

19 September 2013

Dear Investor

**RE: Multiplex Tasman Property Fund (Tasman Fund) - Investor Update**

As advised previously, the Tasman Fund has been in wind up since 4 December 2012.

Proceeds have been received from the Tasman Fund's sole investment in Multiplex New Zealand Property Fund (MNZPF) and an interim distribution of 2.2 cents per unit will be paid on 25 September 2013 to investors on the Tasman Fund register at 5.00pm 23 September 2013.

As further distributions are paid by MNZPF to the Tasman Fund, proceeds will be distributed to investors.

Attached is MNZPF's investor update which outlines the sales status of MNZPF's properties and financial results for the year ended 30 June 2013.

Audited financial statements for the year ended 30 June 2013 should be completed by early November 2013 and will be sent to investors. The unaudited net asset value is estimated to be 64 cents per unit as at 30 June 2013.

If you have any questions, please contact Brookfield Client Services or visit [www.au.brookfield.com](http://www.au.brookfield.com) for fund updates.

We will continue to provide investor updates when further information is available.

Yours sincerely

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3 September 2013

Dear Investor

## **RE Multiplex New Zealand Property Fund (Fund) – Investor Update**

Brookfield Capital Management Limited (BCML), as responsible entity of the Fund, provides the following update to investors for the year ended 30 June 2013.

### **Financial results** (Australian Dollars)

Key messages:

- a distribution of 2.2 cents per unit will be paid to investors on or around 10 September 2013;
- net profit after tax of \$5.7 million (2012: net loss after tax of \$6.0 million);
- net assets of \$128.5 million (2012: \$124.4 million) and net assets per unit of \$0.59 (2012: \$0.57);
- as at 30 June 2013 the weighted average lease term to expiry is approximately 3.09 years (2012: 4.50 years) and the portfolio occupancy rate is 95.4% (2012: 97%); and
- post the recent sale of The Hub property the loan to value ratio (LVR) is approximately 20%.

### **Increase in NTA**

The increase in NTA per unit from \$0.57 to \$0.59 is largely due to appreciation of the New Zealand dollar against the Australian dollar and improved net operating cash-flows.

As the investment and underlying cash-flows are not hedged, future movements in the New Zealand currency will impact on returns to investors.

### **Sale of the Fund's properties**

As advised to investors on 19 November 2012 the Fund is in wind up.

Early in 2013, BCML conducted an international expression of interest program to sell the majority of the Fund's properties. This process led to several parties entering into a formal due diligence review of the portfolio and a number of offers were received.

After reviewing the offers, BCML determined not to sell the portfolio in one transaction. BCML is of the view that it is in the best interests of investors to undertake a sales program of the Fund's properties on an individual basis.

This process is now underway. Mangere Distribution Centre was sold in June 2013 for gross proceeds of NZ\$74 million and The Hub retail centre was sold in August 2013 for NZ\$25.5 million. Both properties were sold above the Fund's carrying value as at 31 December 2012.

Net proceeds from the sales have been used principally to reduce the Fund's debt facility and pay New Zealand income tax. The balance of the debt facility is approximately NZ\$39 million after the sale of The Hub.

## **Current status of the Fund and its properties**

After The Hub sale, the portfolio book value was NZ\$201.6 million. BCML continues to actively manage the property portfolio. Management is currently concluding two further leases at Chorus House which will increase occupancy to 98% and is in advanced discussions to commit the remaining space.

The Wellington assets did not experience any material damage from the series of seismic events which recently affected the CBD. Management continues to advance enquiries for short and medium term lease accommodation in Wellington. Cash reserves are in part being used to fund necessary capital expenditure and secure leasing.

## **Distributions and asset sales**

BCML has obtained financier consent to make a distribution from cash reserves of 2.2 cents per unit. This will be paid on or around 10 September 2013 to investors holding units on the Fund's register at 5pm on Thursday 5 September 2013.

When further properties are sold and the Fund's debt facility requirements have been satisfied, investors will receive further distributions.

BCML continues to pursue opportunities to sell the remaining properties in line with the sales strategy.

It is the intention of BCML to sell the properties in an orderly manner, but it is not possible to predict when the sale process will be completed and when future distributions will be paid.

## **Further information and financial results**

The Fund's financial report for the year ended 30 June 2013 is available at [www.au.brookfield.com](http://www.au.brookfield.com) and we recommend that investors review this document.

BCML will continue to update investors with further information in the future.

Regards

Brookfield Customer Service

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