subject to availability of the requested information. Any additional information requested by and provided to one prospective investor may also be made available to other prospective investors at their request and at the discretion of the Trustee.

11.4 Independent Advice

Eligible Investors should read this Information Memorandum in its entirety prior to completing the Application Form as it contains important information about this investment opportunity. Eligible Investors should also consider seeking independent financial and legal advice prior to investing in the Trust.

11.5 Confidential Information

This Information Memorandum is the confidential information of the Trustee and is strictly intended for the recipient and must not be disclosed to any other party without the prior written consent of the Trustee.

11.6 Copyright

This Information Memorandum is copyright material owned by the Trustee. Permission to use any part of this Information Memorandum must have the express written permission of the Trustee.

11.7 Changing Details

All requests for changes in details must be made in writing and signed by the Investor. If Units are held jointly, then both parties must sign.

11.8 Privacy

In applying to invest, you are providing the Trustee and the Operator with certain personal details (such as your name and address). The Trustee may use this information to establish and manage that investment for you.

Under the Privacy Act 1988 (Cth), you can access personal information about you held by us, except in limited circumstances. Please let us know if you think the information is inaccurate, incomplete or out of date. You can also tell us at any time not to pass on your personal information by advising us in writing.

If you do not provide us with your contact details and other information, then we may not be able to process your application to invest. Under various laws and regulatory requirements, we may have to pass-on certain information to other organizations, such as the Australian Tax Office or the Australian Transactions Reports and Analysis Centre (AUSTRAC).

By Applying to invest, you give us permission to pass information we hold about you to other companies which are involved in helping us administer the Trust, or where they require it for the process of compliance with AML/CTF law or in connection with the holding of Application Money.

11.9 Anti-money laundering law

The Anti-Money Laundering and Counter-Terrorism Financing Act 2006 and associated rules and regulations require the Trustee to verify your identity prior to accepting your investment. You will be required to provide the identification information set out in the Application Form. We will not issue you with Units unless satisfactory identification documents are provided.

11.10 Statement by director of the Company

With respect to any statements made in the IM other than by the Director, the Director has made reasonable inquiries and on that basis have reasonable grounds to believe that persons making those statements were competent to make such statements, those persons have given their consent to the statements being included in this IM in the form and context in which they are included and have not withdrawn their consent before issue of this IM.

To the best of the knowledge and belief of the current director of the Trustee (who have taken all reasonable care to ensure that such is the case), the information contained in this IM is in accordance with the facts and does not omit anything likely to affect the accuracy of such information.

12.0 Glossary

ACN	Australian Company Number as defined in the Corporations Act	Eligible Investor	Entities who qualify as wholesale clients (as defined in section 761G of the Corporations Act) or sophisticated investors as defined in subsections 708(1) and (8 -11) of the Act and to parties whose participation in the Offer allows the Trustee to comply with section 708 of the Corporations Act (Eligible Investors and Experienced Investors.)
Allotment	The allotment of Units to Applicants on the Issue Date	GST	Goods and Services Tax as defined in A New Tax System (Goods and Services Tax) Act 1999, as amended
AAML/CTF	Anti-money laundering and counter-terrorism financing	IM	This information memorandum dated 15 October 2022
Applicant	Someone who applies for Units under this IM	Issue Date	Expected to be on or about the Closing Date, unless otherwise determined by the Trustee in its discretion
Application Form	The application for the allotment of Units in the Trust offered under this IM and accompanied by the Application Money for those Units	Investor	A person who acquires Units pursuant to the Offer
Application Money	The money paid by an Applicant for Units	Maximum Subscription	The maximum subscription amount under this offer is \$1,900,000 representing 1,900,000 Units in the Trust at \$1.00 per Unit
ASIC	The Australian Securities and Investments Commission	Minimum Subscription	The minimum subscription amount of \$500,000 which can be waived at the Discretion of the Trustee
Business Day	A day on which banks are open for business in Brisbane, except a Saturday, Sunday or public holiday	Offer	The offer of Units under this IM
Closing Date	Unless varied by the Trustee, the date the Maximum Subscription Amount is raised	Operator	Business Introduction Services Pty Ltd trading as Investire.
Constitution	The Constitution of the Trust dated 15 October 2022, as amended from time to time	Property	means the real property asset situated at Longyard Dr, Hillvue NSW 2340
Corporations Act	The Corporations Act of 2001 (Cth) for the time being in force together with the regulations		
Developer	Means the Owners of the land having a development agreement with the Project Manager		

12.0 Glossary

Project	means the residential development on the Property for the construction of a 99 home MHE over 50's resort
Project Manager	Majestic Development Corporation Pty Ltd appointed by the Developer to provide project management services as set out in this document
Trustee	Longyard Capital Mezzanine Fund Pty Ltd ACN 662 812 544
Units	Units in the Trust representing the investor's investment in the Trust.
Unit Holder	A person or entity that has been issued Units in the Trust



13.0 Directory

Company

Longyard Capital Pty Ltd
ACN 638 798 624

c/- ZM Partners
Level 5, 350 Kent Street
Sydney. NSW. 2000
Ph 1300 729 550

Developer

Longyard Venture Pty Ltd atf Longyard Venture Trust
and PMM Holdings Pty Ltd atf PMM Discretionary Trust

c/- ZM Partners
Level 5, 350 Kent Street
Sydney. NSW. 2000
Ph 1300 729 550

Project Manager

Majestic Development Corporation Pty Ltd

c/- ZM Partners
Level 5, 350 Kent Street
Sydney. NSW. 2000
Ph 1300 729 550

Operator

Business Introduction Services Pty Ltd
ACN 637 411 002 T/as Investire.

P O Box 170
Robina QLD 4226
Ph 07 5689 3770
www.investire.com.au



14.0 How to Apply for Units

1. Applications for Units can only be made via the online link on this page titled “APPLY FOR UNITS”
2. The link will direct you to an external onboarding registration platform Olivia123 containing an Application Form and other information required under the AML/CTF regulations.
3. Intending investors may also be required to complete a declaration provided to the Fundraiser confirming their investor status as a prior to making application for Units.
4. All Application Monies are deposited in a bank account controlled by the Operator until the Minimum Subscription is reached and the Units are issued by the Trustee.

Apply for Units

