



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 20 years. The first syndication marketed by Bayleys Real Estate raised \$1.85 million of capital from investors. In recent times the capital 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 AU\$21.2 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 31 December 2022





BAYLEYS SYNDICATION & INVESTMENT PRODUCTS

Provides investors access to premium, high yielding property offerings from leading fund managers across various sectors including commercial, industrial, healthcare and agriculture. Minimum investments usually range from between \$10,000 to \$50,000, with returns paid to investors 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, industrial, healthcare and agriculture, along with different tenant profiles.

PREVIOUS OFFERS

Over the past 20 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 \$2.5 billion, raising over \$1.3 billion of investors' capital. 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 ASSET FUNDS) - EXAMPLES

752 Great South Road, Penrose, Auckland



Known as the Visy Glass Industrial Property, this substantial 8.576ha industrial complex had 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 |

96 St Georges Bay Road, Parnell, Auckland



96 St Georges Bay Road is a 5 green star design rated, premium grade office complex located in central Auckland with long leases to well-known tenants. Constructed in 2018 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 Auckland base. This market leading cloud accounting software company had a new 12 year lease with rights of renewal until 2042 supported by a bank guarantee. Other major tenants, with initial 10 year leases included 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 |

741 Nudgee Road, Northgate, Brisbane, Australia



This investment provided the opportunity to diversify into the Australian property market with a modern industrial building located on a high exposure corner site close to major arterial roading networks and only five minutes from the Brisbane Airport and 9.5km from the CBD.

Tenanted by Health World Limited, established in 1985, and one of the largest suppliers of natural medicines (vitamins and health supplements) in New Zealand and Australia. At the time of the offer there was 11.5 years to run on the lease term with rights of renewal until 2034 along with built in rental growth.

| | |
|---------------------------|--------------------|
| Minimum Investment | AUD\$50,000 |
| Purchase Price | AUD\$28.25 million |

FUND INVESTMENTS - EXAMPLES

Centuria NZ Industrial Fund Limited



Centuria NZ Industrial Fund 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.

Initially consisting of four properties, the fund has grown and currently comprises of 21 assets with 55 tenants².

A key long term strategic investment objective for Centuria NZ Industrial Fund 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

Centuria NZ Healthcare Property Fund



Centuria NZ Healthcare Property Fund was established in 2022 with the purpose of providing investors with exposure to the sought-after healthcare real estate sector along with monthly cash distributions and the potential for capital growth.

The fund's initial acquisition was 23 aged care properties leased to one of New Zealand's leading and largest aged care operators, Heritage Lifecare, on 30 year triple net leases with built in annual rental growth, providing a long term stable income stream.

Minimum Investment \$10,000

Centuria NZ 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 offered 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 at the time of the offer. 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 intention of the Centuria NZ Property Fund will be to continue 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. Since establishment the fund has grown and now comprises of four assets with 29 tenants².

Minimum Investment \$10,000

Value Add Fund No.1



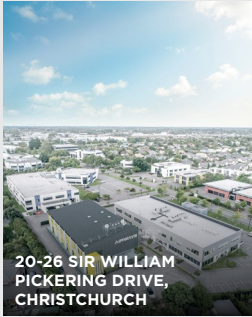
Value Add Fund No.1 was established by Augusta (now known as Centuria NZ), and offered \$60 million ordinary shares in a portfolio of five Auckland commercial and industrial properties. The opportunity was open to Wholesale Investors only and required a minimum investment of \$200,000.

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 was calculated and the risks associated with the investment are set out in the original Information Memorandum. Property information correct as at time of offer.

² As at 31 December 2022



20-26 SIR WILLIAM PICKERING DRIVE, CHRISTCHURCH



*Boundary lines are indicative only

255-257 GYMPIE ROAD, KEDRON, 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



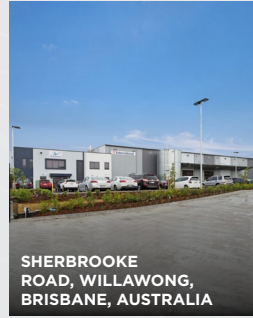
33-43 HUGO JOHNSTON DRIVE, PENROSE, AUCKLAND



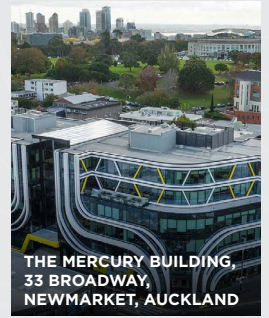
COUNTDOWN, 160 PEACHGROVE ROAD, HAMILTON



COUNTDOWN DISTRIBUTION CENTRE, 146 SHANDS ROAD, CHRISTCHURCH



SHERBROOKE ROAD, WILLAWONG, BRISBANE, AUSTRALIA



THE MERCURY BUILDING, 33 BROADWAY, NEWMARKET, AUCKLAND



SOUTHGATE RETAIL CENTRE, TAKANINI, AUCKLAND



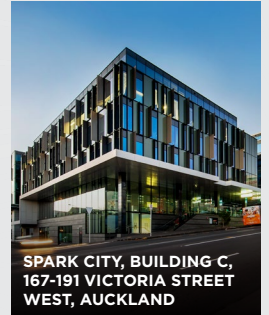
LOT 7/121 EVANS ROAD, SALISBURY, BRISBANE, AUSTRALIA



54 VICKERY STREET, HAMILTON



74 BRANSTON STREET, HORNBY, CHRISTCHURCH



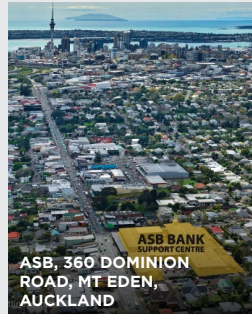
SPARK CITY, BUILDING C, 167-191 VICTORIA STREET WEST, AUCKLAND



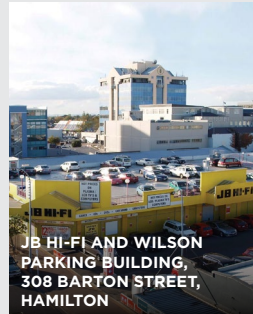
BUNNINGS, 18 HIBISCUS COAST HIGHWAY, SILVERDALE, AUCKLAND



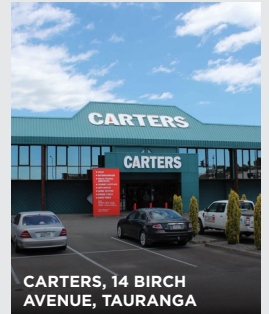
12 BRICK STREET, HENDERSON, AUCKLAND



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

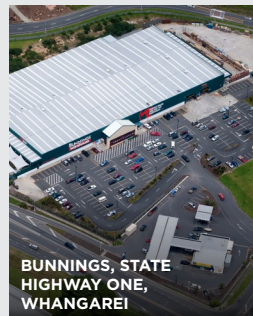


*Boundary lines are indicative only

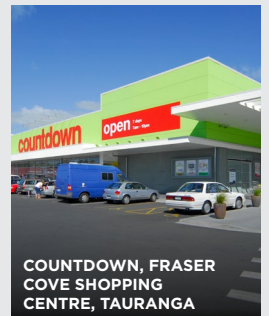
ENZA INDUSTRIAL COMPLEX, WILLIAMS STREET, HASTINGS



COUNTDOWN, WESTGATE SHOPPING CENTRE, AUCKLAND



BUNNINGS, STATE HIGHWAY ONE, WHANGAREI



COUNTDOWN, FRASER COVE SHOPPING CENTRE, TAURANGA

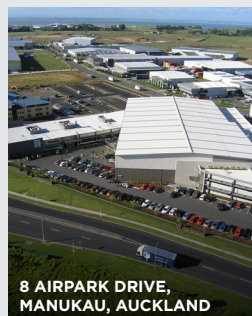


*Boundary lines are indicative only

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, retail, healthcare and agriculture 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.

What are the risks?

Investing in property syndications/funds has the usual risks associated with commercial property ownership such as tenancy 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. Webinars are also available.

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 below.

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The content of this brochure is general in nature – it is not intended to be financial advice and should not be relied on when making your investment decisions. Before deciding whether to invest in any financial products available through Bayleys Real Estate Limited, you should obtain independent financial advice that takes account of your personal financial goals and circumstances.

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