Case Study
Impact Group

Issue Date	February 2016
Amount	$45m
Maturity	12 February 2021
Term	5 years (partially amortising)
Coupon	8.50%
Margin	635bps over 3.8 year swap

Issuer Profile

Impact Group Aus Pty Ltd (Impact) was established in 1996 and over the past 20 years has become one of the largest builders of residential homes in Queensland. Impact targets both the property investor and owner occupied markets. It has historically operated in South East Queensland and has recently expanded into Victoria and NSW. Impact is also currently broadening its product range to include townhouses.

Issuer Need

Impact was seeking a finance solution to better support their growth strategy including the expansion of their product offering, geographic spread and sales distribution channels.

FIIG Solution

By issuing a Senior Secured Note Impact was able to secure capital in excess than what may have been obtained in the traditional bank market. The additional capital and increased flexibility provided by the bond provided certainty of capital over the next 5 years allowing Impact to focus on growing their business and implementing their strategic initiatives. The structured amortising bond was effective in matching the group's current requirement for capital and the expected excess cash flow from their operations over the term of the bond.

Client Testimonial

Impact CEO Rob Harder said that "the bond issue was an important step for us because it offered funding security for the next five years instead of the two to three years we could expect to receive from a bank. That will allow us to concentrate on implementing our growth strategy instead of spending time on repeated funding negotiations and monitoring the state of debt markets."

FIIG Contact

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