



# MULTIPLY TASMAN PROPERTY FUND

Investment Statement and Prospectus 18 July 2005

MULTIPLY  
TASMAN  
PROPERTY FUND

Offer of ordinary units  
by Multiplex Capital New Zealand Ltd

**18 JULY 05**

**MULTIPLY**  
CAPITAL

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## IMPORTANT INFORMATION

(The information in this Section is required under the Securities Act 1978.)

Investment decisions are very important. They often have long-term consequences. Read all documents carefully. Ask questions. Seek advice before committing yourself.

### Choosing an investment

When deciding whether to invest, consider carefully the answers to the following questions that can be found on the pages noted below:

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What sort of investment is this?	89
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In addition to the information in this document, important information can be found in the current registered prospectus for the investment. You are entitled to a copy of that prospectus on request.<sup>1</sup>

### Choosing an investment adviser

You have the right to request from any investment adviser a written disclosure statement stating his or her experience and qualifications to give advice. That document will tell you:

- whether the adviser gives advice only about particular types of investments;
- whether the advice is limited to the investments offered by one or more particular financial organisations; and
- whether the adviser will receive a commission or other benefit from advising you.

You are strongly encouraged to request that statement. An investment adviser commits an offence if he or she does not provide you with a written disclosure statement within five working days of your request. You must make the request at the time the advice is given or within one month of receiving the advice.

In addition:

- if an investment adviser has any conviction for dishonesty or has been adjudged bankrupt, he or she must tell you this in writing; and
- if an investment adviser receives any money or assets on your behalf, he or she must tell you in writing the methods employed for this purpose.

Tell the adviser what the purpose of your investment is. This is important because different investments are suitable for different purposes.

## Disclaimers

No member, associate or director of the Manager, or of the Multiplex Group, guarantees the success of the Tasman Trust, the repayment of capital, or any particular rate of capital or income return. An investment in the Tasman Trust is subject to investment and other risks described in Section 13.6.

The Manager has not authorised any person to give any information or to make any representation in connection with the Offer which is not contained in this Offer Document. No such information or representation may be relied upon as having been authorised by the Manager in connection with the Offer.

This Offer Document contains important information and investors should read it carefully. In preparing this document, the Manager did not take into account the investment objectives, financial situation or particular needs of any particular person. Before making an investment decision, investors should consider whether the investment is appropriate to their needs, objectives and circumstances. Investors are encouraged to obtain independent financial advice before making an investment decision.

This Offer Document does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. The distribution of this Offer Document outside New Zealand may be restricted by law, and persons who come into possession of this Offer Document outside New Zealand should seek advice on and observe such restrictions. Any failure to comply with these restrictions may constitute a violation of applicable securities laws.

## Combined document

This document is an investment statement for the purposes of the Securities Act 1978 and the Securities Regulations 1983. It is also a prospectus for the purpose of the Securities Act 1978 and Securities Regulations 1983. The information required to be contained in an investment statement is set out on this page under the heading "Important Information" and under the heading "Investment Statement Information – Answers to Important Questions" in Section 13.

## Registration

A copy of this Offer Document, signed by the directors of Multiplex Capital New Zealand Ltd (the issuer), and by Multiplex Capital Ltd and certain of its directors (as promoters), and having attached to it the auditor's report set out in Section 11, the consent of the auditor to that report appearing in this Offer Document, the consent of Colliers International New Zealand Ltd as an expert to the valuation report prepared by it appearing in Section 11, the consent of Atchison Consultants to the tables prepared by it appearing in Section 4, and the consent of PricewaterhouseCoopers as an expert to the taxation report prepared by it appearing in Section 11, has been delivered to the Registrar of Companies at Auckland for registration under section 42 of the Securities Act 1978.

## Definitions

Capitalised terms used in this Offer Document have defined meanings. A glossary of terms is set out in Section 15. All references to \$ are to New Zealand dollars unless specified otherwise. All references to time are to time in New Zealand.

## Date

This Offer Document is dated 18 July 2005.

<sup>1</sup> This is the wording required by schedule 3D of the Securities Regulations 1983, which contemplates a separate prospectus and investment statement. For this Offer the two documents have been combined, and the prospectus available on request is this document.



Dear Investor,

On behalf of Multiplex Capital New Zealand Ltd (Manager), I am pleased to present to investors this offer of Units in the Multiplex Tasman Property Fund (Tasman Trust).

The Tasman Trust was established in September 2004 and issued its first investment statement and prospectus (Original Offer Document) on 17 September 2004, which raised \$2.6 million. Those funds were used by the Tasman Trust to acquire 2.4 million units in the Multiplex New Zealand Property Fund (Property Fund), which at that time held a portfolio of 11 New Zealand properties comprising seven retail, three industrial and one office property (First Stage Properties).

The Tasman Trust has performed well to date, meeting the 9.0% annualised Gross yield forecast contained in the Original Offer Document.

The First Stage Properties were independently revalued by Colliers International New Zealand Ltd on 31 March 2005. The valuation showed an increase in the value of these properties of \$14.4 million, or 4.9%, in the first seven months of their ownership by the Property Fund.

The Property Fund acquired an additional 11 properties (Second Stage Properties) on 31 May 2005 at a purchase price of \$223.0 million. The Second Stage Properties have been independently valued by Colliers International New Zealand Ltd at \$237.6 million.

On 30 June 2005, the Property Fund acquired 11 further properties (Third Stage Properties) at an aggregate purchase price of \$55.4 million. The Third Stage Properties have been independently valued by Colliers International New Zealand Ltd at \$56.7 million.

As a result, the Property Fund now owns a diversified portfolio of 33 New Zealand commercial property assets. The key portfolio statistics of the Property Fund are:

- geographic diversity across four property markets in New Zealand, being Auckland (81.1%), Christchurch (9.8%), Wellington (1.1%), Hamilton (0.5%) and provincial (7.5%);
- diversity between the retail, industrial and office sectors;
- average weighted lease term (by income) across the portfolio of 8.6 years;
- occupancy rate (by area) across the portfolio of 99%; and
- exceptionally strong major tenant profile.

The Property Fund is currently seeking to raise funds from investors to assist with the funding of the recent acquisitions.

As at 30 June 2005, the Multiplex Property Trust held 26.7% of the total Property Fund equity. This represents a clear alignment of the Multiplex Group's interests with those of the unitholders in the Property Fund. It also demonstrates the Multiplex Property Trust's confidence in the underlying portfolio of property assets and the New Zealand property market. The Multiplex Acumen Property Fund also held a 26.7% ownership interest in the Property Fund as at 30 June 2005.

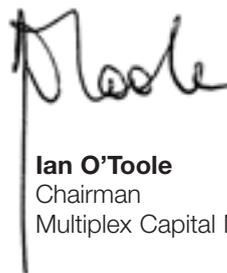
Pursuant to this Offer Document, the Tasman Trust is seeking to raise funds from investors in order to acquire additional Property Fund Units.

New Units will participate in distributions on a daily pro rata basis from the date they are issued. For investors under this Offer Document, the projected annualised yield for the year to end 30 June 2006, at \$1.07 per Unit, is 8.88% Gross. This projection must be read in conjunction with the assumptions set out in Sections 8 and 9 and the investment risks set out in Section 13.6.

I encourage you to read this Offer Document carefully and to submit your completed Application Form as soon as possible. If you have any questions, please contact your financial adviser or BK Registries Ltd (the registry for the Tasman Trust) on 0800 800 899. Adviser enquiries can be made to the Manager by calling (09) 296 2108.

On behalf of my fellow directors, I commend to you an investment into the Tasman Trust, and look forward to welcoming you as a Unitholder.

Yours sincerely



**Ian O'Toole**  
Chairman  
Multiplex Capital New Zealand Ltd

# SUMMARY OF INVESTMENT

		<b>Refer to</b>
<b>The Offer</b>	An opportunity to acquire ordinary units (Units) in the Multiplex Tasman Property Fund (Tasman Trust).	Section 2.1
<b>Projected Gross yield on new Units issued under this Offer Document at \$1.07 per Unit<sup>1</sup></b>	8.88% Gross for the year to end 30 June 2006.	Sections 8 and 13.6
<b>Long-term investment</b>	An investment in the Tasman Trust should be viewed as long term.	Section 6.7
<b>Unit price</b>	\$1.07 per Unit, subject to adjustment (if any) as described in Section 2.1.	Section 2.1
<b>Minimum investment</b>	5,000 Units (being \$5,350 at \$1.07 per Unit), and thereafter in 1,000 Unit (being \$1,070 at \$1.07 per Unit) multiples.	Section 2.3
<b>Distribution frequency</b>	Quarterly.	Section 6.6
<b>Investment by the Tasman Trust</b>	The Tasman Trust will use the proceeds of this Offer to acquire units in the Multiplex New Zealand Property Fund (Property Fund).	Section 6.4
<b>Key features of the Property Fund:</b>		
Value of First Stage Properties at 31 March 2005 <sup>2</sup>	\$308.5 million	Sections 5 and 11
Purchase price paid on 31 August and 1 September 2004	\$294.1 million	
Value of Second Stage Properties at 30 April 2005 <sup>2</sup>	\$237.6 million	Sections 5 and 11
Purchase price paid on 31 May 2005	\$223.0 million	
Value of Third Stage Properties as at 18 May 2005 (Howick) and 1 June 2005 (Pernik) <sup>2</sup>	\$56.7 million	Sections 5 and 11
Purchase price paid on 30 June 2005	\$55.4 million	
Property Fund assets	18 retail properties 3 industrial properties 11 office properties 1 car park	Sections 5 and 11
Upon full subscription (and assuming oversubscriptions of A\$23.7 million)		Section 9.3
– Equity	A\$218.9 million	
– Debt	A\$350.1 million	
<b>Additional Property Fund details as at 1 July 2005:</b>		
Net tangible asset backing	A\$1.00 per Property Fund Unit	Section 9.3
Loan to valuation ratio <sup>3</sup>	63%	Section 7.11
Average weighted lease term (by income)	8.6 years	Section 5.3
Sector diversification (by value)	24.9% retail 16.3% industrial	Section 5.3
	58.5% office 0.3% car park	
Geographic diversification (by value)	81.1% Auckland 9.8% Christchurch 7.5% Provincial	Section 5.3
	1.1% Wellington 0.5% Hamilton	

**This is a summary only. Potential investors should read the entire Offer Document prior to making an investment decision.**

(1) The projected yield on Units could be adversely affected by adverse movements in the exchange rate between the Australian and New Zealand currencies, or by increases in the issue price of Property Fund Units. Refer to Section 1.2.

(2) Based on the independent valuation in Section 11.

(3) Loan to valuation ratio, including subordinated debt to be repaid within 12 months, is 67%. See Section 1.5.

# SUMMARY OF PROPERTIES

First Stage Properties	Location	Sector	Purchase price (\$m)	Valuation (\$m) <sup>(1)</sup>	Portfolio (%)	Major tenants
South City Shopping Centre <sup>(2)</sup>	Christchurch	Retail	40.0	43.0	7.1	The Warehouse, New World
Countdown Botany	Auckland	Retail	14.8	15.0	2.5	General Distributors Limited (GDL)
Countdown Lynfield	Auckland	Retail	12.1	12.7	2.1	GDL
Woolworths Grey Lynn	Auckland	Retail	8.7	9.1	1.5	GDL
Countdown Porirua	Wellington	Retail	6.5	6.7	1.1	GDL
Woolworths Papakura	Auckland	Retail	3.9	4.1	0.7	GDL
Foodtown Hamilton <sup>(3)</sup>	Hamilton	Retail	2.8	2.9	0.5	GDL
Mangere Distribution Centre	Auckland	Industrial	55.5	61.0	10.1	GDL
Wiri Distribution Centre <sup>(3), (4)</sup>	Auckland	Industrial	20.5	21.8	3.6	GDL
Christchurch Distribution Centre <sup>(4)</sup>	Christchurch	Industrial	15.4	15.7	2.6	GDL
ASB Bank Centre	Auckland	Office	113.9	116.5	19.3	ASB Bank, ING
<b>Sub total of First Stage Properties</b>			<b>294.1</b>	<b>308.5</b>	<b>51.1</b>	
Second Stage Properties						
Gen-i Tower	Auckland	Office	63.7	66.8	11.1	gen-i Ltd
Telecom House	Auckland	Office	55.5	59.1	9.8	Telecom New Zealand Limited
SAP Centre	Auckland	Office	19.4	21.8	3.6	American Express, Auckland Uniservices Ltd
Uniservices House	Auckland	Office	17.5	18.0	3.0	University of Auckland
12 Whitaker Place	Auckland	Office	0.7	0.7	0.1	University of Auckland
The Telco Building	Auckland	Office	14.7	16.6	2.8	University of Waikato
The Plaza	Auckland	Office	10.5	11.3	1.9	Telecom New Zealand Limited
University Building	Auckland	Office	9.6	10.9	1.8	University of Auckland
76 Symonds Street	Auckland	Office	5.4	5.6	0.9	University of Auckland
Farmers Carpark	Auckland	Car park	1.4	1.5	0.2	gen-i Ltd
AIA House	Auckland	Office	24.6	25.3	4.2	Inland Revenue
<b>Sub total of Second Stage Properties</b>			<b>223.0</b>	<b>237.6</b>	<b>39.4</b>	
Third Stage Properties						
Woolworths Dargaville	Dargaville	Retail	5.2	5.2	0.9	GDL
Foodtown Pukekohe	Pukekohe	Retail	8.2	8.4	1.4	GDL
Woolworths Paeroa	Paeroa	Retail	2.9	2.9	0.5	GDL
Woolworths Putaruru	Putaruru	Retail	2.5	2.5	0.4	GDL
Woolworths Te Awamutu	Te Awamutu	Retail	5.5	5.6	0.9	GDL
Woolworths New Plymouth	New Plymouth	Retail	7.5	7.7	1.3	GDL
Woolworths Wanganui <sup>(3)</sup>	Wanganui	Retail	4.2	4.1	0.7	GDL
Woolworths Marton	Marton	Retail	1.4	1.6	0.3	GDL
Countdown Oamaru	Oamaru	Retail	3.7	3.8	0.6	GDL
Woolworths Invercargill	Invercargill	Retail	3.6	3.7	0.6	GDL
Howick Shopping Centre	Auckland	Retail	10.7	11.2	1.9	GDL
<b>Sub total of Third Stage Properties</b>			<b>55.4</b>	<b>56.7</b>	<b>9.5</b>	
<b>TOTAL</b>			<b>572.5</b>	<b>602.8</b>	<b>100.0</b>	

(1) Based on the independent valuation in Section 11.

(2) Includes a separate building known as 573-579 Columbo Street with a valuation of \$4.1 million.

(3) Perpetual leasehold property.

(4) The Wiri Distribution Centre and Christchurch Distribution Centre valuations include vacant land areas totalling \$3.0 million (\$1.0 million at Wiri Distribution Centre and \$2.0 million at Christchurch Distribution Centre). GDL, as the lessee of these land areas, has a right to acquire them at \$3.0 million.

# IMPORTANT DATES

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<b>Offer opens</b>	18 July 2005
<b>Issues of Units</b>	Units will generally be allotted on the first Business Day of each week and no later than five Business Days after the Closing Time. The Manager may, at its discretion, issue Units on a day other than the first Business Day of a week.
<b>Tasman Trust acquires Property Fund Units</b>	Progressively, as funds are raised by this Offer.
<b>Offer closes</b>	<p>The Offer will close on 18 January 2006. The Manager may close the Offer early without notice, at any time, and will close the Offer if the Property Fund Offer closes. There is no minimum subscription in this Offer Document, and Units will participate in distributions on a daily pro rata basis from the date of issue.</p> <p><b>Applicants are therefore encouraged to submit their Application Forms as early as possible.</b></p>
<b>Distribution payment dates</b>	Quarterly following the end of each September, December, March and June.

These dates are indicative only and may change.

# WHAT POTENTIAL INVESTORS NEED TO DO

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- 1. Read**

Read this Offer Document in full, paying particular attention to Section 13.6 which sets out the risks associated with owning Units in the Tasman Trust.
- 2. Consider**

Consider all risk factors and other information concerning the Tasman Trust. In particular, consider the unlisted and potentially illiquid nature of the Tasman Trust.
- 3. Consult**

You may wish to consult a financial or other professional adviser before deciding to invest in the Units.
- 4. Complete**
- 5. Application amount**

Investors should complete the Application Form attached to this Offer Document.

Applications must be for at least 5,000 Units (\$5,350 at \$1.07 per Unit).

Applications in excess of 5,000 Units must be in multiples of 1,000 Units (\$1,070 at \$1.07 per Unit).
- 6. Cheque payee**

Cheques should be in New Zealand currency, crossed "Not Transferable" and made payable to "Perpetual Trust Ltd – Multiplex Tasman Property Fund". Cheques must not be post-dated.
- 7. Mail**

The completed Application Form, together with a cheque, should be returned in accordance with instructions from your financial adviser or mailed to:

Multiplex Capital New Zealand Ltd  
C/- BK Registries Ltd, 138 Tancred Street, PO Box 384, Ashburton 8300, New Zealand.



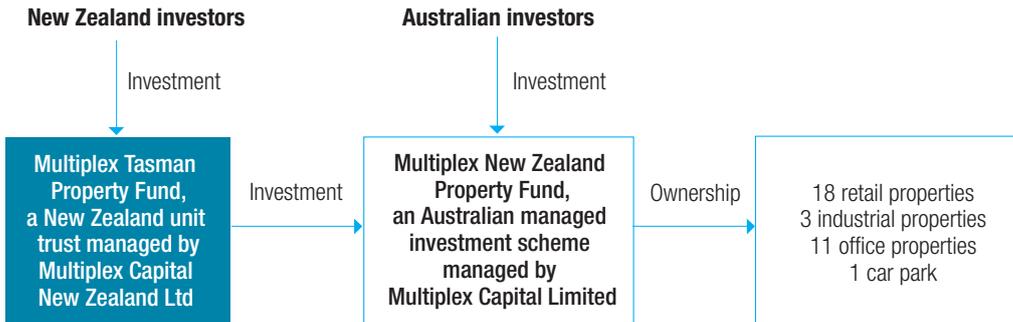
# SECTION

## BENEFITS AND TASMAN TRUST FEATURES

# BENEFITS AND TASMAN TRUST FEATURES

## 1.1 OVERVIEW OF STRUCTURE

The Tasman Trust allows New Zealand investors to share in the ownership of the Properties. Funds raised under this Offer Document will be used by the Tasman Trust to increase its investment in the Property Fund, which owns the Properties, by acquiring additional Property Fund Units.



Investors should note that the Tasman Trust does not own the Properties directly. The photographs of the Properties in this Offer Document are photographs of assets of the Property Fund. There are also some generic photos of the Auckland CBD. The Tasman Trust may, in the future, acquire and hold assets directly.

## 1.2 PROJECTED YIELD TO UNITHOLDERS

Period	1 July 2005 to 30 June 2006
Projected Gross yield on new Units <sup>(1)</sup>	8.88%

<sup>(1)</sup> Please refer to Section 8 for full details of these projections, and the assumptions on which they have been prepared, and to Section 13.6 for the investment risks. This projection assumes an issue price of \$1.07 per Unit at an exchange rate of NZ\$1.00 to A\$0.9091.

**The projected yield could be adversely affected by adverse movements in the exchange rate between the Australian and New Zealand currencies, or by increases in the issue price of Property Fund Units. Refer to Section 6.4, and to the sensitivity analysis in Section 8.8. No amendment will be made to this Offer Document to reflect changes in the exchange rate or the Property Fund Unit issue price.**

## 1.3 MAJOR INVESTMENT BENEFITS

Acquiring Units in the Tasman Trust provides investors with:

### Attractive income distributions

A projected Gross yield of 8.88% for the year ending 30 June 2006 assuming an issue price of \$1.07 per Unit. Please see the assumptions in Section 8.5.

### Regular income distributions

Distributions will be paid quarterly direct to each Unitholder's nominated bank account pursuant to the current distribution policy. **Please note that distributions will not be paid by cheque.**

The first projected distribution is to be paid for the period ending 30 September 2005. The amount of the distribution will be pro-rated according to the number of days during the relevant period the Units are held. Please refer to Section 6.6 for more information on the distribution policy.

### Experienced management

Access to the strength and property experience of "Multiplex Capital", the investment management arm of the Multiplex Group (which includes the Manager) with assets under management of over A\$4.0 billion.

Multiplex has secured the services of the existing key members of the Auckland-based management team for the Second Stage Properties, who have extensive experience in all areas of property asset management. Please see Section 10.5 for further details. Investors should note that this management team has been engaged by a subsidiary of Multiplex, and not by the Manager.

### Strong investment in the Property Fund

The initial investment of the Tasman Trust was in the Property Fund, which owns the Properties. Pursuant to this Offer Document, the Tasman Trust is seeking to raise funds to increase its investment in the Property Fund. Key features of the portfolio of Properties owned by the Property Fund are:

#### — Security of income and quality tenants

An average weighted lease term (by income) across the Properties of 8.6 years. High quality tenant portfolio including General Distributors Ltd (GDL), ASB Bank, Telecom New Zealand Limited, University of Auckland, Inland Revenue and ING. Please see Sections 5.2 and 5.3 for further details.

#### — High occupancy rate

The occupancy rate across the Properties is 99% by area.

#### — Diversification

Thirty-three properties and approximately 165 tenants across the retail, industrial, office and car park property sectors that are well located throughout the commercial property markets of Auckland (81.1%), Christchurch (9.8%), Wellington (1.1%), Hamilton (0.5%) and Provincial (7.5%).

#### — Potential for capital growth

This is supported by the quality and location of the Properties, the security of the various lease covenants, and the possible future rental growth.

### 1.4 MAJOR TASMAN TRUST FEATURES

The major features of the Tasman Trust are:

#### Tasman Trust structure

An unlisted New Zealand unit trust. At the date of this Offer Document, listing of the Units is not being sought.

#### Tasman Trust's objective

To maximise Unitholder value by providing strong and secure returns through investment (direct or indirect) in a quality diversified portfolio of New Zealand retail, industrial and office property assets.

#### Investment strategy

The current investment policy of the Tasman Trust is to invest (directly or indirectly) in New Zealand property assets that are well leased with strong lease covenants, well located and provide a strong and secure income return. Additionally, the relevant asset should show potential to contribute to capital growth in Unit value. Please see Section 6.3 for further details.

#### Liquidity

Units are transferable (subject to the restrictions described in Section 12.28). However, there is no established market for Units, and no assurance that a market will develop. The Manager may (subject to the restrictions described in Section 12.27) purchase or redeem Units, but cannot be required by the Trustee or a Unitholder to do so.

As described in Section 1.1, the Tasman Trust owns Property Fund Units, and is seeking to acquire additional Property Fund Units. The Property Fund has an exit strategy, and a limited liquidity feature for unitholders in the Property Fund (each of which is described in Section 7). These features are not available to Unitholders of the Tasman Trust directly, but could be used by the Manager to assist with the liquidity of Units (as described in Section 6.7).

The Manager intends, from time to time, to consider whether there are measures that should be implemented to improve the liquidity of the Units. These could include putting in place a debt facility to fund the redemption or acquisition of Units, divesting some or all of the assets of the Tasman Trust and returning all or some of the proceeds to Unitholders, winding up the Tasman Trust, or facilitating a partial or full takeover of the Tasman Trust.

#### Separate trustee

The assets of the Tasman Trust are held by Perpetual Trust Ltd (Trustee).

#### Manager's fees

Where the sole investment of the Tasman Trust is the Property Fund (which is currently the case), no base management fee will be payable to the Manager, and the Manager will meet all reasonable and customary day-to-day expenses of the Tasman Trust from its own funds. The Property Fund will meet the issue expenses associated with this Offer Document.

#### Tasman Trust borrowings

The Tasman Trust currently has no borrowings. However, subject to the restrictions described in Section 12.14, the Tasman Trust may take on borrowings at any time and without amending this Offer Document.

The Tasman Trust is, at the date of this Offer Document, considering a proposal to issue debt securities which are convertible into Units to raise funds from New Zealand investors. At the date of this Offer Document, this proposal is at a very preliminary stage, no commitment has been made to proceed with the proposal, and detailed terms of the debt securities have not yet been finalised. Accordingly, the projections in Section 8 do not reflect the proposal. It is not expected that the issue of such debt securities, if it takes place, will adversely affect the projections in a material way. No amendment to this Offer Document will be made to reflect any issue of such debt securities.

#### Investor service

Unitholders will be provided with the following investor communications:

- quarterly income distribution statements; and
- annual audited financial statements for the Tasman Trust.

### 1.5 MAJOR PROPERTY FUND FEATURES

The Tasman Trust will use the funds raised by this Offer to acquire Property Fund Units.

The major features of the Property Fund are:

#### Property Fund structure

An unlisted Australian property trust (with an exit mechanism and limited liquidity feature) that has acquired the Properties and will seek to acquire further New Zealand property assets.

#### Investment strategy

Multiplex Capital, the responsible entity of the Property Fund, has advised the Manager that it will only acquire further property assets for the Property Fund that are well leased with strong lease covenants, well located and provide a strong and secure income return. Multiplex Capital may acquire indirect property assets in the Property Fund such as units in a listed or unlisted property trust. For more information please refer to Section 7.5.

Each of the Properties is operational, well located and leased to high quality tenants, the majority of whom are on long-term leases. By investing in the Property Fund, the Tasman Trust will therefore not be exposed to any properties that are either under construction or have large areas of vacant space. For more information on the Properties please refer to Section 5.

## Exit strategy

The Constitution of the Property Fund provides an exit strategy for Property Fund unitholders, including the Tasman Trust. Up to three months before 1 September 2011 (subject to a limited right of extension for up to 12 months) Multiplex Capital will send a notice to each Property Fund unitholder asking them to advise whether they want to:

- continue to own their Property Fund Units for a further period specified by Multiplex Capital of no more than seven years (that is, Rollover the Property Fund); or
- sell their Property Fund Units or withdraw from the Property Fund. If unitholders wish to sell or withdraw, then Multiplex Capital is obligated to ensure that is done, and so may have to dispose of assets from the Property Fund to meet its commitments.

Please see Section 7.8 for further details.

## Limited liquidity

From 1 July 2006 there will be a A\$5 million cash liquidity feature per annum (up to a maximum of A\$20 million over the life of the Property Fund) provided by Multiplex Capital for unitholders in the Property Fund, including the Tasman Trust. The Multiplex Group will make a cash facility available to Multiplex Capital to fund these acquisitions. Please see Section 7.9 for more details.

## Property Fund borrowings

The Property Fund has a loan facility of \$405.35 million comprising senior debt of \$385.00 million and subordinated debt of \$20.35 million. This represents a loan to valuation ratio against the Properties of approximately 63% in relation to the senior debt.

The borrowings will be non-recourse to the Tasman Trust. This means that the Tasman Trust is not at risk for any more than the equity subscribed by it to the Property Fund, plus any undistributed Property Fund income.

Total debt, including the subordinated component, represents a loan to valuation ratio of 67%. The Property Fund has until 30 June 2006 to repay the subordinated debt component. The Property Fund is confident it will raise sufficient funds under the Property Fund PDS to repay the subordinated debt. In the event that the equity is not raised and the subordinated debt repaid by 30 June 2006, then:

- there will be a cash flow lockup from the Properties to pay down the subordinated debt – which means that no distributions will be paid to Property Fund unitholders (including the Tasman Trust, meaning that no distributions will be paid to Unitholders) until the subordinated debt has been repaid in full; and
- the Property Fund must also pursue asset sales to effect the paydown.

The Property Fund is confident that this repayment mechanism will not be activated on the basis that:

- the equity raising under the Property Fund PDS is proceeding well;
- it has the ability to enter new refinancing arrangements; and
- Multiplex Property Trust may subscribe for additional Property Fund Units.

The Property Fund is, at the date of this Offer Document, considering a proposal to issue debt securities which are convertible into Property Fund Units. At the date of this Offer Document, this proposal is at a very preliminary stage, no commitment has been made to proceed with the proposal, and detailed terms of the debt securities have not yet been finalised. Accordingly, the forecasts in Section 9 do not reflect the proposal. It is not expected that the issue of such debt securities, if it takes place, will materially adversely affect the forecasts. No amendment to this Offer Document will be made to reflect any issue of such debt securities. The Property Fund may take on additional debt at any time and without amending this Offer Document. Please see Section 7.11 for further details.

## Interest rate hedging

To reduce the risk of Property Fund borrowings, Multiplex Capital has hedged 100% of the Property Fund's senior loan facility (excluding the lender's lending margin) fixing the interest rate on the loan through until August 2009. The interest rate swap contracts were entered into with the Commonwealth Bank of Australia (New Zealand branch) and ANZ National Bank, New Zealand. The subordinated debt facility has not been hedged as it will be paid down progressively prior to 30 June 2006.

This provides certainty to unitholders in the Property Fund, including the Tasman Trust, and reduces the risk or exposure related to any interest rate movement on the Property Fund's loan facility for the term of the hedge.



# SECTION

## AN INVESTMENT IN THE TASMAN TRUST

## 2.1 PURPOSE OF THE OFFER

The proceeds of the Offer will be used by the Tasman Trust to acquire Property Fund Units.

There is no minimum or maximum number of Units offered under the Offer.

The Manager is intending to accept, until the Closing Time, all applications for Units received provided (and to the extent) it is able to acquire Property Fund Units using the application funds paid with those applications.

The Manager will set the issue price for the Units from time to time. The issue price may not be less than 90% of the Net Value of the Trust Fund (as defined in Section 12.6) per Unit. Otherwise, the issue price will be set as the Manager considers appropriate. For the reasons set out in Section 6.4, two factors which may cause the Manager to alter the issue price are the issue price for Property Fund Units changing, or a change in the exchange rate between the Australian and New Zealand currencies.

At the date of this Offer Document, the issue price of each Unit has been set at \$1.07. If the Manager alters the issue price, the new issue price will be published on Multiplex Capital's website ([www.multiplexcapital.biz](http://www.multiplexcapital.biz)), or can be obtained by calling the registry for the Tasman Trust on the telephone number set out in Section 2.5.

## 2.2 WHEN TO APPLY

Applications for Units must be received by 5.00pm on 18 January 2006. The Offer may be closed early by the Manager, and will be closed early if Multiplex Capital advises the Manager that it is no longer accepting applications for Property Fund Units.

Application Forms are included in the back of this Offer Document. To invest in the Tasman Trust, an investor must complete the Application Form in accordance with the instructions set out in Section 16.

Application money is payable in full with an application for Units, and completed Application Forms must be accompanied by a cheque drawn on a New Zealand bank. The cheque must be payable to "Perpetual Trust Ltd – Multiplex Tasman Property Fund" and crossed "Not Transferable" and must not be post-dated.

Completed Application Forms must be mailed or delivered, with payment, to arrive before the Closing Time, to:

Multiplex Capital New Zealand Ltd  
C/- BK Registries Ltd  
138 Tancred Street  
PO Box 384  
Ashburton 8300  
NEW ZEALAND

## 2.3 MINIMUM INVESTMENT

Applications must be for a minimum of 5,000 Units (or \$5,350 at \$1.07 per Unit) and thereafter in multiples of 1,000 Units (or \$1,070 at \$1.07 per Unit).

## 2.4 PROCESSING OF APPLICATIONS, ISSUES AND REFUNDS

By lodging a completed Application Form, an applicant is making an offer to acquire Units. That offer can be accepted by the Manager without prior notice to the applicant and cannot be withdrawn or varied by the applicant.

Units will be allocated at the discretion of the Manager. Applications may be scaled back or rejected by the Manager.

Applications will be rejected or scaled back if, for whatever reason, the Manager is not able to use the application funds to acquire Property Fund Units.

Refunds of application money will be made within five Business Days of the Closing Time. No interest will be paid on application money, whether or not refunded. The Manager will retain any interest earned on application money.

Units will generally be allotted on the first Business Day of each week and no later than five Business Days after the Closing Time. The Manager may, at its discretion, issue Units on a day other than the first Business Day of a week.

This Offer is not subject to any minimum level of applications being received. Units will participate in distributions on a daily pro rata basis from the date of issue.

Applicants are therefore encouraged to submit their Application Form as early as possible.

The Manager may withdraw the Offer at any time.

The Manager may, at its discretion, treat any Application Form as valid notwithstanding that it does not comply with the requirements in this Offer Document. The Manager may rectify any errors in, or omissions from, any Application Form, including inserting or correcting details and filling in any blanks.

## 2.5 ENQUIRIES

If you have any questions regarding the Offer Document or the Offer, please contact your professional adviser or BK Registries Ltd, the registry for the Tasman Trust, on 0800 800 899. Adviser enquiries can be made to the Manager by calling (09) 296 2108.

## 2.6 ADVISER COMMISSIONS

Commissions may be paid out of the Manager's or Multiplex Capital's own funds to financial advisers or stockbrokers whose clients invest into the Tasman Trust. Financial advisers or stockbrokers must disclose to potential investors the amount of any commission they will receive as a result of an investor investing into the Tasman Trust.



# SECTION

## NEW ZEALAND ECONOMY AND PROPERTY MARKETS

## 3.1 NEW ZEALAND ECONOMY

For the five calendar years to 2004, the New Zealand economy has averaged 3.8% annual growth.

The two key components to New Zealand's recent economic achievements have been exports and strong housing investment due to an increase in net migration. For the 2000 to 2003 fiscal years (the 12 months to March), real growth in gross exports amounted to 44% of the total increase in New Zealand's Gross Domestic Product (GDP). Net exports (the total of gross exports minus gross imports) achieved an annual average growth of 39% for the same time period, a pace that is more than 10 times as fast as GDP growth.

However, since 2003, the main source of growth has been investment in housing. From 2002 to 2004, the increase in housing investment has been responsible for 26% of the growth in real GDP. The impetus behind this increase in housing investment has been the turnaround in net migration into New Zealand.

From 1998 to 2000, New Zealand saw an average annual net outflow of migrants of 8,900 people. From 2001 to 2004, the pattern reversed and New Zealand had an annual average gain in migrants of 24,500 people per annum. This represents a net turnaround of 33,400 people per year, equivalent to 0.8% of the population.

Not only did housing investment increase, so too have housing values. With the recent surge in migration, housing prices in the years to June 2003 and June 2004 have risen by 14.1% and 15.7% respectively. In the seven months to January 2005, housing prices rose an additional 9.1%.

Given the surge in the New Zealand economy, household consumption has also experienced solid growth. Average growth in real household consumption expenditure in New Zealand has averaged 3.9% per annum from 2000 through 2004. Retail spending has also been equally strong.

## 3.2 POPULATION

Currently, New Zealand has a total population of approximately 4.06 million people, and this is projected to increase in the immediate future.

## 3.3 RETAIL PROPERTY MARKET

Turnover in the New Zealand retail market was approximately \$32.6 billion in the 2004 calendar year (excluding car sales and turnover from bars, clubs and hotels).

Bulk goods retailing, whilst experiencing rapid growth in other countries, represents a relatively low proportion of the market in New Zealand. The slow rate of development of full format discount department stores has enabled alternative retailers, and in particular, The Warehouse, to expand at a rapid rate. With the limited competition from discount department stores and department stores, speciality stores in New Zealand are generally strong.

Retail floor space per capita in New Zealand has increased only marginally, from about 1.90 square metres in 1987 to 1.95 square metres in 2004. The limited growth reflects the slow rate of shopping centre construction in the late 1980s and early 1990s. This in turn was symptomatic of the low economic and population growth that occurred during this time.

## 3.4 INDUSTRIAL PROPERTY MARKET

The New Zealand industrial market has remained firm throughout all of 2004. Even though interest rates increased during the year, yields remained firm as investors and owner-occupiers were attracted to this section due to its strong income flows and because these properties are considered to be a tightly held asset class.

After retail, industrial has been the second best performing sector. A strong economy with solid growth in household consumption has underpinned the business fundamentals during demand for industrial space.

The New Zealand Property Council Investment Performance Index for the year to June 2004 indicated that total return for New Zealand industrial property was 13.97%. This compares to the 11.34% total return achieved for the year to June 2003. Looking at the returns for the Auckland market in particular shows that the regional figures are only marginally different from the national data for both years, 13.90% and 11.36%, respectively.

## 3.5 OFFICE PROPERTY MARKET

The premium grade office market in Auckland comprises approximately 15% of the total Auckland office market. In 2004, leasing activity was strong as existing tenants looked to increase their amounts of space. This uptake was driven by the fast growth in the economy which then flowed through to corporate profits. In turn, CBD businesses were capable of expanding and/or upgrading their offices to meet new demand and enhance productivity.

Auckland's office market is dominated by secondary properties, classified as grades B and C, which accounts for 70% of total office space. As such, vacancy rates for the prime properties, classified as premium and grade A, fluctuate as a move by a single tenant can cause distinct changes in the measured amounts of empty space. For example, in the downtown precinct for the second half of 2004, the overall vacancy rate fell by a third from the first half of the year to 7.3% as vacant space was absorbed in the general course of business.

Total returns for the year to June 2004 for all New Zealand CBD office property, according to the New Zealand Property Council Investment Performance Index, were 12.67%, up from 9.93% for the previous year. The figures for the Auckland CBD are 12.08% and 7.4%, respectively. The reason for each of these increases has been capital appreciation which was driven, in part, by Australian institutions seeking higher returns than those achievable in Australia.

## 3.6 SOURCES

This Section 3 is based on the research of, and reflects the opinions of, Multiplex Capital and the Manager.



# SECTION

## NEW ZEALAND DIRECT PROPERTY

The Manager believes that property, as an asset class, is an essential part of any diversified and balanced investment portfolio. Direct property has consistently shown over time that it displays different return characteristics from other asset classes such as equities and bonds.

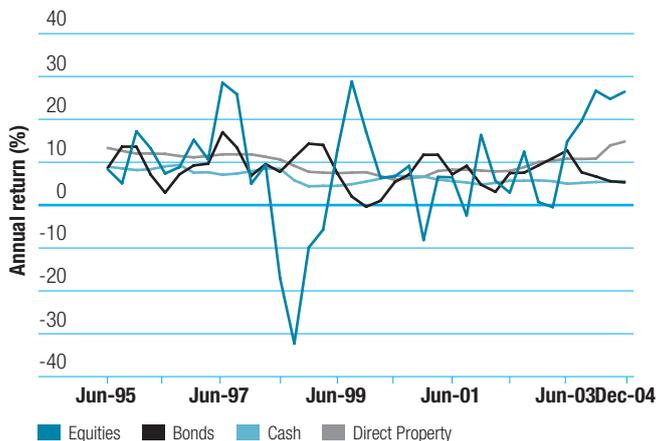
These return characteristics have meant that since June 1994, New Zealand direct property has shown greater returns and less volatility in comparison to equities and bonds.

## New Zealand asset class comparison

In New Zealand direct property offers significant diversification benefits when it forms part of a balanced investment portfolio. This is because different investment markets tend not to follow identical patterns in terms of their returns, due to their counter-cyclical behaviour. This is demonstrated by the following chart which shows the performance of the four major asset classes (equities, bonds, cash and direct property) since June 1994.

**Investors should note that past performance is no indication of future performance.**

## New Zealand Asset Class – June 1994 to September 2004



Source: Atchison Consultants (2005)

Correlation is a measure of how closely movements in one asset class reflect movements in another class.

A correlation of 100% means that the two asset classes move exactly like one another, whilst a correlation of -100% means the two asset classes move exactly opposite to each other. If two asset classes move neither like or unlike one another, they are said to have a correlation of 0%.

Direct property has a very low direct correlation to the performance of both equities (7%) and bonds (2%). This means that direct property is generally not subject to movements of the sharemarket and would be appropriate for an investor seeking investment portfolio diversification.

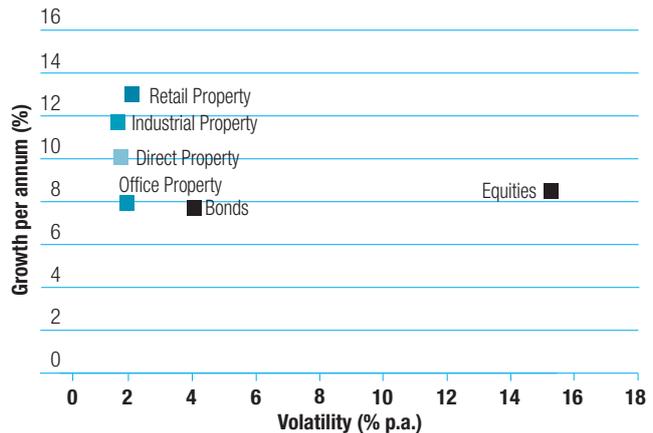
It is also evident from the previous chart that direct property has provided a stable and steady return over the period shown. The advantage of this is that returns from property have been consistent when the returns from other asset classes have been under pressure.

## Risk versus return

Another way of considering the returns from New Zealand direct property is the risk versus return equation for direct property in comparison to other asset classes.

This is summarised in the chart below:

## New Zealand Asset Class Performance – June 1994 to September 2004



Source: Atchison Consultants (2005)

In the above chart, "Direct Property" is a blend of the individual returns from "Retail Property", "Industrial Property" and "Office Property".

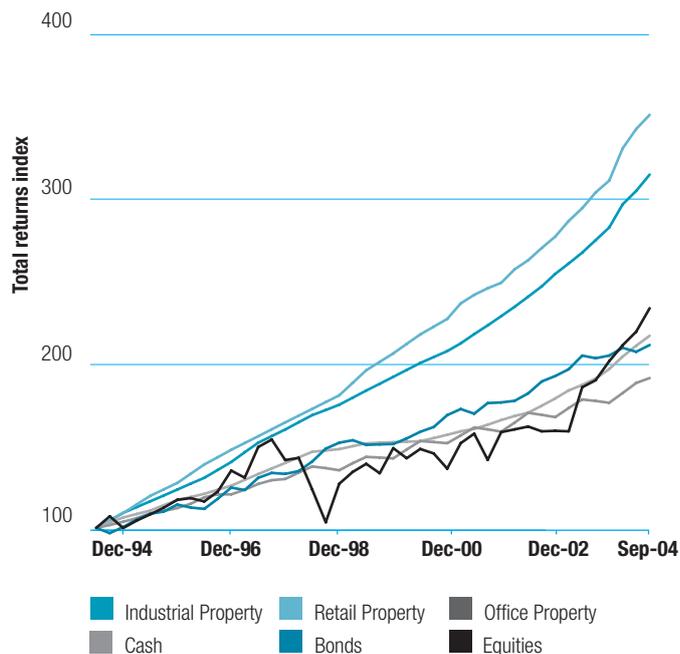
What this chart shows is that New Zealand direct property has, over the period from June 1994 to September 2004, provided both higher returns and lower risk than equities, bonds and cash.

**Investors should note that past performance is no indication of future performance.**

### New Zealand property asset returns

The following chart summarises the returns (both capital and income) from New Zealand property in comparison to equities, bonds and cash. The returns from property are further detailed as between the retail, industrial and office sectors. The returns from retail and industrial property have significantly outperformed all other asset classes over this period of time, with the returns from office property closely following the returns from equities, bonds and cash.

#### New Zealand Asset Class Comparison – June 1994 to September 2004



Source: Atchison Consultants (2005)

### Potential for capital growth

Multiplex Capital believes that the Properties have the potential to deliver capital growth in the Property Fund Unit value over the medium to longer term. This is based upon:

- potential for income growth through rent review provisions;
- the strong unexpired average weighted lease term (by income) across the portfolio of 8.6 years;
- quality property tenants throughout the portfolio of Properties;
- the strong outlook for the New Zealand economy combined with a stable political environment;
- sound fundamentals of the New Zealand property markets; and
- increased demand from property buyers outside of New Zealand to buy assets offshore, thereby creating demand amongst potential purchasers of New Zealand property.

#### Source

This Section 4 (other than the tables in this Section 4, which have been provided by Atchison Consultants), is based on the research of, and reflects the opinions of, Multiplex Capital and the Manager.



# SECTION

## THE PROPERTIES OF THE PROPERTY FUND

# THE PROPERTIES OF THE PROPERTY FUND

## 5.1 OVERVIEW

The portfolio is diverse both geographically and by sector. The portfolio is valued at \$602.8 million and comprises approximately 165 tenants in 33 properties spread throughout New Zealand's north and south islands.

The portfolio covers each of the traditional property sectors, namely retail, industrial and office property assets as well as a small exposure to car parks.



## 5.2 THE MAJOR TENANTS

	<b>General Distributors Limited (GDL)</b>	<b>Telecom New Zealand Limited (Telecom NZ)</b>	<b>ASB Bank</b>
Lease expiry	Between June 2014 and August 2024	Predominantly October 2006 through to November 2010	June 2013
Current % of property portfolio income	35.5%	14.5%	10.5%
Business description	<p>GDL is a wholly owned subsidiary of Progressive Enterprises Limited (Progressive), a subsidiary of the ASX listed Foodland Associated Limited<sup>(2)</sup> (market capitalisation of approximately A\$3.1 billion<sup>(1)</sup>).</p> <p>Progressive is New Zealand's second largest grocery provider. GDL trades in New Zealand under the Foodtown, Countdown and Woolworths supermarket banners.</p>	<p>Telecom NZ is a wholly owned subsidiary of the largest publicly listed company on the New Zealand Stock Exchange with a market capitalisation of \$11.9 billion<sup>(1)</sup>. The parent company, which is also listed on the ASX, provides telecommunication services to New Zealand and Australian customers, generating revenues of approximately \$5.4 billion per annum, and employing over 8,000 staff.</p>	<p>ASB Bank is a wholly owned subsidiary of The Commonwealth Bank Group which is one of Australia's largest domestic banking and financial services organisations with a market capitalisation of approximately A\$48.4 billion<sup>(1)</sup>.</p>
	<b>University of Auckland</b>	<b>New Zealand Inland Revenue</b>	<b>ING</b>
Lease expiry	Between August 2010 and July 2012	December 2008	May 2010
Current % of property portfolio income	5.6%	2.8%	1.5%
Business description	<p>The University of Auckland is New Zealand's leading university. Established in 1883, this research led, top-ranked and internationally recognised tertiary institution provides education to approximately 32,000 undergraduate students.</p>	<p>New Zealand Inland Revenue is a government body with the primary role of collecting taxes on behalf of the New Zealand government. New Zealand Inland Revenue operates from 17 cities and towns nationwide, and employs over 4,900 staff.</p>	<p>ING is a global financial institution of Dutch origin offering banking, insurance and asset management solutions to 60 million private, corporate and institutional clients in 60 countries.</p>

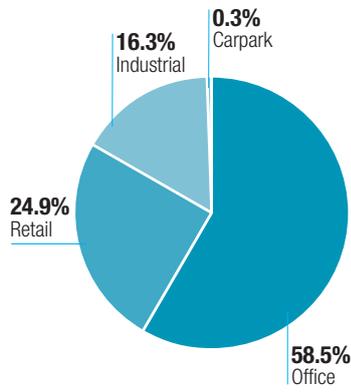
(1) As at 7 July 2005.

(2) Foodland Associated Limited has announced that it is in discussions with parties relating to the divesture of Progressive.

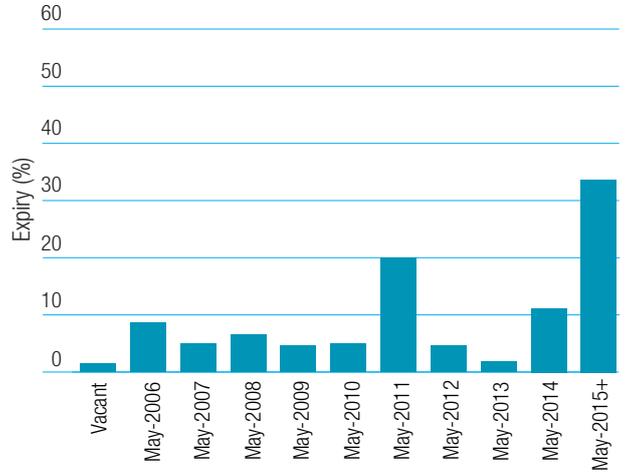
These tenants contribute approximately 70.4% of the net property income and represent an average weighted lease term across the portfolio of approximately 11.0 years (by income).

### 5.3 PORTFOLIO ANALYSIS

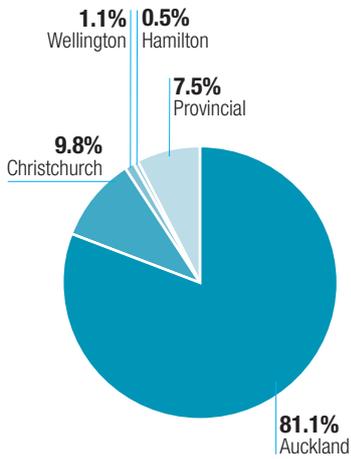
**Sector Split (by value)**



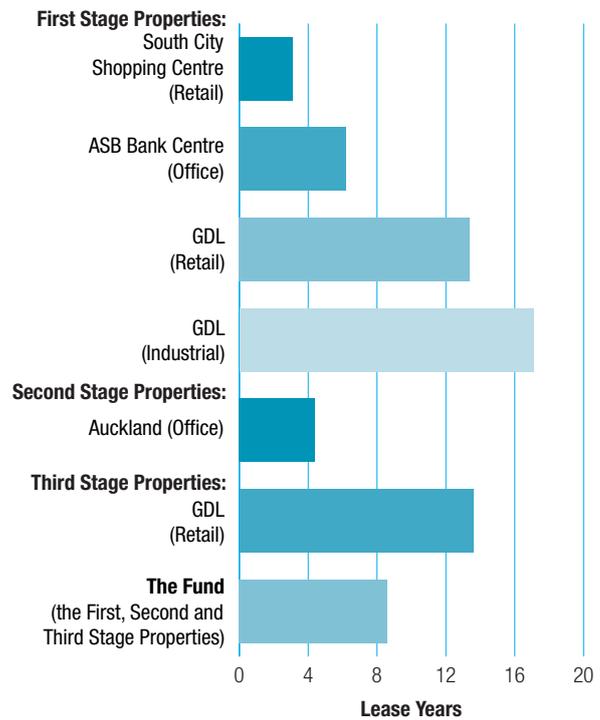
**Lease Expiry Profile (by income)**



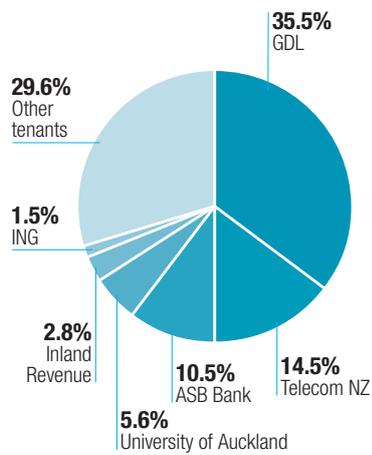
**Geographic Split (by value)**



**Average Weighted Lease Term (by income)\***



**Tenant Mix (by income)**



\* Defined as the average number of years of net income secured by contractual lease agreements over the property.

## 5.4 DESCRIPTION OF FIRST STAGE PROPERTIES



**ASB Bank Centre**



**South City Shopping Centre<sup>(1)</sup>**

Valuation Details		
<b>Valuation</b>	\$116.5 million	
Valuer	Colliers International	
Valuation Date	31 March 2005	
Valuation per sqm of NLA	\$3,483	
Valuation per sqm of land	\$33,022	
Capitalisation rate (%)	8.13	
Property Details		
Net lettable area (sqm) (approx.)	33,442	
Land area (sqm) (approx.)	3,528	
Tenancy Profile		
Occupancy (%)	99	
Major Tenant		
	<b>ASB Bank</b>	<b>ING</b>
Area (sqm)	20,418	2,457
NLA (%)	61	7
Lease Expiry	June 2013	May 2010
Reviews	3 yearly to market	3 yearly to market

### Location

The landmark ASB Bank Centre occupies a prominent position towards the south-western end of the Auckland CBD. The building is located on the upper end of Albert Street, and with its visual dominance of the city and the harbour, it makes an imposing contribution to Auckland's skyline. The site has frontages to Albert, Wellesley and Federal Streets and is in close proximity to key city services – the Aotea Performing Arts Centre, the Carlton Hotel and New Zealand's premier shopping thoroughfare in Queen Street.

### Property description

ASB Bank Centre is a premium quality, landmark property. The building features four levels of basement parking, a prestige quality entry foyer and 30 levels of column-free office accommodation. The building has a central core allowing for tenant flexibility. Services are premium grade, including a full back-up emergency generator.

Valuation Details		
<b>Valuation</b>	\$43.0 million	
Valuer	Colliers International	
Valuation Date	31 March 2005	
Valuation per sqm of NLA	\$2,468	
Valuation per sqm of land	\$1,136	
Capitalisation rate (%)	9.07	
Property Details		
Net lettable area (sqm) (approx.)	17,423	
Land area (sqm) (approx.)	37,841	
Tenancy Profile		
Occupancy (%)	100	
Major Tenant		
	<b>The Warehouse</b>	<b>New World</b>
Area (sqm)	4,921	3,073
NLA (%)	28	18
Lease Expiry	April 2010	May 2011
Reviews	3 yearly to market	3 yearly to market

### Location

The property is located on the southern fringe of the Christchurch CBD and has frontages to Colombo and Durham Streets. The site has a significant profile and is well placed to serve the high volume of passing traffic from the Christchurch work force. Colombo Street is the major commercial thoroughfare from the northern suburb of St Albans to the southern suburb of Cashmere Hills.

### Property description

The property comprises a refurbished single level complex with associated open car parking. The fully enclosed centre was originally constructed in the late 1990s and extended in 1999 to accommodate The Warehouse and a New World supermarket. It offers 31 specialty shops, a six-tenant food court, six kiosks and five ATMs. Additionally there are three tenancies in the Colombo Street building and four tenancies in the Durham Street building.

(1) Includes a separate building known as 573-579 Colombo Street, valued at \$4.1 million.

## 5.4 DESCRIPTION OF FIRST STAGE PROPERTIES (continued)



**Countdown Botany**



**Countdown Lynfield**

Valuation Details	
<b>Valuation</b>	\$15.0 million
Valuer	Colliers International
Valuation Date	31 March 2005
Valuation per sqm of NLA	\$2,571
Valuation per sqm of land	\$857
Capitalisation rate (%)	8.00
Property Details	
Net lettable area (sqm) (approx.)	5,833
Land area (sqm) (approx.)	17,506
Tenancy Profile	
Occupancy (%)	100
Major Tenant	
<b>General Distributors Limited<sup>(1)</sup></b>	
Area (sqm)	5,833
NLA (%)	100
Lease Expiry	August 2019
Reviews	3 yearly to market

### Location

The property is located on the corner of Ti Rakau Drive to the north and Te Irirangi Drive to the east, with frontages onto both boundaries. Both these arterial roads provide access to the motorway system, with the Auckland CBD being approximately 20-25 minutes' drive time.

### Property description

The property comprises a large, modern purpose built, stand alone supermarket constructed in 2003, including offices, amenities and storage. A basement car park extends below the supermarket, providing approximately 138 covered car parks with an internal ramp access to the supermarket level. A further surface level car park provides space for an additional 245 car parking bays.

Valuation Details	
<b>Valuation</b>	\$12.75 million
Valuer	Colliers International
Valuation Date	31 March 2005
Valuation per sqm of NLA	\$2,294
Valuation per sqm of land	\$847
Capitalisation rate (%)	8.38
Property Details	
Net lettable area (sqm) (approx.)	5,558
Land area (sqm) (approx.)	15,053
Tenancy Profile	
Occupancy (%)	100
Major Tenant	
<b>General Distributors Limited<sup>(1)</sup></b>	
Area (sqm)	5,558
NLA (%)	100
Lease Expiry	August 2019
Reviews	3 yearly to market

### Location

The property is located on the corner of Hillsborough Road and The Avenue and is located within the Auckland city suburb of Lynfield. Hillsborough Road is a main traffic thoroughfare between the northern end of the south-western motorway and the suburbs to the north and west of Lynfield.

### Property description

The property comprises a large purpose built Countdown supermarket over basement car parking, a strip of several smaller tenancies and an on grade sealed car parking area. Along the southern boundary of the site there are several smaller retail tenancies with frontage to the main car park area.

(1) 100% of the income from this property is secured by a head lease with General Distributors Limited, which is guaranteed by Progressive Enterprises Limited.

(1) 100% of the income from this property is secured by a head lease with General Distributors Limited, which is guaranteed by Progressive Enterprises Limited.

## 5.4 DESCRIPTION OF FIRST STAGE PROPERTIES (continued)



**Woolworths Grey Lynn**



**Countdown Porirua**

Valuation Details	
<b>Valuation</b>	\$9.1 million
Valuer	Colliers International
Valuation Date	31 March 2005
Valuation per sqm of NLA	\$2,020
Valuation per sqm of land	\$812
Capitalisation rate (%)	8.00
Property Details	
Net lettable area (sqm) (approx.)	4,505
Land area (sqm) (approx.)	11,207
Tenancy Profile	
Occupancy (%)	100
Major Tenant	
<b>General Distributors Limited<sup>(1)</sup></b>	
Area (sqm)	4,505
NLA (%)	100
Lease Expiry	August 2019
Reviews	3 yearly to market

### Location

The property is well located on the corner of Richmond Road and Regina Street in Grey Lynn, approximately 10 minutes' drive from Auckland's CBD. Development in the immediate locality varies from older established residential properties, to more modern infill developments and some smaller pockets of light industrial and retail uses.

### Property description

These premises were originally constructed in 1979 and completely refurbished in 1998 for a Woolworths branded supermarket comprising a total rentable area of 4,374 square metres together with a separate internal tenancy of 131 square metres under sublease to Unichem Pharmacy. In addition to the supermarket, there is associated warehouse and storage space over a secure staff basement car park incorporating first level offices, staff amenities and cafeteria.

Valuation Details	
<b>Valuation</b>	\$6.7 million
Valuer	Colliers International
Valuation Date	31 March 2005
Valuation per sqm of NLA	\$1,769
Valuation per sqm of land	\$661
Capitalisation rate (%)	8.50
Property Details	
Net lettable area (sqm) (approx.)	3,787
Land area (sqm) (approx.)	10,143
Tenancy Profile	
Occupancy (%)	100
Major Tenant	
<b>General Distributors Limited<sup>(1)</sup></b>	
Area (sqm)	3,787
NLA (%)	100
Lease Expiry	August 2016
Reviews	3 yearly to market

### Location

The property is located within central Porirua, midway between the Megacentre to the north and North City Shopping Centre to the south. Porirua is approximately 20 kilometres north of Wellington City and is one of Wellington's northern most commercial centres. Situated on a predominantly level island site, the property has four frontages to Jellicoe Street, Norrie Street, Lyttleton Avenue and Parumoana Street.

### Property description

The property comprises a purpose built standalone supermarket constructed in 1989 and recently refurbished to accommodate the new Countdown Supermarket design. There is provision for 228 car parks which are located within a tarsealed and landscaped car parking area around the supermarket.

(1) 100% of the income from this property is secured by a head lease with General Distributors Limited, which is guaranteed by Progressive Enterprises Limited.

(1) 100% of the income from this property is secured by a head lease with General Distributors Limited, which is guaranteed by Progressive Enterprises Limited.

## 5.4 DESCRIPTION OF FIRST STAGE PROPERTIES (continued)



**Woolworths Papakura**

Valuation Details	
<b>Valuation</b>	\$4.1 million
Valuer	Colliers International
Valuation Date	31 March 2005
Valuation per sqm of NLA	\$1,367
Valuation per sqm of land	\$462
Capitalisation rate (%)	9.00
Property Details	
Net lettable area (sqm) (approx.)	2,999
Land area (sqm) (approx.)	8,878
Tenancy Profile	
Occupancy (%)	100
Major Tenant	
<b>General Distributors Limited<sup>(1)</sup></b>	
Area (sqm)	2,999
NLA (%)	100
Lease Expiry	August 2016
Reviews	3 yearly to market

### Location

The property is located on the eastern side of Great South Road, approximately 500 metres to the north of the main retail strip of Papakura, an older established residential locality. Papakura is approximately 40 minutes drive from the Auckland CBD.

### Property description

The property comprises a single level supermarket with mezzanine amenities and offices above with on site shared car parking. Two adjoining retail premises constructed circa 1960 and subsequently joined now form the Woolworths supermarket. The remainder of the site is tar sealed, providing parking for 269 cars.

(1) 100% of the income from this property is secured by a head lease with General Distributors Limited, which is guaranteed by Progressive Enterprises Limited.



**Foodtown Hamilton**

Valuation Details	
<b>Valuation</b>	\$2.9 million
Valuer	Colliers International
Valuation Date	31 March 2005
Valuation per sqm of NLA	\$921
Valuation per sqm of land	\$237
Capitalisation rate (%)	9.50
Property Details	
Net lettable area (sqm) (approx.)	3,148
Land area (sqm) (approx.)	12,228
Tenancy Profile	
Occupancy (%)	100
Major Tenant	
<b>General Distributors Limited<sup>(1)</sup></b>	
Area (sqm)	3,148
NLA (%)	100
Lease Expiry	August 2016
Reviews	3 yearly to market

### Location

The property is located on the northern corner of the intersection of Bryce and Tristram Streets on the fringe of the Hamilton City CBD. To the east of the property is the recently completed Hamilton City bus station. Tristram Street is one of the main streets in Hamilton City.

### Property description

The property was originally constructed in 1981 and comprises an older style Foodtown supermarket design. The building has supplementary loading areas, storerooms and mezzanine offices and amenities. The car park provides approximately 224 level car spaces. The property is subject to a perpetually renewable lease in favour of the Property Fund (i.e. a leasehold property).

(1) 100% of the income from this property is secured by a head lease with General Distributors Limited, which is guaranteed by Progressive Enterprises Limited.

## 5.4 DESCRIPTION OF FIRST STAGE PROPERTIES (continued)



**Mangere Distribution Centre**



**Wiri Distribution Centre**

Valuation Details	
<b>Valuation</b>	\$61.0 million
Valuer	Colliers International
Valuation Date	31 March 2005
Valuation per sqm of NLA	\$935
Valuation per sqm of land	\$455
Capitalisation rate (%)	8.38
Property Details	
Net lettable area (sqm) (approx.)	65,274
Land area (sqm) (approx.)	134,071
Tenancy Profile	
Occupancy (%)	100
Major Tenant	
General Distributors Limited	
Area (sqm)	73,273
NLA (%)	100
Lease Expiry	August 2024
Reviews	3 yearly to market

### Location

The property is located on the northern side of Favona Road, approximately 1.5 kilometres from the south-western motorway and approximately five minutes travel from Auckland International Airport in the suburb of Mangere. The property will benefit from increased accessibility to Manukau and Wiri with the proposed extensions and redirections of State Highway 20 to the south. The area immediately surrounding Favona Road comprises residential development and established industrial and commercial premises.

### Property description

The property comprises a large integrated distribution centre and head office complex. It includes a new office building, completed to a high standard, extensive car parking and a significant area of hardstand to the rear of the site. The total building area of 65,274 square metres provides a site coverage of approximately 49%.

Valuation Details	
<b>Valuation</b>	
Distribution Centre	\$20.75 million
Vacant Land	\$1.0 million
Valuer	Colliers International
Valuation Date	31 March 2005
Valuation per sqm of NLA	\$614 <sup>(1)</sup>
Valuation per sqm of land	\$288 <sup>(1)</sup>
Capitalisation rate (%)	10.25
Property Details	
Net lettable area (sqm) (approx.)	33,786
Distribution Centre (sqm) (approx.)	72,068
Vacant land (sqm) (approx.)	83,048
Tenancy Profile	
Occupancy (%)	100
Major Tenant	
General Distributors Limited	
Area (sqm)	33,786
NLA (%)	100
Lease Expiry	August 2016
Reviews	3 yearly to market

### Location

The property is located on the southern side of Kerrs Road, approximately one kilometre from the intersection with Great South Road, and is within close proximity to the Southern and Mangere Onehunga motorways. Auckland CBD is approximately 25 minutes drive from the property, while the Auckland International Airport is approximately 10 minutes drive to the west.

### Property description

The property comprises a large scale distribution centre and warehouse with associated offices and amenities, and parking for 309 cars. There is a large area of hardstand adjacent to the warehouse. The total building area of 33,786 square metres provides a site coverage of approximately 47%. Separate to the Distribution Centre, the site also comprises vacant land over an area of 83,048 square metres which has been valued at \$1.0 million by Colliers International NZ. The property is subject to a perpetually renewable lease in favour of the Property Fund (i.e. a leasehold property).

(1) Distribution Centre only.

## 5.4 DESCRIPTION OF FIRST STAGE PROPERTIES (continued)



**Christchurch Distribution Centre**

Valuation Details	
<b>Valuation</b>	
Distribution Centre	\$13.7 million
Vacant Land	\$2.0 million
Valuer	Colliers International
Valuation Date	31 March 2005
Valuation per sqm of NLA	\$779 <sup>(1)</sup>
Valuation per sqm of land	\$217
Capitalisation rate (%)	8.50
<b>Property Details</b>	
Net lettable area (sqm) (approx.)	17,595
Total land area (sqm) (approx.)	72,203
<b>Tenancy Profile</b>	
Occupancy (%)	100
<b>Major Tenant</b>	
Limited Area (sqm)	<b>General Distributors Limited</b> 17,594
NLA (%)	100
Lease Expiry	August 2024
Reviews	3 yearly to market

### Location

The property is located approximately 12 kilometres from the Christchurch CBD within the south-western suburb of Hornby. Access to the city is by way of major routes along Main South Road and Blenheim Road. The Christchurch industrial market is New Zealand's second largest (after Auckland) and serves as a central hub for the South Island.

### Property description

The property was constructed in 1999 and comprises a modern, purpose built distribution centre, with associated warehouse and office facilities and car parking for 50 vehicles. The total building area of 17,595 square metres provides a site coverage of approximately 41%. Separate to the distribution centre the site also comprises vacant land over an area of 38,490 square metres which has been valued at \$2.0 million by Colliers International NZ.

(1) Distribution Centre only.

## 5.5 DESCRIPTION OF SECOND STAGE PROPERTIES



**Gen-i Tower**



**Telecom House**

Valuation Details	
<b>Valuation</b>	\$66.8 million
Valuer	Colliers International
Valuation Date	30 April 2005
Valuation per sqm of NLA	\$2,961
Valuation per sqm of land	\$20,218
Capitalisation rate (%)	8.50
Property Details	
Net lettable area (sqm) (approx.)	22,561
Land area (sqm) (approx.)	3,304
Tenancy Profile	
Occupancy (%)	97
Major Tenant	
<b>gen-i Ltd</b>	
Area (sqm)	3,074
NLA (%)	14
Lease Expiry	February 2012
Reviews	3 yearly to market

### Location

The property is located at 66 Wyndham Street on the corner of Federal and Hobson Streets. This is a prominent CBD location, being approximately 200 metres to the west of the Queen Street retail centre which is widely recognised as the core of the Auckland CBD. The property is also in close proximity to the Viaduct Harbour precinct and Princes Wharf which provides for a combination of entertainment areas, office accommodation, apartment dwellings and marina.

### Property description

The property comprises a substantial office building which was completed in 1990. The building has 19 levels of office accommodation, ground floor retail accommodation and three basement levels of parking providing 191 car spaces. A feature of the building is the large canopy and colonnade area surrounding the ground floor and water feature on the corner of Wyndham and Hobson Streets. The upper floors of the building enjoy excellent views to the harbour and western elevation.

Valuation Details	
<b>Valuation</b>	\$59.1 million
Valuer	Colliers International
Valuation Date	30 April 2005
Valuation per sqm of NLA	\$3,773
Valuation per sqm of land	\$11,487
Capitalisation rate (%)	8.50
Property Details	
Net lettable area (sqm) (approx.)	15,665
Land area (sqm) (approx.)	5,145
Tenancy Profile	
Occupancy (%)	100
Major Tenant	
<b>Telecom New Zealand Limited</b>	
Area (sqm)	15,665
NLA (%)	100
Lease Expiry	November 2010
Reviews	Annually to CPI+1% capped at 4%

### Location

The property is situated to the eastern side of Hereford Street and Hopetoun Street, approximately one kilometre to the south of Auckland's CBD. The property sits 50 metres from the Karangahape Road ridge, which is a major arterial road forming the southern boundary around the CBD periphery.

### Property description

The property comprises a 15 level modern office building which was completed in 1989. The building has 11 levels of office accommodation and four levels of basement parking providing 463 car spaces. The interior of the building has been extensively refurbished to a high specification, with views from all levels of the building, predominantly to the north over the CBD and Waitemata Harbour.

## 5.5 DESCRIPTION OF SECOND STAGE PROPERTIES (continued)



**SAP Centre**

Valuation Details		
<b>Valuation</b>	\$21.8 million	
Valuer	Colliers International	
Valuation Date	30 April 2005	
Valuation per sqm of NLA	\$3,040	
Valuation per sqm of land	\$5,737	
Capitalisation rate (%)	9.00	
Property Details		
Net lettable area (sqm) (approx.)	7,170	
Land area (sqm) (approx.)	3,800	
Tenancy Profile		
Occupancy (%)	100	
Major Tenant		
	<b>American Express</b>	<b>Auckland Uniservices Ltd</b>
Area (sqm)	2,225	1,675
NLA (%)	31	23
Lease Expiry	January 2007	January 2011
Reviews	3 yearly to market	3 yearly to market

### Location

The property is situated on the northern side of Symonds Street, at the eastern end of the Auckland CBD. Symonds Street is a major arterial road carrying traffic between the downtown Auckland precinct and leading to the southern fringe commercial and residential areas.

### Property description

The property comprises a nine level modern office building which was completed in 1989. In addition there are five levels of parking providing 233 car spaces. The office accommodation is divided between podium and office tower and is orientated to take maximum advantage of the outlook and northerly aspect. The building is well serviced with two lift banks, concierge area and standby generator.



**Uniservices House and 12 Whitaker Place**

Valuation Details	
<b>Valuation</b>	
Uniservices House	\$18.0 million
12 Whitaker Place	\$0.7 million
Valuer	Colliers International
Valuation Date	30 April 2005
Valuation per sqm of NLA	\$2,419
Valuation per sqm of land	\$7,242
Capitalisation rate (%)	8.89
Property Details	
Net lettable area (sqm) (approx.)	7,729
Land area (sqm) (approx.)	2,582
Tenancy Profile	
Occupancy (%)	100
Major Tenant	
	<b>University of Auckland</b>
Area (sqm)	5,395
NLA (%)	70
Lease Expiry	October 2010
Reviews	3 yearly to market

### Location

The properties, sharing the same site location and title, are situated on the eastern side of Symonds Street on the southern fringe of the Auckland CBD, being a short distance from the main campus of Auckland University. The properties have easy access to the main transport routes and motorway networks, with access to the southern motorway being approximately 400 metres to the south.

### Property description

#### Uniservices House

The property comprises an 11 level office building which was completed in 1986. In addition there are three levels of basement parking providing 111 car spaces.

#### 12 Whitaker Street

The property is a two level English suburban style dwelling constructed circa 1925. It has since been refurbished and enlarged in 1985 to provide office accommodation.

## 5.5 DESCRIPTION OF SECOND STAGE PROPERTIES (continued)



**The Telco Building**



**The Plaza**

Valuation Details <sup>(1)</sup>	
<b>Valuation<sup>(1)</sup></b>	\$16.6 million
Valuer	Colliers International
Valuation Date	30 April 2005
Valuation per sqm of NLA	\$2,111
Valuation per sqm of land	\$13,344
Capitalisation rate (%)	9.00
Property Details	
Net lettable area (sqm) (approx.)	7,865
Land area (sqm) (approx.)	1,244
Tenancy Profile	
Occupancy (%)	85
Major Tenant	
Area (sqm)	University of Waikato 1,013
NLA (%)	13
Lease Expiry	December 2005
Reviews	2 yearly to market

### Location

The property is situated on the south-eastern corner of Federal and Kingston Streets at the western end of the Auckland CBD. Queen Street lies approximately 200 metres to the east while Viaduct Harbour is approximately 500 metres to the north. Access to the motorway systems is provided at Fanshawe Street to the northern motorway, while access to the southern and western motorways is approximately one kilometre to the south along Hobson Street.

### Property description

16 Kingston Street comprises a 17 level office building which was completed in 1989, and 60 Federal Street comprises a four level office and retail building which was completed in 1987. A basement level, which is shared between the two properties, provides parking for approximately 41 cars.

*(1) Colliers International has valued 16 Kingston Street and 60 Federal Street as a single property.*

Valuation Details	
<b>Valuation</b>	\$11.3 million
Valuer	Colliers International
Valuation Date	30 April 2005
Valuation per sqm of NLA	\$2,408
Valuation per sqm of land	\$3,970
Capitalisation rate (%)	9.00
Property Details	
Net lettable area (sqm) (approx.)	4,692
Land area (sqm) (approx.)	2,846
Tenancy Profile	
Occupancy (%)	100
Major Tenant	
Area (sqm)	Telecom New Zealand Limited 3,408
NLA (%)	73
Lease Expiry	March 2008/November 2010
Reviews	On renewal to market/annually to CPI capped at 2%

### Location

The property is situated to the northern side of Karangahape Road to the north-western corner of the intersection between Howe Street and Hereford Streets, on the southern fringe of the Auckland CBD. The property has considerable street frontage and enjoys significant exposure to both pedestrian and vehicle traffic. Karangahape is a major arterial road forming the southern accesses of the outer CBD periphery of Auckland.

### Property description

The property comprises an historic strip shop complex completed in the early 1900s and recently subject to a major refurbishment. It contains a variety of accommodation, comprising 22 street level retail and restaurant tenancies, and two levels of high specification office space. The building also provides basement level parking for 34 cars.

## 5.5 DESCRIPTION OF SECOND STAGE PROPERTIES (continued)



**University Building**



**76 Symonds Street**

Valuation Details	
<b>Valuation</b>	\$10.9 million
Valuer	Colliers International
Valuation Date	30 April 2005
Valuation per sqm of NLA	\$2,142
Valuation per sqm of land	\$8,122
Capitalisation rate (%)	9.00
Property Details	
Net lettable area (sqm) (approx.)	5,088
Land area (sqm) (approx.)	1,342
Tenancy Profile	
Occupancy (%)	100
Major Tenant	
<b>University of Auckland</b>	
Area (sqm)	5,088
NLA (%)	100
Lease Expiry	July 2012
Reviews	3 yearly to market

### Location

The property is situated on the eastern fringe of the Auckland CBD within a five minute walk to the centrally located Queen Street. The main campus of the University of Auckland is located a short distance away and the Auckland University of Technology is within reasonable proximity. The property has good access to main arterial roads providing links to the motorway systems and is also in close proximity to public transport facilities, including the new Britomart Transport Development.

### Property description

The property comprises a nine level office tower originally completed in 1971, with seven office floors and two levels of parking providing 46 car spaces. The building was refurbished in circa 1995 for educational use. The upper office floors of the building enjoy views over the Auckland port area.

Valuation Details	
<b>Valuation</b>	\$5.55 million
Valuer	Colliers International
Valuation Date	30 April 2005
Valuation per sqm of NLA	\$2,149
Valuation per sqm of land	\$6,160
Capitalisation rate (%)	9.50
Property Details	
Net lettable area (sqm) (approx.)	2,582
Land area (sqm) (approx.)	901
Tenancy Profile	
Occupancy (%)	100
Major Tenant	
<b>University of Auckland</b>	
Area (sqm)	2,582
NLA (%)	100
Lease Expiry	August 2010
Reviews	3 yearly to market

### Location

The property is situated on the north-eastern corner of the intersection of Symonds Street, Wakefield Street and Whitaker Place, being a short distance from the main campus of Auckland University, on the southern fringe of the Auckland CBD. The property has easy access to the motorway network, with the southern motorway being approximately 400 metres to the south of the property.

### Property description

The property consists of a high-rise office and car park development which was completed in 1975. The building consists of eight office floors and three levels of parking providing 60 car spaces. The upper floors of the building enjoy views to the north of Auckland CBD.

## 5.5 DESCRIPTION OF SECOND STAGE PROPERTIES (continued)



**Farmer's Carpark**



**AIA House**

Valuation Details	
<b>Valuation</b>	\$1.55 million
Valuer	Colliers International
Valuation Date	30 April 2005
Valuation per car space	\$33,696
Valuation per sqm of land	n/a
Capitalisation rate (%)	9.00
Property Details	
Number of car spaces	46
Land area (sqm) (approx.)	n/a
Tenancy Profile	
Occupancy (%) <sup>(1)</sup>	87
Major Tenant	
Number of car spaces	25
Percentage of total car spaces (%)	54
Lease Expiry	February 2012
Reviews	3 yearly to market

### Location

The property is situated in a prominent central Auckland location with frontages to Wyndham Street and Hobson Street, being approximately 500 metres to the west of the central Queen Street retail centre and in close proximity to the Viaduct Harbour precinct.

### Property description

The property comprises a multi-level car park building incorporating approximately 1,350 car parks and completed in the 1960s. The Property Fund has acquired 46 car parking spaces within the building. 31 car parking spaces are located on the underground basement level (contained within a single title), with the remaining 15 spaces located over levels two and three. The level two spaces are both secured and covered, and the level three spaces are secured but uncovered.

<sup>(1)</sup> Occupancy is calculated on the number of leased car spaces to the total number of car spaces held.

Valuation Details	
<b>Valuation</b>	\$25.3 million
Valuer	Colliers International
Valuation Date	30 April 2005
Valuation per sqm of NLA	\$2,671
Valuation per sqm of land	\$8,821
Capitalisation rate (%)	8.50
Property Details	
Net lettable area (sqm) (approx.)	9,471
Land area (sqm) (approx.)	2,868
Tenancy Profile	
Occupancy (%)	100
Major Tenant	
Area (sqm)	7,466
NLA (%)	79
Lease Expiry	December 2008
Reviews	3 yearly to market
Inland Revenue	

### Location

The property is located in the Auckland north shore suburb of Takapuna, approximately eight kilometres from the Auckland CBD. Takapuna is the commercial and retail centre of the Auckland north shore region.

### Property description

The property comprises a 17-level office tower completed in 1989, with 13 office floors and four levels of parking providing 189 car spaces. Two of the parking levels also comprise retail accommodation. The building's service core is centrally positioned to the western elevation, providing good natural light and views across urban areas to the ocean.

## 5.6 DESCRIPTION OF THIRD STAGE PROPERTIES



**Howick Shopping Centre**

Valuation Details	
<b>Valuation</b>	\$11.25 million
Valuer	Colliers International
Valuation Date	18 May 2005
Valuation per sqm of NLA	\$3,232
Valuation per sqm of land	\$1,237
Capitalisation rate (%)	7.75
Property Details	
Net lettable area (sqm) (approx.)	3,481
Land area (sqm) (approx.)	9,096
Tenancy Profile	
Occupancy (%)	100
Major Tenant	
<b>General Distributors Limited<sup>(1)</sup></b>	
Area (sqm)	3,481
NLA (%)	100
Lease Expiry	June 2020
Reviews	3 yearly to market

### Location

The property is located on the corner of Cook Street and Fencible Drive with additional right of way access from Moore Street, in the East Auckland suburb of Howick on New Zealand's North Island. The site is adjacent to the residential areas of Howick, Eastern Beach and Botany Downs. The area comprises strip style retail and larger shopping centres in the surrounding suburbs of Pakuranga and Botany Downs.

### Property description

The property comprises of a purpose built supermarket completed in 2004 together with a small retail development comprising seven specialty shops whose lease arrangements form a part of the head lease with General Distributors Limited. Covered and undercover parking is available for 142 vehicles.

*(1) 100% of the income from this property is secured by a head lease with General Distributors Limited, which is guaranteed by Progressive Enterprises Limited.*



**Woolworths Dargaville**

Valuation Details	
<b>Valuation</b>	\$5.22 million
Valuer	Colliers International
Valuation Date	1 June 2005
Valuation per sqm of NLA	\$2,458
Valuation per sqm of land	\$475
Capitalisation rate (%)	7.75
Property Details	
Net lettable area (sqm) (approx.)	2,124
Land area (sqm) (approx.)	10,992
Tenancy Profile	
Occupancy (%)	100
Major Tenant	
<b>General Distributors Limited</b>	
Area (sqm)	2,124
NLA (%)	100
Lease Expiry	June 2020
Reviews	3 yearly to market

### Location

The property is located in the Dargaville commercial area approximately two hours north of Auckland. The property is bounded by Victoria Street to the north west and the Wairoa River to the south east on the northern fringe of the commercial area of Dargaville.

### Property description

The property comprises a purpose built, stand alone supermarket with on site 165 car parking spaces contiguous with a site occupied by The Warehouse and adjacent to a river front recreation reserve.

## 5.6 DESCRIPTION OF THIRD STAGE PROPERTIES (continued)



**Woolworths Marton**



**Countdown Oamaru**

Valuation Details	
<b>Valuation</b>	\$1.56 million
Valuer	Colliers International
Valuation Date	1 June 2005
Valuation per sqm of NLA	\$1,545
Valuation per sqm of land	\$483
Capitalisation rate (%)	7.50
Property Details	
Net lettable area (sqm) (approx.)	1,010
Land area (sqm) (approx.)	3,231
Tenancy Profile	
Occupancy (%)	100
Major Tenant	
<b>General Distributors Limited</b>	
Area (sqm)	1,010
NLA (%)	100
Lease Expiry	June 2014
Reviews	3 yearly to market

### Location

This property is situated in Marton which is located south east of Wanganui and north west of Palmerston North, on New Zealand's North Island. The store is located on the eastern side of the main commercial street of Marton, with a second frontage onto Stewart Street to the rear of the site.

### Property description

The property comprises a small provincial supermarket located at the northern end of the main retail strip. The store operates checkouts at both ends of the store and 93 car parks are provided on the Stewart Street frontage.

Valuation Details	
<b>Valuation</b>	\$3.80 million
Valuer	Colliers International
Valuation Date	1 June 2005
Valuation per sqm of NLA	\$1,256
Valuation per sqm of land	\$395
Capitalisation rate (%)	7.75
Property Details	
Net lettable area (sqm) (approx.)	3,025
Land area (sqm) (approx.)	9,624
Tenancy Profile	
Occupancy (%)	100
Major Tenant	
<b>General Distributors Limited</b>	
Area (sqm)	3,025
NLA (%)	100
Lease Expiry	June 2017
Reviews	3 yearly to market

### Location

This property is located in a prominent location in the central business area of Oamaru. The city of Oamaru is located on the east coast of New Zealand's South Island being approximately 125 kilometres north of Dunedin.

The property has frontages onto Thames Street, Coquet Street and Eden Street and is co-located with The Warehouse property situated between Coquet and Eden Streets.

### Property description

The property comprises a stand alone supermarket on a prominent site with 180 car park spaces.

## 5.6 DESCRIPTION OF THIRD STAGE PROPERTIES (continued)



**Foodtown Pukekohe**



**Woolworths Te Awamutu**

Valuation Details	
<b>Valuation</b>	\$8.40 million
Valuer	Colliers International
Valuation Date	1 June 2005
Valuation per sqm of NLA	\$2,137
Valuation per sqm of land	\$1,198
Capitalisation rate (%)	7.75
Property Details	
Net lettable area (sqm) (approx.)	3,930
Land area (sqm) (approx.)	7,014
Tenancy Profile	
Occupancy (%)	100
Major Tenant	
<b>General Distributors Limited</b>	
Area (sqm)	3,930
NLA (%)	100
Lease Expiry	June 2020
Reviews	3 yearly to market

### Location

The property is situated on the southern side of Tobin Street with additional access from Seddan Street to the western boundary, in the main commercial area of Pukekohe. Pukekohe is 52 kilometres from central Auckland and 97 kilometres from Hamilton on New Zealand's North Island.

### Property description

The property comprises a purpose built, stand alone supermarket with on site car parking for 117 vehicles and is adjacent to additional parking at a council car park.

Valuation Details	
<b>Valuation</b>	\$5.60 million
Valuer	Colliers International
Valuation Date	1 June 2005
Valuation per sqm of NLA	\$2,344
Valuation per sqm of land	\$987
Capitalisation rate (%)	7.75
Property Details	
Net lettable area (sqm) (approx.)	2,389
Land area (sqm) (approx.)	5,673
Tenancy Profile	
Occupancy (%)	100
Major Tenant	
<b>General Distributors Limited</b>	
Area (sqm)	2,389
NLA (%)	100
Lease Expiry	June 2017
Reviews	3 yearly to market

### Location

The property is located to the southern end of the commercial area of Te Awamutu, which is located in the Waikato region on New Zealand's North Island, approximately 30 kilometres to the south of Hamilton on State Highway 21.

The property has a street frontage onto the eastern side of Sloane Street.

### Property description

The property comprises a stand alone supermarket on a prominent site in the township of Te Awamutu.

## 5.6 DESCRIPTION OF THIRD STAGE PROPERTIES (continued)



**Woolworths Invercargill**



**Woolworths New Plymouth**

Valuation Details	
<b>Valuation</b>	\$3.65 million
Valuer	Colliers International
Valuation Date	1 June 2005
Valuation per sqm of NLA	\$1,582
Valuation per sqm of land	\$338
Capitalisation rate (%)	7.75
Property Details	
Net lettable area (sqm) (approx.)	2,307
Land area (sqm) (approx.)	10,803
Tenancy Profile	
Occupancy (%)	100
Major Tenant	
<b>General Distributors Limited</b>	
Area (sqm)	2,307
NLA (%)	100
Lease Expiry	June 2020
Reviews	3 yearly to market

### Location

The property is located on a prominent site on the corner of North Road and Durham Street on the northern periphery of the provincial city of Invercargill. Invercargill is located on the southern coast of New Zealand's South Island, being approximately two hours south west of Dunedin.

### Property description

The property comprises a stand alone supermarket with 184 car parking spaces.

Valuation Details	
<b>Valuation</b>	\$7.65 million
Valuer	Colliers International
Valuation Date	1 June 2005
Valuation per sqm of NLA	\$2,188
Valuation per sqm of land	\$1,288
Capitalisation rate (%)	7.75
Property Details	
Net lettable area (sqm) (approx.)	3,497
Land area (sqm) (approx.)	5,939
Tenancy Profile	
Occupancy (%)	100
Major Tenant	
<b>General Distributors Limited</b>	
Area (sqm)	3,497
NLA (%)	100
Lease Expiry	June 2020
Reviews	3 yearly to market

### Location

The property is located to the northern end of the commercial area of New Plymouth with frontage to Courtenay Street and Leach Street. New Plymouth is located in the Taranaki region on the west coast of New Zealand's North Island.

### Property description

The property comprises a stand alone supermarket with uncovered and basement car parking providing 176 car spaces. In addition, a large McDonald's Restaurant with neighbouring car park areas adjoins the property.

## 5.6 DESCRIPTION OF THIRD STAGE PROPERTIES (continued)



**Woolworths Paeroa**

Valuation Details	
<b>Valuation</b>	\$2.95 million
Valuer	Colliers International
Valuation Date	1 June 2005
Valuation per sqm of NLA	\$1,621
Valuation per sqm of land	\$778
Capitalisation rate (%)	8.25
Property Details	
Net lettable area (sqm) (approx.)	1,820
Land area (sqm) (approx.)	3,793
Tenancy Profile	
Occupancy (%)	100
Major Tenant	
<b>General Distributors Limited</b>	
Area (sqm)	1,820
NLA (%)	100
Lease Expiry	June 2014
Reviews	3 yearly to market

### Location

The property has three street frontages and is located on the main State Highway 2 in the town of Paeroa on New Zealand's North Island, 1.5 hours drive south of Auckland.

### Property description

The property comprises a small provincial supermarket with three street frontages with 46 car parking spaces provided to the front of the site.



**Woolworths Putaruru**

Valuation Details	
<b>Valuation</b>	\$2.52 million
Valuer	Colliers International
Valuation Date	1 June 2005
Valuation per sqm of NLA	\$1,972
Valuation per sqm of land	\$678
Capitalisation rate (%)	8.25
Property Details	
Net lettable area (sqm) (approx.)	1,278
Land area (sqm) (approx.)	3,715
Tenancy Profile	
Occupancy (%)	100
Major Tenant	
<b>General Distributors Limited</b>	
Area (sqm)	1,278
NLA (%)	100
Lease Expiry	June 2014
Reviews	3 yearly to market

### Location

The property is located on a prominent corner on State Highway 1 in the commercial area of the provincial town of Putaruru.

Putaruru is located approximately 50 kilometres to the south east of Hamilton on New Zealand's North Island.

### Property description

The property comprises a stand alone supermarket with 53 car parking spaces.

## 5.6 DESCRIPTION OF THIRD STAGE PROPERTIES (continued)



**Woolworths Wanganui**

Valuation Details	
<b>Valuation</b>	\$4.10 million
Valuer	Colliers International
Valuation Date	1 June 2005
Valuation per sqm of NLA	\$1,217
Valuation per sqm of land	\$423
Capitalisation rate (%)	8.75
Property Details	
Net lettable area (sqm) (approx.)	3,370
Land area (sqm) (approx.)	9,698
Tenancy Profile	
Occupancy (%)	100
Major Tenant	
<b>General Distributors Limited</b>	
Area (sqm)	3,370
NLA (%)	100
Lease Expiry	June 2017
Reviews	3 yearly to market

### Location

The property is located on prominent site on the corner of Victoria Avenue and Glasgow Street in the provincial city of Wanganui. Wanganui is located on the west coast of New Zealand's North Island and is approximately one hour north west of Palmerston North.

### Property description

The property comprises a stand alone supermarket with 182 car parking spaces. The property is subject to a perpetually renewable lease in favour of the Fund (i.e. a leasehold property).

## 5.7 RECENT ACQUISITIONS – THIRD STAGE PROPERTIES

When the Property Fund acquired those First Stage Properties previously owned by GDL, a Multiplex subsidiary was granted a right of first refusal to purchase a new retail property in Howick, Auckland (Howick Retail Property) should GDL wish to sell at some time in the future. In addition, GDL was granted the right by the Property Fund to re-acquire certain industrial land in Christchurch and Wiri not utilised for GDL's distribution businesses (Incidental Industrial Land). GDL has indicated that it is likely to exercise its option to re-acquire the Incidental Industrial Land at an agreed price of \$3.0 million.

GDL offered the Howick Retail Property to the Property Fund at a value of \$10.6 million on a yield of circa 8.3% with a 15 year lease back to GDL (guaranteed by its parent company, Progressive Enterprises Limited). The Property Fund purchased the Howick Retail Property on 30 June 2005.

GDL also agreed to sell the Pernik properties to the Property Fund at a value of \$44.75 million, on a yield of circa 8.15%. GDL acquired the Pernik properties on 30 June 2005 and on-sold them to the Property Fund on this date. The Pernik properties consist of 10 retail properties located throughout New Zealand (in Dargaville, Pukekohe, Paeroa, Putaruru, Te Awamutu, New Plymouth, Wanganui, Marton, Oamaru and Invercargill). Each property is leased to GDL for terms of between nine and 15 years (with each lease having rights of renewal for three terms of six years each). There are no guarantors under these leases.

## 5.8 POTENTIAL ACQUISITIONS

The Property Fund has acquired a right of first refusal to purchase Lumley House (an office property in Auckland which adjoins the SAP Centre) in certain circumstances until 31 May 2006.

Multiplex Capital, in addition to the acquisitions and disposal referred to in Section 5.7, is evaluating potential acquisitions at all times. It may proceed, at any time and without amending this Offer Document, with additional acquisitions.

Multiplex Capital could proceed with other acquisitions using new or existing debt or subscriptions for further Property Fund Units.



# SECTION

## ABOUT THE TASMAN TRUST

## 6.1 OVERVIEW

The Tasman Trust is an unlisted New Zealand unit trust formed in accordance with the New Zealand Unit Trusts Act 1960. The manager of the Tasman Trust is Multiplex Capital New Zealand Ltd (referred to in this Offer Document as the Manager), a New Zealand company incorporated under the Companies Act 1993. Information on the Manager is set out in Section 10.3. The trustee of the Tasman Trust is Perpetual Trust Ltd (referred to in this Offer Document as the Trustee). The Units being offered in this Offer Document are ordinary units in the Tasman Trust. The rights and obligations of the Manager, the Trustee and Unitholders are governed principally by the Trust Deed. A summary of the Trust Deed is set out in Section 12.

## 6.2 TASMAN TRUST'S OBJECTIVE

The objective of the Tasman Trust is to maximise Unitholder value by providing strong and secure income returns through investment (direct or indirect) in a quality diversified portfolio of New Zealand retail, industrial and office property assets.

## 6.3 TASMAN TRUST'S INVESTMENTS AND BORROWINGS

The Manager will invest funds of the Tasman Trust, and deal with those investments, in accordance with investment policies set by the Manager. The initial investment of the Tasman Trust was to acquire 2.4 million Property Fund Units at an aggregate issue price of A\$2.4 million. The opportunity has now arisen, following the Property Fund's acquisition of the Second and Third Stage Properties, to make a further investment in the Property Fund through the acquisition of additional Property Fund Units. The proceeds from this Offer will be used for that purpose. The investment policy of the Tasman Trust is to invest, directly and indirectly, in New Zealand property that meets the following criteria:

- it is located in an established New Zealand property market;
- it is predominantly a retail, industrial, office or car park property;
- it is substantially leased to tenants who have a strong financial standing; and
- on acquisition, it will not dilute the net tangible asset backing value per Unit.

The Manager may vary that (and any subsequent) investment policy. If a variation is material, 20 Business Days' prior notice will be given to Unitholders.

The Manager is evaluating potential acquisitions at all times. It may proceed, at any time and without amending this Offer Document, with any acquisition.

The Tasman Trust may invest in, and transact with, companies, trusts or other entities or persons related, in any way, to the Manager or the Trustee. Before doing so the Manager will provide a certificate to the Trustee that, in the Manager's opinion, the relevant transaction is on arm's length commercial terms.

In addition, the Tasman Trust may, at any time and without amending this Offer Document, borrow (including by issuing debt securities convertible into Units), subject to the limitation discussed in Section 12.14. The Tasman Trust currently has no borrowings. However, the Tasman Trust is currently considering a proposal to issue debt securities. Please refer to Section 1.4 for further details.

## 6.4 INITIAL INVESTMENT

At the date of this Offer Document the Tasman Trust holds 2.4 million Property Fund Units. Pursuant to this Offer Document, the Tasman Trust is seeking to raise funds from investors to acquire additional Property Fund Units.

The subscription price for these additional Property Fund Units is expected to be A\$1.07. Please see Section 7.7 for further details. There is no reserved allocation of Property Fund Units for the Tasman Trust. The final number of Property Fund Units acquired by the Tasman Trust will be determined by the level of funds raised by this Offer, the number of Property Fund Units available for subscription, the exchange rate for the New Zealand and Australian currencies and the issue price for Property Fund Units (refer to Section 7.7). If an adverse movement in the exchange rate occurred, or if the issue price for Property Fund Units increased, for every \$1.00 contributed to the Tasman Trust, fewer Property Fund Units would be acquired. More information on the Property Fund, and the Properties held by the Property Fund, is set out in Sections 5 and 7.

As set out in Sections 6.3 and 7.5, the investment strategies of the Tasman Trust and the Property Fund are aligned. It is anticipated that the Manager and Multiplex Capital will consult from time to time as to how best, between themselves, proceed with opportunities within their investment strategies.

## 6.5 FEES AND EXPENSES

The Manager is entitled to be paid fees, and reimbursed expenses, by the Tasman Trust. However, where the Tasman Trust is investing in trusts, funds or schemes for which the Manager (or a related company of the Manager) is paid a fee for acting as responsible entity, trustee or manager, as is the case with the Property Fund, the fees and expenses payable or reimbursable to the Manager by the Tasman Trust will be rebated on a fair and equitable basis (as determined by the Manager).

Where the sole investment of the Tasman Trust is the Property Fund, this will mean that no base management fee is payable, and the Manager will meet all reasonable and customary day-to-day expenses of the Tasman Trust from its own funds.

The Property Fund will meet the issue expenses associated with the Offer.

## 6.6 DISTRIBUTIONS

The Manager will make distributions to Unitholders in accordance with a distribution policy set by the Manager. The initial distribution policy of the Tasman Trust is:

- to make quarterly distributions at the end of March, June, September and December, with distributions paid within eight weeks from the end of each distribution quarter; and
- to make distributions of amounts considered appropriate by the Manager based on the cash flow from the operations of the Tasman Trust. This may include a return of capital if so determined by the Manager.

The Manager may vary that (and any subsequent) distribution policy without prior notice to Unitholders.

Each Unit offered in this Offer will be entitled to participate in distributions relating to periods after (or including) the date of their allotment on a daily pro rata basis from the date of allotment of that Unit. This means that no Unit issued pursuant to the Offer will have any entitlement to participate in distributions relating to periods prior to their allotment.

## 6.7 LIQUIDITY

Units are transferable (subject to the restrictions described in Section 12.28).

However, there is no established market for Units, and no assurance that a market will develop and therefore an investment in the Tasman Trust should be viewed as long term. The Manager may (subject to the restrictions described in Section 12.27), purchase or redeem Units, but cannot be required by the Trustee or a Unitholder to do so.

The Property Fund has an exit strategy, and a limited liquidity feature, for unitholders in the Property Fund (as described in Sections 7.8 and 7.9). These features are not available to Unitholders directly, but will be available to the Tasman Trust when it holds Property Fund Units. These features could be used by the Manager to assist with the liquidity of Units. For example, the Manager could use the Property Fund's limited liquidity feature to sell some of the Property Fund Units held by the Tasman Trust, and use the sales proceeds to make a redemption offer to Unitholders. The Manager will, on an ongoing basis, evaluate the use of the feature, and intends to consult periodically with Unitholders as to their wishes in this respect.

The Manager intends, from time to time, to consider whether there are measures available to improve the liquidity of the Units, and whether it is appropriate to implement any of those measures. The measures could include the Manager (itself, or on behalf of the Tasman Trust) putting in place a debt facility to fund the redemption or buyback of Units, divesting some or all of the assets of the Tasman Trust and returning all or some of the proceeds to Unitholders in an appropriate manner, winding up the Tasman Trust, or facilitating a partial or full takeover of the Tasman Trust.



# SECTION

## ABOUT THE PROPERTY FUND

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## 7.1 OVERVIEW

The Property Fund is an unlisted Australian managed investment scheme formed in accordance with the Australian Corporations Act 2001 (Corporations Act), and registered with the Australian Securities and Investments Commission. At the date of this Offer Document, the Property Fund owns 33 property assets in New Zealand. It is intended that the Property Fund will, subject to appropriate funding, acquire further New Zealand property assets that satisfy the investment strategy for the Property Fund (see Section 7.5).

The investment objective of the Property Fund is to maximise investor value by providing strong and secure income returns through investment in a quality diversified portfolio of New Zealand retail, industrial and office property assets.

Multiplex Capital is the responsible entity of the Property Fund, and is responsible for managing the Property Fund. Multiplex Capital holds an Australian Financial Services licence (number 223809).

Multiplex Capital, and the Property Fund, are regulated by Australian law, which differs from New Zealand law. For example, unlike New Zealand law, no trustee or statutory supervisor, independent of Multiplex Capital, is required for the Property Fund. If enforcement action needs to be brought against Multiplex Capital, it may not be able to be brought in New Zealand courts.

Multiplex Capital has entered into a custody deed with Multiplex Funds Management Ltd (MFML), appointing that company as custodian of the Property Fund. Pursuant to the custody deed all scheme property (being the assets of the Property Fund) is held by the custodian. A summary of the custody deed is contained in Section 7.14.

## 7.2 RESPONSIBLE ENTITY

Multiplex Capital, as the responsible entity of the Property Fund, is responsible for the management and administration of the Property Fund. The powers and duties of Multiplex Capital are set out in the Constitution, the Corporations Act, and the general law of Australia. The duties of Multiplex Capital under the Corporations Act include:

- acting honestly;
- acting in the best interests of Property Fund unitholders and, if there is a conflict between Property Fund unitholder interests and those of Multiplex Capital, giving priority to unitholders' interests;
- ensuring that the Property Fund's assets are clearly identified as Property Fund assets, and are held separately from assets of Multiplex Capital and assets of any other fund and are valued at regular intervals;
- treating Property Fund unitholders who hold interests of the same class equally, and Property Fund unitholders who hold interests of different classes fairly;
- ensuring that payments out of the Property Fund's assets are made in accordance with the Constitution and the Corporations Act; and

- reporting within five business days to the Australian Securities and Investments Commission any breach, or likely breach of the Corporations Act in relation to the Property Fund or Multiplex Capital's Australian Financial Services licence, which is significant (according to the meaning of that term in the Corporations Act). For example, a breach is significant when it has caused, or is likely to cause, significant financial loss for Property Fund unitholders or Multiplex Capital.

Multiplex Capital may retire as the responsible entity of the Property Fund by calling a meeting of Property Fund unitholders to explain why it wishes to retire, and to enable Property Fund unitholders to choose a replacement responsible entity by voting on an extraordinary resolution. Multiplex Capital may also be removed from office by an extraordinary resolution passed at a meeting of Property Fund unitholders.

Multiplex Capital, on behalf of the Property Fund, may enter into transactions with related parties, subject to complying with the Corporations Act.

## 7.3 CONSTITUTION

The Constitution governs the rights and obligations of Property Fund unitholders. The Constitution covers details relating to the fees of Multiplex Capital, certain rights of Property Fund unitholders and Multiplex Capital's duties and powers. Multiplex Capital cannot amend the Constitution without Property Fund unitholders approving such amendments by special resolution, unless Multiplex Capital reasonably believes that such amendments will not adversely affect the rights of Property Fund unitholders.

The Constitution includes provisions dealing with:

- investments of the Property Fund and valuation principles for assets;
- the distribution of income and capital;
- the obligations, duties and powers of Multiplex Capital and delegation of its functions;
- the duration of the Property Fund including termination;
- recoverable expenses, permitted borrowing, and the limitation of liability, remuneration and indemnification of Multiplex Capital as the responsible entity; and
- procedures for the convening and holding of meetings of unitholders.

The main rights and liabilities attaching to Property Fund Units are summarised below:

### Voting rights

At a meeting, and on a show of hands, each Property Fund unitholder present in person or by proxy shall have one vote. On a poll, each Property Fund unitholder will be entitled to one vote for each unit held. The Tasman Trust (and other parties associated with the Multiplex Group) are able to vote as unitholders at meetings of Property Fund unitholders. However, the Tasman Trust (and other such associated parties) are restricted by Australian law from voting where they have an interest in the resolution being considered other than as a Property Fund unitholder.

### Property Fund unitholder meetings

Multiplex Capital may at any time summon a meeting of Property Fund unitholders for such purpose as it sees fit. On the requisition in writing of at least 100 Property Fund unitholders, or unitholders holding at least 5% of the Property Fund Units, Multiplex Capital will convene a meeting.

### Rights on winding up

On a winding up, the net proceeds of realisation of the assets of the Property Fund, after discharging or providing for all liabilities of the Property Fund, must be distributed pro rata to Property Fund unitholders according to their unitholdings.

### Transfer of units

A Property Fund unitholder may only transfer units in such a manner as Multiplex Capital may prescribe from time to time.

## 7.4 UNITHOLDERS IN THE PROPERTY FUND

As at 30 June 2005, there were 158.0 million ordinary units, and 20.0 million founder units, on issue in the Property Fund, held by:

- Multiplex Property Trust – 47.5 million ordinary units;
- Multiplex Acumen Property Fund – 47.5 million ordinary units;
- Tasman Trust – 2.4 million ordinary units;
- other existing Property Fund unitholders – 60.6 million ordinary units; and
- Hyde Park and SPB – 20.0 million founder units.

The founder units were issued to facilitate settlement of the Second Stage Properties. Founder units have the same rights as all other Property Fund Units, except the founder units were issued for A\$1.07 each and may be redeemed by Multiplex Capital for A\$1.07 each by Multiplex Capital making selective withdrawal offers to the holders of founder units at any time.

Pursuant to the Property Fund PDS, Multiplex Capital will issue sufficient ordinary Property Fund Units to raise A\$64.1 million (comprising A\$40.4 million, plus a minimum of A\$23.7 million in oversubscriptions).

Multiplex Capital will use funds raised from the issue of Property Fund Units described above to redeem the founder units, repay subordinated debt, and pay the establishment fee due to Multiplex Capital (see Section 7.16).

Upon full subscription (plus oversubscriptions referred to above) of that offer of Property Fund Units pursuant to the Property Fund PDS, the unitholders in the Property Fund will be:

- Multiplex Property Trust – 47.5 million ordinary units;
- Multiplex Acumen Property Fund – 50.3 million ordinary units;
- new and existing holding of the Tasman Trust – 5.0 million ordinary units (comprising 2.4 million ordinary units held by the Tasman Trust as at 30 June 2005 and an additional 2.6 million ordinary units projected to be issued to the Tasman Trust); and
- new and existing Property Fund unitholders – 109.2 million ordinary units.

Upon full subscription, there will be no founder units in the Property Fund on issue. Multiplex Capital may, in future, issue founder units or another class of units in the Property Fund with different rights.

The Multiplex Property Trust, the Manager and Multiplex Capital are members of the Multiplex Group. The Multiplex Acumen Property Fund is related to the Manager.

The rights of Property Fund unitholders are governed by the Constitution and the Corporations Act and its regulations. The Constitution provides that the liability of each unitholder is limited to its investment in the Property Fund and any undistributed income. Under the Constitution a unitholder is not required to indemnify Multiplex Capital or a creditor of Multiplex Capital against any liability of Multiplex Capital. However, Multiplex Capital is unable to assure Property Fund unitholders that their liability will be limited in the manner provided by the Constitution, because the ultimate liability of unitholders rests with the courts.

## 7.5 ADDITIONAL PROPERTY ACQUISITIONS

The Property Fund will actively pursue additional direct property acquisition opportunities. Additional property acquisitions must:

- be located in an established New Zealand property market;
- not be a development property;
- predominantly comprise a retail, industrial, office or car park property;
- be substantially leased to tenants who have a strong financial standing; and
- not dilute the Property Fund's net tangible asset backing per unit.

In addition to direct properties, Multiplex Capital may also acquire a minority equity interest or less than full ownership of any company, unit trust or other entity whose sole or predominant asset or assets are direct or indirect real property assets. The Property Fund's interests in partly-owned entities must not exceed 25% of the value of all of the Property Fund's assets.

If Multiplex Capital wishes to acquire a property that does not fit the above criteria, it will only do so with approval by ordinary resolution of Property Fund unitholders.

Multiplex Capital is evaluating potential acquisitions at all times. It may proceed, at any time and without amending this Offer Document, with any acquisition. Multiplex Capital could proceed with other acquisitions using new or existing debt or subscriptions for further Property Fund Units.

## 7.6 DISTRIBUTION POLICY

The first distribution to be paid to Property Fund unitholders in respect of units issued under the Property Fund PDS was paid for the period ending 30 June 2005. Units issued by the Property Fund will participate in distributions on a daily pro rata basis from the date of issue for the respective quarter.

Distributions beyond the initial distribution paid for the period ending 30 June 2005 will be made quarterly, as at the end of September, December, March and June and will be paid to Property Fund unitholders electronically within six weeks from the end of each distribution quarter.

Distributions will be based on the cash flow from operations of the Property Fund, and may include a return of capital as determined by Multiplex Capital.

## 7.7 CALCULATION OF ISSUE PRICE FOR PROPERTY FUND UNITS

At the date of this Offer Document the issue price of a Property Fund Unit is A\$1.07. This price has been calculated in accordance with the Constitution which provides as follows:

- (a) A Property Fund Unit must only be issued at an application price calculated as follows:

$$\frac{\text{NAV} - \text{AI} + \text{TC}}{\text{Units in issue}}$$

Where:

NAV = The net asset value of the Property Fund at the date the units are issued, further information on which is set out below.

AI = Accrued income. This is deducted because Property Fund unitholders are separately entitled to that income pro rata on a daily basis for the number of days of the income period for which the units are held.

TC = The transaction costs, which are the costs the Property Fund would incur if all of the Property Fund's assets were acquired afresh. These costs include all fees that would be paid to lawyers, consultants and Multiplex Capital on the acquisition of an asset by the Property Fund, costs incurred on raising debt facilities and other issue costs. This cost factor must be added to ensure the existing unitholders are not disadvantaged by having paid all of the costs associated with establishing the Property Fund and acquiring the First Stage Properties. Given the period of time which has passed since the establishment of the Property Fund and the issue date of this Offer Document, some of those issue costs have been amortised and are not included in the calculation of transaction costs. This transaction cost amount is not paid to Multiplex Capital as a fee. Rather, the amount added remains part of the Property Fund for the benefit of the existing Property Fund unitholders.

Units in issue = The total number of units which are on issue to Property Fund unitholders immediately prior to the issue of the units for which the price has been calculated.

The issue price of a unit may be rounded as Multiplex Capital determines, however the amount of rounding must not be more than 1% of the issue price.

In calculating the NAV Multiplex Capital may determine valuation methods and policies for each category of asset and change them from time to time. Where Multiplex Capital values an asset other than at historical cost, then the valuation methods and policies it applies must be capable of resulting in a calculation of the issue price that is independently verifiable.

Prior to issuing the Property Fund PDS, Multiplex Capital had all of the Properties valued to ensure that the main component of the NAV will be up to date. It is otherwise Multiplex Capital's policy to revalue the Properties at least once every three years, and in the event of a new acquisition, then Multiplex Capital intends to record its value at historical cost, or independent valuation if that amount is greater, until it is revalued at a later date. Given that property is a relatively stable asset class over time, Multiplex Capital does not expect the issue price of a Property Fund Unit to change before full subscription of the units offered under the Property Fund PDS is reached. However, the NAV is measured in Australian dollars and as such the Australian dollar value of the Properties can fluctuate due to exchange rate movements. There is no foreign exchange hedging in place in relation to the capital value of the Properties. This means the NAV could change even though the underlying value of the Properties remains stable in New Zealand dollars. If the New Zealand dollar appreciates relative to the Australian dollar, then the NAV will increase and vice versa. Multiplex Capital has calculated a unit price of A\$1.07 for the Property Fund Units offered under the Property Fund PDS in accordance with the Constitution. However, if the existing rate between the New Zealand dollar and Australian dollar varies materially, or anything else that may have a material impact on the NAV occurs before full subscription of that offer, then the issue price of a Property Fund Unit will be recalculated and posted on Multiplex Capital's website ([www.multiplexcapital.biz](http://www.multiplexcapital.biz)).

## 7.8 RIGHT TO WITHDRAW

Pursuant to the Constitution, up to three months before 1 September 2011, Multiplex Capital must send a notice to Property Fund unitholders giving them the option to withdraw from the Property Fund. However, Multiplex Capital may extend the period by up to 12 months if Multiplex Capital reasonably believes that, to the extent Properties may need to be sold or valued in order to facilitate the exit by some Property Fund unitholders, that this would be unlikely to occur on terms which are in the best interests of all Property Fund unitholders if undertaken within the shorter timeframe.

The notice must ask Property Fund unitholders to advise whether or not they want to continue to hold their Property Fund Units or if they want to dispose of them.

If Property Fund unitholders continue to hold their units after 1 September 2011 (or any extended period), then Multiplex Capital will provide a further right to withdraw on the same terms within another seven years (subject to a possible extension of up to 12 months as applied for the initial seven year period). This process, which occurs at or around every seventh anniversary, is referred to as a Rollover of the Property Fund. The obligation of Multiplex Capital to provide this Rollover and exit opportunity does not prevent Multiplex Capital offering other withdrawal opportunities throughout the term of the Property Fund.

**Importantly though, it is not intended for the Property Fund to be liquid and nor will there be any regular withdrawal facility available (other than the limited liquidity feature referred to in Section 7.9). The investment by the Tasman Trust in the Property Fund should therefore be considered long term.**

Property Fund unitholders wishing to withdraw from the Property Fund at a Rollover point irrevocably appoint Multiplex Capital as their power of attorney for the purpose of offering their units for sale or submitting a withdrawal request in relation to their units. Entities in the Multiplex Group or their associates may be a purchaser of units from Property Fund unitholders who wish to withdraw.

In the event Multiplex Capital cannot arrange for the purchase of units or withdrawal of units from liquid assets for Property Fund unitholders wishing to exit, Multiplex Capital will arrange for the sale of a property or properties in an orderly manner to facilitate redemption of units. The timeframe for this will depend on the conditions of the New Zealand property market at that time and the ability of Multiplex Capital to source a purchaser at an appropriate price.

For Property Fund unitholders who wish to dispose of their units, the price of each unit will be the withdrawal price or any lesser amount agreed by the unitholder if the units are transferred to another party. The withdrawal price is:

$$\frac{\text{NAV} - \text{AI} - \text{TC}}{\text{Units in issue}}$$

Units in issue

Where:

NAV = The net asset value of the Property Fund at the withdrawal date.

AI = Accrued income. This is deducted because Property Fund unitholders are separately entitled to that income pro rata on a daily basis for the number of days of the income period for which the units are held.

TC = The transaction costs which are the costs the Property Fund would incur if all of the Property Fund's assets were sold. This must be deducted to ensure that remaining Property Fund unitholders are not disadvantaged by bearing all of the disposal costs. The transaction costs will therefore include fees that would be paid to lawyers and consultants, any fee payable to Multiplex Capital on the sale of an asset by the Property Fund, break costs on debt facilities relating to the asset and other selling costs. This transaction cost amount is not paid to Multiplex Capital as a fee. Rather, the deducted amount remains in the Property Fund for the benefit of the remaining Property Fund unitholders.

Units = The total number of units which are on issue to Property Fund unitholders at the time the withdrawal is effected.  
issue

## 7.9 LIMITED LIQUIDITY

Multiplex Capital will make an annual offer to each Property Fund unitholder to acquire their Property Fund Units, commencing on 1 July 2006. Multiplex Capital has undertaken to acquire Property Fund Units of up to A\$5 million in price from Property Fund unitholders each financial year up to a maximum commitment of A\$20 million over the life of the Property Fund. In the event that acceptances under an offer exceed A\$5 million per annum, Multiplex Capital will acquire Property Fund Units from participating Property Fund unitholders on a pro rata basis. The price for the Property Fund Units Multiplex Capital is prepared to pay will be set out in that offer as will all of the information that Multiplex Capital considers unitholders need concerning the value of their units and the prospects of the Property Fund.

The Multiplex Property Trust will not sell its Property Fund Units to Multiplex Capital pursuant to this offer.

The Multiplex Group will make a cash facility available to Multiplex Capital (in Multiplex Capital's personal capacity) to fund these acquisitions. The terms of the unit acquisition facility agreement are summarised in Section 7.14.

As an alternative to making the annual offer to acquire Property Fund Units, Multiplex Capital may subscribe for Property Fund Units and make those application monies available to meet a withdrawal offer. If Multiplex Capital makes a withdrawal offer (as opposed to buying the units itself), then the withdrawal price will be as set out in Section 7.8.

## 7.10 PROPERTY FUND TERMINATION

Should the Property Fund be terminated, the net proceeds of the realisation of the Property Fund's assets (after allowing for actual and anticipated liabilities of the Property Fund and the expenses of the termination, including payment of any fees to Multiplex Capital) will be distributed to Property Fund unitholders in proportion to their holdings in the Property Fund.

## 7.11 BORROWINGS

The Property Fund has a loan facility of \$405.35 million from the Commonwealth Bank of Australia, New Zealand Branch and ANZ National Bank, New Zealand (Bank) comprising a senior debt component of \$385.0 million and a subordinated debt component of \$20.35 million.

Operational capital expenditure totalling approximately A\$1.5 million has been forecast to be spent during the year ending 30 June 2006.

The Bank's security will be limited to the assets and income of the Property Fund and includes real property mortgages over the Properties. This means the Tasman Trust, as a unitholder in the Property Fund, is not at risk for any more than the equity subscribed by it (plus any undistributed income).

The senior debt component of the Loan commenced on 1 September 2004 and is for a term of five years on an interest only basis, expiring on 31 August 2009. Upon maturity, the senior debt component of the Loan must be fully repaid. Multiplex Capital intends to negotiate an extension to this facility closer to the expiry of the term.

The borrower and certain wholly owned subsidiaries providing security to the Bank, have given various representations, warranties, covenants and undertakings to the Bank, including in relation to their corporate status and the Properties.

A default regime also applies to the senior debt component of the Loan and any breach of this default regime may entitle the Bank to enforce its security and, amongst other things, the Bank may sell the Properties.

The major terms of the senior debt component of the Loan are as follows:

Interest only facility	This means that the principal will not be repaid until the term of the Loan has been completed.
Interest	Interest at the rate being the sum of the margin 0.30% per annum and the applicable benchmark BKBM bid rate, for interest periods of one, two, three or six months as determined on the Reuters screen page BKBM as at 10.45am (Auckland time) of the rate set date will be calculated daily and payable at the end of each quarter (or such other period agreed to between the parties).
Line fee	0.35% per annum calculated on the facility limit. This fee is paid quarterly in advance. The first payment was made on 31 May 2005 and the next payment is due on 31 August 2005.

The subordinated debt must be repaid by 30 June 2006. The Property Fund intends to repay this amount through over subscriptions received under the Property Fund PDS. If the subordinated debt is not repaid by this time then:

- there is a cash flow lockup to pay down the outstanding amount – which means that no distributions will be paid to Property Fund unitholders (including the Tasman Trust – which would mean that no distributions would be made by the Tasman Trust) until the subordinated debt has been repaid in full; and
- the Property Fund must also pursue asset sales to effect the paydown.

The Property Fund is confident that this repayment mechanism will not be activated on the basis that:

- the equity raising under the Property Fund PDS is proceeding well;
- it has the ability to enter new refinancing arrangements; and
- Multiplex Property Trust may subscribe for additional Property Fund Units.

To reduce the risk of Property Fund borrowings, Multiplex Capital has hedged 100% of the Property Fund's senior loan facility (excluding the lender's lending margin) fixing the interest rate on the loan through until August 2009. The interest rate swap contracts were entered into with the Commonwealth Bank of Australia (New Zealand branch) and ANZ National Bank, New Zealand. The subordinated debt facility has not been hedged as it will be paid down progressively prior to 30 June 2006.

This provides certainty to unitholders in the Property Fund, including the Tasman Trust, and reduces the risk or exposure related to any interest rate movement on the Property Fund's loan facility for the term of the hedge.

The Property Fund may take on additional debt at any time and without amending this Offer Document and is currently considering a proposal to issue debt securities. Please refer to Section 1.5.

## 7.12 ACQUISITION OF THE SECOND STAGE PROPERTIES

The Second Stage Properties were acquired by the Property Fund from AmTrust in two stages. Firstly, Multiplex SPV, a wholly owned subsidiary of Multiplex, acquired the Second Stage Properties from AmTrust under the AmTrust Agreement. Secondly, MFML acquired the Second Stage Properties, on behalf of the Property Fund, from Multiplex SPV under the Sale and Purchase Agreement. The AmTrust Agreement and the Sale and Purchase Agreement were interdependent, and both settled on 31 May 2005.

The purchase price paid by the Property Fund for the Second Stage Properties was \$223.0 million, which is \$14.6 million less than the valuation of these properties of \$237.6 million as determined by Colliers International New Zealand Limited. Please refer to the valuation summary in Section 11.

The purchase price was, however, \$7.0 million greater than the purchase price of \$216.0 million which was paid to AmTrust for the Second Stage Properties by Multiplex SPV. Multiplex, as a guarantor to the AmTrust Agreement, incurred significant transaction costs and risks at a stage when the Property Fund was not able to secure the Second Stage Properties.

Because of the nature of this transaction, Property Fund unitholders formally approved the transaction as between the Property Fund and Multiplex SPV.

Under the Sale and Purchase Agreement, all of the rights and benefits that were assigned to Multiplex SPV under the AmTrust Agreement were assigned to MFML, either directly from AmTrust or by Multiplex SPV assigning the right or benefit that it received from AmTrust.

Where Multiplex SPV has any right of action against AmTrust under the AmTrust Agreement, Multiplex SPV will enforce that right on behalf of MFML in accordance with MFML's instructions. If AmTrust agrees, MFML may take part in any dispute directly in place of Multiplex SPV, or where AmTrust will not agree, then Multiplex SPV will take part in such dispute proceedings at the cost of and in accordance with the instructions of MFML.

Multiplex SPV has given limited warranties to MFML under the Sale and Purchase Agreement. However, it has assigned to MFML the benefit of the comprehensive warranties that it has received from AmTrust under the AmTrust Agreement. Under the AmTrust Agreement an escrow account containing \$5 million was established on settlement as security for any successful warranty claim against AmTrust. The escrow sum of \$5 million will be reduced to \$3 million after 12 months if no warranty claims have been notified to AmTrust, and the balance, if any, will be paid out to AmTrust on 30 November 2006. The benefit of this escrow account and the right to make a claim on the escrow account have been assigned by Multiplex SPV to MFML. In the event that the assignment is ineffective or not recognised by AmTrust, Multiplex SPV will at MFML's cost and in accordance with MFML's instructions pursue any claim against AmTrust and hold the benefit and proceeds of any claim for MFML.

### 7.13 ACQUISITION OF THE THIRD STAGE PROPERTIES

The Third Stage Properties were acquired by the Property Fund from GDL for a purchase price of \$55.35 million, which is \$1.39 million less than the valuation of these properties of \$56.74 million as determined by Colliers International New Zealand Limited. Please refer to the valuation summary in Section 11.

The Howick property was acquired by the Property Fund under a first right of refusal, which was granted by GDL to a Multiplex subsidiary at the time the First Stage Properties were acquired. The purchase price paid for Howick was \$10.6 million, which is \$0.65 million less than the valuation of the property of \$11.25 million.

The Pernik properties were acquired by the Property Fund from GDL via a selective tender process. The purchase price paid for the Pernik properties was \$44.75 million, which is \$0.74 million less than the valuation of the properties of \$45.49 million.

### 7.14 MATERIAL CONTRACTS

The Property Fund is party to the following documents:

- (a) Facility and security documentation, as described in Section 7.11.
- (b) A subscription deed with each of the Multiplex Property Trust and the Multiplex Acumen Property Fund whereby each subscribe for 18.9 million Property Fund Units, at an issue price of A\$1.07 per unit.

The Multiplex Acumen Property Fund was entitled to a placement fee of A\$1.1 million (exclusive of GST) in consideration for subscribing for the units. This fee was paid by Multiplex Capital from its own funds and not out of the assets of the Property Fund.

Under each subscription deed, Multiplex Capital also provided certain warranties to the Multiplex Property Trust and the Multiplex Acumen Property Fund.

On 4 July 2005 the Multiplex Acumen Property Fund acquired an additional 2.8 million Property Fund Units at A\$1.07 per unit and it intends to acquire an additional 1.9 million Property Fund Units in late July 2005.

- (c) A subscription deed with each of Hyde Park and SPB whereby Hyde Park and SPB agreed to subscribe for up to 43.5 million founder units (at an issue price of A\$1.07 per founder unit) and Multiplex Capital agreed to issue those founder units to Hyde Park and SPB. On 30 May 2005 24.6 million founder units were issued to Hyde Park and SPB pursuant to this deed.

The subscription deeds governed how and when Hyde Park and SPB subscribed for the founder units, and how and when those units were issued by Multiplex Capital to Hyde Park and SPB.

Multiplex Capital provided certain warranties to Hyde Park and SPB under the subscription deeds.

The subscription deeds also place an obligation upon Multiplex Capital to gradually redeem the founder units (in accordance with the Constitution), as monies are raised by Multiplex Capital from the issue of Property Fund Units.

Multiplex has paid to SPB and Hyde Park a fee equal to the greater of either 2.5% of the funds provided by them or A\$900,000. This fee was paid by Multiplex from its own funds and not out of the assets of the Property Fund.

In addition, Multiplex has agreed to guarantee to Hyde Park and SPB that Hyde Park's and SPB's total combined return on funds provided by them (net of all costs and expenses payable or paid by Hyde Park and SPB) will be 15.0% per annum. Multiplex has agreed to pay to Hyde Park and SPB any shortfall to make up this return. This amount is payable by Multiplex from its own funds and not out of the assets of the Property Fund.

- (d) Two unit sale deeds pursuant to which the First Stage Properties were transferred to the Property Fund.

On 30 August 2004, the Property Fund acquired from the Multiplex Property Trust two sub-trusts in accordance with two unit sale deeds. The sub-trusts already owned the ASB Bank Centre and held the rights to acquire other First Stage Properties. The total consideration was A\$106.1 million. The ASB Bank Centre was originally acquired in the sub-trust by the Multiplex Property Trust in December 2003 for \$112.6 million (A\$104.89 million assuming an exchange rate of NZ\$1.00 = A\$0.9315).

Under these unit sale deeds, the Property Fund obtained a number of warranties from the Multiplex Property Trust in relation to the sub-trusts and the First Stage Properties.

One of the unit sale deeds between the Multiplex Property Trust and Multiplex Capital also contains rights of first refusal. The deed provides that Multiplex Capital must not allow the sale of any of the First Stage Properties, or any of the units in the sub-trusts, without first giving the Multiplex Property Trust a right to offer to buy the relevant property or units. If the Multiplex Property Trust makes an offer to buy the property or sub-trust units and that offer is not accepted by Multiplex Capital, then Multiplex Capital will be free to sell the relevant property or sub-trust units to another party, but for a price no less than the price offered by the Multiplex Property Trust and on terms and conditions no less favourable to the Property Fund than those which were offered by Multiplex Property Trust.

However, the rights of first refusal granted to the Multiplex Property Trust are subject to other rights held by GDL and described in Section 7.15.

One unit sale deed also contains an obligation on the Multiplex Property Trust to provide support for the purchase yield in relation to the ASB Centre. This support will require Multiplex Property Trust to repay up to A\$578,806 over a period which ends on 31 August 2007 in respect of minor tenancies and some vacant space.

- (e) A unit acquisition facility agreement between Multiplex and Multiplex Capital, in its personal capacity. Under this agreement, Multiplex agrees to make available the cash facility referred to in Section 7.9, which is to allow Multiplex Capital to acquire Property Fund Units of up to A\$5 million in price each financial year, commencing on 1 July 2006 (up to the maximum commitment of A\$20 million).

Under the agreement, Multiplex Capital is able to call upon Multiplex to provide to Multiplex Capital funds of up to A\$5 million each financial year (commencing on 1 July 2006). Any funds provided by Multiplex to Multiplex Capital under this agreement are repayable by Multiplex Capital to Multiplex from Multiplex Capital's own assets and not out of the Property Fund. Multiplex Capital, under the agreement, must also pay to Multiplex all distributions of income and capital in relation to the units that Multiplex Capital acquires from Property Fund unitholders using the funds provided by Multiplex. These amounts are also payable by Multiplex Capital from its own funds and not from the assets of the Property Fund. The agreement gives Multiplex a right to take a charge over Property Fund Units acquired by Multiplex Capital, whilst funds are outstanding to Multiplex.

- (f) A custody deed appointing MFML as the custodian to hold the property of the Property Fund. MFML holds the assets as a bare trustee of Multiplex Capital. The responsibilities of MFML include purchasing and selling assets of the Property Fund as directed by Multiplex Capital in accordance with the Constitution, recordkeeping, reporting, opening bank accounts, and the holding and dispersing of money on behalf of Multiplex Capital. The assets are held in MFML's name. MFML must not effect any transactions involving the assets of the Property Fund unless it has received proper instructions from Multiplex Capital. MFML is entitled to be paid fees, as mentioned in Section 13.4 and to be reimbursed for expenses.
- (g) On 4 May 2005, the Property Fund entered into the Sale and Purchase Agreement to acquire the Second Stage Properties as referred to in Section 7.12.
- (h) On 20 May 2005, the Property Fund entered into an agreement to purchase the Howick Retail Property from GDL at a price of \$10.6 million. Following settlement, the Property Fund granted a 15 year lease to GDL. The form of the lease was on substantially the same terms as the leases that were entered into between the Property Fund and GDL for the First Stage Properties.
- (i) On 27 May 2005, the Property Fund entered into an agreement to purchase the Pernik properties from GDL for a price of \$44.75 million. All of the Pernik properties are freehold except for the property at Wanganui which is a leasehold interest for a term of 21 years. The lease is perpetually renewable. Following settlement, the Property Fund granted leases to GDL for each property for initial periods ranging between nine and 15 years, with three rights of renewal each for an additional six years. The form of lease for each property is on substantially the same terms as the leases that were entered into between the Property Fund and GDL for the First Stage Properties except that there is no guarantee in place from Progressive Enterprises Limited.

## **7.15 MATERIAL MATTERS CONCERNING CERTAIN PROPERTIES**

The agreements to which the Property Fund is party relating to certain Properties contain the following material provisions.

### **GDL right of first refusal**

The leases to GDL each contain a clause granting the lessee a right of first refusal to purchase the property the subject of the relevant lease. This right provides that if the lessor intends to sell the property (or any part of it) to an entity or person outside of the Multiplex group of companies (which is widely defined and includes a trust where the trustee or responsible entity or its custodian is a Multiplex entity), the lessor must first offer the property to the lessee.

The terms of that offer, including the purchase price, are determined by the lessor. If the lessee does not exercise its right, the lessor may sell the property to a third party at a price and on terms and conditions that are not more favourable to the third party than those offered to the lessee.

The right of first refusal has been granted for the term of the relevant lease for so long as the lessee remains a member of the Progressive Enterprises Ltd group of companies.

The leases entered into with GDL for the Howick Retail Property and for the Pernik properties contain a clause granting GDL the same right of first refusal.

### **GDL option to purchase**

The leases to GDL each contain a clause granting the lessee an option to purchase the property which is the subject of the lease. This option arises if either:

- (a) a person who, or which, is carrying on, in competition with the lessee or any member of the Foodland Associated Ltd group of companies, any supermarket business, including any person who is directly or indirectly assisting that person to carry on in such competition (Competitor), acquires control of the lessor; or
- (b) the lessor, or the person who has control of the lessor, becomes a Competitor; or
- (c) a person which controls the lessor also controls a Competitor.

“Control” means the power to appoint or remove 40% or more of the members of the governing body of a person, or the power to control the affairs or policies of a person, or the ability to derive more than 40% of the benefit of the existence or activities of a person.

If the circumstances giving rise to the option occur and the option is exercised, the purchase price is to be the market value of the property, determined by a valuer appointed by the lessor and lessee. That valuer must determine the market value using two separate assumptions. First, that the property will be sold with a lease, in a form similar to the lease with GDL but with eight years remaining in the term. Second, that the premises will be sold with vacant possession. The purchase price is the greater of the two values.

The option has been granted for the term of the relevant lease provided that the lessee remains a member of the Progressive Enterprises Ltd group of companies.

The leases entered into with GDL for the Howick Retail Property and for the Pernik properties contain a clause granting GDL the same option to purchase.

### **Telecom NZ right of first refusal**

Telecom New Zealand Ltd (Telecom NZ) has a right of first refusal to purchase Telecom House and The Plaza before either of those properties can be sold to anyone else. Therefore, if Multiplex Capital wishes to sell Telecom House or The Plaza, it must first permit Telecom NZ to make an offer to purchase it before giving any third party the right to purchase the property. Any sale to a third party would occur on terms and conditions no less favourable to the Property Fund than those which were offered to the Property Fund by Telecom NZ.

## 7.16 PRO-FORMA SOURCE AND APPLICATION OF FUNDS BY THE PROPERTY FUND

The Property Fund is seeking to raise A\$64.1 million (comprising subscriptions of A\$40.4 million plus oversubscriptions of an additional A\$23.7 million). Multiplex Capital may also accept additional oversubscriptions in certain circumstances. At a unit price of A\$1.07 per unit, this will mean a total of 59.9 million Property Fund Units will be issued. As the Properties have been acquired by the Property Fund, proceeds of that offer will be used to redeem the founder units held by Hyde Park and SPB, repay the subordinated debt and to pay the establishment fee due to Multiplex Capital.

The following table shows the pro-forma effect of the funds raised and applied, or to be raised and applied, by the Property Fund (assuming a minimum of A\$23.7 million in oversubscriptions):

	At 31 May 2005	At 30 June 2005	Upon full subscription of A\$40.4 m (plus oversubscription of A\$23.7 m) under the Property Fund PDS	Total
	(A\$m)	(A\$m)	(A\$m)	(A\$m)
<b>Source of funds:</b>				
Equity:				
Multiplex Property Trust	20.2	–	–	20.2
Multiplex Acumen Property Fund	20.2	–	–	20.2
Founder Units	26.3	–	(26.3)	–
New Unitholders	3.7	–	60.4	64.1
Debt	143.3	51.6	(19.0)	175.9
	213.7	51.6	15.1	280.4
<b>Application of Funds:</b>				
Purchase price of Second Stage Properties	208.0	–	–	208.0
Purchase price of Third Stage Properties	–	51.6	–	51.6
Property acquisition costs	2.4	0.4	–	2.8
Establishment fee:				
Property acquisitions <sup>(1)</sup>	–	–	4.1	4.1
Equity raising <sup>(2)</sup>	–	–	9.6	9.6
Issue costs	1.4	0.3	–	1.7
Debt establishment costs	0.5	0.6	–	1.1
Working capital	1.4	(1.3)	1.4	1.5
	213.7	51.6	15.1	280.4

(1) Portion of establishment fee for services provided in relation to the acquisition of the Second and Third Stage Properties. This has been capitalised as part of the cost base of the Second and Third Stage Properties in the Property Fund's statement of financial position.

(2) Portion of the establishment fee for services provided in relation to the raising of equity. This has been offset against contributed equity in the Property Fund's statement of financial position.

## 7.17 INSPECTION OF DOCUMENTS

A copy of each of the following documents relevant to the Property Fund is available during normal business hours free of charge at the address of the Manager in Section 13.2:

- (a) the Constitution;
- (b) the material contracts referred to in Sections 7.13 and 7.14;
- (c) the full valuation reports referred to in the summary valuation report set out in Section 11; and
- (d) the Property Fund PDS.



# SECTION

## FINANCIAL INFORMATION ON THE TASMAN TRUST

The following information is presented in this Section:

- prospective statement of financial performance for the Tasman Trust;
- prospective statement of movements in equity for the Tasman Trust;
- pro-forma statement of financial position for the Tasman Trust;
- key accounting policies for the Tasman Trust; and
- principal assumptions underlying the prospective financial information.

The prospective financial information consists of forecasts for the period ending 30 June 2005 and projections for the year ending 30 June 2006. The results for the year ended 30 June 2005 are still forecasts because the results have not been finalised. New Units issued pursuant to this Offer will have no right to participate in distributions relating to any period prior to 30 June 2005.

The prospective financial information was prepared as at 15 July 2005 for use in this Offer Document. Actual results for the period ended 31 May 2005 have been incorporated into the forecasts for the period ending 30 June 2005.

The prospective financial information presented in this Section constitutes forecasts and projections as defined in New Zealand Financial Reporting Standards No. 29, "Prospective Financial Information". A projection is based on one or more hypothetical assumptions which reflect possible courses of action. A projection is not a forecast. A forecast is based on a series of assumptions as to future events which the Manager reasonably expects to occur as a result of actions they reasonably expect to take.

The prospective financial information may not be suitable for any other purpose. There is no present intention to update this prospective financial information or to publish prospective financial information in the future.

The prospective financial information has been the subject of due diligence by the Manager. Although due care and attention has been taken in preparing the prospective financial information, the Manager cannot provide assurance that the prospective financial information will be achieved. Actual results may vary from the prospective financial information due to the non-occurrence of anticipated events or alternatively events occurring that were not anticipated, and variations may be material.

The funds of the Tasman Trust are invested in the Property Fund Units, and investors should take into account the information about the Property Fund set out elsewhere in this Offer Document, in particular the financial information for the Property Fund included in Section 9.

## 8.1 PROSPECTIVE STATEMENT OF FINANCIAL PERFORMANCE

The prospective statement of financial performance of the Tasman Trust for the 10 months ending 30 June 2005 and the year ending 30 June 2006 are set out below. The equity balance of the Tasman Trust is \$2.6 million as at 31 May 2005. The projections assume that additional equity is raised under the Offer on the following dates:

Date	Equity raised (\$m)
30 July 2005	0.1
30 August 2005	1.4
30 September 2005	1.5
<b>Total equity</b>	<b>3.0</b>

The operating costs for the prospective period and equity raising costs of the Tasman Trust will be borne by the Property Fund.

	10 months ending 30 June 2005 <sup>(1)</sup> \$'000	Year ending 30 June 2006 \$'000
Distributions received or receivable from investment in the Property Fund	126.1	465.3
<b>Total operating income</b>	<b>126.1</b>	<b>465.3</b>
Operating costs	—	—
<b>Operating surplus (deficit) before taxation</b>	<b>126.1</b>	<b>465.3</b>
Tax expense <sup>(2)</sup>	41.6	153.5
<b>Operating surplus after taxation<sup>(3)</sup></b>	<b>84.5</b>	<b>311.8</b>
<b>Gross distribution – NZ cents per Unit</b>	<b>9.00c</b>	<b>9.50c</b>
<b>Gross distribution yield – new Units<sup>(4)</sup></b>	<b>N/A</b>	<b>8.88%</b>
<b>Net distribution – NZ cents per Unit</b>	<b>6.03 cents</b>	<b>6.37 cents</b>
<b>Net yield – new Units<sup>(4)</sup></b>	<b>N/A</b>	<b>5.95%</b>

(1) The results for the year ended 30 June 2005 are still forecasts because the results have not been finalised. New Units issued pursuant to this Offer will have no right to participate in distributions relating to any period prior to 30 June 2005.

(2) It is assumed there is no withholding tax deducted in Australia and that New Zealand foreign dividend withholding payments are made at a rate of 33%.

(3) The operating surplus for the 10 months ending 30 June 2005 is on the existing equity of \$2.6 million. The year ending 30 June 2006 includes the existing equity and assumed new equity raised under the Offer.

(4) The distribution yield for new Units is calculated on a Unit price of \$1.07.

## 8.2 PROSPECTIVE STATEMENT OF MOVEMENTS IN EQUITY

	10 months ending 30 June 2005 \$'000	Year ending 30 June 2006 \$'000
Equity at beginning of period	—	2,615.0
Equity raised from Unitholders	2,615.0	3,000.0
Operating surplus	84.5	311.8
Distributions paid or payable to Unitholders	(84.5)	(311.8)
<b>Equity at end of period</b>	<b>2,615.0</b>	<b>5,615.0</b>

### 8.3 PRO-FORMA STATEMENT OF FINANCIAL POSITION

The pro forma statement of financial position of the Tasman Trust as at 15 July 2005, assuming the Offer has been fully subscribed under this Offer Document as at that date, is as follows.

	\$'000
<b>Assets</b>	
Investment in the Property Fund	5,615.0
<b>Equity</b>	
Contributed equity	5,615.0

### 8.4 KEY ACCOUNTING POLICIES

The principal accounting policies adopted are set out below. The prospective financial information has been prepared in accordance with New Zealand generally accepted accounting practice.

#### Measurement base

The historical cost basis is used in the preparation of the prospective financial information.

#### Income recognition

Distributions from investments are recognised in the same accounting period as the net income to which the distribution relates.

#### Income tax

The income tax expense recognised for the year is based on the accounting surplus, adjusted for permanent difference between accounting and tax rules.

The impact of all timing differences between accounting and taxable income is recognised as a deferred tax liability or asset. This is the comprehensive basis for the calculation of deferred tax under the liability method.

A deferred tax asset, or the effect of losses carried forward that exceed the deferred tax liability, is recognised in the financial statements only where there is virtual certainty that the benefit of the timing differences, or losses, will be utilised.

#### Foreign exchange

Transactions denominated in foreign currencies are converted to New Zealand dollars at the exchange rates in effect at the date of the transaction. Monetary assets and liabilities at balance date, are translated at closing rates. Gains and losses due to currency fluctuations on these items are included in the statement of financial performance.

Forward exchange contracts entered into as hedges of foreign exchange assets and liabilities and future transactions are valued at the exchange rate prevailing at the balance date. Any unrealised gains or losses are offset against the foreign exchange gains or losses on the related asset or liability. In the case of hedges against future transactions the exchange difference on the foreign exchange contract and associated costs are deferred and included in the measurement of the transaction.

#### Investments

Investments are carried at cost, unless there is determined to be an impairment in the value of the asset.

### Distributions

Distributions to Unitholders are recognised when declared, which will be in the same period as distributions on investments are accrued.

### 8.5 PRINCIPAL ASSUMPTIONS UNDERLYING THE PROSPECTIVE FINANCIAL INFORMATION

The principal assumptions upon which the prospective financial information is based are summarised below and should be read in conjunction with "What are my Risks?" in Section 13.6 and the prospective financial information of the Property Fund in Section 9.

A reconciliation between the prospective financial information of the Property Fund in Section 9, and the prospective distributions contained in this Section is as follows:

Prospective distributions	10 months ending <sup>(3)</sup> 30 June 2005 '000	Year ending 30 June 2006 '000
Prospective distributable cash flow of the Property Fund	A\$9,161.0	A\$17,657.0
Distribution to the Tasman Trust	A\$114.6	A\$423.0
Gross distributions received or receivable by the Tasman Trust	NZ\$126.1	NZ\$465.3

(1) The prospective distributions received by the Tasman Trust are based on the Tasman Trust assumptions set out below and the assumptions on which the Property Fund forecasts are based (refer Section 9).

(2) Exchange rate of approximately NZ\$1.00 to A\$0.9091 is assumed. The assumed amount and date of acquisition of Property Fund Units are set out in this Section.

(3) New Units issued pursuant to this Offer will have no right to participate in distributions for any period prior to 30 June 2005.

In preparing the prospective financial information, the accounting policies set out in Section 8.4 have been applied.

New Zealand equivalents to International Financial Reporting Standards (NZIFRS) are required to be implemented for periods commencing on or after 1 January 2007 and therefore any potential impact has not been effected in the prospective financial information as NZIFRS will not be in place for the 30 June 2005 or 30 June 2006 financial period ends. The Manager has not yet considered any possible impacts of the transition to NZIFRS.

#### Specific assumptions

##### Acquisition activity

It has been assumed that there will be no contribution from any acquisition activity or expansion by other means during the prospective period.

##### Operating Income

Distributions will be received from the Property Fund on a quarterly basis. Distributions for the 30 June 2005 period include the actual distributions received and forecast distributions receivable. The forecast annualised Gross yield for the year ending 30 June 2005 is 9.00%.

Distributions for the 30 June 2006 period are based on projected Gross distributions of A\$0.095 per Property Fund Unit, translated to NZ\$ at a hedged rate of NZ\$1.0000:A\$0.9091. This equates to a Gross yield of 8.88% on Units issued under this Offer Document.

## Distributions to Unitholders

All distributions received will be paid in full to Unitholders net of New Zealand tax. Distributions to Unitholders will be accrued/paid on the same day distributions will be receivable/received from the Property Fund and it has been assumed that no interest will be paid/received on outstanding monies.

## Operating costs

The costs of the Tasman Trust for the prospective period will be borne by the Property Fund or by the Manager from its own funds.

## Tax

It is assumed that:

- the Tasman Trust will hold less than 10% of the units in the Property Fund at the time all distributions are made by the Property Fund to the Tasman Trust;
- the Tasman Trust is a resident of New Zealand for income tax purposes;
- the Property Fund is a resident of Australia for income tax purposes; and
- all Property Fund Units are equal as to voting rights.

## Equity raising and investment in the Property Fund

The projections assume equity is raised on the following dates:

Date	Equity raised (NZ\$m)	Number of Property Fund Units acquired (m)
30 July 2005	0.1	0.1
30 August 2005	1.4	1.2
30 September 2005	1.5	1.3
<b>Total</b>	<b>3.0</b>	<b>2.6</b>

(1) Exchange rate of approximately NZ\$1.00 to A\$0.9091 is assumed. It is assumed that on the same day as the equity is raised, it is immediately used to acquire Property Fund Units.

(2) The number of Property Fund Units acquired by the Tasman Trust is exposed to movements in the Australian dollar rate.

To the extent a different amount is raised all NZ\$ amounts in this Section will be a pro rata amount, but the return to individual investors will not be impacted.

The prospective financial information assumes that there are no further equity raisings and no redemptions during the prospective period. All equity raising costs will be borne by the Property Fund.

## Value of investment in Tasman Trust

The prospective financial information assumes that there will be no impairment in the value of the Tasman Trust's investment in the Property Fund.

## General assumptions

### Economic, political and physical environment

It has been assumed that there will be no material change in the existing general economic, fiscal or political conditions in New Zealand, nor any disasters or unforeseen event, that will impact the Tasman Trust or Property Fund.

## Legislation

It has been assumed that there will be no legislative or regulatory changes, including taxation, which affect the Tasman Trust's operation in New Zealand.

## Business strategy

It has been assumed that there will be no change in business strategy other than those outlined in this Offer Document.

## Accounting policies

It has been assumed that the Tasman Trust's accounting policies will remain consistent during the prospective period.

## 8.6 FOREIGN EXCHANGE HEDGING

### Distributions

The prospective distributions from the Property Fund to the Tasman Trust are exposed to Australian dollar foreign exchange movements. In order to reduce foreign exchange risk, the Tasman Trust has hedged 100% of the prospective future distributions from the Property Fund exposed to foreign exchange movements using foreign exchange contracts for a period of five years. The foreign exchange contracts were entered into with the Commonwealth Bank of Australia (New Zealand branch).

The foreign exchange contracts hedged rates (rounded to four decimal places) are as follows:

Year ending 30 June	Average yearly rate (NZ\$1.00 = A\$)
2005	0.9091
2006	0.9091
2007	0.9091
2008	0.9091
2009	0.9091
2010	0.9091

### Acquisition of Property Fund Units

The subscription price of Property Fund Units is, as at the date of this Offer Document, A\$1.07 per unit. Please see Section 7.7 for further details. The Tasman Trust projections assume Property Fund Units are acquired at an exchange rate of NZ\$1.00 to A\$0.9091 and at a subscription price of A\$1.07 per Property Fund Unit.

## 8.7 TAXATION ISSUES

The Property Fund and the Tasman Trust are subject to Australian and New Zealand tax legislation. Changes to legislation in either jurisdiction may therefore affect returns to investors. For further discussion of tax issues relevant to the Tasman Trust and to investors please refer to the tax report of PricewaterhouseCoopers in Section 11.

## 8.8 SENSITIVITY ANALYSIS

The Tasman Trust's prospective earnings are influenced by movements in a number of key variables. The following sensitivities have been calculated to demonstrate the financial effect on the prospective Gross distribution yield for new Units. They demonstrate the impact of the prospective financial information of a change in any one variable. Care should be taken in interpreting this information. This analysis treats each movement of an assumption in isolation from possible movements in other assumptions which, in reality, may or may not be the case.

### Currency risk

The funds of the Tasman Trust are invested in Property Fund Units. The price of Property Fund Units and the number of Property Fund Units acquired by the Tasman Trust will be impacted by the exchange rate between the NZ\$ and the A\$ on the date that acquisition occurs.

The exchange rate between the NZ\$ and the A\$ on the date the investment is made in the Tasman Trust may impact the Unit price in the Tasman Trust and the Property Fund.

	Tasman Trust Gross Distribution Yield – New Units (%)	Tasman Trust Gross Distribution – Cents per Unit (NZ\$)
<b>New Zealand dollar movement vs Australian dollar</b>		
↓ NZ\$1.00 = A\$0.8696	8.49	0.0909
↓ NZ\$1.00 = A\$0.8333	8.14	0.0871
↓ NZ\$1.00 = A\$0.8000	7.81	0.0836
↓ NZ\$1.00 = A\$0.7692	7.51	0.0804
↓ NZ\$1.00 = A\$0.7407	7.23	0.0774
<b>Current: NZ\$1.00 = A\$0.9091</b>	<b>8.88</b>	<b>0.0950</b>
↑ NZ\$1.00 = A\$1.1764	11.49	0.1229
↑ NZ\$1.00 = A\$1.1111	10.85	0.1161
↑ NZ\$1.00 = A\$1.0526	10.28	0.1100
↑ NZ\$1.00 = A\$1.0000	9.77	0.1045
↑ NZ\$1.00 = A\$0.9524	9.30	0.0995

### Unit price risk

The funds invested in the Tasman Trust are assumed to acquire units in the Tasman Trust at NZ\$1.07. It is then assumed that the Tasman Trust acquires Property Fund Units at A\$1.07.

If there were an adverse movement in the exchange rate or if the issue price for Property Fund Units increased, for every \$1.00 contributed to the Tasman Trust, fewer Property Fund Units would be acquired.

	Tasman Trust Gross Distribution Yield – New Units (%)	Tasman Trust Gross Distribution – Cents per Unit (NZ\$)
<b>Unit Price Tasman Trust</b>		
↓ NZ\$0.93	8.88	0.0826
↓ NZ\$1.00	8.88	0.0888
<b>Current: \$1.07</b>	<b>8.88</b>	<b>0.0950</b>
↑ NZ\$1.14	8.88	0.1012
↑ NZ\$1.21	8.88	0.1074
<b>Unit Price Property Fund (A\$)</b>		
↓ A\$0.93	10.21	0.1092
↓ A\$1.00	9.50	0.1016
<b>Current: \$1.07</b>	<b>8.88</b>	<b>0.0950</b>
↑ A\$1.14	8.33	0.0891
↑ A\$1.21	7.85	0.0840



# SECTION

## FINANCIAL INFORMATION ON THE PROPERTY FUND

# FINANCIAL INFORMATION ON THE PROPERTY FUND

The forecasts are based upon best estimate assumptions. They rely upon assumptions with respect to future business decisions which are subject to change. Events and circumstances often do not occur as anticipated and therefore actual results can differ from the forecasts. The property industry is subject to many external factors which can materially impact financial performance. Accordingly, there can be no guarantee that the forecasts will be achieved.

This Section provides details of the following financial information in relation to the Property Fund:

- forecast distributions of the Property Fund for the 10 month period ending 30 June 2005 and the financial year ending 30 June 2006;
- source and application of funds associated with the Property Fund Offer;
- pro-forma statement of financial position of the Property Fund as at 31 December 2004;
- key accounting policies;

- other key assumptions on which the Property Fund forecasts are based;
- foreign exchange hedging; and
- taxation implications for Property Fund unitholders.

The information in this Section was prepared in accordance with Australian Corporations law and Australian Accounting Standards.

All financial information in this Section is expressed in Australian dollars, unless otherwise specified.

## 9.1 FORECAST DISTRIBUTIONS OF THE PROPERTY FUND

Set out below are the forecast distributions for the 10 month period ending 30 June 2005 and the financial year ending 30 June 2006. The accounting policies and assumptions on which the forecasts are based are set out in this Section, Section 9.4 and Section 9.5.

Forecast operating cash flows	Notes	10 months ending 30 June 2005 <sup>(1)</sup> (A\$'000)	Year ending 30 June 2006 (A\$'000)
<b>Operating cash inflows</b>			
Net property income	1	21,156	46,341
Interest income	2	241	182
<b>Total operating cash inflows</b>		<b>21,397</b>	<b>46,522</b>
<b>Operating cash outflows</b>			
Management fees	3	(613)	(2,395)
Other expenses	4	(97)	(211)
<b>Total operating cash outflows</b>		<b>(710)</b>	<b>(2,605)</b>
<b>Operating cash flow before interest expense</b>		<b>20,687</b>	<b>43,917</b>
Interest expense	5	(11,526)	(26,260)
<b>Operating cash flow available for distribution</b>	6	<b>9,161</b>	<b>17,657</b>
Annualised Distribution – cents per Property Fund Unit		9.00c	9.50c
Annualised Distribution yield – new Property Fund Units <sup>(2)</sup>		8.41%	8.88%
Tax-deferred portion		81%	100%

(1) The forecast operating cash flows for the 10 months ending 30 June 2005 includes 10 months forecast operating cash flows from the First Stage Properties and one month of forecast operating cash flows from the Second Stage Properties.

(2) The distribution yield for new Property Fund Units is calculated on a unit price of A\$1.07.

The operating cash flow is reconciled to the forecast profit attributable to Property Fund unitholders as follows:

Forecast profit	Notes	10 months ending 30 June 2005 (A\$'000)	Year ending 30 June 2006 (A\$'000)
<b>Operating cash flow</b>		9,161	17,657
<i>Less non-cash expense items:</i>			
Deferred component of management fee	3	(1,063)	(1,437)
Tax expense	7	(3,179)	(6,627)
Amortisation of debt establishment costs	8	(116)	(375)
<b>Net profit after tax attributable to Property Fund unitholders</b>		<b>4,803</b>	<b>9,218</b>

## NOTES

### Note 1 – Net property income

In forecasting net income from the Properties, the current rental and rent review provisions in respect of each tenancy were analysed and adjustments made to the passing rents to reflect anticipated variations upon rent review. Where leases provide for a CPI increase the key assumptions noted in Section 9.5 have been applied in relation to the CPI increase rate. Fixed percentage increases have been applied and market increases are based on Multiplex Capital's estimate of market rentals in the financial years 2004-2005 and 2005-2006. It is assumed vacancies that presently exist and/or vacancies which are likely to arise during the forecast period will be leased within 12 months. It has been assumed that new leases commence at prevailing market rates.

Recoverable operating expenses, which include rates, insurance, gardening, cleaning, repairs and maintenance, fire protection, and property management fees have been indexed at the assumed annual CPI rate. Recoveries of operating expenses have been calculated in accordance with the relevant lease provisions of applicable tenants.

Non-recoverable expenses have been indexed using the assumed annual CPI rate (refer Section 9.5).

### Note 2 – Interest income

Interest on surplus funds held, pending distribution, has been calculated at 5% per annum.

### Note 3 – Management fees

Multiplex Capital is entitled to management fees payable on the basis set out in Section 13.4.

Multiplex Capital may waive or defer all or part of the management fee in any particular year. Multiplex Capital has agreed to defer payment of its management fee to the extent necessary to meet forecast distributions over the forecast period. However, any amount of the management fee deferred will still be charged as a non-cash expense item in arriving at the Property Fund's net profit for that period.

In the event that the operating cash flow available for distribution results in an annual distribution in excess of 9.50 cents per unit, Multiplex Capital may determine it is appropriate to recover any deferred fees out of such excess. Failing this, Multiplex Capital will be paid the balance of these deferred fees in the event of termination of the Property Fund, earlier sale of the Properties or upon a Rollover of the Property Fund.

### Note 4 – Other expenses

Includes Multiplex Capital's estimate of costs associated with accounting, registry, tax and audit fees (escalated over the forecast period by the CPI assumption).

### Note 5 – Interest expense

Multiplex Capital has fixed the interest rate on the portion of the loan funds to acquire the First Stage Properties at 7.37% and the portion of the loan funds to acquire the Second and Third Stage Properties at 7.48% per annum through until 31 August 2009. These rates include the bank's lending margin of 0.30% per annum and a line fee of 0.35% per annum.

Please refer to Section 7.11 for further details.

### Note 6 – Distribution to unitholders

The distributions will be based on the operating cash flows from the investment in the Properties after providing for all expenses and interest on borrowings. To the extent that this exceeds the Property Fund's net profit after tax, this will represent a return of capital for accounting purposes. The distribution yield for the 10 months ending 30 June 2005 has been annualised.

### Note 7 – Tax expense

Tax expense is a non-cash item charged against the Property Fund's net profit as required for Australian Accounting Standards. Refer to Section 9.4 for further details on the Property Fund's income tax expense accounting policy. Due to the availability of tax depreciation allowances, no New Zealand tax is forecast to be payable by any sub-trust of the Property Fund over the forecast period.

### Note 8 – Debt establishment costs

Debt establishment costs are deferred and amortised over five years. The amortisation will be a non-cash expense item charged to the Property Fund's net profit.

## 9.2 SOURCE AND APPLICATION OF FUNDS

The following table shows the source and application of funds raised under the Property Fund PDS assuming full subscription of A\$40.4 million and oversubscriptions of A\$23.7 million.

	NZ\$'000	A\$'000 <sup>(1)</sup>
<b>Source of funds</b>		
Equity from the issue of units	112,101	104,572
Loan from the bank	188,587	175,920
Total source of funds	300,688	280,492
<b>Application of funds</b>		
Purchase of Second Stage Properties	223,000	208,022
Purchase of Third Stage Properties	55,350	51,633
Establishment fee		
Property acquisition portion <sup>(2)</sup>	4,415	4,118
Equity raising portion <sup>(3)</sup>	10,301	9,609
Other property acquisition costs <sup>(4)</sup>	3,055	2,849
Loan establishment costs <sup>(5)</sup>	1,181	1,102
Issue costs	1,787	1,667
Working capital	1,599	1,492
Total application of funds	300,688	280,492
NTA per Property Fund Unit on allotment		A\$1.00
Price per Property Fund Unit on allotment		A\$1.07

(1) Assumes an exchange rate of NZ\$1.00 to A\$0.9328.

(2) Payable to Multiplex Capital for services provided in relation to the acquisition of the Second and Third Stage Properties.

(3) Payable to Multiplex Capital for services provided in relation to the raising of equity. From this, Multiplex Capital is responsible for the payment of fees and commissions to investment advisers.

(4) Includes the costs of legal, structural, mechanical, fire, electrical, environmental, valuation, demographics, depreciation and accounting services in property investigations for the Property Fund.

(5) Payable to the financier and legal advisers in relation to the establishment of the loan facility to fund the acquisition of the Second and Third Stage Properties.

### 9.3 PRO-FORMA STATEMENT OF FINANCIAL POSITION

The following sets out the pro-forma statement of financial position of the Property Fund as at 31 December 2004 assuming full subscription under the Property Fund PDS of A\$40.4 million (plus oversubscriptions of A\$23.7 million) and making the other adjustments described below which reflect occurrences post 31 December 2004.

	Actual 31 December 2004 (A\$'000)	Pro-forma adjustments (A\$'000)	Pro-forma 31 December 2004 (A\$'000)
<b>Current assets</b>			
Cash	8,841	6,127 <sup>1,3,5</sup>	14,968
Other assets	1,180	–	1,180
<b>Total current assets</b>	<b>10,021</b>	<b>6,127</b>	<b>16,148</b>
<b>Non-current assets</b>			
Investment properties	276,158	279,849 <sup>2,3,4,5</sup>	556,007
Debt establishment costs	700	1,101 <sup>3,5</sup>	1,801
Other assets	156	892 <sup>5</sup>	1,048
<b>Total non-current assets</b>	<b>277,014</b>	<b>281,842</b>	<b>558,856</b>
<b>Total assets</b>	<b>287,035</b>	<b>287,969</b>	<b>575,004</b>
<b>Current liabilities</b>			
Other liabilities	13,822	–	13,822
<b>Total current liabilities</b>	<b>13,822</b>	<b>–</b>	<b>13,822</b>
<b>Non-current liabilities</b>			
Interest bearing liability	174,832	175,239 <sup>3,5</sup>	350,071
Other liabilities	2,297	–	2,297
<b>Total non-current liabilities</b>	<b>177,129</b>	<b>175,239</b>	<b>352,368</b>
<b>Total liabilities</b>	<b>190,951</b>	<b>175,239</b>	<b>366,190</b>
<b>Net assets</b>	<b>96,084</b>	<b>112,730</b>	<b>208,814</b>
<b>Unitholders funds</b>			
Funds raised	109,158	109,750 <sup>1,3,5</sup>	218,908
Issue costs	(11,180)	(11,465) <sup>3,5</sup>	(22,645)
Retained profits	(1,027)	–	(1,027)
Asset revaluation reserve	–	14,445 <sup>2,4</sup>	14,445
Foreign currency translation reserve	(867)	–	(867)
<b>Total unitholders funds</b>	<b>96,084</b>	<b>112,730</b>	<b>208,814</b>
NTA per unit	A\$0.89		A\$1.00
Interest bearing debt/total assets	61%		61%

#### Pro-forma adjustments

The pro-forma statement of financial position set out above has been prepared on the basis to illustrate the effect of the Second and Third Stage Property acquisition as if it were complete as at 31 December 2004. Certain other pro-forma adjustments have been made to reflect occurrences post 31 December 2004 which would materially affect the financial position of the Property Fund.

The following pro-forma adjustments have been made:

#### Notes:

##### 1. Final unitholders funds raised post 31 December 2004

A pro-forma adjustment has been made to the statement of financial position of the Property Fund as at 31 December 2004 to reflect the receipt of the final equity receivable of A\$5.2 million from the first fund raising of the Property Fund under a product disclosure statement dated 7 September 2004.

This has been reflected by a pro-forma adjustment increasing unitholders funds and cash by A\$5.2 million.

##### 2. First Stage Property revaluation

A pro-forma adjustment of A\$6.9 million has been made to reflect the revaluation of the First Stage Properties.

This has been reflected by a pro-forma adjustment increasing investment properties by A\$6.9 million and increasing the asset revaluation reserve by A\$6.9 million.

### 3. Second Stage Property acquisition

Pro-forma adjustments have been made to the statement of financial position of the Property Fund as at 31 December 2004 to reflect the acquisition of the Second Stage Properties for A\$208.0 million and the funding of the acquisition.

This has been reflected by the following pro-forma adjustments increasing:

- the working capital cash balance by A\$0.7 million;
- investment properties by A\$213.8 million;
- debt establishment costs by A\$0.5 million;
- interest bearing liabilities by A\$143.3 million; and
- Unitholders' funds by A\$71.7 million, reflecting an increase in the funds raised balance of A\$80.8 million offset by issue costs of A\$9.1 million.

### 4. Second Stage Property revaluation

A pro-forma adjustment of A\$7.5 million has been made to reflect the revaluation of the Second Stage Properties.

This has been reflected by a pro-forma adjustment:

- increasing investment properties by A\$7.5 million; and
- increasing the asset revaluation reserve by A\$7.5 million.

### 5. Third Stage Property acquisition

Pro-forma adjustments have been made to the statement of financial position of the Property Fund as at 31 December 2004 to reflect the acquisition of the Third Stage Properties for A\$51.6 million and the funding of the acquisition.

This has been reflected by the following pro-forma adjustments increasing:

- the working capital cash balance by A\$0.3 million;
- investment properties by A\$51.6 million;
- debt establishment costs by A\$0.6 million;
- other assets by A\$0.9 million;
- interest bearing liabilities by A\$31.9 million; and
- Unitholders' funds by A\$21.4 million, reflecting an increase in the funds raised balance of A\$23.7 million offset by issue costs of A\$2.3 million.

## 9.4 KEY ACCOUNTING POLICIES

This financial information has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Consensus Views, the requirements of the Constitution and the Corporations Act. The principal policies are described below:

### Calculation of net profit before income tax expense

The Property Fund's net profit before income tax expense is calculated on the accrual basis of accounting and includes all income derived by the Property Fund after deducting expenses.

### Income tax expense

The wholly owned sub-trust of the Property Fund which owns the Properties is liable to pay tax under New Zealand tax legislation at the current corporate tax rate of 33%. Tax effect accounting procedures are followed whereby the income tax expense of the subsidiary is matched with the accounting profit after allowing for permanent differences. The future tax benefit relating to tax losses will be carried forward as an asset only when the benefit is virtually certain of realisation. Income tax on cumulative timing differences is set aside to the deferred income tax or future income tax benefit account at the rates which are expected to apply when those timing differences reverse.

### Depreciation of buildings, plant and equipment and capital incentive amortisation

The Property Fund does not charge depreciation on buildings and integral plant and equipment. The interests in buildings, plant and equipment are held by the Property Fund as an investment property, and so are continually maintained.

### The Properties

The Properties have been initially brought to account at cost, which includes the costs of acquisition. Costs of acquisition include Multiplex Capital's estimate of fees and costs for professional services incurred by the Fund in procuring the Properties, and includes the portion of Multiplex Capital's establishment fee in relation to the acquisition of the Properties.

The costs of any subsequent developments and refurbishments of the Properties, including financing charges incurred during the period of development of refurbishment, will be capitalised.

The First Stage Properties were independently revalued at 31 March 2005. The Second Stage Properties were independently valued at 30 April 2005 and the Third Stage Properties were independently valued at 18 May 2005 (Howick) and 1 June 2005 (Pernik).

Beyond these dates, the properties of the Property Fund will be independently revalued at least every three years, and Multiplex Capital will provide updates every year. Independent revaluations will be conducted more frequently, if in the view of Multiplex Capital, there has been a material movement in value, either up or down.

Increments arising from the revaluation of the Property Fund's investment in the Properties will be transferred directly to an asset revaluation reserve, except to the extent that the increments reverse a revaluation decrement previously recognised as an expense in the profit and loss account, in which case they will be recognised as revenue in the profit and loss account for the period. Decrements from revaluations will be brought to account in calculating the operating profit or loss for the period, except to the extent that the revaluation decrement reverses a previous increment, in which case the decrement will be taken directly to an asset revaluation reserve. Any decrements from revaluations brought to account in the profit and loss for a period will be reversed in determining the distributable profit.

### Offer costs

Costs including the portion of Multiplex Capital's establishment fee in relation to the equity raising and other establishment costs relating to the Property Fund Offer will be recognised directly as a reduction from the proceeds of the issue of units.

## Debt establishment costs

Costs incurred in establishing the finance facility for the acquisition of the Properties will be capitalised and amortised over the shorter of five years or the term of the facility.

## International Financial Reporting Standards

The adoption of Australian equivalents to International Financial Reporting Standards (IFRS) will be first reflected in the financial statements for the half year ending 31 December 2005 and the year ending 30 June 2006. The material changes that will be required to existing accounting policies are as follows:

- Investment properties: changes in the fair values of investment properties will be adjusted through the statement of financial performance rather than through the asset revaluation reserve of the statement of financial position.
- Tax effect accounting: accounting for income tax uses a balance sheet approach to calculate deferred tax balances (currently income statement method). The amount of deferred tax balances (assets and liabilities) may change.
- Financial instruments: all interest rate and foreign currency derivatives will be recognised at fair value in the statement of financial position, with changes in fair value during the period recognised in the statement of financial performance, or, if classified as an effective cash flow hedge, deferred in equity in a hedging reserve.

There are no forecasts of future valuations of properties or movements in the market values of derivatives as the directors do not believe there is any reasonable basis to make forecasts in relation to future capitalisation rates, property yields or general market conditions as these are matters outside their control. For these reasons, the directors are unable to accurately quantify the impact of the transition to IFRS on the forecast financial information. While the application of IFRS may introduce volatility into forecast financial information, in particular the potential volatility of movements in property values, this will not affect the operating cash flows and hence the distributions paid to Property Fund unitholders.

## 9.5 OTHER KEY ASSUMPTIONS

The distribution forecasts have been prepared based on various assumptions as set out below. Property Fund unitholders should appreciate that many factors which affect results may be outside the control of Multiplex Capital and experts who have provided information on which forecasts are based, or may not be capable of being foreseen or accurately predicted. As such, actual results may differ from the forecasts. The following assumptions represent Multiplex Capital's best estimates of anticipated future transactions and events, based on information and documentation currently available.

### Valuation of Properties

The forecasts assume there will be no revaluation increments or decrements during the forecast period.

### CPI assumption

New Zealand CPI has been assumed to be at a rate of 2.5% per annum.

## Foreign exchange assumption

The forecast future cash flows exposed to New Zealand foreign exchange movements has been hedged through until 30 July 2010 at a weighted average exchange rate of NZ\$1.00 to A\$0.9091.

The purchase of the Second Stage Properties was completed at an exchange rate of NZ\$1.00 to A\$0.9328.

## Goods and Services Tax (GST)

Where GST has been paid or is payable and an input tax credit is available, the expense has been shown net of GST. Where a full input for credit is not available, the expense includes an amount of non-recoverable GST.

## Capital expenditure

The following capital expenditure has been assumed over the forecast period:

Property	10 month period ending 30 June 2005 (A\$'000)	Year ending 30 June 2006 (A\$'000)
First Stage Properties	445.3	603.4
Second Stage Properties	36.2	382.0
Third Stage Properties	—	65.0
<b>Total</b>	<b>481.5</b>	<b>1,050.4</b>

Multiplex Capital intends to fund these costs using loan funds drawn from the existing loan facility. The existing loan facility has been increased to NZ\$350.0 million of which NZ\$343.0 million was drawn down to partially fund the purchase price paid for the Second Stage Properties.

## Taxation assumptions

Key assumptions in calculating the tax-deferred portion of income distributions are as follows:

- Property Fund establishment expenses including equity raising costs, fund establishment fees and other establishment costs are claimed over a five year period to the extent that this expenditure is not included in the cost of either the depreciating asset or that it is not deductible under another provision of the income tax law;
- borrowing expenses are amortised over the term of the bank loan facilities for the Property Fund;
- for the purpose of these forecasts, Multiplex Capital has depreciated plant and equipment over the expected useful life of the plant and equipment using the prime cost method or diminishing value method, as appropriate;
- division 43 Building Allowances are calculated on a straight line basis at the prescribed rate of 2.5% per annum; and
- Multiplex Capital has provided for other adjustments as required to taxable income.

## Other assumptions

Other assumptions made in preparing the forecasts include:

- the Property Fund Offer is fully subscribed under the Property Fund PDS and there are oversubscriptions of A\$23.7 million;
- there are no further equity raisings by the Property Fund;

- there are no changes in the property holdings of the Property Fund during the forecast period;
- there are no material changes in the indirect and direct tax regimes in Australia or New Zealand;
- Lumley House will not be acquired;
- no other acquisitions will be made;
- there are no changes to regulations and legislation in Australia or New Zealand that would have a material impact on the Property Fund; and
- there is no material change in the competitive environment in which the Properties operate.

Where allowances and estimates are used, these are based on Multiplex Capital's knowledge and experience.

## **9.6 FOREIGN EXCHANGE HEDGING**

In order to stabilise the income stream and reduce foreign exchange risk, the Property Fund has hedged 100% of the forecast future cash flows exposed to New Zealand foreign exchange movements using foreign exchange contracts.

The foreign exchange contracts hedged rates for 100% of the forecast future cash flows are at a weighted average yearly rate of NZ\$1.00 = A\$0.9091.



# SECTION

MULTIPLY GROUP, MULTIPLY  
CAPITAL AND THE MANAGER

## 10.1 MULTIPLEX GROUP

Multiplex was founded in 1962. The Multiplex Group has grown significantly over four decades and has endured a number of different property and economic cycles.

Multiplex Group is now a diversified property business, listed on the ASX, employing over 2,000 people across four divisions – investment management, construction, property development and facilities management. Multiplex Group's strong track record has given it an established brand with a reputation for quality, innovation and delivery of major projects – particularly large commercial, residential, retail and specialist design and construct projects.

As at 15 June 2005 the market capitalisation of Multiplex Group was approximately A\$2.3 billion.

## 10.2 MULTIPLEX CAPITAL

"Multiplex Capital" is the investment management division of Multiplex Group. That division includes the Manager, Multiplex Capital (the responsible entity of the Property Fund), Acumen Capital Securities Limited (the responsible entity of the ASX listed Multiplex Acumen Property Fund), Multiplex Investments Ltd (the responsible entity of the Multiplex Development and Opportunity Fund), Multiplex Investment Funds Pty Ltd and MFML (the responsible entity of the Multiplex Property Trust and also the custodian of the Property Fund). The division has assets under management of over A\$4.0 billion.

## 10.3 THE MANAGER

Multiplex Capital New Zealand Ltd (referred to as the Manager in this Offer Document) is responsible for managing the Tasman Trust on behalf of Unitholders.

The Manager is a wholly owned subsidiary of Multiplex Capital. Multiplex Capital does not guarantee the performance of the Tasman Trust or the Units, or any payments related thereto.

## 10.4 DIRECTORS

### Ian O'Toole

Ian is Managing Director of the investment management division of Multiplex Group, which is referred to as "Multiplex Capital".

Ian was formerly with ING Real Estate Asset Management Ltd as Director – Property, where he was responsible for the capital transactions and asset management of ING Industrial Fund and ING Office Fund. He has over 22 years' experience in funds management and real estate.

Ian commenced employment with the Multiplex Group in 2003 and is a director of Multiplex Capital.

### Chris Palandri

Chris has been employed by Multiplex Group for 15 years, and joined Multiplex Developments (NZ) Ltd as General Manager in 2004. The prior eight years were spent in the Sydney Development Division of Multiplex Group as Business Development Manager and Senior Development Manager.

### Phillip Eaton

Phil is employed by Multiplex Developments (NZ) Ltd as a Development Manager.

He has also been employed in the investment and banking sectors for four years, the property sector for over seven years and more than two years in the hotel, leisure and entertainment sector.

Employers during this time include BNZ, St Lukes Group, Westfield and SKYCITY.

Phil's involvement in all of these companies has included a complex blend of due diligence, lending services, IT management and business strategy and development. In addition Phil has been involved in various aspects of project management including business set up, operational project management, company acquisition and integration.

### Rob Rayner

Rob has been involved in property and property funds management for more than 15 years, and has extensive property and financial experience in both the listed and unlisted sectors of the funds management industry.

This experience has been gained through his previous employment within the Armstrong Jones (now ING Investment Management Ltd) unlisted and listed property trust business.

Within the Armstrong Jones property funds management business, he was the fund manager for unlisted and listed property trust portfolios with total property assets exceeding \$500 million.

Rob commenced employment with the Multiplex Group in 2003 and is a director of Multiplex Capital.

## 10.5 MANAGEMENT TEAM

Under the AmTrust Agreement Multiplex has secured the services of the key members of the management team previously employed by AmTrust, the original vendor of the Second Stage Properties. Following settlement of the acquisition of the Second Stage Properties on 31 May 2005, the team continued to provide property services in respect of the Properties. Multiplex secured, on an ongoing basis, their services through a New Zealand domiciled Multiplex subsidiary. Investors should note that this management team has not been engaged by the Manager. A brief biography of each member of the management team is set out below.

### Peter Wall

Peter Wall was the CEO of AmTrust Pacific Limited, New Zealand's largest privately owned property investment and management company, a position he has held for 15 years.

Peter's involvement in the property industry dates back to 1976 when he was Real Estate Manager for BP Oil, responsible for retail service station development and office and industrial developments for BP's pension fund. Following an eight year property role with BP, Peter spent six years in General Manager roles for publicly listed Owens Group and Brierley Cromwell running their property development, investment and management activities.

In 1990, Peter was appointed as CEO with the then publicly listed City Realities Limited. The \$450 million property company was privatised in 1997 and the name changed to AmTrust Pacific Limited.

Peter is past National President of the Property Council and has chaired the Property Council Building Awards judging panel for three years. He is widely regarded in the New Zealand business community and is a sought after speaker in his specialist field of property.

### John McStay

John McStay graduated in 1986 from the University of Auckland with a Bachelor of Property Administration. After six months as Property Manager with Challenge Properties (a subsidiary of Fletcher Challenge), John joined what was then known as City Realities Limited and has remained with the company for 19 years through various name changes. John has participated in all aspects of property – development, asset and facilities management and project management.

John supports the property industry as a senior member of the New Zealand Property Institute and has assisted the University of Auckland by running the Stage 3 Advanced Property Management course for the property faculty for a period of three years from 2000 to 2002.

### Kym Bunting

Kym Bunting graduated from the University of Auckland with a Bachelor of Property Administration degree in 1989. Following graduation, Kym joined the publicly listed City Realities Limited which subsequently became AmTrust Pacific Limited through various shareholding changes. During his 16 years of property industry experience, Kym has been involved in all aspects of facilities, compliance and asset management.

Kym has also been involved in the wider property community as an Associate of the New Zealand Property Institute, and part-time lecturer in Stage 3 Advanced Property Management at the University of Auckland.



# 11

## **SECTION**

## INDEPENDENT REPORTS

The Directors  
Multiplex Capital New Zealand Limited  
Level 4  
48 Courthouse Lane  
AUCKLAND

18 July 2005

Dear Directors

### **AUDITORS' REPORT FOR INCLUSION IN THE PROSPECTUS**

We have prepared this report pursuant to clause 16 of Schedule 3A of the Securities Regulations 1983 for inclusion in an Offer Document to be dated 18 July 2005 for the issue of units in Multiplex Tasman Property Fund (the Tasman Trust).

### **DIRECTORS' RESPONSIBILITIES**

The directors of Multiplex Capital New Zealand Limited (the Manager) are responsible for the preparation and presentation of the prospective financial information of the Tasman Trust, including the assumptions on which they are based. The prospective financial information of the Tasman Trust includes a prospective statement of financial performance, and movements in equity for the period ending 30 June 2005 and for the year ending 30 June 2006.

The directors of Multiplex Capital Limited (Multiplex Capital) are responsible for the preparation and presentation of the prospective financial information of the Multiplex New Zealand Property Fund (the Property Fund), including the assumptions on which they are based. The prospective financial information of the Property Fund includes a prospective operating cash flow for the period ending 30 June 2005 and for the year ending 30 June 2006.

### **AUDITORS' RESPONSIBILITIES**

We are responsible for reporting, in accordance with clause 16(5) of Schedule 3A of the Securities Regulations 1983, on the prospective financial information of the Tasman Trust and the Property Fund.

We have no relationship with or interests in either the Manager, the Tasman Trust, Multiplex Capital or the Property Fund other than in our capacity as auditors and tax advisers for the Tasman Trust.

### **BASIS OF OPINION ON THE PROSPECTIVE FINANCIAL INFORMATION**

To meet our reporting responsibilities we have examined:

- the prospective financial information and sensitivity analysis of the Tasman Trust, to confirm that, so far as the accounting policies and calculations are concerned, the prospective financial information has been properly compiled on the footing of the assumptions made or adopted by the Manager as set out in Section 8 of the Offer Document and are presented on a basis consistent with the accounting policies adopted by the Tasman Trust; and
- the prospective financial information of the Property Fund, to confirm that, so far as the accounting policies and calculations are concerned, the prospective financial information has been properly compiled on the footing of the assumptions made or adopted by Multiplex Capital as set out in Section 9 of the Offer Document and are presented on a basis consistent with the accounting policies adopted by the Property Fund.

**UNQUALIFIED OPINION ON THE PROSPECTIVE FINANCIAL INFORMATION**

In our opinion:

- the prospective financial information of the Tasman Trust in Section 8, so far as the accounting policies and calculations are concerned, have been properly compiled on the footing of the assumptions made or adopted by the Manager as set out in Section 8 of this Offer Document and is presented on a basis consistent with the accounting policies adopted by the Tasman Trust; and
- the prospective financial information of the Property Fund in Section 9, so far as the accounting policies and calculations are concerned, have been properly compiled on the footing of the assumptions made or adopted by Multiplex Capital as set out in Section 9 of this Offer Document and is presented on a basis consistent with the accounting policies adopted by the Property Fund.

Actual results are likely to be different from the prospective financial information since anticipated events frequently do not occur as expected and the variation could be material. Accordingly, we express no opinion as to whether the prospective financial information will be achieved.

We completed our work for the purposes of this report on 18 July 2005 and our unqualified opinion is expressed at that date.

Yours faithfully



Chartered Accountants  
Auckland

The Directors  
Multiplex Capital New Zealand Ltd and  
Multiplex Capital Ltd  
Level 4  
48 Courthouse Lane  
AUCKLAND

18 July 2005

Dear Directors

## NEW ZEALAND PROSPECTUS – TAXATION SUMMARY

This letter has been prepared for inclusion in an Investment Statement and Prospectus to be dated on 18 July 2005 relating to the offer of units in the Multiplex Tasman Property Fund (“the Tasman Trust”).

In this letter the abbreviations and capitalised terms have the meanings set out in the Glossary to the Investment Statement and Prospectus.

PricewaterhouseCoopers has given, and has not withdrawn before the date of the Offer Document, its written consent to the distribution of it with this letter included in the form and context in which it is included.

PricewaterhouseCoopers is not, and is not intended to be, a director, officer or employee of the Manager. PricewaterhouseCoopers may provide taxation advice to the Manager from time to time.

The purpose of this letter is to provide a general overview of tax matters for New Zealand tax residents who invest in the Tasman Trust. This guidance is based on current New Zealand and Australian tax law and rates, which may change. The following guidance should not be used as a substitute for specific tax advice. Investors should seek professional tax advice specific to their circumstances before investing.

In preparing this letter we have relied on information contained in the Investment Statement and Prospectus as well as on other information and representations obtained from the Manager. We have also assumed the Tasman Trust will own less than 10% of the units in the Multiplex New Zealand Property Fund (the “Property Fund”).

### A Taxation of the Tasman Trust

#### I Australia

The Tasman Trust is a New Zealand tax resident entity and is generally only subject to Australian tax on income sourced in Australia.

The Tasman Trust should not generally suffer any Australian tax on income other than in respect of a minor amount of interest income which may be subject to a 10% withholding in Australia. This is because all income, other than the interest income, is expected to be from sources outside Australia.

The Property Fund should not be required to withhold any Australian tax from distributions of such non-Australian-sourced income made to the Tasman Trust. This is because the Property Fund will distribute to the Tasman Trust income which is primarily sourced in New Zealand.

The Tasman Trust should not suffer Australian tax on the disposal (by sale or redemption) of units in the Property Fund if the Tasman Trust, together with its associates as defined, held less than 10% of the units in the Property Fund at all times during the five years before the disposal. If the Tasman Trust and its associates held 10% or more of those units at any time in those five years, a different exemption from Australian tax on that disposal is likely to be available to the Tasman Trust. That exemption, in general terms and subject to the particular circumstances of the Property Fund at the time of the disposal, would exempt any gain on disposal from Australian tax provided at least 90% of the market value of the underlying assets were assets (such as properties in New Zealand) which did not have the necessary connection with Australia.

#### II New Zealand

The Tasman Trust is subject to New Zealand income tax as if it were a company. The Tasman Trust will pay income tax at the current company tax rate of 33% on its net income with the exception of income in the nature of foreign dividends. The Tasman Trust’s primary source of income will be in the nature of distributions from the Property Fund, a unit trust settled and resident in Australia. As the Property Fund will be treated as a company for New Zealand income tax purposes, such distributions will be treated as foreign dividends received by the Tasman Trust.

Although foreign dividends are not subject to income tax they are subject to a foreign dividend withholding payment (“FDWP”). This will generally apply to all distributions received from the Property Fund, including the distribution of any capital gains arising from any sale of underlying property investments by the Property Fund and its subsidiary unit trusts.

The FDWP liability is equal to 33% of the gross distribution less any tax withheld in Australia. This FDWP liability may be reduced by imputation credits in respect of New Zealand tax payments attached to distributions made by the Property Fund. However, in the forecast period the Property Fund is not expecting to pay income tax in New Zealand. In those circumstances, distributions received by the Tasman Trust will not have imputation credits attached to them.

To illustrate, should the Property Fund have available \$100 for distribution to the Tasman Trust the tax consequences for the Tasman Trust on receipt of the distribution would be as follows:

Gross amount available for distribution	\$100.00
Less withholding tax in Australia	(assumed nil)
Gross distribution received by the Tasman Trust	\$100.00
New Zealand FDWP @ 33%	(\$33.00)
Cash available for distribution to Unitholders	\$67.00

As the Property Fund and subsidiary unit trusts are treated as foreign companies, the foreign investment fund (FIF) rules which can result in the attribution of income to New Zealand residents must be considered. In our view, under current law, income will not be attributed to the Tasman Trust under these rules as the Property Fund will be tax resident of, and liable for income tax in Australia.

Gains on the sale of units in the Property Fund by the Tasman Trust should not be held on revenue account and not subject to tax in New Zealand provided the following circumstances do not apply:

- the Tasman Trust acquired the units for the purpose of sale or other disposal; or
- the Tasman Trust is a trader of securities; or
- the units are held for the purposes of any business carried on by the Tasman Trust and disposal of the units is an act done in the carrying on of that business; or
- the units were purchased by the Tasman Trust as part of a profit making scheme.

The Tasman Trust intends to hold the units in the Property Fund on capital account for New Zealand tax purposes and does not expect the circumstances set out above to apply. Accordingly, under current law, gains on sale of units in the Property Fund by the Tasman Trust should not be subject to income tax in New Zealand.

## B Distributions to Unitholders

Distributions to Unitholders by the Tasman Trust will be taxable as dividends in the hands of Unitholders. The Tasman Trust intends to attach available New Zealand imputation credits and/or dividend withholding payment (“DWP”) credits to distributions. However, such distributions may not be fully imputed or fully credited with DWP.

The Tasman Trust will be required to deduct resident withholding tax (“RWT”) (at the rate of 33%) from a distribution to Unitholders to the extent to which the Tasman Trust is not able to attach full imputation/DWP credits to that distribution.

To illustrate, assuming the Unitholder has a marginal tax rate of 33%, the distribution received by the Tasman Trust in the example above is distributed to the Unitholder and carries full DWP credits, the tax consequences for the Unitholder would be as follows:

Cash distribution to Unitholder	\$67.00
DWP credits attached to the distribution	\$33.00
Gross taxable distribution	\$100.00
Income tax @ 33%	\$33.00
Less DWP credits	(\$33.00)
Tax payable	\$Nil

If Unitholders have a marginal tax rate which is less than 33%, excess DWP or RWT credits can be refunded to the Unitholder. If Unitholders have a marginal tax rate which is higher than 33%, additional income tax will be payable by the Unitholder.

### C Sale of units by Unitholders

If a Unitholder sells units in the Tasman Trust, the New Zealand income tax treatment of profits realised or losses incurred will depend upon the tax position of the individual Unitholder. By way of general guidance, circumstances under which profits or losses from the disposal of units will be on revenue account and, therefore, subject to New Zealand income tax include:

- the Unitholder acquired the units for the purpose of sale or other disposal; or
- the Unitholder is a trader of securities; or
- the units are held for the purposes of any business carried on by the Unitholder and disposal of the units is an act done in the carrying on of that business; or
- the units were purchased as part of a profit making scheme.

### D Redemption of units by Unitholders

If a Unitholder has his or her units redeemed, proceeds may be taxable as a dividend although exceptions can apply. The rules in this regard are complex. We recommend that investors obtain their own specific advice if units are redeemed.

For Unitholders who would be taxable on the sale of units, any profit derived on the redemption of units is taxable even if the payment on redemption is not a dividend.

### E Possible legislative reform

The Budget released by the Government on 19 May 2005 signalled a number of significant reforms targeted at improving the saving habits of New Zealanders which would involve changes to the taxation of investment income.

A discussion document setting out proposed changes to the taxation of certain investment vehicles and foreign investment of less than 10% from 1 April 2007 was published in June 2005 ("Taxation of investment income; the treatment of collective investment vehicles and offshore portfolio investments in shares"). The proposed changes, if enacted following submissions, may impact on the New Zealand taxation treatment of the Tasman Trust and Unitholders and will need to be monitored by investors.

Yours sincerely



Brendan Catchpole  
Partner  
Taxation Services



Tim Walton  
Partner  
Taxation Services



**BUILDING RELATIONSHIPS**

Level 27, 151 Queen Street  
PO Box 1631  
Auckland New Zealand  
Tel 64 9 358 1888  
Fax 64 9 358 1999

[www.colliers.co.nz](http://www.colliers.co.nz)

18 July 2005

The Directors  
Multiplex Capital Limited and  
Multiplex Capital New Zealand Limited  
1 Kent Street  
Sydney  
NSW 2000  
AUSTRALIA

Dear Sirs

**RE: SUMMARY OF VALUATION REPORTS – HOWICK, PERNIK PORTFOLIO, AMTRUST PORTFOLIO AND EXISTING FUND PORTFOLIO**

In accordance with your instructions Colliers International New Zealand Limited has undertaken valuations of the properties listed below as at 18 May 2005 in respect of Howick, 1 June 2005 in respect of the Pernik Portfolio, and 30 April 2005, for those properties listed from 1-11 Short Street to 501 Karangahape Road and 31 March 2005 for 90 Great South Road to ASB Bank Centre, with this letter serving to summarise these individual valuations from our original full reports. We recommend investors refer to the full valuation reports which may be inspected at the offices of the Manager during normal business hours.

This valuation summary has been prepared for inclusion in an Offer Document for the Multiplex Tasman Property Fund (Fund) to be dated on or about 18 July 2005, which is to be issued by Multiplex Capital New Zealand Limited (Manager) as manager of the Fund.

**PROPERTY PORTFOLIO SUMMARY**

The portfolio of 33 properties, all located in New Zealand, comprises 11 office buildings plus some strata title car parks, 17 supermarkets, some with associated speciality retail, three distribution centres and two properties comprising South City Shopping Centre. We provide below a summary of the individual values of the properties as follows:

Property Name	Location	Type	Adopted Value (NZ\$)
35 Cook Street	Howick, Auckland	Supermarket/Shop	11,250,000
North Road	Invercargill	Supermarket	3,650,000
Thames Street	Oamaru	Supermarket	3,800,000
Broadway	Marton	Supermarket	1,560,000
Victoria Avenue**	Wanganui	Supermarket	4,100,000
Courtney Street	New Plymouth	Supermarket	7,650,000
Tirau Street	Putaruru	Supermarket	2,520,000
Sloane Street	Te Awamutu	Supermarket	5,600,000
State Highway 2	Paeroa	Supermarket	2,950,000
14 Tobin Street	Pukekohe	Supermarket	8,400,000
Victoria Street	Dargaville	Supermarket	5,220,000
90 Great South Road	Papakura, Auckland	Woolworths	4,100,000
271 Richmond Road	Grey Lynn, Auckland	Woolworths	9,100,000
15 The Avenue	Lynfield, Auckland	Countdown	12,750,000
475 Ti Rakau Drive	Botany, Auckland	Countdown	15,000,000
Crn Bryce & Tristram Streets	Hamilton Central	Foodtown	2,900,000
Lyttleton Avenue	Porirua, Wellington	Countdown	6,700,000
146 Shands Road	Christchurch	Distribution Centre	15,700,000
60 Kerrs Road	Wiri, South Auckland	Distribution Centre	21,750,000
80-120 Favona Road	Mangere, Auckland	Distribution Centre	61,000,000
South City Shopping Centre	Colombo Street, Christchurch	Shopping Centre	38,900,000
573-579 Colombo Street	573-579 Colombo Street, Christchurch	Retail	4,100,000
ASB Bank Centre	135 Albert Street, Auckland	Office	116,500,000
University Building	1-11 Short Street, Auckland	Office	10,900,000
AIA Tower	5-7 Byron Avenue, Takapuna	Office	25,300,000
Telecom Tower	8 Hereford Street, Auckland	Office	59,100,000
The Telco Building	16 Kingston and 60 Federal Streets, Auckland	Office	16,600,000
Farmers Carparks	23 Hobson Street, Auckland	Car parks	1,550,000
Gen-i Tower	66 Wyndham Street, Auckland	Office	66,800,000
SAP Centre	67-69 Symonds Street, Auckland	Office	21,800,000
12 Whitaker Place*	12 Whitaker Place, Auckland	Office	700,000
Uniservices House*	70 Symonds Street, Auckland	Office	18,000,000
76 Symonds Street	76 Symonds Street, Auckland	Office	5,550,000
The Plaza	501 Karangahape Road, Auckland	Mixed use	11,300,000

\* Both are on the same Title Register and are not separate properties.

\*\* Leasehold.

## INDIVIDUAL PROPERTY SUMMARIES

### Howick

The subject premises comprise a purpose built supermarket with seven attached specialty shops constructed during 2004, located on the fringes of the Howick commercial area in Auckland. The supermarket comprises a total lettable area of 2,764.83 sqm and there is a further 715.71 sqm of speciality retail in seven tenancies.

The property is held under two Certificates of Title, having a total front area of 9,096 sqm contained in Certificates of Title NA46B/1033 and NA48B/507.

### Invercargill

The subject property comprises a standalone supermarket on a prominent site on the northern fringes of the provincial city of Invercargill. The premises comprise a lettable area of 2,307 sqm.

This property is held under three Certificates of Title, having a total land area of 1.0803 hectares and contained in Certificates of Title SL1A/1354, SL3A/1251 and SL171/137.

### Oamaru

The subject premises comprise a single level standalone supermarket, co-located on a site adjacent to The Warehouse on a prominent position in the centre of Oamaru. The premises comprise a total lettable area of 3,025 sqm.

This property is held under eight Certificates of Title, having a total site area of 9,624 sqm, contained on Certificates of Title OT3D/790, OT4D/1451, OT5B/554, OT37/67, OT356/2, OT356/246, OT410/65 and OTD2/185.

### Marton

The subject property comprises a small provincial supermarket located within the main retail strip of Marton, which is a small central North Island farming town. The premises have a total ground floor area of 975 sqm, together with amenities at first floor level of 35 sqm.

This property is held under four Certificates of Title, having a total site area of 3,231 sqm contained in Certificates of Title WM19/171, WM38A/130, WM39/220 and WM675/21.

### Wanganui

The subject premises comprise a standalone supermarket on a prominent site on the corner of Victoria Avenue and Glasgow Street in the provincial city of Wanganui. The property extends to a total ground floor area of 3,113 sqm, together with mezzanine amenities of 257 sqm.

The property is held under two Certificates of Title, having a total land area of 9,698 sqm contained in Certificates of Title WN5A/547 and WN17A/130. This is a leasehold property subject to a perpetually renewable ground lease with rental reviews at 21 year intervals. The ground rental will next be due for review on 1 September 2009.

### New Plymouth

The subject premises comprise a standalone supermarket with frontage to Courtenay Street and Leech Street in the provincial city of New Plymouth. This is a largely single level development comprising a supermarket of 3,202 sqm with mezzanine amenities and office of 295 sqm.

This property is held under a single Certificate of Title, having a total site area of 5,939 sqm contained in Certificate of Title TNH2/634.

### Putaruru

The subject premises comprise a predominantly single level supermarket with mezzanine amenities, being a standalone property on a prominent corner site on State Highway 1 in the provincial town of Putaruru. The supermarket comprises a lettable ground floor area of 1,158 sqm, with mezzanine amenities of 120 sqm.

The property is held under two Certificates of Title, having a total site area of 3,715 sqm, contained in Certificates of Title SA121B/226 and SA42B/745.

### Te Awamutu

The subject premises comprise a single level supermarket with mezzanine amenities on a standalone site in a prominent location in the provincial township of Te Awamutu. The supermarket comprises a ground floor area of 2,048 sqm with mezzanine amenities of 341 sqm.

This property is held under five Certificates of Title, having a total site area of 5,673 sqm, contained in Certificates of Title SA43D/225, SA323/201, SA404/67, SA1115/215 and SA1207/253.

### Paeroa

The subject premises comprise a small provincial supermarket located on the main highway through the town of Paeroa. The site has three frontages, with a small standalone dairy being part of the property also located on the frontage. The buildings comprise a total area of 1,700 sqm, with a further 120 sqm in mezzanine amenities.

This property is held on 10 Certificates of Title, having a total area of 3,793 sqm contained in Certificates of Title SA64/121, SA72/163, SA128/207, SA1281/37-39 inclusive, SA9D/281, SA1248/39, SA74A/251 and SA128/156.

### **Pukekohe**

The subject premises comprise a standalone purpose built supermarket of predominantly single level, but with mezzanine amenities and offices, located in the provincial town of Pukekohe just to the south of Auckland. The property is centrally located in the commercial area of Pukekohe and comprises a main floor area of 3,579 sqm, with mezzanine offices and amenities of 351 sqm.

The property is held under six Certificates of Title, having a site area of 7,014 sqm, contained in Certificates of Title NA21A/1351, NA38A/933, NA62C/941, NA63C/387, NA68D/535, NA70B/973.

### **Dargaville**

The subject premises comprise a single level purpose built standalone supermarket situated on the northern fringe of the commercial area of the small provincial town of Dargaville. The subject property is co-located with The Warehouse, with carparking areas combined. The supermarket comprises a total area of 2,124 sqm.

This property is held in seven Certificates of Title, having a total site area of 1.0992 sqm, contained in Certificates of Title NA16C/1439, NA306/96, NA953/135, NA985/292, NA997/27, NA1580/10 and NA1580/11.

### **Papakura**

The subject premises comprise a single level supermarket with mezzanine amenities and offices within the Roselands Shopping Centre in the suburb of Papakura, Auckland. These premises are attached to a larger shopping complex with various smaller retail tenancies. The supermarket itself comprises a total rentable area of 2,999.35 sqm.

This property is held under various Certificates of Title and having a total site area of 8,878 sqm contained in Certificate of Title 17A/468, 17B/596, 17A/472 and 55C/1296.

### **Grey Lynn**

The property comprises a substantial supermarket premises with associated warehouse and storage space over a basement car park and incorporating first level offices, staff amenities and cafeteria. The remainder and majority of the site is improved with concrete hardstand carparking facilities.

These premises were originally constructed in 1979 and refurbished in 1998 to a Woolworths branding. The supermarket itself comprises a total rentable area of 4,374.49 sqm together with a separate internal tenancy of 130.59 sqm.

This property is held under various Certificates of Title and having a total site area of 11,207 sqm contained in Certificate of Title 136C/747, 136C/748, 13B/1113-1116 (inclusive) and 515/68.

### **Lynfield**

The property comprises large purpose built Countdown supermarket over basement carparking, a strip of several smaller retail tenancies and further sealed carparking areas. The supermarket itself comprises a total rentable area of 3,868.51 sqm including offices, amenities and storage. The total rentable area including "strip" shops, is approximately 5,558.42 sqm.

This property is held under a single Certificate of Title having a total site area of 15,053 sqm contained in Certificate of Title Volume 136B Folio 943.

### **Botany**

The property comprises a purpose built standalone supermarket constructed in 2003 and is located on the corner of Ti Rakau Drive to the north and Te Irirangi Drive to the east, with frontage onto both road boundaries. The site is adjacent to The Hub retail development, which comprises a mixture of bulk retail and fast food outlets and in near vicinity to the Botany Town Centre.

The supermarket itself comprises a total rentable area of 5,833.33 sqm including offices, amenities and storage.

This property is held under a single Certificate of Title having a total site area of 17,506 sqm contained in Certificate of Title Identifier 66385.

### **Hamilton**

The subject premises is a substantial standalone Foodtown supermarket located on a prominent corner site in the fringe of the Central Business District of Hamilton City.

This is one of the older style Foodtown supermarkets, constructed in 1981. The building has a high stud height with total floor area of 3,148 sqm and there are 224 on site car parks.

The site is subject to a perpetually renewable lease to General Distributors Limited with an annual rental of NZ\$175,000, part of which is recoverable for the use of a right of way. The leasehold Certificate of Title has a total site area of 12,228 sqm contained within Identifier 28020. It is legally described as Part Lot 1 DP 28891.

### Porirua

The property comprises a purpose built standalone supermarket constructed in 1989 located on an island site within central Porirua close to North City Plaza and the Megacentre. Total rentable area including offices, amenities and storage is 3,787 sqm.

Total site area extends to 1.0143 hectares and is freehold under four Certificates of Title. There is provision for 228 car parks which are located within a tarsealed and landscaped carparking area around the supermarket.

### Shands Road

The property comprises a purpose built distribution centre constructed in 1999 located within the Hornby Industrial area being approximately 12 kilometres from the Christchurch City Centre. Total rentable area including offices, amenities and loading bays is 17,594 sqm.

A gatehouse and carparking area at the front provides for approximately 50 tarsealed carparking spaces with additional carparking area on grass.

This site has recently been subdivided and now comprises an area of 7.2203 ha and is contained in Lot 2 Deposited Plan 306536, CT 25481, Canterbury Registry.

### Kerrs Road

A large warehouse distribution facility with associated office and amenities extending in total to 33,786 sqm of lettable area on a large level leasehold site (155,116 sqm) in the industrial area of Wiri.

The site is only partly developed with this large facility, with additional land areas located to the south of the main building. We are aware that this site is to be subdivided as per subdivision plans with the rear land to be subdivided off with the revised subject site to comprise an area of 72,068 sqm being the front site with frontage to Kerrs Road.

The property is subject to a 20-year perpetually renewable ground lease which commenced on 1 November 1996. The ground rental is currently NZ\$356,000 per annum and is subject to five yearly rent reviews. This ground rent is to be apportioned as to the two sites with the new ground rental applicable to the subject site equating to NZ\$170,445 per annum.

### Mangere

A large integrated distribution centre and head office complex extending in total to approximately 65,274 sqm of lettable area on a large level industrial lot in the Auckland suburb of Mangere. This is not a recognised industrial area but this development has been located here for a considerable period and has rather grown to fit the site with residential development progressively developing around the property.

Total site area extends to 134,071 sqm and is contained within six individual Certificates of Title.

### South City Shopping Centre

South City Centre is an integrated district shopping centre constructed circa 1990 and has undergone refurbishment in 1999. The centre is fully enclosed and is constructed over a single level with on site carparking available.

Also as part of the centre are various office/retail/workshop buildings situated alongside Durham Street and Colombo Street which currently encompass 12.7% of the rentable area or 9.6% of the total income of the shopping centre.

There are two anchor tenants, being The Warehouse and one supermarket being New World. In addition to these are 32 specialty stores, six food court premises, five ATMs and six kiosks (one of which is yet to be constructed) with a total of 600 uncovered car parks associated with the centre.

The property has a land area of approximately 34,182 sqm, which is the combined area of nine freehold Certificates of Title.

Building areas are summarised as follows:

Category	Area sqm	% of Total	No.	Average Size
Major	7,993.80	65.04	2	3,997
Specialty	3,869.55	31.48	32	121
Foodcourt	305.50	2.49	6	51
Kiosks	112.47	0.92	6	19
ATM	9.00	0.07	5	2
<b>Retail Total</b>	<b>12,290.32</b>			
Colombo Retail	680.50		3	227
Durham Retail	1,158.26		4	290
Store	311.00			
Office	113.50			
<b>Grand Total</b>	<b>14,553.58</b>			

### 573-579 Colombo Street

573-579 Colombo Street is in close proximity to the shopping centre and is located with Colombo Street frontage and can also be accessed from the South City car park via a right of way.

This property comprises two separate retail buildings having a total lettable area of 2,870 sqm and contract income of \$406,179 per annum. The property areas are summarised below:

Category	Area sqm	% of Total	No.	Average Size
Retail	1,407.50	49.04	3	469
Office	964.70	33.61	8	121
Store	497.70	17.34	2	249
Car parks	50 parks			
Grand Total	2,869.90	100.00		

The property is held under three freehold Certificates of Title having a combined area of approximately 3,659 sqm.

### 135 Albert Street

The property comprises a substantial premium quality landmark office building situated in the Auckland Central Business District. The building extends to a total of 35 levels with four basement carparking levels, ground floor entrance foyer and 30 upper levels. Typical office floor areas are approximately 1,200 sqm. The building was completed in 1991 to exacting corporate international standards and has been the head office of ASB Bank since completion. Total net lettable area is approximately 33,442 sqm and there are 299 on site car parks, of which 15 are visitor car parks.

The building is predominantly occupied by the ASB Bank which occupies approximately 61% of the building by area under a lease expiring in 2013 with further rights of renewal. Other tenants within the building include ING, Servcorp, Sheffield Consulting and Watercare Services Limited. The weighted average lease duration is approximately 6.34 years excluding vacancies.

The property has a land area of 3,528 sqm, being a freehold double corner lot that has been strata titled to provide a stratum estate for each office floor, with car parks auxiliary units.

### 1-11 Short Street

A seven level office building together with two levels of carparking completed in 1971. The building was refurbished for educational use in 1995 and comprises 4,949.65 sqm of lettable space, together with 138.5 sqm of deck and 46 basement car parks. Leased to Auckland University.

This property is held under a single Certificate of Title, having a total site area of 1,342 sqm referred to on Freehold Certificate of Title NA137C/683.

### 5-7 Byron Avenue (AIA Tower)

This property comprises a substantial high rise office tower and retail development with basement carparking in close proximity to the commercial business district of Takapuna. The property comprises a 17 storey office tower completed in 1989, with 13 office floors, two levels of retailing and four levels of carparking. The property has a net lettable area of 9,470.95 sqm, with approximately 80% of the building leased to Inland Revenue Department.

The property is held in two Freehold Certificates of Title extending to a combined area of 2,868 sqm, with titles having references of Volume 6B Folio 296 and Volume 81A Folio 358 respectively.

### 8 Hereford Street (Telecom Tower)

This is a substantial modern 15 level commercial office building constructed in 1989. There are 10 office levels, two colonnade floors, and four carparking levels providing 463 car parks.

The building has been extensively modified and developed to suit the high specification requirements of the tenant. The property has a net lettable area of 15,665.12 sqm and is entirely leased to Telecom. The property is held on a single Freehold Certificate of Title, with a land area of 5,145 sqm, with a title reference of NA83D/623.

### 16 Kingston Street and 60 Federal Street

**16 Kingston Street** is a 16 storey office tower constructed in 1989, with ground floor retail and two levels of carparking. This building has a net lettable area of 5,862.95 sqm plus basement parking.

**60 Federal Street** is an adjoining four level podium building constructed in 1987 with a net lettable area of 2,001.68 sqm plus basement carparking.

Both buildings are leased to a multiplicity of tenants.

This property is held on a single Freehold Certificate of Title extending to 1,244 sqm, specifically referred to as Certificate of Title NA74C/79.

### 23-43 Hobson Street (Car parks)

This property comprises a total of 46 car parks within what is known as the Farmers Car Park Building held on various strata titles.

The car park itself extends to 1,350 individual carparking bays, with the subject property comprising 31 bays on a single title within a separate self-contained area of the building and further 15 car parks on individual strata titles.

The building is located close to that at 66 Wyndham Street and provides supplementary parking. The carparking structure is understood to have been built during the 1960s and refurbished since. The total car park area is undefined due to the individual strata titles.

The 31 self-contained car parks are contained on Certificate of Title Volume 105D Folio 252 and incorporates 31 separately identified principal parking units.

The remaining 15 car parks are held on separate Certificate of Titles referenced as Titles 104A/1010-1014, 104A/1173-1176, 104A/1195-1196, 104A/1198, 104A/1200-1202.

### 66 Wyndham Street (gen-i Tower)

The property comprises a substantial high quality 19 level office development, constructed in 1990. The property has a total lettable area of 22,561 sqm, together with 191 car parks in three basement levels. Virtually all of the space is office space, save for 780.77 sqm of retail and 39.88 metres of storage. The property is leased to a multiplicity of tenants and is approximately 97% occupied.

The land area extends to a Freehold Title comprising 3,304 sqm, with a Certificate of Title, Reference Volume 65D Folio 907.

### 67-79 Symonds Street (SAP Building)

The property comprises a modern office building with ancillary carparking over five secure basement levels.

There are nine office levels, the total lettable area extending to 7,169.91 sqm. The building is fully occupied, save 26 car parks, though this will decrease shortly as one tenant is due to vacate.

The property is held on a Strata Title under the Unit Titles Act, being Principal Unit B on Deposited Plan 202325, being a Strata Freehold comprised in Certificate of Title Volume 130D Folio 505, with an approximate land area of 3,800 sqm.

### 70 Symonds Street and 12 Whitaker Place

**70 Symonds Street** is an 11 storey office tower with three basement carparking levels, constructed in 1986 on a site of irregular dimensions. To the rear of this is a dwelling at **12 Whitaker Place**, originally constructed over two levels in 1925, since converted to commercial office space.

The office building has a net lettable area of 7,494.21 sqm and in addition there are 111 car parks. The lettable area of the dwelling is 235.04 sqm. Most of the office space is let to Auckland University.

The property is held on a single Freehold Certificate of Title extending to 2,582 sqm, referenced as NA80A/504.

### 76 Symonds Street

The subject property is an older medium rise office tower of 11 levels, constructed in 1975. There are three basement carparking levels and eight office floor levels. The property has a net lettable area of 2,582.17 sqm. There are 60 carparking spaces. The property is occupied on a single lease to Auckland University.

The property is held in a single Freehold Certificate of Title extending to a land area of 901 sqm and a title reference of NA27C/399.

### 501 Karangahape Road (The Plaza)

This property comprises an historic strip retail complex constructed in the early 1900s and subject to major refurbishment in the early 1990s. The property provides a connection to the major office building to the rear, though is not part of that building. The subject property comprises a variety of accommodation from street level retail and restaurant tenancies, high specification character office space and basement parking. It has frontage to three streets, with its predominant frontage to Karangahape Road. The property has a net lettable area of 4,692.43 sqm.

The property is held in a single Freehold Certificate of Title extending to 2,846 sqm, with a title reference of NA133C/353.

**FINANCIAL DETAILS**

A summary table providing key income and lease details as at 1 June 2005 is supplied as follows:

<b>Location</b>	<b>Building Area (sqm)</b>	<b>Land Area (sqm)</b>	<b>Actual Net Contract Rent (NZ\$ pa)</b>	<b>Net Market Rent (NZ\$ pa)</b>	<b>WALD (years)</b>
Howick, Auckland	3,481	9,096	878,366	878,366	15.00
Invercargill	2,307	10,803	285,000	285,000	15.00
Oamaru	3,025	9,624	300,000	300,000	12.00
Marton	1,010	3,231	120,000	120,000	9.00
Wanganau**	3,370	9,698	390,000	390,000	12.00
New Plymouth	3,497	5,939	598,000	598,000	15.00
Putaruru	1,278	3,715	210,000	210,000	9.00
Te Awamutu	2,389	5,673	437,000	437,000	12.00
Paeroa	1,820	3,793	240,000	240,000	9.00
Pukekohe	3,930	7,014	655,000	655,000	15.00
Dargaville	2,124	10,992	415,000	415,000	15.00
Papakura, Auckland	2,999	8,878	377,404	377,404	11.00
Grey Lynn, Auckland	4,505	11,207	737,365	737,365	14.00
Lynfield, Auckland	5,558	15,053	1,064,604	1,034,793	14.00
Botany, Auckland	5,833	17,506	1,200,779	1,200,779	14.00
Hamilton Central	3,148	12,228	412,638	412,638	11.00
Porirua, Wellington	3,787	10,143	568,375	568,375	11.42
Christchurch	17,594	72,203	1,380,879	1,170,879	16.53
Wiri, South Auckland	33,786	72,068	2,395,763	2,290,763	11.00
Mangere, Auckland	65,274	134,071	5,103,894	5,103,894	19.00
Colombo Street, Christchurch	14,553	34,182	3,529,089	3,638,334	3.40
573-579 Colombo Street, Christchurch	2,870	3,659	398,658	412,704	2.77
135 Albert Street, Auckland	33,442	3,528	9,608,299	9,419,722	6.25
1-11 Short Street, Auckland	5,088	1,342	972,611	990,636	1.25
5-7 Byron Avenue, Takapuna	9,471	2,868	2,126,125	2,259,387	3.17
8 Hereford Street, Auckland	15,665	5,145	5,957,956	4,549,018	5.49
16 Kingston and 60 Federal Streets, Auckland	7,865	1,244	1,197,925	1,548,379	2.05
23 Hobson Street, Auckland	Strata Units		104,000	159,068	5.56
66 Wyndham Street, Auckland	22,561	3,304	5,571,269	5,776,012	3.77
67-69 Symonds Street, Auckland	7,170	Strata	1,883,620	2,030,721	2.25
12 Whitaker Place, Auckland	235	2,582*	41,101	43,056	1.44
70 Symonds Street, Auckland	7,494	2,582*	1,630,500	1,661,672	3.10
76 Symonds Street, Auckland	2,582	901	533,144	533,924	2.35
501 Karangahape Road, Auckland	4,692	2,846	1,030,449	1,021,813	4.18

\* Both are on the same Title Register and are not separate properties.

\*\* Rents net after ground rent.

## VALUATION ANALYSIS

From our valuation analysis we advise that the valuations as at 31 March 2005, 30 April 2005, 18 May 2005 and 1 June 2005 produces a combined portfolio value of NZ\$602,8 million broken down as follows:

Location	Adopted Value (NZ\$)	Quoted Market Cap (%)	Effective Market Yield (%)	Initial Net Yield (%)	IRR (%)	\$ per sqm
Howick, Auckland	11,250,000	7.75	7.81	7.81	9.65	3,232
Invercargill	3,650,000	7.75	7.72	7.81	9.42	1,582
Oamaru	3,800,000	7.75	7.78	7.89	9.55	1,256
Marton	1,560,000	7.50	7.69	7.69	8.91	1,545
Wanganui**	4,100,000	8.75	8.56	9.51	10.36	1,217
New Plymouth	7,650,000	7.75	7.77	7.77	9.54	2,188
Putaruru	2,520,000	8.25	8.33	8.33	9.73	1,972
Te Awamutu	5,600,000	7.75	7.80	7.80	9.54	2,344
Paeroa	2,950,000	8.25	8.28	8.28	9.55	1,621
Pukekohe	8,400,000	7.75	7.80	7.80	9.55	2,137
Dargaville	5,220,000	7.75	7.80	7.80	9.56	2,458
Papakura, Auckland	4,100,000	9.00	9.20	9.20	10.24	1,367
Grey Lynn, Auckland	9,100,000	8.00	8.10	8.10	9.99	2,020
Lynfield, Auckland	12,750,000	8.38	8.14	8.10	10.01	2,294
Botany, Auckland	15,000,000	8.00	8.00	8.01	10.02	2,571
Hamilton Central	2,900,000	9.50	9.45	9.45	11.46	921
Porirua, Wellington	6,700,000	8.50	8.48	8.48	10.51	1,769
Christchurch	15,700,000	8.50	7.49	7.46	10.37	891
Wiri, South Auckland	21,750,000	10.25	10.14	9.75	11.38	644
Mangere, Auckland	61,000,000	8.38	8.37	8.37	10.46	935
Colombo Street, Christchurch	38,900,000	9.00	9.40	8.74	10.27	2,673
573-579 Colombo Street, Christchurch	4,100,000	9.75	9.89	9.72	10.45	1,429
135 Albert Street, Auckland	116,500,000	8.13	8.17	8.24	9.91	3,483
1-11 Short Street, Auckland	10,900,000	9.00	9.06	8.92	10.42	2,142
5-7 Byron Avenue, Takapuna	25,300,000	8.50	8.78	8.40	10.44	2,671
8 Hereford Street, Auckland	59,100,000	8.50	8.53	10.08	10.71	3,773
16 Kingston and 60 Federal Streets, Auckland	16,600,000	9.00	9.34	7.22	10.32	2,111
23 Hobson Street, Auckland	1,550,000	9.00	8.86	5.38	11.25	33,696*
66 Wyndham Street, Auckland	66,800,000	8.50	8.52	8.19	10.54	2,961
67-69 Symonds Street, Auckland	21,800,000	9.00	8.88	8.64	10.50	3,040
12 Whitaker Place, Auckland	700,000	6.00	5.98	5.87		2,978
70 Symonds Street, Auckland	18,000,000	9.00	9.21	9.06	10.34	2,402
76 Symonds Street, Auckland	5,550,000	9.50	9.62	9.61	10.45	2,149
501 Karangahape Road, Auckland	11,300,000	9.00	8.99	9.12	10.35	2,408

\* NZ\$ Value per car park.

\*\* Lessees interest.

## VALUATION CONSIDERATIONS

### Date of valuation

30 April 2005 for those shown 1-11 Short Street to 501 Karangahape Road and 31 March 2005 for Papakura to 135 Albert Street, 18 May 2005 for Howick, and 1 June 2005 for the balance, based upon information provided and our inspections during December to June 2005. Due to possible changes in market forces and circumstances in relation to the subject properties the reports can only be regarded as representing our opinion of the value of the property as at the date of valuation, based upon current expectations and assumptions.

### Basis of valuation

The valuation has been completed in accordance with the New Zealand Property Institute and Australian Property Institute Practice Standard for Valuations for an interest in property and have been prepared for sale and purchase.

We have adopted the International Valuation Standards Committee definition of market value as follows:

*“market value is the estimated amount for which an asset should exchange on the date of valuation between a willing buyer and a willing seller in an arms length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion”.*

### Valuation methodology

These are essentially investment properties, and accordingly we have adopted well established valuation techniques.

The first method of valuation considered is that of direct capitalisation of contract income. This is considered to be a well proven method of determining value for an investment property where income is receivable for a reasonable term from secure tenants.

In addition we have considered the capitalisation of market rental with an allowance for any overage/shortfall rental received until the end of the lease. In selecting an appropriate capitalisation rate, extensive analysis of market evidence has been undertaken, as well as consideration of length of lease, lease terms, tenant covenant and quality of property.

In addition we have carried out a discounted cashflow valuation over a 10 year horizon in accordance with established practice. In adopting an appropriate discount rate, prime regard has been paid to an analysis of market material as well as inferring a discount rate from a 10 year risk free bond plus an allowance for property risk.

We have also considered direct comparison measures such as the value per sqm on net lettable area in arriving at our valuation conclusion, as a check against the other methods.

In order to assess the current market value of the subject property, we have researched and analysed recent leasing and sales in the immediate locality as well as in the wider New Zealand market particularly in the higher value quantum range.

## **ASSUMPTIONS**

### **Verifiable**

- We have assumed that the instructions and subsequent information supplied contain a full and frank disclosure of all information that is relevant.
- We have assumed that there are no easements, rights of way or encroachments except those shown on the Certificate of Title or in the valuation.
- A current survey has not been sighted. The valuation is made on the basis that there are no encroachments by or upon the property and this should be confirmed by a current survey or report and/or advice from a Registered Surveyor. If any encroachments are noted by the survey report we reserve the right to review our valuation.
- We are not aware of any notices currently issued against the property and we have made no enquiries in this regard. We have not inspected the plant and equipment or obtained any advice on its condition or suitability. In the course of preparing this report we have relied upon information provided by the owner of the property.

We have assumed that this information is correct and have adopted this information in our assessment.

## **FURTHER CONSULTING**

- We have inspected all readily accessible parts of the improvements considered necessary for the purposes of our valuation.
- We have not sighted a structural survey of the improvements, nor its plant and equipment, by a qualified engineer. The valuer is not a building construction and/or structural expert, and is therefore unable to certify as to structural soundness of the improvements. A prospective purchaser or mortgagee would need to make their own enquiries in this regard.
- We have not inspected unexposed or inaccessible portions of the premises. We therefore cannot comment on the structural integrity, defect, rot or infestation of the improvements.

Our valuations have been undertaken on a GST exclusive basis.

### **Opinion**

The assumptions we have made in respect of our projections are as follows:

- There will be no major economic downturn during the projection period, beyond that envisaged at the date of valuation.
- A continued stable economy and reasonable levels of growth as currently predicted over the next five years.
- The property manager will continue to manage the property in an experienced professional manner.
- There will be no new taxes or rates introduced which have a direct impact on the property over the projected period.

### **Disclaimer**

Colliers International New Zealand has not been involved in the preparation of the Offer Document and makes no statement in the Offer Document other than in the valuation summary letter prepared by Colliers International New Zealand and included in the Offer Document. Neither Colliers International New Zealand Limited nor any of its Directors accepts any responsibility for information in any other parts of the Offer Document.

Colliers International New Zealand has prepared this report on the basis of information available as at 1 June 2005, as outlined in this letter. We have relied upon this information, which we believe to be reliable, complete and not misleading.

We advise that each of the respective Valuers are registered in New Zealand to practice as Valuers and have had in excess of five years continuous experience in the valuation of property similar to the subject. Further details regarding the nominated personnel is contained within the full valuation reports.

Neither Colliers International New Zealand Limited nor the Valuers have operated under an Australian Financial Services Licence when providing this valuation summary.

We confirm that neither Colliers International New Zealand Limited nor the nominated Valuers have any pecuniary (or other) interests that could conflict with the proper valuation of the properties, and we advise that this position will be maintained until the purpose for which this valuation is being obtained is completed.

We have been paid NZ\$190,000 for undertaking the valuations, valuation reports and this valuation summary. Colliers International New Zealand Limited has given, and has not before the date of this Offer Document withdrawn, its consent to its distribution with this letter contained in the form and context in which it appears. Colliers International New Zealand Limited is not, and is not intended to be, a director, officer or employee of the Manager. It may provide valuation advice to the Manager.

Yours faithfully

**COLLIERS INTERNATIONAL NEW ZEALAND LIMITED**

A handwritten signature in black ink, appearing to read 'S N Dean', with a long horizontal stroke extending to the right.

**S N DEAN** FNZIV, FNZPI, AREINZ  
**Registered Valuer**  
**Director of Valuation and Consultancy**



# SECTION

## SUMMARY OF TRUST DEED

# SUMMARY OF TRUST DEED

## 12.1 TRUST DEED

The following is a summary of the principal provisions of the Trust Deed which have not been summarised elsewhere in this Offer Document. Investors requiring further information should refer to the Trust Deed itself, which is available for inspection at the offices of the Manager and the Trustee as specified in the directory at the end of this Offer Document.

## 12.2 PARTIES

The Trust Deed has been entered into between Multiplex Capital New Zealand Ltd (as manager of the Tasman Trust) and Perpetual Trust Ltd (as trustee of the Tasman Trust).

## 12.3 NAME

The name of the Tasman Trust may be changed by the Manager from time to time. If Multiplex Capital New Zealand Ltd ceases to be the manager of the Tasman Trust, the name of the Tasman Trust must be changed to exclude the word "Multiplex".

## 12.4 GROSS VALUE AND NET VALUE OF THE TRUST FUND

In this Offer Document, there are references to the "Gross Value of the Trust Fund", the "Net Value of the Trust Fund" and "Market Value". A summary of the definition of each of these terms in the Trust Deed is set out below.

## 12.5 DEFINITION, GROSS VALUE

"Gross Value of the Trust Fund" means the aggregate of:

- (a) the Market Value of the Tasman Trust's assets (excluding interests in subsidiaries of the Tasman Trust), plus the amount of cash held by the Tasman Trust; and
- (b) for each other entity in the Tasman Trust group (Group) (which comprises the Tasman Trust and its subsidiaries), a proportion of the Market Value of that entity's assets (excluding interests in other entities in the Group), plus the amount of cash held by the entity, equal to the proportionate (direct or indirect) ownership of that entity by the Tasman Trust.

## 12.6 DEFINITION, NET VALUE

"Net Value of the Trust Fund" means the Gross Value of the Trust Fund, less the liabilities of the Tasman Trust, less provisions the Manager considers appropriate, and less such allowance for the Tasman Trust's contingent liabilities as the Manager considers appropriate.

## 12.7 DEFINITION, MARKET VALUE

The "Market Value" of an asset is an amount agreed by the Manager and the Trustee or, failing agreement, determined by an independent person approved by the Trustee.

## 12.8 INVESTMENT AND BORROWING POWERS

The Tasman Trust may invest in "Authorised Investments", provided they satisfy the investment policies set by the Manager. The Trust Deed defines "Authorised Investments" broadly such that, in effect, it includes any investment (in New Zealand or elsewhere) nominated by the Manager. The current investment policies for the Tasman Trust are set out in Section 6.3. These policies may be varied by the Manager at any time. If the variation is material to Unitholders the Manager must give at least 20 Business Days' prior notice to Unitholders.

## 12.9 MANAGER'S DISCRETION

The Manager has absolute discretion as to how assets of the Tasman Trust are invested and dealt with within the terms of the investment policies, and the Trustee must give effect to the Manager's directions, provided that the Trustee will not act on the Manager's directions to acquire or dispose of an asset if the Trustee advises the Manager in writing that the acquisition or disposal is manifestly not in the interests of Unitholders. The Trustee may not acquire or dispose of any asset except as directed by the Manager.

## 12.10 ARM'S LENGTH TRANSACTIONS

The Tasman Trust may invest in, and transact with, companies, trusts or other entities or persons related, in any way, to the Manager or the Trustee. The Manager must, before doing so, other than for transactions described in this Offer Document, provide to the Trustee a certificate signed by two directors of the Manager, on behalf of the Manager, that, in its opinion, the transaction is on arm's length commercial terms.

## 12.11 VOTING RIGHTS

The Manager shall decide how to exercise voting rights conferred by assets, but neither the Manager, the Trustee, nor their agents will be liable to exercise any such votes.

## 12.12 NO LIMITATION

There is no limitation on the percentage of the assets of the Tasman Trust that may be invested in any one company or class of companies or investments or property.

## 12.13 ABILITY TO BORROW

The Manager may, if it considers it necessary or desirable to do so, require the Trustee to borrow money on behalf of the Tasman Trust and to secure any such borrowing on all or any part or parts of the Tasman Trust's trust fund (Trust Fund) in such manner as the Manager thinks fit.

## 12.14 LIMITATION ON BORROWING

No such borrowing may be made if the effect of borrowing would be that immediately after, but on the date of, that borrowing the total money borrowed by the Group and outstanding would exceed 65% of the Gross Value of the Trust Fund at that date (calculated taking account of the proceeds of the borrowing and, in the case of any borrowing to acquire an investment, the Market Value of that investment). If an entity in the Group has been established to proceed with a self-liquidating property development, and any borrowings of that entity are without recourse to any other entity in the Group, that entity shall be disregarded for the purposes of this limitation. "Borrowings" exclude borrowings between members of the Group, funds which are treated as Unitholders' funds for accounting purposes, and any debt security which will convert into a Unit.

## 12.15 GUARANTEES

The Manager may from time to time by notice in writing to the Trustee direct the Trustee on behalf of the Tasman Trust to enter into any guarantee or similar arrangement in respect of the obligations of any party (whether or not wholly owned by the Tasman Trust) through whom any of the assets (direct or indirect) of the Tasman Trust are held (and to secure such guarantee or other arrangement upon all or any part or parts of the Trust Fund in such manner as the Manager thinks fit). Any guarantee given pursuant to this power is to be taken into account for the purpose of the borrowing limit referred to in Section 12.14 to the extent that:

- (a) the guarantee is given in respect of money borrowed by any party; and
- (b) the money is not also taken into account for the purposes of that limit.

## 12.16 INCOME AND DISTRIBUTIONS

Distributions will be determined in accordance with the Manager's policy (as described in Section 6.6), as varied from time to time by the Manager. The Manager has determined, as a condition of this Offer, that each Unit offered in this Offer will be entitled to participate in distributions relating to periods after (or including, but not before) the date of their allotment on a daily pro rata basis from the date of allotment of that Unit.

## 12.17 REINVESTMENT

The Manager may introduce a scheme providing for reinvestment of distributions into new Units.

## 12.18 PAYMENT OF DISTRIBUTIONS

Unless otherwise determined by the Manager, distributions will be paid by direct credit to Unitholders' nominated bank accounts. The Trustee or Manager may deduct a Unitholder's tax from a payment. Every Unitholder will indemnify the Trustee and Manager in respect of the Unitholder's tax.

## 12.19 FEES

The fees payable to the Manager under the Trust Deed are described in Section 13.4. The base management fee may not be increased beyond the amount provided for in the Trust Deed without the approval of an ordinary resolution of Unitholders.

## 12.20 TRUSTEE'S FEE

The Trustee will be paid an annual fee agreed with the Manager from time to time. This fee is currently 0.03% per annum of the Gross Value of the Trust Fund, subject to a minimum fee of \$15,000. That fee can be varied by agreement between the Trustee and the Manager. The Trustee will also be paid reasonable remuneration for work of an unusual or onerous nature outside of the attendances of the Trustee contemplated by the Trust Deed. There is no limit on the amount of the remuneration that could be paid to the Trustee.

## 12.21 GOODS AND SERVICES TAX

The Manager and the Trustee are entitled to charge goods and services tax or any similar tax payable in respect of their fees.

## 12.22 OTHER EXPENSES

Other expenses incurred by the Trustee or the Manager in connection with carrying out their respective duties under the Trust Deed may be charged to the Tasman Trust.

## 12.23 ISSUE OF UNITS

The Manager may issue Units at any time, to any person, and in any number.

## 12.24 ISSUE PRICE

The issue price for Units issued after the initial issue of Units following commencement of the Tasman Trust will be a price determined by the Manager, provided that the issue price shall not be less than 90% of the Net Value of the Trust Fund per Unit on the date immediately preceding the date of the first offer or invitation made by the Manager to subscribe for that Unit, unless otherwise approved by the Trustee or by an extraordinary resolution.

## 12.25 NO MAXIMUM

There is no maximum number of Units which may be issued. The Manager may issue Units for non-cash consideration.

## 12.26 REPURCHASE AND REDEMPTION

The Trust Deed does not impose any obligation on the Manager to acquire the Units of any Unitholder, although it is permitted to do so.

## 12.27 PRICE

The Manager may, but is not obliged to, direct the Trustee to redeem or acquire Units on behalf of the Tasman Trust, and to pay for such Units from the Trust Fund. The price may not be more than the Net Value of the Trust Fund per Unit. Units so redeemed or acquired shall cease to exist, and shall be deemed to be cancelled forthwith upon redemption or acquisition. These provisions do not apply to Units acquired by the Manager on its own account.

## 12.28 TRANSFER OF UNITS

Units may be transferred by transfers in writing in a form approved by the Manager and signed by the transferor and, if the Manager requires, the transferee. However, the Manager may decline to register any transfer of Units where:

- (a) the instrument of transfer is not accompanied by such evidence as the Manager may reasonably require to show the right of the transferor to make the transfer;
- (b) registration of the transfer (together with the registration of any further transfer or transfers held by or on behalf of the Manager and awaiting registration) would result in less than the minimum number of Units (see Section 12.29 below) standing in the name of the transferee; or
- (c) the transferor has not paid to the Manager the transfer fee imposed by the Manager. Refer to Section 13.4 for details of the transfer fee; or
- (d) the Manager has a lien on any of the Units transferred. The Manager has a lien on each Unit (and all distributions and proceeds of sale) for all amounts owing by the Unitholder, and for all amounts the Trustee or the Manager may be called upon to pay under the law in respect of the Unitholder or the Units. The Trust Deed includes a process for the Manager to sell Units on which it has a lien.

## 12.29 MINIMUM NUMBER

The Manager may give notice to a Unitholder holding less than a minimum number of Units that, if at the expiration of three months after the date of the notice, the Unitholder still holds less than a minimum number, the Manager may exercise a power of sale and account to the Unitholder for the net proceeds of sale. The minimum number is 1,000 Units or such other number as the Manager sets from time to time.

## 12.30 SUSPENSION OF REGISTRATION

The Manager may from time to time suspend registration of transfers of Units, provided that any such suspension may not exceed a period of 30 Business Days in any calendar year without the approval of the Trustee.

## 12.31 MEETINGS OF UNITHOLDERS

The Manager must summon a meeting of the Unitholders on the written request of the Trustee, or of one-tenth in number of the Unitholders, or of a Unitholder or Unitholders holding not less than one-tenth of the value of the interests in the Tasman Trust at the date of receipt by the Manager of such request. The Manager may at any time of its own volition convene a meeting of Unitholders.

## 12.32 NOTICE OF MEETING

Before convening a meeting, the Manager shall give at least 10 Business Days' notice of the meeting to every Unitholder at that Unitholder's last known address. The notice of meeting shall specify the place and time of the meeting, and the general nature of the business to be transacted, but it shall not be necessary to specify in the notice the terms of the resolutions to be proposed, except where the resolutions are either extraordinary resolutions or resolutions that meet the requirements of section 18 of the Unit Trusts Act 1960.

## 12.33 QUORUM

The quorum for meetings is five or more Unitholders having the right to vote at the meeting present in person, by proxy, or by attorney or authorised representative.

## 12.34 POWER BY RESOLUTION

A Unitholder or Unitholders holding not less than three-quarters of the value of the interests in the Tasman Trust held by the Unitholders who are present in person or by proxy at a meeting and vote, and who hold not less than one-quarter of the value of all the interests in the Tasman Trust held by Unitholders, have power by resolution to give such directions to the Trustee as they think proper concerning the Tasman Trust, being directions which are consistent with the Trust Deed and with the Unit Trusts Act 1960.

## 12.35 VOTING RIGHTS

Subject to any rights or restrictions for the time being attached to any class or classes of Units:

- (a) on a vote by voices or a show of hands, every Unitholder has one vote; and
- (b) on a poll, every Unitholder has one vote in respect of each fully paid Unit held by such Unitholder.

## 12.36 EXTRAORDINARY RESOLUTION

An extraordinary resolution passed at a meeting of Unitholders will bind all Unitholders, whether or not present at the meeting. A meeting of Unitholders has various powers by extraordinary resolution, including sanctioning the exchange of Units for other securities, a variation or arrangement in respect of the rights of Unitholders, or the release of the Manager or Trustee from liability (including for any default). However, a resolution which affects a particular Unitholder or a class of Unitholders only, as opposed to the rights of Unitholders generally, is not binding on that Unitholder or class of Unitholders unless that Unitholder agrees or (if more than one) those affected Unitholders pass an extraordinary resolution agreeing to be bound by the resolution.

## 12.37 POWER TO SUMMON A MEETING

The Manager may, and shall on the request in writing of the Trustee or of one-tenth in number of the Unitholders of any class of Units, summon a meeting of the holders of that class. The provisions of the Trust Deed relating to meetings shall apply with all necessary modifications. A meeting of the Unitholders of any class has power by extraordinary resolution to vary the rights attaching to Units of that class, provided such variation does not adversely affect the rights attaching to any other class.

## 12.38 REMOVAL AND RETIREMENT OF TRUSTEE

The Trustee may be removed from office as trustee by the High Court on the application of the Manager or the Minister of Justice, or by an extraordinary resolution.

### 12.39 NOTICE TO RETIRE

The Trustee may retire at any time without assigning any reason upon giving 90 days' notice in writing to the Manager of its intention to do so, subject to the appointment of a new trustee and the transfer to such new trustee of all property or assets of any nature of the Trust Fund.

### 12.40 NEW TRUSTEE

The Manager shall, upon the Trustee being removed from office or retiring, have power to appoint a new trustee, which new trustee shall be treated for all purposes as the Trustee.

### 12.41 REMOVAL AND RETIREMENT OF MANAGER

The Manager shall cease to hold office as manager of the Tasman Trust if:

- (a) the Manager is removed from office by the High Court on the application of the Trustee, any Unitholder, or the Minister of Justice; or
- (b) the Trustee certifies that it is in the interests of Unitholders that the Manager should cease to hold office; or
- (c) Unitholders who hold not less than three-quarters of the Units by number direct that the Manager should cease to hold office; or
- (d) the Manager is removed from office by the Trustee on either of the following grounds:
  - (i) the Manager has committed a material breach of its obligations under the Trust Deed, and has failed to remedy that breach having received notice of it from the Trustee; and
  - (ii) the Manager is wound up (except for the purposes of an amalgamation or reconstruction while solvent) or a receiver is appointed in respect of the Manager.

### 12.42 NOTICE TO RETIRE

The Manager may retire at any time without assigning any reason upon giving 60 days' notice in writing to the Trustee of its intention to do so. No such retirement shall take effect until a new manager has been appointed.

### 12.43 TEMPORARY MANAGER

The Trustee has the power to appoint a company, qualified in terms of the Unit Trusts Act 1960, to act as a temporary manager of the Tasman Trust in place of a Manager which has retired or been removed from office.

### 12.44 UNITHOLDER MEETING

The Trustee shall, upon a vacancy in the office of Manager occurring, summon a meeting of Unitholders and shall take such steps as that meeting or any subsequent meeting of Unitholders may require to secure the appointment as manager of the Tasman Trust of the temporary manager appointed or some other qualified company approved by the Trustee.

### 12.45 LIMITATION OF LIABILITY AND INDEMNITIES

The Trustee and the Manager, in incurring any debts, liabilities or obligations, or otherwise acting or omitting to act in connection with the Tasman Trust, are each deemed to be acting for and on behalf of the Tasman Trust and not in their personal capacities. Neither the Trustee nor the Manager has any personal liability for the satisfaction of any obligation arising out of any contract or other obligation of the Tasman Trust. Neither the Trustee nor the Manager is liable to the Trust Fund or to any Unitholder for any act or omission, or is subject to any liability whatsoever at law or in equity, in connection with the affairs of the Trust Fund, or as a result of acting as Trustee or Manager, other than in respect of a loss arising out of any breach of trust where the Trustee or Manager, as the case may be, fails to show the degree of care and diligence required of a trustee or manager, having regard to the provisions of the Trust Deed and the powers, authorities and discretions of the Trustee or Manager under the Trust Deed.

### 12.46 INDEMNITY AND REIMBURSEMENT

If either the Trustee or the Manager is held personally liable to any other person in respect of any debt, liability or obligation incurred by or on behalf of the Tasman Trust or any action taken or omitted in connection with the Tasman Trust, then the Trustee or the Manager (as the case may be) is entitled to indemnity and reimbursement out of the Trust Fund to the full extent of such liability and the costs of any litigation or other proceedings in which such liability shall have been determined including, without limitation, legal fees and disbursements.

### 12.47 BREACHES

The Trustee may, when it thinks it expedient in the interests of the Unitholders:

- (a) waive any breach, or anticipated breach, of the Trust Deed by the Manager where such waiver will not, in the opinion of the Trustee, be materially prejudicial to the interests of Unitholders; and
- (b) apply to the Court for directions in relation to any questions, or assent to and approve of, or oppose, any application to the court made by or at the instance of the Manager or any Unitholder.

### 12.48 UNITHOLDER LIABILITY

No Unitholder is personally liable in respect of any debt or liability of the Tasman Trust, and no Unitholder is liable to indemnify the Trustee or the Manager in respect of any debt or liability incurred in respect of the Trust Fund.

### 12.49 UNITHOLDER INDEMNITY

Notwithstanding the above, each Unitholder (or the personal representative or successor of a Unitholder, as the case may be) must indemnify the Trustee and the Manager in respect of any tax paid or payable by the Manager or the Trustee in respect of that person.

## 12.50 AMENDMENTS TO TRUST DEED

The Trustee and the Manager may at any time make any alteration, modification, variation or addition to the Trust Deed (by means of a deed executed by the Trustee and the Manager) in any of the following cases:

- (a) if in the opinion of the Trustee it is made to correct a manifest error or is of a formal or technical nature; or
- (b) if in the opinion of the Trustee it is necessary or desirable for the more convenient, economical or advantageous working, management or administration of the Tasman Trust or for safeguarding or enhancing the interests of the Tasman Trust or Unitholders; or
- (c) if it is authorised by an extraordinary resolution; or
- (d) if in the opinion of the Trustee it is not, or is not likely to become, materially prejudicial to the interests of Unitholders or any class thereof; or
- (e) if, in the opinion of the Trustee, it is required by or in consequence of or consistent with an amendment to the Unit Trusts Act 1960 or the rules of any stock exchange upon which any Units are quoted, and does not adversely affect the interests of Unitholders; or
- (f) if, in the opinion of the Manager, it is necessary or desirable to obtain or maintain listing of Units on any stock exchange, and the Manager directs the Trustee to enter into a deed of amendment for this purpose (in which case the Trustee is bound to do so).

## 12.51 AMENDING TRUST DEED

No provision of the Trust Deed may be altered without the prior written consent of the Manager and the Trustee.

## 12.52 WINDING UP

The Tasman Trust shall determine and be wound up upon the occurrence of the earliest of the following events:

- (a) the Manager certifies in writing that it is in the interests of Unitholders that the Tasman Trust be wound up;
- (b) an extraordinary resolution is passed resolving to wind up the Tasman Trust;
- (c) the period of 80 years less one day expires from the date of the Trust Deed;
- (d) the office of Trustee becomes vacant, and a new trustee is not appointed within two months of the vacancy occurring; or
- (e) the date on which the Tasman Trust is wound up by an operation of law.

## 12.53 TRUSTEE'S OBLIGATIONS

After the occurrence of one of the events described above, the Trustee shall:

- (a) sell, call in and convert into cash the whole of the Trust Fund;
- (b) pay out, discharge, or otherwise make provision for all liabilities of the Trust Fund; and
- (c) distribute the remainder of the Trust Fund (less all costs incurred by the Trustee or Manager in respect of the winding up of the Tasman Trust) amongst Unitholders in proportion to the number of Units held by them, subject to the particular rights of any Unitholders to participate in any such distribution.



# 13

## **SECTION**

INVESTMENT STATEMENT  
INFORMATION – ANSWERS  
TO IMPORTANT QUESTIONS

# INVESTMENT STATEMENT INFORMATION – ANSWERS TO IMPORTANT QUESTIONS

## 13.1 WHAT SORT OF INVESTMENT IS THIS?

This Offer Document provides an opportunity to invest in the Tasman Trust, a New Zealand unit trust established on 6 September 2004 under the Unit Trusts Act 1960. The initial investment of the Tasman Trust was to acquire Property Fund Units. The Property Fund is an unlisted Australian managed investment scheme formed in accordance with the Corporations Act. The Property Fund owns the Properties. The Tasman Trust is seeking to raise funds under this Offer Document to enable it to increase its investment in the Property Fund by acquiring additional Property Fund Units. More information on the Properties, the Tasman Trust and the Property Fund is set out in Sections 5, 6 and 7.

Each Unit confers on the Unitholder an undivided beneficial interest in the net assets of the Tasman Trust. Each Unit has one vote on a poll held at a meeting of Unitholders, a right to share in any distributions of the Tasman Trust as discussed in Section 12.16, a right to share in any surplus on a winding up of the Tasman Trust as discussed in Section 12.53, and is subject to the terms and conditions contained in the Trust Deed, a summary of which is set out in Section 12.

## 13.2 WHO IS INVOLVED IN PROVIDING IT FOR ME?

Multiplex Capital New Zealand Ltd is the manager of the Tasman Trust. The address of the Manager is:

Level 4  
48 Courthouse Lane  
Auckland  
New Zealand

Multiplex Capital Ltd and certain of its directors (being Andrew Roberts, Peter Morris, Robert McCuaig and Michael Hodgetts, all of Sydney, Australia) are promoters of the Offer. The address of Multiplex Capital is:

Level 4  
1 Kent Street  
Sydney NSW 2000  
Australia

The promoters can be contacted in New Zealand at the Manager's address.

The trustee of the Tasman Trust is Perpetual Trust Ltd. The address of the Trustee is set out below:

Level 17  
HSBC Centre  
1 Queen Street  
Auckland  
New Zealand

The name of the Tasman Trust is "Multiplex Tasman Property Fund". The Tasman Trust was established on 6 September 2004. The Tasman Trust was established to make an investment in the Property Fund as described in Section 6.4, and to make other investments consistent with the investment policies set by the Manager from time to time.

## 13.3 HOW MUCH DO I PAY?

Applications must be for a minimum of 5,000 Units, and thereafter in multiples of 1,000 Units. The Manager will set the issue price for the Units from time to time. The issue price may not be less than 90% of the Net Value of the Trust Fund (as defined in Section 12.6) per Unit. Otherwise, the issue price will be set as the Manager considers appropriate. For the reasons set out in Section 6.4, two factors which may cause the Manager to alter the issue price are the issue price for Property Fund Units changing, or a change in the exchange rate between the Australian and New Zealand currencies.

At the date of this Offer Document, the issue price of each Unit has been set at \$1.07. If the Manager alters the issue price, the new issue price will be published on Multiplex Capital's website ([www.multiplexcapital.biz](http://www.multiplexcapital.biz)), or can be obtained by calling the registry for the Tasman Trust on the telephone number set out in Section 2.5.

Applications for Units must be received by 5.00pm on 18 January 2006. The Offer may be closed early by the Manager.

Application Forms are included in the back of this Offer Document. To invest in the Tasman Trust, an investor must complete the Application Form in accordance with the instructions set out in Section 16.

Application money is payable in full with an application for Units, and completed Application Forms must be accompanied by a cheque drawn on a New Zealand bank. The cheque must be payable to "Perpetual Trust Ltd – Multiplex Tasman Property Fund" and crossed "Not Transferable" and must not be post-dated.

Completed Application Forms must be mailed or delivered, with payment, to arrive before the Closing Time, to:

Multiplex Capital New Zealand Ltd  
C/- BK Registries Ltd  
138 Tancred Street  
PO Box 384  
Ashburton 8300  
New Zealand

For further information on investing in the Tasman Trust, refer to Section 2.

### 13.4 WHAT ARE THE CHARGES?

The table below sets out the charges which are, or may be, payable by an investor (in addition to the issue price to be paid in respect of each Unit subscribed for by an investor) to the Tasman Trust, the Manager, a promoter of the Offer, or any of their associated persons. The fees that may be charged to the Tasman Trust by the Manager, a promoter of this Offer, or any of their associated persons, are also set out in this table.

<b>Fee</b>	<b>Amount</b>	<b>How and when paid</b>
<b>Entry fee</b> (payable to the Manager by a Unitholder on the issue of Units)	No fee is payable for Units issued pursuant to the Offer. For future issues, the amount of the fee will be determined by the Manager.	Not applicable to the Offer. For future issues, as set by the Manager.
<b>Exit fees</b> (payable to the Manager by a Unitholder on the sale or redemption of Units)	If the Manager redeems or acquires Units, it may set a fee, at its discretion, for doing so.  If a Unitholder sells Units, a fee is payable, with a minimum fee of \$100, and a maximum fee of 1% of the price of the Units for the purposes of that sale.	As set by the Manager.  Payable by the transferring Unitholder at the time of registration of the transfer.
<b>Base management fee</b> (payable to the Manager)	Where the Tasman Trust is investing in trusts, funds or schemes for which the Manager (or a related company of the Manager) is paid a fee for acting as responsible entity, trustee or manager, such as the Property Fund, the base management fee will be rebated, in a fair and equitable manner, as determined by the Manager, to avoid any “double-charging” of management and similar fees by the Manager and its related companies. Where the sole investment of the Tasman Trust is the Property Fund, this means that no base management fee will be paid.  Subject to the prior paragraph, the base management fee is 0.70% per annum of the Gross Value of the Trust Fund, as defined in the Trust Deed, and is payable monthly in arrears by the tenth day of the month following the month for which the fees are due. The base management fee is calculated on the average Gross Value of the Tasman Trust during the preceding month. The amount of this fee will be affected by how the assets of the Tasman Trust are valued – see Sections 12.5 to 12.7. This fee may not be increased except with the approval of an ordinary resolution of Unitholders.	Payable by the Tasman Trust monthly in arrears.
<b>Other fees</b> (payable to the Manager, or an associated person of the Manager, providing services to the Tasman Trust)	If the Manager, or an associated person of the Manager, provides services to the Tasman Trust (for example, leasing, sales and acquisitions, and property management services), that party is entitled to fees, at prevailing market rates, for those services.	Payable by the Tasman Trust monthly in arrears.

<b>Fee</b>	<b>Amount</b>	<b>How and when paid</b>
<b>Other expenses</b> (payable to the Manager)	Where the sole investment of the Tasman Trust (other than any cash held) is in a trust, fund or scheme for which the Manager (or a related company of the Manager) is paid a fee for acting as responsible entity, manager or trustee (as is the case initially when the sole investment of the Tasman Trust is in the Property Fund), the Manager will not seek reimbursement for, and will meet personally, all expenses of the Tasman Trust which it reasonably considers to be reasonable and customary day-to-day expenses of the Tasman Trust (but not other expenses of the Tasman Trust).  Subject to the prior paragraph, the Manager is entitled to be reimbursed by the Tasman Trust for all liabilities, losses and costs incurred by it in acting as Manager.	Payable by the Tasman Trust as they are incurred by the Manager.
<b>Termination fee</b> (payable to the Manager, if the Manager is removed as manager of the Tasman Trust in certain circumstances, not including where the Manager is in material breach of the Trust Deed)	2% of the Gross Value of the Trust Fund on the date of termination. The amount of this fee will be affected by how the assets of the Tasman Trust are valued – see Sections 12.5 to 12.7.	Payable by the Tasman Trust with 14 days of termination.
The fees that may be charged to the Property Fund, or the Tasman Trust as a unitholder in the Property Fund, by Multiplex Capital (or any associated person of Multiplex Capital) are set out in the following table. As discussed in Section 7.12, investors should also note that the price paid to Multiplex SPV by the Property Fund for the Second Stage Properties was \$7.0 million greater than the price paid by Multiplex SPV to acquire the Second Stage Properties.		
<b>Fee</b>	<b>Amount</b>	<b>How and when paid</b>
<b>Entry fee</b>	Nil	Not applicable
<b>Exit fee</b>	Nil	Not applicable
<b>Management fee</b> (payable to Multiplex Capital)	Up to 0.70% per annum of the gross value of the assets of the Property Fund.	Payable by the Property Fund monthly in arrears.
<b>Other expenses</b> (payable to Multiplex Capital)	Multiplex Capital is entitled to be reimbursed by the Property Fund for all liabilities, losses and costs incurred by it in acting as responsible entity.	Repayable to Multiplex Capital as they are incurred on an ongoing basis from the assets and income of the Property Fund.
<b>Custodial fee</b> (payable to MFML as custodian for holding property of the Property Fund and dealing with such property in accordance with instructions from Multiplex Capital)	When the gross value of Property Fund assets is greater than A\$500 million, a fee of 0.004% per annum of the gross value of the assets.  When the gross value of Property Fund assets is less than A\$500 million, a fee of 0.006% per annum of the gross value of the assets, subject to a minimum per annum fee of A\$10,000 (indexed to CPI) and a maximum of A\$20,000.	Payable by the Property Fund quarterly in arrears to MFML.
<b>Establishment fee</b> (payable to Multiplex Capital for the risks and expenses associated with raising equity and acquiring assets for the Property Fund)	Up to 5% of the gross value of the assets of the Property Fund acquired.	Payable by the Property Fund on the completion of the purchase of assets.

<b>Fee</b>	<b>Amount</b>	<b>How and when paid</b>
<b>Performance fee</b> (payable to Multiplex Capital if unitholders' equity has increased at the times the performance fee is to be calculated)	2.0% of the gross value of the assets of the Property Fund, to the extent the net asset value of the Property Fund exceeds the capital subscribed (less any capital returns other than amounts returned as a distribution of operating cash flow). An additional fee of 2.0% of the gross value of the assets of the Property Fund is payable provided unitholders in the Property Fund have achieved a 50% premium on capital subscribed (less any capital returns).	The performance fee is calculated each time there is a Rollover of the Property Fund or on sale of the Property Fund's assets prior to termination of the Property Fund. If a performance fee is payable, then it will be paid by the Property Fund within two months after it is calculated.
<b>Property sale fee</b> (payable to Multiplex Capital for selling an asset (other than cash) from the Property Fund at a premium to its purchase price plus acquisition costs)	2% of the gross sale price but only to the extent this fee will not cause the net sale proceeds to fall below the purchase price plus all acquisition costs for the asset(s) sold. An additional fee of 2% is payable to the extent the net sale proceeds represent more than a 50% premium on the purchase price plus acquisition costs.	Paid by the Property Fund upon completion of the sale out of the proceeds of the sale.
<b>Retirement fee</b> (payable to Multiplex Capital if it is removed as responsible entity and is replaced by a new responsible entity)	2% of the gross value of the assets of the Property Fund.	Payable by the Property Fund on the day before the removal takes effect.
<b>Unit transfer fee</b> (payable to Multiplex Capital)	1% of the consideration of the units transferred, with a minimum fee of A\$100.	Payable by the transferring unitholder at the time of submitting the transfer.
<b>Leasing fee</b> (payable to Multiplex Capital for the entry into of a new lease, or the exercise of an option by an existing lessee, in relation to a Property)	An amount not more than 8.5% of the gross proceeds for the first year of the new or extended term of a lease of premises that form part of a Property.	Payable by the Property Fund upon the execution of a new lease, or extension of an existing lease.

These fees could only be changed by special resolution of Property Fund unitholders, except for the custodial fee which could be changed by agreement between Multiplex Capital and MFML. Those fees which are based on the gross value of the assets of the Property Fund could be affected by how the assets are valued – see the Constitution for further information.

The Manager and/or Multiplex Capital may, on an individual basis, negotiate with investors in relation to rebates on establishment and ongoing management fees. This includes the Manager and/or Multiplex Capital rebating or waiving establishment, ongoing and transfer fees for employees of the Manager, Multiplex Capital or employees of related bodies corporate of the Manager or Multiplex Capital. These rebates are payable by the Manager or Multiplex Capital from its own fees and therefore do not affect the distributions to other Unitholders. On occasion, Multiplex Capital or the Manager may also choose to provide the rebate in the form of additional units in the Property Fund or the Tasman Trust, however this will not dilute the assets of the Property Fund or the Tasman Trust as no fee will be deducted by the Manager or Multiplex Capital in these circumstances.

The fees and expenses set out in this Section are exclusive of GST. Where GST is payable and an input tax credit is available, then the Property Fund or Tasman Trust will be credited with the input tax credit obtained from the relevant tax authority. For some fees and expenses a full input tax credit will not be available, in which case the fees and expenses includes an amount of non-recoverable GST.

### 13.5 WHAT RETURNS WILL I GET?

Returns from the Tasman Trust will consist of distributions from the Tasman Trust, and increases in the value of Units. Increases in Unit value can be realised as set out in Section 13.8. An investor may also receive proceeds from a winding up of the Tasman Trust, as discussed in Section 13.8.

Each Unit offered in this Offer will be entitled to participate in distributions on a daily pro rata basis from the date of allotment of the Unit.

The current distribution policy of the Manager is to make quarterly distributions as at the end of March, June, September and December. Distributions will be paid to Unitholders within eight weeks from the end of each distribution quarter. Distributions will be an amount the Manager considers appropriate based on the cash flow from the operations of the Tasman Trust, and may include a return of capital as determined by the Manager. The Manager may change its distribution policy from time to time, and may suspend paying distributions for such period as it considers appropriate.

Taxation is likely to affect returns to investors. See Section 11 for a brief description of the taxation implications of investing in the Units. Investors should seek their own professional advice in relation to taxation. Reserves made by the Manager from income or gains of the Tasman Trust, and reserves made by Multiplex Capital from the income or gains of the Property Fund, will also affect returns to investors. The current policy of the Manager is that no reserves are required for the Tasman Trust, but this policy could change. Multiplex

Capital will make reserves (for example, for anticipated capital expenditure) from time to time for the Property Fund.

The Manager is legally liable to pay the distributions.

No guarantees are given by the Trustee, Multiplex Capital, the Manager or any other person in respect of the Units or the amount of the return which investors may receive in relation to them. No return, quantifiable as at the date of this Offer Document and enforceable by Unitholders, is promised.

The key factors that will affect returns to Unitholders are the Tasman Trust's earnings and cash flows. These, in turn, will depend upon the performance of the Tasman Trust's investments, which currently is solely an investment in the Property Fund. The performance of the Property Fund will be largely dependent on the Properties. A more detailed description of the risk factors which may affect distributions is set out in Section 13.6.

### 13.6 WHAT ARE MY RISKS?

The principal risks to Unitholders are that they may not be able to recover their original investment, and may not receive the distributions they anticipate receiving from the Tasman Trust. This could happen for a number of reasons, including:

- (a) The price at which investors are able to sell or redeem their Units is less than the price they have paid for them.
- (b) Investors are unable to sell their Units because there is no market.
- (c) The operational and financial performance of the Tasman Trust not being at the levels anticipated by investors, or projected or forecast by the Manager (as set out in Section 8). This, in turn, could occur as a result of the operational and financial performance of the Property Fund not being at the levels anticipated by investors, or forecast by Multiplex Capital (as set out in Section 9).
- (d) The Tasman Trust or the Property Fund becoming insolvent.

Particular risks associated with the Tasman Trust and the Property Fund are:

- (a) **Property associated costs:** Purchasing property carries with it significant acquisition costs. These include legal fees on acquisition and due diligence costs. Fees on sale typically include agency fees and advertising and legal expenses.

This means that to preserve the capital invested in a property, the property must generally be sold at a price which is considerably more than the price at which it was purchased. This risk can be managed or offset by:

- taking into consideration the cyclical nature of the property market when concluding the investment;
- allowing a longer time frame for the investment. This spreads the acquisition costs over a longer period of time, and reduces the amount of capital growth that needs to be achieved each year; and
- by adding value to the investment through skilled management.

- (b) **Property market:** An investment in the Tasman Trust should be viewed as a long-term investment. Property values can fall as well as rise, leading to capital losses or capital gains. There is no certainty as to the state of the New Zealand property market throughout the life of the Tasman Trust.

- (c) **General risks of property:** There are a number of risks associated with an investment in property. These include, without limitation:

- the level of tenancy vacancies may fluctuate with market forces;
- a downturn in the economy;
- a downturn in the value of property, or in the property market in general;
- interest rate fluctuations;
- adverse consequences of amendments to statutes and regulations affecting the Tasman Trust, including changes in the tax regimes;
- pricing or competition policies of any competing properties or tenants;
- increased competition from new or existing property;
- build quality of the Properties and quality of the maintenance program;
- changes in retail turnover and the consequential effect upon rental levels; and
- longer term changes in consumer shopping habits.

- (d) **Capital expenditure:** The need for unforeseen capital expenditure by the Property Fund, and how this expenditure is funded, may also have an impact on the performance of the Tasman Trust.

- (e) **Soft ratchet rent review:** The rent review mechanism under the leases with GDL, ASB Bank, The Warehouse and certain other tenants of the Properties provides for a soft ratchet market rent review on every third anniversary from the commencement date of the lease. The rent review is the greater of the then current market rent and the rent payable at the commencement date of the lease. The risk here is that the rent under the lease agreements with this review mechanism, has the potential to return to the rent payable at the commencement date of the lease under a market rent review.

- (f) **Limitation on claims:** Under the Sale and Purchase Agreement, it has been recognised that the purchase of the Second Stage Properties is an onsale following the purchase of the Second Stage Properties by Multiplex SPV from AmTrust under the AmTrust Agreement which is on similar terms to the Sale and Purchase Agreement. The Property Fund has the same and no greater rights against Multiplex SPV as Multiplex SPV has against AmTrust under the AmTrust Agreement.

Under the Sale and Purchase Agreement, the Property Fund cannot bring a claim against Multiplex SPV for any amount that cannot be recovered by Multiplex SPV from AmTrust under the AmTrust Agreement or for any amount in addition to any sum that Multiplex SPV has recovered from AmTrust. There is a risk that the Property Fund will have to bear the loss or damage caused as a result of the actions of AmTrust due to the limitations, under the Sale and Purchase Agreement, on its ability to claim and/or recover the full amount of any loss it suffers from either AmTrust and/or Multiplex SPV.

Following the purchase of the Second Stage Properties the proceeds paid to AmTrust will likely be remitted offshore to the United States based shareholder. Therefore, in the event of any claim, there will likely be few, if any, assets in New Zealand to satisfy that claim. As a result the AmTrust Agreement contains a provision whereby \$5.0 million has been deposited into an escrow account (operated by Chapman Tripp, Auckland solicitors acting for AmTrust) for a period of 12 months following settlement which will then be reduced to \$3.0 million for a further six months. This sum is to act as security for any warranty claim that may be brought against AmTrust. The Property Fund will receive the benefit of any successful warranty claim, however, no warranty claims may be brought later than 30 November 2006.

(g) **Pernik warranty limit:** Under the sale and purchase agreement relating to the Pernik properties there are limits on any warranty claim that the Property Fund can bring against GDL. There is a limit of \$200,000 for any warranty claim made in relation to the Dargaville property, and a limit of \$750,000 for any claim made in relation to one or more of the other Pernik properties. The reason for this limit on GDL's liability is that firstly it reflects the limits that were imposed upon GDL under its sale and purchase agreement with the vendor of the properties to it, and secondly, because GDL on-sold the Pernik properties to the Property Fund as soon as it acquired them, GDL only ever owned the Pernik properties for a moment in time.

(h) **Indirect property risks:** The Property Fund may acquire part ownership of a property owning entity. This could be a minority stake, a joint venture interest or less than 100% ownership. The value of investments in partly owned entities is limited to a maximum of 25% of the Property Fund's assets. There are additional risks associated with acquiring indirect property.

If the Property Fund acquires less than a controlling stake in a property owning entity it would not be able to control the distribution of funds from the entity or the acquisition or disposal of assets by the entity.

(i) **Debt funding:** The investment by the Tasman Trust in the Property Fund is an investment in income producing commercial property, consisting partly of invested funds (equity) and partly of borrowed funds (debt). When a property investment is geared the potential for gains and losses is greater. Gearing also has the effect that acquisition costs, charges and fees represent a higher percentage of the equity in the purchase than they would if there was no debt and the property was purchased entirely with equity. The prospective financial information in Section 8 is derived from forecasts prepared by Multiplex Capital for the Property Fund as set out in Section 9, and those forecasts assume fixed rates of interest on the senior debt throughout the prospective period. Details of borrowings of the Property Fund and interest rate hedging arrangements are set out in Section 7. At the time that the Property Fund's debt needs to be refinanced, interest rates may well be higher. If they are, then returns to the Tasman Trust from the Property Fund (and thus to Unitholders) could be affected accordingly. As part of the Property Fund's debt strategy, Multiplex Capital may take steps to manage this risk by hedging interest rates beyond the first Rollover date of the Property Fund. If the Property Fund did not Rollover, or the Properties were sold before the end of the Property Fund's term, the Property Fund may incur hedging termination costs if interest rates have risen from the date they were hedged. The lender has no obligation to rollover this funding at the end of the loan period, and so there is

no certainty that the borrowings will be able to be replaced as their terms expire. For example, if interest rates rose substantially, then refinancing might not be possible. In such an event, the Properties may have to be sold at short notice which may affect the price achieved. If there is a breach of conditions of the borrowings, the lender may enforce its security and, amongst other things, sell the Properties.

(j) **Subordinated debt**

The Property Fund must repay the subordinated debt by 30 June 2006. In the event it is not repaid within that time then:

— there will be a cash flow lock up from the Properties to pay down the subordinated debt – which means that no distributions will be paid to Property Fund Unitholders (including the Tasman Trust – meaning no distributions will be paid by the Tasman Trust) until the subordinated debt has been repaid in full; and

— the Property Fund must pursue asset sales to effect the paydown.

(k) **Additional capital raisings:** If the Manager needs to raise further capital for any purpose (e.g. to acquire properties), then existing Unitholders may not be invited or may not be able to participate on a pro rata basis. Accordingly, those Unitholders' overall investment in the Tasman Trust will be diluted as more Units are issued. However, further Units cannot be issued at a price which is less than 90% of the Net Value of the Trust Fund per Unit (as defined in the Trust Deed). Similarly, the Tasman Trust's investment in the Property Fund could be diluted by further capital raisings by Multiplex Capital, subject to certain limitations in the Constitution.

(l) **Due diligence and use of experts:** The Property Fund engaged appropriate experts to investigate the environmental, structural and legal aspects of the Properties. Multiplex Capital believes that these investigations were appropriate and complete. However, despite such investigations, there can be no guarantee as to the identification and mitigation of all risks associated with the Properties.

(m) **Property Fund forecasts:** The prospective financial information set out in Section 8 derives from forecasts for the Property Fund prepared by Multiplex Capital as set out in Section 9. The prospective financial information in Section 8 is thus dependent on the policies used in, and the judgements made by Multiplex Capital in, preparing the Property Fund forecasts.

(n) **Taxation:** The taxation of the Property Fund is subject to both Australian and New Zealand tax legislation. To the extent that legislation changes in either jurisdiction, this may impact on the cash returns to unitholders.

The Budget released by the Government on 19 May 2005 signalled a number of significant reforms targeted at improving the saving habits of New Zealanders which would involve changes to the taxation of investment income.

A discussion document setting out proposed changes to the taxation of collective investment vehicles and foreign portfolio (under 10%) investment from 1 April 2007 was published in June 2005 ("Taxation of investment income; the treatment of collective investment vehicles and offshore portfolio investments in shares"). The proposed changes, if enacted following submissions, may impact on the New Zealand taxation treatment of the Tasman Trust and Unitholders and will need to be monitored by investors.

- (o) **Inland Revenue rent review:** The rent review mechanism in the lease with Inland Revenue at AIA House has no ratchet provision when the rent is reviewed on each lease renewal date. The rent review on renewal is the current market rent. The risk is that the rent under the Inland Revenue lease has the potential to fall if market rents fall. There is only one renewal and therefore rent review left under the Inland Revenue lease which is 1 January 2009. The current rent is \$1.8 million per annum.
- (p) **Foreign exchange:** The final number of Property Fund Units acquired by the Tasman Trust will be affected by the exchange rate between the Australian and New Zealand currencies. If there were an adverse movement in the exchange rate, for every \$1.00 contributed to the Tasman Trust, fewer Property Fund Units would be acquired, adversely affecting the returns of the Tasman Trust. The value of the Tasman Trust's investment in the Property Fund may be adversely affected by movements in the exchange rate between the New Zealand and Australian currencies. Initially, at least, the sole source of income for the Tasman Trust will be distributions from the Property Fund. These distributions could also be affected by movements in the exchange rate between the Australian and New Zealand currencies in two respects. First, income from the Properties must be converted from New Zealand to Australian currency when it flows to the Property Fund. Secondly, distributions paid by the Property Fund to the Tasman Trust will be made in Australian currency, and will be converted to New Zealand currency by the Manager.

If there is an adverse movement in the exchange rate in the future, such that the equivalent of the exit price moves unfavourably, this will affect the return of the investment if the investor decides to exit at this point.

- (q) **Increase in issue price of Property Fund Units:** The final number of Property Fund Units acquired by the Tasman Trust will be affected by the issue price of the Property Fund Units (refer to Section 7.7). If that issue price increased, for every \$1.00 contributed to the Tasman Trust, fewer Property Fund Units would be acquired, adversely affecting the returns of the Tasman Trust.
- (r) **Liquidity:** An investment in the Tasman Trust should be considered illiquid.
- (s) **Other risk factors:**
- Natural disasters and man-made disasters may occur which are beyond the control of the Manager.
  - Rental paid by GDL constitutes approximately 35.5% of the Property Fund's income. The leases are, in part, guaranteed by Progressive Enterprises Ltd, but not Foodland Associated Ltd (the ultimate parent company of GDL). The Property Fund is therefore reliant to a significant degree on the solvency of GDL and Progressive Enterprises Ltd. Multiplex Capital has no reason to doubt the creditworthiness of these parties, but their continued solvency is not assured.

Certain statements in this Offer Document constitute forward-looking statements, including the projections and forecasts set out in Sections 8 and 9. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results to be materially different from any performance expressed or implied by such forward-looking statements. Such factors include, among other things, the risks set out above, matters set out in this Offer Document generally, and certain other business and economic factors, some of which may be beyond the control of the

Manager and Multiplex Capital. Given these uncertainties, prospective investors are cautioned not to place undue reliance on the forward-looking statements. In addition, under no circumstances should the inclusion of such forward-looking statements in this Offer Document be regarded as a representation or warranty by the Manager, Multiplex Capital or any other person with respect to the achievement of the results set out in such statements, or that the underlying assumptions used will in fact be the case. Factors that could cause such differences include, but are not limited to, those discussed in this Section.

For the reasons outlined above, it is possible that, on termination of a Unitholder's investment in the Tasman Trust, a Unitholder may have received in total less than the amount paid on subscription for the Units.

Investors will not be liable to make any further payments in respect of the Units (except as described in Section 12.49). Investors will not be liable to pay money to any person as a result of the insolvency of the Tasman Trust, except as described in Section 12.49.

All creditors (secured or unsecured) of the Tasman Trust will rank ahead of the claims of the Unitholders if the Tasman Trust is wound up. After all creditors have been paid, the remaining assets will be available for distribution among the Unitholders who rank equally among themselves.

### 13.7 CAN THE INVESTMENT BE ALTERED?

Full terms of the Offer are set out in this Offer Document. Those terms may be altered by an amendment to this Offer Document by the Manager. Details of any such amendment must be filed with the Registrar of Companies.

The terms and conditions attaching to Units may be altered by an amendment to the Trust Deed. The terms and conditions of the Trust Deed itself may only be altered with the approval of the Trustee and Manager. Minor or non-prejudicial amendments, amendments required in order to ensure compliance with statutory or regulatory requirements, amendments to secure or maintain listing of the Units and other amendments as set out in Section 12.50, do not require Unitholders' consent. Otherwise, amendments must be approved by an extraordinary resolution of Unitholders. Unitholders have certain other powers exercisable by extraordinary resolution (including varying Unitholders' rights) as described in Section 12.36. However, a resolution which affects a particular group of Unitholders only, as opposed to the rights of Unitholders generally, will not be binding on that group of Unitholders unless those Unitholders approve the resolution by a separate extraordinary resolution.

### 13.8 HOW DO I CASH IN MY INVESTMENT?

Unitholders may transfer their Units subject to the terms of the Trust Deed, applicable securities laws and regulations, and the Overseas Investment Regulations. The restrictions applicable to transfers of Units under the Trust Deed are set out in Section 12.28. The transfer fee set out in Section 13.4 is payable to the Manager on the sale of Units. The Manager does not consider that there is an established market for the Units.

The Manager may, but cannot be required to, acquire or redeem Units. If it does, it may charge a fee for doing so. The Property Fund has certain features which the Manager may use to assist with the liquidity of Units – refer to Sections 6.7, 7.8 and 7.9. If a Unitholder holds less than 1,000 Units (or such other number as the Manager sets from time to time) the Manager may sell those Units as described in Section 12.29.

If the Tasman Trust is terminated, all assets will be realised, liabilities of the Tasman Trust paid, and any net proceeds will be distributed to Unitholders as discussed in Section 12.53. The circumstances which will result in the winding up of the Tasman Trust are described in Section 12.52.

### 13.9 WHO DO I CONTACT WITH ENQUIRIES ABOUT MY INVESTMENT?

Enquiries should be directed to:

BK Registries Ltd  
138 Tancred Street  
PO Box 384  
Ashburton 8300  
Telephone: 0800 800 899  
Facsimile: (03) 308 1311  
Email: info@bkregistries.co.nz

Advisers may also contact the Manager with enquiries on:

Telephone: (09) 296 2108  
Facsimile: (09) 377 9483  
Email: institutionalbusiness@multiplex.biz

### 13.10 IS THERE ANYONE TO WHOM I CAN COMPLAIN IF I HAVE PROBLEMS WITH THE INVESTMENT?

Any complaints or problems with the investment should be directed to:

(a) BK Registries Ltd  
138 Tancred Street  
PO Box 384  
Ashburton 8300  
Telephone: 0800 800 899  
Facsimile: (03) 308 1311  
Email: info@bkregistries.co.nz

(b) The Complaints Officer  
Multiplex Tasman Property Fund  
Level 4  
1 Kent Street  
Sydney, NSW 2000  
Australia  
Telephone: 61 2 9256 5000  
Facsimile: 61 2 9256 5001  
Email: institutionalbusiness@multiplex.biz

(c) Perpetual Trust Ltd  
Level 17  
HSBC Centre  
1 Queen Street  
PO Box 3376  
Auckland  
Attention: Regional Manager – Corporate Trust  
Telephone: (09) 366 3290

There is no ombudsman to whom complaints can be made about this investment.

### 13.11 WHAT OTHER INFORMATION CAN I OBTAIN ABOUT THIS INVESTMENT?

Other information about the Units and the Tasman Trust is contained or referred to in the registered Prospectus which forms part of this Offer Document, and will be contained in the Tasman Trust's audited financial statements (when prepared).

A copy of this Offer Document, the documents attached to the Offer Document when it was registered, the Trust Deed and the Tasman Trust's financial statements (when prepared) can be inspected free of charge during business hours at the office of Multiplex Capital New Zealand Ltd at the address set out in Section 13.2, and are also filed on a publicly available register at the Companies Office of the Ministry of Economic Development, 3 Kingston Street, Auckland (and its website, [www.companies.govt.nz](http://www.companies.govt.nz)) which may be inspected on payment of the Companies Office's standard fee.

The following information is available from the Manager on request:

- (a) the most recent financial statements of the Tasman Trust registered under the Financial Reporting Act 1993, when prepared, including a comparison of actual results of the Tasman Trust against the prospective financial information set out in Section 8, together with all documents required to be registered with those statements;
- (b) the Trust Deed, including any amendments to the Trust Deed; and
- (c) a copy of the most recent prospectus and investment statement relating to Units.

Any request for this information should be made in writing to the Manager, at the address set out in Section 13.2, or by posting the request to the Manager, PO Box 3100, Auckland. There will be no charge for this information.

The Manager will provide the following communications to Unitholders:

- (a) quarterly income distribution statements; and
- (b) annual audited financial statements for the Tasman Trust.



# SECTION

## STATUTORY INFORMATION AND SIGNATURES

This Section sets out the matters specified in schedule 3A of the Securities Regulations 1983 (Regulations) in respect of the Tasman Trust.

## 14.1 DESCRIPTION OF UNIT TRUST

The name of the unit trust is the Multiplex Tasman Property Fund.

The Tasman Trust was established in New Zealand by a trust deed entered into between Multiplex Capital New Zealand Ltd (as manager of the Tasman Trust) and Perpetual Trust Ltd (as trustee of the Tasman Trust) dated 6 September 2004.

The Tasman Trust was formed on 6 September 2004, and will terminate in the circumstances set out in Section 12.52.

Each Unit represents an undivided beneficial interest in the net assets of the Tasman Trust. Each Unit has one vote on a poll held at a meeting of Unitholders, the right to share in any distributions of the Tasman Trust as described in Section 12.16, the right to share in any surplus on a winding up of the Tasman Trust as described in Section 12.53, and has the other rights, and is subject to the obligations, set out in the Trust Deed, which is summarised in Section 12.

There is no maximum number or amount of units in the Tasman Trust.

Units are offered under this Offer Document initially for \$1.07. However, this issue price may change as described in Section 2.1.

No fees are payable to the Manager by a Unitholder for purchasing Units under the Offer. The fees payable to the Manager in relation to any further issue of Units, and on the sale of any Units, are set out in Section 13.4.

The opening and closing dates of the Offer are described in Section 2.

## 14.2 MANAGER, PROMOTERS, AUDITORS AND ADVISERS

The manager of the Tasman Trust is Multiplex Capital New Zealand Ltd. The address of the Manager is set out in Section 13.2. The names of the directors of the Manager are set out in the directory on the inside rear cover of this Offer Document. Each of the directors can be contacted at the Manager's address.

The Manager was incorporated under the Companies Act 1993 in New Zealand on 26 July 2004.

Multiplex is the ultimate holding company of the Manager. Multiplex does not guarantee the success of the Tasman Trust, the repayment of capital or any particular rate of return.

There are no other unit trusts managed by the Manager.

The promoters of the Offer are Multiplex Capital Ltd, and Andrew Timothy Roberts, Peter John Morris, Robert McCuaig, and Michael Hodgetts (such persons being directors of Multiplex Capital Ltd).

No administration manager or investment manager has been appointed for the Tasman Trust.

None of the Manager, its directors nor the promoters of this Offer have been adjudged bankrupt or insolvent, convicted of any crime involving dishonesty, prohibited from acting as a director of a company or placed in statutory management or receivership.

The names of the registry and the auditor of the Tasman Trust, and the solicitors involved in the preparation of this Offer Document, are set out in the directory on the inside rear cover of this Offer Document.

Colliers International New Zealand Ltd has provided the report in Section 11 as to the valuations of the Properties. PricewaterhouseCoopers have provided the taxation report in Section 11. The addresses and qualifications of those experts are set out in their respective reports.

Atchison Consultants has provided the tables set out in Section 4. Atchison Consultants was established in 2001 to provide investment advice to participants in the financial and investment markets. The focus of the business is the analysis and assessment of financial market dynamics on the various asset classes and investment managers. TAG Asset Consulting Group Pty Ltd (ABN 58 097 703 047), trading as Atchison Consultants, is the holder of Australian Financial Services licence number 230846. Atchison Consultants is located at Level 10, 99 Queen Street, Melbourne, Australia.

Atchison Consultants has given, and has not withdrawn, its consent to the distribution of this Offer Document including the tables set out in Section 4, in the form and context in which they are included. It is not intended that Atchison Consultants be a director, officer or employee of the Manager. It may from time to time provide consulting services to the Manager.

The Trustee is independent of the Manager and the promoters of the Offer.

## 14.3 UNIT TRUSTEE

The trustee of the Tasman Trust is Perpetual Trust Ltd. The address of the Trustee is shown in the directory on the inside rear cover of this Offer Document. The names of the directors of the Trustee are also set out in the directory. The directors can be contacted at the address of the Trustee.

The Trustee was incorporated under the Companies Act 1882 in New Zealand on 16 April 1884, and is now registered under the Companies Act 1993.

The ultimate holding company of the Trustee is Pyne Gould Corporation Ltd, a company incorporated in New Zealand.

The extent to which the Trustee is indemnified by the Tasman Trust is described in Section 12.46.

The Trustee does not guarantee the repayment of Units or the payment of any earnings on the Units. The Trustee makes no comment on any provisions of this Offer Document relating to the Property Fund. The Property Fund represents an investment of the Tasman Trust selected by the Manager pursuant to the powers of investment reserved to the Manager under the Trust Deed. All matters relating to the status of the Property Fund under Australian law, the ability of the Tasman Trust to validly subscribe for Property Fund Units under Australian law, the description of the Property Fund set out in this Offer Document, and any similar matters, are the responsibility of the Manager.

## 14.4 DESCRIPTION OF UNIT TRUST AND ITS DEVELOPMENT

The trust deed for the Tasman Trust is dated 6 September 2004.

A summary of the principal terms of the Trust Deed is contained in Section 12.

A description of the restrictions on investment of the funds of the Tasman Trust under the Trust Deed is included in Section 12.8.

In September 2004 the Tasman Trust issued its first investment statement and prospectus, raising \$2.6 million. Those funds were used by the Tasman Trust to acquire 2.4 million Property Fund Units.

The Manager's investment objectives and policy for the Tasman Trust are explained in Sections 6.2 and 6.3. Changes may be made to those objectives and that policy in the manner described in Section 6.3.

Investment performance for the period from 17 September 2004 (the issue date of the Original Offer Document) to 31 December 2004:

- there was no change in the issue price of Units (being \$1.00) during this period;
- the distributions paid during this period, represented as a Gross yield on the issue price of Units, was 9.00%.

The current distribution policy of the Manager is set out in Section 6.6.

No undertaking is given to Unitholders by the Trustee, Multiplex Capital or the Manager about return of capital.

#### 14.5 UNITHOLDERS' LIABILITY

There are no liabilities (including contingent liabilities) which may be incurred by Unitholders in relation to the Tasman Trust, other than in respect of the purchase price of Units and the entry and exit fees set out in Section 13.4. The Trust Deed provides that no Unitholders will be or become personally liable in respect of any debt or liability of the Tasman Trust, and no Unitholder will in any circumstances be liable to indemnify the Trustee or the Manager in respect of any debt or liability, except that each Unitholder indemnifies the Trustee, the Manager and the Tasman Trust against any tax payable by or on account of that Unitholder, or in respect of that Unitholder's Units, and any withholding or similar tax required to be deducted by the Manager or Trustee in respect of that Unitholder.

#### 14.6 SUMMARY OF FINANCIAL STATEMENTS

At the date of this Offer Document there are no summary financial statements available in respect of the Tasman Trust.

#### 14.7 MINIMUM SUBSCRIPTION

There is no minimum amount that, in the opinion of the Manager, must be raised by the issue of Units.

#### 14.8 GUARANTORS

No person guarantees the payment of any money payable from the Tasman Trust.

#### 14.9 ACQUISITION OF BUSINESS OR EQUITY SECURITIES

No business or equity securities have been acquired for, and (at the date of this Offer Document) it is not intended that any business or equity securities will be acquired for, the purposes of the Tasman Trust. The Tasman Trust has acquired Property Fund Units and, as explained in this Offer Document, intends to acquire additional Property Fund Units. Information on the Property Fund is set out in Section 7.

#### 14.10 OPTIONS AND UNITS PAID UP OTHERWISE THAN IN CASH

No options to subscribe for Units have been, or are proposed to be, granted to any person by or on behalf of the Tasman Trust. The Tasman Trust is considering a proposal to issue debt securities convertible into Units, as described in Section 1.4.

No Units have been, or are (at the date of this Offer Document) to be, issued for consideration other than cash. The Manager may determine to issue Units for other than cash consideration in the future.

#### 14.11 INTERESTED PERSONS

The Trustee and the Manager, and associated persons of the Manager, are entitled to remuneration for services and to recover expenses, in respect of the Tasman Trust. The nature of the services or expenses, and whether or not the amount of remuneration or expenses is limited and, if so, the limits, are set out below:

- (a) For undertaking the duties of a trustee, the Trustee is entitled to be paid the fees described in Section 12.20 by the Tasman Trust. Any limits on those fees are described in that Section. If no limit is set out, the fees are not subject to a limit.
- (b) For undertaking the duties of a manager, the Manager is entitled to the entry and exit fees, base management fee and termination fee described in Section 13.4. Any limits on those fees are described in that Section. If no limit is described, the fees are not subject to a limit.
- (c) For providing other services to the Tasman Trust (such as, for example, leasing, sales and acquisitions and property management services) the Manager, or an associated person of the Manager, is entitled to fees at prevailing market rates. There is no limit on such fees.
- (d) Expenses, costs or liabilities incurred by the Trustee or the Manager in connection with the carrying out of their respective duties under the Trust Deed may be charged to the Tasman Trust. These amounts are not limited.
- (e) For undertaking the duties of a responsible entity, Multiplex Capital is entitled to the management fee, property sale fee, performance fee, retirement fee, unit transfer fee and leasing fee from the Property Fund described in Section 13.4. Any limits on these fees are described in that Section. If no limit is described, the fees are not subject to a limit.
- (f) Expenses, costs or liabilities incurred by Multiplex Capital in connection with the carrying out of its duties as responsible entity of the Property Fund may be charged to the Property Fund. These amounts are not limited.
- (g) For undertaking the duties of a custodian, MFML is entitled to the custodial fee from the Property Fund described in Section 13.4. Any limit on this fee is described in that Section. If no limit is described, the fee is not subject to a limit.

Neither the Trustee, the Manager nor the promoters of this Offer, or any persons associated with any of them, have a material interest in the Tasman Trust, or in a contract entered into on behalf of, or in respect of, the Tasman Trust, other than:

- (a) as described in this Section above;

- (b) Multiplex Property Trust holds 47.5 million of Property Fund Units. These ordinary units have the same terms as those units in the Property Fund Units proposed to be acquired by the Tasman Trust;
- (c) Multiplex Property Trust sold its interest in the First Stage Properties to the Property Fund pursuant to the unit sale deeds described in Section 7.14. These deeds also contain the right of first refusal, and yield support mechanism, described in Section 7.14;
- (d) Multiplex Acumen Property Fund is a managed investment scheme, the responsible entity for which is Acumen Capital Securities Ltd. This company is owned by the Multiplex Group. The Multiplex Acumen Property Fund holds 50.3 million of ordinary Property Fund Units and has received the fee described in Section 7.14(b). Multiplex Acumen Property Fund received a similar fee (of A\$1.32 million) in 2004 from Multiplex Capital. These ordinary units have the same terms as the Property Fund Units proposed to be acquired by the Tasman Trust;
- (e) at the time the transaction for the acquisition of those First Stage Properties leased by GDL was concluded, the Multiplex Group also concluded other transactions with Foodland Associated Ltd (the parent company of GDL) or its subsidiaries. These transactions concerned other possible future property, development or construction transactions in New Zealand and Australia, and, in certain circumstances, require the parties to enter into negotiations, or a party to offer to enter into such a transaction with the other. Any resultant transactions will not involve the Tasman Trust or the Property Fund unless the parties otherwise agree;
- (f) Multiplex will pay fees to Hyde Park and SPB, and is otherwise interested in the arrangements between Hyde Park, SPB and Multiplex Capital, as described in Section 7.14. Founder units (which have since been redeemed) were also issued to Hyde Park and SPB in 2004, and Multiplex and Multiplex Capital had similar interests in the arrangements for those founder units as described in Section 7.14;
- (g) Multiplex SPV sold the Second Stage Properties to the Property Fund pursuant to the Sale and Purchase Agreement described in Section 7.13; and
- (h) the sole investment of the Tasman Trust has since inception been the holding of Property Fund Units, the responsible entity for which is Multiplex Capital.

#### 14.12 MATERIAL CONTRACTS

The following contracts are material contracts entered into in respect of the Tasman Trust during the two years preceding the date of this Offer Document:

- (a) A trust deed dated 6 September 2004 between the Manager and the Trustee, the principal terms of which are described in Section 12.
- (b) An allocation letter between the Manager and Multiplex Capital dated 6 September 2004. In this letter, Multiplex Capital reserved 13.85 million Property Fund Units for subscription by the Tasman Trust in respect of its initial investment in the Property Fund.

#### 14.13 PENDING PROCEEDINGS

There are no legal proceedings or arbitrations that are pending at the date of registration of this Offer Document that may have a material adverse effect on the Tasman Trust.

#### 14.14 ISSUE EXPENSES

Issue costs comprising legal fees, printing and posting, accounting and audit fees and other offer costs relating to the Offer are estimated to be \$0.3 million, and will be borne by the Property Fund. Commission may be paid by the Manager or Multiplex Capital as described in Section 2.6 and as determined by the Manager or Multiplex Capital. The commissions may be structured as either:

- an upfront payment of up to 4%;
- an upfront payment of up to 2% plus a trailing commission of up to 0.35% per annum until 31 August 2011; or
- a trailing commission of up to 0.65% per annum until 31 August 2011.

#### 14.15 OTHER TERMS OF OFFER AND UNITS

All the terms of the Offer, and all the terms of the Units being offered, are as set out in this Offer Document, other than those implied by law or set out in a document which is registered with a public official, referred to in this Offer Document, and available for public inspection.

#### 14.16 FINANCIAL STATEMENTS AND AUDITOR'S REPORT

The Tasman Trust has, at the date of this Offer Document, no historical financial statements.

The auditor's report on the prospective financial information of the Tasman Trust and the Property Fund contained in Sections 8 and 9 is included in Section 11.

#### 14.17 PLACES OF INSPECTION OF DOCUMENTS

The Trust Deed, and each material contract referred to in Section 14.12, may be inspected, on payment of any fee charged by the Companies Office, at the offices of the Companies Office, 3 Kingston Street, Auckland, at any time during normal business hours, or at its website, [www.companies.govt.nz](http://www.companies.govt.nz). The Trust Deed, and each material contract referred to in Section 14.12, may also be inspected, along with the Property Fund PDS, without fee, at the offices of the Manager set out in Section 13.2 at any time during normal business hours.

#### 14.18 OTHER MATERIAL MATTERS

The Manager considers that all material matters relating to the Tasman Trust are set out in this Offer Document.

#### 14.19 MANAGER'S STATEMENT

As no historical financial statements for the Tasman Trust are included in this Offer Document, no Manager's statement is required in this Offer Document.

#### 14.20 TRUSTEE'S STATEMENT

As no historical financial statements for the Tasman Trust are included in this Offer Document, no Trustee's statement is required in this Offer Document.

#### SIGNATURES

Each of the directors of Multiplex Capital New Zealand Ltd:



Rob Rayner (by his agent, Chris Palandri)



Ian O'Toole (by his agent, Chris Palandri)



Chris Palandri



Phillip Eaton

Multiplex Capital Ltd by its agent (Chris Palandri):



Chris Palandri

Certain directors of Multiplex Capital Ltd:



Andrew Roberts (by his agent, Chris Palandri)



Peter Morris (by his agent, Chris Palandri)



Robert McCuaig (by his agent, Chris Palandri)



Mike Hodgetts (by his agent, Chris Palandri)



# SECTION

## GLOSSARY

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<b>A\$</b>	Australian dollars.
<b>AmTrust</b>	The original vendor of the Second Stage Properties, AmTrust Pacific Properties Limited.
<b>AmTrust Agreement</b>	The agreement pursuant to which Multiplex SPV acquired the Second Stage Properties from AmTrust.
<b>Application Form</b>	The application form attached to this Offer Document.
<b>ASX</b>	Australian Stock Exchange Limited (ABN 98 008 624 691).
<b>Business Day</b>	A day other than a Saturday, Sunday or public holiday in Auckland.
<b>Closing Time</b>	5.00pm on 18 January 2006, or such earlier time as may be set by the Manager.
<b>Constitution</b>	The constitution of the Property Fund dated 28 July 2004, including any supplementary or replacement constitutions.
<b>Corporations Act</b>	<i>The Corporations Act 2001</i> (Commonwealth).
<b>First Stage Properties</b>	The 11 New Zealand commercial properties acquired on 31 August and 1 September 2004 by the Property Fund.
<b>Gross</b>	Before deducting New Zealand foreign dividend withholding tax.
<b>Hyde Park</b>	Hyde Park Management Ltd (ABN 63 008 698 708).
<b>Manager</b>	Multiplex Capital New Zealand Ltd, the manager of the Tasman Trust.
<b>MFML</b>	Multiplex Funds Management Limited (ABN 15 105 371 917).
<b>Multiplex</b>	Multiplex Limited (ACN 008 687 063) and its subsidiaries.
<b>Multiplex Acumen Property Fund</b>	Multiplex Acumen Property Fund (ARSN 104 341 988).
<b>Multiplex Capital</b>	Multiplex Capital Limited (ACN 094 936 866), the responsible entity of the Property Fund.
<b>Multiplex Group</b>	Multiplex and Multiplex Property Trust and all other entities controlled by each of them.
<b>Multiplex Property Trust</b>	Multiplex Property Trust (ARSN 106 643 387).
<b>Multiplex SPV</b>	Multiplex Constructions (NZ) Limited, a company incorporated in New Zealand, which is the purchaser under the AmTrust Agreement and vendor under the Sale and Purchase Agreement.
<b>Net</b>	After deducting New Zealand foreign dividend withholding tax.
<b>NLA</b>	Net lettable area.
<b>NTA</b>	Net tangible asset backing of the Property Fund (being its total gross assets, excluding intangible assets, minus its liabilities).
<b>Offer</b>	The offer of Units pursuant to this Offer Document.
<b>Offer Document</b>	This combined prospectus and investment statement.
<b>Original Offer Document</b>	The investment statement and prospectus dated 17 September 2004 issued by the Manager.
<b>Properties</b>	Each of the properties described in Section 5, comprising the First Stage Properties, the Second Stage Properties and the Third Stage Properties.
<b>Property Fund</b>	Multiplex New Zealand Property Fund (ARSN 110 281 055) and its sub trusts.
<b>Property Fund Offer</b>	The offer of Property Fund Units pursuant to the Property Fund PDS.
<b>Property Fund PDS</b>	The product disclosure statement dated 4 May 2005 plus any supplementary product disclosure statements issued by Multiplex Capital in relation to the Property Fund Offer.
<b>Property Fund Units</b>	An ordinary unit in the Property Fund.
<b>Rollover</b>	Refers to the continuation of the Property Fund at each seven year anniversary from 1 September 2004 following unitholders in the Property Fund being asked if they want to exit from the Property Fund or continue as a unitholder.
<b>Sale and Purchase Agreement</b>	The agreement pursuant to which the Property Fund acquired the Second Stage Properties from Multiplex SPV.
<b>Second Stage Properties</b>	The 11 Auckland office properties acquired on 31 May 2005 by the Property Fund.
<b>Section</b>	A section of this Offer Document.

<b>SPB</b>	SPB Developments Pty Ltd (ACN 083 060 217).
<b>Tasman Trust</b>	Multiplex Tasman Property Fund.
<b>Third Stage Properties</b>	The 11 retail properties acquired on 30 June 2005 by the Property Fund.
<b>Trust Deed</b>	The trust deed governing the Tasman Trust between the Manager and the Trustee dated 6 September 2004.
<b>Trustee</b>	Perpetual Trust Ltd, the trustee of the Tasman Trust.
<b>Unit</b>	An ordinary unit in the Tasman Trust.
<b>Unitholder</b>	The holder of a Unit in the Tasman Trust.
<b>\$ or NZ\$</b>	New Zealand dollar.

## MANAGER

Multiplex Capital New Zealand Ltd  
Level 4  
48 Courthouse Lane  
Auckland

## DIRECTORS OF THE MANAGER

Robert John Rayner, Sydney  
Ian Robert O'Toole, Sydney  
Christopher John Palandri, Auckland  
Phillip Raymond Eaton, Auckland

## SOLICITORS FOR THE MANAGER

Russell McVeagh  
Level 30  
Vero Centre  
48 Shortland Street  
Auckland

## TRUSTEE

Perpetual Trust Ltd  
Level 17  
HSBC Centre  
1 Queen Street  
Auckland

## DIRECTORS OF THE TRUSTEE

Richard Frank Elworthy, Christchurch  
Bruce Robertson Irvine, Christchurch  
Samuel Richard Maling, Christchurch  
Bryan William Mogridge, Auckland  
Stephen Christopher Montgomery, Christchurch  
Timothy Ernest Corbett Saunders, Auckland  
Warwick James Steel, Auckland  
Brian James Jolliffe, Auckland

## SOLICITORS FOR THE TRUSTEE

Buddle Findlay  
Level 18  
PricewaterhouseCoopers Tower  
188 Quay Street  
Auckland

## AUDITOR

PricewaterhouseCoopers  
Level 22  
PricewaterhouseCoopers Tower  
188 Quay Street  
Auckland

## REGISTRY

BK Registries Ltd  
138 Tancred Street  
PO Box 384  
Ashburton 8300

