



Crighton properties expands development plans with financing from GE Commercial Finance

GE's Expertise Unlocks Capital to Help Australia's Fastest-Growing Town

Crighton, an Australian-owned property group, completed a finance deal with GE Commercial Finance to further expand its land development interests in Tea Gardens, Australia's fastest-growing town. Crighton used equity in its recently opened \$2.4 million medical centre in Tea Gardens to fund further development in the area.

Family owned and run for more than 25 years, Terrigal-based Crighton is the largest land developer and the only active property developer in the Tea Gardens and Hawks Nest region, located two hours north of Sydney's north shore. The towns, with a combined population of approximately 3,000, are ideally suited for the "sea-change" currently under way in New South Wales. Older families and retirees are leaving the major centres of Sydney, Newcastle and Wollongong for a more sheltered coastal lifestyle.

Managing Director Geoff Cox says Crighton currently owns 1,500 acres of land over which development will expand significantly in the next 10 to 20 years.

"We have immense faith in the town's ability to attract the retiree demographic and associated services in the next decade or so, and indeed this shift is already happening," says Cox. "Bottlenecks to expansion in the area were the absence of a suitable shopping complex and scant healthcare facilities. We took care of both those concerns with the development of the Myall Quays Shopping Village, and more recently the Myall Coast Health and Medical Centre, which opened in July last year."

According to a report published by town planning consultants at the Planning Workshop Australia, all indications are that Tea Gardens/Hawks Nest will maintain rapid and increasingly sustainable growth. "A variety of factors, based upon land availability but including improved communications and provision of local services, support a projected population of at least 14,000 people by 2031," the report said.

Crighton will be providing land for at least 6,000 people in this timeframe, making it the largest developer in the area, according to Cox.

"To maintain our momentum and be in a position to add real value to the communities settling in Tea Gardens and surrounding areas, we decided to finance more development using the equity we had in our medical centre," he said. "We had the option of approaching traditional lenders for finance but decided instead to call on GE Commercial Finance, mostly due to the company's reputation as a specialist financier of developments like medical centres."

GE Commercial Finance, one of Australia's largest non-bank lenders, specialises in the mid-sized business market providing financial services for a range of business purchases such as property, equipment and inventory, as well as financing mergers and acquisitions and other business expansion activities. Its commercial property business, serves both the owner-occupier and property investor markets.

Typically able to lend more against the value of an asset -- for longer and on more flexible terms -- GE Commercial Finance enables clients like Crighton to use its capital for additional investments.

"We focus mainly on the small-to-medium enterprise (SME) market, which allows us to assess the risk and opportunities of a property deal with a high degree of accuracy, enabling us to provide a larger loan against the value of the asset," said Mark Couter, Executive Sales Director, Property and Franchise Finance, GE Commercial Finance, Australia/New Zealand. "Our experience underwriting the cash flow-producing ability of tenants in emerging growth areas meant we could package a solution for Crighton that best suited its development plans without any undue risk to either organisation."

GE Commercial Finance has a unique offering in the commercial property market. It will lend up to 85 per cent of the value of the property and typically does not require directors to make personal guarantees or use their family homes as security.

Cox says the relationship with GE Commercial Finance has been exemplary. "GE Commercial Finance's reputation is well founded, and its experience with financing similar development in small, up-and-coming communities like ours was very helpful."

About GE Commercial Finance, Australia and New Zealand

The Australia/New Zealand unit of GE Commercial Finance is a leading non-bank lender, focused on providing innovative financing programs including customized loan and lease structures to customers in the mid-market segment.

GE Commercial Finance, which offers businesses around the globe an array of financial products and services, has assets of more than US\$230 billion and is headquartered in Stamford, Conn., USA.

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