Valuation Advisory

Report prepared for Oyster Management Limited for inclusion within a Product Disclosure Statement purposes

Downer EDI Building

14-16 Makaro Street, Elsdon, Porirua

6 October 2020

Executive Summary

Downer EDI Building - 14-16 Makaro Street, Elsdon, Porirua

The subject property comprises a modern office and warehouse development in the industrial suburb of Elsdon, to the south-west of the Porirua CBD. The improvements comprise a free-standing two level office building constructed circa 2011 with secure under cover parking, two standalone warehouse/workshop buildings incorporating office and amenities, together with extensive sealed yard and parking areas. The offices are air conditioned throughout, with views of Porirua Harbour, and have been designed to achieve an NZGBC 4 Star Green Star rating. The building has an NBS rating of 80%.

The property has a total land area of some 2.5 hectares and is held in two titles with vehicle access from Makaro Street and right of way access from John Seddon Drive via the adjoining Todd Park industrial area. It is fully leased to Downer EDI Works Limited for a 20 year term from December 2011. The lease features structured rental increases every second year, with a mid-term review to market.

We have been specifically instructed to assess current market value for mortgage security and capital raising purposes.

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

Valuation

Prepared for	Oyster Management Limited
Valuation Purpose	Market Valuation for inclusion within a Product Disclosure Statement
Date of Valuation	6 October 2020
Date of Report	16 October 2020
Valuation Approaches	Capitalisation of Net Income and Discounted Cashflow Approaches
Zoning	Industrial Zone – Porirua City District Plan
Tenure	Freehold – Records of Title 531959 and 531960
Site Area	25,026 sqm
Lettable Area	5,260 sqm (excluding yard)
Adopted Value	**$35,600,000 plus GST, if any** Thirty Five Million Six Hundred Thousand Dollars plus GST, if any

Valuation Analysis

Initial Yield	4.68%	Rate / sqm of Lettable Area	$6,768
Equivalent Yield	4.77%	Weighted Average Lease Term	11.17 years
Internal Rate of Return (10 years)	5.90%		

Tenancy Overview

Downer EDI	$1,666,148	21,894 sqm

Financial Summary

Gross Passing Income	$2,140,804
Gross Market Income	$2,175,516
Adopted Outgoings	$474,656
Net Passing Income	$1,666,148
Net Market Income	$1,700,860

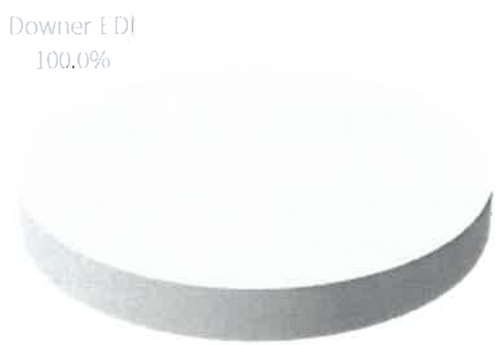
Cap Approach Assumptions

Adopted Cap Rate	4.750%
Allowance for Capex/Expiries	24 months
Market Income Capitalisation	$35,700,000
Passing Income Capitalisation	$35,700,000

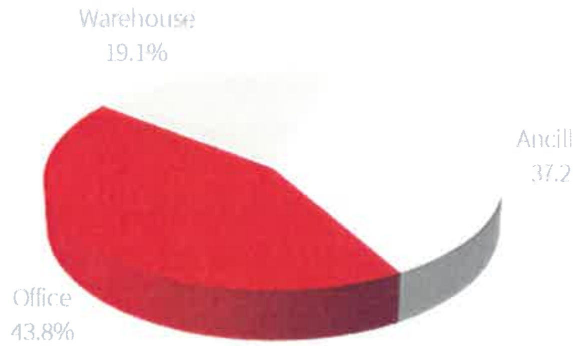
DCF Approach Assumptions

Discount Rate	6.000%
Terminal Yield	5.000%
Average Applied Rental Growth	2.20%
Value Based on DCF Approach	$35,300,000

Major Occupiers



Building Components



Valuers

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

Property Performance

Market Performance

- The industrial market remains relatively stable, with strong interest from owner occupiers and investors indicating there is no discount being applied to transactions as a result of the COVID-19 related restrictions.
- Industrial vacancies within Porirua continue to remain the lowest in the sector at 2.0%, with Ngauranga experiencing the second lowest vacancy rates at 2.6%.
- Prime warehouse rents now are up to $200 per square metre dependant on location, size and amenity, while associated office accommodation within the prime sector is up to $240 per square metre. Secondary rentals remain generally around $110 per square metre for warehouse and $140 per square metre for office components.
- Prime yields are now approaching consistently below the 6.0% bracket, with secondary yields remaining at around 8.0% to 8.5%.
- Space remains at a premium due to the infrequency of stock turnover, while occupier demand persists. Investors remain cautious, resulting in a slight moderation in overall transaction volumes. However, the market for industrial land in and around Wellington continues to strengthen.

Asset Performance

- The asset is located within the main industrial precinct of Porirua where Makaro Street is one of the newer industrial subdivisions. It is located close to the Porirua CBD and some 20 minutes north of the Wellington CBD. The area is likely to benefit significantly from quick access to Transmission Gully, a principal roadway leading north from Wellington and expected to be completed in 2021.
- The land is zoned Industrial which covers a wide tract of nearby industrial land allowing for a variety of industrial activities.
- Improvements on site are modern having been constructed circa 2011 and present effectively as new.
- The site is accessed principally from Makaro Street providing access to the office building and there is also right of way access directly to the yard over the adjoining Todd Park Industrial Complex from John Seddon Drive. Part of the land is identified on the Greater Wellington Regional Council Selected Land Use Register as having a Verified History of Hazardous Activity or Industry.

Cash Flow Performance

- The property is entirely occupied by Downer EDI which is listed on both the NZX and ASX Stock Exchanges currently having a market capitalisation of over Three Billion Dollars.
- The passing rent reflects net rates of $275 per square metre and $117 per square metre over the office and warehouse component respectively, which is in line with our opinion of market rental rates.
- The weighted average lease term for the property (by income) is 11.17 years, which we consider strong for this class of asset, where investors are particularly attracted to properties with long lease profiles.
- We have been provided with a detailed operating expenditure budget which we have adopted in our valuation. The provided budget equates to $90.24 per square metre of building floor area which we consider slightly above our opinion of OPEX for an asset of this class noting a significant portion of outgoings is attributable to a management fee linked to the premises rental (at 5.50% of premises rental). Currently this management fee equates to $17.78 per square metre of lettable floor area.
- We have been provided a detailed capital expenditure budget which aligns with our expectation that an asset of this class and age would have limited requirement for significant capital expenditure in the short term.

Critical Assumptions, Conditions & Limitations

- The valuation is current as at the date of valuation only, being 6 October 2020. The value assessed herein may change significantly and unexpectedly over a relatively short period (including as a result of general market movements or factors specific to the particular property).
- We do not accept liability for losses arising from such subsequent changes in value. Without limiting this statement, we do not accept any liability where this valuation is relied upon more than 90 days after the date of valuation, or earlier if you become aware of any factors that may have any effect on the valuation.
- This report is relevant at the date of preparation and to the circumstances prevailing at that time. However, within a changing economic environment experiencing fluctuations in interest rates, inflation levels, rents and global economic circumstances, acceptable returns on investment may, as a consequence, be susceptible to future variation. We therefore recommend that before any action is taken involving an acquisition, disposal or other transaction more than 90 days after the date of this report, you consult the Valuer.
- This valuation has been completed for the specific purpose stated in this report. No responsibility is accepted in the event that this report is used for any other purpose.
- Our valuation assumes the information provided by the instructing party or its agents is correct, and we reserve the right to amend our calculations, if deemed necessary, if that information is incorrect.
- Our valuation assumes all other professional/consultancy advice provided and relied upon is true and correct.
- We have relied on building areas, income figures and expense figures as provided by the instructing party or its agents and made specified adjustments where necessary. Where possible these have been verified through lease documentation and physical measurements.
- Unless otherwise stated all property measurements are in conformity with the Guide for the Measurement of Rentable Areas issued by the Property Council of New Zealand. Where certified areas have not been provided, we have normally undertaken measurement in accordance with Property Council of New Zealand Standards.
- We have relied on the land dimensions and areas as provided in the Record of Title as searched. In certain cases, physical checking of land dimensions and areas is difficult or not practical due to proximity of adjoining buildings, steep terrain or inaccessible title boundaries. Jones Lang LaSalle accepts no responsibility if any of the land dimensions or the area shown on title is found to be incorrect.
- Our valuation is made on the basis that the property is free of further caveats, mortgages, charges and other financial liens and that there are no memorials, encumbrances, restrictions or other impediments of an onerous nature which will affect the value other than those stated in the report or registered on the Record of Title.
- Enquiries as to the financial standing of actual or prospective tenants are not normally made unless specifically requested. Where properties are valued with the benefit of leases it is therefore assumed that the tenants are capable of meeting their obligations under the lease and that there are no arrears of rent or undisclosed breaches of covenant.
- In the case of buildings where works are in hand or have recently been completed Jones Lang LaSalle does not normally make allowance for any liability already incurred but not yet discharged in respect of completed works or obligations in favour of contractors, sub-contractors or any members of the professional or design team.
- No enquiries in respect of any property, or of any improvements erected thereon, has been made for any sign of timber infestation, asbestos or other defect, whether latent, patent, or structural.
- Substances such as asbestos or other potentially hazardous materials could, if present, adversely affect the value of the property. The stated value estimate is on the assumption that there is no material on or in the property that would cause loss in value. No responsibility is assumed for any such conditions and the recipient of this report is advised that the valuer is not qualified to detect such substances or estimate the remedial cost.
- While due care has been taken to note any contamination liability, our investigations have been undertaken for valuation purposes only, and this report does not constitute an environmental audit. Unless otherwise stated no account has been taken of the effect on value due to contamination or pollution.
- We have undertaken a visual inspection in respect of any building valued but must advise that we have not commissioned structural surveys or tested any of the services and are therefore unable to confirm that these are free from defect. We note further that we have not inspected unexposed or inaccessible portions of any building and are therefore unable to certify that these are free from defect.
- We note we are not experts in relation to assessing the condition of the building structure and cladding, or in assessing the impact or otherwise of water/weather penetration issues. Should the building prove to have structural or weather penetration issues we reserve the right to amend the valuation assessment and any recommendations contained within this report.

- Any elements of deterioration apparent during our consideration of the general state of repair of building/s has been noted or reflected in our valuation. We are however, unable to give any warranty as to structural soundness of any building and have assumed in arriving at our valuation that there are no structural defects or the inclusion of unsatisfactory materials.
- In preparing the valuation it has been assumed that items such as lifts, hot and cold water systems, electrical systems, ventilating systems and other devices, fittings, installations or conveniences as are in the building are in proper working order and functioning for the purposes for which they were designed, and conform to the current building, fire and government regulations and codes.
- Information on town planning and resource management is often obtained verbally from the local planning authority and if assurance is required Jones Lang LaSalle recommends that verification is sought from the relevant authority that confirms the position is correctly stated within this report, that the property is not subject to other decisions or conditions prescribed by public authorities and that there are no outstanding statutory notices.
- Jones Lang LaSalle's valuations are prepared on the basis that the premises (and any works thereto) comply with all relevant statutory regulations including the Building Act 2004 and the requirements of Territorial Authorities. Where we have obtained a Land Information Memorandum, we comment on this within our report. Where we have not obtained a Land Information Memorandum our valuation is therefore undertaken with the assumption that there are no outstanding requisitions.
- Unless otherwise stated all currencies within this report are in New Zealand Dollars.
- Non-residential valuations are (unless otherwise stated) carried out on the basis that the valuation is plus GST (if any). Residential property valuations are (unless otherwise stated) carried out on the basis that the valuation includes GST (if any).
- A reliant party can only rely on this valuation if received directly from JLL without any third party intervention.

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Appendices

1 Introduction

1.1 Instructions

We refer to instructions from Oyster Management Limited requesting that we undertake a market valuation of the freehold interest of 14-16 Makaro Street, Elsdon, Porirua (the Subject/Property), as at 6 October 2020 for and on behalf of Oyster Management Limited. We understand that the valuation is to be relied upon for inclusion within a Product Disclosure Statement purposes only.

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

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

We confirm:

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

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

- Oyster Management Limited - for inclusion within a Product Disclosure Statement

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

1.2 Valuation and Inspection Dates

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

Date of Valuation	6 October 2020
Date of Property Inspection	6 October 2020
Date of Preparation of Report	16 October 2020

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

1.3 Basis of Valuation

Market Value

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

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

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

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

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

1.4 Relevant Valuation Standards & Disclosures

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

- IVS (International Valuation Standards 2020) Framework and General Standards
- ANZVTIP 11 – Valuation Procedures – Real Property
- ANZVTIP 12 – Valuations for Mortgage & Loan Security Purposes
- ANVGN 8 – Valuations for use in Offer Documents

1.5 Information Sources

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

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

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

1.6 Specific Assumptions

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

- The Novel Coronavirus (COVID-19) was declared a 'Global Pandemic' by the World Health Organisation on 11 March 2020. This led to a significant range of restrictions on individuals and businesses locally and throughout the world. New Zealand has geographic Alert levels in place, after an extended period of Alert Level 1 where domestic normality had essentially returned, the New Zealand Government announced from 12 August Auckland was to re-enter Alert Level 3 (which provides that most people should stay home, with limited businesses in operation, and a restriction on regional travel) and the balance of the country move to Alert Level 2 (work places and schools are open, however with limitations on public gatherings and requirements to physically distance). The alert levels were extended until midnight on the 30th of August, whereby all of New Zealand will shift to a Level 2 setting. In addition, there are continued border restrictions in place.

  The restrictions over the last few months have resulted in volatility in the financial and property markets, and we note that transactions agreed prior to or during the restrictions may or may not be indicative of current market conditions. We refer to the definition of Market Value outlined above and the principles of 'willing buyer', 'willing seller' acting 'prudently and without compulsion' as adopted within our valuation.

  Given the circumstances of COVID-19, we have had regard to a range of inputs and market evidence in coming to our opinion of Market Value. Notwithstanding this, there may be a greater range around our opinion of Market Value than would normally be the case, and we recommend interested parties re-confirm the value noted within with us prior to reliance.
- We note the land is identified on the Greater Wellington Regional Council Selected Land Use Register. We have proceeded on the basis there will be no ongoing detrimental impact to the property given this notification.

2 Property Particulars

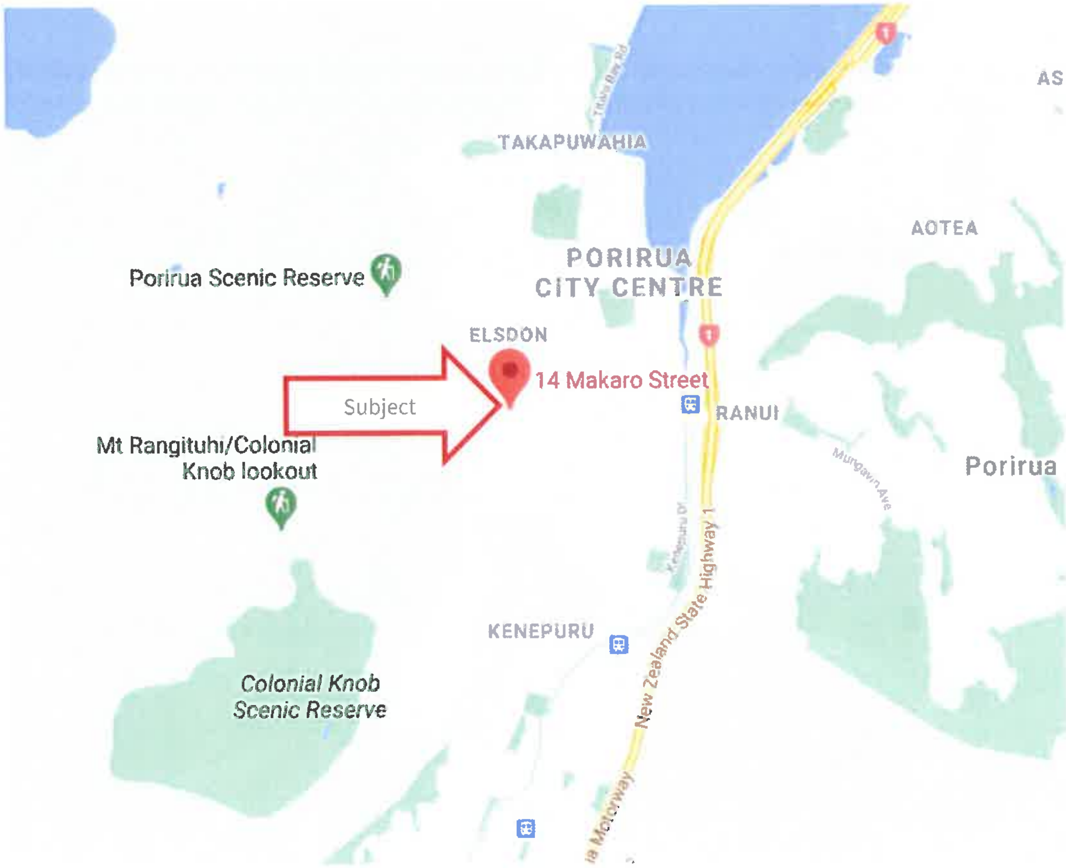
2.1 Location

The subject property is located at the eastern end of Makaro Street, a cul-de-sac situated in the main industrial precinct of Elsdon, Porirua. Makaro Street is one of the newer industrial subdivisions in Porirua, being completed in 2006. Surrounding properties comprise a mixture of new and older industrial buildings, providing warehouse accommodation with offices and yard. Notable tenants in this locality include Bunnings, Harvey Norman, Whittakers, Mitsubishi, NZ Post, TIMG, Placemakers, Mitre 10 Mega and the Porirua Mega Retail Centre. The area is likely to benefit significantly from the completion of Transmission Gully in 2021.

Kenepuru Landing, a substantial residential development which is currently underway a short distance to the south, will provide up to 700 houses and a 300 unit retirement complex by Summerset.

Porirua is located some 20 minutes north from the Wellington CBD, within the greater Wellington Urban Region. The original town centre of Porirua was developed during the 1960's to service the rapid growth of State Housing which took place in the Porirua City during the 1960's through to the 1970's.

The following map identifies the approximate location of the Property:



Source: Google Maps

2.2 Title Particulars

The property is held in two Records of Title and these are referenced as follows:

14 Makaro Street

Title Reference	531959
Tenure	Freehold
Legal Description	Lot 1 Deposited Plan 435186
Area	3441 square metres more or less
Registered Owner	The Woolstore Six Limited
Registered Interest	▪ Subject to Section 5 Coal Mines Act 1979 ▪ Appurtenant hereto is a right to drain, discharge and convey sewage created by Transfer B191776.6 - 3.9.1991 at 1.46 pm ▪ Appurtenant hereto is a right to drain, discharge or convey water created by Transfer B191776.8 - 3.9.1991 at 1.46 pm ▪ Subject to a sewage drainage right (in gross) over parts marked R & AU and a water drainage right (in gross) over part marked AU on DP 435186 in favour of Porirua City Council created by Easement Instrument 6804448.11 - 27.3.2006 at 9:00 am ▪ The easement created by Easement Instrument 6804448.11 is subject to Section 243 (a) Resource Management Act 1991 ▪ Land Covenant in Transfer 6804448.15 - 27.3.2006 at 9:00 am ▪ Fencing Covenant in Transfer 6838241.1 - 26.4.2006 at 9:00 am ▪ 8608251.5 Surrender of the right to drain, discharge or convey water over part marked G on DP 368423 specified by Transfer B191776.8 - 18.11.2010 at 2:38 pm ▪ 8660826.4 Encumbrance to Porirua City Council - 21.12.2010 at 5:26 pm ▪ 8660826.7 Mortgage to Bank of New Zealand - 21.12.2010 at 5:26 pm ▪ 11185146.5 Variation of Mortgage 8660826.7 - 1.10.2018 at 4:42 pm

Source: Land Information New Zealand

16 Makaro Street

Title Reference	531960
Tenure	Freehold
Legal Description	Lot 2 Deposited Plan 435186
Area	2.1585 hectares more or less
Registered Owner	The Woolstore Six Limited
Registered Interest	▪ Subject to Section 5 Coal Mines Act 1979 ▪ Appurtenant to parts formerly Lots 9 & 10 DP 360017 is a right to drain, discharge and convey sewage created by Transfer B191776.6 – 3.9.1991 at 1.46pm ▪ Appurtenant to part formerly Lot 2 DP 368423 is a right to gas specified in Easement Certificate B800141.10 – 1.9.2000 at 3.51pm ▪ Subject to a right to drain, discharge or convey water over parts marked F and G on DP 435186 created by Transfer B191776.8 – 3.9.2000 at 1.46pm ▪ Appurtenant to part formerly Lot 2 DP 368423 is a right of way and rights to water supply, sewage and water drainage, gas, electricity and telecommunications specified in Easement Certificate B809145.4 - 2.11.2000 at 3.24 pm ▪ The easements specified in Easement Certificate B809145.4 will be subject to Section 243 (a) Resource Management Act 1991 when created ▪ Appurtenant to part formerly Lot 2 DP 368423 is a right of way, water drainage ,sewage drainage, water supply , gas , electricity and telecommunications rights specified in Easement Certificate 5054057.6 - 2.7.2001 at 2:32 pm ▪ The easements specified in Easement Certificate 5054057.6 are subject to Section 243 (a) Resource Management Act 1991 ▪ Appurtenant to part formerly Lot 2 DP 368423 is a right of way created by Easement Instrument 5666516.1 22.7.2003 at 9:00 am

- 5666516.5 Consent Notice pursuant to Section 221 Resource Management Act 1991 - 22.7.2003 at 9:00 am (affects part formerly Lot 2 DP 368423)
- Subject to a sewage drainage right (in gross) over parts marked L, N, O, P, AV & AW and a water drainage right (in gross) over parts marked N, O & AV all on DP 435186 in favour of Porirua City Council created by Easement Instrument 6804448.11 - 27.3.2006 at 9:00 am
- The easements created by Easement Instrument 6804448.11 are subject to Section 243 (a) Resource Management Act 1991
- Subject to a sewage drainage right (in gross) over parts marked G, Q & W on DP 435186 in favour of Porirua City Council created by Easement Instrument 6804448.13 - 27.3.2006 at 9:00 am

Encumbrance 8660826.4 to Porirua City Council registered on Record of Title 531959 relates to Porirua City Council consenting to the resource consent for the existing development on the proviso that both Records of Title must be transferred together and cannot be sold separately. This encumbrance is also registered on Record of Title 531960.

In addition, there is a further encumbrance to Porirua City Council relating to fencing.

We have considered these notifications in arriving at our opinion of value and we refer you to the Records of Title appended to this report.

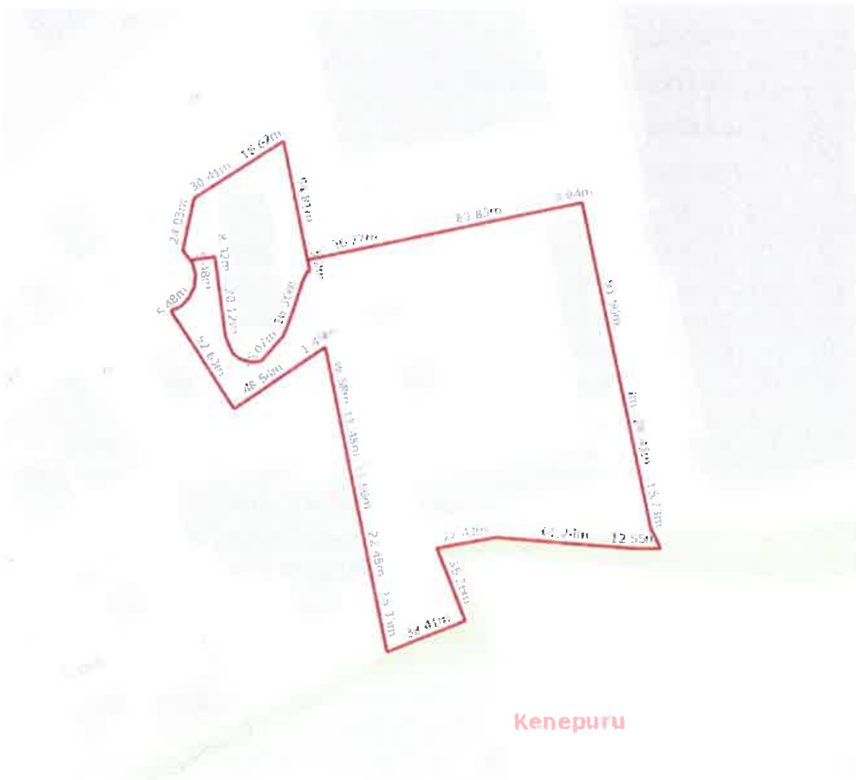
2.3 Site Details

The subject property comprises two individual parcels with a total land area of 2.5026 hectares (25,026 sqm). It is situated to the north eastern end of Makaro Street, which is a cul-de-sac off Raiha Street. The property also has right of way access across the Todd Park Industrial Estate immediately to the north east, which provides additional vehicle access to Heriot Drive via John Seddon Drive.

The original contour of the property was level with Makaro Street to the western frontage of the site, then fell steeply away to a large level area immediately adjacent to Todd Park on the eastern boundary. Excavation has been carried out to provide an appropriate platform, including under cover parking to the office building, together with the driveway formation to link the lower yard and warehouse area with the office site. Some retaining work has also been carried out to provide for the formation of the driveway.

The office building is situated close to the Makaro Street frontage, and benefits from view shafts of the harbour together with extensive urban and rural views. The warehouses are situated on the large yard area below and are adjacent in the south eastern corner of the property.

The site is highlighted in the image below:



Source: Property Guru

2.4 Resource Management

Local Authority	Porirua City Council
Planning Instrument	Porirua City District Plan
Operative Date	1999
Zoning	Industrial
Objectives	To promote the sustainable management of Porirua City's industrial resource by encouraging a wide range of activities to establish provided adverse effects are avoided, remedied or mitigated.
Development Controls	These include:

- Building Height

  The maximum height of any building of part of a building (including any sign) on a site shall be 10 metres.
- Height recession plane

  All buildings must be within a building envelope of 3 metre height and a vertical angle of 45 degrees into the site, measured from any point along the boundary of the site with a Suburban or Rural Zone.
- Car parks

  All industrial sites shall provide a minimum of 2 car parks per 100 square metres of gross area for industrial activities and a minimum of 4.5 car parks per 100 square metres of gross floor area for non-industrial activities.
- Noise

  The maximum noise levels received at any site boundary within the Industrial Zone from any activity within the Industrial Zone must not exceed L10 65dBA at all times.
- Yards

  The minimum yard requirements for any site shall be:

  Front Yard - Minimum front yard – 5 metres

  Other yards - Minimum yards at any boundary within the City Centre, Suburban or Rural Zone – 5 metres.
- Signs

  Signs must relate to activities on the site

  No sign which is visible to drivers on a State Highway is the shape or colours of any traffic control sign or is a flashing sign, and

  No sign shall be sited in a manner which restricts visibility to and from intersections and vehicular access points.

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

2.5 Rateable Value

We have been advised that the Property's Rateable Value, as at 1 September 2019, being contained in Assessment Numbers 15563/11820 and 15563/11821, is as follows:

	15563/11821	15563/11820	Combined
Land Value	$790,000	$4,130,000	$4,920,000
Improvements Value	$4,500,000	$870,000	$5,370,000
Capital Value	$5,290,000	$5,000,000	$10,290,000

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

2.6 Environmental Issues

A GIS map search on the Greater Wellington Regional Council website has indicated that part of the site appears on the Selected Land Use Register (SLUR) as having a - Verified History of Hazardous Activity or Industry. We note the following information provided by GWRC.

summary of the information and site history currently available on the SLUR is as follows:

This site was previously owned by Mitsubishi Motors New Zealand Ltd and used for the assembly of motor vehicles. Mitsubishi Motors acquired the site from Todd Motors in 1987.

Electronics containing PCB's (polychlorinated biphenyls) were previously stored on site, as were gas cylinders, an aboveground storage tank, waste solvents and trichloroethylene. Solid wastes produced by the plant included paint and degreasing sludges and scrap metal. Underground storage tanks containing hydrocarbons were removed in 1990 and the aboveground diesel tank removed in 1993, no further information relating to the removal of these tanks is held on the SLUR file.

An underground storage tank was removed by BP in September 1998 (CNMG-775416097-163) and the level of contamination from the tank pit was found to be below relevant criteria. There has been a history of hydrocarbon spills on this site.

A site investigation undertaken by Beca Steven (September 1998) found contaminant levels were generally low. However, the tank backfill area had moderate levels of contamination.

Information was received from Land Matters Ltd (ENAR-12-19583) indicating that as part of preliminary water main upgrade works some fumes had been smelt on part of the lands. Fumes were thought to be from petroleum hydrocarbons. The report indicates soil sampling and testing had been undertaken on Lot 2 DP 435186, the results indicated that test hydrocarbons were present in the samples taken.

Potentially contaminated sites are indicated in purple following:

Source: Greater Wellington Regional Council

A site classified as "Verified History of Hazardous Activity or Industry" is a site for which a past or present use has been confirmed as falling within one of the definitions on the Hazardous Activities and Industries List (HAIL). Assignment to this category does not imply the site is contaminated, but merely that hazardous substances have been used, stored or disposed of on the site and therefore there is a potential for site contamination to have occurred.

2.7 Hazards

We note that all or part of the site has been identified as being potentially susceptible to amplified ground shaking during seismic events and it is also identified as being within a potential surface rupture zone of a known fault line.

2.8 Improvements

The improvements comprise a circa 2011 constructed free-standing 2 level office building with secure under cover parking, two stand-alone warehouse/workshop buildings (one of which incorporates staff amenities), and extensive sealed yard and car parking areas. The improvements are well presented overall.

Office Block

Yard and Warehouses

2.9 Construction

We briefly outline construction details to the buildings as follows:

Office Building

Structure:	Reinforced concrete foundation, concrete floor slabs, steel pillar and beam frames.
External Walls:	Mix of concrete tilt slab and aluminium framed glazing. Part fibre cement sheet panels to Level 1.
Internal Walls:	Predominantly plasterboard lining to lettable areas.
Roof:	Longrun pressed metal
Ceiling:	Acoustic tiles in a suspended grid system.
Lighting:	Recessed fluorescent lighting.
Windows and doors:	Aluminium framing and glazed windows. Roller sun filter blinds to all perimeter windows.
Key Services:	Ducted air conditioning throughout. Two separate stairwells service all 3 levels. Hydraulic lift (13 person/1,000kg capacity) runs between basement and first floor. Fire services include manual call points and sounders. Male and female toilet facility to all levels.

Warehouses

Structure:	Concrete slab foundation and steel portal frame.
External Walls:	Coloursteel.
Internal Walls:	Warehouse unlined. Offices and amenities plasterboard lined.
Roof:	Galvanised steel in a gable profile.
Ceiling:	Netting and building paper to warehouse. Mix of plasterboard and suspended grid ceiling with acoustic tile to the offices and amenities.
Lighting:	Suspended fluorescent lighting to the warehouse and recessed fluorescent lighting to the office and amenities.
Windows and doors:	Powder coated aluminium.
Key Services:	Wall mounted heat pump units provide air conditioning to the offices and amenities.

2.10 Accommodation

Offices

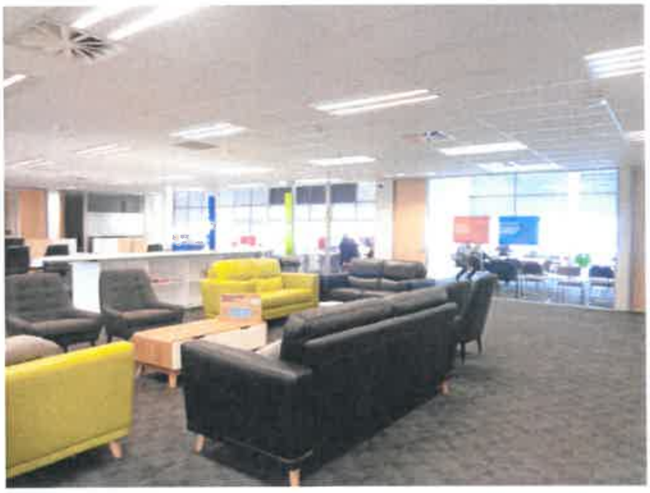
The offices are situated across largely rectangular floor plates that are largely column free. It is predominately open plan layout with a number of offices and meeting rooms to the centre of the floor plate. The office areas have carpet tiles to the floors with vinyl to the service areas.

A wind lobby provides access from the main car park to the front of the building, adjacent to Makaro Street, to the main reception area on the ground floor. This level also features a large staff lunchroom, with male and female toilets adjacent to the stairwell to the northern end. It has a 2.6m stud height, with near full height glazing to all windows. It has a narrow view shaft of the Porirua Harbour to the north, and also features a wooden deck adjacent to the staff lunch room.

Level 1 provides similar standard of amenity to the ground floor. The majority of the floor has a similar stud height but does cantilever up to 3.5m to the Makaro Street frontage. It also includes a small kitchenette adjacent to the toilets at the northern end of the floor. Its slightly elevated nature means that the views improve slightly compared to the floor below.

In summary, this provides a modern standard of office accommodation, with good natural light and amenities, and attractive outlook including view shafts of the Porirua Harbour to the north.

Offices



Offices

Basement/Car Parking

This area is also accessed via the main stairwell and lift, with male and female disabled toilet and shower facilities adjacent to the lift and stair lobby. The main basement area is largely unlined and has a stud height of approximately 2.3m. A grill roller door provides vehicle access at the southern end and it is open to 3 sides but secured by way of metal grills. It includes 44 car parks.

Carpark

Carpark

Warehouses

These comprise two separate buildings to the north-eastern corner of the property on the lower yard level.

The northern most building provides accommodation in the form of warehouse/workshop space only and is at grade throughout. It has a stud height of approximately 6.8m to the apex, and approximately 4.9m at the knee. Access is via a number of overhead roller doors and pedestrian side doors. It is in an as new condition with no deferred maintenance evident.

The southern building also includes 2 storey amenities to one end and is situated across 3 levels following the contour of the land. The concrete floor has been sealed, but the warehouse details are otherwise as per the northern building.

The warehouse facilities are situated to the western end of the southern warehouse building. The ground floor includes male and female locker rooms. The male locker room features showers, toilet cubicles, wall mounted urinals, stainless steel sink benches and is fully plasterboard lined with vinyl flooring. The female locker rooms are slightly smaller and include two stalls, a paraplegic toilet (with shower) but are otherwise as per the male locker rooms.

The first floor is accessed via a flight of stairs and sub divided into a staff room and separate office area. It has a timber floor, with plasterboard walls and suspended grid ceiling featuring recessed fluorescent lighting. The staff room includes basic kitchen facilities with wall mounted heat pumps providing air conditioning throughout.

Northern Building

Interior

Southern Building

Interior

Site Improvements	The remainder of the property comprises mainly asphalt sealed hard stand areas with concrete kerbing, paths and garden layout. The upper portion of the site is marked for a number of vehicle car parks, plus some motorcycle car parks and disabled car parks. A sloping driveway links the upper and lower portions of the property, and also features timber retaining walls. The lower yard comprises a mix of marked car parking and hard stand/storage areas. There is also steel pole and cyclone netting fencing to the perimeter of the property along with a central light tower.

Yard

Landscaping and Retaining Walls

2.11 Lettable Areas

The Property's total Lettable Area is approximately 5,260 square metres. A summary of this Lettable Area is detailed as follows:

Building Floor Area	
Accommodation/Level	Lettable Area
Ground & Level 1	2,650
Warehouse	2,610
Total Lettable Area - Excluding Yard	5,260 square metres
Car Parking	Spaces
Covered spaces	44
Uncovered spaces	112
Total Car Parking	156 spaces

The areas noted above have been taken from lease documentation made available to us. We have assumed these measurements have been undertaken in accordance with the Guide for the Measurement of Rentable Areas as published by the Property Institute and Property Council of New Zealand.

2.12 Condition and Repair

We inspected the interior and exterior of the property. The office component presents to a new standard being well appointed and provisioned while the warehouse buildings are also well presented. No significant deferred maintenance requirement is evident.

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

A Building Warrant of Fitness is an annual certificate that confirms the Specified Systems in the building have been inspected and maintained, and that the requirements of the Compliance Schedule associated with the operation of the property in its current use have been complied with. We confirm that we have sighted a Warrant of Fitness for the property current through to 20 February 2021.

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

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

2.13 Earthquake Strengthening Requirements

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

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

Year of Building Construction	2011
National Risk Zone	High
Compliance with New Building Standard	80% NBS
Assessment Type	ISA
Assessment Completed By	Dunning Thornton
Assessment Date	September 2020

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

2.14 Green Star Rating

We understand that the building has been constructed and fitted out using environmentally sustainable principles and has been designed to achieve NZGBC 4 Star Green Star NZ Certified Rating. Some of the aspects involved include:

- Double glazed windows throughout the office building;
- Non potable water to flush all the toilets;
- An integrated Building Management System;
- Two 25,000 litre in ground water tanks to capture run off from the roof of the office building, which is the utilised as part of the tenant commercial spraying operations off site;
- Installation of a number of motorcycle carparks;
- Bicycle carparks to the basement;
- Low water use garden planting.

We have sighted a Greenstar Certificate awarding 4 Star Office Design dated December 2012.

3 Property Income and Expenditure

3.1 Tenancy Overview

We have been provided with lease documentation that was available at the time of valuation. The property is occupied entirely by Downer EDI and the net rental from the property can be summarised as follows:

Tenant	Net Rental	Lettable Area	Proportion of Lettable Area
Downer EDI	$1,666,148	21,894	100.0%
Total	$1,666,148	21,894 sqm	100%

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

In our opinion market perception of the tenant covenant will be strong where Downer EDI has a history dating over 80 years and is listed on the NZX and ASX Stock Exchange. Downers employ over 52,000 across more than 300 sites primarily in Australia and New Zealand but also within the Asia Pacific Region along with South America and South Africa. In our opinion the tenant and lease covenants will have a positive impact on value and liquidity.

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

Weighted Average Lease Term Remaining	Years
By Area	11.17
By Income	11.17

3.2 Lease Summary

We summarise below the lease agreement for the tenant:

Lease Summary	Downer EDI Works Limited
Documents reviewed	Signed Deed of Lease dated 11 June 2012
Lessee	Downer New Zealand Limited
Demised premises	All the Landlord land and buildings at 14-16 Makaro Street, Porirua, Wellington and comprised in Certificates of Title 531959 and 531960 together with any easements appurtenant to the property.
Lettable Area	5,260 square metres
Commencement Date	21 December 2010 (actual commencement 21 December 2011)
Expiry Date	29 November 2031
Lease Term	20 years with 6 further terms of 5 years each.
Commencement Rent	$1,316,390 per annum plus GST and outgoings.
Current Rent	$1,666,148 per annum plus GST and outgoings
Rental Review Provisions	Rent reviews to market on the 10th, 20th, 25th, 30th, 35th, 40th and 45th anniversary of the lease. Rent adjusted to the greater of 3% pa compounded or CPI based increase on every second anniversary of the lease (excluding the years that are scheduled for market reviews.) The annual rent payable from a renewal date shall not be more than 110% or less than 100% of the annual rent payable immediately prior to that rent review date.
Outgoings Recovery	Full net lease with the lessee responsible for the payment of all property outgoings in addition to the contract rental, including a management fee calculated at 5.5% of the contract rental.
Permitted Use	Construction and maintenance yard, manufacturing facility, offices and any other uses permitted by the relevant district plan or resource consents.
Emergency Provisions	We did not notice clauses within the lease relating to emergency provisions regarding procedures in the event of an emergency.

3.3 Building Outgoings and Recoveries

The lease within the Property is structured on a net basis, with the tenant being responsible for payment of rates and other property expenses in addition to premises rental.

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

Adopted Property Outgoings	Per Annum	Per Sqm of Lettable Area
Statutory Charges	$126,146	$23.98
Operating Expenses	$348,510	$66.26
Total Outgoings	$474,656	$90.24

The above allowances are based on our own investigations in addition to some information provided for the current year. We have also sought confirmation from the relevant rating authorities in relation to statutory charges. We consider that the adopted outgoings rate of $90.24 per square metre of Lettable Area to be in excess of normalised outgoings for an asset of this type noting the significant property management component equating to $17.44 per square metre of lettable floor area. The management fee is fixed at 5.50% of the premises rental and adjusts in line with movement in that premise's rental.

3.4 Tenancy Schedule

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

Tenant Name	Premises	Lettable Area	Car Parks	Lease Start	Lease Expiry	Lease Term	Next Review	Review Frequency	Review Type	Contract Rental	Rental / sqm	Car Park pcpw	Outgoings Recovery	Recovery / sqm
Downer EDI	Ground & Level 1 C	2,650.0		Dec 2011	Nov 2031	19.9 years	Nov 2021	2 yearly	Fixed	$729,074	$275		$239,133	$90
Downer EDI	Ground Deck	60.0		Dec 2011	Nov 2031	19.9 years	Nov 2021	2 yearly	Fixed	$3,900	$65		$0	$0
Downer EDI	Warehouse Wareh	2,306.0		Dec 2011	Nov 2031	19.9 years	Nov 2021	2 yearly	Fixed	$270,866	$117		$208,091	$90
Downer EDI	Warehouse Toilets	120.0		Dec 2011	Nov 2031	19.9 years	Nov 2021	2 yearly	Fixed	$18,015	$150		$10,829	$90
Downer EDI	Warehouse Lunchr	120.0		Dec 2011	Nov 2031	19.9 years	Nov 2021	2 yearly	Fixed	$18,015	$150		$10,829	$90
Downer EDI	Warehouse Tech R	64.0		Dec 2011	Nov 2031	19.9 years	Nov 2021	2 yearly	Fixed	$10,888	$170		$5,775	$90
Downer EDI	Warehouse Tech R	64.0		Dec 2011	Nov 2031	19.9 years	Nov 2021	2 yearly	Fixed	$6,080	$95		$0	$0
Downer EDI	Yard	16,510.0		Dec 2011	Nov 2031	19.9 years	Nov 2021	2 yearly	Fixed	$412,750	$25		$0	$0
Downer EDI	Car parks Covered	0.0	44	Dec 2011	Nov 2031	19.9 years	Nov 2021	2 yearly	Fixed	$80,080	$0	$35	$0	$0
Downer EDI	Car parks Open	0.0	112	Dec 2011	Nov 2031	19.9 years	Nov 2021	2 yearly	Fixed	$116,480	$0	$20	$0	$0
Aggregate		21,894.0	156							$1,666,148			$474,656	

3.1 Income Analysis

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

Passing Rental Analysis		
Lettable Area Rental	$1,469,588	68.65%
Car Parking Rental	$196,560	9.18%
Outgoings Recovery	$474,656	22.17%
Gross Passing Income	$2,140,804	100.00%
Outgoings	$474,656	
Net Passing Income	$1,666,148	

4 Market Commentary

4.1 Economic Overview

As at 12 October 2020:

- The Consumer Price Index fell 0.5% in the June 2020 quarter, netting to a 1.5% increase in CPI for the June 2020 year. It is expected pricing pressure will soften over the next 12 months.
- Gross Domestic Product (GDP) was down 12.2% in the June 2020 quarter, which is the biggest quarterly decline of GDP in New Zealand on record, with this largely being caused by the strict restrictions that had been put in place on the activities of both households and businesses within the country and abroad.
- As at 23 September 2020, the Reserve Bank announced that the Official Cash Rate is being held at 0.25% following its emergency 75 basis point reduction from 1.00% in March 2020. It was noted that the Monetary Policy Committee is prepared to use additional monetary tools if and when needed, including reducing the OCR even further.
- The 90-day Bank Bill Benchmark Rate (BKBM) was 0.28% as at 9 October 2020. This has reduced significantly from 2019 where it averaged 1.52%.
- The unemployment rate is 4.0% as at June 2020, which is a 0.2% increase from Q1 2020. Unemployment is forecast to increase significantly due to the effects of the COVID-19 pandemic.
- The REINZ median house price across New Zealand increased by 16.4% in August 2020 to $675,000, up from $580,000 in August 2019, and up from $659,000 (a lift of 2.4%) in July 2020. The number of residential properties sold in August across New Zealand increased by 24.8% from the same time last year (from 6,132 to 7,652) – the highest number of properties sold in an August month for 5 years.
- In terms of the construction sector, private backed development and construction is expected to be muted in the short term, however the Government has announced their intention to fast track infrastructure spend as one method to kickstart the economy post the COVID-19 shutdown.

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

Key initiatives taken to reduce the economic impacts of COVID-19 include the implementation of an increased $100 billion Large Scale Asset Purchase, a circa $17-$18 billion support package which is aimed at those sectors most affected by the impacts of the virus, a $6.25 billion Business Finance Guarantee Scheme for small to mid-sized enterprises (SME), along with a $20 million Tertiary Support Package, and $50 million Media Support Package. In addition to the above, as per the Government's 2020 Budget announcement on May 14, further key initiatives taken in response to COVID-19 include a $50 billion Response and Recovery fund, along with a $4 billion Business Support Package.

4.2 Wellington Industrial Market Summary

Industrial remains the sector with the most positive outlook supported by strong fundamentals and persistently low vacancy in the market. The sector does fail to attract the popularity among international and institutional investors enjoyed by the Auckland industrial market, however, largely due to ongoing challenges around geographical and topographical constraints and scale options. This scarcity has also resulted in ongoing upward pressure on both rents and land prices in the region.

Demand

As the New Zealand economy proceeds into recovery mode, the industrial market remains relatively stable with overall vacancy rates rising slightly to 3.0%. Across the board, only Petone realised a notable decline in vacancy from 3.9% in 2H19 to 2.7% in 1H20. Meanwhile, Seaview saw the highest vacancy rates at 3.5% in 1H20. Vacancy rates in Porirua continue to remain the lowest in the sector at 2.0%, with Ngauranga experiencing the second lowest vacancy rates at 2.6%.

Demand for prime industrial space among Wellington's precincts remains strong for yet another quarter, primarily a continued side effect of the extremely limited available space. The market for secondary stock sees comparably less confidence however, as many of these buildings remain hamstrung by issues, particularly earthquake risk. These assets also see a higher risk of business failure among tenants. As observed in Auckland, existing tenants remain mindful to position themselves to move into prime space if and when it becomes available.

	1H20	2H19	1H19
Petone Vacancy	2.7%	3.9%	3.3%
Seaview Vacancy	3.5%	3.0%	2.8%
Nguaranga Vacancy	2.6%	2.1%	2.5%
Grenada North Vacancy	3.3%	2.2%	2.2%
Porirua Vacancy	2.0%	1.5%	1.5%
Total Vacancy	3.0%	2.8%	2.6%

Source: JLL Research and Consulting

Supply

Despite the minor increase to the total stock, no new supply came to market in 1H20 as the 870 sqm addition of stock simply evidences a completed refurbishment of an existing property. We have identified only five projects underway within our survey boundaries, all of which have continued to progress through various stages of planning and construction over the quarter with no further developments occurring in the pipeline as at 3Q20.

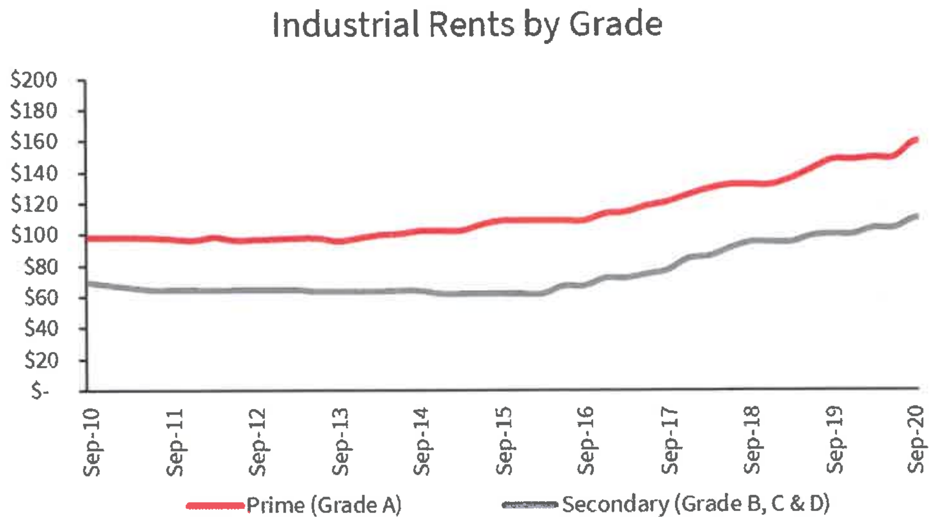
Wellington's industrial sector continues to see rising land and construction costs as well as diminishing available land bottlenecking its supply pipeline. Many of the existing buildings also contain asbestos owing to their age, which provides additional concerns around land contamination and the risks of dismantling and replacing affected parts. Though the limited supply pipeline will assist in supporting current rental levels and keep vacancy levels low, with little to no availability of new industrial space, any possibility of expansion or relocation over the near future remains a challenge for the market.

Rents

We recorded an increase in rents for both prime and secondary space over 3Q20. Prime industrial rents rose to $160 psm over the quarter, with secondary rents rising to $110 psm, both up from $150 psm and $104 psm respectively in 2Q20. This reflects the benefits gained by the sector presently as a result of limited stock and limited opportunity for industrial development within close proximity to key distribution nodes close to the transport network. Space remains at a premium with rental levels evidenced at higher levels in the last three months. Some of these supporting transactions will have been agreed in 2Q20 so, in our view, the price escalation proportionally represents movement over the last six months rather than just in 3Q20.

A key shift to note however, has been the increased incidence of net rents being agreed rather than the traditional gross lease method typically associated with Wellington. While for consistency we continue to report analysis in gross lease terms, this key shift will inevitably make net lease assets more marketable to a wider investor base due to the reduced risk on occupational costs.

There is also growing divergence in rental performance and occupier demand for industrial premises with a higher quality office space component compared to accommodation which is not as well serviced. Quality heating is, in particular, an increasingly key wish list requirement as employee welfare and experience becomes an increasing priority for business owners to attract the best talent.

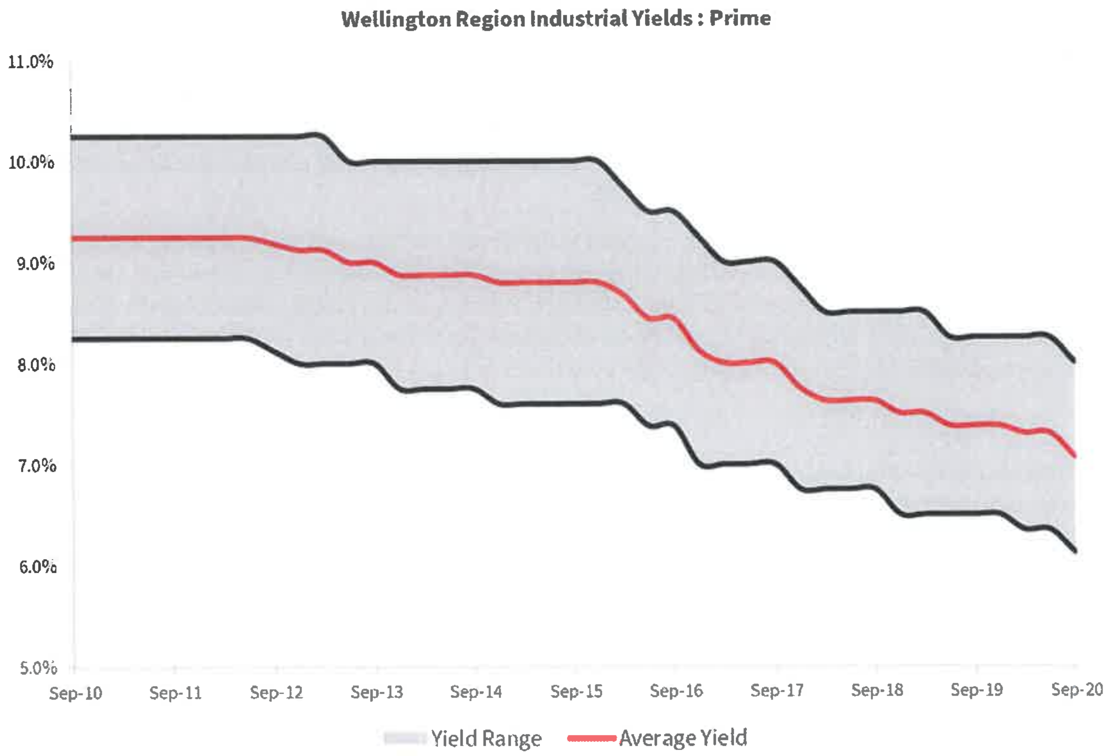


Source: JLL Research and Consulting

Asset Performance

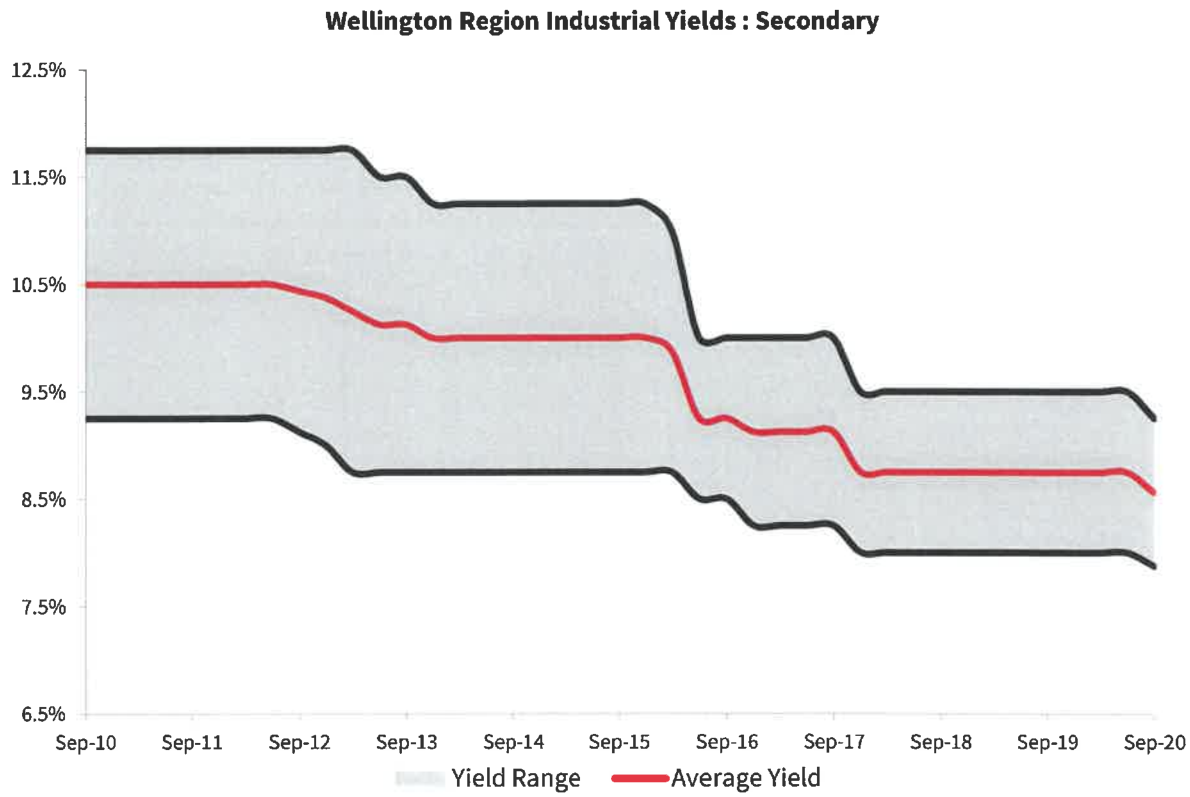
The market for industrial land remains strong with very tight supply and prices are noticeably rising. As would be expected though, the range of $psm prices across the Wellington region for industrial land remains substantial with location next to key infrastructure vital to value assessment.

We have recorded some yield contraction over 3Q20 in both prime and secondary markets. Average prime yields firmed slightly to 7.06% from 7.30% in 2Q20, while average secondary yields firmed to 8.56% from 8.75% last quarter. This represents ranges of 6.13%-8.00% for prime stock and 7.88-9.25% for secondary stock.



Source: JLL Research and Consulting

The market has continued to see minimal transactional evidence over 2020, with only one additional sale recorded over $5 million in 3Q20. This was 15 Raiha Street in Porirua, which sold for $5,200,000 in August. With the current state of affairs, investors remain cautious as they prudently monitor the market which is resulting in a slight moderation in overall transaction volumes. Should interest rates remain low, the market will continue to see owner occupiers competing with investors, driving yields even lower. Quality assets and properties presenting development opportunity will continue to attract interest from larger local players.



Source: JLL Research and Consulting

5 Leasing Evidence

In this version of the Valuation Report we provide a summary of the rental transactions involved in order to protect the privacy requirements of the lessees and lessors involved.

5.1 Leasing Evidence

In determining an appropriate market rental rate to apply to the subject property we have had primary regard to the following evidence:

Location	Date	Status	Type	Area (sqm)	Gross Rate (psm)
Grenada North	Dec-20	NL	Office	600	$180 (net)
			Warehouse	2,500	$120
			Yard	3,500	$35
Porirua	Dec-20	NL	Office	547	$350
Johnsonville	2019		Ground Office	823	$350
			Level 1 Office	1,172	$239
			Carparks	20	$30
Porirua	2019	NL	Office	747	$290 (net)
			Car Parks – Covered	14	$25
			Car Parks - Uncovered	17	$20
Seaview	Dec-19	RR	Warehouse	751	$145
			Office/Amenities	118	$180
			Mezzanine Storage	122	$80
			Carparks	9	$25
Ngauranga	May-19	NL	Warehouse	2,218	$145 (net)
			Office	97	$155
			Canopy - Office	63	$19
			Canopy - Warehouse	57	$39
			Yard	280	$29
Trentham	May-19	NL	Warehouse	1,383	$137
			Ground Office/Amenities	70	$175
			Mezzanine Office	69	$175
			Yard	1,150	$30
Grenada North	Apr-19	NL	Warehouse	1,826	$145
			Offices	486	$200
			Carparks - Secure	4	$25
			Carparks - Sealed	19	$15
			Carparks - Unsealed	12	$10
Newlands	Apr-19	NL	Warehouse	3,932	$153
			Ground Office	410	$200
			Mezzanine Office/Store	105	$120
			Carparks	90	$20

Location	Date	Status	Type	Area (sqm)	Gross Rate (psm)
Gracefield	Apr-19	NLE	Warehouse	2,458	$142
			Office/Amenities	367	$202
			Yard	1,090	$33
			Carparks - Front	6	$27
			Carparks - Rear	11	$22
Gracefield	Apr-19	NL	Warehouse	7,583	$129 (net)
			Office	435	$173
			Canopy	1,406	$57
			Yard	6,686	$24
Seaview	Mar-19	NL	Warehouse	1,635	$140 (net)
			Yard	1,195	$30
			Carparks	6	$20
Moera	Feb-19	RR	Warehouse	2,863	$105
			Showroom/Office	403	$140
			Amenities	41	$110
			Offices	261	$135
			Canopy	125	$45
			Walkway	17	$35
			Yard - Front	1,221	$23
			Yard - Rear	505	$18

The provided evidence shows a trend of rising industrial rentals within the wider industrial sectors of Wellington and in particular within more modern buildings, and those with close links to transport routes. Generally larger premises attract lower rental rates relative to smaller premises. Additional rental is normally achieved for premises which are provided with a gantry crane or service pits.

The industrial evidence above provides a range of rental rates from approximately $120 to $153 per square metre over the warehouse accommodation, $173 to $350 per square metre over the office and amenities, $23 to $35 per square metre over the yard, and generally $20 to $30 per park per week for the carparks.

The subject asset has been constructed specifically for the tenant and is ideal as their regional base. It provides a significant standalone office component along with two warehouse buildings and substantial yard and storage. In addition the office building has an NBS (New Building Standard) rating of 80%.

Location and amenity provided plays a key part in achieved rental for the various comparisons and we note generally the provided evidence, particularly regarding the office component, is ancillary to industrial warehouse components with a small amount of evidence indicated from standalone office assets. As a consequence, the analysed rental rates from the provided evidence, particularly for the office component, would set lower limits relative to the subject office while on balance the majority of the provided warehouse evidence would also set lower limits in comparison.

Having regard to the evidence above we have adopted the following market rental profile as displayed overleaf.

5.2 Market Rental Profile

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

Tenant Name	Premises	Lettable Area	Car Parks	Next Review/Expiry	Review Type	Contract Rental	Rental / sqm	Car Park pcpw	Recovery / sqm	Ideal Recovery	Net Market / sqm	Gross Market / sqm	Car Park pcpw	Net Market Rental
Downer EDI	Ground & Level 1 C	2,650.0		Nov 2021	Fixed	$729,074	$275		$90	$90	$285	$375		$755,250
Downer EDI	Ground Deck	60.0		Nov 2021	Fixed	$3,900	$65		$0	$0	$65	$65		$3,900
Downer EDI	Warehouse Wareh	2,306.0		Nov 2021	Fixed	$270,866	$117		$90	$90	$120	$210		$276,720
Downer EDI	Warehouse Toilets	120.0		Nov 2021	Fixed	$18,015	$150		$90	$90	$160	$250		$19,200
Downer EDI	Warehouse Lunchr	120.0		Nov 2021	Fixed	$18,015	$150		$90	$90	$160	$250		$19,200
Downer EDI	Warehouse Tech R	64.0		Nov 2021	Fixed	$10,888	$170		$90	$90	$175	$265		$11,200
Downer EDI	Warehouse Tech R	64.0		Nov 2021	Fixed	$6,080	$95		$0	$0	$95	$95		$6,080
Downer EDI	Yard	16,510.0		Nov 2021	Fixed	$412,750	$25		$0	$0	$25	$25		$412,750
Downer EDI	Car parks Covered	0.0	44	Nov 2021	Fixed	$80,080	$0	$35	$0	$0	$0	$0	$35	$80,080
Downer EDI	Car parks Open	0.0	112	Nov 2021	Fixed	$116,480	$0	$20	$0	$0	$0	$0	$20	$116,480
Aggregate		21,894.0	156			$1,666,148								$1,700,860

5.3 Net Income Assessment

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

Passing Versus Market Comparison	Passing per annum	Market per annum
Rental Analysis		
Lettable Area Rental	$1,469,588	$1,504,300
Car Parking Rental	$196,560	$196,560
Outgoings Recovery	$474,656	$474,656
Gross Income	$2,140,804	$2,175,516
Outgoings	$474,656	$474,656
Net Income	$1,666,148	$1,700,860

6 Sales Evidence

6.1 Sales Transaction

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

14 Jamaica Drive, Grenada North

14 Jamaica Drive comprises a circa 2,920 sqm warehouse with a generous stud height, along with office and car parking. Countdown recently entered into a 6 year lease from 1 December 2020, with 6 rights of renewal of 3 years each and annual 2% fixed rent increases.

The property sold in September 2020 for $10,850,000 at an initial yield of **4.75%.**

15 Raiha Street, Elsdon, Porirua

This property comprises a warehouse currently occupied by Ultibend, leased to 2026 with 2 rights of renewal of 5 years each. The building is rated 100% NBS. It provides modern warehousing with an area of approximately 2,980 sqm accessed via a generous yard area at the rear of the property. Office and amenities are located at the front of the premises over the ground and first floors.

The property sold in August 2020 for $5,200,000 at an initial yield of **6.00%.**

Mitre 10, Kapiti Coast

The property comprises a purpose built trade retail premises situated on Kapiti Road within the Kapiti Landing bulk retail centre, in Paraparaumu, north of Wellington. The improvements comprise an 8,662 square metre store, which includes a main retail area, office, drive through, café and garden centre. In addition to this are canopies and yard areas. Carparking on the subject site is provided via non-exclusive use of 132 spaces.

The property is occupied by Mitre 10 Mega with a lease which commenced in March 2011 originally for an 18 year term with rental reviews at three yearly intervals indexed to CPI plus 3%.

The property sold for a confidential sum in July 2020, however we can report that it achieved a yield in the low **5%** range.

Placemakers, Kapiti Coast

The property comprises a purpose built trade retail premises situated on Kapiti Road within the Kapiti Landing bulk retail centre, in Paraparaumu, north of Wellington. The improvements comprise a 7,044 square metre store, which includes warehouse, office, trade hall and yard areas. Carparking on the subject site is provided via non-exclusive use of 132 spaces.

The property is occupied by Placemakers with a lease which commenced in May-2017 originally for a 9 year term with rental reviews at three yearly intervals fixed at 4.5% and market reviews upon renewal.

The property sold for a confidential sum in July 2020, however we can report that it achieved a yield in the mid-5% range.

180-202 Hutt Road, Kaiwharawhara

The property comprises a bulk retail property occupied by Placemakers in Wellington together with a secondary building which was earthquake prone and provided separate area which was essentially development land. The Placemakers tenant is in occupation on a new nine year lease, while the residual land provides a 2,330 sqm area. The lease provides annual fixed rental increases.

The property sold in June 2020 for $23,500,000. After deducting the residual land component, the investment component reflects an initial yield of **4.75%,** an equivalent yield of 4.60% and an IRR of 5.99%.

32 Jamaica Drive, Grenada North

32 Jamaica Drive comprises three adjoining industrial properties located in the Grenada North industrial area. The buildings date from 2011 – 2013 and are occupied by Coca-Cola Amatil, Rentokil and Desktop Imaging. The buildings provide a mix of reasonably modern office and warehouse accommodation and each with on site carparking.

The property sold in March 2020 at $14,750,000 indicating an initial yield of **6.50%** and a market yield of 6.25%. The Weighted Average Lease Term at sale was short at just 0.7 years, however, we understand extended lease terms across some of the tenancies have been entered into.

JLL

9 - 13 Wareham Place, Seaview

This property comprises a clear span warehouse built circa 2008 divided into two tenancies, with Efficient Transport occupying the southern half of the building and Wakefield Metals occupying the balance. The building provides office and warehouse accommodation with associated amenities and incorporates a mechanical ventilation system, while mezzanine storage is provided to part. The warehouse is accessed by two roller doors and a pedestrian door.

This property provides modern clean space and sold in December 2019 for $4,150,000 with a 1.6 year remaining lease term at an initial yield of **6.32%** and reflects an effective market yield of 6.45%.

11 - 13 Gough Street, Seaview

This property comprises a large industrial warehouse and office building originally dating from the 1960s but with subsequent extensions over the years. The warehouse is split into two with the original main warehouse and a more recently added portion. The main warehouse comprises four high stud bays as well as a lower stud lean to. Stud height is near 10 metres to the underside of the trusses and the building is accessed at various points around the exterior allowing for drive through capability. The warehouse also incorporates six gantry cranes providing a mix of two and five tonne capacity. The provided office component is largely open plan. This site is sealed and provides two points of egress off Gough Street.

The sale encompasses a sale and lease back arrangement to Asmuss Steel for a 10 year term with fixed annual increases. The property has a mixed NBS rating of 100% to Warehouses B and D and 67% to Warehouses A and C and the office building.

The property sold for $8,105,000 in November 2019. At time of sale the Weighted Average Lease Term was 10.00 years, at an initial yield of **7.02%** and effective market yield of 6.89%.

43 Seaview Road / 120 Hutt Park Road, Lower Hutt

43 Seaview Road comprises a former Ford Motor Company assembly plant originally built in the 1930s and subsequently converted into multiple tenanted industrial areas. Extensive strengthening and refurbishment works were completed by the vendor prior to settlement. The property provides a total of seven primary tenancies and we understand seismic capacity ranges from 70% through to 100%.

120 Hutt Park Road adjoins the rear boundary with 43 Seaview Road and comprises a large warehouse/office building dating from the early 2000s. The building was extended in 2018 to provide substantial high stud warehouse accommodation for the now existing tenancies. Collectively the two combined properties provide a total net lettable area in excess of 28,000 square metres together with 22,800 square metres of secure yard.

The properties at 43 Seaview Road and 120 Hutt Park Road sold together in July 2019 for a combined price of $56,170,000. At the time of sale the Weighted Average Lease Term was 6.64 years and the sale indicated an overall effective market yield of **6.84%.**

12 Newlands Road, Ngauranga

12 Newlands Road comprises a large high stud warehouse with associated offices and secure drive through yard. The building was sold leased to City Fitness who have recently taken a 15 year lease over the majority of the property as a gymnasium with the exception of Office Max who will occupy the first floor of the tenancy along with five car parks.

The property sold for $13,220,000 in May 2019 with a Weighted Average Lease Term of 13.49 years, with an initial yield of **6.25%** and indicating an effective market yield of 6.11%.

21 Jamaica Drive, Grenada North

This property provides circa 1800 square metres of temperature and humidity controlled warehouse space with a stud height of 7-8 metres. It has a two level office to the frontage and provides a substantial area of sealed yard to the frontage with some gravel yard at the rear. The lease incorporates annual 1.5% increases with 3 yearly market reviews.

The property sold for $4,850,000 with a nine year lease back in place in March 2019, this reflecting an initial yield of **6.91%** and indicating an effective market yield of 6.83%.

6 Hurring Place, Ngauranga

The property comprises a mixed use warehouse and office building subdivided into four tenancies. The building dates from the late 1980s and has seen recent refurbishment and strengthening to 80% NBS.

This property sold in April 2019 for $12,809,370 based on completion of refurbishment works to the office area. This indicates a Weighted Average Lease Term of 3.98 years, an initial yield of **6.93%** and an effective market yield of 6.59%.

23 Centennial Highway, Ngauranga

This property comprises a high stud warehouse building with associated offices and amenities that was built in the early 1990s, subdivided into two tenancies. The Department of Internal Affairs occupy the front portion while the rear unit was vacant at the time of sale.

This property sold in March 2018 for $6,430,000 with an analysed WALT of 3.75 years and low initial yield reflecting the part vacant nature although with an analysed market yield of circa **5.50%.**

6.2 Wider New Zealand Sales

We have also considered a range of recent sales from other locations within the North Island.

25 Langley Road, Wiri, Auckland

The property currently comprises approximately 10,729 square metres of warehouse, 1,223 square metres of office accommodation, and 5,933 square metres of yard space. In addition, to the northern part of the site a new generic warehouse has been designed and consented by Auckland Council. This is currently under construction and will be completed circa May 2020. This will comprise a further 3,242 square metres of 11.50m (to the underside of the knee) stud warehouse and 121 square metres of office and amenities.

The property is subject to a 12 year sale and leaseback to Grayson Engineering with a total net annual rent (including over the new accommodation to be completed by May 2020) of $2,033,451 per annum plus GST, with annual fixed rent reviews of 2.50%, and a market review at year 6 subject to a 10% cap and collar.

The property sold in December 2019 for $35,990,000, reflecting an initial yield of 5.35%, an equivalent yield of 5.85%, and an IRR of 8.17%.

5 Sir William Avenue & 10 Barmac Place, East Tamaki, Auckland

The property comprises three interconnecting industrial buildings totalling a net lettable area of 8,058 square metres. The buildings date from the late 1980's and 2000's. The site comprises various hardstand and asphalt sealed areas utilised for access, storage and manoeuvrability, with a total land area of approximately 12,449 square metres. The property is located within the East Tamaki industrial precinct with Light Industrial zoning under the Auckland Unitary Plan.

The main offices for 5 Sir William Avenue are positioned fronting the road with the original 1980's warehouse adjoining to the rear. The warehouse offers clear span accommodation with a stud height of circa 5.5 metres at the knee rising to circa 6.5 metres at the apex. At the rear of the site is a modern warehouse with adjoining canopy to a stud height of circa 8 metres at the knee rising to circa 9.1 metres at the apex.

10 Barmac Place comprises both medium and high stud warehouse accommodation with adjoining warehouse offices and amenities. The medium stud warehouse features clear span warehouse accommodation with a stud height of circa 7.1 metres at the knee rising to 7.5 metres at the apex. The high stud warehouse adjoins the eastern elevation of the medium stud warehouse component, comprising further clear span accommodation with a stud height of circa 9.9 metres at the knee rising to circa 10.6 metres at the apex.

At the date of sale, the property was leased to Integrated Packaging Group with rent set at $935,403 net per annum plus GST. The property is leased for a term of 12 years from August 2015 with two further right of renewals of 6 years. The lease also includes 2% yearly rental increases with rent reviews 3 yearly to market.

The property sold in November 2019 for $17,330,000, reflecting an initial yield of 5.80%, an equivalent yield of 5.58%, and an IRR of 7.61%. The sale price reflects a land and buildings rate of $2,151 per square metre.

27-29 Neales Road, East Tamaki, Auckland

The property comprises a purpose-built industrial development which was originally constructed circa 1996, with extensions added in 1997 and 2001. The property provides a total net lettable area of approximately 11,016 square metres, inclusive of an industrial steel store and good quality office accommodation situated to the road frontage.

Improvements include an approximate 9,985 square metre high-stud, column-interrupted warehouse with a stud height of approximately 8.5 metres at the portal knee, rising to approximately 10.3 metres at the apex. Two canopies of approximately 151 and 160 square metres are provided to the front and rear perimeters of the warehouse, respectively. Approximately 540 square metres of office and amenity accommodation is located to the frontage of the property, with additional warehouse and distribution office accommodation provided to the rear of the warehouse.

Additional site improvements comprise predominantly concrete sealed yard space for carparking and vehicle manoeuvrability, along with some minor landscaping.

At the date of sale, the property was fully occupied by Vulcan Steel Limited on a renewed 15 year term from 1 July 2011, with no further rights of renewals remaining. The lease is currently returning a net rental of $1,340,000 per annum plus GST, with reviews set two yearly to market levels.

The property sold in October 2019 for $25,223,000, reflecting an initial yield of 5.31%, an equivalent yield of 5.26%, and an IRR of 7.55%. The sale price reflects a land and buildings rate of $2,290 per square metre.

51-61 Spartan Road, Takanini, Auckland

The property comprises a modern industrial building constructed in the early 2010's, located on the southern side of Spartan Road, within the industrial suburb of Takanini approximately 580 metres from the Southern Motorway interchange.

Improvements comprise high stud workshop with a single level of associated offices to the road frontage and extensive yard areas.

The property has been leased to MaxiTRANS for a term of 12 years with annual fixed rental increases of 2.75% and market reviews every 6 years, at a rental of $920,000 per annum plus GST and outgoings.

The property sold on a sale and leaseback basis for $17,200,000 plus GST (if any) reflecting an initial yield of 5.35% and a weighted average lease term of 12 years. We have analysed the sale to reflect an equivalent yield of 5.46% and an IRR of 7.89%.

48 Honan Place, Avondale, Auckland

The property comprises a 7,782 square metre industrial property across two separate units, situated on a 15,463 square metre freehold site zoned Light Industrial under the Auckland Unitary Plan. The property is located at the end of Honan Place, off Rosebank Road in Avondale.

The main building was originally constructed in 1996, being fully sprinklered and providing a mixture of 6 metre stud manufacturing area, and 9 metre stud warehouse along with office accommodation provided over two levels, overlooking the harbour. In 2015, the building underwent major refurbishment. A new bulk store with a canopy was constructed during this refurbishment, along with a new building which is also fully sprinklered, with an approximate 11 metre stud height. Construction is a mixture of tilt slab concrete and long run iron.

At the date of sale, the property was leased to TCI New Zealand Limited with the rental set at $925,000 net per annum plus GST. The lease commenced in April 2015 and is set for a 12 year term with market reviews every 2 years.

The property sold in October 2019 for $16,750,000, reflecting an initial yield of 5.52%. We have analysed the sale to reflect an equivalent yield of 5.60% and an IRR of 7.92%. The property had a WALT of 7.50 years at the time of sale.

26 Sharpe Road, Hamilton

The property comprises a highly specified large logistics warehouse with a total of 16,009.69 square metres of rentable area. The site is held in three different records of title being 25 Sharpe Road, 26 Sharpe Road, and 341 Airport Road. The property is located in a developing industrial area to the south of Hamilton city.

The warehouse has an area of 13,245 square metres and has a high stud height of 9.0 metres to 13.3 metres and provides two levels of offices totalling 577.68 square metres. Services include a charging bay, sprinkler room, workroom and storage space. Both side canopy and loading canopy are provided, totalling 1,687 square metres.

The premises is leased to Torpedo 7 Limited from March 2017 for a term of 10 years with four rights of renewals of 9 years each. The lease provides rent reviews to take place in 3 yearly intervals, including renewal dates, and is set to increase to the lower of CPI adjusted rent and the amount equivalent to the annual rent payable during the period of 12 months immediately preceding the relevant review date increased by 2.5% for every 12 months since the last schedules rent review date. There is a remaining 6 years on the lease. A ratchet clause provides a cap and collar that prevents the annual rent from falling less than 90% of the annual rent payable immediately prior to the relevant rent renewal date, or more than 110% of the annual rent payable immediately prior to the relevant renewal date.

The property sold in March 2020 for $27,756,521 reflecting an initial yield of **5.59%,** an equivalent yield of 5.52% and an IRR of 6.91%.

Confidential

5 Reliable Way, Mt Wellington, Auckland

The property comprises a manufacturing and distribution facility, located in Mt Wellington, Auckland. The property is situated on a large circa 2 hectare site which is zoned Light Industry under the Auckland Unitary Plan.

Improvements comprise approximately 11,000 square metres of net lettable space, which was constructed circa 1990. The tenant has occupied the property since 2015, on a triple net lease expiring in 2027.

The property sold in June 2020 for circa $25,000,000, reflecting an initial yield of 5.50%. We have analysed the sale to reflect an equivalent yield of **5.74%** and an IRR of 7.55%. The property had a WALT of 7.17 years at the time of sale.

12-16 Brigade Road, Mangere, Auckland

The property comprises a coolstore development which was purpose built for Wrightson's in 1988 for a venison processing facility. The property has been subsequently upgraded and extended, and was refurbished both internally and externally in 2017. The property sits on a large 1.0491 hectare site on the northern side of Brigade Road in the Airport Oaks precinct, and has two access points from Brigade Road and full drive-around capabilities.

The premises provide a total of approximately 4,500 square metres of lettable area including a circa 150 square metre canopy. The freezer component provides approximately 3,187 square metres, with the refrigeration system designed around maintaining internal areas at an operating temperature of 4°c, with the insulated panelling walls being approximately 125mm to 200mm thick. There are 10 cart docks, some of which are canopy protected. The office block to the road front is also in good condition having been recently refurbished.

Following the refurbishment, the property was leased by My Food Bag on a 9 year lease commencing October 2017, with a commencement rent of $802,067 net per annum plus GST. The lease incorporates fixed annual increases of 2.50% from October 2020. We understand the lease is on a triple net basis.

The property sold in April 2019 for $13,200,000 plus GST reflecting an initial yield of **6.08%,** an equivalent yield of 6.08%, and an IRR of 8.06%.

The property at 14 Jamaica Drive comprises a reasonably substantial warehouse with associated office constructed in the early 2000's now occupied by Progressive Enterprises as a Countdown Supermarket dark store. Progressive are on a six year lease from October 2020 with renewal options and have carried out a degree of internal fitout for their own purpose while the landlord carried out minor refurbishment works. The lease is subject to fixed 2% per annum rental increases with a market review at renewal which is capped at 10% above the then existing rent and with a collar of 90% of the then existing rent. We have analysed the September 2020 sale price at $10,850,000 at an initial yield of 4.76%, an equivalent yield of 4.85% and an IRR of 5.97%.

We are also aware that the BP Roadmaster site at 7-17 Taranaki Street in Te Aro, Wellington sold in June 2020 for $25,000,000. This is the sale of the ground lessor's interest in that property. There are various ground leases associated with the site and they call for a mix of 14 and 21 year rent reviews. The 14 year review rent has just been set and the 21 year rent review is not due until March 2030 therefore there is no prospect of further rental increase until 2030. This property sold with a 12.75 year WALT at an analysed yield of 4.75% and internal rate of return of 5.50%.

In addition, we are aware of two separate new and near new industrial properties currently under conditional contract and remaining confidential until the contracts becomes unconditional. However sale price for the new build equates to circa $14,000,000 on a new 10 year lease while the other property is approximately two years old and sold at near $11,000,000 with approximately 10 years remaining of the initial lease term. Both of these properties are indicating initial yields below 5.0%.

We believe tenant covenants will be a key consideration in the future for investors. The remaining lease term of over 11 years will help to underpin the value, with investors likely to be attracted to longer term lease assets that provide greater security. Discounts may be provided for slightly inferior locations and where expiries are approaching.

When considering the yield profile of the subject, we have had regard to the following:

- Long term lease with over 11 years remaining
- Fixed rental growth
- Office building at 80% NBS
- Established industrial location
- Low interest rate environment

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

Valuation Input	
Capitalisation Rate	4.750%
Discount Rate	6.000%

7 Valuation Considerations

7.1 SWOT Analysis

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

Strengths	Weaknesses
▪ Freehold tenure held in two Records of Title ▪ Very strong tenant covenant ▪ Fully leased ▪ WALT of near 12 years ▪ Modern facility with large area and extensive parking ▪ Elevated site with attractive views from the office component ▪ Structured rental increases every two years with market review at Year 10 ▪ Office building has an NZGBC Four Star Green Star Rating ▪ Easy access to transportation routes	▪ High proportion of office accommodation for an industrial location ▪ Lower yard area relatively undeveloped from an industrial perspective ▪ Large quantum of value for this location may limit pool of perspective purchasers ▪ Inability to sell off one of the titles separately without Council consent. ▪ Potential site contamination. Refer to Section 2.6.
Opportunities	**Threats**
▪ Scarcity of available industrial development land in the wider Wellington region may provide future development opportunities ▪ Redevelop lower yard for more intensive use at lease expiry	▪ The economic and social impacts of COVID-19 have the potential to be persistent. ▪ Possible change to legislation in relation to seismic strength requirements for buildings ▪ Competition from new or refurbished space entering the market ▪ Future seismic events ▪ Risks from offshore macro-economic factors impacting on income growth or property values

7.2 Likely Selling Period

We are of the opinion that the likely selling period for the Property is up to 3 months, assuming that the property is presented to the market in accordance with the specific assumptions noted in this report, and with an appropriate level of marketing. The actual time to sell the property may vary depending on the number of potential buyers in the marketplace, availability of comparable properties, access to finance, and changes in market conditions subsequent to the valuation date.

7.3 Most Probable Purchaser

In consideration of the current market, we anticipate the most probable purchaser of the Property to be a high net worth investor, syndicator or institutional investor.

8 Valuation Rationale

8.1 Valuation Overview

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

8.2 Capitalisation Approach

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

We have adopted a core capitalisation rate of 4.750%, with our calculations summarised below:

Direct Capitalisation Approach		
Rental Income	Contract Income	Market Income
Lettable Area Rental	$1,469,588	$1,504,300
Car Parking Rental	$196,560	$196,560
Ideal Outgoings Recovery (Full Net Leases)	$474,656	$474,656
Total Rental Income	$2,140,804	$2,175,516
Less Outgoings Expenditure	($474,656)	($474,656)
Net Rental Income	$1,666,148	$1,700,860
Core Income Capitalised at 4.75%	$35,076,800	$35,807,579
Value Adjustments		
Present Value of Existing Rental Reversions	$694,948	($36,746)
Present Value of Short Term Capital Expenditure: 24 months	($39,799)	($39,799)
Value of Other Income	$0	$0
Total Value Adjustments	$655,149	($76,545)
Total Capitalised Value	$35,731,949	$35,731,033
Adopted Capitalised Value (say)	$35,700,000	$35,700,000

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

Our adopted adjustments are detailed as follows:

Rental Reversions

From the core value, we have added/deducted the present value of tenant rental reversions, which represents the present value of rental overage / underage for the existing tenancy relative to our adopted rental profile.

Capital Deductions

We have allowed for the present value of CAPEX allowances over the next 24 months from the valuation date, which total $39,799.

Calculation Summary

Having made these adjustments to the core value, we derive a total value of $35,700,000. A sensitivity analysis based on adjustments to our adopted Core Capitalisation rate is as displayed below:

Sensitivity Analysis		Contract Approach	Market Approach
(0.25%)	4.500%	$37,700,000	$37,700,000
Adopted Capitalisation Rate	4.750%	$35,700,000	$35,700,000
0.25%	5.000%	$33,900,000	$33,900,000

8.3 Discounted Cash Flow Approach

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

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

Discount Rate

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

We have applied a target discount rate of 6.000% to the cash flows to produce a present value of $35,300,000. Our DCF calculations are summarised overleaf:

Discounted Cashflow Summary		Year Ending	05-Oct-2021	05-Oct-2022	05-Oct-2023	05-Oct-2024	05-Oct-2025	05-Oct-2026	05-Oct-2027	05-Oct-2028	05-Oct-2029	05-Oct-2030	05-Oct-2031
			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
Rental Income													
Lettable Area and Car Park Income			$1,666,148	$1,715,599	$1,720,094	$1,816,118	$1,824,848	$1,926,720	$1,935,981	$2,044,057	$2,053,882	$2,168,540	$0
Outgoings Recovery			$474,656	$485,573	$495,285	$510,143	$525,447	$541,211	$557,447	$574,171	$591,396	$609,138	$0
Other Income			$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Gross Rental Income			$2,140,804	$2,201,172	$2,215,379	$2,326,262	$2,350,295	$2,467,931	$2,493,428	$2,618,228	$2,645,278	$2,777,678	$0
Rental Deductions													
Unexpired Incentives - Rent Free/Abatements			$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Outgoings Expenditure			($474,656)	($485,573)	($495,285)	($510,143)	($525,447)	($541,211)	($557,447)	($574,171)	($591,396)	($609,138)	$0
Ground Rental													
Net Rental Cashflow			$1,666,148	$1,715,599	$1,720,094	$1,816,118	$1,824,848	$1,926,720	$1,935,981	$2,044,057	$2,053,882	$2,168,540	$0
Rental Adjustments													
Unexpired Incentives - Capital Contribution			$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Letting Up Allowances - Leasing Fees			$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Capital Expenditure			($30,690)	($10,435)	($32,243)	$0	($17,103)	($918,986)	($60,483)	($249,189)	($38,500)	($363,502)	$0
Net Cashflow			$1,635,458	$1,705,164	$1,687,851	$1,816,118	$1,807,745	$1,007,734	$1,875,498	$1,794,868	$2,015,383	$1,805,039	$0
Purchase Price	$35,600,000	After Costs	($35,600,000)										
Sale Price	$40,600,000	After Costs											$40,092,500
Annual Cashflow			($33,964,542)	$1,705,164	$1,687,851	$1,816,118	$1,807,745	$1,007,734	$1,875,498	$1,794,868	$2,015,383	$1,805,039	$40,092,500
Present Value of Rental Cashflow		$12,955,171											
Present Value of Terminal Value		$22,387,443											
Allowance for Acquisition Costs		$0											
Total Net Present Value (say)			$35,300,000	Resulting IRR	5.90%								

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

Revenue Projections

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

Growth Rates

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

Growth	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Office							10 year average		2.20%	
	1.00%	1.50%	2.00%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Warehouse							10 year average		2.20%	
	1.00%	1.50%	2.00%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
CPI							10 year average		1.83%	
	1.30%	1.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Capex							10 year average		2.83%	
	2.30%	2.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Outgoings							10 year average		2.83%	
	2.30%	2.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%

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

Letting Up Allowances

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

Office	Cash Flow Year	Letting Up	Probability	Incentive	Probability	Capex /sqm	Probability
	Vacant	0 months	100%	0%	100%	$0	100%
	Year 1	4 months	100%	0%	100%	$150	75%
	Year 2	4 months	100%	0%	100%	$150	75%
	Year 3	4 months	100%	0%	100%	$150	75%
	Year 4	4 months	100%	0%	100%	$150	75%
	Year 5	4 months	100%	0%	100%	$150	75%
	Year 6	4 months	100%	0%	100%	$150	75%
	Year 7	4 months	100%	0%	100%	$150	75%
	Year 8	4 months	100%	0%	100%	$150	75%
	Year 9	4 months	100%	0%	100%	$150	75%
	Year 10	4 months	100%	0%	100%	$150	75%

Capital Expenditure

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

Cash Flow Year	Tenancy Capex	Building Capex	Total Capex
Year 1	$0	$30,690	$30,690
Year 2	$0	$10,435	$10,435
Year 3	$0	$32,243	$32,243
Year 4	$0	$0	$0
Year 5	$0	$17,103	$17,103
Year 6	$0	$918,986	$918,986
Year 7	$0	$60,483	$60,483
Year 8	$0	$249,189	$249,189
Year 9	$0	$38,500	$38,500
Year 10	$0	$363,502	$363,502
10 Year Total	$0	$1,721,130	$1,721,130
Capex as a proportion of Value	4.8%	Per Sqm of Lettable Area	$327.21

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

Estimated Terminal Sale Price

We have applied a terminal yield of 5.000% (a 25.0 basis point premium to the going in capitalisation rate) to the market net income at the start of Year 11 in order to calculate the estimated terminal sale price. This value also includes reversions to the forecast market rent as at the end of Year 10, deferred until the next review date.

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

Transaction Costs

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

Transaction Costs	
Disposal Costs	1.25% of the forecast Terminal Value

Sensitivity Analysis

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

Discount Rate	Terminal Yield		
	4.750%	5.000%	5.250%
5.750%	$37,300,000	$36,000,000	$34,900,000
6.000%	$36,600,000	$35,300,000	$34,200,000
6.250%	$35,900,000	$34,700,000	$33,600,000

9 Valuation

9.1 Valuation Reconciliation

The results of our valuation methods are:

Methodology	Valuation
Capitalisation Approach - Market Income	$35,700,000
Capitalisation Approach - Contract Income	$35,700,000
Discounted Cash Flow Approach	$35,300,000
Adopted Value	$35,600,000

Having regard to the results from the valuation methods described above, together with available market evidence, the comments made within this report, and present market sentiment, we have adopted a rounded valuation figure of $35,600,000 plus GST (if any).

9.2 Valuation Conclusion

Our valuation is subject to the comments, qualifications and financial data contained within our report. On that basis, and assuming the Property is free of encumbrances, restrictions or other impediments of an onerous nature that would affect value, in our opinion its market value as at 6 October 2020, is:

$35,600,000 plus GST (if any)

Thirty Five Million Six Hundred Thousand Dollars plus GST (if any)

The assessed value reflects an initial passing yield of 4.68%, an equivalent yield of 4.77%, an internal rate of return of 5.90%, and a rate of $6,768 per square metre of Lettable Area. The elevated rate per square metre of lettable area is a product of the small building footprint relative to the total size of the land holding.

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

- Oyster Management Limited – for inclusion within a Product Disclosure Statement

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

9.3 Involvement Statement

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

Inspection of Property	Tim Dick, Rachel Oatham
Calculations	Tim Dick, Rachel Oatham
Information Review	Tim Dick, Rachel Oatham
Report Authoring	Tim Dick
Quality Assurance	Brad Chemaly
Principal Valuer	Tim Dick

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

Yours faithfully,
Jones Lang LaSalle, Valuation Advisory

Jones Lang LaSalle

Appendix 1 – Valuation Definitions

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

Appendix 2 – Records of Title

RECORD OF TITLE
UNDER LAND TRANSFER ACT 2017
FREEHOLD
Search Copy

R.W. Muir
Registrar-General
of Land

Identifier **531959**
Land Registration District **Wellington**
Date Issued 18 November 2010

Prior References
244091 244092

Estate	Fee Simple
Area	3441 square metres more or less
Legal Description	Lot 1 Deposited Plan 435186

Registered Owners
The Woolstore Six Limited

Interests

Subject to Section 5 Coal Mines Act 1979

Appurtenant hereto is a right to drain, discharge and convey sewage created by Transfer B191776.6 - 3.9.1991 at 1.46 pm

Appurtenant hereto is a right to drain, discharge or convey water created by Transfer B191776.8 - 3.9.1991 at 1.46 pm

Subject to a sewage drainage right (in gross) over parts marked R & AU and a water drainage right (in gross) over part marked AU on DP 435186 in favour of Porirua City Council created by Easement Instrument 6804448.11 - 27.3.2006 at 9:00 am

The easement created by Easement Instrument 6804448.11 is subject to Section 243 (a) Resource Management Act 1991

Land Covenant in Transfer 6804448.15 - 27.3.2006 at 9:00 am

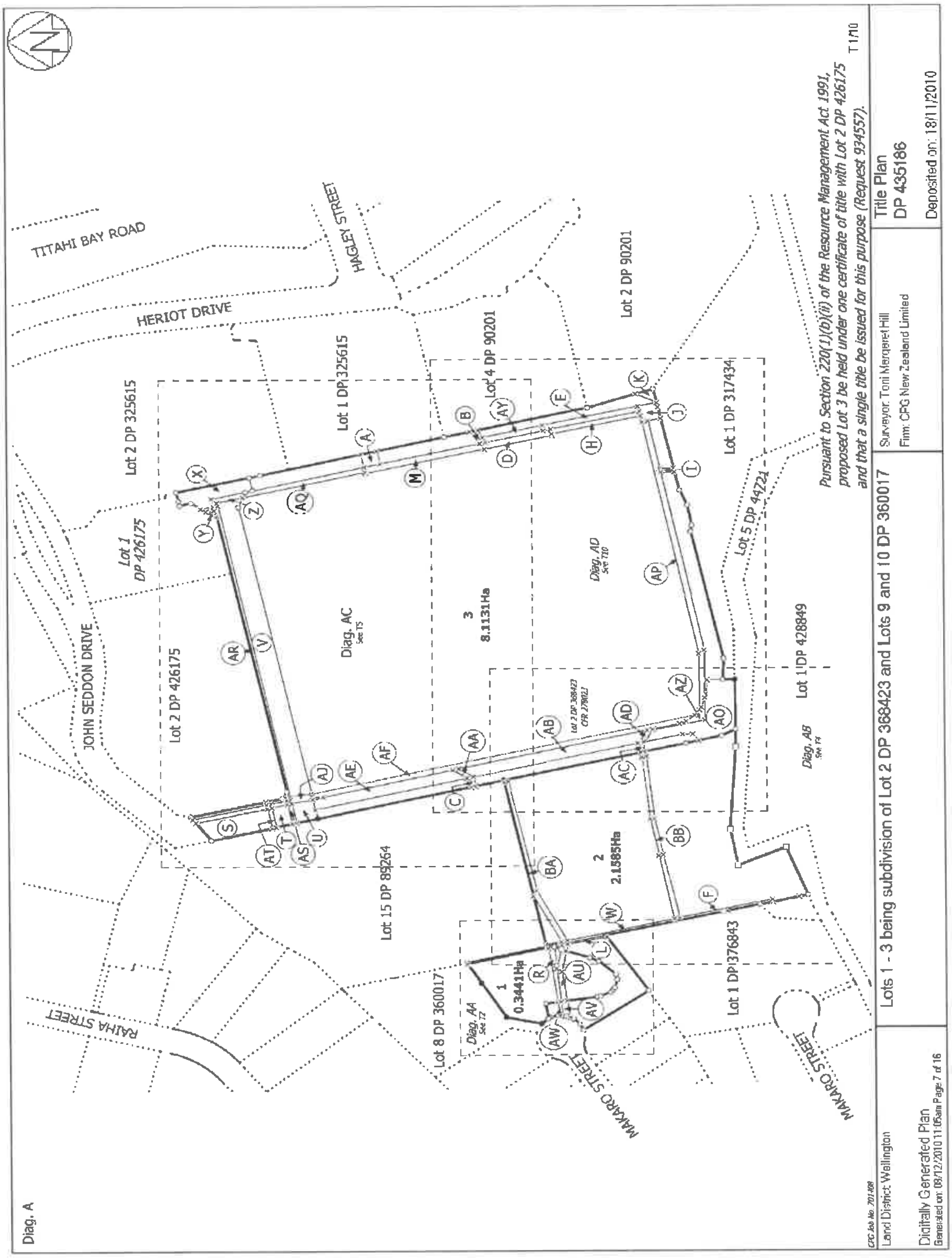
Fencing Covenant in Transfer 6838241.1 - 26.4.2006 at 9:00 am

8608251.5 Surrender of the right to drain, discharge or convey water over part marked G on DP 368423 specified by Transfer B191776.8 - 18.11.2010 at 2:38 pm

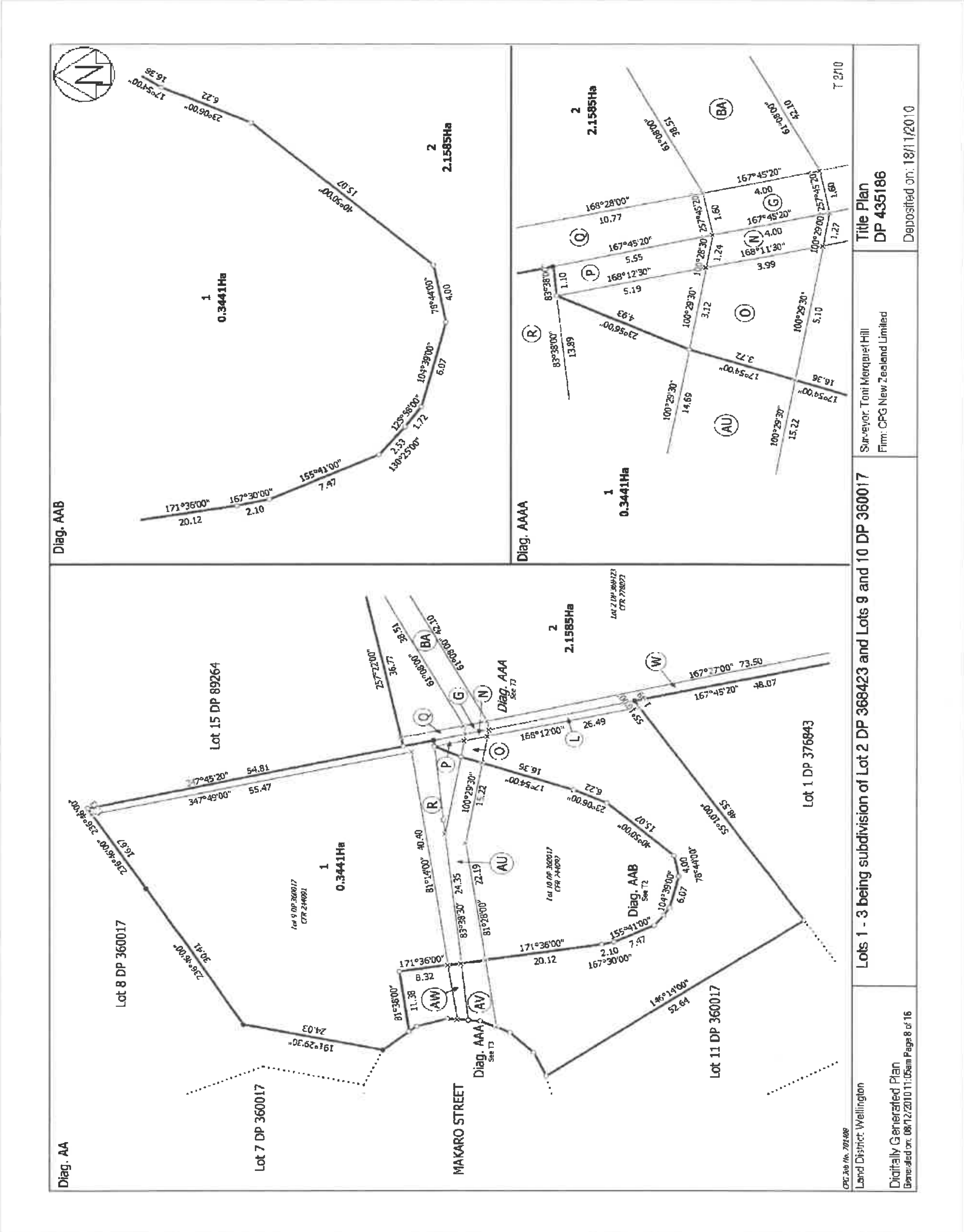
8660826.4 Encumbrance to Porirua City Council - 21.12.2010 at 5:26 pm

8660826.7 Mortgage to Bank of New Zealand - 21.12.2010 at 5:26 pm

11185146.5 Variation of Mortgage 8660826.7 - 1.10.2018 at 4:42 pm


Diag. A
TITAHI BAY ROAD
HERIOT DRIVE
HAGLEY STREET
JOHN SEDDON DRIVE
RAIHA STREET
MAKARO STREET
MAKARO STREET
Lot 2 DP 325615
Lot 1 DP 325615
Lot 4 DP 90201
Lot 2 DP 90201
Lot 1 DP 317434
Lot 1 DP 426175
Lot 2 DP 426175
Lot 5 DP 44721
Lot 1 DP 428849
Lot 15 DP 89264
Lot 1 DP 376843
Lot 8 DP 360017
Lot 2 DP 368423 CFR 279812
Diag. AC See T5
Diag. AD See T10
Diag. AB See T4
Diag. AA See T2
3
8.1131Ha
2
2.1585Ha
1
0.3441Ha
Pursuant to Section 220(1)(b)(ii) of the Resource Management Act 1991, proposed Lot 3 be held under one certificate of title with Lot 2 DP 426175 and that a single title be issued for this purpose (Request 934557).
T1/10
Title Plan
DP 435186
Deposited on: 18/11/2010
Surveyor: Toni Margaret Hill
Firm: CPG New Zealand Limited
Lots 1 - 3 being subdivision of Lot 2 DP 368423 and Lots 9 and 10 DP 360017
Land District: Wellington
Digitally Generated Plan
Generated on: 08/12/2010 11:05am Page 7 of 16

Identifier **531959**



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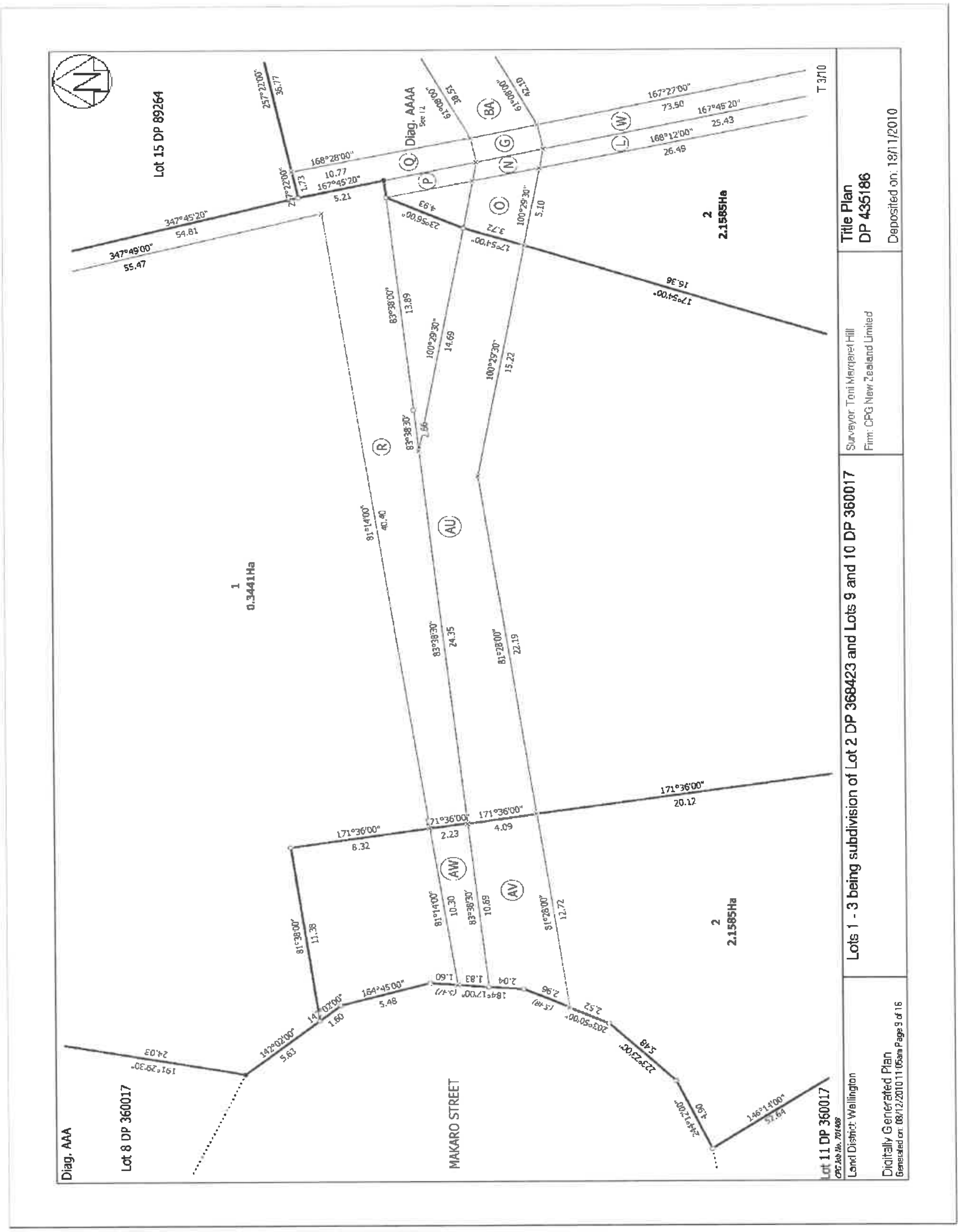

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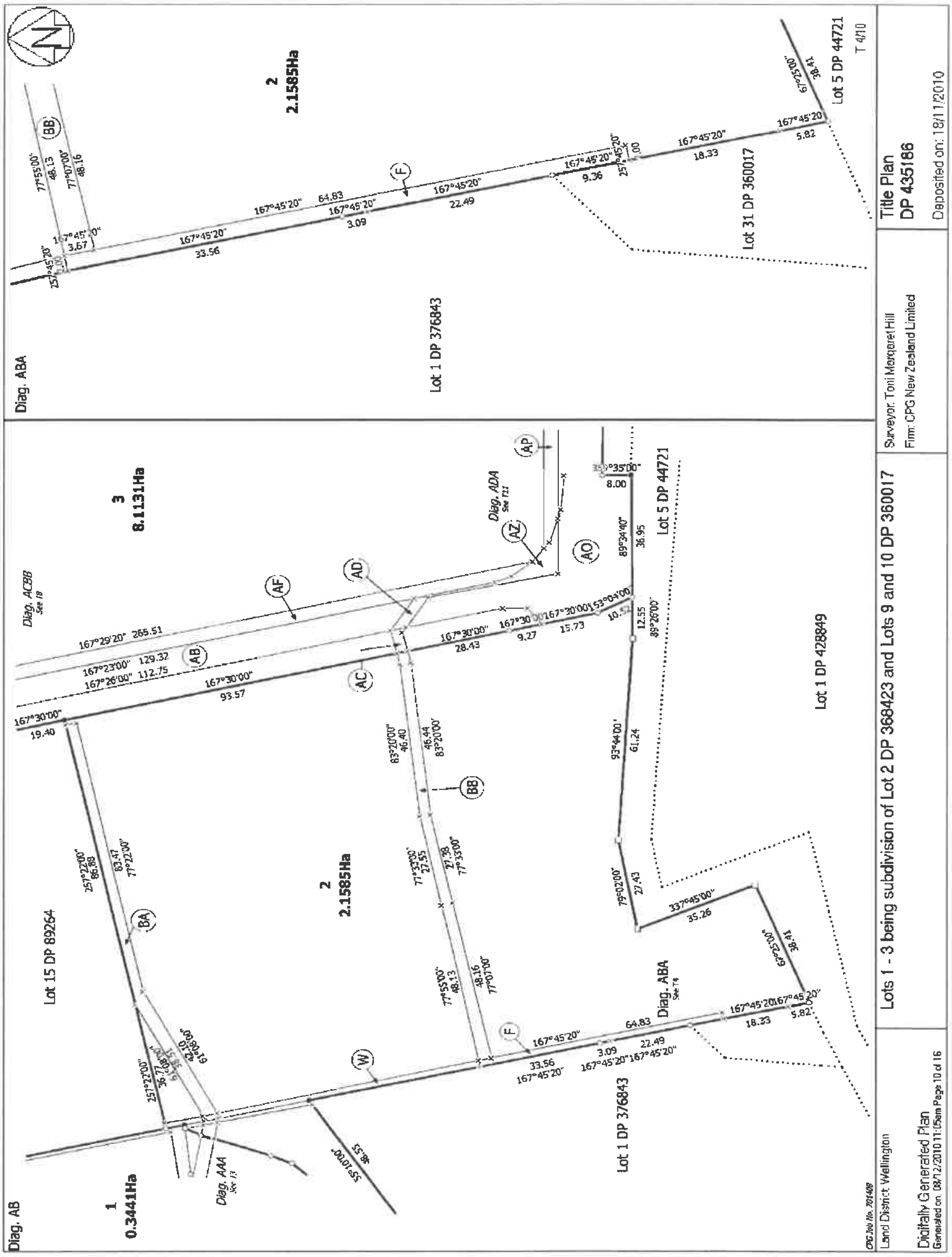
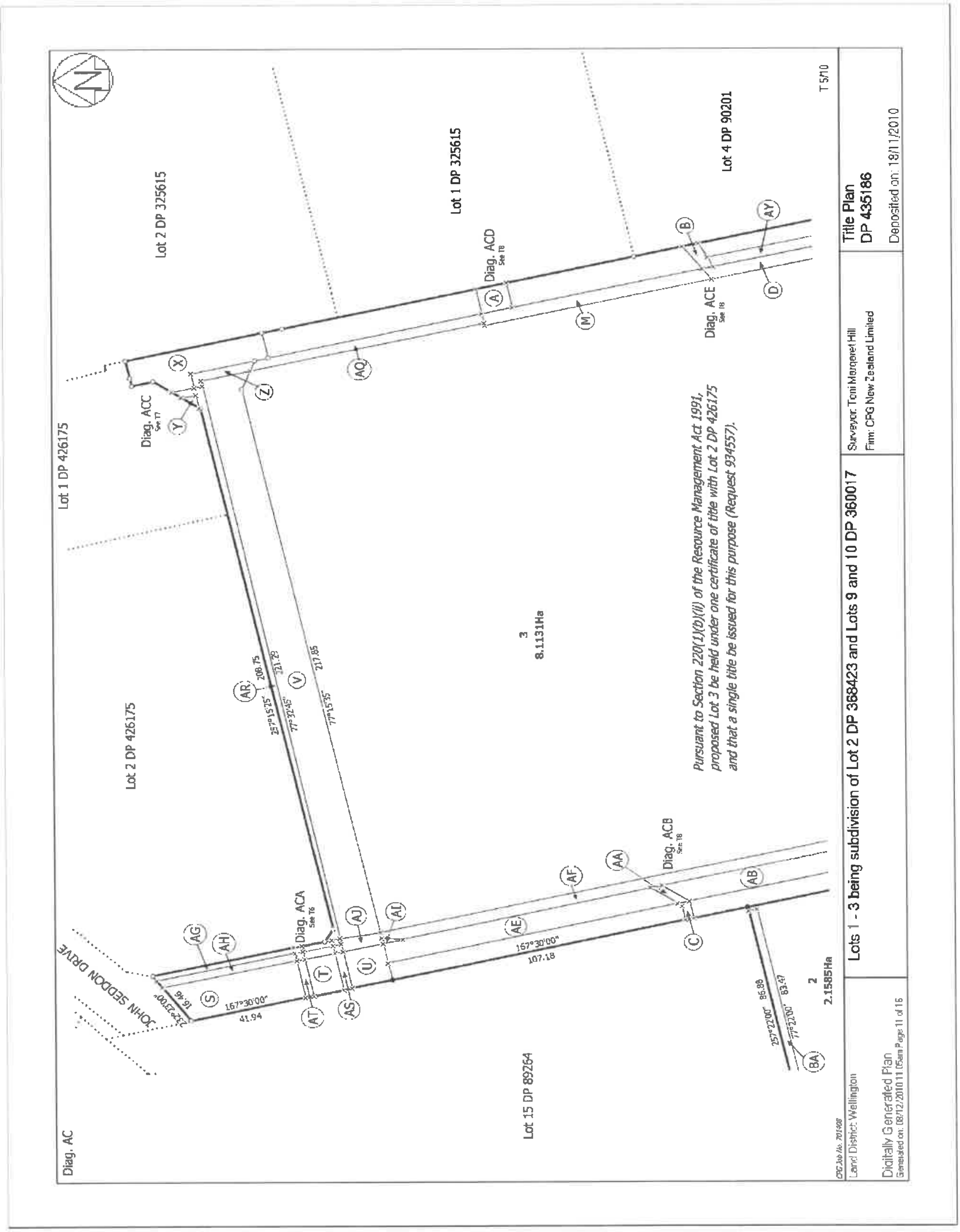
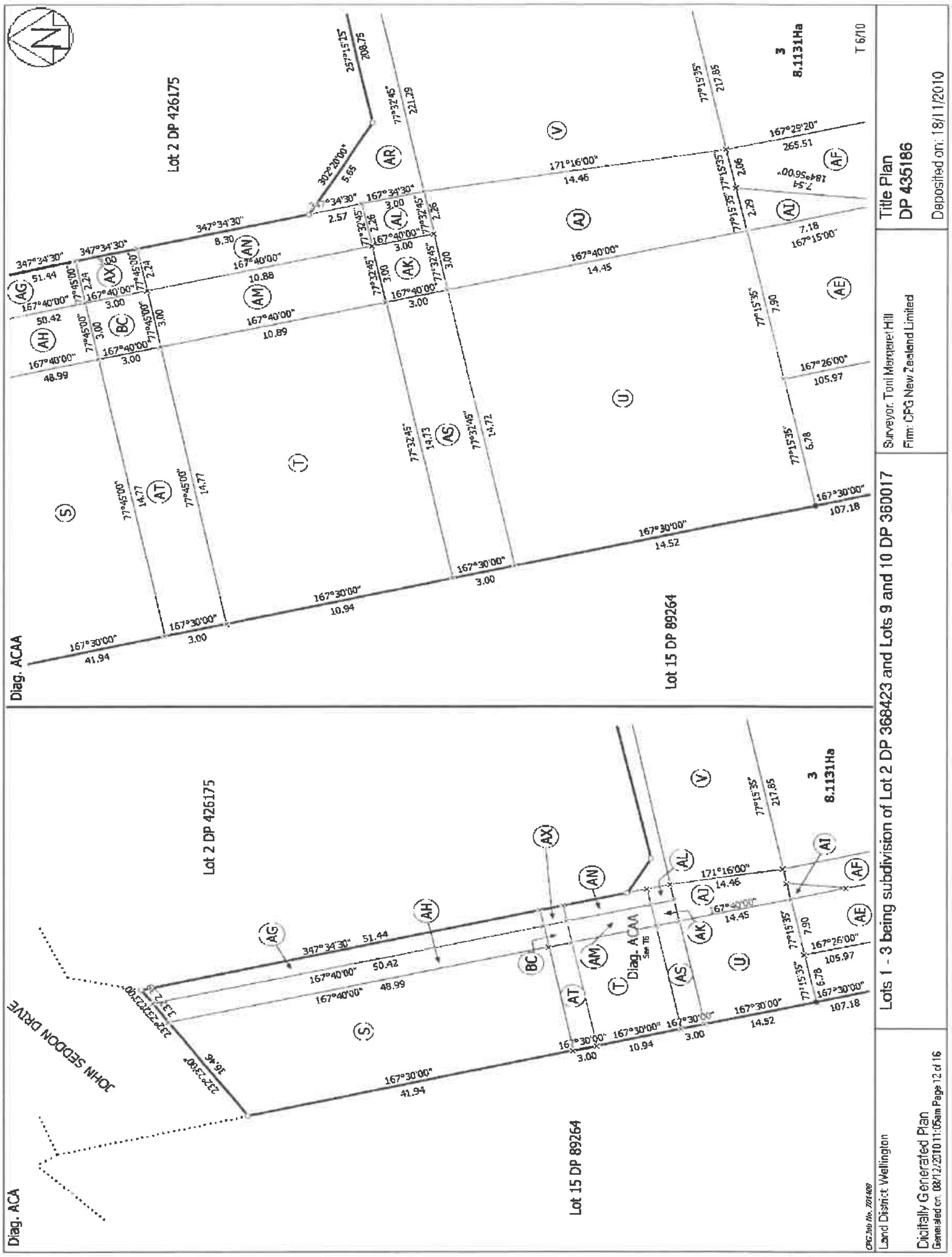
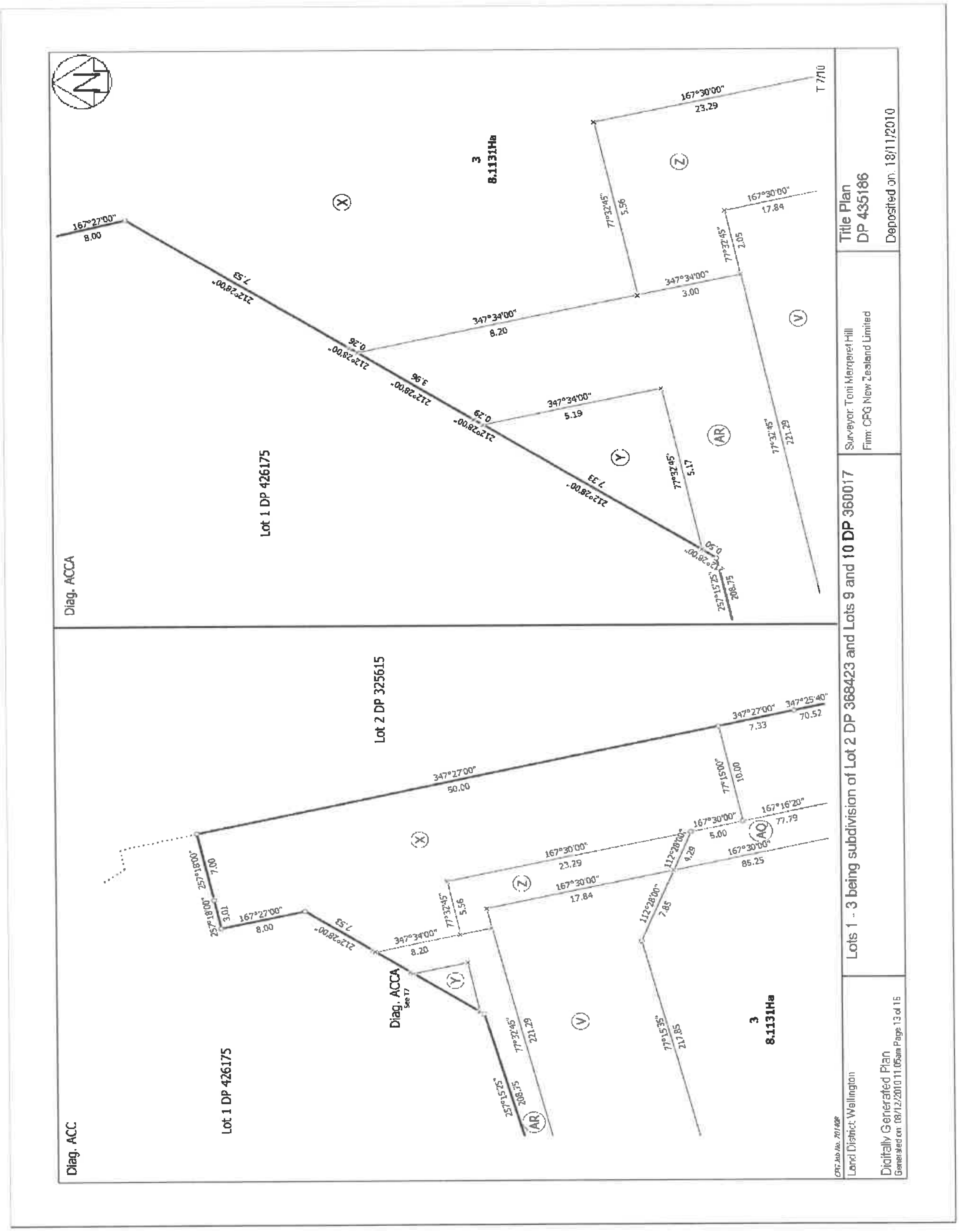


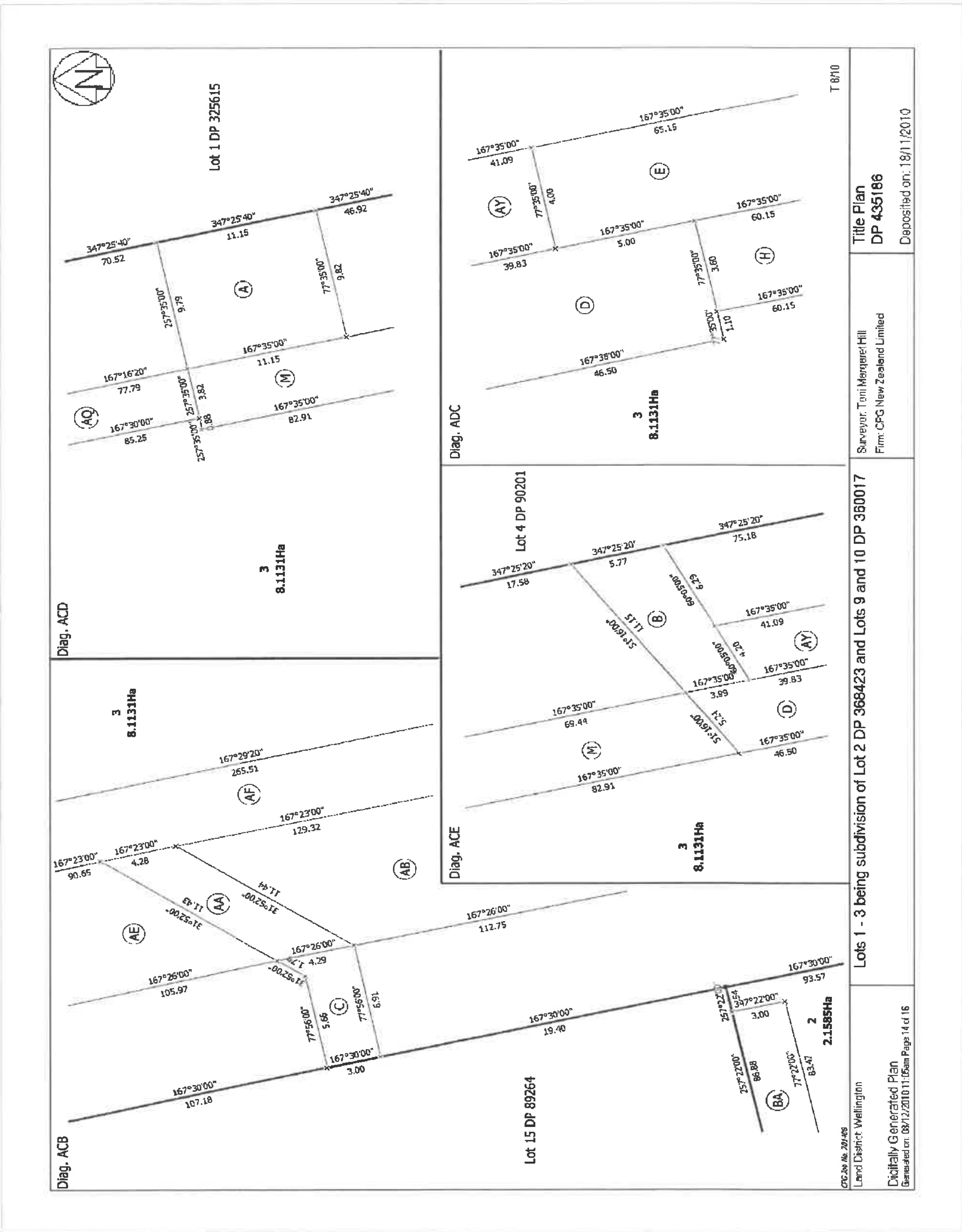

Title Plan
DP 435186
Deposited on: 18/11/2010
T 5/10
Lots 1 - 3 being subdivision of Lot 2 DP 368423 and Lots 9 and 10 DP 360017
Surveyor: Toni Margaret Hill
Firm: CPG New Zealand Limited
Land District: Wellington
Digitally Generated Plan
Pursuant to Section 220(1)(b)(ii) of the Resource Management Act 1991, proposed Lot 3 be held under one certificate of title with Lot 2 DP 426175 and that a single title be issued for this purpose (Request 934557).
3
8.1131Ha
2
2.1585Ha
Lot 2 DP 325615
Lot 1 DP 325615
Lot 4 DP 90201
Lot 1 DP 426175
Lot 2 DP 426175
Lot 15 DP 89264
JOHN SEDDON DRIVE
Diag. AC
Diag. ACA
Diag. ACB
Diag. ACC
Diag. ACD
Diag. ACE
257°15'25" 208.75
77°32'45" 221.29
77°15'35" 217.85
157°30'00" 107.18
167°30'00" 41.94
257°22'00" 86.88
77°22'00" 83.47

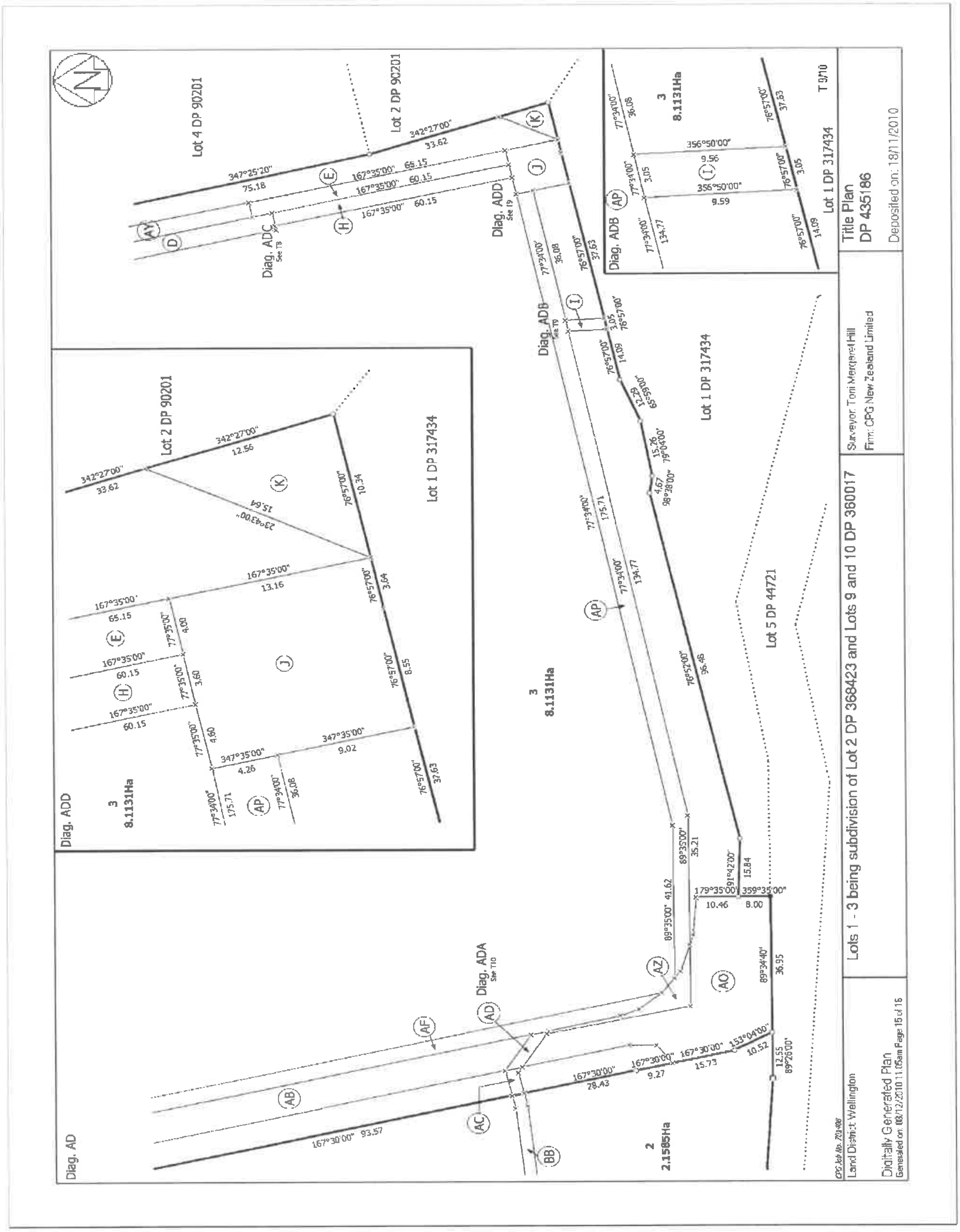
Identifier 531959




Title Plan
DP 435186
Deposited on: 18/11/2010
Surveyor: Toni Margaret Hill
Firm: CPG New Zealand Limited
Lots 1 - 3 being subdivision of Lot 2 DP 368423 and Lots 9 and 10 DP 360017
Land District: Wellington
Digitally Generated Plan
Lot 1 DP 426175
Lot 2 DP 325615
3
8.1131Ha
Diag. ACCA
Diag. ACC

Identifier **531959**

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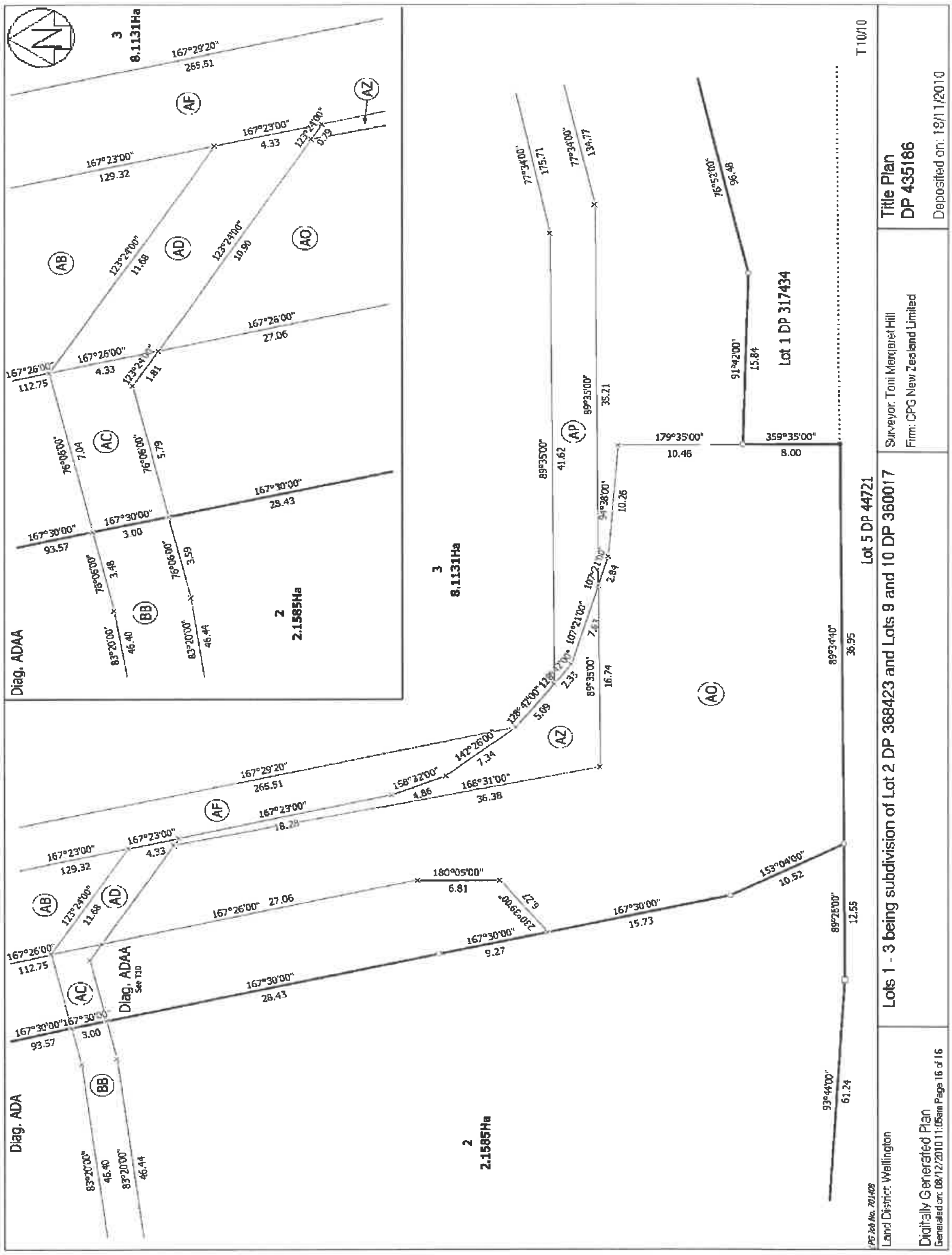
DP 435186
Deposited on: 18/11/2010
Lots 1 - 3 being subdivision of Lot 2 DP 368423 and Lots 9 and 10 DP 360017
Surveyor: Toni Mergen-Hill
Firm: CPG New Zealand Limited
Land District: Wellington
Digitally Generated Plan
Lot 4 DP 90201
Lot 2 DP 90201
Lot 1 DP 317434
Lot 5 DP 44721
3
8.1131Ha
2
2.1585Ha
Diag. AD
Diag. ADA
Diag. ADB
Diag. ADC
Diag. ADD
T 9/10


Title Plan
DP 435186
Deposited on: 18/11/2010
Surveyor: Toni Margaret Hill
Firm: CPG New Zealand Limited
Lots 1 - 3 being subdivision of Lot 2 DP 368423 and Lots 9 and 10 DP 360017
Land District: Wellington
Digitally Generated Plan
T 10/10
Diag. ADAA
Diag. ADA
3
8.1131Ha
2
2.1585Ha
Lot 1 DP 317434
Lot 5 DP 44721

RECORD OF TITLE
UNDER LAND TRANSFER ACT 2017
FREEHOLD
Search Copy

R.W. Muir
Registrar-General
of Land

Identifier **531960**
Land Registration District **Wellington**
Date Issued 18 November 2010

Prior References
244091 244092 278023

Estate Fee Simple
Area 2.1585 hectares more or less
Legal Description Lot 2 Deposited Plan 435186

Registered Owners
The Woolstore Six Limited

Interests

Subject to Section 5 Coal Mines Act 1979

Appurtenant to parts formerly Lots 9 & 10 DP 360017 is a right to drain, discharge and convey sewage created by Transfer B191776.6 - 3.9.1991 at 1.46 pm

Appurtenant to part formerly Lot 2 DP 368423 is a right to gas specified in Easement Certificate B800141.10 - 1.9.2000 at 3.51 pm

Subject to a right to drain, discharge or convey water over parts marked F and G on DP 435186 created by Transfer B191776.8 - 3.9.2000 at 1.46 pm

Appurtenant to parts formerly Lots 9 & 10 DP 360017 is a right to drain, discharge or convey water created by Transfer B191776.8 - 3.9.1991 at 1.46 pm

Appurtenant to part formerly Lot 2 DP 368423 is a right of way and rights to water supply, sewage and water drainage, gas, electricity and telecommunications specified in Easement Certificate B809145.4 - 2.11.2000 at 3.24 pm

The easements specified in Easement Certificate B809145.4 will be subject to Section 243 (a) Resource Management Act 1991 when created

Appurtenant to part formerly Lot 2 DP 368423 is a right of way,water drainage ,sewage drainage, water supply , gas , electricity and telecommunications rights specified in Easement Certificate 5054057.6 - 2.7.2001 at 2:32 pm

The easements specified in Easement Certificate 5054057.6are subject to Section 243 (a) Resource Management Act 1991

Appurtenant to part formerly Lot 2 DP 368423 is a right of way created by Easement Instrument 5666516.1 - 22.7.2003 at 9:00 am

5666516.5 Consent Notice pursuant to Section 221 Resource Management Act 1991 - 22.7.2003 at 9:00 am (affects part formerly Lot 2 DP 368423)

Subject to a sewage drainage right (in gross) over parts marked L, N, O, P, AV & AW and a water drainage right (in gross) over parts marked N, O & AV all on DP 435186 in favour of Porirua City Council created by Easement Instrument 6804448.11 - 27.3.2006 at 9:00 am

The easements created by Easement Instrument 6804448.11 are subject to Section 243 (a) Resource Management Act 1991

Subject to a sewage drainage right (in gross) over parts marked G, Q & W on DP 435186 in favour of Porirua City Council created by Easement Instrument 6804448.13 - 27.3.2006 at 9:00 am

Identifier **531960**

The easement created by Easement Instrument 6804448.13 is subject to Section 243 (a) Resource Management Act 1991

Land Covenant in Transfer 6804448.15 - 27.3.2006 at 9:00 am (affects parts formerly Lots 9 & 10 DP 360017)

Fencing Covenant in Transfer 6838241.1 - 26.4.2006 at 9:00 am (affects parts formerly Lots 9 & 10 DP 360017)

Appurtenant to part formerly Lot 2 DP 368423 is a pedestrian right of way created by Easement Instrument 7170218.2 - 19.12.2006 at 9:00 am

8608251.5 Surrender of the right to drain, discharge or convey water over part marked G on DP 368423 specified created by Transfer B191776.8 appurtenant to CTs 244091 & 2- 18.11.2010 at 2:38 pm

Appurtenant hereto is a right of way created by Easement Instrument 8608251.8 - 18.11.2010 at 2:38 pm

The easements created by Easement Instrument 8608251.8 are subject to Section 243 (a) Resource Management Act 1991

Subject to a right (in gross) to drain stormwater over parts marked G, BA & BB on DP 435186 in favour of Porirua City Council created by Easement Instrument 8608251.9 - 18.11.2010 at 2:38 pm

The easements created by Easement Instrument 8608251.9 are subject to Section 243 (a) Resource Management Act 1991

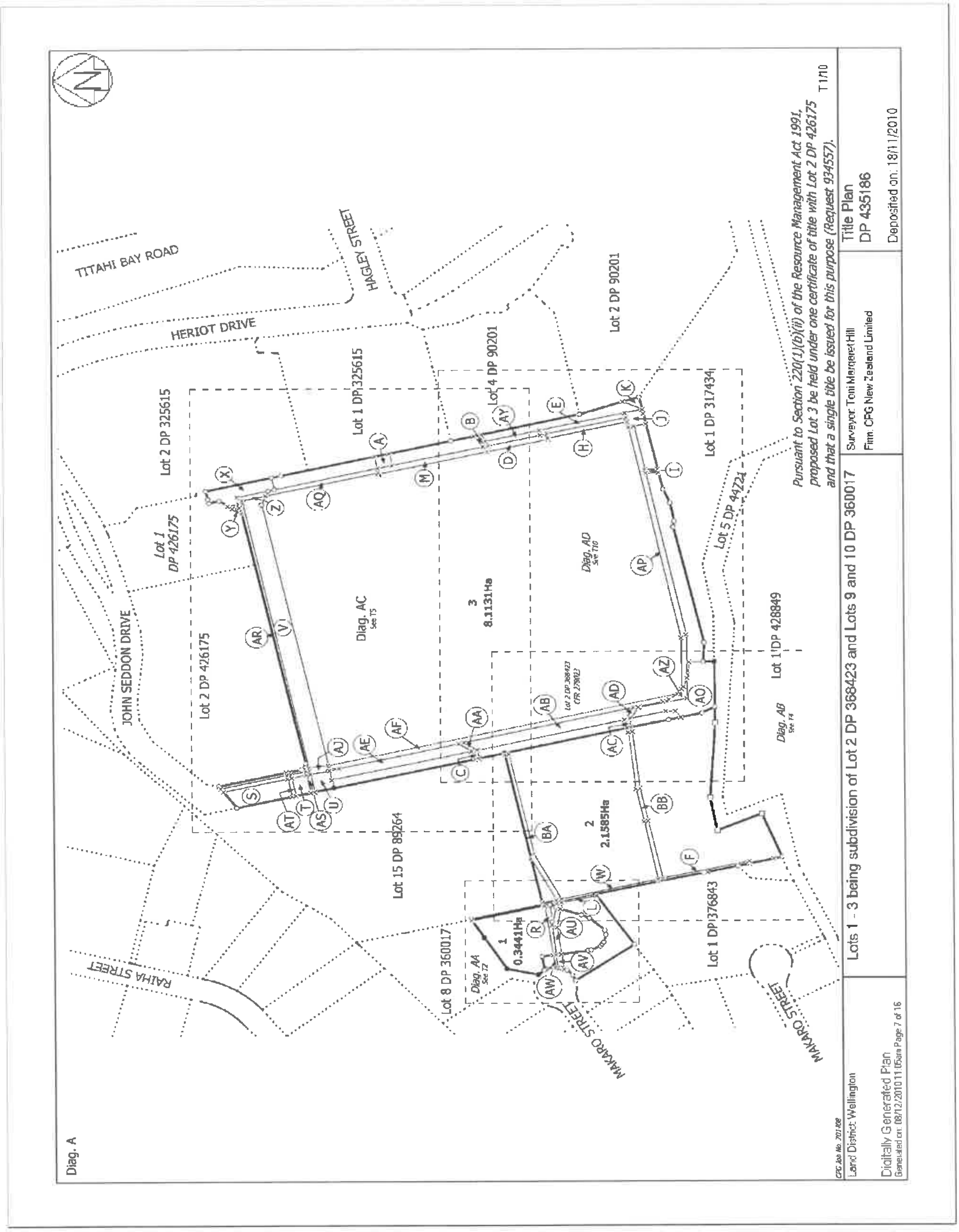
8660826.4 Encumbrance to Porirua City Council - 21.12.2010 at 5:26 pm

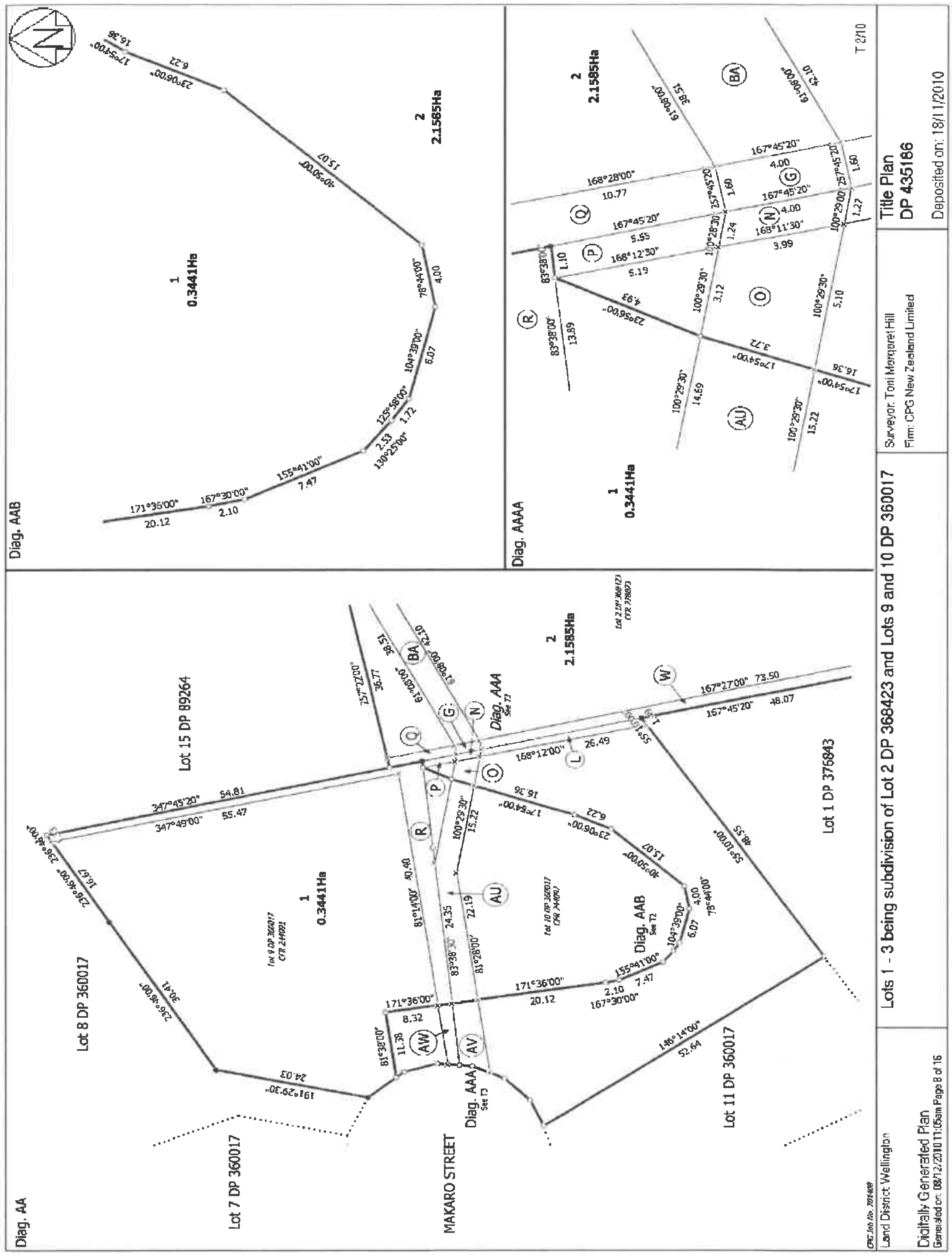
8660826.5 Encumbrance to Porirua City Council - 21.12.2010 at 5:26 pm

8660826.7 Mortgage to Bank of New Zealand - 21.12.2010 at 5:26 pm

11185146.5 Variation of Mortgage 8660826.7 - 1.10.2018 at 4:42 pm

Identifier **531960**

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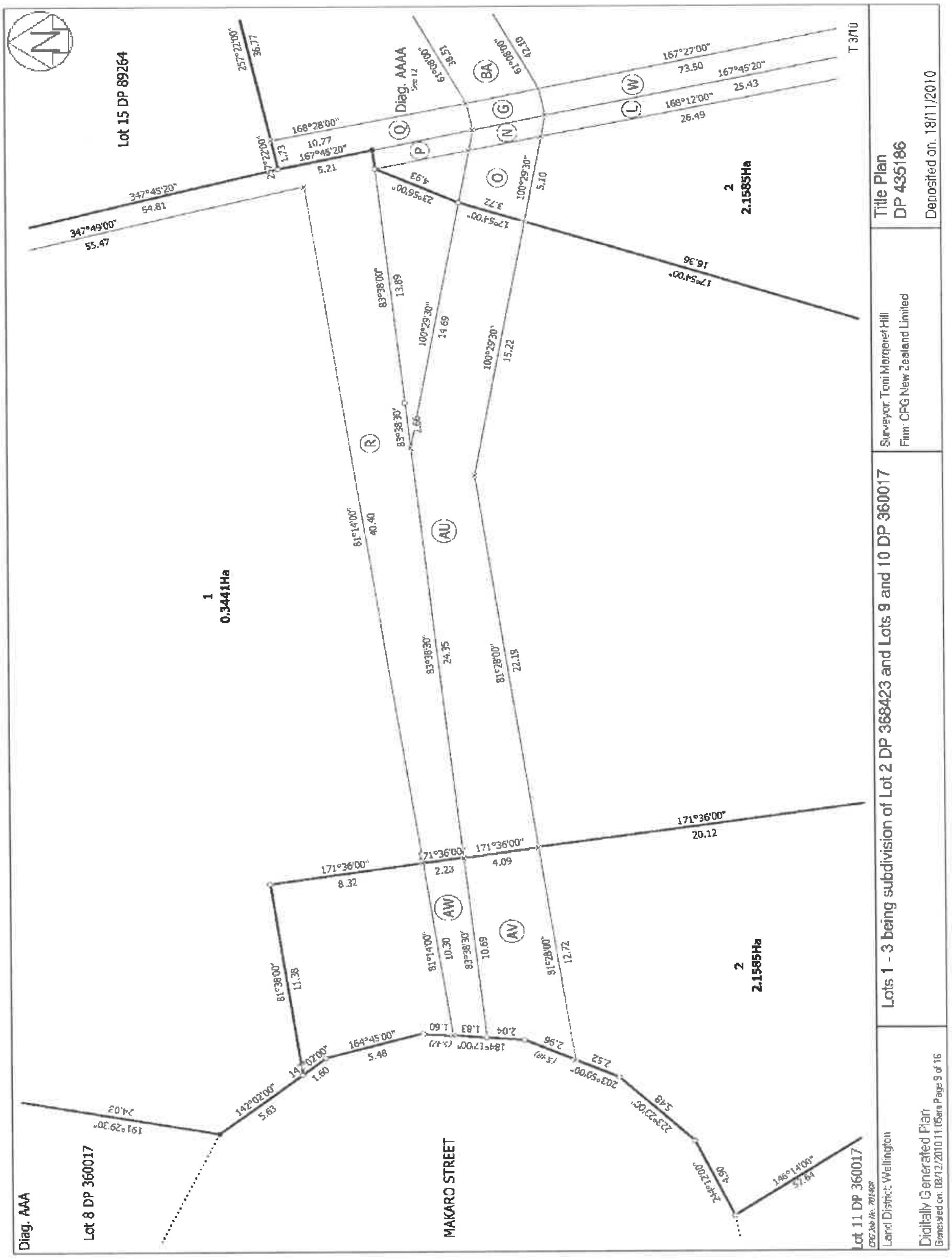
DP 435186
Deposited on: 18/11/2010
Lots 1 - 3 being subdivision of Lot 2 DP 368423 and Lots 9 and 10 DP 360017
Surveyor: Toni Merqorei Hill
Firm: CPG New Zealand Limited
Land District Wellington
Digitally Generated Plan
Diag. AA
Diag. AAB
Diag. AAAA
MAKARO STREET
Lot 15 DP 89264
Lot 8 DP 360017
Lot 7 DP 360017
Lot 11 DP 360017
Lot 1 DP 376843
1
0.3441Ha
2
2.1585Ha
T 2/10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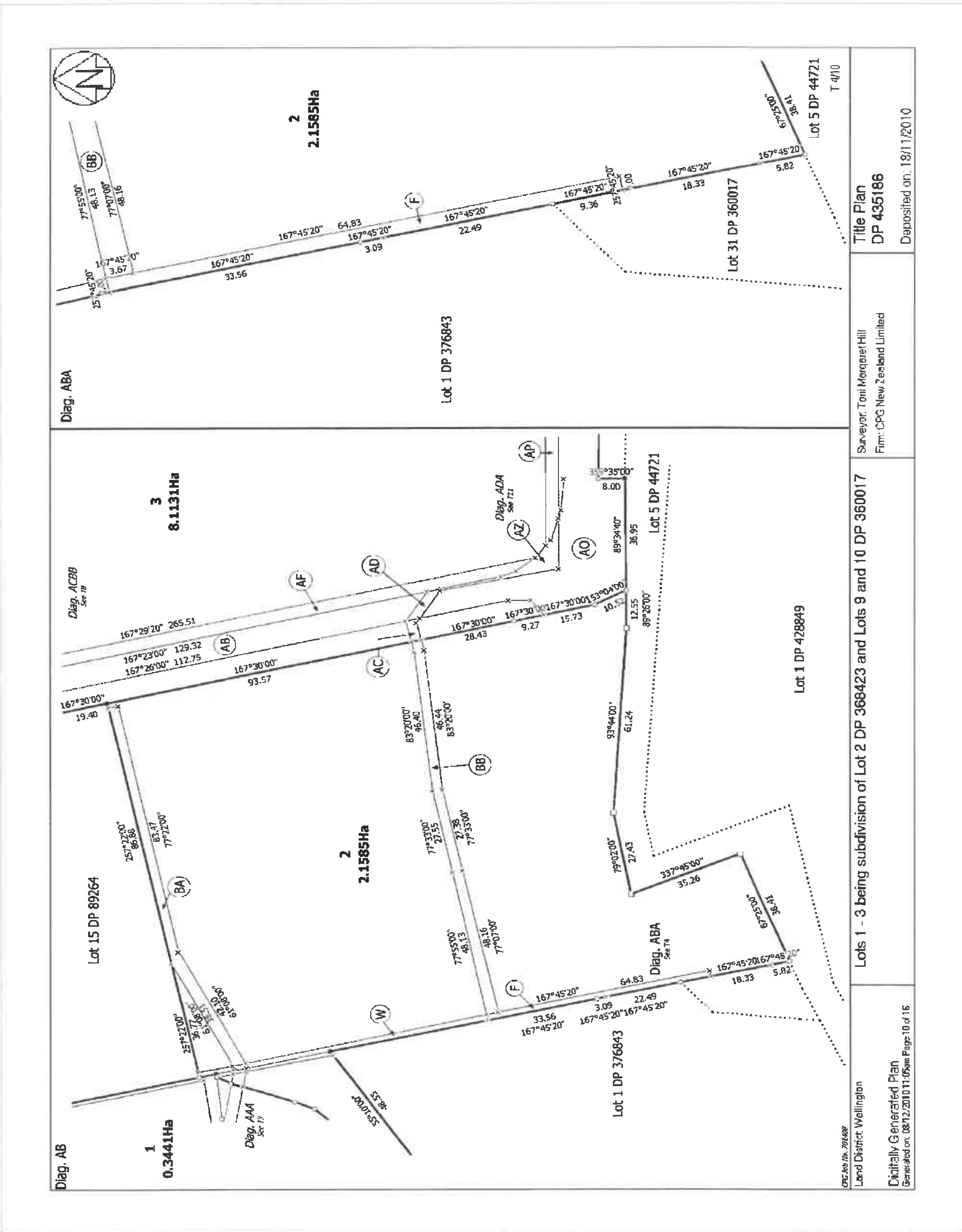
DP 435186
Deposited on: 18/11/2010
Surveyor: Toni Margaret Hill
Firm: CPG New Zealand Limited
Lots 1 - 3 being subdivision of Lot 2 DP 368423 and Lots 9 and 10 DP 360017
Land District: Wellington
Digitally Generated Plan
Lot 15 DP 89264
Lot 8 DP 360017
Lot 11 DP 360017
MAKARO STREET
Diag. AAA
Diag. AAAA
1
0.3441Ha
2
2.1585Ha
T 3/10

Identifier **531960**



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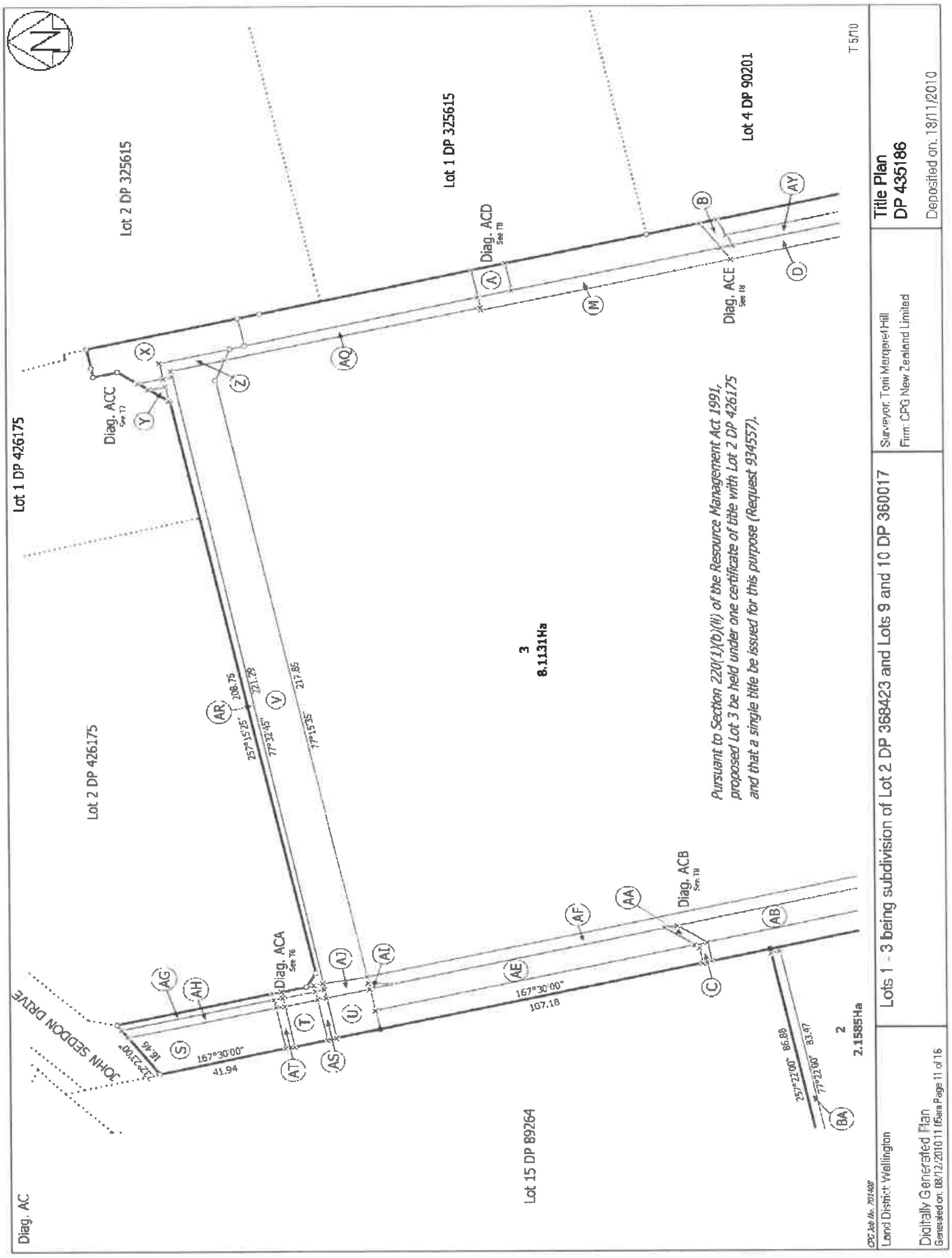
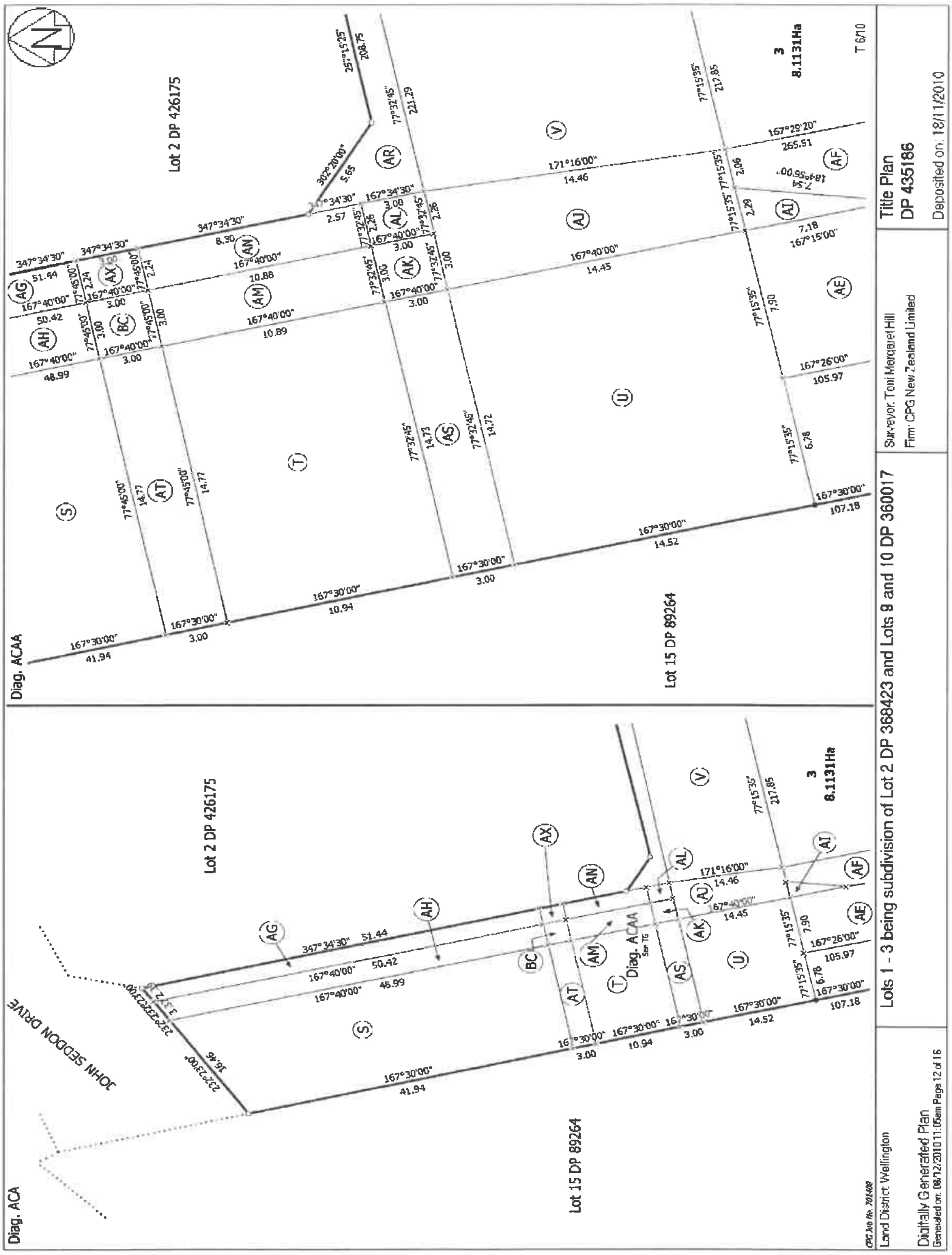
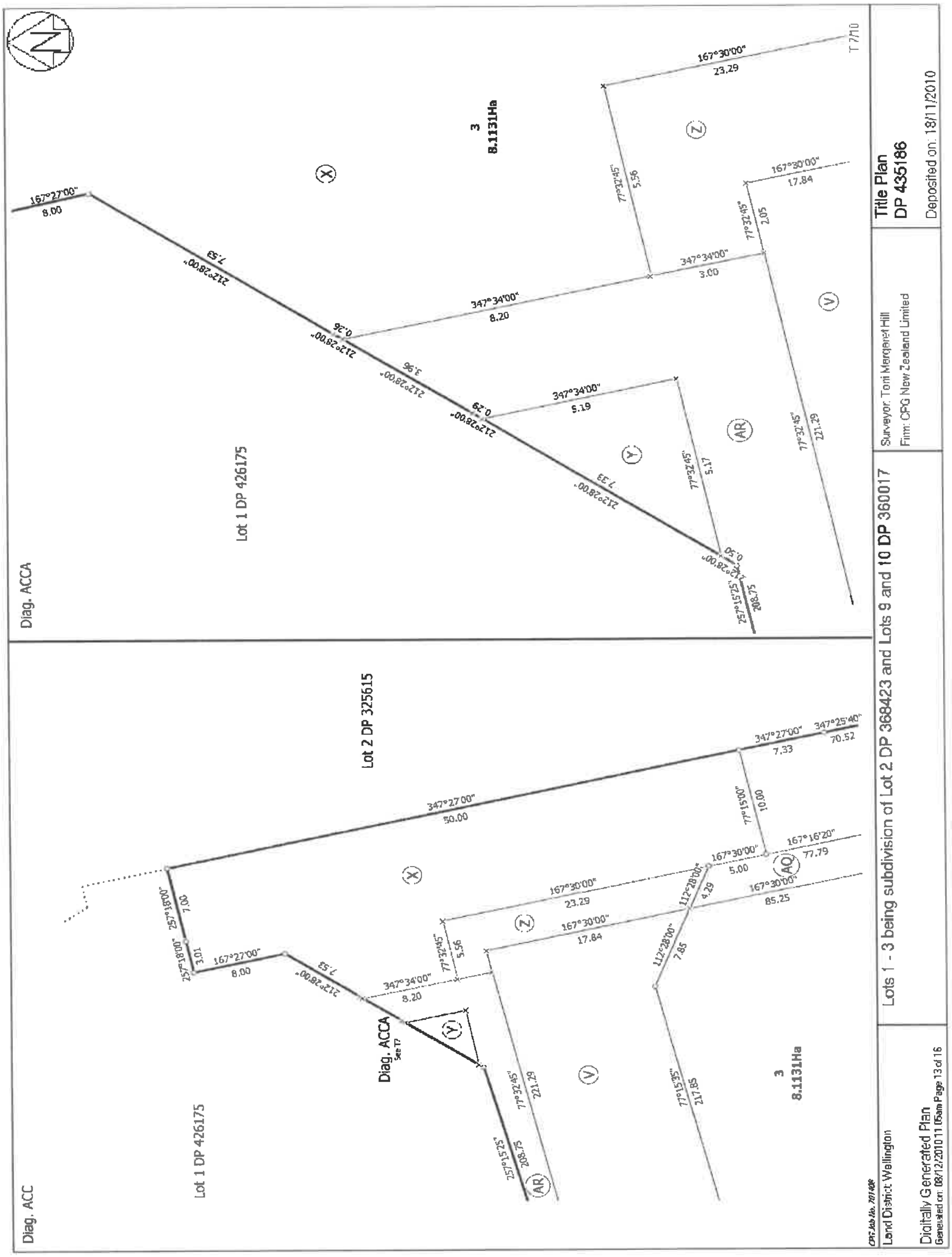



Title Plan
DP 435186
Deposited on: 18/11/2010
Lots 1 - 3 being subdivision of Lot 2 DP 368423 and Lots 9 and 10 DP 360017
Surveyor: Toni Margaret Hill
Firm: CPG New Zealand Limited
Land District: Wellington
Digitally Generated Plan
T 6/10
Lot 2 DP 426175
Lot 15 DP 89264
JOHN SEDDON DRIVE
Diag. ACAA
Diag. ACA
3
8.1131Ha

Identifier **531960**



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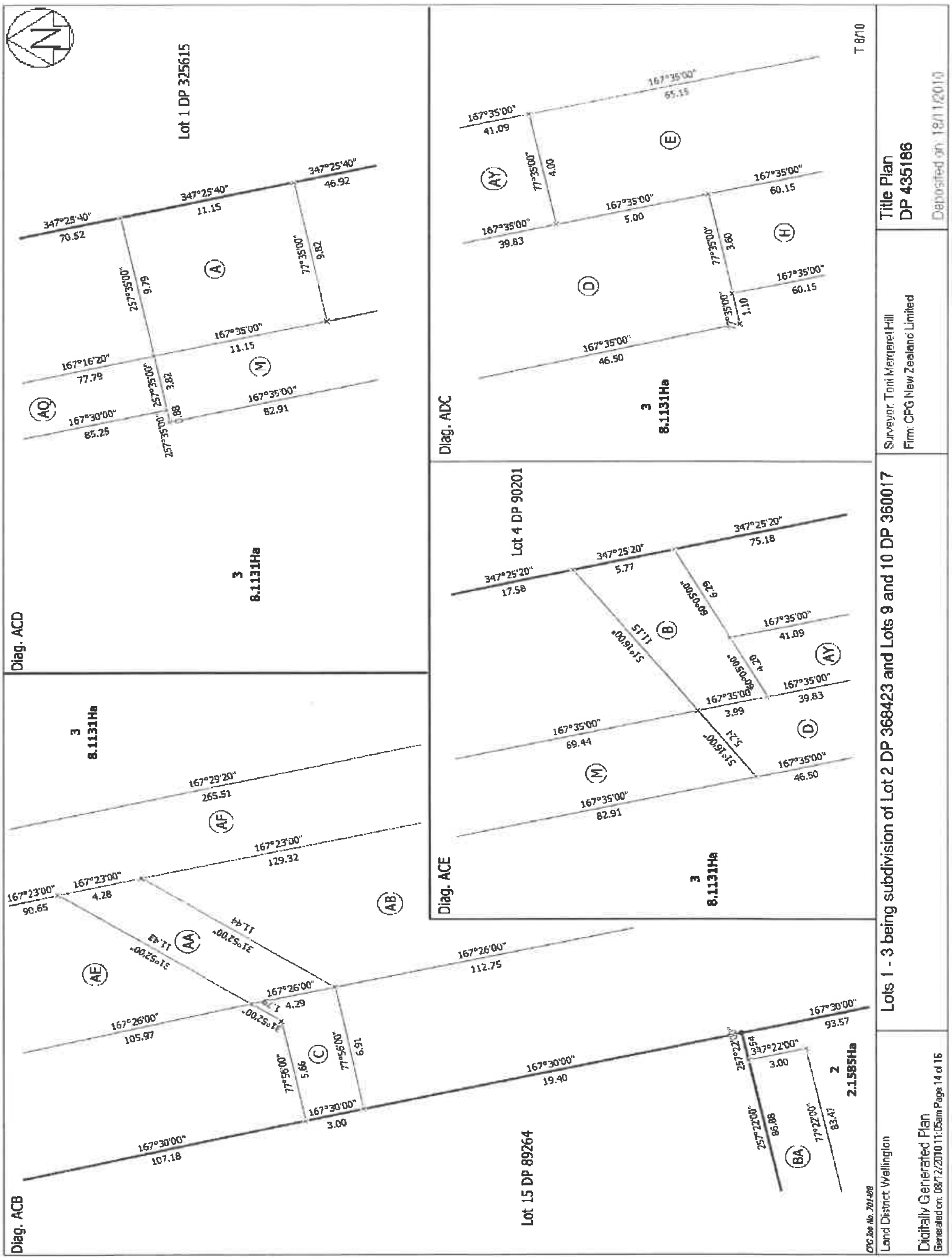

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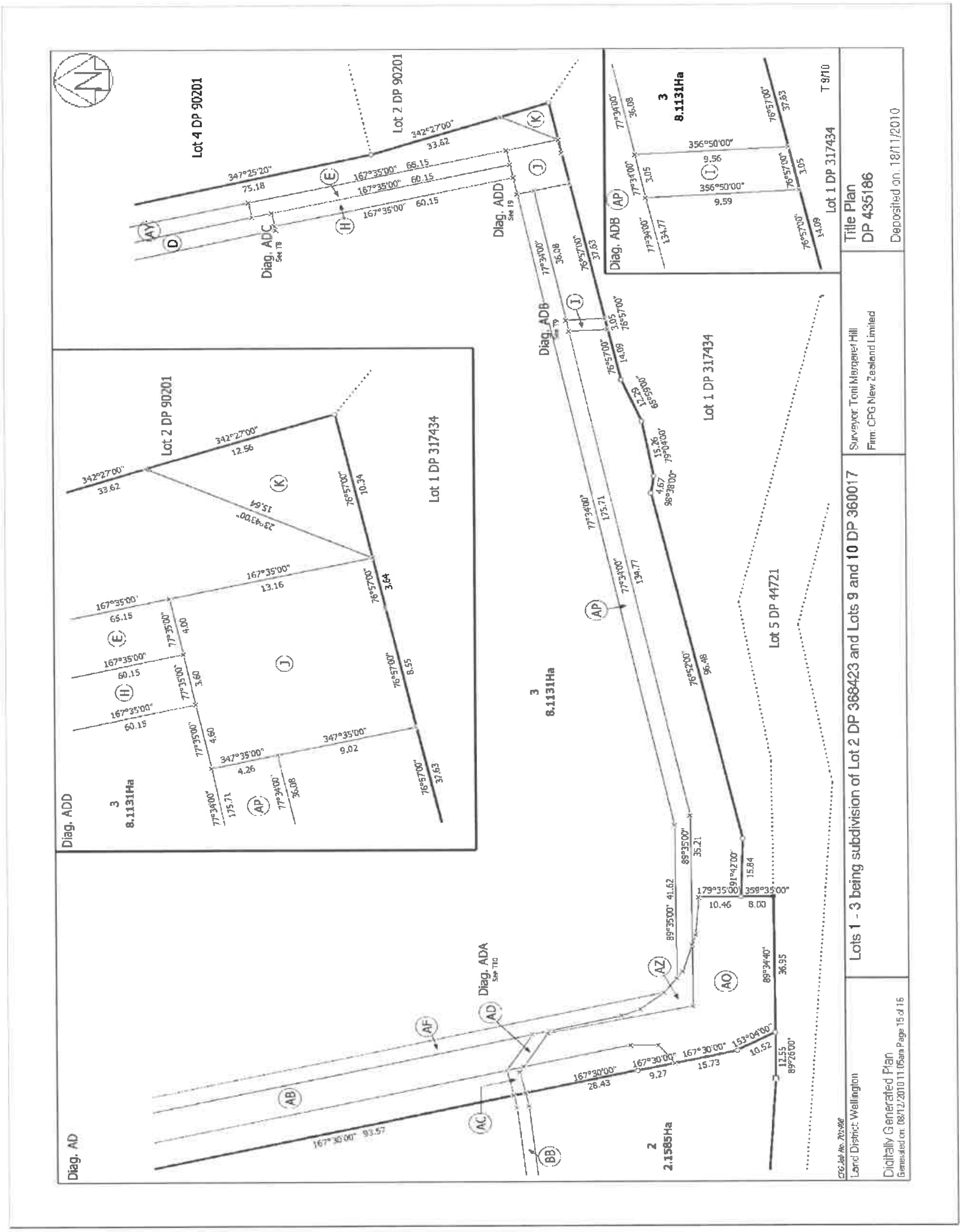

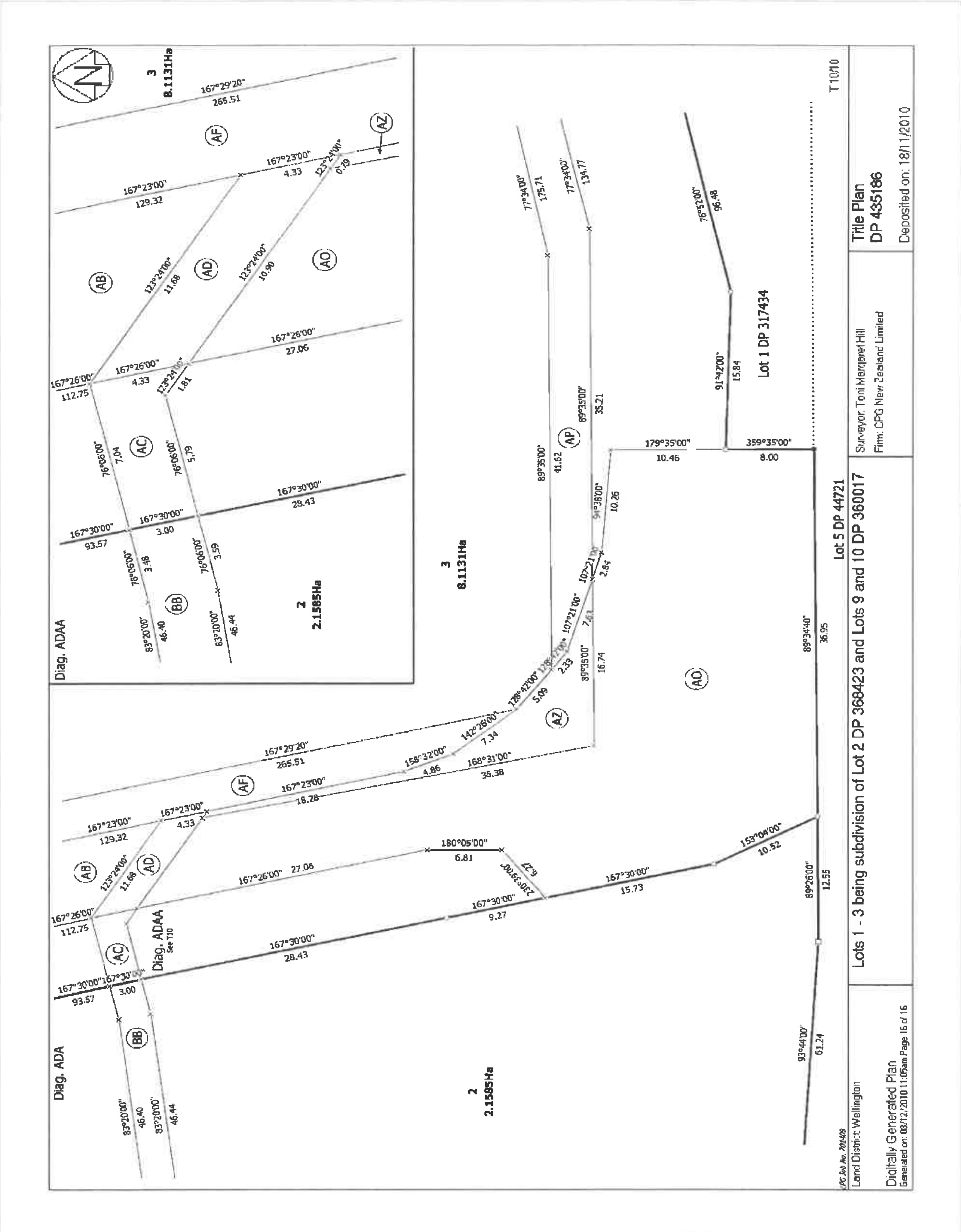
Title Plan
DP 435186
Deposited on: 18/11/2010
Surveyor: Toni Margaret Hill
Firm: CPG New Zealand Limited
Lots 1 - 3 being subdivision of Lot 2 DP 368423 and Lots 9 and 10 DP 360017
Land District: Wellington
Digitally Generated Plan
T10/10
Lot 5 DP 44721
Lot 1 DP 317434
3
8.1131Ha
2
2.1585Ha
Diag. ADA
Diag. ADAA

JLL offices

Level 16
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PO Box 165
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JacksonStone House
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