

New Zealand Commercial Property Index

March 2013



An MSCI Brand

The PCNZ/IPD New Zealand All Property Index

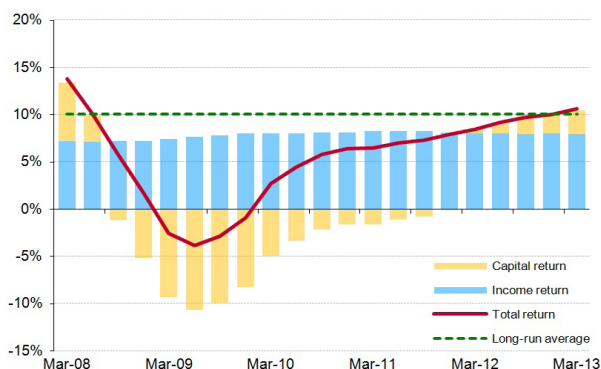
- The New Zealand Commercial Property Index provides a broad measure of investment returns for the commercial property market in New Zealand.
- The Index database is comprised of property assets from 26 participating funds with a combined asset value of NZ\$11.7 billion representing 566 investments.
- Participants represent listed property vehicles, unlisted wholesale property funds, unlisted retail property funds, property syndicates, private investors and the public sector.
- The Index details total return, income return and capital growth for office, retail and industrial on a quarterly basis.
- The composition (by value) across sectors is office (41%), retail (29%) and industrial (24%).

Headline results for Q1 2013

- The annualised total return for the year ending March 2013 was 10.6%. This result is above the annualised return to December 2012 and the long-run average return of 10.1%.
- The total annualised return for the retail sector decreased by c20bps, to 12.4%. The office sector total return increased by 70bps to 9.5%, while industrial sector returns decreased by 30bps to 10.0%. The office sector experienced positive capital growth of 1.4%, an increase of 110bps compared to December 2012.
- Cap rates remained steady over the quarter, averaging 8.1% across all property, 7.6% across retail, 8.2% across office and 8.3% across industrial.

Trends in Commercial Property Market Returns

Annualised nominal returns on quarterly periods to Mar 2013



Annual Returns for Property Sectors

Comparative annual returns

Segments	Returns for March 2013			Total returns	
	Income	Capital	Total	Q4 2012	Q1 2012
Combined	7.9%	2.5%	10.6%	10.1%	8.5%
Retail	8.1%	4.0%	12.4%	12.6%	10.2%
Office	7.9%	1.4%	9.5%	8.2%	7.0%
Industrial	7.8%	2.0%	10.0%	10.3%	9.4%

Sponsor



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About IPD

IPD provides real estate benchmarking and portfolio analysis services to clients in over 30 countries around the world. These services incorporate more than 1,500 funds containing nearly 70,000 assets, with a total capital value of over USD 1.4 trillion. Each year, IPD produces more than 120 indices helping real estate market transparency and performance comparisons, as well as nearly 600 benchmarks for client portfolios. IPD is a subsidiary of MSCI Inc., a leading provider of investment decision support tools to investors globally, and clients including real estate investors, managers, consultants, lenders and occupiers.

For further information on IPD, please visit www.ipd.com.

Index participants

AMP Capital Property Portfolio (APP)

AMP Capital Shopping Centre Fund

Arena Office Fund

Argosy Property Trust (ARG)

Auckland Airport Property

Augusta Capital Limited

Augusta Funds Management

Bayleys

BMS Holdings

Cooper and Company

DEXUS Property Group

Dilworth Trust Board

Direct Property Fund

DNZ Property Fund (DNZ)

Eureka Core Property Fund 3

Goodman Property Trust (GMT)

Haydn and Rollett Property Fund

Kiwi Income Property Trust (KIPT)

Manson TCLM Limited

Melanesian Mission Trust Board

The Neil Group

Ngai Tahu Property

Precinct Properties New Zealand

Property for Industry (PFI)

St Johns College Trust Board

TGH Property

Trust Investments Property Fund (TIPF)

Tower Property Fund

Vital Healthcare Property Trust

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