Valuation Advisory

Report prepared for Pacific Property Fund Limited for inclusion within a Product Disclosure Statement

Anderson Lloyd House

70 Gloucester Street, Christchurch Central

7 December 2020

Executive Summary

Anderson Lloyd House - 70 Gloucester Street, Christchurch Central

The subject property comprises a six level ‘A-Grade’ office building situated to the southern side of Gloucester Street occupying an inside allotment of 948 square metres more or less. Designed by Weir Walker Architecture, the building takes on a cubist-style design which was constructed by Ganellen in 2014 to Importance Level 2 targeting Importance Level 3 (IL2-100% NBS / IL3-130%). An NBS letter completed by Lewis Bradford dated November 2020 confirms the building currently has a seismic capacity of at least 100% NBS after allowing for amendments made to the Building Code over this period. The building is fully leased in levels 1-6 with major tenants including Mediterranean Shipping Company, Anderson Lloyd, Lewis Bradford and Sherpa. In addition, there is a small storeroom to the ground floor which is currently leased to Amherst Properties. The ground floor comprises the main building lobby, ground floor tenancy and car parking. The first floor of the building comprises car parking and accessible bathroom facilities. The weighted average lease term remaining is 4.14 years (by income) and the total net lettable area is 3,097 square metres.

The lease rent review mechanisms reflect a mix of annual CPI adjustments, three to four yearly market reviews, and a combination of both market reviews and annual CPI adjustments, all geared with ratchet clauses. This enables growth over the medium term. All but one lease is structured on a net basis with the tenant paying outgoings, including an apportionment for the common areas of the building. The lease structured on a gross basis includes the ground floor storeroom leased to Amherst Properties comprising $9,400 net p.a. expiring 31 May 2022. Further sublease structures are in place where Anderson Lloyd sublease their level 2 space to CPB Contracting and Mediterranean Shipping Company sublease part of their level 4 space to Crighton Anderson. Anderson Lloyd hold naming rights at $25,000 net p.a.

The property is positioned in the core office area within the CBD on the western side of the Avon River and seen as the premium office location with A Grade tenants situated along Cambridge Terrace in close proximity. Surrounding development includes Riverside Market, The Terrace and Cashel Street Mall to the east providing an abundance of retail offerings. Since the opening of The Terrace and subsequently the Riverside Market in 2019, this part if the City attracts the highest amount of foot traffic within the CBD.

Due to confidentiality reasons for the proposed purchase we were unable to gain full access to all lettable areas within the building. We have been advised by the property manager for the building as to the condition and level of fit out for parts of the tenancies not inspected and we have relied on this information in conjunction with a building services technical due diligence report by Stephenson and Turner in determining our valuation.

The COVID-19 pandemic and associated restrictions have had a significant impact on the global and local economies. At the valuation date New Zealand is at ‘Alert Level 1’, with some caution evident following the second Coronavirus linked lockdown in August. Our valuation is based on our opinion of ‘Market Value’, incorporating an assumption of a willing buyer and seller.

Valuation

Prepared for	Pacific Property Fund Limited
Valuation Purpose	Market Valuation for inclusion within a Product Disclosure Statement
Date of Valuation	7 December 2020
Date of Report	23 December 2020
Valuation Approaches	Capitalisation of Net Income and Discounted Cashflow Approaches
Zoning	Commercial Central City Business Zoning – Christchurch City Council
Tenure	Computer Freehold Record of Title 593199 in the Canterbury Land Registry
Site Area	948 sqm
Lettable Area	3,097 sqm
Adopted Value	**$26,900,000 plus GST, if any** Twenty Six Million Nine Hundred Thousand Dollars plus GST, if any

Valuation Analysis

Initial Yield	5.46%	Rate / sqm of Lettable Area	$8,686
Initial Yield (Fully Leased)	5.46%	Weighted Average Lease Term	4.14 years by income
Equivalent Yield	5.12%	Current Occupancy	100.00%
Internal Rate of Return (10 years)	6.18%	Current Vacancy	0.00%

Tenancy Overview

Mediterranean Shipping Co.	$704,537	1,546 sqm
Anderson Lloyd	$473,564	1,108 sqm
Lewis Bradford	$207,850	472 sqm
Balance	$56,560	-29 sqm
Vacancy	$0	0 sqm
Total – Before Adjustments	$1,442,511	3,097 sqm

Financial Summary

Gross Passing Income	$1,744,176
Gross Market Income	$1,614,839
Adopted Outgoings	$276,665
Net Passing Income	$1,467,511
Net Passing Income (Fully Leased)	$1,467,511
Net Market Income	$1,338,174

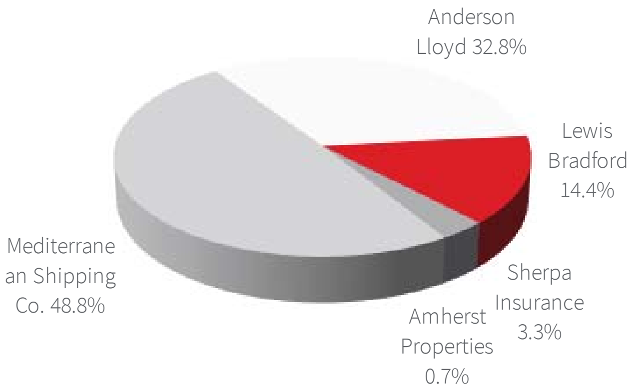
Cap Approach Assumptions

Adopted Cap Rate	5.125%
Allowance for Capex/Expiries	24 months
Market Income Capitalisation	$26,853,000
Passing Income Capitalisation	$26,843,000

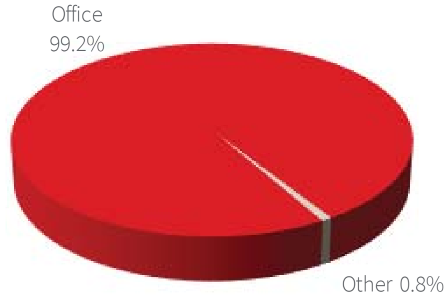
DCF Approach Assumptions

Discount Rate	6.125%
Terminal Yield	5.375%
Average Applied Rental Growth	2.00%
Value Based on DCF Approach	$27,023,000

Major Occupiers



Building Components



Valuers

Graeme McDonald VP Urb, FPINZ, FNZIV, MRICS
Registered Valuer - Director
+64 3 375 6602
graeme.mcdonald@ap.jll.com

Robert Clifford BLPM
Assistant Valuer
+64 27 822 5263
robert.clifford@ap.jll.com

This is a summary only. It must not be relied on for any purpose. Jones Lang LaSalle's valuation of this asset is subject to assumptions, conditions and limitations as set out in the full text of this Valuation Report.

Property Performance

Market Performance

- The office and retail occupier and investment markets will be impacted by the effects of COVID-19 and associated restrictions, however we have limited guidance from transactions as yet. We have attempted to allow for reasonably foreseeable impacts on the property in our assessment of value, as discussed further within.
- With respect to Covid-19 conditions we are seeing the emergence of:
  - A flight to quality mentality.
  - Tenant covenants more closely scrutinised together with the nature of business use (Essential services).
  - Prime (Trophy) assets more keenly sought with a sharpening of capitalisation rates, and the gap widening between prime and secondary capitalisation rates. A contributing factor is the current low interest rates and risk associated with alternative forms of investment.
- To highlight the above, prime and secondary office vacancies in Christchurch have diverged into the third quarter of 2020 with prime vacancy on the decline at 4.9% (down 40 bps over 1h2020) and secondary vacancy at 11% (up 110 bps).
- The Christchurch office sector has begun to stabilise as rebuilding activity following the 2011 earthquake has slowed in comparison with 2018 levels. New supply returning to the market over 2019 and 2020 notably include: Spark Square, the PGG Wrightson building, the Daltons building and the recently restored Public Trust Building.
- Prime office rents have held firm since 3Q19. Average prime CBD rents are recorded at $330 psm with upper limits around the $370 to $390 mark.
- Prime CBD yields have seen a decline over the quarter, averaging 5.88% (down 12 bps), while prime suburban yields remained at 6.75%. We expect to see a greater divergence between CBD and suburban office as the pull toward central locations gathers momentum and believe the Christchurch prime yield range is now 5.00% to 5.75% based on limited transaction evidence post covid-19.

Asset Performance

- The property is positioned on an inside allotment to the southern side of Gloucester Street within the Core Central Business District of Christchurch. The subject is positioned on the western side of the Avon River which is seen as the premium office location with A Grade tenants situated along Cambridge Terrace in close proximity. Surrounding development includes the Riverside Market Development, The Terrace hospitality sector and Cashel Street Mall to the east providing an abundance of retail offerings.
- The zoning is identified as Commercial Central City Business zone which is the principal employment and business centre for the City and enables relatively high building height with an overlay of 28 metres under the Christchurch District Plan.
- The building was constructed in 2014 to a high standard with a good level of fit out. The building is showing no obvious signs of maintenance and deterioration and we believe capital expenditure to be minimal over the discounted cash flow period. Building Services Technical Due Diligence has been carried out by Stephenson & Turner. The report provides a 'ball park' figure for capital expenditure approximating $520,000 over the next 6-10 years including some lighting services upgrading. Our allowance to maintain the rental growth is slightly less.
- The subject property provides direct access to the Gloucester Street frontage being a two-way thoroughfare from east to west. As it stands, the property enjoys views to the north, north-west, and some views to the south.

Cash Flow Performance

- The property is currently 100% occupied with major occupiers including Mediterranean Shipping Company, Anderson Lloyd, Lewis Bradford and Sherpa.
- The passing rent reflects rates of $400 to $433 over the Office component, which is slightly above our opinion of market rental rates. This, particularly due to annual CPI increases.

- The weighted average lease term for the property (by income) is 4.14 years, which we considered slightly short for this class of asset, with investors particularly attracted to properties with slightly longer lease profiles. However major tenants including Anderson Lloyd and Mediterranean Shipping Company and have particularly extensive fit-outs, occupy 85.7% of the building and have lease terms expiring in 2024 and 2026 respectively. No comparable alternative accommodation is currently available and vacancy rates are decreasing.
- We have been provided with an outgoings budget for the 20-2021 year of approximately $276,663.82 or $89.36 per square metre of recovered OPEX. We believe this to be within market parameters for a building of this nature.
- We have made an allowance of $100psm on lease expiries for capital expenditure over our projected cash flows.

Critical Assumptions, Conditions & Limitations

- The valuation is current as at the date of valuation only, being 7 December 2020. The value assessed herein may change significantly and unexpectedly over a relatively short period (including as a result of general market movements or factors specific to the particular property).
- We do not accept liability for losses arising from such subsequent changes in value. Without limiting this statement, we do not accept any liability where this valuation is relied upon more than 60 days after the date of valuation, or earlier if you become aware of any factors that may have any effect on the valuation.
- This 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. We therefore recommend that before any action is taken involving an acquisition, disposal or other transaction more than 60 days after the date of this report, you consult the Valuer.
- This valuation has been completed for the specific purpose stated in this report. No responsibility is accepted in the event that this report is used for any other purpose.
- Our valuation assumes the information provided by the instructing party or its agents is correct and we reserve the right to amend our calculations, if deemed necessary, if that information is incorrect.
- Our valuation assumes all other professional/consultancy advice provided and relied upon is true and correct.
- We have relied on building areas, income figures and expense figures as provided by the instructing party or its agents and made specified adjustments where necessary. Where possible these have been verified through lease documentation and physical measurements.
- Unless otherwise stated all property measurements 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 we have normally undertaken measurement in accordance with Property Council of New Zealand Standards.
- We have relied on the land dimensions and areas as provided in the Record 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 Lang LaSalle accepts no responsibility if any of the land dimensions or the area shown on title is found to be incorrect.
- Our valuation is made on the basis that the property 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 report or registered on the Record of Title.
- Enquiries as to the financial standing of actual or prospective tenants are not normally made unless specifically requested. Where properties are valued with the benefit of leases it is therefore assumed that the tenants are capable of meeting their obligations under the lease and that there are no arrears of rent or undisclosed breaches of covenant.
- In the case of buildings where works are in hand or have recently been completed Jones Lang 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.
- 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.
- 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 for any such conditions and the recipient of this report is advised that the valuer is not qualified to detect such substances or estimate the remedial cost.
- While due care has been taken to note any contamination liability, our investigations have been undertaken for valuation purposes only, and this report does not constitute an environmental audit. Unless otherwise stated no account has been taken of the effect on value due to contamination or pollution.
- We have undertaken a visual inspection in respect of any building valued, but must advise that we have not commissioned structural surveys or tested any of the services and are therefore unable to confirm that these are free from defect. We note further that we have not inspected unexposed or inaccessible portions of any building and are therefore unable to certify that these are free from defect.
- We note we 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 the building prove to have structural or weather penetration issues we reserve the right to amend the valuation assessment and any recommendations contained within this report.

- Any elements of deterioration apparent during our consideration of the general state of repair of building/s has been noted or reflected in our valuation. We are however, unable to give any warranty as to structural soundness of any building and have assumed in arriving at our valuation that there are no structural defects or the inclusion of unsatisfactory materials.
- 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 the building 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.
- Information on town planning and resource management is often obtained verbally from the local planning authority and if assurance is required Jones Lang LaSalle recommends that verification is sought from the relevant authority that confirms the position is correctly stated within this report, that the property is not subject to other decisions or conditions prescribed by public authorities and that there are no outstanding statutory notices.
- Jones Lang 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 we have obtained a Land Information Memorandum, we comment on this within our report. Where we have not obtained a Land Information Memorandum our valuation is therefore undertaken with the assumption that there are no outstanding requisitions.
- Unless otherwise stated all currencies within this report are in New Zealand Dollars.
- 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).
- A reliant party can only rely on this valuation if received directly from JLL without any third party intervention.

Table of Contents

Appendices

1 Introduction

1.1 Instructions

We refer to instructions from Daniel Lem requesting that we undertake a market valuation of the freehold interest of 70 Gloucester Street, Christchurch Central (the Subject/Property), as at 7 December 2020 for and on behalf of Pacific Property Fund Limited. We understand that the valuation is to be relied upon for inclusion within a Product Disclosure Statement only.

Our report has been prepared in accordance with the current Australia and New Zealand Property Institute's Valuation Standards, International Valuation Standards and the instructing parties valuation brief, and we confirm that the prime signatory:

- is independent of both the Instructing Party and Report Recipient;
- is authorised, under The Valuers Act 1948 to practise as a Valuer;
- is suitably registered and qualified to carry out valuations of such property;
- has no pecuniary interest that could reasonably be regarded as being capable of affecting that person's ability to give an unbiased opinion of the Property's value or that could conflict with a proper valuation of the Property;
- has satisfied professional education requirements and has experience in the location and category of property being valued or where applicable, has sought the advice of suitably qualified professionals who hold locational expertise; and
- has made a personal inspection of the property.

We confirm:

- the statements of fact presented in the report are correct to the best of the Valuers knowledge;
- the analyses and conclusions are limited only by the assumptions and conditions which follow within this report;
- the firm, Jones Lang LaSalle and the undersigned Valuers do not have a direct or indirect pecuniary interest in the subject property;
- the professional fee charged in relation to this assignment has not been contingent upon any aspect of this report;
- the valuation contained herein has been performed in accordance with PINZ / NZIV Codes of Ethics and Conduct;

The following parties may rely on this valuation report for the purposes stated above:

- Pacific Property Fund Limited.

Our report is confidential to the party or parties to which it is addressed, for the specific purpose to which it refers. No responsibility is accepted to any third parties. Neither the whole of the report or any part of it or any reference to it, may be published in any document, statement or circular or in any communication with third parties without our prior written approval of the form and context in which it will appear. Furthermore, this report can only be relied upon when the given party has received the report directly from JLL.

1.2 Valuation and Inspection Dates

The key dates that are relevant for our valuation are shown below:

Date of Valuation	7 December 2020
Date of Property Inspection	7 December 2020
Date of Preparation of Report	23 December 2020

Our valuation reflects the valuer's view of the market as at the inspection date.

1.3 Basis of Valuation

Market Value

The value given herein is that of the market value of the Property as defined by the International Valuation Standards Committee (IVSC), and endorsed by the API and PINZ, which is as follows:

"Market Value is the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion."

We confirm that this valuation has been undertaken on the basis of the price that might reasonably be expected if the Property was sold at the date of valuation assuming:

- a willing, but not anxious, buyer and seller;
- a reasonable period within which to negotiate the sale, having regard to the nature and situation of the Property and the state of the market for property of the same kind;
- that the Property was reasonably exposed to that market;
- that no account is taken of the value or other advantages or benefit additional to market value, to the buyer incidental to ownership of the property being valued;
- that the current proprietor has sufficient resources to allow a reasonable period for the exposure of the Property for sale; and
- that the current proprietor has sufficient resources to negotiate an agreement for the sale of the Property.

Included within this valuation are lessor-owned items of building fixtures, fittings, plant and equipment. These items exclude all movable equipment, furniture, furnishings and tenant owned fit-out and improvements.

1.4 Relevant Valuation Standards & Disclosures

The valuations contained herein have been completed in accordance with current Australia and New Zealand Valuation and Property Standards, and in particular with:

- IVS (International Valuation Standards 2020) Framework and General Standards
- ANZVTIP 11 – Valuation Procedures – Real Property
- ANZVTIP 12 – Valuations for Mortgage & Loan Security Purposes

1.5 Information Sources

The information reviewed or previously provided includes, but is not limited to, the following:

- Record of Title particulars memorialised by Land Information New Zealand;
- Resource Management classifications and controls as stated within the District Plan of the governing Territorial Local Authority;
- Sales and leasing data from various industry sources, including real estate agents;
- Market research and forecasts from JLL Research; and
- Lease documentation, building areas, operating expense budget and tenancy schedule supplied by the instructing party or managing agent.

Our valuation is based on a significant amount of information that has been sourced from the instructing party or managing agent and other third parties. We have relied upon the accuracy, sufficiency and consistency of the information supplied to us. Jones Lang LaSalle accepts no liability for any inaccuracies contained in the information disclosed to us.

1.6 Specific Assumptions

Our assessment as to value has been based on the following specific assumptions:

- Due to confidentiality reasons for the proposed purchase we were provided limited access only to each floor of the building and did not fully view every part of each tenancy. However we noted a general high standard of fitout where inspected and note the Building Services Technical Due Diligence report carried out by Stephenson & Turner concludes 'no significant issues identified, all building services are in good condition.' We therefore assume the uninspected areas to be in a comparable condition to those inspected with no obvious defects evident.
- The Novel Coronavirus (COVID-19) was declared a 'Global Pandemic' by the World Health Organisation on 11 March 2020. This led to a significant range of restrictions on individuals and businesses locally and throughout the world. New Zealand experienced a nationwide Level 4 Lockdown in March-April this year, and more recently Auckland

returned to Level 3 Lockdown in August as the virus re-emerged in community transmission.   New Zealand is now at Level 1, however there are continued restrictions on international travel and some caution evident.

The introduction of restrictions on people and businesses alongside significant economic stimulus packages have resulted in fluctuations in asset values, and we note that transactions agreed prior to or during the restrictions may or may not be indicative of current market conditions. We refer to the definition of Market Value outlined above and the principles of 'willing buyer', 'willing seller' acting 'prudently and without compulsion' as adopted within our valuation.

Given the circumstances of COVID-19, we have had regard to a range of inputs and market evidence in coming to our opinion of Market Value. Notwithstanding this, there may be a greater range around our opinion of Market Value than would normally be the case.

2 Property Particulars

2.1 Location

The property is located to the southern side of Gloucester Street within a prime position in the Christchurch CBD. This portion of the Central City contains core office uses with Deloitte, Awly Building, Lane Neave Building, Pita Te Hori Centre and PWC Centre situated within close proximity to the subject. Across the river to the east of the core retail area provides Riverside Market, The Terraces and Cashel Street Mall providing high foot traffic.

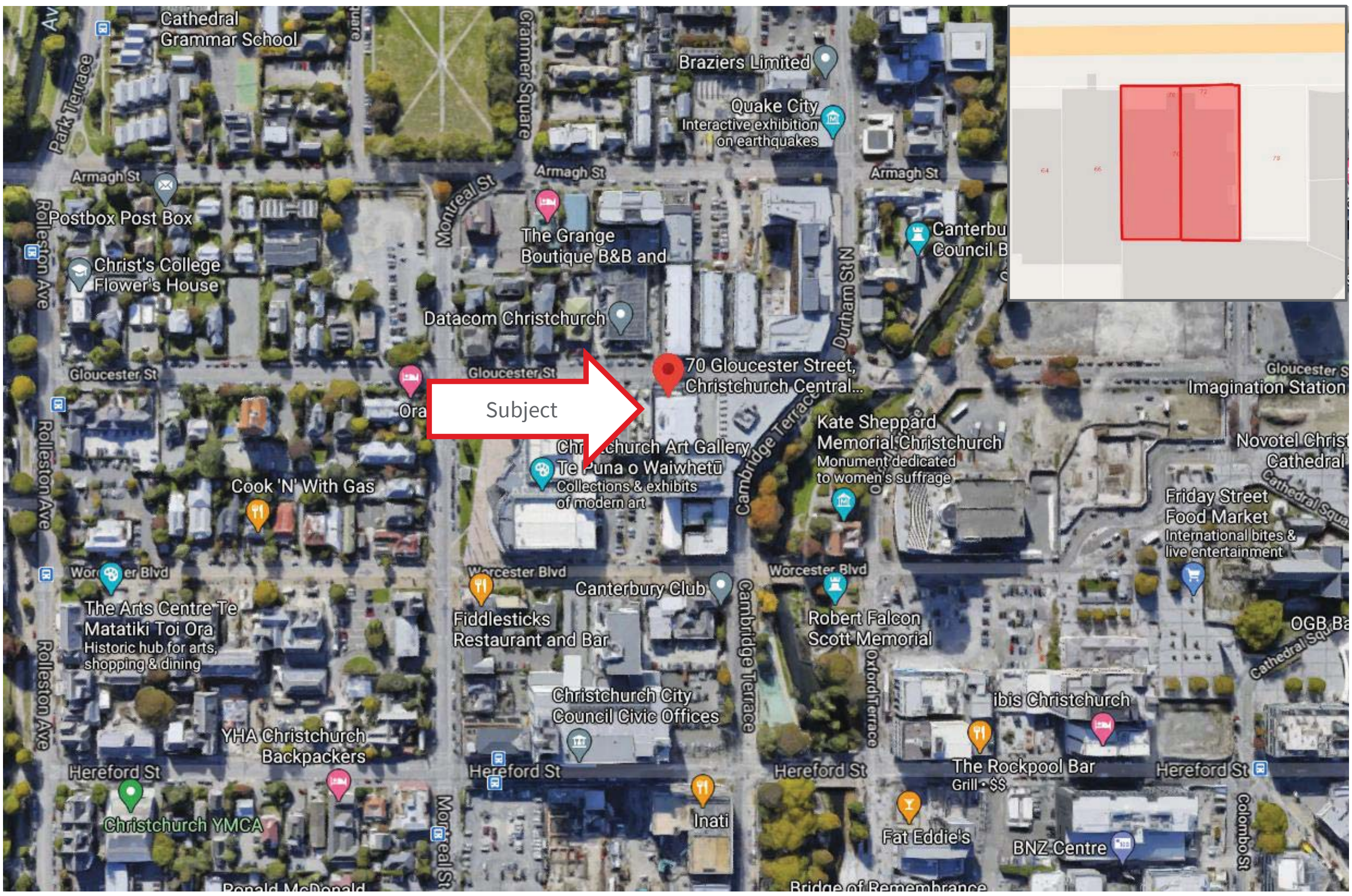
Parking is in the form of ground and first floor covered parking spaces combining to a total of 29 spaces with further bicycle parking. Additional car parking can be found nearby at a number of Wilsons Car Parks, The Art Gallery or West End Car Park for guest parking or additional staff parking.

The property is on several bus routes and close to cycle ways. Within walking distance are retail shops, supermarket, cafes, and recreation facilities, Hagley Park, the Botanic Gardens and the Christchurch Arts Centre.

In summary, the main characteristics are:

- Good transport links with the bus exchange and car parking buildings in walking distance.
- Close proximity to other core office A Grade buildings, superior retail offerings and Hagley Park.
- Within a prime area in the Central Business District which will likely attract stronger tenants due to the amenities available.

The following map identifies the approximate location of the Property:



Source: Google Maps

2.2 Title Particulars

Title Reference	593198
Tenure	Fee Simple
Legal Description	Lot 2 Deposited Plan 457482
Area	473 square metres more or less
Registered Owner	SSF Three Limited
Registered Interest	**9447565.11 Consent Notice pursuant to Section 221 Resource Management Act 1991 - 5.8.2013 at 3:56 pm -** *Any structure requiring a Building Consent, in terms of Building Act provisions, shall have specific foundation design by a chartered engineer or by an appropriately qualified geotechnical engineer, with reference to vertical settlement aspects and in conjunction with potential land improvement works.* **9507209.1 CERTIFICATE PURSUANT TO SECTION 77 BUILDING ACT 2004 THAT THIS COMPUTER REGISTER IS SUBJECT TO THE CONDITION IMPOSED UNDER SECTION 75(2) (ALSO AFFECTS 593198)** – *That the allotments 593198 and 593199 must not be transferred or leased except in conjunction with each other.* 5.9.2013 at 9:10 am 11223466.3 Mortgage to ANZ Bank New Zealand Limited - 28.9.2018 at 4:43 pm

Title Reference	593199
Tenure	Fee Simple
Legal Description	Lot 3 Deposited Plan 457482
Area	475 square metres more or less
Registered Owner	SSF Three Limited
Registered Interest	**9447565.11 Consent Notice pursuant to Section 221 Resource Management Act 1991 - 5.8.2013 at 3:56 pm -** *Any structure requiring a Building Consent, in terms of Building Act provisions, shall have specific foundation design by a chartered engineer or by an appropriately qualified geotechnical engineer, with reference to vertical settlement aspects and in conjunction with potential land improvement works.* **9507209.1 CERTIFICATE PURSUANT TO SECTION 77 BUILDING ACT 2004 THAT THIS COMPUTER REGISTER IS SUBJECT TO THE CONDITION IMPOSED UNDER SECTION 75(2) (ALSO AFFECTS 593198)** – *That the allotments 593198 and 593199 must not be transferred or leased except in conjunction with each other.* 5.9.2013 at 9:10 am 11223466.3 Mortgage to ANZ Bank New Zealand Limited - 28.9.2018 at 4:43 pm

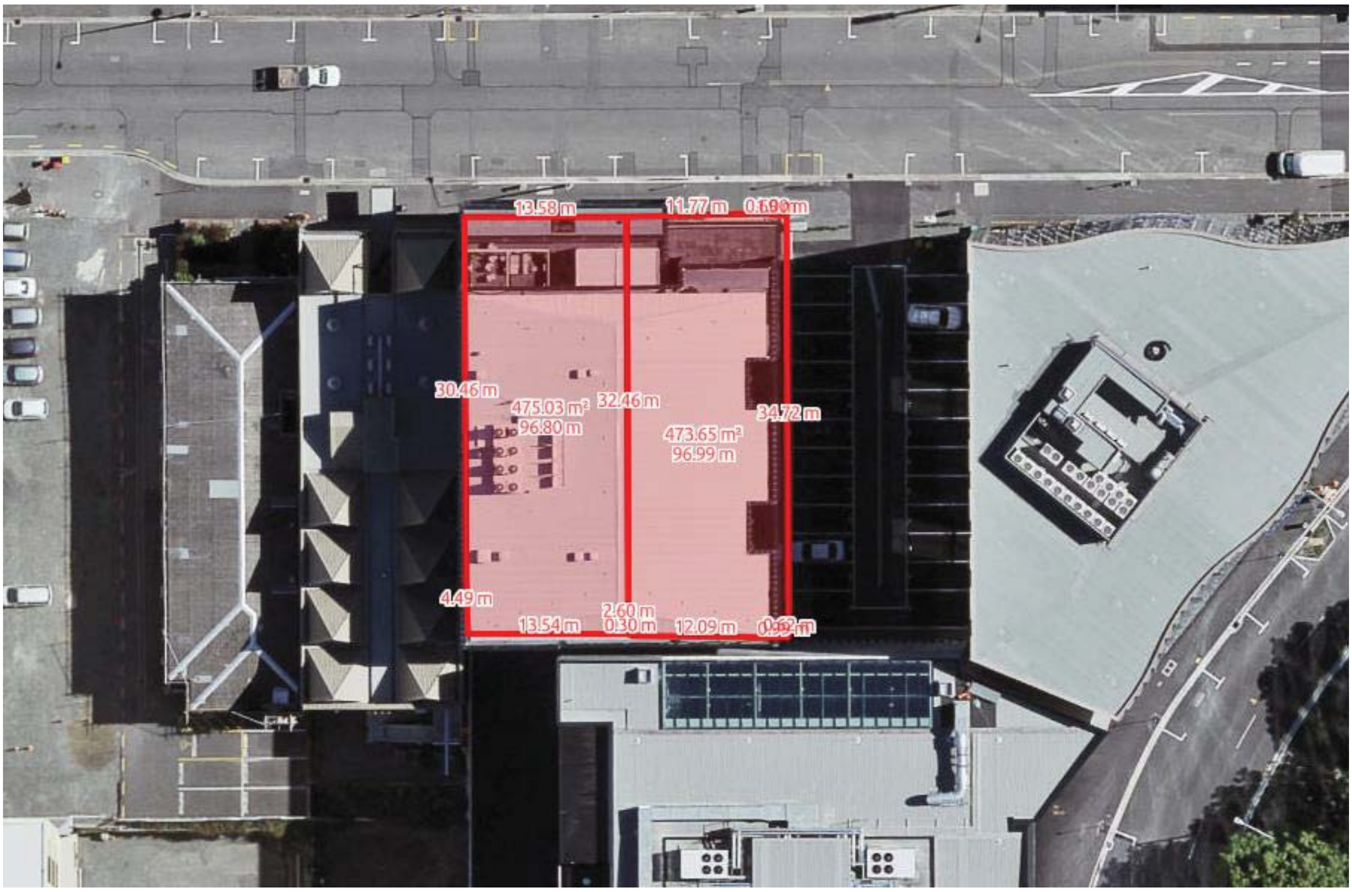
Source: Land Information New Zealand

We have considered these notifications in arriving at our opinion of value. For a detailed summary of the dealings noted above, we refer you to the Record of Title appended to this report.

2.3 Site Details

The site at 70 Gloucester Street is split into two parcels over two Records of Title. Regularly shaped and level in contour, the site holds an inside allotment to the southern side of Gloucester Street comprising a total area of 948 square metres. All normal services to the site are connected.

Frontage		28 metres
Depth		35 metres
Site Area	Area of Lot 2	473 square metres
	Area of Lot 3	475 square metres
	Total Area	948 square metres



Source: Emap

2.4 Resource Management

Local Authority:	Christchurch City Council
Planning Instrument:	Christchurch City Council's Operative District Plan
Operative Date:	19 December 2017, subject to outstanding appeals and variations
Zoning:	CB - Commercial Central City Business
Objectives:	The Commercial Central City Business Zone is the principal employment and business centre for the City and wider region and the primary destination for a wide range and scale of activities including comparison shopping, dining and night life, entertainment activities, recreation and community activities as well as civic and cultural venues, events and tourism activities.

The existing improvements would appear to comply with the resource management requirements of the site. Further, we have assumed that the property benefits from existing use rights or has an applicable Resource Consent.

2.5 Rateable Value

We have been advised that the Property's Rateable Value, as at 1 August 2019, being Assessment Number 22680/62102, is as follows:

Land Value	$2,280,000
Improvements Value	$12,120,000
Capital Value	$14,400,000

We note that rating valuations do not take account of a number of key issues affecting value, including land tenure and occupancy arrangements, and are often assessed on an indexed or kerb-side basis. Accordingly, market and rating values may vary significantly.

2.6 Environmental Issues

During the course of our inspection we did not notice any evidence of land or building contamination. Importantly, however, we are not experts in the detection or quantification of environmental problems and we have not sighted an Environmental Audit.

We have searched Environment Canterbury's Listed Land Use Register (LLUR) in relation to contaminated or potentially contaminated land. Such identifies properties listed on the Hazardous Activities & Industries List (HAIL). The subject property does not appear as a HAIL listed property.

Our valuation has been made assuming an audit would be available which would satisfy all relevant environmental, and occupational health & safety legislation. If the Property's current status needs to be clarified, an Environmental Audit should be undertaken. Our valuation excludes the cost to rectify and make good the Property, which may have become contaminated as a result of past and present uses.

Listed Land Use Register (LLUR)

Search

70 Gloucester Street, Christchurch Central, Christchurch

(Having trouble finding your address?)

OVERVIEW | FINDING YOUR ADDRESS | SEARCH SUMMARY

Thank you for your enquiry.

The Listed Land Use Register does not currently have any information about a Hazardous Activities and Industries List site on this land parcel.

If you would like a property statement, please fill in your details below.

Records Found

No records found.

Property Search Results

	Legal Description	Titles	Valuation No	✖
70 GLOUCESTER STREET				
1	Lot 2 DP 457482	593198	2268062102	✖
2	Lot 3 DP 457482	593199	2268062102	✖

2.7 Heritage

We have not undertaken any formal heritage searches; the property is not notified on the District Plan as being a heritage structure and our valuation is made on the assumption that there are no heritage issues relating to the Property.

2.8 Improvements

The subject property comprises a six level 'A-Grade' office building situated to the southern side of Gloucester Street occupying an inside allotment of 948 square metres more or less. Designed by Weir Walker Architecture, the building takes on a cubist-style design which was constructed by Ganellen in 2014 to Importance Level 2 targeting Importance Level 3 (IL2-100% NBS / IL3-130%). An NBS letter completed by Lewis Bradford dated November 2020 confirms the building currently has a seismic capacity of at least 100% NBS after allowing for amendments made to the Building Code over this period. The building is fully leased in levels 1-6 with major tenants including Mediterranean Shipping Company, Anderson Lloyd, Lewis Bradford and Sherpa. The total net lettable office area of the building is 3,097 square metres plus decks of 130 square metres and storeroom of 47 square metres. The building is supported by 29 onsite secured covered car parks on the ground and first floor.

Gloucester Street Frontage

2.9 Construction

We briefly outline construction details to the building as follows:

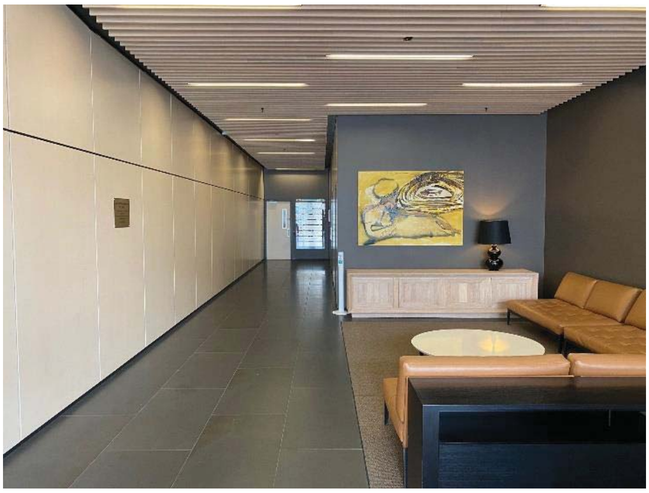
Structure:	Continuous Flight Auger ground improvement. This involves the construction of a grid of closely spaced concrete piles constructed using a continuous flight auger. These piles extend into the intermediate gravel layer at 4-6m depth. Built to target IL3 and 130% of NBS code. Steel fabricated office floors comprise precast concrete ribs with timber infills and an insitu concrete topping slab over. For the carpark levels the floor construction is similar to the office levels but the UC columns are concrete encased for fire protection and additional robustness.
External Walls:	Predominantly aluminium sheeting and glass façade. Perforated aluminium cladding is utilised to the first floor car parking area for ventilation.
Internal Walls:	Predominantly plasterboard linings to lettable areas.
Roof:	Steel over DHS purlins spanning between 250UB roof beams which span continuously over UB columns or onto concrete walls.
Ceiling:	Majority of the space is in a suspended grid system. We note that some of the larger tenancies have decorative bespoke ceilings as part of their fitout including plasterboard and timber panel design with acoustic qualities. The ground floor foyer ceiling presents acoustic timber designed ceilings.
Lighting:	Predominantly recessed LED tube lighting.
Windows and doors:	Aluminium framing and double glazed windows.
Key Services:	Heat recovery ventilation units for levels 2-5 to provide outdoor air to occupied spaces and to ventilate toilet areas. Heat recovery air conditioning units for levels 2-5. 2x Ducted air conditioning units to the ground floor retail space. Mechanical ventilation controlled by CO sensors to the car park. Two Schindler passenger lifts – 13 person capacity. Two electric main pressure hot water cylinders 300L and associated hot water circulation pump. Central fire sprinkler system.

2.10 Accommodation

Ground Floor

The foyer incorporates LED tube lighting recessed into decorative timber ceilings with tiled flooring which leads to the lift area. The services room positioned adjacently and this space incorporates a combination of masonry block and precast concrete panel walls. An internal staircase is located adjacently to the lift shafts. Car park access is available to the south.

The purpose built retail space is currently being used for office space and is positioned adjacently to the east of the lobby area via direct street access. This space encompasses a mixture of polished timber and carpeted flooring, plasterboard wall linings and LED tube lighting recessed into a suspended grid system.

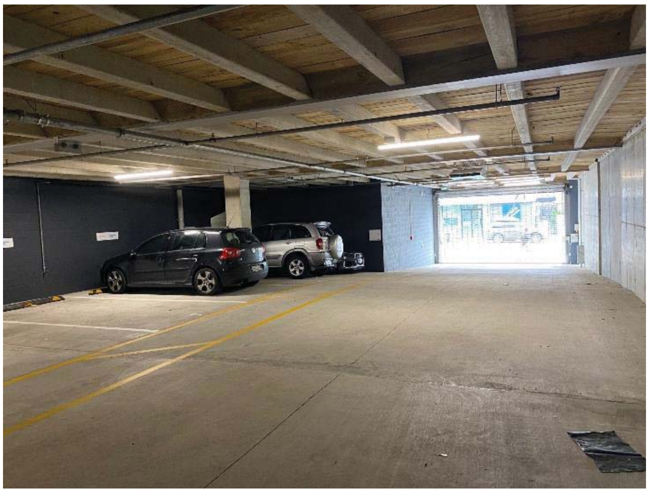


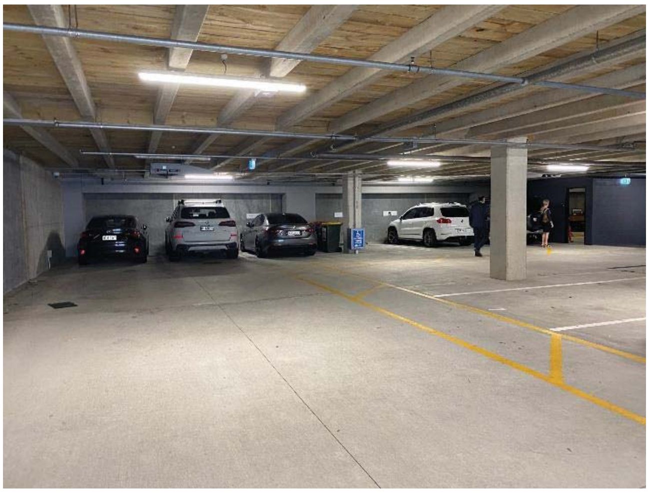
Foyer

Services Room

Sherpa Tenancy

Ground Floor & First Floor Car Parking	Car parking is accessed from Gloucester Street which enters a gentle rise into a space encompassing 29 covered car parks in total including 10 to the ground floor and 19 to the first floor as well as bicycle parking. Construction incorporates concrete floors and fluorescent tube lighting. A perforated aluminium cladding is utilised to the first floor for ventilation. A storeroom is located on this floor and this space comprises a combination of masonry block and precast concrete walls and concrete floors. 2x 300l hot water cylinders are also located on this floor and provide insulated piping for efficient hot water delivery to the entire building.

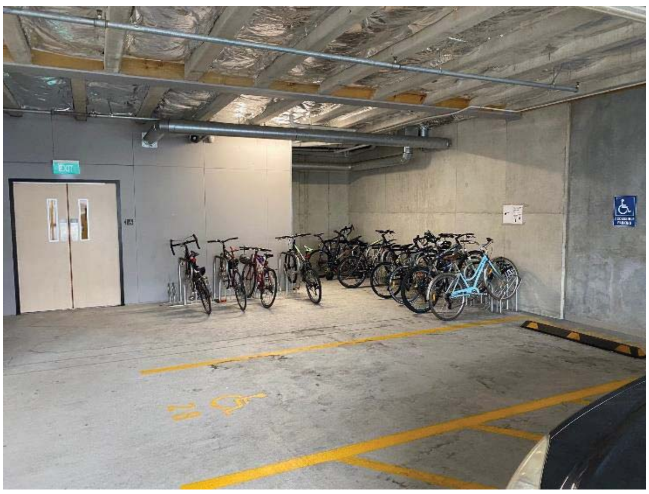




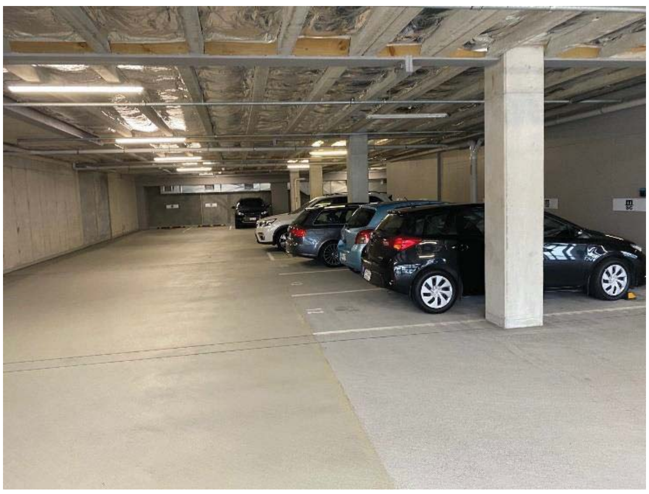
Ground Floor Car Parking

Ground Floor Storeroom

Hot Water Cupboard



First Floor Bicycle & Disabled Parking



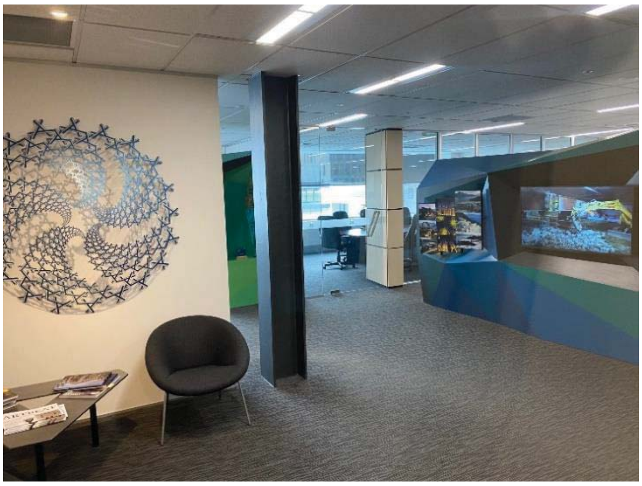
First Floor Car Parking

First Floor Accessible Amenities

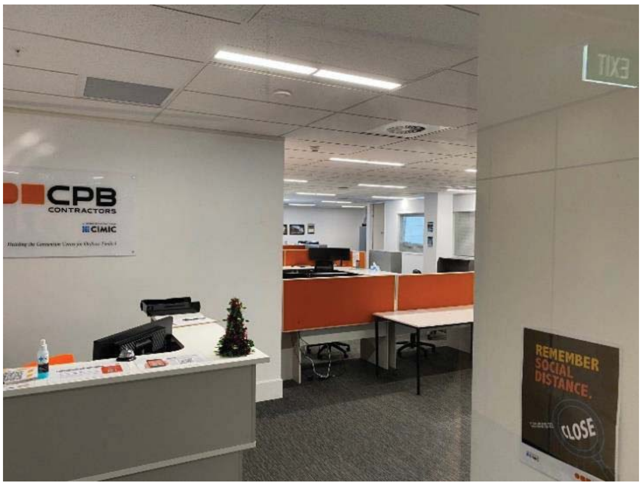
Second Floor – Lewis Bradford & CPB Contracting

The second floor office space is divided into two separate tenancies which provide a good level of office accommodation with suspended grid ceiling tiles, plasterboard wall partitions and carpet tile flooring. A balcony approximates 38 square metres and is situated to the northern side of the building, available to Lewis Bradford. Shared amenities are available off the common area adjacent to the lift shaft and this space provides an accessible shower, toilet and hand basin. There are structural beams which run through each floor.

Part of this floor is currently sublet by Anderson Lloyd to CPB Contractors. The sublease expires 14th December 2020 and we have not been advised as to whether they will continue to occupy the space.



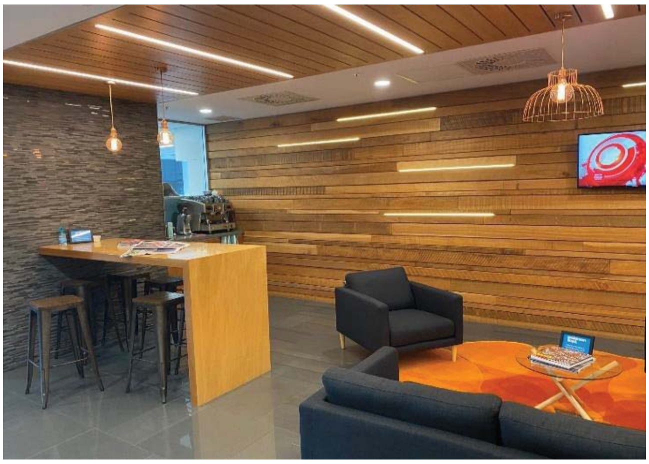
Lewis Bradford

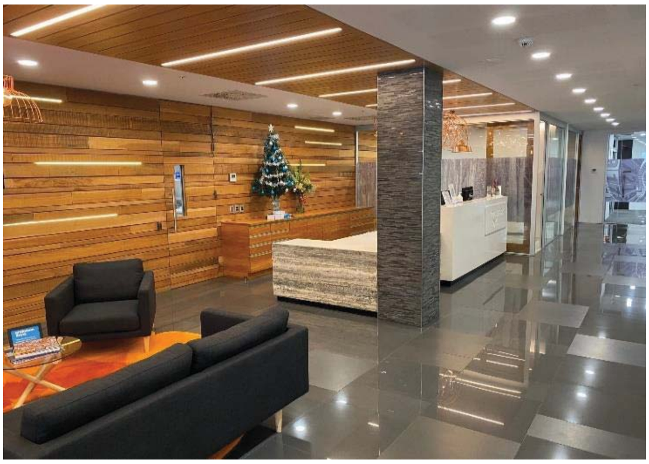


CPB Contractors

Third Floor – Anderson Lloyd

Levels 3-5 are very similar in terms of providing a high degree of internal fitout, comprising open plan office areas being carpeted with the majority of the ceilings in the form of suspended grid ceilings with feature areas. Lighting is in the form of recessed LED tube lighting with decorative downlights in the staff room and foyer areas. There are a number of meeting rooms and dedicated offices partitioned off with glass and plasterboard. There is a HVAC system for the building servicing each space.
The flooring comprises a mixture of carpet, tile and vinyl.
This floor incorporates substantial decorative timber, tiles and lighting to the reception area. Two meeting rooms are situated adjacently and comprise a mixture of glass and plasterboard partitioning and carpet tile flooring. The cafeteria provides a good level of amenity with quality joinery.



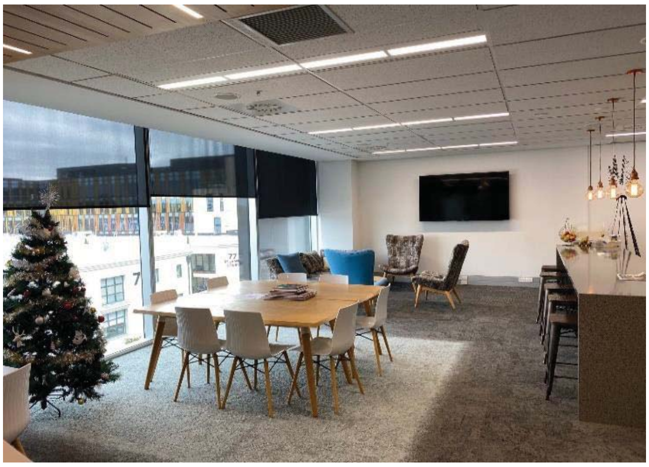


Reception Area

Level 2 Amenities

Meeting Room

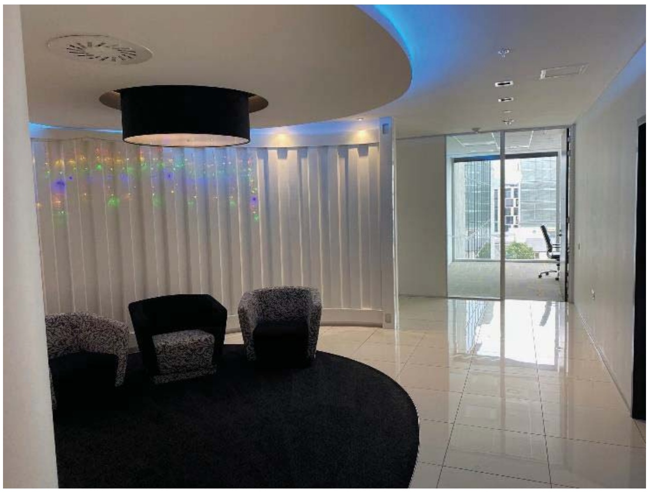
Board Room



Staff Room

Fourth Floor – Mediterranean Shipping Company & Crighton Anderson

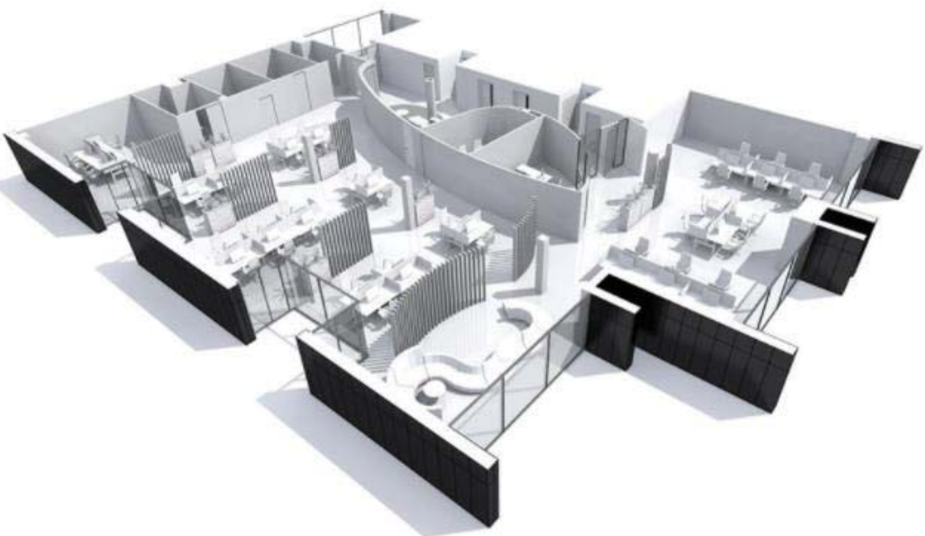
Level four again provides a substantial degree of internal fitout with decorative features and plasterboard linings to the reception area. The board room space provides views to the south. Part of this floor is currently sublet to Crighton Anderson.



Floor Reception Area

Reception Area

Board Room

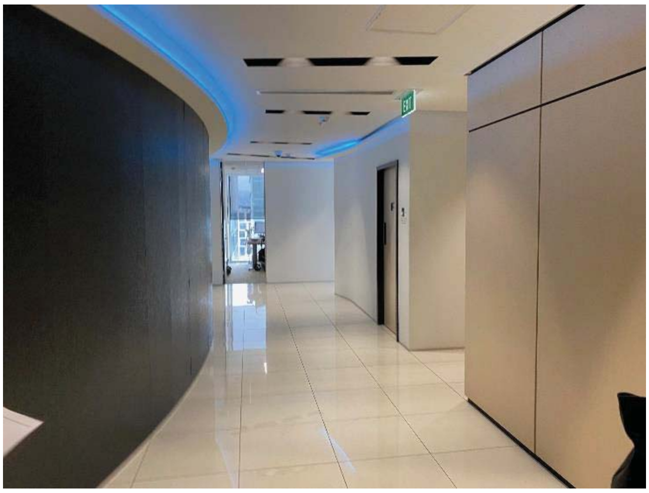


Fourth Floor Layout

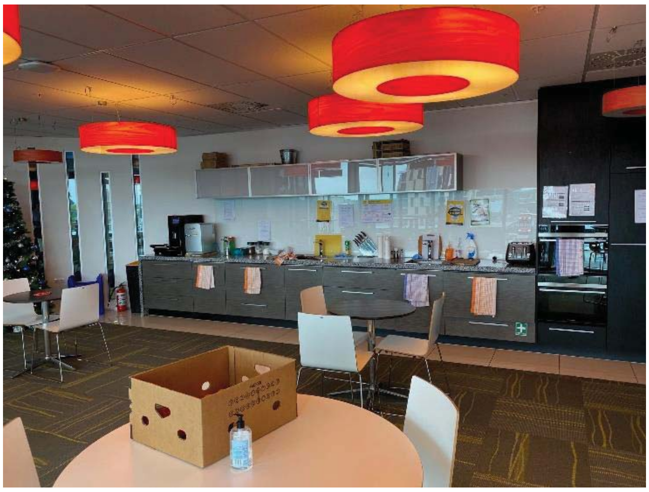
Source: Weir Architecture

Fifth Floor – Mediterranean Shipping Company

The fifth floor incorporates a similar degree of fitout to the floor below, without the incorporation of a reception area. This floor enjoys an extensive balcony area of circa 92 square metres with appreciable northern views and comprising tiled floors, glass balustrade and an area serviced by a retractable roof.



Lobby Area



Cafeteria Area

Board Room

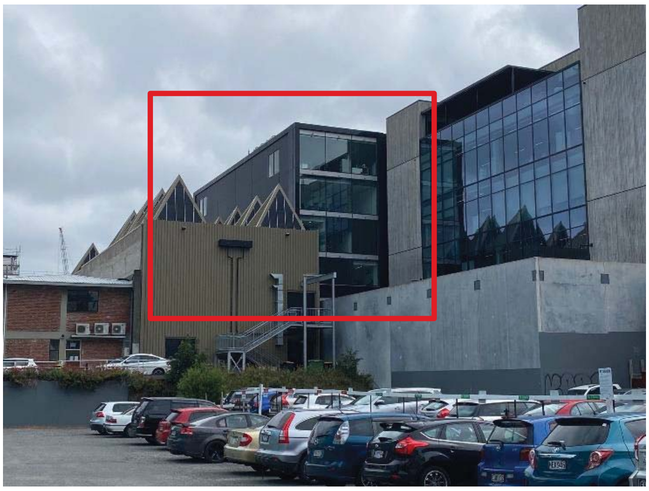
Balcony Area

Exterior

North West Elevation

North Elevation

North East Elevation



South West Elevation

2.11 Lettable Areas

The Property's total Lettable Area is approximately 3,097 square metres. A summary of this Lettable Area is detailed as follows:

Building Floor Area	
Accommodation/Level	Lettable Area
Ground Floor	101
Second Floor	771
Third Floor	771
4th & 5th Floor	1,454
Total Lettable Area	3,097 square metres
Car Parking	Spaces
Covered spaces	29
Total Car Parking	29 spaces

In addition are decks of 130 square metres and storeroom of 47 square metres. The building is supported by 29 onsite secured covered car parks on the ground and first floor.

The areas noted above have been taken from lease documentation/provided by the client.

2.12 Condition and Repair

We inspected the interior and exterior of the property. The building appears to have been well maintained with no significant deferred maintenance requirements evident.

Our valuation has had regard to the apparent state of repair and condition of the Property; however, we were not instructed to carry out a structural survey or to test any of the services available to the Property. We are therefore unable to report that the Property is free from further defect and we have assumed that no deleterious material was used in the construction.

A Building Warrant of Fitness is an annual certificate that confirms the Specified Systems in the building have been inspected and maintained, and that the requirements of the Compliance Schedule associated with the operation of the property in its current use have been complied with. We confirm that we have sighted a Warrant of Fitness for the property current through to March 2021, and therefore assume that the property complies with the provisions of Compliance Schedule BWOF 50389.

The Health and Safety at Work (Asbestos) Regulations 2016 place requirements on building owners and occupiers in terms of assessing the risks associated with asbestos within buildings. Worksafe New Zealand recommend that buildings constructed before January 2000 are assessed for materials likely to contain asbestos, and if found, formulate a management plan.

As the building was constructed after January 2000 we have not sought further information on asbestos within the property.

2.13 Earthquake Strengthening Requirements

New Zealand is prone to seismic activity and there are requirements on building owners to ensure their buildings are safe for occupants and users as outlined in the Building Act 2004 and Amendment (Earthquake-prone Buildings) Act 2016. These regulations categorise New Zealand into three seismic risk areas and sets timeframes for identifying and taking action to strengthen or remove earthquake prone buildings.

As part of our valuation we have been made aware of the following information:

Year of Building Construction	2014
National Risk Zone	High
Compliance with New Building Standard	Built to 100% NBS / 130% NBS, currently at least 100% NBS
Assessment Type	NBS Letter
Assessment Completed By	Craig Lewis – Lewis Bradford
Assessment Date	23 November 2020

We note the building does not appear on the Earthquake Prone Building Register as published here: https://epbr.building.govt.nz/.

The NBS letter provided by Lewis Bradford details that the building was designed in 2012, culminating the issue for building consent of a PS1 (Producer Statement Design) in December 2012. The base structure was designed for a target load resistance of 130% NBS at that time. The letter states, "since the design and construction monitoring of the building in 2012-2014, there have only been minor amendments to the structural design standards incorporated in the New Zealand Building Code for a building of this nature and age. Therefore we can confirm that the building has a current seismic capacity of at least 100% NBS."

The letter goes on to suggest a Detailed Seismic Assessment (DSA) of the building to more accurately quantify the current %NBS of the building.

We are not qualified to undertake a structural survey of the property, and have proceeded based on the information available. We recommend interested parties confirm the insurability of the subject building.

3 Property Income and Expenditure

3.1 Tenancy Overview

We have been provided with a tenancy schedule and with Lease documentation that was available at the time of valuation.

The net rental from the Property can be summarised as follows:

Tenant	Net Rental	Lettable Area	Proportion of Lettable Area
Mediterranean Shipping Co.	$704,537	1,546	49.9%
Anderson Lloyd	$473,564	1,108	35.8%
Lewis Bradford	$207,850	472	15.2%
Sherpa Insurance	$47,160	101	3.3%
Amherst Properties	$9,400	47	1.5%
Total	$1,442,511	3,097 sqm	100%

The events surrounding COVID-19 have led to greater consideration by market participants of the covenant strength of the occupiers within investment property. We are not qualified to advise you on the financial standing of the occupiers, however have formed a view on how we think the market would approach the tenancy profile of the property.

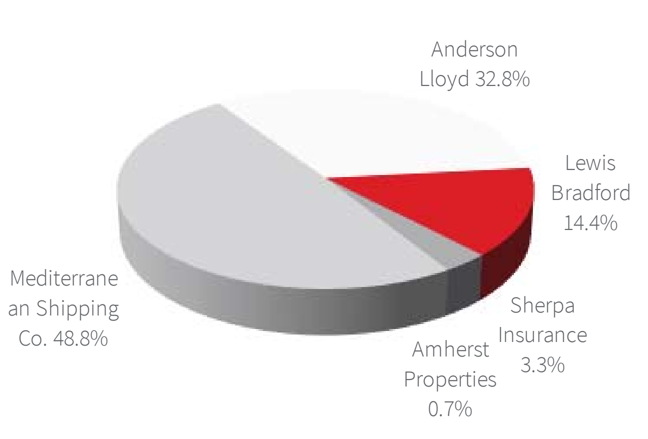
Mediterranean Shipping Company and Anderson Lloyd are known in the marketplace as superior quality tenants which have both had a significant outlay of office fit out which was noted at the time of inspection. The financial strength of these businesses is seen as being relatively superior to other office occupiers in the market. The two subleases within the building are underwritten by these tenants and we outline the potential income risk for these occupiers.

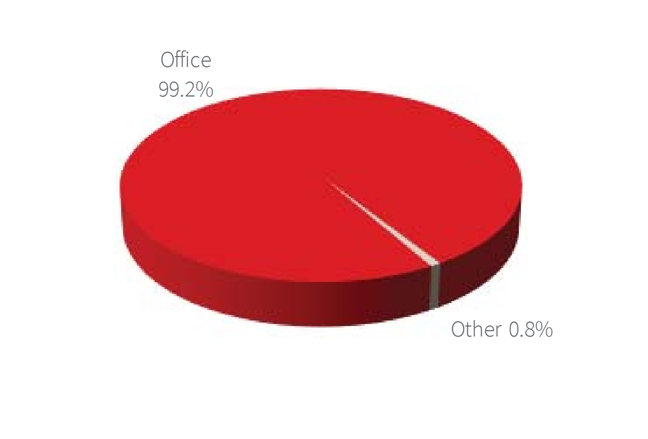
Lewis Bradford is considered to be well established businesses with good tenant covenant and Sherpa has continued operations in the insurance brokerage space through the Covid-19 period. We therefore do not believe that there is a significant risk associated with these tenancies.

Due to the significant office fit out, diverse business sectors and perceived tenant strength going forward, we do not believe that the market would discount the tenancies post Covid-19 event.

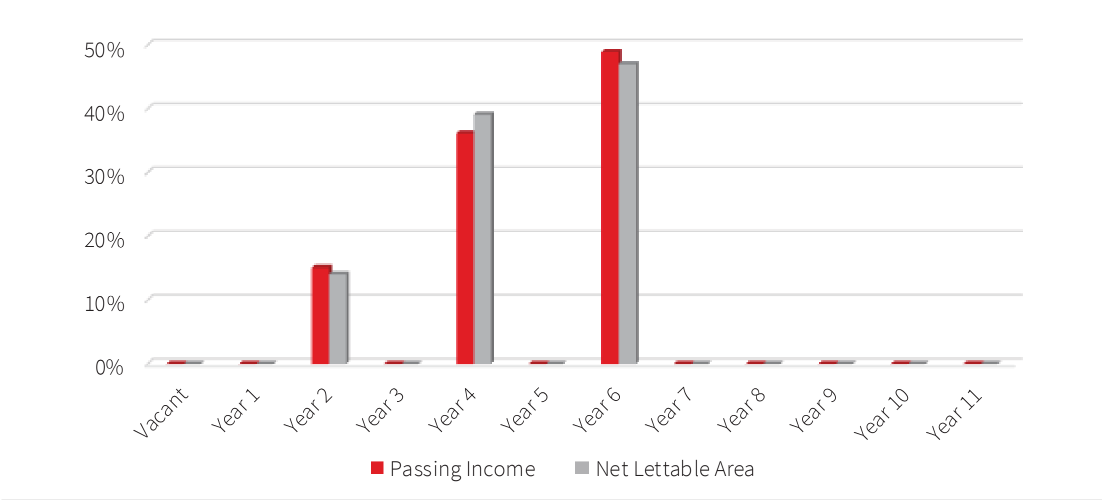
With the ongoing reaction and impact to the Covid-19 virus, uncertain trading and credit market conditions may lead to rapid changes in covenant strength and/or sentiment.

The net rental from the property can be analysed by occupier and component proportion as follows:





The graph below demonstrates the lease expiry profile (by income and area) over a ten-year horizon:



Our calculation of the property's Weighted Average Lease term is as noted below:

Weighted Average Lease Term Remaining	Years
By Area	4.09
By Income	4.14

3.2 Major Lease Summaries

We summarise below the lease agreements for the major tenants:

Lease Summary	Sherpa Limited
Documents reviewed	Signed Deed of Lease dated 29 July 2020.
Lessee	Sherpa Limited
Demised premises	Part ground floor, comprising 101 m2 as marked on the attached plan.
Lettable Area	Part ground floor: 101 square metres Car parks: Two tandem
Commencement Date	21 August 2020
Expiry Date	21 August 2024 This is actual expiry date of current term.
Lease Term	Four years plus one right of renewal of four years
Commencement/Current Rent	Ground Floor: $40,400 Car Parking: $6,760 Total: $47,160 per annum plus GST
Rental Review Provisions	21 August 2024. Rent at review will not be less than the rent at the beginning of the term.
Outgoings Recovery	Net lease – standard building operating expenses are recoverable from the tenant.
Business Use:	Office
Special Provisions	**48 Signage** 48.1 Notwithstanding clause 19.1 of this Lease, the Tenant agrees that the Tenant's signage shall be limited to the internal glass area of the premises only. **49 Partitioning and kitchen facilities** 49.1 Notwithstanding any other provision of this lease, the Landlord shall be entitled to require that, upon the final expiry or earlier termination of this lease, the tenant lease in situ the partitioning and kitchenette in the premises, and that ownership of the same shall pass to the Landlord without compensation being payable to the Tenant.
Guarantee	**Yes** ▪ To guarantee the payment of the rent and performance by the Tenant of the covenants in the lease. ▪ To indemnify the Landlord against any loss the Landlord might suffer.
Landlords Fixtures and Fittings	Carpets, air conditioning units, system, lighting, kitchen joinery.
Emergency Provisions	Clauses 27.5 & 27.6 contained within the lease detail the conditions where a fair proportion of rent shall be payable in the event of an emergency whereby the tenant is unable to gain access to the building to fully conduct the tenant's business.

Lease Summary	Lewis Bradford
Documents reviewed	Signed Deed of Lease dated 12 August 2014
Lessee	Lewis Bradford and Associates Limited
Demised premises	Part Level 2 being an area of approximately 433.98 square metres which includes the subdivided tenant area and a pro-rata share of Level 2 amenity and common area, and a balcony of approximately 37.84 square metres.
Lettable Area	Second Floor: 433.98 square metres Deck: 38 square metres Car parks: 3 car parks
Commencement Date	1 June 2014
Expiry Date	21 May 2022 This is actual expiry date of current term.
Lease Term	Eight years with two rights of renewal of four years each.
Commencement Rent	Premises: $173,592 Car Parking: $10,140 Total: $191,300 per annum plus GST
Current Rent	Premises: $197,392 Car Parking: $10,458 Total: $207,850 per annum plus GST
Rental Review Provisions	The rent is to be increased to reflect CPI annually, every two years on the anniversary of the Commencement Date during the term and any further term, provided that any increase be limited to 3% per annum and shall not be less than 1% per annum.
Outgoings Recovery	Net lease – standard building operating expenses are recoverable from the tenant.
Business Use:	Offices
Special Provisions	**1 Personal Guarantor** 1.1 The Guarantor's obligation to the Landlord on behalf of the Tenant is to be capped at $300,000 including OPEX (inc. GST). **2 Rent Reviews (as stated above)** **3 Operating Expenses** 3.1 In addition to the operating expenses for the pro-rata share of level 2 the tenant shall pay a pro rata-share of operating expenses for the common areas. Total operating expenses are estimated at $100 per m2.
Guarantee	**Yes** ▪ To guarantee the payment of the rent and performance by the Tenant of the covenants in the lease. ▪ To indemnify the Landlord against any loss the Landlord might suffer.
Landlords Fixtures and Fittings	Ceiling panels and lighting, floor coverings, air conditioning, plant and equipment to open plan layout.
Emergency Provisions	Clauses 27.5 & 27.6 contained within the lease detail the conditions where a fair proportion of rent shall be payable in the event of an emergency whereby the tenant is unable to gain access to the building to fully conduct the tenant's business.

Lease Summary	Anderson Lloyd
Documents reviewed	Signed Deed of Lease dated 17 October 2014 Signed Deed of Variation of Lease dated 27 October 2017 Deed of Assignment of Lease 31 March 2020 unsigned.
Lessee	Anderson Lloyd Partnership
Demised premises	That part of Level 2 having an area of approximately 336.88m2 and all of Level 3 having an area of approximately 770.98m2 of the building located at 70-72 Gloucester Street, Christchurch.
Lettable Area	Level 2: 336.88 square metres Third Floor: 770.98 square metres Car parks: 9 covered car parks
Commencement Date	23 June 2014
Expiry Date	22 June 2024 This is actual expiry date of current term.
Lease Term	Ten years with two rights of renewal of four years each.
Current Rent (**Level 2**)	Premises: $134,752 Car Parking: $6,760 Total: $141,512 per annum plus GST
Current Rent (**Level 3**)	Premises: $308,392 Car Parking: $23,660 Total: $357,052 per annum plus GST
Rental Review Provisions	The rent shall be reviewed to fair market rent on the third, sixth, eight (and if renewed) tenth, thirteenth and sixteenth anniversaries of the commencement date. Rent will be ratcheted at the commencement date and at the rent set on renewal.
Outgoings Recovery	100% for level 3 and a pro-rata share for the common areas (net lease).
Business Use:	Office/Administration
Relevant Special Provisions (Original Deed of Lease)	**2 Naming Rights** Exclusive rights to name the building for the duration of the term of the lease at $25,000 reviewable upon renewal of the lease. Tenant may cancel naming rights upon review.
Special Provisions	**1 Bank Guarantee** The Tenant will obtain from its New Zealand trading bank an undertaking to pay up to a maximum of $320,128 (Bank Guarantee) o the Landlord as security for the performance by the Tenant of its obligations under the lease. **4 Additional Outgoings** In addition to OPEX for level 3, the Tenant shall pay a pro-rata share of OPEX for the common areas.
Guarantee	**Yes** As stated above.
Landlords Fixtures and Fittings	Ceiling panels and lighting, floor coverings, air conditioning, plant and equipment to open plan layout.
Emergency Provisions	Clauses 27.5 & 27.6 contained within the lease detail the conditions where a fair proportion of rent shall be payable in the event of an emergency whereby the tenant is unable to gain access to the building to fully conduct the tenant's business.

Lease Summary	Mediterranean Shipping Company
Documents reviewed	Deed of Lease signed and undated.
Lessee	Mediterranean Shipping Company (Aust.) Pty Limited
Demised premises	Levels 4 & 5 – Level 4 being approximately 779.26m2 and Level 5 being approximately 675.58m2 plus terraces of approximately 91.24m2.
Lettable Area	Level 4: 779.26 square metres Level 5: 675.58 square metres Deck: 91.24 square metres Car parks: 15 car parks
Commencement Date	1 May 2014
Expiry Date	31 May 2026 This is actual expiry date of current term.
Lease Term	Twelve years with two rights of renewal of five years each.
Commencement Rent	Levels 4 & 5: $581,936 Balcony $18,248 Car Parking: $50,700 Total: $650,884 per annum plus GST
Current Rent	Premises: $629,739 Balcony $19,916 Car Parking: $54,882 Total: $704,537 per annum plus GST
Rental Review Provisions	Reviews to market on every fourth anniversary of the Commencement Date of the term and any further term. For the initial term the rent payable at the first market review must not be less than the rent payable in year two. The rent payable at year 8 of the initial term must not be less than the rent payable at year 5 of the initial term. Rent to be increased to reflect CPI annually, every two years on the anniversary of the Commencement Date during the term and any further term provided that any increase be limited to three per cent per annum and shall not be less than two per cent per annum.
Outgoings Recovery	100% of all outgoings relating to the premises as well as a pro-rata percentage for common areas.
Business Use:	Professional office/administration
Special Provisions	**Amendments to the standard clauses of the lease** **46** 19.1 Signage – that the tenant must not affect any sign, nameplate or other advertising device without prior written consent of both the entity that holds the naming rights and the Landlord. **47** 20.1 Additions & Alterations – that the landlord may elect either to reinstate at the Tenant's cost to have the costs for the reinstatement determined by the Landlord's Quantity Surveyor and recover the costs so determined from the Tenant, or not reinstate. **48** 20.5 – Any additions/alterations which render any increased or extra outgoings the Landlord may require the Tenant to pay the increased or extra outgoings. **49** 26.1 – The premises is deemed untenantable to be nine months from the date of damage or an event whereby the Landlord is not responsible. **50** 32.1 Renewal – Written notice must be given to the landlord to renew the lease at least twelve calendar months (time being of the essence) before the end of the term. **51 & 52** 42 Notices – Notices by email are not permitted. **53** New clause 46 Manager – If there is a manager appointed to manage the property, the Tenant shall comply with all reasonable directs and requirements of the manager in relation to the operation, use and management of the property.
Guarantee	**No**
Landlords Fixtures and Fittings	Ceiling panels and lighting, floor coverings, air conditioning, plant and equipment to open plan layout.
Emergency Provisions	Clauses 27.5 & 27.6 contained within the lease detail the conditions where a fair proportion of rent shall be payable in the event of an emergency whereby the tenant is unable to gain access to the building to fully conduct the tenant's business.

3.3 Building Outgoings and Recoveries

The majority of the leases within the Property are structured on a net basis, with the tenants being responsible for payment of rates and other property expenses in addition to premises rental.

We have adopted the following allowances for building outgoings within our calculations:

Adopted Property Outgoings	Per Annum	Per Sqm of Lettable Area
Statutory Charges	$97,739	$31.56
Operating Expenses	$178,926	$57.78
Total Outgoings	$276,665	$89.34

The above allowances are based on the provided budget for the year ending 2021. We have had regard to the budget provided and have sought confirmation from the relevant rating authorities in relation to statutory charges and have considered the figures against the Property Council of New Zealand's (PCNZ) benchmarks and other similar buildings.

3.4 Tenancy Schedule

Our understanding of the Property's occupancy situation is detailed in the Tenancy Schedule below:

Tenant Name	Premises	Lettable Area	Car Parks	Lease Start	Lease Expiry	Lease Term	Next Review	Review Frequency	Review Type	Contract Rental	Rental / sqm	Car Park pcpw	Outgoings Recovery	Recovery / sqm
Sherpa Insurance	Ground Floor	101.0	2	Aug 2020	Aug 2024	4.0 years			Market	$47,160	$400	$65	$9,023	$89
Lewis Bradford	Second Floor	434.0	3	Jun 2014	May 2022	8.0 years			CPI	$200,011	$437	$67	$38,771	$89
Lewis Bradford	Deck	38.0		Jun 2014	May 2022	8.0 years			CPI	$7,839	$206		$0	$0
Anderson Lloyd	Second Floor	336.9	2	Jun 2014	Jun 2024	10.0 years	Jun 2022	2 yearly	Market	$141,512	$400	$65	$30,096	$89
Anderson Lloyd	Third Floor	771.0	7	Jun 2014	Jun 2024	10.0 years	Jun 2022	2 yearly	Market	$332,052	$400	$65	$68,878	$89
Mediterranean Shipping	4th & 5th Floor	1,454.0	15	May 2014	Apr 2026	12.0 years	May 2022	2 yearly	Market	$684,621	$433	$70	$129,897	$89
Mediterranean Shipping	Deck	92.0		May 2014	Apr 2026	12.0 years	May 2022	2 yearly	Market	$19,916	$216		$0	$0
Amherst Properties	Storeroom	47.0		Jun 2020	May 2022	2.0 years			Market	$9,400	$200		$0	$0
Aggregate		3,273.8	29							$1,442,511			$276,665	

3.5 Income Analysis

We summarise the Property's total Passing Income and Income Fully Leased as follows:

Passing Rental Analysis		
Lettable Area Rental	$1,339,991	76.83%
Car Parking Rental	$102,520	5.88%
Other Income	$25,000	1.43%
Outgoings Recovery	$276,665	15.86%
Gross Passing Income	$1,744,176	100.00%
Outgoings	$276,665	
Net Passing Income	$1,467,511	
Potential Net Income Fully Leased	$1,467,511	

4 Market Commentary

4.1 Economic Overview

As at 9 December 2020:

- The Consumer Price Index rose 0.7% in the September 2020 quarter, netting to a 1.4% increase in CPI for the September 2020 year. It is expected pricing pressure will soften over the next 12 months.
- Gross Domestic Product (GDP) was down 12.2% in the June 2020 quarter, which is the biggest quarterly decline of GDP in New Zealand on record, with this largely being caused by the strict restrictions that had been put in place on the activities of both households and businesses within the country and abroad.
- As at 11 November 2020, the Reserve Bank announced that the Official Cash Rate is being held at 0.25% following its emergency 75 basis point reduction from 1.00% in March 2020. The Monetary Policy Committee stated that additional stimulus would be provided in the form of a Funding for Lending Programme (FLP), which runs until late 2022 offering banks up to $28 billion of funding priced at the 0.25% OCR. The FLP will reduce funding costs for banks and is targeted to lower interest rates. There are expected to be further changes from the Reserve Bank in the short term, including potential for further cuts to the OCR or implementation of 'speed limits' targeting high LVR lending or other Macro Prudential tools.
- The 90-day Bank Bill Benchmark Rate (BKBM) was 0.27% as at 8 December 2020. This has reduced significantly from 2019 where it averaged 1.52%.
- The unemployment rate is 5.30% as at September 2020, which is a 1.3% increase from Q2 2020, the largest increase since the series began in 1986. The sharp rise in the unemployment rate indicates that people out of employment have started seeking work after being after being restricted from doing so in the June 2020 quarter, due to lockdown restrictions. Unemployment is forecast to increase significantly due to the effects of the COVID-19 pandemic.
- The REINZ median house price across New Zealand increased by 19.8% in October 2020 to $725,000, up from $605,000 in October 2019, and up from $689,000 (a lift of 5.2%) in September 2020. The number of residential properties sold in August across New Zealand increased by 25.0% from the same time last year (from 7,063 to 8,830) – the highest number of properties sold in an October month for 14 years, and the highest number of properties sold in any month since May 2016.
- In terms of the construction sector, private backed development and construction is expected to be muted in the short term, however the Government has announced their intention to fast track infrastructure spend as one method to kickstart the economy post the COVID-19 shutdown.

The whole of New Zealand is currently at COVID-19 Alert Level 1, with strict border controls remaining in place for those entering the country, including a 14-day managed isolation or quarantine period. The economic impact of these measures is likely to have longstanding effects, notwithstanding significant monetary and fiscal stimulus which has been implemented by the RBNZ and NZ Government to support New Zealanders and reduce the impact on the NZ economy.

Key initiatives taken to reduce the economic impacts of COVID-19 include the implementation of an increased $100 billion Large Scale Asset Purchase, a $50 billion Response and Recovery fund, a circa $17-$18 billion support package which is aimed at those sectors most affected by the impacts of the virus, a $6.25 billion Business Finance Guarantee Scheme for small to mid-sized enterprises (SME), a $4 billion Business Support Package, along with a $20 million Tertiary Support Package, and $50 million Media Support Package.

Within the respective property markets all sectors are not faring equally.

Industrial

Industrial has solidified its lead in the market as the ‘go-to’ asset class throughout New Zealand at both ends of the risk spectrum from defensive investment through to speculative development. A number of deals on long leases to the best covenants have transacted at astonishing historic low net initial yields and the long-term supply/demand imbalance continues to support speculative development from the largest landowners.

Retail

Retail understandably continues to face headwinds with borders remaining shut and a notable move away the high street CBD retail experience as the premiere focus of shoppers’ wants. Yet, people have still been spending a lot domestically on consumer goods with electronic card spending in the November quarter (compared to 2019) up by 3.3% for core retail industries which gives the sector hope. Retailers who are adapting and meeting market demand for experience, particularly in suburban locations, are seeing upside that was unexpected even pre-COVID.

Office

The narrative for office is not uniform across the country and represents a multi-layered story within a story of a divergent locational market experience in Auckland, Wellington and Christchurch respectively and, within each City, between primary and secondary grade space. There are clear submarkets within markets at a city, regional and national level and a micro-market asset by asset approach to analysis, strategy decision making and realistic forecasting is more important than ever.

Back to basics

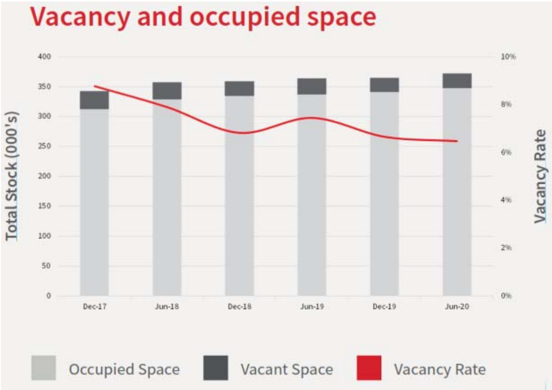
Irrespective of the asset class, three key ‘back to basics’ trends apply to all markets that we observe and report on, and we expect these themes to remain in high priorities for market participants in 2021. These are:

1. **A flight to quality.** There is a clear focus for investors on seeking to secure primary assets in respective markets. This is illustrated by yields undoubtedly diverging across the different property sectors with price now driven more clearly by individual investment characteristics than property sector.
2. **Location, location, location**. The practicality of real estate has been heightened during 2020 to including the importance of accessibility and a compelling and safe user experience. A useable and practical location is of increasing relevance to investors and occupiers alike and we do not see this changing in 2021.
3. **Needs vs Wants**. ‘Essential services’ has been a watchword in many contexts during 2020; no more so in property markets. Assets that help to provide essential services or support core societal needs are undoubtedly outperforming more wants based real estate opportunities in the present climate.

4.2 Local Market Commentary

Demand

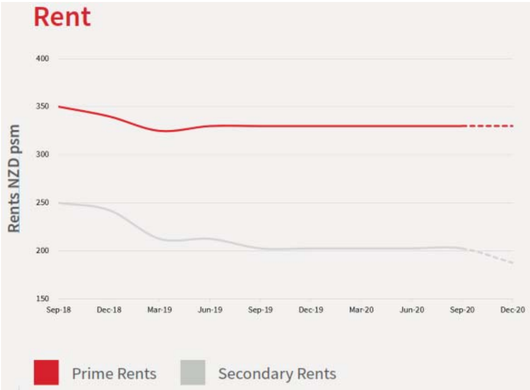
Christchurch's total office vacancy decreased slightly by 20bps over 1H20 alongside modest increases in net absorption. Prime and secondary vacancies continue to diverge, and prime vacancy fell 40bps over the half to 4.9%, while secondary vacancy increased by 110 bps to 11.0%.



The Christchurch office sector has begun to stabilise as rebuilding activity following the 2011 earthquake has slowed. As a result, demand, particularly for prime office space, has remained strong. Meanwhile, like elsewhere, COVID-19 has impacted the secondary office sector.

Supply

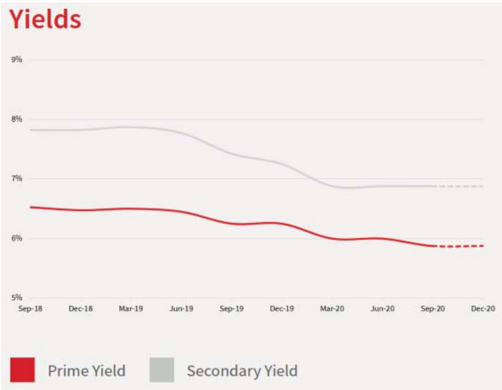
With the completion of Spark HQ in the CBD during 1H20, Christchurch office experienced the largest net increase in stock since 1H18, with a net completion of 8,705 sqm, 1,904 sqm of which was located in suburban areas.



Overall however, with the city rebuild slowing, the addition of new stock has remained relatively small scale when compared to pre-2018 levels. We are not currently aware of any further large-scale projects due in the short-term. However, several smaller-scale projects are currently under construction, including the near-complete Public Trust Building restoration and strengthening project by Box 112.

Asset Performance

Prime and secondary office rents in Christchurch's CBD and suburban markets have held firm since 3Q19. However as vacancy reduces we perceive rental growth is likely, there already a shortage of large quality office space available. Meanwhile, prime CBD yields fell 12bps to 5.88% over the quarter, while prime suburban yields remained at 6.75%. We expect to see greater divergence between CBD and suburban office as the pull toward central locations gathers momentum. This has commenced post the covid-19 lockdown where the yield range has compressed to within the parameters of 5.00% to 6.00% based on modest evidence to date.



Christchurch saw two major CBD office sales in the latter half of 2020, these being the market-redefining $76 million sale of ‘Manawa’, 276-278 Antigua Street and the PWC Centre at 60 Cashel Street for $60 million.

5 Leasing Evidence

5.1 Leasing Evidence

In assessing a market rental profile for the accommodation, we have had regard to the leases within the property, together with recent rental evidence in the wider locality. We have had particular regard to the evidence detailed below:

Property Address	Lessee	Component	Area/No	Effective
212 Bealey Avenue	Sonova Audiology	Office	253.3	Oct-19
Christchurch Central		Car Parks	11	
	Team Dental Bealey Ave Ltd	Office	111.05	Nov-18
		Car Parks	6	
	Bealey Ave Pharmacy Ltd	Office	142.6	Nov-18
		Car Parks	5	
Victoria Street	Confidential	Office - Level 1	1,628.5	Jun-19
Christchurch Central		Balconies	45.5	
Victoria Street	Confidential	Office - Level 2	1,681.8	Feb-19
Christchurch Central		Balconies	45.5	
Victoria Street	Confidential	Office - Level 3	1,616.5	Nov-18
Christchurch Central		Balconies	45.5	
Victoria Street	Confidential	Office - Level 4	1,617.3	Apr-17
Christchurch Central		Balconies	45.5	
Tuam Street	Confidential	GF Retail	148.9	Aug-16
Christchurch Central		GF Office	1,379.68	
		GF Café	391.7	
		Office Level 1	1,704.7	
		Office Level 2	1,790.1	
		Office Level 3	1,748.62	
		Office Level 4	1,776.84	
		Carparks	40	
		Bike Parks	60	

Property Address	Lessee	Component	Area/No	Effective
128 Lichfield Street	Orbica	Office	204	Dec-19
Christchurch Central				
141 Cambridge Terrace	Boffa Miskell	Second Floor Office	980.00	Feb-19
		Deck	27.00	
		Basement Carparks	2.00	
		Stacked Carparks	7.00	
1/813 Colombo Street	DXC Technology NZ	Ground Office	105	Jan-19
Christchurch Central		1st Floor Office	234.1	
1/166 Cashel Street	Ebborn Law Limited	Office	334.84	Jan-19
Christchurch Central			3	
168 St Asaph Street	VYG Limited	Office	77	Jun-19
Christchurch Central				
1/237 Kilmore Street	Unknown	Office	96	Mar-18
Christchurch Central		Carparks	5	
		Total		
307 Durham Street North	World Travellors	Office	206.4	May-19
Christchurch Central		Carparks	2	
518 Colombo Street	Lifetime Group Limited	Office	1,397	May-19
Christchurch Central		Carparks	30	
		Total		
164 St Asaph Street	Project HVAC Limited	Office	99.1	May-19
Christchurch Central		Carparks	4	
		Total		
2/165 Gloucester Street	Intergen	Office	675.6	Mar-19
Christchurch Central		Carpark Open	2	
		Carpark Covered	4	

The subject property sits in the market as a high profile modern building within a core office location with good northern frontage and attractive design. Combined with the superior seismic capacity and with a high degree of services we believe that the subject sits to the upper end of comparable market evidence. We have assessed the rental for the subject property at a stepped rate due to the appreciable views provided which range from $380psm to $390 per square metre, which is on the upper limits of comparable evidence. We have adopted an office rate for the ground floor tenancy at $400 per square metre confirming its recent new letting at such level.

We understand that COVID-19 may impact the office markets over the medium term with businesses evaluating whether they require as much office space with the movement to working from home. Due to the nature and quality of the major tenants, A grade building status, limited development pipeline in the Central Business District, architectural style combined with versatile floor plates, we believe that this will have little impact on the subject property.

5.2 Car Park Leasing Evidence

We have had regard to current car parking rates within the wider locality that we summarise below:

Car parking within the CBD has been constrained as of late with the car parking buildings reaching capacity as the new developments within the CBD are built without car parking. This has placed car parking rates consistently between the $50-$70 range per car park per week. We believe that the car parks for the subject property are at the upper end of comparable rents at $70 per car park per week. We expect that there will be further pressure on these rates as the CBD becomes more occupied and the vacant allotments surrounding the property are developed.

5.3 Market Rental Profile

We have assessed the market rental profile for the property on a net basis. Our adopted market rental profile is as summarised below:

Tenant Name	Premises	Lettable Area	Car Parks	Next Review/Expiry	Review Type	Contract Rental	Rental / sqm	Car Park pcpw	Recovery / sqm	Ideal Recovery	Net Market / sqm	Gross Market / sqm	Car Park pcpw	Net Market Rental
Sherpa Insurance	Ground Floor	101.0	2	Aug 2024	Market	$47,160	$400	$65	$89	$89	$400	$489	$70	$47,680
Lewis Bradford	Second Floor	434.0	3	May 2022	CPI	$200,011	$437	$67	$89	$89	$380	$469	$70	$175,832
Lewis Bradford	Deck	38.0		May 2022	CPI	$7,839	$206		$0	$0	$200	$200		$7,600
Anderson Lloyd	Second Floor	336.9	2	Jun 2022	Market	$141,512	$400	$65	$89	$89	$380	$469	$70	$135,294
Anderson Lloyd	Third Floor	771.0	7	Jun 2022	Market	$332,052	$400	$65	$89	$89	$385	$474	$70	$322,307
Mediterranean Shipping	4th & 5th Floor	1,454.0	15	May 2022	Market	$684,621	$433	$70	$89	$89	$390	$479	$70	$621,660
Mediterranean Shipping	Deck	92.0		May 2022	Market	$19,916	$216		$0	$0	$200	$200		$18,400
Amherst Properties	Storeroom	47.0		May 2022	Market	$9,400	$200		$0	$0	$200	$200		$9,400
Aggregate		3,273.8	29			$1,442,511								$1,338,174

5.4 Net Income Assessment

The table below presents both the passing income and adopted market net income profile of the Property:

Passing Versus Market Comparison	Passing per annum	Market per annum
Rental Analysis		
Lettable Area Rental	$1,339,991	$1,232,614
Car Parking Rental	$102,520	$105,560
Other Income	$25,000	$0
Outgoings Recovery	$276,665	$276,665
Gross Income	$1,744,176	$1,614,839
Outgoings	$276,665	$276,665
Net Income	$1,467,511	$1,338,174
Potential Net Income Fully Leased	$1,467,511	$1,338,174

6 Sales Evidence

6.1 Sales Transaction

In assessing a suitable capitalisation rate and discount rate profile for the Property, we have had regard to a range of property transactions. The more relevant sales are summarised in the sales schedule and commentary below:

Christchurch

63 Manchester St, Christchurch Central, Christchurch

The property comprises a modern two level commercial building constructed in 2015 and situated within the SALT District of the Christchurch CBD. The building sold fully occupied with two tenants in place and a WALE of 5.22 years. Iron Hood Fitness Limited (gym) occupy 371 square metres ground floor space and Plato Creative Design Limited occupy 519.5 square metres of the first floor and 10 open car spaces, 122.75 square metres of the ground floor, 29.5 square metres of decking area and eight open car spaces. We have analysed the sale under market conditions and we believe the property was over rented at the time of sale. This is subsequently reflected in the Equivalent yield of 5.69%. Further analysis shows an IRR of 6.4% and a value per sqm of lettable area of $5,658.

PWC Centre, Cashel Street, Christchurch

The PWC Centre comprises a post- earthquake developed office building located on the corner of Cashel Street and Cambridge Terrace, central Christchurch. The building contains some 7,917 square metres of office and retail accommodation leased to a variety of tenants including PWC, Chapman Tripp and Crombie Lockwood. The building sold fully leased on levels 1-5. In addition, there is a small retail area on the entrance which is vacant and has not been occupied since original construction with the vendor underwriting both the vacant and eastern office tenancy for a term from settlement until 4th May 2022. The property was purchased by Maat Group for $60 million providing a 5.55% yield on the passing income.

276-278 Antigua Street, Christchurch Central

The property comprises a modern office building purpose built for the Ara Institute and Christchurch District Health Board, situated near the Christchurch Hospital. The property has an attractive tenant covenant and strong weighted lease term of approximately 25 years this including the vacant top floor which also requires completion of services being currently a bare shell. The value quantum, WALT and covenant strength indicates the achieved sale price shows a sharper yield analysis with this expected to be around 5.0%.

212 Bealey Avenue, CBD, Christchurch

A 2010's built commercial premises comprising approximately 507 square metres of net lettable area on 1,269 square metres of land with 22 car parks. The building has a seismic strength of 120% NBS and is occupied by three separate medical tenancies with an annual net rental of $235,799. This indicates an initial yield of 4.69%.

213 Tuam Street, Christchurch Central

The subject property comprises a five level, office building occupying an inner city land holding of some 2,024 square metres with frontage to Tuam, Poplar and Ash Streets. Completed in 2016, the building is fully occupied by Vodafone with the office on level 4 and ground floor retail areas not used and to be subleased by the tenant. The weighted average lease term remaining is 8.28 years (by income) with three rights of renewal of 6 years. A significant amount of investment has been made by the tenant with superior quality fitout with a Landlord contribution of $2,478,600 which is paid by the tenant as a fit-out rental over the 12 year initial term. The total net lettable area of the building is 8,941sqm.

112 Cashel Street, Christchurch Central

The property comprises a four story mixed use building comprising four retail tenancies of 420 sqm in total, five office tenancies of 1,239 sqm and a penthouse apartment of 249 sqm. Completed in November 2017, this property was sold with 76% vacancy with many leases in the building leased on a casual basis.

329 Durham Street, Christchurch

A modern three level office building completed post the Canterbury Earthquakes. The building is occupied by Tavendale Partners, Staples Rodway and Perpetual Trust and sold in May 2018 for a consideration of $17,799,500 providing a 6.60% yield on the passing rental.

144 Lichfield Street, CBD, Christchurch

The property comprises a commercial premises, originally constructed in the 1930s and restored following the Canterbury earthquakes which is situated on a 938 square metre site on Poplar Lane in between Lichfield and Tuam Streets, Central Christchurch. The building has an NBS of 100% and comprises 1,596 square metres of office and retail accommodation which is leased at a net rental of $581,271 per annum. The property sold in March 2018 for $8,650,000 providing a 6.71% yield on the passing income.

148 Victoria Street, Christchurch

A modern four level office building completed post the Canterbury Earthquakes. The building is occupied by Duncan Cotterill and sold in June 2017 for a consideration of $24,000,000 providing a 7.19% yield on the passing rental.

104 Victoria Street, Christchurch City, Christchurch

Two significant commercial holdings sold for $58,000,000 in October of 2016. 104 Victoria Street comprises of a multi-story office building which also contains retail space on the ground floor. 32 Oxford Terrace consists of 5,500 square metres of A grade office building, which is tenanted by the Canterbury District Health Board for a 12year term. The sale has been analysed to provide a 6.0% yield for 32 Oxford Terrace and a 7.5% yield for 104 Victoria Street.

335 Lincoln Road, Addington, Christchurch

This property comprises a 2013 built office and retail complex located on Lincoln Road. The complex comprises three separate structures, two three level office buildings and a carparking building providing for 184 onsite carparks.The property has a total net lettable area of 5,380 square metres and a land area of 5,278 square metres. The property has 12 tenants including Media Works, Moore Stephens Markhams, Rawlinsons, Audit NZ, Rothbury Insurance and Town Tonic. The building sold for $27,110,000 in April 2016 at a 7.75% yield.

83 Victoria Street, CBD, Christchurch

The property comprises an architecturally designed post-earthquake constructed six level commercial building which is situated on a 724 square metre site on the corner of Peterborough and Victoria Streets. The building has an NBS of 100% and comprises 4,565 square metres of office and retail accommodation which is fully leased at a net rental of $1,368,360 per annum. The property sold in September 2018 providing an 8.01% yield on the passing income.

131 Victoria St, Christchurch City, Christchurch

A 1,655sqm property which was refurbished and strengthened to 100% building code in 2013. The building was sold along with the fully-leased car park next door at 133 Victoria St. 133 Victoria St is the former site of the Department of Conservation where currently there are 45 car parks. These are mainly leased to the tenants in 131 Victoria St. Together, the two titles generate annual net rental income of $766,813, with rent reviews built in to the leases.

We have captured the following sales within the Christchurch market and because of the quantum, have dated this back to 2016. Since 2016 we note that yields have compressed due to the economic climate with a low interest rate environment as well as national pressure from Auckland office sector with downward yields which has had a flow on impact to Wellington and Christchurch Markets.

Due to the nature of the asset being recently built to a high quality with good tenant covenant of the major tenants with extensive fit out, we believe that the property must be further compared on a national scale due to the level of investment and have incorporated the following Auckland and Wellington office sales.

The emergence of COVID-19 and associated restrictions through the first half of 2020 has had a significant impact on the local and global economy. Notwithstanding widespread disruption to businesses, the reaction of Government and the Reserve Bank with a range of economic support measures has been welcome, and specifically the subsequent drop in interest rates has led to a resurgence in demand for good, well leased property investments.

We note other recent sales transactions in Auckland and Wellington that we have had regard to:

Auckland

46 Sale Street, Auckland CBD

The property was constructed in 2017 and provides a 5 star Green rated commercial office building. The property is situated on a 2,180 sqm freehold site on Sale Street, on the western fringe of the Auckland CBD.

The building provides a total net lettable area of circa 11,352 sqm over seven levels, along with 100 onsite car parking spaces.

At the date of sale the property was fully occupied by five tenants including AA Insurance, Fujitsu and Ezibuy, and was returning a total net rental of $7,894,666 per annum plus GST, with a remaining WALT of 7.69 years (based on income).

34 Shortland Street, Auckland

34 Shortland Street, formerly known as the Auckland Club tower, sold in August 2020 following an off-market sales campaign and extended negotiation period disrupted by the Covid-19 restrictions. The property provides a strata interest in Levels 8 to 17 plus lobby and car parking levels within the building, with the lower office levels owned and occupied separately by Barfoot and Thompson.

The building is occupied by a range of tenants including Barfoot and Thompson, Fusion 5, Public Trust and Haigh Lyon, with a weighted lease term of 2.65 years. There is one vacant floor (Level 8) and several part floor vacancies, however we understand these have been underwritten by the vendor.

280 Queen Street, Auckland

The subject property comprises a large CBD investment asset currently providing a mix of office and retail tenancies. The initial building was provides for an 'L' shaped office floorplate with a retail podium over three levels, incorporating a retail arcade/through link from Queen Street to Lorne Street. The Building has been assessed as have a seismic strength of 50% NBS, however we are aware of strengthening costs to target 80%+ NBS, and have incorporated these into our sales analysis.

The property has been available in the market for some time and sold in February 2020, with settlement occurring in November 2020.

220 Queen Street, Auckland

The property comprise a corner property providing for a 11 level building, incorporating ground floor retail, 10 levels of office, a 11th level apartment and a basement data storage use. The property was sold via an off market campaign in late 2019 with a settlement in February 2020.

166 – 174 Queen Street, Auckland

The property comprises a 9 storey commercial building with a net lettable area of 5,890 sqm upon a 1,151 sqm site situated at 166-174 Queen Street in Central Auckland. The property was built between 1906 and 1914 and were refurbished in 1996 and 2011. The property is a character building and is understood to have NBS ratings between 40% and 54%.

AUT Tower, 2-16 Wakefield Street, Auckland

AUT Tower comprises an 18 level building completed circa 1967 situated at the southern end of the Auckland CBD, within the education precinct. Office and classroom accommodation is provided over 17 levels, with one level of secure basement car parking.

Rent reviews are annually to 3%, with passing rentals equivalent to approximately $240 per sqm over the office component. As part of the existing lease the building was being progressively upgraded with LED Lighting, new lifts, carpets etc, with the sale inclusive of a vendor undertaking to complete the lease obligations.

Auckland Fringe & Suburban

3 Ferncroft Street, Grafton, Auckland

3 Ferncroft Street provides an eight level commercial building situated to the northern side of Ferncroft Street within the Auckland CBD Fringe suburb of Grafton. Its position benefits from excellent levels of profile and exposure over the neighbouring Southern Motorway, along with its proximity to surrounding amenity and ease of accessibility to the CBD and motorway network.

Improvements were constructed circa 1986 and comprise 3,469 sqm of office and medical accommodation, along with 76 on site car parking spaces. Overall, the property has been well maintained and is presented to a good standard throughout.

At the date of sale, the property was 100% leased by floor area to Auckland Clinical Studies, ADHB, Clinical Supply Services, Battley Johnson, Novotech and Vivid Solutions. These leases were returning a combined net rental of $1,039,705 per annum plus GST, with a remaining WALT of 6.01 years (based on income).

15 Lambie Drive, Manukau

15 Lambie Drive comprises a modern 2,511 sqm two level commercial building, situated upon a 7,068 sqm site fronting Lambie Drive in Manukau. The building is situated towards the centre of the freehold site with the perimeter providing car parking and manoeuvring areas.

At the date of sale, the property was fully leased to Vodafone NZ. The lease provides a net rental of $737,767 per annum plus GST, in addition to 92 on-site car parks. The lease incorporates fixed annual increases of 3% and has the option for renewal in February 2024. We note Vodafone has made significant capital investment into the property throughout their tenancy.

44 Taharoto Road, Takapuna, Auckland

44 Taharoto Road comprises a large 4,252 sqm land holding in Takapuna improved with a six level commercial building, leased to the Waitemata District Health Board via a 15 year triple net lease with annual fixed 2.5% increases.

The property provides for approximately 3,606 sqm of office space used for medical purposes with open car parking for 88 cars.

As part of the lease obligations, WDHB is required to seismically strengthen the building at its sole cost within 24 months of the commencement date to achieve a minimum NBS rating of 67%. In addition to the above, WDHB is required to undertake Capital Works at its sole cost within 5 years from the commencement date.

Wellington

20CQ, 20 Customhouse Quay, Wellington

Completed in 2018, 20CQ is located on a prominent half city block with three street frontages and an impressive harbour outlook. It has an NLA of 17,359sqm and 66 basement carparks plus 18 motorcycle parks, 13 levels of office in addition to the ground floor.

Developed by Newcrest the premium grade asset is 5 star Green Star rated, built on an advanced seismic design with base isolation technology and having an NBS rating of over 100%. Tenancies include Deloitte, Kiwibank, IAG and Marsh. The leases within the building are predominantly structured on a net basis with all having annual fixed or CPI based rent reviews, plus some leases with mid-term market reviews.

Grant Thornton House, 215 Lambton Quay, Wellington

Grant Thornton House is a 16 level, grade A office building in the heart of Wellington. The building comprises 10,934 sqm of lettable area and has a seismic rating of 100% of New Building Standard, making it an attractive location for tenants in the Wellington market.

Willis Bond & Co redeveloped 215 Lambton Quay in 2014. The building comprises 1,900 square metres of ground floor of retail space opening on to Lambton Quay and Featherston Street and includes Nespresso's flagship Wellington store. .

Ministry of Health, 133 Molesworth Street, Wellington

The building was significantly extended and refurbished in 2017 to provide for approximately 15,537 sqm of office space plus 70 car parking spaces. As part of refurbishment the property was leased by the Ministry of Health on a term of 15 years from completion.

On completion the property provided a high specification of office with a 5 star NABERSNZ rating, and an Importance Level 3 building with an NBS of over 100%.

Rental reviews are three-yearly to market, with a commencement rental ratchet. The market rental was reviewed just prior to the sale.

BP Roadmaster, 7-17 Taranaki Street, Wellington

The property is a sale of a ground lessor's interest in that property. The various leases call for 14 and 21-year reviews. The 14 year review has just been set, and the 21 year review is not due until March 2030. Therefore, there is no prospect for further rental increases until 2030.

Pastoral House, 25 The Terrace, Wellington

Pastoral House comprises a 17 level office building with ground floor retail and car parking that is in the process of a significant refurbishment to provide for a new lease to the Ministry of Business, Innovation and Employment, who will on completion occupy the whole of the office accommodation within the property. Additional occupiers at Lambton Quay level include BNZ and NZ Post.

The building on completion will provided for a Net Lettable Area of approximately 15,800 sqm, incorporating 800 sqm floor plates above podium level, along with parking for 23 vehicles. The office space will be 'as new' with strengthening to 80% of NBS and new LED lighting, air conditioning, lifts and lobby areas.

Predominantly the above transactions are for modern buildings with strong occupier covenants, fixed growth and situated in good locations within their respective markets. However, this is not dissimilar to the subject property, which presents as one of the better office investment options in the Christchurch market, with Anderson Lloyd and Mediterranean Shipping Company as key occupiers and presenting as modern, well positioned office accommodation.

We believe that COVID-19 will affect investor demand for some assets, and there is a reluctance for investors to take on risks such as vacancy, issues requiring short term capital expenditure or where there are concerns for the operation of the tenants business due to the impact of the restrictions.

Notwithstanding travel restrictions, there remains good demand from international investors, with some attracted to the early clearance of COVID-19 from our borders. This sits alongside strong local investor demand, with institutions, private investors and property syndicators all active in the current market.

Key factors that will likely influence our opinion of the realisable investment parameters for the subject property include:

- Strong tenant covenant with major occupiers including Anderson Lloyd and Mediterranean Shipping Company;
- Fully occupied with a 4.14 year WALT over income;
- Limited investment properties at this quantum and quality;
- Built to target an IL3 structure greater than 100% NBS rating;
- Extensive good quality fit-out.

More simply, the Christchurch yield parameters have been set within the 5.00% to 5.50% range due to the current transactions of PWC and Manawa which are at the upper value quantum in the market. The subject weight of money is far more affordable offering a greater number of potential purchasers in a market with growing demand. This range offers a yield margin over Auckland investments which is required due to Auckland's greater transactional market and stronger projected rental growth.

Based on the sales evidence, we have adopted the following valuation inputs:

Valuation Input	
Capitalisation Rate	5.125%
Discount Rate	6.125%

7 Valuation Considerations

7.1 SWOT Analysis

The strengths and weaknesses of any investment property generally show the positive and negative characteristics of that property, whereas opportunities and threats represent future external factors or events that could enhance or diminish the value of the asset. We set out our SWOT analysis as inspected as follows:

Strengths	Weaknesses
▪ High quality building of minimum 100% NBS. ▪ Prime location within the Core Office area in Christchurch and close to amenities with the core retail across the River and Hagley Park/Hospital to the West. ▪ Quality tenants of good lease covenant ▪ Substantial quality office fit-out undertaken by major tenants ▪ Flexibility of floor space and ability to subdivide	▪ We highlight the risk of a WALT below five years with investors attracted to longer lease profiles. ▪ 29 on site car parks for entire building.
Opportunities	**Threats**
▪ Secure the tenants for the long term. ▪ Structure fixed rental growth into new leases.	▪ The economic and social impacts of COVID-19 have the potential to be persistent. ▪ Other competing developments within the Central Business District.

7.2 Likely Selling Period

We are of the opinion that the likely selling period for the Property is up to 6 months, assuming that the property is presented to the market in accordance with the specific assumptions noted in this report, and with an appropriate level of marketing. The actual time to sell the property may vary depending on the number of potential buyers in the marketplace, availability of comparable properties, access to finance, and changes in market conditions subsequent to the valuation date.

7.3 Most Probable Purchaser

In consideration of the current market, we anticipate the most probable purchaser of the Property to be an investment fund or syndication.

7.4 Sales History

The subject property last transacted 4 October 2011 for $1,115,000. We understand this included vacant land only.

8 Valuation Rationale

8.1 Valuation Overview

In arriving at our opinion of market value we have had consideration to the capitalisation and discounted cashflow (DCF) approaches to valuation, along with a cross check via the market comparison approach.

8.2 Capitalisation Approach

The capitalisation approach involves the determination of a sustainable net income from the property, and the application of a capitalisation rate as a measure of expected return from the property. Adjustments are made to the core value for items such as under/over renting, required capital expenditure or current/upcoming vacancy.

We have adopted a core capitalisation rate of 5.125%, with our calculations summarised below:

Direct Capitalisation Approach			
Rental Income		Contract Income	Market Income
Lettable Area Rental		$1,339,991	$1,232,614
Car Parking Rental		$102,520	$105,560
Ideal Outgoings Recovery (Full Net Leases)		$276,665	$276,665
Total Rental Income		$1,719,176	$1,614,839
Less Outgoings Expenditure		($276,665)	($276,665)
Net Rental Income		$1,442,511	$1,338,174
Core Income Capitalised at 5.13%		$28,146,556	$26,110,714
Value Adjustments			
Present Value of Existing Rental Reversions		($1,654,759)	$391,581
Expiries within the next 24 months - Letting Up Allowances:			
Present Value of Downtime	*($56,208)*		
Present Value of Leasing Fees	*($34,731)*	($90,939)	($90,939)
Present Value of Short Term Capital Expenditure: 24 months		($45,692)	($45,692)
Value of Other Income		$487,805	$487,805
Total Value Adjustments		($1,303,586)	$742,755
Total Capitalised Value		$26,842,971	$26,853,469
Adopted Capitalised Value (say)		$26,843,000	$26,853,000

From our core value, present value adjustments (for rental reversions, letting up allowances, incentives, future lease agreements and short term CAPEX) where appropriate have been made in order to derive the resultant capitalised value.

Our adopted adjustments are detailed as follows:

Rental Reversions

From the core value, we have added/deducted the present value of tenant rental reversions, which represents the present value of rental overage / underage for each existing tenancy relative to our adopted rental profile. Further, we have allowed for downtime associated with the leasing up of any current vacancies within the Property.

Letting Up Allowances

Within our capitalisation calculations we have made present value letting up allowances for those tenancies that are expiring over the next 24 months. This letting up allowance includes rental and outgoings void (downtime) as well as leasing / agents fees with leasing up the captured lease expiry's.

Capital Deductions

We have allowed for the present value of CAPEX allowances over the next 24 months from the valuation date, which total $45,692.

Other Income

We have allowed for the present value of any other income attributable to the Property. We have calculated the present value of the remaining income stream for other income resulting in a value addition of $487,805. This is in relation to the building naming rights currently returning $25,000 per annum.

Calculation Summary

Having made these adjustments to the core value, we derive a total value of $26,853,000. A sensitivity analysis based on adjustments to our adopted Core Capitalisation rate is as displayed below:

Sensitivity Analysis		Contract Approach	Market Approach
(0.25%)	4.875%	$28,185,000	$28,195,000
Adopted Capitalisation Rate	5.125%	$26,843,000	$26,853,000
0.25%	5.375%	$25,626,000	$25,637,000

8.3 Discounted Cash Flow Approach

We have undertaken a discounted cash flow analysis over a 10-year investment horizon to derive a net present value for the Property.

We note that a DCF analysis looks to forecast cashflow performance from the property over a future horizon based on an understanding and due diligence related to the property and the specific market in which it sits. The adopted forecasts incorporate what we consider reasonably foreseeable as at the valuation date in terms of key lease events, capital expenditure and likely growth in rental rates, costs and changes in property values over the cashflow term. We note that the actual cashflows associated with the property may vary significantly depending on management decisions, market conditions or unforeseeable events.

Discount Rate

In assessing an appropriate target discount rate for the property, we have considered primarily the analysis of recent comparable or benchmark property sales, the current level of risk free return, discussions with active property investors as well as consideration of the property's specific investment attributes.

We have applied a target discount rate of 6.125% to the cash flows to produce a present value of $27,023,000. Our DCF calculations are summarised overleaf:

Discounted Cashflow Summary		Year Ending	06-Dec-2021	06-Dec-2022	06-Dec-2023	06-Dec-2024	06-Dec-2025	06-Dec-2026	06-Dec-2027	06-Dec-2028	06-Dec-2029	06-Dec-2030	06-Dec-2031
			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
Rental Income													
Lettable Area and Car Park Income			$1,442,511	$1,380,089	$1,419,568	$1,349,229	$1,457,685	$1,330,511	$1,444,010	$1,433,492	$1,523,375	$1,483,496	$0
Outgoings Recovery			$276,665	$273,113	$288,689	$277,196	$306,270	$290,773	$324,922	$322,945	$344,710	$332,917	$0
Other Income			$25,000	$25,000	$25,250	$25,629	$26,269	$26,926	$27,599	$28,289	$28,997	$29,721	$0
Gross Rental Income			$1,744,176	$1,678,202	$1,733,507	$1,652,054	$1,790,225	$1,648,210	$1,796,531	$1,784,726	$1,897,082	$1,846,134	$0
Rental Deductions													
Unexpired Incentives - Rent Free/Abatements			$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Outgoings Expenditure			($276,665)	($283,028)	($288,689)	($297,350)	($306,270)	($315,458)	($324,922)	($334,670)	($344,710)	($355,051)	$0
Ground Rental													
Net Rental Cashflow			$1,467,511	$1,395,174	$1,444,818	$1,354,704	$1,483,955	$1,332,752	$1,471,609	$1,450,057	$1,552,372	$1,491,083	$0
Rental Adjustments													
Unexpired Incentives - Capital Contribution			$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Letting Up Allowances - Leasing Fees			$0	($35,916)	($1,519)	($102,903)	$0	($135,696)	($1,683)	$0	($41,823)	($109,360)	$0
Capital Expenditure			$0	($49,249)	$0	($72,501)	$0	($90,783)	$0	$0	($58,806)	($73,220)	$0
Net Cashflow			$1,467,511	$1,310,008	$1,443,299	$1,179,300	$1,483,955	$1,106,273	$1,469,926	$1,450,057	$1,451,743	$1,308,503	$0
Purchase Price	$26,900,000	After Costs	($26,900,000)										
Sale Price	$30,536,000	After Costs											$30,230,640
Annual Cashflow			($25,432,489)	$1,310,008	$1,443,299	$1,179,300	$1,483,955	$1,106,273	$1,469,926	$1,450,057	$1,451,743	$1,308,503	$30,230,640
Present Value of Rental Cashflow		$10,339,654											
Present Value of Terminal Value		$16,682,852											
Allowance for Acquisition Costs		$0											
Total Net Present Value (say)		$27,023,000		Resulting IRR	6.18%								

The main valuation inputs used in our cash flow are summarised as follows:

Revenue Projections

Our revenue projections commence with the passing rents for each existing tenant and, where relevant, include structured annual and market rent reviews, together with ratchet clauses, as provided for under existing leases.

Growth Rates

A summary of the growth rates adopted for the cash flow period are as follows:

Growth	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Office							10 year average		2.00%	
	0.00%	1.00%	1.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
CPI							10 year average		1.83%	
	1.30%	1.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Capex							10 year average		2.83%	
	2.30%	2.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Outgoings							10 year average		2.83%	
	2.30%	2.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%

The market rents have been grown over the 10-year cash flow period by their respective growth rate as set out within the summary table above. In formulating our views as to the appropriate projected rental growth rates we have had regard to forecasts supplied by JLL Research and NZIER. These forecasts have been used as a base from which growth rates appropriate for the Property have been derived.

Letting Up Allowances

We have allowed for a letting up period at the end of each existing lease (being the estimated time to secure a new tenant) and associated probability. We have assumed a new lease term for tenants of 6.0 years and associated agents/leasing costs of 16.00%. Our allowances are outlined in the table below:

Office	Cash Flow Year	Letting Up	Probability	Incentive	Probability	Capex /sqm	Probability
	Vacant	6 months	100%	0%	100%	$100	100%
	Year 1	6 months	25%	0%	100%	$100	100%
	Year 2	6 months	25%	0%	100%	$100	50%
	Year 3	6 months	25%	0%	100%	$100	50%
	Year 4	6 months	25%	0%	100%	$100	50%
	Year 5	6 months	25%	0%	100%	$100	50%
	Year 6	6 months	25%	0%	100%	$100	50%
	Year 7	6 months	25%	0%	100%	$100	50%
	Year 8	6 months	25%	0%	100%	$100	50%
	Year 9	6 months	25%	0%	100%	$100	50%
	Year 10	6 months	25%	0%	100%	$100	50%

Capital Expenditure

Within our calculations we have made capital expenditure allowances for any known upcoming costs, together with our own allowances for capital and refurbishment works coinciding with major lease expiries that we feel would be necessary to achieve our rental growth forecast and which a prudent purchaser is likely to make allowances for. The allowances we have made are as summarised below, split between capex associated with a tenancy expiry or renewal, and general property expenditure:

Cash Flow Year	Tenancy Capex	Building Capex	Total Capex
Year 1	$0	$0	$0
Year 2	$49,249	$0	$49,249
Year 3	$0	$0	$0
Year 4	$72,501	$0	$72,501
Year 5	$0	$0	$0
Year 6	$90,783	$0	$90,783
Year 7	$0	$0	$0
Year 8	$58,806	$0	$58,806
Year 9	$0	$0	$0
Year 10	$86,570	$0	$86,570
10 Year Total	$357,910	$0	$357,910
Capex as a proportion of Value	1.3%	Per Sqm of Lettable Area	$115.57

The above allowances have been adjusted for forecast CPI movements throughout the cash flow.

Estimated Terminal Sale Price

We have applied a terminal yield of 5.375% (a 25.0 basis point premium to the going in capitalisation rate) to the market net income at the start of Year 11 in order to calculate the estimated terminal sale price. This value also includes reversions to the forecast market rent as at the end of Year 10, deferred until the next review date.

In estimating the terminal value of the property we have primarily had regard to the increased age of the property at the end of the cashflow and likely occupancy and net income profile for the property.

Transaction Costs

We have made allowances for the following transaction costs within our discounted cash flow:

Transaction Costs	
Acquisition Costs	Nil
Disposal Costs	1.00% of the forecast Terminal Value

Sensitivity Analysis

The table below highlights a sensitivity analysis of the net present value around variations to the discount rate and terminal yield:

Discount Rate	Terminal Yield		
	5.125%	5.375%	5.625%
5.875%	$28,360,000	$27,530,000	$26,774,000
6.125%	$27,833,000	$27,023,000	$26,284,000
6.375%	$27,319,000	$26,527,000	$25,806,000

9 Valuation

9.1 Valuation Reconciliation

The results of our valuation methods are:

Methodology	Valuation
Capitalisation Approach - Market Income	$26,853,000
Capitalisation Approach - Contract Income	$26,843,000
Discounted Cash Flow Approach	$27,023,000
Adopted Value	$26,900,000

9.2 Valuation Conclusion

Having regard to the results from the valuation methods described above, together with available market evidence, the comments made within this report, and present market sentiment, we have adopted a rounded valuation figure of $26,900,000 plus GST (if any).

Our valuation is subject to the comments, qualifications and financial data contained within our report. On that basis, and assuming the Property is free of encumbrances, restrictions or other impediments of an onerous nature that would affect value, in our opinion its market value as at 7 December 2020, is:

$26,900,000 plus GST (if any)

Twenty Six Million Nine Hundred Thousand Dollars plus GST (if any)

The assessed value reflects an initial passing yield of 5.46%, an equivalent yield of 5.12%, an internal rate of return of 6.18%, and a rate of $8,686 per square metre of Lettable Area.

We confirm that this report is confidential to the following parties and for the specific purposes noted below:

- Pacific Property Fund Limited – for inclusion within a Product Disclosure Statement

No responsibility is accepted to any third parties. Neither the whole of the report, or any part of it, or any reference to it, may be published in any document, statement or circular nor in any communication with third parties without our prior written approval of the form and context in which it will appear.

9.3 Mortgage Security Recommendation

Subject to the comments in this report, we consider the Property to be a suitable security for first mortgage purposes.

There remains some uncertainty around market parameters given the events of recent months, and we recommend caution is applied to lending at present.

9.4 Market Value Apportionment

We have been requested to provide an apportionment of the land and improvements within the Market Value as assessed.

In order to establish value parameters to the subject we have investigated recent land sales within the locality. In the interest of brevity, we retain all sales evidence on file and outline our apportionment of the value assessed as follows:

Valuation Apportionment	Value
Land Value	$3,800,000
Improvements Value	$23,100,000
Adopted Value	$26,900,000

This apportionment has been undertaken for accounting purposes only, and should not be utilised as an assessment of improvement indemnity or replacement value for insurance purposes.

9.5 Involvement Statement

The following parties have been involved in the completion of this valuation:

Inspection of Property	Graeme McDonald, Robert Clifford
Calculations	Graeme McDonald, Robert Clifford
Information Review	Graeme McDonald, Robert Clifford
Report Authoring	Graeme McDonald, Robert Clifford
Quality Assurance	Ben Johnson
Principal Valuer	Graeme McDonald

JLL require that all Valuation Reports are reviewed for Quality Assurance purposes before external release. The individual that has undertaken the Quality Assurance review offers no opinion on the subject property(s).

Yours faithfully,
Jones Lang LaSalle, Valuation Advisory

Jones Lang LaSalle

Appendix 1 – Valuation Definitions

Net Passing Income	The annual sum of the current base rent, any supplementary income and recoverable outgoings, less total outgoings.
Net Income, Fully Leased	The annual net passing income as above, plus estimated income from vacant tenancies and any immediate reversions.
Capitalisation Rate	The capitalisation rate adopted within the valuation applied to either the net income, fully leased (excluding supplementary income) or net market income prior to adjustments for vacancy, rental reversion and capital expenditure.
Initial Yield	The net passing income from an investment divided by the sale price or value adopted for the investment.
Market Yield	The assessed net market income divided by the sale price or value adopted.
Equivalent Yield	A market yield which reflects additional adjustments for capital expenditure, letting up assumptions or the present value of rental reversions after the capitalisation of income.
Discount Rate	A rate of return used to convert a future monetary sum or cash flow into a present value.
Internal Rate of Return (IRR)	The discount rate at which the present value of the future cash flows of the investment equals the acquisition cost of the investment.
Terminal Yield	Alternatively referred to as a Reversionary Yield, being the anticipated yield from an investment property once a reversionary value is attained at the end of the cashflow with adjustments for vacancy allowances.
Ten Year IRR	The IRR (as above) for which the property would achieve based on the present value of all the net cashflows over a 10 year period given the assessed value.
Market Rent	The estimated amount for which an interest in real property should be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.
Market Value	The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.
Highest and Best Use	The use of an asset that maximises its potential and that is physically possible, legally permissible and financially feasible.
Weighted Average Lease Term (WALT)	The weighted average lease term remaining to expire across the property or portfolio, it can be weighted by rental income or lettable area.
Fair Value	Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Appendix 2 – Record of Title

RECORD OF TITLE
UNDER LAND TRANSFER ACT 2017
FREEHOLD
Search Copy

R.W. Muir
Registrar-General
of Land

Identifier **593199**
Land Registration District **Canterbury**
Date Issued 05 August 2013

Prior References

619550	CB412/122	CB478/113

Estate Fee Simple
Area 475 square metres more or less
Legal Description Lot 3 Deposited Plan 457482

Registered Owners
SSF Three Limited

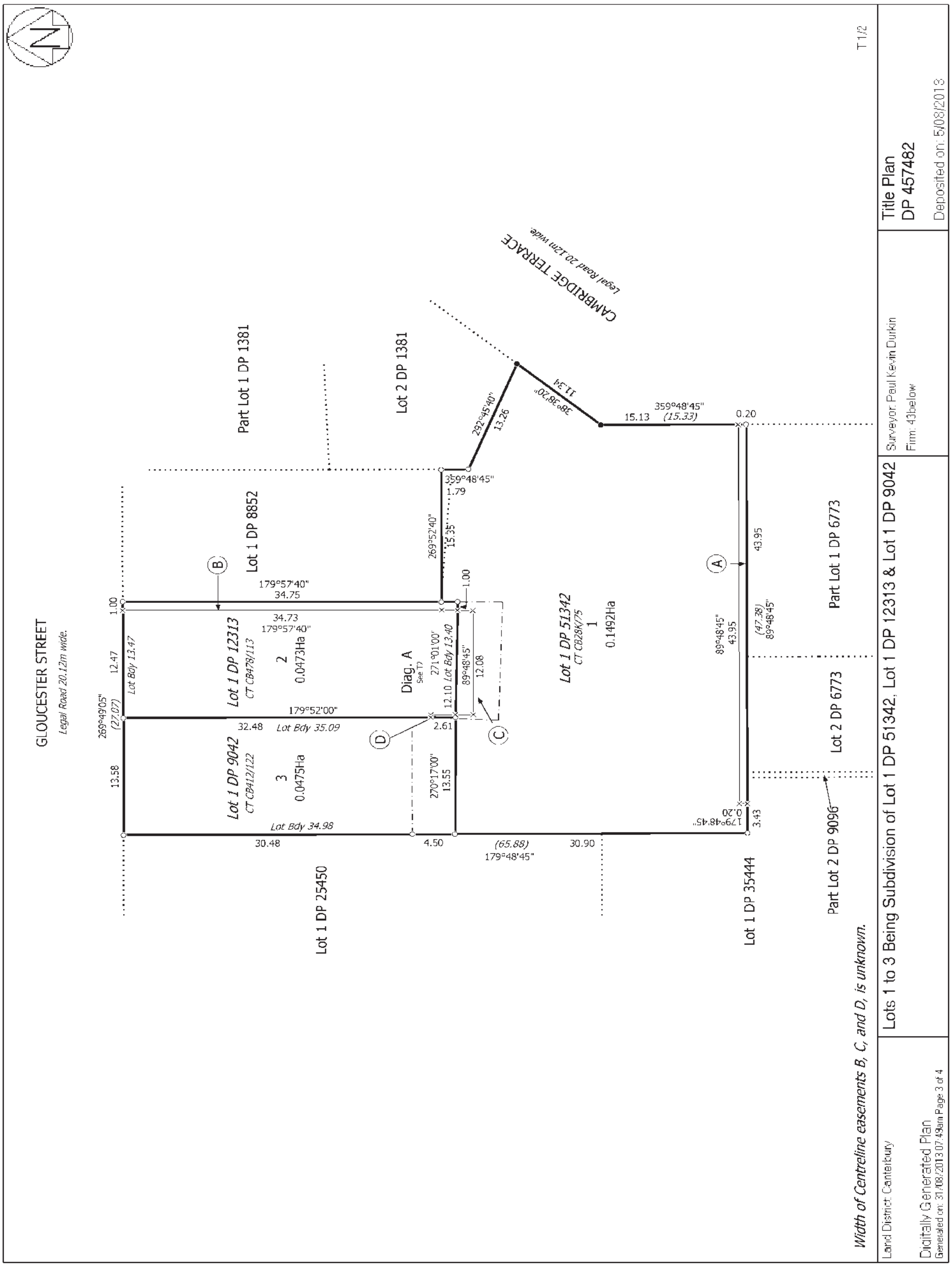
Interests

9447565.11 Consent Notice pursuant to Section 221 Resource Management Act 1991 - 5.8.2013 at 3:56 pm

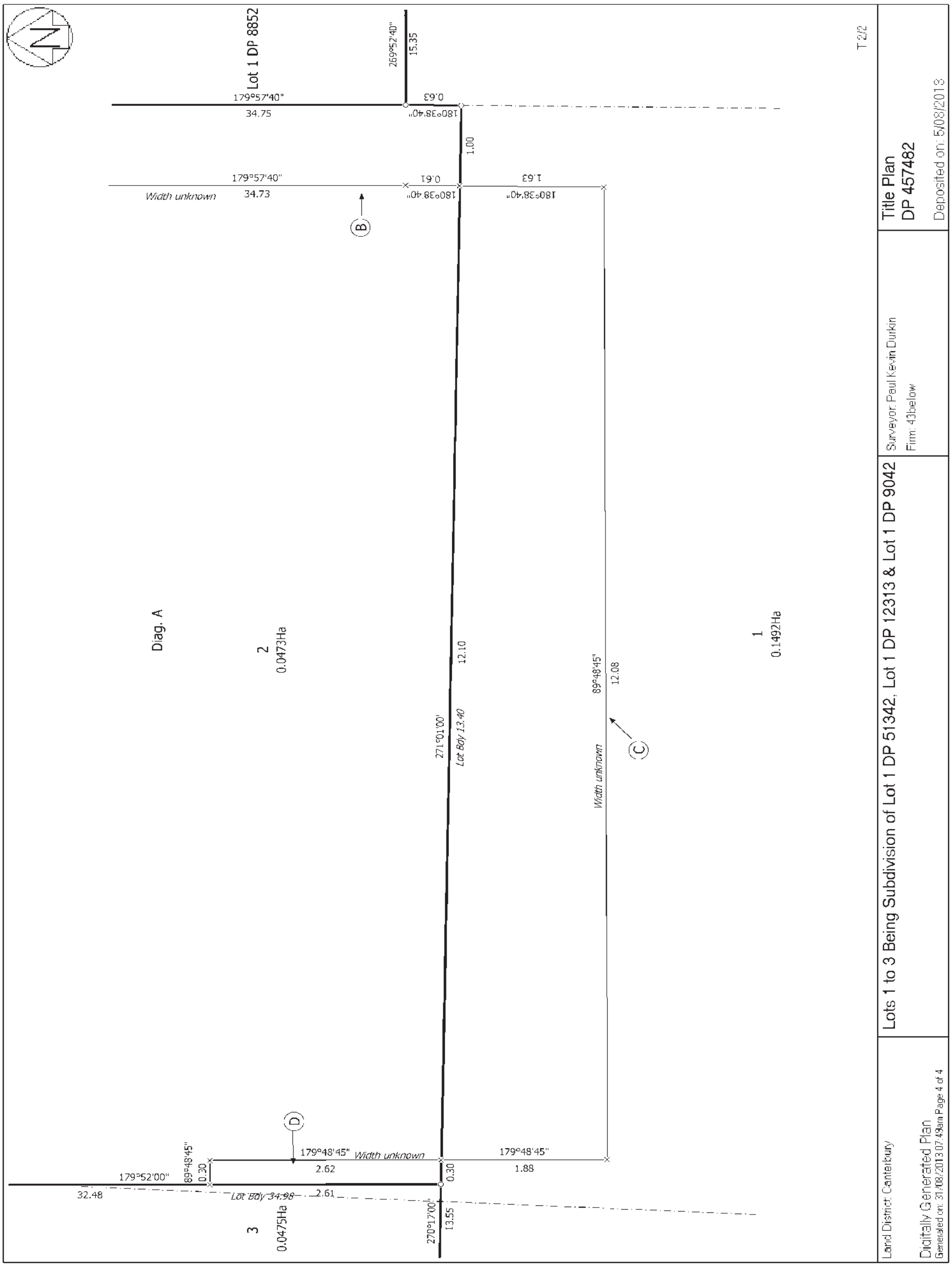
9507209.1 CERTIFICATE PURSUANT TO SECTION 77 BUILDING ACT 2004 THAT THIS COMPUTER REGISTER IS SUBJECT TO THE CONDITION IMPOSED UNDER SECTION 75(2) (ALSO AFFECTS 593198) - 5.9.2013 at 9:10 am

11223466.3 Mortgage to ANZ Bank New Zealand Limited - 28.9.2018 at 4:43 pm

Identifier **593199**



Identifier **593199**



RECORD OF TITLE
UNDER LAND TRANSFER ACT 2017
FREEHOLD
Search Copy

R.W. Muir
Registrar-General
of Land

Identifier	**593198**
Land Registration District	**Canterbury**
Date Issued	05 August 2013

Prior References
CB478/113

Estate	Fee Simple
Area	473 square metres more or less
Legal Description	Lot 2 Deposited Plan 457482

Registered Owners
SSF Three Limited

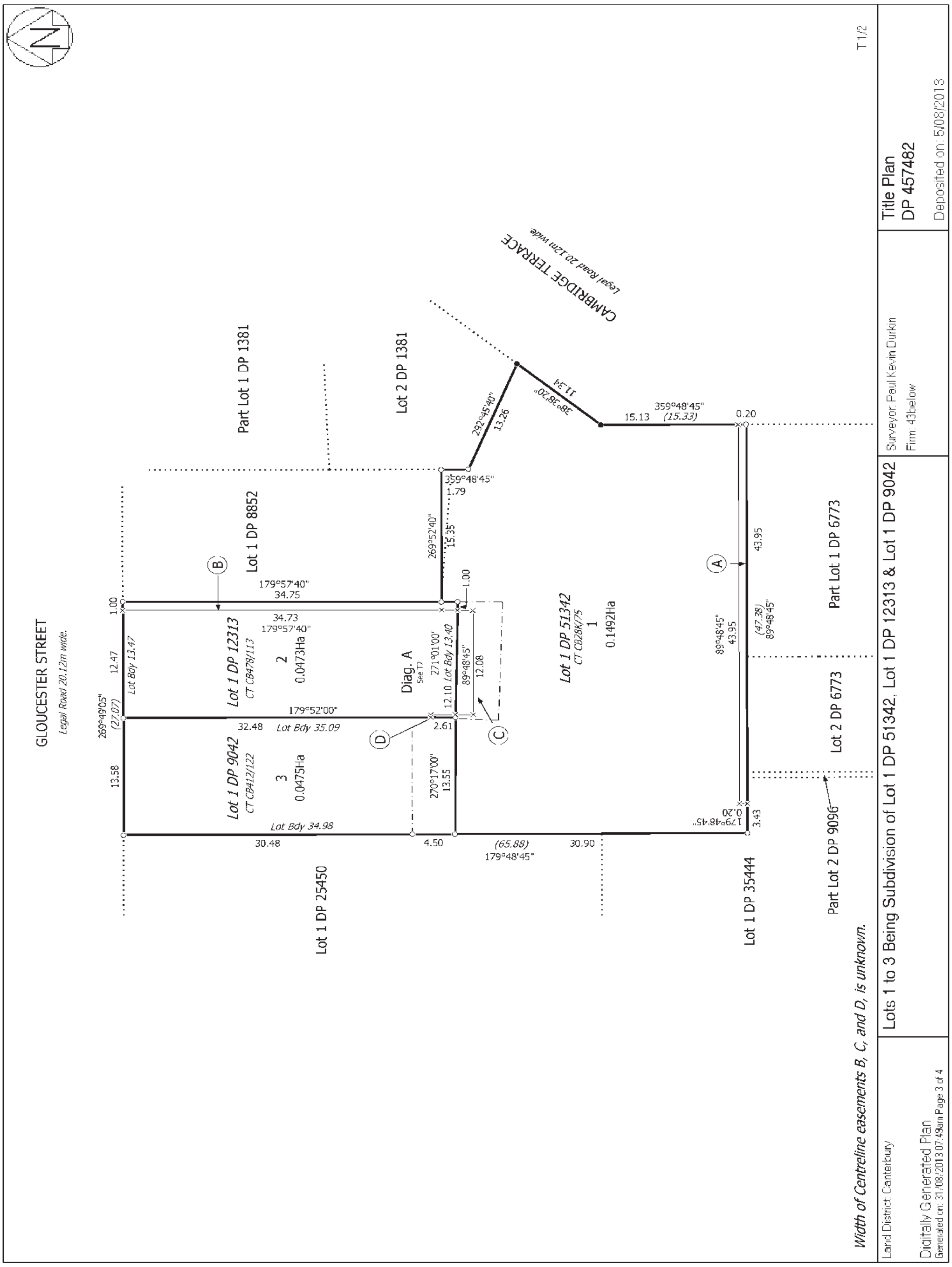
Interests

9447565.11 Consent Notice pursuant to Section 221 Resource Management Act 1991 - 5.8.2013 at 3:56 pm

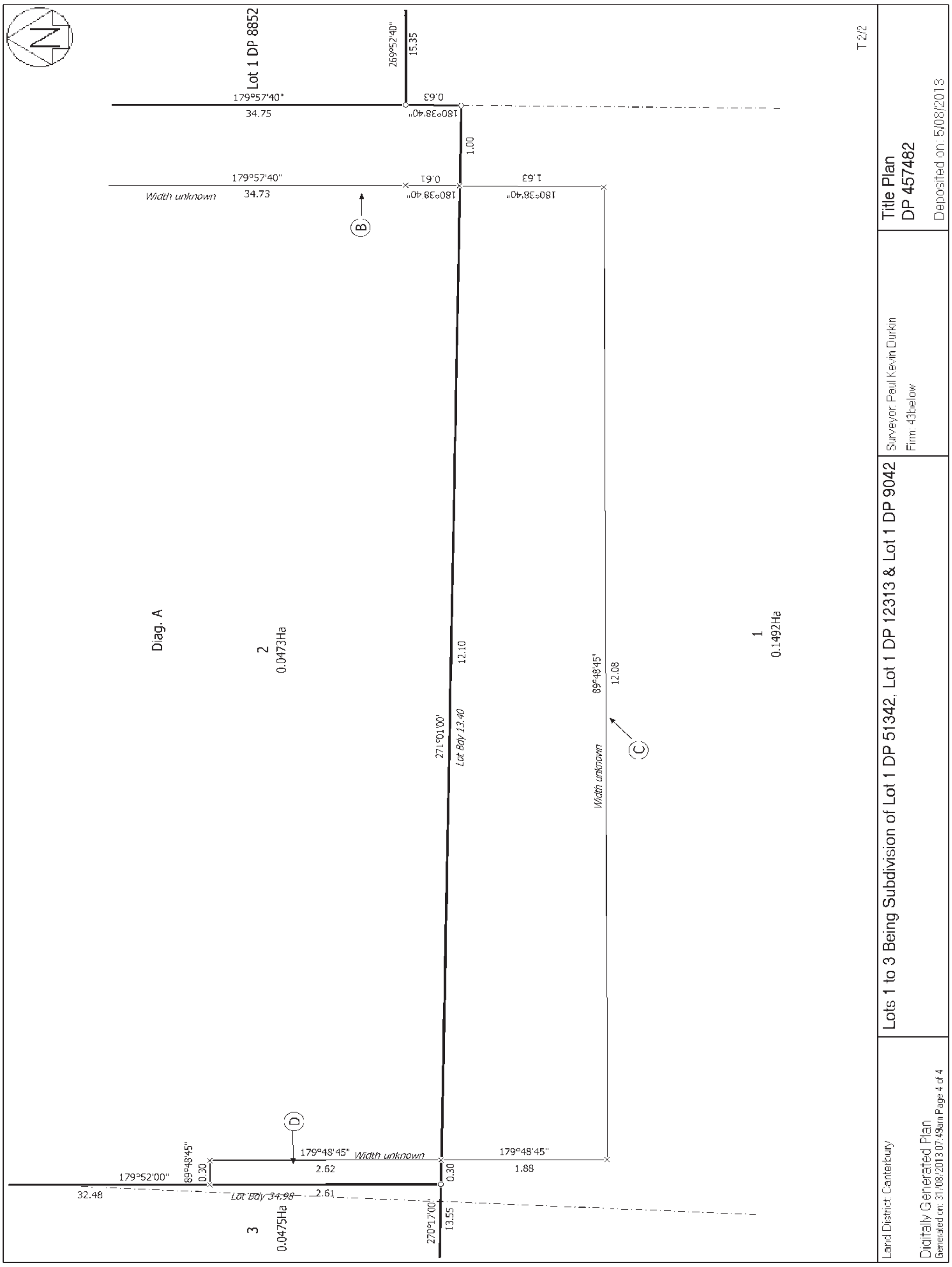
9507209.1 CERTIFICATE PURSUANT TO SECTION 77 BUILDING ACT 2004 THAT THIS COMPUTER REGISTER IS SUBJECT TO THE CONDITION IMPOSED UNDER SECTION 75(2) (ALSO AFFECTS 593199) - 5.9.2013 at 9:10 am

11223466.3 Mortgage to ANZ Bank New Zealand Limited - 28.9.2018 at 4:43 pm

Identifier **593198**



Identifier **593198**



View Instrument Details

Instrument No.	9447565.11
Status	Registered
Date & Time Lodged	05 Aug 2013 15:56
Lodged By	Lowes, Fern
Instrument Type	Consent Notice under s221(4)(a) Resource Management Act 1991

Affected Computer Registers	Land District
593197	Canterbury
593198	Canterbury
593199	Canterbury

Annexure Schedule: Contains 1 Page.

Signature

Signed by Lauraine Beverley Frampton as Territorial Authority Representative on 30/07/2013 10:52 AM

***** End of Report *****

IN THE MATTER OF the Resource Management Act 1991

AND

IN THE MATTER OF Subdivision Consent Application RMA92020436 affecting Lots 1-3 DP 457482

CONSENT NOTICE PURSUANT TO

SECTION 221, RESOURCE MANAGEMENT ACT 1991

To: The Registrar General of Lands
Canterbury Land Registration District
LAND INFORMATION NEW ZEALAND

TAKE NOTICE that the land hereinafter described is subject to conditions in relation to a subdivision consent as follows:-

Geotechnical Requirement – Lots 1-3

Any structure requiring a Building Consent, in terms of Building Act provisions, shall have specific foundation design by a chartered engineer or by an appropriately qualified geotechnical engineer, with reference to vertical settlement aspects and in conjunction with potential land improvement works.

AND THAT you are hereby directed and required to register the same pursuant to Section 221 Resource Management Act 1991.

DESCRIPTION OF LAND BY CONSENT NOTICE

ALL THOSE parcel of land comprising:

- Lot 1 DP 457482 containing 0.1492 Ha comprised in CT 593197
- Lot 2 DP 457482 containing 0.0473 Ha comprised in CT 593198
- Lot 3 DP 457482 containing 0.0475 Ha comprised in CT 593199

DATED this 19 day of September 2012.

SIGNED for and on behalf of
THE CHRISTCHURCH CITY COUNCIL
pursuant to Section 221(2) of the Resource Management Act 1991

Bob Pritchard, Officer of the Christchurch City Council

View Instrument Details

Instrument No.	9507209.1
Status	Registered
Date & Time Lodged	05 Sep 2013 09:10
Lodged By	Roberts, Jason Lee
Instrument Type	Building Act 2004 - Certificate Imposing Condition - s77(4)

Affected Computer Registers	Land District
593198	Canterbury
593199	Canterbury

Annexure Schedule: Contains 1 Page.

Signature

Signed by Jason Lee Roberts as Territorial Authority Representative on 05/09/2013 09:10 AM

***** End of Report *****

**IN THE MATTER OF SECTION 77(1)
BUILDING ACT 2004**

AND

IN THE MATTER OF:

Building Consent No. ABA10121709

Issued by the Christchurch City Council

TO: **The Registrar General of Land
Canterbury Land Registry**

The Christchurch City Council hereby certifies pursuant to Section 77(1) of the Building Act 2004 that as a condition of the granting of a Building Consent to construct a building over allotments held by the owner in fee simple the Council requires that the allotment(s) set out in the Schedule below must not be transferred or leased except in conjunction with each other.

SCHEDULE:

Lot No	Deposit Plan No	Certificate of Title	Area of Land
2	457482	593198	473m²
3	457482	593199	475m²

Dated this 22nd day of February 20 13

Authenticated by:
**Principal Administrative Officer
Christchurch City Council for the purpose of
Section 77(1) of the Building Act 2004**

Philip Richard Hector

Signed by the Registered Proprietor
SSF Three Limited

Director: Lindsay Mervyn O'Donnell

Director/Secretary

in the presence of:

Signature of witness:

Full name of witness: Kenneth James Jones

Occupation of witness: Solicitor

CHRISTCHURCH

Address of witness:

Note: If two directors sign, no witness is necessary. If a director and secretary sign, both signatures are to be witnessed. If the director and secretary are not signing together, a separate witness will be necessary for each signature.

Property Address: 70 Gloucester Street
Christchurch

Appendix 3 – Valuation Calculations

Executive Summary

Property	Anderson Lloyd House - 70 Gloucester Street, Christchurch
Property Description	Commercial Office
Net Lettable Area	3,097 square metres
Car Parking	29 spaces - 1 car park per 106.79 sqm
Prepared For	Pacific Property Fund Limited
Purpose	Product Disclosure Statement
Date of Valuation	7 December 2020
Valuation Approach	Capitalisation of Net Income and Discounted Cashflow
Valuation	**$26,900,000 plus GST (if any)**

Valuation Analysis

Initial Yield (Net Passing)	5.46%
Initial Yield (Fully Leased)	5.46%
Equivalent Yield	5.12%
Internal Rate of Return (Ten Year)	6.18%
Weighted Average Lease Term - Income	4.14 years
Weighted Average Lease Term - Area	4.09 years
Occupancy As Valued	100.00%
Capital Value per square metre of NLA	$8,686 /sqm
Under/Over Renting Proportion	Over rented: 8%

This information in this summary is derived from and should be read in conjunction with the full text of the accompanying report.

Capitalisation Approach

Value Based on Market Capitalisation	$26,853,000
Value Based on Contract Capitalisation	$26,843,000
Capitalisation Rate	5.13%

Discounted Cashflow Approach

Value Based on DCF Approach	$27,023,000
Discount Rate	6.13%
Terminal Capitalisation Rate	5.38%
Nominal Assumed Rental Growth	2.00% pa
Nominal Assumed CPI	1.83% pa

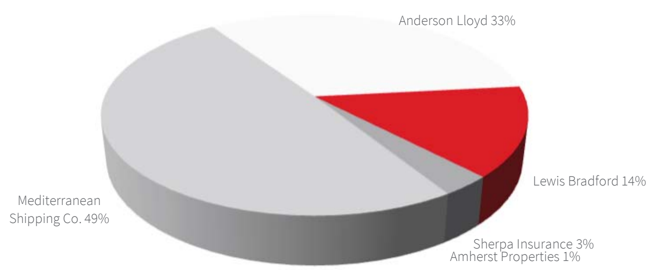
Contract and Market Rental Income Summary

	Contract	Market
Rental Income	$1,442,511	$1,338,174
Other Income	$25,000	
Recoverable Outgoings	$276,665	$276,665
Gross Income	$1,744,176	$1,614,839
Total Outgoings	($276,665)	($276,665)
Less Year 1 Incentives		
Net Income	**$1,467,511**	**$1,338,174**

DCF Sensitivity Analysis

Discount Rate	Terminal Yield 5.13%	Terminal Yield 5.38%	Terminal Yield 5.63%
5.88%	$28,360,000	$27,530,000	$26,774,000
6.13%	$27,833,000	**$27,023,000**	$26,284,000
6.38%	$27,319,000	$26,527,000	$25,806,000

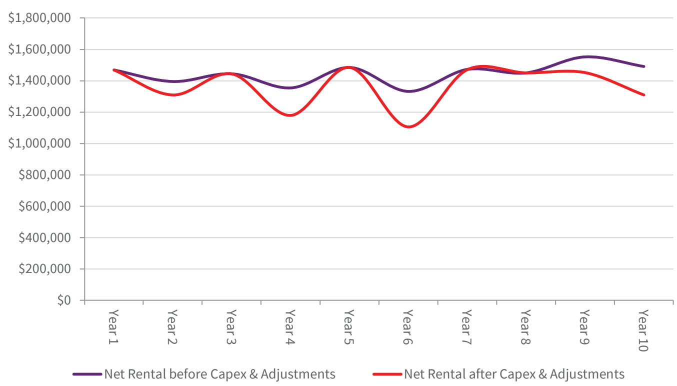
Major Tenant Occupancy Profile by Rental Income



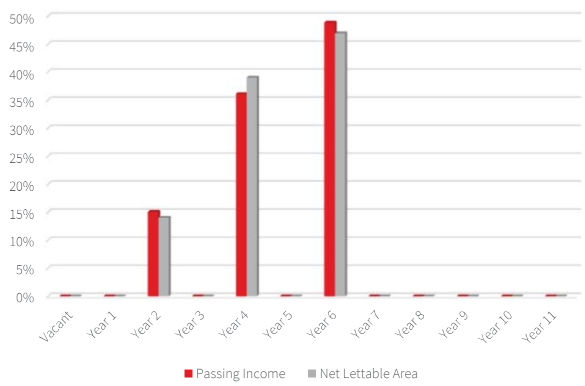
Capex and Letting Up Assumptions

	Year 1	Year 2	Year 3
Capex	$0	$49,249	$0
Letting Up	$0	$96,782	$1,519
Unexpired Incentives	$0	$0	$0

Projected Net Rental Cash Flow



Lease Expiry Profile



Capitalisation Approach
Anderson Lloyd House - 70 Gloucester Street, Christchurch Central
7 December 2020

		Contract Income	Market Income
Rental Income		Contract Income	Market Income
Lettable area rental		$1,339,991	$1,232,614
Car Parking Rental		$102,520	$105,560
Ideal Outgoings Recovery (Full Net Leases)		$276,665	$276,665
Total Rental Income		**$1,719,176**	**$1,614,839**
Less Outgoings Expenditure		($276,665)	($276,665)
Net Rental		**$1,442,511**	**$1,338,174**
Rental Adjustments			
Less Long Term Vacancy Allowance @ 0.00%		$0	$0
Core Income		**$1,442,511**	**$1,338,174**
Core Income Capitalised at 5.13%		**$28,146,556**	**$26,110,714**
Value Adjustments			
Present Value of Existing Rental Reversions		($1,654,759)	$391,581
Present Value of All Outstanding Incentives		$0	$0
Vacancies - Letting Up Allowances:			
Present Value of Downtime	$0		
Present Value of Incentives	$0		
Present Value of Leasing Fees	$0	$0	$0
Expiries within the next 24 months - Letting Up Allowances:			
Present Value of Downtime	($56,208)		
Present Value of Incentives	$0		
Present Value of Leasing Fees	($34,731)	($90,939)	($90,939)
Present Value of Future Lease Agreements and Stepped Rentals		$0	$0
Present Value of Short Term Capital Expenditure: 24 months		($45,692)	($45,692)
Value of Other Income		$487,805	$487,805
Total Value Adjustments		**($1,303,586)**	**$742,755**
Total Capitalised Value		$26,842,971	$26,853,469
Adopted Capitalised Value		$26,843,000	$26,853,000
Adopted Value			**$26,900,000**

Analysis

Weighted Lease Duration	
By Income	4.14 years
By Area	4.09 years
Current Vacancies	
By Area	0 sqm
Proportion of NLA	0.00%
By Market Income	$0
Proportion of Market Income	0.00%

Performance Indicators on Adopted Value	
Initial Yield (Net Passing)	5.46%
Initial Yield (Fully Leased)	5.46%
Equivalent Market Yield	5.12%
Rate per sqm of Lettable Area	$8,686 /sqm
Net Income	
Net Passing Income	$1,467,511
Net Passing Income (Fully Leased)	$1,467,511

Discounted Cashflow Approach
Anderson Lloyd House - 70 Gloucester Street, Christchurch Central
7 December 2020

Discounted Cashflow Results	
PV of Rental Income	$10,339,654
PV of Terminal Value	$16,682,852
Acquisition Costs	$0
Total Net Present Value	**$27,022,507**
Adopted Net Present Value	$27,023,000
Adopted Value	**$26,900,000**
Adopted Discount Rate	6.13%
Internal Rate of Return	6.18%

Sensitivity Analysis*	Terminal Yield		
Discount Rate	5.125%	5.375%	5.625%
5.875%	$28,360,000	$27,530,000	$26,774,000
6.125%	$27,833,000	**$27,023,000**	$26,284,000
6.375%	$27,319,000	$26,527,000	$25,806,000

* Rounded Values

Key Property Statistics	Valuation Date	Terminal Period
Weighted Average Lease Term - Income	4.14 years	3.46 years
Weighted Average Lease Term - Area	4.09 years	3.41 years
Occupancy	100.00%	96.44%
Initial Yield (Net Passing)	5.46%	5.12%
Initial Yield (Fully Leased)	5.46%	5.35%
Capex Assumptions		
Total Allowance over DCF Period	$344,559	$111.26 /sqm
Proportion of Adopted Value	1.28%	

Year Ending		**06-Dec-2021** Year 1	**06-Dec-2022** Year 2	**06-Dec-2023** Year 3	**06-Dec-2024** Year 4	**06-Dec-2025** Year 5	**06-Dec-2026** Year 6	**06-Dec-2027** Year 7	**06-Dec-2028** Year 8	**06-Dec-2029** Year 9	**06-Dec-2030** Year 10	**06-Dec-2031** Year 11
Rental Income												
Lettable Area and Car Park Income		$1,442,511	$1,380,089	$1,419,568	$1,349,229	$1,457,685	$1,330,511	$1,444,010	$1,433,492	$1,523,375	$1,483,496	$0
Outgoings Recovery		$276,665	$273,113	$288,689	$277,196	$306,270	$290,773	$324,922	$322,945	$344,710	$332,917	$0
Other Income		$25,000	$25,000	$25,250	$25,629	$26,269	$26,926	$27,599	$28,289	$28,997	$29,721	$0
Gross Rental Income		$1,744,176	$1,678,202	$1,733,507	$1,652,054	$1,790,225	$1,648,210	$1,796,531	$1,784,726	$1,897,082	$1,846,134	$0
Rental Deductions												
Unexpired Incentives - Rent Free/Abatements		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Outgoings Expenditure		($276,665)	($283,028)	($288,689)	($297,350)	($306,270)	($315,458)	($324,922)	($334,670)	($344,710)	($355,051)	$0
Net Rental Cashflow		$1,467,511	$1,395,174	$1,444,818	$1,354,704	$1,483,955	$1,332,752	$1,471,609	$1,450,057	$1,552,372	$1,491,083	$0
Rental Adjustments												
Unexpired Incentives - Capital Contribution		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Letting Up Allowances - Leasing Fees		$0	($35,916)	($1,519)	($102,903)	$0	($135,696)	($1,683)	$0	($41,823)	($109,360)	$0
Capital Expenditure		$0	($49,249)	$0	($72,501)	$0	($90,783)	$0	$0	($58,806)	($73,220)	$0
Net Cashflow		**$1,467,511**	**$1,310,008**	**$1,443,299**	**$1,179,300**	**$1,483,955**	**$1,106,273**	**$1,469,926**	**$1,450,057**	**$1,451,743**	**$1,308,503**	**$0**
Purchase Price	$26,900,000											
Acquisition Costs @ 0.00%	$0											
Gross Purchase Price	$26,900,000											
Net Sale Price After Costs @ 1.00%												$30,230,640
Annual Cashflow		**($25,432,489)**	**$1,310,008**	**$1,443,299**	**$1,179,300**	**$1,483,955**	**$1,106,273**	**$1,469,926**	**$1,450,057**	**$1,451,743**	**$1,308,503**	**$30,230,640**
Running Yield (pre acquisition costs)		5.46%	5.17%	5.35%	4.99%	5.46%	4.87%	5.37%	5.29%	5.65%	5.39%	-
Running Yield (post acquisition costs)		5.46%	5.17%	5.35%	4.99%	5.46%	4.87%	5.37%	5.29%	5.65%	5.39%	-
Running IRR		3.57%	4.15%	4.83%	5.16%	5.58%	5.75%	5.99%	6.01%	6.17%	6.18%	-

Letting Up Allowances Speculative Leases	Year Ending	06-Dec-2021 Year 1	06-Dec-2022 Year 2	06-Dec-2023 Year 3	06-Dec-2024 Year 4	06-Dec-2025 Year 5	06-Dec-2026 Year 6	06-Dec-2027 Year 7	06-Dec-2028 Year 8	06-Dec-2029 Year 9	06-Dec-2030 Year 10	06-Dec-2031 Year 11
Downtime (Gross Rent)		$0	($60,866)	$0	($112,167)	$0	($141,350)	($5,259)	($65,348)	$0	($119,783)	$0
Incentives (as Rent Free)		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0

Growth and Cost Assumptions

	Current Vacancies	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Average/Range
Office	Assumed Lease Term	6.0 years	Review Frequency	2 yearly								
Rental Growth Rate (Net)		0.00%	1.00%	1.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	**2.00%**
Letting Up Assumption	6 months	6 months	6 months	6 months	6 months	6 months	6 months	6 months	6 months	6 months	6 months	**6 months**
Letting Up Probability	100%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	**25% to 100%**
Applied Incentive (Net)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	**0.0%**
Incentive Months Equivalent	0 months	0 months	0 months	0 months	0 months	0 months	0 months	0 months	0 months	0 months	0 months	**0 months**
Capex Allowance	$0	$0	$0	$0	$61,320	$0	$90,783	$0	$0	$0	$73,220	**$85 /sqm**
Office 2	Assumed Lease Term	6.0 years	Review Frequency	2 yearly								
Rental Growth Rate (Net)		0.00%	1.00%	1.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	**2.00%**
Letting Up Assumption	6 months	6 months	6 months	6 months	6 months	6 months	6 months	6 months	6 months	6 months	6 months	**6 months**
Letting Up Probability	100%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	**50% to 100%**
Applied Incentive (Net)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	**0.0%**
Incentive Months Equivalent	0 months	0 months	0 months	0 months	0 months	0 months	0 months	0 months	0 months	0 months	0 months	**0 months**
Capex Allowance	$0	$0	$49,249	$0	$11,181	$0	$0	$0	$58,806	$0	$13,350	**$231 /sqm**
Other	Assumed Lease Term	4.0 years	Review Frequency	2 yearly								
Rental Growth Rate (Net)		0.00%	1.00%	1.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	**2.00%**
Letting Up Assumption	6 months	6 months	6 months	6 months	6 months	6 months	6 months	6 months	6 months	6 months	6 months	**6 months**
Letting Up Probability	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	**100%**
Applied Incentive (Net)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	**0.0%**
Incentive Months Equivalent	0 months	0 months	0 months	0 months	0 months	0 months	0 months	0 months	0 months	0 months	0 months	**0 months**
Capex Allowance	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$0 /sqm**

Growth Rates	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Average
Ancillary	0.00%	1.00%	1.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	**2.00%**
Carparking	0.00%	1.00%	1.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	**2.00%**
CPI	1.30%	1.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	**1.83%**
Capex	2.30%	2.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	**2.83%**
Outgoings	2.30%	2.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	**2.83%**
Ground Rental	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	**0.00%**
Other Income	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	**0.00%**

Other Income Summary	Assessed Value	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Average
Naming Rights	$487,805	$25,000	$25,000	$25,250	$25,629	$26,269	$26,926	$27,599	$28,289	$28,997	$29,721	$30,465

Tenancy Schedule
Anderson Lloyd House - 70 Gloucester Street, Christchurch Central
7 December 2020

Tenant Name	Premises	Tenancy Area sqm	Car Parks	Lease Start	Lease Expiry	Next Review	Review Frequency	Review Type	Contract Rental	Premises per sqm	Car Park pcpw	Outgoings Recovery	Net Market per sqm	Gross Market per sqm	Car Park pcpw	Net Market Rental
1. Sherpa Insurance	Ground Floor	101.0	2	21-Aug-20	20-Aug-24		4 yearly	Market	$47,160	$400	$65.00	$9,023	$400	$489	$70.00	$47,680
2. Lewis Bradford	Second Floor	434.0	3	1-Jun-14	31-May-22		2 yearly	CPI	$200,011	$437	$67.04	$38,771	$380	$469	$70.00	$175,832
3. Lewis Bradford	Deck	38.0		1-Jun-14	31-May-22		2 yearly	CPI	$7,839	$206		$0	$200	$200		$7,600
4. Anderson Lloyd	Second Floor	336.9	2	23-Jun-14	22-Jun-24	23-Jun-22	2 yearly	Market	$141,512	$400	$65.00	$30,096	$380	$469	$70.00	$135,294
5. Anderson Lloyd	Third Floor	771.0	7	23-Jun-14	22-Jun-24	23-Jun-22	2 yearly	Market	$332,052	$400	$65.00	$68,878	$385	$474	$70.00	$322,307
6. Mediterranean Shipping (	4th & 5th Floor	1,454.0	15	1-May-14	30-Apr-26	1-May-22	2 yearly	Market	$684,621	$433	$70.36	$129,897	$390	$479	$70.00	$621,660
7. Mediterranean Shipping (	Deck	92.0		1-May-14	30-Apr-26	1-May-22	2 yearly	Market	$19,916	$216		$0	$200	$200		$18,400
8. Amherst Properties	Storeroom	47.0		1-Jun-20	31-May-22		0 yearly	Market	$9,400	$200		$0	$200	$200		$9,400
	GLA	3,274 sqm	29					Passing Rental	$1,442,511		Outgoings Recovery	$276,665			Market Rental	$1,338,174
	NLA	3,097 sqm						Net Passing Rental	$1,442,511		Vacant Outgoings	$0				
											Outgoings Shortfall	$0				
											Total Outgoings	$276,665				

Annualised Receivable Income
Anderson Lloyd House - 70 Gloucester Street, Christchurch Central
7 December 2020

Tenant Name	Premises	Year 1 06-Dec-2021	Year 2 06-Dec-2022	Year 3 06-Dec-2023	Year 4 06-Dec-2024	Year 5 06-Dec-2025	Year 6 06-Dec-2026	Year 7 06-Dec-2027	Year 8 06-Dec-2028	Year 9 06-Dec-2029	Year 10 06-Dec-2030
Sherpa Insurance	Ground Floor	$47,160	$47,160	$47,160	$35,608	$50,018	$50,018	$50,343	$53,910	$54,140	$51,948
Lewis Bradford	Second Floor	$200,011	$144,294	$177,156	$177,156	$179,950	$188,335	$190,746	$148,486	$204,259	$204,259
Lewis Bradford	Deck	$7,839	$5,834	$7,657	$7,657	$7,778	$8,140	$8,245	$6,418	$8,829	$8,829
Anderson Lloyd	Second Floor	$141,512	$141,512	$141,512	$117,771	$141,046	$141,046	$144,704	$152,020	$154,615	$133,959
Anderson Lloyd	Third Floor	$332,052	$332,052	$332,052	$278,029	$336,010	$336,010	$344,724	$362,152	$368,334	$319,126
Mediterranean Shipping Cc	4th & 5th Floor	$684,621	$684,621	$684,621	$703,060	$712,280	$580,061	$679,866	$679,866	$701,905	$732,760
Mediterranean Shipping Cc	Deck	$19,916	$19,916	$19,916	$20,452	$20,721	$17,018	$20,123	$20,123	$20,775	$21,688
Amherst Properties	Storeroom	$9,400	$4,700	$9,494	$9,494	$9,882	$9,882	$5,259	$10,518	$10,518	$10,927
Total Receivable Rental Income		$1,442,511	$1,380,089	$1,419,568	$1,349,229	$1,457,685	$1,330,511	$1,444,010	$1,433,492	$1,523,375	$1,483,496

Market Rental Income - Year Start
Anderson Lloyd House - 70 Gloucester Street, Christchurch Central
7 December 2020

Tenant Name	Premises	Year 1 07-Dec-2020	Year 2 07-Dec-2021	Year 3 07-Dec-2022	Year 4 07-Dec-2023	Year 5 07-Dec-2024	Year 6 07-Dec-2025	Year 7 07-Dec-2026	Year 8 07-Dec-2027	Year 9 07-Dec-2028	Year 10 07-Dec-2029
Sherpa Insurance	Ground Floor	$47,680	$47,680	$48,159	$48,886	$50,123	$51,390	$52,690	$54,022	$55,388	$56,789
Lewis Bradford	Second Floor	$175,832	$175,832	$177,599	$180,281	$184,840	$189,515	$194,307	$199,221	$204,259	$209,424
Lewis Bradford	Deck	$7,600	$7,600	$7,676	$7,792	$7,989	$8,191	$8,399	$8,611	$8,829	$9,052
Anderson Lloyd	Second Floor	$135,294	$135,294	$136,654	$138,718	$142,225	$145,822	$149,510	$153,291	$157,167	$161,142
Anderson Lloyd	Third Floor	$322,307	$322,307	$325,545	$330,462	$338,819	$347,387	$356,172	$365,179	$374,414	$383,882
Mediterranean Shipping Cc	4th & 5th Floor	$621,660	$621,660	$627,905	$637,389	$653,507	$670,034	$686,978	$704,350	$722,162	$740,425
Mediterranean Shipping Cc	Deck	$18,400	$18,400	$18,585	$18,866	$19,343	$19,832	$20,333	$20,847	$21,375	$21,915
Amherst Properties	Storeroom	$9,400	$9,400	$9,494	$9,638	$9,882	$10,131	$10,388	$10,650	$10,920	$11,196
Total Market Rental		$1,338,174	$1,338,174	$1,351,617	$1,372,032	$1,406,728	$1,442,302	$1,478,776	$1,516,172	$1,554,513	$1,593,825

JLL offices

Level 16
188 Quay Street
PO Box 165
Auckland 1140

Phone: +64 9 366 1666

JacksonStone House
Level 10, 3-11 Hunter St
PO Box 10-343
Wellington 6143

Phone: +64 4 499 1666

First Floor, 1 Papanui Road
Merivale
PO Box 6466
Christchurch 8442

Phone: +64 3 375 6600