

Investing in Commercial Property The Maat Way

Commercial property investors purchase properties for a variety of personal reasons.

Whatever the reason for commercial property investment the process of identifying the property, analysing the variety of information available and following through with the purchase are fundamental to making an effective decision.

Maat adheres to this process as specialists in purchasing commercial properties for investors, through forming a company in which investors purchase shares. This form of ownership allows investors to have control of the ownership and management of the company, with the guidance of Maat. In this way, investors can be part of an investment which is of significantly greater value than they could manage on their own and they have a passive investment, whereby the property management; lease management; and financial reporting is completed for them.

The status of the property, the quality of the tenants and the forecast financial return for the investors are key aspects to be analysed when purchasing commercial property, as part of a full due diligence process. The detail of that analysis should include an examination of every aspect of the purchase, including legal assistance to review the title(s) for the property; the terms of the leases;

and any other property related reports which are either available from the vendor or can be obtained through other sources.

In addition, the financial forecasting needs to be thorough and robust enough to include the effects of future rent reviews and rent renewals; the real cost of obtaining a new tenant; the future maintenance requirements; the long-term capital expenditure requirements; the growth of operating costs; and the forecasting of the future financing costs.

Maat's Managed Property Portfolio

Maat is currently offering another opportunity to investors, being the 13th property purchased for Equity Investment. This property is located at 306 Cameron Road, Tauranga and will be partly funded by \$22.85m of equity subscribed for by investors. A Product Disclosure Statement is available from the Maat office for prospective investors, with capital raising to be completed by 29 March. Settlement is scheduled for 16 April.

The three directors of Maat are qualified accountants, with two managing their own practices in Taranaki.



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To register interest in investing in commercial property, or to find out more about Maat's commercial property management services, contact Maat on (09) 414 6078 or email info@maat.co.nz. Maat Offices are located at B4/17 Corinthian Drive, Albany.



*projected pre-tax return for a three year period