

INVESTMENT HIGHLIGHTS



LARGE SITE

Three hectares of land on three separate titles. Seven standalone office buildings. Total 1,576 underground and on-grade carpark.



ROBUST TENANT LINEUP

Diverse tenant mix includes: American Express, Siemens, L'Oreal, Griffin's Foods, Adidas, Bridgestone, Toyota Finance, Chevron.



QUALITY PROPERTY

High quality buildings. Seismic rating 100% of New Building Standard.*



WHOLESALE OFFER

Offer only available to wholesale investors. 448 parcels of \$250,000 each.



THE OFFER

Oyster Property Group Limited is offering investors the opportunity through a proportionate ownership scheme to acquire a proportionate share of, and beneficial interest in, the land & buildings at 600-604 Great South Rd, Penrose, Auckland.

448 interests are being offered at \$250,000 each. Investors may apply to subscribe for one or more interest(s).



KEY FINANCIALS

Purchase Price	\$210,023,756
Valuation	\$222,100,000
Investment Unit Size	\$250,000 parcels
Net Rental	\$15,241,475
Forecast Pre-tax Cash Return to Investors	8% per annum*
Initial Bank Loan to Value Ratio	49.3%
WALT (weighted average lease term)	4.9 yrs**

* For financial year period 1 April 2017 – 31 March 2018

** Excluding monthly car parking

WHOLESALE INVESTORS SHOULD SERIOUSLY CONSIDER THIS OPPORTUNITY.

To register your interest in this significant and exciting offer, please contact us as soon as possible to request a copy of the Information Memorandum which includes the Application Forms.



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The return is only an indicative projected return. The Information Memorandum, once prepared, will contain details of how the projected return for the investment will be calculated. The projected return will be based on any principal assumptions and method of calculation described in the Information Memorandum. Prospective investors are recommended to seek professional advice from an Authorised Financial Adviser which takes into account their personal circumstances before making an investment decision. The selling agents are not providing personalised advice, but will provide all prospective investors with a copy of the Information Memorandum and valuation report. The risks associated with this investment are outlined in the Information Memorandum. No money should be sent other than accompanying an application form as set out in the Information Memorandum. This is not an offer of financial products. It is not an invitation to any member of the public in New Zealand to subscribe for or buy any financial products. The Information Memorandum will only be made available to recipients in New Zealand who are Wholesale Investors.



MILLENNIUM CENTRE



600-604 GREAT SOUTH RD
GREENLANE, AUCKLAND
THE MILLENNIUM CENTRE

OWN AN OUTSTANDING
INSTITUTIONAL GRADE
INVESTMENT OPPORTUNITY

8% projected
per annum
PRE-TAX cash return*

\$250,000
Minimum investment

*For financial year period 1 April 2017 – 31 March 2018

*Based on IEP reports from MSC Consulting Group dated 19 and 23 May 2014.



THE PROPERTY

Millennium Centre comprises a significant institutional-grade commercial property in the heart of the Southern Corridor precinct – seven standalone buildings across three hectares of land plus 1,576 underground and on-grade carparking. Arguably one of Auckland’s largest commercial business parks, built between 2000-2009 to 100% of New Building Standard.* Millennium Centre houses over 40 businesses and more than 2,500 people occupy the property on a daily basis.



THE TENANTS

With over 40 tenants occupying the buildings and a Weighted Average Lease term (WALT) of 4.9 years** the Millennium Centre is strengthened by a robust line up of top tier national and international brands such as American Express, Mercury, Siemens, l’Oreal, Griffins Food, Adidas, Bridgestone, Toyota Finance and Chevron to name just a few.



THE MANAGER

This proportionate ownership scheme will be managed by Oyster Management Limited – a specialist property and funds manager with a proven track record in successful commercial property syndication and full-service asset management of retail, office and industrial property throughout new Zealand.

* Based on IEP reports from MSC Consulting Group dated 19 and 23 May 2014.

** Excluding monthly car parking



THE MILLENNIUM CENTRE
600–604 GREAT SOUTH RD
GREENLANE, AUCKLAND

MARKET SNAPSHOT

Tenant demand for office space in metropolitan Auckland is at an eight year high.

A lack of stock and competitive pricing is being fuelled by owner-occupiers and investors.

Historically low interest rates are projected to continue into the near future, causing further downward pressure on yields.

Vacancy rates in the Southern Corridor are rapidly declining.

SH1 Motorway to Auckland CBD

Great South Road

Toyota Finance

Bridgestone NZ

Chevron NZ

Spotless
L’Oreal

Nuplex
Intercity Group
AlSCO NZ

Griffins Foods
Adidas NZ

American Express
Siemens

Key Tenants

Boundary lines indicative only.

KEY FINDINGS

There is little evidence to suggest that the metropolitan office sector will deviate from its current growth path.

Businesses are moving away from the status quo and are realistic about their future plans, taking on more calculated risks. They are expanding and spending money on plant, machinery and staff in a buoyant economy with a dominant Auckland growth profile.

The recent influx of new developments has averted a supply shortage reaching critical point. More supply on its way will keep the balance between demand and supply at more healthy levels over the medium term. However, there is still some way to go before the buildings are completed which may cause some uncomfortable positions for tenants in the short-term if enquiries are left too late.

The recent rises in both prime and secondary rents are forecast to continue over the medium term as demand will continue to outweigh supply, especially in well-established office precincts that are well serviced by infrastructure and amenity. Average prime office rents across metropolitan Auckland have been steadily increasing, surpassing the peak of late 2007/early 2008, now sitting at \$290/sqm. Under current growth forecasts, this is expected to increase by an annual average of just over 2% p.a. over the next five years, reaching just over \$320/sqm by 2021. Although the rental growth is relatively moderate,

THE RECENT INFLUX OF NEW DEVELOPMENTS HAS AVERTED A SUPPLY SHORTAGE REACHING CRITICAL POINT.

the sustained level of growth will be pleasing to landlords. Rent increases for many tenants will be between 1% and 4% over the next few years.

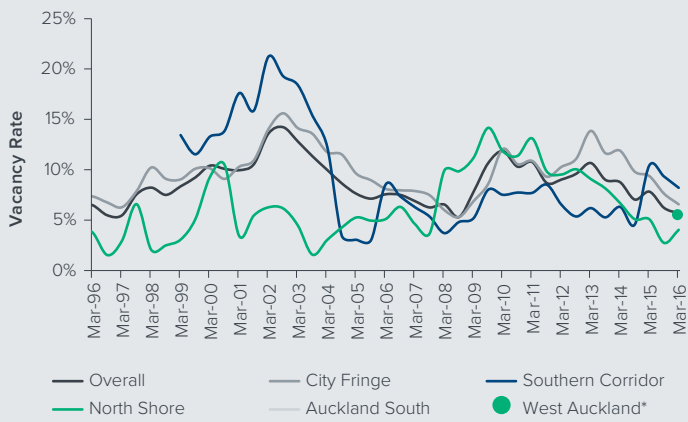
Vacancy rates are not forecast to rise, therefore limiting incentive packages. Tenants moving to new space will be enticed by landlords, especially if it is the trigger for a new development to proceed. Of course, not all tenants are in a position to move or drive favourable leasing rates given their existing agreements or size of operations.

The dispersion of the supply throughout Auckland suggests some demand and supply imbalances may remain. This will be especially noticeable in main metropolitan office hubs supported by decent infrastructure, public transport links and high qualities of amenity, facilities and car park ratios.

Competition amongst investors, owner-occupiers and syndicators in a commercial property market with sound fundamentals and ‘yield-hungry’ investors means a lack of stock and competitive pricing. Recent expectations of interest rates to stay low will see further pressure on purchasers to step up their pricing levels. Some view the new price levels as untenable, but the fear of missing out is promoting greater levels of acceptance, facilitating a new wave of asset appreciation.

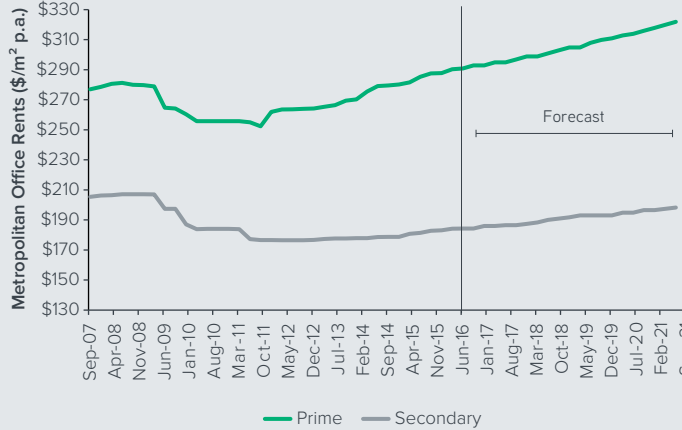
Source: Colliers International Research

AUCKLAND OFFICE MARKET VACANCY RATES



Source: Colliers International Research * New to the survey

AUCKLAND OFFICE RENTAL RATES



Source: Colliers International Research