

Retail Property Fund

Announcement – 9 June 2010

1. New \$135 million loan facility

We are pleased to report that the Fund has refinanced a substantial part of its borrowings with a new \$135 million loan facility. The new facility replaces four of the Fund's loans that were due to expire during 2010 with a syndicated loan between two banks. The loan maturity is staggered with 50% maturing in two years and the remainder in three years.

2. Property revaluations

Three of the Fund's properties were independently valued during May to coincide with the Fund's loan refinancing activities. Overall, the revaluations on the three properties have resulted in a change of -\$6.27m or -3.29% from their previous book value.

The reduction is largely due to higher capitalisation rates¹ applied to the properties at Waurm Ponds and Wendouree and the potential for increasing competition at the Tamworth City Plaza.

The revaluations are outlined in the table below:

Property	Pre-valuation book value	New independent valuation	Previous capitalisation rate	New capitalisation rate	Variance to book value	Variance to book value %
Waurm Ponds Shopping Centre Geelong, Victoria	\$122,084,122	\$119,000,000	7.00%	7.50%	-\$3,084,122	-2.53%
Tamworth City Plaza Tamworth, New South Wales	\$38,741,911	\$37,500,000	8.50%	8.50%	-\$1,241,911	-3.21%
Wendouree Homemaker Centre and Telstra Call Centre Ballarat, Victoria	\$29,744,256	\$27,800,000	9.00%	9.50%	-\$1,944,256	-6.54%
Total	\$190,570,289	\$184,300,000			-\$6,270,289	-3.29%

The Fund's gearing ratio is 53.66% as at 8 June 2010. The Fund's gross assets stand at \$374.89m, with total borrowings of \$201.17m as at 8 June 2010.

3. Caltex Lease extended at Wyong

We are pleased to announce that Caltex has extended its lease of the Twin Service Stations at Wyong until 2018. The service stations continue to trade well and the extended lease is a very positive result for the Fund.

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

¹ The capitalisation rate is an assumed rental yield for an investment grade commercial property. Generally, property valuers determine the capitalisation rate based on an appraisal of the property being valued and analysis of recent sales of comparable properties.