

Private Land & Property Fund

Quarterly Client Update

Update as at and for the quarter ending 30 September 2024

Investment outlook

Returns to the Private Land and Property Fund (Fund) were 0.4% (after fees, pre-tax) for the quarter. This was driven by income and development gains (+0.97%) partially offset by valuation movements (-0.57%). The valuation movement was informed by two independent valuations we received over the quarter for the Fund's Southland dairy farms (+\$2.3m) and its investment in Waimea West Hops (-\$3.7m). Investors can refer to the Fund's NZX disclosures for more details www.nzx.com/companies/PLP/announcements.

Returns to the fund have been 6.7% on an annualised basis over the three year period to 30 September 2024, and 9.0%p.a. since inception.

The Fund aims to generate an average long-term return of 6.5%p.a. after fees but before tax over a rolling 7yr period. The Fund's key focus is on returns from income and development gains as properties reach full productive capability. Other returns to the Fund can arise from property revaluations.

Overall, we remain pleased with the long term performance of the fund, in particular with how the portfolio has performed through the top of the interest rate cycle.



Spotlight on Industrial Property: Iport Drive, Rolleston

During the quarter we confirmed the Fund's latest acquisition, the purchase of a large prime industrial building integrated with the Midland Inland Port in Rolleston, Christchurch.

Our tenant is Lyttelton Port Company (LPC) which is fully owned by Christchurch City Council. In turn, LPC have sub-leased the warehouse to NZX-listed freight company Move Logistics.

This purchase represents an exciting addition for the Fund and supplements our core horticultural/agricultural focus with further diversification benefits. As we have previously noted, investments in property outside of our core horticultural and agricultural focus are actively considered where the risk/return proposition is attractive.

At 31% of the value of the overall fund at 30 September, this is a significant acquisition that will add value immediately in two ways; we think that the additional diversification will reduce the volatility of fund returns. Secondly, the cash return from the fixed lease is accretive to the cash yield component of the fund.

It's important to note that property values do vary over time, though a longer-term perspective is important. The Fund's investment objective remains focused on producing returns over a 7-year rolling period which allows for 'peaks' and 'troughs' in the business and investment cycle.

As well as this opportunity, we continue to actively explore opportunities to broaden and diversify the portfolio and support its objectives.

Key Facts

Private Land and Property Fund (Fund)

Fund Size (net asset value)	\$206.6 million
Inception Date	07/01/2019
Manager	Booster Investment Management Ltd
Supervisor	Public Trust
Fund Type	Portfolio Investment Entity (PIE)

The Fund obtains its property exposure by investing into the Wholesale Portfolio alongside some cash held within the Fund.

Private Land and Property Portfolio (Wholesale Portfolio)

Fund Size (net asset value)	\$205.4 million
Inception Date	13/06/2017
Manager	Booster Investment Management Ltd
Supervisor	Public Trust
Fund Type	Portfolio Investment Entity (PIE)

Fund Performance as at 30 September 2024

The Fund has a minimum suggested investment timeframe of four years, and its performance aims are measured over a 7-year horizon. The return information below includes returns due to property market movements which vary over time, so the range of returns may be different over a longer period. However the Fund aims to achieve a long-run return of 6.5% pa (before tax, after fees) from a combination of rental and crop income, and capital gain from improvements in property productive capacity. Past performance is not an indicator of future performance.

	Before Tax	After Tax at 28% PIR
Last 3 months	0.4%	0.2%
Last 6 months	0.9%	0.9%
Last 12 months	-1.5%	-1.6%
Last 2 years (p.a)	4.3%	4.3%
Last 3 years (p.a)	6.7%	6.5%
Last 5 years (p.a)	8.4%	7.9%
Last 7 years (p.a)*	9.1%	8.5%
Since inception 13/06/2017 (p.a)*	9.0%	8.3%

All figures are after fees. Please see the Product Disclosure Statement for further details on fees.

*Returns prior to the inception of PLPF in January 2019 are based on the underlying wholesale PLPP return.

Investment Holdings

Wholesale Portfolio	\$	%
Total Assets (millions)		
Property Assets (location / region)		
Awatere Valley, Marlborough Vineyard properties	\$29.1	13.9
Hope, Nelson Region Vineyard properties	\$19.1	9.2
Hawke's Bay Winery building	\$3.1	1.5
Hawke's Bay Vineyard property	\$5.8	2.8
Mahana, Nelson region Winery building & Vineyard property	\$3.7	1.8
Kerikeri, Northland Kiwifruit orchard property	\$19.9	9.6
Waimea, Nelson region Waimea West Hops Ltd	\$7.4	3.6
Bay of Plenty & the Far North Avocado orchards	\$18.0	8.7
Southland Dairy farmland	\$35.0	16.8
Rolleston Logistics warehouse	\$63.9	30.7
Total property assets	\$205.0	
Other Assets		
Cash / Income	\$2.0	
Accrued income	\$1.4	
Total Assets	\$208.4	
Total Liabilities (millions)		
Borrowings with BNZ	\$3.0	
Other liabilities (incl Property Operating Costs)	\$0.0	
Total liabilities	\$3.0	
Net asset value	\$205.4	
Gearing Ratio		1.5

The investment objective and strategy of the Wholesale Portfolio allows it to borrow to invest in more land and properties or to develop land and properties it already holds. Bank of New Zealand (BNZ) has provided a loan facility of up to 50% of the value of the secured properties for use by the Wholesale Portfolio to effect its gearing strategy which results in BNZ holding a security interest over most of the assets held by the Wholesale Portfolio. For further information on the Wholesale Portfolio, please refer to the Fund's PDS and Other Material Information document. The gearing ratio shows the level of borrowing the Wholesale Portfolio has undertaken as a percentage of total assets.

Disclaimer: The Private Land and Property Fund (Fund) is part of the Booster Investment Scheme 2 which is issued and managed by Booster Investment Management Limited. The Fund's Product Disclosure Statement is available at www.booster.co.nz, by contacting your financial adviser or by calling Booster on 0800 336 338.

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