



11 November 2021

Centuria Funds Management (NZ) Limited
PO Box 44
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To whom it may concern

Centuria Funds Management (NZ) Limited – No Material Change Letter

This letter is for the purpose of confirming the market values determined in our valuation reports completed for Centuria Funds Management (NZ) Limited, dated 24 August 2021 and 3 September 2021.

This letter is to be read in conjunction with our Valuation Reports for the below mentioned properties dated 24 August 2021 and 3 September 2021 prepared to establish market values for the purpose of acquisition, capital raising, first mortgage security and financial reporting.

We outline the determined market values as follows:

Property Address	Assessed Market Value	Effective Date
26 Clarence Street, Hamilton	\$6,600,000	24 August 2021
Anglesea Medical Centre, Hamilton	\$59,000,000	24 August 2021
196 Roydvale Avenue, Christchurch	\$10,050,000	3 September 2021

Due to possible changes in market forces and circumstances in relation to the abovementioned assets these reports and concluded values can typically only be regarded as representing our opinion of their respective values as at the date of valuation. We have not reinspected the properties since the date of our reports and have assumed the assets present today in the same condition.

New Zealand is currently in a state of increased caution following the announcement of measures to control the 'Delta' Variant of COVID-19 from 17 August 2021. Auckland and large parts of the Waikato are currently at COVID-19 Level 3, Step 2, while the rest of New Zealand including Christchurch is at Level 2. The recently announced COVID-19 Protection Framework is intended to supersede the alert levels with a traffic light system, with Hamilton currently at Level 3 Step 2. Christchurch remains at Level 2.

We note our observation that the impacts of the COVID-19 restrictions and lockdown periods did not for the most part fundamentally change economic conditions when considered against the various Government support packages and general optimism amongst New Zealanders as to our ability to work through the issues.

Primarily the impact on commercial property has been a result of business disruption, companies not able to access their premises, or in the case of most retail occupiers, provide a full range of services to customers through the lockdown periods.

We specifically note the recent Government unilateral decision to implement a requirement on commercial landlords to provide occupiers with a 'fair proportion' of rental relief during the COVID-19 related lockdown periods. While these steps are well intentioned, they offer little guidance to the parties in terms of relief obligations or requirements.

Our expectation is that if a period of lockdown were to persist in either location it is likely that some tenants will see rental abatements in a range from 50-100% of net rental. We do note however that the Anglesea Medical Centre tenants are considered essential services and have been able to operate throughout the lockdown restrictions.

Notwithstanding the likely argument for rental abatements amongst some of the occupiers of the subject properties, our modelling suggests the value impact of these on the assessed values if implemented for a period of up to a month as at 11 November 2021 would be relatively minor.

Additionally, we expect that transaction volumes will reduce over the coming months as vendors and purchasers either defer decisions or find it difficult to undertake appropriate due diligence in context of the current restrictions. We do not expect this

drop off in volumes to introduce a significant change to the above assets underlying value. We note despite restrictions we are aware of remaining unfulfilled demand for well located, well tenanted investment stock, and consider there would remain strong demand for the above assets if they were available in the marketplace.

Accordingly, we confirm that we have undertaken relevant investigations and can confirm the values as listed in the table above would accurately reflect the market conditions as at 11 November 2021.

This letter should be read alongside our Critical Assumptions, Conditions and Limitations as outlined in the Valuation Reports.

Yours faithfully

Jones Lang LaSalle, Valuation Advisory



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