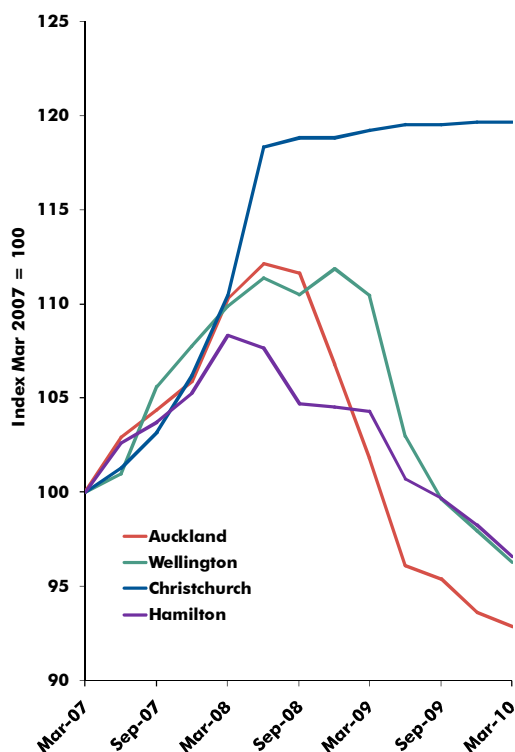


NZ Property Performance Index

Comparative Composite Market Rent Index by City



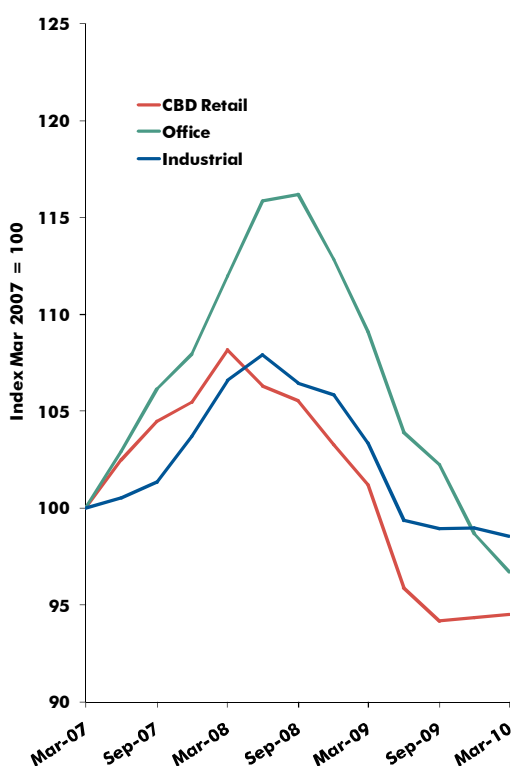
SUMMARY This publication tracks the current and historic rent and yield performance of selected prime office, retail and industrial property submarkets in Auckland, Wellington, Hamilton and Christchurch. Its purpose is to provide a handy summary enabling comparison between the property market performances of the cities and sectors as assessed by CBRE. The data is based on CBRE's quarterly survey of market rents and yields. Please refer to the back page for the definitions and methodology used to determine the data.

COMPARATIVE RENT PERFORMANCE

The Auckland property market continues to be the most severely impacted in the downturn. Auckland composite net effective market rents have fallen sharply since mid 2008 and are currently well below the levels seen three years ago. Wellington and Hamilton have followed Auckland, however to a lesser extent. Christchurch on the other hand is clearly the outstanding performer in terms of growth over the past three years and rents continue to remain at the levels built up from growth over 2006/2007. The Christchurch rental index has however remained stable over the quarter but has increased over the year.

Over a three year period to March 2010, all three monitored property sectors are below the level they were at the beginning of the period. In aggregate, the industrial sector leads prime rental growth followed by office and then CBD retail. Despite being the worst performer; CBD retail has experienced a slight 0.2% increase over the last quarter. The declines for industrial have also flattened off, however office rents are still recording substantial declines.

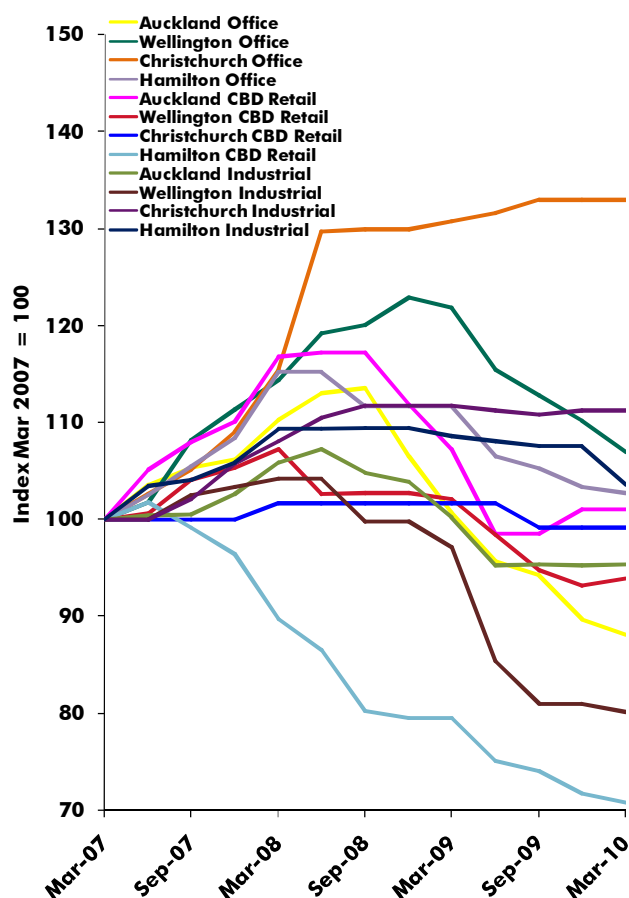
Comparative Composite Market Rent Index by Sector



Comparative Composite Market Rent Index (Mar '07=100)

	Index Q1 10	Quarterly Change	Annual Change
Auckland	92.8	-0.8%	-8.8%
Wellington	96.3	-1.7%	-12.8%
Christchurch	119.7	0.0%	0.4%
Hamilton	96.6	-1.7%	-7.4%
Office	96.7	-2.0%	-11.3%
CBD Retail	94.5	0.2%	-6.6%
Industrial	98.6	-0.4%	-4.7%

Comparative Market Rent Index By Sector



COMPARATIVE SECTORAL RENT PERFORMANCE

Over the last three years, Christchurch prime office rents have posted the highest growth with a 32.9% increase. While rents fell to varying degrees in every other market sector since late 2008, Christchurch has merely plateaued. Contrasting this, Auckland prime office market rents decreased by 11.9% as the result of steep declines since December 2008. Wellington and Hamilton office rents have shown growth of 6.9% and 2.7% respectively during the past three years, despite some sizeable rental falls over the past year.

For CBD retail, over the past three years Hamilton fell the furthest, with a 29.3% market rent decline. Auckland is the best performing market over the past three years despite being the most volatile. Wellington and Christchurch have recorded declines of 6.1% and 0.8% respectively.

In the industrial sector, Wellington has suffered the largest fall, with a 17.5% annual market rent decline but like Auckland industrial, it has stabilised in recent quarters. Christchurch and Hamilton remained relatively strong in the downturn, although Hamilton recorded a drop over the most recent quarter.

Comparative Sectoral Net Market Rent

	Rent at Q1 2010	Quarterly change	Annual change	3 year change
Auckland Office	\$267	-1.8%	-12.5%	-11.9%
Wellington Office	\$310	-3.0%	-12.2%	6.9%
Christchurch Office	\$259	0.0%	1.6%	32.9%
Hamilton Office	\$225	-0.5%	-7.9%	2.7%
Auckland Retail	\$1,970	0.0%	-5.7%	1.0%
Wellington Retail	\$2,024	0.9%	-7.9%	-6.1%
Christchurch Retail	\$605	0.0%	-2.4%	-0.8%
Hamilton Retail	\$427	-1.4%	-11.0%	-29.3%
Auckland Industrial	\$104	0.1%	-4.8%	-4.7%
Wellington Industrial	\$88	-1.0%	-17.5%	-19.9%
Christchurch Industrial	\$93	0.0%	-0.4%	11.2%
Hamilton Industrial	\$93	-3.7%	-4.7%	3.5%

COMPARATIVE YIELD PERFORMANCE

The charts in this section illustrate yield movements over the past three years. Being indexed from a base point it can better illustrate comparative performance.

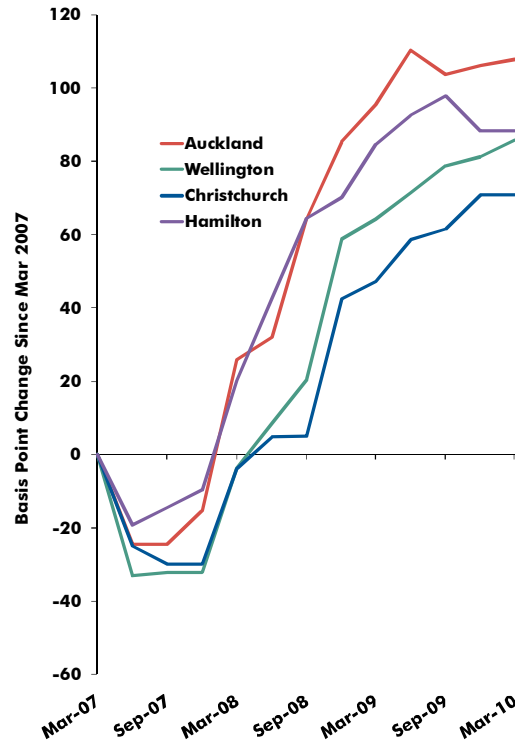
Yields in all major centres have softened from mid 2007 onwards after a substantial firming period. Auckland yields have softened the most out of all centres, and are currently 108 basis points above their March 2007 level. Auckland yields firmed in the September quarter due to firming in the retail and industrial sectors, while office remained stable. However the softening of office yields in December and March have pushed overall yields back up again due to office being the largest contributor to the overall figures. The three other centres have also displayed similar trends, however have softened to a lesser extent compared to Auckland. The Christchurch market has softened the least in the three year period, followed by Wellington and Hamilton.

A comparison of yield performance between sectors indicates a wide range of results. Office yields have performed the worst over the three year period, softening 125 basis points. This sector has shown the greatest volatility during the three year period. For Industrial, yields are currently 84 basis points above their March 2007 level however have been firming in the last few quarters. Retail is the best performer, showing the least volatility, and sits 42 basis points above its 2007 level. In the past few quarters, retail has firmed the furthest out of all sectors.

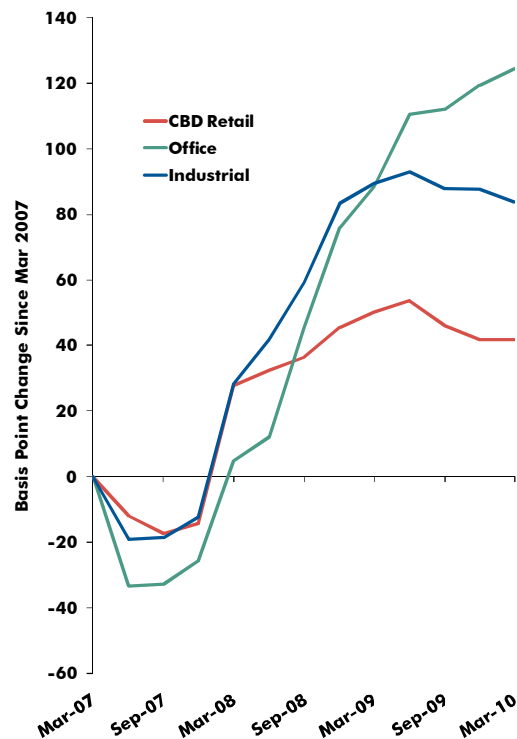
Comparative Composite Yield Changes (Basis Points)

	Quarterly Change	Annual Change	3 Yr Change
Auckland	2	12	108
Wellington	4	22	86
Christchurch	0	24	71
Hamilton	0	4	88
Office	5	36	125
CBD Retail	0	-8	42
Industrial	-4	-6	84

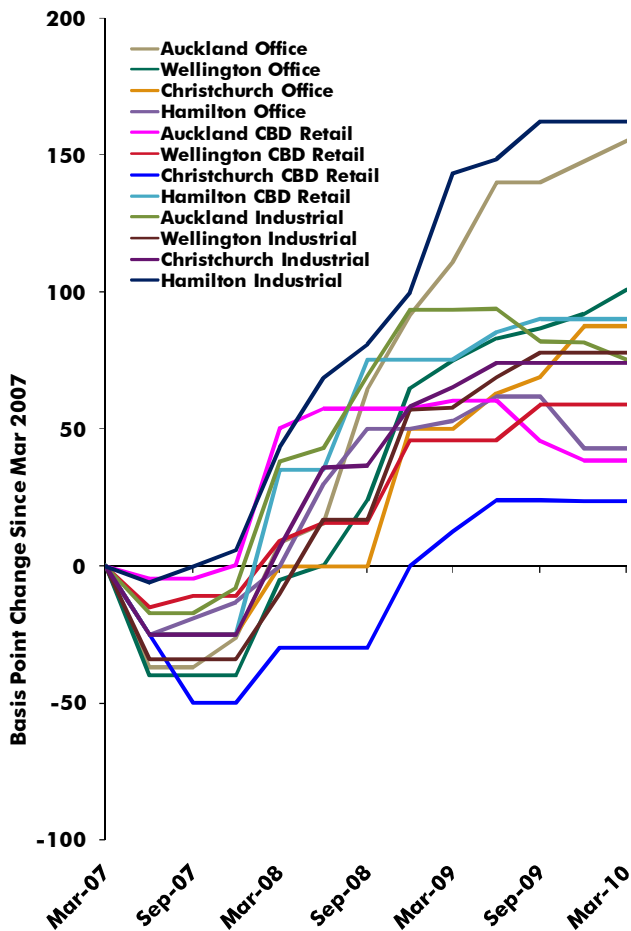
Comparative Composite Yield Change by City



Comparative Composite Yield Change by Sector



Comparative Yield Change By Sector



COMPARATIVE SECTORAL YIELD PERFORMANCE

Yields softened in all sectors from mid 2007 and while softening trends still continue there have been some sectors which started to firm in recent quarters.

Overall three year trends show that Christchurch CBD retail has been the best performer, being only 24 basis points softer than at the start of the period. On the other hand Hamilton industrial yields have softened the most, by 162 basis points. Auckland office yields have also weakened substantially and are 155 basis points softer than their 2007 level.

In the most recent quarter, the majority of sectors have remained stable, with the exception of Auckland and Wellington office softening and Auckland industrial firming. Auckland CBD retail has been the leader of the recovery, firming 22 basis points over the September and December 2009 quarters.

In the first quarter of 2010 yields range from 6.88% (Auckland CBD Retail) to 8.95% (Wellington Industrial), with a spread of 207 basis points. In terms of cities, Auckland has the firmest yields, while Hamilton has the softest.

Comparative Sectoral Yield (Basis Points)

	Yield at Q1 2010	Quarterly change	Annual change	3 Year change
Auckland Office	8.90%	7	44	155
Wellington Office	8.34%	9	26	101
Christchurch Office	8.38%	0	38	88
Hamilton Office	8.31%	0	1	54
Auckland Retail	6.88%	0	-22	39
Wellington Retail	8.07%	0	13	59
Christchurch Retail	8.24%	0	11	24
Hamilton Retail	8.65%	0	15	90
Auckland Industrial	8.43%	-6	-18	75
Wellington Industrial	8.95%	0	20	78
Christchurch Industrial	8.24%	0	9	74
Hamilton Industrial	8.56%	0	15	162

DEFINITIONS AND METHODOLOGY

The rent and yield data are an indicative assessment of net market rents and yields based on our view of the market. The rents and yields represent indicative averages for the various market sectors. The data does not reflect the full range of values or market evidence for any market sector and is not necessarily applicable to actual leases or properties. The range of actual rents and yields around the averages shown can be considerable.

The report contains data for Prime properties only in each sector.

The office and retail sectors reflect properties in the CBD's of each city. The industrial sector reflects the main industrial precincts of each city.

Rents are net effective. Please note that when the quarterly change in effective rents is minor (i.e. 0.1%), face rents and incentives are likely to be unchanged but changes in interest rates means that effective rents can change slightly.

Yields are initial yields based on market rent levels.

The composite city rental index reflects an amalgamation of the office, industrial and retail sectors weighted at 50%, 30% and 20% respectively and the composite sector rental index reflects an amalgamation of all cities weighted by stock size.

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