



Valuation Report

20 Paisley Place
Mt Wellington
Auckland

Augusta Industrial Fund Limited
PO Box 37953
Parnell
Auckland
Attn: Lo Cheng

December 2017

Ref: 20025/RAC

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1. Valuation in Detail
2. Computer Freehold Register

20 Paisley Place, Mt Wellington, Auckland

Brief Description

The subject property comprises a substantial industrial premises being a speciality coolstore and distribution complex with two levels of offices constructed in 1999. Improvements include five coolstore rooms, two blast freezers, an environmental loading area, container area, seven loading docks and associated plant and engine rooms.

The property is leased to Americold NZ Limited for a 5 year term expiring on 30 November 2019 at a current contract rental of \$1,650,000 per annum. Halls Refrigeration Transport Limited takes a new 12 year lease at an annual rental of \$1,709,000 per plus GST from 1 December 2019.

The Halls Refrigeration Transport Limited rental will be increased by 2% per annum. This gives a WALT to the subject of 13.98 years. The lease is to be a triple net lease.



Instruction & Approach

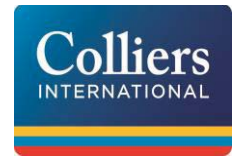
Instructing Party	Augusta Industrial Fund Limited
Reliant Party	Augusta Industrial Fund Limited
Purpose of Report	Acquisition & Proportional Ownership purposes
Interest Valued	100%
Date of Valuation	5 December 2017
Date of Inspection	5 December 2017

Property Details

Legal Description	Lot 2 Deposited Plan 198664
Tenure	Freehold
Proprietary Owner	Madill and Smeed Limited
Land Area	13,630 m ²
Lettable Area	7,877 m ²
Zoning	Business - Heavy Industry
Major Tenancies	Americold NZ Ltd followed by Halls Refrigeration Transport Limited
Current Net Contract Income	\$1,650,000 per annum increasing to \$1,709,000 per annum in December 2019
WALD	13.98 years

Key Data & Assumptions

Outgoings	\$196,915 per annum
Net Market Rental	\$1,709,740 per annum
Capex Assumptions	Triple Net Lease from December 2019
Letting Up Allowance	NA
Tenant Retention	NA
Average Growth	2.52% per annum
Market Capitalisation Rate	6.625%
Discount Rate	7.50%
Terminal Capitalisation Rate	7.75%



Valuation Conclusions

Adopted Value (100%)	\$25,900,000 plus GST (if any)
Passing Initial Yield	6.37%
Equivalent Market Yield	6.57%
Internal Rate of Return (including capex)	7.60%
Internal Rate of Return (excluding capex)	7.60%
Direct Comparison Rate	\$3,288/m ² of NLA

Valuer

RUSSELL CLARK BCOM (VPM), MPINZ
Registered Valuer
Director | Valuation & Advisory Services

CIVAS Limited trading as COLLIERS INTERNATIONAL
Level 27, 151 Queen Street, Auckland 1010
PO Box 1631, Shortland Street, Auckland 1140
Phone No. (09) 3581888

NOTE: This Executive Summary must be read in conjunction with the attached report and the details contained therein.

1.0 INTRODUCTION

1.1 SCOPE OF WORK

We have received instructions from Lo Cheng of Augusta Industrial Fund Limited dated 1 December 2017 to assess the market value of the subject property.

We have been informed that the subject property is currently under contract for \$25,384,615 plus GST (if any).

We outline in the following subsections key assumptions, limitations and restrictions with regard to this valuation. We further note that this valuation is undertaken in accordance with the agreed written Scope of Work between the above instructing party and CIVAS Limited trading as Colliers International ("The Company").

We confirm that the individual valuers who are signatories to this report are experienced in the location and category of the property valued.

1.2 NAME AND ADDRESS OF VALUERS

Russell Clark BCOM (VPM), MPINZ
Registered Valuer
Colliers International New Zealand Limited
Level 27
151 Queen Street
Auckland 1010
PO Box 1631
Shortland Street
Auckland 1140
Tel: 09 356 8945

Russell Clark is a registered valuer and a Member of the Property Institute of New Zealand. Russell has a Bachelor of Commerce (Valuation & Property Management) from Lincoln University.

1.3 BASIS AND PURPOSE OF VALUATION

We confirm that this valuation has been prepared to establish market value for the purpose of acquisition and Proportionate Ownership Scheme purposes and for use by prospective subscribers for specified participatory securities, we have had reference to ANZVGN8 – Valuations for Use in Offer Documents.

We have adopted the International Valuation Standards definition of "Market Value" 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 and where the parties had each acted knowledgeably, prudently and without compulsion".

1.4 INFORMATION SOURCES

Augusta Industrial Fund Limited have provided the following information which has been adopted in the valuation process:

- Lease documents

We have searched Computer Freehold Register details independently from public records and rental and sales evidence from our own records.

1.5 STATEMENT BY REGISTERED VALUER

We hereby certify that the principal valuer is a Registered Valuer in accordance with the Valuers Act 1948, holds a current practising certificate, has at least five years continuous experience in valuation and does not have a pecuniary interest that could conflict with the valuation of the property.

This report is made by registered valuers as independent registered valuers.

1.6 RELIANCE & EXTENSION OF LIABILITY

This valuation has been prepared for the following parties and for the following purposes:

- Augusta Industrial Fund Limited for proportional ownership purposes and for use by prospective subscribers for specific participatory securities only.

No responsibility is accepted or assumed to any third parties, nor should there be any reliance upon this report by any third party other than the parties explicitly noted above without our express written agreement.

This report is confidential between CIVAS Limited and the above parties to whom CIVAS Limited agrees in writing may rely upon the valuation report for the purpose stated.

1.7 ASSUMPTIONS

Assumptions

1. We have assumed that the instructions and subsequent information supplied contain a full and frank disclosure of all information that is relevant.
2. We have assumed that there are no easements, rights of way or encroachments except those shown on the Computer Freehold Register or in the valuation.
3. A current survey has not been sighted. The valuation is made on the basis that there are no encroachments by or upon the property and this should be confirmed by a current survey or report and/or advice from a Registered Surveyor. If any encroachments are noted by the survey report we reserve the right to review our valuation.
4. Other than the Computer Freehold Register, we are not aware of any notices currently issued against the property and we have made no enquiries in this regard.

5. We have not inspected the plant and equipment or obtained any advice on its condition or suitability.
6. In the course of preparing this report we have relied upon information provided by the owner of the property unless otherwise stated. We have assumed that this information is correct and have adopted this information in our assessment.
7. We have inspected all readily accessible parts of the improvements considered necessary for the purposes of our valuation. We have not sighted a structural survey of the improvements, nor its plant and equipment, by a qualified engineer. The Valuer is not a building construction and/or structural expert, and is therefore unable to certify as to structural soundness of the improvements. A prospective purchaser or mortgagee would need to make their own enquiries in this regard. We have not inspected unexposed or inaccessible portions of the premises. We therefore cannot comment on the structural integrity, defect, rot or infestation of the improvements.
8. Our valuation has been completed on the assumption the building(s) and associated site development are adequately covered by normal full reinstatement insurance, including earthquake cover, both now and in the future. Should this not be the case or should this situation change in the future we caution the valuation may change.
9. There will be no major economic downturn during the projection period, beyond that envisaged at the date of valuation.
10. The property is managed in a prudent and professional manner.
11. There will be no new taxes or rates introduced which have a direct impact on the property over the projected period.

1.8 COMPLIANCE STATEMENT

This valuation has been performed in accordance with the International Valuation Standards (IVS) and we confirm that;

- The statements of fact presented in this report are correct to the best of the Valuer(s) knowledge;
- The analysis and conclusions are limited only by the reported assumptions and conditions;
- The Valuer(s) have no interest in the subject property;
- The Valuer(s) fee is not contingent upon any aspect of this report;
- The valuation has been performed in accordance with the NZIV Code of Ethics and performance standards;
- The Valuer(s) has satisfied professional education requirements;
- The Valuer(s) has experience in the location and category of the property being valued;
- The Valuer(s) (as noted in the executive summary and final section of this report) has made a personal inspection of the property and
- No one, except those specified in the report has provided professional assistance in preparing the report
- Further, the principal Valuer is a Registered Valuer in accordance with the Valuers Act 1948 and holds an Annual Practising Certificate.
- We confirm that we are not aware of any conflicts of interest or pecuniary interests of the property being valued on the part of CIVAS Limited.

2.0 SITE PARTICULARS

2.1 LEGAL DESCRIPTION

The property is legally described as all that parcel of land containing 1.3630 hectares more or less being Lot 2, Deposited Plan 198664. This is contained in a Computer Freehold Register (formerly known as the Certificate of Title) Identifier NA127C/413, a copy of which is appended to this report at **Appendix 2**.

We note from our perusal of the Computer Freehold Register that as at the date of this report the property is subject to the following interests:

- D489654.3 Consent Notice pursuant to Section 221(l) Resource Management Act 1991. Requiring a registered engineer experience in geotechnical engineering and who is also familiar with the report by Foundation Engineering dated 27 November 1986 numbered 4724.
- Subject to a party wall easement over part marked A on DP 316510 created by Transfer 5466501.2.
- Appurtenant hereto is a party wall easement created by Transfer 5466501.2.

We do not believe that these encumbrances have a detrimental effect on value.

Ownership

We note from our perusal of the Computer Freehold Register that the property is in the registered proprietorship of Madill & Smeed Limited with a mortgage registered to the ANZ Bank New Zealand Limited.

2.2 SITE DESCRIPTION



Topography

The site is of a functional slightly irregular shape with a small L-shaped frontage to Paisley Place of some 48 metres at the head of the cul-de-sac together with a second driveway frontage of some 3.5 metres further round Paisley Place. The site has a total area of 13,630 sqm.

In terms of contour the site is essentially level.

Access to the Site

The property has three formed and sealed driveways all off Paisley Place providing access to the offices, carparking and warehouse.

Utilities

We understand that the property is connected to all major utility services including electricity, water, telephone and sewerage.

Geotechnical

We have not undertaken a geotechnical survey of the property, and therefore cannot comment as to the subsoil condition of the land. We recommend that before any action is taken involving this site, that you obtain advice regarding soil stability and contamination from persons appropriately qualified to provide such advice.

Environmental and other Special Risks

We have been unable to contact Auckland Council due to a change in procedures as to whether the property is on their contamination register. 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.

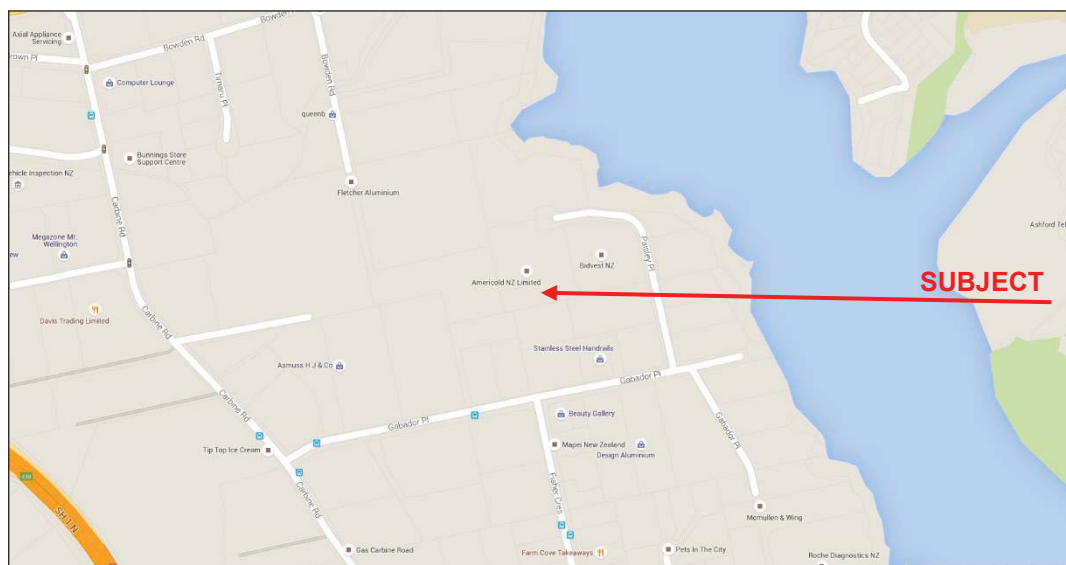
The subject property has been used as a cold store since its construction in 1999. We would not anticipate that this use would result in a major environmental risk.

We are not aware of the full history of the site, however, adjoining properties are in the main fully developed and uses would not appear to represent any environmental threat in our opinion.

Whilst the above comments suggest environmental matters may not be an issue, the recipient of this report is advised that the Registered Valuer is not qualified to detect such substances, which in many cases are not visible, nor quantify the impact on values without an environmental report.

Substances such as asbestos, other chemicals, toxic waste 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, quantify the impact on values or estimate the remedial cost.

2.3 SITUATION AND LOCALITY



The subject property is situated on the southern side of Paisley Place which is a small cul-de-sac located within the industrial suburb of Mt Wellington. Mt Wellington is an established industrial location in South Auckland and is located alongside the main State Highway 1 Southern Motorway and is surrounded by other predominantly industrial suburbs such as Penrose, Westfield and Onehunga.

Paisley Place extends from Gabador Place which links to Carbine Road and a number of other transportation links such as Mt Wellington Highway located to the northwest connecting to the South-Eastern Highway. The South-Eastern Highway provides access from the Southern Motorway to Ti Rakau Drive in the east. The site offers easy access to the Southern Motorway, South-Eastern Highway and Mt Wellington Highway.

Mt Wellington is a more established industrial locality with some streets being developed in the 1940s and 1950s although the majority of the area was developed in 1980s with immediate locality to the subject having been developed more recently in the late 1990s early 2000s. On an overall basis this immediate locality is characterised by quality industrial office, showroom and warehouse premises on large sites.

The Penrose/Mt Wellington area is generally recognised as being the pre-eminent industrial area of New Zealand, being keenly sought after whenever development land or vacant premises arise.

The subject is located approximately 15 kilometres or 20 minutes' drive in normal traffic conditions from Auckland CBD which is located to the north and accessed via the Southern Motorway. The subject is located a similar distance to Auckland International Airport in the south-west although it is an approximate 25 minute drive during normal traffic conditions.

Overall the property is located in a well-established industrial location within close proximity to the motorway networks and Auckland CBD and port.

2.4 RESOURCE MANAGEMENT

Auckland Unitary Plan – Operative in Part

The Auckland Unitary Plan has replaced the existing Regional Policy Statement and 13 existing district and regional plans across the Auckland Council Region. On 15 November 2016, the Proposed Auckland Unitary Plan became 'Operative in part' under:

- Section 160 of Local Government (Auckland Transitional Provisions) Act 2010 (LGATPA) and
- Clause 20 of Schedule 1 of the Resource Management Act 1991 (RMA).

The majority of the Proposed Auckland Unitary Plan is now operative excluding:

- Parts that remain subject to Environment Court and High Court appeals under the LGATPA.
- The regional coastal plan component of the Proposed Auckland Unitary Plan requiring the Minister of Conservation approval of that part of the plan. This approval is required under section 152(3) (b) of the LGATPA and clause 18(3) of Schedule 1 of the RMA.
- The Hauraki Gulf Islands section of the Auckland District Plan which remains operative in full.

Once all appeals are resolved, the council will notify the date on which the plan will become fully operative.

The subject is zoned ***Heavy Industry Zone***.

Heavy Industry Zone

Heavy Industry Zone provides for industrial activities that may produce objectionable odour, dust and noise emissions. Air quality emissions standards that are different to the rest of Auckland will often apply. A low level of air quality amenity applies in the Business – Heavy Industry Zone. A key attribute of the zone is that it contains sites large enough to accommodate large-scale industrial activities.

Activities sensitive to air discharges and activities sensitive to noise are not appropriate in the zone and buildings are expected to have a mainly functional standard of amenity. The zone is typically located close to key freight routes.

Permitted Activity

Permitted activities in the Heavy Industry Zone include the following:

- Workers accommodation (one per site)
- Dairies up to 100m² gross floor area
- Food and beverage up to 120m² gross floor area
- Offices that are accessory to the primary activity on the site with a gross floor area does not exceed 30 percent of all buildings on the site; and does not exceed 100m²
- Retail accessory to an industrial activity on the site, where the goods sold are manufactured on site and the retail gross floor area does not exceed 10 percent of all buildings on the site
- Service stations
- Tertiary education facilities that are accessory to an industrial activity on the site
- Industrial activities
- Development of New buildings, additions and alterations to buildings and demolition to buildings

Development Standards

Under the Heavy Industry Zone restrictions the following rules apply:

- Buildings must not exceed 20m in height

- Buildings must not project beyond a 35 degree recession plane measured from a point 6m vertically above ground level along the boundary of residential zones, open space zones, Special Purpose – Māori Purpose Zone or School Zone
- Maximum impervious area within a riparian yard must not exceed 10 per cent of the riparian yard area
- Yards are to be provided at the front with a minimum depth of 2 metres and where a rear or side boundary adjoins; a residential zone, Special Purpose - Maori Purpose Zone, stream, lakeside or coast these vary from 3 metres to 30 metres
- Any outdoor storage or rubbish collection areas that directly face and are visible from a residential zone, rural zone, open space zone, Special Purpose– School Zone or Māori Purpose Zone adjoining a boundary with, or on the opposite side of the road from, an industrial zone, must be screened from those areas by landscaping, a solid wall or fence at least 1.8m high.

General Comments

The building is currently used for industrial coolstore purposes which appears to comply with the current zoning. In any event, the existing improvements enjoy existing use rights under the provisions of Section 10 of the Resource Management Act 1991.

2.5 STATUTORY INFORMATION

Building Act

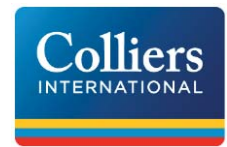
Parliament passed the Building Act 2004, which replaces the Building Act 1991 and affects the building consent process. Some new measures came into effect on 30 November 2004, but the main changes came into effect on 31 March 2005, when the 1991 Building Act was repealed.

The main change from November 2004 is that it is now an offence to permit the public use of a building before a Code Compliance Certificate (CCC) for any new building work has been issued. Building owners had until 31 March 2005 to obtain the CCC. After that date, the offence became enforceable. We are not aware whether or not any new work that requires a Code Compliance Certificate has recently been undertaken. If such work has been undertaken and a Code Compliance Certificate has not been issued there may be cost/value implications for the property.

Under the Building Act, property owners are responsible for the safety and sanitation of their buildings. Certain systems and features such as fire alarms, lifts and air-conditioning require ongoing monitoring and maintenance.

Where necessary, owners must provide a Building Warrant of Fitness (BWOFF) annually to verify systems are in working order. This must be accompanied by copies of Licenced Building Practitioner (LBP) Certificates to support that requirements of the Compliance Schedule have been met for the preceding year. A Compliance Schedule is an inventory of a building's systems and features that specifies inspection, testing and maintenance procedures as well as the frequency of work, and who should perform it.

The Warrant of Fitness is displayed in the building.



Rating Valuation

Assessment Number: 2591/11208
Date of Assessment 1 July 2017

Land Value: \$5,600,000
Value of Improvements: \$18,400,000
Capital Value: \$24,000,000

We point out that rating valuations are carried out under statutory criteria and may not reflect market value at any point in time.

3.0 DESCRIPTION OF IMPROVEMENTS

3.1 DESIGN AND CONSTRUCTION

The subject property comprises a substantial industrial premises being a speciality coolstore and distribution complex with two levels of offices built circa 1999. The configuration of the space is made up of five coolstore rooms, two blast freezers, an environmental loading area, curtainsider container area, seven loading docks and associated plant rooms. The facility uses an ammonia refrigerant which is widely used for large industrial plants.

Coolstore

The coolstore consists of five different coolstore rooms, blast freezers and an environmental loading area containing approximately 58,718 cubic metres of accommodation.



ELA



Coolstore

General construction comprises precast reinforced concrete panels with interior walls and roof insulation panels. Lighting is by way of halogen bulbs and a VESDA smoke detection system is provided throughout the space.

The coolstore facility features coldstore technology including temperature-controlled rooms, rapid open cooler/freezer doors, selective pallet racking and curtainside unloading, all of which is included in this valuation.

The loading bay area configures seven partially canopied loading docks, to the rear of the loading area is a curtainsider container area which features power points for up to nine containers with a minimum stud height of 6 metres and provides covered loading/unloading for up to two trucks.

The loading dock and curtainsider leads to the ELA which is fully secure and maintains a temperature between 4 to 7 degrees offering a stud height of approximately 8.2 metres. Situated away from the ELA area are two blast freezers and five coldstore rooms are positioned to the rear of the ELA. The coldstore rooms have the ability to be utilised as either a freezer or chiller featuring a stud height of 10.85 metres to the underside of the trusses.



Curtainsider Container Area



Loading Dock

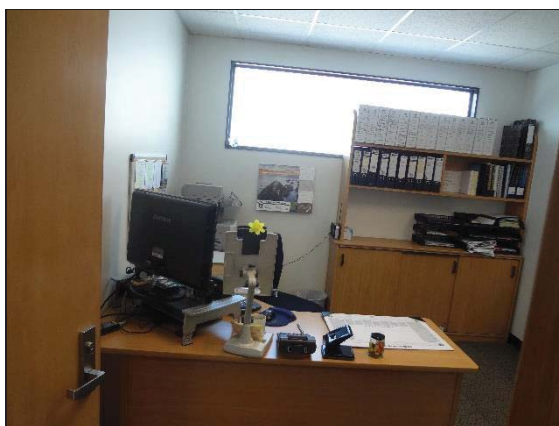
3.2 ACCOMMODATION

Offices

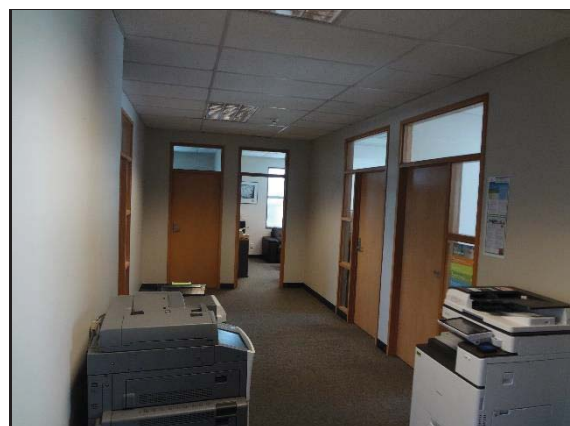
The offices and amenities are located to the front of the complex with entrance gained from Paisley Place to the reception area which leads to the ground floor offices. Construction of the office premises consist of aluminium panelling with a steel frame and reinforced concrete floors.

The ground floor offices offer a basic standard of accommodation provided carpeted with some partitioning and are air-conditioned. Also located to this level are staff amenities which comprise a female, male and paraplegic toilet with associated facilities and a staff lunchroom. The lunchroom provides kitchen facilities with metal bench tops, vinyl floor coverings and access to an outside sealed courtyard.

Entrance to the first floor offices can be gained from the lower level reception area. A staircase provides access to the first floor offices which have been refurbished to a good standard offering three separate partitioned offices. The space is provided with suspended ceilings and fluorescent lighting.



Office



Office

3.3 FLOOR AREAS

The floor areas adopted within our valuation are those which have been supplied to us by from lease documents. We have assumed that these areas have been measured in accordance with the PINZ/PCNZ recommended guidelines for measurement of industrial areas. We summarise the areas as follows:

Level/Suite	Lettable Area NLA
First Floor Offices	159.60
Ground Floor Offices	78.80
Ground Floor Amenities	176.50
First Floor Undeveloped Offices	93.80
Ground Floor Cool Store	5,354.10
Ground Floor ELA	1,795.80
Ground Floor Freezers	47.00
Ground Floor Battery Room	66.00
Ground Floor Plant Room	105.00
Container Canopy	1,026.60
Dock Canopy	120.00
	7,876.60

3.4 OTHER IMPROVEMENTS

The site is largely sealed offering approximately 33 car parks which are situated to the front of the subject property along the northern side of the building. We note also that the loading docks areas are concrete sealed. Landscaping is provided to the front of the entrance offering a nice level of presentation.

3.5 CONDITION AND REPAIR

On inspection, the property appeared to be in a reasonable condition commensurate with the age of the premises, we note the property is leased to Halls Refrigeration Transport Limited on a triple Net Lease basis which would indicate all maintenance is the responsibility of the lessee.

We are aware that currently an engineering survey is being completed, this will cover the condition of the refrigeration plant and equipment along with the structure of the property and the refrigeration panels. We have been informed any outstanding maintenance items will be at the vendors expense. We therefore have assessed the market value on a completely functional high quality cool store. Should this not be the case, we reserve the right to amend this valuation accordingly.

We are not aware of any notices currently issued against the property and we have made no enquiries in this regard. Expert opinion has not been sought in respect to the building structure or the plant and

equipment, however our limited enquiries have not revealed any major defects. The improvements are considered to be in reasonable condition for their age.

Unless stated elsewhere in this report, we have assumed that the property complies with the appropriate statutory, building and fire safety regulations, and we have also assumed that there is no timber infestation, asbestos or other defect and have made no investigations for them nor have we undertaken a structural survey or tested the building services.

We are of the opinion that the improvements are unlikely to suffer from functional or physical obsolescence.

For the purpose of this valuation we have assumed that no significant capital expenditure is required for the subject property at the present time.

3.6 SEISMIC

We have requested but not been provided with an Initial Evaluation Procedure (IEP) Seismic Assessment nor a Detailed Engineering Evaluation (DEE). The subject property may well have issues relating to this however we are not qualified to make comment and as such for the purposes of this valuation we have assumed that there are no significant costs required and no issues identified that would adversely impact value.

We note that despite the regulatory framework setting 34%NBS (*New Building Standard*) as the minimum threshold for a building to be not earthquake prone, both the occupational and investment markets are currently adopting a level of 67%NBS in terms of their decision making and discounting. As such our valuation has been undertaken on the basis that the subject building is currently at or above this level on a DEE basis.

Given the age of the property having been constructed in 1999 with modern construction methods along with being located in the low risk Auckland region, we would not expect the market to discount this property for potential earthquake issues. We do advise that a formal independent DEE be commissioned, and if any issues are raised that would adversely impact on value we ask that this valuation be returned to the valuer for further consideration and review.

4.0 OCCUPANCY ARRANGEMENTS

4.1 TENANCY SCHEDULE

We provide below a summary tenancy schedule providing the information adopted in our valuation:

Level/Suite	Tenant	Lettable Area NLA	Lease Commence	Lease Term	Lease Expiry	Type	% NLA	Lease Option	Next Review Date	Base Pa Rent
First Floor Offices	Americold NZ Ltd/ Halls Ref	159.60	1-Dec-14	17.00	30-Nov-31	Net	2.03%	-	1-Dec-17	35,910
Ground Floor Offices	Americold NZ Ltd/ Halls Ref	78.80	1-Dec-14	17.00	30-Nov-31	Net	1.00%	-	1-Dec-17	17,730
Ground Floor Amenities	Americold NZ Ltd/ Halls Ref	176.50	1-Dec-14	17.00	30-Nov-31	Net	2.24%	-	1-Dec-17	39,713
First Floor Undeveloped Offices	Americold NZ Ltd/ Halls Ref	93.80	1-Dec-14	17.00	30-Nov-31	Net	1.19%	-	1-Dec-17	14,070
Ground Floor Cool Store	Americold NZ Ltd/ Halls Ref	5,354.10	1-Dec-14	17.00	30-Nov-31	Net	67.97%	-	1-Dec-17	1,205,146
Ground Floor ELA	Americold NZ Ltd/ Halls Ref	1,795.80	1-Dec-14	17.00	30-Nov-31	Net	22.80%	-	1-Dec-17	242,433
Ground Floor Freezers	Americold NZ Ltd/ Halls Ref	47.00	1-Dec-14	17.00	30-Nov-31	Net	0.60%	-	1-Dec-17	14,100
Ground Floor Battery Room	Americold NZ Ltd/ Halls Ref	66.00	1-Dec-14	17.00	30-Nov-31	Net	0.84%	-	1-Dec-17	8,910
Ground Floor Plant Room	Americold NZ Ltd/ Halls Ref	105.00	1-Dec-14	17.00	30-Nov-31	Net	1.33%	-	1-Dec-17	8,925
Container Canopy	Americold NZ Ltd/ Halls Ref	1,026.60	1-Dec-14	17.00	30-Nov-31	Net	0.00%	-	1-Dec-17	56,463
Dock Canopy	Americold NZ Ltd/ Halls Ref	120.00	1-Dec-14	17.00	30-Nov-31	Net	0.00%	-	1-Dec-17	6,600
		7,876.60					100.00%			1,650,000

Arrears

We have enquired of Augusta Industrial Fund Limited, and understand that collections with respect to rental and outgoings are generally up to date and that there are no substantial arrears.

4.2 LEASE DETAILS

Americold NZ Limited

We have been provided with a signed copy of the Deed of Lease and Deed of Renewal of Lease which is summarised below:

<i>Premises:</i>	20 Paisley Place, Mt Wellington.
<i>Lease Term & Commencement:</i>	Renewed five year term from 1 December 2014.
<i>Rights of Renewals:</i>	No remaining rights of renewal.
<i>Final Expiry:</i>	30 November 2019.
<i>Annual Rental:</i>	\$1,650,000 per annum plus GST.
<i>Rent Reviews:</i>	Three yearly rent reviews to current market.
<i>Proportion of Outgoings:</i>	100%
<i>Business Use:</i>	Coolstore and coldstore storage and operations, controlled atmosphere storage, blast freezing, dry goods storage and handling, transportation, freight forwarding, general logistics, and incidental and ancillary administration facilities.

Outgoings: Standard net lease with outgoings including rates, utility charges, rubbish collection charges, fire service charges, landlords land tax, insurance premiums, building services charges, cleaning maintenance, ground maintenance and yard and carpark maintenance and building WOF costs.

Halls Refrigeration Transport Limited

We have been provided with salient lease details of the proposed lease to Halls Refrigeration Transport Limited, we have not sighted a copy of the lease, however outline the details below. Should this lease not be executed in accordance with the details provided, we reserve the right to amend this valuation.

<i>Premises:</i>	20 Paisley Place, Mt Wellington.
<i>Lease Term & Commencement:</i>	12 years from 1 December 2019.
<i>Rights of Renewals:</i>	N/A.
<i>Final Expiry:</i>	30 November 2031.
<i>Annual Rental:</i>	\$1,709,000 per annum plus GST.
<i>Rent Reviews:</i>	Annually by 2% per annum.
<i>Proportion of Outgoings:</i>	100%
<i>Business Use:</i>	Coolstore and coldstore storage and operations, controlled atmosphere storage, blast freezing, dry goods storage and handling, transportation, freight forwarding, general logistics, and incidental and ancillary administration facilities.
<i>Outgoings:</i>	Triple Net lease.

4.3 OPERATING EXPENSES

We have been in contact with Auckland Council and have been informed that the rates for this property are \$121,283 per annum. The total operating expenses for the property are be approximately \$196,915 per annum including rates which equates to approximately \$25 per sqm.

Based on our involvement with the valuation of industrial property, we can confirm that these operating expenses are not out of context with the market level.

4.4 CAPITAL EXPENDITURE

In terms of capital expenditure, we note the property has a triple net lease which means all capital expenditure is paid by the lessee.

5.0 MARKET COMMENTARY

5.1 ECONOMIC COMMENTARY

In determining the current market value of the subject property we have had regard to underlying economic conditions and the flow-on implications that these may have on investment and divestment decisions made across the broader property markets. This commentary is effective as at December 2017 and is based on the most recently sourced data from Government and independent sources. The following table provides an overview of key market indicators for the past 6-12 months plus forecasts.

Key Market Indicators

	6 Month Change	12 Month Change	12 Month Forecast
Floating Rate	↑	↑	↓
Two-year Fixed Rate	↓	↓	-
OCR	↔	↔	↔
NZD/USD Exchange Rate	↑	↑	↑
NZD/AUS Exchange Rate	↓	↓	↓
Non-Residential Building Consents*	↓	↑	-
Residential Building Consents	↑	↓	-

Source: NZIER, RBNZ & Statistics New Zealand
*Value of Building Consents only

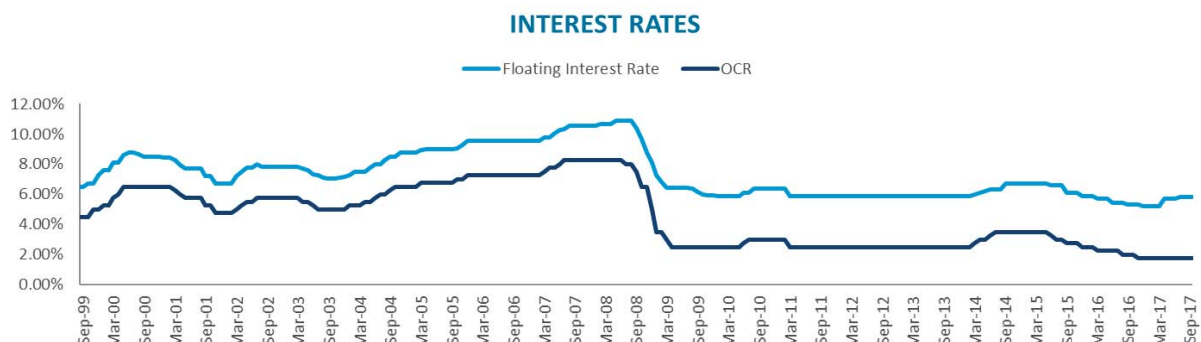
We comment on some of the key economic drivers below:

OCR

The Official Cash Rate (OCR) has remained unchanged by The Reserve Bank of New Zealand (RBNZ) from 1.75% since November last year when it was reduced by 25 basis points. The Reserve Bank indicated they expect to hold the OCR until late 2019, however NZIER expects the Reserve Bank will begin lifting the OCR from November 2018 with the risk of inflation remaining persistently low having dissipated.

Interest Rates

In recent months, commercial interest rates have increased slightly as bank margins have risen and global forecasts have fuelled upwards pricing for medium and long term swap rates. The graph below shows the downward trend in interest rates since late 2014 and the recent rise.



Source: RBNZ & NZIER

Inflation/CPI

In the year to the September 2017 quarter, the Consumer Price Index (CPI) inflation rate was 1.9%, up from 1.7% from the year to June 2017 Quarter. The September 2017 Quarter is up 0.5% from June 2017 Quarter, which had no change in CPI. Higher prices for housing and household utilities, and food, were partly offset by falls in transport, recreation and culture, and communication

Inflation has begun to pick up and is moving steadily towards the RBNZ's 2% inflation target mid-point as a result of increasing Government spending in place of tax cuts and slowing labour supply with the Australian labour market becoming more attractive because of an improving economy.

GDP

Economic activity, as measured by Gross Domestic Product (GDP), was up 0.8% in the June 2017 quarter following a 0.6% growth in the March 2017 quarter. Growth for the year ended June 2017 was 2.7 percent, compared with 2.9 percent growth for the year ended March 2017.

There has been concern for slowing growth in GDP per capita with some attributing this to the large influx of migrants. NZIER states that slowing GDP per capita growth is in line with the OECD average, and continued strong net migration and tourism activity continue to boost demand in many sectors with the New Zealand economy expected to rise above 3% on average over the next five years.

Employment

Strong economic activity is driving employment demand with job growth particularly strong in the sectors for accommodation, food services and construction over the past year. The spill-over effect of Auckland's strong population growth can be seen in neighbouring regions. The effect of an increasing minimum wage to \$20 is inconclusive, however the consensus is that with greater increases in wages, the greater the dis-employment effect. NZIER has indicated they still expect strong employment growth through to 2019.

Official Unemployment figures show the unemployment rate fell to 4.6% in the September 2017 quarter from 4.8% in the June 2017 quarter, the lowest since the December 2008 quarter of 4.4%. The labour force participation rate is now at 71% up from 70% in the last quarter with 54,000 more people having entered the labour force, of which 22,300 are within the construction industry. The increase in the labour supply reflects both more people in New Zealand and a greater proportion of the working age population deciding to enter the workforce.

Population/Migration

Strong population growth is a key factor which has flowed through to many sectors of the economy including construction and retail spending. Net migration has continued to remain strong at 70,700 for the year ending October 2017. Net migration has been particularly strong into Auckland. However beneficial strong population growth may be for the economy, the increasing labour supply has dampened wage growth despite strong employment demand. The improving Australian economy has also already seen an increase of people moving over the Tasman as well as discouraging Kiwis already in Australia to move back to New Zealand.

The surge in net migration and tourist inflows has also placed strains on our infrastructure and accommodation. The Government has allocated more spending towards infrastructure to address these growing needs across the regions.

Tourism

The exceptionally strong tourism inflows are continuing to boost growth in many regions and has been significant in supporting regional economic development. Recent events such as the World Master

Games and Lions Tour has also helped boost tourist inflows. While demand for new hotel developments has increased over the past year, there will be a lag for when these developments will be completed given the large scale of some of these projects.

Tourist numbers to New Zealand continue to grow with interest from a wide range of countries including China, US and UK, excluding Australia who remains our top source of tourist in terms of numbers.

Construction

Construction activity has increased markedly over the past few years in both the commercial and residential sectors on the back of strong population growth, tourism and housing shortages. Although construction activity contracted in the first quarter of 2017, it is expected to be temporary given the factors that continue to underpin strong construction demand. The RLB Crane Index has however shown signs of decreasing construction activity nationally, with national crane numbers now at 123 from 132 in Q2 2017.

Costs have increased rapidly due to price inflation on construction materials together with shortages in labour. This was demonstrated by Auckland's 8% inflation in construction costs over the past year with signs of construction costs lifting in other regions.

Global Issues

The global economic growth outlook remains very fragile. Although activity has picked up in the major economies, there continues to be numerous political uncertainties in the US with the Trump Presidency and rising tension between the US and other countries causing jitters in the financial markets. The election of Macron as the President of France who has a pro-European, centrist stance, diminishes the risks of a break-up of the EU. The Chinese economy transitioning from an investment to consumption led growth also continues to be a risk to the global economy. Meanwhile, coalition talks in Germany have reached an impasse, with the risk of a minority party or re-election to bring Germany's growth down and hinder efforts to reform Eurozone and place it on a more sustainable growth path.

Conclusion

The following table provides a summary of immediate past performance and short-term projections.

New Zealand Institute of Economic Research Quarterly Forecasts

Economy Activity (March Year)	2015	2016	2017	2018F	2019F
GDP - annual % change	3.1%	3.5%	3.1%	3.0%	3.3%
Consumer Price Index	0.3%	0.4%	2.2%	1.5%	2.0%
Unemployment Rate	5.4%	5.2%	4.9%	4.5%	4.4%
Current Account % GDP	-3.5%	-2.9%	-2.9%	-0.9%	-1.6%
Trade Weighted Index	79.2	72.6	76.5	75.7	73.4

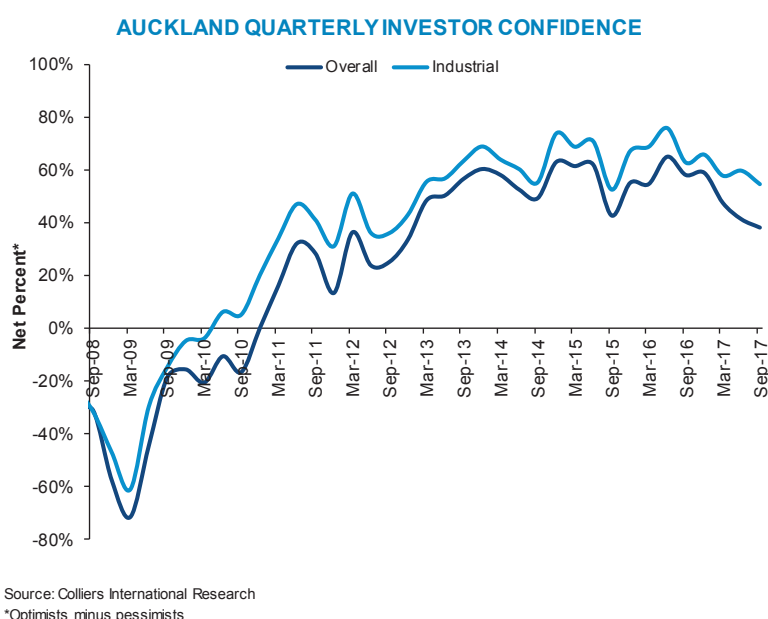
Source: NZIER Quarterly Predictions September 2017, RBNZ, Statistics New Zealand, New Zealand Treasury & Colliers International

The domestic outlook for the New Zealand economy remains bright. The construction sector remains solid reflecting strong demand from the continued growth in net migration and surge in tourist numbers from a wide range of countries, boosting regional growth. Inflation has picked up pace because of an increase in Government spending and slowing labour supply with the Australian labour market becoming more attractive. New Zealand's GDP per capita is growing at a declining rate, however is in line with OECD averages. In addition, unemployment has declined with the labour force participation rate increasing. Annual GDP growth over the next five years is expected to average 3.2%. The global outlook remains highly uncertain with heightened geopolitical tensions present, despite economic activity and

inflation in the major economies starting to pick up. As a small open economy, New Zealand will not be immune to any downturn in the major economies.

5.2 AUCKLAND INDUSTRIAL MARKET

New Zealand's industrial property market has continued to perform strongly in most localities since 2015 through to the first half of 2017, with positive economic sentiment fuelling demand by occupiers and investors.



Results from Colliers International's Research Quarterly September 2017 Confidence Survey showed industrial investor confidence has decreased by 8.2% to a 54.6% net positive from 62.8% in September 2016 in the Auckland Region. However industrial investors remain the most optimistic of the three main sectors, with investor confidence falling over all three sectors from last quarter.

AUCKLAND INDUSTRIAL KEY MARKET INDICATORS

	Aug-17	12 month change	12 months forecast
Industrial Stock (sqm)	11,319,859	↑	↑
Net Absorption* (sqm)	116,728	↓	↔
Overall Vacancy	2.0%	↓	↔
Yields**	5.83%	↓	↔
Rents***	\$143	↑	↑

*12 month net absorption

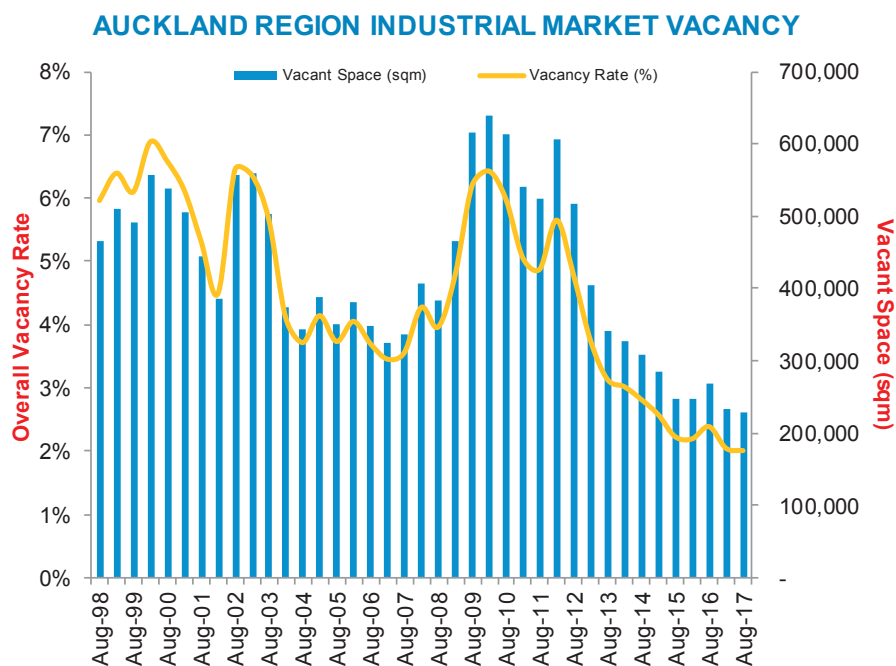
**Auckland Region Prime Average (as at Sep-17)

***Auckland Region Prime Average Net Combined (as at Sep-17)

Source: Colliers International Research

Vacancy

- Colliers International research undertook the latest vacancy survey in August 2017. The overall Auckland industrial vacancy rate decreased slightly to 2.0% from 2.4% recorded a year ago in September 2016, being a 0.4% decrease over 12 months.
- The vacancy rate has declined steadily since the start of 2010 with the vacancy rates recorded in the past year having been the lowest recorded since the survey began in the mid-1990s.
- The lowest vacancy rate by suburb recorded was in Mt Wellington at 0% for prime industrial properties, with all other precincts sitting below 2% with the exception of Penrose/Onehunga, Rosebank/Avondale and the Airport Corridor at 2.9%, 4.9% and 2.4% respectively. The reasons for the higher vacancy in Penrose/Onehunga and Rosebank/Avondale is due to a spec build at The Gate Industry Park having recently been completed and a Affin Group vacating their premises in Rosebank.
- Overall, the largest decrease in vacancy was in Mairangi Bay with a large increase in Rosebank/Avondale and Penrose/Onehunga when compared to six months prior.
- The vacancy for secondary industrial properties across all precincts range from between 1.3% and 3.1%, with the largest decrease being from the Airport Corridor when compared to six months prior.



Source: Colliers International Research

Land Supply & Development Update

- Land transactions have increased over the last 12 months; on average industrial land values sit at \$472 per sqm (as at June 2017) for the Auckland Region. This represents a 7.3% increase from \$440 per sqm from 12 months prior.

- Land continues to be in limited supply, particularly on the North Shore and what is available is tightly held. This can be directly attributed to North Shore having the highest land values in the greater Auckland region.
- While industrial land is also tightly held in South Auckland, Manukau continues to have the bulk of vacant industrial land available for development, notwithstanding this, much of the development land is tightly held and only a very small proportion is available to the wider market to develop.
- The Unitary Plan has allowed for several new areas of Light and Heavy Industry zoned land largely in Drury and Puhinui, however this land is greenfield and will require significant development work before coming to the market.
- Bunnings distribution centre is under construction at Auckland Airport being a 20,000 sqm facility.
- The Ministry of Primary Industries 17,000 sqm facility at Auckland Airport is nearing completion comprising over 4,000 sqm of office space, significant storage and warehousing and kennels for up to 80 dogs.

Rental Rates & Tenant Demand

- With vacancy rates dropping to historically low levels in most areas and incentives reducing, net effective rents for prime industrial property in particular are showing signs of growth after remaining flat for several years. This has flowed through to increased demand in the secondary grade market with increases in rentals and values, with vacancy for secondary property set also at historic lows for certain sectors of property.
- Increased construction costs have also put upward pressure on rental rates as developers try to achieve an adequate return.

AUCKLAND INDUSTRIAL KEY MARKET INDICATORS

	Vacancy Rate*	Net Prime Office Rental Range**		Net Prime Warehouse Rental Range**		
Prime						
Airport Corridor	2.4%	\$240	\$260	\$110	\$125	
East Tamaki	0.4%	\$230	\$270	\$110	\$130	
Manukau/Wiri	0.8%	\$230	\$260	\$110	\$130	
Mt Wellington	0.0%	\$230	\$270	\$110	\$130	
Penrose/Onehunga	2.9%	\$230	\$270	\$110	\$130	
Rosebank/Avondale	4.9%	\$225	\$270	\$110	\$130	
New Lynn	N/A	\$210	\$255	\$105	\$125	
Henderson	0.8%	\$210	\$255	\$105	\$125	
Mairangi Bay	1.7%	\$220	\$265	\$110	\$130	
North Harbour	0.9%	\$200	\$250	\$110	\$130	
Wairau Valley	N/A	\$195	\$245	\$110	\$130	
Secondary						
Airport Corridor	2.7%	\$150	\$190	\$80	\$100	
East Tamaki	1.4%	\$150	\$190	\$90	\$105	
Manukau/Wiri	3.0%	\$145	\$185	\$90	\$100	
Mt Wellington	3.1%	\$150	\$190	\$90	\$105	
Penrose/Onehunga	2.4%	\$150	\$190	\$90	\$105	
Rosebank/Avondale	1.9%	\$140	\$180	\$85	\$105	
New Lynn	3.1%	\$160	\$190	\$80	\$95	
Henderson	1.8%	\$160	\$190	\$80	\$95	
Mairangi Bay	1.6%	\$190	\$220	\$115	\$120	
North Harbour	1.7%	\$180	\$220	\$110	\$120	
Wairau Valley	1.3%	\$170	\$200	\$105	\$115	

Source: Colliers International Research

Assuming fully leased at market rates, warehouse / office ratio of 80/20, 2,000 sqm building with 50% site coverage

Rates may fall outside the parameters for very large or small premises

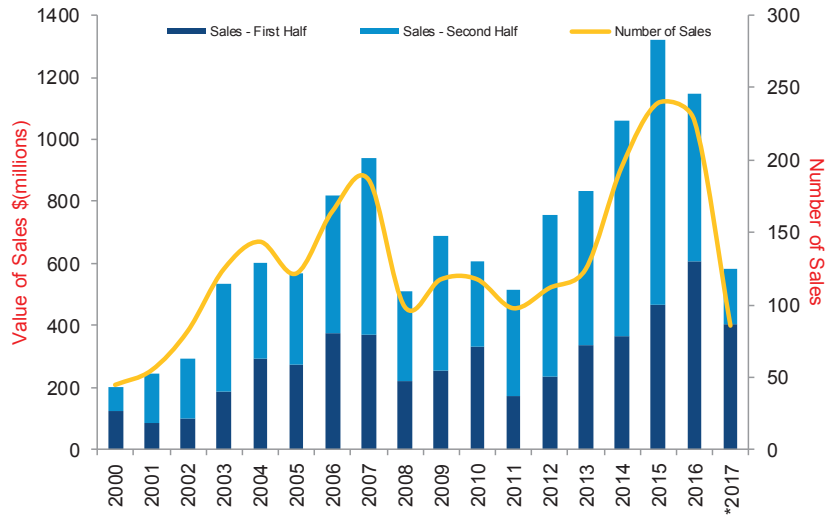
*As at August 2017

**September 2017 Quarter

Sales Activity & Yields

- The number of Industrial property sales above \$2 million have decreased in total value and sales volume from the record highs set in 2015, our 2017 figures are as of October 2017.
- The sales transactions that have occurred in the Auckland industrial market have shown high net worth individuals in particular to be active in the investor market, with significant demand for quality investments across a wide price range. Activity is high across all investors including listed property trust, syndicates and private investors.

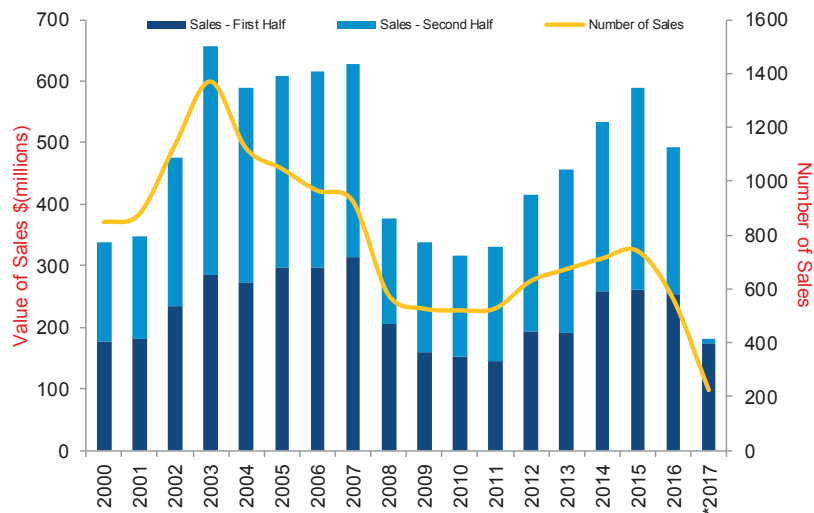
AUCKLAND REGION INDUSTRIAL PROPERTY SALES - OVER \$2 MILLION



Source: Property IQ & Colliers International Research
 Sales of properties over \$2 million in sale price only.
 *2017 transactions are to October

- A lack of quality stock available for purchase still remains the most challenging aspect of the investment market. Analysing industrial property sales under \$2 million, shows that 2016 and 2017 transaction volumes were below figures since the rise in 2012 with a record high total values set in 2015.

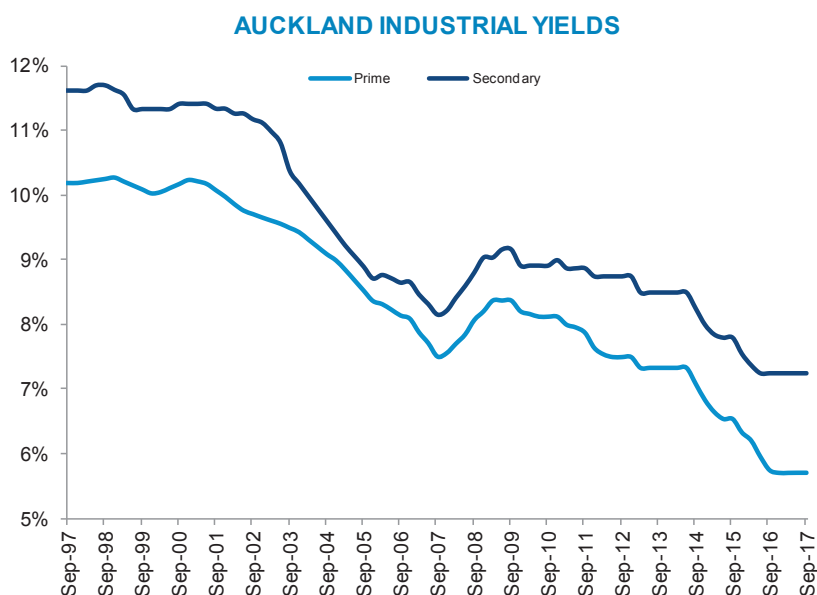
AUCKLAND REGION INDUSTRIAL PROPERTY SALES - UNDER \$2 MILLION



Source: Property IQ & Colliers International Research
 Sales of properties under \$2 million in sale price only.
 *2017 transactions are to October

- Prime industrial yields in the Auckland Region have continued to tighten over the last 12 months however are beginning to show signs of levelling out. This reflects the demand for quality assets in the market, however future capital growth is anticipated to be from a higher proportion of rental growth rather than yield compression.

- The shortage of supply of prime industrial property in the face of increasing demand has also resulted in a firming of yields for good quality second tier assets, where the low vacancy levels have reduced vacancy risks.
- There is continued interest in the owner occupier section of the market, stimulated by the low interest rate environment and as insulation from future rental increases.



Source: Colliers International Research

5.3 IMPLICATIONS FOR 20 PAISLEY PLACE

Whilst the subject is a highly specialised coolstore which is expensive to replicate, this means the tenant is likely to be captive once in occupation. The property is a full turn key operation with a triple net lease which serves to reduce risk around maintenance costs. The property is well leased for a term of 13.98 years with fixed rental increases from December 2019. This provides an attractive investment option, the tenant covenant reduces from international to a large private company which requires a minor adjustment in the capitalisation rate adopted.

6.0 VALUATION CONSIDERATIONS

6.1 VALUATION METHODOLOGY

In undertaking the subject valuation we have applied the following accepted methods of valuation which are considered to be appropriate in concluding a market value for the subject property. Below is a brief outline of each approach and how it is adopted:

Contract Income Approach

This method of valuation applies direct capitalisation of passing income. This is considered to be a well proven method of determining value for an investment property where income is receivable for a reasonable term from secure tenants.

However, this method can prove less effective where the current contract rent varies from the assessed market rent due to over or under renting, vacant space and a number of other factors.

Market Income Approach

This approach requires the assessment of a current market rental for the property and capitalisation at an appropriate yield. It is then possible to make capital adjustments to allow for the difference between contract rent (either over or under) discounted until a notional equilibrium point in the lease term. Vacancies and other capital adjustments are made where appropriate.

Discounted Cashflow

In addition we have carried out a discounted cashflow valuation over a ten year horizon in accordance with established practice.

This method involves projecting the cashflow of the property over the 10 year period and making explicit forecasts for many variables within the property including:

- Discount Rate
- Growth Rates
- Sustainable Rental Levels
- Vacancy Allowances
- Capital Expenditure and Outgoings
- End of Period Valuation / Terminal yield

6.2 LEASING EVIDENCE

In assessing the appropriate market rental we have had regard to comparable rental for similar coolstore properties in the greater Auckland Region and we have summarised below some of the relevant transactions of interest.

Address	Tenant	Effective Date	Rental Type	Type	Area (sqm)	Rate (per sqm)
138 Wiri Station Road Wiri	Provida Foods Ltd	Aug-17	NL	Dry Goods	357	\$130
				Yard	2,500	\$25
				Offices	350	\$200
				ELA/Chiller	673	\$208
				Freezer	760	\$225
				Refrigeration	45	\$225
78 Ascot Road Mangere	Yogurtmore	Jul-17	NL	Dry Store	220	\$110
				Office & Amenities	286	\$150
				Plant Room	21	\$100
				Chillers	361	\$175
				Processing Areas	685	\$154
				Freezer	31	\$225
12-16 Brigade Road Airport Oaks	My Food Bag Ltd	Jun-17	NL	Control Office & Amenities	169	\$155
				Mezzanine Floor	78	\$100
				Chiller	3,187	\$175
				Canopy	150	\$50
				Plant Room	83	\$100
				Main Office	740	\$120
Confidential Auckland Central	Confidential	Sep-16	NL	Yard	15,803	\$15
				ELA	1,776	\$249
				Freezer	2,055	\$249
				Office	1,419	\$240
				Carparks	160	\$15
				Chiller	2,727	\$249

Address	Tenant	Effective Date	Rental Type	Type	Area (sqm)	Rate (per sqm)
10 Transport Place East Tamaki	Hall's Logistics Limited	Aug-16	RR	Office	369	\$185
				Chiller A & B	1,447	\$170
				Dispatch Office	41	\$115
				Generator	1	\$15,000
				Plant Room	39	\$80
				Chiller	1,039	\$225
				Freezer	2,234	\$235
				ELA	1,006	\$140
				Breezeway Canopy	2,043	\$55
				Warehouse Canopy	700	\$50
				Warehouse	4,150	\$107
				Office Addition	119	\$180
				Drivers Amenity	197	\$155
7 Armstrong Road Albany	Bidvest NZ Ltd	Aug-16	NL	Canopy	360	\$55
				Yard	960	\$23
				Plant Room	59	\$75
				Dock Canopy	221	\$55
				Dry Store	917	\$112
				ELA	500	\$220
				Chiller	250	\$220
				Freezer	673	\$250
				Offices	216	\$170
7 Bancroft Crescent Glendene	Fonterra Brands	Feb-16	NL	Canopies/Loading Docks	333	\$100
				Yard	2,400	\$25
				Shed	105	\$50
				Coolstore	552	\$227
Big Chill Super Centre, Pukekiwiri Place Highbrook	Big Chill Distribution Ltd	Jul-15	NL	Car Parks	160	\$20
				Yard	15,803	\$25
				Chiller/Freezer/EL A	6,558	\$230
				Office	900	\$230

138 Wiri Station Road, Wiri

The property comprises a purpose built cool store facility constructed in 2011. The building has cool store, cold store, ELA areas and a single level of offices. The remainder of the site comprises asphalt sealed yard and car parking areas. The refrigeration equipment is owned by the Lessee. Leased for a 15 year term as part of a sale/leaseback transaction with annual 1.75% increases and a market review in year seven. This property offers evidence comparable to the subject due to the specification and standard of

improvements. The property is smaller than subject, however would be considered inferior in terms of location and quality.

78 Ascot Road, Mangere

Yogurtmore have entered in to a new lease to occupy a cool store effective as of July 2017. The property comprises a second tier coolstore development purpose built. The property provides coolstore accommodation. The premises have a single level of office accommodation to the road frontage with various cool store areas to the rear. This property is considered vastly inferior to the subject and is also substantially smaller.

12-16 Brigade Road, Airport Oaks

The property comprises a quality second tier coolstore development purpose built for Wrightson's in 1986 for a venison processing facility. After various modifications and extensions, the property now provides good quality transit coolstore accommodation. The premises have a large tidy office block to the road frontage with various cool store areas to the rear. The landlord owns and has fully replaced the refrigeration equipment to refrigerate the premises to 4°C. The tenant will fit out the offices. The premises were leased for a 9 year term with annual 2.5% increases. This property is considered vastly inferior to the subject and is also substantially smaller.

10 Transport Place, East Tamaki

The property comprises a large industrial development with a mixture of office, warehouse, cool store and freezer space. The specialist cool store component comprises 55% of the lettable area of this property. The property is fully leased to Hall's Logistics Limited on a 14 year lease term with two yearly market rent reviews. This is a high quality development which offers comparable evidence when compared to the subject. Due to specifications provides the most comparable evidence.

7 Armstrong Road, Albany

The subject property comprises a purpose built development and incorporates dry goods storage, cool stores and office accommodation. The property is provided with two levels of offices, dry store with a stud height of 9 metres to the knee and clear span. The cool store and chillers are built adjacent to the offices, with the dry store at the rear of the property. The ELA is provided with 5 loading docks accessed via a full concrete/asphalt sealed and secured yard with cantilevered canopies above. A new six year lease with two yearly market rent reviews. This is a smaller coolstore, due to fitout and specification offers useful evidence when compared to the subject.

7 Bancroft Crescent, Glendene

The property comprises a modern purpose built milk depot/cool store building with large concrete sealed yard. The cool store is open plan with concrete floors and cool store wall and ceiling panels. Fonterra commenced a new three year lease from February 2016. This is a smaller inferior specification coolstore when compared to the subject.

Big Chill Super Centre, Pukekiwiriki Place, Highbrook

The property comprises a modern purpose built cool store distribution facility of similar specification as the subject located within Highbrook Business Park. The premises are leased for a 20 year term with CPI rent reviews. This transaction is dated, however due to being a specialised coolstore and chiller property and a new lease transaction provides useful evidence for the subject.

6.3 MARKET RENT ASSESSMENT

In assessing the market rental we have also had regard to transactions from the subject property which include the current rental along with the rental set for December 2019. Giving consideration to this, along with the current market and transactions listed above, we set out our market rental as follows:

Level/Suite	Tenant	Lettable Area NLA	Base Passing		Adopted Market	
			Rent	Rent \$/m ²	Rent	Rent \$/m ²
First Floor Offices	Americold NZ Ltd/ Halls Refrigerated Transport	159.60	35,910	225.00	35,910	225.00
Ground Floor Offices	Americold NZ Ltd/ Halls Refrigerated Transport	78.80	17,730	225.00	17,730	225.00
Ground Floor Amenities	Americold NZ Ltd/ Halls Refrigerated Transport	176.50	39,713	225.00	39,713	225.00
First Floor Undeveloped Offices	Americold NZ Ltd/ Halls Refrigerated Transport	93.80	14,070	150.00	14,070	150.00
Ground Floor Cool Store	Americold NZ Ltd/ Halls Refrigerated Transport	5,354.10	1,205,146	225.09	1,258,214	235.00
Ground Floor ELA	Americold NZ Ltd/ Halls Refrigerated Transport	1,795.80	242,433	135.00	242,433	135.00
Ground Floor Freezers	Americold NZ Ltd/ Halls Refrigerated Transport	47.00	14,100	300.00	15,040	320.00
Ground Floor Battery Room	Americold NZ Ltd/ Halls Refrigerated Transport	66.00	8,910	135.00	8,910	135.00
Ground Floor Plant Room	Americold NZ Ltd/ Halls Refrigerated Transport	105.00	8,925	85.00	8,925	85.00
Container Canopy	Americold NZ Ltd/ Halls Refrigerated Transport	1,026.60	56,463	55.00	61,596	60.00
Dock Canopy	Americold NZ Ltd/ Halls Refrigerated Transport	120.00	6,600	55.00	7,200	60.00
		7,876.60	1,650,000		1,709,740	

6.4 SALES EVIDENCE

We have had regard to a variety of specialised transactions within the wider north island of similar quality specialised properties, a summary of some of these transactions are as follows:

Address	Tenant	Sale Date	Sale Price	WALD (yrs)	NLA (sqm)	Initial Yield	Market Yield	IRR	Land & Bldg Rate (per sqm)
17 Saleyards Road Otahuhu	Vacant	Sep-17	\$6,300,000	-	3,491	-	8.00%	9.45%	\$1,805
43 Alderson Drive Palmerston North	Big Chill	Apr-17	\$5,400,000	-	1,504	6.85%	-	-	\$3,590
7 Armstrong Road Albany	Bidvest New Zealand Ltd	Aug-16	\$7,150,000	6.00	2,615	7.43%	7.45%	9.00%	\$2,734
15 Ron Driver Place East Tamaki	Fiordland Lobster Company Ltd	Mar-16	\$5,900,000	10.00	2,530	7.50%	7.27%	8.82%	\$2,332
5 Autumn Place Penrose	General Foods	Jan-16	\$6,000,000	1.04	2,755	10.42%	8.75%	10.12%	\$2,178

17 Saleyards Road, Otahuhu

The property comprises a mid-1980s constructed industrial building with specialised modern additions providing office/warehousing and freezer/chiller/processing accommodation which occupy a rear site of 6,807 sqm, contained on a single title. The specialised additions were completed in 2010. The property adjoins railway lines to the rear. The property sold in September 2017 with a two year deferred settlement

whereby the tenant is in occupation until June 2019, but is not required to pay any rent. The yield of 8% reflects the deferred settlement and period with no rental payment.

43 Alderson Drive, Palmerston North

This property comprises a modern purpose built cool storage facility constructed in 2013. The building includes an office and amenity area to the front with adjoining cool storage facilities. The building has a total area of 1,504 sqm plus a 2,968 sqm concrete yard located on a 7,552 sqm site. There is approximately 1,692 sqm of vacant land located at the rear of the structure. The building was subject to a new 12 year lease from 2013 with expiry in 2025 plus two further seven year rights of renewal. The contract rental at the time of sale was \$369,937 per annum. Reported to have sold for \$5,400,000 which reflects an initial yield of 6.85%. This property requires adjustment for location compared to the subject which is located in a central industrial suburb in Auckland.

7 Armstrong Road, Albany

The subject property comprises a purpose built development and incorporates dry goods storage, cool stores and office accommodation. The property is provided with two levels of offices, dry store with a stud height of 9 metres to the knee and clear span. The cool store and chillers are built adjacent to the offices, with the dry store at the rear of the property. The ELA is provided with 5 loading docks accessed via a full concrete/asphalt sealed and secured yard with cantilevered canopies above. A new six year lease in place with two yearly market rent reviews. The property sold in August 2016 for \$7,150,000 showing an initial yield of 7.43%. This is a specialised coolstore smaller than the subject which sold in a weaker market with inferior lease terms to a private investor, sets the upper bound when compared to the subject.

15 Ron Driver Place, East Tamaki

The property comprises a conventional late 1980s industrial building that has been substantially upgraded to be utilised as a live lobster distribution centre. The property is provided with three levels of offices to the road front with the ground floor upgraded with a new lunchroom, locker rooms and amenities. The warehouse is has undergone a significant upgrade to a Ministry of Primary Industries Seafood Processing standard, this includes in floor drainage, epoxy food grade floor finish, bondor panelling and sealed beam lighting. The bondor panelling divides the warehouse into several separate areas with stud heights of 3 metres for the packing areas, 4.2 metres for the processing and tank areas and up to 5 metres for the dispatch areas. The property will be leased for a 10 year term to the Fiordland Lobster Company Limited with three yearly market rent reviews at a commencement rental of \$442,500 per annum plus GST. The property sold for \$5.9 million showing an initial yield of 7.50% or further analysis shows a market yield of 7.27% and IRR of 8.82%. This is a dated transaction requiring adjustment for improved market conditions as well as being an inferior quality property.

5 Autumn Place, Penrose

The subject property comprises a specialised food processing development which has been utilised for fish processing since its redevelopment in 2002. The specialised fitout includes epoxy floor coverings, sandwich panel walls, ceilings with polystyrene centre, floor drains, sealed beam lighting along with associated office and amenities. The property is currently leased to General Foods for an annual rental of \$625,000. The tenant has advised that will be vacating the premises on 31 December 2016. The purchaser for the property is an owner occupier. This property sold with less than a 1 year on the lease to an owner occupier. The yield of 10.12% reflects significant overrenting and short lease term.

We are also aware of a portfolio of four coolstore properties located in Auckland, Hamilton, Mount Maunganui and Palmerston North. The properties sold on sales and lease back arrangements with new 15 year leases with a total rental income of \$1,404,000 per annum, with fixed annual rental growth of 1.75%. The sale represents a yield of approximately 6.3%. The lease terms are similar to the subject, however the risk is diversified over four different properties in different locations. Overall a comparable transaction.

Due to the dearth of comparable coolstore evidence, we have also referred to transactions of industrial investment properties in the wider Auckland market, particularly those with a quantum above \$10 million and with long lease terms in place.

Address	Tenant	Sale Date	Sale Price	WALD (yrs)	NLA (sqm)	Initial Yield	Market Yield	IRR	Land & Bldg Rate (per sqm)
68-80 Stonedon Drive East Tamaki	Steel & Tube Holdings Ltd	Nov-17	\$32,577,000	6.00	18,125	6.25%	6.25%	7.85%	\$1,797
3 Monahan Road Mount Wellington	Turners and Growers Fresh Limited	Jun-17	\$10,500,000	10.38	6,337	5.98%	6.00%	7.92%	\$1,657
11 Turin Place East Tamaki	Thermakraft Industries NZ Ltd	Feb-17	\$14,223,077	15.00	7,393	6.50%	5.90%	7.90%	\$1,924
26 Ross Reid Place East Tamaki	Coca-Cola Amatil	Jan-17	\$10,000,000	2.59	4,722	6.16%	6.16%	8.14%	\$2,118
968 Great South Road Penrose	Fletcher Steel Ltd	Dec-16	\$10,950,000	20.00	5,329	5.03%	4.85%	6.47%	\$2,055
273A Church Street Onehunga	CMA Recycling NZ Ltd	Jul-16	\$18,400,000	9.40	7,988	6.83%	6.60%	9.26%	\$2,303

68-80 Stonedon Drive, East Tamaki

The property comprises of two standalone buildings being industrial steel stores and associated offices situated on a substantial 36,411 sqm site spread across four titles. Since construction, there has been an extension circa 2010 to the main warehouse building. Being purpose built for a steel store the premises have been designed and specified to a high heavy-duty standard particularly the warehouse floors and yard areas. The offices had weather tightness issues however the vendor was to rectify this before settlement. The premises are to be leased from the settlement date for a 10 year term at an annual rental \$2,036,087 plus GST of with annual 2.25% rental increases and a market review at year 6. There is an early termination clause providing a term certain of six years.

3 Monahan Road, Mount Wellington

The property comprises an older style industrial facility. The warehouse comprises five bays with six rows of columns supporting timber purlins and a long run iron roof. Access to the warehouse is provided from the street at the front and the asphalt yard to the rear. Offices are provided over two levels to the road front and are distinctively glazed with mirror glass, internally the offices have suspended ceilings and are

air conditioned. The property sold in June 2017 for \$10,500,000 showing an initial yield of 5.98%, with a remaining lease term of 10.38 years to Turners & Growers Fresh Limited with three yearly market reviews, further analysis shows an equivalent market yield of 6.00% and IRR of 7.92%.

11 Turin Place, East Tamaki

The property comprises single level offices with associated low and modern high stud warehouse. The buildings comprise a mixture of the original 1970s together with modern extensions. Construction to the original 1970s component comprises concrete foundations and floors, profile steel and what appears to be plastered block external cladding with aluminium joinery, and iron roofing over steel framing to the warehouse which has a maximum stud of 6.3 metres. The original 1970s building is sprinklered. The offices are lined with plasterboard with suspended ceilings and ducted air-conditioning. A new 15 year lease was in place with 4.55% rental increases every two years. The property sold in a sale/leaseback for \$14,200,000 showing an initial yield of 6.50%.

26 Ross Reid Place, East Tamaki

The property is comprised a modern 4,722 sqm industrial building situated on a 7,218 sqm site in East Tamaki. The building was constructed circa 2000's and is zoned Heavy Industrial according to the Auckland Unitary Plan.

At the time of sale the property was returning a contract rental of \$616,008 per annum. Coca-Cola Amatil exercised their first of four three-year rights of renewal in August 2016. The property sold in January 2017 for \$10,000,000 which reflects an initial yield of 6.16%

968 Great South Road, Penrose

The property comprises a dated industrial complex with a single level of office accommodation to the front elevation of the property and a medium stud manufacturing warehouse to the rear. The offices are well presented having recently been refurbished. The warehouse is sprinklered with a stud height of approximately 5.0 at the side walls to 7.0 metres at the apex and a single row of columns. The property is subject to a new 20 year lease to Fletcher Steel Limited with annual rental increases. Sold in December 2016 for \$10,950,000 showing an initial yield of 5.03%.

273A Church Street, Onehunga

The property comprises a large industrial landholding of 31,996 sqm and in an L shape. The property occupies a rear position off Church Street with access via a large dedicated driveway. The property is improved with a heavy duty yard and large older style office building occupying a central position together with a large narrow warehouse/workshop to the rear boundary. The tenant has made several improvements on site for their scrap metal recycling business. The property sold in July 2016 for \$18,400,000 showing an initial yield of 6.83%.

6.5 CAPITALISATION RATE CONCLUSION

In assessing the appropriate capitalisation rate we have made adjustments for the following factors and carried out SWOT analysis.

- Location
- Specialisation
- Size
- Zoning and Utility
- Quality
- Lease Term
- Rental Cashflow
- Potential for Rental Growth

Strengths

- Good quality well maintained facility.
- Specialised property which is expensive to replicate.
- Suited to a variety of food processing uses.
- Ammonia refrigerant.
- Long term lease in place with 13.98 years remaining.

Weaknesses

- Specialised property which will limit potential tenants.
- Large price bracket limits potential purchasers.

Opportunities

- Captured tenant due to specialisation.
- Rental growth in the medium to long term.
- Long term new lease or renewal.

Threats

- Long term vacancy upon lease expiry.
- Competition from new developments.

The property occupies a higher end price bracket and is specialised, although this is somewhat negated by the 13.98 years remaining to the WALT. Tenants for this type of specialised property tend to be long-term although if they do vacate can create long term vacancy. The subject facility is expensive to replicate and subsequently higher rental rates would need to be achieved in a new build facility to achieve an adequate return, therefore the subject property would prove attractive to the market.

Bearing in mind the evidence in the market we believe a market equivalent yield of around 6.625% is applicable to the subject property on the assessed market rent and 6.375% on the contract rental.

6.6 DISCOUNTED CASHFLOW ANALYSIS

We have also analysed the property applying discounted cashflow analysis, adopting a 10 year cashflow time horizon and making appropriate allowances for rental income growth, leasing up allowances on expiries, along with a terminal value at the end of the time period. The resultant Net Present Value being a reflection of market based income and expenditure projections over the 10 year period.

The key assumptions adopted in the cashflow are as follows:

- Market Rental:** We have adopted market rental rates in our cashflow in line with our static valuation.
- Rental Growth:** It is difficult to accurately predict rental growth rates particularly for industrial property when demand is directly linked to the performance of the economy. Accordingly, we have projected growth rates.

Calendar Year	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Inflation (CPI)	1.10%	2.10%	2.10%	2.10%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%
Industrial (Net Effective)	2.00%	3.00%	3.00%	2.50%	2.50%	2.50%	2.50%	2.30%	2.30%	2.30%

- Terminal Yield:** Discounted cashflow appraisal technique requires a consideration for the property to be sold at the end of the 10 year cashflow period. In adopting the terminal capitalisation rate, it is appropriate to recognise that the property by that stage is 10 years older and accordingly may warrant a higher capitalisation rate.

We have adopted a terminal capitalisation rate of 7.75%.

- Discount Rate:** We have adopted a property discount rate of 7.50% which is analysed from our sales evidence.
- Capital Expenditure:** The lease is a triple net lease therefore no allowance has been made for capital expenditure through the term of the lease.

7.0 VALUATION CONCLUSION

We refer you to **Appendix 1** that contains our Valuation Calculations and Cashflow in Detail. We summarise the result hereunder.

<i>Contract Income Approach</i> Capitalised at 6.375%	\$25,900,000
<i>Market Income Approach</i> Capitalised at 6.625%	\$25,700,000
<i>Discounted Cashflow Approach</i> Discounted at 7.50%	\$26,100,000
<i>Adopted Current Market Value</i> As at 5 December 2017	\$25,900,000

Having regard to available market evidence and factors outlined in the body of this report, we confirm our assessed market value of the property as at the valuation date as follows:

\$25,900,000 plus GST, (if any)
(TWENTY FIVE MILLION NINE HUNDRED THOUSAND DOLLARS)

The above current market value is analysed as follows:

Valuation Summary

Adopted Value	\$25,900,000
Passing Initial Yield	6.37%
Equivalent Market Yield	6.57%
Internal Rate of Return (including capex)	7.60%
Direct Comparison	\$3,288 per m ² of NLA
Weighted Lease Duration by Income (incl vacancy)	13.98 years (incl vacancy)
Weighted Lease Duration by Income (excl vacancy)	13.98 years (incl vacancy)

Land and Building Apportionment

The market value can be hypothetically apportioned between land and improvements as follows:

Building	\$18,600,000
Land	\$ 7,300,000

8.0 GENERAL

Our valuation is subject to CIVAS Limited's Statement of Valuation Qualifications and Conditions as follows:

1. In accordance with PINZ Guidance Notes, unless otherwise stated, all non-residential valuations are on the basis of **plus GST (if any)**. Valuations of residential property are stated as **including GST (if any)**.
2. Where it is stated in the report that information has been supplied to us by another party, this information is believed to be reliable but we can accept no responsibility if this should prove not to be so. Where information is given without being attributed directly to another party, this information has been obtained by our search of records and examination of documents or by enquiry from Government or other appropriate sources.
3. We have been engaged to provide a valuation only and while due care was taken to note obvious building defects in the course of our inspection, we have not been engaged for any purpose other than the valuation and we are not able to advise on matters such as structural or site surveys or any other defects in the building.
4. In preparing the valuation it has been assumed that all lifts, hot and cold water systems, electrical systems, ventilating systems and other devices, fittings, installations or conveniences in the building are in proper working order and functioning for the purposes of Government regulations and codes. We will not include in our valuation those fixtures and fittings owned and able to be removed by the tenant(s).
5. Where applicable, our valuation includes those items which form part of the building including special wall and floor finishes, toilet amenities, integrated heating and ventilation equipment, external lighting and all site works including landscaping.
6. In preparing the valuation and/or providing valuation services, it has been assumed that a full and frank disclosure of all relevant information has been made.
7. We do not hold ourselves out to be experts in environmental contamination. Unless otherwise stated our inspection of the site did not reveal any contamination or pollution affectation, and our valuation has been prepared on the assumption that the land is not contaminated and has not been affected by pollutants of any kind. We would recommend that this matter be checked by a suitably qualified environmental consultant. Should subsequent investigation show that the site is contaminated, our valuation may require revision.
8. In preparing the valuation, we have relied on photocopies of the Computer Freehold Register and the leases provided. It has been assumed that these are accurate copies of the original documents and that no dealings or changes have occurred since the date such photocopies were made.
9. This valuation and all valuation services are provided by us solely for the use of our client. We do not assume any responsibility to any person other than the client for any reason whatsoever by reason of or arising out of the provision of this valuation.

10. This report is relevant as at the date of preparation and to circumstances prevailing at the time. However, within a rapidly changing economic environment experiencing fluctuations in interest rates, availability of finance, insurance, rents, building expenditure and returns on investments, values can be susceptible to variation over a relatively short time scale. We therefore strongly recommend that before any action is taken involving acquisition, disposal, mortgage advance, shareholding restructure or other transaction, that you consult further with us.
11. **Confidentiality and Disclaimer of Liability**

Our valuation and report is strictly confidential to the party to whom it is addressed and is prepared solely for the specific purpose to which it refers. No responsibility whatever is accepted for reliance on the valuation report for other purposes. Further, no responsibility whatever is accepted to persons other than the party to whom the valuation and report is addressed for any errors or omissions whether of fact or opinion.
12. Neither the whole nor any part of this valuation and/or report or any reference to it may be included in any published document, circular, or statement without our written approval.
13. **PINZ: Valuation Standards & Guidance Notes**

All valuations are carried out in accordance with the Valuation Standards and Guidance Notes recommended by the Property Institute of New Zealand.
14. Please note that personnel in this firm will or may have stocks, shares or other interests in entities that directly or indirectly hold properties which are the subject of this valuation and/or may have direct or indirect personal relationships with third parties with interests in these same entities. The Company's valuers are required to abide by an industry standard disclosure regime and The Company's internal policies with respect to conflicts of interest, and will disclose any material conflict of interest that arises in its capacity as valuer concerning the property which is the subject of this valuation.
15. **Valuation Basis**

Unless otherwise stated no allowances are made in our valuations for any expenses of realisation, or to reflect the balance of any outstanding mortgages either in respect of capital or interest accrued.
16. **Currency**

Unless otherwise stated all figures including the valuation contained within this report are expressed in New Zealand Dollars (NZD).

We trust that this report is suitable for current purposes. If you have any questions, please contact the writer directly.

Yours faithfully

CIVAS Limited trading as COLLIERS INTERNATIONAL

A handwritten signature in black ink, appearing to read "Russell Clark".

RUSSELL CLARK BCOM (VPM), MPINZ
Registered Valuer
Director | Valuation & Advisory Services

Inspection of Property:	Russell Clark
Valuation Calculations:	Russell Clark
Authoring of report:	Russell Clark
Director Review:	Mark Parlane

APPENDIX 1

Valuation in Detail





Valuation Calculations

Augusta Industrial Fund Limited

A decorative graphic consisting of two overlapping, wavy blue shapes that create a sense of movement and depth. The top shape is a darker blue and the bottom shape is a lighter blue. They overlap in the center, creating a white space.

As At

5 December 2017

Reference: 20025/RAC

VALUATION DETAILS

Valuation Date	5 December 2017	Cash Flow Model Date	1 December 2017
Interest Valued	Freehold Interest	Purpose of Valuation	Acquisition & Proportional Ownership purposes

CORE VALUATION ASSUMPTIONS

Financial Details

Gross Passing Income (Fully Let)	\$1,846,915
Outgoings (pa)	\$196,915
Net Passing Income (Fully Let)	\$1,650,000
Net Passing Income (Current)	\$1,650,000

Passing Income is \$59,741 below current market levels

Over / Under rented % -3.49%

Fully Leased - over / under rented % -3.49%

Total NLA 7,876.60 m²

Total Carparks 0 parks

Industrial NLA 7,876.60 m²

Proportion of Occupied Industrial Area 100.00%

	Net	Gross
Average Passing Industrial Rental*	\$201/m ²	\$226/m ²
Average Market Industrial Rental	\$208/m ²	\$233/m ²

*Passing rental averages are based on the proportion of occupied area.

Global Assumptions

Agents Leasing Fees (Gross)	16.00%
Renewal Leasing Fee (Gross)	5.00%

Industrial

Lease Term	6 years
Letting Up - Market	16 months
Retention Probability (Letting Up & Leasing Fees)	50.0%
Letting Up - Applied	8 months
Renewal Probability (Incentives)	0.0%
Reviews	2 yearly rent reviews to market rent

Traditional Valuation Approach

Core Initial Capitalisation Rate	6.375%
Core Market Capitalisation Rate	6.625%
Pending Vacancies Allowances within	24 months
Capital Expenditure Allowances for	0 months
Rental Reversions (PV)	Current tenants at expiry/market review with subsequent leases at 24 months

VALUATION CONCLUSIONS

Traditional Valuation Approach

Initial Yield Approach	\$25,900,000
Market Yield Approach	\$25,700,000

ADOPTED VALUE

\$25,900,000 - GST Exclusive
(TWENTY FIVE MILLION NINE HUNDRED THOUSAND DOLLARS)

RESULTANT YIELDS AND IRR'S ON ADOPTED VALUE

Direct Comparison	\$3,288 per m ² NLA
Passing Initial Yield	6.37%
Equivalent Initial Yield	6.37%
Equivalent Market Yield	6.57%
Average Lease Duration	13.98 years
Weighted Lease Duration by Area	13.98 years
Weighted Lease Duration by Income (inc vacancy)	13.98 years
Weighted Lease Duration by Income (exc vacancy)	13.98 years
Total Capital Expenditure (Nominal)	\$0
% of Adopted Value (Nominal)	0.00%

Adopted Gross Market Income	\$1,906,655
Outgoings (pa)	\$196,915
Adopted Net Market Income	\$1,709,740

Total Vacancy -

Industrial NLA 7,876.60 m²

Proportion of Occupied Industrial Area 100.00%

	Net	Gross
Average Passing Industrial Rental*	\$201/m ²	\$226/m ²
Average Market Industrial Rental	\$208/m ²	\$233/m ²

Refurb Allowance - Initial Expiries	\$20/m ²
Refurb Allowance - Secondary Expiries	\$20/m ²

Discounted Cash Flow Approach

Cash Flow Term	10 years
Terminal Capitalisation Rate	+112.50 bps 7.750%
Terminal Allowances & Reversions within	12 months
Discount Rate	7.500%
10 Yr Rental Growth (compounded)	Industrial (Net Effective) 2.52%

Discounted Cash Flow Approach

Discounted Terminal Value	51%	\$13,401,037
NPV of Cash Flows	49%	\$12,674,152
Sum of Discounted Cash Flows		\$26,075,190
Less Acquisition Costs		-
Net Present Value		\$26,075,190
Rounded DCF Value		\$26,100,000

Terminal Initial Yield	7.25%
Terminal Market Yield	7.75%
Terminal Capital Value	\$3,508 per m ² NLA
Rate of Increase in Capital Value	0.57%
IRR (Incl. Capex)	7.60%
IRR (Excl. Capex)	7.60%

3 Year IRR (incl. Capex)	6.57%
5 Year IRR (incl. Capex)	7.05%
7 Year IRR (incl. Capex)	7.32%



Level/Suite	Tenant	Use	Lettable Area NLA	Lease Commence	Lease Term	Lease Expiry	Type	% NLA	Next Review Date	Next Review Type	Next MKT Review	Base Passing Rent	Adopted Market Rent	PV of Rental Reversion
1	Americold NZ Ltd/ Halls Refrigerated Transport	Industrial	159.60	1-Dec-14	17.00	30-Nov-31	Net	2.03%	1-Dec-19	Fixed increase to \$36,000 pa	1-Dec-31	35,910	35,910	225.00 -
2	Americold NZ Ltd/ Halls Refrigerated Transport	Industrial	78.80	1-Dec-14	17.00	30-Nov-31	Net	1.00%	1-Dec-19	Fixed increase to \$18,000 pa	1-Dec-31	17,730	17,730	225.00 -
3	Americold NZ Ltd/ Halls Refrigerated Transport	Industrial	176.50	1-Dec-14	17.00	30-Nov-31	Net	2.24%	1-Dec-19	Fixed increase to \$40,000 pa	1-Dec-31	39,713	39,713	225.00 -
4	Americold NZ Ltd/ Halls Refrigerated Transport	Industrial	93.80	1-Dec-14	17.00	30-Nov-31	Net	1.19%	1-Dec-19	Fixed increase to \$15,000 pa	1-Dec-31	14,070	14,070	150.00 -
5	Americold NZ Ltd/ Halls Refrigerated Transport	Industrial	5,354.10	1-Dec-14	17.00	30-Nov-31	Net	67.97%	1-Dec-19	Fixed increase to \$1,251,000 pa	1-Dec-31	1,205,146	1,258,214	235.00 (834,220)
6	Americold NZ Ltd/ Halls Refrigerated Transport	Industrial	1,795.80	1-Dec-14	17.00	30-Nov-31	Net	22.80%	1-Dec-19	Fixed increase to \$245,000 pa	1-Dec-31	242,433	242,433	135.00 -
7	Americold NZ Ltd/ Halls Refrigerated Transport	Industrial	47.00	1-Dec-14	17.00	30-Nov-31	Net	0.60%	1-Dec-19	Fixed increase to \$16,000 pa	1-Dec-31	14,100	15,040	320.00 (2,546)
8	Americold NZ Ltd/ Halls Refrigerated Transport	Industrial	66.00	1-Dec-14	17.00	30-Nov-31	Net	0.84%	1-Dec-19	Fixed increase to \$9,000 pa	1-Dec-31	8,910	8,910	135.00 -
9	Americold NZ Ltd/ Halls Refrigerated Transport	Industrial	105.00	1-Dec-14	17.00	30-Nov-31	Net	1.33%	1-Dec-19	Fixed increase to \$9,000 pa	1-Dec-31	8,925	8,925	85.00 -
10	Container Canopy	Canopy	1,026.60	1-Dec-14	17.00	30-Nov-31	Net	0.00%	1-Dec-19	Fixed increase to \$62,000 pa	1-Dec-31	56,463	61,596	60.00 (41,289)
11	Dock Canopy	Canopy	120.00	1-Dec-14	17.00	30-Nov-31	Net	0.00%	1-Dec-19	Fixed increase to \$8,000 pa	1-Dec-31	6,600	7,200	60.00 (1,499)
TOTALS			7,876.60					100.00%				1,650,000	1,709,740	(879,555)

(Initial) Passing Yield Calculations

Industrial Canopy	1,586,937	1,586,937	
Current Passing Income	63,063	63,063	
Add Recoverable Outgoings	1,650,000	1,650,000	
Add Estimated Gross Rental Value on Vacant Space	196,915	196,915	
Potential Gross Income Fully Let	1,846,915	1,846,915	
Less Vacancy Allowance	-	-	0.00%
Less Outgoings	196,915	196,915	\$25.00/m ²
Net Income	1,650,000	1,650,000	
Capitalised at	6.125%	6.375%	6.625%
Capitalised Value	\$26,938,767	\$25,882,345	\$24,905,653

Capital Value Adjustments

Existing Vacant Tenancy Allowances			
Downtime	-	-	-
Downtime for Deferred Tenancy Commencement	-	-	-
Agents Leasing Fees	-	-	-
Incentives	-	-	-
Refurbishment Allowance	-	-	-

PV of Pending Vacancy Allowances (expiries within 24 months)

Downtime	-	-	-
Agents Leasing Fees	-	-	-
Incentives	-	-	-
Refurbishment Allowance	-	-	-

PV Outstanding Current Incentives

General Capital Expenditure Allowance (0 months)	-	-	-
Budgeted Capital Expenditure (24 months)	-	-	-

Other Adjustments

Total Adjustments	-	-	-
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Assessed Capital Value as at 05 December 2017	\$26,938,767	\$25,882,345	\$24,905,653
Value \$/m ²	\$3,420	\$3,286	\$3,162

Rounded Initial Capitalisation Value

Adopted Value as at 05 December 2017	\$25,900,000	\$25,900,000	
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Capital Value Analysis

Actual Net Passing Income	\$1,650,000		
Initial Yield	6.37%		
Equivalent Initial Yield	6.37%		
Rate per metre of NLA	\$3,288/m ²		

Market Yield Calculations

Industrial Canopy	1,640,944	1,640,944	
Market Income	68,796	68,796	
Add Recoverable Outgoings	1,709,740	1,709,740	
Total Gross Market Income	1,906,655	1,906,655	
Less Outgoings	196,915	196,915	\$25.00/m ²
Net Market Income	1,709,740	1,709,740	
Less Vacancy Allowance	-	-	0.00%
Net Income	1,709,740	1,709,740	
Capitalised at	6.375%	6.625%	6.875%
Capitalised Value	\$26,819,451	\$25,807,396	\$24,868,945

Capital Value Adjustments

Existing Vacant Tenancy Allowances			
Downtime	-	-	-
Downtime for Deferred Tenancy Commencement	-	-	-
Agents Leasing Fees	-	-	-
Incentives	-	-	-
Refurbishment Allowance	-	-	-

PV of Pending Vacancy Allowances (expiries within 24 months)

Downtime	-	-	-
Agents Leasing Fees	-	-	-
Incentives	-	-	-
Refurbishment Allowance	-	-	-

PV Outstanding Current Incentives

General Capital Expenditure Allowance (0 months)	-	-	-
Budgeted Capital Expenditure (24 months)	-	-	-

Other Adjustments

Total Adjustments	-	-	-
-------------------	---	---	---

Assessed Capital Value as at 05 December 2017	\$26,699,971	\$25,687,916	\$24,749,465
Value \$/m ²	\$3,390	\$3,261	\$3,142

Rounded Market Capitalisation Value

Adopted Value as at 05 December 2017	\$25,700,000	\$25,900,000	
---	---------------------	---------------------	--

Capital Value Analysis

Equivalent Market Yield	6.57%		
Rate per metre of NLA	\$3,288/m ²		

COLLIERS INTERNATIONAL VALUATION & ADVISORY SERVICES

Discounted Cash Flow Assumptions

20 Paisley Place, Mt Wellington, Auckland



Growth Assumptions

Calendar Year	Code	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	10 Yr CAGR
Inflation (CPI)	1	0.80%	1.10%	2.10%	2.10%	2.10%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.13%
Industrial (Net Effective)	5		2.00%	3.00%	3.00%	2.50%	2.50%	2.50%	2.50%	2.30%	2.30%	2.30%	2.30%	2.52%
Car Parking	10		2.00%	3.00%	3.00%	2.50%	2.50%	2.50%	2.50%	2.30%	2.30%	2.30%	2.30%	2.52%

Discounted Cash Flow Assumptions

Lease Renewal Assumptions

Valuation Date				
Commencement of Cash Flow	5 December 2017			
Term of Cash Flow	1 December 2017			
Discount Rate	10 years			
Terminal Yield	7.500%			
Terminal Yield Variance over Market Cap Rate	7.750%			
Acquisition Costs	+112.50 bps			
Disposal Costs	0.00%			
Total Budgeted Capital Expenditure	0.00%			
	\$25,000 pa (Real)			
	\$0 pa (Nominal)			
General Capital Expenditure Allowance applied from 1-Dec-2017	-			
	\$0 pa (Real)			
	\$0 pa (Nominal)			
Refurbishment Allowance on Initial Expiries	\$20.0/m ²			
Refurbishment Allowance on Secondary Expiries	\$20.0/m ²			
Total Capital Expenditure (Real)	\$25,000			
% of Adopted Value (Real)	0.10%			
Total Capital Expenditure (Nominal)	\$0			
% of Adopted Value (Nominal)	0.00%			
1 Yr Summary	\$0 (Nominal)			
	Agents Fees - New Tenant (Year 1 Gross Rent)		16.0%	
	Agents Fees - Renewal (Year 1 Gross Rent)		5.0%	
	Industrial (Whole Floors)			
	Renewal Lease Term		6.0 years	
	Letting Up Period - Market		16 months	
	Retention Probability (Letting Up, Leasing Fees)		50%	
	Letting Up Period - Applied		8 months	
	Incentive Probability		0%	
	Review Structure		2 yearly rent reviews to market rent	

COLLIERS INTERNATIONAL VALUATION & ADVISORY SERVICES
Annual Summary by Tenant - Rental Summary
20 Paisley Place, Mt Wellington, Auckland



Valuation Date: 05 December 2017

Level/Suite	Tenant	Year 1 01-Dec-17	Year 2 01-Dec-18	Year 3 01-Dec-19	Year 4 01-Dec-20	Year 5 01-Dec-21	Year 6 01-Dec-22	Year 7 01-Dec-23	Year 8 01-Dec-24	Year 9 01-Dec-25	Year 10 01-Dec-26
First Floor Offices	Americold NZ Ltd/ Halls Refrigerated Transport	39,900	39,983	40,159	40,967	41,792	42,635	43,494	44,371	45,265	46,178
Ground Floor Offices	Americold NZ Ltd/ Halls Refrigerated Transport	19,700	19,741	20,054	20,457	20,869	21,290	21,719	22,156	22,603	23,069
Ground Floor Amenities	Americold NZ Ltd/ Halls Refrigerated Transport	44,125	44,217	44,600	45,497	46,413	47,349	48,303	49,277	50,270	51,283
First Floor Undeveloped Offices	Americold NZ Ltd/ Halls Refrigerated Transport	16,415	16,464	17,445	17,796	18,156	18,522	18,897	19,279	19,668	20,066
Ground Floor Cool Store	Americold NZ Ltd/ Halls Refrigerated Transport	1,338,989	1,341,792	1,390,636	1,418,491	1,447,069	1,476,229	1,505,977	1,536,324	1,567,283	1,598,866
Ground Floor ELA	Americold NZ Ltd/ Halls Refrigerated Transport	287,328	288,265	291,801	297,686	303,709	309,857	316,129	322,528	329,056	335,717
Ground Floor Freezers	Americold NZ Ltd/ Halls Refrigerated Transport	15,275	15,300	17,225	17,571	17,924	18,284	18,652	19,027	19,410	19,800
Ground Floor Battery Room	Americold NZ Ltd/ Halls Refrigerated Transport	10,560	10,594	10,720	10,936	11,158	11,383	11,614	11,849	12,089	12,333
Ground Floor Plant Room	Americold NZ Ltd/ Halls Refrigerated Transport	11,550	11,605	11,736	11,974	12,218	12,466	12,720	12,979	13,243	13,512
Container Canopy	Americold NZ Ltd/ Halls Refrigerated Transport	56,463	56,463	62,000	63,240	64,505	65,795	67,111	68,453	69,822	71,219
Dock Canopy	Americold NZ Ltd/ Halls Refrigerated Transport	6,600	6,600	8,000	8,160	8,323	8,490	8,659	8,833	9,009	9,189
	Total Passing Income	1,846,915	1,851,025	1,914,276	1,952,774	1,992,136	2,032,300	2,073,274	2,115,075	2,157,719	2,201,223
	Total Gross Passing Income	1,846,915	1,851,025	1,914,276	1,952,774	1,992,136	2,032,300	2,073,274	2,115,075	2,157,719	2,201,223
	Outgoings	196,915	201,025	205,276	209,594	214,093	218,696	223,398	228,201	233,107	238,119
	Vacancy Allowance	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
	Net Income before Capital Expenditure	1,650,000	1,650,000	1,709,000	1,743,180	1,778,044	1,813,604	1,849,877	1,886,874	1,924,612	1,963,104
	Capital Expenditure	-	-	-	-	-	-	-	-	-	-
	Refurbishment Allowance	-	-	-	-	-	-	-	-	-	-
	Agents Fees	-	-	-	-	-	-	-	-	-	-
	Incentives	-	-	-	-	-	-	-	-	-	-
	Ground Rent	-	-	-	-	-	-	-	-	-	-
	Other Adjustments	-	-	-	-	-	-	-	-	-	-
	Net Income after Capital Expenditure	1,650,000	1,650,000	1,709,000	1,743,180	1,778,044	1,813,604	1,849,877	1,886,874	1,924,612	1,963,104

Terminal Value Calculations

20 Paisley Place, Mt Wellington, Auckland



Level/Suite	Tenant	NLA	Terminal Rent		Shortfall/ Overage	Next Review or Expiry	Number of Months	PV (within 12mths) Reversions
			Market	Passing				
First Floor Offices	Americold NZ Ltd/ Halls Refrigerated Transport	159.60	46,056	42,180	3,876	30-Nov-31	48.0	13,505
Ground Floor Offices	Americold NZ Ltd/ Halls Refrigerated Transport	78.80	22,740	21,090	1,650	30-Nov-31	48.0	5,747
Ground Floor Amenities	Americold NZ Ltd/ Halls Refrigerated Transport	176.50	50,933	46,866	4,067	30-Nov-31	48.0	14,168
First Floor Undeveloped Offices	Americold NZ Ltd/ Halls Refrigerated Transport	93.80	18,045	17,575	471	30-Nov-31	48.0	1,639
Ground Floor Cool Store	Americold NZ Ltd/ Halls Refrigerated Transport	5,354.10	1,613,715	1,465,746	147,969	30-Nov-31	48.0	515,507
Ground Floor ELA	Americold NZ Ltd/ Halls Refrigerated Transport	1,795.80	310,931	287,057	23,875	30-Nov-31	48.0	83,176
Ground Floor Freezers	Americold NZ Ltd/ Halls Refrigerated Transport	47.00	19,289	18,747	543	30-Nov-31	48.0	1,891
Ground Floor Battery Room	Americold NZ Ltd/ Halls Refrigerated Transport	66.00	11,427	10,545	883	30-Nov-31	48.0	3,075
Ground Floor Plant Room	Americold NZ Ltd/ Halls Refrigerated Transport	105.00	11,447	10,545	902	30-Nov-31	48.0	3,142
Container Canopy	Americold NZ Ltd/ Halls Refrigerated Transport	1,026.60	79,000	72,643	6,357	30-Nov-31	48.0	22,146
Dock Canopy	Americold NZ Ltd/ Halls Refrigerated Transport	120.00	9,234	9,373	(139)	30-Nov-31	48.0	(484)
Total		7,876.60	2,192,818	2,002,366				663,513

Terminal Value Calculations - Market Approach

Industrial	2,104,584
Canopy	88,234
Market Income	2,192,818
Add Recoverable Outgoings	238,537
Total Gross Market Income	2,431,355
Less Outgoings	\$30.28/m ² 238,537
Net Market Income	2,192,818
Vacancy Allowance	0.00%
Net Income	2,192,818
Capitalised at	7.75%
Capitalised Value	28,294,421

Terminal Value Adjustments

Existing Vacant Tenancy Allowances	
Downtime	-
Agents Leasing Fees	-
Incentives	-
Refurbishment Allowance	-
Pending Vacancy Allowances (expiries within 12 months)	
Downtime	-
Agents Leasing Fees	-
Incentives	-
Refurbishment Allowance	-
NPV Outstanding Current Incentives	-
PV Rental (Shortfall) / Overage	663,513
General Capital Expenditure Allowance (0 months)	-
Budgeted Capital Expenditure (24 months)	-
Other Adjustments	-
Total Adjustments	663,513

Assessed Terminal Value as at 05 December 2027

Value \$/m² 3,508

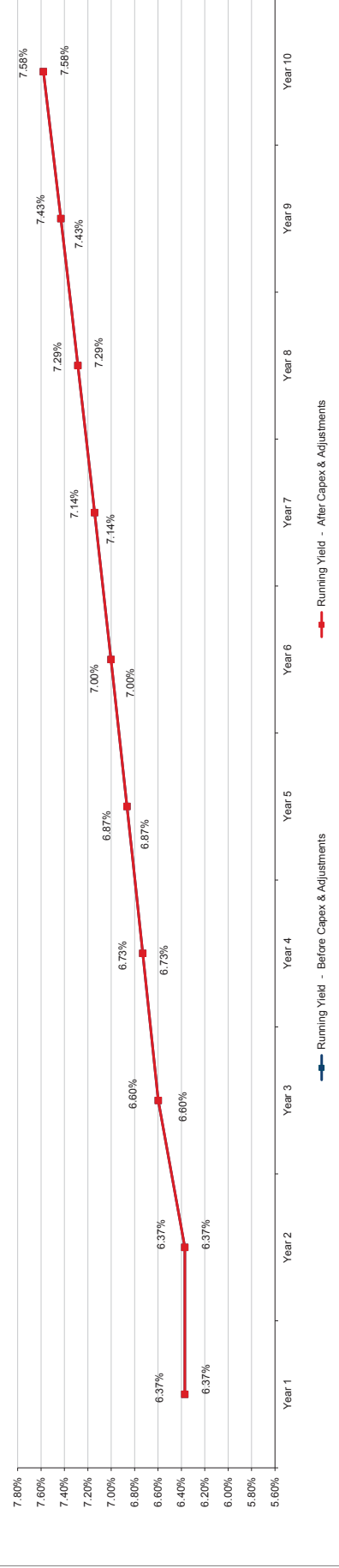
Terminal Value Analysis

Terminal Initial Yield	7.25%
Equivalent Market Yield With Vacancy Factor	7.75%
Equivalent Market Yield Without Vacancy Factor	7.75%
Rate per metre of NLA	\$3,508/m ²



For Year Commencing	Year 1 01-Dec-17	Year 2 01-Dec-18	Year 3 01-Dec-19	Year 4 01-Dec-20	Year 5 01-Dec-21	Year 6 01-Dec-22	Year 7 01-Dec-23	Year 8 01-Dec-24	Year 9 01-Dec-25	Year 10 01-Dec-26
Industrial	1,586,937	1,586,937	1,639,000	1,671,780	1,705,216	1,739,320	1,774,106	1,809,588	1,845,780	1,882,696
Canopy	63,063	63,063	70,000	71,400	72,828	74,285	75,770	77,286	78,831	80,408
Outgoings Recoveries	196,915	201,025	205,276	209,594	214,093	218,696	223,398	228,201	233,107	238,119
	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
Total Income	1,846,915	1,851,025	1,914,276	1,952,774	1,992,136	2,032,300	2,073,274	2,115,075	2,157,719	2,201,223
Outgoings	196,915	201,025	205,276	209,594	214,093	218,696	223,398	228,201	233,107	238,119
Vacancy Allowance	-	-	-	-	-	-	-	-	-	-
Net Income Before Capital Expenditure	1,650,000	1,650,000	1,709,000	1,743,180	1,778,044	1,813,604	1,849,877	1,886,874	1,924,612	1,963,104
Capital Expenditure (Budgeted & General)	-	-	-	-	-	-	-	-	-	-
Refurbishment Allowance	-	-	-	-	-	-	-	-	-	-
Agents Fees	-	-	-	-	-	-	-	-	-	-
Incentives	-	-	-	-	-	-	-	-	-	-
Other Adjustments	-	-	-	-	-	-	-	-	-	-
Net Income After Capital Expenditure	1,650,000	1,650,000	1,709,000	1,743,180	1,778,044	1,813,604	1,849,877	1,886,874	1,924,612	1,963,104
Terminal Value										27,630,908
Disposal Costs										-
Net Cash Flow	1,650,000	1,650,000	1,709,000	1,743,180	1,778,044	1,813,604	1,849,877	1,886,874	1,924,612	29,594,012
Adopted Value @ 7.500%	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Acquisition Costs										
Adopted Value before Acquisition Costs										
Running Yield - Before Capex & Adjustments	6.37%	6.37%	6.60%	6.73%	6.87%	7.00%	7.14%	7.29%	7.43%	7.58%
Running Yield - After Capex & Adjustments	6.37%	6.37%	6.60%	6.73%	6.87%	7.00%	7.14%	7.29%	7.43%	7.58%
Running Yield - Before Capex & Incl. Adjustments	6.37%	6.37%	6.60%	6.73%	6.87%	7.00%	7.14%	7.29%	7.43%	7.58%
Running Yield - After Capex, Adjustments & Incl. Acquisition Costs	6.37%	6.37%	6.60%	6.73%	6.87%	7.00%	7.14%	7.29%	7.43%	7.58%

Projected Running Yield Analysis



Note: This running yield analysis is based upon the projected net income and includes potential downtime and associated re-letting costs, as per our specific assumptions.

DCF Summary

20 Paisley Place, Mt Wellington, Auckland



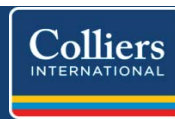
Present Value of Cash Flows	\$26,075,190	
Discount Rate	7.500%	
Terminal Value	\$27,630,908	
Less Disposal Costs	-	
Net Terminal Value	\$27,630,908	
Discounted Terminal Value	\$13,401,037	51.39%
Discounted Cash Flow	\$12,674,152	48.61%
Sum of Discounted Cash Flows	\$26,075,190	
Less Acquisition Costs	-	
Present Value	\$26,075,190	
Rounded Present Value	\$26,100,000	
Rate \$/m ²	\$3,314	
Rate of Increase in Capital Value	0.57%	
IRR (incl. Capex)	7.60%	
IRR (excl. Capex)	7.60%	
3 Year IRR (incl. Capex)	6.57%	
5 Year IRR (incl. Capex)	7.05%	
7 Year IRR (incl. Capex)	7.32%	

Net Present Value Matrix

		Terminal Yield		
		7.500%	7.750%	8.000%
Discount Rate	7.000%	27,465,812	26,986,541	26,537,225
	7.250%	26,993,807	26,525,597	26,086,651
	7.500%	26,532,618	26,075,190	25,646,351
	7.750%	26,081,962	25,635,042	25,216,055
	8.000%	25,641,563	25,204,888	24,795,505

IRR Matrix

		Terminal Yield		
		7.500%	7.750%	8.000%
Adopted Value	23,374,750	9.39%	9.13%	8.89%
	24,605,000	8.61%	8.36%	8.12%
	25,900,000	7.85%	7.60%	7.36%
	27,195,000	7.14%	6.89%	6.65%
	28,554,750	6.44%	6.19%	5.95%



Purpose of the Report	Acquisition & Proportional Ownership purposes
Type of Property	Investment Style
Method of Arriving at the Discount Rate	Analysis of comparable sales, discussions with industry participants, consideration of the long term bond rate plus adjustment factors.
Purchase and Sale Costs	Included in the Discounted Cash Flow * <i>Costs are based upon the normal market terms of each party paying their own purchase/sale costs</i>
Rest Periods	Monthly, assumed cash received in arrears
Term of the cash flow (years)	10 Years
Terminal Value	Calculated using the market capitalisation approach * <i>We have taken the rental value in the 121 month, capitalised this and deducted or added the value of the shortfalls or overages.</i>
Financing Costs and Taxation	All cash flows are calculated before financing costs and tax.
Returns	Quoted in annual terms.
Commencement Date	Dec-17
Inflows and Outflows	The inflow comprises estimated revenue and the outflows the estimated costs.
Specific Exceptions	None
Debt	Calculations prepared on a pre-debt basis.
Cash Flow Developer	Colliers International Valuation & Advisory Services
Tax	All calculations are prepared on a net of Income Tax and other general taxes, including GST, basis but after the deduction of direct property taxes including Rates etc., if applicable unless specifically stated as below.

Some definitions

Discounted Cash Flow	The method involves the discounting of the net cash flow on a monthly basis over the assumed cash flow period at an appropriate rate to reflect risk to derive a market value. The net cash flow comprises the cash inflows less the cash outflows over the cash flow period, with the addition of the terminal value in the final cash flow period.
Initial yield	The initial net income at the date of transaction or valuation expressed as a percentage of the sale price or valuation.
Market yield	The assessed net market income divided by the sum of the sale price or the adopted value plus any capital adjustments to the core value such as letting up allowances, capital expenditure and present value of reversions (to obtain this net market income).
Terminal yield	The capitalisation rate used to convert income into an indication of the anticipated value of the property at the end of the holding period or property resale value.
Discount rate	A rate of return used to convert a monetary sum, payable or receivable in the future, into present value. Theoretically it should reflect the opportunity cost of capital, i.e., the rate of return the capital can earn if put to other uses having similar risk. (Determined with reference to 10-year bond and risk margin - Also referred to as the required rate of return).
Net Present Value	The measure of the difference between the discounted revenues, or inflows, and the costs, or outflows, in a DCF analysis. In a valuation that is done to arrive at Market Value, where discounted inflows and outflows and the discount rate are market derived.
Internal Rate of Return	The discount rate that equates the present value of the net cash flows of a project with the present value of the capital investment. It is the rate at which the Net Present Value (NPV) equals zero. The IRR reflects the total return over an investment horizon having regard to the assumed inherent growth and cost assumptions.

Notes

The future values quoted for property, rents and costs are projections only formed on the basis of information currently available to us and are not representations of what the value of the property will be as at a future date. This information includes the current expectations as to property values and income that may not prove to be accurate.

APPENDIX 2

Computer Freehold Register





COMPUTER FREEHOLD REGISTER UNDER LAND TRANSFER ACT 1952



Search Copy

Identifier NA127C/413
Land Registration District North Auckland
Date Issued 29 March 2000

Prior References

NA23B/355

Estate Fee Simple
Area 1.3630 hectares more or less
Legal Description Lot 2 Deposited Plan 198664

Proprietors
Madill & Smeed Limited

Interests

D489654.3 Consent Notice pursuant to Section 221(1) Resource Management Act 1991 - produced 22.3.2000 at 9:25 am and entered 29.3.2000 at 9:00 am

Subject to a party wall easement over part marked A on DP 316510 created by Transfer 5466501.2 - 23.1.2003 at 9:00 am

Appurtenant hereto is a party wall easement created by Transfer 5466501.2 - 23.1.2003 at 9:00 am

10276403.3 Mortgage to ANZ Bank New Zealand Limited - 9.12.2015 at 4:51 pm

Approvals
Signed for and on behalf of
PERPETUAL TRUST LIMITED
Authorised Signatory
SIGNED
Principal Administrative Officer
A.C.C. PLAN
T6502/10

I hereby certify that this plan was approved by the Auckland City Council pursuant to Section 223 of the Resource Management Act 1991 on the 29th day of October 1999.
Authorised Signatory
SIGNED
Principal Administrative Officer
A.C.C. PLAN
T6502/10

Proposed Easement in Gross	
Purpose	Grantee
Shown	Servient Tenement
Electrical Supply (A)	Lot 1 hereon
	Vector Limited

Area (B) to be subject to a Land Covenant
Recreation
Lot 7 to vest as Local Purpose Reserve in the Auckland City Council
Lot 8 to vest as road in the Auckland City Council
There are no Lots 4 & 5 on this plan
New Cst Allocated:
LOT 1: 127C/412
LOT 2: 127C/413
LOT 3: 127C/414
LOT 6: 127C/415
LOT 7: 127C/416

Total Area 5.0950 ha.
Comprised in CT 23B/355 (All)

David ALLEN of Auckland Registered Surveyor and holder of an annual practising certificate (for who may act as a registered surveyor pursuant to section 25 of the Survey Act 1986) hereby certify that this plan has been made from surveys executed by me or under my directions, that both plan and survey are correct and have been made in accordance with the Survey Regulations 1972 or any regulations made in substitution thereof.
Dated at Auckland this 11th day of October 1999
Signature

Field Book
Reference Plans DP 67634
Examined
Correct

Approved as to Survey
29/3/2000
Chief Surveyor

Deposited this 29th day of March 19 2000
Registrar-General of Land

File 2812LL
Received Instructions 22 MAR 2000
DP 198664
APPROVED IN 94/4 DOSSIL FORM D15
8 JULY 99/10



Approved as to amendment
SIGNED
C.A. WAGNER
Approving Surveyor
SIGNED
S. H. O. 2
Registrar-General of Land

RECREATION
LOCAL PURPOSE RESERVE
(RECREATION) TO VEST

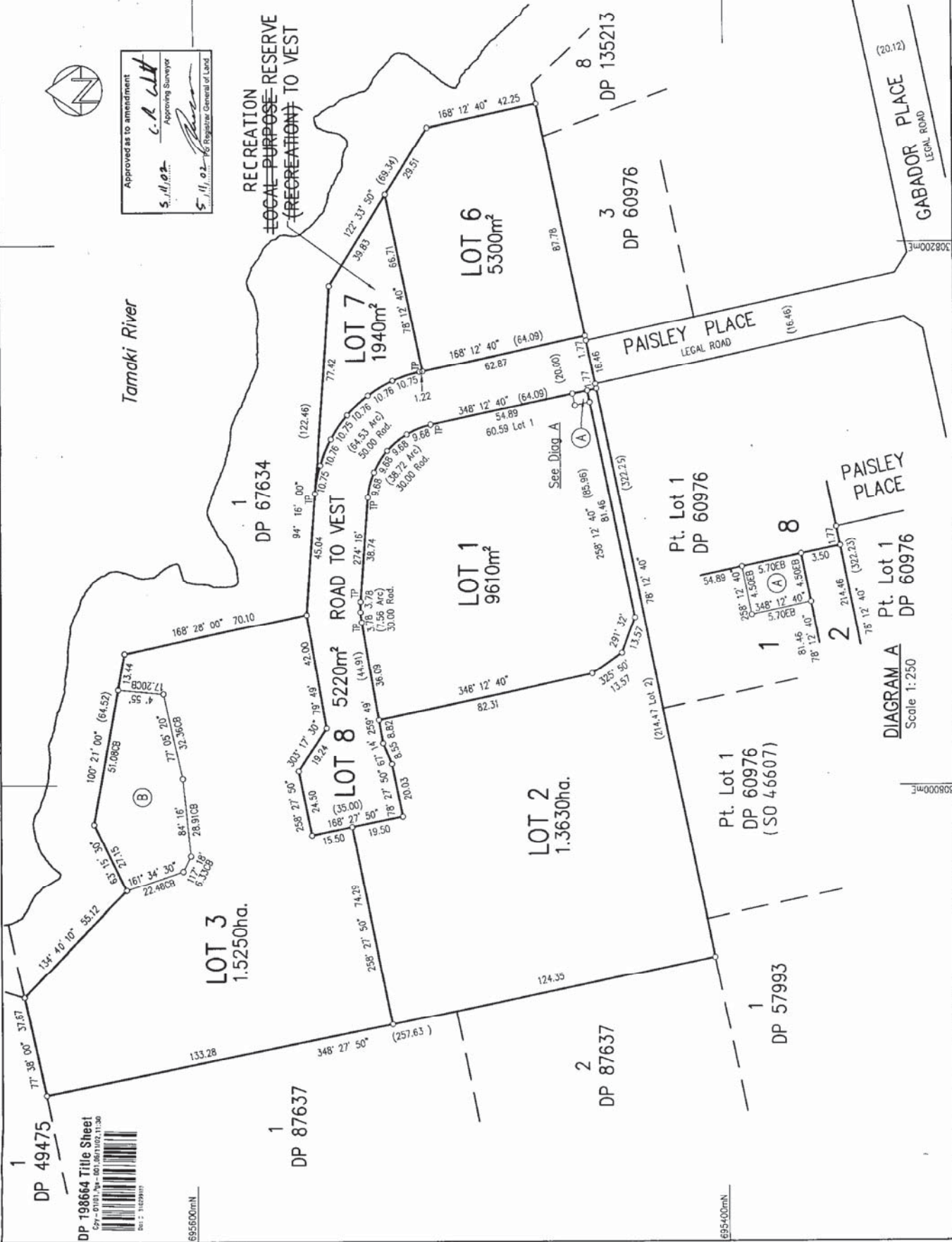


DIAGRAM A
Scale 1:250

TERRITORIAL AUTHORITY Auckland City
Surveyed by **Connell Wagner**
Scale 1:1000 Date Feb 1999

PLAN OF LOTS 1, 2, 3, 6, 7 & 8 BEING A
SUBDIVISION OF LOT 2 DP 67634

LAND DISTRICT North Auckland
Survey Blk. & Dist. II Otahuhu
NZMS 261 Sheet R11 Record Map No. Auckland 156