



26 September 2019

[Unitholder Name]

[Address 1]

[Address 2]

[Address 3]

[Address 4]

Dear Unitholder

### **Goodman Property Trust (“GMT”) – Equity Initiatives**

It was announced on 18 September that GMT was raising \$165 million of new equity through a Placement and Retail Unit Offer. The new equity will provide additional balance sheet capacity that will be used to fund current commitments and future investment and development opportunities in the supply constrained Auckland industrial market.

The Board believes the combination of a Placement and a Retail Unit Offer make the equity raising fair to all Unitholders. It allows every investor to participate (unless restricted by legal constraints) and is a cost-effective alternative to a rights issue.

The underwritten Placement was completed on 18 September and raised \$150 million. The Placement Presentation is available online within GMT’s investor centre, [www.goodman.com/nz](http://www.goodman.com/nz).

The Retail Unit Offer, seeking \$15 million (with the ability to accept up to \$10 million of oversubscriptions at the Manager’s discretion) is now open.

My fellow Directors and I welcome your participation in this Offer.

### **Retail Unit Offer**

Open to Eligible Unitholders in New Zealand, participating investors can purchase up to \$50,000 of additional units in GMT without incurring brokerage or other transaction costs. The \$50,000 limit allows the vast majority of unitholders to apply for their equivalent pro-rata amount if they wish to. The issue price of \$2.10 per New Unit is the same as in the Placement.

Participation in the Retail Unit Offer is optional. We encourage you to read the **Offer Document** accompanying this letter and recommend you seek investment advice from a suitably qualified professional adviser before you consider investing.

If you decide to participate in the Offer, you need the following to complete your application:

- 1. APPLICATION FORM Part A: Order Form**  
Must be correctly completed and signed, with payment either by direct debit authorisation or cheque.
- 2. APPLICATION FORM Part B: Supplementary Information**  
Depending on whether the application is for an Individual, Company or Trust, the relevant section must be completed and included with the application. It will also determine what other documents are required.
- 3. OTHER DOCUMENTS**  
All applications must include certified copies of proof of identity, proof of address and certain other documents. *This is required to enable GMT, as a unit trust, to comply with its obligations under the Anti-Money Laundering and Countering Financing of Terrorism Act 2009.*

Please ensure the forms above are completed correctly and your application (together with certified documents and other attachments) is returned in the reply post envelope, enclosed with this mailing. The closing date for applications is 18 October 2019.

The New Units are expected to be allotted on or around 24 October 2019. They will rank equally with existing GMT units at that date and will be eligible for the next quarterly distribution, expected to be paid in December 2019.

## **Proven Investment Strategy**

GMT has been repositioned over the last five years and its investment strategy is now 100% focused on the Auckland industrial market.

The disposal of office assets and the rapid progression of GMT's development programme, with \$780 million of new projects since 2014, has facilitated the transformation.

With a current market value of around \$2.8 billion, GMT owns an industrial portfolio of enviable quality and scale. It includes nine estates that provide around 1 million sqm of warehouse and logistics space close to consumers. Approximately 175 customers lease space in the portfolio - which has an occupancy rate of 99.4% and a weighted average lease term of more than five and a half years.

The Board has reaffirmed its earnings guidance for the current financial year and cash distributions totaling 6.65 cents per unit are expected to be paid.

A strategic acquisition, and a package of new development projects, were announced to the NZX on 12 and 18 September 2019. They add a further \$139.9 million to GMT's current commitments.

The \$165 million of new equity being sought through the Placement and Retail Unit Offer will reduce committed gearing to just 20.7%. It's a prudent level that provides the balance sheet capacity to fund GMT's future development pipeline, and any strategic acquisitions, while remaining within the Board's preferred gearing range of 25% to 35%.

With around \$215 million of projects under construction, a continuation of the current development-led growth strategy remains the priority.

Completing the build-out of GMT's greenfield land and activating the value-add opportunities within the portfolio remain the primary investment objectives. It's a disciplined approach that we expect to underpin the growth of the business.

Yours faithfully,



Keith Smith

**Chairman and Independent Director**