



Maat Group celebrates 10 years

This year Maat Group is celebrating 10 years as an investment company – a milestone that the team is looking forward to celebrating with their investors! In this Q & A, managing director Neil Tuffin explains more about the company’s values and style of investing.

What does the Maat Group offer, and what does your name mean?

Neil: Maat Group is a commercial property equity investment company. Maat Group adopted the Egyptian goddess Maat as its symbol; she’s the goddess of truth, justice, and balance.

What is commercial property equity investment?

Neil: It’s the purchase of commercial property as a direct property investment. By investing as a shareholder in a company formed for the purchase of an investment, the investor is able to purchase a larger property with a better yield than what is available if purchasing as an individual. The shareholder becomes a part owner in the property along with other investors. The property is fully managed for investors including property management, financial management, and general administrative duties.

How long do investors have to leave their money in the investment for?

Neil: Our equity investments don’t have any fixed time frame. Investors are encouraged to remain in the investment for the long term as this passive investment can provide capital gain over time. If circumstances arise that mean an investor has to exit, we can assist with this and facilitate the sale of these shares to the incoming investor.

Do you charge any fees for investing in your investment opportunities?

Neil: The company formed to purchase the

investment property pays for the management for the property along with additional expenses such as accounting or audit fees. These are paid from the rental income of the property and don’t affect the distribution rate. The fee structure is set out in the product disclosure statement (PDS) which is available at the time of investment.

How often do investors receive distribution payments from you?

Neil: We distribute our returns on investments on the last working day of each month.

Can people exit the investment without the property being sold?

Neil: Yes, you can. Although the investment is more valuable over time we do understand that circumstances arise that may mean you have to exit and sell your share(s). You can contact us for further clarification on our exit process at any time.

If someone wants to become an investor with you, what steps do they take?

Neil: Any investor is encouraged to read the product disclosure statement and other documents pertinent to an investment prior to investing. We also encourage you to seek independent legal advice prior to investing. The PDS contains the application form for investment too.

Is the investment taxed prior to you paying returns?

Neil: If you’re invested as an individual or as a joint partnership we’re required to deduct your tax portion prior to your distribution

payment each month. Our investments are run as a PIE investment with the tax rates of 10.5 per cent, 17.5 per cent, and 28 per cent. If you’re invested under a trust or company, you may elect a zero per cent tax rate for your investment.

What is the amount to invest?

Neil: The minimum investment for our equity investments is \$50,000. You can purchase multiple shares in each investment up to a maximum of 20 per cent of the share parcels on offer.

Do investors get any of the capital gain?

Neil: The capital gain would be paid at the time of the sale of the property. Investors may receive a capital gain payment in addition to their original share price if the property is sold in excess of the original purchase price.

How much do you borrow from the bank?

Neil: Each investment opportunity varies but the typical lending amount is 47.5 per cent or lower. Over time through capital gain the loan to value ratio (LVR) should reduce. This is disclosed at each AGM for the investment. Bank funding allows an increase in an investor’s return on equity.

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