



Case Study: Creating investor value in a DMF environment

- 1. Sector Evolution and Operator Focus:** The UK IRC sector has evolved from a profit-driven property focus to a more operator-led approach, prioritizing customer satisfaction.
- 2. Investor Interest and Challenges:** Despite growing interest from equity funders, significant barriers remain for both investors and operators, requiring alignment with traditional investment frameworks.
- 3. Lifecycle Analysis and Investment Decision-Making:** Lifecycle appraisal offers insights into long-term project viability, highlighting the importance of considering operational realities in investment decisions.
- 4. Market Dynamics and Pricing Strategies:** Changing market dynamics and consumer preferences necessitate the re-evaluation of pricing structures, particularly Deferred Management Fees (DMF), to align with customer needs and market expectations.
- 5. Stakeholder Alignment and Risk Management:** Success in the IRC sector hinges on aligning investor, operator, and customer interests, alongside robust risk mitigation strategies, including financial planning and customer-focused offerings.

