

# Centuria Bass NZ First Mortgage Fund No. 4

## Investment Memorandum

Investment Memorandum for an offer of units in Centuria Bass NZ  
First Mortgage Fund No. 4

**Offer available to wholesale investors only.**



## IMPORTANT NOTICE

This Investment Memorandum is not and does not constitute, a product disclosure statement as defined in the *Financial Markets Conduct Act 2013 (FMCA)* and the offer of Units (**Offer**) in the Centuria Bass NZ First Mortgage Fund No. 4 (**Fund**) does not constitute a regulated offer under the FMCA. This Investment Memorandum may not contain all the information which would be required to be disclosed in a product disclosure statement.

The Offer is only being made to 'wholesale investors' within the meaning of Clause 3 of Schedule 1 of the FMCA. Accordingly, the Offer is not a regulated offer that requires disclosure under Part 3 of the FMCA. No product disclosure statement, register entry or other disclosure document required by the FMCA in respect of a regulated offer will be prepared in respect of the Offer. This Investment Memorandum has not been registered, filed with or approved by any New Zealand regulatory authority under the FMCA or any other enactment.

The units in the Fund (**Units**) are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who is a wholesale investor under the FMCA. Further details about the different categories of wholesale investors to whom the Offer is being made and the associated criteria and certification requirements, are set out in the Application Form and accompanying instructions. If, in the future, any person in New Zealand to whom Units are issued or sold elects to sell any Units, they must not do so in any manner which will, or is likely to, result in the Offer, or such sale, being viewed as an offer to which Part 3 of the FMCA is applicable.

The Offer is only being made to New Zealand wholesale investors. The Offer is not being made to investors in any other country or in compliance with the laws of any other country.

This Investment Memorandum does not contain all of the information that a prospective investor may require to evaluate a decision to invest in the Units and the risks associated with that investment. It does not take into account your individual investment objectives, taxation position, financial situation or needs and must not be relied on to make an investment decision. Any reliance you place on this Investment Memorandum and any use of this Investment Memorandum, is solely at your risk. You should undertake your own independent review, investigation and analysis of the Offer and obtain any taxation, legal, financial or other professional advice in relation to this Investment Memorandum and the Offer as appropriate in your circumstances.

No person may offer, invite, sell or deliver any Units or distribute any documents (including this Investment Memorandum) to any person outside New Zealand unless such offer or invitation can be made without having to prepare a disclosure document. The Investment Memorandum may not be sent into or distributed in the United States. Unless otherwise agreed with Centuria Bass NZ Financial Services Limited in its capacity as manager of the Fund (**Manager**) and in its capacity as trustee of the Fund (**Trustee**), any person applying for Units will be deemed to represent and warrant to the Manager and the Trustee that he, she or it is not in a jurisdiction that does not permit the making of the Offer or an invitation of the kind contained in this Investment Memorandum and is not acting for the account or benefit of a person within such a jurisdiction. Neither the Fund, the Manager, the Trustee nor any of their directors, officers, employees, consultants, agents, partners or advisers accepts any liability or responsibility to determine whether a person is able to participate in the Offer.

## Contents

A letter from Centuria Bass	5	10 About the Manager	25
01 Investment highlights	8	11 Contact information	27
02 Investment summary	10	12 How to apply	28
03 Facility investment structure	15	13 Glossary	29
04 The Security Properties	17	14 Application Form	32
05 Developer and Sponsor	19	15 Wholesale investor criteria	49
06 Security sensitivities	20		
07 Exit strategies	21		
08 Key investment risks	22		
09 Tax	23		



# A letter from Centuria Bass

Dear Investor

## Opportunity to invest in property-backed debt with Centuria Bass

We are delighted to bring wholesale investors a property debt investment opportunity from the commercial real estate debt arm of Centuria Capital Group, Centuria Bass Credit. Centuria Bass Credit has a strong track record with over 125 real estate debt investments made, all of which are returning the original target return to Investors, or above.

The current opportunity, Centuria Bass NZ First Mortgage Fund No. 4 (**Fund**), offers Investors a target 10% p.a. pre-tax return<sup>1</sup>, net of all fees. Investors' funds will be used to provide a 12-month loan<sup>2</sup> to borrowing trusts (**Borrowers**) associated with a well-regarded and experienced New Zealand property developer, Thames Pacific (**Developer**). The loan to the Borrowers is a land bridge facility only, meaning Investors are not exposed to any construction risk.

This is a total return opportunity, with Investors' capital and the target return forecast to be distributed at the end of the approximate 12-month period when the Bridge Loan is repaid in April 2025. The investment is secured by first ranking mortgages over two separate land assets, well located in the Kapiti Coast (**Security Properties**) and is personally guaranteed by the owner of the Developer, Stephen Sutorius (**Sponsor**). The Developer has recently completed a successful residential development on the Kapiti Coast.

### Benefits of real estate debt investments

Investing in real estate debt provides investors with capital protection, as the loan made with Investors' funds benefits from first ranking mortgages over the Security Properties and other security and guarantees. By holding a first mortgage, the Security Properties can be sold if the Borrowers default on the loan – providing Investors with the first rights to the proceeds of the sale. This Fund offers a low loan to value ratio (**LVR**) of only 35.8% meaning that if the Security Properties were sold, they would need to significantly decrease in value (by circa 64%) for Investors' capital to be impacted.

### Investors' funds are on-lent to the Borrowers and secured by the Security Properties

In July 2023, Centuria Bass Credit via its subsidiary BFNZ No.4 Limited (**BFNZ4**) provided the Borrowers a bridge loan (**Bridge Loan**) to refinance debt used to purchase the two Security Properties on the Kapiti Coast. The Security Properties have strong residential development potential and a combined 'as is' valuation of \$35.95 million. The Bridge Loan was funded from Centuria Capital Group's balance sheet. The Bridge Loan has been partially refinanced by certain existing Centuria Bass Credit investors, with the intention that the remainder of Centuria Capital Group's funded portion of the Bridge Loan will be refinanced with the net proceeds of the Offer.

The Offer is an offer of Units in the Fund (a unit trust) to raise up to \$7,400,000 and is scheduled to close on 12 March 2024. The proceeds of the Offer will be lent by the Fund to BFNZ4 (**Investor Loan**) to refinance the remainder of Centuria Capital Group's funded portion of the Bridge Loan. This allows Investors to indirectly receive the benefit of the first ranking mortgages over the Security Properties. A detailed structure diagram is set out in Section 3 - Facility investment structure.

The Manager and Trustee of the Fund is Centuria Bass NZ Financial Services Limited, a New Zealand company which is wholly owned by Centuria Bass Credit.

The Bridge Loan repayment date is 13 April 2025 and Investors will receive a distribution on the Units shortly after BFNZ4 receives the Bridge Loan proceeds at maturity from the Borrowers. If the maturity date of the Bridge Loan is extended, the timing for the return to Investors will be extended in a corresponding manner (as described in Section 2 – Investment summary). As the interest under the Bridge Loan is capitalised to the loan and only payable upon maturity, there are no cash distributions paid to Investors prior to maturity of the Bridge Loan.

1. Target return of 10.0% per annum net of all fees, with the return and the initial investment repaid at maturity of the Bridge Loan. Returns are all referred to on a pretax basis. Further information on the tax treatment of returns is set out in Section 9 - Tax. The return is calculated on an IRR basis. Investors should seek their own professional advice as to the financial, taxation and other implications of investing in the Fund.

2. Approximately 12 months is based on an expected Bridge Loan maturity in April 2025. The term of the Fund will be extended if the Bridge Loan term is extended.

## A letter from Centuria Bass

The Fund has been structured to meet the NZ portfolio investment entity 'PIE' tax requirements. This will limit the New Zealand tax paid by Investors to their prescribed investor rate (PIR), capped at a maximum of 28%. Further information on tax is set out in Section 9 – Tax.

The minimum investment will be NZ\$100,000 and Investors will have to meet applicable New Zealand wholesale investor requirements (as described in Section 15 – Wholesale investor criteria).

### Who is Centuria and Centuria Bass

Centuria Capital Limited is an ASX listed entity (ASX code: CNI) with a long and successful history of investing in property and debt secured against property assets. Centuria has in excess of AU\$21 billion of assets under management.

Centuria merged with the New Zealand business Augusta Capital in 2020 to form Centuria NZ. Centuria NZ has provided New Zealanders with property investment opportunities for over 20 years and remains focused on providing varied investment options for their clients.

In 2021 Centuria bought 50% of Bass Capital Partners which has been operating in Australia since 2016, creating Centuria Bass Credit. Centuria Bass Credit has now expanded into New Zealand and will be the Manager of this investment. Centuria Bass Credit has assets under management of AU\$1.6 billion and has originated over 125 investments (with 50+ successful exits), generating a consolidated IRR to investors of 12.8%<sup>1</sup> since inception. This return is generated primarily through first mortgage transactions with a weighted average LVR of 60.5%.

Centuria Bass Credit has an experienced team of credit managers, with deep expertise in managing risk. With the benefit of Centuria NZ's local property market experience and connections, the Centuria Bass Credit platform is primed for growth in New Zealand. Edward Hanson, who is based in New Zealand, will lead Centuria Bass Credit's NZ team. Edward has been actively sourcing transactions and lending into the New Zealand property market for a number of years and has strategic relationships with many of the key market participants.

### Attractive risk adjusted returns

The property markets in Australia and New Zealand have faced headwinds recently with a higher interest rate environment and the major retail banks have restricted the availability of loans to developers. This has created an opportunity for sophisticated private property lenders.

In our view, the returns being generated in the first ranking mortgage loan space are very competitive when compared with the returns in more risky classes of capital. On a risk adjusted basis, we believe the first ranking mortgage loan sector provides good value. Centuria Bass Credit plans to focus on this market in New Zealand and offer secured debt investment opportunities to wholesale investors going forward.

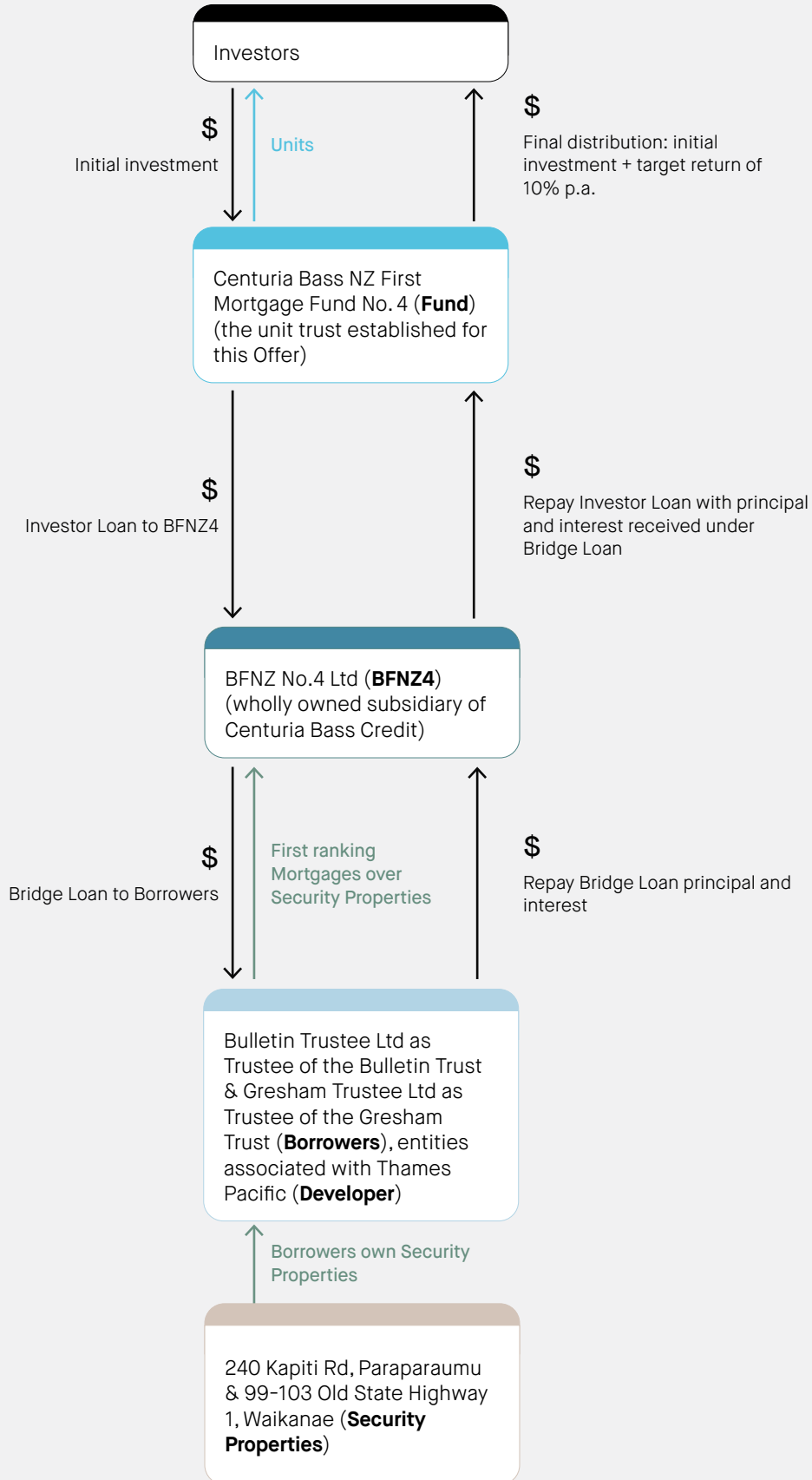
We expect strong demand for the Offer and recommend your earliest attention. We remind you that there is an option to apply online at [centuria.co.nz/cbnzfm4](https://centuria.co.nz/cbnzfm4) (see Section 14 – Application Form) using a secure and easy to complete form.

Yours sincerely

**Nick Goh, Edward Hanson and Mark Francis**  
Directors of the Manager

1. As at 31 December 2023, net of fees and costs.

### Simplified structure diagram



# 01

## Investment highlights



### Target 10% p.a. pre-tax return<sup>1</sup> net of all fees

Providing an attractive target return in the current market.



### 12-month investment period

The approximately 12-month Fund term provides Investors with a short-term investment opportunity, with invested capital and the target return forecast to be repaid in April 2025.<sup>2</sup>



### Conservative loan to value ratio of 35.8% providing capital protection

35.8% LVR calculated using the facility limit for the Bridge Loan (\$12.88 million) and combined as-is valuations of the Security Properties (\$35.95 million). The maximum LVR under the Bridge Loan agreement is 40%.



### Secured investment

The investment benefits from a full security package, including first ranking mortgages over the Security Properties, a first ranking general security agreement over the Borrowers and a personal guarantee from the Sponsor, Stephen Sutorius.



### Well established and experienced Sponsor with significant experience

The Sponsor, Stephen Sutorius, has more than 18 years of property development experience and has completed multiple well-known projects in New Zealand and Australia with Thames Pacific, including the recently completed Florian Kapiti townhouse development on the Kapiti Coast.

1. Target return of 10.0% per annum net of all fees (on an IRR basis), with the return and the initial investment repaid at maturity of the Bridge Loan. Returns are all referred to on a pre-tax basis. Further information on the tax treatment of returns is set out in Section 9 - Tax. The return is calculated on an IRR basis. Investors should seek their own professional advice as to the financial, taxation and other implications of investing in the Fund.

2. Approximately 12 months (391 days from the assumed allotment date of 18 March 2024), is based on an expected Bridge Loan maturity in April 2025. The term of the Fund will be extended if the Bridge Loan term is extended.





## Managed by Centuria Bass Credit (CBC), a highly experienced property credit team

Proven track record of delivering strong risk adjusted returns. CBC is 50% owned by Centuria Capital Group, an ASX200 listed real estate fund manager with over AUD \$21 billion in assets under management. CBC has assets under management of AU\$1.6 billion and has originated over 125 investments (with 50+ successful exits), generating a consolidated IRR to Investors of 12.8%<sup>1</sup> since inception.



## Two separate Security Properties with strong residential development potential

The two Kapiti Coast Properties benefit from infrastructure upgrades such as Transmission Gully and the Kapiti Expressway as well as commuter rail and bus services to Wellington CBD. Kapiti's population is expected to increase by 55%<sup>2</sup> within the next 30 years.



## Opportunity for Investors to diversify their portfolio

Investing in debt provides a level of capital protection through the buffer provided by the LVR and can allow Investors to diversify their portfolio.



## Taxation of PIE structure

The Fund intends to be structured as a portfolio investment entity (PIE), limiting the New Zealand tax paid by Investors to their PIR, capped at a maximum of 28%.

1. As at 31 December 2023, net of fees and costs.

2. Population and demographics – Kapiti Coast District Council ([kapiticoast.govt.nz](http://kapiticoast.govt.nz)).

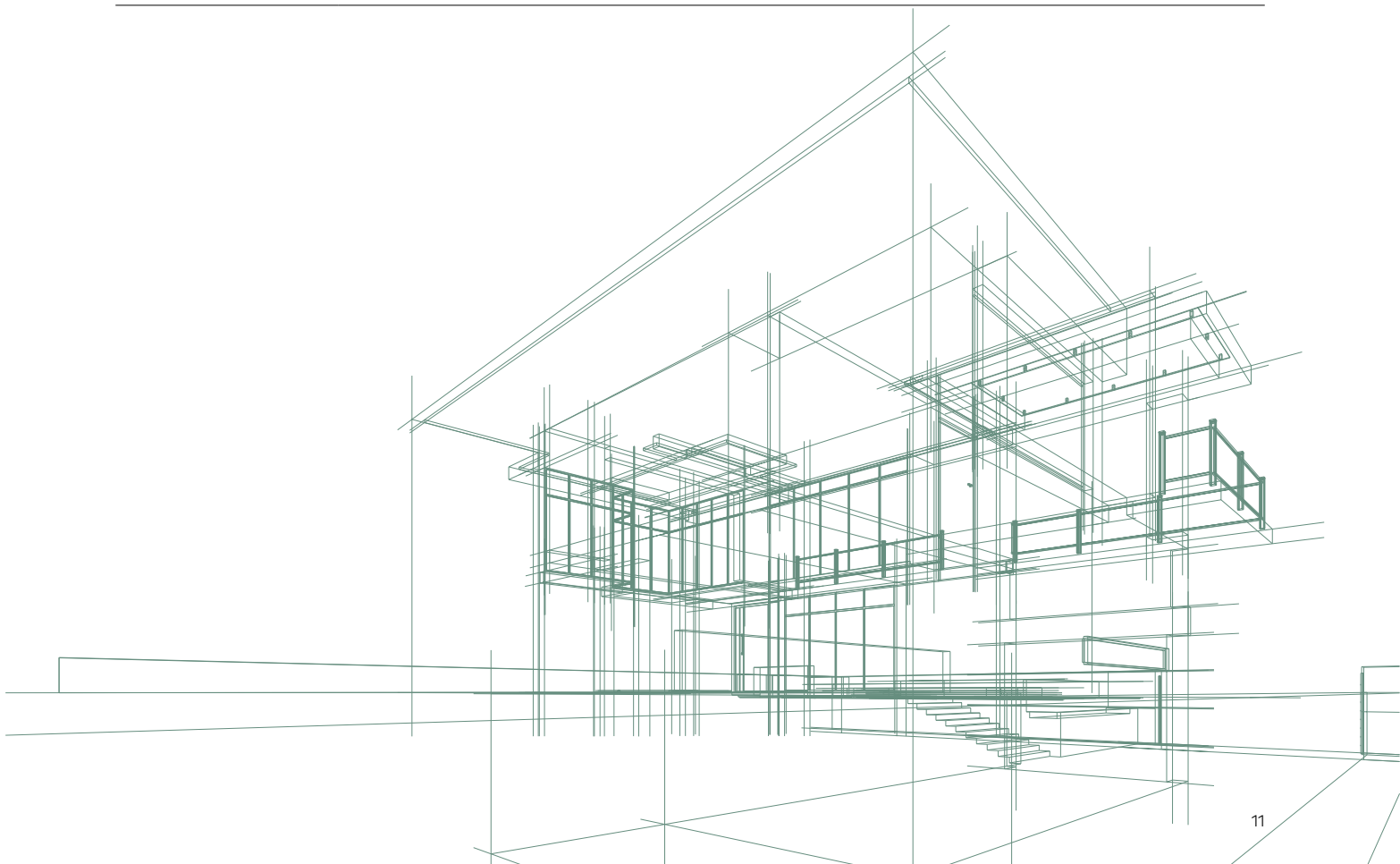
# 02

## Investment summary

### Fund overview and key features of the Trust Deed

<b>Fund</b>	Centuria Bass NZ First Mortgage Fund No. 4
<b>Manager</b>	Centuria Bass NZ Financial Services Limited (NZ company 8963048) a wholly owned entity of Centuria Bass Credit Pty Ltd (Australian company 606680353)
<b>Manager responsibilities</b>	The Manager will be responsible for the day to day management of the Fund and the Investor Loan. The responsibilities of the Manager are outlined in the Trust Deed dated 24 October 2023.
<b>Trustee</b>	Centuria Bass NZ Financial Services Limited (NZ company 8963048)
<b>Trustee responsibilities</b>	The Trustee is responsible for overseeing the overall operations and management of the Fund and is the lender under the Investor Loan. The responsibilities of the Trustee are outlined in the Trust Deed dated 24 October 2023.
<b>Fund type and governing document</b>	New Zealand closed-ended wholesale unit trust created pursuant to a Trust Deed dated 24 October 2023 between the Manager and the Trustee, which sets out the terms and conditions applicable to the Units ( <b>Trust Deed</b> ).
<b>Units</b>	Up to 7,400,000 Units in the Fund. The Manager reserves the right to reduce the total number of Units to be issued or amend the minimum investment amounts, the multiples of Units that may be subscribed for and the minimum and maximum number of Units that may be held.
<b>Regulation</b>	The Offer of Units will not be a regulated offer as defined in the FMCA and will be made only to New Zealand wholesale investors. No product disclosure statement, register entry or disclosure document other than this Investment Memorandum ( <b>IM</b> ) will be prepared in respect of the Offer.
<b>Listing</b>	The Units will not be listed.
<b>Investment object and strategy</b>	The proceeds of the Offer will be lent to BFNZ No.4 Limited (NZ company 8785406) ( <b>BFNZ4</b> ) to refinance the remainder of Centuria Capital Group's funded portion of the Bridge Loan. The terms of the Bridge Loan are described in more detail below.
<b>Investment term</b>	Approximately 12 months, unless otherwise extended to correspond with an extension of the term of the Bridge Loan. The maturity date for the Investor Loan will be extended if the maturity date for the Bridge Loan is extended by BFNZ4. The decision to amend the maturity date for the Bridge Loan will not be subject to an Investor vote.
<b>Target internal rate of return (IRR)</b>	Modeled Investor IRR of 10.0% p.a. on deployed capital (net of fees and costs).
<b>Redemptions and transfers</b>	The Fund is a closed-ended fund and is considered illiquid over the Fund term. Redemptions may be provided on a 'best endeavours' basis, however the Manager is not obliged to accept any withdrawal request or register any transfers and retains absolute discretion whether to approve any request.

<b>PIE status</b>	The Fund will qualify as a portfolio investment entity 'PIE' for the purpose of the <i>Income Tax Act 2007</i> .
<b>Termination</b>	Investors holding 75% of the Units in the Fund may resolve to terminate the Fund in accordance with the terms of the Trust Deed. The Manager may also resolve to terminate the Fund at any time by notice to Investors.
<b>Replacement of the Manager and/or the Trustee</b>	Investors holding 75% of the Units in the Fund may resolve to remove the Trustee and/or the Manager in accordance with the Trust Deed.
<b>Meetings and resolutions</b>	A meeting of Investors may be convened by Investors holding 75% of the Units in the Fund or the Manager.
<b>Enforcement</b>	If an event of default has occurred under the Bridge Loan, BFNZ4 may accelerate the Bridge Loan and may enforce any of the securities granted by the Borrowers in connection with that loan, including the first ranking mortgages over the Security Properties. The enforcement process would likely involve the sale of the Security Properties (or the appointment of receivers to undertake the sale of the Security Properties), with the sale proceeds being applied in repayment of all amounts outstanding under the Bridge Loan. On receipt of those Bridge Loan repayment amounts, BFNZ4 will repay the Investor Loan made by the Trustee and any other Investor Loan used to fund the Bridge Loan, on a <i>pari passu</i> (equal) basis.



## Details of Offer

<b>Total funds to be raised</b>	Up to NZ\$7,400,000.
<b>Unit price</b>	NZ\$1.00 per Unit.
<b>Minimum investment</b>	NZ\$100,000 (Manager discretion to waive minimum).
<b>Eligible Investors</b>	This Fund is only open to investment by wholesale clients receiving this IM who accept the conditions of receipt of this IM.
<b>Investor reporting</b>	The Manager will provide half yearly reports to Investors in relation to ongoing key activities and performance of the Fund.
<b>Fees and other cost</b>	Management fee – NIL. Performance fee – NIL. Fund administration fee – NIL. However, please note that external costs associated with the Fund (e.g. legal costs) may apply and may be deducted prior to any return to Investors.
<b>Borrower fees and costs</b>	BFNZ4 will receive the interest differential between the amount payable to the Fund under the Investor Loan and the amount payable by the Borrowers to BFNZ4 under the Bridge Loan. BFNZ4 may receive other fees and costs directly from the Borrowers. These are not charged at the Fund level and will not form part of the assets of the Fund.
<b>Overseas investors</b>	The Offer is only being made to wholesale investors in New Zealand and in any other jurisdictions in which the Manager chooses to make the Offer, being satisfied it is able to do so without having to prepare a disclosure document (and in accordance with the laws of that jurisdiction), at its discretion.
<b>Offer closing date</b>	Targeting 12 March 2024. The Manager reserves the right to close the Offer at any earlier date or extend the closing date of the Offer.
<b>Allotment/issue date for Units</b>	18 March 2024.
<b>Applications</b>	Applications for Units must be made in accordance with the Application Form attached to this IM or online at <a href="https://centuria.co.nz/cbnzfm4">centuria.co.nz/cbnzfm4</a> and in accordance with the instructions in Section 12 (How to apply). The Manager also reserves the absolute right in its sole discretion to accept or reject any application in whole or in part without giving any reason. Investors' subscription monies will be held in a trust account established for the Offer until the Units are allotted and issued.

## Background to loan structuring

In July 2023, Centuria Bass Credit via its subsidiary BFNZ4 provided the Borrowers a Bridge Loan to refinance debt used to purchase the two Security Properties on the Kapiti Coast. The Bridge Loan was funded from Centuria Capital Group's balance sheet and Centuria Capital Group's funded portion of the Bridge Loan has been partially refinanced by certain existing Centuria Bass Credit investors ahead of the launch of Centuria Bass Credit into New Zealand. The remainder of Centuria Capital Group's funded portion of the Bridge Loan is intended to be refinanced with funds from New Zealand wholesale investors raised under this current Offer and lent to BFNZ4 via the Investor Loan. This indirectly allows Investors to receive the benefit of the first ranking mortgages over the Security Properties.

## Investor Loan terms

<b>Lender</b>	The Trustee of the Fund.
<b>Borrower</b>	BFNZ4
<b>Amount</b>	Up to \$7,400,000.
<b>Expected funding date</b>	18 March 2024
<b>Repayment date</b>	13 April 2025, subject to any extension being made to the repayment date under the Bridge Loan (in which case the repayment date for the Investor Loan will be automatically extended in a corresponding manner).
<b>Expected loan term</b>	Approximately 12 months (391 days from the assumed allotment date of 18 March 2024). The maturity date for the Investor Loan will be extended if the maturity date for the Bridge Loan is extended by BFNZ4. The decision to amend the maturity date for the Bridge Loan will not be subject to an Investor vote.
<b>Loan purpose</b>	Refinance Centuria Capital Group's remaining funded portion of the Bridge Loan.
<b>Interest rate/coupon</b>	Targeting 10% per annum (net of fees and costs, payable upon maturity). <sup>1</sup>
<b>Limited recourse</b>	The loan is limited recourse, with BFNZ4's payment obligations being subject to receipt of funds under the Bridge Loan. If the Trustee receives less than the full repayment amount for the Investor Loan, the amount received (less any applicable fees and costs incurred in respect of the enforcement process, such as legal costs) will be distributed to Investors on a pari passu (equal) basis.
<b>Exempt status</b>	The Fund has applied for exempt status in respect of resident withholding tax as contemplated by the IRD under section RE27 of the <i>Income Tax Act 2007</i> . Accordingly, if granted, no resident withholding tax will apply to payments of interest received by the Fund.
<b>Participants in the Bridge Loan</b>	Centuria provided funding to BFNZ4 to permit the Bridge Loan to be funded on 10 July 2023. Certain other existing Centuria Bass Credit investors subsequently refinanced part of Centuria Capital Group's funded portion of the Bridge Loan. All parties that have provided funding to BFNZ4 to refinance Centuria Capital Group's funded portion of the Bridge Loan have done so on substantially the same terms (other than tenor) as the Investor Loan provided by the Trustee. Any payments made to such participants will be done on a pari passu (equal) basis out of the proceeds of the Bridge Loan or the enforcement of the Bridge Loan security (which includes the mortgages over the Security Properties). The key risk for Investors is that the Bridge Loan proceeds are insufficient to permit the amounts owing under the Investor Loan to be repaid in full, however this is mitigated by the conservative LVR. See Section 8 – Key investment risks.

1. Target return of 10.0% per annum net of all fees, with the return and the initial investment repaid at maturity of the Bridge Loan. Returns are all referred to on a pretax basis. Further information on the tax treatment of returns is set out in Section 9 – Tax. The return is calculated on an IRR basis. Investors should seek their own professional advice as to the financial, taxation and other implications of investing in the Fund.

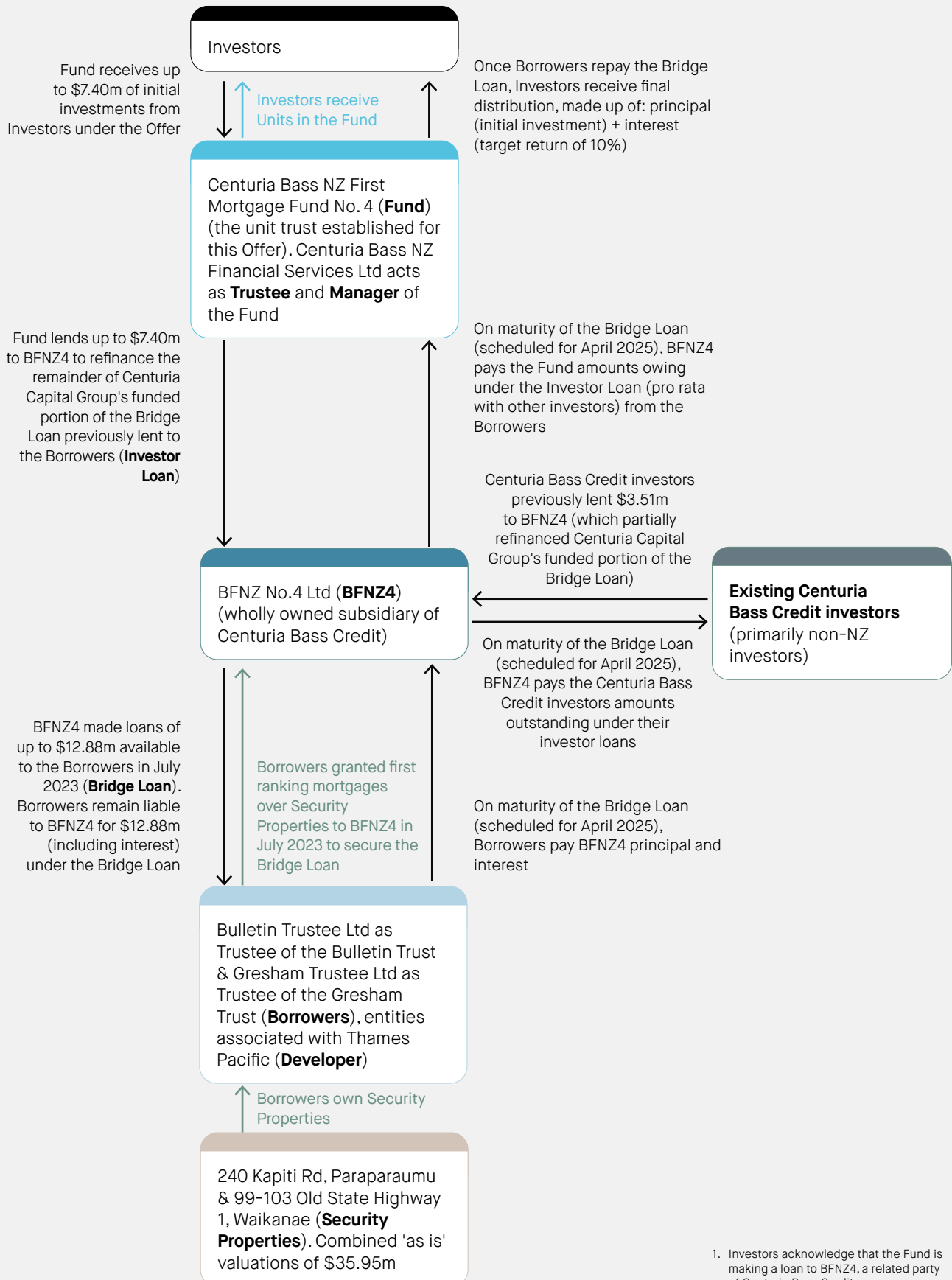
## Bridge Loan terms

<b>Lender</b>	BFNZ4		
<b>Borrowers</b>	Bulletin Trustee Limited (NZ company 8248676) as Trustee of the Bulletin Trust and Gresham Trustee Limited (NZ company 8171971) as Trustee of the Gresham Trust.		
<b>Guarantor/Sponsor</b>	Stephen Sutorius		
<b>Amount</b>	\$12.88 million		
<b>Funding date</b>	10 July 2023		
<b>Repayment date</b>	13 April 2025, unless extended by BFNZ4.		
<b>Loan purpose</b>	Refinance the debt owing in respect of the Security Properties.		
<b>Facility type</b>	Senior secured first mortgage facility.		
<b>Expected remaining loan term</b>	Approximately 12 months (391 days from the assumed allotment date of 18 March 2024).		
<b>Security</b>	<ul style="list-style-type: none"> <li>Registered 1st ranking mortgage over the Security Properties</li> <li>Registered 1st ranking general security agreement over the Borrowers</li> <li>Personal guarantee from the Sponsor.</li> </ul>		
<b>Security Properties</b>	240 Kapiti Road, Paraparaumu Beach, Kapiti Coast ( <b>240 Kapiti Road</b> ) and 99-103 Old State Highway 1 ( <b>99-103 Old State Highway 1</b> ), Waikanae, Kapiti Coast.		
<b>Exit strategy</b>	Via refinance at the maturity of the loan by a New Zealand registered bank or other non-bank property development lender. If the Borrowers are not able to refinance the Bridge Loan, BFNZ4 will be able to enforce its security over, among other things, the Security Properties and apply the sales proceeds in repayment of the Bridge Loan and ultimately the Investor Loan.		
<b>Valuation and key ratios</b>	<b>Description</b>	<b>Value</b>	<b>Covenant</b>
	240 Kapiti Road	\$13.00m (as is) <sup>1</sup>	N/A
	99-103 Old State Highway	\$22.95m (as is) <sup>2</sup>	N/A
	<b>Total</b>	<b>\$35.95m (as is)</b>	<b>N/A</b>
	<b>LVR</b>	<b>35.8%</b>	<b>&lt;40%</b>
<b>LVR</b>	Loan to value ratio (LVR) of 35.8%.		

1. 240 Kapiti Road, Paraparaumu Beach, Kapiti Coast – Colliers Valuation Report 12 May 2023

2. Waikanae North Subdivision, 99-103 Old State Highway, Waikanae, Kapiti Coast District – CBRE Valuation Report 8 June 2023

# 03 Facility investment structure<sup>1</sup>



1. Investors acknowledge that the Fund is making a loan to BFNZ4, a related party of Centuria Bass Credit.



99-103 Old State Highway 1, Waikanae

240 Kapiti Road, Paraparaumu Beach



# 04

## The Security Properties

### The Kapiti Coast

The Kapiti Coast district forms part of the Wellington region in the North Island of New Zealand. The area is considered to be a desirable and an established region of Wellington. It is approximately 50 kms north of the Wellington CBD. Many Kapiti residents travel into Wellington each day for work and the district is a popular weekend destination. The area is identified as a growth node of Wellington and is well connected via direct train access. Recent infrastructure developments such as the Kapiti Expressway, Transmission Gully and other expressways have significantly stimulated the local economy and reduced travel time to the CBD from 50 to 35 minutes.

As at 2022, the population of Kapiti was 58,000, representing a 2.1% population increase from the 12 months prior and is expected to increase by 55%<sup>1</sup> within the next 30 years as one of the fastest growing regions in the north of Wellington, with a population estimate of 90,000 people in 2051. This will require approximately 14,000 additional dwellings in the area.

Both Properties are located within close proximity to retail amenities, beaches, schools and public transport nodes with direct access to the Wellington CBD.

Developers are establishing themselves in the market as they have identified that value has been unlocked via council plan changes and various infrastructure upgrades, significantly increasing accessibility to Wellington.

### 240 Kapiti Road, Paraparaumu Beach

The 240 Kapiti Road site comprises a 1.89 ha residential zoned parcel of land currently improved by a small residential dwelling. The site is an in-fill parcel of land 1.2 kms away from the beach, surrounded by low density dwellings.

240 Kapiti Road is within a 10-minute walk of Paraparaumu Beach. Surrounding developments include a mixture of residential dwellings and the Kapiti Coast Airport. Local retail amenities are close to 240 Kapiti Road, with Kapiti Landing (a large retail precinct) approximately 600 metres south-east. The local train station and bus interchange is 2.5 kms from 240 Kapiti Road, providing direct access to the Wellington CBD. 240 Kapiti Road is also across the road from Kapiti Coast Airport, which provides regional flights.

The site is currently zoned general residential. Resource consent is currently held for the development of 135 dwellings (two- to three-bedroom townhouses ranging in size from 72m<sup>2</sup> –106m<sup>2</sup>) together with 165 car parks.<sup>2</sup> An alternative resource consent has also been obtained for a two-lot subdivision and consent for a further four-lot subdivision has been requested. These alternative consents make the site more desirable and provide the opportunity for various uses of the asset.

240 Kapiti Road has been independently valued by Colliers on an 'as is' basis of \$13.0 million as at 12 May 2023.<sup>3</sup>

### 99-103 Old State Highway 1, Waikanae

99-103 Old State Highway 1 comprises 32.9 ha of farm land over two separate titles which is proposed as a staged residential subdivision development. The site is a 45-minute commute to the Wellington CBD and a 5-minute drive to various local amenities. 99-103 Old State Highway 1 is considered to be well positioned within the growth area, given it adjoins existing and under construction infrastructure.

99-103 Old State Highway 1 is located 5 kms north of Paraparaumu Beach, sitting approximately 60 kms north of Wellington. Surrounding properties to the north and west of the site generally consist of rural sites with schools in the nearby area. The Waikanae town centre is 1.5 kms south of the subject site, with local retail amenities and a train station that provides direct access into the Wellington CBD.

The site is zoned general rural however has been identified as medium priority greenfield growth area. The proposed planning is to develop 20 ha into 181 residential lots plus a super lot for an additional 229 medium density units (410 lots in total)<sup>4</sup>. The primary lots will range in size between 468sqm and 8,617 sqm (785 sqm average). Thames Pacific has been referred and lodged into the fast-track consent process accepted by the Ministry for the Environment under the *COVID-19 Recovery (Fast-Track Consenting) Act 2020* with approvals expected in early 2024.

99-103 Old State Highway 1 has been independently valued by CBRE on an 'as is' basis of \$22.95 million and on an 'as if consented' basis of \$28.2 million as at 8 June 2023<sup>4</sup>.

1. Population and demographics – Kapiti Coast District Council (kapiticoast.govt.nz)

2. 240 Kapiti Road, Paraparaumu Beach, Kapiti Coast – Colliers Valuation Report 12 May 2023

3. 240 Kapiti Road, Paraparaumu Beach, Kapiti Coast – Colliers Valuation Report 12 May 2023

4. Waikanae North Subdivision, 99-103 Old State Highway, Waikanae, Kapiti Coast District – CBRE Valuation Report 8 June 2023

## Market comparables

	Valuation comments	Sale date	Sale price	Zoning	Useable area (ha)	\$/sqm
<b>240 Kapiti Road, Paraparaumu Beach, Kapiti Coast comparables<sup>1</sup></b>						
4-16 Kapiti Road, 25 & 29 Amohia Street & 4 Waimarie Avenue, Paraparaumu	Smaller yet superior site given the location, land contours and zoning. The current purchaser is commencing works on a 78-unit townhouse development.	May 2021	\$12.40m	Mixed use (ODP)	1.0135	\$1,225
10 Trieste Way, Paraparaumu	Regular shaped site with the purchaser looking to complete a 64-townhouse development.	April 2021	\$5.85m	Outer business centre	0.7635	\$766
112 Main Road South, Raumati Beach	Superior site given the land contour is easier to develop. Proposed plans to develop 29 townhouses	Jan 2023	\$3.1m	General residential	0.4454	\$703
Subject Property				General residential	<b>1.8994</b>	<b>\$675</b>
<b>99-103 Old State Highway 1, Waikanae, Kapiti Coast comparables<sup>2</sup></b>						
45 Greenaway Road, Waikanae	Site partly exposed to flood hazard river. Inferior due to lower density residential zoning.	July 2022	\$1.00m	General residential	3,870	\$497
5-9 Seddon Street, Waikanae	Large residential site with plans for a subdivision. Burdened by exposure to a flood hazard area.	Feb 2022	\$2.05m	General residential	3,627	\$491
37 & 39 Greenaway Road, Waikanae	Subject to flooding and ponding overlay – inferior.	Sep 2021	\$2.40m	General residential	8,437	\$247
Subject Property				General residential	<b>32.922</b>	<b>\$70</b>

1. 240 Kapiti Road, Paraparaumu Beach, Kapiti Coast – Colliers Valuation Report 12 May 2023. Ranges taken from all comparables in the Valuation Report, not all are presented in the table above.

2. Waikanae North Subdivision, 99-103 Old State Highway, Waikanae, Kapiti Coast District – CBRE Valuation Report 8 June 2023. Figures provided are taken from the Valuation Report, noting that not all comparable sales are presented above. Comparable sales are presented on the basis that each block of land has similar characteristics in terms of size, average lot value, development cost and future potential to the subject site. Adjustments are then made to reflect the individual characteristics of the subject Property. Given the Property has undergone a change in zoning (i.e. from rural to proposed residential) via inclusion in the fast-track approval and proposed redevelopment, the valuer has assessed the 'as is' value of the site relative to comparable sites with similar zoning.

## 05

## Developer and Sponsor

**Developer**

Thames Pacific was established in 2010 and is a large residential and commercial property developer with an international presence, based in Wellington.

The company has successfully completed various developments and is considered to have the capability and expertise to achieve the required resource consents and proposed developments in the future.

Thames Pacific has a number of projects either completed or underway, including:

- **Hyde Lane, Wellington** – 150 residential apartments and three commercial units. Valued at \$116 million and due for completion Q4 2024. 144 lots have been presold.
- **The Paddington, Wellington** – 151 residential terraced houses. Valued at \$130 million and completed in 2022.
- **The Quarter, Seaview** – 75 commercial units. Valued at \$36 million and completed in early 2023.
- **Florian, Kapiti** – 64 residential townhouses. Valued at \$58 million and completed in October 2023.

Thames Pacific has successfully completed a townhouse development in the Kapiti Coast (the Florian Kapiti Development) and is familiar with council and local authorities.

**Sponsor**

The Sponsor, Stephen Sutorius, is the owner and founder of Thames Pacific, having over 18 years' experience in property development across both New Zealand and Australia. The Sponsor is responsible for the general oversight, growth and sales of properties within the business.

The Sponsor has also provided a personal guarantee for the Bridge Loan.

# 06

## Security sensitivities

The below security sensitivity analysis evaluates the impact of movements in the value of the underlying Security Properties in conjunction with time delays in the repayment of the Bridge Loan.

The below sensitivities do not take account of any risk management initiatives that the Manager or BFNZ4 may take should a change in these assumptions arise.

The below table demonstrates the Bridge Loan LVR against different time and value scenarios:

Delay to repay (post loan expiry) months	Reduction in land value			
	0.00%	10.00%	20.00%	59.94%
0	35.83%	39.81%	44.78%	89.43%
2	36.50%	40.56%	45.63%	91.11%
4	37.19%	41.32%	46.48%	92.82%
6	37.89%	42.10%	47.36%	94.57%
8	38.61%	42.90%	48.26%	96.37%
10	39.32%	43.69%	49.15%	98.16%
12	40.06%	44.51%	50.08%	100.00%

The loan to value ratio (LVR) is a key risk assessment in evaluating the level of collateral protection provided for the Bridge Loan. Based on the current 'as is' valuation of the Security Properties, the current LVR of the Bridge Loan facility is 35.8%.

The table demonstrates that the Bridge Loan can withstand a combined decrease of 'as is' value of the underlying Security Properties of 59.94% and an additional 12 months of capitalising interest before Investors' principal (initial investment) and interest (10% target p.a. pre-tax return) is impacted. If the Bridge Loan is repaid in full, BFNZ4 will have sufficient funds to repay the Investor Loan in full and the Manager will in turn have sufficient funds to pay Investors the full amount of the targeted interest and a return of capital.

Under the Bridge Loan terms there is a maximum LVR covenant of 40%. A breach of this covenant would allow the Bridge Loan security (including the mortgages over the Security Properties) to be enforced.

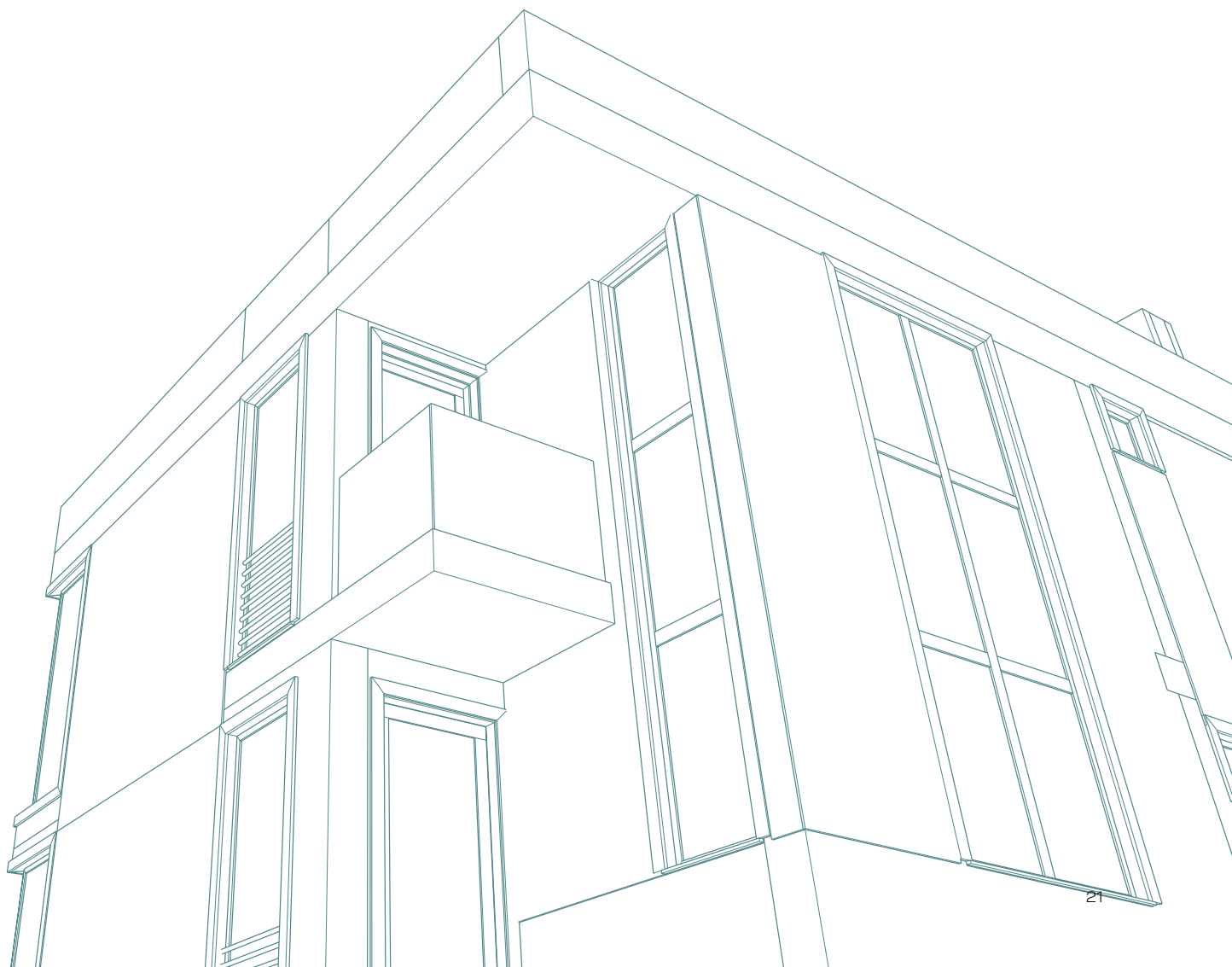
# 07

## Exit strategies

The Bridge Loan is scheduled to be repaid in April 2025, unless extended by BFNZ4. At maturity, there are multiple options to enable Investors to receive their principal (initial investment) and interest (10% target p.a. pre-tax return):

### Commentary

Refinance at expiry	<p>The 99-103 Old State Highway 1 site is expected to receive resource consent approval which will increase the value of the site, resulting in a decrease in the Bridge Loan facility LVR to &lt;30%. It is expected that an LVR at that level would make the project re-financeable by one of the major New Zealand registered banks or other non-bank property lenders.</p> <p>Additional potential for refinance via construction finance on 240 Kapiti Road to assist with the development of the townhouses (development finance does not form part of the Bridge Loan). Any such development finance would be undertaken separately.</p>
Sale of Security Property	<p>Based on the current 'as is' valuation of \$13.0 million, sale of the 240 Kapiti Road site would repay the full amount of the Bridge Loan (including capitalised interest) in full without any reliance on a sale of the 99-103 Old State Highway 1 site.</p> <p>Based on the current 'as is' valuation of \$22.95 million for 99-103 Old State Highway 1, sale of that Property would also provide sufficient proceeds to repay the Bridge Loan (including capitalised interest) in full.</p>

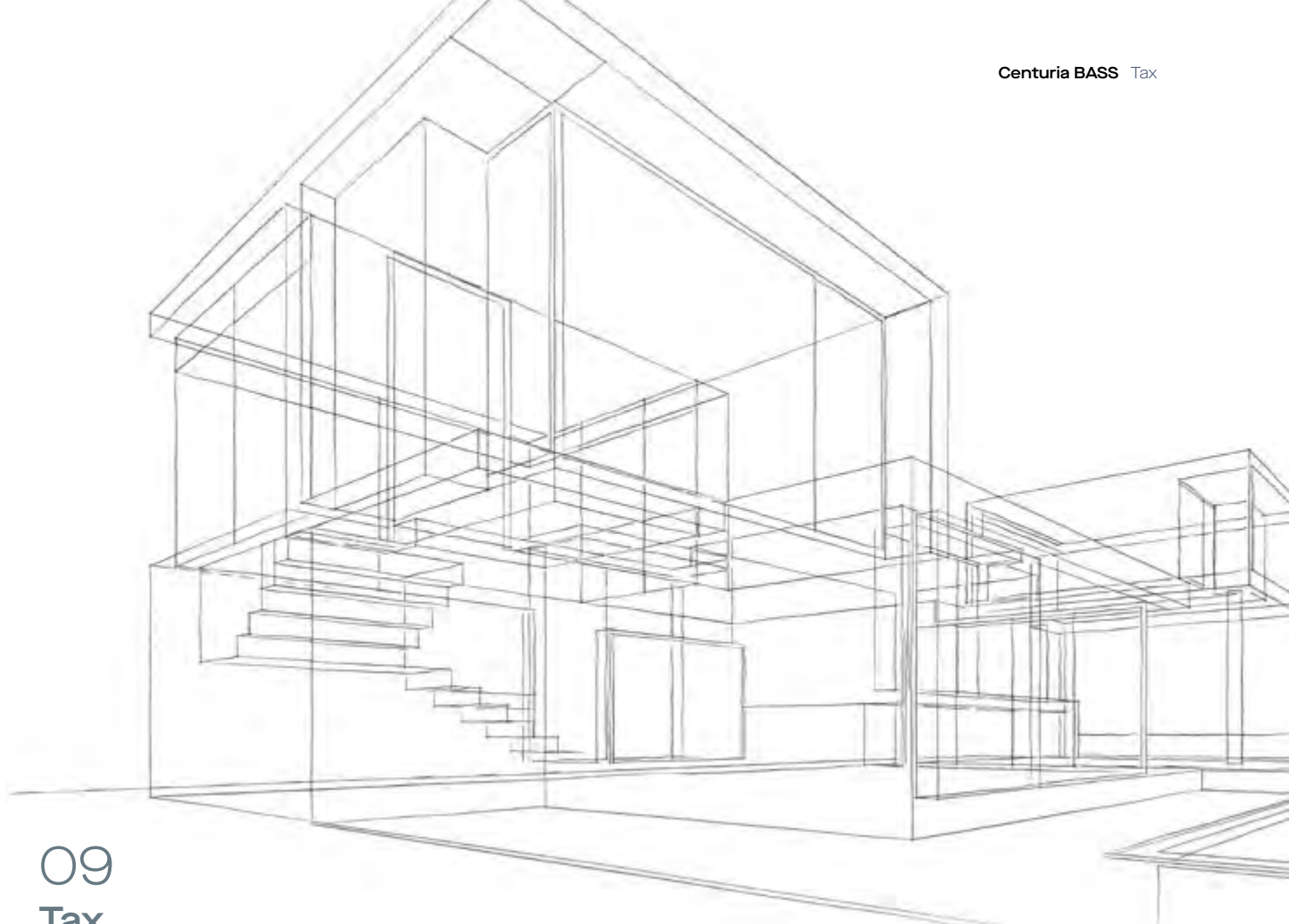


## 08

## Key investment risks

	Description	Risk assessment	Mitigants
Repayment risk	The Bridge Loan is unable to be repaid in full	Low	<p>The key mitigant is the availability of first ranking mortgages over the Security Properties, which can be sold if the Bridge Loan is not repaid in full on maturity and the sale proceeds applied in repayment of the Bridge Loan debt.</p> <p>The mitigants below detail why the Borrowers are unlikely to be in a position where they are unable to repay the Bridge Loan on its maturity in April 2025.</p>
Location and property market	Local property market falls in value	Low/Medium	Given the volatility in the New Zealand property market and one of the sites being rural zoned, there is a reasonable chance that this risk is materialised, however the conservative LVR mitigates risk to any significant market corrections/valuation adjustments.
Local oversupply	Risk of excess stock levels in the market leading to failure to sell	Low	NZ has a housing shortage across the country and increased migration forecast in the short to medium term. In the direct vicinity of the projects there are limited directly competing developments. <sup>1</sup>
Planning risk	Risk of not obtaining resource consent	240 Kapiti Road, Paraparaumu Beach Kapiti Coast: Low 99-103 Old State Highway 1, Waikanae Kapiti Coast: Low/Medium	<p>240 Kapiti Road: minimal planning risk as resource consent has already been approved.</p> <p>99-103 Old State Highway 1: The project has been accepted into the COVID-19 fast track consent process. This will streamline the approval process for the resource consent. Additionally, the planning reports have been independently reviewed by a CBC appointed consultant who advised that the planning request covers all major issues and is deemed to be 'consentable'.</p> <p>In the event the proposed development of 99-103 Old State Highway 1 does not receive resource consent, the Borrowers have the ability to re-lodge resource consent and if the site were sold, the valuer believes incoming purchasers would still consider the site as a residential development parcel of land, therefore holding resale value. If the site was considered on a pure rural land rate basis, the LVR of the Bridge Loan against the value of just the 99-103 Old State Highway 1 site is &lt;56% which is still a strong position to be in and an outcome considered to be unlikely. The Bridge Loan could be repaid in full by the single sale of either site.</p>
Sponsor risk	Risk of the Borrowers being unable to repay the Bridge Loan on time	Low	The Thames Pacific founder/owner is a well-regarded and experienced developer in the New Zealand market. In the event the Borrowers are unable to meet their obligations, the Bridge Loan is secured by two sites at an LVR of 35.8% providing a buffer for recovery of funds if the Security Properties were sold.

1. 240 Kapiti Road, Paraparaumu Beach, Kapiti Coast – Colliers Valuation Report 12 May 2023 and Waikanae North Subdivision, 99-103 Old State Highway, Waikanae, Kapiti Coast District – CBRE Valuation Report 8 June 2023.



## 09 Tax

Tax can have significant consequences for investments and can affect your returns from this investment. This taxation summary is necessarily general in nature. If you have any queries relating to tax consequences of the investment, you should seek independent tax advice from a professional advisor.

The Fund is intending to become a multi-rate portfolio investment entity (**PIE**). As a PIE, the income earned by the Fund will be allocated to Investors based on their interest in the PIE and the Fund will pay income tax on each investor's income allocation based on their prescribed investor rate (**PIR**).

### Prescribed investor rate (PIR)

Your PIR is the tax rate that the Fund will use to calculate the tax payable on the taxable income allocated to each investor.

There are four PIRs available to New Zealand resident investors, being 28%, 17.5%, 10.5% or 0%. By way of brief summary, the following PIRs are available for different entities:

- Individuals – 28%, 17.5% or 10.5%;
- New Zealand companies – 0%;
- Trusts – 28%, 17.5%, 10.5% or 0%;

- Charities and PIEs – 0%; and
- Non-New Zealand residents – 28% (subject to certain exceptions).
- If the Fund elects to become a foreign investment variable rate PIE, 'notified foreign investors' (defined below) can also elect to have a PIR of 1.44% applied on any New Zealand interest income allocated to them.

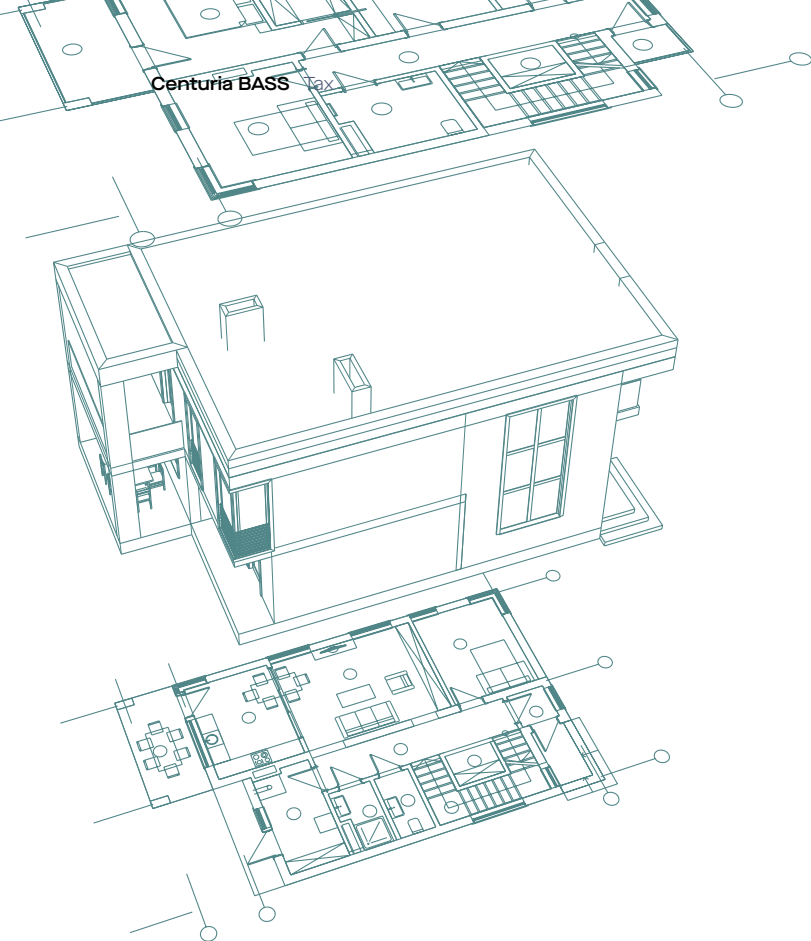
If you are investing jointly with other investors, the highest PIR of the joint investors will be used.

If you are unsure of your PIR, we recommend you seek professional advice or contact Inland Revenue (**IRD**).

It is your responsibility to tell the Manager your PIR when you invest or if your PIR changes. If you do not tell the Manager your PIR, a default rate of 28% may be applied. If the rate applied to your PIE income is lower than your correct PIR you will be required to pay any tax shortfall as part of the income tax year-end process. If the rate applied to your PIE income is higher than your PIR any excess tax withheld will be used to reduce any income tax liability you may have for the tax year and any remaining amount will be refunded to you by IRD.

IRD may also advise the Fund to change your PIR if they consider it incorrect.

1. This is a target return only and not a guaranteed return or frequency of distributions to investors.



## Notified foreign investor

A notified foreign investor is a non-resident who holds an investment in a foreign investment PIE and notified the PIE they wish to be treated as a notified foreign investor. An election to be treated as a notified foreign investor cannot be made by a controlled foreign company, a non-portfolio foreign investment fund, or a non-resident trustee of a trust other than a foreign trust. You should seek your own tax advice if you consider you may be one of these entities.

In order for a non-New Zealand resident to qualify as a notified foreign investor, you must provide the Manager with details of your:

- date of birth;
- home address in your country or territory of residence;
- country code as prescribed by the Commissioner of Inland Revenue for your country or territory of residence;
- your tax file number in your country or territory of residence, or a declaration that you are unable to provide this number; and
- your New Zealand IRD number, if applicable.

## Distributions

As the Fund is intending to become a registered PIE, distributions from the Fund are not separately subject to New Zealand tax in the hands of the New Zealand tax resident Investors (they are considered excluded income).

As a PIE, the Fund is required to adjust Investor returns to reflect their share of the PIE tax paid (or credits received).

There will be a single distribution made to Investors at the end of the term under the Investor Loan. The Fund intends to deduct each Investor's tax liability from that distribution. However, the Fund may also adjust investor returns by adjusting investor interests (by redeeming or issuing Units).

If the Fund ceases to be a PIE (or fails to become eligible) the Fund will be subject to income tax as a New Zealand company. Consequently, any distribution from the Fund will be treated as dividends and subject to New Zealand withholding tax (both resident and non-resident withholding tax as applicable) and will be taxable income to New Zealand resident Investors. Non-resident Investors should seek advice as to whether the distributions are taxable in their country of residence (or any other country).

For New Zealand residents, any imputation credits attached to the dividend can be used to reduce or offset an Investor's tax liability.

A statement advising Investors of the allocation of taxable income and tax paid on their behalf will be sent to Investors each year by the Fund.

## Maintaining PIE status

To ensure that the Fund maintains its PIE status, the Fund must at all times, among other things:

- have a minimum of 20 Investors (this minimum requirement may be less if an Investor is a PIE or is a certain other investor type);
- ensure that no Investor owns over 20% of the Fund (unless an Investor is a PIE or is a certain other investor type), noting that certain associated Investors are treated as a single Investor.

The Manager may refuse to register any allotment or transfer of Units where this could result in a breach of one of the PIE eligibility requirements.



# 10

## About the Manager

### The Manager and Trustee – Centuria Bass NZ Financial Services Limited

The Manager has been appointed and is responsible for the overall operation of the Fund. The Manager holds NZ company number 8963048 and is a subsidiary of Centuria Bass Credit Pty Limited ACN 606 680 353 (**Centuria Bass Credit** or **CBC**).



**Nick Goh**  
Director of the Manager, co-CEO of Centuria Bass Credit

Nick is a founding partner of Centuria Bass with 25 years experience in investment banking and funds management. Nick has been joint chief executive of Centuria Bass since its formation in 2016, overseeing its growth to be a leading Australian credit fund. Prior to this, he was managing director with specialised investment banks, Gresham Partners, Allco Finance and Wingate Group, heading alternative asset investment teams.



**Mark Francis**  
Director of the Manager, CEO of Centuria NZ

Mark has a Bachelor of Commerce in Finance from the University of Otago and has a background in finance and property. Mark formed Augusta Group Limited in 2001 and began property syndication through Centuria NZ (previously named Augusta Funds Management Limited) in 2003.



**Edward Hanson**  
Director of the Manager

Edward Hanson has over 25 years investment banking, corporate finance and fund management experience with a focus on property and private equity.

Edward worked for Babcock & Brown in London from 1997 to 2009. Following this he was CEO of Global Partners Fund, a London based private equity fund. He has acted as board member of a number of companies and helped manage the exit process of those investments.

Since 2014 he has been a director of Corviglia Capital Limited, a private investment business, which finances property developers in London. In 2020 Edward returned to live in New Zealand and has been active in the private credit market. Edward holds a Bachelor of Commerce (Hons in Finance) from the University of Auckland.

## Centuria Bass Credit Pty Limited

Centuria Bass Credit is the parent company of the Manager. Following the joint venture entered into by Bass Capital Partners Pty Ltd and the ASX-listed Centuria Capital Group, Bass Capital Partners Pty Ltd was renamed as 'Centuria Bass Credit Pty Limited'.

### Stellar track record

- Founded in 2016 by Nick Goh and Giles Borten with a focus on mid-market real estate.
- Strong risk adjusted investor return generated through tactical deal selection, extensive due diligence and active asset management.
- Organic growth has led to c. AU\$1.6 billion with a \$1 billion+ pipeline.
- Over 125 investments (with 50+ successful exits), generating a consolidated IRR to investors of 12.8% since inception<sup>1</sup>, with 92.6% of transactions having first mortgage exposure at 60.5% LVR.
- No loss of investor principal or forecast interest since inception.
- First open-ended diversified fund – Bass Property Credit Fund (BPCF) successfully launched in November 2020 and was three-times oversubscribed.
- Second open-ended diversified fund – Centuria Bass Credit Fund (CBCF) – launched in October 2021 to invest exclusively in first mortgage property transactions.
- 50:50 JV announced with Centuria Capital Group in April 2021, enabling Centuria's expansion into real estate debt markets.

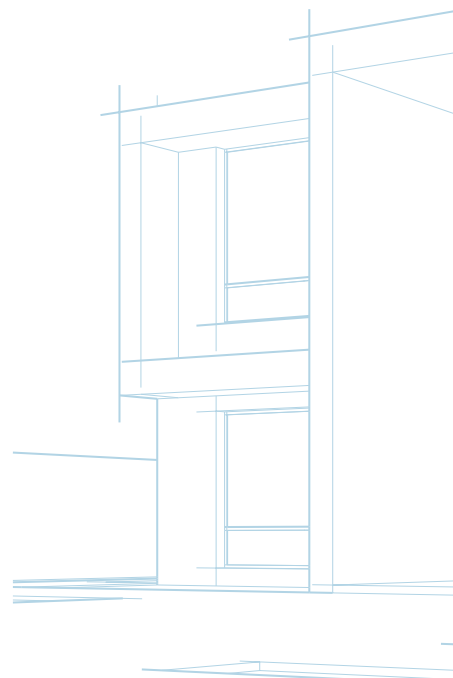
## Proven Investment strategy

- Aims to provide wholesale investors with stable income returns with capital protection by investing in a diversified pool of property credit transactions secured by real estate.
- Dynamic tactical positioning built around macro fundamentals, credit liquidity and event-driven factors. Current bias on structural gap in mid-market transactions.
- Deals selected through fundamental credit analysis and deep due diligence. All processes codified into a scalable, unique, best-of-breed loan assessment and management platform.
- Methodology support deal performance and capital preservation.

## Institutional grade infrastructure

- Highly experienced Partners supported by an institutional grade team, knowledge and networks.
- Leveraging Centuria's breadth and depth of real estate experience and expertise.
- Investment origination and execution bolstered by trusted relationships, bespoke solutions, delivery speed and reliability.
- High quality organisation infrastructure across regulatory, reporting, loan management and investment distribution.
- Highly specialised expertise in credit and loan management systems.

1. As at 31 December 2023. Past performance is not indicative of future performance.



# 11

## Contact information

### Centuria Bass NZ First Mortgage Fund No. 4

Level 2, 30 Gaunt Street  
Auckland Central  
Auckland 1010

PO Box 37953, Parnell  
Auckland 1151

Phone: +64 9 300 6161

Email: [enquiries@centuria.co.nz](mailto:enquiries@centuria.co.nz)

### Manager and Trustee

Centuria Bass NZ Financial Services Limited  
Level 2, 30 Gaunt Street  
Auckland Central  
Auckland 1010

PO Box 37953, Parnell  
Auckland 1151

Phone: +64 9 300 6161

Email: [enquiries@centuria.co.nz](mailto:enquiries@centuria.co.nz)

### Manager Solicitors

Vince & Rice

### Unit Register

Boardroom Pty Limited  
Grosvenor Place  
Level 8, 210 George Street  
Sydney, New South Wales 2000

GPO Box 3993  
Sydney NSW 2001  
Australia

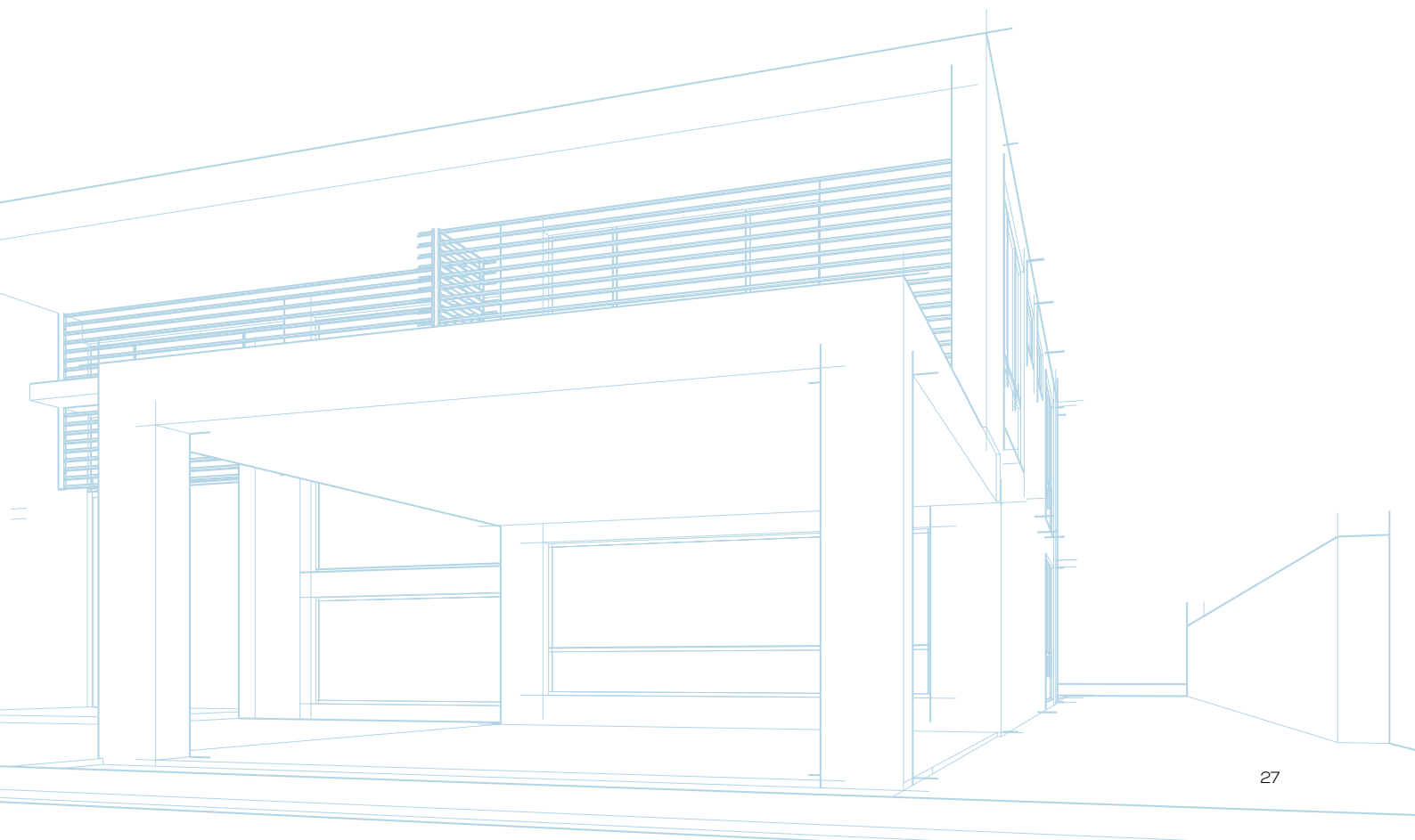
Phone: +61 2 9290 9600

### Selling Agent

Bayleys Real Estate Limited  
Level 1, 30 Gaunt Street  
Auckland Central  
Auckland 1010

PO Box 8923, Symonds Street  
Auckland 1150

Phone: +64 9 309 6020



# 12

## How to apply

To apply for Units in the Offer, you must provide the following:

- A completed and signed Application Form, including or accompanied by the relevant wholesale investor certification or acknowledgement;
- For new Investors with Centuria NZ or the Manager, a bank encoded deposit slip, bank statement or confirmation from your bank verifying your bank account name and number;
- For new Investors with Centuria NZ or the Manager, or if your details have changed, the identification and other anti-money laundering due diligence information requested by our partners at First AML, who will be in touch with you following receipt of your Application Form; and
- Payment of the total application amount. Payment must be made in New Zealand dollars for immediate value. Payments may be made by electronic transfer or direct debit. Cheques will not be accepted.

**We strongly recommend you use the online Application Form available at [centuria.co.nz/cbnzfm4](https://centuria.co.nz/cbnzfm4)**

If completing a hard copy Application Form, please courier this along with the above accompanying documents (including wholesale investor certificates or acknowledgements), to the Manager in the pre-paid courier bag included with the hard copy of this Investment Memorandum. Should you wish to deliver or arrange your own courier please send to:

**Centuria Bass NZ Financial Services Limited, Level 2, 30 Gaunt Street, Auckland (Attention: First Mortgage Offer).**

You can also scan and email a completed hard copy Application Form, along with the above accompanying documents, to [enquiries@centuria.co.nz](mailto:enquiries@centuria.co.nz)

**IMPORTANT** – for existing Centuria NZ investors, identification documents may have been provided previously as part of Centuria NZ’s AML (anti-money laundering) requirements. If you are submitting an Application Form as an existing Centuria NZ investor, you will be asked to provide consent for the Manager to obtain identification documents from Centuria NZ to satisfy the Manager’s AML requirements. If, at the time of submitting your application, Centuria NZ or the Manager do not have the correct identification documents on file up to the standard required by the *Anti-Money Laundering and Countering Financing of Terrorism Act 2009* or need to update the documents they hold, additional documents may have to be re-submitted before your application can be accepted. Our partners at First AML will contact you if this is the case.

Payment must be made in New Zealand dollars for immediate value. Payment must be made by electronic transfer or direct debit.

Investors’ subscription monies will be held in a trust account established for the Offer.

**PAYMENT OF YOUR APPLICATION AMOUNT IS DUE BY  
12 MARCH 2024.**

# 13

## Glossary

In this IM the following terms have the following meanings unless the context otherwise requires:

Term	Meaning
\$ (NZD)	New Zealand dollars, unless stated otherwise.
240 Kapiti Road	240 Kapiti Road, Paraparaumu Beach 5032 Kapiti Coast
99-103 Old State Highway 1	99-103 Old State Highway 1, Waikanae 5391, Kapiti Coast
Application Form	The application form for investment in the Fund, the form of which is determined by the Manager from time to time.
Borrowers	Bulletin Trustee Ltd as Trustee for Bulletin Trust and Gresham Trustee Limited as Trustee for Gresham Trust.
CBC/Centuria Bass Credit	Centuria Bass Credit Pty Ltd (Australian company 606680353)
CBD	Central business district.
Centuria Capital Group	The Centuria Capital Group which comprises Centuria Capital Limited and Centuria Capital Fund. The Units in Centuria Capital Limited and the Units in Centuria Capital Fund are stapled and trade together as a single stapled security on the ASX as 'Centuria Capital Group', under the ticker code 'CNI'.
Centuria NZ	Centuria Funds Management (NZ) Limited (Company number: 3760278)
Developer	Thames Pacific
Fund	Centuria Bass NZ First Mortgage Fund No.4
ha	Hectares
Internal Rate of Return or IRR	The discount rate that, when applied to the cash flows from an investment, produces a net present value of zero.
Investment Memorandum/IM	This investment memorandum dated 9 February 2024 detailing the offer of Units in the Fund.
Investor	A holder of Units in the Fund.
LVR	Loan to value ratio.
Manager, we, us, our	The manager of the Fund, being, at the time of this Investment Memorandum, Centuria Bass NZ Financial Services Limited (NZ company 8963048).
Offer	The offer of Units under this Investment Memorandum.

Term	Meaning
Offer Price	\$1.00 per Unit.
PIE	Portfolio investment entity.
PIR	Prescribed investor rate.
Recipient	A person who receives the IM.
The Properties/ Secured Properties/ Security Properties	The Properties - 240 Kapiti Road, Paraparaumu Beach 5032 Kapiti Coast - 99-103 Old State Highway 1, Waikanae 5391, Kapiti Coast
Trust Deed	The trust deed of the Fund, as amended or replaced from time to time.
Trustee	The trustee of the Fund, being, at the time of this Investment Memorandum, Centuria Bass NZ Financial Services Limited (NZ company 8963048).
Units	The units in the Fund.
Valuation Reports	Refers to the Colliers Valuation Report dated May 2023 for the Secured Property at 240 Kapiti Road, Paraparaumu Beach and the CBRE Valuation Report dated June 2023 for the Secured Property at 99-103 Old State Highway 1 – Waikanae.



# 14

## Application Form: Centuria Bass NZ First Mortgage Fund No. 4

This Application Form is issued with the Centuria Bass NZ First Mortgage Fund No. 4 (the **Fund**) Investment Memorandum dated 9 February 2024 (the **IM**). The Offer is only being made to persons who are 'wholesale investors' within the meaning of clause 3 of schedule 1 of the *Financial Markets Conduct Act 2013*. Before completing this Application Form, applicants should read and consider the IM. If you have any questions or if there is anything you do not understand, please contact our sales representatives on 0800 BAYLEYS (229539).

The Fund, Bayleys Real Estate (including the selling agents) and Centuria Bass NZ Financial Services Ltd (NZBN 8963048) (and other related entities) (**Centuria Bass**) do not provide any financial, tax or other professional advice. Before making any financial investment decisions, we recommend that you seek professional financial advice from a financial adviser which takes into account your personal investment objectives, financial situation and individual needs.

**We strongly recommend you use the online Application Form available at [centuria.co.nz/cbnzfm4](https://centuria.co.nz/cbnzfm4).**

**If you wish to complete a paper Application Form, please courier completed application documents to Centuria Bass Financial Services Limited, Level 2, 30 Gaunt Street, Auckland 1010 (attention: First Mortgage Offer).**

**You can also scan and email a completed paper Application Form to [enquiries@centuria.co.nz](mailto:enquiries@centuria.co.nz).**

### INSTRUCTIONS ON HOW TO COMPLETE

- Please read and complete all relevant sections of the Application Form.
- Please ensure that you have read and understood the information on the declaration section of this form and all parties have signed.
- You need to return your signed wholesale investor certificate to complete your application. Please email a scanned copy or photo of your certificate to [enquiries@centuria.co.nz](mailto:enquiries@centuria.co.nz) or courier a paper copy to the address noted above.
- Customer due diligence information is required for all applicants. Should Centuria Bass or Centuria NZ not hold the required information, our partners at First AML will be in touch with you following Centuria Bass' receipt of your Application Form (see Section 6: Customer due diligence (CDD) requirements).

---

### SECTION 1: NAME OF INVESTOR AND APPLICANT CONTACT DETAILS

Please provide the name of the Investor and primary contact information.

Name of individual(s) or investing entity

Are you investing as

Individual OR joint individuals

Partnership

Company

Trust/estate

Other

If other, please specify

Has the individual(s) or Investing entity invested in a Centuria product previously?

Yes, Investor number:

No



---

**Primary contact details**

Legal full name

Postal address

Email

Home or mobile telephone number

---

**SECTION 2: BANK ACCOUNT DETAILS FOR DISTRIBUTION PAYMENT**

Please insert the bank account holder's name and bank account number into which distribution payments are to be made. Distributions must be paid into the bank account of the Investor/investing entity (the Fund does not pay distributions to third parties on an Investor's behalf).

Account holder's name

Account number

Please enclose one of the below bank account verification documents with your Application Form

Bank statement or screenshot of online banking showing account holders name and number

Bank encoded deposit slip

Confirmation from your bank verifying your bank account name and number

---

**SECTION 3: TAX INFORMATION**

**Individual application** – Please complete your name as the primary applicant and complete your IRD number, PIR rate and RWT rate below along with selecting your New Zealand tax resident status.

**Joint individual application** – Where all Investors are individuals, the Investor with the highest PIR rate should complete their details as the primary applicant and complete their IRD number, PIR rate and RWT rate below along with selecting their New Zealand tax resident status. The other Investors should complete their name, IRD number and New Zealand tax resident status. For other Joint Applications where the Investors are not all individuals please contact us.

**Company, partnership, trust or other entity application** – Please complete the entity name, IRD number, PIR rate and RWT rate below along with selecting the entity's New Zealand tax resident status.

Primary applicant or entity name	IRD number	New Zealand Tax resident?	
		Yes	No
Applicant name	IRD number	Yes	No
Applicant name	IRD number	Yes	No
Applicant name	IRD number	Yes	No
Applicant name	IRD number	Yes	No

### SECTION 3: TAX INFORMATION CONTINUED

#### Primary applicant or entity resident withholding tax (RWT) rate

Your resident withholding tax (RWT) rate is based on your taxable income and there are different rates for individuals, trusts, companies and partnerships. You can find the current RWT rates on the Inland Revenue (IRD) website. Please select one of the following:

0%    10.5%    17.5%    28%    30%    33%    39%

#### Primary applicant or entity prescribed investor rate (PIR)

Your Prescribed Investor Rate (PIR) is the rate at which your PIE tax is calculated on the PIE taxable income or loss from your investment. We need your PIR so that we can pay the correct amount of tax on your investments to IRD. To assist you in working out your PIR rate refer to the chart below.

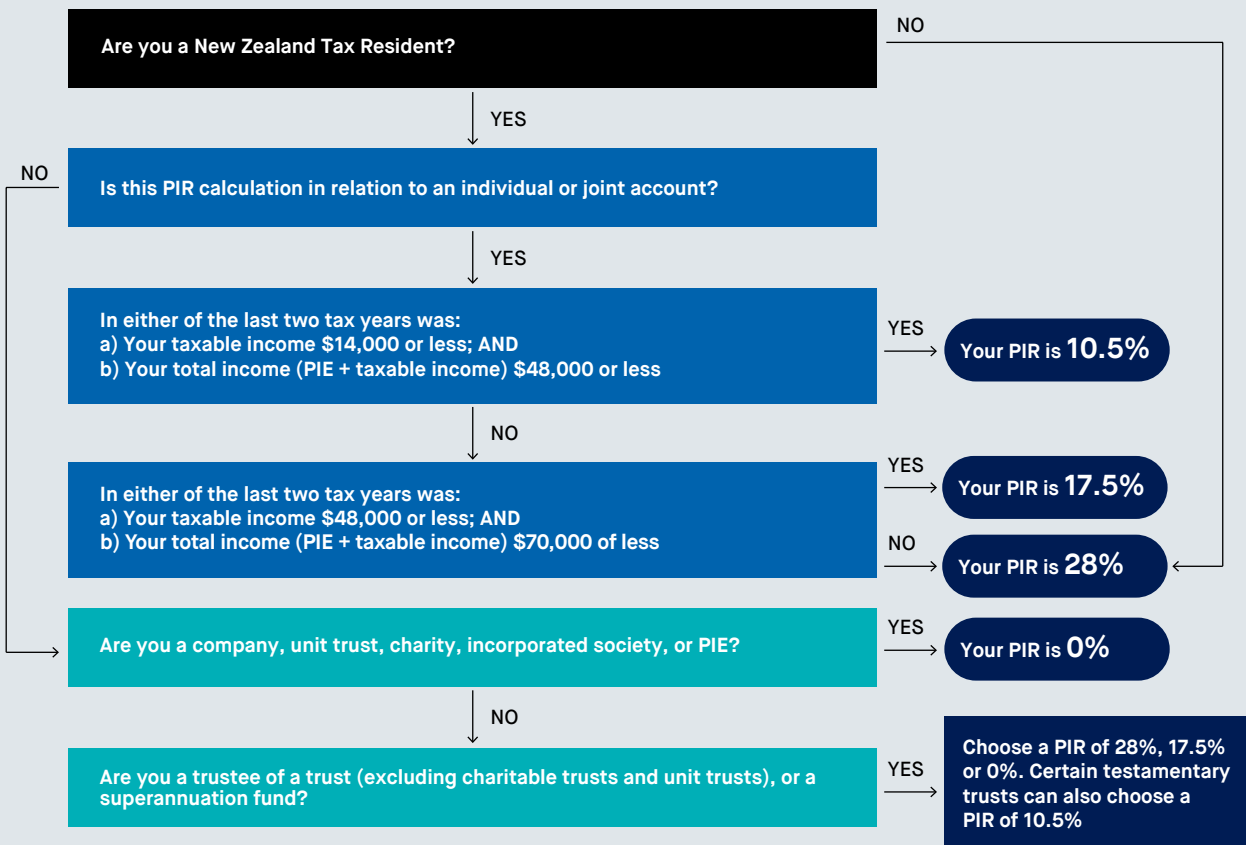
Please select one of the following:

0%    10.5%    17.5%    28%

- **If a PIR is not selected, 28% will be applied.**
- Companies, incorporated societies, charitable trusts, and certain others must select a PIR rate of 0%. Depending on your tax status, you may need to include the PIE taxable income or loss in your tax return.
- Trusts may select a PIR of 28%, 17.5%, or 0% to best suit the beneficiaries. If the trust is a testamentary trust it may select 10.5%.
- If you are a not a New Zealand tax resident, you must select a PIR rate of 28%.

#### Working out your prescribed investor rate (PIR)

For more information about taxable income, PIRs and to determine your correct PIR please refer to the IRD website [ird.govt.nz/roles/portfolio-investment-entities/find-my-prescribed-investor-rate](http://ird.govt.nz/roles/portfolio-investment-entities/find-my-prescribed-investor-rate) or contact your professional tax adviser.



---

**Foreign Account Tax Compliance Act (FATCA) and Common Reporting Standards (CRS)**

All New Zealand financial institutions are required to collect information about Investors' foreign tax residency and pass that and other information onto the Inland Revenue. Inland Revenue may then share this information with the relevant tax authority if an agreement is held with that country.

**PLEASE COMPLETE THE SECTION BELOW THAT IS RELEVANT TO YOU.**

---

**Individual or joint individuals**

Are you or any of the individuals investing foreign tax residents?      Yes      No      If **NO**, please go to Section 4.

If **YES**, please provide details for each individual below:  
 (please include all countries/jurisdictions in which the entity is a tax resident)

Legal full name      Date of birth

Country of foreign tax residence      Foreign Tax Number

Residential address

Country of birth

Legal full name      Date of birth

Country of foreign tax residence      Foreign Tax Number

Residential address

Country of birth



---

**SECTION 4: APPLICATION AMOUNT AND PAYMENT**

---

**Amount in NZD (\$1 per Unit). Applications can be made in increments of \$10,000 with a \$100,000 minimum.**

NZD\$

**PLEASE NOTE:** If you invest as a trust, a company with nominee shareholders or you are making an investment of \$500,000 or more, Centuria Bass will require information relating to the source of funds or wealth for this investment. Our partners at First AML will be in touch with you following the receipt of your Application Form to commence this process.

**Please choose ONE of the PAYMENT OPTIONS below by ticking the box next to your selected option.**

**OPTION 1: ELECTRONIC TRANSFER/DIRECT CREDIT**

Centuria Bass or its agent will provide bank details for payment by email or phone to you once the application is complete and all customer due diligence has been provided.

**OPTION 2: DIRECT DEBIT**

Direct debits allow the Fund, via its registry provider Boardroom Pty Limited, to deduct money from your nominated bank account as payment for your application. If you wish to make payment by this method, please complete your account details below. By signing this Application Form, the signatory agrees that Boardroom Pty Limited on behalf of the Fund is authorised to direct debit the bank account below for the total application amount on the date that we confirm your application is complete and all customer due diligence has been provided.

---

**Direct debit instructions**

Please complete the direct debit authority below.

The bank account must be with a New Zealand registered bank. You cannot specify a direct debit date and you must ensure that:

- a. the bank account details supplied are correct;
- b. the application monies in the bank account for the direct debit are available on the day you submit your application;
- c. the person(s) giving the direct debit instruction has/have authority to operate the account solely/jointly; and
- d. the bank account you nominated is a transactional account eligible for direct debit transactions. If you are uncertain you should contact your bank.

Should your direct debit fail, your application may be rejected if you are unable to pay by alternative means.

---

**Direct debit authority**

Name of my account to be debited (acceptor)

Initiator's authorisation code

1 2 2 9 0 0 7

Name of my bank

Bank/branch

Account number

Suffix

From the acceptor to

(my bank):

*(insert name of acceptor's bank)*

By signing this Application Form I authorise you to debit my account with the amounts of direct debits from Boardroom Pty Ltd Centuria Bass NZ First Mortgage Fund No. 4 with the authorisation code specified on this authority in accordance with this authority until further notice.

I agree that this authority is subject to:

- the bank's terms and conditions that relate to my account; and
- the specific terms and conditions listed below

Please include the following information on my bank statement:

**SPECIFIC CONDITIONS RELATING TO NOTICES AND DISPUTES**

I may ask my bank to reverse a direct debit up to 120 calendar days after the debit if:

- I don't receive a written notice of the amount and date of each direct debit from the initiator, or
- I receive a written notice but the amount or the date of debiting is different from the amount or the date specified on the notice.

The initiator is required to give you a written notice of the amount and date of each direct debit on or before the date of the debit.

If the bank dishonours a direct debit but the initiator sends the direct debit a second time within 5 business days of the original direct debit, the initiator is not required to notify you a second time of the amount and date of the direct debit.

**FOR BANK USE ONLY**

Approved bank stamp	Date received	Recorded by	Checked by
---------------------	---------------	-------------	------------

**SECTION 5: NATURE AND PURPOSE OF YOUR INVESTMENT**

This information is being requested solely for the purpose of Centuria Bass' regulatory compliance obligations (pursuant to the *Anti-Money Laundering and Countering Financing of Terrorism Act 2009*) and not for the purpose of allowing Centuria Bass to assess the suitability of this investment for your personal financial circumstances, financial needs or goals.

**The NATURE of your investment explains how much you plan to invest with Centuria Bass, how regularly you expect to invest and for how long you intend to hold this investment.**

How regularly do you intend to invest with Centuria Bass?

- |                            |                          |
|----------------------------|--------------------------|
| One off investment         | 1-3 times a year         |
| Each available opportunity | When funds are available |

How much do you plan to invest in total with Centuria Bass on an annual basis?

- |                           |                     |
|---------------------------|---------------------|
| Minimum investment amount | \$100k up to \$250k |
| \$250k up to \$500k       | Over \$500k         |

**The PURPOSE of your investment explains your investment objectives and intentions and what you are trying to achieve by investing with Centuria Bass.**

What are you looking to achieve through investing with Centuria Bass?

- |   |   |
|---|---|
| Achieve a higher cash return on my investment | Building or diversification of investment portfolio |
| Preserve capital                              | Other   |

If other, please provide additional information

## SECTION 6: CUSTOMER DUE DILIGENCE (CDD) REQUIREMENTS

As part of its obligations under the *Anti-Money Laundering and Countering Financing of Terrorism Act 2009*, Centuria Bass must undertake customer due diligence (CDD) on (a) a customer, (b) any beneficial owner of a customer, (c) any person acting on behalf of a customer.

Every new Investor and existing Investor (including all trustees, beneficial owners and any person acting on behalf of the Investor) is subject to CDD requirements. This ranges from verifying an Investor’s identity and address to obtaining the Trust Deed if a trust will hold the investment.

Centuria Bass have engaged First AML to conduct customer due diligence (CDD) on our behalf. First AML will contact you directly to collect identity information and complete the CDD process. The good news is, if you have previously provided this for other Providers (including Centuria NZ), with your consent, we may be able to use this information to save you from repeating the process.

Your information will be used for the sole purpose of conducting CDD and identity verification. Your information will remain confidential and will not be shared outside of First AML, Centuria or Boardroom Pty Limited as Centuria Bass’ registry provider, other than in accordance with Centuria Bass’ privacy policy.

**Please select the Investor option that refers to you.**

### OPTION 1: EXISTING CENTURIA NZ INVESTOR

I/we am/are an existing investor with Centuria NZ and have previously provided complete customer due diligence documentation. I/we consent to Centuria NZ sharing this documentation with Centuria Bass. If the applicant is a company or other corporate entity, the signatory confirms that all individuals who have previously provided customer due diligence documentation in relation to the investor consent to providing this documentation to Centuria Bass.

Please note Centuria Bass Financial Services NZ Limited is a separate legal entity to Centuria Funds Management (NZ) Limited with its own AML/CFT policies and procedures. Centuria Bass will review any documentation provided by Centuria NZ to determine if it meets current AML/CFT standards and adheres to its own internal policies. Updated customer due diligence documentation may be required at which point a member of the First AML team will be in contact with you.

**Please go to Section 12 and complete the declaration section.**

### OPTION 2: NEW INVESTOR

I am a new Investor with Centuria and will meet my customer due diligence (CDD) requirements.

**Please complete the customer due diligence section relevant to your investor type (see table below), then go to Section 12 and complete the declaration section.**

Individual and joint individuals, Section 7	Partnerships, Section 8
Company, Section 9	Trust, Section 10
Estates, Section 11	

**Our partners at First AML will be in touch with you following the receipt of your Application Form to request all relevant customer due diligence documentation.**



---

**SECTION 7: CUSTOMER DUE DILIGENCE - INDIVIDUAL AND JOINT INDIVIDUALS**

Please provide personal information for the following:

- Each Investor
- Any individual(s) acting on behalf of the individuals e.g. authorised person(s), power of attorney

Legal full name

Residential address

Date of birth

Place of birth

Occupation

Email

Home or mobile telephone number

---

Legal full name

Residential address

Date of birth

Place of birth

Occupation

Email

Home or mobile telephone number

---

Legal full name

Residential address

Date of birth

Place of birth

Occupation

Email

Home or mobile telephone number

---

**SECTION 8: CUSTOMER DUE DILIGENCE - PARTNERSHIPS**

Please provide personal information for each of the following:

- All current partners
- Any individual(s) acting on behalf of the partnership e.g. authorised person(s), power of attorney
- All persons who own more than 25% of the partnership
- Any other person who has effective control of the partnership

Legal full name

Date of birth

Place of birth

Occupation

---

Legal full name

Date of birth

Place of birth

Occupation

---

Legal full name

Date of birth

Place of birth

Occupation

---

Legal full name

Date of birth

Place of birth

Occupation

---

Legal full name

Date of birth

Place of birth

Occupation

---

**SECTION 9: CUSTOMER DUE DILIGENCE - COMPANY**

Please provide personal information for each of the following:

- All current directors
- All persons who own more than 25% of the company
- Any persons acting on behalf of the company e.g. authorised person(s), power of attorney
- Any other person who has effective control of the company

Legal full name

Date of birth

Place of birth

Occupation

---

Legal full name

Date of birth

Place of birth

Occupation

---

Legal full name

Date of birth

Place of birth

Occupation

---

Legal full name

Date of birth

Place of birth

Occupation

---

Legal full name

Date of birth

Place of birth

Occupation

---

**SECTION 10: CUSTOMER DUE DILIGENCE - TRUSTS**

Please provide personal information for each of the following:

- All current trustee(s)
- All appointer(s)
- Any individual(s) acting on behalf of the trust e.g. authorised person(s), power of attorney
- All directors of the corporate trust company (if applicable)

Legal full name

Date of birth

Place of birth

Occupation

---

Legal full name

Date of birth

Place of birth

Occupation

---

Legal full name

Date of birth

Place of birth

Occupation

---

Legal full name

Date of birth

Place of birth

Occupation

---

Legal full name

Date of birth

Place of birth

Occupation

---

**SECTION 10: CUSTOMER DUE DILIGENCE - TRUSTS (CONTINUED)**

---

**Corporate trustee company**

Full name of contact

Company name

Email

Home or mobile telephone number

We require photo identification and address verification for all directors of the corporate trustee company. Our partner First AML may also need to follow up with them regarding additional CDD documentation.

---

**SECTION 11: CUSTOMER DUE DILIGENCE - ESTATES**

Please provide personal information for each of the following:

- All executor(s)
- All trustee(s)
- Any individual(s) acting on behalf of the estate
- Any other person who has effective control of the estate e.g. authorised person(s), power of attorney

Legal full name

Date of birth

Place of birth

Occupation

---

Legal full name

Date of birth

Place of birth

Occupation

---

Legal full name

Date of birth

Place of birth

Occupation

---

Legal full name

Date of birth

Place of birth

Occupation

---

Legal full name

Date of birth

Place of birth

Occupation

**SECTION 12: DECLARATION AND SIGNATURE**

I/We hereby apply for the Units as set out above subject to the terms and conditions of the IM.

I/We have received, read and understood the IM. I/We understand the risks to the investment as set out at Section 8 of the IM. I/We acknowledge that the offer of Units in the IM was made to me/us in New Zealand or any other country in which the Fund is able to offer to persons without having to prepare a disclosure document. I/ We agree to accept the Units as applied for or any lesser number that may be issued to me/us. I/We hereby consent to Centuria Bass and the Fund disclosing such information as it holds in respect of me/us to regulatory authorities. The information I/We have provided in this Application Form is true and correct to the best of my/our knowledge. I/We understand that the Fund and Centuria Bass have not assessed the suitability of this investment for my/our personal financial circumstances, financial needs or goals nor provided any personalised financial advice. I/We hereby irrevocably appoint Centuria Bass NZ Financial Services Ltd as my/our attorney for the purposes of signing any other documents on my/our behalf in order to register or otherwise facilitate operation of the Fund.

**Privacy Act 2020 and Unsolicited Electronic Messages Act 2007**

You have a right to access all personal information held about you by us. If any of the information is incorrect, you have the right to have it corrected. You acknowledge that you are authorised to provide this personal information. The personal information you have supplied may be used by Centuria Bass, Centuria NZ (and other related entities) for the purposes of enabling us to arrange and manage your investment, to contact you in relation to your investment and to market other products and services to you. You authorise us to disclose your personal information to any third parties as needed to perform services on your behalf; to regulatory bodies or law enforcement agencies as required by law; and to meet our legal or regulatory obligations. We will provide you (on request) with the name and address of any entity to which information has been disclosed.

**Signatures**

If the Application Form is signed by an attorney (or an agent), the attorney must complete the certificate of non-revocation on the next page.

**Please note: All individual(s) must sign, all trustee(s) (including a director from the corporate trustee) must sign, a director of a company must sign. Failure to do so will delay your application.**

Date

Applicant signature

Full name

Applicant signature

Full name

Applicant signature

Full name

Applicant signature

Full name

Applicant signature

Full name

Applicant signature

Full name

---

**CERTIFICATE OF NON-REVOCATION OF POWER OF ATTORNEY**

**Complete this section if you are acting on behalf of someone for whom you hold power of attorney.**

I, \_\_\_\_\_ (Name of attorney)

of \_\_\_\_\_ (Address and occupation of attorney)

HEREBY CERTIFY

1. That by deed dated

--	--	--	--	--	--

Name of donor or power of attorney

of \_\_\_\_\_ (address and country of donor)

appointed me his/her/its attorney.

2. That I have not received notice of any event revoking the power of attorney.

Date \_\_\_\_\_ Signed at (place) \_\_\_\_\_

Signature

--

Full name



# 15

## Wholesale investor criteria

**To qualify as a Wholesale Investor you are required to give a certificate or acknowledgement in the form prescribed for the relevant category of Wholesale Investor that applies to you. This must be returned in order to complete your application.**

The prescribed forms of Wholesale Investor certificates and acknowledgements are available below and via the online Application Form at [centuria.co.nz/cbnzfm4](http://centuria.co.nz/cbnzfm4)

For those Wholesale Investors who are within the eligible investor category, we note that the certificate must be confirmed by a lawyer, financial adviser or statutory accountant.

Should you have questions on how to complete these certificates, please contact the Centuria Investor Relations team on **09 300 6161** or [enquiries@centuria.co.nz](mailto:enquiries@centuria.co.nz).

### Wholesale Investor categories

The Offer is open to persons who are Wholesale Investors within at least one of the following categories:

1. A person who is an **eligible investor**;
2. A person who **invests at least NZ\$750,000 in the Fund**;
3. A person who meets the **investment activity criteria**;
4. A person who is **large**; or
5. A person who is an **investment business**.

Further information about each of the above categories is set out below, along with the relevant certificate or acknowledgment.

#### 1. Who is an eligible investor?

Eligible investors are investors who self-certify that:

- they have previous experience in acquiring or disposing of financial products that allows the investor to assess:
  - the merits of an offer of Units in the Fund (including assessing the value and the risks of Units in the Fund)
  - their own information needs in relation to an offer of Units in the Fund; and
  - the adequacy of the information provided by any person involved in an offer of Units in the Fund; and
- they understand the consequences of certifying themselves to be an eligible investor.

Each eligible investor's certificate must set out the grounds for the above certification.

Investors are free to state all grounds that they consider are relevant to the above self-certification. However, eligible investors should ensure any relevant grounds include particulars of the financial products which they have experience acquiring or disposing (it is not sufficient to merely state 'investment experience'). For example, if you have previously invested in other Centuria financial products which are relevant to the above certification, you should clearly identify those financial products.

In addition, a financial adviser, qualified statutory accountant or lawyer must sign a written confirmation of the above certification. That person must not sign the certificate, unless having considered the investor's grounds for their certificate:

- they are satisfied that the investor has been sufficiently advised of the consequences of the certification; and
- they have no reason to believe that the certification is incorrect or that further information or investigation is required as to whether or not the certification is correct.

*Any person investing on the above basis will need to provide the certificate entitled 'Wholesale Investor application: eligible investor certificate' including the accompanying 'confirmation of eligible investor certification' to Centuria Bass.*

#### 2. Minimum \$750,000 investment

All Investors who subscribe for 750,000 Units or more will qualify as Wholesale Investors, provided they return the acknowledgement for this category of Wholesale Investor.

*Any person investing on the above basis will need to provide the acknowledgement entitled 'Wholesale Investor application: minimum \$750,000 investment acknowledgement' to Centuria Bass.*

### 3. What is the investment activity criteria?

The criteria is that the Investor meets at least one of the following:

- they (together with any entities they control) own (or at any time during the 2 year period prior to the date of their certification of the same have owned) a portfolio of financial products of a total value of at least \$1 million;
- they (together with any entities they control) have (or during the 2 year period prior to the date of their certification of the same have) carried out one or more transactions to acquire financial products where the total amount payable was at least \$1 million and the other parties to the transactions are not associated with the Investor; or
- they are an individual and, within the 10 years prior to the date of their certification of the same, have been employed or engaged in an investment business and have, for at least 2 years during that 10 year period, participated to a material extent in the investment decisions made by the investment business.

In counting financial products towards the \$1 million thresholds above, bank deposits, bonus bonds, building society investments (and other similar investments) as well as interests in a retirement scheme (e.g. KiwiSaver or other superannuation scheme) cannot be counted.

*Any person investing on the above basis will need to provide the certificate entitled 'Wholesale Investor application: investment activity certificate' to Centuria Bass.*

### 4. Who is large?

A person is large if at least one of the following applies:

- as at the last day of the 2 most recently completed financial years of the Investor before the date of their certification, they and their controlled entities had net assets which in total exceeded \$5 million in aggregate; or
- in each of the 2 most recently completed financial years of the Investor, they and their controlled entities had consolidated turnover which in total exceeded \$5 million in aggregate.

*Any person investing on the above basis will need to provide the certificate entitled 'Wholesale Investor application: large investor certificate' to Centuria Bass.*

### 5. Who is an investment business?

In addition to financial advisers, this category encompasses entities whose principal business consists of one or more of the following:

- Investing in financial products;
- Acting as an underwriter;
- Providing a financial advice, client money or property service; or
- Trading in financial products on behalf of other persons.

This category does not apply to individuals, other than financial advisers.

*Any person investing on the above basis will need to provide the certificate entitled 'Wholesale Investor application: investment business certificate' to Centuria Bass.*



**Wholesale investor certificates**

STOCK IMAGE

# 01

## Wholesale investor application: eligible investor certificate

### WARNING

New Zealand law normally requires people who offer financial products to give information to investors before they invest. This information is designed to help investors make an informed decision.

If you give this certificate, the usual rules do not apply to offers of financial products made to you. As a result, you may not receive a complete and balanced set of information. You will also have fewer other legal protections for these investments.

Make sure you understand these consequences.

Ask questions, read all documents carefully and seek independent financial advice before committing yourself.

### Offence

**It is an offence to give a certificate knowing that it is false or misleading in a material particular. The offence has a penalty of a fine not exceeding \$50,000.**

---

Name(s) of applicant

*Please insert the name of your investing person or entity here. For example, individual names, joint individual names or company name. If it is a trust, please insert the name of the trust and all trustee names (e.g. Joe Bloggs and Amy Bloggs as trustees of the Bloggs Family Trust).*

### Certification

**The following certification is given in respect of any offer of units (Units) in Centuria Bass NZ First Mortgage Fund No. 4 (the Fund).**

**The applicant certifies that:**

- 1. the applicant is a person or body corporate with previous experience in acquiring or disposing of financial products that allows the applicant to assess:**
  - a. the merits of an offer of Units in the Fund (including assessing the value and risks of Units in the Fund); and**
  - b. the applicant's own information needs in relation to an offer of Units in the Fund; and**
  - c. the adequacy of information provided by any person involved in an offer of Units in the Fund; and**
- 2. the applicant understands the consequences of certifying himself, herself or itself to be an eligible investor.**

### Grounds for certification

**The applicant gives the certification above on the following grounds:**

*Please include all relevant grounds for the above certification. Please include particulars of the financial products you have experience acquiring or disposing (it is not sufficient to merely state 'investment experience'). For example, if you have previously invested in other Centuria financial products which are relevant to the above certification, you should clearly identify those financial products.*

# Wholesale investor application: eligible investor certificate

**IMPORTANT:**

This certificate is not complete unless accompanied by the following signed confirmation from a financial adviser, qualified statutory accountant or lawyer. The signed confirmation must be provided by someone who is independent of the applicant (e.g. a lawyer who is also a director of the trustee company for a trust applicant may not sign the confirmation).

Signed by the applicant Name

Date

D	D	M	M	Y	Y
---	---	---	---	---	---

Signed by the applicant Name

Date

D	D	M	M	Y	Y
---	---	---	---	---	---

Signed by the applicant Name

Date

D	D	M	M	Y	Y
---	---	---	---	---	---

## Confirmation of eligible Investor certification

Name(s) of applicant

Date of applicant eligible investor certification

Name of Financial Adviser/Qualified Statutory Accountant/Lawyer:

Firm

Address

---

**I confirm that:**

1. I am:
  - a. a financial adviser as defined in section 6 of the Financial Markets Conduct Act 2013; or
  - b. a qualified statutory accountant as defined in section 5(1) of the Financial Reporting Act 2013; or
  - c. a lawyer as defined in section 6 of the Lawyers and Conveyancers Act 2006;
2. I am not an 'associated person' (as defined in the Financial Markets Conduct Act 2013) of Centuria Bass NZ Financial Services Limited, Centuria Bass NZ First Mortgage Fund No. 4, or any related body corporate of the foregoing, at the date of this certificate (Relevant Persons);
3. If I am a financial adviser or qualified statutory accountant, I have not, within the two years immediately before the date of this confirmation, provided professional services to any of the Relevant Persons;
4. Having considered the grounds for certification given by the applicant in the attached certificate:
  - a. I am satisfied that the applicant has been sufficiently advised of the consequences of providing that certification; and
  - b. I have no reason to believe that the certification is incorrect or that further information or investigation is required as to whether or not the certification is correct.

**Signed by financial adviser/qualified statutory accountant/lawyer:**

Signed by the applicant

Name

Date

D	D	M	M	Y	Y
---	---	---	---	---	---

## 02

## Wholesale investor application: minimum \$750,000 investment acknowledgment

### WARNING

New Zealand law normally requires people who offer financial products to give information to investors before they invest. This requires those offering financial products to have disclosed information that is important for investors to make an informed decision.

The usual rules do not apply to this offer because there is an exclusion for offers where the amount invested upfront by the investor (plus any other investments the investor has already made in the financial products) is \$750,000 or more. As a result of this exclusion, you may not receive a complete and balanced set of information. You will also have fewer other legal protections for this investment.

Investments of this kind are not suitable for retail investors.

Ask questions, read all documents carefully and seek independent financial advice before committing yourself.

---

Name(s) of applicant

*Please insert the name of your investing person or entity here. For example, individual names, joint individual names or company name. If it is a trust, please insert the name of the trust and all trustee names (e.g. Joe Bloggs and Amy Bloggs as trustees of the Bloggs Family Trust).*

### Acknowledgement

**I confirm that I understand that:**

- **The usual legal rules that require information to be given to investors for offers of financial products do not apply if the amount invested upfront by me (plus any other investments I have already made in those financial products) is \$750,000 or more; and**
- **I may not receive a complete and balanced set of information about this investment; and**
- **I have fewer legal protections for this investment; and**
- **This investment is not suitable for retail investors; and**
- **I have been advised to ask questions, read all documents carefully and seek independent financial advice.**

Signed by the applicant

Name

Date

D	D	M	M	Y	Y
---	---	---	---	---	---

Signed by the applicant

Name

Date

D	D	M	M	Y	Y
---	---	---	---	---	---

Signed by the applicant

Name

Date

D	D	M	M	Y	Y
---	---	---	---	---	---

# 03

## Wholesale investor application: investment activity certificate

### WARNING

New Zealand law normally requires people who offer financial products to give information to investors before they invest. This information is designed to help investors make an informed decision.

If you are a wholesale investor, the usual rules do not apply to offers of financial products made to you. As a result, you may not receive a complete and balanced set of information. You will also have fewer other legal protections for these investments.

Ask questions, read all documents carefully and seek independent financial advice before committing yourself.

### Offence

**It is an offence to give a certificate knowing that it is false or misleading in a material particular. The offence has a penalty of a fine not exceeding \$50,000.**

Name(s) of applicant

*Please insert the name of your investing person or entity here. For example, individual names, joint individual names or company name. If it is a trust, please insert the name of the trust and all trustee names (e.g. Joe Bloggs and Amy Bloggs as trustees of the Bloggs Family Trust).*

### Certification

**The applicant hereby certifies that the applicant is a wholesale investor within the meaning of clause 3(2) of Schedule 1 to the *Financial Markets Conduct Act 2013 (FMCA)* and the applicant understands the consequences of certifying himself, herself, or itself to be a Wholesale Investor.**

**The applicant confirms that paragraph 3(2)(b) of Schedule 1 of the FMCA applies to the applicant, on the basis that the applicant meets the investment activity criteria specified in clause 38 of Schedule 1 to the FMCA, on the grounds that at least one of the following applies to the applicant:**

*Please indicate the grounds that apply by marking relevant check boxes.*

the applicant owns (together with any entities the applicant controls), or at any time during the 2-year period before the date of this certificate has owned, a portfolio of specified financial products of a total value of at least \$1 million (in aggregate);

the applicant has (together with any entities the applicant controls), during the 2-year period before the date of this certificate, carried out 1 or more transactions to acquire specified financial products where the amount payable under those transactions (in aggregate) is at least \$1 million and the other parties to the transactions are not 'associated persons' (as defined in the FMCA) of the applicant; or

the applicant is an individual who has, within the last 10 years before the date of this certificate, been employed or engaged in an investment business and has, for at least 2 years during that 10-year period, participated to a material extent in the investment decisions made by the investment business.

Signed by the applicant

Name and position of signatory

Date

D	D	M	M	Y	Y
---	---	---	---	---	---

Signed by the applicant

Name and position of signatory

Date

D	D	M	M	Y	Y
---	---	---	---	---	---

Signed by the applicant

Name and position of signatory

Date

D	D	M	M	Y	Y
---	---	---	---	---	---



# 04

## Wholesale investor application: large investor certificate

### WARNING

New Zealand law normally requires people who offer financial products to give information to investors before they invest. This information is designed to help investors make an informed decision.

If you are a wholesale investor, the usual rules do not apply to offers of financial products made to you. As a result, you may not receive a complete and balanced set of information. You will also have fewer other legal protections for these investments.

Ask questions, read all documents carefully and seek independent financial advice before committing yourself.

### Offence

**It is an offence to give a certificate knowing that it is false or misleading in a material particular. The offence has a penalty of a fine not exceeding \$50,000.**

Name(s) of applicant

*Please insert the name of your investing person or entity here. For example, individual names, joint individual names or company name. If it is a trust, please insert the name of the trust and all trustee names (e.g. Joe Bloggs and Amy Bloggs as trustees of the Bloggs Family Trust).*

### Certification

**The applicant hereby certifies that the applicant is a wholesale investor within the meaning of clause 3(2) of Schedule 1 to the *Financial Markets Conduct Act 2013* (FMCA) and the applicant understands the consequences of certifying himself, herself, or itself to be a wholesale investor.**

**The applicant confirms that paragraph 3(2)(c) of Schedule 1 of the FMCA applies to the applicant, on the basis that the applicant is large for the purposes of clause 39 of Schedule 1 to the FMCA, on the grounds that at least one of the following applies to the applicant:**

*Please indicate the grounds that apply by marking relevant check boxes.*

As at the last day of the 2 most recently completed financial years of the applicant before the date of this certificate, the applicant and his/her/their controlled entities had net assets which exceeded \$5 million in aggregate; or

In each of the 2 most recently completed financial years of the applicant before the date of this certificate, the applicant and his/her/their controlled entities had consolidated turnover which exceeded \$5 million in aggregate.

Signed by the applicant

Name

Date

D	D	M	M	Y	Y
---	---	---	---	---	---

Signed by the applicant

Name

Date

D	D	M	M	Y	Y
---	---	---	---	---	---

Signed by the applicant

Name

Date

D	D	M	M	Y	Y
---	---	---	---	---	---

# 05

## Wholesale investor application: investment business certificate

### WARNING

New Zealand law normally requires people who offer financial products to give information to investors before they invest. This information is designed to help investors make an informed decision.

If you are a wholesale investor, the usual rules do not apply to offers of financial products made to you. As a result, you may not receive a complete and balanced set of information. You will also have fewer other legal protections for these investments.

Ask questions, read all documents carefully and seek independent financial advice before committing yourself.

### Offence

**It is an offence to give a certificate knowing that it is false or misleading in a material particular. The offence has a penalty of a fine not exceeding \$50,000.**

Name(s) of applicant

*Please insert the name of your investing person or entity here. For example, individual names, joint individual names or company name. If it is a trust, please insert the name of the trust and all trustee names (e.g. Joe Bloggs and Amy Bloggs as trustees of the Bloggs Family Trust).*

### Certification

**The applicant hereby certifies that the applicant is a wholesale investor within the meaning of clause 3(2) of Schedule 1 to the *Financial Markets Conduct Act 2013 (FMCA)* and the applicant understands the consequences of certifying himself, herself, or itself to be a wholesale investor.**

**The applicant confirms that paragraph 3(2)(a) of Schedule 1 of the FMCA applies to the applicant, on the basis that the applicant is an investment business as specified in clause 37 of Schedule 1 to the FMCA, on the grounds that either (tick the relevant option):**

The applicant is a financial adviser (being an individual who is registered under the *Financial Service Providers (Registration and Dispute Resolution) Act 2008* in relation to a financial advice service, but does not include a financial advice provider); or

One or more of the principal activities of the applicant entity is:

*Please indicate the grounds that apply by marking relevant check boxes.*

investing in financial products;

acting as an underwriter;

providing a financial advice service (within the meaning of section 431D of the FMCA);

providing a client money or property service (within the meaning of section 431W(1) of the FMCA); or

trading in financial products on behalf of other persons.

Signed by the applicant

Name and position of signatory

Date

D	D	M	M	Y	Y
---	---	---	---	---	---

Signed by the applicant

Name and position of signatory

Date

D	D	M	M	Y	Y
---	---	---	---	---	---

Signed by the applicant

Name and position of signatory

Date

D	D	M	M	Y	Y
---	---	---	---	---	---



STOCK IMAGE

**Centuria** | BASS

Centuria Bass NZ First  
Mortgage Fund No. 4