NEWACTON EAST PROPERTY FUND

24 SEPTEMBER 2014
Product Disclosure Statement

- 7.75% forecast distribution yield
- Commonwealth Government tenant (ACCC)
- Long term leases
- Quality asset in prime location

PLACER PROPERTY

Important Information

Product disclosure statement

This Product Disclosure Statement (**PDS**) relates to an offer to invest in the NewActon East Property Fund (ARSN 601 457 229) (**Fund**). The Fund is a registered managed investment scheme under the Corporations Act 2001.

This PDS is dated 24 September 2014. ASIC takes no responsibility for the contents of this PDS and expresses no view regarding the merits of the investment set out in this PDS.

This is an important document that needs your attention. You should read this PDS in full before deciding whether to invest in the Fund. If you are in doubt as to how to interpret or deal with this document you should consider obtaining professional advice (such as from a stockbroker or financial adviser).

Responsible Entity and issuer of this PDS

Placer Property Limited (ACN 164 635 885, AFSL 442806) in its capacity as responsible entity of the Fund (Responsible Entity) is the issuer of this PDS and the Units offered under this PDS.

Eligibility

The offer of Units made in this PDS (**Offer**) is available only to those persons receiving this PDS (electronically or otherwise) within Australia. No action has been taken to register Units or otherwise permit a public offering of Units in any jurisdiction outside Australia.

This PDS does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an invitation.

The distribution of this PDS in jurisdictions outside Australia may be restricted by law. Persons who come into possession of this PDS who are not in Australia should seek advice on, and observe any such restrictions in relation to, the distribution or possession of this PDS. Any failure to comply with any such restrictions may constitute a violation of applicable securities law.

Other than as permitted by law, investments in the Fund will only be accepted following receipt of a properly completed Application Form.

No Cooling off Period

No cooling off rights apply to an application for Units.

Wrap accounts

The Responsible Entity authorises the use of this PDS as disclosure to indirect investors who access the Fund through an IDPS or IDPS-like scheme (commonly known as a wrap account) or nominee or custody service (**Wrap Account**) and those investors (**Indirect Investors**) may rely on this PDS.

Indirect Investors do not become, or have the same rights as, direct investors. The operator or custodian of the Wrap Account (**Operator**) will be recorded as the Unitholder in the Fund unit register and will be the person who may exercise the rights and receive the benefits of a Unitholder. Reports and documentation relating to the Fund will be sent to the Operator instead of the Indirect Investor.

Indirect Investors may be subject to different rules and conditions from those set out in this PDS, particularly in relation to:

- the application and transfer of Units;
- fees and expenses; and
- distribution calculation and timing of payments.

Indirect Investors should contact their advisor or Operator with any queries relating to an investment in the Fund using a Wrap Account.

General information only

The information contained in this PDS is not financial product advice. The information contained in this PDS is general information only and does not take into account your investment objectives, financial situation and particular needs. It is therefore important that you read this PDS in full before deciding whether to invest in the Fund and take into consideration your investment objectives, financial situation and particular needs. If you are in any doubt, you should consider consulting your financial advisor, stockbroker or other professional advisors.

Disclaimer

An investment in Units is not an investment in, or a deposit with, or other liability of, the Responsible Entity and is subject to investment and other risks including possible delay in repayment and loss of income and capital invested. None of the Responsible Entity or any of its directors, officers or associates gives any guarantee or assurance as to the performance of the Fund or the underlying assets of the Fund, or the repayment of capital from the Fund or any particular rate of capital or income return.

You should only rely on the information in this PDS when deciding whether to invest in the Fund. No person is authorised to give any information, or to make any representation, in connection with the Fund that is not contained in this PDS. Any information or representation not contained in this PDS may not be relied upon as having been authorised by the Responsible Entity in connection with the Fund.

PDS availability

This PDS may be viewed online at, or downloaded from, the Responsible Entity's website www.placerproperty.com.au. If you access the electronic version of this PDS, you should ensure that you download and read this PDS in full.

A paper copy of this PDS is available free of charge to any person in Australia by calling the Responsible Entity on 1300 132 099.

Updated information

The information in the PDS is current as at the issue date but may change from time to time. Where information that changes is not materially adverse to investors, the Responsible Entity will update this information by publishing changes at www.placerproperty.com.au. A paper copy of any updated information is available free of charge on request. The Responsible Entity will update the PDS if there is a materially adverse change to information contained in the PDS.

Continuous disclosure

In accordance with ASIC regulatory Guide 198 "Unlisted disclosing entities: Continuous disclosure obligations", the Responsible Entity advises that it will fulfil its continuous disclosure requirements by way of website disclosure which complies with ASIC's good practice guidance. Unitholders may access material information regarding the Fund from the Responsible Entity's website at www.placerproperty.com.au.

Date of information

Unless otherwise specified, all financial and operational information contained in this PDS is stated as at the date of this PDS.

Forward-looking statements

This PDS contains forward looking statements which are subject to 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. Past performance is not a reliable indicator of future performance.

Cover photograph

The cover photograph shows NewActon East. The Fund has not acquired all parts of the building shown in the photograph.

Photographs

Unless stated otherwise, all of the photographs in this PDS show all or part of the NewActon East building. The Fund has only acquired the commercial part of the building.

Defined terms

Definitions of certain terms used in this PDS appear in the glossary at Section 12.

References to currency are to Australian currency unless otherwise specified.

References to times are to Australian Eastern Standard Time unless otherwise specified.


NewActon East (rear view) – The Fund has acquired the commercial areas of the building shown in the photograph.

Chairman's Letter

24 September 2014

Dear investors,

We are pleased to offer you the opportunity to invest in the NewActon East Property Fund (**Fund**), which holds a direct property investment in the commercial part of NewActon East, an award winning office and mixed-use building located in the Canberra Central Business District (**Property**).

This investment opportunity offers applicants in the Fund the following key features:

Attractive Yield – Forecast annualised distribution yield of 7.75% in FY15 and 8.00% in FY16.

Commonwealth Government Tenant – 79.8% of the Property's rental income will be sourced from the Property's major tenant, the Australian Competition & Consumer Commission, an independent Commonwealth of Australia statutory authority (**ACCC**).

Long Leases – The ACCC lease expires on 31 July 2022. The weighted average lease profile of the Property is 9.2 years by rental income.

Fixed Rental Increases – The Property benefits from fixed annual rental increases of between 3.35% and 3.50%.

High Occupancy – The Property currently has a 98.5% occupancy rate.

Quality Asset in Prime Location – The Property is part of an award winning modern "A Grade" building known as NewActon East and is located in the NewActon precinct of the Canberra CBD. The precinct was awarded the best large scale delivered outcome project in the 2014 Australia Award for Urban Design. The precinct is only three kilometres from Parliament House.

Experienced Management Team – Placer Property, the Responsible Entity, draws on the skills and experience of the senior management team who each have more than 18 years property and funds management experience.

Defined Investment and Exit Strategy –The Fund will only own this asset and the investment term is scheduled to end on 30 June 2021. It is intended that the Property will be marketed for sale at that time.

The Property is located at 21-23 Marcus Clarke Street, NewActon, Canberra, Australian Capital Territory. It has been chosen by the Responsible Entity for its secure income stream and strong tenancy profile. The building was constructed in 2007 and has won numerous design awards. It was designed by Fender Katsalidis Architects.

NewActon East is a modern eight level mixed-use building comprising a small retail area, major office component, 32 residential apartments on the upper levels and 176 car parking spaces. The Fund has acquired the commercial part of NewActon East, which includes the ground floor office and retail areas, the four level office space occupied by the ACCC, plus 115 car parking spaces.

The Property's tenants include the ACCC (6,251 square metres or 79.8 % of the Property's income), Colliers International (573 square meters or 9.8 % of the Property's income) and other tenancies located on the ground floor including a café and grocer and a Pilates studio.

The Property has been valued at $45.1 million by an independent valuer (Knight Frank) as at 1 August 2014.

The term of the Fund is expected to be approximately seven years to June 2021 unless the Property is sold earlier or Unitholders agree to extend the term of the Fund.

It is important that you read this PDS carefully, including Section 5 on key risks relating to investing in the Fund, before making your decision to invest. You should seek your own advice from a financial, taxation or other professional adviser if necessary.

We commend this offer to you and look forward to welcoming you as an investor in the Fund.

Yours sincerely

M Herskope

Michael Herskope

Chairman

Placer Property Limited

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NewActon East – The Fund has acquired the commercial parts of the building shown in the photograph foreground

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01 Investment Overview and Important Dates

Key Features of Offer	Detail	Section
Total Offer Amount	$26.5 million	2.3
Issue Price	$1.00 per Unit	2.3
Minimum Application Amount per Investor	10,000 Units ($10,000) and in multiples of 5,000 Units ($5,000) thereafter.[1]	2.3

Key Features of the Fund	Detail	Section
Investment Objective	The Fund aims to provide investors with sustainable and considerably tax deferred income with the potential for capital growth through an investment in an A-Grade building located in the Canberra CBD.	2.1
Fund Type	NewActon East Property Fund is a single asset, closed ended, unlisted property trust.	2.1
Distributions	**Forecast**	
	The Responsible Entity has forecast annualised distributions from the Fund at 7.75% per annum in FY15 and 8.00% per annum in FY16.	2.5
	Frequency	
	The first distribution will be made for the period ending 31 December 2014. Thereafter, distributions will be paid quarterly in arrears.	2.5
	Investors who apply for Units prior to the First Closing Date will receive a pro rata interest distribution at a rate forecast to be 7.75% per annum from the date of issue of their Units (usually within five days of receipt of the application) up to the First Closing Date.	
	Tax Deferred[2]	
	The Responsible Entity anticipates that the Fund's distributions for the Forecast Period will be 95% tax deferred in FY15 and 89% tax deferred in FY16.	2.5
Forecast Period	2 September 2014 to 30 June 2016.	2.5
Term of the Fund	The Responsible Entity proposes to end the Fund on or around 30 June 2021. At this time the Property will be marketed for sale. The Responsible Entity may terminate the Fund earlier if it considers that would be in the best interests of Unitholders, for example taking advantage of a strong selling opportunity. The Responsible Entity will only extend the term of the Fund if it receives approval by Special Resolution passed at a meeting of Unitholders. Any extension will not exceed two years. As an alternative to a two year extension, the Fund may be renewed for a further term provided all Unitholders who wish to exit the Fund can do so. Such a renewal must also be approved by a Special Resolution. The Fund should be considered illiquid. The Responsible Entity does not intend to provide for any redemption facility to be available during the term of the Fund.	2.4
Responsible Entity and Manager	Placer Property Limited is the Responsible Entity and has outsourced a number of fund and property administration functions to the Manager, Placer Property Management Pty Ltd. The Manager is a related party of the Responsible Entity.	2.5

The Fund has acquired the commercial part of NewActon East, which includes the ground floor office and retail areas, the four level office space occupied by the ACCC, plus 115 car parking spaces.

Key Features of the Fund	Detail	Section
Investment Strategy	To achieve the Fund's investment objective, the Responsible Entity proposes to, where possible: ▪ actively manage the Property, tenancies and stakeholders such as property managers, to maximise the Property's income and capital growth potential; ▪ ensure the Property is well presented and maintained; ▪ minimise the operational costs of the Property to improve net income; ▪ actively seek value adding opportunities for the Property; and ▪ regularly review the Property and its performance to determine if it is appropriate to market the Property for sale in order to maximise returns to investors.	2.1
Debt Finance	The Responsible Entity on behalf of the Fund has secured a loan for a period of five years from National Australia Bank Limited (**Debt Facility**), representing an initial Gearing Ratio of 49% as at the First Closing Date.	2.5
Gearing	The gearing target for the Fund is 50%.	2.5
Interest Rate Hedging	The strategy for the Fund is to minimise interest rate risk by securing interest rate hedges. The Responsible Entity has entered into an interest rate swap over $22.5 million of the Debt Facility to hedge the variable interest rate payable for the Forecast Period. Following the First Closing Date, the Responsible Entity intends to hedge up to 100% of the interest rate exposure for the remaining term of the Debt Facility.	2.5
NTA Per Unit	The initial Net Tangible Asset (**NTA**) per Unit is forecast to be $0.87 per Unit as at the First Closing Date.	2.5

Property Overview	Detail	Section
Property	The Property is the commercial part of NewActon East, an A-Grade office and mixed use building.	3.2
Description	NewActon East is a modern eight level mixed-use building comprising a small retail area, major office component, 32 residential apartments on the upper levels and 176 car parking spaces. The Fund has acquired the commercial part of NewActon East, which includes the ground floor office and retail areas, the four level office space occupied by the ACCC, plus 115 car parking spaces, together totalling 7,503 square meters of gross lettable area. The residential component of NewActon East is not part of the Property and is not being acquired by the Fund.	3.2
Location	The Property is situated in the NewActon precinct at 21-23 Marcus Clarke Street, Canberra, Australian Capital Territory. The NewActon precinct is located in the south-western zone of the Canberra CBD, located three kilometres from Parliament House.	3.2
Valuation	The Property has been independently valued as at 1 August 2014 by Knight Frank at $45,100,000.	4
Occupancy and WALE (by income)	98.5% occupied with a weighted average lease expiry (**WALE**) profile of 9.2 years (including the car park leases).	3.2

01 Investment Overview and Important Dates

Property Overview	Detail	Section
Major Tenancy	Australian Competition & Consumer Commission (**ACCC**), which represents 79.8% of the Property by income and 83.3% of gross lettable area. The ACCC lease expires on 31 July 2022. The ACCC has an option to renew the lease for a further five years. The ACCC is only required to pay statutory outgoings for the premises. If statutory outgoings increase, the landlord is responsible for the first 3.35% of the increase and the ACCC is required to pay the increases over and above the 3.35%.	3.4
Risks	As with most investments, the future performance of the Fund can be influenced by a number of factors that are outside the control of the Responsible Entity. The key risks are discussed in Section 5 and include:	5
	▪ **General investment risks** – including a down turn in general economic and market conditions, unfavourable movements in interest rates or inflation, changes to the law and natural disasters, including terrorist attack or war;	5.1
	▪ **General property investment risks** – including the risk that property values decline and the risk that there is a decrease in Fund income;	5.2
	▪ **Specific Property and tenancy risks** – including risks associated with the exercising of any future lease renewal options, abatement of rent, termination of leases, vacancies, tenancy renewals, unforeseen capital expenditure, lease default and variation, and insurance risk; and	5.3
	▪ **Fund risks** – including risks associated with debt financing, use of counterparties and gearing, interest rate exposure, legal, taxation and stamp duty changes, other regulatory changes, lack of portfolio diversification and unexpected litigation.	5.4
Management Fee	0.5% per annum of the Gross Asset Value (**GAV**) of the Fund.	7.1, 7.2
Performance Fee	20% of the portion of outperformance of the Fund over an Internal Rate of Return (**IRR**) of 10.0% per annum.	7.2
Transaction Fee	2.0% of the purchase price of the Property.	7.2
Disposal Fee	Up to 1.5% of the sale price of the Property. Payments and commissions to external parties such as real estate agents involved in the Property sale are included in this fee and will not be an additional cost to the Fund.	7.2
Other Expenses	Estimated at 0.21% per annum of GAV.	7.2

Important Dates	Detail	Section
Offer Opening Date	24 September 2014	1
Issue of Units	Units will generally be issued within five business days of receipt of a valid application[3]. The issue price for Units offered under this PDS is $1.00 per Unit. This is the amount you are required to pay when you submit an Application Form. Prior to the First Closing Date, Units will be issued on a partly paid basis, initially paid up to $0.01. The remaining $0.99 per Unit paid by investors (**Instalment Moneys**) will be held separately by a related body corporate of the Custodian, as security for the final instalment. Any Units issued under this PDS on or after the First Closing Date will be issued on a fully paid basis at an issue price of $1.00.	2.5

Important Dates	Detail	Section
First Closing Date	31 December 2014. The Responsible Entity may nominate an earlier date as the First Closing Date if it determines that sufficient funds have been raised under the Offer to: ▪ reduce Fund gearing to 49%; and ▪ fund the redemption of an adequate number of Acquisition Units. The Responsible Entity in its discretion may extend the First Closing Date to 31 March 2015 if it has a reasonable expectation of raising sufficient funds by this date. On the First Closing Date, assuming adequate funds have been raised, the Instalment Moneys will be transferred to the Fund and all partly paid Units will become fully paid. If sufficient funds have not been raised under the Offer to reduce Fund gearing to 49% and fund the redemption of an adequate number of Acquisition Units by 31 December 2014 (or extended date), the initial payment of $1.00 per Unit will be returned to each Applicant, plus an income return of 7.75% per annum calculated on a pro rata basis from the date of issue of the relevant Units to their date of redemption.	2.5
First Distribution	Paid in respect of the period ending 31 December 2014. Investors who apply for Units prior to 31 December 2014 will receive a pro rata interest distribution at a rate forecast to be 7.75% from the date of issue of their Units.	2.5

Notes
1 The Responsible Entity may waive or vary the minimum Application Amount requirements in its discretion.
2 Distributions accrued prior to the First Closing Date may contain a lower tax-deferred amount.
3 The Responsible Entity may accept or reject an application for Units in its absolute discretion.

NewActon East – The Fund has not acquired the residential components of the building.

02 Fund Offer and Structure


NewActon East (rear view) – The Fund has acquired the commercial areas of the building shown in the photograph.

PLACER PROPERTY

2.1. Investment Objective

The Fund's aim is to provide Unitholders with sustainable and considerably tax deferred income with the potential for capital growth through an investment in an A-Grade mixed use building located in the Canberra CBD.

The Responsible Entity believes that the Property meets the Fund's investment objective as:

- the Property's income is underpinned by the ACCC, which accounts for 79.8% of the projected rental income over the Forecast Period;
- the existing leases have fixed annual rental increases of between 3.35% and 3.50%;
- the ACCC lease expires on 31 July 2022 and the long Property WALE of 9.2 years helps to provide predictability of future income streams; and
- the Property has a high occupancy rate of 98.5%.

To achieve the Fund's investment objective, the Responsible Entity will:

- actively manage the Property and its relationships with its tenants and stakeholders such as property managers, to maximise the Property's income and capital growth potential;
- ensure the Property is well presented and maintained;
- minimise the operating costs of the Property to improve net property income;
- actively seek value adding opportunities to the Property; and
- regularly review the Property and its performance to determine if it is appropriate to market the Property for sale in order to maximise returns to Unitholders.

NewActon East Property Fund is a single asset, closed ended, unlisted property trust. To add predictability to the Fund's future income stream, the Responsible Entity has implemented interest rate hedging. The interest rate hedging and debt position will also be actively managed, refer to Section 2.5.

The Property's income is underpinned by the ACCC, which accounts for 79.8% of the projected rental income over the Forecast Period.

2.2. The Property

NewActon East is a modern eight level mixed-use building comprising a small retail area, major office component, 32 residential apartments on the upper levels and 176 car parking spaces.

The Fund has acquired the commercial part of NewActon East, which includes the ground floor office and retail areas, the four level office space occupied by the ACCC, plus 115 car parking spaces, together totalling 7,503 square meters of gross lettable area. The residential component of NewActon

NewActon East – Main Office Foyer.

02 Fund Offer and Structure

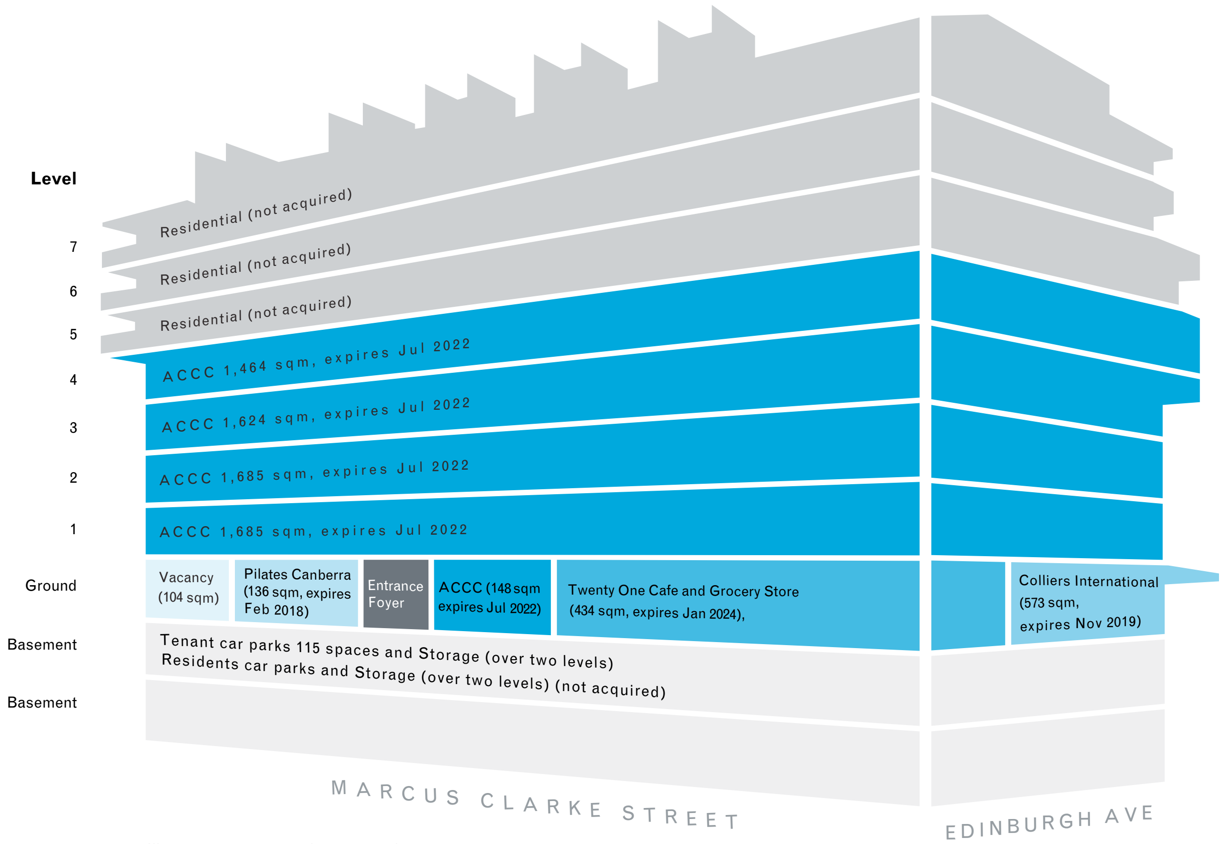


Illustration purposes only, not to scale.
Does not accurately reflect locations of ground floor tenants and vacancy.

East is not part of the Property and is not being acquired by the Fund.

The Property is located at 21-23 Marcus Clarke Street, Canberra, Australian Capital Territory. The Property is situated in the NewActon precinct, which is located at the south-western zone of the Canberra CBD and is three kilometres from Parliament House.

2.3. The Offer

The Responsible Entity is seeking to raise $26.5 million (**Total Offer Amount**) by the issue of 26.5 million ordinary Units at an issue price of $1.00 per Unit (**the Offer**). The Offer will open on 23 September 2014.

The Fund acquired the Property on 2 September 2014. The Responsible Entity has arranged for Placer Equity, an associated company of the Responsible Entity to partially fund the acquisition. This funding involved Placer Equity subscribing for 18.5 million Acquisition Units. The National Australia Bank has provided the balance of the acquisition funding under a loan facility for $29.3 million.

The proceeds of the Offer will be used to redeem the Fund's Acquisition Units, and to reduce gearing to 49%.

Placer Equity has indicated that it may hold up to 25% of its Acquisition Units after the First Closing Date.

First Closing Date

The First Closing Date is expected to be 31 December 2014. If the Responsible Entity determines that sufficient funds have been raised under the Offer to reduce Fund gearing to 49% and redeem an adequate number of Acquisition Units, the Responsible Entity may bring forward the First Closing Date to an earlier date.


NewActon Precinct Sculpture

If sufficient funds have not been raised by 31 December 2014, the Responsible Entity may extend the First Closing Date to 31 March 2015 if it has a reasonable expectation of raising sufficient funds by this date.

Investment Prior to First Closing Date

The issue price for ordinary Units under the Offer is $1.00. This is the amount you are required to pay when you submit an Application Form. The $1.00 per Unit you pay is made up of the initial Application Amount of $0.01 per Unit and the remaining $0.99 per Unit (**Instalment Moneys**), which will be held separately by a related body corporate of the Custodian as security for the second and final instalment. If sufficient funds have been raised under the Offer, the Instalment Moneys will be transferred to the Custodian on the First Closing Date.

> The existing leases have fixed annual rental increases of between 3.35% and 3.50%.

If Insufficient Funds are Raised

If sufficient funds have not been raised by the First Closing Date, all Units will be redeemed and the full amount paid by investors will be returned. Investors will also be entitled to a pro rata income distribution of 7.75% per annum for the period invested.

Units Issued After First Closing Date

The application price for Units after the First Closing Date is $1.00. These Units will be issued on a fully paid basis, with the proceeds used to fund the redemption of any remaining Acquisition Units.

Final Closing Date

If sufficient funds have been raised by the First Closing Date, but less than the Total Offer Amount has been raised, the Responsible Entity may elect to keep the Offer open until the earlier of the date that 1) sufficient funds are raised to redeem any remaining Acquisition Units or 2) the Responsible Entity closes the Offer, (**Final Closing Date**).

Acquisition Units

Placer Equity is the sole holder of Acquisition Units. All of the Acquisition Units are redeemable at a redemption price of $1.00 per Acquisition Unit.

Any Acquisition Units remaining after the First Closing Date will convert to Units on the earlier of:

- the Final Closing Date;
- 31 December 2015; and
- the date requested by Placer Equity.

This means that all Acquisition Units will have been redeemed or converted to Units by 31 December 2015 at the latest.

Minimum Investment

A minimum of 10,000 Units ($10,000) must be applied for under the Offer. Applications in excess of 10,000 Units must be made in multiples of 5,000 Units ($5,000).

The Responsible Entity may waive the minimum Application Amount requirements at its discretion, does not currently intend to accept additional applications once the Total Offer Amount has been raised and may scale back any application for Units or reject in full any application pursuant to this Offer.

Cooling Off Rights

As the Fund will be 'illiquid' for the purposes of the Corporations Act, no cooling off rights are available to investors.

Transferring Units

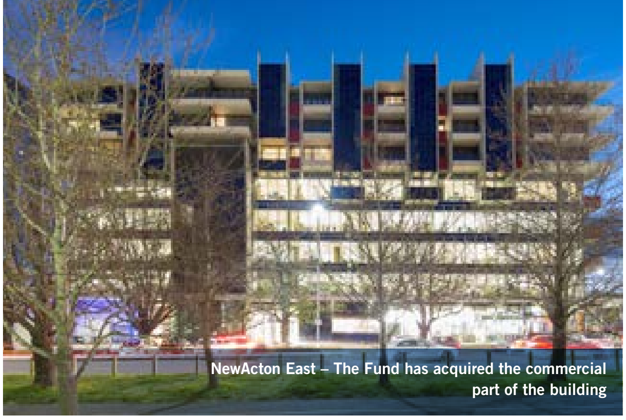
There is no redemption facility for Unitholders and therefore an investment in the Fund should be considered illiquid.

Unitholders will be able to transfer their Units to a third party in accordance with the Constitution. Transfers will not be effective until registered by the Responsible Entity. The Responsible Entity may refuse to register any transfer of Units.

2.4. Term of the Fund and Exit Strategy

The initial term of the Fund is expected to end on or about 30 June 2021 (Initial Term). At the end of the Initial Term the Property will be marketed for sale.

If the Responsible Entity considers that it is in the best interests of Unitholders, it may seek to sell the Property and terminate the Fund at an earlier time.


NewActon East – The Fund has acquired the commercial part of the building

On or about the end of the Initial Term, the Responsible Entity may decide to convene a meeting and seek approval of Unitholders by Special Resolution to extend the term of the Fund for a further period of up to two years. A Special Resolution which requires at least 75% of votes cast by Unitholders entitled to vote to be voted in favour of the resolution.

As an alternative to a two year extension, the Fund may be renewed for a further term provided all Unitholders who wish to exit the Fund can do so. The exiting Unit price will be based on Fund net asset value, and will be supported by an independent valuation of the Fund's real estate assets. Any renewal of the Fund term will also require approval by Special Resolution.

2.5. The Fund

The Fund is a unit trust. Investor's money is pooled and used by the Responsible Entity on behalf of the Fund to own the Property and other assets. The Fund will also use debt to assist in the purchase of the Property. Each Unit will provide a beneficial interest in the Fund's assets, including the Property.

Responsible Entity

Placer Property is the Responsible Entity of the Fund and the issuer of this PDS and the Units to be issued under this PDS.

The Board of Placer Property comprises four Directors; two executive directors and two non-executive directors including the Chairman.

For further information on Placer Property and each Director, see Section 10.

Distribution Policy

The Responsible Entity intends that the Fund will make distributions every quarter with the record dates for such distributions being 31 March, 30 June, 30 September and 31 December each year. The first distribution is anticipated to be made after the period ending 31 December 2014. Distributions will normally be paid within six weeks following the end of a quarter.

- Applications Prior to the First Closing Date:
  1. From the date of issue of the relevant Units to the First Closing Date, Unitholders will receive an income distribution equivalent to 7.75% per annum for the period having regard to the number of days the Units were on issue.
- Applications After the First Closing Date:
  1. For the period following the issue of Units after the First Closing Date to the next quarter ending, Units will receive a pro rata distribution having regard to the number of days during that period on which the Unitholder held those Units.
  2. Thereafter, distributions will be paid quarterly in arrears to all Unitholders.

The annualised cash distributions forecast during the Forecast Period is:

Year 1 (to 30 June 2015)	7.75 cents per Unit
Year 2 (to 30 June 2016)	8.00 cents per Unit

All distributions must be paid by electronic funds transfer directly into a nominated Australian bank account or an account with a financial institution (where there is a branch in Australia). Distributions will not be paid by cheque.

The Responsible Entity intends that distributions will generally be made in line with the Fund's cash from operations that are available for distribution. However, in accordance with the Constitution, distributions may include a return of capital, or a portion of the cash from operations available for distribution may be withheld in one period to smooth distributions and/or provide working capital for future periods.

The Responsible Entity will provide Unitholders each year with an annual tax statement which will summarise the distributions paid/payable in respect of that income year and the tax components, including any tax deferred component of that distribution.

Changes in interest rates, the level of gearing and other risk factors may influence the actual distribution or the tax deferred component of a distribution. Neither the Responsible Entity, the Custodian or their directors guarantee returns from the Fund. See Section 7 for further details on distributions and Section 5 on the key risks associated with distributions.

Fund income is expected to be primarily derived from rental income from the Property. These distributions are expected to be sustainable over the next 12 months.

Tax Deferred

The tax deferred portion of the forecast distribution for the Forecast Period is estimated to be:

Year 1 (to 30 June 2015)	95%
Year 2 (to 30 June 2016)	89%

Risk

Important information regarding the risks associated with an investment in the Fund is set out in Section 5.

Valuation and Valuation Policy

The Responsible Entity has, and complies with, a Valuation Policy that will apply to the Fund. The Valuation Policy requires that:

- Any valuer be independent and appropriately licensed;
- Contains procedures to ensure rotation and diversity of valuers; and
- Contains procedures for dealing with any conflicts of interest.

The Responsible Entity intends that the Property will be independently valued annually by a qualified valuer commencing 30 June 2015.

The Responsible Entity may have the Property independently revalued at other times when it believes there has been a significant change in the value.

The Property was independently valued on 1 August 2014 by Knight Frank at a value of $45.1 million. The valuation has been determined using a combination of the capitalisation of net income, discounted cashflow analysis and direct comparison. The capitalisation rate used by the valuer was 7.5%. A summary of this valuation is set out in Section 9 and the risks associated with the valuation are outlined in Section 5.

A copy of Valuation Policy can be obtained by contacting the Responsible Entity.

Net Tangible Assets and Unit Pricing Policy

The Net Tangible Asset (**NTA**) calculation can help investors understand the value of the assets.

The NTA is calculated as the total assets of the Fund, minus any intangible assets, less all liabilities. The Fund's NTA is shown on a per unit basis. The NTA is calculated in accordance with the following formula:

$$\text{NTA} = \frac{\text{Net assets} - \text{intangible assets} +/- \text{other adjustments}}{\text{Number of Fund units on issue}}$$

NTA is calculated using information contained in the pro forma balance sheet of the Fund (Section 7).

As at the date of this PDS, the Fund has a forecast NTA per unit of $0.87[1].

Debt Facility

The acquisition of the Property and associated Fund establishment costs have been funded by Placer Equity (through the issue of Acquisition Units) and borrowings of $29,315,000.

Under the Debt Facility, the Responsible Entity on behalf of the Fund has borrowed $29,315,000 from National Australia Bank. Part of the capital raising proceeds will be used reduced the Debt Facility to $22,500,000, representing a 49% Gearing Ratio.

The borrowings are secured by a mortgage over the Property and a general security over the assets of the Fund. Further details of this loan are set out under Debt Facility in this section and in Section 11.11.

The initial borrowings are structured on an interest only basis. The principal is not due to be repaid until the end of the loan term. The loan term is for approximately five years and on maturity the loan is anticipated to be refinanced. Interest payments will be paid from income generated by the Property.

The terms of the Debt Facility are set in Section 11.11.

NewActon East (side rear view) – The Fund has acquired the commercial part of the building

1 Assuming all Acquisitions Units have been redeemed.

Gearing

The amount of debt the Fund has borrowed compared to the gross assets of the Fund is referred to as its gearing. Gearing both increases the potential returns to Unitholders, as well as potential risks by magnifying capital losses. The higher the gearing the greater the associated risk.

The Gearing Ratio and interest cover ratio (see below) both give an indication of the potential risks faced by the Fund as a result of its borrowings due to, for example, an increase in interest rates or a decrease in property value.

The repayment of loan principal and interest ranks ahead of Unitholders equity in the Fund and payment of interest on borrowings must be funded before any distributions to Unitholders. As a result, the borrowing terms and conditions are important factors to consider.

The risks associated with gearing are further set out in Section 5.

Gearing Ratio

The Gearing Ratio at the First Closing Date is forecast to be 49% using the following formula and the financial information found in Section 7:

$$\text{Gearing ratio} = \frac{\text{Total interest bearing liabilities}}{\text{Total assets}}$$

Under the Debt Facility, the lender's gearing requirements differ to the above Gearing Ratio as they adopt a loan to value ratio (**Bank LVR**) approach instead. For further information refer to Section 11.11.

The Fund expects the Gearing Ratio at the First Closing Date to be maintained at or around 49% during the Forecast Period versus a Bank LVR covenant of 60%. A copy of the Gearing Policy and Interest Cover Policy can be obtained by contacting the Responsible Entity.

Interest Cover Ratio

During the term of the Debt Facility, interest is paid on the principal amount of the loan from earnings of the Fund. The ratio between earnings and interest is called the interest cover ratio (**ICR**). The lower the ICR the greater the associated risk.

The ICR at the date of First Closing Date is forecast to be above 3.1 times using the following formula and the financial information found in Section 7.

The EBITDA (earnings before interest, tax, depreciation, straight lining of rentals and amortisation) and interest expense used in the calculation is based on a number of assumptions set out in the financial information in Section 7.

$$\text{Interest Cover Ratio} = \frac{\text{EBITDA – unrealised gains + unrealised losses}}{\text{Interest expense}}$$

The ICR measures the ability of the Fund to meet its interest payments on borrowings from its earnings.

The Fund expects the ICR to be maintained above 3.0 times during the Forecast Period. Please note that the ICR is different to the interest cover ratio required by National Australia Bank under the Debt Facility covenant.

The ICR based on the National Australia Bank's calculation is forecast to be in excess of 3.2 times at 30 June 2015, compared to a covenant of 1.75 times specified in the Debt Facility. Please see Section 11.11 for more information.

Interest Rates and Hedging

The Responsible Entity intends to actively manage interest rate risk in order to reduce interest expense volatility as part of its capital management strategy.

The Responsible Entity has entered into an interest rate swap over $22.5 million of the Debt Facility to hedge the variable interest rate payable for the Forecast Period. Following the First Closing Date, the Responsible Entity intends to hedge the Fund's interest rate exposure from the end of the Forecast Period for the remaining term of the Debt Facility. The Responsible Entity may also engage in interest rate hedging at other times.

Related Party Transactions

The Responsible Entity must:

- act in the best interests of its Unitholders and meet its other fiduciary obligations;
- act on a commercial arm's length basis at all times, particularly if the counterparty to a transaction is a related party; and
- comply with all legal and compliance requirements.

In accordance with its powers under the Constitution, the Responsible Entity has appointed a related party, Placer

NewActon East – Marcus Clarke Street

Property Management Pty Ltd (**Manager**) to provide fund and asset administration services in relation to the Fund. These services may include asset sourcing and disposal, funds administration, reporting, compliance, management of external service providers to the Fund and accounting activities. The initial term of the appointment is two years. After this time it may be terminated on 12 months' notice from either party (or such lesser agreed notice period).

the ACCC lease expires on 31 July 2022 and the long Property WALE of 9.2 years helps to provide predictability of future income streams

The Responsible Entity has policies and processes in place to manage the risk of any actual or perceived conflict of interest as a result of a related party transaction.

The terms of appointment of the Manager are in the opinion of the Responsible Entity, having regard to those policies and processes, reasonable in the circumstances and what would be expected if the Responsible Entity and the Manager had been dealing at arms length. Accordingly, this related party transaction does not require Unitholder approval.

The fees for these services will be payable out of the Responsible Entity's own fee entitlements and resources. The value of the fees will not exceed the value of the Responsible Entity's own fee entitlements. There will not be an additional charge to the Fund, unless the Manager undertakes additional work that would have been performed by another agent of the Fund, such as a real estate agent. Any remuneration will be determined at the relevant time of appointment and will be at normal commercial rates and on arms length terms.

Placer Equity, a related party of the Responsible Entity, has funded the costs associated with the acquisition of the Property and establishment of the Fund by subscribing for and holding the Acquisition Units. The Acquisition Units will be redeemed at $1.00 each between the First Closing Date and the Final Closing Date.

The Responsible Entity has, and complies with, its written policy with regard to related party transactions (including the above transaction). The policy covers, amongst other things, the assessment and approval process for related party transactions, how these transactions are documented and monitored, as well as has how the risk of any actual or perceived conflict of interest is managed.

Both the Responsible Entity and the Manager are owned by Placer Equity and Placer Partners Pty Limited. Placer Partners Pty Limited is owned by interests associated with management of the Responsible Entity.

For more detail on the Responsible Entity's policy and procedures for related party transactions, please contact the Responsible Entity. Information about the risks of related party transactions can be found in Section 5.4.

2.6. Unitholder Communications

If you invest directly into the Fund, and not via a Wrap Account, the Fund's Registry will provide you with a:

- Confirmation Statement – specifying details relating to your initial investment;
- Distribution Statement – a quarterly distribution statement detailing the distribution amount and payment date;
- Regular Reporting – annual and half yearly reports updating the Fund's operations and updates on any important fund activities. The annual reports will include financial reports including audited financial statements for the 12 month period ending 30 June; and
- Tax Statement – an annual tax statement setting out the Fund's tax position each year.

If you invest via a Wrap Account, the communications you receive will be determined by the Wrap Account operator.

The Fund's Registry, Boardroom (Victoria) Pty Limited, provides Unitholders' with information online at www.boardroomlimited.com.au, a secure website. This website allows each Unitholder to view and update details of their unitholding in the Fund, such as banking instructions, contact details and obtain on-line statements.

Regular reporting including the Annual Report and Audited Financial Accounts will be available on the Responsible Entity's website, www.placerproperty.com.au and will be sent electronically to you if you have elected to receive it via email. Paper copies of these reports will not be sent out unless you have requested this on the Application Form or in writing to us.

2.7 Summary of ASIC Disclosure Principles and Benchmarks

ASIC has established eight disclosure principles and six benchmarks that responsible entities of unlisted property schemes are required to disclose against. These principles and benchmarks are set out in ASIC Regulatory Guide 46 (**RG 46**).

These disclosure principles were introduced to help investors to understand the key characteristics of unlisted property schemes and assess associated risks by clarifying the disclosure requirements of the law.

The Responsible Entity aims to provide clear, concise and effective disclosure in this PDS. The table below summarises the information required under RG46 and provides a PDS cross reference for more detailed information in relation to the relevant benchmarks and disclosure principles. Information about associated risks can be found in Section 5.

Benchmark and Disclosure Principles	Description	Section
Gearing Benchmark 1 addresses a scheme's policy on gearing at an individual credit facility level. Disclosure Principle 1 addresses disclosure of the gearing ratio of the scheme, the calculation of the ratio and its explanation.	The Fund meets this benchmark.	2.5
	The Responsible Entity has adopted, complies with and has published a Gearing Policy.	5.4
	The Responsible Entity forecasts the Fund gearing as at the First Closing Date to be 49%. The Debt Facility has a Bank LVR covenant of 65% until the First Closing Date and 60% after that time.	7.2
	The calculation of the Gearing Ratio is in accordance with ASIC guidelines.	7.1
Interest Cover Benchmark 2 addresses a scheme's policy on the level of interest cover at an individual credit facility level. Disclosure Principle 2 addresses disclosure of the Interest Cover Ratio of the scheme, the calculation of the ratio and its explanation.	The Fund meets this benchmark.	2.5
	The Responsible Entity has adopted, complies with and has published an ICR Policy.	5.4
	The Responsible Entity forecasts that the ICR for the Fund during the Forecast Period will be in excess of 3.1 times. The Debt Facility has a ICR covenant of 1.75 times.	6.1
	The calculation of this ratio is in accordance with ASIC guidelines.	7.1
Interest Capitalisation Benchmark 3 addresses whether the interest expense of a scheme is capitalised.	The Fund meets this benchmark.	2.5
	It is not the intention of the Responsible Entity to capitalise interest expenses of the Fund.	7.1
	The interest expense from the Debt Facility incurred by the Fund will not be capitalised.	7.5
Scheme Borrowing Disclosure Principle 3 addresses disclosure of the scheme's credit facilities, including the circumstances in which credit facility covenants will be breached.	The Fund has borrowed $29,315,000 from the National Australia Bank under the Debt Facility.	2.5
	As part of the successful capital raising, the borrowings will be reduced to $22,500,000 at the First Closing Date.	5.4
	The initial borrowings are being largely structured on an interest only basis. The loan term is for approximately five years.	7.2 11.11
Portfolio Diversification Disclosure Principle 4 addresses disclosure of the scheme's assets, including specific information about development assets.	The Fund has acquired the commercial part of the NewActon East building located at 21-23 Marcus Clarke Street Canberra ACT. The Fund does not intend to acquire additional real estate.	5.2

Benchmark and Disclosure Principles	Description	Section
Valuations Benchmark 4 addresses the way in which valuations are carried out by a responsible entity in relation to the scheme's assets.	The Fund meets this benchmark. The Responsible Entity has adopted, complies and makes available its Valuation Policy. The Responsible Entity is required to have the Property independently valued annually under the Debt Facility.	2.5 5.2 9 11.11 11.12
Related Party Transactions Benchmark 5 addresses a responsible entity's policy on related party transactions. Disclosure Principle 5 addresses disclosure about related party transactions.	The Fund meets this benchmark. The Responsible Entity has adopted, complies and makes available its Related Party and Conflicts of Interest Policy.	2.5 5.4 11.4
Distribution Practices Benchmark 6 addresses a scheme's practices for paying distributions from cash from operations available for distribution. Disclosure Principle 6 addresses where distributions are sourced from and whether forecast distributions are sustainable.	The Fund meets this benchmark. During the Forecast Period the Responsible Entity has forecast that all distributions are sourced from realised income (including interest earned on the instalment moneys).	2.5 5.4 7.1 7.4 7.5 7.6
Withdrawal Arrangements Disclosure Principle 7 addresses disclosure of the withdrawal arrangements within the scheme and risk factors that may affect the unit price on withdrawal.	The Fund is illiquid. The initial term is expected to end on or about 30 June 2021, unless the term is extended with the approval of Unitholders (by Special Resolution). Because the Fund is illiquid, there will be no "cooling off" period relating to applications or any right to withdraw during the term of the Fund. Unitholders will not be able to withdraw from the investment until the Property is sold and the Fund wound-up.	2.5 11.1
Net Tangible Assets Disclosure Principle 8 addresses disclosure of the Net Tangible Asset (**NTA**) backing per unit of the scheme	The Net Tangible Assets of the Fund is calculated to be $0.87 per Unit as at the First Closing Date[1].	2.5 5.4 7.2

Updates about any material changes to the matters listed in this table will be provided at www.placerproperty.com.au.

1 Assuming all Acquisitions Units have been redeemed.

03 Property Overview

NewActon East (Rear View) – The Fund has acquired the commercial parts of the building foreground

3.1. Property Highlights

Commonwealth Government Tenant

The ACCC is the Property's main tenant, providing 79.8% of the gross property income. NewActon East is the head office of the ACCC and they have occupied the building since it was completed in 2007. The ACCC has a long lease term, which expires in July 2022 with an option for a further five-year term to 31 August 2027.

Long WALE, High Occupancy

The Property is currently 98.5% occupied and has a WALE of 9.2 years by income from 2 September 2014[1].

Award Winning Development In Canberra CBD

Designed by Fender Katsalidis Architects, the Property is part of the NewActon precinct, which is one of Canberra's most awarded precincts. The NewActon precinct has recently won the 2014 Australia Award for Urban Design and NewActon East has also won numerous design awards.

NewActon incorporates cultural, commercial, retail, tourism and residential usages. It provides a modern addition to the Canberra CBD.

3.2. The Property

NewActon East is a modern eight level mixed-use building comprising a small retail area, major office component, 32 residential apartments on the upper levels and 176 car parking spaces.

The Fund has acquired the commercial part of NewActon East, which includes the ground floor office and retail areas, the four level office space occupied by the ACCC, plus 115 car parking spaces, together totalling 7,503 square meters of gross lettable area. The residential component of NewActon East is not part of the Property and is not being acquired by the Fund.

The Property is located at 21-23 Marcus Clarke Street, Canberra, Australian Capital Territory. The Property is situated in the NewActon precinct, which is located at the south-western zone of the Canberra CBD and is three kilometres from Parliament House.

1 Unless otherwise specified, lease expiry profile of the Property are weighted and/or determined by their contribution to rental income from the Property.

This A-Grade property benefits from the following features:

- It has been designed to achieve an Australian Building Greenhouse Rating (**ABGR**) rating of 4.5 stars. It provides high quality office accommodation with efficient floor plate design and natural light on all levels;
- The property has been built to a high standard and has been well maintained. Minimal capital expenditure is expected during the Forecast Period; and
- The building is highly accessible from road, public transport, parking and bike paths.

03 Property Overview

Canberra

Canberra is a planned city designed as the political and administrative centre of the Australian Government. As the seat of the Australia government, Canberra is the site of Parliament House, the High Court and numerous government departments and agencies. It is also the location of many social and cultural institutions of national significance, such as the Australian War Memorial, Australian National University, Australian Institute of Sport, National Gallery, National Museum and the National Library. The Australian Army's officer corps are trained at the Royal Military College, Duntroon and the Australian Defence Force Academy is also located in the capital.

NewActon incorporates cultural, commercial, retail, tourism and residential usages.

As Canberra has a high proportion of public servants, the federal government contributes the largest percentage of gross state product and is the largest single employer in Canberra.

As the seat of government, the unemployment rate in the ACT is lower than the other Australian States and Territories at 3.9% (ABS July 2014), and average incomes are higher than the national average. Tertiary education levels are higher, while the population is younger than the national average.

The CBD (also known as Civic) is located approximately three kilometers north of Parliament House. Civic is the main business and retail focus of Canberra, contains the major retail developments and provides many significant office developments.

NewActon Precinct

NewActon is a mixed-use precinct, integrating landscaped gardens, art, a cinema, cafes, bars and restaurants, two hotels, residential and commercial office space. The precinct has won numerous awards (local and national) across architecture, property development and urban design. NewActon East has won the following awards:

Royal Australian Institute of Architects (ACT) (2008)

- Canberra Medallion Award, the Institute's highest architectural accolade, previously awarded to such Canberra buildings as the Science Dome and the High Court
- Commercial Architecture Award
- Art in Architecture Award

Australian Institute of Architects (AIA) (2008)

- National Award for Commercial Architecture

The NewActon precinct is close to the foreshore amenity of Lake Burley Griffin and there is good vehicle access to major road linkages such as Parkes Way, Marcus Clarke Street and London Circuit. The Australian National University is to the north and west and hotel, office and residential uses are to the east and northeast. The post office and main retail area of the CBD are approximately 800 metres to the north and northeast respectively.

The Fund has acquired part of the building labelled 'East' in the below illustration. It has not acquired any other part of the NewActon Precinct.

3.3. Tenancy Information

The Property has a gross lettable area (**GLA**) of 7,503 square metres and has five existing tenancies and one vacancy resulting in a total occupancy rate of 98.5%. There are also 115 car parking spaces, and some storage space. The profile of the Property's tenancies is provided in the table below.

Tenant	Expiry Date	GLA	% GLA	% Gross Rental
ACCC	31-Jul-22	6,251	83.3%	79.8%
Colliers International	30-Nov-19	573	7.6%	9.8%
Twenty One Café & Grocery Store	31-Jan-24	434	5.8%	6.2%
Pilates Canberra	28-Feb-18	136	1.8%	1.1%
Vacancy		109	1.5%	0.0%
Carparking and Storage		-	-	3.1%
Total		**7,503**	**100.0%[2]**	**100.0%**

3.4. Major Tenant Profiles and Lease Summaries

Australian Competition and Consumer Commission

The ACCC is an independent Commonwealth statutory authority whose role is to enforce the Competition and Consumer Act 2010 and a range of additional legislation, promoting competition, fair trading and regulating national infrastructure for the benefit of all Australians.

The ACCC's responsibility is to ensure that individuals and businesses comply with Australian competition, fair-trading, and consumer protection laws. More details about the ACCC can be found at their web site accc.gov.au.

The major terms of the ACCC lease are summarised as follows:

Commencement Date	1 August 2010
Expiry	31 July 2022 (Term of 12 years)
Option	One further term of five years commencing 1 August 2022 and expiring 31 August 2027. Option to be exercised by the ACCC not less than six months before lease expiry.
Rent Review	3.35% increase on each anniversary of the commencement date. A market review is to be undertaken on the commencement of any further lease term.
Outgoings	The ACCC is only required to pay statutory outgoings for the premises. If statutory outgoings increase, the landlord is responsible for the first 3.35% of the increase and the ACCC is required to pay the increases over and above the 3.35%.
Assignment Rights	The ACCC may assign its tenancy, sublet or otherwise part with possession of the premises to a Commonwealth body or any other Commonwealth agency or to the Commonwealth of Australia without the landlord's consent. The ACCC must notify the landlord of any such dealing.
Area	6,251 square metres (Office) 473 square metres (storage area) 30 car spaces

2 This includes a vacancy of 1.5%. Total Occupancy is 98.5%.

Colliers International

Founded in Australia in 1976, Colliers International has expanded to become a global real estate firm. Colliers International established operations in Canberra in 1985 and since this time has grown to provide commercial agency, residential agency, real estate management and professional services to a variety of local, national and international clients. Colliers have been a tenant since the building opened in 2007.

Colliers International has recently entered into a variation of their original lease for a further term of five years commencing after the expiration of their first term on 30 November 2014. The key terms of the variation are as follows:

Commencement Date	1 December 2007 but to be varied by a deed of variation of lease for the lease to commence 1 December 2014.
Expiry	Originally, 30 November 2014, but has been amended to 30 November 2019 by way of a deed of variation.
Options	Nil
Rent review	3.5% increase on each anniversary of the commencement date.
Outgoings	Colliers must pay a proportionate share of increases in statutory outgoings over a base year, being the year ending 30 June 2015.
Assignment Rights	Colliers must not assign its tenancy, sublet, licence, mortgage or otherwise dispose of the premises or the lease without the landlord's consent.
Area	573.2 square metres (office) 136 square metres (outside area) 26 square metres (storage) 33 car parks

3.5. Retail Leases

The ground floor of the Property incorporates two retail tenants being Twenty One Café & Grocery and a Pilates studio. There is currently one vacant tenancy of 109 square metres.

The lease to Twenty One Cafe & Grocery store commenced on 1 February 2014 for a ten year term. The lease contains a further five year option which can be exercised by the tenant after the first term.

Pilates Canberra Pty Limited occupies two tenancies. The leases for the Pilates Studio expire on 28 February 2018.

3.6. Title Particulars

Under a leasehold system, the Commonwealth owns all land in Canberra. People, companies, trusts, etc. buy the right to use leased land for a fixed term, usually 99 years. The lease holder has a statutory right to take up successive terms of 99 years effectively enabling perpetual ownership similar to freehold ownership.

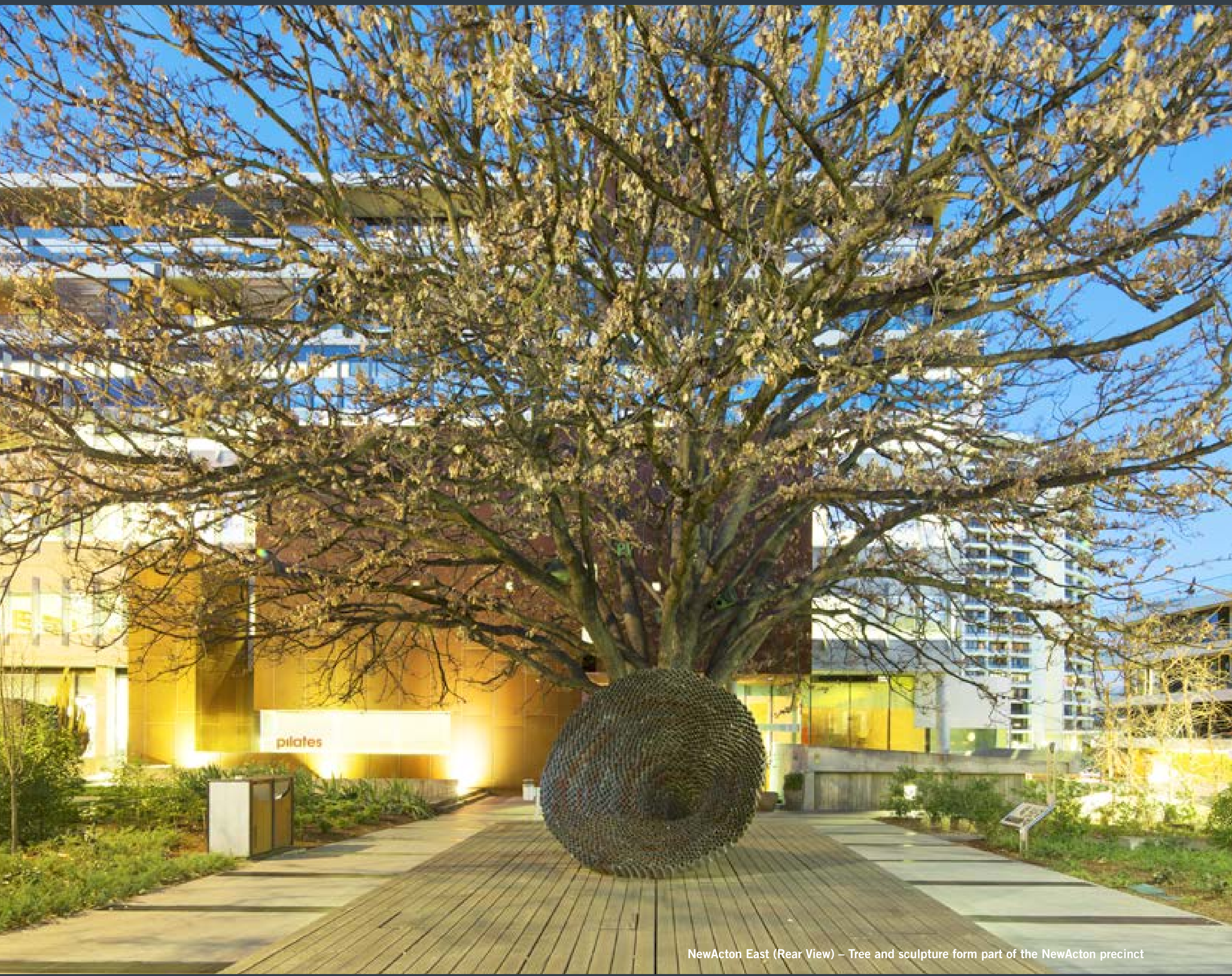
The NewActon East Crown Lease commenced on 11 July 2013 and expires on 5 March 2097.

NewActon East is identified by reference to Unit Plan 3929, Deposited Plan No. 11128. There are a total of 35 units at the NewActon East building, with the Property comprising units 1, 2 and 35.

Body Corporate

NewActon East is managed under a body corporate. The Fund holds a majority interest of 68.47% of the body corporate unit entitlements. The body corporate manages the operating and sinking funds on behalf of body corporate members. Refer to Section 11.9 for further information.

04 Canberra Office Market Outlook



NewActon East (Rear View) – Tree and sculpture form part of the NewActon precinct

Placer Property Limited
As Responsible Entity for the NewActon East Property Fund

Market Commentary

At 2,369,200m², the Canberra office market represents the third largest market nationally behind Sydney CBD and Melbourne CBD (Source: Property Council of Australia).

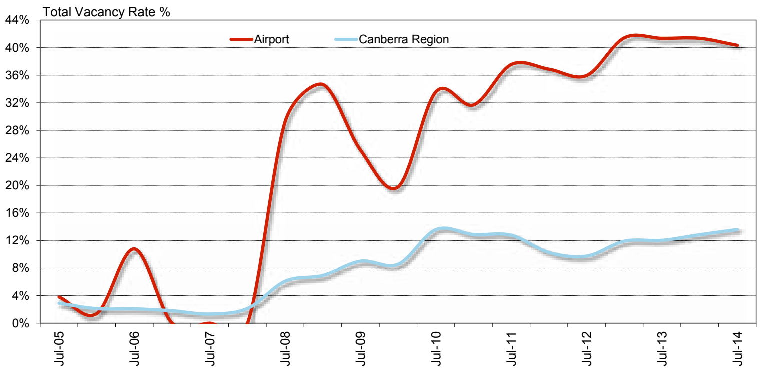
Rental levels and capitalisation rates weakened in the years following the fallout from the Global Financial Crisis (GFC); however prime assets were significantly less impacted than secondary grade investments as somewhat of a two-tier market has emerged within Canberra over the past two (2) years.

Civic A-grade face rents have remained relatively stable on the back of limited supply additions in recent years; however incentives and letting up periods have weakened. Overall, the leasing market has primarily been impacted by ongoing efficiency dividend targets and austerity measures by the Commonwealth Government which has seen Canberra's overall direct vacancy rate increase from 9.8% to 13.6% in the two (2) years to July 2014 (Source: Property Council of Australia).

Total A-grade vacancies are somewhat stronger at 12.6%. We note however that this includes the Airport market, which currently has in excess of 80,000m² of vacant A-grade stock, representing 40.7% of that market. This results in an A-grade vacancy rate of approximately 6% <u>excluding</u> the Airport, which is more reflective of the general market (Source: Property Council of Australia).

The following chart illustrates the historic total vacancy rate of both the Canberra market as a whole, compared with the Airport precinct.

Office Vacancy by Precinct
Canberra vs Airport



Source: Property Council of Australia

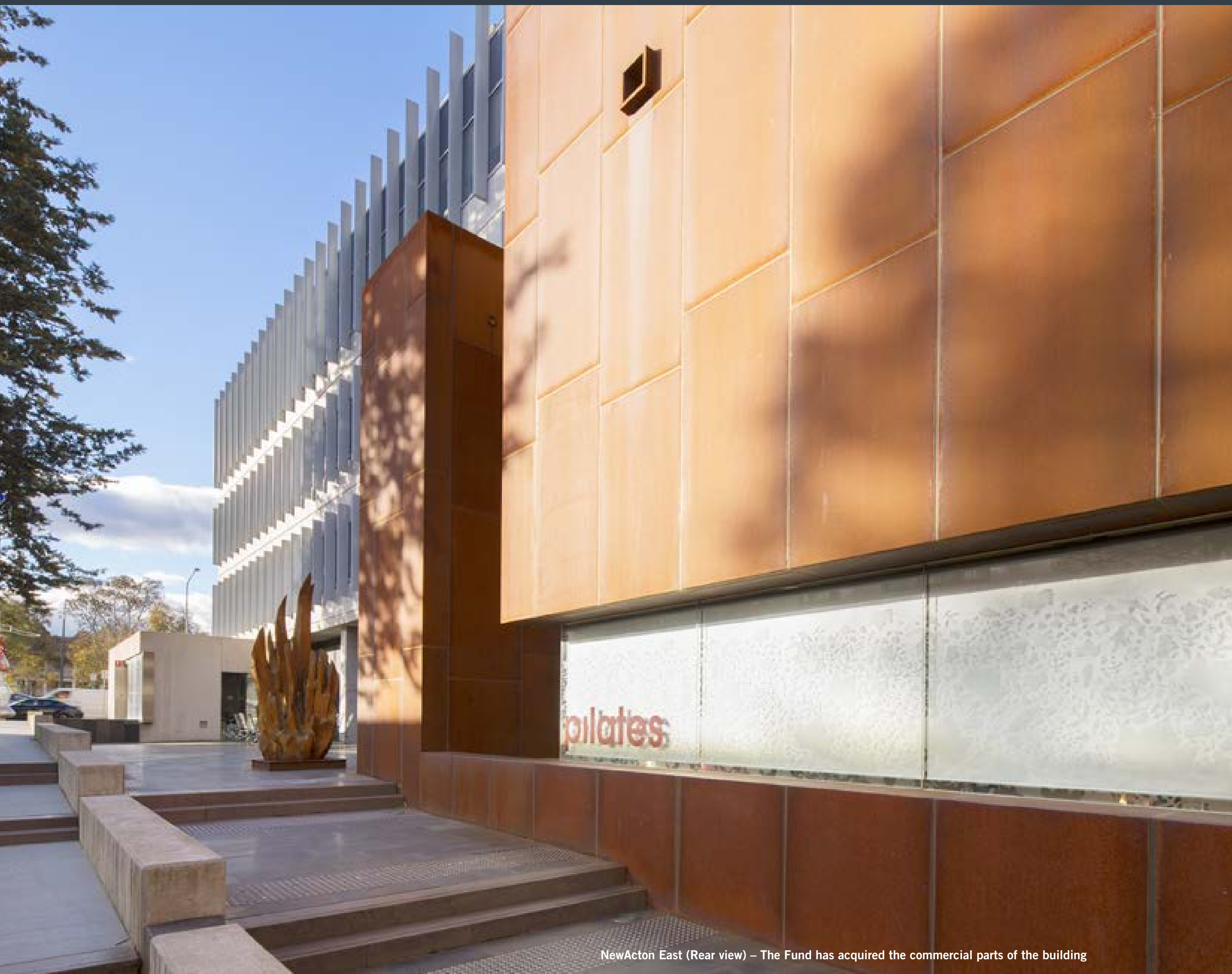
Furthermore; the direct vacancy rate for Civic A-grade building's has tightened from 5.6% to 3.4% over the same period – the lowest level in 5 years, with much of the recent A-grade supply additions in Civic now absorbed (Source: Property Council of Australia). Notwithstanding this, vacancies of older and lower quality buildings remain prevalent throughout this sector of the market.

Contrary to the soft leasing market, Canberra's prime assets secured with long term leases (usually 10 to 15 years) have remained highly sought after in recent years, by both domestic and offshore real estate investment trusts (REIT's). Indeed there is evidence of yield compression emerging for prime investment opportunities, with core market yields typically ranging from below 7% to circa 8% for such assets. Indeed evidence is beginning to emerge of potential transactions demonstrating sub 7% yields as both domestic and offshore investors continue to pursue prime investments underpinned by long term Commonwealth lease covenants.

Alternatively, yields for secondary investments may be typically seen to vary from 10% to in excess of 13%, again illustrating a two-tier investment market within Canberra. The current low interest rate environment however appears to be providing some stimulus for opportunistic investors; however unlike the prime investment market, there is a noticeable lack of urgency evident from purchasers with some marketing periods extending to 12 months.

The commercial market is therefore currently characterised by a return to property fundamentals, with purchasers focusing strongly on property fundamentals including asset specific characteristics, locational attributes and lease expiry profiles and covenants. As has historically been the case, market participants are showing a preference for buildings secured by long term Commonwealth leases offering a passive cash flow profile, with less passive multi tenanted A-grade investments typically discounted by circa 50 to 150 basis points.

05 Risks



NewActon East (Rear view) – The Fund has acquired the commercial parts of the building

As with most investments, the future performance of the Fund can be influenced by a number of factors that are outside the control of the Responsible Entity.

The level of future distributions, the value of the Property and the value of Unitholders' Units may be influenced by any of these risk factors, which include, without limitation, the following:

5.1. General Investment Risks

General investment risks include:

- A downturn in general economic and market conditions in the Australian and/or the global economy;
- Unfavourable movements in interest rates or inflation;
- Changes to the law (including tax laws) and accounting; and
- Natural disasters, including earthquakes, fire, storm, social unrest, terrorist attack or war in Australia or overseas.

5.2. General Property Risk

There are a number of risks associated with an investment in property. These include, without limitation the following:

Movements in Valuation

The value of the Property may be adversely affected by a downturn in real estate market conditions or the underlying performance of the Property. There is no guarantee that the Property or Unitholders will achieve a capital gain or that the Property will not fall in value relative to the current valuation.

Property Revenue and Diversification

Generally, the more diverse a portfolio, the lower the impact that an adverse event affecting one asset in the portfolio will have on the income or capital value of the overall portfolio. The Fund is invested in a single property so there is no property diversification.

The forecasts for the Fund in this PDS are significantly reliant on the performance of the major tenants and running costs of the Property. The Fund's revenue may decrease as a result of:

- Default by tenants under the terms of their lease or the insolvency of a tenant;
- Unforeseen vacancies may result in a reduction in the income of the Fund;
- Change in real estate market conditions either reducing the demand for new office space or increasing supply from new or existing competing property that adversely effects the market rents of the Property; and
- Property running costs may exceed forecast, including but not limited to government rates and insurance premiums.

Property Sales/Liquidity

Real estate, by its nature, is an illiquid investment. Depending on prevailing conditions it may be difficult for the Responsible Entity to dispose of the Property either prior to or at the end of the investment term in a timely manner or at an optimal sale price.

This may affect the Responsible Entity's ability to return capital to Unitholders and may reduce the NTA per Unit.

Property Contamination

As a property owner, the Fund is exposed to the risk that under various Federal, State and Local environmental laws, it may be liable for the cost of removal or remediation of hazardous or toxic substances on, under, in or emanating from the Property. In common with all other owners of property, there is a risk that environmental laws may become more stringent in the future or that environmental conditions on or near the Property may have a materially adverse effect on the Property in the future.

NewActon East was awarded the Canberra Medallion Award, the Institute's highest architectural accolade, previously awarded to such Canberra buildings as the Science Dome and the High Court.

Force Majeure Risk

Force majeure is the term generally used to refer to an event beyond the control of a party claiming that the event has occurred, including acts of God, fire, flood, earthquakes, war,

acts of terrorism and labour strikes. Some force majeure risks are uninsurable or are unable to be insured economically. A force majeure event may adversely affect the Responsible Entity's ability to perform its obligations until it is able to remedy the force majeure event. Should such events occur in respect of the Fund or the Property, they may adversely impact the Property and the ability of tenants to service their obligations under the leases.

Insurance

The Property is covered by insurance, however the insurance may not cover all event or claims and is subject to deductible excesses.

5.3. Specific Property and Tenancy Risks

Property income and potentially the Property's value depend on tenants continuing to comply with the terms and conditions of their leases. The ability to lease or re-lease on expiry of a tenant's current lease, and the rent achieved, will depend upon prevailing market conditions at the time, and these may be affected by economic conditions, competitive forces or other factors.

Specific property risks can occur from time to time and the following specific property risks have been identified in respect of the Fund:

- **Ground Floor Vacant Tenancy**

  There are risks associated with the leasing of the 109m2 ground floor vacant tenancy. Risks may include that the tenancy is leased later than expected, at a rental below that forecast or that the incentive paid to a new tenant is higher than that forecast.

- **The ACCC Lease**

  The lease expires in July 2022. The tenant has an option to renew for a further term to August 2027. There is no guarantee the tenant will exercise their option in 2022. Additionally, the tenant has termination rights (for example if hazardous substances are found) and rental abatement rights. Further information about the ACCC lease is contained in Section 11.8.

- **Crown Lease Carparks**

  Under the Crown Lease the Property is required to provide 38 car spaces to the adjoining property owner, which is a condition from the original development arrangements. These car spaces generate 2.0% of the Property's gross income and are secured by a long term lease that expires on 4 March 2097 to the adjoining property owner. Due to the conditions of the Crown Lease for the Property, if the lessee defaults or it becomes insolvent, the car spaces are still required to be provided in favour of the adjoining property. This means there is a risk that the income for the car spaces may be lost during the period of default.

- **Leasing, Tenancy Renewal or Vacancy Assumptions**

  There is a risk that the income of the Fund will decrease and the value of the Property may be adversely affected if leasing, tenancy renewal or vacancy assumptions are not met. The Fund will also need to pay lease incentives to attract tenants, commission to estate agents who introduce tenants and marketing expenses.

- **Unforeseen Capital Expenditure**

  Regardless of reasonable care being taken during due diligence enquiries on the Property, unforeseen capital expenditure over the Forecast Period may also adversely impact on the financial forecasts in this PDS.

5.4. Fund Risks

Gearing

The Fund involves an investment in an income producing Property funded partly by invested funds (equity) and partly by funds that have been borrowed under the Debt Facility (borrowings). When a property investment is geared (i.e. purchased with borrowings) the potential for gains and losses is greater. This also exposes the Fund to increased costs if, for example, interest rates rise. To reduce the risk of unfavourable interest rate movements, the Responsible Entity will engage in interest rate hedging.

Gearing also has the effect that acquisition costs, charges and fees represent a higher percentage of the equity in the purchase than they would if there were no borrowings and the property was purchased entirely with equity.

Borrowings

A fall in the value of the Property or the net property income could result in a breach of a borrowing condition. If there is a default under the Debt Facility, the financier may enforce its


NewActon East (side rear view) – The Fund has acquired the commercial parts of the building

security against the Property and, amongst other things, sell the Property.

The Fund will be subject to the terms and conditions of the Debt Facility, including key covenants. Breaches of these covenants or any other default of terms may enable the financier to enforce its rights against the Fund and/or the Property (see Sections 2.5 and 11.11 for further details on the Debt Facility).

Refinancing risk

Upon the expiry of the Debt Facility, the financier has no obligation to roll over (ie. Extend or renew) the Debt Facility. In the event that the Fund requires refinancing, there is no certainty that debt funding to replace the Debt Facility at the end of the term will be obtained or will be obtained on comparable terms. In such an event, the Property and any other Fund asset may have to be sold at short notice and in a market that may not be conducive to a quick sale.

Interest Rate Hedging

The Responsible Entity has entered into an interest rate swap (a financial derivative) over $22.5 million of the Debt Facility to hedge the variable interest rate payable for the Forecast Period. This is to protect against an adverse movement in the interest rate payable under the Debt Facility. Following the First Closing Date, the Responsible Entity intends to hedge up to 100% of the interest rate exposure from the end of the Forecast Period for the remaining term of the Debt Facility. The Responsible Entity may hedge the Fund's interest rate exposure at other times.

If the Property and/or other assets were sold before the end of any interest rate swap, the Fund may incur hedging termination or 'break' costs, particularly if interest rates have unfavourably moved from the date they were first hedged. There is also a risk that further interest rate hedging cannot be secured by the Responsible Entity.

Liquidity

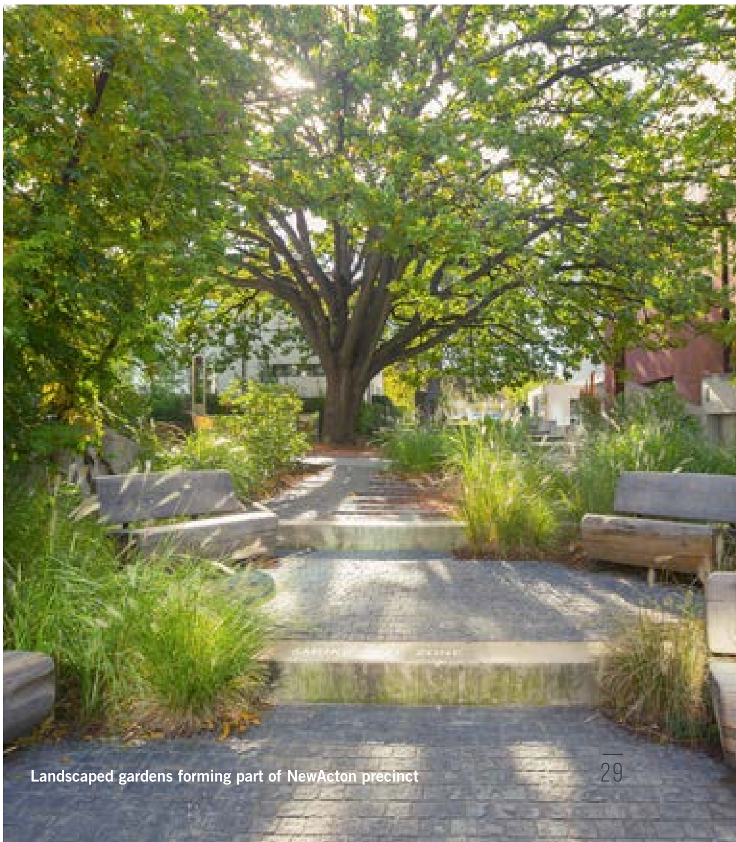
An investment in the Fund should be viewed as a medium to long term investment, and should be considered to be illiquid as it is unlikely that there will be a secondary market for Units. No holder of Units issued under this PDS has the right to have their Units redeemed or withdraw from the Fund, however this does not restrict a Unitholder's right to sell their Units.

Taxation and Stamp Duty

The effect of taxation on Unitholders is complex and the summary in Section 8 is general in nature. Prospective investors should seek professional taxation advice specific to their own circumstances.

It is expected that the Fund will enjoy significant tax deferred income as outlined in Section 8. However, as with all tax legislation, it is possible that the relevant rules may change in the future.

Taxation and stamp duty considerations taken into account by the Responsible Entity in preparing this PDS are based upon relevant legislation, regulations, court decisions and rulings and pronouncements of relevant taxation and revenue authorities now in effect, all of which are subject to change or differing interpretations. Prospective investors should note that any such change could have retroactive application so as to result in taxation and stamp duty consequences different from those taken into account by the Responsible Entity. The Responsible Entity has not sought any ruling from relevant taxation or revenue authorities with respect to these considerations and there can be no assurance that relevant taxation or revenue authorities will not assert, or that a court will not sustain, a contrary position.


Landscaped gardens forming part of NewActon precinct

05 Risks

Unit Price Risk

The issue price per Unit under this PDS is $1.00. The Net Tangible Assets per Unit is forecast to be $0.87 per Unit as at the First Closing Date[1]. Based on these figures the NTA per Unit will need to increase by 15% before it equates to the issue price of $1.00 per Unit.

No Guarantee of Investment Returns

Neither the performance of this investment nor the repayment of Unitholder contributions is guaranteed by the Responsible Entity, the Custodian or any other person.

Legal and Related Party Risk

The Fund may, in the ordinary course of business, be involved in possible litigation and disputes, for example, tenancy disputes, environmental and occupational health and safety claims, industrial disputes and any legal claims or third party claims.

A material or costly dispute or litigation may affect the value of the assets or the expected income of the Fund. The cost of any potential or actual litigation is borne by the Fund.

The Fund has entered into, and may in the future enter into, legal documents and contracts in relation to numerous aspects of the Fund's operation, for example, property management arrangements, custody arrangements, debt financing arrangements, property development arrangements and tenancy arrangements. The Fund may be adversely affected where a party fails to perform under these agreements.

There is potentially additional counterparty risk when a related party is involved. For example the related parties may not have the same incentive to perform obligations and to monitor performance. The Responsible Entity has procedures in place to mitigate this risk.

Due Diligence and Use of Experts

In acquiring the Property, the Responsible Entity has engaged appropriate experts to investigate the environmental, operational, structural and legal soundness of the Property. However, despite such investigations, the Responsible Entity cannot guarantee the identification and mitigation of all risks associated with the Property.

Distribution Risk

There is no guarantee that the Fund will pay distributions at the rate forecast in the financial information or at all.

The tax deferred component of the distribution will depend on the Fund satisfying various requirements. If the Fund does not satisfy these requirements, the tax deferred component of the distribution could be materially different.

1 Assuming all Acquisitions Units have been redeemed.

06 Fees and Other Costs


NewActon East – The Fund has not acquired the residential components of the building.

06 Fees and Other Costs

Did You Know?

Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns. For example, total annual fees and costs of 2% of your fund balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from $100,000 to $80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs. You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the fund or your financial adviser.

To find out more

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission** (**ASIC**) (www.moneysmart.gov.au) has a managed investment fee calculator to help you check out different fee options.

6.1. Fees Associated with an Investment in the Fund

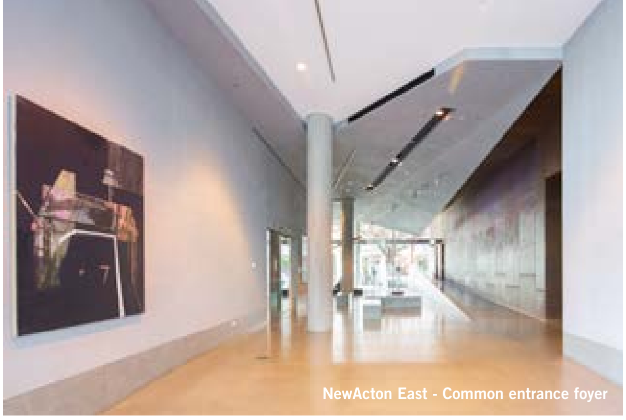
This section shows fees and other costs that you may be charged. These fees and costs may be deducted from your money or from the returns on your investment or from the Fund assets as a whole.

Taxation information is set out in Section 8. All fees and costs are net of the effect of GST.

You should read all of the information about fees and costs, as it is important to understand their impact on your investment.

NewActon East Property Fund

Type of fee or cost	Amount	How and when paid
Fees when your money moves in or out of the Fund		
Establishment fee The fee to open your investment.	Nil	Not applicable
Contribution fee The fee on each amount contributed to your investment	Nil	Not applicable
Withdrawal fee The fee on each amount you take out of your investment	Nil	Not applicable
Exit fee The fee to close your investment.	Nil	Not applicable


NewActon East - Common entrance foyer

Management Costs

The fees and costs for managing your investment	*Management Fee* Management Fee of 0.50% per annum of the Gross Assets Value (GAV) of the Fund for the Initial Term of the Fund.	Payable monthly in arrears directly from the Fund
	Costs and expenses Costs and expenses estimated at 0.21% per annum of the GAV.	Payable directly from the Fund as they are incurred
	Performance Fee 20% of the portion of outperformance of the Fund over an internal rate of return (**IRR**) of 10% per annum.	Payable directly from the Fund as set out in Section 6.2

Service Fees

Switching fee The fee for changing investment options	Nil	Not applicable

Example – NewActon East Property Fund

The table below provides an example of how the fees and costs for this product can affect your investment over a one year period. You should use this table to compare this product with other managed investment products.

Example – NewActon East Property Fund		**Balance of $50,000[1]**
Contribution Fee	Nil	For every additional $5,000 you put in, you will not be charged a contribution fee
PLUS Management Costs	1.45% per annum of the Fund's net asset value	For every $50,000 you have in the Fund, you will be charged $635 each year[2].
EQUALS Cost of Fund		For every $50,000 you have in the Fund, you will be charged $635 each year. **What it costs you depends on the investment option you choose and the fees you negotiate.**

Additional fees may apply including performance fees and transaction fees. For more details see Sections 7 and 6.2. Performance fees have not been included because whether or not they are payable depends on the IRR at the end of the Initial Term.

6.2. Additional Explanation of Fees and Costs

Management fees

This is an ongoing fee paid to the Responsible Entity for general administration, operation and management of the Fund. The Management Fee is calculated by reference to the value of the Fund's gross assets.

1 Unitholders are not able to make ongoing contributions to their investment during the term of term of the fund.
2 As required by regulation, the above table Example - NewActon East Property Fund uses the indirect cost ratio for the Fund, which is based on net asset value. Please note that management fees and reimbursable expenses are in practice charged at a total of 0.71% of GAV. The 0.71% figure is the sum of the management fee of 0.5% and estimated recoverable expenses of 0.21%.

Costs and Expenses

The Fund will incur ongoing administration costs including accounting, audit costs, registry fees, custodial fees, compliance committee costs, tax and legal advice, investor reporting costs, bank charges and postage. These costs are estimated to be 0.21% per annum of the GAV. This amount is an estimate only and actual costs may be more or less than this amount.

The Responsible Entity is entitled, under the Constitution, to be reimbursed for all costs and expenses (which include the ongoing administration costs and abnormal expenses referred to above), which it may incur in the proper performance of its duties under the Constitution.

These costs and expenses include (but are not limited to) costs, disbursements and expenses associated with:

- the establishment and termination of the Fund and amending or replacing the Constitution;
- the production of the disclosure statement and marketing material and the promotion of the Fund;
- Fund assets and income;
- borrowing money;
- convening and holding meetings of Unitholders and implementing any resolutions passed at the meetings;
- registry and accounting services, Fund tax returns, postage, confirmation advices, notices, reports and other documents;
- the Fund's Compliance Committee and its members;
- auditing the Fund and the Compliance Plan;
- establishment and administration of the complaints handling procedures for the Fund;
- complying with any law and any request, policy or requirement of ASIC or any other regulatory authority; and
- any agent or delegate of the Responsible Entity (including associates).

Performance Fee

As an incentive to maximise investor returns, the Responsible Entity is entitled to a performance fee of 20% of the portion of outperformance of the Fund over an internal rate of return (**IRR**) of 10% per annum (**Performance Fee**).

Each of the following is a 'Calculation Date' for the purposes of calculating the Performance Fee:

- the winding up of the Fund following its termination;
- if the term of the Fund is extended beyond the initial Term, the end of the Initial Term;
- if the term of the Fund is extended beyond any extension period, the end of that extension period; and
- the date the Responsible Entity is removed or replaced as responsible entity of the Fund.

The initial Performance Fee period will be from the First Closing Date until the first 'Calculation Date'. Any subsequent Performance Fee period will be from the previous Calculation Date until the next Calculation Date.

The first Performance Fee period will use an opening balance of $1.00 per Unit. The opening balance for any subsequent Performance Fee period will be reset to the net asset value per unit in the Fund (**NAV per Unit**) at the commencement of that period.

If any Calculation Date occurs before the winding up of the Fund and a Performance Fee is payable to the Responsible Entity as at that Calculation Date, the Responsible Entity may do one or more of the following:

- pay itself the Performance Fee in cash, which may be funded by available cash and/or further Fund borrowings;
- pay itself the Performance Fee by issuing Fund units to itself (or its nominee) at an issue price of NAV per Unit; and
- crystallise the Performance Fee as a debt due from the Fund and defer the payment of the Performance Fee to a date determined by the Responsible Entity.

Example of Performance Fee

To illustrate how the performance fee is calculated the following example is provided. It is for information purposes only and it not intended to be a forecast. Actual results may significantly vary from the example.

For example:

- The Fund raises $26.5 million at an issue price of $1.00 per Unit;
- Over the term of seven years, the Fund pays an average distribution of 8.25 cents per Unit per annum (paid on a quarterly basis);
- At completion of the winding up of the Fund, the Fund returned $1.25 per Unit (this assumes Property capital growth of 3.3% per annum);
- The Fund's equity IRR based on these series of cash flows is calculated to be 11.1%;

The Property is part of an award winning modern "A Grade" building known as NewActon East and is located in the NewActon precinct of the Canberra CBD.

- The outperformance amount above the hurdle IRR of 10.0% per annum would be $2.78 million, being the amount that, if included in the Fund IRR cash flows as an outflow at the wind up of the Fund, reduces the Fund IRR to 10.0% per annum; and
- Therefore, the Performance Fee payable will be $0.56 million (being 20.0% of $2.78 million for the Fund, or $0.02 per Unit).

Applying this example to a Unitholder with an initial $50,000 investment, this would equate to a Performance Fee of $1,050, and reduction to the IRR from 11.1% to 10.9%.

Transaction Fee

This is the fee charged by the Responsible Entity for identification and analysis of the Property, managing the due diligence process, negotiating and procuring debt and establishing the purchasing entity, structuring the overall investment and raising capital by way of the Units. The Transaction Fee is equal to 2.0% of the purchase price of the Property and is payable from the assets of the Fund upon the First Closing Date.

The Property was acquired by the Fund for $45.01 million, therefore the Transaction fee payable to the Responsible Entity will be $900,200.

Disposal Fee

This is the fee charged by the Responsible Entity in respect of coordinating the sale of the Property (and/or any other real estate asset of the Fund). The Responsible Entity expects this fee to be up to 1.5% of the sale price of the relevant property. Any commissions to real estate agents involved in the sale are included in this fee. The Manager is expected to perform this work on behalf of the Responsible Entity. If this occurs the Responsible Entity will pay a disposal fee to the Manager. The fee will be payable from the assets of the Fund upon settlement of the sale of the relevant property.

For example, if a property sold for $50 million, the disposal fee would be a maximum of $750,000. However, all external agents' sale fees will be paid from this amount.

Professional Service Fees

The Responsible Entity may seek professional services for the Fund from qualified providers including related parties. The fees for these services will be charged at normal commercial rates to the Fund. The provision of these services may be arranged by the Manager.

The Responsible Entity expects to retain external property managers and leasing agents to perform some property management functions. The Responsible Entity may however appoint a related entity (including the Manager) to undertake some or all of these functions. Should this occur any fees for these services would be charged at normal commercial rates and comply with the Responsible Entity's Related Party and Conflicts of Interest policy.

For more detail on the policy, refer to Section 11.4.

Differential Fees

The Responsible Entity may negotiate special fee arrangements with Unitholders who are Wholesale Clients pursuant to the Corporations Act under which it reduces or rebates fees to those Unitholders. Such special fee arrangements will not adversely impact upon the fees that are paid by other Unitholders as set out in the previous table.

Adviser Remuneration

The Responsible Entity does not pay any commission to financial advisers and other intermediaries. If investors have arrangements with their financial advisers, investors are able to direct the Responsible Entity to pay an amount on your behalf to your adviser out of your application moneys. To do so, please nominate the payment amount on your Application Form.

Maximum Fee Entitlements

Under the Constitution, the Responsible Entity is entitled to the following maximum fees:

- Management Fee of 2.0% of Gross Asset Value. However the Responsible Entity has set the Management Fee at 0.50% for the initial term of the Fund. Any increase to this fee after the initial term will be disclosed to Unitholders before they are required to vote or otherwise approve an extension of the Fund's term; and
- A capital raising fee of 3% of the value of the application moneys in respect of any issue of units occurring after completion of the Offer (other than Units issued by way of dividend reinvestment). This fee is not applicable to units raised under this offer.

07 Financial Information

NewActon East (Marcus Clarke Street) – The fund has acquired the commercial parts of the building

This section provides details of the:

- forecast income and distribution statements for the period commencing 2 September 2014 and ending 30 June 2015 and 12 months ending 30 June 2016 (**Forecast Period**);
- pro-forma balance sheet after the issue of Units representing the Total Offer Amount; and
- sources and application of funds from this Offer.

The forecast financial information should be read in conjunction with the statement of significant accounting policies and the best estimate assumptions as set out in this section.

Future returns from an investment in the Fund are not guaranteed. The Responsible Entity's forecasts have been prepared on best estimate assumptions. While the Directors of the Responsible Entity believe the assumptions used are appropriate and reasonable at the date of this document, some factors that may affect the actual results cannot be foreseen or accurately predicted and many of these factors are beyond the control of the Directors of the Responsible Entity. As such, actual results may differ from these forecasts. Consequently, the Responsible Entity and its Directors cannot guarantee that the results in the prospective financial information will be achieved.

The forecast financial information has been prepared in accordance with Australian Accounting Standards.

The forecast financial information has been presented in an abbreviated form and does not contain all of the disclosures that are usually provided in an annual report prepared in accordance with the Corporations Act.

7.1. Forecast Income and Distribution Statements

The Forecast Income and Distribution Statement of the Fund for the Forecast Period displays the net income available for distribution to Unitholders by adjusting the forecast net profit/(loss) for a number of non-cash and significant items.

Forecast Income and Distribution Statement

Forecast Income Statement	Notes	2-Sep-14 to 30-Jun-15 $'000	Year Ending 30-Jun-16 $'000
Revenue			
Net property income		2,755	3,452
Straight line rental income	1	362	363
Total property income		3,117	3,815
Interest income		9	11
Total Income		3,126	3,826
Expenses			
Management Fee		(187)	(227)
Costs and expenses		(82)	(102)
Finance costs		(816)	(1,040)
Fair value adjustments	3	(2,257)	
Net Profit / (Loss)		(216)	2,457

Forecast Cash Distribution Statement	Notes	2-Sep-14 to 30-Jun-15 $'000	Year Ending 30-Jun-16 $'000
Adjustments			
Straight line rental income	1	(362)	(363)
Amortisation borrowing costs	2	35	42
Fair value adjustments		2,257	-
Adjusted net profit available for distribution		1,714	2,136
Less distribution rounding	4	15	16
Net Distribution		1,699	2,120
Net distribution per Unit (cents)		6.41	8.00
Annual distribution yield		7.75%	8.00%
Interest cover ratio (times)	5	3.19	3.14

Notes

1. Straight line rental income represents the impact of bringing fixed rent review increases to account evenly over the life of the leases. This is a non cash item included in the adjusted net profit (loss) and is not available for distribution. Straight line rental income is therefore not taken into consideration when calculating the net profit available for distribution.
2. Borrowing costs relating to the Debt Facility are amortised over five years, commencing from the start of the Debt Facility.
3. Fair value adjustment relates to the write off in FY15 of total property acquisition costs of $2.532 million comprising stamp duty payable on the acquisition and associated property acquisition costs such as due diligence costs, legal fees, etc. Property acquisition costs have been funded by the raising of equity and are therefore excluded from the calculation of the adjusted net profit available for distribution. An amount of $0.275 million has also been included as a positive fair value adjustment representing a property valuation increment over the purchase price of $90,000, and the Fund's share of the body corporate sinking and administrative fund amounting to $185,000.
4. Over the forecast period $31,000 is contributed to working capital for contingency purposes.
5. Calculated in accordance with ASIC Regulatory Guide 46. See Sections 2.5.

7.2. Pro-Forma Balance Sheet

The pro-forma balance sheet has been prepared to present the Fund's net asset position as at the First Closing Date, based on the assumption that all Acquisitions Units have been redeemed on or before the First Closing Date.

	Notes	As at First Closing Date $'000
Assets		
Cash		158
Property	1	45,100
Capitalised borrowing costs		208
Other assets	2	184
Total Assets		45,650
Liabilities		
Borrowings		22,500
Total Liabilities		22,500
Net Assets		**23,150**
Equity		
Issued Units		26,500
Transaction costs	3	(1,093)
Retained profits/(losses)	4	(2,257)
Total Equity		**23,150**
Number of units issued		26,500,295
NTA per Unit		$0.87
Gearing	5	49%

Notes
1. The Property is included at fair value based on the third party valuation prepared by Knight Frank. The Property was acquired by the Fund on 2 September 2014 at a purchase price of $45.010 million.
2. NewActon East is managed under a body corporate. The Fund holds a 68.47% of the unit entitlements in the body corporate. 'Other assets' reflects the Fund's portion of the body corporate's operating net owners funds including the sinking and administrative funds.
3. Transaction costs relating to the Offer includes the Responsible Entity's Transaction Fee, legal, accounting and tax reviews, PDS production and distribution costs.
4. Retained losses consists of the fair value write off adjustment in FY15 of total property acquisition costs of $2.532 million comprising stamp duty payable on the acquisition and associated property acquisition costs such as due diligence costs, legal fees, etc. An amount of $0.275 million has been included as a positive fair value adjustment representing a property valuation increment over the purchase price of $90,000, and the Fund's share of the body corporate sinking and administrative fund amounting to $185,000.
5. Calculated in accordance with ASIC Regulatory Guide 46 as the ratio of borrowings to total assets.

7.3. Source and Application of Funds

The forecast source and application of funds in respect to the Offer as at the First Closing Date, based on the assumption that all Acquisition Units have been redeemed on or before the First Closing Date, is set out in the table below.

	Notes	$'000
Application of Funds		
Property purchase price		45,010
Stamp duty		2,363
Property acquisition costs		168
		47,541
Fund establishment costs	1	193
Debt establishment costs		208
Transaction fee	2	900
Cash reserve for working capital		158
		49,000
Source of Funds		
Debt	3	22,500
Equity		26,500
Total		**49,000**

Notes
1. Fund establishment costs relating to the Offer include legal, accounting and tax reviews, PDS production and distribution costs.
2. The Responsible Entity is entitled to charge a Transaction Fee of $900,200, being 2% of the Property acquisition price of $45.01 million.
3. Assumes debt as at the First Closing Date after reduction of gearing that achieves a Loan to Value Ratio of 50%

7.4. Best Estimate Assumptions

Applicants are advised to review the assumptions and financial information and make their own independent assessment of the future performance and prospects of the Fund.

The Responsible Entity has adopted the forecast financial information based on its knowledge of the Property, the property industry and the key assumptions set out below.

- **Issue date**

  The issue date for the Total Offer Amount is assumed to be 2 September 2014 for the purposes of preparing the forecast financial information (**Settlement Date**).

- **Assumption as to capital raising amount**

  The financial information assumes that the Total Offer Amount of $26.5 million is raised by the Final Closing Date.

- **Debt Facility**

  The terms of the Debt Facility are set out in Section 11.11.

- **Net Property Income**

  Net property income comprises rental income from the Property and recoverable outgoings charges to tenants less property expenses. The main assumptions underlying the Fund's forecast net property income are:

  - income reflects leases and terms agreed for lease amendments;
  - income increases in accordance with lease provisions;
  - the one current vacant tenancy is assumed to be leased from 1 July 2015. There are no other allowances for leasing costs or vacancy periods as no other leases expire during the Forecast Period;
  - there are no tenant defaults during the Forecast Period; and
  - property expenses have been forecast to increase by an average of 2.4% per annum during the Forecast Period.

- **Management Fee**

  The management fee is payable from the Fund to the Responsible Entity and charged based on the value of the Fund's Gross Asset Value as set out in Section 6.

- **Costs and Expenses**

  Normal administrative and operational costs such as accounting, audit, legal, compliance, custodian and registry fees are paid by the Fund. These amounts have been forecast relative to the size of the Fund.

- **Transaction Fee**

  The Responsible Entity is entitled to a transaction fee of $900,200, being 2.0% of the Property acquisition price (being $45.01 million) as set out in Section 6.2.

- **Distributions**

  Distributions are forecast to be made quarterly in arrears. The first distribution will be paid for the period ending 31 December 2014.

  Investors who apply for Units prior to the First Closing Date will receive a pro rata interest distribution at a rate forecast to be 7.75% per annum from the date of issue of their Units (usually within five days of receipt of the application) up to the First Closing Date.

  Distributions will be made quarterly, as at the end of March, June, September and December, and will be paid to Unitholders within six weeks from the end of each distribution quarter.

- **Tax Deferred Distributions**

  The Responsible Entity anticipates that the Fund's distributions for the Forecast Period will be 95% tax deferred in FY15 and 89% tax deferred in FY16, primarily due to tax deductions for capital allowances on depreciating assets and capital works deductions for buildings.

  Please refer to Section 8 for further details on the tax treatment of tax-deferred distributions.

- **Acquisition Costs**

  The Responsible Entity has calculated the forecast financial information based on its estimate of stamp duty and other property transaction costs.

- **Finance Costs**

  Finance costs include interest and other costs incurred in connection with the establishment of the Debt Facility.

  The Debt Facility specifies that the interest expense is made up of the sum of interest, all financial charges and line fees. The line fee is payable on the facility limit.

  The Responsible Entity has arranged an interest rate hedge (see Sections 2.5 and 5.4), which has fixed the market base rate on $22.5 million of borrowings to 30 June 2016.

  As a result of these hedging arrangements, the effective interest rate including line fee payable by the Fund for FY15 is 4.18% and for FY16 is 4.44%.

- **Fair Value Adjustments**

  The Forecast Period does not include future revaluations or changes in fair value of the Property or movements in the market values of derivatives as required by Australian Accounting Standards as it is believed that there is not any reasonable basis to make forecasts in relation to future capitalisation rates, property yields, interest rates or general market conditions, all of which are outside the control of the Responsible Entity. For these reasons, it is not possible to accurately quantify the impact on the forecast financial information of these matters.

7.5. Statement of significant accounting policies

The principal accounting policies that have been adopted in the preparation of the financial forecasts are outlined below:

- **Basis of Preparation**

  The Forecast Income and Distribution Statement and Pro Forma Balance Sheet have been prepared on a going concern basis adopting the accruals and historical cost basis of accounting (except for investments in properties and derivative financial instruments which are at fair value) and in accordance with the recognition and measurement principles of Australian Accounting Standards and interpretations issued by the Australian Accounting Standards Board and the Corporations Act.

- **Investment Property**

  The Property will be recognised at fair value (being the valuation price). Any change resulting from revaluation will be recorded in the income statement. The carrying value of the Property recorded in the balance sheet will include components relating to lease incentives and straight-lining of rental income in respect of fixed increases in rentals in future periods.

- **Distributions**

  A distribution payable is recognised when the Unitholders' right to receive the payment is established. Distributions determined will be payable quarterly in arrears.

- **Revenue**

  Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured. Rental income is brought to account on a straight-line basis over the lease term for leases with fixed rent review increases. In all other circumstances, rental income is brought to account on an accruals basis. Interest revenue is recognised as the interest accrues using the effective interest method.

- **Expenses**

  Expenses are brought to account on an accruals basis.

  Ongoing fees payable to the Responsible Entity are recognised as expenses when the services are received. A performance fee is only recognised once it is assessed as probable that the amount will be payable in the future based on the Fund's performance.

- **Taxation**

  Under current income tax legislation, the Fund is not liable to pay tax provided Unitholders are presently entitled to all of the income of the Fund in each income year.

- **Borrowings**

  Borrowings are initially recognised at fair value. Interest expense is accrued over the period when it becomes due and is recorded in the income statement with the offsetting amount recorded as part of payables in current liabilities.

- **Derivatives**

  Interest rate swaps are used to hedge the interest rate payable under the Debt Facility and are recorded at fair value in the balance sheet, with movements reflected in the income statement.

- **GST**

  Revenues and expenses are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

7.6. Sensitivity Analysis

The forecasts in this PDS have been based on certain economic and business assumptions about future events. The forecast net distribution payable during the Forecast Period is sensitive to a number of factors.

A summary of the possible impact on different outcomes in the key assumptions underlying the forecasts is set out in the table below. However, the disclosed movements in these key assumptions are not intended to be indicative of the complete variations that may occur.

Leasing of Vacant 109m2 ground floor tenancy	The tenancy is budgeted to be leased at $40,000 gross per annum with rent forecast to commence in July 2015. A 12 month delay in leasing timing would have -0.15 cents per unit per annum impact on profit available for distribution.
Property Operating Expenses	There are a number of property operating expenses including statutory charges and insurance that are difficult for the Responsible Entity to control. If the operating expenses of the property increased or decreased by 1% per annum during the Forecast Period this would have +/-0.03 cents per unit per annum impact on profit available for distribution

08 Tax Information

NewActon East (Edinburgh Avenue) – The Fund has acquired the commercial parts of the building

PLACER PROPERTY

8.1. Taxation for Australian Residents

The information in this section is of a general nature and is not, nor is it intended to be, tax advice, and cannot be relied upon as such. Each investor must take full and sole responsibility for their investment in the Fund, the associated taxation implications arising from that investment and any changes in those taxation implications during the course of the investment. Accordingly, prospective investors should seek personal tax advice to take into account their individual circumstances.

This summary provides an outline of the principal Australian tax consequences relating to the acquisition, holding and disposal of Units for an Australian tax resident Unitholder who holds their investment in the Fund on capital account.

The summary does not address the tax implications for Unitholders that:

- hold their Units on revenue account or as trading stock
- make an election under the Taxation of Financial Arrangements (TOFA) provisions that affects the recognition of income in respect of units
- are exempt from Australian tax
- are non-residents, or
- are temporary residents of Australia.

The summary does not address the tax implications for persons that invest in the Fund indirectly.

Taxation issues are complex and taxation laws, their interpretation and associated administrative practices may change over the term of an investment in the Fund. The information contained in this section is of a general nature only. It is based on, and limited to, Australian tax law and practice in effect at the date of this PDS.

8.2. Tax Treatment of the Fund

The Federal Government has announced that it will put in place a new tax system for certain managed investment trusts (**MITs**) under which Unitholders will be taxed on a fair and reasonable basis having regard to their interest in the Fund. This potentially means that Unitholders may be liable to pay tax on amounts they have not received. The new regime also proposes to deem MITs as fixed trusts for tax purposes.

These changes may impact how the Fund and Unitholders are taxed in the future.

Broadly, the Fund should not be liable to pay Australian income tax or capital gains tax (**CGT**) provided Unitholders are presently entitled to the Fund's income in each year and the Fund limits its activities to undertaking or controlling "eligible investment business" for Australian taxation purposes. It is intended that the Fund will be administered to achieve these outcomes.

On the basis that the Fund meets the requirements for being an eligible "MIT" for tax purposes, the Responsible Entity intends to make an election under the MIT provisions to treat the Fund's assets, such as real property, as being held on capital account.

8.3. Tax Treatment of Unitholders

Taxation of Distributions

Provided that the Unitholders have a present entitlement to the income of the Fund, Unitholders will broadly be liable for income tax on their share of the Fund's net income (taxable income) for each year ending 30 June, at the tax rate applicable to the Unitholder.

If the actual cash distribution to a Unitholder exceeds that Unitholder's share of the Fund's taxable income, the excess (known as a "tax deferred distribution") will generally not be assessable to the Unitholder. This is expected to occur as a result of the availability of certain non-cash tax deductions such as capital allowances on depreciating assets and capital work on buildings. However, any such distribution will reduce the Unitholder's CGT cost base on his or her Units. Once the cost base of the Units has been reduced to nil, further tax deferred amounts are assessable as capital gains to the Unitholder under CGT event E4.

The Responsible Entity will provide an annual tax statement to each Unitholder setting out details of any taxable income components, non-assessable components and capital gains paid by way of distribution in the financial year.

Tax Losses Incurred by the Fund

The Fund will not be able to distribute any tax losses incurred in an income year. However, provided the relevant tax loss carry forward rules that apply from time to time are satisfied, the Fund will be able to carry forward those losses and use them in a future income year to offset assessable income.

Net capital losses of the Fund may be carried forward to offset future capital gains made by the Fund.

Disposal of the Property

The disposal of the property will be subject to the CGT rules on the basis that the Property will be held on capital account or an MIT election has been made. The capital gain on the sale of the Property will be determined as the difference between the capital proceeds from its disposal and the cost base of the property.

Any capital gain made by the Fund upon the disposal of the property can generally be reduced by 50% if the property has been held for longer than 12 months. Where the Fund is entitled to the 50% CGT discount, Unitholders who are individuals or trusts will generally be assessable on 50% of their share of the capital gain. Unitholders who are complying superannuation funds will generally be assessable on 67% of their share of the capital gain.

The distribution of the 50% CGT discount to the Unitholder will be tax free and will not require a reduction in the cost base of their Units or trigger a capital gain under CGT Event E4.

Tax Implications of Disposing of Units

Generally, on disposal of Units, a "CGT event" will happen and the Unitholder will need to determine whether a capital gain or capital loss has been realised. As a general rule, where the capital proceeds on disposal of the Units are greater than the cost base of those Units, the Unitholder will realise a capital gain.

The cost base of the Unitholder's Units will essentially be the purchase price or issue price paid for the Units, plus any incidental costs on acquisition or disposal, less any tax deferred distributions received.

Any capital gain made by an individual or trust can generally be reduced by 50% if the individual or trust has held the Units for longer than 12 months. Similarly, any capital gain made by a complying superannuation fund can generally be reduced by 33.3% if the fund has held the Units for longer than 12 months. Companies are not entitled to this CGT discount.

A Unitholder will incur a capital loss if the capital proceeds on disposal are less than the CGT "reduced cost base" of the Units disposed. The reduced cost base of a Unit is usually, but not always, the same as the cost base. Any capital loss incurred on the disposal can be used to offset capital gains realised from other sources.

If a capital loss cannot be utilised in the year in which it is realised, it may be carried forward to be used to offset capital gains realised in future income years. Capital losses cannot be used to offset ordinary income or gains.

Capital Distributions

A return of capital by the Fund will reduce the cost base of the Unitholder's Units. Where the return of capital exceeds the cost base of the units, the excess is assessable as capital gains to the Unitholder under CGT Event E4.

Other Issues

- **Tax File Number or Australian Business Number Declaration**

  It is not compulsory for a Unitholder to provide his or her tax file number (**TFN**) to us. However, if a Unitholder does not provide their TFN (or in certain circumstances an Australian Business Number) or claim a valid exemption, then the Responsible Entity will be required to withhold tax from any distribution from the Fund at the highest marginal rate plus Medicare Levy (currently 47%).

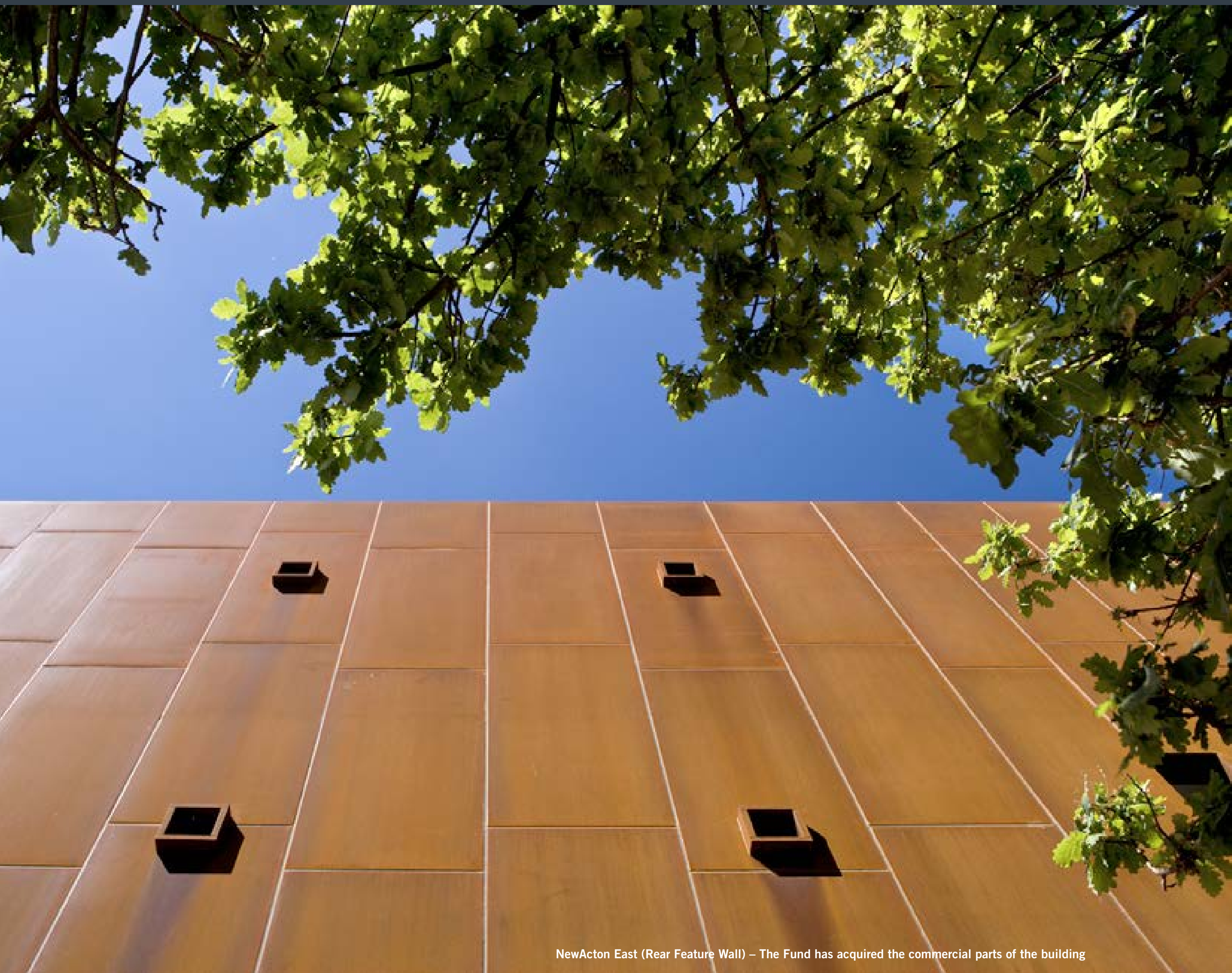
- **Goods and Services Tax (GST)**

  GST should not be payable in respect of the acquisition, disposal or withdrawal of Units, nor in respect of any distributions paid by the Fund.

  The Fund will not be entitled to claim input tax credits for the full amount of the GST component of some expenses.

  However, for some of these expenses, a reduced input tax credit may be claimed. The non-recoverable part of the GST component of any expenses is taken into account as an expense of the Fund.

09 Independent valuation of the Property



NewActon East (Rear Feature Wall) – The Fund has acquired the commercial parts of the building

PLACER PROPERTY

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1 August 2014

The Directors
Placer Property Limited
As Responsible Entity for the NewActon East Property Fund
Level 1, 121 Flinders Lane
MELBOURNE VIC 3000

Dear Directors

RE: Valuation: New Acton East
Units 1, 2 & 35, 21-23 Marcus Clarke Street, Canberra ACT 2601

Instructions
We refer to your instructions requesting Knight Frank Valuations to prepare a market valuation of the Crown Leasehold interest of the abovementioned property subject to the existing lease agreements for inclusion in a Product Disclosure Statement (PDS) as at 1 August 2014.

Market Value is defined by the API as:

"The estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing, wherein the parties had each acted knowledgeably, prudently and without compulsion."

In formulating our valuation, we have relied upon property information provided by the instructing party (Placer Property Limited) and selling and managing agent (Colliers International), including, but not limited to the following:

- Current lease documents.
- Draft lease variation and incentive deed detailing the proposed extension of the Colliers International (ACT) Pty Ltd.
- Draft lease confirming the proposed terms of a lease back of 38 basement car spaces by Acton Developments (ACT) Pty Limited.
- Tenancy schedules, outgoings budgets and related tenancy and car parking information.
- Base Building ABGR report (dated September 2006) as prepared by Cundall.
- NABERS Rating Improvement report (dated 27 February 2014), as prepared by Exergy Australia Pty Ltd.
- Technical Due Diligence report (dated 21 May 2014), as prepared by Risk Management Group Pty Ltd and reviewed by Napier & Blakeley Pty Ltd (dated 9 July 2014).
- Draft Contract for Sale and execution page signed by the buyer.

Where draft documents have been sighted we acknowledge the subsequent settlement of the property and therefore assume such documents were executed as sighted.

Where possible, within the scope of our retainer and limited to our expertise as valuers, we have reviewed this information including by analysis against industry standards. Based upon that review, we have no reason to believe that the information is not fair and reasonable or that material facts have been withheld. However, our enquiries are necessarily limited by the nature of our role and we do not warrant that we have identified or verified all of the matters which a full audit, extensive examination or "due diligence" investigation might disclose.

Our valuation is conditional on the following:

- The proposed leases are executed on the terms advised and are registered on title;
- There are no encumbrances or interests in Title which materially affect the value, marketability and continued utility of the property;

We have disregarded the presence of any mortgage or other financial liens pertaining to the property.

Placer Property Limited
As Responsible Entity for the NewActon East Property Fund

We also note that the valuation is current as at the date of valuation only. We can give no guarantee that the property or valuation has not altered since the date of valuation.

For further information, reference should also be made to our Valuation Report dated 1 August 2014 which can be inspected at the office of Placer Property Limited during normal business hours. This correspondence is subject to and should be read in conjunction with all qualifications, assumptions, conditions and disclaimers contained within that report.

Valuation Summary
We have assessed the market value of the property subject to the existing leases, as at 1 August 2014, at **$45,100,000 (GST Exclusive)**.

Brief Description of the Property
The property forms part of a modern, eight (8) level mixed use development known as NewActon East which was completed in 2007. Our valuation relates to three (3) units within the building which represent the commercial component of the development. Units 2 and 35 are ground floor retail units while Unit 1 accommodates office accommodation across Levels 1 to 4 which are accessed via a ground floor foyer.

115 basement car spaces are allocated to the subject units, as are some extensive basement storage areas.

The property is located within the boutique New Acton mixed use precinct, on the south western fringe of the Canberra CBD.

Tenancy Overview
The property is leased to four (4) tenants, with the cash flow dominated by the Australian Competition and Consumer Commission (ACCC) tenancy which represents a secure lease covenant. There is a single vacancy on the ground floor and ancillary income is derived from a number of additional car parking tenants, some of which we note are secured by terms of 10 years plus.

Furthermore, we note the 38 car spaces to be utilised by the adjoining property under the terms of the Crown Lease are subject to a newly created single agreement between the applicant and the vendor which expires at the same time as the Crown Lease in 2097.

Overall however, the expiry pattern is considered to be relatively favourable, though inherently weighted heavily toward the ACCC lease which expires on 31 July 2022 with a further option of 5 years.

Income Profile
We have assessed the net passing income for the property as at the date of valuation to be $3,360,954 per annum plus GST.

The passing income is based on our review and analysis of the tenancy information provided. We note that should any of the information provided be found erroneous or has varied, we reserve the right to review and if necessary, amend our valuation.

Valuation Analysis & Assumptions
The following schedule summarises relevant comparable sales which have been considered in the preparation of our valuation.

Property	Price	Date	$/m² NLA	Core Yield (%)	IRR Rate (%)
Manning Clarke Offices 186 Reed Street South Greenway ACT	$25,805,000	May 2014	$4,776	7.75%	8.67%
Childers Square 14 Childers Street Canberra ACT	$76,100,000	Mar 2014	$5,062	8.08%	9.09%
26 Brisbane Avenue Barton ACT	$13,500,000	Feb 2014	$4,826	7.63%	8.73%
Industry House 10 Binara Street Canberra ACT	$151,700,000	Aug 13	$6,073	7.01%	8.56%

Placer Property Limited
As Responsible Entity for the NewActon East Property Fund

Knight Frank

The valuation for Units 1, 2 & 35, 21-23 Marcus Clarke Street, Canberra has been determined via reconciliation between the capitalisation and discounted cash flow (10 year) methods of valuation, with support from direct comparison methodology.

In our capitalisation approach, we derived a fully leased estimated gross market rental income based on face rentals for the office, retail and ancillary components of the property. Outgoings/operating expenses for the first year have been deducted, resulting in a net market income. The net market rental was capitalised to arrive at the estimated market value before adjustment and allowances.

We have adopted a capitalisation rate of 7.50% in the capitalisation approach, which has been applied to the assessed net market income of $3,373,310 per annum.

We have then made the following adjustment:

- An adjustment for rental overage calculated until the expiration of the respective leases, being the difference between the estimated net face market income until lease expiry and the net passing income discounted at 8.75% per annum.

In our Discounted Cash Flow (DCF), we have estimated future annual cash flows over a 10 year investment horizon from the valuation date by reference to expected rental growth rates, ongoing capital expenditure, terminal sale value and acquisition and disposal costs. The present value of future cash flows is then determined by the application of an appropriate discount rate (target IRR), which in this instance is 8.75%, to derive a net present value for the property as at the valuation date.

The assessed value of **$45,100,000 (GST exclusive)** reflects the following investment parameters:

Initial Yield %	Core Market Yield %	IRR Rate (%)	Rate/m² NLA
7.45%	7.51%	8.81%	$6,015

Qualifications & Disclaimers

Knight Frank Valuations Canberra has prepared this summary which appears in this PDS for Placer Property Limited as Responsible Entity for the NewActon East Property Fund. Knight Frank Valuations Canberra were involved only in the preparation of this summary and the valuation report referred to therein, and specifically disclaim liability to any party in the event of any omission from, or false or misleading statement included in, the PDS or other document, other than in respect of our valuations and this letter.

Knight Frank Valuations Canberra has consented to this summary being included in this PDS, but Knight Frank Valuations is not providing advice about a financial product, nor the suitability of the investment set out in this PDS. Such an opinion can only be provided by a person that holds an Australian Financial Services Licence. Knight Frank Valuations Canberra does not hold such a licence and is not operating under any such licence in providing its opinions of value as detailed in this summary and our valuation report.

In the case of advice provided within this report which is of a projected nature, we must emphasise that specific assumptions have been made which appear reasonable based upon current market perceptions. It follows that any one of the assumptions set out in the text of this summary may be proved incorrect during the course of time and no responsibility can be accepted in this event.

This valuation is current at the date of valuation only. The value assessed herein may change significantly and unexpectedly over a relatively short period (including as a result of general market movements or factors specific to the particular property). We do not accept liability for losses arising from such subsequent changes in value.

Without limiting the generality of the above comment, we do not assume any responsibility or accept any liability where this valuation is relied upon after the expiration of three (3) months from the date of valuation, or such earlier date if you become aware of any factors that have any effect on the valuation.

Knight Frank Valuations has prepared this letter based upon information provided. We have no reason to believe that the information is not fair and reasonable or that material facts have been withheld and for the purpose of this valuation we have assumed that the information is correct.

This valuation does not purport to be a site or structural survey of the improvements, nor was any such survey undertaken. Overall, we have assumed that detailed reports with respect to the structure and service installation of the improvements both would not reveal any defects or inadequacies requiring significant capital expenditure.

Placer Property Limited
As Responsible Entity for the NewActon East Property Fund

Knight Frank Valuations Canberra has received fees of $14,615 (inclusive of GST and disbursements) in connection with the preparation of our valuation report and this summary. The fee is not in any way linked to nor has it influenced the opinion of value noted and Knight Frank Valuations Canberra does not have any pecuniary interest in Placer Property Limited, or the NewActon East Property Fund and has provided this report solely in its capacity as independent professional advisor.

Yours faithfully
KNIGHT FRANK VALUATIONS CANBERRA

MARTIN ELLIOTT AAPI
Certified Practising Valuer
Registered Valuer No. 6473 (NSW)
Director

STEVEN FLANNERY FAPI
Certified Practising Valuer
Registered Valuer No. 3082 (NSW)
Director

10 The Responsible Entity

NewActon East – The Fund has acquired the commercial parts of the building

10 The Responsible Entity

Placer Property Limited was established in July 2013 and has been issued with an Australian Financial Services License (AFSL 442806) by the Australian Securities and Investment Commission.

Placer Property is currently the Responsible Entity for Syndicate 1 (The Stables Shopping Centre). The fund was established in 2013 to develop a Woolworths anchored neighbourhood shopping centre located at Golden Grove in South Australia.

Placer Property draws on the skills and knowledge of senior management who are specialists in unlisted property funds management and the extensive experience of its Directors. Senior management have over 18 years property related experience.

10.1. Our Philosophy

As a specialist property fund manager, the primary objective of Placer Property is to facilitate quality property investment opportunities for investors seeking regular and reliable income derived from the ownership of commercial property.

Placer Property is focused on Australian property investment opportunities, primarily in the office and retail sectors. When identifying investment opportunities, Placer Property identifies quality investment opportunities that are:

- Anchored by financially strong tenants. For retail property, this would include tenants such as Australia's leading supermarkets. For office property, this would include tenants such as Commonwealth or State government bodies or quality corporate businesses;
- Secured by tenants with long lease terms, that provide predictable and secure cash flows; and
- Located in prime locations.

Placer Property actively manages its real estate portfolio, maintains strong relationships with its tenants and continually looks for value enhancing opportunities for its investors.

Placer Property also considers that its property investments should be managed with gearing levels at 50% or lower, and that appropriate interest rate hedging strategies be adopted to manage risk and returns for its investors.

10.2. Board and Management

Michael Herskope
Chairman

Michael is a non executive director and was appointed Chairman of the Responsible Entity in September 2013.

Michael is the Chief Executive Officer of the Wilbow Group. He commenced his professional career as a lawyer, specialising for seven years in corporate and finance law. He then spent nearly ten years working in senior executive roles with large corporations. Since 2005, Michael has worked in the private investment sector.

Mark Allan
Non Executive Director

Mark is the General Manager of Salerno Group and has 20 years of experience in financial management, accounting and financial advisory. Mark joined Salerno Group in 2010 and is responsible for Salerno Group's private investment asset portfolio, which include property, private equity, listed securities and alternative assets.

Prior to joining the Salerno Group, Mark was a Partner at Deloitte, having accumulated 15 years corporate advisory experience in the chartered accounting profession providing a range of specialist advisory services for privately owned businesses.

Mark is the Chairman of the Responsible Entity's Compliance Committee.

David Omond
Joint Managing Director

David is a co-founder of Placer Property and was appointed Joint Managing Director in September 2013. David has more than 25 years' experience in commercial property management, development, funds management and corporate finance.

David is well versed in managed investment schemes and has specialized in property syndication. Prior to forming Placer Property David founded Retail Centre Solution a specialist property consultancy firm. David has held numerous senior management positions at Heine Management, MCS Property and Centro.

David holds a Bachelor of Business (Property) from the University of South Australia.

Mario Papaleo
Joint Managing Director

Mario is a co-founder of Placer Property and was appointed Joint Managing Director in September 2013. Mario has more than 18 years' experience in direct real estate, listed/unlisted property investment and funds management.

Before establishing Placer Property, Mario worked in various property and funds management roles including fund manager of Centro Retail Trust through its restructure and aggregation to form part of Federation Centres. Mario was an Analyst and Syndicate Fund Manager for Heine Management Limited. Before joining Heine, Mario worked as a consultant for Jebb Holland Dimasi and he obtained direct property and asset management experience working for McDonald's Australia Limited Store Development Group.

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.

Shane Dudley
CFO & Head of Distribution

Shane has 26 years' experience in accounting, investment, property and funds management. Prior to joining Placer Property, Shane worked for Grosvenor a privately owned United Kingdom property group for four years in their Shanghai office helping to establish and manage a China Wholesale Property Fund. Prior to Grosvenor, Shane had a number of roles at Centro Properties Group including being the group's National Retail Distribution Manager as well as establishing and managing a number of property syndicates. Shane has also held a number of senior accounting roles at Yarra Valley Water and Melbourne Water.

Shane has a Bachelor of Business (Accounting) from RMIT University and is a Certified Practicing Accountant.

10.3. The Manager

The Responsible Entity has appointed Placer Property Management Pty Ltd as Manager of the Fund. The Manager is a related party to Placer Property and has been established to:

- Identify the property;
- Undertake due diligence investigation;
- Assist in the formation of the Fund;
- Monitor the performance of the Fund;
- Undertake all fund administration and reporting services as requested by the Responsible Entity; and
- Carry out additional duties as required by the Responsible Entity. These services may include development and asset management.

The Board of the Manager consists of Michael Herskope (Chairman), Mark Allan (Non Executive director), David Omond and Mario Papaleo.

The appointment of the Manager complies with Placer Property's Related Party and Conflicts of Interest policy.

11 Additional Information

NewActon East – The Fund has acquired the commercial parts of the building

PLACER PROPERTY

11.1. Fund Constitution

The Fund is governed by a Constitution dated 28 July 2014 (as amended). The Constitution (and amendments) have been lodged with ASIC.

The Responsible Entity cannot amend the Constitution without the consent of Unitholders (at a meeting convened in accordance with the Corporations Act) unless the Responsible Entity reasonably believes that such amendment will not adversely affect the rights of Unitholders.

In summary the Constitution addresses the following matters;

- **Unitholders' rights and obligations**

  The beneficial interest in the Fund is divided into Units. Each Unit confers on the Unitholder a beneficial interest in the Fund as a whole and does not confer an interest in a particular part of the Fund or the Fund's assets.

- **Issue of units**

  The Responsible Entity may issue units in accordance with the Constitution. The Responsible Entity may accept or refuse, in whole or in part, any application for Units without being bound to give a reason.

- **Classes of Units**

  Under the Constitution, the Responsible Entity may issue ordinary units (partly or fully paid) and Acquisition Units.

  The units offered under this PDS are Ordinary Units.

  Acquisition Units have been issued to a related party of the Responsible Entity for the purposes of partly funding the acquisition of the Property.

  Acquisition Units rank in all respects equally or 'pari passu' with holders of Ordinary Units except that on winding up of the Fund, holders of Acquisition Units have the right to receive $1.00 per unit in priority to the holders of Ordinary Units. The winding up entitlement of Acquisition Units is generally capped at $1.00.

  Acquisition Units may only be issued at an issue price of $1.00. The Responsible Entity has no intention to issue any further Acquisition Units.

  The Responsible Entity may redeem an Acquisition Unit at a price equal to the greater of $1.00 and the Net Asset Value per unit (less any applicable transaction charge). Because all Acquisition Units will have been redeemed or converted to Units by 31 December 2015, the Responsible Entity has assumed that the redemption price for Acquisition Units will be $1.00.

- **Issue Price of Units**

  The Constitution contains provisions for calculating the Issue Price of Units. The Issue Price of Units issued under this PDS will be $1.00 per Unit. At other times the Responsible Entity may issue Units at NAV per Unit (plus any applicable transaction charge).

- **Redemption and Transfer**

  The Constitution allows the Responsible Entity to redeem Units upon request, in its discretion. Except as expressly set out in this PDS, the Responsible Entity does not intend to redeem Units during the term of the Fund.

  Unitholders have no right to withdraw their investment in the Fund other than in accordance with the terms of a withdrawal offer made by the Responsible Entity. The Responsible Entity is under no obligation to make Unitholders a withdrawal offer.

  Subject to applicable stamping and registration requirements, Units may be transferred by a written document in the form required by the Responsible Entity. The Responsible Entity may suspend registration of transfers for any period.

- **Liability of Unitholders**

  Subject to any agreement to the contrary with the Responsible Entity and also subject to any obligation to pay instalments on partly paid Units, the liability of each Unitholder in its capacity as such is limited to its investment in the Fund.

- **Responsible Entity's Powers and Duties**

  The Responsible Entity has all the powers that it is possible to confer on a trustee or responsible entity, and has all the powers that are incidental to ownership of the Fund's assets as though it were the absolute and beneficial owner of those assets.

  The Responsible Entity may, without limitation, acquire, dispose of or otherwise deal with any real or personal property, borrow or raise money, encumber or secure any asset, incur any liability, grant any indemnity or guarantee or fetter any power.

  The Responsible Entity may appoint delegates or agents (including the Manager) to perform any act or exercise any of its powers, as well as advisers to assist it with its duties and functions.

11 Additional Information

- **Valuation of Assets**

  The Responsible Entity may, at any time, arrange for a Fund asset to be valued and must also do so as and when required by the Corporations Act. The Responsible Entity is not to be regarded as having the knowledge of a valuer or any other expertise in respect of the valuation of assets. Each asset must be valued at its market value current at the time of valuation unless the Responsible Entity determines that:

  - there is no market in respect of the asset; or
  - the market value does not represent the fair value of the asset.

- **Responsible Entity's Limitation of Liability**

  Except where the Corporations Act expressly provides otherwise, the Responsible Entity and each director and officer of the Responsible Entity are not personally liable to a Unitholder or any other person in connection with the office of Responsible Entity or director or officer of the Responsible Entity.

  The Responsible Entity will not be liable to any Unitholder or any other person to any greater extent than the extent to which it is indemnified out of the Fund assets to which it has access.

- **Indemnities**

  The Responsible Entity has all the rights of indemnity of a trustee at law. In addition to any other right of indemnity which it may have under the Constitution or at law, the Responsible Entity is indemnified for and entitled to be reimbursed out of or to have paid from the Fund assets all costs and liabilities incurred in the proper performance of its duties, in the exercise of its powers, in the course of its office or in relation to the administration or management of the Fund. The Constitution also provides for certain indemnities to be provided in favour of compliance committee members.

- **Unitholder Meetings**

  The Responsible Entity may at any time convene a meeting of Unitholders.

  If the Responsible Entity proposes to extend or renew the term of the Fund (see Section 2.4 of this PDS), the Responsible Entity will convene a meeting for that purpose.

- **Voting Rights**

  On a show of hands, each Unitholder present in person or by proxy will have one vote. On a poll, each Unitholder will be entitled to one vote for each dollar of the value of their Unit holding.

- **Rights on Winding Up**

  Under the Constitution, the Responsible Entity may terminate the Fund at any time. On a winding up of the Fund following its termination, the net proceeds of realisation of the assets of the Fund, after discharging or providing for all liabilities of the Fund, must (subject to any rights of Acquisition Units described above and to any partly paid unit terms) be distributed pro-rata to Unitholders according to the number of Units held.

11.2. Corporate Governance and Compliance

Role as Responsible Entity

The Responsible Entity's main responsibilities are to operate and manage the Fund in accordance with the Constitution and the Corporations Act.

In carrying out its duties the Responsible Entity must:

- act honestly and in the best interests of Unitholders;
- exercise care and diligence; and
- treat Unitholders of the same class equally and Unitholders of different classes fairly.

Board Composition

The board of the Responsible Entity meets on a regular basis and is required to discuss pertinent business developments and review the operations and performance of the Fund. The board of the Responsible Entity currently comprises four directors: two executives and two non-executive directors.

The Compliance Plan

As required by law, the Responsible Entity has prepared and lodged with ASIC a Compliance Plan that sets out the measures which the Responsible Entity will apply in operating the Fund to ensure compliance with the Corporations Act and the Constitution. A copy of the Compliance Plan is available upon request, free of charge, from the Responsible Entity's offices.

Continuous Disclosure

As a disclosing entity under the Corporations Act, the Fund is subject to regular reporting and disclosure obligations. Copies of documents lodged with ASIC in relation to the Fund may be obtained from, or inspected at, an ASIC office. Unitholders have a right to obtain a copy of the following documents:

- the annual financial report for the Fund most recently lodged with ASIC;
- any half-year financial report for the Fund lodged with ASIC; and
- any continuous disclosure notices for the Fund given to ASIC.

The Responsible Entity's main method of communicating with Unitholders will be by the website www.placerproperty.com.au. All important information will be placed on the website in a timely manner. Unitholders will also so be provided the option to receive information updates by email. Fund updates will be placed on this website at least every six months.

11.3. Escrow Agreement

The Escrow Deed is between the Responsible Entity, the Escrow Agent and the Custodian. The Escrow Agent is a related body corporate of the Custodian.

Under the Escrow Deed, the Escrow Agent is required to open an interest bearing bank account (**escrow account**) into which it will deposit amounts received from the Custodian, such amounts being the $0.99 per Unit paid by investors as security for the second and final instalment on their partly paid Units.

If the Responsible Entity notifies the Escrow Agent that the Offer has been successful, the Escrow Agent must on the First Closing Date transfer the balance in the escrow account to the Custodian (to be held as a Fund asset). If the Responsible Entity notifies the Escrow Agent that the Offer has not been successful, the Escrow Agent must on the First Closing Date pay the escrow account balance:

- (on a pro rata basis) to the relevant Unitholders; or
- to the Custodian, who will then pay that amount to Unitholders (on a pro rata) basis together with redemption proceeds payable to such Unitholders.

Under the Escrow Deed:

- the Responsible Entity (as responsible entity of the Fund) indemnifies the Escrow Agent and the Custodian for performing their respective roles under the Escrow Deed; and
- neither the Escrow Agent nor the Custodian will be liable to anyone except in the case of their respective fraud, gross negligence or wilful default.

11.4. Related Party and Conflicts of Interest Policy

Related party transactions can carry a risk that they could be assessed and monitored less rigorously than arm's length third party transactions. It is important for investors to be able to assess whether the Responsible Entity takes an appropriate approach to related party transactions. A significant number or value of such transaction may mean that investors should consider the financial position of the related group as a whole and the risk of potential conflicts of interest.

All transactions in which the Responsible Entity may have a potential or actual conflict of interest will be conducted in accordance with the Responsible Entity's related party transactions policy "Related Party and Conflicts of Interest Policy". Under this policy, the Responsible Entity may be required to disclose conflicts of interests to Unitholders and to ensure that its disclosure is timely, prominent, specific and meaningful, and contains enough detail to understand and assess the potential impact on the service provided by the Responsible Entity. These conflict situations will be assessed and evaluated by the compliance manager for the Responsible Entity and if the compliance manager considers it necessary refer the matter to the Responsible Entity's legal counsel and board, with steps outlined to ensure that the conflict is managed in an appropriate manner.

The Manager and Placer Equity are related parties of the Responsible Entity.

To fund the initial acquisition of the Property by the Fund and remove settlement risk from the Offer, the Responsible Entity has arranged for Placer Equity to subscribe and pay for Acquisition Units in the Fund. Placer Equity has indicated that it may hold up to 25% of its Acquisition Units after the First Closing Date.

For more detail on the Responsible Entity's policy and procedures for related party transactions, please contact the Responsible Entity or visit www.placerproperty.com.au.

11.5. Complaints Handling

If you have a complaint about a product or service offered by the Responsible Entity, please contact us at:

Investor Services
Placer Property Limited
Level 1, 121 Flinders Lane, Melbourne, 3000
Telephone: 1300 132 099
Email: info@placerproperty.com.au

If you are not satisfied with the response you receive, you may write to:

The Complaints Officer
Placer Property Limited
Level 1, 121 Flinders Lane, Melbourne, 3000
Telephone: 1300 737 194
Email: complaints@placerproperty.com.au

The Responsible Entity will use its best endeavours to resolve the complaint to your satisfaction.

If your complaint relates to a financial product or financial service offered by the Responsible Entity, and you are still not satisfied with our response, you may contact the Financial Ombudsman Service (**FOS**).

FOS's contact details are:

Financial Ombudsman Service Limited
GPO Box 3
Melbourne Vic 3001
Telephone 1300 780 808
Fax : (03) 9613 6399
Email : info@fos.org.au
Website: www.fos.org.au

11.6. Privacy Statement

Placer Property respects your right to privacy. In completing the Application Form and communicating with us, you provide the Responsible Entity with your personal contact details. The disclosed personal information will only be used for the purpose for which it was disclosed. Your personal information will be used to identify you, process your application, establish and manage your investment and maintain our records or a related purpose which would reasonably be expected without your permission. The Responsible Entity may not be able to do these things without your personal information. Some personal information is collected as required or authorised by laws such as the Corporations Act and the Anti-Money Laundering and Counter-Terrorism Financing Act.

From time to time the personal information may be used to inform you on an ongoing basis of investment opportunities or to provide information about products and services, which the Responsible Entity expects, may be of interest to you. By completing the Application Form, you consent for the purpose of the Spam Act 2003 (Cth) to receiving commercial electronic messages and other promotional communications from the Responsible Entity or any other entity associated with the Responsible Entity. However if you request no information of that nature will be sent to you, please contact the Privacy Officer (contact details below) and the Responsible Entity will not send this information to you.

The Privacy Officer
Placer Property Limited
Level 1, 121 Flinders Lane, Melbourne, 3000
Email: privacyofficer@placerproperty.com.au
Telephone: 1300 132 099

Your personal information may be disclosed to tax and regulatory authorities, service providers who provide services in connection with your investment to the Responsible Entity (e.g. Registry, technology, administration and mailing services) or the Responsible Entity may provide information about you to your nominated financial advisor.

The Responsible Entity takes all reasonable steps to protect your personal information. Under the Australian Privacy Principles, you may access personal information about you held by the Responsible Entity. If you have any queries or concerns about privacy or wish to access or correct any personal information the Responsible Entity may hold about you, please contact our Privacy Officer as set out above. The Responsible Entity may need to verify your identity. In the case of access and correction requests, please provide as much detail as you can about the particular information you seek, in order to help the Responsible Entity locate it. The Responsible Entity will provide its reasons if it denies any request for access to or correction of personal information. The Responsible Entity takes your privacy concerns seriously. Where you express any concerns that it has interfered with your privacy, the Responsible Entity will respond to let you know who will be handling your matter and when you can expect a further response.

11.7. Custodian

The Responsible Entity has appointed Perpetual Corporate Trust Limited to act as custodian of the Fund's assets.

The Custodian is indemnified under the Custody Agreement by the Fund for a range of matters, including for liabilities incurred for acting as custodian and holding the Fund assets. The Custodian is also indemnified for the Responsible Entity's breaches and other misconduct. The Custody Agreement may be terminated on 60 days' notice by either party.

The Custodian's role is limited to holding assets of the Fund as agent of the Responsible Entity. The Custodian has no supervisory role in relation to the operation of the Fund and is not responsible for protecting the interests of the Unitholders. The Custodian has no liability or responsibility to the Unitholders for any act done or omission made in accordance with the terms of the Custody Agreement.

11.8. Major Lease Information

Lease (sublease under the Crown Lease) to the Australian Competition and Consumer Commission

Document	Dated 21 May 2010
Parties (Name and ACN/ABN)	Acton Developments (ACT) Pty Limited (ACN 102 786 050) (**landlord**) Australian Competition and Consumer Commission (ABN 94 410 483 623) (**tenant**)
Term	**Commencement Date:** 1 August 2010 expiring on 31 July 2022 (Term of 12 years) **Options:** one further term of five years commencing 1 August 2022 and expiring 31 August 2027. Option to be exercised by the tenant not less than six months before lease expiry.
Premises	Title Reference: Part of Unit 1, Volume 1842 Folio 71, Block 4, Section 24 City Description: Suite 1 on Sublease Plan Numbers: 6571 (part Ground), 6572 (first floor) 6573 (second floor) 6574 (third floor) 6575 (fourth floor) and basement areas B101 (storage), B102 (parking), B103 (bike store), B104 (toilets), B105 (lift lobby), B106 (parking), B107 (parking), B108 (parking) on Sublease Plan No. 6638, at 23 Marcus Clarke Street, Canberra. There are 30 undercover car parking bays for the tenant's use as part of the premises.
Rent Reviews	3.35% increase on each anniversary of the commencement date. Market review on commencement of the further term (option period).
Tenant's Contribution to Outgoings	Tenant to pay its proportion of increases in statutory outgoings over the base year (30 June 2009) amounts. The landlord will bear the first 3.35% increase in statutory outgoings assessed for the premises compounded over the term. The tenant is liable for all charges for electricity, gas, water and telephone consumed or used on the premises.
Lease Incentives	None
Subletting	The ACCC may assign, sublet or part with possession of the premises to a Commonwealth body or any other Commonwealth agency or to the Commonwealth of Australia without the landlord's consent.
Termination Rights	The ACCC may terminate its lease in specific circumstances. These include if a hazardous substance is found, a service failure is not rectified, if more than 1,500 square metres of the premises is damaged or destroyed and if the landlord does not remedy a breach of the lease or breach of warranty by the landlord.
Rental Abatements	The ACCC may claim an abatement of rent if a building service fails or if the landlord interferes with the tenant's quiet enjoyment of the premises.
Tenant Make Good	The ACCC has no obligation to make good, reinstate, redecorate, repaint, recarpet, restore or repair the premises or to remove the tenant's fittings or alterations at the end of the lease. The ACCC's sole obligation is to leave the premises in a clean and tidy condition.

11 Additional Information

11.9. Title Details and Site Description

Title description

The Property is comprised of:

- Unit 1 on Unit Plan 3929, Blocks 9 and 10, Section 24, Division of City registered at the Registrar-General's Office as Volume 2098 Folio 61;
- Unit 2 on Unit Plan 3929, Blocks 9 and 10, Section 24, Division of City registered at the Registrar-General's Office as Volume 2098 Folio 62; and
- Unit 35 on Unit Plan 3929, Blocks 9 and 10, Section 24, Division of City registered at the Registrar-General's Office as Volume 2098 Folio 95.

The property is a Stratum Block and Section title with Block 9 forming the site at ground level and Block 10 representing the area below ground.

NewActon incorporates cultural, commercial, retail, tourism and residential usages.

Physical description

Irregular shaped corner block situated at road level with a slight crossfall to the southern boundary. The site has been excavated to accommodate the basement car parking, storage and services.

Total Site Area 3,360 square metres.

Body corporate unit entitlement

There are a total of 35 units in the property. The Fund has acquired units 1, 2 and 35.

The aggregate unit entitlements for units 1, 2 and 35 is 6,847 out of 10,000 entitlements in the building. This means that the Fund will hold 68.47% of the unit entitlements.

The Unit Titles (Management) Act 2011 ACT, requires some decisions to be passed by special resolution, for example, when an Owners Corporation wishes to amend its rules. This require a two thirds majority vote (i.e. 66.6%) to vote in favour.

On special resolutions, even with full attendance, the Fund (being owner of units 1, 2 and 35) will have the majority.

11.10. Crown Lease

The ACT has a leasehold system and is the sole form of land tenure. Leases are typically granted for 99 years. The lessee can make an application to the authority for a further Crown Lease at any time during the term of the lease.

The term of the lease for Property expires on the 5 March 2097.

The rent reserved by and payable under the lease of each of the units is five cents per annum if and when demanded. The Commonwealth covenants with each of the lessees that it shall quietly enjoy the unit without interruption by the Authority or any person lawfully claiming from or under or in trust for the Authority.

The Crown Lease for Blocks 9 & 10 Section 24, Division of City as stipulated within Registered Units Plan 3929 requires that the land be used for certain specific purposes only, including retail and office use.


NewActon East – Common entrance foyer

11.11. Debt Facility Details

A cash advance facility has been secured with the National Australia Bank on the following terms (Debt Facility):

Bank	National Australia Bank Limited
Borrower	Placer Property Limited as Responsible Entity for NewActon East Property Fund
Total Facility Limit	$29,315,000 prior to the First Closing Date $22,500,000 on and from the First Closing Date
Undrawn Amount	Nil
Term	Approximately five years until 31 August 2019
Loan to Value Covenant	The loan to value Ratio (**Bank LVR**) must not exceed 60%. Bank LVR means, at any time, the total of all amounts owing under the Debt Facility (but excluding such amounts (if any) under a swap agreement) divided by the value of the Property at that time (expressed as a percentage). **Covenant testing** The Property would need to fall by more than 16.8% in value for the Bank LVR covenant to be breached.
Interest Cover Ratio Covenant	Interest Cover Ratio (**ICR**) is to be no less than 1.75x. **ICR** means, for a period, the ratio of: net rental income for that period, to: interest expense for that period. Up to 31 December 2015 the ICR is based on forecast net rental income. After 31 December 2015 it is based on actual net rental income. **Covenant testing** Based on the FY 15 forecast: ▪ rental income generated by the Property would need to fall by 40.6%; or ▪ interest (finance charges) would need to increase in the order of 95%, for the ICR covenant to be breached.
Security	The Debt Facility is 'limited recourse' in that NAB will only have recourse to the assets of the Fund. The Responsible Entity and the Custodian have granted security for the obligations under the Debt Facility. These securities include: ▪ a first ranking registered mortgage over the Property granted by the Custodian; ▪ a general security arrangement between the Custodian, Responsible Entity and the Bank; and ▪ a general security agreement over the assets and undertakings of the Responsible Entity (as responsible entity of the Fund). The Responsible Entity considers these securities to be appropriate for a facility of this nature.
Hedging	The Responsible Entity has entered into an interest rate swap over $22.5 million of the Debt Facility to hedge the variable interest rate payable for the Forecast Period.
Terms which can be invoked if Unitholders exercise rights under Constitution	Certain events initiated by Unitholders without the consent of the Bank will be an event of default under the Debt Facility. If an event of default occurs, the loan will become repayable and the securities may be enforced by NAB (unless the Bank waives the event of default or consents to the relevant event occurring). These events include: ▪ the Unitholders calling a meeting to remove the Responsible Entity; or ▪ a Unitholder applying to the Court for appointment of a temporary responsible entity.

11.12. Valuation Policy

The Responsible Entity has a Valuation Policy that describes the processes involved to ensure that Fund real estate assets are properly valued in a manner appropriate to the nature of the asset. This includes the frequency of valuation and the appointment of independent valuers. A copy of the Responsible Entity's Valuation Policy is available on request by contacting the Responsible Entity.

The policy requires only valuers who have appropriate qualifications and experience to be appointed. It also contains procedures for rotating valuers and for related party transactions.

The intention is that the Property will be independently valued each year by a qualified valuer. An independent valuation is also to be obtained within two months after Directors form the view there is a likelihood that there has been a material change in the value of the Property.

Knight Frank valued the Property on 1 August 2014 at $45.1 million. A summary of the valuation is set out in Section 9.

11.13. Naming Consents

Each of the following parties have given their written consent to be named in this PDS in the form and context in which they are named and they have not withdrawn that consent:

- Knight Frank;
- Perpetual Corporate Trust Limited;
- The Trust Company (Australia) Limited;
- Moore Stephens;
- Boardroom (Victoria) Pty Limited; and
- National Australia Bank Limited.

In addition to consenting to being named in the PDS, Knight Frank has given its written consent to the inclusion of the Canberra Office Market Outlook in Section 4 and the inclusion of the valuation summary in Section 9.

11.14. Anti-Money Laundering and Counter Terrorism Financing

The Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (**AML/CTF Act**) requires us to conduct identification and verification checks prior to accepting your investment. You will be required to provide the identification information set out in the Application Form. We will not issue you with Units unless satisfactory identification documents are provided.

The Responsible Entity is required to collect and verify 'Know Your Customer' (**KYC**) information which may vary by investor type. In some instances, we may be required to conduct enhanced due diligence before being able to proceed with your application.

11.15. Labour Standards / Environmental / Ethical Considerations

The Responsible Entity does not take into account labour standards, environmental, social or ethical considerations when making or realising an investment of the Fund.

11.16. Future Issues of Units

The Responsible Entity may issue further units (this does not include any Units issued under this PDS) if it considers to do so would be in the best interest of Unitholders. Any further issue of units is to be supported by an independent experts report confirming that the raising is "fair and reasonable". The Responsible Entity may raise further equity via a number of methods, including:

- the issue of fully or partly paid units;
- discounted or non-discounted pro-rata rights offer to all Unitholders; or
- the issue of separate classes of units.

The Responsible Entity may enter into arrangements with underwriters or other entities to support a further issue of units. Any fees payable to underwriters or other entities to acquire the units will be paid for by the Fund.

11.17. Unitholder Enquiries and Additional Information

Unitholders can call Investor Services on 1300 132 099 during business hours.

Alternatively you may write to the Responsible Entity at the following address:

Investor Services
Placer Property Limited
PO Box 18317
Melbourne Vic 3001
Email: info@placerproperty.com.au

Information regarding the Fund will be available at the Responsible Entity's website: www.placerproperty.com.au.

12 Glossary


NewActon East – Common entrance foyer

12 Glossary

Term	Description
ABN	Australian Business Number.
ACN	Australian Company Number.
ABS	Australian Bureau of Statistics.
ACCC	Australian Competition and Consumer Commission.
Acquisition Units	A class of units in the Fund on issue as at the date of this PDS.
ACT	Australian Capital Territory.
AFSL	Australian Financial Service License.
Application Amount	For partly paid Units under the Offer (Units issued on or before the First Closing Date), \$0.01. For fully paid Units (if any) under the Offer (Units issued after the First Closing Date, and on or before the Final Closing Date), \$1.00.
Application Form	the application form attached to this PDS.
ASIC	Australian Securities and Investment Commission
ATO	Australian Taxation Office.
Bank LVR	the loan to value ratio under the Debt Facility.
CBD	central business district.
Compliance Plan	the compliance plan for the Fund and lodged with ASIC, as amended from time to time.
Constitution	the Constitution for NewActon East Property Fund dated 28 July 2014 as amended.
Crown Lease	the lease granted by the Commonwealth over Blocks 9 & 10 Section 24, Division of City as stipulated within Registered Units Plan 3929.
Custodian	Perpetual Corporate Trust Limited ACN 000 341 533.
Debt Facility	the secured loan facility provided by NAB to the Responsible Entity for a period of five years.
EBITDA	Earnings before interest, tax, depreciation, straight lining of rentals and amortisation.
Escrow Agent	The Trust Company (Australia) Limited ACN 000 000 993.
Escrow Deed	the deed of that name between the Responsible Entity, the Escrow Agent and the Custodian.
Final Closing Date	If sufficient funds have been raised by the First Closing Date, but less than the Total Offer Amount has been raised, the Responsible Entity may elect to keep the Offer open until the earlier of the date that 1) sufficient funds are raised to redeem any remaining Acquisition Units or 2) the Responsible Entity closes the Offer.
Financial Ombudsman Service or FOS	means the Financial Ombudsman Service Limited GPO Box 3 Melbourne Vic 3001 Telephone 1300 780 808 Fax : (03) 9613 6399
First Closing Date	31 December 2014; or such earlier date determined by the Responsible Entity on which sufficient funds have been raised under the Offer; or such later date determined by the Responsible entity, not exceeding 31 March 2015.
Forecast Period	2 September 2014 to 30 June 2016.
Fund	the unit trust named NewActon East Property Fund (ARSN 601 457 229) established by the Constitution.
FY15	the period commencing on 2 September 2014 and ending on 30 June 2015.

Term	Description
FY16	the 12 month period ending 30 June 2016.
Gross Asset Value or GAV	the gross value of the Fund's assets.
GST	Goods and Services Tax.
Indirect Investors	investors who access the Fund through a Wrap Account.
Initial Term	the initial term of the Fund will end on or about 30 June 2021.
Instalment Moneys	$0.99 per Unit.
Interest Cover Ratio or ICR	the ratio as set out in Section 2.5.
IRR	Internal rate of return.
Issue Price	Fixed price at which an interest in the Fund is offered to the public. The issue price per Unit is AUD$1.00.
investor	An applicant for Units under this PDS.
Knight Frank	Blak Box Pty Ltd ABN 61 153 062 483 trading under licence as Knight Frank Valuations Canberra.
Management Fee	the management fee set out in Sections 6.1 and 6.2 of this PDS.
Manager	Placer Property Management Pty Ltd ACN 165 750 078.
National Australia Bank or NAB	National Australia Bank Limited.
NAV per Unit	Net asset value per Unit as calculated under the Constitution.
Net Tangible Assets or NTA	the net tangible assets of the Fund as set out in Section 2.5 of this PDS.
Offer	the offer of ordinary Units under this PDS.
Operator	the operator or custodian of the WARP facility.
Performance Fee	the performance fee set out in Section 6.2 of this PDS.
Placer Equity	Placer Equity Pty Ltd ACN 165 742 889.
Placer Property	Placer Property Limited ACN 164 635 885 (AFSL 442806).
PDS	Product Disclosure Statement.
Property	Units 1, 2 and 35 on Unit Plan 3929, Blocks 9 and 10 Section 24 Division of City and known as 21-23 Marcus Clarke Street, Canberra ACT.
Registry	Boardroom (Victoria) Pty Limited ACN 110 851 333.
Responsible Entity	Placer Property Limited (ACN 164 635 885 (AFSL 442806). See Section 10.
RG 46	ASIC Regulatory Guide 46: Unlisted property schemes—improving disclosure for retail investors.
Settlement Date	2 September 2014.
Special Resolution	a resolution passed at a meeting of Unitholders by at least 75% of the votes cast by Unitholders entitled to vote on the resolution.
Term	the Initial Term, unless the Property is sold earlier or Unitholders agree to extend the term of the Fund.
Total Amount Due	the number of Units being applied for, multiplied by $1.00.
Total Offer Amount	$26.50 million.
Unit	An ordinary unit in the Fund.
Unitholder	A holder of Ordinary Units.
WALE	Weighted average lease expiry as set out in Section 3.
Wrap Account	means an investor directed portfolio service (IDPS) or IDPS-like scheme.

Application Form

NewActon East – The Fund has acquired the commercial parts of the building

PLACER PROPERTY

Application Form

NewActon East Property Fund

This Application Form is to be used for the purchase of Units in the NewActon East Property Fund (ARSN 601 457 229) (Fund), under the Offer set out in the Product Disclosure Statement dated 24 September 2014 (PDS) issued by Placer Property Limited (ABN 69 164 635 885, AFSL 442806) (**Responsible Entity**).

The Responsible Entity has the sole discretion whether to accept or reject an application. The Responsible Entity will reject an Application Form if the Gross Payment Amount is not received in full and in cleared funds. If your Application Form is rejected, wholly or in part, then the Responsible Entity will notify you in writing and return the relevant Gross Payment Amount, within 30 business days. By sending a completed Application Form you are making an offer to become an investor in the Fund and you are agreeing to be legally bound by the Constitution and the terms of the PDS. A summary of the Constitution is included in Section 11.1 of the PDS to which this Application Form is attached.

Read the PDS	PDS available from:	www.placerproperty.com.au Tel: 1300 132 099 email enquiries: info@placerproperty.com.au
Complete this Application Form	Application Form on pages 65 to 68.	
Complete Investor Identification Form	All person(s) or legal entities named on the Application Form, must complete the relevant Investor Identification Form. Refer to page 69.	
Payment	Cheque: Cheques should be either Australian bank cheques or drawn on an Australian domiciled account in the name of the applicant and made out to: NewActon East Property Fund – Application Account Electronic Transfer: If you would like to direct deposit the Gross Payment Amount via electronic transfer, please send your payment to the following bank account: **Account name:** Perpetual Corporate Trust Limited ACF NewActon East Property Fund – Application Account **Bank:** National Australia Bank **BSB Number:** 083 054 **Account Number:** 741 520 396 ***Reference: Please ensure the application name is placed in this field to allow us to match your application fund with your application form.***	
Post	Mail your Application Form/s to the Registry:	Boardroom (Victoria) Pty Limited GPO Box 3993, Sydney NSW 2001

Correct format of Registerable Titles

Only legal entities are allowed to hold Units in the Fund. Applications must be in the name(s) of natural person(s), companies or other legal entities acceptable to the Fund. At least one full given name and the surname are required for each individual. The name of the beneficiary or any other non-registerable name may be included by way of an account designation if completed exactly as described in the example of correct forms of registerable title shown below.

Type of Investor	Correct format of Registerable Name	Incorrect format
Individual Use given names, not initials	John Alfred Smith	~~J A Smith~~
Company Use company name, not abbreviations. Director(s) names must be completed within the Applicant(s) Details section	ABC Pty Ltd	~~ABC P/L or ABC Co~~
Trust[1] Use trustee(s) names Use name of the trust in the account designator section	Sue Smith Sue Smith Family Trust	~~Sue Smith Family Trust~~ ~~Sue Smith~~
Superannuation Funds Use name of trustee of fund Use name of fund in the account designator section	Jane Smith Pty Ltd Jane Smith Super Fund	~~Jane Smith Super Fund~~ ~~Jane Smith Pty Ltd~~
Deceased Estates[2] Use executor(s) names Use name of the deceased in the account designator section	Sue Lennon Estate of the Late Jon Lennon	~~Estate of the Late Jon Lennon~~
A Minor (less than 18 years old)[3] Use Trustee, parent or guardian(s) personal names Use name of the Minor in the account designator section	Sue Smith Junior Smith	~~Junior Smith~~ ~~Sue Smith~~

1 If there are two or more trustees, please name each. All trustees should sign.
2 A copy of the grant of probate or letters of administration, certified as being a true and accurate copy of the original by a Justice of the Peace, a lawyer or a commissioner of declarations should be attached.
3 If the Minor does not hold a TFN, please supply the TFN of one of the trustees.

Application Form

NewActon East Property Fund

ARSN 601 457 229

PLACER PROPERTY

APP

Fill out this Application Form if you want to apply for Units in the NewActon East Property Fund. Please complete this Application Form using BLACK INK and write clearly within the boxes in CAPITAL LETTERS. Mark **appropriate** answer boxes with a cross (X). You should read the whole of the PDS dated [ ] September 2014, issued by the Responsible Entity, before completing this Application Form. Capitalised terms in this Application Form will have the same meaning as given to them in the PDS (unless otherwise defined in this Application Form).

PART 1 INVESTOR IDENTIFICATION

Please mark with a cross (X) one of the boxes to indicate who is making the investment.

- ☐ Individual / Joint Investor > Complete Investor Identification Form 1 (pages 70-71)
- ☐ Company > Complete Investor Identification Form 2 (pages 72-73)
- ☐ Trusts and Trustees > Complete Investor Identification Form 3 (pages 74-78)
- ☐ Executors of an Estate > Complete Investor Identification Form 3 (pages 74-78)

PART 2 GROSS PAYMENT AMOUNT at $ 1.00 PER UNIT & APPLICANT(S) DETAILS

A The Gross Payment Amount is the sum of:

- Total Amount Due; and
- Initial Advice Fee (if any, see Part 5).

Total Amount Due is the number of Units being applied for, multiplied by $1.00.

$0.01 per Unit of the Total Amount Due, is the application money for each Unit.

The remaining $0.99 per Unit is to be held by the Escrow Agent as security for payment of the second and final instalment of the Issue Price.

Minimum Application Amount is 10,000 Units ($10,000).

B Please include your TFN in the space provided to ensure tax is not deducted from distributions.

Collection of TFN's is authorised by tax law.

It is not an offence if you chose not to quote your TFN or ABN or claim an exemption, however if you do not provide your TFN or ABN, or claim an exemption, then the Responsible Entity is entitled to deduct tax from distributions of income at the highest marginal rate, plus the Medicare levy.

C Please fill in this section if you are investing on behalf of a Company.

D Individual investors may designate an investment on behalf of another individual. the Responsible Entity is only required to act on instructions from the investors listed in 2A or 2C.

A

Gross Payment Amount: $ _ , _ _ _ , 0 0 0 . 0 0

Individual Investor, Joint Investor 1, Company Director 1, Executor 1 or Trustee 1

Title | Given name(s)

Surname | Date of birth (day/month/year) __ / __ / ____

Joint Investor 2, Company Director 2, Executor 2 or Trustee 2

Title | Given name(s)

Surname | Date of birth (day/month/year) __ / __ / ____

B

Tax File Number(s) (Individual and Joint Investors only)

1 | 2

If any of the investors above are exempt from providing a TFN, please provide the reason for the exemption (eg: Sole Parent Benefits, Service Pension, etc.)

C

Name of Investing Company, Association, Body or Trustee Company if applicable

ABN | TFN

D

Account Designator (name of Super Fund, Trust, Deceased Estate or other entity or person)

A T F

ABN | TFN

If exempt from providing a TFN and/or ABN, please provide the reason for the exemption

PART 3

APPLICANT(S) CONTACT DETAILS *(Must not be Adviser details)*

Please enter contact details, including phone numbers in case we need to contact you in relation to your application. Adviser details are not acceptable unless your Adviser holds a power of attorney, a certified copy of which must be provided. These contact details will be used for all administration correspondence.

Address

City

State

Postcode

Phone -

After hours phone -

Mobile -

Facsimile -

Email

PART 4

COMMUNICATION PREFERENCES

Nominating to receive communications electronically reduces administration costs for the Fund.

Would you like Unitholder communications to be sent to the email address nominated in Part 3 above? Yes ☐ No ☐

Indicate if you would like to be sent Annual Financial Reports. Yes ☐ No ☐

Tick this box if you **do not** want to receive marketing related material or calls from the Responsible Entity. ☐

PART 5

FINANCIAL ADVISER DETAILS

If you use a financial adviser, please have them sign this section and stamp the Application Form to confirm they hold a current AFSL and are authorised to deal in and/or advise on managed investment products. If an initial Advisor Fee is nominated we will deduct this amount from your Gross Payment Amount and pay this fee to your financial adviser. This amount is in addition to the Total Amount Due.

Adviser given name

Adviser surname

Adviser company (if applicable)

Adviser email

Licensed Dealer

License No:

Initial Adviser Fee (if applicable):

%

(Max x.x%, incl. GST)

ADVISOR SIGNATURE

PART 6

DISTRIBUTION PAYMENTS

You are required to provide your bank account details for payment of distributions. Distributions will not be paid by cheque. We can only accept Australian bank account details.

Account Name

Financial Institution

BSB

Account Number

PLACER PROPERTY

PART 7 DECLARATION AND AUTHORISATION

I/we represent and warrant that:

1. I/we have received and read the PDS to which this Application Form applies and agree to be bound by it and the Constitution (each as amended from time to time).
2. I/we have received and accepted the Offer to invest in Australia.
3. All information in this Application Form is true and correct.
4. I/we indemnify the Responsible Entity against any liabilities whatsoever arising from acting on any information I/we provide in connection with this Application Form.
5. I/we have legal power to invest in accordance with this Application Form and have complied with all applicable laws in doing so.
6. In the case of joint applications, the joint applicants agree that unless otherwise indicated on the Application Form, the Units will be held as joint tenants and either investor is able to operate the account and bind the other investor for future transactions.
7. If this Application Form is signed under Power of Attorney, the Attorney declares that I/we have not received notice of revocation of the power.
8. I/we have read and understood the 'Privacy Statement' in the current PDS.
9. Until I/we inform the Responsible Entity otherwise, I/we will be taken to have consented to all uses of our personal information (including marketing) contained under the heading Privacy Statement and to our Adviser providing further personal information to the Responsible Entity as required or reasonably deemed necessary by the Responsible Entity.
10. I/we understand that if we fail to provide any information requested or do not agree to any of the possible uses or disclosure of our information as detailed in the PDS, our application may be rejected by the Responsible Entity and the Responsible Entity is released and indemnified in respect of any loss or liability arising from its inability to accept an Application Form due to inadequate or incorrect details having been provided.
11. I/we agree that the Responsible Entity may provide details of our investment to the Adviser group or Adviser nominated by the means and in the format that they direct.
12. I/we agree to the provision of confirmations, reporting and other communications, as set out in Section 2.6 of the PDS.
13. If the Application Form is received prior to the First Closing Date, I/we authorise and direct the Responsible Entity, to direct the Escrow Agent to transfer the $0.99 per Unit held in escrow, to the Custodian on the First Closing Date (if sufficient equity is raised by that date), as payment of the second and final instalment of the $1.00 Issue Price per Unit.
14. The monies used to fund my investment in the Fund are not derived from or related to any money laundering, terrorism financing or other illegal activities, whether prohibited under Australian law, international law or convention ("illegal activity") and the proceeds of my investment in the Fund will not be used to finance any illegal activities.
15. I am not a "politically exposed" person or organisation for the purpose of any AML/CTF Act.
16. I/we will provide such information and assistance that may be requested by the Responsible Entity to comply with its obligations under the AML/CTF Act and I/we will indemnify the Responsible Entity against any loss caused by my/our failure to provide any information or assistance required to comply with our obligations under the AML/CTF Act.
17. I/we confirm that the Responsible Entity and the Registry are authorised to accept and act upon any instructions in respect of this Application Form and the Units to which it relates given by me by facsimile or email. If instructions are given by facsimile or email, the onus is on me to ensure that such instructions are received in legible form and I undertake to confirm them in writing. I indemnify the Responsible Entity and the Registry against any loss arising as a result of any of them acting on facsimile or email instructions. The Responsible Entity and the Registry may rely conclusively upon and shall incur no liability in respect of any action taken upon any notice, consent, request, instruction or other instrument believed, in good faith, to be genuine or to be signed by properly authorised persons.

I/we acknowledge that:

1. once the Application Form has been received by the Responsible Entity, it cannot be withdrawn.
2. I/we understand that the Adviser Fee cannot be refunded once paid.
3. any Application Form can be accepted or rejected by the Responsible Entity.
4. neither the Responsible Entity nor any Unitholder of the NewActon East Property Fund (including its directors and employees) guarantee the Fund's performance, the repayment of capital, any particular rate of return or any distribution.
5. the assumptions, and therefore the forward looking statements, are subject to factors which are outside the control of the Responsible Entity and their directors, or which are not predictable on a reliable basis and that the actual results may vary materially from the forward looking statements.
6. the Responsible Entity may be required to pass on information about me or my investment to the relevant regulatory authority in compliance with the AML/CTF Act.
7. should an Adviser whose details appear in Part 5 of this Application Form be appointed, the Responsible Entity may supply my Adviser with information about my account unless I instruct the Responsible Entity not to do so.

If the Application Form is signed by more than one person, who will operate the account: Any to sign ☐ All to sign together ☐

SIGNATURE A	Date __ / __ / __	SIGNATURE B	Date __ / __ / __

Name ____________________ Name ____________________

If a Company Officer or Trustee, you MUST specify your title: | If a Company Officer or Trustee, you MUST specify your title:

Director	☐	Sole Director and Company Secretary	☐	Director	☐	Sole Director and Company Secretary	☐
Trustee	☐	Other		Trustee	☐	Other	

PART 8 PAYMENT DETAILS

These details are required so your payment can be matched to your Application Form. Please refer to page 1 of Application Form and comment below for further details.

Please indicate which payment method you've used:

Cheque ☐ > Made payable to NewActon East Property Fund – Applications Account

Electronic Transfer ☐ Reference ____________________

Reference Name on Application Form.

This reference will be used to identify your application and MUST match the reference you enter with your funds transfer. If we are not able to match your application to a payment, your application may not be processed. Note that your application cannot be processed until the direct credit has been processed by your financial institution, and your Application Form has been received by the Investor Registry.

Investor Identification Forms

In 2006 the Federal Government enacted the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (**AML/CTF Act**). The purpose of this legislation is to enable Australia's financial sector to maintain international business relationships, detect and prevent money laundering and terrorism financing by meeting the needs of law enforcement agencies and to bring Australia in line with international standards.

Why does this legislation affect Placer Property?

As Placer Property is the responsible entity for investment products, we have to meet stringent investor identification and verification requirements. This means that prior to Units in the NewActon East Property Fund being issued, we must be 'reasonably satisfied' that investors are who they claim to be.

What do you need to do?

If you invest in the Fund through a financial adviser or an IDPS facility then they will request and collect any verification materials. If you are investing directly, you need to complete the identification form which relates to the type of entity making the investment.

Type of Entity Investing	Forms to be completed	Pages
Individual / Joint Investors (each applicant must complete a form)	IDENTIFICATION FORM 1: Individual & Sole Traders Form	70-71
Australian Companies	IDENTIFICATION FORM 2: Australian Companies Form	72-73
Trusts, Trustees and Self Managed Super Funds	IDENTIFICATION FORM 3: Trusts, Trustees & SMSFs Form	74-78

Not on the list?

If you are investing via a type of entity not listed above, please phone Boardroom on 1300 737 760 to discuss which form is appropriate for your needs.

We may request additional information from you where we reasonably consider it necessary to satisfy our obligations under the AML/CTF Act, and applications will not be processed until the necessary information is provided.

Who is allowed to certify AML/CTF Identification documents?

a Justice of the Peace
a member of the Institution of Chartered Accountants in Australia, CPA Australia or the National Institute of Accountants
a person who is enrolled on the roll of the Supreme Court of a State or Territory, or High Court of Australia, as a legal practitioner (however described)
a judge of a court or a magistrate
a permanent employee of Australia Post employed in an office supplying postal services to the public with 5 years continuous service, a full time teacher at a school or tertiary institution
a police officer
a person who, under a law in force in a State or Territory, is currently licenced or registered to practice one of the following occupations: Chiropractor, Dentist, Medical practitioner, Nurse, Optometrist, Pharmacist, Physiotherapist, Psychologist, Veterinary surgeon
an officer with, or authorised representative of, a holder of an Australian financial services licence, having 2 or more continuous years of service with one or more licensees
any other persons mentioned in Part 1 and Part 2 of the Statutory Declarations Regulations 1993 – Schedule 2

Identification Form 1:
Individuals & Sole Traders

PLACER PROPERTY

GUIDE TO COMPLETING THIS FORM

- Complete one form for each individual nominated on your application form. Complete all applicable sections of this form in BLOCK LETTERS.

SECTION 1A: PERSONAL DETAILS / INDIVIDUAL 1

Surname | Date of Birth dd/mm/yyyy

Full Given Name(s)

Residential Address *(PO Box is NOT acceptable)*

Street

Suburb | State | Postcode | Country

COMPLETE THIS PART IF INDIVIDUAL IS A SOLE TRADER

Full Business Name (if any) | ABN (if any)

Principal Place of Business (if any) *(PO Box is NOT acceptable)*

Street

Suburb | State | Postcode | Country

SECTION 1B: PERSONAL DETAILS / INDIVIDUAL 2

Surname | Date of Birth dd/mm/yyyy

Full Given Name(s)

Residential Address *(PO Box is NOT acceptable)*

Street

Suburb | State | Postcode | Country

COMPLETE THIS PART IF INDIVIDUAL IS A SOLE TRADER

Full Business Name (if any) | ABN (if any)

Principal Place of Business (if any) *(PO Box is NOT acceptable)*

Street

Suburb | State | Postcode | Country

SECTION 2: IDENTIFICATION DOCUMENTS (CERTIFIED COPIES TO BE PROVIDED)

GUIDE TO COMPLETING THIS FORM

- Please complete Part I (if you do not own a document from Part I, then complete Part II or III.)

PART I – PRIMARY DOCUMENTS

Tick	Select **ONE** valid option from this section only
O	Australian State / Territory driver's licence containing a photograph of the person
O	Australian passport (a passport that has expired within the preceding 2 years is acceptable)
O	Card issued under a State or Territory for the purpose of proving a person's age containing a photograph of the person
O	Foreign passport or similar travel document containing a photograph and the signature of the person*

PART II – ACCEPTABLE SECONDARY ID DOCUMENTS *– should only be completed if you do not own a document from Part I*

Tick	Select **ONE** valid option from this section
O	Australian birth certificate
O	Australian citizenship certificate
O	Pension card issued by Centrelink
O	Health card issued by Centrelink
Tick	**AND ONE** valid option from this section
O	A document issued by the Commonwealth or a State or Territory within the preceding 12 months that records the provision of financial benefits to the individual and which contains the individual's name and residential address.
O	A document issued by the Australian Taxation Office within the preceding 12 months that records a debt payable by the individual to the Commonwealth (or by the Commonwealth to the individual), which contains the individual's name and residential address.
O	A document issued by a local government body or utilities provider within the preceding 3 months which records the provision of services to that address or to that person (the document must contain the individual's name and residential address).

PART III – ACCEPTABLE FOREIGN DOCUMENTS *– should only be completed if the individual does not own a document from Part I*

O	If under the age of 18, a notice that: was issued to the individual by a school principal within the preceding 3 months; and contains the name and residential address; and records the period of time that the individual attended that school.
Tick	**BOTH** documents from this section must be presented
O	Foreign driver's licence that contains a photograph of the person in whose name it issued and the individual's date of birth*
O	National ID card issued by a foreign government containing a photograph and a signature of the person in whose name the card was issued*

*Documents that are written in a language that is not English must be accompanied by an English translation prepared by an accredited translator.

IMPORTANT:

Please attach a **certified**, legible copy of the ID documentation you are relying upon to confirm your identity (and any required translation).

GUIDE TO COMPLETING THIS FORM

- Complete all applicable sections of this form in BLOCK LETTERS.
- Foreign Companies are not permitted to invest in the NewActon East Property Fund.
- Only send the completed sections of this form with the application form.

SECTION 1A: AUSTRALIAN COMPANY DETAILS (to be completed if company is an Australian Company)

1.1 General Information

Full name as registered by ASIC

ACN

Registered office address *(PO Box is NOT acceptable)*

Street

Suburb State Postcode Country

Principal place of business (if any) *(PO Box is NOT acceptable)*

Street

Suburb State Postcode Country

1.2 Regulatory/ Listing Details *(if applicable, select from the following categories which apply to the company and provide the information requested)*

- ○ **Regulated company** (licensed by an Australian Commonwealth, State or Territory statutory regulator)

  Regulator name

  Licence details

- ○ **Australian listed company**

  Name of market / exchange

- ○ **Majority-owned subsidiary of an Australian listed company**

  Australian listed company name

  Name of market / exchange

1.3 Company Type *(select only ONE of the following categories)*

- ○ **Public** ***The form is now COMPLETE.***
- ○ **Proprietary** Go to Section 1.4.

1.4 Directors *(only needs to be completed for proprietary companies)*

This section does NOT need to be completed for public companies.

How many directors are there? Provide full name of each director

Full given name(s) Surname

1

2

3

4

If there are more directors, provide details on a separate sheet

1.5 Shareholders *(only needs to be completed for proprietary companies that are not regulated companies as selected in Section 1.2)*

Provide details of **ALL individuals** who are beneficial owners through one or more shareholdings of more than 25% of the company's issued capital

Shareholder 1

Full given name(s) Surname

Residential address *(PO Box is NOT acceptable)*

Street

Suburb State Postcode Country

Shareholder 2

Full given name(s) Surname

Residential address *(PO Box is NOT acceptable)*

Street

Suburb State Postcode Country

Shareholder 3

Full given name(s) Surname

Residential address *(PO Box is NOT acceptable)*

Street

Suburb

Shareholder 4

Full given name(s) Surname

Residential address *(PO Box is NOT acceptable)*

Street

Suburb

Identification Form 3:

Trusts, Trustees & SMSFS

PLACER PROPERTY

GUIDE TO COMPLETING THIS FORM

Complete the following in BLOCK LETTERS:

Section 1 (all parts) – all trusts.

AND select and complete one of the following sections for ONLY ONE of the trustees:

Section 2 (applicable parts) – selected trustee is an Individual; or

Section 3 (applicable parts) – selected trustee is an Australian Company.

Only send the **completed sections** of this form with the application form.

SECTION 1A: TRUST DETAILS

1.1 General Information

Full name of trust

Full business name (if any)

1.2 Type of Trust *(select only one of the following trust types and provide the information requested)*

○ **Registered managed investment scheme**

Provide Australian Registered Scheme Number (ARSN) **(Go to Section 1B)**

○ **Regulated trust (e.g. a SMSF)**

Provide name of the regulator (e.g. ASIC, APRA, ATO)

Provide the trust's ABN or registration / licensing details **(Go to Section 1B)**

○ **Government superannuation fund**

Provide name of the legislation establishing the fund **(Go to Section 1B)**

○ **Other trust type**

Trust description (e.g. Family, unit, charitable, estate) **(Complete Section 1.3 and 1.4)**

1.3 Beneficiary Details *(only complete if **"Other trust type"** is selected in section 1.2 above)*

Do the terms of the trust identify the beneficiaries by reference to membership of a class?

○ **Yes** Provide details of the membership class/es (e.g. unit holders, family members of named person, charitable purpose)

(Go to Section 1.4)

○ **No** How many beneficiaries are there? *Provide full name of each beneficiary below*

Full given name(s)	Surname
1	
2	
3	
4	

If there are more directors, provide details on a separate sheet

1.4 Trustee Details *(only complete if "Other trust type" is selected in section 1.2 above)*

DO NOT complete if the trust is a registered managed investment scheme, regulated trust (e.g. SMSF) or government superannuation fund.

How many trustees are there? Provide full name & address of each trustee below.

Trustee 1

Full given name(s) or Company name Surname

Residential address if an individual trustee or company registered office address *(PO Box is NOT acceptable)*

Street

Suburb State Postcode Country

Trustee 2

Full given name(s) or Company name Surname

Residential address if an individual trustee or company registered office address *(PO Box is NOT acceptable)*

Street

Suburb State Postcode Country

Trustee 3

Full given name(s) or Company name Surname

Residential address if an individual trustee or company registered office address *(PO Box is NOT acceptable)*

Street

Suburb State Postcode Country

Trustee 4

Full given name(s) or Company name Surname

Residenti Street

Suburb

Trustee 5

Full given name(s) or Company name Surname

Residential address if an individual trustee or company registered office address *(PO Box is NOT acceptable)*

Street

Suburb State Postcode Country

Trustee 6

Full given name(s) or Company name Surname

Residential address if an individual trustee or company registered office address *(PO Box is NOT acceptable)*

Street

Suburb State Postcode Country

If there are more trustees, provide details on a separate sheet

SECTION 1B: TRUST IDENTIFICATION DOCUMENTS (CERTIFIED COPIES TO BE PROVIDED)

For a registered managed investment scheme, regulated trust (eg SMSF) or government superannuation fund (as selected in 1.2 above) AND if the Trust has an Australian Business Number (ABN):

No Trust documentation is required.

If "other trust" (as selected in 1.2 above) OR the Trust does not have an Australian Business Number (ABN):

Tick	**Acceptable Documents** (use one of the following to verify the Unincorporated Association)
O	A certified copy or certified extract of the Trust Deed.
O	A notice issued by the Australian Taxation Office within the last 12 months (eg a Notice of Assessment)
O	A letter from a solicitor or qualified accountant that confirms the name of the trust.

Documents that are written in a language that is not English, must be accompanied by an English translation prepared by an accredited translator.

IMPORTANT:

Please attach a **certified**, legible copy of the ID documentation you are relying upon to confirm your identity (and any required translation).

Complete ONLY ONE of the following sections, as required, to collect the additional information about the identity of ONLY ONE of the trustees:

- **Section 2 (applicable parts) – where the selected trustee is an individual.**
- **Section 3 (applicable parts) – where the selected trustee is an Australian Company**

SECTION 2A: INDIVIDUAL DETAILS (to be completed if selected trustee is an Individual)

Full Given Name(s) | Surname | Date of Birth (dd/mm/yyyy)

Residential Address *(PO Box is NOT acceptable)* ***Only provide address details if not provided in Section 1.4 above.***

Suburb | State | Postcode | Country

Complete Part I (or if the trustee does not own a document from Part I, then complete either Part II or III).

PART I – ACCEPTABLE PRIMARY ID DOCUMENTS

Tick	Select **ONE** valid option from this section only
O	Australian State / Territory driver's licence containing a photograph of the person.
O	Australian passport (a passport that has expired within the preceding 2 years is acceptable).
O	Card issued under a State or Territory for the purpose of proving a person's age containing a photograph of the person.
O	Foreign passport or similar travel document containing a photograph and the signature of the person*.

PART II – ACCEPTABLE SECONDARY ID DOCUMENTS *– should only be completed if the individual does not own a document from Part I*

Tick	Select **ONE** valid option from this section only
O	Australian birth certificate.
O	Australian citizenship certificate.
O	Pension card issued by Centrelink.
O	Health card issued by Centrelink.

Tick	Select **ONE** valid option from this section only
O	A document issued by the Commonwealth or a State or Territory within the preceding 12 months that records the provision of financial benefits to the individual and which contains the individual's name and residential address.
O	A document issued by the Australian Taxation Office within the preceding 12 months that records a debt payable by the individual to the Commonwealth (or by the Commonwealth to the individual), which contains the individual's name and residential address. *Block out the TFN Before scanning, copying or storing this document.*
O	A document issued by a local government body or utilities provider within the preceding 3 months which records the provision of services to that address or to that person (the document must contain the individual's name and residential address).

PART III – ACCEPTABLE FOREIGN ID DOCUMENTS *– should only be completed if the individual does not own a document from Part I*

Tick	**BOTH** documents from this section must be presented
O	Foreign driver's licence that contains a photograph of the person in whose name it issued and the individual's date of birth.*
O	National ID card issued by a foreign government containing a photograph and a signature of the person in whose name the card was issued*

*Documents that are written in a language that is not English must be accompanied by an English translation prepared by an accredited translator.

IMPORTANT:

Please attach a **certified**, legible copy of the ID documentation you are relying upon to confirm your identity (and any required translation).

If the selected trustee is an individual, the form is now COMPLETE.

SECTION 3A: AUSTRALIAN COMPANY DETAILS (to be completed if selected trustee is an Australian Company)

3.1 General Information

Full name as registered by ASIC

ACN

Registered office address *(PO Box is NOT acceptable)*

Street

Suburb State Postcode Country

Principal place of business (if any) *(PO Box is NOT acceptable)*

Street

Suburb State Postcode Country

3.2 Regulatory / Listing Details *(select the following categories which apply to the trustee company and provide the information requested)*

O **Regulated company** (licensed by an Australian Commonwealth, State or Territory statutory regulator)

Regulator name

Licence details

O **Australian listed company**

Name of market / exchange

O **Majority-owned subsidiary of an Australian listed company**

Australian listed company name

Name of market / exchange

3.3 Company Type *(select only ONE of the following categories)*

○ **Public** — If the trust is a registered managed investment scheme, regulated trust (eg SMSF) or government superannuation fund, the form is now **COMPLETE**.

If 'Other trust type' is selected in Section 1.2 above, complete Sections 3B and 3C below.

○ **Proprietary** — Continue to Section 3.4

3.4 Directors *(only needs to be completed for proprietary companies)*

This section does NOT need to be completed for public and listed companies.

How many directors are there?	Provide full name of each director below
Full given name(s)	Surname
1	
2	
3	
4	

If there are more directors, provide details on a separate sheet

If the company is a regulated company (as selected in Section 3.2 above) AND the trust type selected in Section 1.2 above is:

- ***a registered managed investment scheme, regulated trust (eg SMSF) or government superannuation fund, the form is now COMPLETE.***

Otherwise, continue to Section 3.5 below.

3.5 Shareholders *(only needs to be completed for proprietary companies that are not regulated companies as selected in Section 3.2)*

Provide details of ALL individuals who are beneficial owners through one or more shareholdings of more than 25% of the company's issued capital

Shareholder 1

Full given name(s)		Surname	
Residential address *(PO Box is NOT acceptable)*			
Street			
Suburb	State	Postcode	Country

Shareholder 2

Full given name(s)		Surname	
Residential address *(PO Box is NOT acceptable)*			
Street			
Suburb	State	Postcode	Country

Shareholder 3

Full given name(s)		Surname	
Residential address *(PO Box is NOT acceptable)*			
Street			
Suburb	State	Postcode	Country

Responsible Entity
Placer Property Limited
ACN 164 635 885
AFSL 442806

Melbourne Office
Level 1, 121 Flinders Lane, Melbourne VIC 3000
PO Box 18317
Melbourne VIC 3001
Telephone: 1300 132 099
Email: info@placerproperty.com.au
Website: www.placerproperty.com.au

Directors
Michael Herskope (Chairman)
Mark Allan (Non Executive Director)
David Omond (Joint Managing Director)
Mario Papaleo (Joint Managing Director)

Custodian
Perpetual Corporate Trust Limited
ACN 000 341 533
Angel Place, Level 12, 123 Pitt Street Sydney NSW 2000
Telephone: 1300 730 862

Registry
Boardroom (Victoria) Pty Limited
ACN 110 851 333
Level 7, 207 Kent Street
Sydney NSW 2000
GPO Box 3993, Sydney NSW 2001
Telephone: 1300 737 760

PLACER PROPERTY

NewActon East – The Fund has acquired the commercial parts of the building shown in the photograph foreground


NEWACTON

PLACER PROPERTY