

Footscray Property Syndicate

Announcement – 15 July 2009

Property Revaluation

The Footscray Plaza Shopping Centre was independently valued in June 2009 resulting in a net fall in value of \$5.27m or 21.70% on prior book value. The lower valuation is primarily attributed to significantly higher leasing and capital expenditure assumptions associated with the re-letting of the Kmart tenancy which is not due to expire until August 2013. Similar to the retail property sector in general, the valuation was also impacted by the challenging economic environment in Australia and overseas, tightening credit markets and valuers generally adopting higher capitalisation rates.

Valuation details:

Property	Pre-valuation book value (\$m)	New independent valuation (\$m)	Previous capitalisation rate (%)	New capitalisation rate (%)	Variance to book value (\$m)	Variance to book value (%)
Footscray Plaza Shopping Centre, Footscray, VIC	\$24.27	\$19.00	8.00%	9.00%	-\$5.27	-21.70%

The Syndicate's effective gearing ratio has changed from 47.16% (as at 31 December 2008) to 56.99%⁽¹⁾ (as at 30 June 2009) inclusive of the change in property book value. The Syndicate's total gross assets stand at \$19.37m⁽¹⁾ with total borrowings of \$11.05m as at 30 June 2009.

Despite challenging economic conditions, the property continues to demonstrate sound underlying fundamentals. The property remains fully leased with the leases of anchor tenants Kmart and Coles continuing until August 2013 and a weighted average remaining lease term for all tenants of approximately three and a half years. While the property value has not been immune to the uncertain economic environment and tight credit markets, the Syndicate's income position remains very strong.

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

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