

Retail Property Fund

Announcement – 6 October 2010

Property Revaluation

As previously advised, we have entered into a marketing campaign to sell the Thornlie property. As a result of market feedback, we have reconsidered the property's fair holding value as at 30 September and formed a view that fair value is \$24.00m on a cap rate of 9.5%. Accordingly, this value has been taken up as a Directors' valuation for unit pricing purposes. In addition, given our view that the property is expected to be sold, we have also provided for future selling costs.

The net effect of the re-valuation and provision for sales costs is a decrease in book value of \$2.29m, which directly results in a small decrease to the Security Price of approximately 1.5%.

Valuation details:

Property	Pre-valuation book value	New valuation	Previous capitalisation rate	New capitalisation rate	Variance to book value	Variance to book value %
Thornlie Square Shopping Centre, Thornlie, WA	\$26,290,741	\$24,000,000	8.50%	9.50%	-\$2,290,741	-8.71%

At 30 September 2010, the Fund's gearing ratio is 53.95% and gross assets stand at \$377.07m with total borrowings of \$203.44m.

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