ESSILIUM
PARTNERS

A FIELD GUIDE FOR THE CONSIDERED INVESTOR

The 7 Questions Before You Invest in Real Estate

A practical framework for evaluating a property beyond its brochure, its location story and its promised appreciation.

A property can be attractive. The investment still needs to make sense.

When substantial capital is involved, the decision should go deeper than the view, the land location, the amenities or the developer's presentation. The right questions help reveal whether the market is supportive, the entry price is justified, the economics are credible and the exit is realistic.

LOOK BEYOND THE PROPERTY	UNDERSTAND THE NUMBERS	PLAN FOR THE WHOLE JOURNEY
Evaluate the market, micro-location and asset in context.	Test entry price, cash flows, costs and assumptions.	Consider execution, exit and downside before committing.

WHO THIS GUIDE IS FOR

Investors considering residential, commercial, retail, hospitality or land opportunities—particularly where the capital commitment, holding period or complexity makes a more considered evaluation worthwhile.

How to use it: Apply these questions to any opportunity you are considering. A strong answer to one question does not compensate for a weak answer elsewhere.

The purpose is to identify what is known, what is assumed and what still needs independent verification.

THE FIRST FILTER

Is the opportunity right before the numbers begin?

Start with the forces shaping demand and the specific asset you are being asked to buy. A compelling market story is only a starting point—not an investment conclusion.

01 / MARKET

Am I investing in the right market?

Look past headlines and infrastructure announcements. Ask what is creating durable demand in this market—and whether that demand is likely to support the asset over your intended holding period.

WHAT TO EXAMINE

- What are the area's economic and employment drivers?
- Is demand supported by end-users, occupiers and businesses—or mainly by investor sentiment?
- What competing and future supply could affect pricing and absorption?

> **THE INVESTOR'S TAKEAWAY** A market can be popular and still be expensive. The question is not simply whether a market may grow, but how much of that growth is already reflected in today's price.

02 / LOCATION

Is this the right location within the market?

Cities and corridors are not uniform. Micro-markets—and even individual pockets within them—can have different access, buyer profiles, infrastructure maturity and competing supply.

WHAT TO EXAMINE

- Who is the likely end-user, tenant or future buyer for this specific asset?
- How strong are connectivity, access and relevant social or commercial infrastructure?
- How does the property compare with nearby alternatives on quality, price and positioning?

> **THE INVESTOR'S TAKEAWAY** Two properties only a few kilometres apart can have very different demand and resale prospects. Evaluate the exact location, not just the city or corridor name.

03 / ENTRY

Am I buying at the right price?

The quality of an asset does not automatically justify its asking price. Entry price shapes the margin for error and the return required to make the investment worthwhile.

WHAT TO EXAMINE

- How does the effective price compare with genuinely comparable properties and recent transactions?
- Is the price supported by evidence—or by a price list, sales narrative or future expectation?
- What negotiation, payment terms and acquisition costs change the true entry price?

> **THE INVESTOR'S TAKEAWAY** A good asset bought at an excessive price can become a weak investment. Test the price you will actually pay—not just the property you are being shown.

THE INVESTMENT TEST

Do the economics, delivery and exit stand up?

Once the market and entry have been examined, test the investment as a complete journey—from cash committed to value realised.

04 / ECONOMICS

Do the numbers actually make sense?

A rise in market value is not the same as an investment return. Assess the timing and amount of every material cash flow, and be clear about what the calculation includes.

WHAT TO EXAMINE

- What is the expected annualised appreciation over the realistic holding period?
- Have stamp duty, registration, brokerage, fit-out, maintenance, taxes, financing and sale costs been considered where relevant?
- If rented, what is the net rental yield after relevant expenses—and how does the overall case compare with alternatives on a like-for-like basis?

> **THE INVESTOR'S TAKEAWAY** A property doubling in value over five years performs very differently from one doubling over ten. State assumptions clearly; do not confuse price appreciation with total return.

05 / EXECUTION

Can the project deliver what is being promised?

A project is more than its design and sales presentation. Its product, approvals, funding assumptions, development plan and execution capability all influence the outcome.

WHAT TO EXAMINE

- Does the proposed product match the needs and purchasing power of its intended market?
- Are the developer's relevant delivery capabilities and track record understood?
- Have approvals, documentation, construction plans, funding assumptions and timelines been independently checked by appropriate professionals?

> **THE INVESTOR'S TAKEAWAY** A project can struggle because the wrong product was conceived for its market—not only because the location was wrong. Test the development proposition behind the brochure.

06 / EXIT

Who is likely to buy this property from me?

Plan the exit before the entry. The future buyer, competing supply, ticket size and time required to sell all influence whether an apparent gain can be realised.

WHAT TO EXAMINE

- Who is the likely buyer or occupier at the time you expect to exit?
- What competing inventory may be available then, and why would a buyer choose this asset?
- What sale period, negotiation, costs and liquidity constraints should you plan for?

> **THE INVESTOR'S TAKEAWAY** An increase in estimated market value does not guarantee a quick sale at that value. Consider who can buy the asset—and under what conditions.

07 / RISK

What could go wrong—and can I withstand it?

Every investment rests on assumptions. Identify the events that could challenge those assumptions and decide whether the downside is compatible with your capital, time horizon and broader portfolio.

WHAT TO EXAMINE

- Are title, ownership, land-use, approvals and documentation matters subject to appropriate independent legal and technical review?
- What if prices stagnate, demand weakens, infrastructure is delayed or delivery takes longer than expected?
- Could concentration, leverage or an unexpected need for liquidity put pressure on your finances?

> **THE INVESTOR'S TAKEAWAY** A considered investment is not one without risk. It is one where material risks, uncertainties and possible downside are understood before capital is committed.

A MORE HOLISTIC WAY TO EVALUATE

The Essilium approach

Real estate decisions sit at the intersection of property, finance, design, development and market behaviour. Looking at only one dimension can leave important questions unanswered.

Essilium Partners brings these perspectives together through a structured, seven-stage evaluation framework—helping investors examine an opportunity more completely before deciding how to proceed.

STAGE	WHAT WE EXAMINE	WHY IT MATTERS
01 Market	Demand drivers, market depth, supply pipeline and broader trends.	Tests whether the market story has underlying support.
02 Location	Micro-market, connectivity, surrounding uses and competing assets.	Tests the specific location's relevance to the target buyer or occupier.
03 Entry	Pricing evidence, comparable assets, acquisition terms and costs.	Tests whether the price leaves a sensible investment case.
04 Economics	Cash flows, appreciation assumptions, rental yield, costs and scenarios.	Makes the financial assumptions visible and comparable.
05 Execution	Product-market fit, development logic, delivery capability and milestones.	Examines whether the proposed outcome is realistically deliverable.
06 Exit	Future buyer pool, competing supply, liquidity and sale considerations.	Considers how value may ultimately be realised.
07 Risk	Key assumptions, downside scenarios, concentration and diligence needs.	Highlights what could change the investment outcome.

How Essilium Partners could help

Depending on the mandate and the nature of the opportunity, Essilium can help investors frame the decision, assess the market and asset, interrogate the investment assumptions, consider development and execution factors, and think through exit and risk. Our perspective is informed by experience across real estate, architecture, investment, acquisitions, development and transactions.

This is a holistic advisory approach—not a promise of returns, a substitute for legal, tax, regulatory or technical opinions, or a guarantee that every risk can be identified. Where specialist verification is required, the appropriate independent professionals should be engaged.

BEFORE YOU COMMIT MORE CAPITAL

Let's examine the opportunity.

If you are evaluating a residential, commercial, retail, hospitality or land investment in NCR or another market, start with a considered conversation.

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IMPORTANT NOTE This guide is for general educational purposes only. It does not constitute investment, legal, tax, financial or regulatory advice, nor a recommendation to buy or sell any property. Real-estate investments involve market, liquidity, execution, legal and other risks. Illustrations and evaluation prompts are not forecasts. All figures, title, approvals, planning, tax treatment and transaction details should be independently verified by appropriately qualified professionals. Past performance and projected appreciation do not guarantee future results.