



BAYLEYS

ALTOGETHER BETTER

Residential / Commercial / Rural / Property Services

**SYNDICATION
& INVESTMENT PRODUCTS**

Bayleys is New Zealand's largest full-service national real estate agency offering integrated, professional services across all property sectors throughout the country.

Established as a specialist commercial and industrial agency in the early 1970s, this remains the cornerstone of our business. We operate in a family-founded and values-based corporate environment that demands integrity, excellence and innovation. We strive to exceed our customers' expectations.

Noticing the reservations that some smaller investors had about the significant outlay involved in direct property investment and having all their investment capital tied up in one property, Bayleys established the Syndication and Investment Products division in 2003.

The market has evolved significantly over the past 18 years. The first syndication marketed by Bayleys Real Estate raised \$1.85 million of investors' equity. In recent times the equity raise for an offering often exceeds \$100 million.

We are very particular about the type and quality of the syndicated properties and fund investments that we market and have only aligned ourselves with those with the same values. We are the sole selling agents in New Zealand for Centuria (formerly known as Augusta in New Zealand).

CENTURIA NZ RELATIONSHIP

Bayleys Real Estate and Centuria NZ (formerly Augusta) have a long standing relationship with the key parties in the management on both sides transacting property together for over 20 years.

Since 2014 Bayleys have exclusively acted as the sole selling agents for all Centuria NZ investment opportunities.

By way of background, in 2020 Augusta (now known as Centuria NZ), merged with the ASX listed Centuria Capital Group (one of Australia's largest property fund managers) to create a leading Australasian property fund management platform, with approximately A\$16.8 billion¹ of Trans-Tasman assets under management on behalf of investors.

Centuria are conservative in their approach and focus on quality assets with strong long term fundamentals.

Centuria

¹As at 23 June 2021 and includes announced unaudited valuations



BAYLEYS SYNDICATION & INVESTMENT PRODUCTS

Provides investors access to premium, high yielding commercial and industrial property offerings with minimum investments usually ranging from \$10,000 to \$50,000 and returns paid monthly.

This type of property ownership, commonly referred to as 'syndication' is a relatively easy and straightforward way for investors to participate in the ownership of institutional grade properties at an entry level price.

Both investments in single asset structures and fund structures (comprising of more than one property) can be bought through Bayleys. Investment amounts range from the minimum \$10,000 - \$50,000 to the millions.

Investors' funds are pooled and they become investment partners in good buildings and good tenants. The properties are fully managed on behalf of the investors with cash returns distributed monthly into the investors' bank account.

Many investors choose to benefit from diversification through investing in properties in various locations (throughout New Zealand and Australia) and differing property types i.e. retail, commercial and industrial, along with different tenant profiles.

PREVIOUS OFFERS

Over the past 18 years Bayleys Syndication and Investment Products division has managed the marketing and successful sell down of over 60 syndication and fund investments across New Zealand and Australia with a total property value in excess of \$2 billion, raising over \$1 billion of investors' equity. We have a wide variety of investors from all across New Zealand, ranging from those who invest the minimum amount to those who invest several million dollars.

A small selection of some recent investment opportunities (all now fully subscribed) are shown below.

To find out more about current investment opportunities please use the contact details on the back of this brochure.

SYNDICATIONS (SINGLE ASSETS)

752 Great South Road, Penrose, Auckland



Known as the Visy Glass Industrial Property, this substantial 8.576ha industrial complex has a 20 year "triple net lease" (widely considered the most landlord friendly form of lease) with 3% annual rental growth to a subsidiary of global packaging leader, the Visy Group.

The property is well located in a high-profile position directly between Auckland's Southern Motorway and the main arterial Great South Road within one of New Zealand's pre-eminent industrial suburbs, Penrose, Auckland. The complex is only 9km from the Auckland CBD and Port and benefits from sought-after heavy industrial zoning.

Minimum Investment	\$50,000
Purchase Price	\$178.3 million
Current Pre-Tax Return*	5.0%pa with forecast growth as described in the original Product Disclosure Statement

96 St Georges Bay Road, Parnell, Auckland



96 St Georges Bay Road is a new, 5 green star design rated, premium grade office complex located in central Auckland with long leases to well-known tenants. Constructed by one of New Zealand's leading property developers, the award winning Mansons TCLM Limited, the property comprises four levels of office accommodation and three ground floor retail premises.

The property is Xero Limited's new Auckland base. This market leading cloud accounting software company has a 12 year lease with rights of renewal until 2042 supported by a bank guarantee. Other major tenants, both with 10 year leases are Harrison Grierson, a well regarded engineering consultancy, and Independent Liquor NZ Limited, a member of the multi-national Asahi Group Holdings Limited.

Minimum Investment	\$50,000
Purchase Price	\$116 million
Current Pre-Tax Return*	7.0%pa

255-257 Gympie Road, Kedron, Brisbane, Australia



This investment provided the opportunity to diversify into the Australian property market with a well located property on a major arterial only around 7kms from the Brisbane CBD.

Anchor tenant C&K Childcare, established in 1907 and with over 350 centres, is one of Australia's largest not-for-profit early childhood education providers. Their flagship childcare centre was completed in 2017 with an initial 15 year lease term and their national administration office provides for a new 10 year lease.

Five established tenants, including ASX listed aged care provider Ingenia, provide split risk. Assured rental growth is provided through 3-4% fixed annual rent reviews for all tenants.

Minimum Investment	AUD\$50,000
Purchase Price	AUD\$21.52 million

FUND INVESTMENTS

Augusta Industrial Fund Limited (to be renamed Centuria NZ Industrial Fund Limited)



Augusta Industrial is a limited liability company that was established in April 2018 as an open-ended, unlisted property fund. Its purpose is to provide investors with the opportunity to invest in a portfolio of strategically selected industrial assets that provide both tenant and location diversification within this strongly performing sector of the New Zealand property market.

Augusta Industrial has performed well with an annualised pre-tax total return (cash distributions and capital growth) of 15% per annum since inception.²

Initially consisting of four properties, the original \$75 million share offer in 2018 (Stage 1.0) was oversubscribed with many investors missing out. By 2019 these original assets grew in value from \$114.07 to \$121.64 million. In March 2019, five assets were added to the portfolio through a \$115 million equity raise (Stage 2.0), which was again oversubscribed. A further offer in 2021 (Stage 3.0) along with additional acquisitions have brought the total number of assets in the portfolio to 21 (18 located in Auckland, one in Wellington and two in Christchurch) with 52 tenants and a portfolio valuation of \$547.31 million.³

A key long term strategic investment objective for Augusta Industrial is to deliver sustainable and stable income distributions paid to investors monthly, along with the potential for long term capital growth.

Minimum Investment	\$10,000
Portfolio Valuation³	\$547.31 million
Current Pre-Tax Return*	6.65 cents per share per annum (the equivalent of 5.0%pa in the Stage 3.0 offer).

²Calculated from 15 June 2018 to 31 March 2021 based on a \$1.00 original issue price, dividends declared during the period and net tangible assets of \$1.33 per share as at 31 March 2021.

³Subject to settlement of both the Tidal Road and Columbia Avenue properties, which as at 1 July 2021 Augusta Industrial has under contract but does not yet own. All properties other than the Strong Parts portfolio and Columbia Avenue were valued as at 31 March 2021. Tidal Road was valued on an "as if complete" basis. The Strong Parts portfolio was valued as at 15 June 2021 and Columbia Ave was valued as at 20 May 2021.

Centuria NZ Property Fund (formerly called Augusta Property Fund)



The Fund's initial asset was the Anglesea Medical Centre in Hamilton, home to many of the Waikato's leading private medical and healthcare tenants. The property offers income diversification through 28 tenants with a key feature being the tenants' commitment to the property with the ten largest having been on site for between 10 and 27 years. The 2.4 hectare site contains three main buildings and is located in a high-profile CBD location benefiting from three road frontages and value add potential. The initial offer was very well received by investors and oversubscribed within 2 weeks.

The intention of the Centuria NZ Property Fund will be to grow over time to provide investors with exposure to a variety of property investments within the one investment vehicle. Through this strategy the fund aims to diversify its portfolio, therefore further mitigating the risks to both capital and cashflow that can be associated with property ownership. All future investments by the Centuria NZ Property Fund, whether directly owned assets or other property related investments will be strategically selected for their ability to contribute to the diversification, yield, capital growth and liquidity.

Minimum Investment	\$10,000
Initial Asset Purchase Price	\$55 million
Current Pre-Tax Return*	6.0%pa

Augusta Value Add Fund No.1 Limited

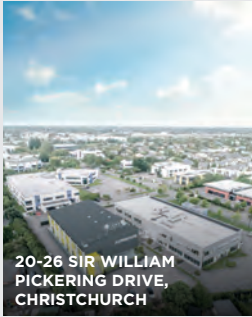


Value Add Fund No.1 offered \$60 million ordinary shares in a portfolio of five Auckland commercial and industrial properties. The opportunity was open to Wholesale Investors only and required a minimum investment of \$200,000.

The Fund was structured as a closed end, fixed term fund whereby all assets were intended to have the value added (through re-leasing or re-zoning for example) and the asset sold within five years. All assets were sold ahead of schedule achieving an internal rate of return of 11.75% (pre-tax and performance fee).

Minimum Investment	\$200,000
Purchase Price	\$109.30 million
IRR*	11.75% (pre-tax and performance fee)

*Details of how the return is calculated and the risks associated with the investment are set out in the original Product Disclosure Statement or Information Memorandum. Property information correct as at time of offer.



20-26 SIR WILLIAM PICKERING DRIVE, CHRISTCHURCH



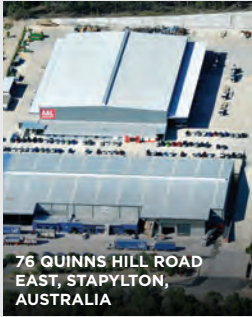
741 NUDGE ROAD, NORTHGATE, BRISBANE, AUSTRALIA



BDO CENTRE, BUILDINGS B & C, 2-4 GRAHAM STREET, AUCKLAND



BDO CENTRE, BUILDING A, 2-4 GRAHAM STREET, AUCKLAND



76 QUINNS HILL ROAD EAST, STAPYLTON, AUSTRALIA



33-43 HUGO JOHNSTON DRIVE, PENROSE, AUCKLAND



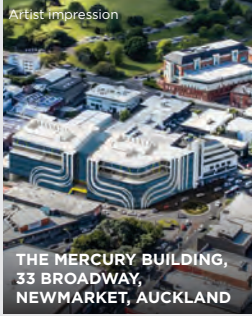
COUNTDOWN, 160 PEACHGROVE ROAD, HAMILTON



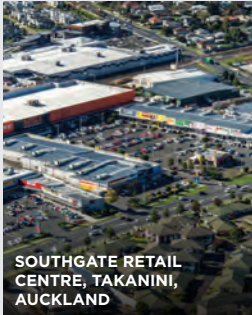
COUNTDOWN DISTRIBUTION CENTRE, 146 SHANDS ROAD, CHRISTCHURCH



SHERBROOKE ROAD, WILLAWONG, BRISBANE, AUSTRALIA



THE MERCURY BUILDING, 33 BROADWAY, NEWMARKET, AUCKLAND



SOUTHGATE RETAIL CENTRE, TAKANINI, AUCKLAND



LOT 7/121 EVANS ROAD, SALISBURY, BRISBANE, AUSTRALIA



54 VICKERY STREET, HAMILTON



74 BRANSTON STREET, HORNBY, CHRISTCHURCH



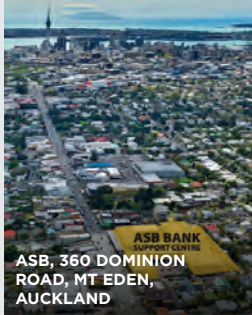
SPARK CITY, BUILDING C, 167-191 VICTORIA STREET WEST, AUCKLAND



BUNNINGS, 18 HIBISCUS COAST HIGHWAY, SILVERDALE, AUCKLAND



12 BRICK STREET, HENDERSON, AUCKLAND



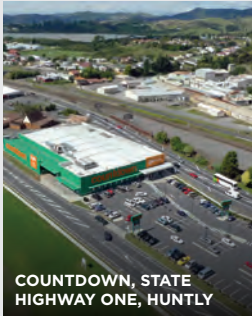
ASB, 360 DOMINION ROAD, MT EDEN, AUCKLAND



JB HI-FI AND WILSON PARKING BUILDING, 308 BARTON STREET, HAMILTON



CARTERS, 14 BIRCH AVENUE, TAURANGA



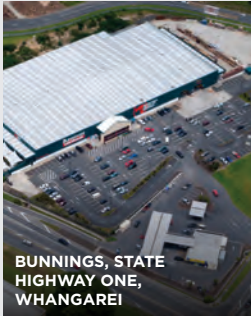
COUNTDOWN, STATE HIGHWAY ONE, HUNTLY



ENZA INDUSTRIAL COMPLEX, WILLIAMS STREET, HASTINGS



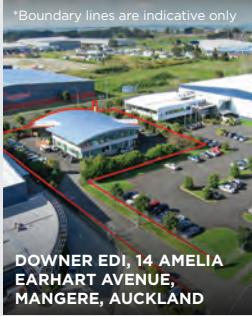
COUNTDOWN, WESTGATE SHOPPING CENTRE, AUCKLAND



BUNNINGS, STATE HIGHWAY ONE, WHANGAREI



COUNTDOWN, FRASER COVE SHOPPING CENTRE, TAURANGA



DOWNER EDI, 14 AMELIA EARHART AVENUE, MANGERE, AUCKLAND



510 MT WELLINGTON HIGHWAY, MT WELLINGTON, AUCKLAND



8 AIRPARK DRIVE, MANUKAU, AUCKLAND



APN, 587 GREAT SOUTH ROAD, MANUKAU, AUCKLAND



92-114 KAIMANAWA STREET, PALMERSTON NORTH

FREQUENTLY ASKED QUESTIONS

How do I invest?

All potential investors must request a copy of the Product Disclosure Statement or Information Memorandum which contains the details of the property and the investment. Investors must complete the application form and provide, along with payment, the applicable identity verification (as required under the Anti-Money Laundering (AML) legislation).

The Bayleys Syndication and Investment Products team will assist you with the application process to ensure it is as easy as possible. We are here to help.

Are there different types of investments and who can invest?

Bayleys Syndication and Investment Products team provides access to commercial, industrial and retail investment properties located in both New Zealand and Australia. These investment opportunities are either in the form of a “syndication” - usually a single asset in which a group of investors participate in the ownership, or an “investment fund” - usually a group of properties in which investors can purchase shares.

The majority of offers are made available to all potential investors located in New Zealand (known as Retail Investors). At times certain investments are made only to Wholesale Investors who must meet certain eligibility criteria. This is made very clear on the relevant documentation.

How often are investment opportunities available?

The investments marketed by Bayleys go through a robust selection process by the Manager. As such, there is no set timing on when property investment opportunities will be available. On average five offers are marketed each year.

We encourage you to provide us with your contact details so we can keep you informed of when the next investment opportunity is available.

How long is the investment for?

In most cases the investments marketed by Bayleys have no fixed term. Commercial property should generally be looked at from a long-term perspective. For syndicates, the Manager of the property will make recommendations on when they see the best time to sell the property or alternatively investors can sell their individual investment unit/share (see below).

In most cases the property is sold upon the passing of a resolution by 75% or more of the investors.

Can I sell my individual investment?

Yes. An investor has the right to sell their unit/share at any time, commonly referred to as a “secondary sale”. In most cases the transaction is facilitated by the Manager of the property syndication/fund.

Do I receive any capital gain?

Yes. Upon the sale of the property and the winding up of the scheme/fund, investors may receive a return which is greater than the amount paid for each unit/share if the net sale proceeds from the sale of the property/properties exceed the total capital paid by investors. The same may occur with a secondary sale. There is no guarantee that there will be any capital gain.

How is the return paid to investors?

In most cases distributions are made to investors monthly in arrears and paid directly to the investor's nominated bank account.

How is the investment taxed?

For New Zealand assets/funds structured as a Portfolio Investment Entity (PIE), at the time of application investors elect their Prescribed Investor Rate (PIR) based on their taxable income. Investors' PIR is then used to calculate the tax payable on the income allocated to them and the distributions to investors are net of this amount.

For New Zealand assets (excluding Portfolio Investment Entity (PIE) structures), the monthly distributions are paid to the investors on a gross basis and tax is paid by the investors as part of their annual tax return at their usual marginal tax rate.

For Australian properties, structures differ depending on the specific asset and value. Further information is available on request.

The above is general in nature. If you have any questions relating to taxation of your investment we recommend you seek professional advice from your accountant.

Why is bank funding required?

Typically most of the offers utilise a mixture of equity and debt funding and are geared with non-recourse prime bank debt, with the balance investors' equity. In a market like we have at present, where property income yields are significantly higher than borrowing costs, a sensible level of leveraging increases an investor's return on equity.

What are the risks?

Investing in property syndications/funds has the usual risks associated with commercial property ownership such as tenancy risk and interest rate risk. The risks with regard to each property investment are outlined in detail in the relevant Product Disclosure Statement or Information Memorandum.

What are the fees?

The fees include management, brokerage, legal and accounting which vary from offer to offer. These are outlined in detail in the relevant Product Disclosure Statement or Information Memorandum. All forecast pre-tax returns are after any fees.

Is there any independent oversight?

Under the Financial Markets Conduct Act 2013, managed investment schemes must have a licensed independent supervisor. The supervisor's role is to monitor that the manager is complying with the Governing Document and look after the interests of the investors. For example they hold the certificate of title and authorise payments.

What is AML - Anti Money Laundering?

As part of the New Zealand Government's commitment to a global fight against financial crime all New Zealand banks and financial institutions (including people who offer interests in property syndications) were required to make changes to their investor identification process.

New investors will need to provide approved identification and some additional documents, for example proof of address. Please contact us to discuss how this applies to you.

How do I find out more?

Contact the Bayleys team using the details on the reverse. Presentations are also held throughout New Zealand and we would welcome the opportunity to meet with you in person.

To learn more or to be kept informed of upcoming investment opportunities contact your local Bayleys Agent:



Or the Bayleys Syndication and Investment Products team:

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