

# PF2 Board of Directors

Currently the board consists of the following members

- Chairman – Peter Spann
- Managing Director – Ben Doyle
- Non Executive Director – Howard Woolcott
- Non Executive Director – Peter Conway
- Company Secretary – Andrew Whitten

# Board Members Present in Teleconference

- Chairman – Peter Spann
- Managing Director – Ben Doyle
- Non Executive Director – Howard Woolcott
- Company Secretary – Andrew Whitten

# Disclaimer

- Certain statements contained in this presentation, including information as to the future financial or operating performance of Property Fox No.2 Limited (“PF2”) and property Fox No.1 Limited (“PF1”) and its projects, are forward looking statements.
- Such forward looking statements may include, among other things, statements regarding estimates and assumptions in respect of property prices, building costs and council approval conditions, operating costs and results, capital expenditures, and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions; are necessarily based upon a number of estimates and assumptions that, while considered reasonable by PF2/PF1, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies; and involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward looking statements.
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- All forward looking statements made in this presentation are qualified by the foregoing cautionary statements. Investors are cautioned that forward looking statements are not guarantees of future performance and accordingly investors are cautioned not to put undue reliance on forward looking statements due to the inherent uncertainty therein.

# Teleconference Overview

- Chairman's Vision
- Finance Update
- Le Jardin Toowoomba
- Strategy
- Growth
- Renovation Projects
- Shareholder Questions
- Conclusion



# Chairman's Address



A visionary simply imagines what does not yet exist but might someday.

# Finance Update



# Finance Update

Independent Director – Howard Woolcott

## Past Performance

- Consolidated the Toowoomba site under one entity by buying out the 20% owned by Freeman Fox Investments Pty Ltd and taking control of the 30% owned by Property Fox No 1 Limited via the takeover.
- Reduced overhead by taking over PF1 and consolidating its assets under PF2
- This year reduced the cost of administration by approximately 2/3 by terminating original management agreements
- Sold Sydney properties, which is providing cash to complete development plans for Toowoomba





le jardin  
TOOWOOMBA





wine



dine



shop



relax

Le Jardin is designed to create a vibrant village style setting that offers a relaxing environment to meet and entertain friends, to shop, live and relax in style





## Existing Site

(consisting of residential homes and apartments)



## Design 1

**22 Apartments + 1,445m<sup>2</sup> Retail + 869m<sup>2</sup> Office Space**





## Design 2

**47 Apartments + 1,134m<sup>2</sup> Retail**

(Design change after securing an option over a neighbouring property which provided an increase in size & density)



## Design 3

**71 Apartments + 1,956m<sup>2</sup> Retail**

(Design change following discussions with TRC)





## Design 4

**88 Apartments + 832m2 Retail**

(Design change following Pre-DA Meeting with TRC)

# Project Features

- 1 bed apartments with walk in robe to main & two way ensuite, 80m<sup>2</sup> – 82m<sup>2</sup> internally plus terraces ranging from 31m<sup>2</sup> - 42m<sup>2</sup> & 1 car park plus storage
- 2 bed apartments with walk in robe to main & ensuite, 114m<sup>2</sup> internally plus terraces ranging from 16m<sup>2</sup> - 55m<sup>2</sup> & 1 car park plus storage
- 3, 4 & 5 Bed apartments with walk in robe to main & ensuite, 144m<sup>2</sup> – 263m<sup>2</sup> internally plus terraces ranging from 25m<sup>2</sup> - 77m<sup>2</sup> & 2 car parks plus storage
- On site Residents Gym and Media Room adjacent to the Grand Residential entry area of Building 1
- 2 Residents swimming pools
- A total of 50 apartments in Building 1 and 38 apartments in Building 2. (Total of 88 apartments)
- 831m<sup>2</sup> of Retail to include restaurants, café & boutique shopping plus outdoor dining terraces and retail pavilion set amongst landscaped gardens and reflection pond





# Elders Real Estate Toowoomba

The board has engaged a well respected local agent to view the plans of the project and assess its saleability in the market and estimated sale prices

The apartment mix and sizes have been designed with the local market in mind and both local and foreign investors

**Elders Real Estate**

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Toowoomba West  
202 Hume Street  
Toowoomba Qld 4350

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Email  
[toowoombare@elders.com.au](mailto:toowoombare@elders.com.au)

9.3.2011

Property Fox Number 2  
P.O. Box 7830  
Waterfront Place  
Brisbane. Qld. 4350.

Attention: Mr B. Doyle

Dear Ben

Thank you for the opportunity to view the plans of the units proposed for Ruthven St Toowoomba  
After consideration of units in the current market of similar quality I believe the value of the units to be as follows:

**Building 1-**

Lower ground floor units-	4 bedroom	\$400-\$450,000
	3 bedroom	\$350-\$390,000
	1 bedroom	\$290-\$320,000
Podium-	In the range of the above pricing	
Level 1-	3 bedroom-	\$410-\$450,000
	2 bedroom-	\$350-\$390,000
Level 2-	3 bedroom-	\$450-\$510,000
	2 bedroom-	\$410-\$450,000
Level 3-	3 bedroom-	\$550-\$620,000
	2 bedroom-	\$450-\$500,000
Level 4-	3 bedroom-	\$650-\$750,000
	2 bedroom-	\$550-\$620,000
Level 5-	3 bedroom-	\$800-\$890,000
	2 bedroom-	\$650-\$750,000

Level 6-	3 bedroom	
	Penthouse-	\$940-\$980,000
	4 bedroom	
	Penthouse-	\$990-\$1.1m
	5 bedroom	
	Penthouse-	\$1.1-\$1.3m

Building 2: Same as Building 1 except:

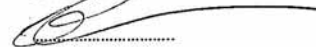
Podium-	2 bedroom-	\$330-\$340,000
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Level 6-	2 bedroom	
	Penthouse-	\$830-\$910,000

At this stage these are my estimates, values could change with design changes or the state of the market at time of sale.

Please contact me should you require anything further.

Sincerely-Yours



Vikki Seekamp  
Principal Elders Real Estate  
Toowoomba  
Mobile 0427 023 151



# Strategy







Once a Development Approval has been granted by Toowoomba Regional Council (TRC) we would have several options for the project.

1. Value the site as a DA approved development site and list for sale
2. Procure a JV partner to develop the site with, possibly a Construction/Development Co.
3. Raise Capital to develop and build the project

# Growth



# Capital Raising

PF2 is undertaking an Entitlement offer to raise funds for ongoing working capital for Le Jardin of Toowoomba and to invest in new projects

The opportunity exists for the company to extend its activities in to the re-development of existing residential apartment buildings in Sydney at present

# Capitol Raising

The company is planning to purchase and renovate and/or enter in joint venture agreements to buy and renovate small to medium size residential apartment building projects.

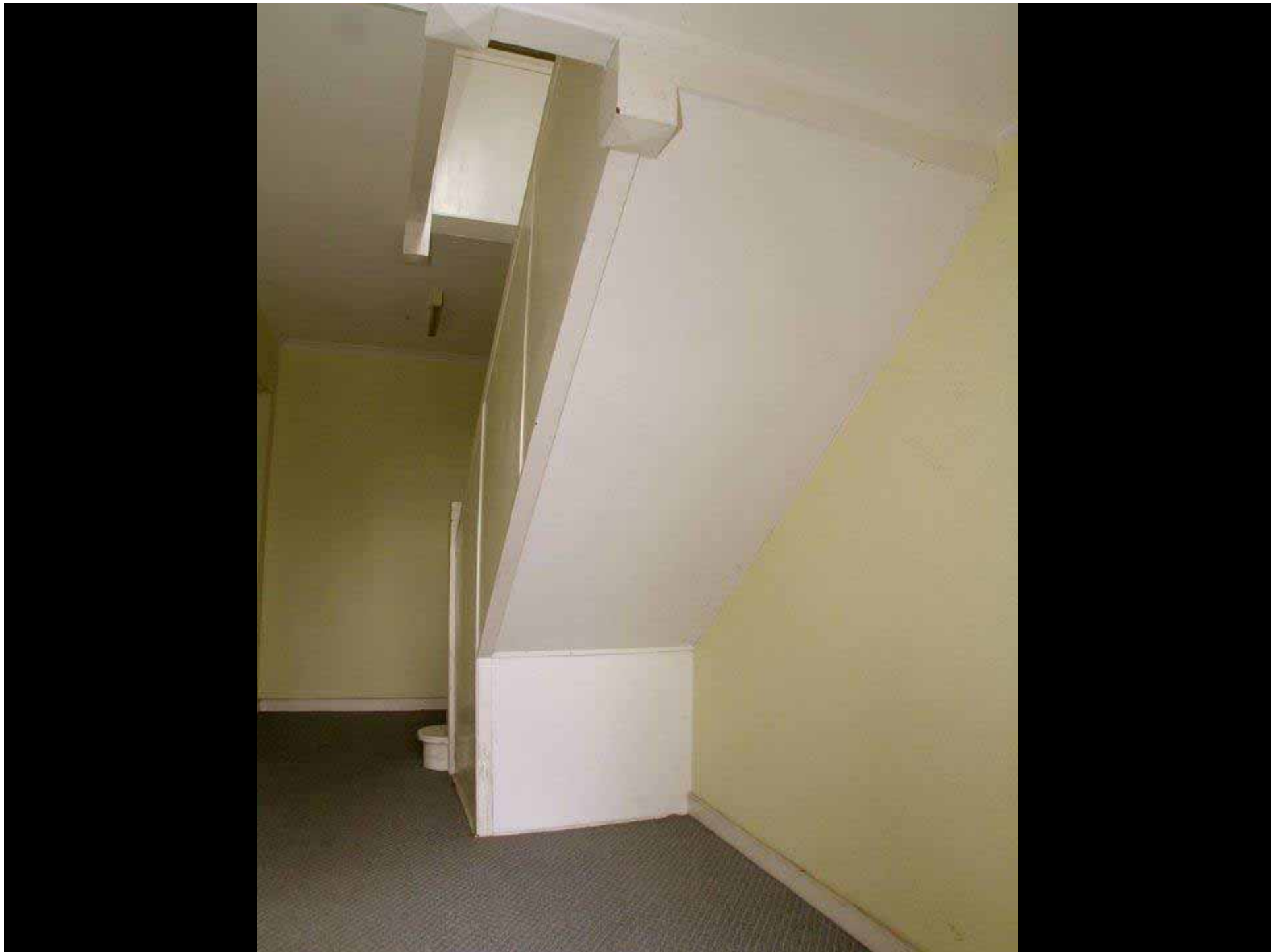
This is a very good opportunity for the Company to diversify into projects with a faster turnover and good potential cash flow.



# Renovation Projects



- A typical existing residential apartment building in Sydney would consist of 6 – 12 apartments
- The company would be focusing on suburbs within 10kms of the Sydney CBD
- With an existing established team that our Managing Director Ben Doyle has worked with for many years including Builder, Architect, Town planner, Solicitor, Surveyor and Project marketing sales teams the inclusion of this type of investment would suit the investment strategy of the company.

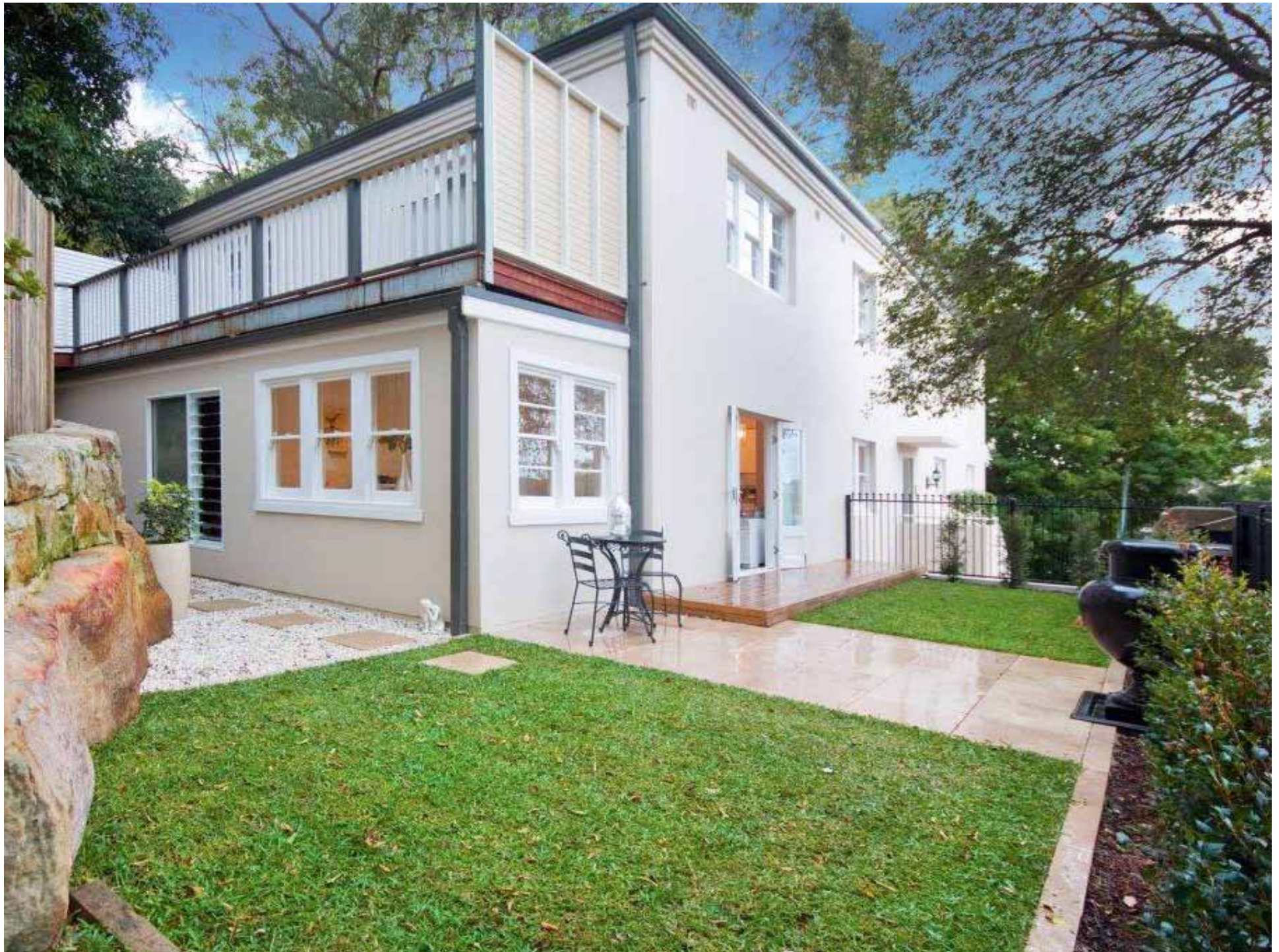








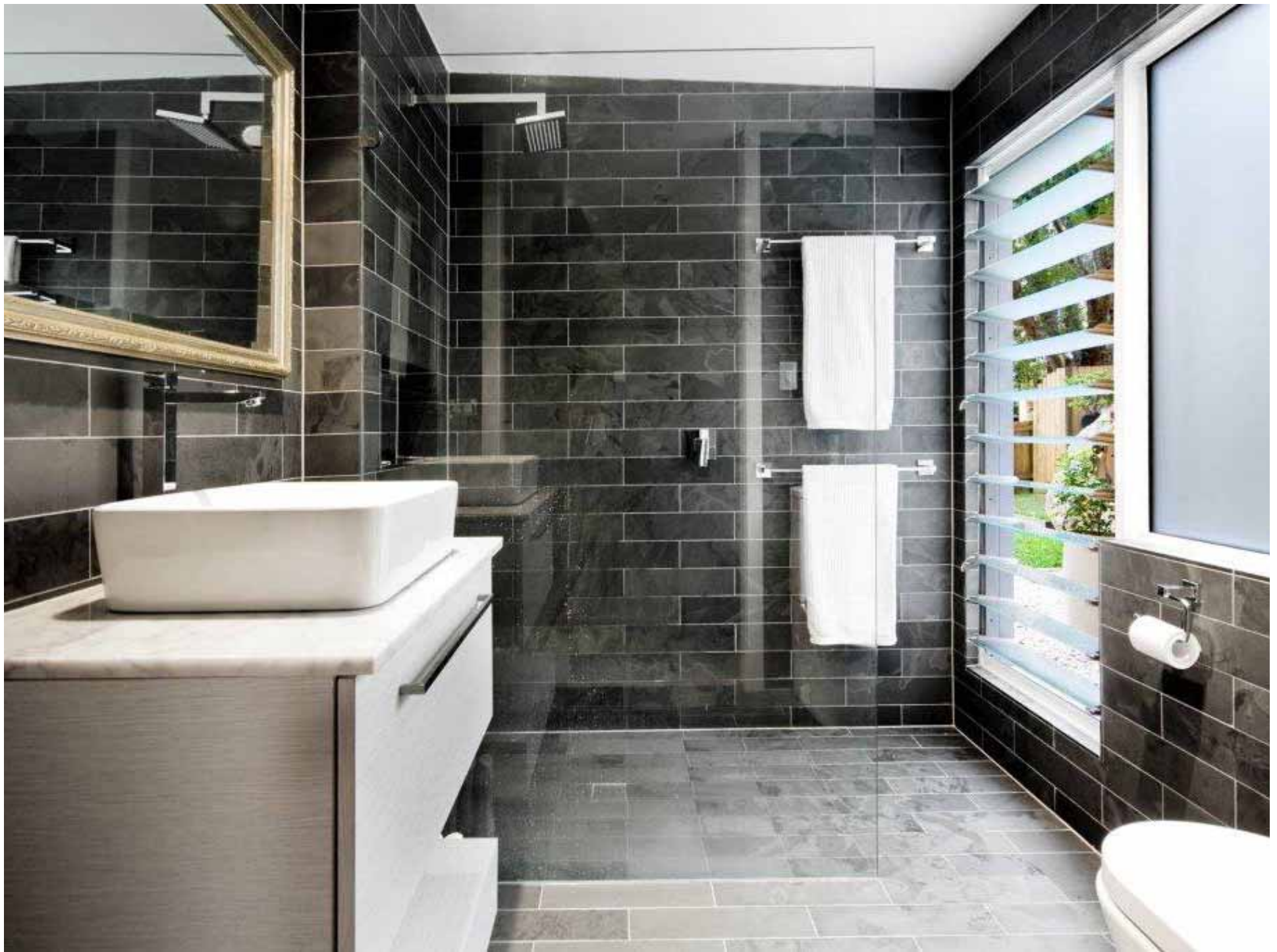














# Buy, Renovate & Sell Example

- South Coogee (Sydney) Apartment Building consisting of 5 apartments, 2 LUG and 3 car spaces
- A Development application was submitted to strata title the building, the addition of a 2 bedroom apartment and the removal of the 2 LUG and creating 6 open car spaces
- DA approval received and the building renovated with the inclusion of the additional apartment.
- All apartments sold to a mix of owner occupiers and investors















# P & L of Project

	Unit 1	Unit 2	Unit 3	Unit 4	Unit 5	Unit 6	Total
Sale Price	\$ 525,000.00	\$ 555,000.00	\$ 480,000.00	\$ 460,000.00	\$ 580,000.00	\$ 605,000.00	\$ 3,205,000.00
Rates taxes etc Purchaser allow	\$ 1,293.06	\$ 295.60	\$ 241.60	\$ 226.60	\$ 812.60	\$ 653.77	\$ 3,523.23
Total Income	\$ 526,293.06	\$ 555,295.60	\$ 480,241.60	\$ 460,226.60	\$ 580,812.60	\$ 605,653.77	\$ 3,208,523.23
Less Cost of goods sold							
Unit Purchase Price & Stamp Duty	\$ 387,285.00	\$ 387,285.00	\$ 387,285.00	\$ 387,285.00	\$ 387,285.00	<i>New Built Lot</i>	\$ 1,936,425.00
Legal	\$ 3,589.06	\$ 3,518.68	\$ 7,862.36	\$ 2,839.32	\$ 2,615.67	\$ 7,708.00	\$ 28,133.09
Vendor Allowance	\$ 180.00	\$ 180.00	\$ 180.00	\$ 180.00	\$ 190.00	\$ 184.00	\$ 1,094.00
Sydney Water	\$ 1,065.35				\$ 134.25		\$ 1,199.60
Land tax			\$ 9,892.00				\$ 9,892.00
Council Fees					\$ 496.47	\$ 478.30	\$ 974.77
Renovation Costs					\$ 43,000.00		\$ 43,000.00
Construction Costs						\$ 254,000.00	\$ 254,000.00
Interest							\$ 156,063.00
Borrowing Costs							\$ 13,476.00
Bank Charges							\$ 2,969.00
Project Expenses							\$ 94,204.00
Sales Commission							\$ 103,675.00
TOTAL EXPENSES							\$ 2,645,105.46
PROFIT ON PROJECT							\$ 563,417.77

A close-up photograph of four hands, two from the left and two from the right, clasped together in a square grip. The hands are light-skinned and appear to be of different ages or sizes. The background is a solid light blue. The text "Shareholder Questions" is overlaid in the center of the image.

# Shareholder Questions

# Continued Support

The Board is seeking your support as a valued shareholder. The Company needs your continued support to further develop and grow and urges you to carefully consider the possible benefits to further investing in PF2

The entitlement offer closes 31<sup>st</sup> March 2011



# Conclusion

