

Company Number

Irongate Property Limited (In Receivership)	1032017
SL Albany 46 Limited (In Receivership)	1151842
SL Central Park Limited (In Receivership)	1256671
SL Properties (Auckland) Limited (In Receivership)	936842
Thorndon Property Fund Limited (In Receivership)	822157
St Laurence Properties Limited (In Receivership)	1750654
SL Property Holdings Limited (In Receivership)	947664
SL 255 Limited (In Receivership)	1210826
SL Security Holdings Limited (In Receivership)	1116808
SL Properties (Palmerston North) Ltd (In Receivership)	2110347
SL Properties (Wellington) Limited (In Receivership)	1536163
SL Quay Park Limited (In Receivership)	893384

Receivers' Report**Pursuant to Section 24****Of the Receiverships Act 1993****As at 3 November 2011**

Report by Receivers Pursuant to Section 24 of The Receiverships Act 1993

As at 3 November 2011

Contents

1. Introduction	3
2. State of Affairs	4
3. Receivership Details	5
3.1 Property disposed of since date of last report & ongoing property disposals	5
3.2 Amount outstanding to Appointer	6
3.3 Amount outstanding to other Secured Creditors	6
3.4 Amounts owing to Preferential Creditors	6
3.5 Amounts likely to be available to Secured and Other Creditors	7
4. Receipts & Payments	8
5. Receivers Contact Details	9
6. Important Notice	10

1. Introduction

Barry Jordan and David Vance of Deloitte were appointed Receivers and Managers of all assets of certain companies within the charging group of Irongate Property Limited (“IPL” or “Irongate”) on 3 May 2011. The appointment was made by Perpetual Trust Limited (“the Trustee” or “Perpetual”) pursuant to a Trust Deed dated 15 May 2000. The appointment was made under the powers contained in the Trust Deed.

The appointment covers twelve companies (collectively referred to in this report as “the Irongate Group”).

Company	At the Date of Receivership, this Company:
▪ Irongate Property Limited (“IPL” or “Irongate”)	▪ Was the parent company in the group and the company that offered secured debenture bonds to investors.
▪ St Laurence Properties Limited (“SLPL”)	▪ Owned a 100% interest in three properties in Auckland.
▪ SL Properties (Auckland) Limited (“SLPAK”)	▪ Owned a 100% interest in two properties in Auckland.
▪ SL Central Park Limited (“SLCP”)	▪ Owned a 100% interest in a property in Wellington and a leasehold interest in sections in Auckland.
▪ Thorndon Property Fund Limited (“TPFL”)	▪ Owned a 100% interest in a property in Wellington.
▪ SL Property Holdings Limited (“SLPHL”)	▪ Owned an interest in 42 car parks in Auckland.
▪ SL Albany 46 Limited (“SL46”)	▪ Has a leasehold interest in a section in Auckland.
▪ SL 255 Limited (“SL255”)	▪ Was dormant and was not trading.
▪ SL Security Holdings Limited (“SLSHL”)	▪ Was dormant and was not trading.
▪ SL Properties (Palmerston North) Limited (“SLPN”)	▪ Was dormant and was not trading.
▪ SL Quay Park Limited (“SLQP”)	▪ Was dormant and was not trading.
▪ SL Properties (Wellington) Limited (“SLPN”)	▪ Was dormant and was not trading.

Not all Irongate subsidiaries, or investments held are in receivership. Specifically, St John Balanced Property Fund Limited, Superstore Properties Limited, College Road Holdings Limited, Elwood Road Holdings Limited, Lending No 1 Limited and Lunn 112 Limited are not in receivership.

2. State of Affairs

The principal assets in the Irongate Group and under the control of the Receivers as at the date of receivership were:

Auckland	Wellington
<ul style="list-style-type: none">▪ 139 Quay Street▪ 104 Customs Street West▪ Cain Road▪ 18 Parkwood Place▪ 613 Great South Road▪ 10 Fisher Point Drive▪ William Laurie Place▪ Oracle Drive	<ul style="list-style-type: none">▪ 55 Molesworth Street▪ 1 Heriot Drive

St Johns Balanced Property Limited Fund (52%)

Superstore Properties Limited (19%)

DPI 5 Limited (7 parcels)

DPI 9 Limited (79 parcels)

Riverpoint (Australia)

Lunn 112 Limited (50%)

College Road Holdings Limited (50%)

Elwood Road Holdings Limited (7%)

Bolwarra Sections (Australia)

We will not disclose estimated realisations from individual assets as this may materially prejudice the realisation strategy being adopted by the Receivers.

3. Receivership Details

3.1 Property disposed of since date of last report & ongoing property disposals

Since the date of receivership the receivers have sold and settled four key properties situated at:

- Cain Road, Penrose, Auckland
- Heriot Drive, Porirua
- Parkwood Place, Manukau
- Quay Street, Auckland

The receivers have also entered into an unconditional sale agreement for the property situated at Molesworth Street, Wellington that is due to settle in January 2012.

Along with the Molesworth Street property, the receivers continue ongoing management of the two other key properties in Customs Street West and Great South Road in Auckland. The receivers are currently considering various options in regards to the realisation of these properties to ensure the best possible return is achieved for the secured bondholders. Customs St has been subject to a Tender process which did not result in a sale. The Great South Road property will go to market in the first quarter of 2012.

We have also realised or entered into contracts to realise other assets of Irongate during the period since the receivership began. These have included the investments in or connected with:

- St Johns Balanced Fund
- Elwood Road Joint Venture
- Lunn Avenue and College Road
- Bolwarra Sections

The remaining assets are principally:

- Customs Street West
- Great South Road
- Superstores
- DPI #5
- DPI #9
- Riverpoint

3.2 Amount outstanding to Appointer

Irongate had approximately 1,500 secured bondholders owed \$46.1 million principal (plus interest) at the date of receivership. These are known as Series Three 9.25% - Fixed Rate Bonds, which had a maturity date of 15 May 2011. These are secured under a Trust Deed between Irongate and Perpetual Trust Limited dated 16 May 2000.

	Principal Balance \$000's	Accrued Interest \$000's	Total \$000's
May 2011 - Secured Bonds	46,126	1,067	47,193
Oct 2011 - First Distribution (22cents)	(9,914)	-	(9,914)
Dec 2011 - Balance	36,212	1,067	37,279

In October 2011, a first distribution of 22 cents in the dollar of principal only was made to Bondholders.

3.3 Amount outstanding to other Secured Creditors

At the date of receivership Irongate had a number of prior ranking secured creditors ranking above the secured bondholders. As a result of realisations to date all prior ranking secured creditors have been paid so that all future realisations go into the pool of funds for the secured bondholders.

3.4 Amounts owing to Preferential Creditors

Based on the claim received from Inland Revenue and the filing of outstanding pre receivership GST returns approximately \$243,000 (prior to penalties and interest) is owing to the Inland Revenue as a preferential claim.

At the date of receivership the Group had arrears of some rates payments. In effect, given the powers of Councils to demand rates when properties are sold, these creditors have been met during the course of the receivership or upon the sale of the property. There are currently no arrears of rates.

3.5 Amounts likely to be available to Secured and Other Creditors

We reported in our first report, based on our estimate realisations that we expected the total distribution to the Irongate secured bondholders would be between 67 cents and 83 cents in the dollar of principal outstanding.

The first distribution of 22 cents in the dollar was made in October 2011. Based on the current progress of the receivership and realisations to date we have retained this realisation range for this report.

The timing of further distributions are dependent on the sale of the remaining assets. The timing of these are uncertain but the next two distributions may be in February 2012 and April/May 2012.

Given that there is unlikely to be a full payment of secured principal, no distribution of accrued interest is expected. Similarly, we do not consider there will be any amounts available for Inland Revenue, unsecured creditors or shareholders.

4. Receipts & Payments

Irongate Property Limited (In Receivership)

Receipts & Payments

Period 3 May 2011 to 2 November 2011

RECEIPTS

Bank Interest	60,826
Cash at Bank - Pre Receivership Bank accounts	865,222
Cash at Bank - Unclaimed Monies	223,579
Miscellaneous Income	10,180
NZX Bond Refund	75,000
Property Rent Collected	1,726,772
Realisations - Investments	7,326,711
Realisations - Properties	56,261,631
	66,549,921

PAYMENTS

Bank Fees	1,429
Commission & Marketing costs	510,372
Distribution - via Reclaiming of Bonds	636,600
Distribution - Secured Bondholders	9,914,300
First Ranking Secured Creditors	51,739,110
GST Nett	218,079
Legal Costs	169,850
Property Management Fees	411,189
Property OPEX costs	912,168
Receivers Disbursements	20,915
Receivers Fees	789,426
Registry Fees	18,216
Sub-Contractors	14,966
Trustee Fees	34,187
	65,390,807

1,159,114

Receivers Bank Accounts	933,851
Unclaimed Monies Held in Trust	225,263
	1,159,114

5. Receivers Contact Details

The receivers can be contacted at the address below. Enquiries from investors should be directed to a dedicated phone number 0508 4 IRONGATE (0508 447 664), email address nzirongate@deloitte.co.nz or via the web www.deloitte.com/nz/irongate.

Contact:	Irongate Property Limited (In Receivership)	
	Deloitte House	
	10 Brandon Street	
	P O Box 1990	
	Wellington 6140	
	Barry Jordan	David Vance
	Receiver & Manager	Receiver & Manager

6. Important Notice

The information required to complete this report was provided by the directors and managers of Irongate and the other eleven companies in receivership or obtained from company records. Values are based on book values from the financial statements and accounting records prepared by company personnel. We have relied on the information in preparing this report.

We take no responsibility for any incorrect information contained in this report that has been supplied by the company, its officers or other persons. This is a report prepared by the receivers in terms of Section 24 of the Receiverships Act 1993. This report is not to be reproduced or used for any other purpose without our prior written consent in each case. We do not accept any liability whatsoever to any party from any use of, or reliance on, this report.

Any realisation projections, time taken to complete realisations and related costs were all subject to uncertainty at the time that these projections were prepared. We express no opinion on the likelihood of any projections being achieved. Financial projections are based on assumptions and estimates of future events which cannot be estimated with any certainty. Actual results are likely to be different from projections and the variations could be material since anticipated events frequently do not occur as expected.

In accordance with standard practice neither Deloitte, the receivers, nor any member or employee of Deloitte, undertakes responsibility arising in any way whatsoever to any person in respect of realisation projections, the related commentary on options available to the receivership, any estimate of outcome for creditors, or any other report content including any errors or omissions herein arising through negligence or otherwise however caused.