



PLACER PROPERTY INVESTOR NEWSLETTER

May 2016

The Stables Property Fund



Placer Property has launched The Stables Property Fund. The development of the Centre was managed by Placer Property and was opened in April 2015.

The Stables Shopping Centre is a new 5,606 square metre convenience based, neighbourhood shopping centre anchored by a large format Woolworths Supermarket and BWS liquor outlet. The Stables also accommodates a range of specialty tenants including cafes, a hairdresser and take away food outlets, as well as offering parking for 260 car directly in front of the centre.

The Stables Shopping Centre is located in Golden Grove, approximately 22 kilometres northeast of the Adelaide CBD. It is located on a highly visible corner site at the intersection of Golden Grove Road and Crouch Road in an affluent trade area.

Key features of the Fund include:

- **7.60%¹ Forecast Yield in FY16 and FY17**
- **Woolworths as anchor tenant**
- **WALE² of 11 Years by rental income**
- **High initial forecast \$0.95 Net Tangible Asset per Unit**

¹ Based on an issue price of \$1.00 per Unit. Distributions, capital growth and tax consequences are not guaranteed and are subject to the assumptions and risks contained in the PDS. Please refer to the PDS for further details.

² Weighted Average Lease Expiry.

In this edition:

The Stables Property Fund



NewActon East Property Fund



Placer Staff Profile



Property at a glance

Property	The Stables Shopping Centre.
Property location	1495 – 1497 Golden Grove Road, Golden Grove 5125, approximately 22 kilometres north east of the Adelaide CBD.
Property type	Neighbourhood Shopping Centre.
Property area	Net Lettable Area of 5,606 square metres.
Date opened	April 2015.
WALE (by income)	11 years (at May 2016).
Occupancy	93% (at May 2016) with 24 months rental guarantee for remaining vacant space.
Major tenant	Woolworths supermarket and BWS, 15 year lease plus 2 x 10 year options representing 74% of the total Centre area.
Larger tenants	HealthSense Medical Centre (328 square metres) and Chemmart Pharmacy (276 square meters) each leased for 10 years.
Other tenants	Seven other specialty shops, two kiosks and two ATMs. Retailers include BWS (Woolworths Liquor), Fresh Hair & Body, Winners Circle Newslotto, Café Aroma, Sushi Bar and The Chicken Home.

How to Invest

The Product Disclosure Statement offering Units in the The Stables Property Fund is available on the Placer Property web site, from the BoardRoom registry, or by contacting Placer Property. Direct investors need to complete the application form in the Product Disclosure Statement (PDS) and return it along with payment for the Application Amount and any Adviser Fee. Placer Property has the sole discretion whether to accept or reject an application. If you have questions regarding the Fund, or would like to order a PDS, please contact your financial advisor or Placer Property. Potential investors should consider and review the PDS when deciding whether to acquire Units in the The Stables Property Fund.

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info@placerproperty.com.au

www.placerproperty.com.au

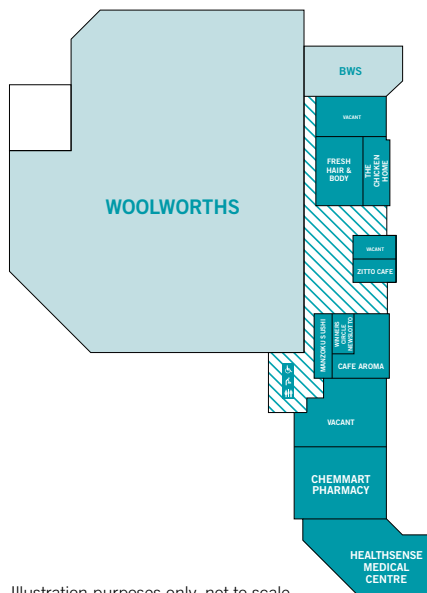


Illustration purposes only, not to scale

DISCLAIMER:

Placer Property Limited ACN 164 635 885, AFSL 442806 (**Placer Property**) has prepared this document and is the responsible entity of, and the issuer of Units in, The Stables Property Fund ARSN 167 742 672 (**Fund**). Before making an investment decision in relation to the Fund investors should read the Product Disclosure Statement dated 9 May 2016 (**PDS**) in full. Applications for Units can only be made on the application form accompanying the PDS. The information in this document is general information only and has been prepared without taking into account individual investors' objectives, financial situation or needs. Therefore, in deciding whether to acquire Units in the Fund, potential investors should read the PDS in full and consider consulting a financial or taxation adviser. Forward looking statements in this document and the PDS are subject to both known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of the Fund to be materially different from those expressed or implied in such forward looking statements.

PDS and Flyer now available on Placer website.
(Click on the pictures below to download)

Investment Details

Investment Type Units in an unlisted, single asset property trust

Responsible Entity Placer Property Limited
ACN 164 635 885, AFSL 442806

Forecast Distributions FY16: 7.60%, 100% Tax Deferred
FY17: 7.60%, 65% Tax Deferred

Distribution Frequency Quarterly

Minimum Application Amount \$10,000, issued at \$1.00 per Unit

Capital Raising \$16.48 million
6.2 years ending on or around 30 June 2022

Valuation \$28 million

Centre Occupancy 93%, with two year Rental Guarantee for existing vacant space

WALE 11.2 years by income
To June 2020, with interest rate exposure 100% hedged for the debt term

The Stables

The Stables Property Fund (Fund) owns The Stables Shopping Centre (The Stables or Centre), a new 5,606 square metre convenience based, neighbourhood shopping centre anchored by a large former Woolworths Supermarket and BWS liquor outlet. The Stables also accommodates a medical centre and pharmacy, and a range of specialty tenants including cafes, a discount variety store, a hardware and take away food outlets. The Stables provides parking for 250 cars directly in front of the Centre.

The Stables Shopping Centre is located in Golden Grove, approximately 22 kilometres north-east of the Adelaide CBD. It is located on a highly visible corner site at the intersection of Golden Grove Road and Crouch Road in an affluent trade area. The Centre's 11.2 year Weighted Average Lease Expiry (WALE) is underpinned by a 15 year lease to Woolworths and 10 year leases to HealthSense Medical Centre and Chemmart Pharmacy.

Together, Woolworths, BWS, HealthSense, and Chemmart account for 74% of the Centre's gross rental income, providing the Fund with a stable and secure income stream.

For more information, please contact us at 1300 132 099, info@placerproperty.com.au or 10 Pitt St, 2011, Melbourne, VIC 3001.

www.placerproperty.com.au

THE STABLES PROPERTY FUND

9 MAY 2016
Product Disclosure Statement

Responsible Entity: Placer Property Limited
ACN 164 635 885, AFSL 442806

• 7.6% Forecast Distribution Yield
• New Woolworths-anchored Shopping Centre
• Long Term Leases
• Quality Asset in Excellent Location

Centre surrounded by substantial residential development



NewActon East Property Fund

Property performance on track

NewActon East Property Fund (**Fund**) is performing well. The property remains fully leased with the next lease renewal opportunity, being the Pilates tenancy, not scheduled to occur until 28 February 2018. There are no significant operational property issues to report to Unitholders.

Strong fund performance

Placer Property has completed the Fund's financial report for the year ended 31 December 2015. A copy is available on the Placer Property web site, www.placerproperty.com.au.

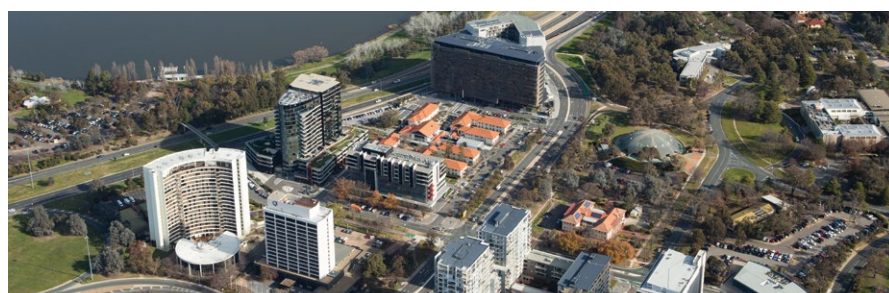
A review of the Fund's financials at 31 December 2015 against the Product Disclosure Statement (**PDS**) financial assumptions shows that the Fund is either on track or slightly ahead of the PDS forecasts to 31 December 2015.

The following table provides an analysis of a number of the Fund's key items.

Key information	31-Dec-15 Actual	31-Dec-15 PDS Forecast	Variance
Property			
Property valuation \$ million	47.25	45.01	+5.0%
Occupancy rate	100%	100%	-
WALE by income	7.8 years	7.8 years	-
Net property income \$ millions (6 months to 31 Dec 2015)	1.93	1.90	+1.6%
Fund			
Units on issue (thousand)	26,500	26,500	-
Forecast income distribution – FY16	8.60%	8.00%	+7.5%
Forecast tax deferred – FY16	80%	89%	-10.1%
Net tangible asset per unit (NTA)	\$0.94	\$0.87	+8.0%
Net tangible asset per unit (NTA) – adjusted for interest rate swaps ¹	\$0.95	\$0.87	+9.2%
Financial			
Profit attributable from operations \$ millions (6 months to 31 Dec 2015)	1.17	1.05	+10.8%
Total fund assets \$ million	48.46	46.09	+5.1%
Total fund liabilities \$ million ¹	23.59	23.00	+2.6%
Fund net assets \$ million	24.90	23.10	+7.8%
Financing			
Debt \$ million	22.50	22.50	-
Gearing ratio	46.4%	48.8%	-4.9%
Interest Cover Ratio – times	3.72	3.14	+18.5%

Notes

¹ The Fund fixed (hedged) its interest rate exposure to September 2019 through the use of interest rate swaps in order to provide greater certainty to investors. Interest rate movements have resulted in an out of the money position of \$392,223 (an increase of \$186,636 from 30 June 2015) as at 31 December 2015, which is recorded on the Statement of Financial Position as a liability. The increase in the liability has the impact of reducing the Fund's NTA by \$0.01 per Unit. Note this is a non cash item and does not impact the Fund's current distributions.



Property and Fund performance on track



2016 Distribution timetable

The distribution timetable for calendar 2016 is as follows:

Quarter ending	31 Mar 2016	30 Jun 2016	31 Sept 2016	31 Dec 2016
Distribution payment	9 May 2016*	8 Aug 2016*	8 Nov 2016	8 Feb 2017

The distribution dates listed in the table above are indicative only and may be subject to change.

* FY2016 distribution payments have been calculated on a daily basis. Therefore the March 2016 (paid 9 May 2016) and Jun 2016 (to be paid 8 Aug 2016) quarterly distributions are slightly less than Sept and Dec 2015 quarterly payments. In total, FY2016 distributions to investors will equate to 8.60% p.a.

Annual RG46 Return available on Placer website

The Australian Securities and Investments Commission (ASIC) requires fund managers to provide investors with a biannual report that includes specific investment information, as stipulated by ASIC, in its Regulatory Guide 46 (RG46) - Unlisted Property Scheme: improving disclosure for retail investors. The report includes information about gearing, net tangible assets, distributions, withdrawals, related party transactions, and so on. The purpose of the report is to update investors on the status of this key information for their fund. You can find a copy of the report on our website www.placerproperty.com.au, under Investor Communications, in the News and Media section. Placer makes this guide available to all investors on a six monthly basis.



Placer Property Staff Profile

Mario Papaleo Joint Managing Director

Mario is Joint Managing Director in September 2013. Mario has more than 19 years' experience in direct real estate, listed and unlisted property investment and funds management.

Mario's primary role at Placer is to identify property opportunities and determine their suitability for investment. In determining their suitability, reviews are undertaken on the property cash flow, lease expiry profile, location and long term investment appeal. Mario

identified NewActon East and the Stables Shopping Centre development and prepared the initial investment cases for the Placer Investment Committee to consider.

Mario worked for McDonald's Australia in their store development group, and then as an economic consultant for Jebb Holland Dimasi where he gained valuable insight into retail operations and decision-making.

Mario's first property funds management role was in 1997 at Heine Investment Management Limited as the fund analyst for the Heine ASX listed Prime Credit Property Trust which invested in Australian government tenanted offices. Mario's involvement in the unlisted property funds sector commenced in 1999 when he worked as fund manager on the Heine Property Syndicate – Fund No. 3, which consisted of two assets located in regional NSW and Queensland.

Before forming Placer, Mario worked at Centro as Fund Manager for the ASX listed Centro Retail Trust during that fund's restructure and aggregation to form part of Federation Centres (now Vicinity Centres). He was part of the team devising the strategy for contingency planning, divestments, financing and restructuring the fund.

In 2007 Mario worked in London meeting potential joint venture parties and investment opportunities in continental Europe.

Mario holds a Bachelor of Business (Property) from RMIT University and a Graduate Diploma of Applied Finance and Investment from the Securities Institute of Australia.

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We immediately liked NewActon for its many great features including its tenancy profile, location, building design and quality. The acquisition was negotiated in good faith with the original developers who have done an exceptional job in establishing the NewActon Precinct in Canberra, and continue to have an ongoing and significant investment in the precinct.”

Contact Us

Should you have any questions, please contact Placer Property.

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