

## Property Syndicate No.2

### Announcement – 9 July 2009

#### Property revaluations

All of the Syndicate's properties were independently valued during the June 2009 quarter resulting in a net fall in value of \$2.22m or 8.28% on prior book value. The lower valuations are primarily attributed to the challenging economic environment, tightening credit markets, and valuers generally adopting more conservative assumptions and higher capitalisation rates. Overall, valuations for the Syndicate have fared better than the broader industrial property market over recent times.

The fall in property values corresponds to a reduction in the Syndicate's net assets of \$2.2m or 16.3% incorporating the gearing effect of borrowings.

The Syndicate's effective gearing ratio has changed from 48.70% (as at 31 December 2008) to 52.75%<sup>(1)</sup> (as at 30 June 2009) inclusive of the change in property book value. The Syndicate's total gross assets stand at \$25.10m<sup>(1)</sup> with total borrowings of \$13.24m (as at 30 June 2009).

Please refer to other pages of this website or contact Investor Services on 13 29 39 for up to date information about the Syndicate.

<sup>(1)</sup> Based on unaudited accounts at 30 June 2009 and excluding accounting adjustments required under Australian accounting standards.