

Precinct Properties
New Zealand Limited

Investment Asset Summary

June 2016



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“The quality of our portfolio, and the quality of the service we provide our clients, is reflected in the high occupancy rates we continue to achieve.”

Scott Pritchard, Precinct CEO

Note: Excludes development properties such as Bowen Campus, Commercial Bay, and Wynyard Quarter. More information on our development properties can be found at www.precinct.co.nz

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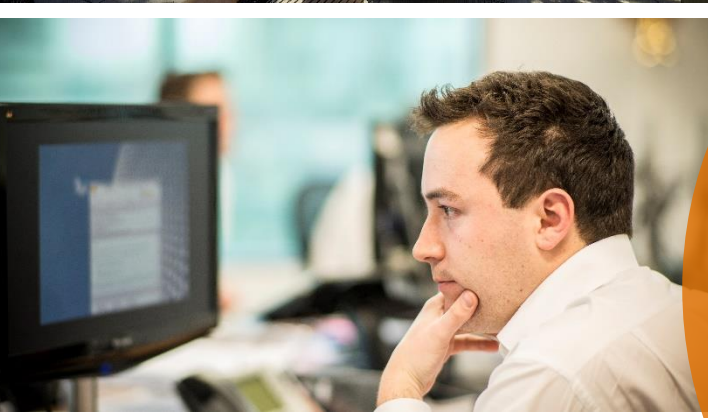
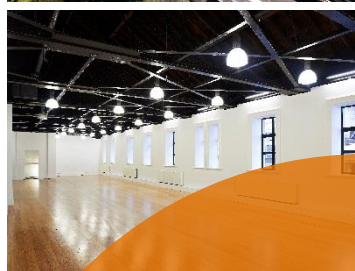
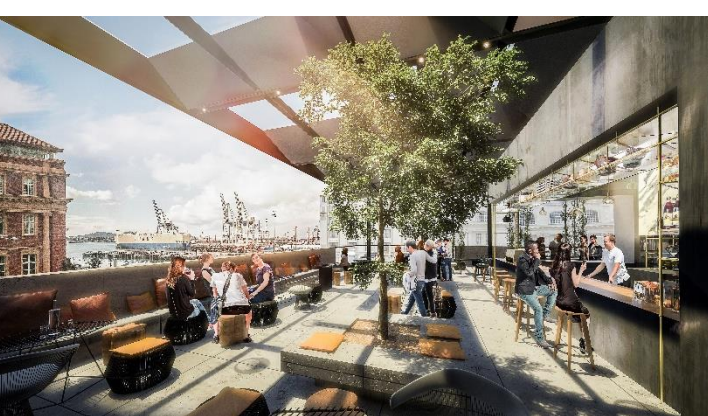
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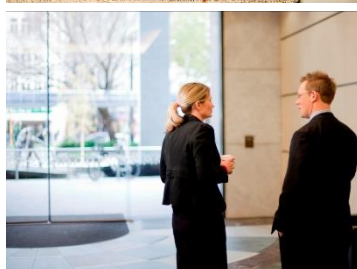
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Industry Leaders

Precinct is New Zealand's only specialist listed investor in premium office buildings. Our portfolios in Auckland and Wellington are arguably the best in both cities



Investment Property Portfolio

Key property information

(figures as at 30 June 2016 unless otherwise stated)

Property	City	NLA	Typical Floor plate	Cap rates %	Valuation	WALT	Occupancy
ANZ Centre	Auckland	33,574 m ²	1,000 m ²	6.0%	\$305 m	9.5 yrs	100%
PwC Tower	Auckland	31,296 m ²	1,350 m ²	6.1%	\$313 m	3.8 yrs	99%
AMP Centre	Auckland	25,134 m ²	1,097 m ²	6.5%	\$148 m	4.5 yrs	100%
Zurich House	Auckland	13,692 m ²	912 m ²	6.4%	\$111 m	3.2 yrs	100%
HSBC House	Auckland	19,030 m ²	1,060 m ²	6.6%	\$122 m	3.5 yrs	94%
No.1 and 3 The Terrace	Wellington	18,462 m ²	1,300 m ²	7.4%	\$83 m	9.2 yrs	100%
Pastoral House	Wellington	15,522 m ²	800 m ²	6.8%	\$41 m	15.3 yrs	100%
157 Lambton Quay	Wellington	16,730 m ²	1,000 m ²	7.0%	\$109 m	4.6 yrs	82%
Mayfair House	Wellington	12,332 m ²	1,100 m ²	6.8%	\$39 m	17.1 yrs	100%
Deloitte House	Wellington	13,066 m ²	775 m ²	8.0%	\$45 m	2.9 yrs	100%
State Insurance Tower	Wellington	26,457 m ²	1,050 m ²	7.2%	\$141 m	4.1 yrs	94%
Total		225,294 m²		6.5%	\$1,456 m	6.3 yrs	98%

Notes:

- Excludes development properties such as Bowen Campus, Commercial Bay, and Wynyard Quarter
- WALT includes the recent leases to the Government
- No.3 The Terrace relates to the freehold title in respect to Precinct's leasehold interest

69%

Weighting to Auckland
(by value)

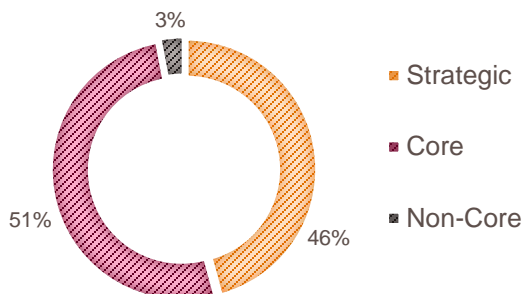
24%

Proportion of portfolio occupied
by Government organisations
(by income)

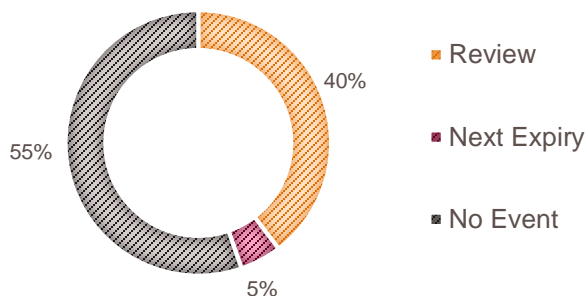
6.3 yrs

Weighted Average Lease Term
(excludes development properties)

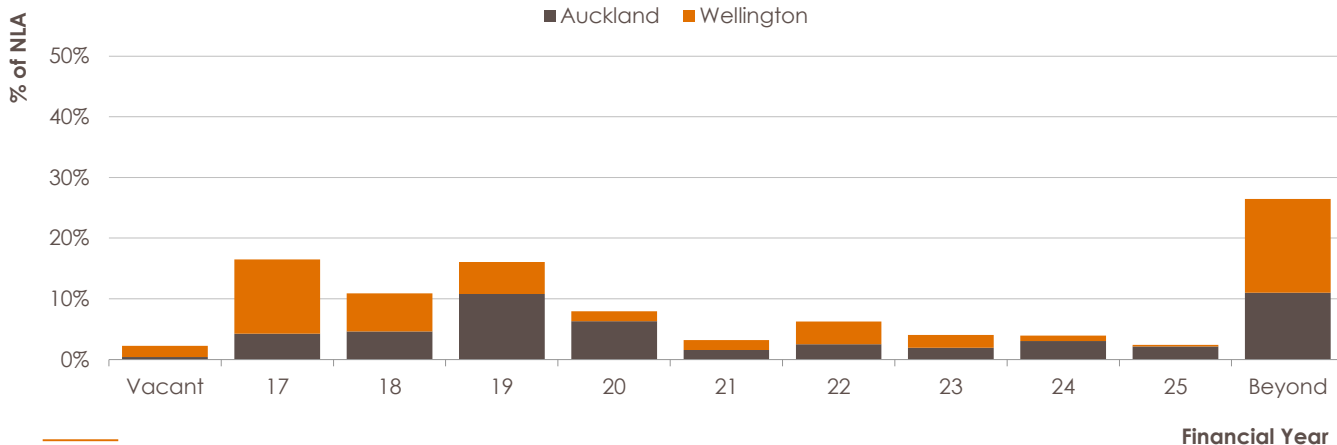
Portfolio classification (by %)



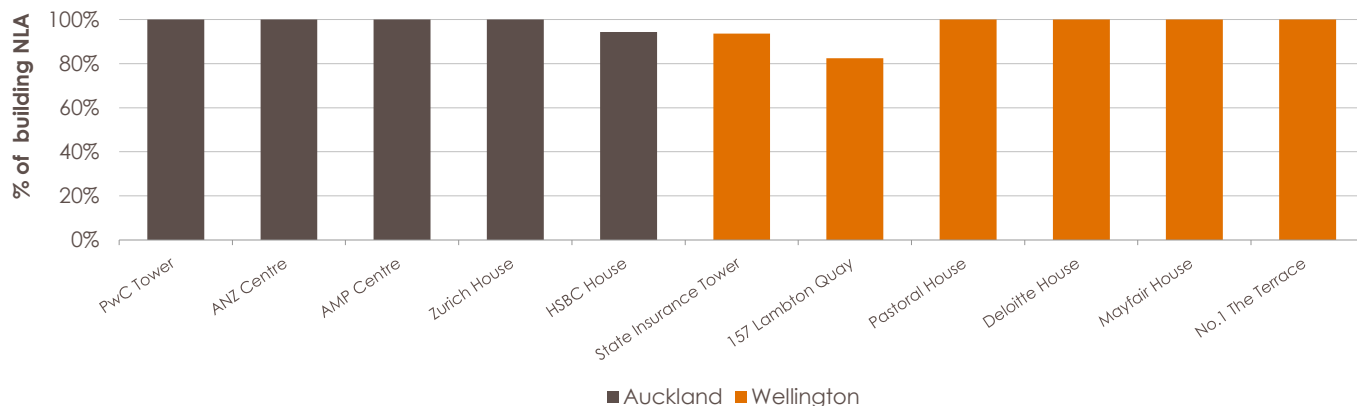
Critical events (by NLA)



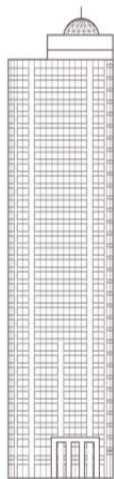
Lease expiry profile



Occupancy



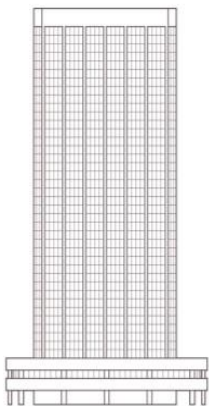
Auckland Portfolio



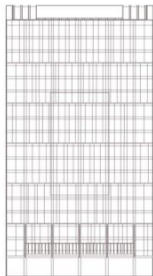
01.
ANZ Centre,
Albert Street



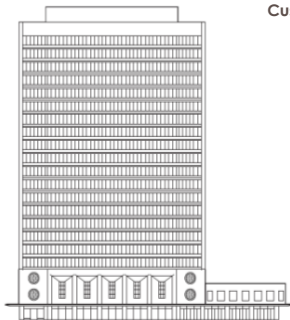
02.
PwC Tower,
Quay Street



03.
AMP Centre,
Customs Street



04.
Zurich House,
Queen Street



05.
HSBC House,
Queen Street



Property details

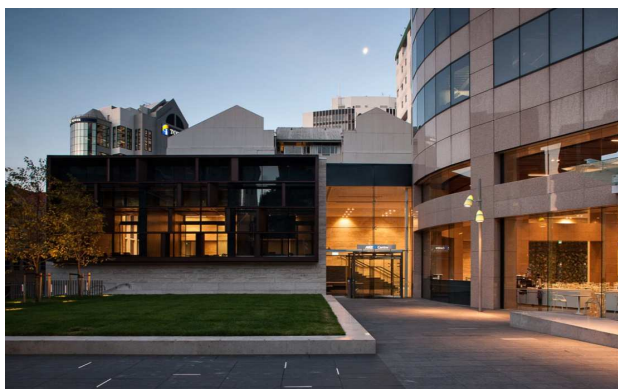
Construction	1991
Refurbishment	2013
Ownership	100%

Property Statistics

Total Lettable Area	33,574 m ²
Average Floor Plate	1,000 m ²
Car Parks	443 spaces
WALT	9.5 years
Occupancy	100%

Valuation (30 June 2016)

Current Value	\$305.0 m
Value (\$/sqm)	\$9,085
Market Cap Rate	6.0%
Initial Yield	5.8%
Valuer	Jones Lang LaSalle



Commentary

A high rise office tower constructed in 1991 and is situated in the heart of the CBD on the corner of Albert Street and Swanson Street.

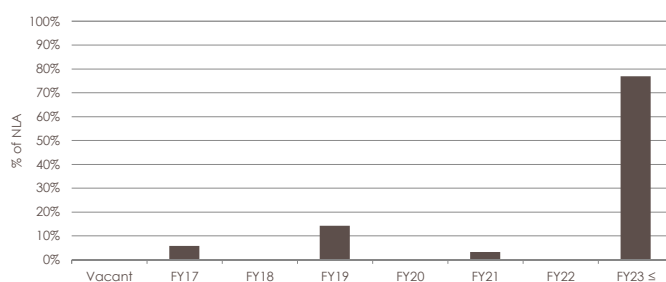
The ANZ Centre is one of New Zealand's tallest buildings at approximately 153 metres. The tower provides 32 levels of office accommodation, 5 levels of car parking and various levels for plant and other use.

The exterior is characterised by polished Spanish granite and tinted glazing. With a distinctive shape, the building is positioned to provide maximum views over the Waitemata harbour and also westerly and easterly aspects of the city and beyond.

The building underwent a \$76 million dollar refurbishment repositioning it to a premium standard. This included a new entry and enhanced lobby, improved external outdoor amenity, specific engineering responses to seismic design and new building management systems. The extent of the refurbishment resulted in the ANZ Centre being awarded the New Zealand Property Council's Supreme Award.

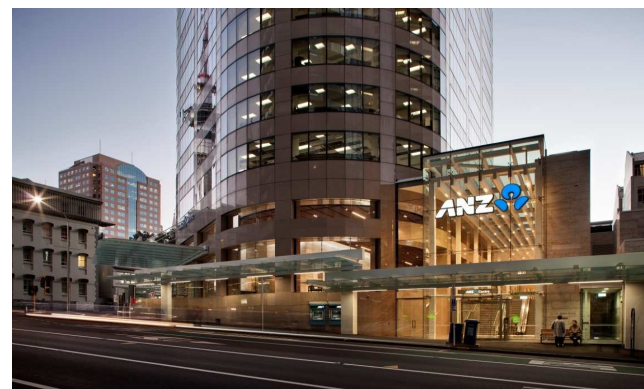
Major occupiers include Arawata Assets Limited (ANZ Bank), Chapman Tripp and Mighty River Power Limited.

Lease Expiry Profile



Major Clients

	NLA (m ²)
ANZ	23,280 m ²
Chapman Tripp	4,790 m ²
Mighty River Power Limited	1,950 m ²
Regus	1,050 m ²
First NZ Capital Group Limited	1,050 m ²
Vero Liability Insurance Limited	970 m ²





Property details

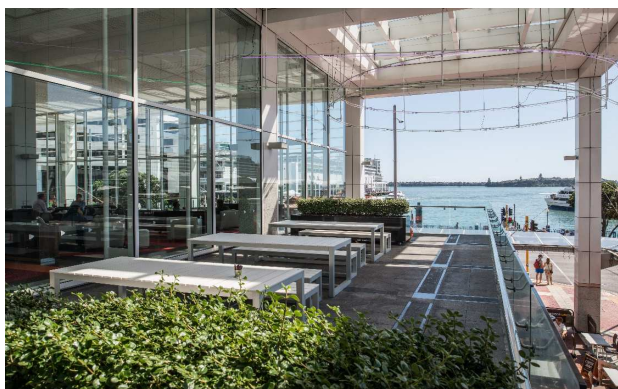
Construction	2002
Refurbishment	
Ownership	100%

Property Statistics

Total Lettable Area	31,296 m ²
Average Floor Plate	1,350 m ²
Car Parks	358 spaces
WALT	3.8 years
Occupancy	99%

Valuation (30 June 2016)

Current Value	\$313.0 m
Value (\$/sqm)	\$10,001
Market Cap Rate	6.1%
Initial Yield	5.8%
Valuer	CBRE



Commentary

Located in the northern sector of the CBD, the property comprises a landmark Premium Grade office tower occupying a prime 4,730 sqm freehold waterfront corner site, affording unrivalled views of the Waitemata Harbour.

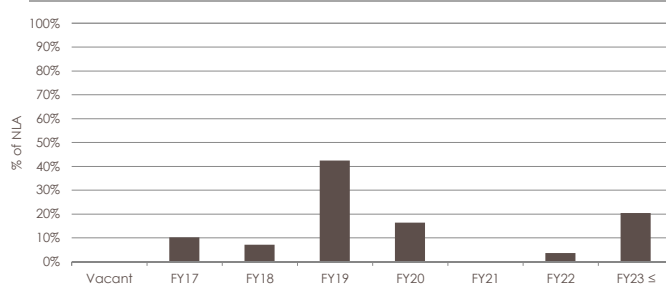
The building consists of 29 levels, comprising of 7 levels of car parking, storage, ground level and lobby retail and 23 levels of office space.

With large size floor plates of circa 1,350 sqm and a central core, the building allows for efficient subdivision into multiple tenancies, with minimal loss of area.

The tower is in close proximity to the amenities provided by the waterfront, Queen Street retail, Downtown Shopping Centre and Britomart Transport Centre, and accordingly experiences strong occupier demand.

Major clients include PwC Administration Ltd, Buddle Findlay, Company Headquarters, and Hesketh Henry Partnership.

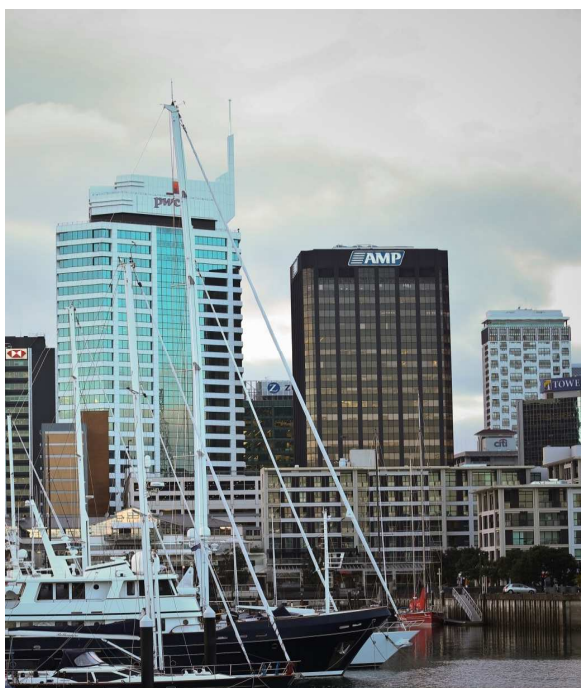
Lease Expiry Profile



Major Clients

	NLA (m ²)
PwC Administration Limited	9,080 m ²
Buddle Findlay	4,570 m ²
Company Headquarters Ltd	2,310 m ²
The Partners of the Hesketh Henry Partnership	1,360 m ²
Todd Land Holdings Limited	1,350 m ²
Crowe Horwath (NZ) Ltd	1,350 m ²





Property details

Construction	1980
Refurbishment	1992
Ownership	100%

Property Statistics

Total Lettable Area	25,134 m ²
Average Floor Plate	1,097 m ²
Car Parks	100 spaces
WALT	4.5 years
Occupancy	100%

Valuation (30 June 2016)

Current Value	\$148.0 m
Value (\$/sqm)	\$5,888
Market Cap Rate	6.5%
Initial Yield	6.8%
Valuer	CBRE



Commentary

Constructed in 1980, the property comprises a substantial 25 level office development situated on the corner of Customs Street West and Lower Albert Street.

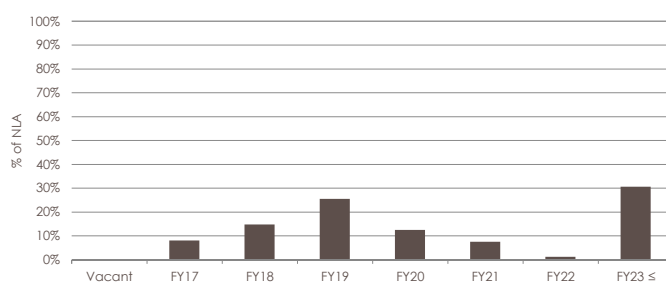
The property is located on a prime CBD site in close proximity to the Viaduct Harbour precinct which provides for a combination of entertainment areas, office accommodation, apartment dwellings and a marina.

The building provides 21 levels of office accommodation, ground floor and lower ground floor retail together with two levels of carparking.

Refurbishment in 1992 saw the buildings lifts, foyer and service areas upgraded. A further refurbishment in 2002 was also undertaken which comprised of refurbishing the exterior of the building by updating the lower level facades, installing granite cladding to exterior piers, new tower lighting and upgrading the plaza balustrades.

Major clients include AMP Services (NZ) Limited, QBE Insurance (International) Limited, AON New Zealand, Auckland Transport, and The Partners of AJ Park.

Lease Expiry Profile



Major Clients

	NLA (m ²)
AMP Services (NZ) Limited	4,880 m ²
QBE Insurance (Australia) Limited	3,290 m ²
AON New Zealand	3,230 m ²
Auckland Transport	2,760 m ²
The Partners of AJ Park Patent Attorneys	2,220 m ²
OCG Consulting Limited	1,100 m ²





Property details

Construction	2009
Refurbishment	
Ownership	100%

Property Statistics

Total Lettable Area	13,692 m ²
Average Floor Plate	912 m ²
Car Parks	
WALT	3.2 years
Occupancy	100%

Valuation (30 June 2016)

Current Value	\$110.5 m
Value (\$/sqm)	\$8,071
Market Cap Rate	6.4%
Initial Yield	5.2%
Valuer	Colliers International



Commentary

Located in a prime position within Auckland's CBD, the building comprises a modern premium quality office building providing ground floor and level 1 retail, lobby areas plus 15 levels of office accommodation above.

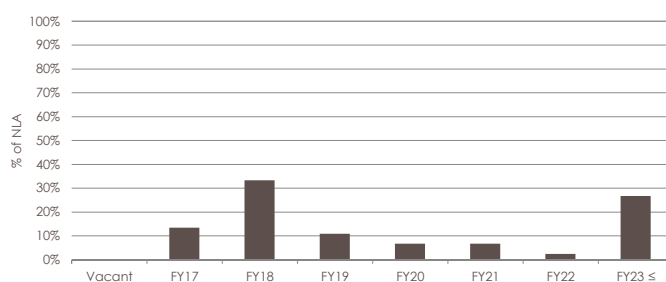
The location provides excellent exposure to passing vehicle and pedestrian traffic.

An extensive upgrade through 2008-2009 saw the redevelopment incorporate the construction of 4 new upper levels, new facade cladding and internal modernisation with the latest technology services.

The building received a 5 star rating by the Green Building Council on completion.

Major clients include Guardians of New Zealand Superannuation, Zurich Financial Services, NZX and CBRE Limited.

Lease Expiry Profile



Major Clients

	NLA (m ²)
Guardians of New Zealand Superannuation	1,830 m ²
New Zealand Funds Management Ltd	1,230 m ²
Zurich Financial Services Aust-NZ Branch	1,140 m ²
Regus 21 Queen Street Ltd	910 m ²
Willis New Zealand Ltd	910 m ²
GlaxoSmithKline NZ Limited	910 m ²





Property details

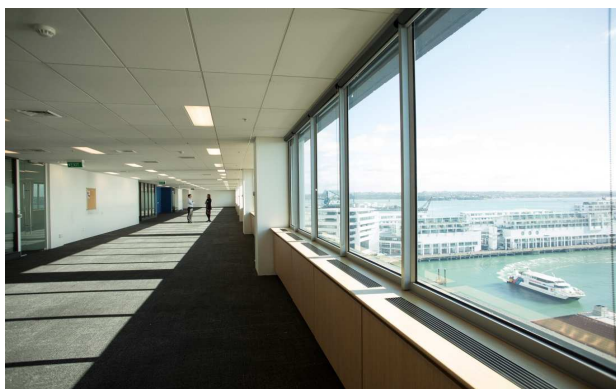
Construction	1972
Refurbishment	1998
Ownership	100%

Property Statistics

Total Lettable Area	19,030 m ²
Average Floor Plate	1,060 m ²
Car Parks	129 spaces
WALT	3.5 years
Occupancy	94%

Valuation (30 June 2016)

Current Value	\$121.5 m
Value (\$/sqm)	\$6,385
Market Cap Rate	6.6%
Initial Yield	6.5%
Valuer	Colliers International



Commentary

HSBC House occupies one of the most prominent positions within the Auckland CBD, sitting at the front of Queen Street and fronting Quay Street.

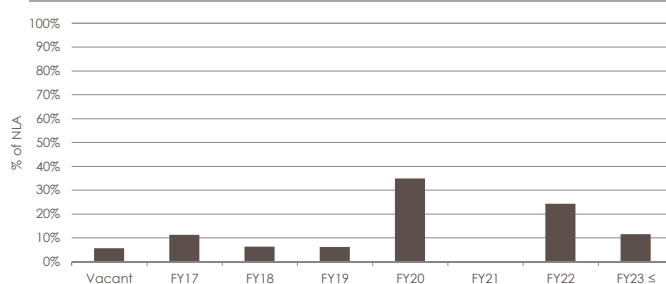
The property was initially constructed in 1972 and was refurbished in 1998 to provide Grade A office accommodation. The building comprises a 21 level commercial office tower, 3 levels of car parking and ground level retail tenancies.

Situated on a prominent corner site with an excellent level of amenity provided in the surrounding locality, the site experiences strong occupier demand.

The building has unobstructed views north and east towards the Waitemata Harbour, with upper levels affording expansive views, amongst some of the best available in the CBD. Lower levels still benefit from close quarter harbour views.

Major clients include HSBC Bank, NZTA Limited, Auckland Transport and Baldwins Limited

Lease Expiry Profile

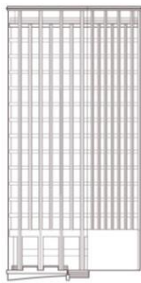


Major Clients

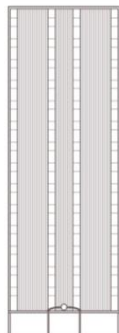
Major Clients	NLA (m ²)
NZ Transport Agency	3,920 m ²
Hongkong & Shanghai Banking Corp	3,180 m ²
Auckland Transport	2,470 m ²
Baldwins	1,090 m ²
McVeagh Fleming	1,090 m ²
Rothbury Group Limited	1,090 m ²



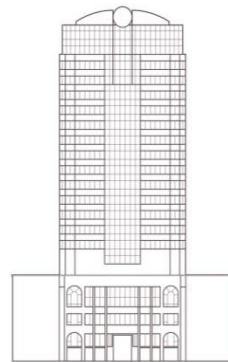
Wellington Portfolio



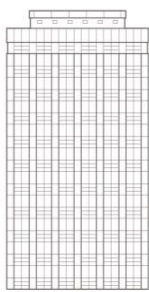
01.
No.1 The Terrace,
The Terrace



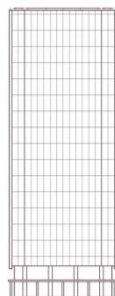
02.
Pastoral House,
Lambton Quay



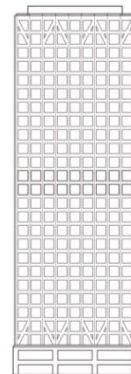
03.
157
Lambton Quay



04.
Mayfair House,
The Terrace



05.
Deloitte House,
Brandon Street



06.
State Insurance,
Willis Street



Property details

Construction	1979
Refurbishment	2005
Ownership	100%

Property Statistics

Total Lettable Area	18,462 m ²
Average Floor Plate	1,300 m ²
Car Parks	27 spaces
WALT	9.2 years
Occupancy	100%

Valuation (30 June 2016)

Current Value	\$83.2 m
Value (\$/sqm)	\$4,509
Market Cap Rate	7.4%
Initial Yield	8.2%
Valuer	Colliers International



Commentary

The building, constructed in 1979, is located in a prime Wellington CBD location close to the Government sector and The Beehive.

No. 1 The Terrace comprises an 18 level office tower of concrete construction with 16 office levels and two levels of basement storage accommodation.

The building has undergone major refurbishment in 1990 and was further refurbished in 2004 and 2005 covering all office levels. The refurbishment significantly upgraded the building and was carried out in conjunction with the renewal of the lease to The Treasury over the major part of the building.

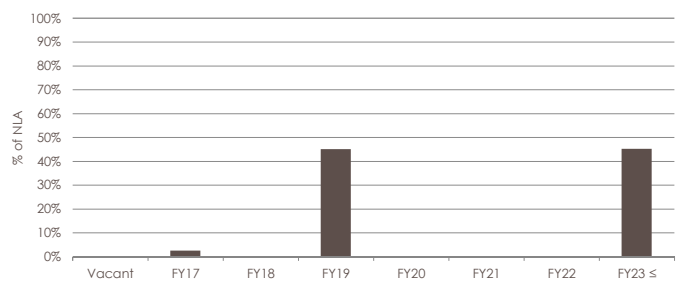
No. 3 The Terrace is a 4 level building with mezzanine and basement areas completed in 2006. The building is fully integrated with No. 1 The Terrace.

Major clients include The Treasury, Ministry of Health and The Parliamentary Corporation.

Levels 1 to 4 will undergo a refurbishment in 2018 as part of the Government Accommodation Project.

Note: Statistics include No. 3 The Terrace, and WALT calculation includes the recent lease to the Government

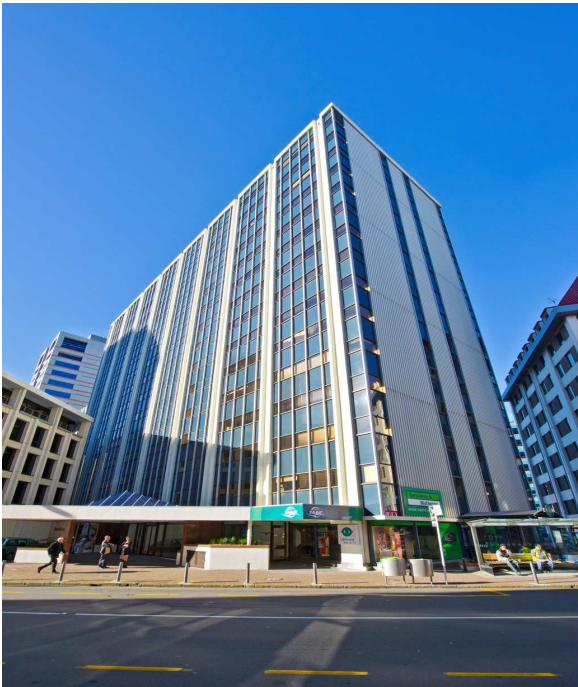
Lease Expiry Profile



Major Clients

	NLA (m ²)
Ministry of Health	8,360 m ²
The Treasury	7,420 m ²
The Parliamentary Corporation	1,820 m ²
Norman Disney & Young Limited	410 m ²
Terrace Chambers Ltd	330 m ²





Property details

Construction	1977
Refurbishment	
Ownership	100%

Property Statistics

Total Lettable Area	15,522 m ²
Average Floor Plate	800 m ²
Car Parks	33 spaces
WALT	15.3 years
Occupancy	100%

Valuation (30 June 2016)

Current Value	\$41.0 m
Value (\$/sqm)	\$2,641
Market Cap Rate	6.8%
Initial Yield	10.9%
Valuer	Colliers International



Commentary

Pastoral House comprises an 18-level office building providing ground floor Lambton Quay retail and secondary retail on level 4, fronting The Terrace. The office component comprises two large podium floors with the 15 level office tower situated above.

Located at the northern periphery of the core CBD, directly to the south of the main Parliament Buildings. The property enjoys dual frontage to The Terrace and Lambton Quay which incorporates the main Wellington retail precinct.

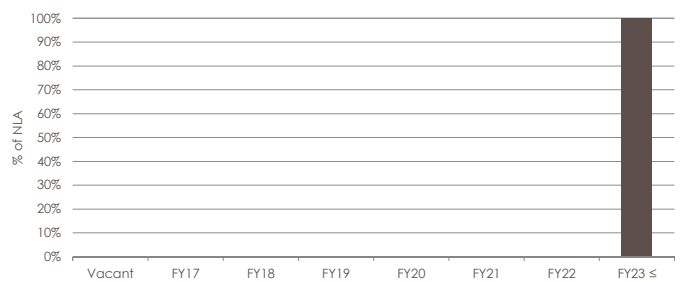
Built in the 1970's, the property underwent an upgrade during the 1990's and a complete retro-fit in 2003/4. The building now provides low A grade office accommodation.

Major clients include Ministry for Primary Industries, Bank of New Zealand and NZ Post.

This building will undergo a refurbishment in 2017 as part of the Government Accommodation Project.

Note: The WALT calculation includes the recent lease to the Government

Lease Expiry Profile



Major Clients

	NLA (m ²)
Ministry for Primary Industries	14,030 m ²
BNZ Branch Properties Ltd	590 m ²
New Zealand Post Limited	450 m ²
Sercombe and Matheson Optometrists	300 m ²





Property details

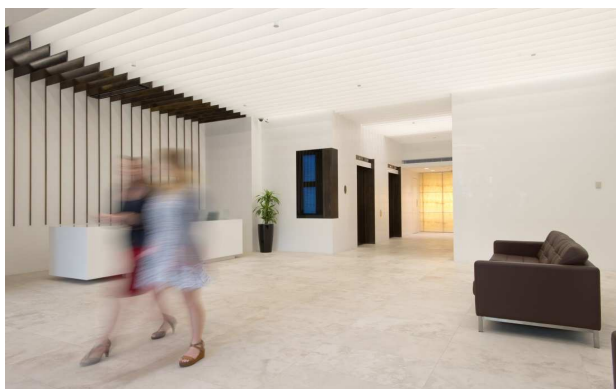
Construction	1996
Refurbishment	2005
Ownership	100%

Property Statistics

Total Lettable Area	16,730 m ²
Average Floor Plate	1,000 m ²
Car Parks	330 spaces
WALT	4.6 years
Occupancy	82%

Valuation (30 June 2016)

Current Value	\$109.0 m
Value (\$/sqm)	\$6,515
Market Cap Rate	7.0%
Initial Yield	6.2%
Valuer	Bayleys



Commentary

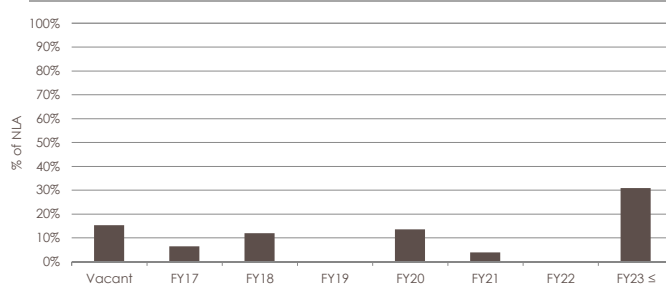
157 Lambton Quay is a prestigious 25 level commercial podium and office tower incorporating 10 levels of carparking, 15 levels of office accommodation and is integrated with the former Police buildings now converted to office and retail use and rebranded to Central on Midland Park.

The building is located within the Core Central Business District, directly opposite the prime retail sector of the city and within close proximity of all central city amenities including public transport plus the Government Centre and law courts a short distance north.

A total of 8 lifts service the building with 5 of them servicing the office tower floors. In addition, the building is equipped with a variable air volume air conditioning system, fire sprinklers, and an emergency generator.

Major clients include Russell McVeagh, Baldwin Holdings Limited, Rabobank New Zealand Limited and Tourism New Zealand.

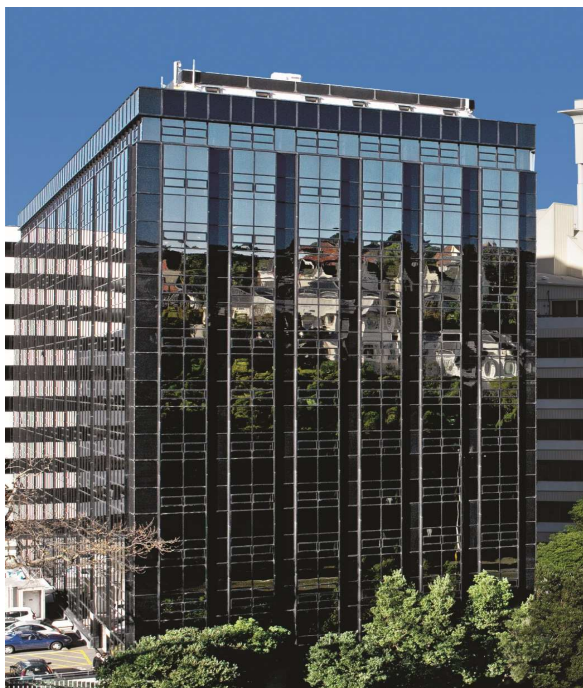
Lease Expiry Profile



Major Clients

	NLA (m ²)
Russell McVeagh	2,150 m ²
Baldwin Holdings Limited	1,540 m ²
Rabobank New Zealand Ltd	1,460 m ²
Forsyth Barr Limited	1,000 m ²
Tourism New Zealand	1,000 m ²
Servcorp Wellington Limited	1,000 m ²





Property details

Construction	1988
Refurbishment	2010
Ownership	100%

Property Statistics

Total Lettable Area	12,332 m ²
Average Floor Plate	1,100 m ²
Car Parks	246 spaces
WALT	17.1 years
Occupancy	100%

Valuation (30 June 2016)

Current Value	\$38.5 m
Value (\$/sqm)	\$3,122
Market Cap Rate	6.8%
Initial Yield	8.5%
Valuer	Colliers International



Commentary

Situated on the north western periphery of the core Central Business District in Wellington. The location is within close proximity to all central city amenities including Lambton Quay retail, public transport plus the Government Centre and law courts a short distance north.

Mayfair House, constructed in the late 1980s, is a 15 level tower comprising of 11 levels of office accommodation with two mezzanine floors at the upper levels and 4 levels of car parking. The carpark income is distributed under a shared management agreement.

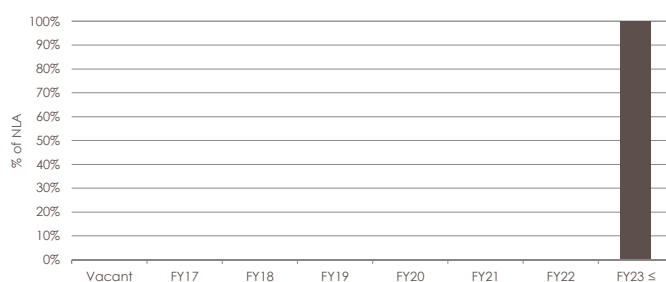
In 2010 the building underwent a refurbishment including the upgrade of the toilet facilities, new destination control systems to the lifts and refurbished lift cars.

The entire building is leased to the Department of Corrections.

This building will undergo a refurbishment in 2018 as part of the Government Accommodation Project.

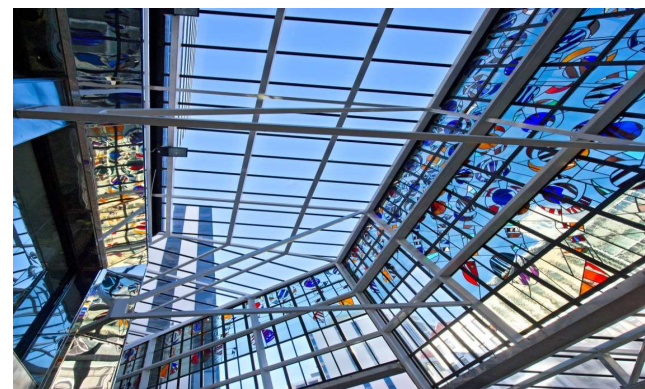
Note: The WALT calculation includes the recent lease to the Government

Lease Expiry Profile



Major Clients

	NLA (m ²)
Department of Corrections	12,330 m ²





Property details

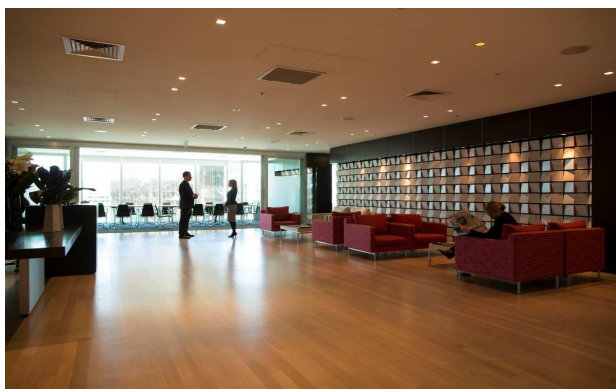
Construction	1983
Refurbishment	2006
Ownership	100%

Property Statistics

Total Lettable Area	13,066 m ²
Average Floor Plate	775 m ²
Car Parks	35 spaces
WALT	2.9 years
Occupancy	100%

Valuation (30 June 2016)

Current Value	\$45.0 m
Value (\$/sqm)	\$3,444
Market Cap Rate	8.0%
Initial Yield	8.9%
Valuer	CBRE



Commentary

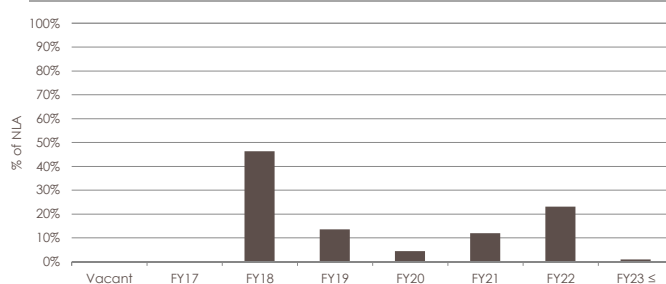
One of Wellington's most prominent buildings located in a core CBD location with profile to three major streets.

Originally constructed circa 1983 as a 14 storey office building, the building underwent a substantial retro-fit in 2005 and 2006 including a small floor plate extension and an additional two and a half new floors at and above level 14. The building now offers basement carparking, ground floor retail and 16 levels of office accommodation.

Located on a prominent corner with frontages to Customhouse Quay, Brandon Street and Featherston Street, expansive harbour and city views are enjoyed from most levels.

The building is leased to a variety of tenants including Deloitte Services Limited, IRD, OMV NZ Limited and NZ Real Estate Agents Authority.

Lease Expiry Profile



Major Clients

	NLA (m ²)
Deloitte Services Limited	4,260 m ²
IRD	3,010 m ²
OMV NZ Limited	1,560 m ²
UXC Holdings (NZ) Limited	780 m ²
The Real Estate Agents Authority	780 m ²
Powerhouse People Limited	780 m ²





Property details

Construction	1988
Refurbishment	2005
Ownership	100%

Property Statistics

Total Lettable Area	26,457 m ²
Average Floor Plate	1,050 m ²
Car Parks	188 spaces
WALT	4.1 years
Occupancy	94%

Valuation (30 June 2016)

Current Value	\$141.0 m
Value (\$/sqm)	\$5,329
Market Cap Rate	7.2%
Initial Yield	7.1%
Valuer	Bayleys



Commentary

Recognised as one of the top 10 quality office buildings in Wellington, providing two basement carpark levels, sub and ground floor retailing, and 22 levels of office accommodation served by a central service core.

Occupying a large corner site at the northern end of Willis Street, the site offers extended retail frontage to Willis Street, receives good natural light and expansive harbour views for majority of the tower floors.

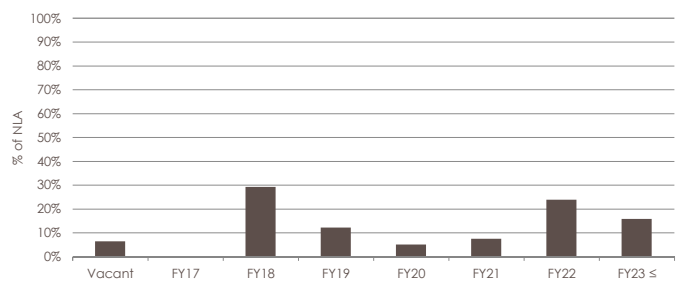
The Willis Street retail tenancies, constructed in 2002, provide modern retail accommodation with excellent profile and display. The corner site ensures the building enjoys good profile to passing foot and vehicular traffic.

Scheduled programmed works will ensure the building maintains its quality position in the market.

The lobby was refurbished, re-opening in early 2016

Major clients include IAG New Zealand Limited, Buddle Findlay, Chorus and AJ Park.

Lease Expiry Profile



Major Clients

	NLA (m ²)
IAG New Zealand Limited	4,490 m ²
Chorus New Zealand Limited	4,200 m ²
Buddle Findlay	3,230 m ²
The Partners of AJ Park Patent Attorneys	2,150 m ²
AON New Zealand	1,610 m ²
JB Hi-Fi Group Limited	1,080 m ²



Directory

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George Crawford, Chief Operating Officer
Davida Dunphy, General Counsel and Company Secretary

Bankers

ANZ New Zealand Bank
Bank of New Zealand
ASB Institutional Bank
Westpac New Zealand
The Hong Kong and Shanghai Banking Corporation

Bond Trustee

The New Zealand Guardian
Trust Company Limited
Level 15
191 Queen Street
Auckland 1010

Directors of Precinct:

Craig Stobo – Chairman, Independent Director
Don Huse – Independent Director
Launa Inman – Independent Director
Graeme Wong – Independent Director
Chris Judd – Director
Mohammed Al Nuaimi – Director
Rob Campbell – Director

Manager

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Public Trust
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Please contact our registrar;

- To change investment details such as name, postal address or method of payment
- For queries on dividends.
- To elect to receive electronic communication