

# PEAK CHILDCARE TRUST NO. 3

FEBRUARY 2023



**Three New Childcare Assets**  
**15 Year Secure Leases**  
**7% Income Paid Monthly**

## WHY PEOPLE CHOOSE PEAK EQUITIES



Opportunity  
and Returns



Monthly Tax-  
Effective Income  
Distributions



Expert Property  
Selection and  
Management



Diversification  
and Liquidity



Peace of  
Mind



Communication  
and Information



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# Introduction

Peak Equities Pty Ltd, AFSL 458013 (Peak/The Trustee) is pleased to offer participation in the Peak Childcare Trust No. 3 (the Trust), which will be the ultimate holding trust for three new Childcare Centres in Queensland and Western Australia. Each of the three sites has received permits and authority approvals for the construction of high-quality Childcare Centres over the course of the next 12-14 months.

To maximise income returns to investors, the Peak Group (comprising Peak and associated group entities) has partnered with an experienced and proven Childcare Developer, the TAL Group (TAL), with development profits to be shared equally between Peak Investors and the relevant TAL entity.

**Based on our financial forecasts, the Trustee proposes to make monthly cash distributions to investors at the rate of 7% per annum.**

The Development Agreement with TAL provides that the Peak Group will provide funding for the purchase of the land and construction of the three Centres, with TAL acting as Development Manager. Peak Group will be entitled to interest income on all funds advanced during the development phase of the project, as well as a 50% share of the Development Profit from each project. TAL will be paid a capped commercial development management fee commensurate with the size and scale of the project.

Each of the properties is subject to a secure lease with prominent Childcare operators. During the development stage of the project, income distributions to investors will be funded by interest income from the developer, underpinned by substantial cash reserves.

Our due diligence investigations have been thoroughly and patiently undertaken over a period of almost six months, with all legal documents and agreements reviewed by specialist solicitors. We have satisfied ourselves as to the bona fides and capabilities of the Developer; each of the building contractors and each Operator/Tenant.

Full details of the operating structure and the various agreements are set out in the following sections of this Information Memorandum which we commend for your consideration. Applications for investment can be made on the application form at the back of this IM. Please approach any of our directors with any questions or requests for further information.



**David Borsky**  
**Managing Director**

# Offer Details

- 1. The Trust** - Investors are invited to apply for Ordinary Units in the PEAK CHILDCARE TRUST NO.3 (The Trust). The total value of Ordinary Units to be allotted pursuant to this offering is \$9 million (nine million dollars) in 9,000 Units of \$1,000 each.

The Trust owns 100% of the unit capital in the Peak Childcare Property Trust No. 3 (Trust No. 3). Trust No. 3 will purchase the three properties and its principal activity upon completion of construction will be the derivation of rental income from each of the following Childcare centres:

- 7 Banks Creek Rd & 1470 Brisbane Valley Hwy, Fernvale QLD
- 2-4 Lago Crescent, Mt Sheridan QLD
- 642 Rockingham Road, Lake Coogee WA

- 2. Due Diligence** - Peak Childcare Holdings Pty Ltd (Trustee of Trust No. 3) has undertaken and completed detailed Due Diligence investigations in relation to each of the Childcare Centres.

- 3. Application of Proceeds** - The Trust will apply the proceeds of the capital raising to the purchase of Ordinary Units in the Peak Childcare Property Trust No 3, which will be the registered proprietor of the Childcare properties and the Lessor in each of the respective leases.

- 4. Purchase Price** - The total funds required to purchase and develop the three freehold properties, including all acquisition costs and initial expenses is estimated to be \$18,010,000

- 5. Funding** - Peak Childcare Holdings Pty Ltd is in the process of finalising interest-only first mortgage funding from Bank SA at a 53% LVR, on a non-recourse basis to investors. The forecast variable interest rate will commence between 5.5% and 5.7% p.a. (based on the 90-day Swap rates at the date of preparing this IM).

- 6. Term of the Syndicate** - It is expected that the properties will be held for a period of 5-8 years, subject to the discretion of the Trustee of Trust No. 3 to extend the holding period or to sell one or more of the properties at any time, if it considers that it is in the interest of Unitholders to do so. After satisfying any required bank debt reduction and all other obligations, the net proceeds of the sale of each or all the properties will be applied as a Return of Capital to Investors.

- 7. Liquidity** - The Trustee undertakes that Investors in the Trust will be entitled to exit their investment at market value at any time after the 5th anniversary of the establishment of the Trust.

- 8. Forecast Distribution Rate** - The Trustee proposes to make monthly cash income distributions to investors commencing at the rate of **7% per annum**, subject to the satisfactory receipt of rental income, prevailing interest rates and the attainment of budgeted development profits. The forecasts have assumed average debt servicing costs of up to 5.5% per annum through the initial 6-year term of the Syndicate.

- 9. Applications for Units** - Each Investor may apply for between 100 and 900 Ordinary Units of \$1,000 each in the capital of the Trust (Investment Value \$100,000 to \$900,000). Applications may only be made on the Application Form attached to this Information Memorandum.

- 10. Offer Period** - The offer will remain open until the full subscription has been received. The Trustee has complete discretion as to the number of Units (if any) to be allocated to each Applicant.

- 11. Management Agreement** - The Trust has entered into a Management Agreement with Peak Childcare Management Pty Ltd (the Manager).



## Offer Details - Cont

**12. Transfer of Investment Balance** - Once the Trustee has confirmed the allocation of Units to an applicant

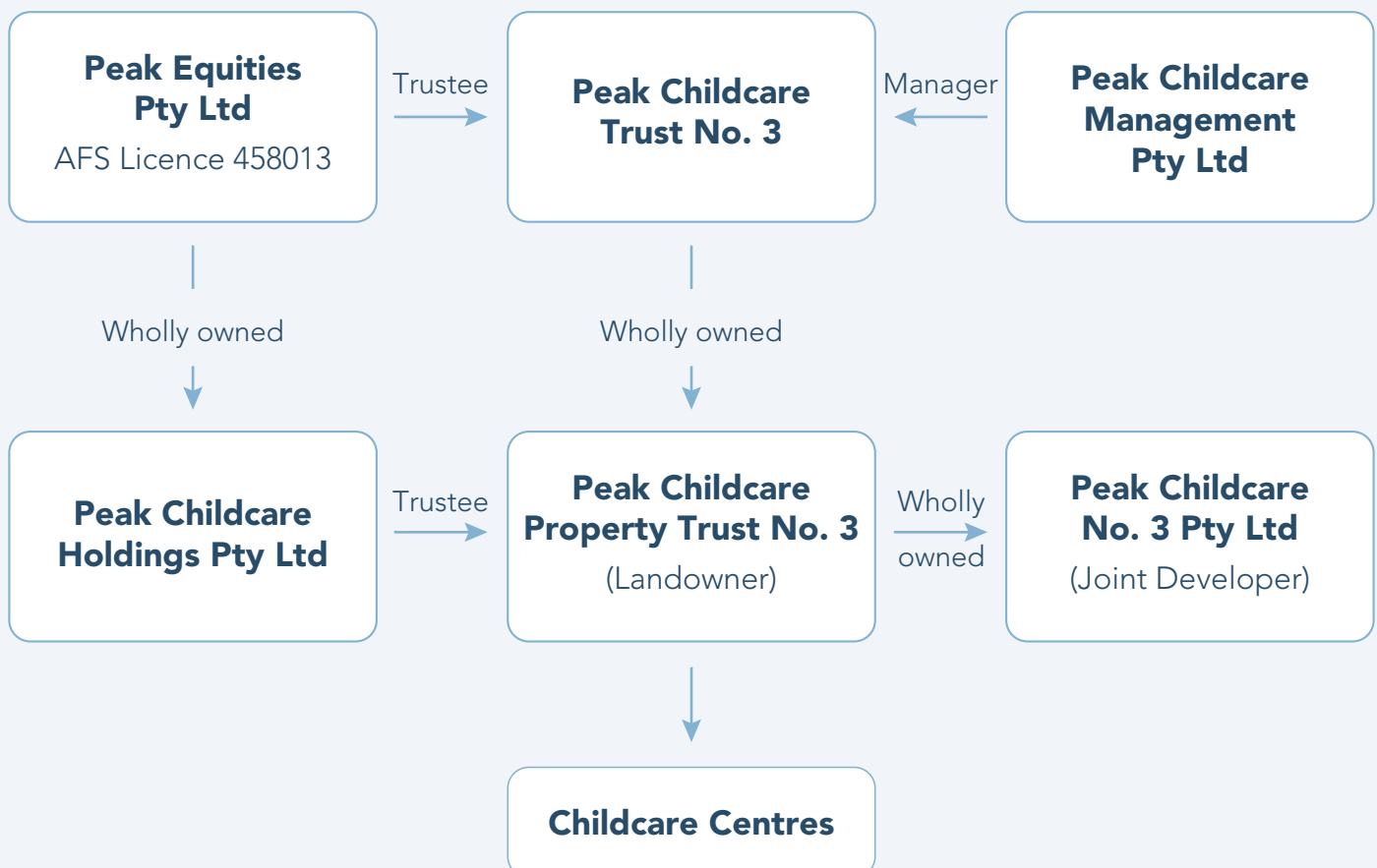
- 50% of the full subscription amount will be payable by Tuesday, March 14th, 2023.
- 50% of the full subscription amount will be payable by Friday, May 12th, 2023.

Unit Certificates will be issued by the Trustee upon payment following settlement of the land purchases and receipt of the second 50% instalment.

**13. Offer Limited to Wholesale Investors** - The Offer is available exclusively to Wholesale or Sophisticated Investors as defined in the Corporations Act.

**14. Trust Documents** - Prior to confirming their investment, intending Unitholders may request a copy of the Trust Deed of the Peak Childcare Trust No. 3 or the Peak Childcare Property Trust No. 3, on a strictly confidential basis.

## Peak Childcare Trust No. 3 Corporate Structure



# Benefits of investment in Peak Childcare Trust No 3

- Childcare in Australia is increasingly recognised as a vital element of our Social Infrastructure, with the dual benefits of enabling greater levels of workforce participation and acting as a valuable extension to primary education.
- For retirees and superannuants seeking predictable and sustainable income, securely leased Childcare assets provide a stable monthly income stream over the medium to long-term, contrasted with returns from the more volatile and unpredictable equities and fixed interest markets.
- Trust No 3 will attract significant taxation advantages, principally derived from the generous depreciation allowances for buildings and plant & equipment. The Unit Trust structure enables those benefits to effectively flow through to Unitholders with the effect that a substantial percentage of the Trust's monthly cash distributions are received on a tax-free or tax-deferred basis. \*
- The Trust properties enjoy the benefit of stable 15-year initial lease terms with experienced and well-reputed Operators. All outgoings (including land tax at single holding rates) are recoverable from the tenants. The leases provide for fixed annual rent increases of 3.25% or 3.5% in each year, with a market review at the expiration of the 7th year of the initial lease term.
- Before committing to a lease, prospective tenants have access to detailed and sophisticated demographic and economic data, which informs their decision-making and enhances the security of the leases. Tenants in each new property invest up to \$1 million in initial capital expenditure, equipment purchases and working capital, further strengthening the lease covenants.
- The Childcare leasing market is subject to very low incentives required to attract new tenants or extend existing leases.
- The Childcare Sector is supported by record levels of Government funding, set to increase further from July 2023 with increased subsidies and easing of the means tested restrictions.
- Each of the past three federal budgets and several state government budgets has emphasised the importance of the Childcare sector in government social and economic policy.
- The current Labor Government campaigned on a platform including multi-billion dollar increases in Childcare subsidies. From 1st July 2023, the maximum subsidy rate will increase to 90% for families for the first child in care. Even families with household income of \$150,000 p.a. will be eligible to receive subsidies of 76%.

**\* Note that neither the Trustee nor the Manager warrants any taxation outcomes and intending investors should seek independent tax advice reflecting their individual circumstances.**

# Current Market Trends

The Australian Childcare market has maintained a strong yield profile relative to other commercial assets against the background of uncertainty surrounding inflation and interest-rate movements.

It is important to recognise that there are various sub-sectors within the Childcare property market. There can be material value differentials between Centres with high profile national Operators and those operated by minor industry participants. Similarly, the level of proximate competition, demographic trends, remaining lease terms and location by region and position will influence the value of each property.

The range and quality of activities at Early Learning Centres has advanced markedly over recent years. Empirical evidence indicates a clear preference by families for newly built Centres, designed to accommodate the most progressive curriculum and advanced physical facilities.

Over a 2–3-year period after 2019, Childcare real property became recognised as a premium investment sector. By June 2021, the market had experienced a strong compression of yields. Premium Sydney and Melbourne assets sold at yields approaching 3% and at the market's peak, few properties achieved yields above the 5% -5.25% range.

The popular method of sale for individual assets has been by public auction. Leading agencies within the Childcare sector, Burgess Rawson, Cushman & Wakefield, CBRE and JLL, conduct regular auctions throughout the year. The format appeals to high-net-worth individual investors, attracted by the long leases and values in the \$5 to \$10 million range, which has resulted in a highly competitive market.

Peak Equities does not participate in auction bids, as they are not suited to our comprehensive due diligence investigations. As such, we review opportunities arising from our network of developers and estate agents specialising in the Childcare space.

It was widely expected that the market would soften in 2022, with expectations of substantial interest rate increases during the year. However, the tight yields held firm during the early 2022 auction series. The number of properties offered for sale declined during the year, although the Burgess Rawson late-year auctions saw premium assets continue to achieve near-record prices. In October 2022 a Childcare centre in Townsville sold at a yield of 4.77% and in December 2022, an asset in Prahran (inner-suburban Melbourne) sold at a passing yield of 3.12%. The exceptionally low yields in metropolitan Melbourne and Sydney reflect the high value of land on which those Centres are situated.

The hectic level of activity during 2021 and 2022 saw Developers and Operators scramble to take advantage of the increasing demand for Childcare properties. Construction of multiple new Centres will continue during 2023, based on applications and planning permits locked in from the preceding year.

Notwithstanding the impact of higher interest rates, inflation and the prospect of a temporary over-supply, demand for additional Childcare facilities is expected to continue, encouraged by the increased subsidies, and supported by record levels of employment and in particular female participation in the workforce. Expected increases in net migration should also lead to an increase in demand.

# Development Partnership Arrangements

- Each of the three Trust properties was offered to Peak by the TAL Group. TAL had researched and identified the opportunities and had secured an option to purchase the subject land.
- During the option period, TAL secured Agreements for Lease with each of the Operators; negotiated fixed price building contracts; obtained all local government planning approvals; and negotiated interim Childcare operational approvals from each of the requisite state and federal government authorities.
- Negotiations between Peak and TAL commenced during Q3, 2022, with agreement eventually reached that Trust No 3 would take ownership of the Centres and assume the rights of the Lessor under each of the leases.
- All development activities carry a degree of commercial risk, with the risk increasing commensurately with potential rewards.
- TAL, with its relevant experience and established management structure, will be appointed as Development Manager and will be paid a capped commercially appropriate development management fee. The Trust No. 3 will receive "coupon" interest payments at the rate of 8% per annum on all funds invested in the project during the land acquisition and development phase.
- As responsible managers of our investors' funds, Peak has taken all reasonable steps to minimise the risks to our investors. This is best demonstrated by an analysis of the development budget for one of the properties being acquired. Note that the development budget has been refined and updated to reflect the most current circumstances.

## Fernvale Budget

Item	('000)
Land Acquisition, Statutory Charges & Professional Costs	\$1,442
Fixed Price Construction Contract, Infrastructure & Levies	\$2,734
Contingency (5% of Construction Costs)	\$137
Holding Costs & Consultants' Fees	\$144
Rent-Free Allowance to Tenant (2 months)	\$55
Coupon Interest Charge (to Peak Group)	\$255
Project Management Fees (to TAL)	\$180
<b>Total Project Costs</b>	<b>\$4,947</b>
<b>Total Acquisition Price (Peak Group)</b>	<b>\$6,000</b>
Development Profit	\$1,053
<b>Peak Group Share of Development Profit</b>	<b>\$527</b>



## Development Partnership Arrangements - Cont

- The only costs that remain variable at this time are variations to the construction costs, holding costs and financing costs that might arise from contractual disputes or substantial delays in completion of the construction, to the extent that such charges exceed the contingency allowance of \$137,000.

Across the 3 properties, the total contingency allowance is \$380,000 and the total development profit available to Peak Group is estimated at \$1,106,000.

Any additional or unforeseen costs may reduce the cash profit available for distribution to unitholders.

- Peak Group's ownership of the land will be effected by TAL assigning its rights under each Option Agreement to Trust No. 3, which will subsequently settle the purchase of the land. Trust No.3 has established a wholly owned subsidiary company, Peak Childcare No. 3, (Peak Development company) which will partner with TAL to construct each Childcare Centre and will share in the development profits equally with TAL.
- TAL, with its relevant experience and established management structure, will be appointed as Development Manager and will be paid a commercially appropriate development management fee. Trust No. 3 will receive "coupon" interest payments at the rate of 8% per annum on all funds invested in the project during the land acquisition and development phase.
- The most important legal agreement affecting Peak's participation in this project is the Development Management Agreement (DMA) with TAL.

The terms of the DMA have been negotiated over the past several months, with expert advice from Peak's solicitors in consultation with the solicitors acting for TAL, the grantors of each of the Options and the respective Lessees. All parties have approached the negotiations in good faith and have been commercially reasonable in the matters upon which they have insisted and those in respect of which they have been prepared to compromise. Each of the Lessees also agreed to vary the terms of the Lease documents upon request by Peak, which we consider bodes well for our ongoing relationships with our tenants.

# Property & Tenant Details



Fernvale is located approximately 37km West of Brisbane, in the Somerset region. This rapidly developing town currently faces a serious under-supply of childcare spaces, as compared to the QLD state average, thus this new state of the art centre is well positioned to succeed.

Journey Early Learning expertly operates over 30 Childcare Centres across Australia. Their marketing material speaks of an "education approach that is inspiring and stimulating, filled with curiosity, wonder and joy and are committed to providing a safe, warm and inclusive environment where everyone feels welcome".

[www.journey.edu.au](http://www.journey.edu.au)



<b>Address:</b>	7 Banks Creek Rd & 1470 Brisbane Valley Hwy FERNVALE QLD
<b>Operator:</b>	Journey Early Learning
<b>Land Size:</b>	2782 sqm.
<b>Gross Building Area:</b>	755 sqm. building + 820 sqm. outdoor play area
<b>Licensed Childcare Places:</b>	100
<b>Commencing Rental:</b>	\$330,000
<b>Annual Rental Increases:</b>	3.25% - market review after 7 years
<b>Rental per Childcare Place:</b>	\$3,300
<b>Purchase Yield:</b>	5.5%
<b>Purchase Price:</b>	\$6,000,000
<b>Lease term:</b>	15 Years
<b>Outgoings:</b>	Tenant pays all outgoings including land tax

# Property & Tenant Details



Mt Sheridan is situated in the Cairns Regional Council local government area and lies 10kms south of Cairns CBD. This area is mainly residential, with a small percentage of commercial properties. Steady population growth is forecast for Mt Sheridan over the coming years, including pre-school age children in the catchment area of this childcare centre.

Eden Academy has been one of the recent success stories in the Childcare sector. The Group successfully operates over 20 Childcare Centres across Australia with several centres currently under development. Their reputation as a quality educator of pre-school age children has contributed to their operational and financial success in their existing Childcare assets.

The Eden Academy website describes the group's focus on learning through play, valuing it as one of the main ways in which children learn and develop. They aim to nurture imagination and give a child a sense of adventure and through this, help them to learn essential social and educational skills such as problem-solving, working with others, and communication.

[www.edenacademy.com.au](http://www.edenacademy.com.au)



<b>Address:</b>	2-4 Lago Crescent MOUNT SHERIDAN QLD
<b>Operator:</b>	Eden Academy
<b>Land Size:</b>	2340 sqm
<b>Gross Building Area:</b>	611 sqm. building + 626 sqm. outdoor play area
<b>Licensed Childcare Places:</b>	81
<b>Commencing Rental:</b>	\$275,400
<b>Annual Rental Increases:</b>	3.25%- market reviews after 7 years
<b>Rental per Childcare Place:</b>	\$3,400
<b>Purchase Yield:</b>	5.51%
<b>Purchase Price:</b>	\$5,000,000
<b>Lease term:</b>	15 Years
<b>Outgoings:</b>	Tenant pays all outgoings including land tax

# Property & Tenant Details



The Lake Coogee property will be the 4th Childcare Centre established by Tribe over recent years. Our purchase decision has been influenced by the considered and patient approach adopted by Tribe's management team, establishing a firm footing based on proven educational programmes as they begin their expansion programme.

Tribe's current Centres are all located in the greater Perth region, enabling them to closely observe and manage operational standards before they expand to regional or interstate areas.

Lake Coogee is located approximately 20.5km Southwest of Perth in the city of Cockburn, Lake Coogee is an industrial based area hosting significant minerals and resources operations, with a growing and relatively affluent worker population. The average family income in Lake Coogee is above the WA average, with a high proportion of double income families.

[www.tribeearlylearning.com.au](http://www.tribeearlylearning.com.au)



<b>Address:</b>	642 Rockingham Road LAKE COOGEE WA
<b>Operator:</b>	Tribe Early Learning
<b>Land Size:</b>	2170 sqm.
<b>Gross Building Area:</b>	783 sqm. building + 717 sqm. outdoor play area
<b>Licensed Childcare Places:</b>	100
<b>Commencing Rental:</b>	\$330,000
<b>Annual Rental Increases:</b>	3.5% with market reviews after 7 years
<b>Rental per Childcare Place:</b>	\$3,300
<b>Purchase Yield:</b>	5.5%
<b>Purchase Price:</b>	\$6,000,000
<b>Lease term:</b>	15 Years
<b>Outgoings:</b>	Tenant pays all outgoings including land tax

## Financial Summary

	('000)
Mount Sheridan	\$5,000
Fernvale	\$6,000
Lake Coogee	\$6,000
Due Dilligence	\$36
<b>Total Combined Cost</b>	<b>\$17,036</b>

Establishment Fees (2.75%)	\$468
Borrowing Costs	\$40
Cash Reserves	\$466
<b>Total Funds Required</b>	<b>\$18,010</b>

Mortgage - 53% of combined contract price	\$9,010
<b>Investor Equity Required</b>	<b>\$9,000</b>

Annual Rental Increases - Mount Sheridan	3.25%
Annual Rental Increases - Fernvale	3.25%
Annual Rental Increases - Lake Coogee	3.50%
Monthly Income Distribution Rate	7% p.a
5 Year Capital Expenditure Allowance	\$55,000



# Manager's Entitlements

Category	Description	Entitlements
Establishment Fee	The Manager charges an initial fee calculated as a percentage of the Total Acquisition Cost being the aggregate of a. The contract price plus all reasonable fees, legal costs, due diligence, stamp duty and other costs and expenses associated with acquisition of the relevant part of Trust Property. b. Forecast Development Costs if the relevant part of Trust Property.	2.75% of Total Acquisition Cost
Syndicate Management Fees	Paid monthly to Peak Childcare Management Pty Ltd for managing the assets and all of the activities of the Trust No. 3 and the interests of Unitholders. Calculated by reference to the Total Asset Value of the Trust No. 3	0.4% of the Total Asset Value of Trust No. 3 (as defined in the Trust Deed)
Selling Fee	Charged in respect of the sale of Trust No. 3's property (from which all external agents' fees and direct selling expenses will be paid)	2% of Sale Contract Value
Founder Units	Interests associated with the Manager have been allotted 600 Founder Units at \$1.00 each in the capital of the Trust.	Founder Units are entitled to 1.75% of the income and capital of the Trust
Capital Gains	Interests associated with the Manager have been allotted 600 Special CG (Capital gain) Units at \$1.00 each in the capital of the Trust.	Special CG Units will be entitled in aggregate to 20% of the aggregate returns of the Trust in excess of an IRR of 7% upon sale of the Trust property.

## Peak Professionals

Our team of property and financial professionals provide extensive industry experience and proven results.



**DAVID BORSKY**  
MANAGING  
DIRECTOR



**JAMES WEAVER**  
DIRECTOR -  
PROPERTY



**TREVOR O'HOY**  
NON-EXECUTIVE  
DIRECTOR



**IAN FOOTE**  
NON-EXECUTIVE  
DIRECTOR



**TOM BORSKY**  
EXECUTIVE  
CONSULTANT



**DAN MAGREE**  
VALUATIONS AND  
ADVISORY

# Risk Factors

Intending Investors should be aware of the following risks associated with an investment in the Trust and are advised to seek independent advice before committing to an investment in the Trust.

## General Investment Risk

Whilst income and distribution forecasts have been carefully formulated based on current market conditions and reasonable assessment of future conditions, unforeseen or uncontrollable circumstances may arise during the term of the Trust which adversely affect the projected income streams and/or future capital values. There is no guarantee the financial forecasts in this IM will be achieved. Many risk factors could impact on the projected income, the tax effectiveness of any distributions, and the return of capital or capital growth. An investment of this nature carries a certain level of commercial risk, and the performance of the Trust may be affected by factors outside the control of the Manager. Some of the significant risks and the way the Manager aims to manage those risks are set out below.

## Liquidity Risk

Units in the Trust will be illiquid for a period of five years, and during that time they may not be readily saleable. The Manager has no obligation to purchase or redeem Units during the first five years of the life of the Trust. There is no established secondary market for Units and transfers may only be affected in accordance with the Trust Deed.

## Property Risks

Property investment by its nature involves risk. The Manager cannot guarantee the continued occupancy of the property, nor the income available for distribution to investors. Neither can the Trustee or the Manager warrant that the eventual sale of the property will generate capital gains to the investors.

## Covid and other Pandemic Risks

Whilst the restrictions associated with the Covid-19 pandemic appear to be largely behind us, a subsequent or more serious outbreak of the Covid-19 or other pandemics may affect tenant's ability to trade and give rise to rental relief which can impact the income generated by the Trust.

## Insurance Risks

The Manager will insure all properties for full replacement value and will insure against public liability claims. However, the circumstances of a particular loss or the specific provisions of the insurance policy may preclude a claim being accepted in whole or in part by the insurer. Additionally, there is a risk that the insurance money received may not be adequate to fully compensate the Trust.

## Interest Rate and Forecasting Risks

The Manager does not guarantee the indicated earnings and rate of distribution set out in this IM.

Investors should make their own reasonable enquiries and form an independent opinion of the future performance of the Trust. The forecast financial information has been derived from financial models which have been developed by the Manager.

There is a risk that forecasts may not be accurate as a result of one or more incorrect assumptions.

Assumptions are generally only a best estimate at a point in time. In addition to general forecasting risks, there may be significant further increases in interest rates during the term of the investment, increasing the cost of bank funding. The Manager's forecasts have provided for the cost of debt to increase during the term of the investment and the Trust will hold some cash reserves to accommodate increases. If further funding support is required, the Manager may defer part or all its annual management fees. In the event of a sustained increase in the cost of debt beyond the forecast amounts, the Trustee may determine, as a matter of prudence, to reduce the annual rate of income distributions to unitholders.

# Risk Factors - Cont

## General Economic Risks

These relate to the overall risk of a broad range of investments. The returns on all commercial investments are affected by various economic factors including changes in interest rates, exchange rates, inflation and the general state of the economy.

## Regulation and taxation risks

Changes in Federal and/or State government policy or legislation, including in relation to taxation and stamp duty may adversely affect the Fund or Investors. The effects of tax may vary depending on the status of Investors, but may affect the accessibility of income, the deductibility of expenses, and the treatment of Fund income or impose additional expenses on the Fund.

## Construction Risk

All property construction is exposed to risk factors which may be beyond the control of the Trustee or the Manager. The manager has contractually limited its financial exposure under a development management agreement with the Developer, supported by cash guarantees. In addition to contractual protections, several professional appointments have been made, including independent certifiers and quantity surveyors to oversee the timeliness, cost and quality of the construction.



# Additional Information

## MATERIAL CONTRACTS

The following is a summary of documents significant or material to the Fund and its activities. This section only contains a summary, which means that all the provisions of each material document are not fully described. Copies of material documents (subject to excluding confidential commercial terms) may be requested from Peak Equities Pty Ltd.

## THE TRUST DEED

The Peak Childcare Trust No. 3 was created on 2 February 2023, with Peak Equities Pty Ltd as trustee. The initial unitholders of the Trust were allotted Founder Units and Special CG (Capital Gains) Units.

## THE MANAGEMENT DEED

Peak Childcare Management Pty Ltd is the appointed manager of the Peak Childcare Trust No. 3 and is responsible for due diligence activities; day-to-day management of the property; attendance to all Unitholder communications; trust accounting; compliance with all statutory obligations and requirements; and the eventual sale of the trust property. Details of the Manager's remuneration are set out in the body of this Information Memorandum. Details of the Manager's rights and responsibilities are set out in the Management Deed dated 20th February 2023. Copies of the Trust Deed and Management Deed may be provided to Unitholders upon receipt of a written request.

## DEVELOPMENT MANAGEMENT AGREEMENT

Peak Childcare Holdings Pty Ltd as trustee for the Peak Childcare Property Trust No. 3 (Landowner) has entered into a development management agreement with the following parties for delivery of the completed projects.

- Peak Childcare No. 3 Pty Ltd (Peak Developer)
- Queensland Commercial Investments Mackay Pty Ltd (Fernvale developer)
- TAL GP Projects Early Learning Pty Ltd (Mount Sheridan developer)
- WA Mixed Use Investments Pty Ltd (Lake Coogee developer)
- Luca Giovanetti and Daniel young (Guarantors / TAL directors)

## DISCLOSURE OF INTERESTS

Investors are made aware that parties associated with Peak Equities Pty Ltd have financial, commercial and other interests in the various entities associated with the establishment and operation of the Peak Childcare Trust No. 3.

## PEAK EQUITIES PTY LTD

David Borsky, James Weaver, Trevor O'Hoy and Ian Foote are directors of Peak Equities Pty Ltd, and entities associated with each director are shareholders in the company. Interests associated with Mr Tom Borsky are shareholders in Peak Equities Pty Ltd.

Tom Borsky and Dan Magree are members of the Peak Equities Pty Ltd Advisory Board and are Responsible Officers pursuant to the Peak Equities Pty Ltd AFS Licence. Interests associated with Messrs Borsky and Magree receive consulting fees from Peak Equities Management Pty Ltd, a company associated with Peak Equities Pty Ltd.

## ANTI-MONEY LAUNDERING AND COUNTER-TERRORISM FINANCING

The Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (AML/CTF) requires entities such as Peak Equities Pty Ltd to maintain a program that identifies, mitigates and manages money laundering and terrorism-financing risks associated with its business. In this regard, the Trustee may require investors to provide additional information for identification and verification purposes. Please note that the Trustee may not accept an application to invest in the Fund until it is satisfied that the identity of the Investor has been verified in accordance with the requirements of the AML/CTF. If you do not provide a completed Application Form, this may delay the processing of your application or result in your application being declined.



# Additional Information

## PRIVACY PROVISIONS

Peak Equities Pty Ltd is committed to the protection of your personal information in accordance with the Australian Privacy Principles set out in the Privacy Act 1988.

All personal information held by Peak Equities will be governed by Peak's most recent Privacy Policy. This Privacy Policy applies to the collection, use and disclosure of personal information. Peak collects your personal information for the purpose of providing its property acquisition and funds management services. The information will not be made available to third parties other than required by our privacy policy and applicable law and to service providers necessary for us to conduct our business activities. If we cannot collect personal information from you, we may not be able to perform the activities listed above.

The personal information collected from you on the Application Form is used to evaluate your Application for Units in this Trust as well as to issue Units, service your needs as a Unitholder and administer the Trust. This includes information that Peak Equities Pty Ltd must pass on to Peak Equities Management Pty Ltd, and other service providers. The personal information you provide is kept for record keeping purposes. If you do not provide the necessary personal information, your application may not be processed. Your personal information may be disclosed overseas.

Unitholders have a right to access the information about them held by Peak and to correct any errors as set out in our Privacy Policy. Please advise us of any information that appears inaccurate or incomplete (especially your address and correct investing entity name).

You can call Peak on +61 (03) 9863 8380 or write to Peak at the address listed below to access the information held about you by Peak. If you have any complaint in relation to the manner in which your information has been handled, please contact us. As well as reporting to you on your investment, Peak may use your contact details to forward newsletters and to let you know about future investment opportunities offered by Peak.

If you prefer not to receive these communications, please telephone or write to Peak.

If obliged to do so by law, Peak will pass on your personal information to other parties such as the Australian Taxation Office and other regulatory bodies, strictly in accordance with legal requirements.

## COMPLAINTS AND CONTACTING US

Peak Equities Pty Ltd seeks to resolve potential and actual complaints over the management of the Trust to the satisfaction of Unitholders. If a Unitholder wishes to discuss any aspect of the management of the Trust or wishes to lodge a formal complaint, they may do so in writing, by email or by telephone at:

### **Peak Equities Pty Ltd**

Suite 1438, 1 Queens Road  
Melbourne VIC 3004

**Telephone:** 03 9863 8380

**Email:** [info@peakequities.com.au](mailto:info@peakequities.com.au)

The company will promptly acknowledge any complaint received from a Unitholder, investigate it, and decide in a timely manner any action that needs to be taken.





PEAK EQUITIES

## Application for Units

Peak Childcare Trust No. 3

I/We \_\_\_\_\_

(full name of unitholding entity, both Trustee and Trust, if applicable)

TFN: \_\_\_\_\_ ABN/ACN \_\_\_\_\_

(of unitholding entity/ies)

Of \_\_\_\_\_

(insert mailing address)

Email Address \_\_\_\_\_ Mobile number \_\_\_\_\_

Hereby apply to invest the amount of \$ \_\_\_\_\_ in \_\_\_\_\_ Ordinary Units of \$1,000 each,  
in the capital of the **Peak Childcare Trust No. 3**, constituted by deed dated 2nd February 2023.

Transfer of investment funds

Once the Trustee has confirmed the allocation of Units to an applicant,

- **50% of the full subscription amount must be received as clear funds by Tuesday 14th March 2023**
- **The remaining 50% balance is to be paid by Friday, May 12th, 2023**

**Into the following account:**

Account Name: **Peak Childcare Management Pty Ltd**

BSB: **063 010**

Account Number: **1466 8713**

Reference: **Investor Surname**

**Investor Bank account details for income distributions**

Account Name: \_\_\_\_\_

Account number: \_\_\_\_\_

BSB: \_\_\_\_\_

I/we agree that, upon the units being allotted, I/we shall be bound by the terms and conditions of the Trust Deed.

Signed by/on behalf of the Applicant by \_\_\_\_\_

Signature \_\_\_\_\_ Capacity \_\_\_\_\_

(e.g. Director or Trustee)

Date \_\_\_\_\_

Once completed, this form can be submitted via email or post.

**Address:** Peak Equities - Suite 1438, 1 Queens Road, Melbourne, VIC, 3004

**Email:** info@peakequities.com.au

**Phone:** 03 9863 8380

## Name and Address of Investing Entity

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I certify that the following is true and correct in every particular:

- a. I am a qualified accountant within the meaning of section 9 of the Corporation Law<sup>1</sup>
- b. This certificate is given at the request of the investor named above ("Investor") in relation to potential offers by Peak Equities Pty Ltd to subscribe for or acquire securities.
- c. This certificate is given to Peak Equities Pty Ltd for the purpose of section 708(8)(c) of the Corporations Law; and
- d. The Investor has:
  - (i) Net assets of at least \$2,500,000; or
  - (ii) A gross income for each of the last 2 financial years of at least \$250,000 a year.

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Name of Qualified Accountant

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Name and member number of professional body

Signature \_\_\_\_\_ Date \_\_\_\_\_

<sup>1</sup>"Qualified accountant" means a member of a professional body that is approved by ASIC in writing for the purpose of the definition. ASIC has indicated that it will approve any member of:

- a. The Australian Society of Certified Practicing Accountants ("ASPCA"), who is entitled to use the post-nominals "CPA" or "FCPA", and is subject to and complies with the ICAA's continuing professional development requirements;
- b. The Institute of Chartered Accountants in Australia ("the ICAA"), who is entitled to use the post-nominals of "CA", "ACA" or "FCA", and is subject to and complies with the ICAA's continuing professional education requirements; or
- c. The National Institute of Accountants ("the NIA"), who is entitled to use the post-nominals "MNIA" or "FNIA", and it subject to and complies with NIA's continuing professional education requirements.

Once completed, this form can be submitted it via email or post.

**Address:** Peak Equities - Suite 1438, 1 Queens Road, Melbourne, VIC, 3004

**Email:** info@peakequities.com.au

**Phone:** 03 9863 8380



PEAK EQUITIES

Peak Equities Pty Ltd

[info@peakequities.com.au](mailto:info@peakequities.com.au) | [www.peakequities.com.au](http://www.peakequities.com.au)

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