

13 July 2016

NewActon East Property Fund - Valuation and Distribution Increase

Placer Property is pleased to announce the revaluation of the commercial part of the NewActon East building (the Property) to \$49.40 million, a \$2.15 million valuation increase from last year. Placer also advised investors that the forecast distribution rate for the Fund has been increased to 8.70% p.a. in FY2017.

Following the completion of the property revaluation by Knight Frank Australia, NewActon East Property Fund's (Fund) net tangible asset backing (NTA) per unit is expected to increase by 6.4% from \$0.94 at 31 December 2015 to \$1.00 at 30 June 2016. The Fund's gearing is also expected to reduce to 44.6%.

Mr. Shane Dudley, Head of Distribution, said: "the Fund continues to perform strongly since its launch in September 2014 with many positive developments:

- the property remains 100% leased;
- distribution rates have continued to grow having exceeded the original PDS forecast;
- a \$4.3 million or 9.5% increase in the property valuation since acquisition; and
- with the NTA now at \$1.00 per unit, investors have recovered all the original property acquisition and fund establishment costs in less than two years.

A comparison of the key Fund metrics since inception in September 2014 is as follows:

Key Fund Details	Fund Start	30 June 2015 A	30 June 2016¹ B	Change A vs. B
Property valuation	\$45.10m	47.25m	49.40m	+4.6%
Distribution rate	7.75%	7.75%	8.60%	+11.0%
Occupancy	98.5%	100%	100%	-
Gearing	49.3%	45.9%	44.6%	-2.8%
NTA per unit ^{1,2}	\$0.87	\$0.95	\$1.00	+5.3%
NTA per unit - adjusted for interest rate swaps ²	\$0.87	\$0.96	\$1.03	+7.3%

About NewActon East Property Fund

The Fund was launched September 2014 and owns NewActon East, which is located at 21-23 Marcus Clarke Street, NewActon, Canberra, and is only three kilometres from Parliament House. The major tenant of the property is the Australian Competition and Consumer Commission, which accounts for approximately 80% of the property income. NewActon East is a modern mixed use building comprising retail, offices, 32 residential apartments on the upper levels and 176 car parking spaces. The Fund acquired the commercial part of NewActon East.

About Placer Property

Placer Property Limited holds an Australian Financial Services License (AFSL 442806) by the Australian Securities and Investment Commission.

Placer was formed in 2013 and has two funds under management totaling approximately \$80 million including The Stables Property Fund and The NewActon East Property Fund.

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 draws on the skills and knowledge of senior management who are specialists in unlisted property funds management and the extensive experience of its Directors.

Placer Property is focused on Australian property investment opportunities, primarily in the office and retail sectors.

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Notes

1. The 30 June 2016 quoted financials are subject to final audit of the 30 June 2016 Fund's financial statements.
2. The Fund fixed (hedged) its interest rate exposure to September 2019 through the use of interest rate swaps in order to provide greater certainty to investors. Subsequently, interest rates have fallen which has resulted in an out of the money position of \$778,932 at 30 June 2016, which is recorded on the Statement of Financial Position as a liability. The increase in the liability has the impact of reducing the Fund's NTA by \$0.03 per Unit. Note this is a non cash item and does not impact the Fund's distributions.