



tcn methods

a.c.i.m.

TCN selects real estate for investment based upon the capacity for a transformation to create additional value. TCN's portfolio philosophy is captured in its ACIM strategy: Acquire, Control, Improve, Mature.

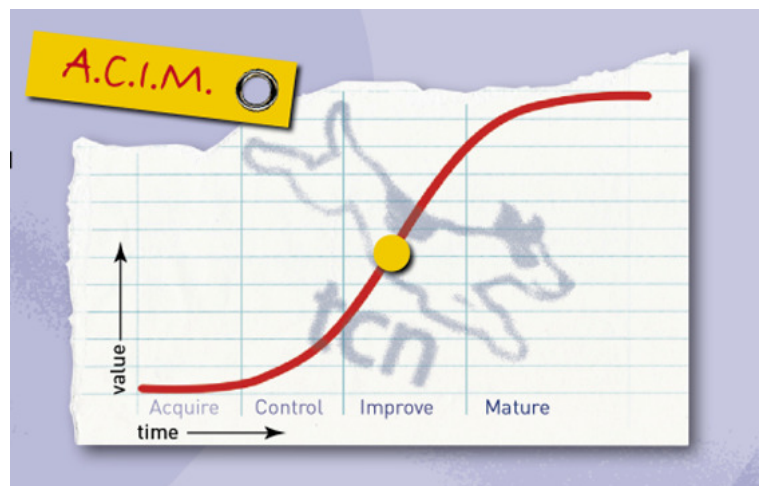
Within the portfolio there is constant motion as projects move through this transition process. Each of these four phases represents a value increase of the asset of 10 to 20%. The improvement phase requires a strong capital influx, on top of the acquisition costs. The phases also require different qualifications of the team involved. An acquisition team has different qualities, than for instance the improvement team. For each phase also a strategy needs to be determined, fitting with the overall asset strategy of the real estate. Per phase, quality goals are set in the form of a branding paper that governs the quality of design work, management and communications.

Acquire:
Market analysis and purchase

Control:
Income stabilization and efficiency improvement

Improve:
Repositioning and investment new facilities

Mature:
Value stabilization

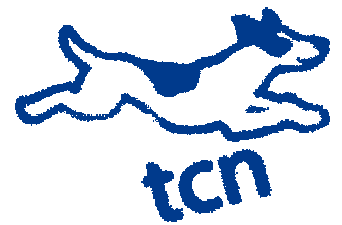


🐾 Acquire: The process of negotiation and analyzing which results in the final purchase.

In order to actually have a project, we need to acquire land and buildings. When doing this, it is important to continue to manage and operate the project, as this will keep/prevent the project's cash flow from being interrupted. We want the cash result to be sufficient to cover our financing and management costs, as this will provide us with ample time to wait for the right conditions to redevelop the project. Taking over the assets takes not only the actual acquisition; usually it takes one or two years to take care of a proper transition into the TCN company and structure.

🐾 Control: Get to know the project, take care of major challenges. Reduce costs and enlarge income.

The control team takes over shortly after the acquisition. This team needs to sustain the cash flow at a specific level through marketing and asset managing the property. Usually there is no specific end to the control phase. The management activities are determined in a control phase business plan, with specific targets.



🐾 Improve: Definition of product and program will lead to sustainable development;

During the improve phase the real changes required to increase the project's potential and value take place of the project takes place. Via the TCN Flow the new project is developed and implemented. An investment budget is approved to achieve the redevelopment targets.

🐾 Mature: Guard the overall concept to make sure that the plan is properly organized and functions well. When can it be sold?

In the mature phase the management team should reach to project's targets and maximizes the value of the project. This can be done by reducing the risks (pizza pie) to a minimum. When this is reached the project should be sold.

Phase	Acquire	Control	Improve	Mature
Investment Value				
Planning				
Strategy				
Branding				
Financing				
Team				