

**Morrison's' Building**  
**13-15 Garrett Street, Wellington**  
**Discussion Document / Market Assessment**  
**Property Partnerships Limited**  
**May, 2020**

Property Partnerships Limited  
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This document is not a prospectus or a solicitation for investment*



## The Project

**13-15 Garrett Street Wellington**  
**3 Level to 7 Level Development**

**From:**



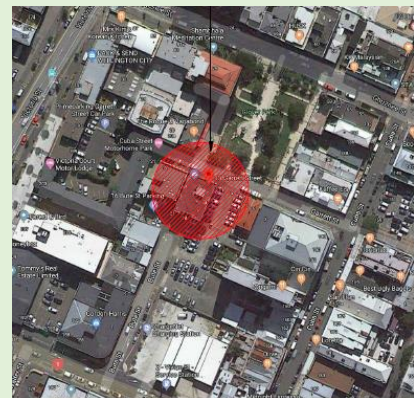
**To:**



Located directly off Cuba Street, Morrison's Building 13-15 Garrett Street (opposite Glover Park), is a 3 level, 805.2m2 freehold building. This development will add an additional 4 levels / 921.5m2 - more than doubling leasable space.

**High Quality Student Accommodation, Shared & self contained, with Live In Manager. Ground Floor Retail / Hospitality**

- Outstanding Road Frontage, opening onto Glover Park and Cuba Street.
- Ground Floor Retail (Café / Bar / Restaurant)
- 5 levels / 50 rooms of student accommodation
- Penthouse Level with 4 Self Contained 1 or 2 bedroom Apartments
- On-site Manager



### Cuba Street / Victoria University Location

- 15 min walk to Victoria Uni's Kelburn campus.
- 3 min walk to Wellington School of Architecture.
- Lambton Quay – bars / restaurants / clubs - a 20 min walk away.

## The Concept

**5 Levels of 10 room shared student homes**  
**Penthouse Level – 4 self contained apartments**  
**Ground Floor Retail / Restaurant / Bar**



Responding to a student accommodation shortfall in Wellington, this development targets domestic NZ students who would otherwise collectively lease flats - providing 5 levels of quality shared student accommodation, housing 10 students per level. In total, 50 shared student rooms (many with private balconies) will be created, supported with common lounges, kitchens and dining rooms. Multi-sex bathrooms, generous storage and a full time live in Manager will deliver comprehensively to student needs and security.

Additionally, the Penthouse Level provides 4 self contained apartments, marketed to students seeking individual self contained living.

## Legal, Timeline & Economics

### Limited Partnership

A Limited Partnership structure (registered under the Partnership Act 2008) – targeting development and multi-year yield / capital growth

General Partner Operations / Mandate has been contracted to Property Partnerships Limited (PPL), an entity controlled by Gaze / Stafford-Bush / Davidson

A Governance Structure with qualified independent advisors will be put in place

Limited Partner / General Partner p.a. Equity Return formula

• 0% - 10%	100% / 0%
• +10% - 15%	75% / 25%
• +15% - 20%	25% / 75%

### General Partner Option to purchase Garrett Street

The General Partner has an exclusive option to purchase 13-15 Garrett Street, which on exercise will be supported by 3<sup>rd</sup> party valuations

### Gaze Commercial Limited - Affiliation

David Gaze and Chris Stafford Bush are Directors or Officers of Gaze Commercial Limited (GCL).

A preferred supply agreement between GCL and PPL exists. All GP / PPL engagement with GCL will be supported with 3<sup>rd</sup> party / independent cost benchmarking

### Project Timetable

• Resource Consent	August 2020
• Building Consent	November 2020
• Building Start Date	December 2020
• Opens	January 2022

### Indicative Economics

<b>Total Project Cost</b>	<b>\$13.0mn</b>
<b>Envisaged LP Development Return (over 18 months, p.a. equivalent)</b>	<b>12% - 15%</b>
<b>Gross Rental Jan 2022 onwards</b>	<b>\$0.75mn</b>

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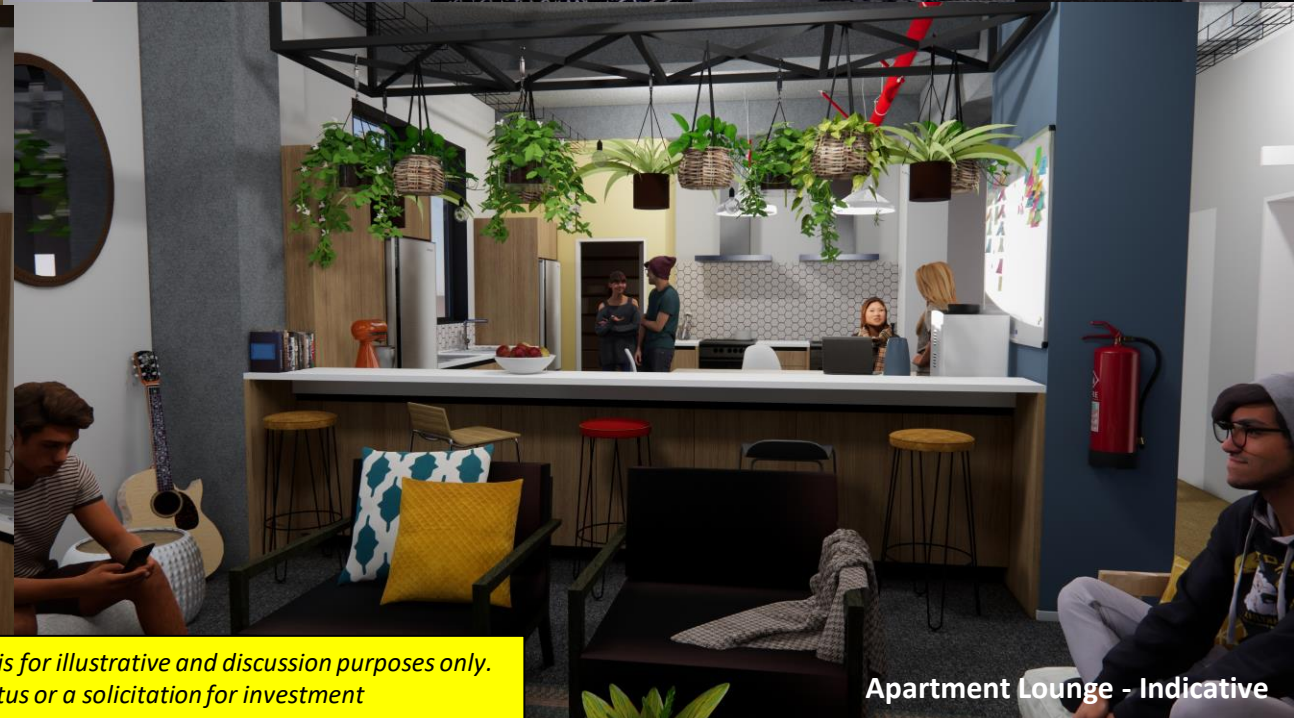
Ground Floor Café - Indicative



Apartment Bedroom - Indicative



Apartment Kitchen - Indicative



Apartment Lounge - Indicative

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