

OYSTER[®]

CAPABILITY STATEMENT

RETAIL



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DISCLAIMER

All information is prepared as at 15 April, 2017 unless stated otherwise.

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THE OYSTER EXPERIENCE

For owners seeking expert management of retail property, **Oyster Group** offers unmatched experience, in-depth local knowledge and extensive networks.

With over \$1.2 billion in property assets under management, Oyster ranks in the top tier of New Zealand commercial property managers.

Oyster offers a combination of proficiency, personal service and retail property expertise. We manage property for Government, international funds, private owners and institutions.

Day to day, throughout New Zealand, we do business with over 350 individual tenants. Our partnerships with our clients are based on integrity and uncompromising excellence.

OYSTER HAS A COMBINED PORTFOLIO VALUE IN EXCESS OF

NZ\$1.2

BILLION OF PROPERTY UNDER MANAGEMENT THROUGHOUT NEW ZEALAND

Over 25 years
our people have
gathered retail
property knowledge
that we believe is
second to none.

ASSET & PROPERTY MANAGEMENT

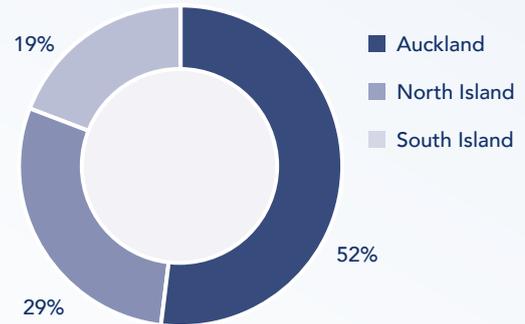
Oyster takes a strategic and results-oriented view. As well as ensuring rents are paid, costs are controlled and income streams optimised, Oyster:

- Provides advice on the latest market outlook and growth opportunities
- Understands retail trends, customer profiling and specific catchment areas
- Can undertake planning for new or refurbished retail centres
- Assists with timely planning of capital works

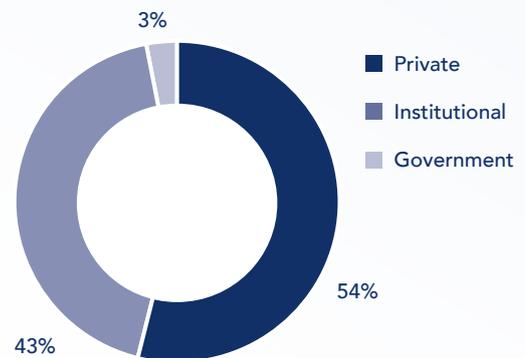
Oyster is a dedicated team with a focused vision. Directors and management work together on projects, with clients gaining the collective wisdom behind all of Oyster's retail experience and strategic expertise.

By understanding retailers and helping them succeed, we help our clients grow a more dynamic environment and a more valuable property.

RETAIL ASSETS UNDER MANAGEMENT
VALUE BY REGION



RETAIL ASSETS UNDER MANAGEMENT
VALUE BY OWNERSHIP STRUCTURE



LEASING



Oyster has a dedicated in-house retail leasing team whose prime purpose is maintaining high occupancy levels, optimising the tenancy mix and maximising rental returns.

Oyster's successful property management record is built on our ability to identify, secure and retain the right mix of lessees for our clients' shopping centres.

Our key personnel have extensive relationships with national and international retailers. Ensuring the right mix of quality tenants and retaining motivated retailers is key to shopping centre and retail property success.

Oyster's professional team of leasing experts recognise opportunities specific to the property, find solutions and achieve results.

Our leasing specialists, together with our centre managers, work actively to create positive relationships with our hundreds of tenants. Outstanding communication is the key. The team is motivated and successful in this regard.

Strategic negotiation skills ensure results for both landlords and tenants are optimised.

Top 10 Retailers by Store Number

1. Cotton On Group	16
2. Just Group	15
3. Progressive / Countdown	9
4. Overland Footwear	5
5. The Warehouse Group	5
6. Subway	4
7. Hallenstein Glasson	4
8. Barkers	4
9. Amazon	4
10. Jeanswest	3

Top 10 Retailers by Area (sqm)

1. Progressive / Countdown	28,009
2. Mitre 10	24,487
3. The Warehouse Group	15,069
4. Foodstuffs	5,525
5. Bunnings Limited	5,489
6. H&J Smith	4,295
7. Cotton On Group	2,193
8. Mobil	2,111
9. Just Group	2,098
10. Farmers	2,006

CONSULTANCY

Oyster's key personnel provide retail property consulting services ranging from concept development to retail planning, tenancy mix and leasing services, preparation of feasibilities, advice on funding and capital structure alternatives, and post-completion marketing.

Oyster also provides advice on enhancement of existing centres, including analysis of individual retailer trading performance across the spectrum of retail property environments:

- Regional and sub-regional shopping centres
- CBD centres and strip retailing
- District and suburban shopping centres
- Outlet centres
- Large format retail

DEVELOPMENT MANAGEMENT

Oyster has a strong track record in retail property development and can manage development projects from conception to completion. Oyster has the experience and capacity to undertake all development management functions, including appointing and controlling consultants, to ensure quality projects are delivered on time and within budget.

Oyster becomes the client representative and can either be responsible for the entire development management process or be engaged on a specific basis to undertake some of the development management functions. Areas of capability include:

- Site assessment and concept creation
- Bulk and location and feasibility analysis (Master Planning)
- Lease negotiation
- Financing advice and lender liaison
- Town planning
- Local authority liaison
- Managing professional consultants
- Tender management
- Overseeing construction delivery





ENSURING THE RIGHT MIX OF
QUALITY TENANTS
& RETAINING MOTIVATED RETAILERS

STRATEGIC MARKETING

Oyster prides itself on:

- Bringing fresh ideas to marketing and promotion
- Establishing the property's strengths, focusing on the desired end result
- Understanding the trade catchment and identifying the target market
- Providing active on-site management and tenant liaison
- Constantly reviewing ways to enhance the income and overall returns
- Providing comprehensive reporting and cost controls
- Designing campaigns to improve retail sales and customer patronage.





Oyster's proven creative skills and problem-solving abilities enable careful tailoring of services and campaigns to meet individual client needs.

FINANCIAL MANAGEMENT

Oyster provides focused and relevant advice and reporting supported by first-hand knowledge and understanding of retail property accounting and finance.

Oyster ensures strong on-going financial management and has the ability to provide full or partial accounting services to any ownership structure, with these services including:

- Rental receipting
- Creditor payment
- GST payment
- Multifaceted monthly reports
- Debt collecting
- Budgeting and cash flow forecasting
- Financial analysis and modelling
- Refinancing services
- Audit management

OYSTER SUCCESS

Oyster Group manages retail properties in seven cities across New Zealand, including Auckland, Hamilton, Napier, Wellington, Nelson, Christchurch and Dunedin.

The 17 properties under management comprise more than 350 tenancies over a net lettable area of over 130,000m².

Oyster successfully manages all these retail properties including the unique Dress-Smart outlet chain, lifestyle retail centres, large format retail complexes and dynamic regional shopping centres.

01: RETAIL ASSET MANAGEMENT

MERIDIAN MALL, DUNEDIN

Today's dynamic, modern retail centre in the heart of Dunedin's CBD is testimony to Oyster's retail management skills.

Oyster took over an under-performing centre in 2006 and, under Oyster's management, Meridian has been transformed into a vibrant shopping and social centre. This transformation has led to enhanced financial returns for the property's owner, an over 25% increase in MAT sales since 2006, and an increased asset value.

Oyster has applied its retail property skills and its contacts and relationships to revitalise the mall's tenancy mix. It has repaired and nurtured lessee relationships and attracted loyal customers through innovative marketing.

Meridian has become the prime inner city hub for Dunedin with its image of convenience, service, style and selection.

meridianmall.co.nz



02: RETAIL ASSET DEVELOPMENT

MORRISON SQUARE, NELSON

Oyster developed this unique New Zealand shopping experience – a lifestyle retail precinct – in Nelson in 2007.

The idea was adapted from similar centres in the United States which typically have prominent fashion brands and restaurants and cafes in an attractive open-air design which encourages leisure time browsing. The global financial crisis interrupted, but Oyster has shown its tenacious spirit in guiding the centre through challenging times, including the 2013 rebranding to Morrison Square.

Morrison Square is now thriving due to Oyster's strong management, close relationships with tenants and innovative marketing and promotions.

Nelson customers are embracing this retail concept, making it part of the city's lifestyle.

morrison-square.co.nz

03: RETAIL PROPERTY INNOVATION

DRESS-SMART, ONEHUNGA

Oyster founded the outlet shopping concept in New Zealand by converting a defunct supermarket in Onehunga, Auckland, in 1995.

It has grown into the largest and most successful outlet centre in New Zealand with more than 100 specialty shops covering over 13,000m².

Other Dress-Smart outlet centres followed in Christchurch, Wellington* and Hamilton and their combined annual turnover is around \$150m.

All Dress-Smart centres have been developed, leased and managed by Oyster.

No other retail operator has been able to replicate the success of the Dress-Smart model.

dress-smart.co.nz

*Now Outlet City – owner-operated



OYSTER DEVELOPS & MANAGES
NZ'S LARGEST, MOST
SUCCESSFUL OUTLET
SHOPPING CENTRE



OYSTER HAS CONSISTENTLY DELIVERED
ON THE AGREED OBJECTIVES
AND HAS CONTINUED TO PRO-ACTIVELY
ADD VALUE TO THE ASSETS



OYSTER CREDENTIALS

International Fund Manager

"In March 2010, Lend Lease purchased a significant Australasian retail property portfolio, formerly known as the ING Retail Property Fund. The portfolio included four New Zealand retail assets in addition to a number of retail shopping centres throughout Australia.

Oyster Management was the incumbent manager of the four New Zealand assets at the date of acquisition and was subsequently appointed as property manager on Lend Lease's behalf. The assets comprise Dress-Smart Onehunga, Dress-Smart Tawa (subsequently sold), Dress-Smart Christchurch and the Meridian Mall in Dunedin.

In late 2011, Lend Lease Investment Management launched Lend Lease Real Estate Partners New Zealand, a fund set up specifically to hold the New Zealand assets. This new fund extended the management arrangement with Oyster.

Oyster has consistently delivered on the agreed objectives and has continued to pro-actively add value to the assets for the period during which these assets have been managed under Lend Lease's ownership.

I would welcome the opportunity to discuss Oyster's capabilities at any time."

Tim Phillips
Investment Manager, Lend Lease

Retailer

Barkers, one of New Zealand's most recognised brands in Men's Fashion, has had stores in Oyster retail centres for over 15 years.

"From inception, there has been a common interest to trade successfully and profitably, based on a spirit of cooperation and long term partnership in an intensively competitive retail environment. Through regular contact and communication, we have identified and handled any issues quickly and effectively. Oyster's comprehensive experience in successful retail management means we have been provided with detailed, accurate advice which has helped us grow and better our business."

Jamie Whiting, Managing Director
Barkers Menswear

Retail Syndicate Investor

"We are confident in Oyster's ability and depth of experience to successfully manage the retail property we have invested in. Their due diligence process which leads to sound acquisitions means that, although all property experiences cycles, the growth prospects for long term value and returns are strong.

Oyster has always been very professional in ensuring our investments are well managed."

Gordon and Annette Smith
Syndicate Investors

OYSTER EXPERTISE

KEY EXECUTIVE TEAM



Mark Schiele
CHIEF EXECUTIVE OFFICER

Mark has been instrumental in setting and implementing the innovative strategic direction for Oyster including the development of the successful Dress-Smart outlet centre chain, the amalgamation of Prime Retail Management and Oyster, and the growth of Oyster Group's funds management business.

He is responsible for overseeing all of Oyster's operations which includes the creation and management of property funds, and asset management of a comprehensive portfolio of commercial properties throughout New Zealand.

Mark completed a Bachelor of Property Administration degree at the University of Auckland 1991. He went on to hold various management positions with Challenge Properties, St Lukes Group, Richard Ellis (now CBRE) and Westfield. In 1997, he joined Prime Retail Management as General Manager and was appointed to the Board in 2001.



Vaughan Ludlam
GENERAL MANAGER
RETAIL/LICENSEE

Vaughan is responsible for Oyster's retail portfolio, managing a team of 25 staff throughout New Zealand who provide asset, property, facilities management and leasing services to private, syndicated and institutional retail property owners; representing over \$300 million in retail property.

Vaughan joined Oyster as a leasing executive in 2003. This followed a diverse consultancy role with Retail Solutions Ltd, which provided his grounding in shopping centre leasing as well as tenancy mix planning and analysis, property development and event planning. He has extensive relationships with Australasian retailers, having successfully negotiated over 700 leases across a wide range of retail formats. Vaughan has led Oyster's leasing team since 2007 and in 2015 was appointed to head the retail division.

Vaughan holds a Real Estate Agents Licence (REAA 2008), is a committee member of the New Zealand Council of Shopping Centres, and holds a double degree from the University of Auckland, is a member of the Royal Institute of Chartered Surveyors and is a member of the Auckland Property Council's executive committee.



Rachel Barr
CHIEF FINANCIAL OFFICER

Rachel joined Oyster in 2014 and is responsible for financial management and reporting, capital and cash flow management, and taxation compliance functions for Oyster.

Rachel has nearly 20 years' experience working in accounting and finance related roles in both New Zealand and the UK. She worked for nine years at NZX-listed Goodman Property Trust where, during that time, Goodman grew from managing \$250M in property assets to managing over \$2 billion in property assets.

In the UK she gained fund management experience with Rockspring Property Investment Managers, working on various Pan-European property funds. Rachel is a Chartered Accountant and holds a Bachelor of Commerce degree from the University of Auckland, with a double major in Financial Accounting and Commercial Law.



Graeme Gunthorp
SENIOR RETAIL ASSET
MANAGER

Graeme joined Oyster having spent eight years as a corporate asset manager in London, where he managed extensive portfolios and executed a range of strategic transactions for major clients such as GlaxoSmithKline, Virgin Media, Citigroup and GE, in markets covering Europe, the Middle East and Africa. He played an integral role in clients' corporate real estate teams, responsible for managing significant operational assets.

Most recently, Graeme led CBRE's Western Australian Structured Transactions team where he worked for a variety of clients including government, institutional and private, on projects including greenfield leisure development, urban redevelopment, as well as a portfolio strategy.

He brings extensive experience in financial analysis and modelling, including scenario planning and contingency analysis, as well as development of opex and capex strategies and refinement of existing transaction processes and procedures.

Graeme is focussed on managing Oyster's key retail assets – primarily shopping centres – recommending and implementing strategy for the assets and portfolios, and identifying opportunities on behalf of a range of clients and funds.



Richard Taaffe
DEVELOPMENT MANAGER

Richard joined Oyster in 2015 and is responsible for the planning and delivery of all of Oyster's development management activities.

Richard has a strong development management background across all property sectors. Prior to joining Oyster he spent 5 years as development manager at Urban Partners (previously Retail Holdings) working on projects including the Mission Bay retail precinct in Auckland and large format retail projects in both Warkworth and Whangarei. Richard has also held development management positions at Brookfield Multiplex and Pegasus Town, and across these roles he managed residential, commercial and retail projects including The Valley Mega Centre in New Plymouth, South City Shopping Centre in Christchurch and the Pegasus Town Centre.

He holds a Bachelor of Business Studies degree from Massey University, with majors in valuation and property management.



OYSTER GROUP

Oyster Group is a large, specialised property company, providing professional management to retail, office and industrial property owners as well as syndication services for investors.

- It has over 25 years experience in the commercial real estate sector.
- Oyster has more than \$1.2 billion of property under management throughout New Zealand.

Oyster manages over 350 individual tenancies in buildings and complexes large and small, providing:

- Full-service asset management of retail, office and industrial property
- Full financial management
- Consultancy
- Development management
- Facilities management
- Retail leasing services
- Strategic marketing for shopping centres

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*All information is prepared as at April 2017
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