



AUGUSTA  
FUNDS MANAGEMENT



# Product Disclosure Statement

For an Offer of Units in Building A Graham Street Limited Partnership

Issued by Augusta Funds Management Limited

27 May 2016

(This is a replacement product disclosure statement that replaces the product disclosure statement dated 19 May 2016)

This document gives you important information about this investment to help you decide whether you want to invest. There is other useful information about this offer on [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose). Augusta Funds Management Limited has prepared this document in accordance with the Financial Markets Conduct Act 2013. You can also seek advice from a financial adviser to help you make an investment decision.





# 1. Key Information Summary

### 1.1 What Is This?

This is an offer of units in the Building A Graham Street Limited Partnership. Your money will be pooled with other investors' money and invested. Augusta Funds Management Limited invests the money in the property at Building A, 4 Graham Street, Auckland and takes fees. The assets and fees are described in this document. By investing in this limited partnership (LP), you are relying on the investment decisions of Augusta Funds Management Limited and returns from the assets that the LP invests in. There is a risk that you may lose some or all of the money you invest.

The LP is an "other managed investment scheme" for the purposes of the Financial Markets Conduct Act 2013 and, accordingly, in certain places, this PDS refers to the LP as a "scheme".

### 1.2 Who Manages This Scheme (LP)?

Augusta Funds Management Limited (*Manager* and *Offeror*) is the manager of the LP. See "About Augusta Funds Management Limited and others involved in Building A Graham Street Limited Partnership" in section 10 for further details.

### 1.3 What Are You Investing In?

**Prospective investors should be aware that:**

- **The investment on offer is units in the LP. It has been structured as a long-term investment in commercial real estate.**
- **The LP will invest in a single asset, Building A, 4 Graham Street, Auckland (Building A).**
- **The LP has no fixed term. This means that there is no set date on which you will get your investment back. A return of your investment will be dependent on the sale of your Unit or the LP approving a sale of Building A, as well as the price of such sales.**

The LP will use the funds raised to purchase Building A.

The LP will become landlord under the Leases.

The table sets out the costs of establishing the LP and acquiring Building A:

<b>Purchase price</b>	\$115,818,265
<b>Establishment costs</b>	\$6,306,235
<b>Total</b>	<b>\$122,124,500</b>

**Funded by:**

<b>Subscriber's capital</b>	\$70,000,000
<b>Debt</b>	\$52,124,500
<b>Total</b>	<b>\$122,124,500</b>

The debt will be funded by way of extendable interest only loan facility secured over Building A with an initial term of 60 months (subject to annual review before extension of one year) from ASB Bank.

### Investment Objectives

The LP has a long-term investment horizon. The primary objectives of the LP are to:

- Achieve the increase in cash distribution levels forecasted from 7% to 8% per annum by the year ending 31 March 2021 and after that year to sustain cash distribution levels at around 8%;
- Preserve and grow the value of Building A; and
- Leverage lease extension options for Building A to increase lease terms and/or rent where possible.

### Investment Strategy

The LP's strategy is to hold Building A, continue to lease it to quality tenants and preserve and grow equity by active management of the LP and Building A.

## 1. Key Information Summary (cont.)

### 1.4 Key Terms Of The Offer

<b>Products on Offer</b>	Investors will acquire units in the LP.
<b>Price per Unit</b>	\$50,000.
<b>Number of Units offered</b>	1,400.
<b>Intended Offer Opening Date</b>	27 May 2016.
<b>Intended Offer Closing Date</b>	1 August 2016.
<b>Liability to make further payments under the Offer</b>	Investors will only be liable to make further payments to the LP if they take part in the management of the LP. The LP has been structured to avoid Investors taking part in management.
<b>Underwrite</b>	Offer fully underwritten.
<b>No overseas investors</b>	The Offer is only being made to potential investors in New Zealand.

### 1.5 How You Can Get Your Money Out

An investment in the LP is not redeemable on demand and there is no fixed date on which you may get your money out. The LP may sell Building A and be wound up (with the surplus capital returned to Investors) if approved by 75% of Units entitled to vote and voting on the resolution. There is no guarantee that you will recoup the amount of your original investment.

Your investment in these Units can be sold but there is no established market for trading these financial products. This means that you may not be able to find a buyer for your investment.

### 1.6 Key Drivers Of Returns

The Manager considers that the key current and future aspects of the LP that will have, or may have, an impact on the LP's financial performance are:

- **Interest rates** – as a significant expense for the LP will be interest payments, the financial performance will be affected by interest rates. The Manager has fixed the interest rate applying to the LP's debt for the first five years of the LP. For the period following the first five years, the Manager will manage the benchmark component of the interest rate with a combination of short-term and long-term interest rate swap agreements and/or floating rates, and will actively monitor the margins available in the market during the life of the LP (and would consider changing lender if better margins were available elsewhere). The Manager may enter into forward start swap agreements before the expiry of the initial five year period.
- **Rental Income** – the rental income received by the LP is the key source of the LP's income. That income is forecast to grow over time due to the contracted fixed rental increases in the initial term of each Lease.
- **Capex and Defects Warranty** – Mansons and the Vendor have agreed to provide a broad warranty in favour of the LP under which both Mansons and the Vendor agree to be generally responsible for repairing any defects in Building A that become apparent prior to February 2026 and warrant to the LP that (subject to certain exceptions) it will not be required to incur unrecoverable capital expenditure on Building A prior to that date.

### 1.7 Building A Graham Street Limited Partnership's Financial Information

Gearing Ratio on acquisition of Building A and issue of Units	44.8%	The "gearing ratios" tell you how much the LP owes (debt) as a portion of what owns (assets).
Gearing ratio at 31 March 2017	44.2%	
Gearing ratio at 31 March 2018	43.7%	
Interest Cover Ratio at 31 March 2017	3.17 times	The "interest cover ratios" tell you how much the LP's net income exceeds interest on its loans (as a multiple).
Interest Cover Ratio at 31 March 2018	3.23 times	

Forecast Cash Return	<p>Forecast pre-tax cash returns of:</p> <ul style="list-style-type: none"> <li>• 7.00% for the period ending 31 March 2017;</li> <li>• 7.25% for the first full year ending 31 March 2018;</li> <li>• 7.50% for the full year ending 31 March 2019;</li> <li>• 7.75% for the full year ending 31 March 2020;</li> <li>• 8.00% for the full year ending 31 March 2021.</li> </ul> <p>These returns are not guaranteed. The actual distribution rates may vary. The increase in returns over the forecast period does not guarantee further increases. While it may continue to increase, the return following the forecast period may stay the same or lower. In the event that, following the forecast period, returns were higher than those forecasted above, those additional returns may be applied towards debt repayment and not lead to higher cash distribution levels. Should debt repayments be made, the Manager would take into account any tax liability for Investors and potentially make a distribution if possible to account for that tax liability.</p>
Valuation of Building A	\$119,850,000

The prospective financial information included in this PDS has been extracted from prospective financial statements prepared in accordance with Financial Reporting Standard 42: Prospective Financial Statements (FRS 42), which are available on the Offer Register. The prospective financial statements have been subject to a reasonable assurance engagement and an unmodified opinion has been issued by KPMG, a copy of which is also included on the Offer Register.

## Valuation

An independent valuation of Building A has been provided by Dave Wigmore and Nick Thacker of Jones Lange LaSalle on a market value at \$119,850,000 plus GST (if any) as at 23 March 2016 in accordance with current Australia and New Zealand Valuation and Property Standards. It was prepared using both a capitalisation of net income approach and a discounted cash flow approach.

## 1.8 Key Risks Of This Investment

Investments in managed investment schemes are risky. You should consider whether the degree of uncertainty about the LP's future performance and returns is suitable for you. The price of these Units should reflect the potential returns and the particular risks of these Units. The Manager considers that the most significant risk factors that could affect the value of Units are:

- **NZME. default** – If NZME. and its guarantor were to suffer liquidity or other financial problems of a significant nature, any resulting failure to pay rental and outgoings under the NZME. Leases would have a material detrimental impact on the ability of the LP to pay returns to Investors. If the NZME. Leases were cancelled (and no replacement tenant(s) found, or there was a material delay in re-letting), it would materially impact the capital value of Building A, the consequent ability for Investors to recoup their original investment, and would continue to materially affect the LP's ability to pay returns to Investors.
- **Interest rates after five years** - The principal expense of the LP is interest payments. The Manager has fixed the interest rate applying to the LP's debt for the first five years of the LP. The interest rate that will apply after that period cannot be predicted. The Manager will proactively manage the benchmark component of the interest rate that applies after the first five years with a combination of short-term and long-term interest rate swap agreements and/or floating rates, and will actively monitor the margins available in the market during the life of the LP (and would consider changing lender if better margins were available elsewhere). The Manager may enter into forward start swap agreements before the expiry of the initial five year period.

This summary does not cover all of the risks. You should read section 7 "Risks to returns from Building A Graham Street Limited Partnership".

## 1. Key Information Summary (cont.)

### 1.9 What Fees Will You Pay?

The table below summarises the fees and expenses that the LP will be charged. Further information about fees is set out in section 8 “What are the Fees?”.

<b>Manager and associated person's fees</b>	
Manager's offeror fee	\$2,198,000
Augusta Capital's underwrite fee	\$750,000
Manager and associated person's aggregate fees for establishment of LP*	\$2,948,000
<b>Other fees for establishment of LP</b>	
Brokerage fee*	\$1,400,000
Other underwriters fees	\$1,350,000
Legal fees	\$180,000
Assurance fee	\$20,000
Valuation fee	\$12,000
Health and safety review fees	\$975
Building due diligence reports fees	\$10,000
Chattel valuation fee	\$10,500
Supervisor	\$10,000
Marketing	\$335,000
Bank legal fees	\$10,000
PDS registration fee and FMA levy	\$4,760
Disbursements	\$15,000
<b>Total fees for establishment of the LP</b>	<b>\$6,306,235</b>

\*Assuming the management fee increases at 3% a year and no other fees are payable.

<b>Ongoing fees and expenses (payable for the duration of the LP)</b>	
The Manager and its associated person's aggregate fees for the accounting periods to: <sup>1</sup>	31 March 2017 will be \$187,500 plus GST, which as a percentage of net assets of the LP is anticipated to be 0.29%
	31 March 2018 will be \$305,625 plus GST, which as a percentage of net assets of the LP is anticipated to be 0.46%
Other person's aggregate fees and expenses (including interest expenses but excluding amortised finance costs) for the accounting periods to:	31 March 2017 will be \$1,436,018 plus GST, which as a percentage of net assets of the LP is anticipated to be 2.20%
	31 March 2018 will be \$2,282,238 plus GST, which as a percentage of net assets of the LP is anticipated to be 3.44%

\*To the extent that any Unit is issued to an underwriter under their underwriting obligations, the brokerage fee will reduce by \$1,000 in respect of each such Unit. That amount may be subsequently applied to any brokerage payable where an underwriter disposes of its underwritten Units.

### 1.10 How Will Your Investment Be Taxed?

The LP is not a portfolio investment entity (*PIE*). See section 9 “Tax” for more information.

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Dear Investor

**It is with great pleasure that we bring to you an offer to invest in our latest syndication - Building A at 4 Graham Street, Auckland. This continues our growth as one of the largest property fund managers in New Zealand, managing over \$1.45 billion in commercial property across New Zealand and Australia. This level has been achieved, and will grow, from the support and following of our investors, and we are appreciative of that. The offer represents a continuing philosophy of providing fully leased buildings in growth locations, and we believe that this latest offer will prove attractive to you, our investors.**

This example is a just completed office building where approximately half the space is occupied by APN Holdings NZ Limited, who operate the NZME brand in New Zealand and businesses such as The New Zealand Herald, GrabOne and Newstalk ZB. The balance of the building is occupied by Pernod Ricard (who distribute wine and spirits brands in New Zealand such as Brancott Estate, Stoneleigh, Church Road, Mumm Champagne and Absolut Vodka), Meredith Connell (the Auckland Crown Solicitors), with one floor currently leased by Mansons as developers.

Key features of the property include its 5 Green Star 'Design' Rating, which underlines its energy efficiency, environmental quality and leading edge fundamentals such as water usage. With a Weighted Average Lease Term of 12 years, Augusta believes that the property provides the quality fundamentals required for an investment opportunity. The skilled team at Augusta have carefully reviewed all the aspects of the property in order to present this offer to you and believe that it is worthy of careful consideration, also bearing in mind its forecast increase in annual pre-tax return from 7% in year 1 to 8% in year 5 as a result of fixed rental growth, fixed interest costs and a capital expenditure warranty from the Vendor. Investors will need to consider the risks to returns following year 5, including a possible increase in interest rates.

Investments of this calibre are difficult to find in the New Zealand market. Together with Augusta's impressive track record in similar offerings, Building A creates an opportunity for investors throughout New Zealand to diversify their portfolio and enjoy regular monthly returns. The last Augusta syndication similar to this was Building C, Spark City, which is nearby to Building A.

This PDS contains important information about the LP and the Offer. We encourage you to read this PDS carefully and consider in particular the "Risks to Returns from the Building A Graham Street Limited Partnership" section before making your investment decision.

Kind regards

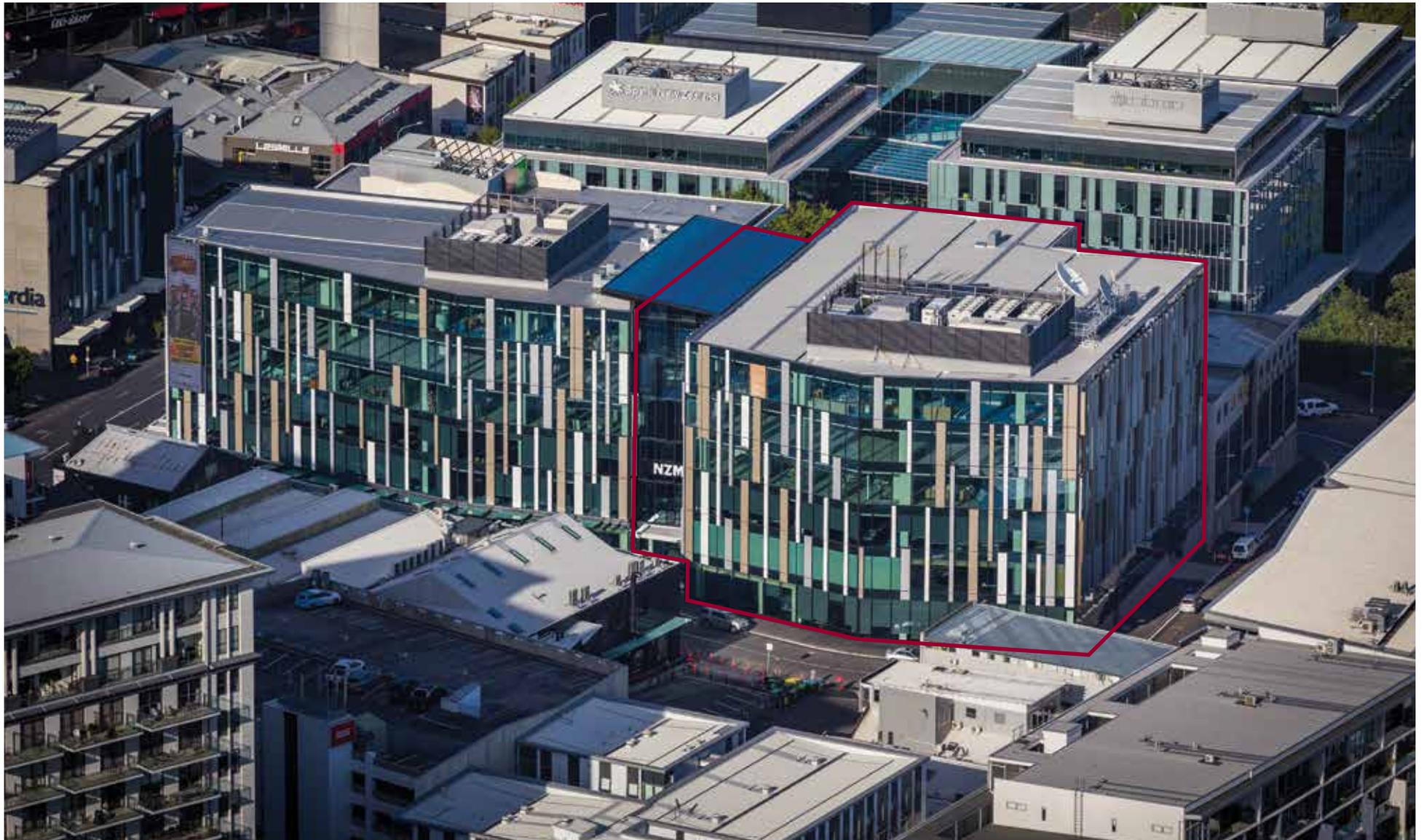


**Mark Francis**  
Managing Director



**Bryce Barnett**  
Executive Director

Investments  
of this calibre  
are difficult  
to find in the  
New Zealand  
market.



Boundary lines indicative only.

## 2. What Building A Graham Street Limited Partnership Invests In

## Key Features of The Scheme (LP)

The key features of the LP are set out below:

### Statement of Investment Policy and Objectives and Investment Strategy

The Manager has adopted a Statement of Investment Policy and Objectives (SIPO) for the LP which sets out its investment policies, objectives and strategies for the LP in respect of its investment in Building A as well as the policies it will apply in respect of its management and its investment performance monitoring benchmarks. A copy of the SIPO is available on the Scheme Register at [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose) by searching “Building A Graham Street Limited Partnership” under “search schemes”.

The SIPO sets out that the LP’s only allowable assets are:

- Building A and any leases/licences of Building A;
- Cash deposits with registered New Zealand banks; and
- Any other assets arising in connection with holding Building A including prepayments, accounts receivable, interest rate swap agreements and insurance receivable.

The investment strategy of the LP is to acquire Building A, continue to lease Building A to quality tenants and preserve and then grow equity by active management of the LP and Building A.

Given the nature of the LP’s sole asset (substantial commercial property) and its unlisted ownership structure, the LP has a long-term investment horizon. The primary objectives of the LP are to:

- Achieve the increase in cash distribution levels forecasted from 7% to 8% per annum by the year ending 31 March 2021 and after that year to sustain cash distribution levels at around 8%;
- Preserve and grow the value of Building A, and attend to necessary ongoing repairs, maintenance and capital expenditure; and
- Leverage lease extension options for Building A to increase lease terms and/or rent where possible.

The key policies of the Manager in respect of implementing the above objectives and strategy are:

- **Cash flow management:** a regular cash flow budget for a minimum of two years is maintained and reviewed and six-monthly reviews with the LP’s bank are undertaken to review the LP’s current financing. Particular circumstances set out in the SIPO may result in an increase or decrease in distributions;
- **Interest cover:** maintained at not less than 2 times the interest payments;
- **Building maintenance and capital expenditure:** the Manager will undertake regular monitoring of the condition of Building A to ensure ongoing routine repairs and maintenance are undertaken to a high standard. Mansons, the contractor that built Building A, and the Vendor (another member of the Mansons group) have agreed to provide a broad warranty in favour of the LP under which both Mansons and the Vendor agree to be generally responsible for repairing any defects in Building A that become apparent prior to February 2026 and warrant to the LP that (subject to certain exceptions) it will not be required to incur unrecoverable capital expenditure on Building A prior to that date;
- **Hedging/interest rate policy:** The Manager has fixed the interest rate applying to the LP’s debt for the first five years of the LP. For the period following the first five years, the Manager will manage the benchmark component of the interest rate with a combination of short-term and long-term interest rate swap agreements and/or floating rates, and will actively monitor the margins available in the market (and would consider changing lender if better margins were available elsewhere). The Manager may enter into forward start swap agreements before the expiry of the initial five year period. The Manager will monitor the interest rate management strategy throughout the life of the LP;
- **Leverage:** The maximum allowable loan amount is 50% of the greater of the original purchase price and the most recent independent valuation. Once the distribution level forecast for the year ending 31 March 2021 (8% per annum) is achieved, any further returns in excess of those forecasted may be applied towards debt repayment (thereby lowering leverage). Should debt repayments be made, the Manager would take into account any tax liability for Investors and potentially make a distribution if possible to account for that tax liability.

The SIPO may be amended by the Manager following consultation with Covenant Trustee Services Limited, the supervisor for the LP (*Supervisor*).

## 2. What Building A Graham Street Limited Partnership Invests In (cont.)

### **Building A**

Building A is a newly built, substantial office building forming part of an integrated commercial and retail complex developed by the Vendor at 2-4 Graham Street Auckland. The overall site has been extensively excavated to provide basement car parking and storage and ancillary areas over 2 levels, with retail and office premises extending from street level.

Building A comprises six levels of office accommodation with a rentable area of approximately 11,117.57 square metres, along with 215.39 square metres of basement storage space and 113 secure basement car parks. There is no retail space within Building A (with the retail space in the complex being part of 'Building B' and 'Building C' – as described further below).

The other commercial office premises in the development (and most of the retail premises in the development) are comprised in a similar building called 'Building B'. Building B is separated from Building A by a central enclosed atrium connected by air bridges. The balance of the retail premises in the development are situated on Hardinge Street in a separate parcel of land known as 'Building C'. The basement level carparks and other common areas are shared by the owners of Building A, Building B and Building C in accordance with the overarching Building Management Agreement. At the ground floor level of the development there is a substantial landscaped outdoor amenity area, giving Building A easy access and linkage to Spark City, another substantial office development one block to the west.

On 9 May 2016, the Manager's parent, Augusta Capital, announced that the Manager had entered into an unconditional agreement for the acquisition of Buildings B and C. While the Manager has secured underwriting for a possible syndication of Buildings B and C, the Manager is still considering its options for how Buildings B and C are offered to the market.

### **Legal Description**

Building A is located at 4 Graham Street, Auckland and is comprised in computer freehold register 708753, which contains two distinct parcels of land:

- Lot 3 Deposited Plan 490577, which is the parcel of land on which the building is constructed; and
- A 181/500 share in Lot 1 DP 490577, which contains the common areas of the development (the remainder of the shares in Lot 1 are held by the registered proprietors of the other parts of the development in proportionate shares).

Use of Lot 1 DP 490577 is governed by the overarching Building Management Agreement between the owners of the various parts of the development. While the common areas of the development are generally available for use by all owners and their respective tenants, under the Building Management Agreement each owner is granted specific exclusive rights in respect of certain parts of Lot 1. For example, the owner of Building A is granted the exclusive right to lease to any third party the basement security and inwards goods room (currently leased to NZME.) and the exclusive right to receive any rent generated from that lease. An encumbrance registered against each certificate of title for the development secures ongoing compliance by the owners with the terms of that agreement, and each owner must prior to granting any mortgage or other security over its building and share in Lot 1 DP 490577 obtain a deed of covenant from the mortgagee or secured party under which that party covenants in favour of all other owners to exercise any power of sale subject to the terms of the Building Management Agreement.

### **Features of Building A**

Construction comprises reinforced concrete slabs and columns with concrete beam frame, aluminium and structural glazing façade to exterior walls, with painted plaster board walls to interior lined areas. The roof is profile steel sheets along with a reinforced concrete slab supporting a range of plant and equipment above the lifts and stairs while internal ceilings are suspended tiles in a grid system along with recessed florescent and LED lighting.

The 20 metre high ground floor entrance atrium provides access to both Building A and Building B, as well as a walk through from Graham Street to the outdoor courtyard. The ground floor flooring is tiled in the lobby and carpeted in the office accommodation. Glass partitioning spreads natural light throughout this area.

The remaining office space within Building A (except on level 4) has carpet floor coverings, a mixture of plaster board lined walls or glassed partitioning and a 3.1 metre stud height. There are male and female toilet facilities on each floor. Natural light is provided from exterior walls as well as from the central atrium which has full height wall and roof glazing.

Internal services include a chilled water fan coil system for air conditioning as well as an automatic sprinkler system for fire protection. Electrical systems throughout Building A include a standby generator with 24 hour run time capability which will provide 100% of power, lighting ventilation and ancillary power systems as well as 50% of the power required for the chilled water fan coil system for air conditioning. In addition there is a further backup generator specifically for NZME requirements. A bank of 3 passenger lifts services Building A while



## 2. What Building A Graham Street Limited Partnership Invests In (cont.)

communications and data includes CAT 6 cable trunking throughout. A base building security system using card access along with CCTV monitoring for entry and exit points is in place (including in the car park areas).

The basement car parking area has access from Hardinge Street where goods loading is also provided in addition to a secure bike park room along with shower and toilet facilities.

### **Green Star Rating**

Building A has a 5 Green Star 'Design' rating, and the Vendor is in the process of obtaining a 5 Green Star 'Built' rating based upon its performance in relation to indoor environmental quality, energy usage, transport (car park minimisation and cyclists / mass commuting transport facilities), water usage, use of materials, emissions and land use / ecology. The Vendor has advised that they do not expect any issues in obtaining the 5 Green Star 'Built' rating.

### **Contamination**

During development and excavation of the basement level, contaminated land areas were removed from the site and remediated prior to construction. The Vendor has confirmed that there is no asbestos present in Building A.

### **Seismic, Building Act and Health and Safety**

The Manager engaged Harrison Grierson to peer review the seismic strength of Building A. It has confirmed that Building A is at 100% of 'New Building Standard'<sup>2</sup> and meets all current seismic code requirements. Building A has a current Building Warrant of Fitness. The Manager has also undertaken due diligence on the health and safety risks within Building A.

### **Location**

Completed in late 2015, Building A is positioned within an area known as Victoria Quarter in the western fringe of the Auckland central business district. Victoria Quarter is exhibiting a growing commercial presence with low to mid-rise campus style office buildings being constructed in recent years. Victoria Street West extends along the side of this block providing good access to the motorway network in both north and south directions while the Auckland central business district and main retail precinct is within 1 kilometre to the east.

The western fringe has seen a substantial amount of office development in recent times, with most of the development being focused on Fanshawe Street and Victoria Street West. This development activity has attracted a large number of corporates requiring substantial floor plates in low to mid-rise buildings, including Air New Zealand, Vodafone, KPMG, Microsoft, NZI, Bayleys, Oracle and Kiwibank.

Jones Lange LaSalle's Valuation Report notes that:

- there is a clear preference for quality space in the Auckland market;
- prime stock (defined as premium and grade A properties – which includes Building A) vacancy levels have increased slightly but remain at structural levels, with tenants unable to secure adequate space; and
- tenants have been demanding newer, greener and more efficient premises, which is the driving force behind the historically low vacancy rate for prime stock of 2.1%.

The Vendor owns the adjacent building at 30 Graham Street. As part of the terms of its acquisition of Building A, the Vendor has granted the LP, as owner of Building A, a right of first refusal to purchase 30 Graham Street should the Vendor in the future wish to sell it. The LP would need to agree the price of any such acquisition with the Vendor, but is not obliged to purchase the property.

### **The Tenants**

Building A's anchor tenant is APN Holdings NZ Limited (NZME.), a member of the APN group which operates the NZME. brand. NZME.'s obligations are guaranteed by Wilson & Horton Limited, a holding company within the APN group. The other tenants include Pernod Ricard and Meredith Connell.

The Vendor has underwritten the vacant areas of Building A (level 4 and 15 car parks) – by agreeing to lease those areas from settlement. The Vendor's performance will be secured by a bank bond from ASB Bank for an amount equal to the total amount of rent payable during the entire initial Mansons Lease term (plus GST), (with the bank bond sum reducing as and when rental payments are made).

The Vendor is actively marketing Level 4 and may find a new tenant for any part of those areas before settlement. Any such replacement lease must be generally on the same terms as the Mansons Lease (or on such other terms as may be approved by the LP, acting reasonably), and the Vendor is required to satisfy the LP as to the respectability, responsibility and solvency of any such replacement tenant.

The LP cannot insist upon guarantees of the proposed replacement tenant's obligations if the replacement tenant is listed on any stock exchange or an entity whose financial position and standing is such that a reasonable landlord of premises of the same quality would not insist upon guarantees. The Mansons Lease would be surrendered in respect of the premises to be

<sup>2</sup>'New Building Standard' refers to the standard that applies to a new building under the Building Code. A percentage of New Building Standard is used to assess whether a building is earthquake prone.

leased by the replacement tenant, and thereafter the replacement lease alone would apply to such premises.

Building A will have a weighted average lease term at 15 August 2016 (the anticipated settlement date) of 12 years (by income).

### **NZME.**

NZME., the anchor tenant, is a unified radio, digital, E-commerce and print operation. It is connected with 3.1 million New Zealanders, with its news function reaching 2.2 million people, sport function reaching 1.1 million people and entertainment function reaching 2.7 million people. NZME. operates businesses such as The New Zealand Herald, GrabOne and Newstalk ZB. The New Zealand Herald has been operating for over 150 years and is New Zealand's number one daily newspaper, connecting with almost half a million New Zealanders daily. Newstalk ZB is the number one radio station in New Zealand, with the number one breakfast show, and has 370,600 total listeners.

NZME. also occupies the same 3 levels of office space in adjoining Building B under separate lease arrangements.

NZME. have approximately 1,650 employees across New Zealand, of which approximately 1,100 are based in Graham Street in Building A and Building B.

On 11 May 2016 NZME.'s parent company, the ASX listed APN News & Media Limited, announced:

- A proposal to demerge its New Zealand business. The proposal is subject to APN News & Media Limited shareholder approval. If the demerger occurs, it is proposed that Wilson & Horton Limited, NZME.'s guarantor under the NZME. Leases, will be listed on the NZX Main Board stock exchange at the end of June 2016;
- The potential merger of its New Zealand business with the New Zealand business operations of the ASX listed Fairfax Media Limited. The terms of the potential merger are currently being negotiated and the transaction is subject to board approvals and necessary regulatory and shareholder approvals. The parties intend to work towards completion of the merger by the end of 2016.

The guarantee of the NZME. Leases provided by Wilson & Horton Limited (which, if the demerger was to occur, would be listed on the NZX Main Board stock exchange) would survive the potential demerger and merger. The Manager considers that the proposed transactions would potentially improve the strength of the tenant covenant provided, and in no way would adversely impact the ability of NZME. and/or Wilson & Horton Limited to meet their obligations under the NZME. Leases.

No member of the APN group, other than Wilson & Horton Limited, guarantees NZME.'s performance under the NZME. Leases.

### **Pernod Ricard**

Pernod Ricard owns alcohol brands and distribution arrangements, and is part of the global Pernod Ricard group. It distributes wine and spirits in New Zealand including brands such as Brancott Estate, Stoneleigh, Church Road, Mumm Champagne and Absolut Vodka. Further details can be found on the Pernod Ricard New Zealand website: [www.pernod-ricard-nz.com](http://www.pernod-ricard-nz.com).

No member of the Pernod Ricard group, nor any other person, guarantees Pernod Ricard's performance under the Pernod Ricard Lease.

### **Meredith Connell**

Meredith Connell is a significant national law firm, with offices in Auckland (at Building A) and Wellington. Meredith Connell holds the Crown Warrant for crown criminal work in Auckland. (A separate Crown Warrant, not held by Meredith Connell, applies for crown criminal work in Manukau).

Meredith Connell also occupies the same level of office space in adjoining Building B under separate lease arrangements (although the liability cap applying in respect of the Meredith Connell Lease applies across their Building B lease also).

### **Management of the LP**

The LP will be managed by Augusta Funds Management Limited. Day to day facilities and property management services for Building A will (until otherwise agreed between the owners of Building A, Building B and Building C) be provided by CBRE Limited, the property manager currently appointed by the owners of Building A, Building B and Building C (in accordance with the Building Management Agreement) to manage the overall property. The Vendor and CBRE Limited are finalising the precise terms of the management agreement under which CBRE Limited manages the overall property. These proposed terms are, in the Manager's view, consistent with market practice and not unreasonable in the circumstances. The cost of building management is fully recoverable under the Leases. The Manager will, as part of its role as manager of the LP, monitor CBRE Limited's compliance with its facilities and property management obligations.

See section 10 of this PDS "About Augusta Funds Management Limited and others involved in Building A Graham Street Limited Partnership" for further information.

# Innovation in the heart of Auckland

- 1. Fonterra
- 2. Microsoft HP
- 3. Vodafone
- 4. KMPG
- 5. Bayleys / Augusta
- 6. Auckland Council Service Centre
- 7. IBM
- 8. Spark
- 9. Kiwibank
- 10. Ricoh
- 11. Les Mills
- 12. Oracle
- 13. City Depot
- 14. SkyCity

Building A Graham St



## 2. What Building A Graham Street Limited Partnership Invests In (cont.)



The key personnel of the Manager who will be responsible for managing the LP and Building A are:

Name	Bio	Role
Mark Francis	Mark is the Managing Director of Augusta. Mark formed Augusta in 2001, and is the largest shareholder in Augusta Capital.	Mark will, in conjunction with Bryce and Phil, oversee all aspects of the LP and Building A as part of his role overseeing all Augusta syndications, investments and funds.
Bryce Barnett	Bryce is the Head of Funds Management at Augusta. Bryce established and ran KCL Property, which was acquired by Augusta in 2014. Bryce was previously the General Manager of MacDow Properties, a subsidiary of McConnell Dowell.	Bryce will, in conjunction with Mark and Phil, oversee all aspects of the LP and Building A as part of his role overseeing all Augusta syndications, investments and funds.
Phillip (Phil) Hinton	Phil is General Manager at Augusta. Phil has over 35 years property experience in New Zealand, previously as a registered valuer and partner of TelferYoung (Taranaki) Limited, specialising in commercial property valuations for twenty years.	Phil will, in conjunction with Mark and Bryce, oversee all aspects of the LP and Building A as part of his role overseeing all Augusta syndications, investments and funds.
Simon Woollams	Simon is the Chief Financial Officer of Augusta. He is a chartered accountant and has a strong financial background, including UK experience and roles with BDO and ANZ Bank in its property and finance teams. Simon joined Augusta in 2007.	Simon will provide financial oversight of the LP and will, in particular, be responsible for the LP's bank finance.
Hayden Bryant	Hayden is the National Portfolio Manager at Augusta. Before joining Augusta, Hayden had over 14 years' experience in senior roles with major firms such as Jones Lang LaSalle and CBRE.	Hayden will oversee the asset management, including any re-leasing or sales of Building A. He will also be responsible for overseeing the day to day property and facilities management services provided by CBRE Limited.

### Purpose of offer and allocation of finance

The purpose of the offer is to raise sufficient funds which, together with bank financing, will allow the LP to purchase Building A.

The money raised, together with the bank financing, will be allocated as follows:

<b>Purchase price</b>	\$115,818,265
<b>Establishment costs</b>	\$6,306,235
<b>Total</b>	<b>\$122,124,500</b>

### Funded by:

<b>Subscriber's capital</b>	\$70,000,000
<b>Debt</b>	\$52,124,500
<b>Total</b>	<b>\$122,124,500</b>

The above costs relate to the SIPO as further described:

- *Purchase price of Building A:* a key part of the investment strategy is to acquire Building A;
- *Establishment costs:*
  - The offeror's fee secures the Manager's participation in the LP, which is necessary for the implementation of the SIPO;
  - The brokerage, marketing, underwriting, legal and supervisor fees, PDS registration fee and FMA levy, disbursements and bank legal fees ensure the successful completion of the offer and raising of the funds, without which the investment strategy will not be able to be implemented;
  - All other fees primarily relate to due diligence on Building A and the investment in order to test whether the investment strategy is feasible.

## 2. What Building A Graham Street Limited Partnership Invests In (cont.)

The establishment costs are:

<b>Manager's offeror fee</b>	\$2,198,000
<b>Augusta Capital's underwrite fee</b>	\$750,000
<b>Brokerage fee*</b>	\$1,400,000
<b>Other underwriters fees</b>	\$1,350,000
<b>Legal fees</b>	\$180,000
<b>Assurance fee</b>	\$20,000
<b>Valuation fee</b>	\$12,000
<b>Health and safety review fees</b>	\$975
<b>Building due diligence reports fees</b>	\$10,000
<b>Chattel valuation fee</b>	\$10,500
<b>Supervisor</b>	\$10,000
<b>Marketing</b>	\$335,000
<b>Bank legal fees</b>	\$10,000
<b>PDS registration fee and FMA levy</b>	\$4,760
<b>Disbursements</b>	\$15,000
<b>Total fees for establishment of the LP</b>	<b>\$6,306,235</b>

\*To the extent that any Unit is issued to an underwriter under their underwriting obligations, the brokerage fee will reduce by \$1,000 in respect of each such Unit. That amount may be subsequently applied to any brokerage payable where an underwriter disposes of its underwritten Units.

On settlement of the purchase of Building A, all Investors' capital will be applied to settle the acquisition of Building A and pay the establishment costs.

The minimum amount to be raised for Investor subscriptions is \$70,000,000. This amount is fully underwritten. Accordingly, the total amount raised cannot change and, as such, the use of subscription money cannot change dependent on the total amount raised.

### **Factors that may affect the financial performance of the LP and strategies and plans to address those factors**

The key factors that will affect the financial performance of the LP and the strategies and plans to address those factors are:

<b>Factor affecting Financial Performance</b>	<b>Strategy to address</b>
Interest rates	As a significant expense for the LP will be interest payments, the financial performance will be affected by interest rates. The Manager has fixed the interest rate applying to the LP's debt for the first five years of the LP. For the period following the first five years, the Manager will manage the benchmark component of the interest rate with a combination of short-term and long-term interest rate swap agreements and/or floating rates, and will actively monitor the margins available in the market during the life of the LP (and would consider changing lender if better margins were available elsewhere). The Manager may enter into forward start swap agreements before the expiry of the initial five year period.
Rental income	The rental income received by the LP is the key source of the LP's income. That income is forecast to grow over time due to the contracted fixed rental increases in the initial term of each Lease.
Capex and Defects Warranty	Mansons, the contractor that built Building A, and the Vendor (another member of the Mansons group) have agreed to provide a broad warranty in favour of the LP under which both Mansons and the Vendor agree to be generally responsible for repairing any defects in Building A that become apparent prior to February 2026 and warrant to the LP that (subject to certain exceptions) it will not be required to incur unrecoverable capital expenditure on Building A prior to that date.

## Nature of returns and key factors that determine returns

Investors may receive the following returns in respect of their Units:

- Distributions of operating cashflows of the LP relative to their respective Units; and
- Any gains which result from the net sale proceeds of Building A exceeding the purchase price to be paid for the acquisition of Building A by the LP and the establishment costs.

The key factors that will affect the returns are:

- *Interest Rates* – the purchase of Building A will be funded in part by bank financing from ASB Bank of \$52,124,500. A significant expense for the LP will be interest payments. The Manager has fixed the interest rate applying to the LP's debt for the first five years of the LP. Following that five year period, the financial performance will be affected by movement in interest rates. The Manager will manage the benchmark component of the interest rate risk with a combination of short-term and long-term interest rate swap agreements and fixed rate agreements and/or floating rates, and will actively monitor the margins available in the market (and would consider changing lender if better margins were available elsewhere). The Manager may enter into forward start swap agreements before the expiry of the initial five year period. The Manager will monitor the interest rate management strategy throughout the life of the LP.
- *Rental Income* – rental increases due to the contracted fixed rent increases and reviews in the Leases:
  - NZME.  
**Fixed 3% increase on each anniversary of the commencement date excluding 1 November 2016, 1 November 2030 and 1 November 2036.** Market reviews on 1 November 2030 and 1 November 2036 (with the reviewed rent to be no lower than the rent payable as at the commencement date of the preceding lease term).
  - Pernod Ricard  
**Fixed 3% increase on each anniversary of the commencement date excluding 1 February 2026.** Market review on 1 February 2026 (with the reviewed rent to be no lower than the rent payable as at 1 February 2016).

- Mansons Properties (151 Victoria) Limited

**Fixed 3% increase on each anniversary of the commencement date excluding 1 April 2025.** Market review on 1 April 2025 (with the reviewed rent to be no lower than the rent payable as at 1 April 2016).

The Vendor is contractually obliged to ensure that any lease arrangement with a replacement tenant taking over some or all of the premises leased under the Mansons Lease would have the same rent review mechanisms or mechanisms more favourable to the LP.

- Meredith Connell

**Fixed 3% increase on each anniversary of the commencement date excluding 1 March 2028.** Market review on 1 March 2028 (with the reviewed rent to be no lower than the rent payable as at 1 March 2016).

- *Capex and Defects Warranty* – the Manager has arranged for certainty of unrecoverable expenses, as Mansons, the contractor that built Building A, and the Vendor have agreed to provide a broad warranty in favour of the LP under which both Mansons and the Vendor agree to be generally responsible for repairing any defects in Building A that become apparent prior to February 2026 and warrant to the LP that (subject to certain exceptions) it will not be required to incur unrecoverable capital expenditure on Building A prior to that date.

## Acquisition of Key Property

### Property Valuation

An independent valuation of Building A has been provided by Dave Wigmore and Nick Thacker of Jones Lange LaSalle on a market value at \$119,850,000 plus GST (if any) as at 23 March 2016 in accordance with current Australia and New Zealand Valuation and Property Standards. It was prepared using both a capitalisation of net income approach and a discounted cash flow approach.

The critical assumptions for the valuation, along with the Manager's view on the appropriateness and/or relevance of the assumption, are set out in the table on the following pages:

## 2. What Building A Graham Street Limited Partnership Invests In (cont.)

	<b>Critical assumption</b>	<b>Manager's view</b>
1	The valuation is current as at the date of valuation only, being 23 March 2016. The value may change significantly and unexpectedly over a relatively short period (including as a result of general market movements or factors specific to Building A).	This is a usual assumption for valuers reflecting the potential for changes in market conditions after the date of this valuation, as indicated in the assumption. The Manager does not expect (but cannot guarantee) that there are upcoming general market movements or factors specific to Building A which will impact the valuation.
2	Jones Lange LaSalle does not accept liability for losses arising from such subsequent changes in value. Without limitation, Jones Lange LaSalle does not accept any liability where this valuation is relied upon more than three months after the date of valuation, or earlier if the person relying on it becomes aware of any factors that may have any effect on the valuation.	Consistent with the comments with regard to critical assumption 1, this is a standard assumption for valuers.
3	The Valuation Report is relevant at the date of preparation and to the circumstances prevailing at that time. However, within a changing economic environment experiencing fluctuations in interest rates, inflation levels, rents and global economic circumstances, acceptable returns on investment may, as a consequence, be susceptible to future variation. Jones Lange LaSalle therefore recommends that it is consulted before any action is taken involving an acquisition, disposal or other transaction more than three months after the date of the Valuation Report.	Consistent with the comments with regard to critical assumptions 1 and 2, this is a standard assumption for valuers.
4	The valuation has been completed for the specific purpose stated in the Valuation Report. No responsibility is accepted in the event that this report is used for any other purpose.	The purpose of the valuation includes providing it to prospective investors in the LP.
5	The valuation assumes the information provided by the Manager or its agents is correct and Jones Lange LaSalle reserves the right to amend its calculations, if deemed necessary, if that information is incorrect.	To the best of the Manager's knowledge, all information provided is correct and the Manager has done everything that it considers prudently necessary to ensure such information is correct.
6	The valuation assumes all other professional/consultancy advice provided and relied upon is true and correct.	This is a standard assumption and the Manager also relies on professional/consultancy advice that has been provided as being true and correct.
7	Jones Lange LaSalle has relied on building areas, income figures and expense figures as provided by the Manager or its agents and made specified adjustments where necessary. Where possible these have been verified through lease documentation and physical measurements.	As noted above, the Manager has done everything that it considers prudently necessary to ensure such information is correct.
8	Unless otherwise stated in the valuation, all property measurements in the valuation are in conformity with the Guide for the Measurement of Rentable Areas issued by the Property Council of New Zealand. Where certified areas have not been provided Jones Lange LaSalle has normally undertaken measurement in accordance with Property Council of New Zealand Standards.	This is a standard assumption and, as far as the Manager is aware, all measurements have been in conformity with the Guide for the Measurement of Rentable Areas issued by the Property Council of New Zealand.

	<b>Critical assumption</b>	<b>Manager's view</b>
9	Jones Lange LaSalle has relied on the land dimensions and areas as provided in the Certificate of Title as searched. In certain cases physical checking of land dimensions and areas is difficult or not practical due to proximity of adjoining buildings, steep terrain or inaccessible title boundaries. Jones Lange LaSalle accepts no responsibility if any of the land dimensions or the area shown on title is found to be incorrect.	This is a standard assumption and the Manager has no reason to believe that the land dimensions and areas in the Certificate of Title are incorrect.
10	Jones Lange LaSalle's valuation is made on the basis that Building A is free of further caveats, mortgages, charges and other financial liens and that there are no memorials, encumbrances, restrictions or other impediments of an onerous nature which will affect the value other than those stated in the Valuation Report or registered on the Certificate of Title.	The Manager is not aware of any further caveats, mortgages, charges and other financial liens and nor that there are any memorials, encumbrances, restrictions or other impediments other than those currently registered on the Certificate of Title.
11	Enquiries as to the financial standing of actual or prospective tenants are not normally made by Jones Lange LaSalle unless specifically requested. It is therefore assumed that the Tenants are capable of meeting their obligations under the Leases and that there are no arrears of rent or undisclosed breaches of covenant.	The Manager has investigated the financial standing of the Tenants to the extent possible and its comments are set out in the tenancy schedule on pages 27 to 30.
12	In the case of buildings where works are in hand or have recently been completed Jones Lange LaSalle does not normally make allowance for any liability already incurred but not yet discharged in respect of completed works or obligations in favour of contractors, sub-contractors or any members of the professional or design team.	This is a standard assumption and the Manager has received professional advice on the adequacy of the guarantees and warranties obtained on the standard of construction of Building A.
13	No enquiries in respect of any property, or of any improvements erected thereon, has been made for any sign of timber infestation, asbestos or other defect, whether latent, patent, or structural.	The Manager has made enquiry with the Vendor regarding the use of asbestos in the construction of Building A. The Vendor has confirmed that there is no asbestos present in Building A.
14	Substances such as asbestos or other potentially hazardous materials could, if present, adversely affect the value of the property. The stated value estimate is on the assumption that there is no material on or in the property that would cause loss in value. No responsibility is assumed by Jones Lange LaSalle for any such conditions and Jones Lange LaSalle is not qualified to detect such substances or estimate the remedial cost.	As noted above, the Manager has made enquiries with the Vendor regarding the use of asbestos in the construction of Building A. The Vendor has confirmed that there is no asbestos present in Building A. The Manager is not aware of any other hazardous materials within the property.
15	While due care has been taken to note any contamination liability, Jones Lange LaSalle's investigations have been undertaken for valuation purposes only, and the Valuation Report does not constitute an environmental audit. No account has been taken of the effect on value due to contamination or pollution.	During development and excavation of the basement level, contaminated land areas were removed from the site and remediated prior to construction.

## 2. What Building A Graham Street Limited Partnership Invests In (cont.)

	<b>Critical assumption</b>	<b>Manager's view</b>
16	Jones Lange LaSalle has undertaken a visual inspection in respect of Building A, but has not commissioned structural surveys or tested any of the services and is therefore unable to confirm that these are free from defect. Jones Lange LaSalle has not inspected unexposed or inaccessible portions of Building A and is therefore unable to certify that these are free from defect.	The Manager has engaged Harrison Grierson to undertake a peer review of the Building's seismic rating. That review has confirmed that the building exceeds 100% of 'New Building Standard' <sup>3</sup> . Furthermore, Mansons and the Vendor have agreed to provide a broad warranty in favour of the LP under which both Mansons and the Vendor agree to be generally responsible for repairing any defects in Building A that become apparent prior to February 2026 and warrant to the LP that (subject to certain exceptions) it will not be required to incur unrecoverable capital expenditure on Building A prior to that date.
17	Jones Lange LaSalle are not experts in relation to assessing the condition of the building structure and cladding, or in assessing the impact or otherwise of water/ weather penetration issues. Should Building A prove to have structural or weather penetration issues Jones Lange LaSalle reserves the right to amend the valuation and any recommendations contained within its Valuation Report.	This is a standard assumption and the Manager has received professional advice on the adequacy of the guarantees and warranties obtained on the standard of construction of Building A.
18	Any elements of deterioration apparent during Jones Lange LaSalle's consideration of the general state of repair of Building A have been noted or reflected in the valuation. Jones Lange LaSalle is unable to give any warranty as to structural soundness of Building A and has assumed in arriving at its valuation that there are no structural defects or the inclusion of unsatisfactory materials.	This is a standard assumption and the Manager has received professional advice on the adequacy of the guarantees and warranties obtained on the standard of construction of Building A. Furthermore, Mansons and the Vendor have agreed to be generally responsible for repairing any defects in Building A that become apparent prior to February 2026 and warrant to the LP that (subject to certain exceptions) it will not be required to incur unrecoverable capital expenditure on Building A prior to that date.
19	In preparing the valuation it has been assumed that items such as lifts, hot and cold water systems, electrical systems, ventilating systems and other devices, fittings, installations or conveniences as are in Building A are in proper working order and functioning for the purposes for which they were designed, and conform to the current building, fire and government regulations and codes.	The Manager has conducted due diligence on the building systems as part of its due diligence investigations on Building A, and is comfortable that they are adequate to perform the purpose for which they were designed.
20	Information on town planning and resource management is often obtained verbally from the local planning authority and if assurance is required Jones Lange LaSalle recommends that verification is sought from the relevant authority that confirms the position is correctly stated within its report, that Building A is not subject to other decisions or conditions prescribed by public authorities and that there are no outstanding statutory notices.	The Manager is not aware of any other decisions or conditions prescribed by public authorities or statutory notices that may affect Building A.

	<b>Critical assumption</b>	<b>Manager's view</b>
21	Jones Lange LaSalle's valuations are prepared on the basis that the premises (and any works thereto) comply with all relevant statutory regulations including the Building Act 2004 and the requirements of territorial authorities. Where Jones Lange LaSalle has obtained a Land Information Memorandum, they comment on this within its report. Where they have not obtained a Land Information Memorandum their valuation is therefore undertaken with the assumption that there are no outstanding requisitions.	<p>This is a standard assumption and the Manager has received professional advice on the adequacy of the guarantees and warranties obtained on the standard of construction of Building A.</p> <p>As part of its due diligence investigations on Building A, the Manager has reviewed the Land Information Memorandum, and identified no material issues. Further information on the Land Information Memorandum is contained on pages 31 to 32.</p>
22	Non-residential valuations are (unless otherwise stated) carried out on the basis that the valuation is plus GST (if any). Residential property valuations are (unless otherwise stated) carried out on the basis that the valuation includes GST (if any).	This is a standard assumption for valuers. Building A is non-residential, and the purchase price is plus GST (if any).

The Manager does not consider any of the above described critical assumptions to be unreasonable or unusual market practice, based on its significant experience obtaining and considering such valuation advice.

A copy of the Valuation Report may be found on the Offer Register at **www.business.govt.nz/disclose** by searching "Building A Graham Street Limited Partnership" under "search offers".



## 2. What Building A Graham Street Limited Partnership Invests In (cont.)

### Real property

This section of the PDS summarises important information comprised in:

- The Leases;
- The title for Building A and all interests registered on the Title; and
- The Land Information Memorandum issued by Auckland Council.

### Building A tenancy schedule

Tenant	Area*	Guarantor	Current Term Expiry	Rights of Renewal	Final Expiry	Rent Review	Manager's view of tenant/guarantor financial standing
APN Holdings NZ Limited (trading as NZME.)	1,698.18m <sup>2</sup> (Ground floor)	Wilson & Horton Limited	31-Oct-2030	Two of 6 years each	31-Oct-2042	<b>Fixed 3% increase on each anniversary of the commencement date <u>excluding 1 November 2016, 1 November 2030 and 1 November 2036</u>.</b> Market reviews on 1 November 2030 and 1 November 2036 (with the reviewed rent to be no lower than the rent payable as at the commencement date of the preceding lease term).	<p>The Manager considers that NZME. and Wilson &amp; Horton Limited's financial standing is sufficient to meet their combined obligations under the NZME. Leases. Further, the Manager consider that the proposed transactions described on page 16 would potentially improve the strength of the tenant covenant provided, and in no way would adversely impact the ability of NZME. and/or Wilson &amp; Horton Limited to meet their obligations under the NZME. Leases.</p> <p>Wilson &amp; Horton Limited's most recent publically available financial statements show:</p> <ul style="list-style-type: none"> <li>• Profit of \$4.742m for the year ended 31 December 2014; and</li> <li>• Net assets of \$170.712m as at 31 December 2014.</li> </ul> <p>Given Wilson &amp; Horton Limited's balance date falls on 31 December, the most recent publically available financial statements for Wilson &amp; Horton relate to the 31 December 2014 balance date.</p>

Tenant	Area*	Guarantor	Current Term Expiry	Rights of Renewal	Final Expiry	Rent Review	Manager's view of tenant/guarantor financial standing
APN Holdings NZ Limited (trading as NZME.)	1,897.08m <sup>2</sup> (Level 1)	Wilson & Horton Limited	31-Oct-2030	Two of 6 years each	31-Oct-2042	<b>Fixed 3% increase on each anniversary of the commencement date excluding 1 November 2016, 1 November 2030 and 1 November 2036.</b> Market reviews on 1 November 2030 and 1 November 2036 (with the reviewed rent to be no lower than the rent payable as at the commencement date of the preceding lease term).	<p>The Manager considers that NZME. and Wilson &amp; Horton Limited's financial standing is sufficient to meet their combined obligations under the NZME. Leases.</p> <p>Wilson &amp; Horton Limited's publicly available financial statements show:</p> <ul style="list-style-type: none"> <li>• Profit of \$4.742m for the year ended 31 December 2014; and</li> <li>• Net assets of \$170.712m as at 31 December 2014.</li> </ul>
APN Holdings NZ Limited (trading as NZME.)	1,889.30m <sup>2</sup> (Level 2)	Wilson & Horton Limited	31-Oct-2030	Two of 6 years each	31-Oct-2042	<b>Fixed 3% increase on each anniversary of the commencement date excluding 1 November 2016, 1 November 2030 and 1 November 2036.</b> Market reviews on 1 November 2030 and 1 November 2036 (with the reviewed rent to be no lower than the rent payable as at the commencement date of the preceding lease term).	<p>The Manager considers that NZME. and Wilson &amp; Horton Limited's financial standing is sufficient to meet their combined obligations under the NZME. Leases.</p> <p>Wilson &amp; Horton Limited's most recent publicly available financial statements show:</p> <ul style="list-style-type: none"> <li>• Profit of \$4.742m for the year ended 31 December 2014; and</li> <li>• Net assets of \$170.712m as at 31 December 2014.</li> </ul>

## 2. What Building A Graham Street Limited Partnership Invests In (cont.)

Tenant	Area*	Guarantor	Current Term Expiry	Rights of Renewal	Final Expiry	Rent Review	Manager's view of tenant/guarantor financial standing
Pernod Ricard Winemakers New Zealand Limited (trading as "Pernod Ricard")	1,836.33m <sup>2</sup> (Level 3)	Nil	31-Jan-2026	One of 6 years	31-Jan-2032	<b>Fixed 3% increase on each anniversary of the commencement date excluding 1 February 2026.</b> Market review on 1 February 2026 (with the reviewed rent to be no lower than the rent payable as at 1 February 2016).	<p>The Manager considers that Pernod Ricard is of sufficient financial standing to meet its obligations under the Pernod Ricard Lease.</p> <p>Pernod Ricard's most recent publically available financial statements note the Pernod Ricard group (Pernod Ricard and all of its subsidiaries) had:</p> <ul style="list-style-type: none"> <li>• Profit of \$2.149m for the year ended 30 June 2015; and</li> <li>• Net assets of \$356.351m as at 30 June 2015.</li> </ul> <p>No member of the Pernod Ricard group guarantees Pernod Ricard's performance under the Pernod Ricard Lease.</p>
Mansons Properties (151 Victoria) Limited	1,889.04m <sup>2</sup> (level 4)	Bank guarantee from ASB Bank	31-Mar-2025	One of 6 years	31-Mar-2031	<p><b>Fixed 3% increase on each anniversary of the commencement date excluding 1 April 2025.</b> Market review on 1 April 2025 (with the reviewed rent to be no lower than the rent payable as at 1 April 2016).</p> <p>These rental increase and review provisions (or rent review mechanisms more favourable to the LP than these mechanisms) would apply to any replacement tenant that takes a lease of premises initially leased under the Mansons Lease.</p>	<p>The Vendor's performance under the Mansons Lease to be secured by a bank bond from ASB Bank for an amount equal to the total amount of rent payable during the entire initial Mansons Lease term (plus GST), (with the bank bond sum reducing as and when rental payments are made).</p> <p>Given this bank bond, the Manager is comfortable that the Vendor will meet its obligations under the Mansons Lease.</p>

Tenant	Area*	Guarantor	Current Term Expiry	Rights of Renewal	Final Expiry	Rent Review	Manager's view of tenant/guarantor financial standing
The equity partners of Meredith Connell (trading as "Meredith Connell")	1,887.31m <sup>2</sup> (level 5)	Nil	29-Feb-2028	One of 6 years	28-Feb-2034	<b>Fixed 3% increase on each anniversary of the commencement date excluding 1 March 2028.</b> Market review on 1 March 2028 (with the reviewed rent to be no lower than the rent payable as at 1 March 2016).	As Meredith Connell is a private organisation, the Manager does not have access to its financial information. Accordingly, the Manager cannot comment with any certainty on Meredith Connell's financial standing.  All equity partners of Meredith Connell are liable severally for the obligations under the Meredith Connell Lease (now and in the future), subject to a liability cap (which also applies to its lease of level 5 of Building B). If a partner retires, they are released from liability provided there are still at least 10 partners.

\*Stated area for each tenancy is for office premises only and excludes all carparks, storage areas and ancillary areas.

### **Building A – rental**

The current total annual rental for Building A is \$7,364,758.45 per annum (based on the actual net lettable area of Building A). NZME., as anchor tenant, leases each of the three floors it occupies under a separate lease. The total annual rental currently payable by NZME. is \$3,595,415.05 per annum.

In addition to the above,

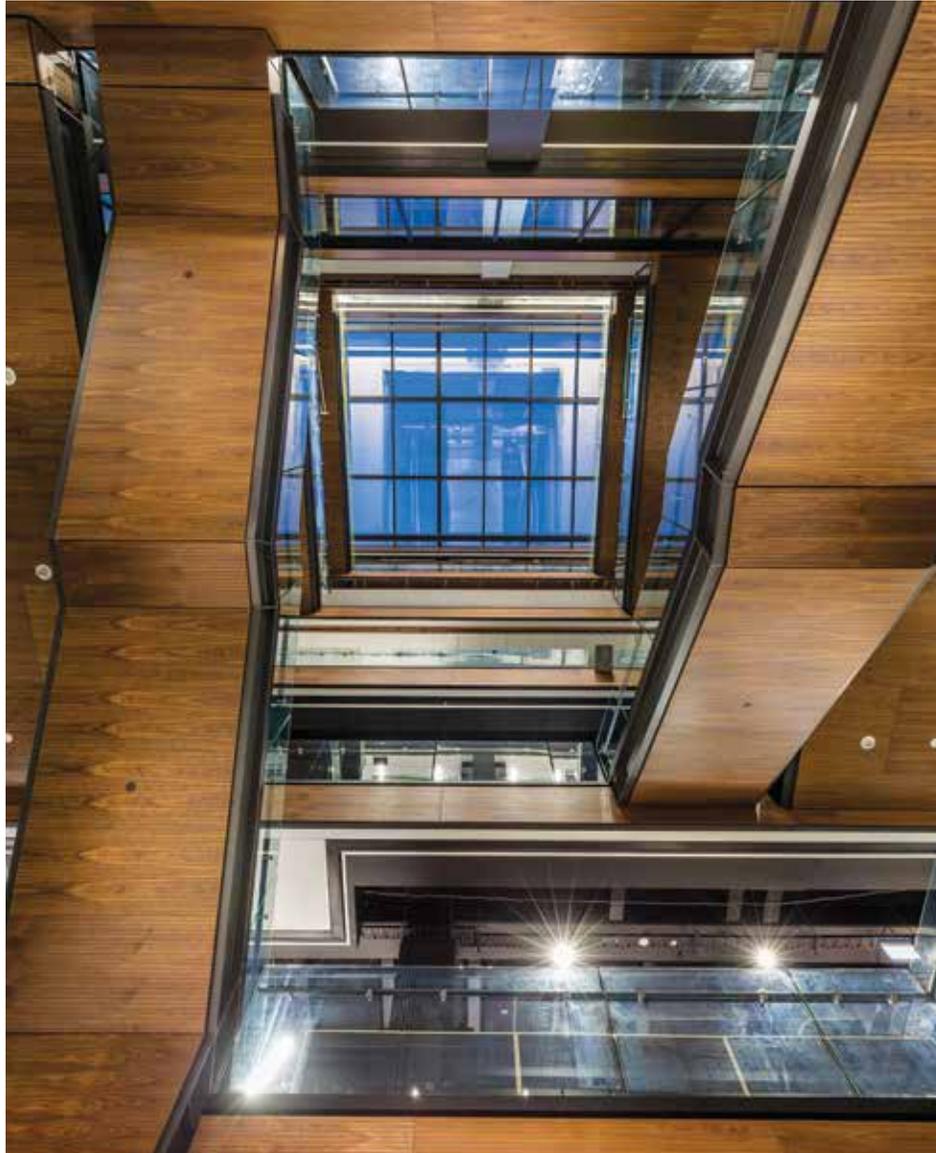
- seven (7) basement parking spaces allocated to Building A are leased to the Vendor (with the Vendor then leasing those spaces to Les Mills New Zealand Limited) for a term expiring in April 2020 or, if Les Mills New Zealand Limited elects not to continue with its lease of the relevant parking spaces, as early as April 2017, at an initial annual rental of \$38,220; and

- the LP, as owner of Building A, is entitled to a proportionate share of the net income derived under a licence in place between the owners of Building A, Building B and Building C and The Embedded Network Company Limited in relation to the use of electricity lines in the buildings. Projected initial net income payable to the owner of Building A is \$31,685.50 per annum, and the Vendor and Mansons have agreed to reimburse the LP (in each of the five years following the LP's acquisition of Building A) the amounts (if any) by which the actual net income received by the LP under the licence is less than \$31,685.50 per annum.

The Manager is not aware of any of the Tenants failing to meet any of their respective material obligations under the Leases.

Each of the NZME. Leases is available on the Offer Register at [www.business.govt.nz/](http://www.business.govt.nz/) **disclose** by searching "Building A Graham Street Partnership" under "search offers".

## 2. What Building A Graham Street Limited Partnership Invests In (cont.)



### Title

Building A is comprised in computer freehold register 708753, which contains two distinct parcels of land:

- Lot 3, which is the parcel of land upon which Building A is constructed; and
- a 181/500 (or 36.2%) share in Lot 1, which contains the common areas of the development.

The remainder of the shares in Lot 1 are held by the registered proprietors of Building B (287/500 or 57.4% share) and Building C (8/125 or 6.4% share) respectively.

Use of Lot 1 is governed by the Building Management Agreement. A separate encumbrance registered against each certificate of title for the land comprised in the development secures ongoing compliance by the owners with the terms of the Building Management Agreement.

The Manager has reviewed the instruments and memorials noted on Building A's title. One of those instruments is a parking easement in favour of the neighbouring property occupied by New Zealand Post. Under that easement the owner of that neighbouring property has a perpetual right to use 60 specific parking spaces in the basement carpark of the development free of charge (except that owner must pay a fair and reasonable proportion of the costs of cleaning and maintaining the relevant parking spaces). This easement restricts the scope for future redevelopment of Building A and the wider development.

### Land Information Memorandum (LIM)

The Manager has reviewed the LIM for Building A as part of its due diligence. No material issues were identified, but the Manager notes the following special land features and other matters disclosed by the LIM:

- *Code Compliance Certificates* – The LIM records that there are various outstanding code compliance certificates (mostly in relation to Tenant fitout works). The Vendor is contractually obliged to obtain all but one of such outstanding code compliance certificates (other than those relating to Tenant fitout works, which are the Tenants' responsibility) prior to settlement. The one outstanding code compliance certificate which does not relate to Tenant fitout works and which the Vendor is not obliged to obtain prior to settlement relates to specific balustrade works which will only be completed once a replacement tenant is secured for level 4 of Building A. The Vendor is obliged to obtain such code compliance certificate promptly upon securing such replacement tenant.

- *Soils* – the LIM notes that there are soil issues recorded and that the land may not be suitable for particular development or land use purposes. A soils report must be submitted with any building or resource consent application. This is not an unusual notation, and even in the absence of such a notation local authorities often require soils reports to be submitted as part of a redevelopment proposal.
- *Flood Risk* – the LIM notes that Building A is potentially at risk of flooding during heavy rainfall events.
- *Contamination* – the special land features plan annexed to the report indicates that Building A is a contaminated site (as are many of the surrounding properties). During development and excavation of the basement level, contaminated land areas were removed from the site and remediated prior to construction.

The Manager has not procured a Building Inspection Report for Building A as Building A is newly built, and, from settlement, the Vendor and Mansons will have provided warranties as to the standard of the building. Further information on those warranties, and the LP's liability for any capital expenditure or defects is contained in section 7 "Risks to returns from Building A Graham Street Limited Partnership".

The Manager has however engaged Harrison Grierson to peer review the seismic strength of Building A. It has confirmed that Building A is at 100% of 'New Building Standard' and meets all current seismic code requirements.

## Borrowings

ASB Bank has provided a credit approved offer of debt funding with the key terms being:

- Facility limit: \$53,200,000; of which the Manager expects to draw \$52,124,500 at settlement.
- Security:
  - First registered mortgage over the unique identifiers/certificates of title for Building A.
  - General Security Deeds over all present and after acquired personal property of the LP, General Partner and Custodian.

- Guarantees and indemnities given by the General Partner and Custodian in respect of all indebtedness and obligations of the LP.
- Loan Term: A 60 month extendable facility which is subject to annual review. With an extendable term, the facility can be renewed annually and subsequently extended by a further 12 months (to effectively reset the term to 60 months from the extension date). Should the "extendable" option be exercised ASB Bank may re-price the facility lending margin. The Manager would not have to accept the extension if the margin was increased, but, in those circumstances, the loan term would not be extended. The current market price for the further 12 month extension will be combined with the current rate for the remaining term of the initial facility to determine a new lending margin.
- Personal guarantee: No personal guarantees. The loan is non-recourse.
- Interest rate: The interest rate under the facility agreement is effectively floating and is based on the current 30 day BKBM Bid Rate plus a margin of 1.58% (which is subject to change on an extension). To hedge the risk on the floating nature of the interest rate the Manager has entered into a swap agreement fixing the interest rate for the entirety of the LP's debt at 2.70% plus the Banks' margin (1.58%) for 5 years. Therefore, the all up effective interest rate is 4.28% for the first five years.
- LVR: The loan to value ratio is to be less than 50%.
- Interest cover: Not less than 2.0 times the interest cost.
- Principal payments: The loan facility is interest only and no principal repayments are required during the loan term.

As the above borrowings for the LP will likely be due before the LP is wound up, the Manager considers that refinancing is likely to be needed.

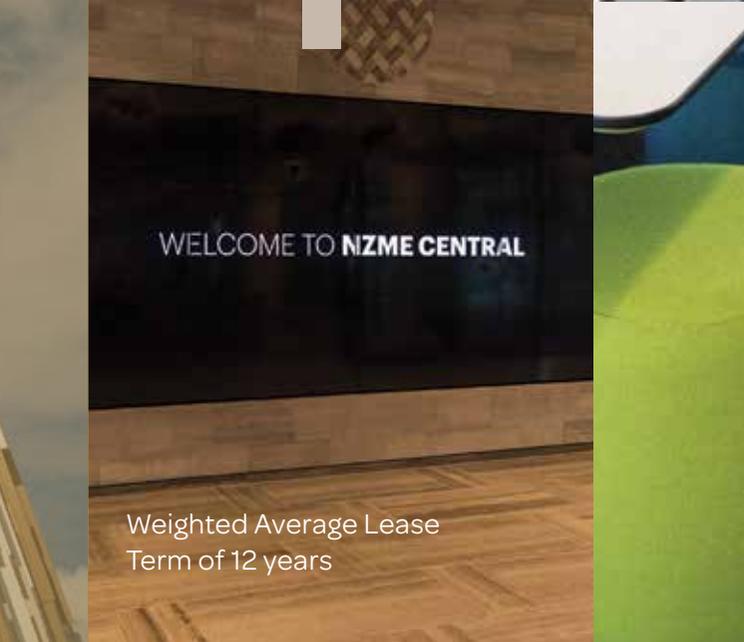
The bank debt owing to ASB Bank, and all other liabilities of the LP (including under the Leases), and the LP's business as usual activities, will rank ahead of Investors' Units on the winding up of the LP.



Freehold title, single asset,  
on corner site in the growth  
central Auckland location  
of Victoria Quarter (with  
Spark, Oracle and Kiwibank  
as neighbours)



5 Green Star Design  
Rating, underlining its  
energy efficiency and  
environmental quality



WELCOME TO **NZME CENTRAL**

Weighted Average Lease  
Term of 12 years

Brand new, premium grade,  
office building with a seismic rating of  
at least 100% of New Building Standard



Impressive portfolio  
of tenants including  
NZME, Pernod Ricard  
and Meredith Connell



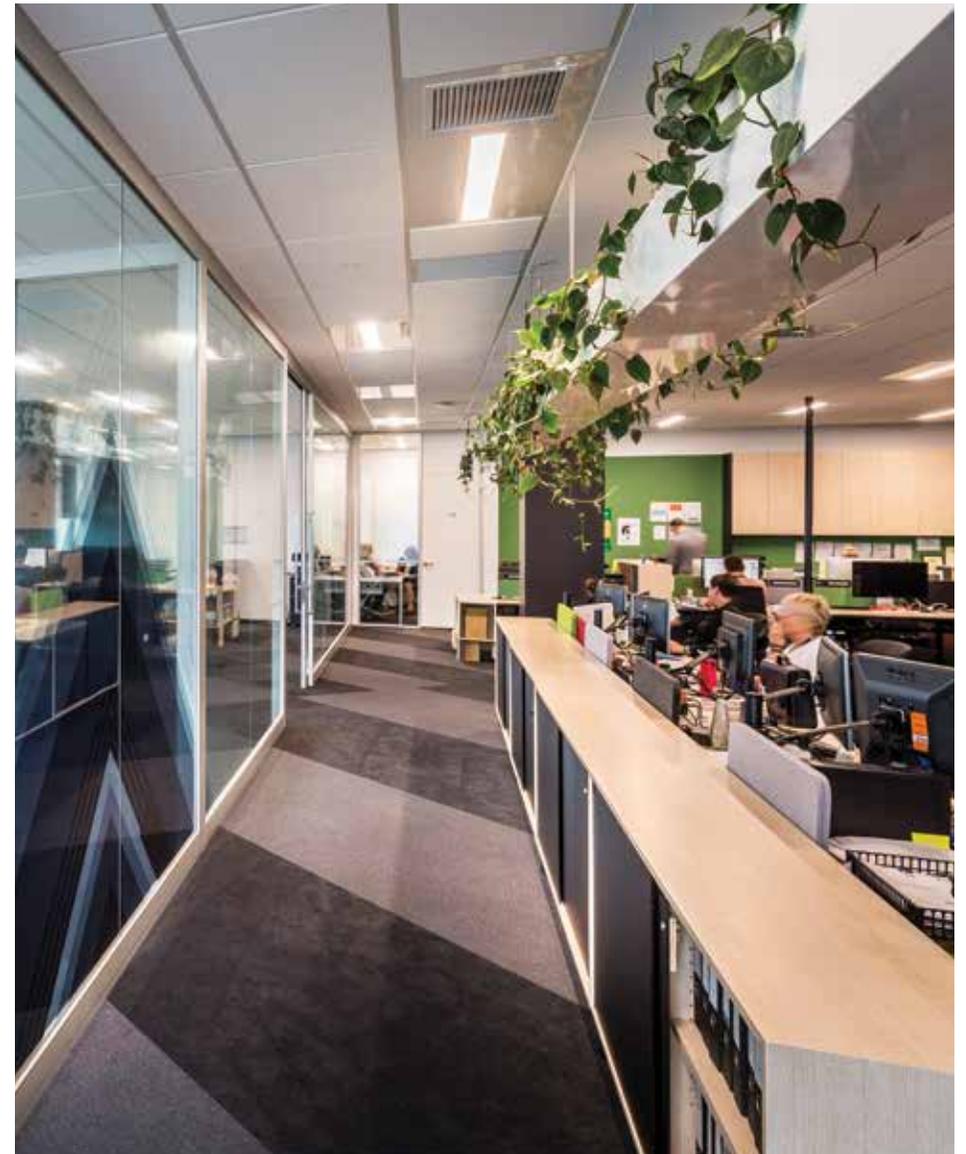
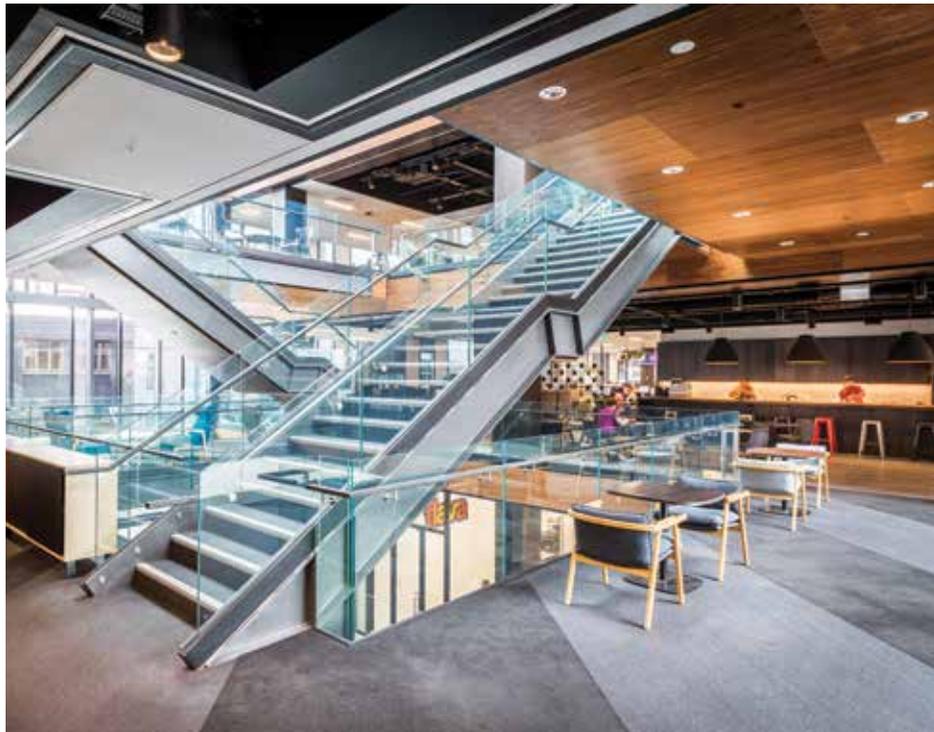
Over 11,000m<sup>2</sup> of  
office space plus 113  
basement carparks



# 3. Key Dates and Offer Process

<b>Offer opens</b>	27 May 2016
<b>Offer closes</b>	1 August 2016
<b>Units are issued to Investors</b>	15 August 2016
<b>Settlement of the acquisition of Building A</b>	15 August 2016

The timetable is indicative only and the dates may change. In particular, the Manager reserves the right to close the offer at any time prior to that date or extend the offer by up to 25 working days without prior notice. The Manager also reserves the absolute right in its sole discretion to accept or reject any application in whole or in part without assigning any reason.



# 4. Terms of The Offer

How can investments be made?	<p>You may invest in the LP with a minimum subscription of \$50,000. Subscriptions must be completed on the application form contained in section 13 “How to apply”. <b>TO ENSURE YOUR APPLICATION IS ACCEPTED, PLEASE READ THE APPLICATION INSTRUCTIONS IN THAT SECTION CAREFULLY.</b></p> <p>Subscriptions may only be made before the closing date and there is no continuous offer of Units in the LP.</p>
How can I withdraw my investment from the LP?	<p>An investment in the LP is not redeemable on demand and has no fixed term.</p> <p>You may only withdraw from the LP if:</p> <ul style="list-style-type: none"> <li>• You sell your Unit to a third party utilising the secondary market facility operated by the Manager; or</li> <li>• A resolution is passed to wind up the LP and sell Building A.</li> </ul> <p>The limitations on:</p> <ul style="list-style-type: none"> <li>• when (and how) an investor may sell their Unit; and</li> <li>• when (and how) a resolution is passed to wind up the LP and sell Building A,</li> </ul> <p>are set out in the Limited Partnership Agreement and the Governing Document. The proposed incoming investor will need to satisfy the Manager’s anti-money laundering requirements and become a party to the Limited Partnership Agreement.</p> <p>There is no guarantee there will be willing buyers for Units.</p>
What is the minimum amount payable to invest in the LP?	\$50,000 and in multiples of \$50,000 thereafter.
What are the returns?	<p>Forecast pre-tax cash returns of:</p> <ul style="list-style-type: none"> <li>• 7.00% for the period ending 31 March 2017;</li> <li>• 7.25% for the first full year ending 31 March 2018;</li> <li>• 7.50% for the full year ending 31 March 2019;</li> <li>• 7.75% for the full year ending 31 March 2020;</li> <li>• 8.00% for the full year ending 31 March 2021.</li> </ul> <p>These returns are not guaranteed. The actual distribution rates may vary. The increase in returns over the forecast period does not guarantee further increases. While it may continue to increase, the return following the forecast period may stay the same or lower. In the event that, following the forecast period, returns were higher than those forecasted above, those additional returns may be applied towards debt repayment and not lead to higher cash distribution levels. Should debt repayments be made, the Manager would take into account any tax liability for Investors and potentially make a distribution if possible to account for that tax liability.</p> <p>Distributions are funded from operating cashflows.</p>

## 4. Terms of the Offer (cont.)

When are distributions paid?	Distributions are paid monthly in arrears, with payments being made on the 7th day of each subsequent month, or the next working day.
Key dates	Please see “Section 3: Key Dates and Offer Process” on pages 35 to 36.
Underwrite	The Offer is fully underwritten. Augusta Capital Limited, the Manager’s parent, has underwritten \$25,000,000 of the Offer. Information on the identity of the other underwriters is contained in section 10 “About Augusta Funds Management Limited and others involved in Building A Graham Street Limited Partnership”.
Minimum amount to be raised	\$70,000,000.
No overseas investors	<p>The Offer is a regulated offer for the purposes of the Financial Markets Conduct Act 2013 and is only being made to potential investors in New Zealand. No person may offer, invite, sell or deliver any Units or distribute any documents (including the PDS) to any person outside New Zealand without the approval of the Manager. The PDS may not be sent into or distributed in the United States.</p> <p>Unless otherwise agreed with the Manager, any person applying for Units under the Offer will be deemed to represent and warrant to the Manager that he, she or it is not in a jurisdiction that does not permit the making of the Offer or an invitation of the kind contained in the PDS and is not acting for the account or benefit of a person within such a jurisdiction. Neither the Manager, the Supervisor, nor any of their directors, officers, employees, consultants, agents, partners or advisers accepts any liability or responsibility to determine whether a person is able to participate in the Offer.</p>

Further terms of the Units are set out in the Governing Document and the Limited Partnership Agreement. These documents are available on the Scheme Register (where the form of the Limited Partnership Agreement is included as a schedule to the Governing Document) at [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose) by searching “Building A Graham Street Partnership” under “search schemes”.

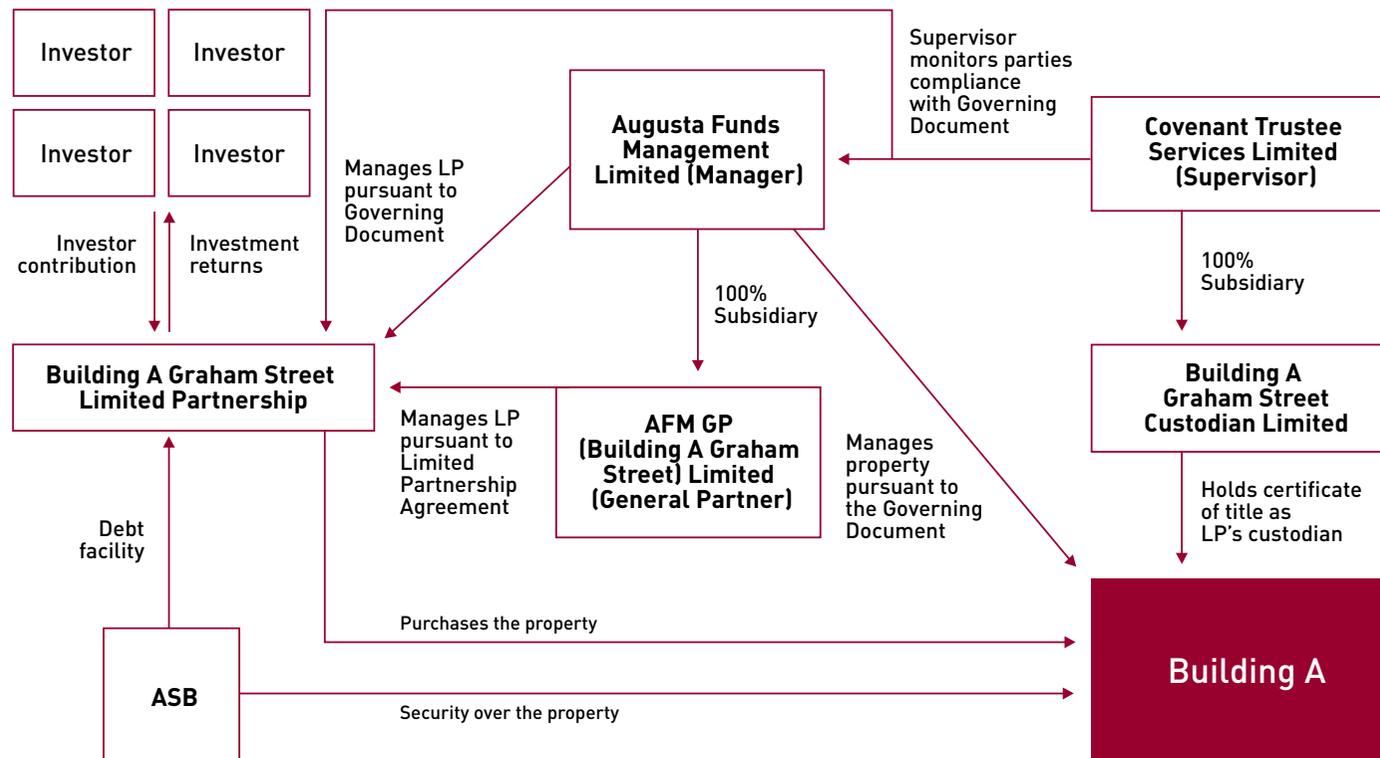




# 5. How Building A Graham Street Limited Partnership Works

## How Building A Graham Street Limited Partnership Works

A simplified version of the LP's structure is set out below:



## 5. How Building A Graham Street Limited Partnership Works (cont.)

### What is a Limited Partnership?

Investors are offered the opportunity to invest in the LP (a New Zealand limited partnership) that will acquire Building A and become a limited partner in the LP. Under the limited partnership structure, Investors are (so long as they do not take part in the management of the LP, which is described further below) liable for no more than their initial investment in the LP. An LP is a separate legal person from its limited partners and general partner which is formed under the Limited Partnerships Act 2008.

The Custodian will hold the title to Building A and the Leases in its name for the LP. The interrelationship between the Investors (as limited partners), the LP and the General Partner is set out in the Limited Partnership Agreement.

The LP will be managed and administered by the Manager pursuant to the Governing Document. The Manager's responsibilities and duties are set out in the Governing Document (which is available on the Scheme Register at [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose) by searching "Building A Graham Street Limited Partnership" under "search schemes") which also sets out the rights and obligations of the Investors, Manager, LP, Custodian and Supervisor.

In accordance with the Building Management Agreement, CBRE Limited currently provides day-to-day facilities and property management services for Building A. The Manager will, as part of its role as manager of the LP, monitor CBRE Limited's compliance with its facilities and property management obligations.

Each Unit confers equal rights and obligations on each Investor in respect of entitlements to income and capital from the LP and each Unit will confer one vote upon the holder in respect of matters on which Investors are entitled to vote under the Limited Partnership Agreement and Governing Document.

The General Partner (which is a company – AFM GP (Building A Graham Street) Limited) has been incorporated to act as the general partner of the LP in accordance with the Limited Partnership Agreement. The General Partner's liability is not limited. The directors of the General Partner are Mark Francis and Bryce Barnett. The shareholder of the General Partner is the Manager.

An LP enables the General Partner to conduct the business of LP, while the limited partners are liable for no more than their respective capital investment in the LP. Limited Partners must not take part in the management of the LP. The LP has been structured to avoid Investors taking part in management. For the purposes of the LP, the Manager will, pursuant to the Governing Document, direct the General Partner as to the management of the LP, provided that the General Partner cannot be obliged to take any action that would breach the Limited Partnership Agreement.

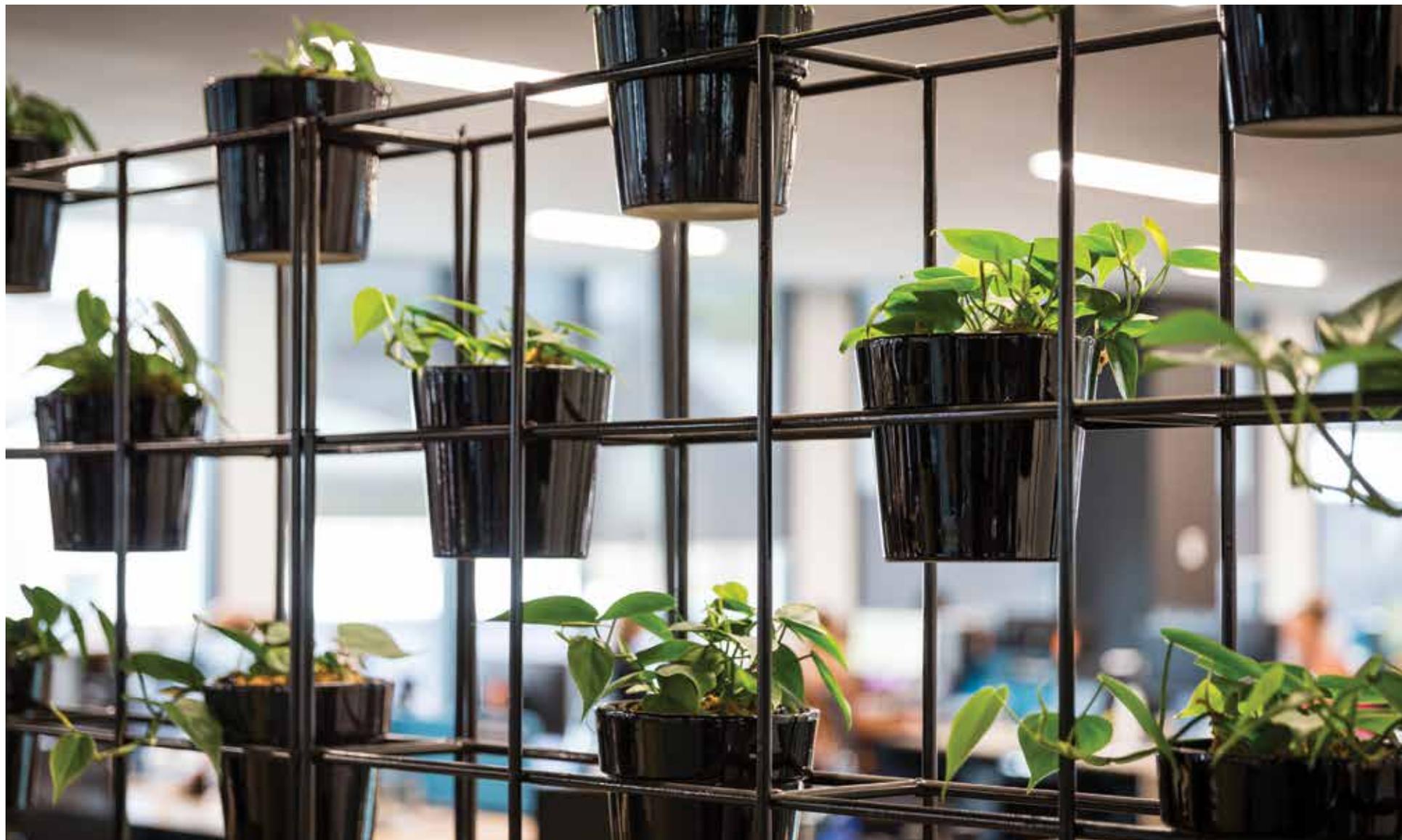
### Significant benefits of investing in the Limited Partnership

The significant benefits of investing in the Limited Partnership are:

- The forecasted pre-tax cash returns as set out in section 6 "Building A Graham Street Limited's financial information";
- The ability to have an investment in a property that would not typically be available to Investors who are only able to invest a minimum \$50,000;
- The investment in the LP is passive with active day to day management (including preparation of accounts, negotiation of leases, payment of distributions and obtaining bank financing) being handled by the Manager;
- The LP structure enables the General Partner to conduct the business of LP, while the Investors' liability, as limited partners, is limited to their initial investment in the LP, as long as they do not take part in the management of the LP. The LP has been structured to avoid Investors taking part in management.

### Related Party Benefits

There are no related party benefits to be given to, or received by, a related party in the future other than fees and expenses disclosed in section 8 "What are the fees?".





# 6. Building A Graham Street Limited Partnership's Financial Information

## Selected Financial Information

This table provides selected financial information about the LP. Prospective Financial Information is available on the Offer Register at [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose) by searching “Building A Graham Street Limited Partnership” under “search offers”. If you do not understand this financial information, you can seek professional advice.

<p><b>Forecast Pre-Tax Cash Return</b></p>	<p>Forecast pre-tax cash returns of:</p> <ul style="list-style-type: none"> <li>• 7.00% for the period ending 31 March 2017;</li> <li>• 7.25% for the first full year ending 31 March 2018;</li> <li>• 7.50% for the full year ending 31 March 2019;</li> <li>• 7.75% for the full year ending 31 March 2020;</li> <li>• 8.00% for the full year ending 31 March 2021.</li> </ul> <p>These returns are not guaranteed. The actual distribution rates may vary. The increase in returns over the forecast period does not guarantee further increases. While it may continue to increase, the return following the forecast period may stay the same or lower. In the event that, following the forecast period, returns were higher than those forecasted above, those additional returns may be applied towards debt repayment and not lead to higher cash distribution levels. Should debt repayments be made, the Manager would take into account any tax liability for Investors and potentially make a distribution if possible to account for that tax liability.</p>
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The purpose of the prospective financial statements is to assist Investors in assessing the viability of and return on funds invested. This PDS and the prospective financial information may not be appropriate for any other purpose.

The prospective financial information included in the tables below has been extracted from prospective financial statements prepared in accordance with Financial Reporting Standard 42: Prospective Financial Statements (FRS 42), which are available on the Offer Register.

The prospective financial statements have been subject to a reasonable assurance engagement and an unmodified opinion has been issued by KPMG, a copy of which is also included on the Offer Register.

The principal assumptions on which the prospective financial information is based are set out under the heading Principal Assumptions.

## Forecast Investor Returns

The LP’s operations, after payments of all expenses including the fee payable to the Manager, are expected to return cash distributions to Investors as follows:

- 7.00% per annum before tax on the Investor’s original subscription amount for the period from 16 August 2016 to 31 March 2017 (assuming settlement takes place on the expected settlement date of 15 August 2016).
- 7.25% per annum before tax on the Investor’s original subscription amount for the year ending 31 March 2018.
- 7.50% per annum before tax on the Investor’s original subscription amount for the year ending 31 March 2019.
- 7.75% per annum before tax on the Investor’s original subscription amount for the year ending 31 March 2020.
- 8.00% per annum before tax on the Investor’s original subscription amount for the year ending 31 March 2021.

These returns are not guaranteed. The actual distribution rates may vary. The increase in returns over the forecast period does not guarantee further increases. While it may continue to increase, the return following the forecast period may stay the same or lower. In the event that, following the forecast period, returns were higher than those forecasted above, those additional returns may be applied towards debt repayment and not lead to higher cash distribution levels. Should debt repayments be made, the Manager would take into account any tax liability for Investors and potentially make a distribution if possible to account for that tax liability.

## 6. Building A Graham Street Limited Partnership's Financial Information (cont.)

The table below presents the method for calculating the forecast return.

	7.5 Months ending 31 March 2017 \$	12 Months ending 31 March 2018 \$	12 Months ending 31 March 2019 \$	12 Months ending 31 March 2020 \$	12 Months ending 31 March 2021 \$
<b>Prospective Net Profit before Tax</b>	<b>3,821,819</b>	<b>6,206,220</b>	<b>6,196,217</b>	<b>6,185,913</b>	<b>6,177,344</b>
Amount Invested per Unit	50,000	50,000	50,000	50,000	50,000
Total Number of Units	1,400	1,400	1,400	1,400	1,400
Prospective Net Profit per Unit	2,730	4,433	4,426	4,419	4,412
<b>Total Investor Cash Return per Unit</b>	<b>2,195</b>	<b>3,625</b>	<b>3,750</b>	<b>3,875</b>	<b>4,000</b>
<b>Forecast cash return per annum</b>	<b>7.00%</b>	<b>7.25%</b>	<b>7.50%</b>	<b>7.75%</b>	<b>8.00%</b>
<b>Reconciliation of Net Profit to Distributable Profit</b>					
Prospective Net Profit per Unit	2,730	4,433	4,426	4,419	4,412
Adjust for: Non cash items					
Initial finance costs amortised	20	20	20	20	20
Accrual for fixed rental growth	(573)	(873)	(711)	(544)	(374)
<b>Operating Cash Surplus available for Distribution</b>	<b>2,177</b>	<b>3,580</b>	<b>3,735</b>	<b>3,895</b>	<b>4,058</b>
<b>Amount of forecast net cash flow from operating activities per Unit exceeding / (less than) forecast distributions to Investors</b>	<b>(18)*</b>	<b>(45)*</b>	<b>(15)*</b>	<b>20</b>	<b>58</b>

\*There are sufficient cash reserves to cover these shortfalls.

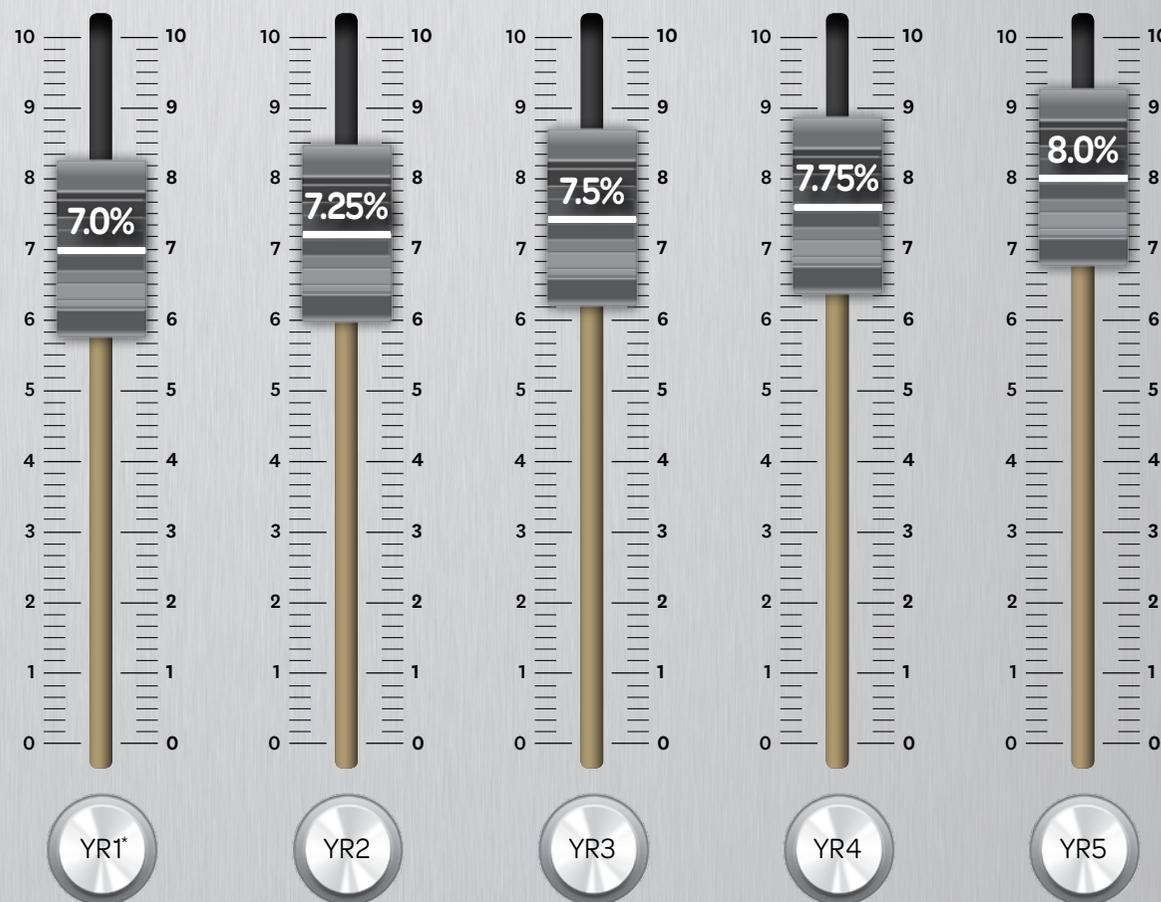
A reconciliation of the net profit to the distributable profit is tabled above as the cash distribution payments to Investors will be dependent on the operating cash profit generated. Items included are:

- The initial finance costs are fully paid on establishment of the LP but for accounting reasons are capitalised and amortised over initial 5 year period of the loan facility.

The Manager believes this non-GAAP disclosure is important as it clearly states the operating cash surplus available for distribution and this is a consistent measure that the Manager will use when identifying future distribution levels.

- Such a calculation will also adjust for other non-cash items such as the revaluation of both the investment property and the interest rate swap, but neither of these items are reported within these prospective financial statements. These are not one off transactions but are items that do not impact the cash flows generated which are available for distribution.
- The fixed rental accrual has been adjusted for as this is a non-cash item.

## Forecast Pre-tax Cash Return (%)



\*YR1 = the period from settlement (expected to be 15 August 2016) to 31 March 2017.

The above diagram is for illustrative purposes only. The returns are not guaranteed and the actual distribution rate may vary. Details on how the forecast returns are calculated are set out as in this Section 6. The increase in returns over the forecast period does not guarantee further increases. While it may continue to rise, the return following the forecast period may stay the same or lower.

## 6. Building A Graham Street Limited Partnership's Financial Information (cont.)

### Prospective Income, Expenses and Returns

The table below presents summary prospective financial information.

Prospective Statement of Comprehensive Income	7.5 Months ending 31 March 2017 \$	12 Months ending 31 March 2018 \$	12 Months ending 31 March 2019 \$	12 Months ending 31 March 2020 \$	12 Months ending 31 March 2021 \$
Net Rental Income	5,472,917	8,821,663	8,821,663	8,821,663	8,823,706
Administration Costs	(256,768)	(384,515)	(394,518)	(404,822)	(415,434)
<b>EBITDA</b>	<b>5,216,149</b>	<b>8,437,148</b>	<b>8,427,145</b>	<b>8,416,841</b>	<b>8,408,272</b>
Finance Costs	(1,394,330)	(2,230,928)	(2,230,928)	(2,230,928)	(2,230,928)
<b>Net Profit Before Tax</b>	<b>3,821,819</b>	<b>6,206,220</b>	<b>6,196,217</b>	<b>6,185,913</b>	<b>6,177,344</b>





## 6. Building A Graham Street Limited Partnership's Financial Information (cont.)

<b>Prospective Statement of Financial Position</b>	<b>As at 31 March 2017</b>	<b>As at 31 March 2018</b>	<b>As at 31 March 2019</b>	<b>As at 31 March 2020</b>	<b>As at 31 March 2021</b>
	\$	\$	\$	\$	\$
Current Assets	774,290	726,974	725,928	773,746	877,564
Non Current Assets	117,257,533	118,480,365	119,476,033	120,237,721	120,760,991
<b>Total Assets</b>	<b>118,031,823</b>	<b>119,207,339</b>	<b>120,201,961</b>	<b>121,011,467</b>	<b>121,638,555</b>
Current Liabilities	800,312	817,028	837,853	858,866	881,030
Non Current Liabilities	52,014,180	52,041,760	52,069,340	52,096,920	52,124,500
<b>Total Liabilities</b>	<b>52,814,492</b>	<b>52,858,788</b>	<b>52,907,193</b>	<b>52,955,786</b>	<b>53,005,530</b>
<b>Equity</b>	<b>65,217,331</b>	<b>66,348,551</b>	<b>67,294,768</b>	<b>68,055,681</b>	<b>68,633,025</b>

<b>Prospective Statement of Cash Flow</b>	<b>7.5 Months ending 31 March 2017</b>	<b>12 Months ending 31 March 2018</b>	<b>12 Months ending 31 March 2019</b>	<b>12 Months ending 31 March 2020</b>	<b>12 Months ending 31 March 2021</b>
	\$	\$	\$	\$	\$
Cash at the beginning of the year	-	774,290	726,974	725,928	773,746
Cash flow from operating activities	3,439,085	5,013,100	5,234,371	5,458,235	5,689,235
Cash flow from investing activities	(116,455,240)	0	0	0	0
Cash flow from financing activities	113,790,445	(5,060,416)	(5,235,417)	(5,410,417)	(5,585,417)
<b>Cash at the end of the year</b>	<b>774,290</b>	<b>726,974</b>	<b>725,928</b>	<b>773,746</b>	<b>877,564</b>

### Principal Assumptions

Below is a summary of the principal assumptions on which the above prospective financial information is based. Further information on these assumptions may be found at [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose) by searching "Building A Graham Street Limited Partnership" under "search offers".

#### The LP

The LP is to be established and domiciled in New Zealand.

The LP will be a commercial property investor that owns land and buildings located at Building A, 4 Graham Street, Auckland.

### Settlement

Pursuant to the sale and purchase agreement for Building A, settlement is to occur on 15 August 2016. Therefore for the purpose of the financial statements, rental income has been recognised from 16 August 2016.

The Property is assumed to be purchased by the LP on 15 August 2016 at a purchase price of \$115,818,265.

### Establishment Costs

Total establishment costs are expected to be \$6,306,235. This includes offeror, underwriting, guarantee, brokerage, legal, accounting and valuation fees as well as financing and

marketing costs. The bulk of these costs are deemed to be issue costs, with the exception of \$137,900 financing costs and \$636,975 associated with the acquisition of the Property.

The establishment costs have been based on quotes received.

### Investment Property

The future fair value gain or loss on the Property cannot be reliably predicted, and accordingly the fair value of Building A is assumed to equal the cost, plus any directly related acquisition costs and any further capital costs incurred during the prospective period.

The LP is responsible for all works of a structural or capital nature however the Vendor and Mansons have provided a broad capital expenditure and defects warranty in favour of the LP for a term expiring in February 2026 and hence no sinking fund has been provided for.

### Rental Income

The rent is increased by 3% on an annual basis in respect to all the leases on the anniversary of each lease commencement (excluding the first anniversary date under the NZME. Leases, on which date no fixed increase applies). Lease receipts under an operating lease have been recognised as revenue on a straight-line basis over the lease terms hence the recognition of a fixed rental accrual (asset).

For the forecast periods it is assumed that there is no vacancy and no tenant default. It is also assumed that there are no delays in receipt of debtors.

The Tenants are responsible for all operating costs including rates, insurance premiums, utilities and certain maintenance obligations. It is assumed that all operating cost payments will be made on time and that there are no creditors associated with these operating costs.

### Management Fees

The annual LP management fees have been agreed at \$300,000 in the first year and will increase at the greater of 3% or CPI thereafter per year.

### Borrowings

The loan agreement is an extendable agreement and will be interest only. It will have an initial loan term of 5 years from date of drawdown.

### Interest Expense

The interest expense is calculated at 4.28%, and is based on no principal repayments (interest only) during the assumed initial 5 year term of the loan. The Manager will manage the interest rate with an interest rate swap agreement of 5 years. A swap agreement for the entirety of the LP's debt has been entered into for 5 years from 15 August 2016.

### Administration Expenses

Audit fees and valuation fees are based on quotes received.

### Financial Measures For Scheme Borrowings

The following table forecasts the gearing and interest cover ratios:

	15 August 2016 (Date of issue/ date on which Building A is acquired)	31 March 2017	31 March 2018	31 March 2019	31 March 2020	31 March 2021
Gearing Ratio	44.8%	44.2%	43.7%	43.4%	43.1%	42.9%
Interest Cover Ratio	Not applicable	3.17	3.23	3.33	3.43	3.53

The "Gearing ratio" tells you how much the LP owes (debt) as a portion of what it owns (total assets). The higher the gearing ratio, the higher the risk to the LP as it indicates that a higher portion of the LP's assets will need to be applied to repay its debt.

The "Interest Cover Ratio" tells you how much the LP's net income exceeds interest on its loans (as a multiple). The higher the ratio, the more comfortably the LP's income can cover any interest owing (and the lower the risk to the LP).

The above gearing ratios assume no increase (or decrease) in the value of Building A during the forecast period. The gearing ratio decreases due to an increase in the accrual for fixed rental increases which is considered to be an asset under GAAP.

## 6. Building A Graham Street Limited Partnership's Financial Information (cont.)

### Borrowing Repayment Dates

Loan Facility	Repayment Date
<b>ASB Bank Facility</b>	15 August 2021  The loan has a 60 month extendable facility which is subject to annual review and extension of one year. With an extendable term, the facility can be renewed annually and subsequently extended by a further 12 months (to effectively reset the loan term to 60 months from the extension date) at both the ASB Bank's and the General Partner's discretion. Should the "extendable" option be exercised ASB Bank may re-price the facility lending margin. The Manager would not have to accept the extension if the margin was increased, but, in those circumstances, the loan term would not be extended. The current market price for the further 12 month extension will be combined with the current rate for the remaining term of the initial facility to determine a new lending margin.

It is not assumed in the prospective financial statements that the loan will be extended each year, except that on 15 August 2020 it is assumed that the loan is extended by one year at the same margin. Therefore the repayment date is assumed to be 15 August 2022 as at 31 March 2021.





# 7. Risks To Returns From Building A Graham Street Limited Partnership

### Risks To Returns From Building A Graham Street Limited Partnership

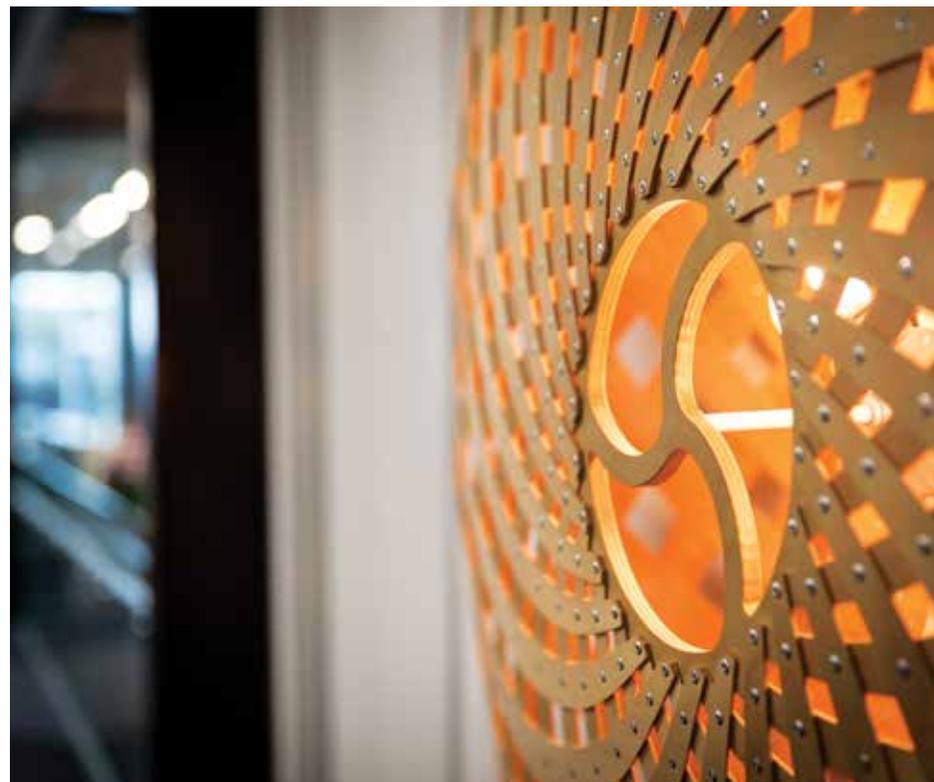
This section sets out a description of the circumstances that the Manager is aware of that exist or are likely to arise that significantly increase the risk to returns for Investors. The table below sets out particulars of why each circumstance is of particular significance and an assessment of the likelihood of any impact arising, the nature of that impact, and the potential magnitude of that impact.

These circumstances may not encompass all of the circumstances that may present a risk to returns of Investors now or in the future, and there is no guarantee that the importance of each circumstance will not change.

These circumstances, were they to occur and if they were not appropriately managed by the Manager, could have a material adverse effect on the LP's financial position or future financial performance through a decrease in revenue or an increase in costs. The Manager has taken, and will, in the future take, steps to mitigate the effects of these circumstances. However, some risks may not be fully capable of mitigation.

Investors should carefully consider these risks (together with other information in this PDS) before deciding whether to invest in the LP.

The description of the circumstances in this section does not take into account the personal circumstances, financial position or investment requirements of any person. It is therefore important that, before deciding to invest in the LP, you consider the suitability of an investment in the LP in light of your individual risk profile for investments, investment objectives and personal circumstances (including financial and taxation issues).



## 7. Risks To Returns From Building A Graham Street Limited Partnership (cont.)

Circumstance	Description of circumstance	Why circumstance is of significance	Assessment of likelihood, and nature and potential magnitude of any impact
<p><i>NZME. Default</i></p>	<p>If NZME., Building A's anchor tenant, and its guarantor Wilson &amp; Horton Limited, were to suffer significant financial problems, any failure to pay rental and outgoings or vacancy / reletting costs would have a material detrimental impact on the ability:</p> <ul style="list-style-type: none"> <li>• of the LP to pay returns to Investors; and / or</li> <li>• for Investors to recoup their original investment.</li> </ul>	<p>NZME. is Building A's anchor tenant. NZME.'s rental is a significant source of the LP's income (approximately 48% of the total rental for Building A).</p>	<p><i>Assessment of likelihood:</i> As set out in the tenancy schedule on pages 27 to 30 of this PDS, in the Manager's view NZME. and its guarantor are of sufficient financial standing to meet their obligations under the NZME. Leases. Accordingly, the Manager assesses the likelihood of default under the NZME. Leases to be low.</p> <p><i>Nature:</i> If NZME. and its guarantor were to default under the NZME. Leases, there would be significant impacts for the LP. Such a loss of income would severely limit the LP's ability to pay distributions. Any such default or cancellation of the NZME. Leases would also have a significant adverse impact on the value of Building A and the consequent ability for Investors to recoup their original investment.</p> <p><i>Magnitude:</i> In the event of default under the NZME. Leases, the LP would suffer a significant loss of income. During any period of rental downtime the LP is unlikely to be unable to both maintain forecasted distribution levels and pay required interest payments. That period could, in the Manager's view, last for six months or longer. The Manager estimates that, in such a period of rental downtime, the cash returns to Investors may fall to approximately 1.5% (or lower) per annum.</p>

Circumstance	Description of circumstance	Why circumstance is of significance	Assessment of likelihood, and nature and potential magnitude of any impact
<p><i>Interest Rates following the first five years</i></p>	<p>The Manager has fixed the interest rate applying to the LP’s debt for the first five years of the LP. The interest rate that will apply after that period cannot be predicted.</p>	<p>The main expense of the LP is interest payments. As such, the financial performance of the LP will be affected if the interest rate applying to its debt changes.</p>	<p><i>Assessment of likelihood:</i> The interest rates that will apply following the first five years of the LP is unable to be accurately predicted. The Manager will proactively manage the benchmark component of the interest rate that applies after the first five years with a combination of short-term and long-term interest rate swap agreements and/or floating rates and will monitor the margins available in the market during the life of the LP. The Manager may enter into forward start swap agreements before the expiry of the initial five year period.</p> <p>Further information on the interest rate strategy (and other financial policies) can be found in section 2 “What Building A Graham Street Limited Partnership invests in”.</p> <p><i>Nature:</i> If interest rates applicable to the LP’s banking arrangements were to increase, it may affect the LP’s ability to maintain distribution levels.</p> <p><i>Magnitude:</i> The magnitude of the impact of interest rate changes cannot be accurately predicted (as the rates themselves cannot be accurately predicted). However, the Manager considers that the magnitude of the impact of any change in interest rates can be adequately mitigated through its interest rate strategy.</p>

## 7. Risks To Returns From Building A Graham Street Limited Partnership (cont.)



Circumstance	Description of circumstance	Why circumstance is of significance	Assessment of likelihood, and nature and potential magnitude of any impact
<p><i>Other Tenant Default</i></p>	<p>If any of Meredith Connell, the Vendor or Pernod Ricard, were to suffer significant financial problems, any failure to pay rental and outgoings or vacancy / reletting costs would have an impact on the ability:</p> <ul style="list-style-type: none"> <li>• of the LP to pay returns to Investors; and / or</li> <li>• for Investors to recoup their original investment.</li> </ul>	<p>Were one of these Tenants to default on their obligations under their Lease, it would adversely impact the LP’s cashflows, and is likely to adversely impact distribution levels.</p>	<p><i>Assessment of likelihood:</i> As set out in the tenancy schedule on pages 27 to 30 of this PDS, in the Manager’s view the Vendor and Pernod Ricard are of sufficient financial standing to meet their obligations under their respective Leases. The Manager does not have access to Meredith Connell’s financial information, but all equity partners of Meredith Connell are liable severally for the obligations under the Meredith Connell Lease (now and in the future), subject to a liability cap.</p> <p>Accordingly, the Manager assesses the likelihood of default under these Leases to be low.</p> <p><i>Nature:</i> If Pernod Ricard or Meredith Connell were to default under its Lease, there would be significant impacts for the LP. Such a loss of income would affect the LP’s ability to pay distributions. Given the bank bond that is in place in connection with the Mansons Lease, it is not anticipated that a default under that Lease would have such a significant impact on the LP’s cashflow. However, in the future it is highly likely that the Mansons Lease will be surrendered when a replacement tenant is secured for Mansons’ premises, and that the guarantee (if any) provided under such replacement lease would be unlikely to be equivalent to the bank bond under the Mansons Lease. Accordingly, if the replacement tenant were to default under its lease, there would be significant impacts for the LP (and the loss of income would affect the LP’s ability to pay distributions).</p> <p>Any default or cancellation of a Lease or replacement lease would also have an impact on the value of Building A and the consequent ability for Investors to recoup their original investment.</p>

## 7. Risks To Returns From Building A Graham Street Limited Partnership (cont.)

Circumstance	Description of circumstance	Why circumstance is of significance	Assessment of likelihood, and nature and potential magnitude of any impact
<p><i>Other Tenant Default (cont.)</i></p>			<p><i>Magnitude:</i> In the event of default under the Meredith Connell Lease, Pernod Ricard Lease or Mansons' replacement tenant's lease, the LP would suffer a loss of income. During any period of rental downtime the LP is unlikely to be unable to both maintain forecasted distribution levels and pay required interest payments. That period could, in the Manager's view, last for six months or longer. The Manager estimates that, in such a period of rental downtime, the cash returns to Investors may fall to approximately 5% (or lower) per annum.</p>
<p><i>A lack of liquidity</i></p>	<p>There is no guarantee that there will always be willing buyers for this type of investment. The sale of Units in the LP by Investors presumes a market for the Units.</p>	<p>The market for Units may be illiquid and a sale of a Unit may not be easily achieved. This may impact an Investor's ability to recoup their original investment in full.</p>	<p><i>Assessment of likelihood:</i> The LP is structured to provide Investors with a long term investment in commercial real estate. Given:</p> <ul style="list-style-type: none"> <li>• Units have a relatively high entry price for investing in the LP (being one Unit, in respect of which the initial issue price was \$50,000); and</li> <li>• the fact that Units will not be listed on any licensed market or exchange,</li> </ul> <p>an investment in the LP may not be as liquid as other investments.</p> <p>If an Investor wishes to exit their investment in the LP, a lack of liquidity may significantly impact the ability of an Investor to recoup their original investment in full.</p> <p><i>Nature:</i> A lack of liquidity for Units will likely adversely impact the value of the Units.</p> <p><i>Magnitude:</i> In the Manager's view, if Investors' investment horizons match those of the LP, the impact of a lack of liquidity for Units is unlikely to be significant. However, if an Investor was to wish to sell their Units in a period of illiquidity, it may lead to a loss in value for that Investor.</p>

Circumstance	Description of circumstance	Why circumstance is of significance	Assessment of likelihood, and nature and potential magnitude of any impact
<i>Inability to re-finance</i>	<p>The LP will borrow from ASB Bank to fund the purchase of Building A. Adverse market movements may cause the banking covenants to be breached. If the breach (or any other breach of the banking covenants) is not remedied, ASB Bank may enforce its security and sell Building A at a lower than market price due to a forced mortgagee sale.</p> <p>In addition, there is also a risk that the bank loan will not be renewed and alternative funding (if available) may require higher interest payments and/or payment of the principal amount of the loan. As set out on page 32, as the LP's borrowings will likely be due before the LP is wound up, the Manager considers that refinancing is likely to be needed.</p>	<p>A failure to maintain or renew funding may lead to a forced sale of Building A.</p>	<p><i>Assessment of likelihood:</i> Based on the Manager's experience managing the funding arrangements associated with industrial and commercial property, such as Building A, the Manager considers that the likelihood of a breach of banking covenants or the Manager being unable to secure appropriate funding at the expiry of the initial facility arrangements to be low.</p> <p><i>Nature:</i> A failure to maintain funding may threaten the ongoing viability of the LP. Repayment of principal will affect Investors cash returns, as Investors will remain liable for New Zealand tax on their proportionate share of the New Zealand taxable income earned by the LP – which any principal repayments will not reduce.</p> <p><i>Magnitude:</i> The Manager, based on its experience, considers the potential magnitude of the impact of changes to the LP's funding arrangements will be able to be adequately minimised through active management of the LP's finances and banking arrangements.</p>

# 8. What Are The Fees?

## Establishment fees

The fees and expenses charged to the LP on its establishment are:

<b>Manager and associated person's fees</b>	
Manager's offeror fee	\$2,198,000
Augusta Capital's underwrite fee	\$750,000
<b>Manager and associated person's aggregate fees for establishment of LP*</b>	<b>\$2,948,000</b>
<b>Other fees for establishment of LP</b>	
<b>Brokerage fee*</b>	\$1,400,000
<b>Other underwriters fees</b>	\$1,350,000
<b>Legal fees</b>	\$180,000
<b>Assurance fee</b>	\$20,000
<b>Valuation fee</b>	\$12,000
<b>Health and safety review fees</b>	\$975
<b>Building due diligence reports fees</b>	\$10,000
<b>Chattel valuation fee</b>	\$10,500
<b>Supervisor</b>	\$10,000
<b>Marketing**</b>	\$335,000
<b>Bank legal fees**</b>	\$10,000
<b>PDS registration fee and FMA levy</b>	\$4,760
<b>Disbursements**</b>	\$15,000
<b>Total fees for establishment of the LP</b>	<b>\$6,306,235</b>

\*To the extent that any Unit is issued to an underwriter under their underwriting obligations, the brokerage fee will reduce by \$1,000 in respect of each such Unit. That amount may be subsequently applied to any brokerage payable where an underwriter disposes of its underwritten Units.

\*\*These amounts, or a component of these amounts, are the Manager's best estimates, based on its experience and the information known to it at the date of this PDS, but they may be subject to change based on the amounts invoiced to the LP (and Investors will not be notified of such a change). All other amounts are maximum and cannot be increased.

The above fees are exclusive of GST and disbursements.

The offeror's fee is payable to the Manager for negotiating the acquisition of the Property, completing due diligence, arranging and establishing the LP and negotiating the bank facility.

The underwriting fees are payable to Augusta Capital and the other underwriters for underwriting the Offer.

The brokerage fee is payable to Bayleys as the sole selling agent for the Offer.

Legal fees are payable to the LP's Solicitors, Chapman Tripp, for the costs of legal due diligence on Building A, negotiation of the sale and purchase of Building A, settlement of the purchase, cost of advising on this PDS, the Limited Partnership Agreement and Governing Document, compliance with the Financial Markets Conduct Act, and in connection with the LP's financing arrangements.

Assurance fees represent KPMG's fee for providing a reasonable assurance engagement on the prospective financial statements contained on the Offer Register.

The valuation fee is payable to Jones Lange LaSalle for preparing the Valuation Report on Building A.

The health and safety review fee is payable in connection with the health and safety review undertaken on Building A as part of the Manager's due diligence investigations of Building A.

The building due diligence reports fees relate to the due diligence reports the Manager commissioned as part of the Manager's due diligence investigations of Building A, including the peer review of the seismic rating of Building A by Harrison Grierson and a report on the guarantees and warranties provided by Mansons and the Vendor.

The chattel valuation fee is payable in connection with the chattel valuation obtained by the Manager for the chattels in Building A, required for calculation of capital allowances and depreciation.

The supervisor fees are payable to the Supervisor for their costs in relation to reviewing this PDS, the Governing Document and the Limited Partnership Agreement.

Marketing costs reflect the costs of both preparing and producing advertisements in relation to the Offer and the costs for preparing and printing this PDS.

The bank legal fees are payable to ASB Bank's solicitors for the advice provided to ASB Bank on the LP's loan facility.

## 8. What Are The Fees? (cont.)

The PDS registration fee and FMA levy are payable in connection with the registration of the LP on the Offer Register and Scheme Register.

Disbursements are payable in for certain costs incurred by the Manager's professional advisers in connection with advising on the establishment of the LP and the preparation of this PDS.

The above fees are payable by the LP - none are chargeable to Investors directly. In respect of the supervisor fee, the health and safety review fees, the building due diligence reports fees and half of the underwriting fees, the Manager has already met these costs on behalf of the LP and, accordingly, is entitled to reimbursement.

Furthermore, the Manager has paid a deposit of \$5,000,000 in partial satisfaction of the purchase price. In the period between payment of that deposit and settlement, that deposit earns interest. Upon settlement of the acquisition of Building A and issue of the Units, the Manager is entitled to reimbursement of that amount and the associated interest.

### Ongoing fees and expenses

There is no most recent accounting period for the LP.

The ongoing fees and expenses charged to the LP during its duration are:

<b>Manager and associated person's fees</b>	
<b>Annual Management Fee</b>	\$300,000 plus GST per annum and increasing each year at the greater of 3% or any CPI increase for that year.
<b>New Leasing</b>	<ul style="list-style-type: none"> <li>• Where no real estate agent is used by the Manager:               <ul style="list-style-type: none"> <li>• Lease term of less than one year: Nil;</li> <li>• Lease term of one year or longer but less than three years: 10% of annual rental plus GST;</li> <li>• Lease term of three years or longer but less than five years: 12.5% of annual rental plus GST;</li> <li>• Lease term of five years or longer: 15% of annual rental plus GST;</li> </ul> </li> <li>• Where a real estate agent is involved:               <ul style="list-style-type: none"> <li>• Lease term of less than one year: Nil;</li> <li>• Lease term of one year or longer but less than three years: 5% of annual rental plus GST;</li> <li>• Lease term of three years or longer but less than five years: 6.25% of annual rental plus GST;</li> <li>• Lease term of five years or longer: 7.5% of annual rental plus GST.</li> </ul> </li> </ul>
<b>Renewals or extensions</b>	<ul style="list-style-type: none"> <li>• If the Manager negotiates an extension or renewal beyond that contracted for in the relevant lease, the Manager shall be entitled to a facilitation fee of:               <ul style="list-style-type: none"> <li>• 5% of annual rent; plus</li> <li>• (if applicable) 1.5% of annual rent for each year that the negotiated extension or renewal exceeds the date that is six years from the contracted expiry of the lease (including any renewal),</li> <li>• capped at 15%, plus GST.</li> </ul> </li> <li>• \$2,000 plus GST in respect of any completed contracted rights of renewal (increasing by the greater of 3% and CPI each year).</li> </ul>

<b>Sale of Building A</b>	<p>Upon a sale of Building A:</p> <ul style="list-style-type: none"> <li>• if the sale price exceeds \$122,124,500 (being the combined total of the purchase price and LP establishment costs), the Manager will be entitled to a fee equal to 0.5% of the sale price for the Property;</li> <li>• if Investors have received, or, upon final distribution following sale, will receive, actual pre-tax returns on their investment in the LP of an amount equal to an internal rate of return of 8% or more, the Manager shall be entitled to a fee equal to 10% of the amount that the funds available for return to Investors following the sale exceeds the equity contributed by Investors,</li> <li>• in each case, plus GST.</li> </ul>
<b>Wind up fee</b>	<p>If the LP is wound up, the Manager is entitled to a fee of \$10,000 plus GST (increasing by the greater of 3% and CPI each year).</p>
<b>Project Management Fees</b>	<p>In the event of any future refurbishment, rebranding, extension or redevelopment of Building A, the Manager will be entitled to a project management fee, calculated on the following incremental basis of the costs of such works:</p> <ul style="list-style-type: none"> <li>• in respect of the first \$50,000 of cost, 15% plus GST of such cost;</li> <li>• in respect of cost between \$50,000 and \$99,999.99, 10% plus GST of such cost;</li> <li>• in respect of cost between \$100,000 and \$199,999.99, 7.5% plus GST of such cost; and</li> <li>• in respect any further cost, 5% plus GST of such cost.</li> </ul>
<b>Assignment fees</b>	<p>If a Tenant (or subsequent tenant) assigns their lease, the Manager is entitled to a fee of \$2,000 plus GST (increasing by the greater of 3% and CPI each year).</p>

<b>Refinancing fees</b>	<p>If the Manager re-finances the LP's banking arrangements, and the margin rate applying to the re-financed arrangements is equal to or lower than the margin rate applying to the LP's banking arrangements prior to the re-financing, then the Manager shall be entitled to a fee of \$10,000 plus GST (increasing by the greater of 3% and CPI each year).</p>
<b>Secondary market transfers</b>	<p>If Investors utilise the secondary market facility offered by Augusta Funds Management, then an administration fee will be payable to Augusta Funds Management.</p> <p>The current charge is equivalent to 2% of the transaction value for arms-length transfers and may charge \$500 for related party transfers.</p>
<b>Capital raising fee</b>	<p>If the LP raises further capital in accordance with the Governing Document, the Manager is entitled to a fee equal to 3% of any future capital raised.</p>
<b>Removal of Manager</b>	<p>If Investors resolve to remove the Manager in accordance with the terms of the Governing Document, a fee equal to one year's annual management fee will be payable to the Manager in connection with that removal.</p>
<b>The Manager and its associated person's aggregate fees for the accounting periods to:<sup>5</sup></b>	<p>31 March 2017 will be \$187,500 plus GST, which as a percentage of net assets of the LP is anticipated to be 0.29%</p> <p>31 March 2018 will be \$305,625 plus GST, which as a percentage of net assets of the LP is anticipated to be 0.46%</p>
<p>Secondary market fees will be charged at the rate applicable at the time (Investors will not be notified of a change in such rates). The other fees may not be amended, except in accordance with the Governing Document. Details of the fees and expenses incurred by the LP will be included in the LP's annual report.</p>	

<sup>5</sup>Assuming the management fee at 3% a year and no other fees are payable (as at the date of this PDS the Manager does not anticipate it, nor any of its associated persons, will accrue any fees other than the management fee described).

## 8. What Are The Fees? (cont.)

The annual management fee is payable to the Manager for LP, asset and property management services.

New leasing fees apply where the Manager arranges a new lease in respect of Building A.

Renewal and extension fees apply where Tenants (or other tenants) extend or renew their relevant leases, and are structured to incentivise the Manager to securing longer lease terms (and, in particular, beyond the terms contracted in the leases).

Sale of Building A fees apply where the Manager arranges a sale of Building A, and are structured to incentivise the Manager to:

- obtain a sale price above the combined total of the initial purchase price and the costs of establishing the LP; and
- provide Investors with an actual pre-tax return on their investment in the LP equal to an internal rate of return of 8% or more.

Project Management fees will apply in the event any future rebranding, extension or redevelopment of all or part of Building A.

Assignment fees apply if a Tenant (or subsequent tenant) assigns their lease.

Refinancing fees apply if the Manager re-finances the LP's banking arrangements, and the margin rate applying to the re-financed arrangements is equal to or lower than the margin rate applying to the LP's banking arrangements prior to the re-financing.

Secondary market transfer fees apply where an Investor seeks to utilise the Manager's secondary market transfer service. Augusta Funds Management will facilitate secondary transfers but does not act as a broker nor does it provide financial advice to any party.

The wind up fee is payable to the Manager in the event of the LP being wound up, for administering that wind up.

Removal of the Manager fees apply if Investors resolve, under the Governing Document, to remove the Manager.

Other fees and expenses	
<b>Supervisor's fees</b>	<p>\$23,500 plus GST</p> <p>The Supervisor is also entitled to charge a special duties fee, charged at the Supervisor's usual time and attendance rates to cover the Supervisor's ongoing reviews of any amendment to the documentation, the exercise of its power and discretions, the Supervisor's attendance at any special meetings and any other non-routine duties.</p>
<b>Audit of financial statements</b>	Estimated at \$15,000 plus GST (increasing by 3% each year)
<b>Annual valuation fees</b>	Estimated at \$12,000 plus GST (increasing by 3% each year)
<b>Legal Fees</b>	Legal fees arising in relation to attendances on management of Building A and the LP, including documenting rent reviews and attendances in relation to any sale of Building A (charged on the basis of time spent).
<b>Interest charges</b>	Annual interest charges payable to ASB Bank (as set out in the Prospective Financial Information on pages 45 to 54) estimated at \$2,230,928 per year based on an effective interest rate of 4.28% per annum which is the interest rate at the settlement date, as the Manager has entered into a swap agreement fixing the rate for the entirety of the LP's debt at 2.70% plus ASB Banks' margin of 1.58% for 5 years. For the period following the first five years, the Manager intends to manage the benchmark component of the interest rate with a combination of short-term and long-term interest rate swap agreements, fixed rate agreements and/or floating rates and will actively monitor the margins available in the market during the life of the LP (and would consider changing lender if better margins were available elsewhere). The Manager may enter into forward start swap agreements before the expiry of the initial five year period. The Manager will monitor the interest rate management strategy throughout the life of the LP.

<p><b>Outgoings, property maintenance expenses, fees and costs (to the extent not recoverable from the Tenant)</b></p>	<p>The Manager has the ability to undertake or approve repairs, maintenance or improvements at its sole discretion if the aggregate expense does not exceed \$700,000 per financial year exclusive of GST. Aggregate expenses exceeding \$700,000 per financial year exclusive of GST can only be undertaken with the approval of the Investors who hold not less than 50% of the total Units entitled to vote and voting on the resolution. The Manager however may undertake repairs, maintenance or improvements without the approval of the Investors where necessary to comply with the terms of the Leases or any legal obligations (such as health and safety).</p>
<p><b>Expenses on a sale of Building A</b></p>	<ul style="list-style-type: none"> <li>• Commission on the sale of Building A, estimated at 0.5–1.0% of the sale price plus GST, will be payable to a real estate agent.</li> <li>• Legal fees will arise in relation to attendances on the sale of Building A and repayment of the bank loan (charged on the basis of time spent).</li> <li>• A swap termination fee may be payable to the bank in the event that Building A is sold prior to expiration of the term of the swap and the swap is out of the money. The swap would be out of the money if the agreed swap rate was higher than the prevailing wholesale market rate that reflects the remaining term through to maturity.</li> <li>• Liquidation &amp; wind up fees.</li> </ul>
<p><b>Other possible fees and expenses</b></p>	<ul style="list-style-type: none"> <li>• Legal fees for any future leasing, renewals of lease, assignments, rent reviews, refinancing, LP meetings and any other advice relating to management of Building A will be charged on the basis of time spent.</li> <li>• Leasing fees (whether for a new lease or a renewed lease) by external agencies involved in any such negotiations will be charged separately at that time.</li> <li>• Fees and costs associated with regulatory compliance (such as any Financial Markets Authority levies).</li> </ul>

<p><b>Other person's aggregate fees and expenses (including interest expenses but excluding amortised finance costs) for the accounting periods to:<sup>6</sup></b></p>	<ul style="list-style-type: none"> <li>• 31 March 2017 will be \$1,436,018 plus GST, which as a percentage of net assets of the LP is anticipated to be 2.20%</li> <li>• 31 March 2018 will be \$2,282,238 plus GST, which as a percentage of net assets of the LP is anticipated to be 3.44%</li> </ul>
<p>The above fees and expenses are the Manager's best estimate, based on its property management experience and the information known to it at the date of this PDS, but are subject to change based on the amounts invoiced to the LP. Details of the fees and expenses incurred by the LP will be included in the LP's annual report, however Investors will not be specifically notified of such a change.</p>	

Supervisor fees are payable to the Supervisor for fulfilling the role of supervisor of the LP.

Audit fees are payable in connection with the audit of the LP's financial statements.

Valuation fees are payable in connection with the annual valuation of Building A.

Legal fees are payable in connection with any legal advice the Manager deems it necessary that the LP obtain.

Interest charges are payable to ASB Bank under the terms of the LP's banking facility.

Outgoings, property maintenance expenses, fees and costs are payable in respect of the ongoing upkeep and maintenance of Building A.

Expenses on a sale will apply if it is proposed that Building A is sold.

The above fees are payable by the LP - none are chargeable to Investors directly.

<sup>6</sup>Further information on the LP's anticipated expenses is set out in the financial information for the LP available on the Offer Register at [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose) by searching "Building A Graham Street Limited Partnership" under "search offers".

# 9. Tax

The LP is not a portfolio investment entity (PIE).

Tax can have significant consequences for investments. If you have queries relating to the tax consequences of an investment in the LP, you should obtain professional advice on those consequences.

Under the LP, each Investor is assessed individually on its proportionate share of the net rent and any other net income from the LP. Investors will be individually responsible for the payment of their tax.

Investors are, under current legislation, able to depreciate the fit out and chattels for taxation purposes. It is the intention of the Manager to provide an itemised list of assets to enable maximum depreciation to be claimed. It is also the intention of the Manager to provide (on an ongoing basis) a fixed asset schedule with assets depreciated at maximum allowable tax rates.

The depreciation allowance entitles Investors to defer taxation on a portion of their cash return until Building A is sold by claiming as a tax deduction each Investor's proportionate share of the depreciation of the fit out and chattels. Depreciation can no longer be claimed on buildings, however under current legislation, depreciation will still be able to be claimed on the building fit out to the extent it is owned by the LP. Post settlement of Building A a detailed fixed asset register will be identified which will clearly outline the relevant depreciation claim. Under current rules, depreciation claimed on Building A during the term of the LP will be taxable in the year Building A or an Investor's Unit in the LP is sold provided that the sale price exceeds the original cost less all depreciation previously claimed. The net effect is to provide a deferral of tax for Investors during the period of ownership of Building A.





# 10. About Augusta Funds Management Limited and Others Involved In Building A Graham Street Limited Partnership

## About Augusta Funds Management Limited

Augusta Funds Management Limited is the manager of the LP.

Augusta Funds Management Limited is licensed under the Financial Markets Conduct Act 2013 as a manager of Other Managed Investment Schemes; which are invested in Property Syndicates/Real Property Proportionate Ownership Schemes, and Managed Investment Schemes - Managed Funds; where the Managed Funds are invested solely in real property (listed and unlisted).

The Manager's property schemes (such as the LP) are structured to provide Investors with a long term investment in commercial and/or industrial real estate, while seeking to minimise the administrative and operational burdens of private property ownership. The Manager is responsible for the LP and property management, including the facilities and property management, preparation of annual financial statements and payment of monthly distributions.

The Manager also arranges funding packages allowing Investors to benefit from the terms of the LP's funding arrangements, including some interest rate hedging and initial interest-only terms. Details of the bank funding applying to the LP are set out on page 32.

Augusta Funds Management is a wholly-owned subsidiary of Augusta Capital Limited, which is an NZX listed company with a market capitalisation of approximately NZ\$98 million as at the date of this PDS. Augusta Funds Management has assets under management of approximately NZ\$1.45 billion prior to the acquisition by the LP of Building A.

For more on Augusta see [www.augusta.co.nz](http://www.augusta.co.nz)

The directors of the Manager and key senior managers of Augusta Funds Management collectively have considerable property expertise with experience in property development, facilities and asset management, property investment, business administration and accounting. Augusta Funds Management manages a wide range of properties including single ownership entities, and syndicates in numerous locations throughout New Zealand and Queensland, Australia. This investment opportunity is based around the market knowledge and experience of these people. Further detail on the expertise and background of these people is set out below and on page 20.

In addition to **Mark Francis**, **Bryce Barnett** and **Philip Hinton** (whose profiles are set out on page 20), the directors of the Manager are:

### **Paul Duffy** **Independent Director and Chairman**

*Dip Urb Val*

Paul Duffy has over 35 years' experience in the property investment/development industry, including CEO/executive director of DNZ Property Fund (now named Stride Property) for 13 years. During his career, Paul held the position of general manager of Fletcher Property Limited and was joint managing director of US Real Estate Subsidiaries for the Abu Dhabi Investment Authority. In this role he oversaw the formation of a large real estate portfolio in the United States and Europe. Paul is currently a director of a number of private companies.

Paul is the chairman of Augusta Capital and Augusta Funds Management.

### **Martin Goldfinch** **Independent Director**

*BCom, LLB*

Martin has extensive commercial experience across a range of industries in both public and private companies. He holds degrees in Law and Commerce from Auckland University. He is currently the Private Equity Manager for Accident Compensation Corporation (ACC) and represents ACC on the boards of Cavalier Wool Holdings Limited and Partstrader Markets Limited. He is also a director of Les Mills Holdings Limited, Youi NZ Pty Ltd and is a Council Member of NZ Venture Capital Association.

### **John Loughlin** **Independent Director**

*MBA, BCA, FCA, FCIS, ANZIIF (fellow), INFENZ (fellow), FNZIM, AFInstD*

John Loughlin is a professional company director. He is chairman of Powerco Limited, Tru-Test Corporation Limited, EastPack Limited and Havelock North Fruit Co. Limited. He is also a director of Port of Napier Limited and Bay Venues Limited.

John was the chairman of finance company Allied Nationwide Finance Limited, now known as NFA Limited (in liquidation) (referred to below as *Allied*), from 1 May 2007 to 23 August 2010. Allied was placed in receivership on 20 August 2010 as part of the finance company collapses in New Zealand at that time and subsequently went into liquidation on 31 October 2012. He ceased to be the chairman and a director of Allied on 23 August 2010. On 2 September 2013, the Financial Markets Authority (*FMA*) issued a formal warning letter to John Loughlin and the other directors of Allied stating that, in the FMA's view, the directors

## 10. About Augusta Funds Management Limited and Others Involved In Building A Graham Street Limited Partnership (cont.)

of Allied likely breached the Securities Act by failing to adequately disclose the ability of Allied's parent, Allied Farmers Limited, to provide financial support and Allied's ability to meet its financial obligations. The FMA advised that, having taken into account the possible availability of defences, FMA's enforcement policy and public interest considerations, the FMA did not intend to take formal enforcement action at that time. The FMA considers that better disclosure should have been made, to ensure that investors were aware of the risks associated with their investment in Allied.

### **Robert Mark Petersen (known as Mark Petersen) Independent Director**

*Dip Urb Val*

Mark is a professional director and corporate adviser who has worked in the commercial property sector for the past 35 years. Initially working as a registered valuer, Mark's background includes development management, project management and investment management. Mark was Managing Director of NZX listed Shortland Properties Limited from 1989 to 1999 and he is currently a director of CentrePort Limited, Wellington's container port company and its subsidiaries and is also an advisory Board member for Te Tumu Kainga, a trust administered by the Maori Trustee for the provision of affordable housing. Mark is a former director of Wellington Waterfront Limited, a former director of Australian property focused private equity funds which were established and managed by Grant Samuel and is a past Chair of the NZ Hockey Federation. Mark is currently an Executive Director of DH Flinders NZ Limited. DH Flinders is a Melbourne headquartered corporate advisory firm providing corporate and funds management advice in Australia, New Zealand and South East Asia.

### **Contact details**

The Manager may be contacted:

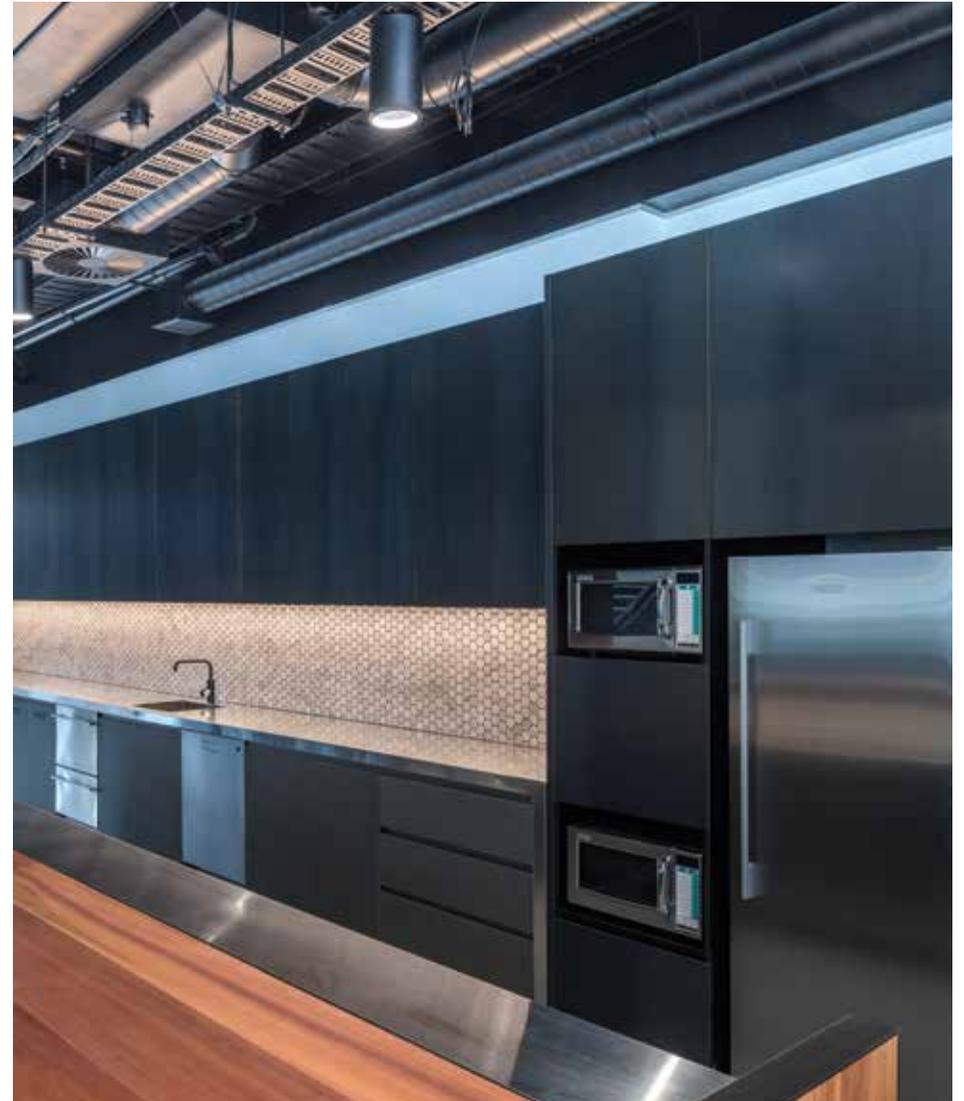
- At its registered office - Level 2, 4 Viaduct Harbour Avenue, Auckland.
- By telephone - (09) 300 6161.
- By fax - (09) 300 6162 (attention: Mark Francis/Bryce Barnett)

### **Who Else Is Involved?**

<b>Party</b>	<b>Name</b>	<b>Role</b>
<b>Supervisor</b>	Covenant Trustee Services Limited	Covenant Trustee Services Limited has been appointed supervisor for the LP.  The Supervisor will monitor compliance with the Governing Document and fulfil the role of supervisor under the Financial Markets Conduct Act 2013 and Financial Markets Supervisors Act 2011.
<b>Custodian</b>	Building A Graham Street Custodian Limited	Building A Graham Street Custodian Limited is the custodian for the LP. The Custodian will hold the certificate of title for Building A on bare trust on behalf of the LP in accordance with the Governing Document.  The Custodian is a subsidiary of the Supervisor.
<b>General Partner</b>	AFM GP (Building A Graham Street) Limited	AFM GP (Building A Graham Street) Limited is the general partner of the LP, and will manage the activities and affairs of the LP in accordance with the Limited Partnership Agreement.  The General Partner is a subsidiary of the Manager.

Party	Name	Role
<b>Underwriters</b>	Augusta Capital Limited	The entities listed have agreed to underwrite in various proportions the full \$70,000,000 worth of Units offered under this PDS.
	Cypress Capital Limited	
	Bayley Corporation Limited	
	Jonathan George Edgar	
	Wairahi Holdings Ltd	
	Tabrita Securities Limited	
	Alberto Limited	
	Trevor McKee	
	Riddell Enterprises Limited	
	Olsen Farms Limited	
Atlas Partners Limited		

None of the parties above guarantee any returns to Investors.



# 11. How to Complain

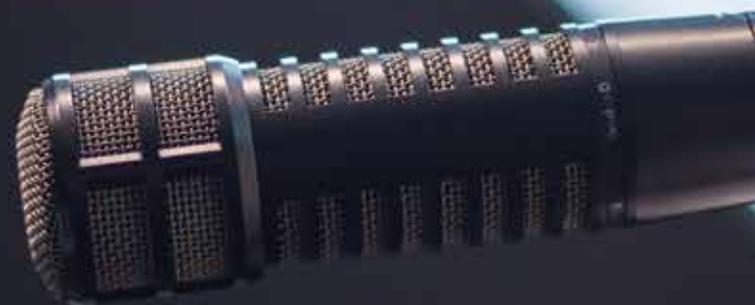
## How To Complain

Complaints about the Units or the LP can be made to the Manager, attention Mark Francis, Managing Director, at the address and business telephone number set out on page 89.

A complaint can also be made to the Supervisor (at the address and business telephone number set out on page 89).

A complaint may also be made to The Real Estate Institute of New Zealand. The Institute may be contacted by telephoning 0800 473 469 or at Level 1, Windsor Court, 128 Parnell Road, Parnell, Auckland.

A complaint can also be made to Fairway Resolution Limited (trading as Financial Dispute Resolution), being the dispute resolution scheme Augusta Funds Management Limited has joined for the purposes of the Financial Service Providers (Registration and Dispute Resolution) Act. Financial Dispute Resolution may be contacted by telephoning 0508 337 337 or at Freepost 231075, PO Box 2272, Wellington 6140. Financial Dispute Resolution will not charge a fee to any complainant to investigate or resolve a complaint.



# 12. Where You Can Find More Information

## Where You Can Find More Information

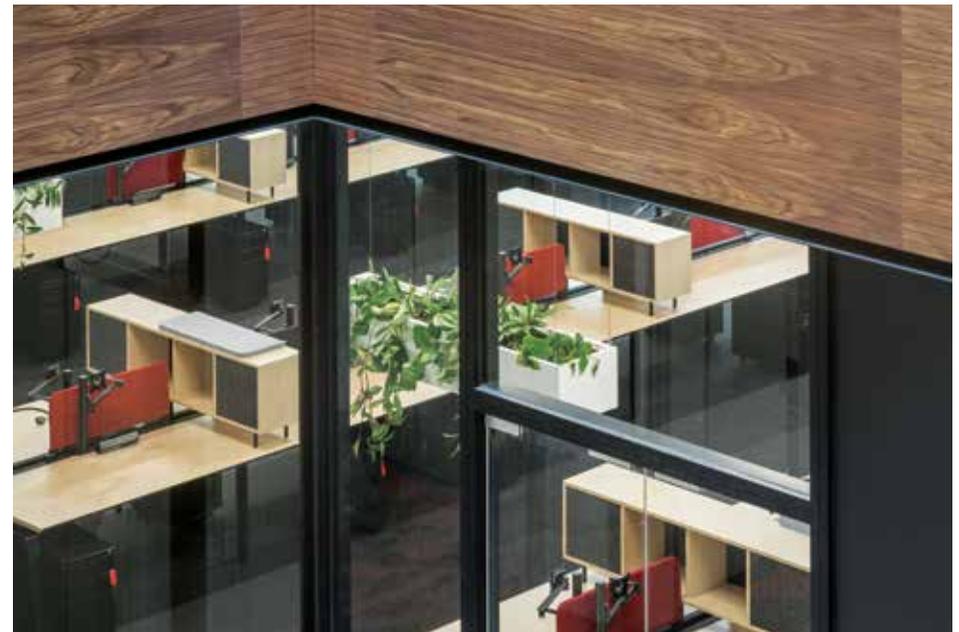
Further information relating to the LP and the Units is available on the Offer Register and the Scheme Register (for example, prospective financial information).

A copy of information on the Offer Register and Scheme Register is available on request to the Registrar of Financial Service Providers.

The Offer Register may be viewed at [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose) and search “Building A Graham Street Limited Partnership” under Offers.

No other information relating to the LP and the Units will be available other than the information contained in this PDS and on the Offer Register and Scheme Register.

All information available on the Offer Register and the Scheme Register is also available on request free of charge from the Manager (at the address and business telephone number set out in on page 89).



# 13. How to Apply

## How To Apply

In order to apply, prospective Investors must provide the following:

- A completed and signed application form;
- Completed Nature and Purpose statement (contained within the application form);
- Bank encoded deposit slip, bank statement or confirmation from your bank verifying your bank account name and number;
- For new investors with the Manager, the identification and other anti-money laundering due diligence information referred to on the form headed “Identity Verification” in this section;
- Payment of the total application amount. See “Payment” below, for further details.

Completed and signed application forms, along with the above accompanying documents and subscription amounts, must be mailed to the Manager, **Augusta Funds Management Limited** PO Box 37953, Parnell, Auckland 1151 (Attention: Building A Graham Street Offer) or delivered or couriered to Level 2, 4 Viaduct Harbour Avenue, Auckland. The Offer closes on 1 August 2016.

**IMPORTANT** – for existing Augusta investors, identification documents may have been provided previously as part of Augusta’s AML (Anti-Money Laundering) requirements. If, at the time of submitting your application, Augusta does not have the correct identification documents on file up to the standard required by the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 additional documents may have to be re-submitted before your application can be accepted.

## Payment

Payment must be made in New Zealand dollars for immediate value.

Investors must make the relevant election in section 2 of the application form to indicate their method of payment. Payment may be made by:

- Electronic transfer; or
- Cheque. Cheques must be made out in favour of “Chapman Tripp Trust Account (A/C Building A Graham Street Offer)” and crossed “Non-Transferable”.

Pending settlement of the acquisition of the purchase of Building A and the issue of Units all monies will be held in the Chapman Tripp Trust Account. Pending settlement, those funds may accrue interest. Upon settlement, that interest shall be paid to the account of the LP. The Manager may (at its sole discretion) choose to make a special distribution to Investors, reflecting the size of their investment and the amount of time their funds were held in the Chapman Tripp Trust Account.

# APPLICATION FORM

## PLEASE READ ALL INSTRUCTIONS BELOW TO ENSURE PROMPT PROCESSING OF APPLICATIONS

This Application Form is issued with the Product Disclosure Statement prepared dated 27 May 2016, issued by Augusta Funds Management Limited. Please return this application form and all other required additional documents to **Augusta Funds Management Limited (Attention: Building A Graham Street Offer)**.

Prospective investors are recommended to seek professional advice from an Authorised Financial Adviser which takes into account their personal circumstances before making an investment decision.

### INSTRUCTIONS ON HOW TO COMPLETE

- Insert your full name(s), addresses, date of birth, place of birth, telephone number(s) and email address(es) (optional).
- Applications must be in the name(s) of natural persons, companies or other legal entities.
- If you are applying as a Trust, all trustee names are required. Please also insert the Trust's name. Where applying in the name of a company, the names of directors and shareholders of the company do not need to be included.
- Please insert the Bank Account name and Bank Account Number into which you want distribution payments to be made.

### 1. APPLICANT DETAILS, BLOCK LETTERS PLEASE

Please enter name(s) in full (including all first names)

Legal First Name(s)	Legal Family Name	Date of birth	Place of birth (city/town and country)
<b>Corporate or Trust Name:</b>			

Residential Address or Address for Service:	Ph - Home ( )
	Ph - Work ( )
	Mobile:
Postal Address (if different from address given):	Email:
	Postcode:

BANK ACCOUNT DETAILS FOR DISTRIBUTIONS	
ACCOUNT NAME	
ACCOUNT NUMBER	

NOTE: YOU MUST ENCLOSE A BANK ENCODED DEPOSIT SLIP, BANK STATEMENT OR CONFIRMATION FROM YOUR BANK VERIFYING BANK ACCOUNT NAME AND NUMBER.

### 2. APPLICATION AMOUNT AND PAYMENT- IMPORTANT

Number of interests (minimum \$50,000 per interest and in multiples of \$50,000 thereafter)	Amount
	\$

Please choose ONE of the PAYMENT options below. Please tick the box next to your selected option:

- OPTION 1: ELECTRONIC TRANSFER**  
Please provide me with account details to make an electronic transfer.
- OPTION 2: CHEQUE**  
Please find attached made out in favour of "Chapman Tripp Trust Account (A/C Building A Graham Street Offer)" and crossed "Non-Transferable" for the amount noted above.

### 3. APPLICANT(S) IDENTIFICATION REQUIREMENTS (please complete only one option)

- OPTION 1: EXISTING INVESTOR**  
Please enter name of one Augusta syndication, fund or other Augusta investment you are an investor in: \_\_\_\_\_
- OPTION 2: NEW INVESTOR**  
NEW INVESTORS MUST PROVIDE THE APPROVED IDENTIFICATION INFORMATION WITH THIS APPLICATION FORM – SEE THE FOLLOWING PAGES.

**4. NATURE AND PURPOSE OF YOUR INVESTMENT**

Establishing the nature and purpose of your investment is required as two separate explanations i.e. the **nature** of the investment explains how regularly and for how long; the **purpose** explains your investment objectives and what you are trying to achieve by investing with the LP.

This information is being requested solely for the purpose of Augusta's regulatory compliance obligations and maintenance of our investor records. We recommend you consider discussing your response with your tax adviser, to make sure that what you confirm to us is consistent with the treatment of your investment in your tax return.

**THE NATURE OF MY INVESTMENT IN THE LP IS:**

.....  
.....

**THE PURPOSE OF MY INVESTMENT IN THE LP IS:**

.....  
.....

**5. SIGNED AS A DEED BY THE APPLICANT(S)**

I/We hereby apply for the Units as set out above subject to the terms and conditions of the Product Disclosure Statement dated 27 May 2016. I/We agree to accept the Units as applied for or any lesser number that may be issued to me. I/We hereby irrevocably appoint Building A Graham Street Custodian Limited as my/our attorney for the purposes of signing the Limited Partnership Agreement and any other documents on my/our behalf in order to register or otherwise facilitate operation of the Building A Graham Street Limited Partnership. I/We hereby consent to the Manager disclosing such information as it holds in respect of me/us to regulatory authorities and to receive any information I am entitled to receive via email, at the address noted above.

**Signed as a Deed**

Please note, all signatures must be witnessed by an independent person (not a spouse, child or parent).

<b>DATED:</b> /                    / 2016			
Applicant	NAME: .....	Applicant	NAME: .....
Witness	NAME: .....	Witness	NAME: .....
Applicant	NAME: .....	Applicant	NAME: .....
Witness	NAME: .....	Witness	NAME: .....

**CERTIFICATE OF NON REVOCATION OF POWER OF ATTORNEY**

Complete this section if you are acting on behalf of someone for whom you hold Power of Attorney.

I, ..... (Name of Attorney)  
of ..... (Address and Occupation of Attorney)  
HEREBY CERTIFY

1. That as Attorney of ..... under a deed dated .....  
Given to me by him/her/the Company ..... DAY ..... MONTH ..... YEAR

2. That I have executed the application for Units on the face hereof as Attorney under the said Power of Attorney and pursuant to the powers hereby conferred on me.

3. That at the date hereof I have not received any notice of information of the revocation of the said Power of Attorney by death or otherwise.

Signed at ..... PLACE ..... this ..... DAY ..... MONTH ..... 2016

Signature .....

## IDENTITY VERIFICATION

There are two different options you can use as identification. The simplest option is to pick ONE form of ID from Option 1 below. Option 2 requires at least two forms.

**Each copied form of identification must be certified by an independent NZ based trusted referee. A trusted referee must be over the age of 16, must not be your spouse or partner, related to you, someone who lives at the same address as you or someone with an interest or ownership in your investment. A trusted referee must be any one of the following:**

- Lawyer (as defined in the *Lawyers and Conveyancers Act 2006*)  NZ Chartered Accountant
- Justice of the Peace  Registered Teacher
- Registered Medical Doctor  Notary Public
- Member of the Police  NZ Honorary Consul
- Member of Parliament  Commonwealth Representative
- Minister of Religion  Kaumatua (as verified through a reputable source)
- A person who has the legal authority to take statutory declarations or the equivalent in NZ

**Certification must have been carried out in the last three months. The trusted referee must sight the original document and make the following statement on the copy:**

- “This document is a true copy and represents the identity of the named individual”;
- Trusted referee’s name, occupation and registration number (or equivalent); and
- Trusted referee’s signature and date.

## OPTION 1

Choose ONE certified photocopy of the following as personal identification (document must be current/unexpired):

- New Zealand or overseas passport (containing your name, date of birth, photograph and signature)
- New Zealand certificate of identity
- New Zealand firearms licence
- Overseas government-issued national identity card, containing your name, date of birth, photograph and signature

## OR: OPTION 2

Provide a certified photocopy of the following (document must be current):

- New Zealand driver licence
- AND** Non-photo identification. Choose ONE certified photocopy of the following (document must be current):
  - New Zealand or overseas full birth certificate  Embossed credit card, debit card or an EFTPOS card, with your name and signature, issued by a registered NZ bank
  - Bank account statement issued by a NZ registered bank within 12 months of your application  Statement issued by a NZ Government agency within 12 months of your application (like an IRD statement)
  - A document issued by a NZ Government agency with your name and signature (i.e. Super Gold card)  NZ or overseas citizenship certificate

## ADDRESS VERIFICATION

Please provide an original OR certified copy of one of the following:

- Utility or rates bill
- Telephone bill
- Bank account statement (as delivered by mail, not via internet banking)
- IRD tax notice or statement
- Insurance policy document
- A document issued by a NZ Government agency

Each form needs to be dated in the last 12 months and addressed to you at your residential address.

**If providing a photocopy of a document, the copy needs to be certified by a ‘trusted referee’ as defined above. Certification must have been carried out in the last three months. The trusted referee must sight the original document and make the following statement on the copy:**

- “This document is a true copy”;
- Trusted referee’s name, occupation and registration number (or equivalent); and
- Trusted referee’s signature and date.



JOINT HOLDING (INDIVIDUALS)		TICK ✓
First Investor - Investor Name:		
Investor Date of Birth:		
Investor Place of Birth: (town/city)		
Investor Address:		
Second Investor - Investor Name:		
Investor Date of Birth:		
Investor Place of Birth: (town/city)		
Investor Address:		
First Investor Certified IDENTITY Verification: ATTACHED	See the identity verification guide for options	<input type="checkbox"/>
Certified residential ADDRESS Verification: ATTACHED	See the address verification guide for options	<input type="checkbox"/>
Second Investor Certified IDENTITY Verification: ATTACHED	See the identity verification guide for options	<input type="checkbox"/>
Certified residential ADDRESS Verification: ATTACHED	See the identity verification guide for options	<input type="checkbox"/>
Authorised Person(s) (Optional): "Authorised person(s)" include beneficial owners and persons acting on behalf i.e. Power of Attorney. These people must provide certified ID, residential address verification and POA document or other proof of authority (if applicable)  Please list any authorised person(s) that may act on your behalf and their relationship to you	NAME: ADDRESS: DATE OF BIRTH PLACE OF BIRTH (TOWN/CITY): RELATIONSHIP: NAME: ADDRESS: DATE OF BIRTH PLACE OF BIRTH (TOWN/CITY): RELATIONSHIP:	
Politically Exposed Person (PEP): Definition  Are you or any Authorised Person(s) listed above:	An individual who holds a 'Prominent Public Function' e.g. head of a country, government minister, senior politician, senior judge, governor of a central bank, ambassador, high commissioner, high-ranking member of armed forces or senior position of state enterprise;  An individual who holds, or has held at any time in the preceding 12 months, a 'prominent public function' in any country (other than New Zealand); An immediate family member of a person referred to above (including spouse, partner, child, child's spouse/partner or parent).  If you have circled 'yes' to any of the PEP options above please provide details of the public function held and the country:	<b>Please circle:</b> Yes / No  Yes / No
Politically Exposed Person (PEP):	If you are making an investment of \$500,000 or more please write details of the origin of your wealth e.g. inheritance, earnings, savings, loan, gift, sale of property. Please include details about the transaction(s), date, grantor's name, employment details, property address etc ..... ..... .....	<input type="checkbox"/>
<b>FOR INVESTORS MAKING AN INVESTMENT OF \$500,000 OR MORE</b>  <b>Source of Funds and/or Wealth Statement</b>  Please note, we may require that these details are verified by an independent Chartered Accountant, Lawyer or Justice of the Peace.	Also provide details of the source of the income you are receiving e.g. monthly deposit from a bank account, income from an underlying company. ..... ..... .....  Signature: ..... Name: ..... Date: .....	<input type="checkbox"/>
<b>FOR INVESTORS MAKING AN INVESTMENT OF \$500,000 OR MORE</b>  <b>Evidence of Source of Funds and/or Wealth: ATTACHED</b> (photocopies must be certified by an independent trusted referee)	If you are making an investment of \$500,000 or more please provide backing documents to support the legitimacy of the details provided in the source of funds and/or wealth statement above e.g. certified copies of bank account statements confirming income i.e. business, personal and/or rental income, property settlement statement, details of investment income, inheritance i.e. letter from executor of estate, loan statement, gifting letter and/or financial statements (as prepared by a Chartered Accountant).	<input type="checkbox"/>

PARTNERSHIP		TICK ✓
Partnership Full Legal Name:		
Partnership Trading Name (if different):		
Principal Business Address/ Registered Office Address:		
Registration Number:		
Certified ADDRESS Verification <i>ATTACHED</i>	See the address verification guide for options	<input type="checkbox"/>
Certified Copy of the Partnership Agreement	A certified copy of the Partnership Deed/Agreement and any resolutions, evidencing any amendments which must confirm the Partnerships name, and Partners/Officers names and other persons authorised to act on behalf of the Partnership	<input type="checkbox"/>
Certified IDENTITY Verification (for EACH person/partner) <i>ATTACHED</i>	See the identity verification guide for options	<input type="checkbox"/>
Certified residential ADDRESS Verification (for EACH person/partner) <i>ATTACHED</i>	See the address verification guide for options	<input type="checkbox"/>
List any: -beneficial owners of the Partnership (e.g. general or limited partners) and/or -person(s) authorised to act on behalf of the Partnership (e.g. accountant) and -please identify relationship to the Partnership	NAME: ADDRESS: DATE OF BIRTH PLACE OF BIRTH (TOWN/CITY): RELATIONSHIP TO PARTNERSHIP: NAME: ADDRESS: DATE OF BIRTH PLACE OF BIRTH (TOWN/CITY): RELATIONSHIP TO PARTNERSHIP:	
Certified IDENTITY Verification for each person authorised to act on behalf of the Partnership <i>ATTACHED</i>	See the identity verification guide for options	<input type="checkbox"/>
Certified residential ADDRESS Verification for each person authorised to act on behalf of the Partnership <i>ATTACHED</i>	See the address verification guide for options	<input type="checkbox"/>
Politically Exposed Person (PEP): Definition: Are you or any "Authorised Person(s)" listed above:	An individual who holds a 'Prominent Public Function' e.g. head of a country, government minister, senior politician, senior judge, governor of a central bank, ambassador, high commissioner, high-ranking member of armed forces or senior position of state enterprise.  An individual who holds, or has held at any time in the preceding 12 months, a 'prominent public function' in any country (other than New Zealand);  An immediate family member of a person referred to above (including spouse, partner, child, child's spouse/partner or parent);  If you have circled 'yes' to any of the options above please provide details of the public function held and the country:	<b>Please circle:</b>  Yes / No  Yes / No
Politically Exposed Person (PEP) details (if applicable):	If you are making an investment of \$500,000 or more please write details of the origin of your wealth e.g. inheritance, earnings, savings, loan, gift, sale of property. Please include details about the transaction(s), date, grantor's name, employment details, property address etc. ..... ..... ..... Also provide details of the source of the income you are receiving e.g. wages/salary, investment income or any other income. ..... ..... ..... Signature: ..... Name: ..... Date: .....	<input type="checkbox"/>
<b>FOR INDIVIDUALS MAKING AN INVESTMENT OF \$500,000 OR MORE</b>  Source of Funds and/or Wealth Statement	Please note, we may require that these details are verified by an independent Chartered Accountant, Lawyer or Justice of the Peace.	<input type="checkbox"/>
<b>FOR INDIVIDUALS MAKING AN INVESTMENT OF \$500,000 OR MORE</b>  Evidence of Source of Funds and/or Wealth ATTACHED (photocopies must be certified by an independent trusted referee)	If you are making an investment of \$500,000 or more please provide backing documents to support the legitimacy of the details provided in the source of funds and/or wealth statement above e.g. certified copies of bank account statements confirming income i.e. business, personal and/or rental income, property settlement statement, details of investment income, inheritance i.e. letter from executor of estate, loan statement, gifting letter and/or financial statements (as prepared by a Chartered Accountant);	<input type="checkbox"/>

COMPANY		TICK ✓
Company Legal Name:		
Company Trading Name (if different):		
Company Principal Business Address/Registered Office Address:		
Company Registration Number:		
Does any entity such as a Family Trust have any ownership of the Company? <i>Please note, if the answer is yes, we will require further information about the entity.</i>		<b>Please circle:</b> Yes / No
Beneficial Ownership / Effective Control  <i>List any person who:</i> - owns more than 25% of the company; - has effective control of the company; - on whose behalf a transaction is conducted; - is a director or shareholder of a corporate/trustee company involved with the company; and/or - is authorised to carry out transactions on behalf of the Company e.g. accountant, lawyer or other authorised person (please provide details of relationship to the company, source of authority, and company or registration number (if applicable)).	NAME: ADDRESS: DATE OF BIRTH: RELATIONSHIP TO COMPANY:  NAME: ADDRESS: DATE OF BIRTH: RELATIONSHIP TO COMPANY:  NAME: ADDRESS: DATE OF BIRTH: RELATIONSHIP TO COMPANY:  NAME: ADDRESS: DATE OF BIRTH: RELATIONSHIP TO COMPANY:	Please list any additional details on a separate page
Certified IDENTITY Verification of EACH Beneficial Owner / Effective Controller <b>ATTACHED</b>		See the identity verification guide for options
Certified residential ADDRESS Verification of EACH Beneficial Owner / Effective Controller <b>ATTACHED</b>		See the address verification guide for options
Politically Exposed Person (PEP): <i>Definition</i>  Are you or any Authorised Person(s) listed above:		<b>Please circle:</b> Yes / No  Yes / No
Politically Exposed Person (PEP):		If you have circled 'yes' to any of the options above please provide details of the public function held and the country.
<b>FOR INVESTORS MAKING AN INVESTMENT OF \$500,000 OR MORE</b>  Source of Funds and/or Wealth Statement		If you are making an investment of \$500,000 or more please write details of the origin of your wealth e.g. inheritance, earnings, savings, loan, gift, sale of property. Please include details about the transaction(s), date, grantor's name, employment details, property address etc.  ..... Also provide details of the source of the income you are receiving e.g. monthly deposit from a bank account, income from an underlying company.  ..... Signature: ..... Name: ..... Date: .....
<b>FOR INVESTORS MAKING AN INVESTMENT OF \$500,000 OR MORE</b>  Evidence of Source of Funds and/or Wealth <b>ATTACHED</b> <i>(photocopies must be certified by an independent trusted referee)</i>		Please note, we may require that these details are verified by an independent Chartered Accountant, Lawyer or Justice of the Peace.  If you are making an investment of \$500,000 or more please provide backing documents to support the legitimacy of the details provided in the source of funds and/or wealth statement above e.g. certified copies of bank account statements confirming income i.e. business, personal and/or rental income, property settlement statement, details of investment income, inheritance i.e. letter from executor of estate, loan statement, gifting letter and/or financial statements (as prepared by a Chartered Accountant).

TRUST		TICK ✓
Trust Name:		
Registration Number (if applicable):		
Certified ADDRESS Verification <b>ATTACHED</b> <i>(Principal ADDRESS for service)</i>	See the address verification guide for options	<input type="checkbox"/>
Trust Deed ATTACHED – copy to be certified by an independent trusted referee, this person cannot be a trustee. We cannot accept scans or photocopies of certified documents.	A copy of the Trust Deed and any retirements, and/or any amendments which must confirm the Trusts name, and Trustees/Executors names and other persons authorised to act on behalf of the Trust	<input type="checkbox"/>
Source of Funds and/or Wealth STATEMENT	<p>Please write details of the origin of the settlor's wealth e.g. inheritance, earnings, savings, loan, gift, sale of property. Please include details about the transaction(s), date, grantor's name, employment details, property address etc.</p> <p>.....</p> <p>Also provide details of the source of income the Trust is receiving e.g. investment earnings, business/rental income or earnings from an underlying company.</p> <p>.....</p> <p>Signature: .....</p> <p>Settlor or at least one trustee to sign</p> <p>Trustee(s) Name: .....</p> <p>Date: .....</p> <p>Please note, we may require that these details are validated by a trusted referee who can reasonably be expected to have knowledge of these details, e.g. an independent Chartered Accountant, Lawyer or Justice of the Peace.</p>	<input type="checkbox"/>
Evidence of Source of Funds and/or Wealth <b>ATTACHED</b> <i>(Photocopies must be certified by an independent trusted referee)</i>	Backing documents to support the legitimacy of the details provided in the source of funds and/or wealth statement above e.g. certified copies of bank account statements confirming income i.e. business, personal and/or rental income, property settlement statement, details of investment income, inheritance i.e. letter from executor of estate, loan statement, gifting letter and/or financial statements (as prepared by a Chartered Accountant).	
List legal names of ALL trustees	NAME: ADDRESS: DATE OF BIRTH: PLACE OF BIRTH (town/city):	
If a corporate trustee company is a trustee, please list the details of all directors of the company.	NAME: ADDRESS: DATE OF BIRTH: PLACE OF BIRTH (town/city):	
All trustees including <u>all</u> directors of the corporate trustee company must provide certified ID and residential address verification.	NAME: ADDRESS: DATE OF BIRTH: PLACE OF BIRTH (town/city): Please list any additional details on a separate page	
Certified IDENTITY Verification <i>(for EACH Trustee)</i> <b>ATTACHED</b>	See the identity verification guide for options	<input type="checkbox"/>
Certified residential ADDRESS Verification <i>(for EACH trustee)</i> <b>ATTACHED</b>	See the address verification guide for options	<input type="checkbox"/>
Is this a charitable trust? If 'yes' please state the objects of the Trust:	<p>Please circle:</p> <p>Yes / No</p>	

TRUST (continued)		TICK ✓
<p>Is this a discretionary trust?</p> <p>Who are the beneficiaries of the trust? Note: If the Trust is a discretionary trust, a charitable trust, or there are more than 10 beneficiaries, please provide a description of each class or type of beneficiary (you are not required to provide the name and date of birth for the beneficiaries of these kinds of trusts).</p>	<p><b>Please circle:</b></p> <p>Yes / No</p> <p><b>BENEFICIARY NAME:</b></p> <p><b>DATE OF BIRTH:</b></p> <p><b>BENEFICIARY NAME:</b></p> <p><b>DATE OF BIRTH:</b></p> <p><b>BENEFICIARY NAME:</b></p> <p><b>DATE OF BIRTH:</b></p> <p><i>For discretionary trusts, charitable trusts or trusts where there are 10 or more beneficiaries please provide a description of each class or type of beneficiary:</i></p>	<input type="checkbox"/>
<p>Beneficial Owners / Effective Control</p> <p>List any person who:</p> <ul style="list-style-type: none"> <li>-has effective control of the Trust (e.g. protector or special trustee (if any));</li> <li>and/or</li> <li>-any person who is authorised to carry out transactions on behalf of the Trust (please provide details of relationship to Trust, authority to carry out transactions, and company or registration number (if applicable)).</li> </ul>	<p><b>NAME:</b></p> <p><b>ADDRESS:</b></p> <p><b>DATE OF BIRTH:</b></p> <p><b>PLACE OF BIRTH (town/city):</b></p> <p><b>RELATIONSHIP TO TRUST:</b></p> <p><b>NAME:</b></p> <p><b>ADDRESS:</b></p> <p><b>DATE OF BIRTH:</b></p> <p><b>PLACE OF BIRTH (town/city):</b></p> <p><b>RELATIONSHIP TO TRUST:</b></p>	
<p>Certified IDENTITY Verification of EACH Beneficial Owner / Effective Controller</p> <p>ATTACHED</p>	<p>See the identity verification guide for options</p>	<input type="checkbox"/>
<p>Certified ADDRESS Verification of EACH Beneficial Owner / Effective Controller</p> <p>ATTACHED</p>	<p>See the address verification guide for options</p>	<input type="checkbox"/>
<p>Politically Exposed Person (PEP): Definition</p> <p>Are you or any Authorised Person(s) listed above:</p>	<p>An individual who holds a 'Prominent Public Function' e.g. head of a country, government minister, senior politician, senior judge, governor of a central bank, ambassador, high commissioner, high-ranking member of armed forces or senior position of state enterprise;</p> <p>An individual who holds, or has held at any time in the preceding 12 months, a 'prominent public function' in any country (other than New Zealand);</p> <p>An immediate family member of a person referred to above (including spouse, partner, child, child's spouse/partner or parent).</p>	<p><b>Please circle:</b></p> <p>Yes / No</p> <p>Yes / No</p>
<p>Politically Exposed Person (PEP):</p>	<p>If you have circled 'yes' to any of the options above please provide details of the public function held and the country:</p>	

# Glossary

Term	Definition
\$	New Zealand dollars
ASB Bank	ASB Bank Limited
Augusta Capital	Augusta Capital Limited (Company number: 1873288)
Bayleys or Bayleys Real Estate	Bayleys Real Estate Limited (Company number: 88609)
Building A	Building A, 4 Graham Street, Auckland
Building Management Agreement	The agreement dated 30 September 2015 between the owners of Building A, Building B and Building C (each such owner being the Vendor as at the date of the agreement)
Capex	Capital expenditure
CPI	The Consumer Price Index (All Groups) published by Statistics New Zealand
Custodian	Building A Graham Street Custodian Limited (Company number: 5975407)
Governing Document	The Governing Document dated 19 May 2016 between the Manager, the LP, the Custodian and the Supervisor, setting out the arrangements for ownership and management of the LP and as is available on the scheme register at <a href="http://www.business.govt.nz/disclose">www.business.govt.nz/disclose</a> by searching “Building A Graham Street Limited Partnership” under “search schemes”
General Partner	AFM GP (Building A Graham Street) Limited (Company number: 5975387)
Investors	Persons registered as the holders of Units in the LP
Leases	Together, the NZME. Leases, the Pernod Ricard Lease, the Mansons Lease and the Meredith Connell Lease
Limited Partnership Agreement	The limited partnership agreement to be entered into by the General Partner, AFM LP Limited (Company number: 5839046) and, through their attorney the Custodian, each Investor, on the settlement of the acquisition of Building A by the LP.
LP	The limited partnership established for the purpose of acquiring Building A, being the Building A Graham Street Limited Partnership (Registration number: 2640112)
LP’s Solicitors	Chapman Tripp, 23 Albert Street, Auckland 1140
Manager or Augusta Funds Management	Augusta Funds Management Limited (Company number: 3760278)
Mansons	Mansons TCLM Limited, the contractor that constructed Building A, and a related party of the Vendor
Mansons Lease	The Lease under which, from settlement, the Vendor (or any replacement tenant) will lease level 4 of Building A (and 15 ancillary basement parking spaces) from the Custodian
Meredith Connell	The equity partners of Meredith Connell
Meredith Connell Lease	The lease between Meredith Connell and the Vendor under which Meredith Connell leases level 5 of Building A (along with ancillary parking spaces and a storage area in the basement), and under which, from settlement, the Custodian will be landlord

<b>Term</b>	<b>Definition</b>
NZME.	APN Holdings NZ Limited (Company number: 41802)
NZME. Leases	The three leases between NZME. and the Vendor under which NZME. leases the ground floor and levels 1 and 2 (along with ancillary parking spaces, storage areas and other facilities in the basement) respectively of Building A, and under which, from settlement, the Custodian will be landlord
Offer	The offer of Units under the PDS
Offer Register	The offer register entry for the LP, that forms part of the Disclose Register, that is available at <a href="http://www.business.govt.nz/disclose">www.business.govt.nz/disclose</a> by searching “Building A Graham Street Road Limited Partnership” under “search offers”
PDS or Product Disclosure Statement	This product disclosure statement detailing the offer of Units in the LP
Pernod Ricard	Pernod Ricard Winemakers New Zealand Limited (Company number: 86020)
Pernod Ricard Lease	The lease between Pernod Ricard and the Vendor under which Pernod Ricard leases level 3 of Building A (along with ancillary parking spaces and a storage area in the basement), and under which, from settlement, the Custodian will be landlord
Scheme Register	The scheme register entry for the LP, that forms part of the Disclose Register, that is available at <a href="http://www.business.govt.nz/disclose">www.business.govt.nz/disclose</a> by searching “Building A Graham Street Limited Partnership” under “search schemes”
SIPO	The Statement of Investment Policy and Objectives for the LP adopted by the Manager which sets out its investment policies, objectives and strategies for the LP in respect of its investment in Building A as well as the policies it will apply in respect of its management and its investment performance monitoring benchmarks.
Supervisor	Covenant Trustee Services Limited (Company number: 2194946)
Tenants	Together, NZME., Meredith Connell, Pernod Ricard and the Vendor, as tenants under their respective Leases
Units	The units in the LP
Valuation Report	The independent valuation report prepared by Dave Wigmore and Nick Thacker of Jones Lange LaSalle which values Building A on a market value at \$119,850,000 plus GST (if any) as at 23 March 2016, which is available on the Offer Register at <a href="http://www.business.govt.nz/disclose">www.business.govt.nz/disclose</a> by searching “Building A Graham Street Road Limited Partnership” under “search offers”.
Vendor	Mansons Properties (151 Victoria) Limited (Company number: 4403798)

# Directory

## Registered Office Of The Manager

### **Augusta Funds Management Limited (Company number: 3760278)**

Level 2  
4 Viaduct Harbour Avenue  
Auckland 1151

Attention: Mark Francis  
Phone: (09) 300 6161  
Facsimile: (09) 300 6162

## Directors Of The Manager

Bryce Barnett  
Mark Francis  
Paul Duffy  
Martin Goldfinch  
Phillip Hinton  
John Loughlin  
Mark Petersen

## General Partner

### **AFM GP (Building A Graham Street) Limited (Company number: 5975387)**

Level 2, 4 Viaduct Harbour Avenue  
Auckland  
PO Box 37953, Parnell  
Auckland 1151

## Custodian

### **Building A Graham Street Custodian Limited (Company number: 5975407)**

Level 14  
191 Queen Street  
Auckland 1010

## Solicitors

### **Chapman Tripp**

Level 35, ANZ Centre  
23 Albert Street  
Auckland 1010  
PO Box 2206  
Auckland 1140

Telephone: (09) 357 9000  
Facsimile: (09) 357 9099

## Auditor

### **KPMG**

KPMG Centre  
18 Viaduct Harbour Ave  
PO Box 1584  
Auckland 1140

## Selling Agent

### **Bayleys Real Estate Limited (Company number: 88609)**

Maritime Square  
4 Viaduct Harbour Avenue

Auckland 1010  
PO Box 8923  
Auckland 1150

Telephone: (09) 309 6020  
Facsimile: (09) 309 9404

## Supervisor

### **Covenant Trustee Services Limited (Company number: 2194946)**

Level 14  
191 Queen Street  
Auckland 1010





**AUGUSTA**  
FUNDS MANAGEMENT