Case Study
Sunland Group

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$50m

November 2015
Unsecured Notes
Sole Lead Arranger

Issue Date	November 2015
Amount	$50m (upsized from $40m)
Maturity	25 November 2020
Term	5 years
Coupon	7.55%
Margin	505bps over swap

Issuer Profile

Sunland Group Limited (Sunland) was established in 1983 and listed on the Australian stock exchange in 1995 (ASX: SDG). Over 30 years it has become a diversified residential property development group that incorporates medium density housing/town house projects and urban (land) development, together with multi story medium and high-rise projects. Sunland has a current market cap of ~$290m and operates primarily in South-East Queensland, Sydney and Melbourne.

Issuer Need

Sunland came out of the global financial crisis with minimal debt and good cash reserves after divesting a large proportion of its high-rise portfolio. The group was then able to replenish its development portfolio at depressed prices and over this time built up a development pipeline of over 6,000 dwellings valued at $3.7bn. With Sunland entering a key delivery phase, additional long term debt capital was required to fund their project pipeline.

FIIG Solution

By issuing a senior unsecured bond into the capital markets, Sunland was able to term out a portion of their capital structure and reduce the refinance risk associated with their existing banking lines. The group also gained access to a new source of capital through the FIIG distribution network.

Client Testimonial

Sunland Group Managing Director, Sahba Abedian, said the Group was very pleased the note issue received such strong support from sophisticated investors.

"The proceeds from the Offer, together with Sunland's existing banking arrangements and capital management initiatives, will be used to fund future residential developments, property inventories and working capital of the Group."

Client Contact

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