



Centuria Property Trust

Product Disclosure Statement

**Product Disclosure Statement in
relation to an offer of 215,282,215
units in the Centuria Property Trust.**

13 August 2013

Centuria Property Funds Limited
ABN 11 086 553 639 AFSL 231 149 as
Responsible Entity of the Centuria Property
Trust ARSN 164 553 851

Joint Lead Managers



 **RBS Morgans**

Co-Lead Manager



your interests, our focus

CIMB Capital Markets (Australia) Limited
Macquarie Capital (Australia) Limited
RBS Morgans Corporate Limited



IMPORTANT INFORMATION

This information is important and requires your attention

It is important that you read this product disclosure statement (PDS) carefully and in its entirety prior to making your investment decision with respect to the Offer. In particular you should pay careful consideration to the risk factors outlined in Section 7 and the tax implications in Section 11 of this PDS as they relate to your personal investment objectives, financial circumstances and needs. The potential tax effects of the Offer will vary between investors. Other risk factors may exist in addition to those identified in this PDS which should also be considered in light of your personal circumstances. If you have any queries or uncertainties relating to aspects of this PDS or the Offer please consult your stockbroker, accountant or other independent financial adviser before deciding whether to invest in Units.

Responsible entity

Centuria Property Funds Limited (ABN 11 086 553 639) (AFSL 231 149) (CPF) is the responsible entity of the Centuria Property Trust (AFSN 164 553 851) (the Fund). This PDS is a product disclosure statement for the purposes of Part 7.9 of the Corporations Act and has been issued by CPF as responsible entity of the Fund in respect of the Offer of Units under the Centuria Priority Offer and Broker Firm Offer (collectively the Retail Offer) and Institutional Offer (together the Offer).

Lodgement and listing

This PDS is dated 13 August 2013 and was lodged with ASIC on that date. CPF will make an application not later than seven days after the date of this PDS for the admission of the Fund to the official list of ASX and the quotation of the Units on ASX. Neither ASIC nor ASX takes any responsibility for the contents of this PDS or the merits of the investment to which this PDS relates.

Exposure period

The Corporations Act prohibits CPF from processing Applications in the seven day period after the date of lodgement of this PDS (Exposure Period). This period may be extended by ASIC by up to a further seven days. No application will be accepted by CPF until after the Exposure Period has expired and no preference will be conferred on Applications received during the Exposure Period.

Not investment advice

The information contained in this PDS should not be taken as financial product advice and has been prepared as general information only without consideration for your particular investment objectives, financial circumstances or particular needs. In particular, you should pay careful consideration to the risk factors outlined in Section 7 in light of your personal circumstances, recognising that other risk factors may exist in addition to those identified and should also be considered before deciding whether to invest in Units. You should also pay careful consideration to the assumptions underlying the pro forma financial information and the Forecast Financial Information which are described in Section 6.

If you have any queries or uncertainties relating to aspects of this PDS or the Offer please consult your Broker, accountant or other independent financial adviser before deciding whether to invest in Units.

Similarly, the tax implications of your investment will vary depending on your personal financial circumstances and investment objectives. You should consider the tax implications outlined in Section 11 of this PDS and obtain your own professional taxation advice prior to deciding whether to invest in Units.

No cooling off rights

Cooling-off rights do not apply to an investment in the Units pursuant to the Offer. This means that, in most circumstances, you will be unable to withdraw your Application once it has been accepted.

Details of the rights and liabilities attached to each Unit are set out in Section 14.6 and in the Constitution of the Fund, a copy of which will be made available for inspection at the registered office of CPF within normal trading hours.

Electronic PDS

An electronic copy of this PDS may be viewed online by Australian and New Zealand resident investors at www.centuriapropertytrust.com.au following lodgement of this PDS with ASIC on 13 August 2013. If you access the PDS electronically please ensure that you download and read the PDS in its entirety. Except to the extent permitted in Section 14.11, the Offer to which this PDS relates is available to persons receiving this PDS (electronically or otherwise) in Australia or New Zealand only. A paper form of this PDS can be obtained by Australian or New Zealand investors, free of charge, during the Offer Period by contacting your Broker or the Offer Information Line on 1300 394 635 (toll free within Australia) or +61 3 9415 4170 (outside Australia) between 8:30am and 5:00pm (AEST) Monday to Friday.

Applications for Units in the Fund will only be considered if applied for on an Application Form attached to or accompanied by a copy of this PDS (refer to Section 12.5 for further information).

The Corporations Act prohibits any person from passing the Application Form on to another person unless it is accompanied by this PDS in its paper form or the complete and unaltered electronic form.

Foreign investors

This PDS has been prepared to comply with the requirements of Australian and New Zealand law and is only being made to Australian resident and New Zealand resident Retail Investors and Institutional Investors in Australia, New Zealand and certain other jurisdictions as set out in Section 14.11.

This PDS does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. Distribution of this PDS outside of Australia or New Zealand (whether electronically or otherwise) may be restricted by law. No action has been taken to register the Units or otherwise permit an offering of Units in any jurisdiction outside of Australia or New Zealand. Persons who receive this PDS outside of Australia are required to observe any such restrictions. Failure to comply with such restrictions may find you in violation of applicable securities laws. Unless otherwise agreed with CPF, any person subscribing for Units in the Offer shall by virtue of such subscription be deemed to represent that they are not in a jurisdiction which does not permit the making of an offer or invitation as detailed in this PDS, and are not acting for the account or benefit of a person within such jurisdiction. None of CPF, the Joint Lead Managers, nor any of their respective directors, officers, employees, consultants, agents, partners or advisers accepts any liability or responsibility to determine whether a person is able to participate in the Offer.

This PDS may not be released or distributed in the United States. This PDS does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. Any securities described in this PDS have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, registration under the US Securities Act and applicable US state securities laws. See Section 14.11 for further details.

Updated information

Information regarding the Offer may need to be updated from time to time. Any updated information about the Offer that is not considered materially adverse will be made available on the Offer website at

www.centuriapropertytrust.com.au and CPF will provide a copy of the updated information free of charge to any eligible investor who requests a copy by contacting their Broker or the Offer Information Line on 1300 394 635 (toll free within Australia) or +61 3 9415 4170 (outside Australia) between 8:30am and 5:00pm (AEST) Monday to Friday during the Offer Period.

In accordance with its obligations under the Corporations Act, CPF may issue a supplementary PDS to supplement any relevant information not disclosed in this PDS. You should read any supplementary disclosures made in conjunction with this PDS prior to making any investment decision.

Important information for New Zealand investors

If you are a New Zealand investor, CPF is required to provide the following additional information to you under New Zealand law.

- This Offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act and Corporations Regulations. In New Zealand, this is Part 5 of the Securities Act 1978 and the Securities (Mutual Recognition of Securities Offerings – Australia) Regulations 2008.
- This Offer and the content of the PDS are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act and Corporations Regulations set out how the Offer must be made.
- There are differences in how securities are regulated under Australian law. For example, the disclosure of fees for collective investment schemes is different under the Australian regime.
- The rights, remedies and compensation arrangements available to New Zealand investors in Australian securities may differ from the rights, remedies and compensation arrangements for New Zealand securities.
- Both the Australian and New Zealand securities regulators have enforcement responsibilities in relation to this Offer. If you need to make a complaint about this Offer, please contact the Financial Markets Authority, Wellington, New Zealand. The Australian and New Zealand regulators will work together to settle your complaint.
- The taxation treatment of Australian securities is not the same as for New Zealand securities.
- If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.
- The Offer may involve a currency exchange risk. The currency for the securities is not New Zealand dollars. The value of the securities will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.
- If you expect the securities to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.
- If the securities are able to be traded on a securities market and you wish to trade the securities through that market, you will have to make arrangements for a participant in that market to sell the securities on your behalf. If the securities market does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the securities and trading may differ from securities markets that operate in New Zealand.
- The dispute resolution process described in this PDS is available in both Australia and New Zealand.

CPF can be contacted in New Zealand at:

c/o Tim Williams
Partner
Chapman Tripp, Barristers and Solicitors
23-29 Albert Street
PO Box 2206
Auckland 1140
New Zealand

Financial information

Unless otherwise specified, all financial and operational information contained in this PDS is believed to be current as at the date of this PDS.

All currency amounts are in Australian dollars unless otherwise specified.

This PDS includes Forecast Financial Information based on the best estimate assumptions of the directors of CPF. The financial information presented in this PDS is unaudited. See "forward-looking statements" below.

Independent valuation

This PDS contains information regarding the independent valuation of Northpoint by independent valuers m3Property as of 1 August 2013. Valuations are an opinion of a fair price payable by a willing buyer, not a guarantee of current or future market value. By necessity, valuations require the valuer to make subjective judgments that, even if logical and appropriate, may differ from those made by a purchaser or another valuer.

Historically it has been considered that valuers may properly conclude within a range of possible values.

Independent valuations are subject to a number of assumptions and conditions, including but not limited to:

- that all properties are held with good and marketable title, free and clear of any or all liens, encumbrances, restrictions or other impediments of an onerous nature and that utilisation of the land is within the boundaries of property lines with no trespass or encroachment;
- responsible ownership and competent property management;
- absence of any defects in engineering or presence of any hazardous waste and/or toxic material;
- compliance with all applicable federal, state and local environmental regulations and laws and all applicable zoning and use regulations and restrictions; and
- absence of any latent or unhidden conditions or defects on Northpoint, subsoil or structures.

Property values can change substantially, even over short periods of time, and an independent valuer's opinion of value could differ significantly if the date of valuation were to change. A high degree in volatility in the market may lead to fluctuations in values over a short period of time.

Forward-looking statements

Certain "forward-looking statements" have been provided in this PDS. These statements can be identified by the use of words such as "anticipate", "believe", "expect", "project", "forecast", "estimate", "likely", "intend", "should", "could", "may", "target", "predict", "guidance", "plan" and other similar expressions. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements.

Preparation of these forward-looking statements was undertaken with due care and attention; however, forward-looking statements remain subject to known and unknown risks, uncertainties and other factors, many of which are beyond the control of CPF and its officers, employees, agents and advisers. Consequently, such

factors may impact the performance of the Fund such that actual performance differs materially to any performance indicated in the forward-looking statements.

Some of the risk factors that impact on forward-looking statements in this PDS are set out in Section 7. No assurance can be provided that actual performance will mirror the guidance provided. Other than as required by law, none of CPF, its respective directors, officers, employees or advisers or any other person gives any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this PDS will actually occur. You are cautioned not to place undue reliance on those statements.

The forward-looking statements in this PDS reflect the views held only immediately before the date of this PDS, unless otherwise stated. Subject to the Corporations Act and any other applicable law, each of CPF, its respective directors, officers, employees and advisers disclaims any duty to disseminate after the date of this PDS any updates or revisions to any such statements to reflect any change in expectations in relation to such statements or any change in events, conditions or circumstances on which any such statement is based.

Offer Management Agreement

CLMB Capital Markets (Australia) Limited (ABN 17 000 757 111), Macquarie Capital (Australia) Limited (ABN 79 123 199 548), and RBS Morgans Corporate Limited (ABN 32 010 539 607) have been appointed by CPF as Joint Lead Managers to the Offer, subject to certain terms and conditions stipulated within the Offer Management Agreement.

The Offer Management Agreement sets out a number of circumstances where the Joint Lead Managers may terminate the agreement and its obligations. For further information on the terms and conditions of the Offer Management Agreement you should refer to Section 13.8.

Photographs, diagrams and artist's renderings

Photographs, diagrams and artist's renderings contained in this PDS that do not have accompanying descriptions are intended for illustrative purposes only. They should not be interpreted to mean an endorsement of this PDS or its contents by any person shown in these images. Furthermore, assets not accompanied by a description should not be interpreted as being owned by CPF or the Fund. Diagrams used in this PDS are also intended for illustrative purposes only and may not be drawn to scale.

Definitions, abbreviations and other information

In this PDS, unless a contrary intention is clearly indicated or the context requires, defined terms have the meaning attributed to them in the Glossary (Section 15). Unless otherwise stated or implied, references to times in this PDS are AEST. Similarly, references to dates or years in this PDS are financial years unless otherwise stated or implied.

Rounding of the figures provided in this PDS may result in some discrepancies between the sum of components and the totals outlined within the tables and percentage calculations.

Disclaimer

No person is authorised to give any information, or to make any representation, in connection with the Offer that is not contained in this PDS.

Any information or representation that is not in this PDS may not be relied on as having been authorised by CPF or any other member of Centuria Group in connection with the Offer. Except as required by law, and only to the extent so required, neither CPF, nor any other member of Centuria Group or any other person, warrants or guarantees the future performance of the Fund, the repayment of capital, or any return on any investment made pursuant to this information.

The Joint Lead Managers have not authorised, permitted or caused the issue, lodgement, submission, dispatch or provision of this PDS and do not make or purport to make any statement in this PDS and there is no statement in this PDS which is based on any statement by the Joint Lead Managers. The Joint Lead Managers and their affiliates, officers and employees, to the maximum extent permitted by law, expressly disclaim all liabilities in respect of, make no representations regarding, and take no responsibility for, any part of this PDS and make no representation or warranty as to the currency, accuracy, reliability or completeness of this PDS.

CPF has provided, and is responsible for, the CPF Information and the Trustee Information in this PDS. NSPT and the other Ozone Parties do not accept any responsibility for the accuracy or completeness of the CPF Information or the Trustee Information.

Privacy

By filling out an Application Form to apply for Units, you are providing information to CPF through the Registry that may be personal information for the purposes of the Privacy Act 1998 (Cwlth) (as amended). CPF, and the Registry on its behalf, collect, hold and use that personal information in order to process your Application. CPF may also collect, hold and use that personal information in order to service your needs as a Unitholder, provide facilities and services that you request and carry out appropriate administration.

If you do not provide the information requested in the Application Form, CPF and the Registry may not be able to process or accept your Application. Your personal information may also be used from time to time to inform you about other products and services offered by CPF which it considers may be of interest to you.

Your personal information may also be provided to CPF's agents and service providers on the basis that they deal with such information in accordance with their respective privacy policies. These agents and service providers may be located outside Australia where your personal information may not receive the same level of protection as that afforded under Australian law. The types of agents and service providers that may be provided with your personal information and the circumstances in which your personal information may be shared are:

- the Joint Lead Managers in order to assess your Application;
- printers and other companies for the purpose of preparation and distribution of statements and for handling mail;
- market research companies for the purpose of analysing the Funds' Unitholder base and for product development and planning; and
- legal and accounting firms, auditors, contractors, consultants and other advisers for the purpose of administering, and advising on, the Units and for associated actions.

Under the Privacy Act 1998 (Cwlth) (as amended), you may request access to your personal information held by (or on behalf of) CPF. You may be required to pay a reasonable charge to the Registry in order to access your personal information. You can request access to your personal information by writing to the Registry at Computershare Investor Services Pty Limited, Yarra Falls, 452 Johnson Street, Abbotsford, Victoria 3067, Australia. If any of your information is not correct or has changed, you may require it to be corrected.

Further questions

If you have any queries relating to aspects of this PDS please call your Broker or the Offer Information Line on 1300 394 635 (toll free within Australia) or +61 3 9415 4170 (outside Australia) between 8:30am and 5:00pm (AEST) Monday to Friday during the Offer Period.

1. Investment overview	6
2. Centuria Property Trust	19
3. Northpoint Tower	25
4. The responsible entity	32
5. Overview of Australian commercial property market	38
6. Financial information	49
7. Investment risks	57
8. Fees and other costs	62
9. Investigating Accountant's Report	67
10. Valuation summary	73
11. Taxation report	79
12. Details of the Offer	83
13. Material contracts	90
14. Additional information	98
15. Glossary	103
Application Form	109
16. Corporate directory	113



Key Offer Information

Offer Details¹

Issue Price	\$1.00
Units to be issued under the Offer	215.3 million
Market capitalisation ²	\$215.3 million
FY14 (10 month) forecast Distributable Funds per Unit ³	6.75 cents per Unit
FY14 forecast annualised Distributable Funds yield ⁴	8.10%
FY14 (10 month) forecast Distribution per Unit ³	6.48 cents per Unit
FY14 forecast annualised Distribution yield ⁴	7.80%
Component of the FY14 forecast Distribution that is tax deferred	48.0%
FY14 forecast Distribution payout ratio ⁵	95.9%
Pro forma NTA per Unit at the Issue Date ⁶	\$0.98
Pro forma Gearing ⁷ at the Issue Date	33.1%

Notes

- Further detail on the assumptions behind the Financial Information underlying the calculations in this table is provided in Section 6.
- Based upon the total Units on issue after completion of the Offer at the Issue Price of \$1.00. If the Units trade below the Issue Price, the market capitalisation will be lower than \$215.3 million.
- Based on 10 month Forecast Period from 1 September 2013 to 30 June 2014. Distributable Funds are the net profit of the Fund excluding any revaluation gains or losses and non-cash items plus any amounts made available to distribute in relation to compensation received from the Existing Unitholders for lease incentives that were agreed to by Ozton but will be borne by the Fund.
- At the Issue Price. Investors should also note that:
 - Entities associated with the Existing Unitholders have agreed to a 12 month lease in respect of certain areas in Northpoint which would otherwise be unoccupied on Listing for which an aggregate annual rent of approximately \$2.5 million will be pre-paid on commencement of the lease. To the extent that CPF is unable to lease these unoccupied areas by the end of the first 12 months following Listing, the rental income from Northpoint, and therefore the income of the Fund may fall, potentially resulting in a lower future Distribution yield. See Sections 2.3 and 13.1 for more details.
 - An amount of \$9.7 million has been deducted from the amounts that would otherwise have been paid by the Fund to the Existing Unitholders for the future redemption of their Units as compensation for lease incentives that were agreed to by Ozton but will be borne by the Fund. The Directors have determined that \$2.1 million of this amount should be distributed to Unitholders in the Forecast Period, \$1.8 million of which reflects lease incentives required to be funded in the Forecast Period, with the balance of \$0.3 million distributed at the discretion of the Directors. See Section 6.5 for more detail.
- Distribution as a percentage of Distributable Funds. The Distribution payout ratio is a target only and any Distributions are at the sole discretion of the Board. Further information on the Fund's Distribution policy is set out in Section 2.7.
- Based upon the pro forma net assets of the Fund at the Issue Date and 215.3 million Units on issue after the Offer.
- Defined as borrowings under the Debt Facility less cash, divided by the fair value of investment property.

Key Dates

PDS date	13 August 2013
Broker Firm Offer and Centuria Priority Offer (collectively the Retail Offer) Opening Date	13 August 2013
Broker Firm Offer and Centuria Priority Offer Closing Date	23 August 2013
Bookbuild	26 August 2013
Settlement	29 August 2013
Issue of Units (completion of the Offer)	30 August 2013
Units expected to begin trading on ASX (deferred settlement basis)	2 September 2013
Expected despatch of Unitholder statements	3 September 2013
Units expected to begin trading on ASX (normal settlement basis)	4 September 2013

These dates are indicative only. CPF, in consultation with the Joint Lead Managers, reserves the right to alter the timetable, including bringing forward or extending the Broker Firm Offer Closing Date or Centuria Priority Offer Closing Date or accepting late Applications either generally or in particular cases.



Chairman's Letter



I am pleased to offer you this opportunity to invest in the **Centuria Property Trust**.

13 August 2013

Dear Investor,

I am pleased to offer you this opportunity to invest in the Centuria Property Trust (the **Fund**), a real estate investment trust (**REIT**), which will be managed by Centuria Property Funds Limited (**CPF**). Investors will have the opportunity to subscribe for new Units in the Fund.

The Fund will seek to provide investors with:

- income returns through the ownership of 'Northpoint Tower' (**Northpoint**), a major North Sydney CBD office and retail property with a weighted average lease expiry of approximately 3.5 years (income weighted) and 4.1 years (area weighted)¹;
- potential for further Distribution and capital growth through refurbishment and repositioning of Northpoint, and acquisitions of additional properties that meet the Fund's investment criteria (Investors should refer to the Investment Overview and Section 7.1 for the potential risks involved in acquiring additional properties);
- a forecast annualised Distribution yield of 7.80% for the Forecast Period²;
- high quality management team, led by experienced property executive Nicholas Collishaw, with the backing of leading property fund manager, Centuria Capital Limited (**Centuria**);
- liquidity through proposed listing on the ASX; and
- conservative capital structure with pro forma Gearing of 33.1% and an initial interest cover ratio of at least 3.5 times³.

The Fund is an existing trust, which owns Northpoint and which has recently been registered as a managed investment scheme in order to make the Offer and achieve Listing (see pages 8 to 10 in the Investment Overview for more details regarding the Fund's existing arrangements).

Strategic focus of the Fund

The Fund has been established to own commercial and industrial properties in Australian metropolitan markets with strong underlying fundamentals and prospects for future growth. CPF will use Centuria Group's in-house property and asset management expertise to drive enhanced returns for Unitholders through:

- proactive management of leasing to enhance cash flow and lease terms;
- refurbishment and repositioning initiatives to enhance income and potential for future capital growth; and
- seeking to acquire additional office and industrial properties that meet the Fund's investment criteria.

The initial property

Northpoint is a major office and retail property within the North Sydney market and will be the initial property of the Fund. Northpoint is comprised of:

- 32 levels of office tenancies totalling 32,585 square metres of net lettable area;
- 2 levels of retail tenancies with 2,599 square metres of net lettable area; and
- 6 levels of car parking totalling 423 car parking spaces.

Following Listing, CPF plans to undertake a number of refurbishment and upgrade initiatives in relation to Northpoint to reposition the property and move it towards an 'A-grade' asset (as measured by the Property Council of Australia) within the North Sydney market. Given limited vacancy across A-grade commercial property in North Sydney, CPF believes the rental income potential and valuation of Northpoint will be enhanced by the proposed works.

In addition, CPF has identified a range of value-add redevelopment opportunities for Northpoint, which CPF will formally review following Listing. These opportunities are described further in Sections 3.5 and 3.6.

Centuria's management platform

CPF is a wholly owned subsidiary of Centuria, an ASX listed fund manager and financial services group with \$2 billion in funds under management, 110,000 customers and 65 staff. Centuria is one of the largest and most active managers of unlisted property funds and syndicates in the Australian market. Since its establishment in 1999, Centuria has completed 20 unlisted property funds and syndicates and has another 28 property funds and syndicates currently under management.

The listing and management of the Fund will be overseen by Centuria's CEO – Listed Property, Nicholas Collishaw, one of Australia's most experienced property fund managers. Nicholas has in excess of 30 years' experience in direct real estate investment and property funds management and he was most recently Chief Executive Officer and Managing Director of Mirvac Group, an S&P/ASX 50 listed group with a market capitalisation of in excess of \$5 billion.

The Offer

CPF, in its capacity as responsible entity of the Fund, is undertaking an offer of 215.3 million Units at an Issue Price of \$1.00 per Unit. The proceeds of the Offer, together with borrowings, will be used to redeem Units in the Fund held by the Existing Unitholders, cancel the Existing Unit Option, fund payments to the Existing Unitholders and their associated entities in connection with the Pre-Listing Arrangements, refinance existing bank debt and establish the Fund as an ASX listed REIT.

Centuria and its associated entities also intend to subscribe for up to 3 million Units in the Fund, representing up to approximately 1.4% of Units on issue on Listing.

This PDS contains information about the Fund and the Offer. You should read the PDS carefully before deciding whether to

invest in Units. In particular, you should consider the risk factors set out in Section 7 before deciding whether to apply for Units. If after reading the PDS you have any questions about the Offer, please call the Offer Information Line on 1300 394 635 (within Australia) or +61 3 9415 4170 (outside Australia) or contact your professional adviser.

On behalf of the directors of CPF, I invite you to consider this investment opportunity.

Yours sincerely,



Peter Done
Chairman
Centuria Property Funds Limited

- 1 The weighted average lease expiry is calculated as at 1 August 2013 and allows for:
 - the 12 month lease over unoccupied space entered into by Tower Holdings Pty Limited. See Sections 2.3 and 13.1;
 - the agreement for lease entered into by Ozton under which (if Think: Education Services does not enter into a new lease or take up options for new leases at Northpoint), Ozton will enter into a new lease on the same terms as under the non-binding heads of agreement signed by Think: Education Services. See Sections 3.4 and 13.3;
 - heads of agreements entered into by the following existing tenants of Northpoint:
 - Experian Australia Pty Limited over an area of 1,872 square metres for a term of approximately five years
 - Jones Lang LaSalle (NSW) Pty Limited over an area of 941 square metres for a term of approximately five years
 - Colliers International (NSW) Pty Limited over an area of 606 square metres for a term of approximately five years; and
 - a letter of intent provided by Centuria in relation to a five year lease over 750 square metres of space at Northpoint that is currently leased to Tower Holdings Pty Limited pursuant to the 12 month lease over unoccupied space. See Section 3.4.
- 2 See note 4 to the Offer Details table on p. 2.
- 3 Interest cover ratio is calculated as net income (rental income and recoverable outgoings) received from Northpoint after deduction of ongoing statutory and operating costs necessary to maintain the value of Northpoint and deduction of management fees and ongoing listing costs.

Investment overview

The Fund																
What is the Fund?	The Fund, being Centuria Property Trust, is a registered managed investment scheme that owns Northpoint. CPF is the responsible entity of the Fund. The Fund was previously called the North Sydney Property Trust.	Section 2.1														
What is the growth / investment strategy of the Fund?	CPF will seek to grow the rental income and value of the Fund by utilising Centuria Group's in-house property expertise to: • proactively manage leasing to enhance cash flow and improve lease terms; • undertake refurbishment and repositioning initiatives to enhance property appeal and income potential, including planned refurbishment initiatives to reposition Northpoint and move it towards an 'A-grade' asset (as measured by the Property Council of Australia); and • seek to acquire additional office and industrial properties that meet the Fund's investment criteria. Investors should note that CPF may fund acquisitions and other growth initiatives through the issue of new Units, in which case the ownership interests of Unitholders may be diluted depending on Unitholder participation in the equity raising, or through debt which may increase the Fund's Gearing above its target Gearing ratio for a period of time.	Section 2.5														
What are the Fund's investment criteria for acquiring additional properties?	CPF's strategy is to selectively acquire additional office and industrial properties in metropolitan markets that meet some or all of the following investment criteria: • generating stable income returns; • located in growth markets with favourable supply and demand dynamics; • refurbishment and / or repositioning opportunities with the potential to enhance income and capital growth; • potential for capital gain; • potential for positive rental growth; • provides geographic and economic diversification across the Portfolio; • adheres to the Fund's long-term Gearing target of 30-40%⁴; and • overall, has the potential to enhance risk-adjusted returns to Unitholders.	Section 2.5														
What are the key metrics of Northpoint?	<table><tr><td>Address</td><td>100 Miller Street, North Sydney, NSW</td></tr><tr><td>Value (as per independent valuation)</td><td>\$312.5 million (as at 1 August 2013)</td></tr><tr><td>Building overview</td><td> • 32 levels of office tenancies • 2 levels of retail tenancies • 6 levels of car parking </td></tr><tr><td>Weighted average lease expiry⁵</td><td>3.5 years – income weighted 4.1 years – area weighted</td></tr><tr><td>Net lettable area</td><td>35,184 square metres</td></tr><tr><td>Car parking spaces</td><td>423</td></tr><tr><td>Tenants</td><td>Over 40 office tenants Over 30 retail tenants</td></tr></table>	Address	100 Miller Street, North Sydney, NSW	Value (as per independent valuation)	\$312.5 million (as at 1 August 2013)	Building overview	• 32 levels of office tenancies • 2 levels of retail tenancies • 6 levels of car parking	Weighted average lease expiry ⁵	3.5 years – income weighted 4.1 years – area weighted	Net lettable area	35,184 square metres	Car parking spaces	423	Tenants	Over 40 office tenants Over 30 retail tenants	Section 3.1
Address	100 Miller Street, North Sydney, NSW															
Value (as per independent valuation)	\$312.5 million (as at 1 August 2013)															
Building overview	• 32 levels of office tenancies • 2 levels of retail tenancies • 6 levels of car parking															
Weighted average lease expiry ⁵	3.5 years – income weighted 4.1 years – area weighted															
Net lettable area	35,184 square metres															
Car parking spaces	423															
Tenants	Over 40 office tenants Over 30 retail tenants															

⁴ Investors should note that the Fund's Gearing may be outside its target range of 30-40% from time to time (for example where the Fund uses debt to acquire new properties or the valuation of properties in the Fund's Portfolio falls).

⁵ See footnote 1 on p. 5.

How will the Fund generate income?	The Fund will generate rental income from leasing arrangements in place over Northpoint. From Listing to 30 June 2014, the Fund will receive rental income under a Concurrent Lease between the Fund and Ozton, an entity associated with the Existing Unitholders. Under the Concurrent Lease, Ozton is required to pay the Fund a monthly lease payment in respect of Northpoint until 30 June 2014. The monthly lease payment is an amount equal to 100% of the actual rental income received by Ozton from the underlying tenants of Northpoint. The Concurrent Lease will expire on 30 June 2014. From that time, all tenants will continue to occupy Northpoint as direct tenants of the Fund and will be obliged to pay rent directly to the Fund. It is CPF's intention to seek to acquire additional office and industrial properties that meet the Fund's investment criteria. To the extent that additional income producing properties are acquired by the Fund in either FY14 or subsequently, the Fund will generate additional rental income. CPF may fund these potential acquisitions using debt, equity or a combination of both. If an acquisition is funded through the issue of additional Units, it may dilute the ownership interests of Unitholders depending on Unitholder participation in the equity raising. If an acquisition is debt funded, it may increase the Fund's Gearing ratio for a period of time.	Sections 2.3, 2.4, 2.5, 2.6 and 13.2
What is the Fund's target Gearing policy?	CPF has set a target Gearing range for the Fund of 30-40% and is forecast to have pro forma Gearing of 33.1%. However, at any time the Fund may have Gearing outside of this range. For example, this might occur in circumstances where CPF funds an acquisition of a new property through debt and the Gearing ratio for that acquisition is above the 30-40% range or the valuation of properties in the Fund's Portfolio falls.	Section 2.8
What is the valuation policy of the Fund?	Properties in the Fund's Portfolio will be independently valued on an annual basis.	
Responsible entity – CPF		
Who is the responsible entity of the Fund?	The responsible entity of the Fund is CPF, a wholly owned subsidiary of Centuria, an ASX listed fund manager and financial services group. Centuria is one of the largest managers of unlisted property funds in Australia, managing 47 properties across 28 unlisted property funds with a collective value of approximately \$1.1 billion.	Section 4
What fees will be paid to CPF?	CPF is entitled to receive a management fee for acting as the responsible entity of the Fund equal to: • 0.55% of the Fund's Assets Under Management (AUM)⁶ below or equal to \$500 million; plus • 0.50% of the Fund's AUM above \$500 million.	Section 8
Who are the directors of CPF/ responsible entity?	Mr Peter Done Chairman Non-Executive Director Peter was a partner of KPMG for 27 years, during which he was the lead audit partner for many clients, including those involved in property development. Following his retirement from KPMG in 2006, Peter formed his own consulting practice, and is also a director of a number of private companies.	Section 4.2

⁶ AUM is defined as the fair value of investment property of the Fund.

Investment overview

Mr Matthew Hardy Independent Non-Executive Director	Matthew has been a partner in property and finance search and consultancy firm Conari Partners and its corporate predecessor Thomas Hardy since 2002. He has over 25 years' experience in direct real estate, equities and funds management.
Mr Ed Psaltis Independent Non-Executive Director	Ed was a partner at major accounting firms Ernst & Young and BDO for 20 years before retiring from BDO in 2012 to commence his own practice. In these roles, Ed acted in an advisory capacity for a variety of property and REIT structures and was actively involved in providing due diligence and valuation services in unlisted property and syndicate markets.
Mr Jason Huljich Executive Director	Jason has been involved in investment property funds in Australia since 1996. Jason joined Centuria upon its formation in 1999.

How will the assets of the Fund be managed?	On 1 May 2013, Centuria appointed Nicholas Collishaw as CEO – Listed Property, with the mandate to take responsibility for its listed property fund strategy. Nicholas will be focused on the listing of the Fund and the ongoing management of the Fund on behalf of Unitholders. Nicholas will be supported by a team of Centuria employees, including Chief Financial Officer, Matthew Coy, and will have the full support, and access to the resources of, Centuria.	Sections 4.1 and 4.3
--	--	-----------------------------

The Fund's existing arrangements

What is the current ownership of the Fund	The current ownership of the Fund is as follows: • TAG NSW Pty Limited beneficially owns 178,416,268 Units (which are legally held by its custodian, The Trust Company Limited); • Terrence John Agnew holds 10 Units; and • Northfield Properties Pty Ltd as trustee of the Northfield Investment Trust holds an option to be issued with 4% of Units on a fully diluted basis. Northfield Investment Trust is beneficially owned by an associate of Terrence John Agnew. The Fund has also advanced approximately \$226,070,000 to TAG as an intercompany loan.	
What is the price at which the current owners/optionholders in the Fund will be redeemed?	The Units in the Fund will be redeemed in accordance with the Constitution of the Fund. • TAG will receive a payment of \$209,062,729 on redemption of its Units. This payment will be used to partially repay the intercompany loan owed by TAG to the Fund as set out above. The remainder of the intercompany loan will be set off against the other amounts payable to TAG. • Terrence John Agnew will receive a payment of \$11.72 on redemption of his Units. • Northfield Properties Pty Limited will receive a payment of \$3,000,000 on cancellation of its option. The redemption price of \$1.172 per Unit was determined based on the underlying value of the net tangible assets of the Fund and is provided for in the Constitution.	Section 13.1 and Section 13.7

What are the Pre-Listing Arrangements?

The Pre-Listing Arrangements are a number of arrangements between the Ozton Parties and the Fund.

Section 13.1

These include:

- Concurrent Lease – the Fund has entered into a Concurrent Lease with Ozton with a current term of 99 years. Under the terms of the Concurrent Lease Substitute Arrangements Deed the Concurrent Lease term is varied to expire on 30 June 2014 and the rent is varied to ensure that it reflects passing rent received from tenants in Northpoint. The Fund will pay Ozton an amount of \$47.2 million pursuant to the Concurrent Lease Substitute Arrangements Deed;
- Plant and Equipment – the Fund will purchase the plant and equipment relating to Northpoint from Ozton for \$4.5 million;
- Lease of unoccupied premises – Tower Holdings Pty Limited has agreed to lease certain spaces within Northpoint on Listing for a lease payment of approximately \$2.5 million;
- Billy Blue Agreement for Lease – Ozton has agreed to enter into the Billy Blue Agreement for Lease as described in section 13.1;
- Replacement of responsible entity – on 26 June 2013, Centuria Property Funds Limited replaced NSPT as trustee of the Fund and is the current responsible entity of the Fund;
- Call Option – TAG held an option to purchase Northpoint. The Fund has entered into the Call Option Substitute Arrangements Deed with TAG under which the strike price of the Call Option is varied to \$305 million to reflect the current value of Northpoint. The Call Option lapses on Listing. The Fund will pay \$69 million to TAG under the Call Option Substitute Arrangements Deed in consideration for the change to the option strike price. This payment was determined on a commercial, arm's length basis, having regard to the variation of the strike price at which the Call Option can be exercised and the variation to the rental income stream and the term of the Concurrent Lease under the Concurrent Lease Substitute Arrangements Deed.

Cancellation of the Existing Unit Option

Northfield Properties Pty Ltd as trustee of the Northpoint Investment Trust currently holds an option to be issued with 4% of the Units on a fully diluted basis.

This option, will be cancelled prior to Listing, in return for a payment of \$3 million. This price was determined by commercial negotiation on an arm's length basis with the Existing Unit Optionholder.

Who will receive payments from the Offer?

Section 6 of this PDS sets out the proposed application of the Offer proceeds. **Section 6.7**

This includes:

- repayment of amounts due to the existing bank debt provider, Suncorp-Metway Limited (approximately \$192.6m); and
- payments to the Existing Unitholders and their associated entities (being TAG, Terrence John Agnew, Northfield Properties Pty Ltd and Ozton Pty Ltd, all being entities controlled by or associated with Terrence John Agnew) in connection with the Pre-Listing Arrangements, the redemption of the Existing Unitholders and for cancellation of the Existing Option (approximately \$114.3m after repayment in full of the intercompany loan owed by TAG to the Fund); and
- other payments in connection with the Offer, other transaction costs, establishment costs in relation to the Debt Facility and interest rate hedging costs will also be paid (totalling approximately \$11.7m). These payments will be made to a number of professional advisors and financiers including the Joint Lead Managers, the Commonwealth Bank of Australia and National Australia Bank.

Investment overview

What are the ongoing relationships between the Fund and the Existing Unitholders	There are a number of transitional arrangements between the Fund and the Existing Unitholders. These include: • Concurrent Lease (expiring on 30 June 2014); • Lease of unoccupied premises (expiring 12 months after Listing); and • Billy Blue Agreement for Lease. In addition, TAG will hold 42,841,160 of the Units on issue at Listing (representing approximately 19.9% of the Units on issue) (subject to the terms of the escrow arrangements described in Section 12.2). The parties determined to issue new Units to TAG (rather than leave existing Units on issue) as it ensures both equal treatment for all Unitholders and that the new Units would not be held by the Custodian for TAG who is also the Custodian for Northpoint.	Section 2.3 and Section 12.2
Custodian arrangements	The Trust Company Limited has been appointed as the custodian for the Fund on the terms set out in Section 13.9. The Trust Company Limited is also the custodian for TAG NSW in relation to its current Units in the Fund. This custody arrangement will terminate when these Units are redeemed. The Trust Company Limited has been engaged by the Fund and TAG NSW separately and must act as custodian in accordance with each relevant custody agreement.	Section 13.9
Related party arrangements		
What are the ongoing arrangements between the Fund and the Centuria Group?	The Fund has entered into the following agreements with Centuria Property Services, a wholly owned subsidiary of Centuria: • a Management Services Agreement, under which Centuria Property Services will provide ongoing property management to the Fund; and • a Development and Project Management Services Agreement, under which Centuria Property Services will provide ongoing development services to the Fund.	Sections 13.5 and 13.6
What fees and expenses will Centuria Group charge the Fund?	Fees and costs of the Fund are payable to members of the Centuria Group including pursuant to the Management Services Agreement and the Development and Project Management Services Agreement. Those fees are summarised in Section 8.2.	Sections 8.2, 13.5 and 13.6
What are the ongoing arrangements between the Fund and entities associated with Existing Unitholders?	The Fund has entered into the following ongoing arrangements with entities associated with the Existing Unitholders: • a Concurrent Lease with Ozton expiring on 30 June 2014; • a 12 month lease in respect of certain areas in Northpoint which would otherwise be unoccupied on Listing; and • an agreement to lease with Ozton in relation to the areas currently leased to Think: Education Services, if that tenant chooses not to enter into a further lease on certain terms.	Sections 2.3, 13.2 and 13.3
The Offer		
What is the purpose of the Offer?	The Offer is being undertaken to: • fund the redemption of the Units in the Fund held by the Existing Unitholders and cancel the Existing Unit Option, which will result in Applicants under the Offer holding 100% of the Units in the Fund on Listing; • fund payments to the Existing Unitholders and their associated entities in connection with the Pre-Listing Arrangements for the Fund described in Sections 2.3 and 13.1; • refinance the existing bank debt of the Fund; and • meet the costs of structuring the transaction and the Offer, using Offer proceeds and drawdowns under a new Debt Facility of the Fund.	Section 2.1

What value is being attributed to Northpoint under the arrangements with the Existing Unitholders?

The Offer is being undertaken for a number of purposes as detailed in Section 12.1, including to fund the redemption of Units held by, and other payments to, the Existing Unitholders in connection with the Pre-Listing Arrangements. The effective value attributed to Northpoint under the arrangements with the Existing Unitholders is \$306.9 million, represented by:

- repayment of amounts due to the existing bank debt provider of approximately \$192.6 million; and
- payments to the Existing Unitholders and their associated entities of approximately \$114.3 million⁷.

Benefits and risks

What are the main benefits associated with an investment in the Fund?

The Directors consider the main benefits of an investment in Units in the Fund to be:

- income returns through the ownership of Northpoint, a major North Sydney CBD office and retail property with an assortment of underlying rental income streams;
- potential for Distribution and capital growth through refurbishment and repositioning of Northpoint, and acquisitions of additional properties⁸;
- a forecast annualised Distribution yield of 7.80% for the Forecast Period;
- a high quality management team, led by experienced property executive Nicholas Collishaw, with the backing of leading property fund manager, Centuria;
- liquidity through proposed listing on ASX; and
- a conservative capital structure with pro forma Gearing of approximately 33.1% at the Issue Date, towards the lower end of the Fund's target Gearing range of 30-40%⁹.

Chairman's Letter

⁷ The exact amount to pay out the existing bank debt fluctuates based on the monthly Bank Bill Swap bid rate. To the extent that the actual payout amount increases because of fluctuations in that rate, the entities associated with the Existing Unitholders have agreed to reduce their payments by a corresponding amount.

⁸ Investors should refer to this Investment Overview and Section 7.1 for the potential risks involved in acquiring additional properties.

⁹ Investors should note that the Fund's Gearing may be outside its target range of 30-40% from time to time (for example where the Fund uses debt to acquire new properties or the valuation of properties in the Fund's Portfolio falls).

Investment overview

What are the main risks associated with an investment in the Fund?

The Directors consider the main risks of an investment in Units in the Fund to be:

Section 7

- **Rental income:** Rental income may be affected by a number of factors, including overall economic conditions, the financial condition of tenants, increases in rental arrears and vacancy periods and general supply and demand in the property market.
 - **Property valuations:** The value of Northpoint and of other property assets that the Fund may hold in the future may be adversely affected by a number of factors, including, but not limited to, changes in market rental rates, changes in rental capitalisation rates as they apply to the value of tenanted property, fluctuating tenancy levels, a downturn in the property market in general and general economic conditions, such as interest rates.
 - **Capital expenditure requirements:** While CPF will undertake all reasonable due diligence investigations required prior to acquiring assets, including in relation to Northpoint, there can be no assurance that properties in the Portfolio will not have defects or deficiencies, or that unforeseen capital expenditure or other costs will not arise.
 - **Re-leasing and vacancy:** There is a risk that the Fund may not be able to negotiate suitable lease extensions with existing tenants or replace outgoing tenants with new tenants on the same terms (if at all), or be able to find new tenants to take over space that is currently unoccupied that will be leased to Tower Holdings Pty Limited for 12 months following Listing. This may result in reduced income for the Fund and a lower Distribution yield. The Fund could also incur additional costs when re-leasing its properties.
 - **Tenant risk:** If a tenant is affected by financial difficulties the tenant may default on its rental or other contractual obligations which may result in loss of rental income or losses to the value of the Fund's properties.
 - **Investment in a single property:** On Listing, the Portfolio will comprise Northpoint only. Accordingly, the Fund will not offer geographic or asset diversification at this time. There can be no guarantee that CPF is able to secure additional properties for the Fund that meet the Fund's investment criteria.
 - **Funding of additional property acquisitions:** If CPF decides it is in the best interests of Unitholders to fund an acquisition of additional properties through the issue of additional Units, it may dilute the ownership interests of Unitholders depending on Unitholder participation in the equity raising. If an acquisition is debt funded, it may increase the Fund's Gearing above its target Gearing ratio range for a period of time.
 - **Gearing risk:** The level of the Fund's Gearing will accentuate the impact of any movements in the value of the Portfolio on the Fund's equity.
 - **Historical liabilities:** CPF became trustee of the Fund on 26 June 2013. CPF has undertaken thorough due diligence relating to past transactions of the Fund with a view to ensuring all historical liabilities, including for taxes and duties, are accurately reflected in the accounts of the Fund. Notwithstanding this, it is possible that the Fund may have such liabilities that relate to past transactions of the Fund which are not reflected in the accounts of the Fund and which may be required to be satisfied from the assets of the Fund.
-

Financial information

What is the pro forma NTA per Unit?	The pro forma NTA per Unit of the Fund is forecast to be \$0.98 at the Issue Date.	Section 6
What will be the Gearing level of the Fund?	The Fund's pro forma Gearing is expected to be approximately 33.1% at the Issue Date, well within the Fund's target range of 30-40% ¹⁰ under the Debt Facility the Fund is subject to a LVR covenant of 50% and an Interest Cover Ratio of 1.95 times.	Section 2.8

Distributions

What is the Fund's Distribution policy?	CPF intends to distribute 90-100% (with a target of 95%) of Distributable Funds less any amount determined by CPF (in its sole discretion) as being required to maintain the Fund, such as an allowance for capital expenditure requirements, tenant vacancies or incentives or other property related outgoings. All Distributions will be paid from Distributable Funds (including drawdowns of compensation for incentives negotiated with the Existing Unitholders) and any cash reserves of the Fund. Distributions will be paid semi-annually.	Section 2.7
What is the forecast Distribution yield of the Fund?	The Units are forecast to return an annualised Distribution yield of 7.80% p.a. on the Issue Price for the Forecast Period inclusive of funds received from the lease over unoccupied spare and drawdown of compensation for incentives agreed to by the Existing Unitholders. Should the space which is leased to Tower Holdings Pty Limited (as described earlier) not be re-leased, or the Directors choose to distribute a lesser amount of the compensation received from the Existing Unitholders, the future Distribution yield may be lower than 7.80% ¹¹ . The Financial Information is based on the assumptions described in Section 6 and subject to the risks in Section 7.	Sections 2.7, 6 and 7
What are Distributable Funds?	Distributable Funds are the net profit of the Fund excluding any revaluation gains or losses and non-cash items plus any amounts the Directors resolve to distribute in relation to compensation received from the Existing Unitholders for lease incentives that were agreed to by Ozton but will be borne by the Fund. Under the Constitution, CPF has complete discretion to determine the Distributable Income of the Fund. The above description reflects CPF's intended determination of the Fund's Distributable Income for the Forecast Period.	Section 2.7
What proportion of the Distributions will be tax deferred for Australian tax purposes?	The proportion of FY14 forecast Distributions which are expected to be tax deferred is approximately 48%.	Section 2.7

¹⁰ Investors should note that the Fund's Gearing may be outside its target range of 30-40% from time to time (for example where the Fund uses debt to acquire new properties or the valuation of properties in the Fund falls).

¹¹ See note 4 to the Offer Details table on p.2.

Investment overview

What does “tax deferred” mean in relation to Distributions?	Tax deferred Distributions are Distributions that are not included in your assessable income due primarily to the effect of depreciation benefits and building allowances relating to the underlying property investments, and other taxation adjustments relating to the Fund. Depending on your personal circumstances, this may reduce your income tax liability. Tax deferred Distributions will, however, reduce the cost base of your investment and may result in an increased capital gains tax liability if you sell your Units. Applicants should seek and only rely upon their own tax advice prior to applying for Units.	Section 11
Are Distributions guaranteed?	Distributions are not guaranteed.	Section 2.7
Fees, costs and underwriting		
What are the fees and costs of the Offer including in connection with the redemption of Units in the Fund held by the Existing Unitholders and associated transactions?	All expenses in connection with the redemption of Units in the Fund held by the Existing Unitholders and associated transactions, and the Offer are being borne by the Fund. Total expenses, including professional advisory fees, Offer management fees, PDS expenses, and ASX listing costs are estimated to be a one-off cost of approximately \$9.0 million (which includes all of the fees payable and costs to be reimbursed to the Joint Lead Managers in respect of the Offer under the Offer Management Agreement).	Section 8.1
Is the Offer underwritten?	The Offer is not underwritten.	Section 13.8
Is there any broker commission or stamp duty payable by Applicants?	No brokerage, commission or stamp duty is payable by Applicants who apply for Units using an Application Form. Investors who buy or sell Units on ASX may be subject to brokerage and other transaction costs. Under current legislation, there is no stamp duty payable on the sale or purchase of Units on ASX.	Section 12.20
Taxation implications		
What are the Australian tax implications of the acquisition of Units under the Offer?	The acquisition of Units under the Offer may have Australian taxation implications for investors participating in the Offer. These implications will differ depending on the individual circumstances of each investor who participates in the Offer. Investors should obtain and only rely on their own taxation advice.	Section 11
Governance and Board		
What will be the composition of the Fund’s Board?	At the time of listing on ASX, the Board of the responsible entity will comprise four Directors, including three independent non-executive Directors (with an independent, non-executive Chairman).	Section 4.2
Who appoints the directors of CPF?	Centuria will appoint the Directors in accordance with its rights as the owner of CPF.	
What will be the governance arrangements for the Fund and who will be responsible for them?	The Board will establish governance arrangements to ensure that the Fund is effectively managed in a manner that is properly focused on its investment objectives and the interests of Unitholders as well as conforming to regulatory and ethical requirements.	Section 4.4
Will annual and half-yearly financial reports be provided to Unitholders?	Yes.	

Will the Fund hold annual meetings?	While there is no obligation under the Constitution or the Corporations Act to hold an annual general meeting, it is the intention of CPF to hold annual information meetings for Unitholders each calendar year.	
Can the responsible entity be changed?	Yes, by a majority vote of Unitholders.	
How to apply and overview of the Offer		
What is the Offer?	Through the Offer, the Fund intends to raise \$215.3 million by issuing 215.3 million Units at an Issue Price of \$1.00 per Unit.	Section 12.1
How will the Offer proceeds be applied?	The proceeds of the Offer will be used together with borrowings from the Debt Facility to: • fund the redemption of the Units in the Fund held by the Existing Unitholders and cancel the Existing Unit Option; • fund payments to the Existing Unitholders and their associated entities in connection with the Pre-Listing Arrangements for the Fund described in Sections 2.3 and 13.1; • refinance the existing bank debt of the Fund; and • meet the costs of structuring the transaction and the Offer.	Section 12.1
Will Centuria participate in the Offer?	Centuria and its related entities intend to subscribe for up to three million Units in the Fund, representing up to approximately 1.4% of Units on issue on Listing.	Section 12.4
Are the Existing Unitholders subscribing for Units under the Offer	TAG has entered into a subscription agreement under which TAG (or its nominee) has agreed to subscribe for 42,841,160 Units, representing approximately 19.9% of the Units on issue on Listing, subject to the Offer proceeding.	Section 12.2
What are the escrow arrangements with the Existing Unitholders?	TAG has entered into voluntary escrow arrangements with CPF in relation to that number of Units which, when aggregated with the number of Units which Centuria and its related entities subscribe for under the Offer, represents 19.9% of the Units on issue on Listing. Accordingly, approximately 18.5% of the Units on issue on Listing are expected to be subject to escrow and, subject to certain exceptions, TAG may not dispose of those Units for a period of 12 months following Listing. An escrow is a restriction on sale, disposal, or encumbering of, or certain other dealings in respect of, the Units concerned for the period of the escrow, subject to any exceptions in the escrow arrangement concerned.	Section 12.12

Investment overview

Can the Offer be withdrawn?

CPF reserves the right not to proceed with the Offer at any time before the issue of Units to successful Applicants. If the Offer does not proceed Application Monies will be refunded without interest.

Part of the Offer proceeds are being used to refinance the existing bank debt of the Fund. The existing financiers to the Fund are required to be repaid on 31 August 2013 (unless there is an event of default under the facilities before that date or that date is extended with the consent of the existing financiers). As the Offer is not underwritten, if an amount of \$215.3 million is not raised by the expiry of the existing financing arrangements, or the existing financiers commence any enforcement action because of a default under the existing financing facilities, the Offer will not proceed. If the Offer proceeds, the existing financing facilities will be repaid in full on the Implementation Date.

Section 12.2

What is the structure of the Offer?

The Offer made under this PDS is structured as follows:

- The Institutional Offer, which consists of an invitation to certain Institutional Investors in Australia, New Zealand and certain other overseas jurisdictions (excluding the US) to bid for Units; and
- The Retail Offer, consisting of:
 - The Broker Firm Offer, which is open to Australian and New Zealand resident Retail Investors who have received an allocation from their Broker; and
 - The Centuria Priority Offer, which is open to Eligible Centuria Shareholders and Centuria unlisted property fund investors.
- The Retail Offer and Institutional Offer are conditional on each other. If one does not proceed, the other will not proceed.

Section 12.2

How can I apply?	Centuria Priority Offer Applicants: Application and payment using the paper application form: - To apply under the Centuria Priority Offer using the paper application, you should: - complete the paper Application Form (attached to, or accompanying, this PDS); - attach the Application Monies to the Application Form; - lodge the Application Form and Application Monies with the Registry so it is received no later than 5.00pm (AEST) on 23 August 2013 in accordance with the directions provided on the Application Form. Application and payment using the online application form: - To apply under the Centuria Priority Offer using the Online Application Form, you should: - complete and lodge the online application form at www.centuriapropertytrust.com.au. You will then be provided with your BPAY biller code and unique customer reference number; - pay your Application Monies in full through BPAY; - ensure your Application Monies are received no later than 5:00pm (AEST) on 23 August 2013. If you are applying online and paying by BPAY, you do not need to return the paper Application Form. You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment and therefore you should consider this when making payment. Broker Firm Offer Applicants Broker Firm Offer Applicants must lodge their Application Forms and Application Monies in accordance with the directions of their Broker in order to receive their firm allocation. The Joint Lead Managers will separately advise Institutional Investors of the application procedures for the Institutional Offer. To the extent permitted by law, an Application by an Applicant under the Offer is irrevocable.	Sections 12.5 and 12.6
Is there a cooling-off period?	Applicants should note there will not be a cooling off period in relation to Applications. Once an Application has been lodged, it cannot be withdrawn.	Section 12.10
Who can participate in the Offer?	Australia and New Zealand resident Retail Investors who receive an allocation of units from their Broker may participate in the Broker Firm Offer. Eligible Centuria Shareholders and Centuria unlisted property fund investors may participate in the Centuria Priority Offer. Institutional Investors in Australia, New Zealand and certain other overseas jurisdictions (excluding the US) may participate in the Institutional Offer.	Sections 12.5 and 12.6
What is the minimum and maximum Application amount under the Broker Firm Offer and Centuria Priority Offer (Retail Offer)?	You must apply for a minimum of 2,000 Units and in 500 Unit increments thereafter. There is no maximum number of Units that can be applied for under the Retail Offer. CPF and the Joint Lead Managers reserve the right to aggregate any Applications they believe may be multiple Applications from the same person.	Section 12.5

Investment overview

What is the allocation policy?	CPF and the Joint Lead Managers will determine the allocation of Units between the Institutional Offer, Broker Firm Offer and Centuria Priority Offer. For Broker Firm Offer participants, it will be a matter for Brokers as to how they allocate Units amongst their retail clients. CPF and the Joint Lead Managers have sole discretion over allocations under the Centuria Priority Offer, subject to the agreed minimum allocation amount under the Centuria Priority Offer as described in Section 12.5(b).	Sections 12.3, 12.5 and 12.6(c)
What are the key dates of the Offer?	The Broker Firm Offer and Centuria Priority Offer open at 9.00am (AEST) on 13 August 2013. The Broker Firm Offer and Centuria Priority Offer close at 5.00pm (AEST) on 23 August 2013. The bookbuild opens at 9.00am (AEST) on 26 August 2013. The bookbuild closes at 1.00pm (AEST) on 26 August 2013. The Units are expected to be quoted on ASX under ASX code CCT on 2 September 2013, initially on a deferred settlement basis. Holding statements are expected to be dispatched on or about 3 September 2013 and the Units are expected to commence trading on a normal settlement basis on 4 September 2013. This timetable is indicative only. CPF and the Joint Lead Managers reserve the right to vary the dates and times of the Offer, including to close the Offer early, withdraw the Offer, extend either of the Broker Firm Offer Closing Date or Centuria Priority Offer Closing Date or to accept late Applications, either generally or in particular cases, without notifying any recipient of this PDS or any Applicants. Investors are encouraged to submit their Applications as soon as possible after the opening of the Offer as the Offer may close at any time without notice.	Key Offer Information
Will the Units be listed?	CPF will make an application not later than seven days after the date of this PDS for the admission of the Fund to the official list of ASX and the quotation of the Units on ASX under the code CCT. Completion of the Offer is conditional on ASX approving this application. If approval is not given within three months after such application is made (or any longer period permitted by law), the Offer will be withdrawn and all Application Monies will be refunded without interest as soon as practicable in accordance with the requirements of the Corporations Act.	Section 12.13
Other information		
Where can I obtain further information about the Offer?	Any updated information about the Offer will be made available on the Offer website at www.centuriapropertytrust.com.au and CPF will provide a copy of the updated information free of charge to any eligible investor who requests a copy by contacting your Broker or the Offer Information Line on 1300 394 635 (toll free within Australia) or +61 3 9415 4170 (outside Australia) between 8:30am and 5:00pm (AEST) Monday to Friday during the Offer Period.	Important Information



Centuria Property Trust

2.1 Introduction

Centuria Property Trust, the Fund, is a registered managed investment scheme that has the objective to invest in commercial and industrial properties in metropolitan markets throughout Australia, with strong underlying fundamentals and prospects for future growth. The Fund owns Northpoint, a major commercial office and retail tower in the North Sydney CBD. Northpoint is located in the heart of North Sydney's CBD precinct and has an assortment of underlying rental income streams including 32 levels of office tenancies, a 2 level retail podium, 423 car parking spaces and signage. The building has a net lettable area of 35,184 square metres. Northpoint has been independently valued at \$312.5 million, has occupancy of approximately 94% (by net lettable area) and has a weighted average lease expiry of 3.5 years (income weighted) and 4.1 years (area weighted)¹². More detailed information on Northpoint is set out in Section 3.

The Fund is expected to provide income returns from Northpoint and other properties that may be acquired in the future as well as potential for capital growth. In order to achieve this, the strategy of the Fund is to:

- actively manage Northpoint and Northpoint's tenancy profile to drive enhanced income and Distributions;
- acquire additional office and industrial properties that meet the Fund's investment criteria (see Section 2.5); and
- undertake capital works that reposition properties for higher rental income and valuation, including planned refurbishment initiatives to be undertaken at Northpoint with a target of repositioning the building and moving it towards an 'A-grade' asset (as measured by the Property Council of Australia).

Investors should note that CPF may fund acquisitions and other growth initiatives through the issue of new Units, in which case the ownership interests of Unitholders may be diluted depending on Unitholder participation in the equity raising, or through debt which may increase the Fund's Gearing above its target Gearing ratio for a period of time.

Through the Offer, the Fund is seeking to raise \$215.3 million by issuing 215.3 million Units at an Issue Price of \$1.00 per Unit.

The proceeds of the Offer will be used by CPF, as responsible entity of the Fund, together with drawdowns under a new Debt Facility, to:

- fund the redemption of the Units held by the Existing Unitholders and cancel the Existing Unit Option, which will result in Applicants under the Offer holding 100% of the Units on Listing;
- fund payments to the Existing Unitholders and their associated entities in connection with the Pre-Listing Arrangements of the Fund described in Sections 2.3 and 13.1;
- refinance the existing bank debt of the Fund; and
- meet the costs of structuring the transaction and the Offer.

2.2 Centuria Property Funds Limited

Centuria Property Funds Limited, CPF, is the responsible entity of the Fund. CPF is a wholly owned subsidiary of Centuria Capital Limited, an ASX listed company – further information on Centuria is provided in Section 4.1. CPF is incorporated and based in Australia.

CPF will manage the Fund and is responsible for the overall activities of the Fund. In return for managing the Fund, CPF is entitled to receive a Management Fee and recover certain other operating expenses, which are further described in Section 8. The primary responsibilities of CPF and its management team include:

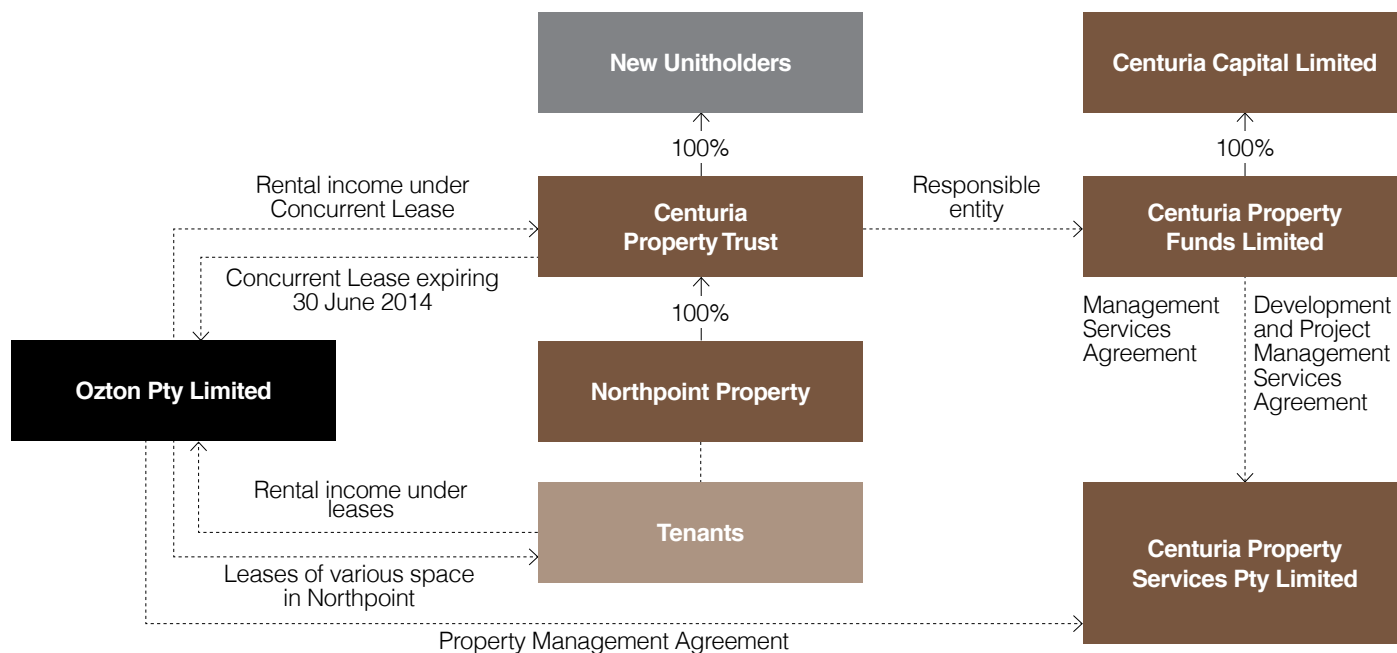
- pursuing the strategy of the Fund as described in Section 2.1 above;
- administering the Fund's Portfolio, e.g. leasing of vacant space, lease negotiations with existing tenants, rent collections, managing refurbishments and minor works;
- providing strategic direction for the Fund regarding its Portfolio and future direction;
- evaluating and approving acquisitions for the Fund;
- managing the Fund's capital structure and interest rate hedging policy, consistent with the policy discussed in Section 2.8;
- investor relations and communications for the Fund;
- overseeing any subsequent capital raisings and the overall capital management strategy of the Fund;
- overseeing ASX and other regulatory compliance for the Fund;
- implementing appropriate risk management for the Fund;
- providing accounting and financial reporting for the Fund;
- providing tax management services for the Fund; and
- approving asset plans and budgets for the Fund.

CPF will rely on the resources and expertise of the Centuria Group and may appoint external service providers to assist it in performing its functions as responsible entity of the Fund.

¹² See footnote 1 on p.5.

2.3 Structure of the Fund and leasing arrangements on listing

On Listing, and up until 30 June 2014, the structure of the Fund will be as follows:



Note:

1. Structure assumes that no additional properties are acquired by the Fund and all Pre-Listing Arrangements occur.

Immediately prior to Listing, the Pre-Listing Arrangements (described in Section 13.1) will have been implemented in preparation for the Listing of the Fund and the redemption of the Units that are held by the Existing Unitholders and cancellation of the Existing Unit Option will occur. During the period to 30 June 2014, certain transitional arrangements with entities associated with the Existing Unitholders will continue.

As part of those transitional arrangements:

- **(Concurrent Lease)** the Fund has granted a Concurrent Lease to Ozton, which expires on 30 June 2014. Ozton is an entity associated with the Existing Unitholders. Under the Concurrent Lease, Ozton is required to pay to the Fund an amount equal to 100% of the rental income that Ozton receives from the tenants at Northpoint;
- **(Management of Northpoint)** Ozton has agreed to appoint Centuria Property Services Pty Limited (**Centuria Property Services**), a wholly owned subsidiary of Centuria, as property manager in respect of Northpoint. As part of that agreement, Centuria Property Services is authorised to direct tenants to pay rent directly to a rental deposit account nominated by Centuria Property Services. These funds, after payment of usual outgoings and expenses related to Northpoint, will be remitted to the Fund in satisfaction of rent due under the Concurrent Lease;

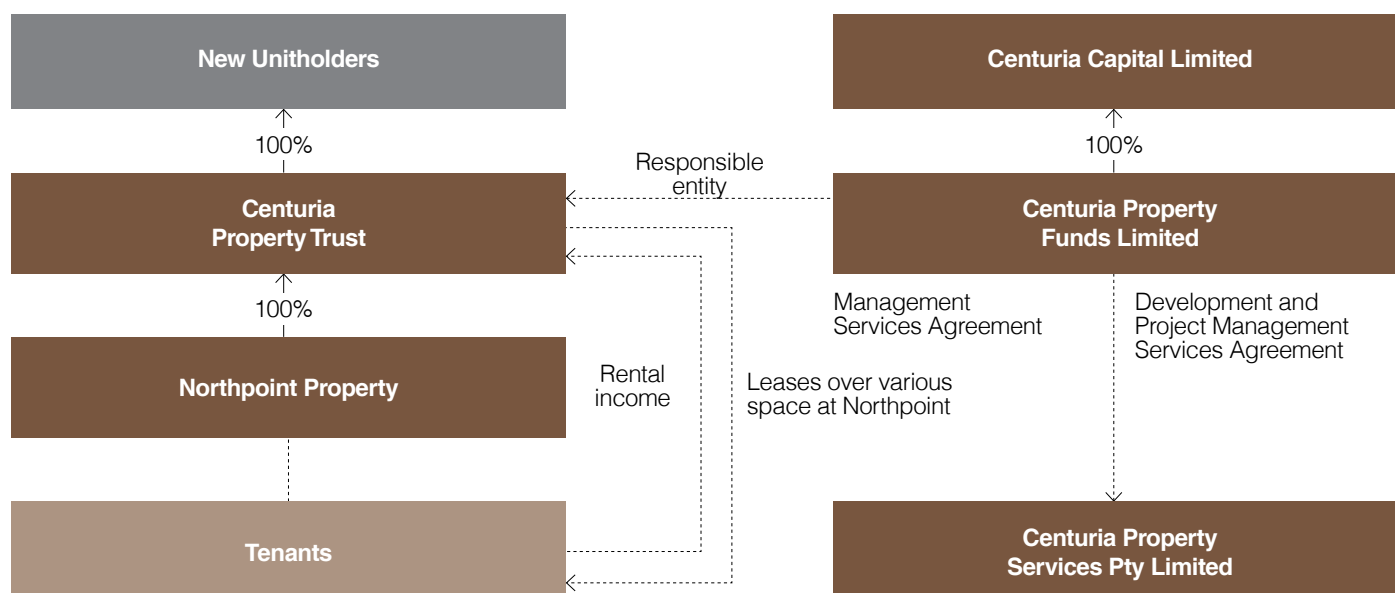
- **(Lease of unoccupied areas in Northpoint)** Tower Holdings Pty Limited, another entity associated with the Existing Unitholders, has entered into a 12 month lease with Ozton in respect of 2,086 square metres in Northpoint which would otherwise be unoccupied on Listing, including commercial tenancies as well as signage and storage, under which Tower Holdings Pty Limited will pre-pay an aggregate rent of approximately \$2.5 million to Ozton (and which is included in the calculation of rent payable to CPF under the Concurrent Lease). CPF will seek to re-lease these unoccupied areas so they become tenanted at the end of the 12 month lease period or as soon as possible thereafter. The 12 month lease commences one day after the Implementation Date; and
- **(Agreement for lease for commercial lease)** Think: Education Services has entered into a non-binding heads of agreement setting out the agreed terms under which Think: Education Services may enter into a lease over certain areas. If Think: Education Services does not proceed with these new lease arrangements Ozton has entered into a binding agreement for lease in relation to these areas, on effectively the same terms as the heads of agreement. This has the effect of underwriting to the Fund the rental income under the non-binding heads of agreement to lease those areas.

The Fund has also entered into a Management Services Agreement and a Development and Project Management Services Agreement with Centuria Property Services, under which Centuria Property Services will be providing ongoing property management and development management services to the Fund. These agreements are described in Sections 13.5 and 13.6.

Centuria Property Trust

2.4 Structure of the Fund and leasing arrangements from 1 July 2014

Current holding structure



Note:
Post 1 July 2014 structure assuming that no additional properties are acquired by the Fund and the Pre-listing Arrangements have occurred.

On 30 June 2014, the Concurrent Lease will expire and tenants will assume direct leases with the Fund (including the remainder of Tower Holdings Pty Limited's 12 month lease).

Centuria Property Services will continue to provide property management and development management services to the Fund under the Management Services Agreement and the Development and Project Management Services Agreement.

- potential for capital gains;
- potential for positive rental growth;
- provides geographic and economic diversification across the Portfolio;
- adheres to the Fund's long term Gearing target of 30-40%; and
- overall, has the potential to enhance risk-adjusted returns to Unitholders.

CPF's specific approach to assessing acquisition opportunities focuses on the following elements:

- analysing current and expected sub-market supply and demand characteristics;
- comprehensive property due diligence including assessment of a building's fabric and the standard of its services, with a particular focus on capital expenditure requirements;
- review of the quality of tenant profile, lease term and opportunity for rental growth or leasing up of vacant space; and
- outlining potential refurbishment or redevelopment opportunities.

CPF has not determined any specific timeframes for the acquisition of additional properties. CPF will assess acquisition opportunities as they arise, based on a number of factors, including the prevailing market conditions at the time, the ability to fund the acquisition through either debt or equity, the impact of any acquisition on the forecast distribution yield, and the identification and availability of properties that meet the investment criteria listed above.

CPF may fund these potential acquisitions using debt, equity or a combination of both. If an acquisition is funded through the issue of additional Units, it may dilute the ownership interests of Unitholders depending on Unitholder participation in the equity raising. If an acquisition is debt funded, it may increase the Funds Gearing ratio for a period of time.

2.5 Investment and growth strategy

The Fund has the objective of providing Unitholders with income returns via semi-annual Distributions and the potential for capital growth through repositioning of properties, active management of leasing, and investments in commercial and industrial properties that are consistent with the Fund's investment criteria. The Fund does not intend to undertake speculative developments.

Selective acquisitions

CPF's strategy is to selectively acquire additional office and industrial properties in metropolitan markets that meet some or all of the following investment criteria:

- generating stable income returns;
- located in growth markets with favourable supply and demand dynamics;
- refurbishment and/or repositioning opportunities with the potential to enhance income and capital growth;

Proactive management of the Portfolio

With respect to managing the Fund and properties in the Portfolio, CPF will take a proactive approach, including:

- enhancing occupancy by letting up any vacancies;
- proactively managing leasing to enhance cash flow and lease terms;
- undertaking refurbishment works that optimise a building's potential to attract 'quality' tenants;
- undertaking redevelopments, where supported by a strong business case that meets the Fund's target investment parameters;
- leveraging the expertise and relationships of Centuria; and
- actively managing the Fund's capital structure to ensure equity returns are maximised, having regard to maintaining appropriate liquidity and head room within the Fund's Debt Facility to allow for capital expenditure and acquisition opportunities.

Specific initiatives being considered for Northpoint are described in Sections 3.5 and 3.6.

2.6 Income model

In the Forecast Period, the Fund's income will be generated through the Concurrent Lease with Ozton in respect of Northpoint as described in Section 2.3. Under the Concurrent Lease, Ozton will be required to pay an amount equal to 100% of the rental income that it receives from tenants to the Fund.

From 1 July 2014, the Fund will no longer receive a lease payment under the Concurrent Lease which expires on 30 June 2014. Instead, the Fund will receive lease payments directly from tenants.

The amount payable by Ozton under these arrangements from Listing until 30 June 2014 is approximately \$22 million, but may change if rental income from the tenants changes.

It is CPF's intention to seek to acquire additional office and industrial properties in metropolitan markets that meet the Fund's investment criteria. To the extent that additional income producing properties are acquired by the Fund in either FY14 or subsequently, the Fund may generate additional rental income¹³.

2.7 Distributions

CPF intends to make semi-annual Distributions to Unitholders for each half year ending 30 June and 31 December. It is expected that these Distributions will be payable each February and August, with the first Distribution expected to be paid in February 2014. While CPF intends to make semi-annual Distributions, the payment of Distributions is at the discretion of the Board and is subject to the financial circumstances of the Fund at the time, therefore there is no guarantee that any or all Distributions will be declared.

The Units are forecast to return an annualised Distribution yield of 7.80% p.a. on the Issue Price for the Forecast Period¹⁴. The forecast Distribution is based on certain assumptions described in Section 6 and is subject to the risks set out in Section 7. Those assumptions include that Northpoint remains the sole property investment of the Fund during the Forecast Period and that no new Units are issued. Investors should note that whilst the Issue Date and the resulting Distributions may change, based on the profile of earnings of the Fund, the Directors do not expect the forecast annualised Distribution yield as a percentage to be materially different.

The expected Distributions to be paid to Unitholders that relate to earnings over the Forecast Period are set out in the Distribution schedule below.

	December 2013 ¹	June 2014
Forecast Distribution per Unit ²	2.61 cents per Unit	3.87 cents per Unit
Estimated tax deferred component	48%	48%
Forecast gross tax effective income return ³	3.69 cents per Unit	5.48 cents per Unit

Notes:

1. The forecast Distribution per Unit for the December 2013 half year is for the period from 1 September 2013 to 31 December 2013.
2. See note 4 to the Offer Details table on p. 2.
3. Gross tax effective return is the return an investor (as a 46.5% tax payer) would need to earn from a competing investment with no taxation benefits e.g. a bank deposit to achieve a comparable return. Potential investors should note that tax deferrals will decrease an investor's cost base for CGT purposes and may result in an increased capital gains tax liability.

It is the intention of CPF to distribute 90-100% (with a target of 95%) of Distributable Funds less any amount determined by CPF (in its sole discretion) as being required to maintain the Fund, such as an allowance for capital expenditure requirements, tenant vacancies, incentives or other property-related outgoings. All Distributions will be paid from Distributable Funds and any cash reserves of the Fund.

An eligible person registered as a Unitholder on a record date determined by CPF is entitled to receive a Distribution for the relevant Distribution period, even if they have transferred any or all of their Units after the record date. However, for efficiency of processing, we encourage nomination of an account for direct credit.

Distributions will be paid by a cheque posted to the Unitholder's address on the register or by direct credit to the account nominated by the Unitholder for this purpose. Unitholders will also be sent a Distribution statement, which sets out the details of their Distributions including any tax deferred component of their Distributions.

Distributions and capital invested in the Fund are not guaranteed by CPF. The value of the Units as quoted on the ASX may be lower or higher than the Issue Price paid by Investors. See Section 7 for a detailed overview of the risks of investing in the Fund.

¹³ CPF may fund these potential acquisitions using debt, equity or a combination of both. If an acquisition is funded through the issue of additional Units, it may dilute the ownership interests of Unitholders depending on Unitholder participation in the equity raising. If an acquisition is debt funded, it may increase the Funds Gearing ratio for a period of time.

¹⁴ See note 4 to the Offer Details table on p. 2.

2.8 Capital structure and hedging policy

CPF has received a credit approved term sheet from National Australia Bank and Commonwealth Bank of Australia to provide the Fund with a debt facility of \$125 million ("**Debt Facility**") on completion of the Offer. The key terms of the Debt Facility are set out below:

Facility size	\$125 million
Term	Tranche 1 (3 years): \$62,500,000 Tranche 2 (5 years): \$62,500,000
Interest rate (inclusive of establishment fee) ¹	Tranche 1: Base Rate ² + 1.40% per annum Tranche 2: Base Rate + 1.68% per annum
Maximum loan-to-value ratio (LVR)	50%
Interest cover ratio	Minimum of 1.95 times, to be tested annually
Minimum weighted average lease expiry	Minimum of 2.0 years

Note:

1. With between 50-80% of each tranche being hedged for the tranche term.

2. A floating rate of interest based on the average bid rate on the Reuters Monitor System BBSY at about 10.30am on the rate set date and for each subsequent interest period.

Initially, the Debt Facility will be drawn to \$105.3 million in order to:

- partly fund the redemption of Units in the Fund held by the Existing Unitholders and cancel the Existing Unit Option held by the Existing Unit Optionholder;
- partly fund payments to the Existing Unitholders and their associated entities in connection with the Pre-Listing Arrangements of the Fund described in Sections 2.3 and 13.1;
- partly refinance the existing bank debt of the Fund;
- partly fund the cost of structuring the transaction and the Offer; and
- provide upfront working capital for the Fund.

The Fund will have access to additional debt capacity up to the facility limit of \$125 million, which will be used to fund working capital and capital expenditure on Northpoint. CPF has set a target range for the Fund's Gearing of 30-40%.

Investors should note that the Fund's Gearing may be outside its target range of 30-40% from time to time (for example where the Fund uses debt to acquire new properties or the valuation of properties in the Fund falls).

The Fund's interest cover ratio is expected to be at least 3.5 times for the Forecast Period (versus the covenant under the credit approved term sheet of a minimum of 1.95 times). The Fund's LVR at the Issue Date is expected to be no higher than 33.7% (versus the covenant under the credit approved term sheet of a maximum of 50%).

CPF intends to hedge a minimum of 50% and a maximum of 80% of drawn amounts under the Debt Facility. The purpose of the hedge is to mitigate against interest rate volatility.

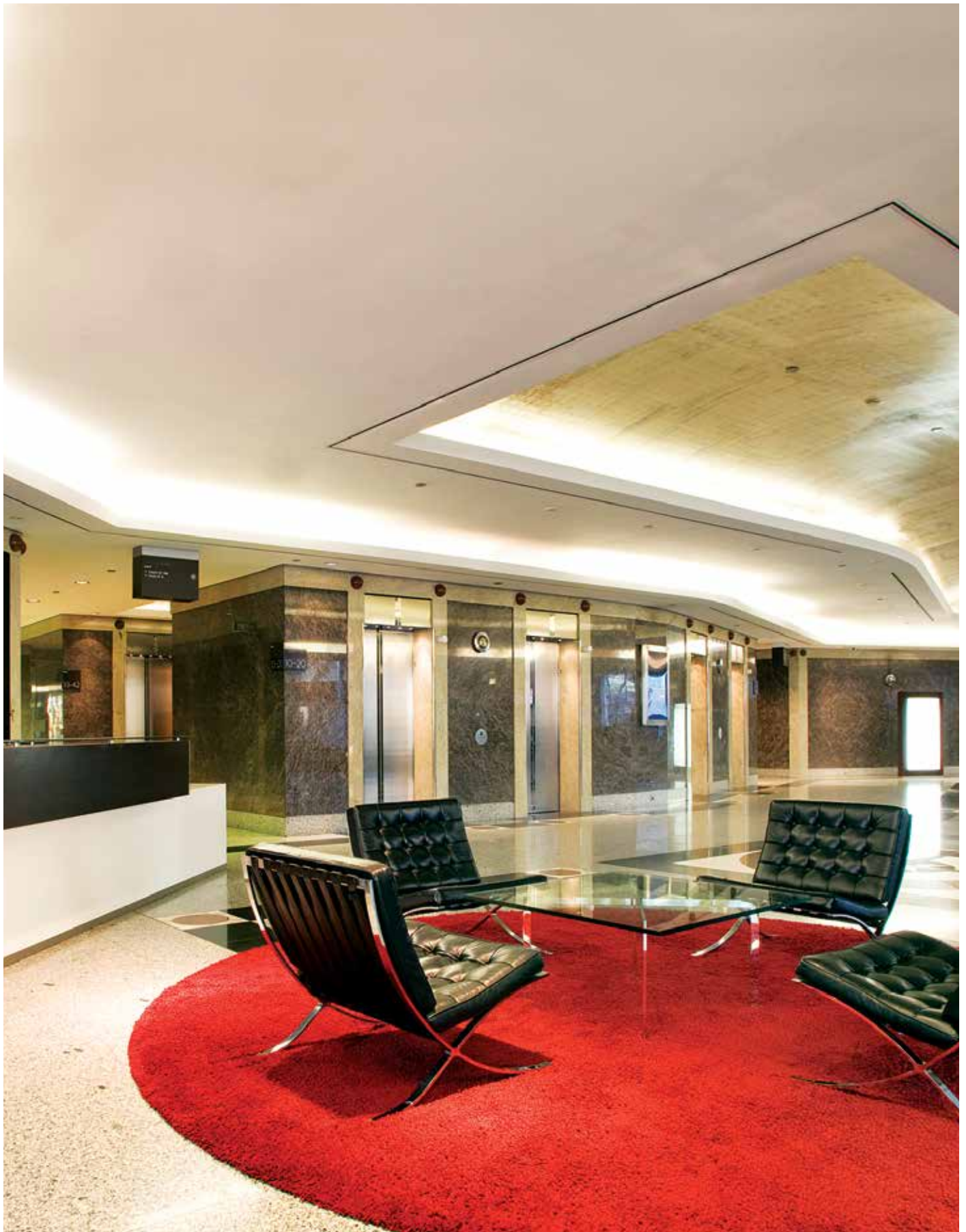
An amount of \$1.5 million has been forecast for interest rate hedging (see Section 6.7). To the extent that a portion of the allowance is unutilised, it will be held by the Fund as additional liquid assets or undrawn Debt Facility.

2.9 Availability of documents

The following documents are available for inspection at the offices of Centuria between 9.00am and 5.00pm (AEST) on business days in Sydney, New South Wales. Alternatively, a copy of the documents may be requested (to be provided free of charge) by contacting the Investor Relations Team by telephone on +61 2 8923 8923 or email to enquiries@centuria.com.au:

- Constitution;
- Compliance plan; and
- CPF's policy regarding the exercise of discretions under the Constitution which affect Unit price calculations, valuation policy and other matters.

Under section 1013I of the Corporations Act, Unitholders are also entitled to obtain a copy of the annual report most recently lodged with ASIC by the Fund.



Northpoint Tower

3.1 Summary of Northpoint

Address	100 Miller Street, North Sydney, NSW
Value (as per independent valuation)	\$312.5 million
Building overview	• 32 levels of office tenancies • 2 levels of retail tenancies • 6 levels of car parking
Weighted average lease expiry ¹⁵	3.5 years (income weighted) 4.1 years (area weighted)
Net lettable area	35,184 square metres
Car spaces	423
Tenants	• Over 40 commercial tenants • Over 30 retail tenants

Key investment rationale

✓	A major North Sydney CBD office and retail property in a prominent location
✓	An attractive property by virtue of its capital value size within the metropolitan market and its income composition, which incorporates core commercial income in association with retail, car parking and signage rental income streams
✓	Attractive weighted average lease expiry of 3.5 years (income weighted) and 4.1 years (area weighted) ¹⁶ and a solid tenant profile incorporating a mix of international, national and local companies
✓	Significant upgrade potential – both in terms of Northpoint's building services and facade. CPF is seeking to undertake these initiatives to reposition the property and move it towards an 'A-grade' asset (as measured by the Property Council of Australia)
✓	There are identified opportunities to add value via remixing of the retail tenancies within Northpoint and signage initiatives
✓	There is the potential for rental growth in the North Sydney office property sector, with limited committed supply in the near term and forecast declines in vacancy rates over 2013 and 2014

3.2 The building

Northpoint is a landmark retail and commercial tower in North Sydney. With a site footprint of 5,020 square metres, Northpoint benefits from dual street frontages to both the Pacific Highway and Miller Street.

Northpoint comprises 32 levels of office tenancies consisting of three rises, built above a two level retail podium, with six levels of basement car parking for 423 vehicles. The building was originally constructed in 1976.

Office tower

The office tower is positioned towards the centre of the site, maximising natural light to all floors. The lower rise floors have 360 degree streetscape views and the mid and upper floors benefit from world class Sydney Harbour and CBD views to the south, east and west and district views to the north.

The 32 floors of office tenancies are split into three rises, with each floor generally being configured in a similar layout and serviced by a central lift bank. Lift rises comprise low rise (levels 9–20), mid-rise (levels 23–32) and high rise (levels 33–42). Plant and equipment is located on levels 21, 22 and 43.

A number of office floors have been sub-divided and partitioned in accordance with individual tenant requirements.

Retail

The Plaza level (also known as level seven and accessed off Miller Street), consists of 2,040 square metres of retail space and comprises a food court with ancillary retail. A lobby cafe and a concierge desk are located on level eight, which is connected to levels seven and nine via escalators.

Favourably located to transport

Northpoint's central location provides direct access to various forms of public transportation. The North Sydney bus and rail interchange transport hubs are located within close walking distance of Northpoint providing frequent services to Sydney's North Shore, Sydney CBD and the inner and outer north-western suburbs.

Travel to the Sydney CBD via rail, taxi or bus is convenient.

The Milsons Point Ferry terminal is a walkable distance from the building and offers passenger services to the Sydney CBD as well as the western suburbs and, via Circular Quay, the eastern suburbs.

Car parking

The six level basement car park is accessed via a ramp from Miller Street, with an exit to the Pacific Highway. Car park access is via security boom gates with a passenger lift providing access to the retail podium and office lift lobby.

¹⁵ See footnote 1 on p.5.

¹⁶ See footnote 1 on p.5.

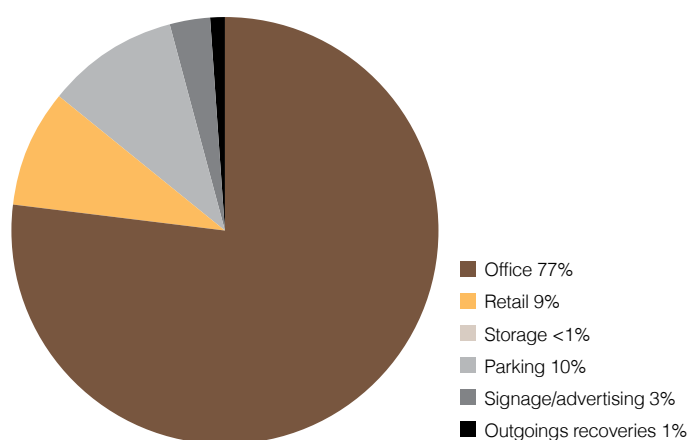
In 2008, the car parking in the building was upgraded including re-painting and re-marking of all bays as well as the installation of a fully automated ticketing system.

A three-year lease effective 1 July 2013 in respect of Northpoint's car park facilities has been signed with Secure Parking, a prominent Australian car park operator.

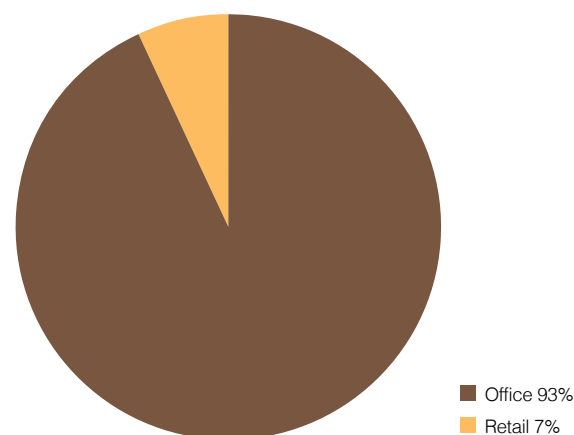
3.3 Leasing profile

Northpoint offers an assortment of rental income streams as illustrated below:

Composition of Gross Rental Income on a fully-leased basis



NLA by type on a fully-leased basis

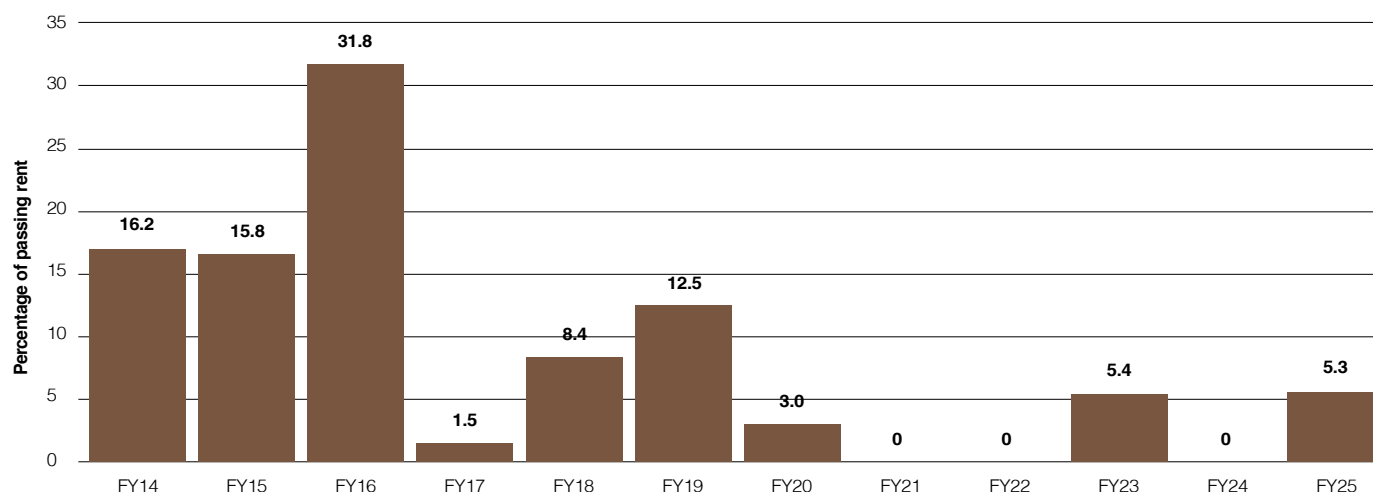


Note:

1. Includes the 12 month lease over unoccupied space entered into by Tower Holdings Pty Limited

Offering a weighted average lease expiry of 3.5 years (income weighted) and 4.1 years (area weighted)¹⁷ as at 1 August 2013, the multi-tenanted profile of Northpoint offers a rolling lease expiry profile.

Lease expiry profile



Note:

1. Lease expiry profile allows for:

- the 12 month lease over unoccupied space entered into by Tower Holdings Pty Limited. See Sections 2.3 and 13.1;
- the agreement for lease entered into by Ozton under which (if Think: Education Services does not enter into a new lease or take up options for new leases at Northpoint), Ozton will enter into a new lease on the same terms as under the non-binding heads of agreement signed by Think: Education Services. See Sections 3.4 and 13.3;
- heads of agreements entered into by the following existing tenants of Northpoint:
 - Experian Australia Pty Limited over an area of 1,872 square metres for a term of approximately five years
 - Jones Lang LaSalle (NSW) Pty Limited over an area of 941 square metres for a term of approximately five years
 - Colliers International (NSW) Pty Limited over an area of 606 square metres for a term of approximately five years; and
- a letter of intent provided by Centuria in relation to a five year lease over 750 square metres of space at Northpoint that is currently leased to Tower Holdings Pty Limited pursuant to the 12 month lease over unoccupied space. See Section 3.4.

¹⁷ See footnote 1 on p.5.

Northpoint Tower

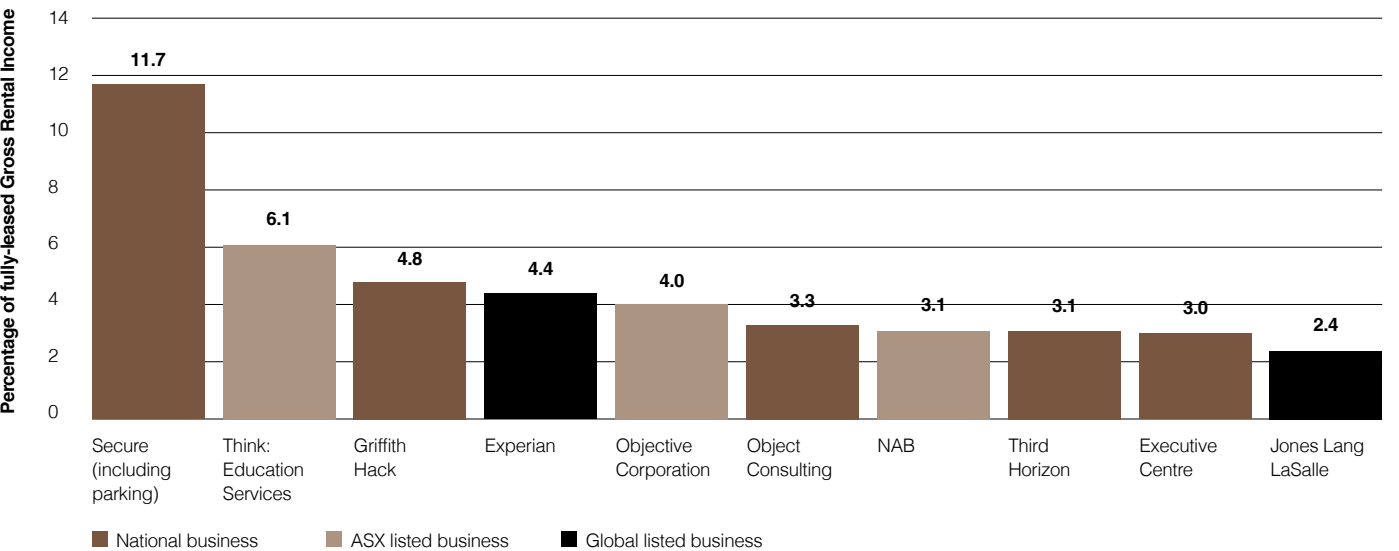
Typical lease terms for tenants within Northpoint are as follows:

Terms	- Office leases generally incorporate terms ranging from between 2 and 10 years, with most leases incorporating five year terms. - Retail leases generally incorporate terms ranging between 4 and 10 years, with most leases incorporating five year terms.
Review frequency and basis	- Office leases typically incorporate annual rental reviews ranging between CPI and 5.00%, with the most common annual rental reviews being 4.00%. - Retail leases typically incorporate annual rental reviews ranging between 3.00% and 5.00%, with the most common annual rental reviews being 5.00%.
Outgoings recovery	- Office leases generally provide for the area proportionate recovery of all usual statutory charges and operating expenses over a specified base year. - Retail leases are typically gross leases (e.g. no outgoings are paid by the tenant).
Make good provision	Leases typically require the tenant to remove their property and return the premises to a base building condition, repairing any damage. Some include redecoration clauses.
Guarantees	Leases generally incorporate bank guarantees equivalent to a specified number of months (generally three to six months), with some leases specifying a monetary amount.

3.4 Commercial tenancy profile

The top 10 tenants of Northpoint comprise over 45% of the Gross Rental Income of Northpoint¹⁸ and include companies such as Think: Education Services (a subsidiary of ASX-listed, Seek Limited), Secure Parking, National Australia Bank, Griffith Hack and Jones Lang LaSalle.

Top 10 tenancies by Gross Rental Income



¹⁸ Includes Gross Rental Income from Secure Parking (which includes rental income from car parking).

Highly diversified tenant base with many tenants having been at Northpoint for a long period of time

The tenancy profile of Northpoint is diversified with more than 40 commercial tenants. Northpoint's rental income is spread over a large number of tenants who operate across a range of industry sectors. The lease expiry profile for the leases reflects a range of short, medium and longer term leases. Many of these tenants have been tenants of Northpoint for in excess of 10 years.

In addition to commercial tenant rental income, Northpoint earns meaningful rental income from car parking and retail tenancies with further potential for new leasing arrangements for the building's signage (see Section 3.6 below).

Agreement to rent unoccupied space

Northpoint's vacancy rate is approximately 6%. CPF expects to lease this unoccupied space in the medium term. In the meantime, entities associated with the Existing Unitholders have entered into a 12 month lease over this space (which would otherwise be unoccupied on Listing) and will pre-pay an aggregate rent of approximately \$2.5 million on the day following the Implementation Date. See Section 13.4 for further details.

Heads of agreements to enter into leases

Think: Education Services is an existing tenant of Northpoint. Think: Education Services has signed a non-binding heads of agreement for new leases to take effect on and from the expiry of its existing leases.

The Fund, the Custodian, and Ozton have entered into an agreement for lease under which if Think: Education Services does not enter into new leases or take up new options for new leases over part of the existing leased space, Ozton will enter into new leases on the same terms as Think: Education Services has committed under the non-binding heads of agreement.

Centuria intention to take a lease at Northpoint

Centuria intends to enter into a lease over part of the office space at Northpoint that on Listing will be subject to the 12 months lease to Tower Holdings Pty Limited. Any lease between the Fund and Centuria will be subject to the conflict protocols described in Section 4.4 and entered into on arm's length commercial terms.

3.5 Significant upgrade potential

CPF has undertaken due diligence on Northpoint and identified several key aspects of the building and its services that can be upgraded. These initiatives will substantially improve the presentation, as well as the operational and environmental performance of the building. The aim of these works is to reposition Northpoint and move it towards an 'A-grade' asset (as measured by the Property Council of Australia) in order to enhance its appeal and revenue generating potential.

A summary of the timing and cost of the currently proposed capital expenditure programme for Northpoint is set out below:

Financial year	FY14	FY15	FY16	FY17	FY18	Capital expenditure allowance
Building services	Assumed to be spent over five years, however the timing and quantum of cash flow will be influenced by tenant movements and other such factors					\$6,772,000
NABERS	Expected to be undertaken over the first two years					\$1,000,000
Lifts	The work will be coordinated to limit tenant disruption					\$4,000,000
Bathroom and lobby refurbishment	The cost is expected to be incurred over a five-year time frame to reflect the rolling nature of the works					\$2,593,000
Façade	Inspections, approvals, appoint contractor	Site establishment, procurement of works, testing and commissioning. To be undertaken with a minimum impact on tenants to ensure continued use of their tenancy areas				\$5,000,000
Other capital expenditure	Rolling works that constitute an amalgam of building services, building works, compliance works and works to areas not within the Nortpoint building					\$3,699,000

Capital expenditure forecast to be expended on the Northpoint building during the Forecast Period is approximately \$3.6 million (excluding capital expenditure relating to tenant fit-outs during the Forecast Period of approximately \$5.5 million).

As described in Section 2.8, the Fund will use its income and undrawn amounts under the Debt Facilities to fund the proposed capital expenditure programme for Northpoint.

Northpoint Tower

Building services

CPF engaged MBM, an independent and suitably experienced services consultant, to undertake its own review of Northpoint's key services and to analyse reports on Northpoint's services provided by consultants engaged by the Existing Unitholders from both a repair and maintenance and a capital expenditure perspective. The capital items have been identified as short, medium and long-term and cost estimates have been prepared for each. MBM also investigated items that may be required over time to update to comply with current Building Code of Australia requirements. Cost estimates were then analysed against the original consultant reports and reconciled.

CPF has made an allowance of approximately \$6.8 million for the work programme, which includes:

- refurbishing the perimeter induction units;
- upgrading the building management system;
- refurbishing the air handling units;
- replacing the cooling tower;
- replacing the fire dampers;
- upgrading duct and pipework;
- upgrading switchboards and communications;
- new energy efficient lighting;
- fire sprinkler and pipework replacement; and
- hydraulic fixture replacements and related works.

It is expected that these works will be undertaken on a rolling basis over the first five years following Listing.

National Australian Built Environment Rating System (NABERS)

The current base building rating of Northpoint is 3 Star NABERS. CPF has identified an opportunity, together with its overall asset management strategy, to lift the NABERS rating over the short to medium term from 3 Star to 4 Star NABERS. CPF has proven experience in undertaking NABERS upgrades.

Work to achieve this rating uplift includes upgrading controls, recommissioning air handling units, car park lighting controls and exhaust, lobby lighting, floor heating ventilation and air conditioning controls, tenant condenser water flow control and fire stair lighting. The upgrade of Northpoint's lifts (described below) and building services (described above), will also contribute significantly to the expected NABERS uplift.

It is expected that these works will be undertaken in the first two years following Listing. A capital expenditure allowance of \$1.0 million has been made for the relevant works.

Lifts

CPF has made an allowance of \$4.0 million to undertake a comprehensive upgrade of Northpoint's passenger lifts including the lift controls, lift motors, and running gear. These works will significantly enhance the performance of the lift services, the energy efficiency of the building and ensure compliance with the Disability Discrimination Act (1992) (DDA). The capital expenditure programme has been developed to allow for a rolling 3-4 month refurbishment of each of the elevators such that tenant impacts are minimised.

It is expected that these works will be undertaken in the second and third years following Listing.

Bathroom and lobby refurbishments

Each floor has been inspected and capital budgets formulated to develop a floor-by-floor analysis of refurbishments to common areas required over the short, medium and long-term. Common areas comprise individual floor lobbies and male and female amenities.

This program of works is contingent upon a number of variables, which include attainment of access to the relevant tenancies, case-by-case negotiations with existing or prospective tenants and commercial viability in each instance.

It is expected that these works will be undertaken on a rolling basis over the first five years following Listing. A capital expenditure allowance of approximately \$2.6 million has been made for the works.

Façade

While Northpoint's façade performs satisfactorily at present, CPF considers pre-emptive work to the façade is desirable. As a result, CPF has made a capital expenditure allowance of approximately \$5.0 million for remedial and cosmetic works to be undertaken.

These works comprise repairs to the precast concrete facade panels, replacement of seals and joints and recoating the facade with a tinted sealant in order to provide Northpoint with a reinvigorated, modern finish.

It is expected that in the year following Listing CPF will undertake detailed inspections, analyse data, prepare scope and methodology, cost plan, obtain council approvals, document and tender, and appoint a contractor for the works. In years two and three following Listing, works will be commenced, tested and ultimately commissioned.

Other capital expenditure

Other capital expenditure has been identified in the technical due diligence report prepared for Northpoint being works in addition to the categories above including other building services, building works, Building Code of Australia compliance works that will arise when other works are undertaken, and work to areas not within the office tower such as car park, podium and public spaces.

It is expected that these works will be undertaken on a rolling basis over the first five years following Listing. A capital expenditure allowance of approximately \$3.7 million has been made for the works.

Returns from the capital expenditure programme

The future returns that may be generated from the Fund's proposed capital expenditure programme described in this Section may be affected by a number of factors including the ability to execute on the programme as envisaged and within the timetable and cost budget provided as well as a number of factors outside the control of CPF, such as the state of the Australian economy and the commercial property market. CPF's objective with respect to the proposed capital expenditure programme is to reposition the property and move it

towards 'A-grade' and as a consequence seek market rental rates commensurate with an 'A-grade' asset.

3.6 Potential to add value via signage and retail development initiatives

CPF has identified several initiatives which will be explored in the short term to maximise Northpoint's commercial appeal and revenue generating potential.

Signage

Northpoint currently displays "Panasonic" signage on its north and south facing roof top façade with "Hyundai" signage on its east and west facing rooftop façade.

Both the Panasonic and Hyundai signage are no longer under lease arrangements. However, Tower Holdings Pty Limited has entered into a 12 month lease including this signage. See Section 13.4 for further details of this lease.

CPF has received unsolicited interest in leasing Northpoint's available signage. In order to maximise the Fund's opportunity to increase revenue, CPF intends to undertake an expression of interest campaign targeting signage and advertising providers and seeking financial proposals in relation to the sky signage and potential for retail podium signage facing both Miller Street and Pacific Highway.

Retail development

The North Sydney CBD is the second largest standalone office market in New South Wales comprising a total commercial area of 861,554 square metres of office space. There are approximately 60,000 people working in the North Sydney local government area.

However, North Sydney is considerably under supplied with regard to quality retail floor space and supermarket facilities. Neither Woolworths nor Coles have a presence in North Sydney and there are limited opportunities for a new supermarket operator to secure the appropriate floor space with adequate parking in the North Sydney CBD.



The responsible entity

4.1 Overview of Centuria and the responsible entity

Centuria Property Funds Limited

The responsible entity and manager of the Fund is CPF. CPF is a specialist property funds management company established in 1999 with the specific purpose of identifying quality property investment opportunities for its clients. The Board and management team of CPF have extensive property and funds management experience and have a strong track record. CPF currently has approximately \$1.1 billion of property under management in 28 unlisted property funds.

Centuria

CPF is a wholly owned subsidiary of ASX listed Centuria, which has a market capitalisation of over \$60 million. Centuria is a diversified funds manager with approximately \$2.0 billion funds under management, of which \$1.1 billion are within dedicated property funds. Centuria is comprised of two divisions, being Centuria Property Funds (as described above) and Financial Services. Centuria's Financial Services division includes its Friendly Society, which offers a diverse range of investment bonds, education plans and prepaid funeral plans to its clients. Other activities within the Financial Services division include the sale of insurance products to its client base on an agency basis and a reverse mortgages business, which is currently in run off.

Following its establishment in 1998 and ASX listing in 2002, Centuria has grown both organically and through a number of acquisitions as set out below.

Table 1: Centuria timeline

1998	2002	2004	2006	2008	2009	2011	2012
Century Property Funds (previously known as Century Funds Management) was established to securitise unlisted property investments for high net worth investors	Over Fifty Group listed on ASX	Century Funds Management acquired Bankminster Properties and a property portfolio of \$150 million	Over Fifty Group acquired Century Funds Management (\$500m FUM)	Over Fifty Group acquired 51% of Eclipse Property Group, which manages a property portfolio of approximately \$230 million	Capital raising of \$10.5 million for debt reduction and working capital	Rebranding from Over Fifty Group to Centuria Capital	Establishment of Singapore presence to develop Asian platform for Centuria

Further information about Centuria and CPF is available on Centuria's website: www.centuria.com.au.

4.2 Board of the Responsible Entity



Peter Done
**Non-Executive
Chairman**

Peter joined Peat Marwick Mitchell & Co (now known as KPMG) in 1968, where he held the position of partner from 1979 until his retirement in 2006. During his 27 years as partner, he was the lead audit partner for many clients, including those involved in property development, primary production and television and film production and distribution. Peter held a number of senior positions during his time at KPMG, where he was the partner in charge of KPMG Financial Services Pty Ltd (KPMG's financial planning practice) from its formation in 1988 until it was sold in 1999, a member of KPMG's NSW Executive Committee from 1986 to 1992, and the partner in charge of Migration Advisory in Australia from 1995 to 2005.

Following his retirement from KPMG in 2006, Peter formed his own consulting practice, and is a director of a number of private companies involved in property development and investment.

Peter was appointed to the Board of Centuria on 28 November 2007 and is the Chairman of Centuria's Audit, Risk Management and Compliance Committee (**ARMCC**) and is a member of CPF's ARMCC.

Peter holds a Bachelor of Commerce (Accounting) from the University of New South Wales, and is a Fellow of the Institute of Chartered Accountants in Australia.

Peter brings to the Board of Directors of CPF his strengths in accounting, audit and financial management in the property development and financial services industries, and a strong knowledge of corporate governance, regulatory issues and board processes through his many senior roles.



Matthew Hardy
BSc, ARICS,
GAICD

**Independent
Non-Executive
Director**

Matthew has been a partner in property and finance search and consultancy firm Conari Partners and its corporate predecessor Thomas Hardy since 2002. He has over 25 years' experience in direct real estate, equities and funds management.

In addition to working as a valuer and consultant in direct property in the UK and Australia for global groups Richard Ellis and Jones Lang Wootton, Matthew worked as a senior REIT analyst for Hambros Equities, and as director of Property Investments for Barclays Global Investors where he managed the property securities funds in addition to listed and wholesale funds. Matthew was also General Manager of the listed Capital Property Trust, a separately listed fund until its stapling with Mirvac in 1999. Matthew was previously an Independent Non-Executive Director of Mirvac Funds Management Limited from September 2009 to May 2013.

He is a member of CPF's ARMCC.

He is a member of the Royal Institution of Chartered Surveyors and the Australian Institute of Company Directors.



Ed Psaltis,
B Comm, FCA,
MAICD

**Independent
Non-Executive
Director**

Ed was a partner at major accounting firms Ernst & Young and BDO for 20 years before retiring from BDO in 2012. In these roles, Ed acted in an independent advisory capacity for a variety of property and REIT structures. Further, Ed provided audit services to unlisted property trusts, large wholesale property trust groups and listed REITs.

In the corporate advisory area, Ed has advised on over 55 listed and unlisted property trust and REIT transactions involving groups such as Macquarie Countrywide, Goodman, GPT, Stockland, Lend Lease, Charter Hall, Australand, ING Real Estate Australia, Commonwealth Office Property Fund and CFS Retail. Ed has also been actively involved in the unlisted property trust and syndicate market, providing independent accountant's reports and due diligence services for product disclosure statements, as well as valuation services for clients including Macquarie Direct Property (now Charter Hall Direct), Challenger Property and Investa Property Group. During his 18 year tenure as a real estate partner at both BDO and Ernst & Young, Ed authored and presented significant annual thought leadership projects for the REIT market, including the BDO LPT survey (from 1994) and the Ernst & Young Global REIT report.

He is a member of CPF's ARMCC.

He holds a Bachelor of Commerce from the University of New South Wales, is a Fellow of the Institute of Chartered Accountants in Australia and is a member of the Australian Institute of Company Directors.



Jason Huljich,
BCom
**Chief Executive
Officer of
Centuria
Property Funds
and Executive
Director**

Jason became Chief Executive Officer of CPF in July 2006 and a Director of the Centuria Board in November 2007. Jason is the Chief Executive Officer of CPF – Direct Property. In his role he is responsible for providing strategic leadership and ensuring the effective operation of Centuria's direct property portfolio.

He joined Century Funds Management Limited upon its formation in 1999. In July 2006, Century Funds Management Limited was acquired by the Over Fifty Group and he was appointed General Manager, Property. Jason has been involved in investment property funds in Australia since 1996 and he has developed considerable expertise in investment property selection, fund feasibility and funds management.

Jason is President of the Property Funds Association (PFA) and sits on the National Executive Committee. PFA is the peak industry body representing the \$55 billion direct property investment industry. Jason holds a Bachelor of Commerce (Commercial Law) from the University of Auckland, New Zealand.

The responsible entity

4.3 Management team



Nicholas Collishaw,
SAFin, AAPI, FRICS

Chief Executive Officer – Listed Property Funds, Centuria Property Funds

Nicholas Collishaw was appointed CEO – Listed Property Funds, CPF on 1 May 2013.

Prior to this position, Nicholas held the position of CEO and Managing Director at the Mirvac Group. During his time at Mirvac Group (2005-2012) he was responsible for successfully guiding the business through the impact of the Global Financial Crisis and implementing a strategy positioning the real estate developer and investor for sustained growth.

During Nicholas' career, spanning over 30 years, he has held senior positions with James Fielding Group, Paladin Australia, Schroders Australia and Deutsche Asset Management gaining extensive experience in all major real estate markets in the United States, United Kingdom and Middle East.

He is currently a National Director of the Property Industry Foundation and a member of UNSW Built Environment Advisory Council.



Matthew Coy,
B.Bus, CPA

Chief Financial Officer for Centuria

Matthew was appointed Chief Financial Officer of Centuria in October 2008. Prior to this appointment, he held the position of Financial Controller at Century Funds Management Limited.

Matthew has been associated with Centuria and its subsidiary entities since 1999.

Matthew has over 30 years' experience in accounting, finance, company secretarial and business management, particularly within the property services sector.

Prior to his appointment to Centuria, he held key financial directorships with Colliers Jardine over a 10 year period. He has an extensive background in financial reporting as well as commercial and business management.

He was appointed an additional Company Secretary in October 2009.

Matthew holds a B.Bus from the University of Technology Sydney and is a member of the CPA.



David Govey,
AAPI

Head of Assets for Centuria Property Funds

David has been Head of Assets for CPF since 2006.

He is responsible for the proactive and efficient management of CPF's property portfolio in order to maximise the value of each asset. This role involves seeking to improve the performance of each property as well as ensuring Centuria is at the forefront of market and legislative issues including sustainability, compliance, and risk management. In addition, David is responsible for seeking updated property valuations as required and arranging asset disposals.

David has been involved in a broad spectrum of real estate activities for over 30 years with particular emphasis on enhancing asset values through strategic and creative initiatives.

Prior to joining Bankminster Properties Limited (subsequently acquired by Centuria), as an Executive Director in 2001, David held senior positions with Colliers Jardine including Australian Managing Director, Managing Director of Singapore and South Australian Managing Director.

David has qualifications in Valuation and Town Planning and is an Associate of the Australian Property Institute.

4.4 Corporate governance

The Board is responsible for the overall corporate governance of CPF and the Fund, including implementing appropriate policies and procedures in order for CPF to fulfill its functions effectively and responsibly. The Board recognises the role and importance of good corporate governance and is committed to high standards of compliance. CPF's corporate governance framework is supported by the Board determining appropriate corporate governance arrangements for CPF and the Fund and the continual monitoring of those arrangements.

The Listing Rules require listed entities to disclose in their annual reports the extent of their compliance with the ASX Guidelines, released by the ASX Corporate Governance Council. They must also explain why they have not adopted a particular ASX Guideline, if they consider it to be inappropriate to do so in their particular circumstances. The ASX Guidelines encompass matters such as Board composition, committees and compliance procedures and are designed to maximise corporate performance and accountability in the interests of investors and the broader economy. The Fund will be required to report its compliance against the ASX Guidelines on an ongoing basis in its annual report. This Section identifies those ASX Guidelines that are not appropriate for the Fund given its externally managed structure. Apart from those areas identified below, the Board does not anticipate that it will depart from the ASX Guidelines. However, it may do so in the future if it considers that such departure would be reasonable.

CPF has appointed four Board members, with a majority of independent members, including an independent Chairman.

The key elements of the Fund's corporate governance framework are set out below.

Board roles and responsibilities

Under the CPF Board charter, it is the function of the Board to oversee development of the long term growth and strategy of the entities managed by CPF. In performing its functions in respect of the Fund, the Board will endeavor to ensure that the business of the Fund is effectively managed in accordance with high standards of corporate governance and applicable laws.

Some of the key responsibilities of the Board are to:

- establish the strategic direction for the Fund;
- set objectives, goals and strategic direction with a view to maximising Unitholder value;
- approve and monitor progress of major capital expenditure, capital management, acquisitions and divestments;
- monitor the implementation of the highest business standards and codes of ethical behaviour;
- oversee the effective management and control of CPF;
- consider the social, ethical and environmental impacts of CPF's activities and operations, and monitor compliance with social responsibilities and practices;
- oversee the effectiveness of risk management and compliance within the Fund; and
- ensure adequate processes and controls are adopted to ensure the integrity of financial accounting, financial records and reporting.

Board committees

The Board may establish formally constituted committees and may delegate any of its powers to a committee or committees.

Audit, Risk Management and Compliance Committee

The Board has established an Audit, Risk Management and Compliance Committee ("ARMCC") to assist the Board in overseeing the integrity of the Fund's financial reporting, internal financial controls, financial procedures and policies and the independence of external auditors.

The ARMCC is also responsible for overseeing the Fund's compliance and risk management frameworks and assessing risks arising from the Fund's operations and considering the adequacy of measures taken to moderate those risks.

The ARMCC reports to the Board on all matters relevant to the ARMCC's role and responsibilities and ensures that the Board is aware of matters which may significantly impact the financial condition or affairs of the Fund.

The key roles and responsibilities of the ARMCC include reviewing:

- the financial reporting processes;
- the system of internal financial controls;
- the audit process ensuring that systems and procedures are in place for the Fund's compliance with relevant statutory and regulatory requirements; and
- assessing risks arising from the Fund's operations and considering the adequacy of measures taken to moderate those risks.

All members of the ARMCC must be non-executive directors, with a majority being independent directors. The chairperson is an independent director appointed by the Board who is not the Chairman of the Board. The ARMCC will meet with external auditors where appropriate from time to time to review the existing external audit arrangements and the scope of the audit.

Further information on the ARMCC is provided on the Fund's website accessible at www.centuria.com.au.

Constitutions and compliance plans

The Fund is a registered managed investment scheme and the rights and obligations of CPF as responsible entity of the Fund and Unitholders are governed by the Constitution and the Corporations Act.

As the responsible entity of the Fund, CPF must comply with all obligations set out in the Constitution and the Corporations Act. CPF is also subject to duties including duties to act in the best interests of the Unitholders, act honestly, exercise care and diligence, and treat Unitholders of the same class equally. In order to facilitate compliance with the Constitution and the Corporations Act, CPF has adopted the Compliance Plan which sets out the key processes CPF will apply in operating the Fund.

You can inspect a copy of the Constitution and the Compliance Plan at the offices of Centuria at any time between 9:00am and 5:00pm (AEST) on a business day in Sydney, New South Wales. Alternatively, a copy of the documents may be requested (to be provided free of

The responsible entity

charge), by contacting the Investor Relations Team by telephone on +61 2 8923 8923 or email to enquiries@centuria.com.au.

Continuous disclosure and Unitholder communication policies

CPF is committed to promptly communicating relevant material information about the Fund to Unitholders and complying with the Fund's continuous disclosure obligations to the market pursuant to the ASX Listing Rules and the Corporations Act.

The Board has established a continuous disclosure policy to assist the Board in discharging the Fund's continuous disclosure responsibilities in a timely and efficient manner. The continuous disclosure policy sets out guidance, procedures and key responsibilities for compliance with the continuous disclosure obligations.

The company secretary has principal responsibility for managing CPF's continuous disclosure policy and communicating with the ASX. The Board has also established a Continuous Disclosure Committee to assist the company secretary with the discharge of CPF's continuous disclosure obligations.

CPF will also design a communications policy for promoting effective communication with Unitholders and encourage their participation at general meetings. CPF will use the Fund's website to assist it in keeping Unitholders fully informed on important matters concerning the Fund.

A summary of both the continuous disclosure and Unitholder communication policies will be available on the Fund's website accessible at www.centuria.com.au.

Directors' and employees' securities trading policy

The Board has developed and adopted a formal code to regulate dealings in Units by the Board and senior executives and employees of Centuria and their associates that are responsible for managing the Fund. This policy is designed to ensure fair and transparent trading in accordance with both the law and best practice.

Conflicts

CPF recognises its responsibilities in relation to conflicts of interest and related party transactions and has a Conflicts of Interest Policy in place that governs the way in which CPF manages such transactions or conflicts.

Through the application of this policy, CPF is committed to:

- identifying and monitoring all potential conflicts of interest;
- avoiding conflicts of interests wherever this is the only way to properly protect Unitholders' interests;
- taking appropriate steps to ensure the fair treatment of the Fund and all Unitholders potentially impacted by the conflict; and
- dealing in an open manner and disclosing its conflicts of interest wherever this is likely to be relevant to Unitholders.

CPF will engage Centuria Property Services, a wholly owned subsidiary, to provide property management, development management and facilities management services to the Fund. Centuria Property Services was chosen by CPF to provide these services due to its considerable experience as a specialist property consultancy and property manager. Centuria Property Services holds a real estate licence and supervises an extensive portfolio of commercial, industrial and retail properties. The appointment of Centuria Property Services will be on commercial arm's length terms and will be subject to regular review.

CPF considers that the level of expertise and experience brought by Centuria Property Services to the management of the Fund's property may be an asset to the Fund. The property management arrangement between CPF and Centuria Property Services will be on arm's length, commercial terms.

Code of conduct

The Board has adopted the code of conduct of Centuria which applies to the directors and employees and sets out how CPF expects directors and employees to conduct themselves. The code of conduct sets expectations for the maintenance of standards of honesty, integrity, care, diligence and fair dealing by directors and employees in the performance of their duties and responsibilities in relation to the Fund.

A copy of the code of conduct is available on the Fund's website accessible at www.centuria.com.au.

Risk management policy

CPF has adopted a risk management policy and framework which assists CPF to achieve the Fund's objectives through thorough and competent strategic decision making.

Through the risk management policy and framework, CPF's risk management internal control system incorporates the guidelines described in the Australian/New Zealand Standard on Risk Management (AS/NZS ISO 31000:2009).

The Board has ultimate responsibility for overseeing the risk management framework and for approving and monitoring compliance with the framework. CPF's risk management process requires Centuria's senior management team to regularly appraise the risks relating to the operation and activities of the Fund. In addition, CPF's risk management process also comprises a formal comprehensive risk review. Centuria's senior management team will measure the risks which have been identified, rate and prioritise them in terms of their impact on the Fund. The implementation of mitigating controls for key risks will be a priority and risk management weaknesses will be remedied as soon as practical or possible. Results of the annual review will be provided to the Board and relevant sub-committees for review.

Further information on CPF's risk management framework is available on the Fund's website accessible at www.centuria.com.au.

Remuneration Committee

Centuria has a nomination and remuneration committee in place that complies with the ASX Listing Rules. Centuria's nomination and remuneration committee will perform the remuneration committee function for CPF.

The nomination and remuneration committee is responsible for considering all issues relating to:

- non-executive director remuneration;
- non-executive committee member remuneration;
- senior executive remuneration;
- board appointments; and
- board, chief executive officer and senior executive performance.

Centuria's nomination and remuneration committee charter is available on Centuria's website accessible at www.centuria.com.au.

Other committees recommended by the ASX Guidelines that are not appropriate for the Fund

The ASX Guidelines also require the establishment of a diversity committee. However, given CPF and the Fund will have no executives and will be managed externally, CPF does not intend to establish a diversity committee for the Fund. Accordingly, the ASX Guidelines relating to diversity are not relevant for the Fund.

4.5 Dispute resolution process

CPF has in place a dispute resolution process to assess and respond to customer concerns as quickly and efficiently as possible.

If you have a complaint about a product or service offered by CPF, please contact the Investor Relations Team on +61 2 8923 8923. They will either try to resolve your complaint or put you in contact with someone who is better placed to resolve the complaint.

You may also write to CPF at:

Centuria Property Funds Ltd: Complaints Resolution Process
GPO Box 695
Melbourne VIC 3001

or email: compliance@centuria.com.au

Please provide the detail and reason for your complaint and CPF will attempt to resolve the matter and respond within 14 days of receipt.

Centuria is a member of the Financial Ombudsman Service, an independent complaints resolution scheme approved by ASIC. If you are dissatisfied with CPF's response to your complaint, you may contact the Financial Ombudsman Service on 1300 780 808 or write to them at:

Financial Ombudsman Service Limited
PO Box 3
Melbourne VIC 3001

Please note that a complaint must first be submitted to CPF's complaints handling process before it can be referred to Financial Ombudsman Service.

4.6 Custodian

CPF has appointed The Trust Company Limited (the "**Custodian**") to provide custody services in respect of the Fund. The Custodian will hold the assets of the Fund. The Custodian may sub-contract custody services to a sub-custodian. Under the Custody Deed, the Fund indemnifies the Custodian for liabilities it may incur in providing the services. The Custodian may terminate the Custody Deed on 90 days' notice to CPF.

4.7 Further information

Further information about Centuria and the Fund is available in electronic form from the Centuria website: www.centuria.com.au.

Overview of Australian commercial property market



Australian and North Sydney Office Market Overview:

27 June 2013

1 Australian Economic Overview

The Australian economy has continued to expand, albeit at below trend levels. The Australian economy expanded by 0.6% in Q4/2012 and 3.1% for the year ended (y-e) Q4/2012. This represents an improvement from the 2.7% rate recorded y-e Q4/2011.

The outlook is for moderate but expanding economic growth over the period 2013 to 2015, with Deloitte Access Economics forecasting below trend economic growth of 2.5% in 2013, rising to 2.8% in 2014 and 3.0% in 2015.

Large variations continue to be recorded between the States. Economic growth (as measured by State Final Demand) between December 2011 and December 2012 was a robust 14.2% in WA, 2.4% in NSW, 2.2% in QLD, 0.3% in SA and -0.1% in Victoria.

Private sector investment rose by 8.6% for the year ended December 2012. Mining-related investment has been a key vehicle of growth but is now slowing. New dwelling investment, however, is picking up, with solid growth of 5.3% for the year ended December 2012.

Central banks in all major economies continue to pursue monetary easing policies. Banks and other debt providers are still limiting their exposure to commercial real estate, but investors with access to equity are in a strong competitive position. Global inflationary pressures remain subdued.

The official Cash Rate in Australia was cut by 125 basis points in 2012 and a further 25 basis point in May 2013 to now stand at 2.75%.

As at 21 June 2013, Australian 10-year bond yields were 3.75% and inflation-indexed bonds 1.74%. This relatively low real bond rate should in theory support investor interest and yield compression in commercial real estate assets.

1.1 Property market drivers

Employment growth is a key driver of Australia's property markets. Total employment in Australia exceeded 11.5 million (seasonally adjusted) for the first time in May 2012 and remains above that level in March 2013. However the pace of growth has slowed and in March 2013 a 36,000 fall in employment was reported. Notably, Australia's unemployment rate has remained below 6% since July 2003.

Economic growth drives white collar employment and the demand for office space. With the economy projected to accelerate in 2014 and 2015, white collar employment is forecast to increase. White collar employment growth across CBD office markets is forecast to accelerate over the next three years, which will drive underlying demand for office space.

Employment in the Finance and Insurance sector has been relatively stable over the past five years. However, there is very strong growth prospects in financial services in Australia, particularly in Sydney, due to Sydney's emergence as a global financial centre, the strong growth in Australia's funds management sector, Australia's location relative to the fast growing Asia Pacific region, and the potential for Australia to export its financial services expertise.

2 Australian Office Markets

2.1 Market profile

Australia's major office markets comprise 25.4 million sqm, of which 65% is located in CBD markets¹. Prime grade stock (premium plus A-grade) comprises 53% of all CBD office stock by Net Lettable Area (NLA).

The supply outlook in most CBD markets is modest, and characterised by a relatively high level of pre-commitment (around 75% in CBD office markets). This is the typical requirement to secure debt financing.

Outside of Sydney and Melbourne, the major non CBD markets are located on the fringe of the CBDs, often being a natural extension of the CBD. Sydney suburban markets include North Sydney, Parramatta, Chatswood, St Leonards, Macquarie Park, Norwest, Homebush / Rhodes, South Sydney and Sydney Fringe. Together these markets account for over 4.4 million sqm of office stock.

Table 1: Australian office market profile as at Q1/2013

	Net Lettable Area	Vacancy	Prime Face Rent	Prime Effective Rents *	Prime Equivalent Yield	Supply Pipeline (2013-15)**	Capital Value Growth (2002-12)
	'000 sqm	% NLA	AUD/sqm pa	AUD/sqm pa	%	%	% pa
CBD Markets							
Sydney	4,927	9.46	937	621	6.75	3.7	4.1
Melbourne	4,351	8.55	528	400	7.25	5.4	4.5
Brisbane	2,168	12.93	709	486	7.25	1.1	7.0
Adelaide	1,368	12.16	482	372	8.38	4.3	8.2
Perth	1,622	6.52	900	794	7.88	6.7	12.6
Canberra	2,114	10.91	411	333	8.25	3.2	4.4
Selected Non-CBD markets							
North Sydney	848	8.61	670	478	7.88	-1.2	3.3
Parramatta	717	8.38	433	306	8.38	2.6	2.6
Melbourne Fringe	1,651	9.46	417	335	8.38	3.2	3.2^
Brisbane Near City	1,223	10.33	509	337	8.38	10.3	7.9

All data for March 2013 unless otherwise stated.

* Effective rents adjust face rents for estimated rent-free incentive periods on a standard 10-year lease

** Forecast net increase including refurbishments and withdrawals: % of 2012 stock

^ CV growth 2006 to 2012

Source: Jones Lang LaSalle

Ownership profile

Listed property trusts, wholesale funds and superannuation funds are the dominant owners of major office assets in Australia. Over the past 25 years, these three major institutional investor categories have accounted for nearly two thirds of all transactions valued at AUD 5 million or more.

Private investors and developers/property companies are dominant participants in the under AUD 20 million market, while assets in the AUD 20 to 50 million bracket is more evenly split between owner types.

¹ CBD markets for the purpose of this report are: Sydney, Melbourne, Brisbane, Perth, Adelaide and Canberra.

Overview of Australian commercial property market

Over the past 25 years, offshore investors have accumulated a significant portion of the major asset pool, and have accounted for around 23% of all transactions ($\geq$ AUD 5 million).

Offshore investors were particularly active in 2012. Of the total major office sales of AUD 9.38 billion in the Australian market, offshore investors accounted for a record AUD 4 billion, or 42.9% of sales.

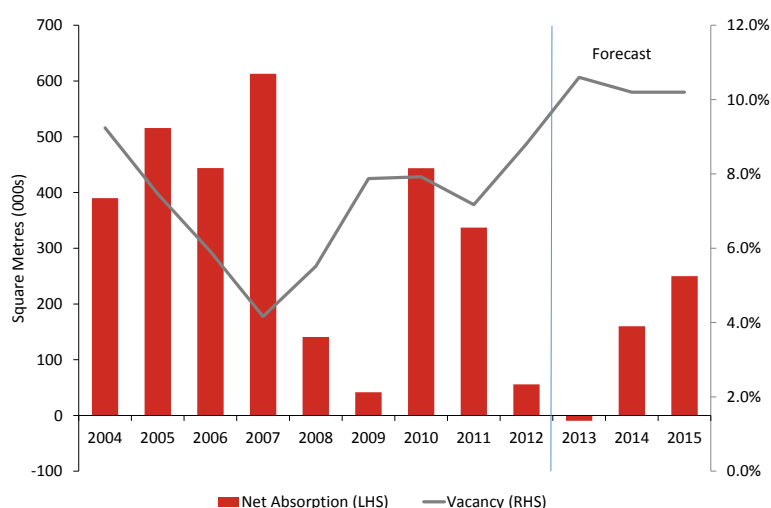
2.2 Market indicators

Supply / Demand

Australian office markets have recovered reasonably well from the Global Financial Crisis (GFC). However, rising demand was more than offset by increased supply, which has seen average CBD vacancy rise from 4.2% in Q1/2007 to 9.8% in Q1/2013.

Take-up of office space slowed across most office markets during 2012, resulting in net absorption of 55,900 sqm across CBD markets, or just 19% of the 10 year average of 294,400 sqm.

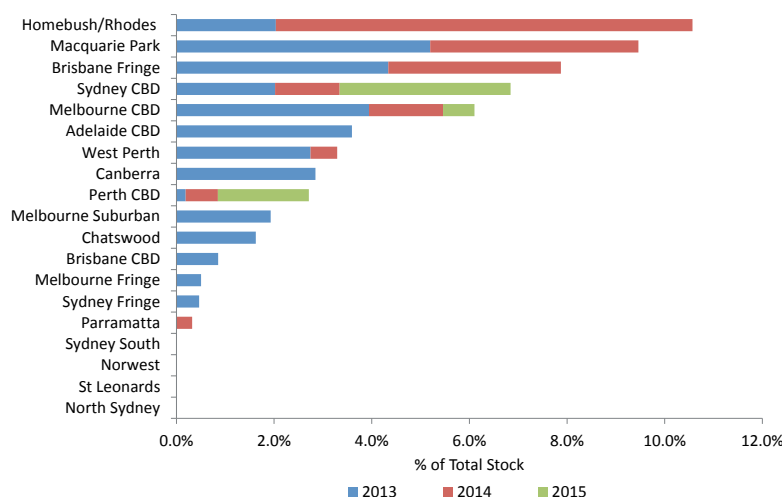
Figure 1: CBD net absorption and vacancy (2004 to 2015)



Source: Deloitte Access Economics, Jones Lang LaSalle

The future supply outlook for 2013 and 2014 is modest but building in 2015, totalling 1.04 million sqm as at Q1/2013. Development under construction and due to complete by year end 2015 is concentrated in the two largest markets of Sydney CBD and Melbourne CBD. Homebush/Rhodes and Macquarie Park have relatively high new supply coming on board between 2013 and 2015 relative to their total existing stock. In contrast, four Sydney suburban markets have no new supply entering their markets during this period – North Sydney, St Leonards, Norwest Business Park and South Sydney.

Figure 2: Office markets – development pipeline*



* The development pipeline is defined as projects under construction or completed in 2013-2015
Source: Jones Lang LaSalle

Rents

Over the 12 months to Q1/2013, Sydney, Melbourne and Adelaide reported a decline in prime gross effective rents and Brisbane, Perth and Canberra reported a slight rise. In a challenging demand environment characterised by rising vacancy rates, incentives are also rising in most markets.

The prospect of higher leasing incentives in most markets is expected to see gross effective rents contract in 2013. Improved market conditions together with relatively low new supply in over the next two years should support stronger rental growth in 2014 and beyond.

Yields

Prime CBD office yields on a national basis (7.38% in Q1/2013) are close to their 10-year average (7.22%).

Australian office yields are significantly higher than yields for corresponding assets in the major markets of Europe, North America, the UK and many Asia Pacific markets. Furthermore, yield spreads are wide across a range of metrics:

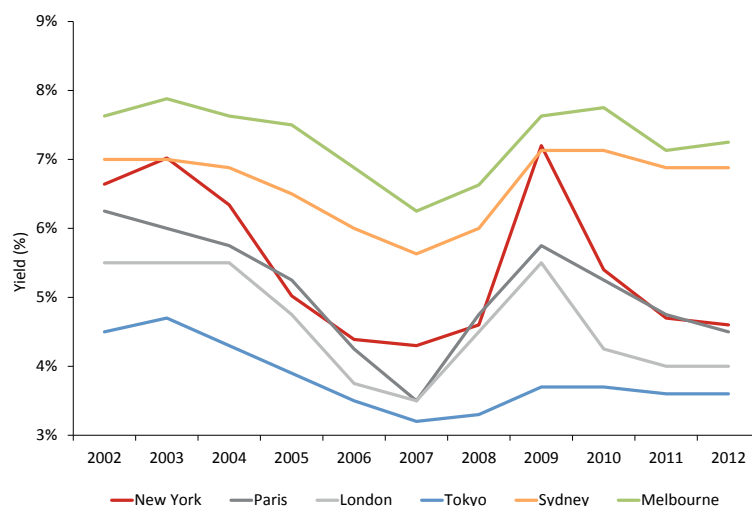
- Yield spreads to real bond rates are close to record highs;
- Yields spreads between CBD and many non-CBD markets have widened; and
- Yields spreads within prime and secondary sectors have widened.

Figure 3 compares the yields between the Sydney and Melbourne CBD prime office markets and other mature global markets.

One of the key attractions to offshore investors of Australian office markets is the high yields delivered by prime grade assets compared to equivalent assets in other mature markets with similar levels of transparency. Furthermore, Australia's relatively high interest rate structure makes the Australian market attractive to offshore investors with a lower cost of capital. The Reserve Bank of Australia's policy interest rate is 2.75% (June 2013), while policy rates in the US, UK, Eurozone and Japan are close to zero.

Overview of Australian commercial property market

Figure 3: Australia vs. offshore office yields, 2002 - 2012



Source: Jones Lang LaSalle

2.3 Outlook

Supply / Demand – The Australian office markets are supported by a modest supply pipeline over the next two years, which coincides with expected soft demand in 2013. With the economy projected to accelerate in 2014 and 2015, white collar employment is forecast to increase, which will drive demand for office space.

Vacancy - With a second successive year of weak net absorption projected for 2013, the national CBD vacancy rate is projected to move into low double digit territory and peak at 10.6% in Q4/2013. This is expected to be the peak in vacancy in the current cycle. A modest supply pipeline in 2013-2014, relatively high levels of pre-committed space and improved leasing activity in 2014 and beyond should coincide with a gradual decline in vacancy rates. As usual in periods of subdued demand, vacancy tends to increase in lower quality secondary grade space.

Rents - The prospect of higher leasing incentives in most markets is expected to see gross effective rents contract in 2013. Perth is the exception, where relatively tight vacancy is supportive of modest short-term growth. Improved market conditions together with comparatively low new supply in the next two years should support stronger rental growth in 2014.

Yields - Jones Lang LaSalle does not consider the current yield spreads to bond rates, or to global prime office yields, to be sustainable over time. Our forecasts anticipate some modest yield compression in the short-medium term. There is increased depth of investor demand for the highest quality prime-grade assets. The relative shortage of these assets and support from the capital markets are the key drivers of yield compression and could see yield tightening for the better quality assets of between 25 and 50 basis points over the next 2-3 years.

3 North Sydney Office Market

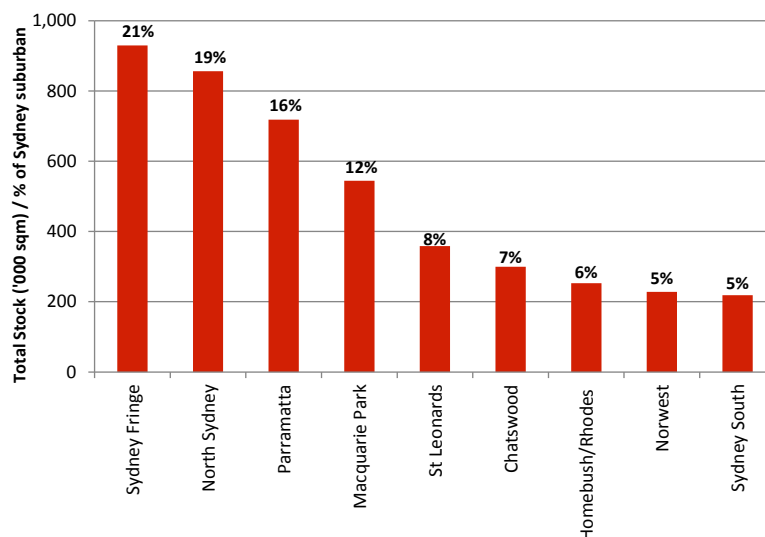
3.1 Market profile

North Sydney contains 9% of Sydney's office stock (847,572 sqm), or 19% of the Sydney suburban stock. Only 4.3% of stock is Premium grade, followed by 35.3% being A-grade space. Secondary grade buildings make up the largest proportion of stock at 60.4%.

Total office stock in North Sydney has been relatively stable over the past 20 years, despite periods of significant new supply additions to the market. New supply, however, has been offset by stock withdrawals, primarily for residential conversion. This has helped remove lower quality secondary stock from the market.

The investment market is dominated by institutional owners, particularly the larger prime grade and quality secondary grade assets.

Figure 4: Stock by Suburban Office Market, as at Q4/2012



Source: Jones Lang LaSalle

Overview of Australian commercial property market

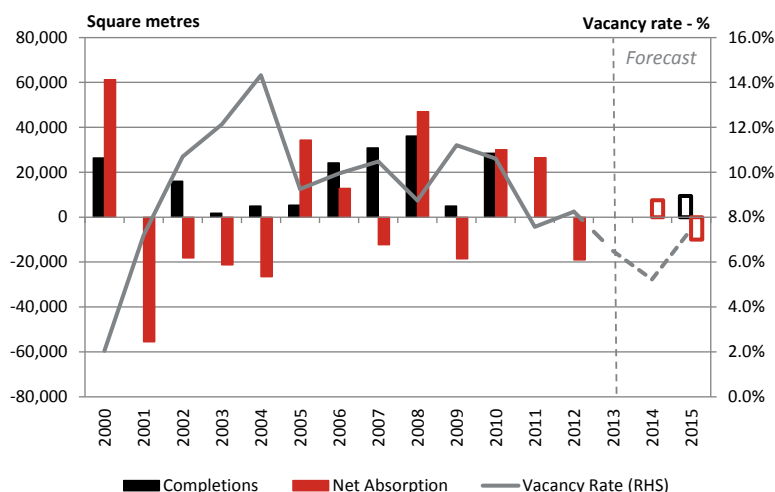
3.2 Market indicators

Supply and Demand

The development pipeline has been relatively thin over the past few years, with new development requiring major pre-commitment before commencing construction. There have been no new buildings completed in North Sydney since the last development peak of 2010.

No new completions are expected in 2013 and 2014, while 19,500sqm of stock is expected to be withdrawn from the North Sydney market during this period as buildings are converted into residential space.

Figure 5: Market Balance, North Sydney Office Market



Source: Jones Lang LaSalle

North Sydney recorded slight negative net absorption (25,600 sqm) in the 12 months to Q1/2013, which resulted in a slight increase in the vacancy rate to 8.6%. A vacancy rate in the 7-9% range is generally considered to represent a balanced market.

The three industries that have significantly expanded in the North Sydney market between 2008 and 2012 are Government Administration and Defence, Communication Services and Manufacturing. The four sectors that have contracted during this period have been Construction, Property and Business Services, Personal and Other Services, and Finance and Insurance. Contraction, closure of business operations and centralisation has been the main reasons for businesses moving out of space in North Sydney.

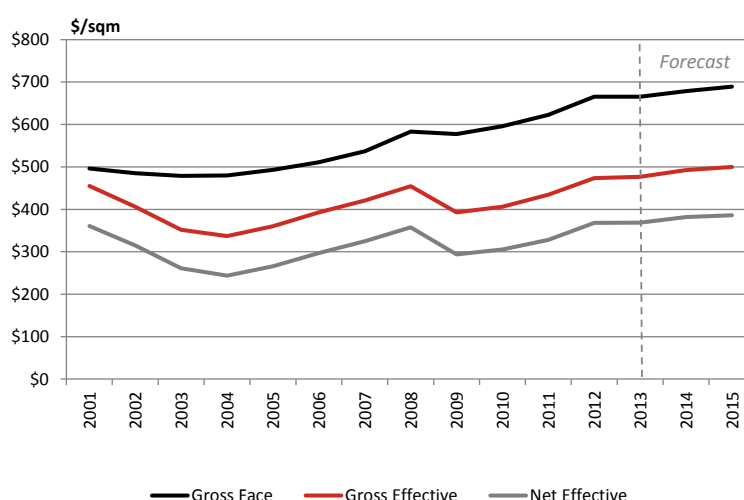
Vacancy has trended downwards from a high of 14.3% in late 2004 to 8.6% in Q1/2013. Vacancy is higher across secondary grade buildings (9.3%) compared with prime grade stock (7.5%). Despite a slight increase in vacancy over the past nine months, North Sydney's vacancy rate is lower than the overall North Shore which was at 10.6% in Q1/2013.

Rents

Prime grade office rents in North Sydney are \$565/sqm in net terms and \$670/sqm in gross terms. Average net face rents have increased by 5.1% per annum over the past three years and an even higher 7.6% on a net effective basis, linked to the 12% reduction in average incentive over this period.

Over the year to Q1/2013, average incentives for prime grade office space in North Sydney have fallen from 28% to 26% (31 months rent free on a 10-year lease). This is marginally lower than the average incentives in the other North Shore office markets of Chatswood and St Leonards (28%).

Figure 6: Prime Grade Office Rents, North Sydney Office Market



Source: Jones Lang LaSalle

In net terms, the secondary grade office rent is \$448/sqm over a ten year lease, \$117/sqm below the average prime grade rent. In gross terms, the secondary grade office rent is \$555/sqm over a 10-year lease, \$115/sqm below the average prime grade rent.

The general cost of utilities has risen, which has had a negative downstream effect on building operating costs across the office sector irrespective of building grade.

Yields

The prime yield range for North Sydney was 7.25%-8.75% in Q4/2012, with a midpoint of 8.00%, reflecting a tightening market. Yields firmed modestly in Q1/2013 to range from 7.25%-8.50% (midpoint 7.875%).

Overview of Australian commercial property market

Figure 7: Prime Grade Office Equivalent Yield, North Sydney Office Market

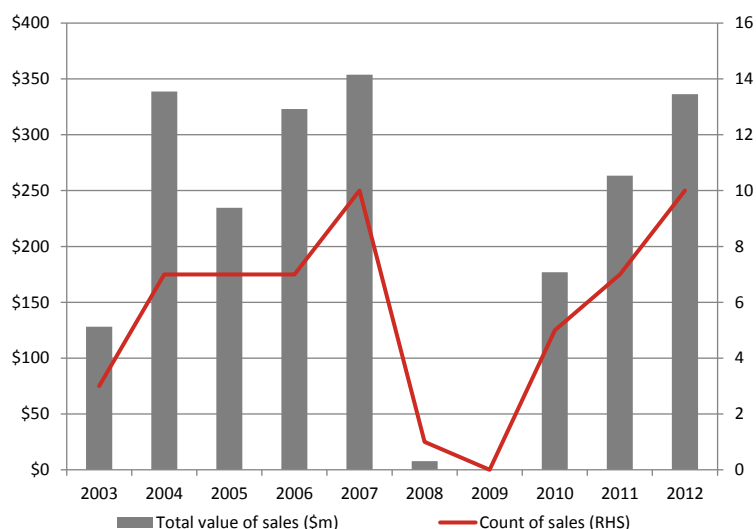


Source: Jones Lang LaSalle

Secondary yields tightened by 25 bps at the upper end to now range between 8.50% and 9.50% as at Q1/2013. Since the GFC there has been a widening of the yield spread between prime and secondary grade assets. Risk averse investors have sought higher quality assets, leading to greater discounting of secondary assets relative to prime assets. This creates opportunities for secondary assets to be re-positioned to take advantage of the potential yield compression and income growth available for higher quality assets.

The tightening of both prime and secondary yields in Q1/2013 confirms that investor interest in the North Sydney market has increased. There has been a significant rise in office sales in North Sydney over the past three years as the market provides investors with an attractive alternative to Sydney CBD assets. There is increased appetite from both offshore and domestic investment for modern, well-tenanted office assets. In addition, opportunistic funds have broadened their investment mandates to the Sydney suburban markets.

Capital values have risen by 2.7% over the year to Q1/2013, which is higher than the average annual growth rate of 0.5% over the past five years. Since its post-GFC trough in Q3/2009, the prime Capital Value Indicator for North Sydney has increased by 22.8%.

Figure 8: Office Sales Transactions, North Sydney Office Market

Source: Jones Lang LaSalle

Outlook

Supply: The supply pipeline for North Sydney remains subdued for 2013 and beyond. The remainder of projects in the pipeline are all in the planning stage. The projects that have been approved for construction are 144-150 Pacific Highway (1,405 sqm), 177-199 Pacific Highway (41,900 sqm), 1 Denison Street (40,000 sqm), and 90-100 Mount Street (38,105 sqm). These projects are only likely to proceed to construction with significant pre-commitment (typically in the vicinity of 75%). Our forecasts anticipate the next major injection of supply to be in 2016, assuming at least one of the major projects obtains the necessary pre-commitments and proceeds to completion.

Demand and vacancy: Demand for office space in North Sydney is expected to be subdued in the next two years. Global economic conditions remain fragile and business confidence remains subdued. Companies are hesitant to invest in any expansionary or relocation projects in the medium term. With a limited short-term supply pipeline and possible withdrawals of secondary grade stock (for conversion), vacancy is expected to decline to 6.5% by the end of 2013, and to 5.2% by the end of 2014.

Rents: Growth in prime gross effective rents in North Sydney is forecast to slow in 2013. Our forecasts indicate that prime gross effective rents will increase by only 0.6% over 2013 before picking up during 2014; with an increase of 3.4% over 2014. Incentives are expected to remain steady over the next few years.

Yields: The midpoint prime equivalent yield in North Sydney is forecast to be relatively stable over the next two years at 7.88%, before a slight increase in 2015 due to the impact of increased vacancy rates. However, the strong offshore and domestic investor demand for quality assets may see the yield spread increasing, leading to yields firming at the quality end of the range. This trend is also expected in the Sydney CBD – historically, the Sydney CBD and North Sydney markets have been highly correlated.

Capital value: The average capital value for prime office property is forecast to decrease by 2.2% over 2013 and then increase by 4.0% during 2014.

Overview of Australian commercial property market

4 Investment case for Australian property

There is a disconnect between the leasing and investment markets in Australia and across the Asia Pacific region. Physical market conditions remain subdued but investment market activity is buoyant, driven by both offshore and domestic investor demand. The volume of funds seeking exposure to Australian property markets from offshore and domestic sources has increased substantially over the past three years.

Key factors supporting investment in Australian office assets include the following:

Australian prime-grade office yields are high relative to other mature markets. In a low-growth world, the security of cash flow provided by prime-grade assets, supported by strong lease covenants and relatively high occupancy, is attractive to passive offshore and domestic investors.

Supply-demand imbalance for “trophy” assets - The global portfolio shift to real estate is expected to drive values of the very best premium and A-grade assets. These assets are characterised as:

- Premium or modern A-Grade assets;
- Strong lease covenants and long weighted average lease expiries;
- Modern services; and
- Very high sustainability credentials.

Spreads to inflation-indexed bond rates are close to the widest on record. The current prime office yield to bond rate spread is wide (around 550 basis points compared to the long term average of 400 basis) and not sustainable over time. This is expected to support yield compression over the next few years.

The yield spread between prime and secondary-grade assets has also widened. This provides opportunities for astute investors to re-position secondary-grade assets to take advantage of potential yield compression and income growth available for higher quality assets.

Low cost of debt. Falling interest rates and a return to liquidity in the domestic and offshore corporate bond markets has enabled well-rated investors, such as major A-REITs, to lower their borrowing costs with extended tenure. A reduction in the cost of debt has made commercial property investment more attractive and boosted leveraged returns.

Highly transparent and sophisticated market. Offshore groups are drawn to Australian property assets due to Australia's highly sophisticated and transparent commercial real estate markets. Australia was rated 3rd in the 2012 Jones Lang LaSalle Real Estate Transparency Index survey, behind the US and the UK, out of 97 countries included in the survey.

Disclaimer

Jones Lang LaSalle has prepared this report for the purposes of the PDS. Jones Lang LaSalle was involved only in the preparation of this report and specifically disclaims liability to any person in the event of any omission from, or false or misleading statement included in the PDS, other than in respect of this report.

Neither Jones Lang LaSalle nor any of its associates have any other interests (whether pecuniary or not and whether direct or indirect) or any association or relationships with any of its associates that might reasonably be expected to be or have been capable of influencing Jones Lang LaSalle in providing this report.

Whilst the material contained in the report has been prepared in good faith and with due care by Jones Lang LaSalle, no representations or warranties are made (express or implied) as to the accuracy of the whole or any part of the report.

Jones Lang LaSalle, its officers, employees, subcontractors and agents shall not be liable (except to the extent that liability under statute or by operation of law cannot be excluded) for any loss, liability, damages or expense suffered by any party resulting from their use of this report.

If a projection has been made in respect of future demand, business trends, property prices, rentals and projected take up rates, such a projection is an estimate only and represents only one possible result therefore should at best be regarded as an indicative assessment of possibilities rather than absolute certainties. The process of making forward projections of such key elements involves assumptions about a considerable number of variables that are acutely sensitive to changing conditions and variations, and any one of which may significantly affect the resulting projections. This must be kept in mind whenever such projections are considered.



Financial information

6.1 Introduction

As summarised in Section 13.1, CPF, Centuria and the Ozton Parties have entered into the Final Implementation Agreement, which sets out the framework for the Pre-Listing Arrangements and the listing of the Fund. This framework forms the basis for the financial affairs of the Fund from the Issue Date onwards.

The Fund is currently a privately owned trust. On the Implementation Date, the Pre-Listing Arrangements will be implemented, the Existing Unitholders will have their Units redeemed, the Existing Unit Option will be cancelled and existing debt will be repaid, as described in this PDS. In order to ensure there is a clear distinction between those transactions that are relevant to the Existing Unitholders and those that are relevant to the new Unitholders, CPF has determined that:

- the first financial year for the Fund will be from the date of registration of the Fund as a managed investment scheme (12 July 2013) and ending on the Issue Date; and
- a new financial year for the Fund, for the purposes of the Corporations Act, will commence on the day after the Issue Date and end on 30 June 2014.

Thereafter the Fund's financial years will run from 1 July to 30 June each year.

Accordingly, Investors should be aware that the Fund may have liabilities that relate to past transactions that are not reflected in the financial information presented in this Section and which may be required to be satisfied from the assets of the Fund.

When preparing the financial information to be presented to potential investors the Directors have had regard to the fact that the financial information previously prepared by the previous trustee of the Fund, NSPT, reflected a different leasing arrangement, debt facilities and operating model. The Directors believe that this information is likely to be misleading and provide little information value to potential investors and so have determined that historical financial information should not be presented in the PDS.

Section 6.3 below describes the basis of preparation of the financial information presented in this PDS in more detail.

6.2 Overview of financial information

The financial information contained in this Section (collectively the “Financial Information”), prepared by the Directors, comprises the:

- Forecast statutory income statement for the ten month period from 1 September 2013 to 30 June 2014 (Section 6.4);
- Forecast Distributions for the ten month period from 1 September 2013 to 30 June 2014 (Section 6.5);
- Pro forma Balance Sheet as at the Issue Date (Section 6.6); and
- Forecast sources and application of funds as at the Issue Date (Section 6.7).

All information presented in this Section should be read in conjunction with:

- the Directors' best estimate assumptions described in Section 6.8;
- the risk factors in Section 7;
- the material contracts described in Section 13;

- the sensitivity analysis contained in Section 6.9; and
- the Investigating Accountant's Report set out in Section 9.

Potential Investors should note the scope and limitations contained in the Investigating Accountant's Report as set out in Section 9.

Accounting conventions

The Fund will report based on a financial year ending 30 June unless otherwise advised. The amounts contained in the Financial Information are rounded off to the nearest hundred thousand dollars, unless otherwise indicated. Rounding of the figures provided in tables included in the Financial Information may result in discrepancies between the sum of the components and the totals outlined within the tables and percentage calculations provided elsewhere in this PDS.

6.3 Basis of preparation and presentation of the Financial Information

The Financial Information has been prepared and presented in accordance with the recognition and measurement principles prescribed in Australian Accounting Standards and other mandatory professional reporting requirements in Australia, with the exception of the following items:

- The Financial Information does not account for any potential fair value adjustments to investment property or derivative financial instruments which may be recognised in profit or loss during the Forecast Period on the basis that such adjustments cannot be reliably determined; and
- The Financial Information is presented in an abbreviated form and does not contain the mandatory disclosures required in an annual report prepared in accordance with the Corporations Act.

Key accounting policies relevant to the preparation of the Financial Information are disclosed in Section 6.10.

The Financial Information has been prepared on the basis that the Offer is completed on 31 August 2013.

Preparation of Financial Information

The Financial Information is based on the key assumptions outlined in Section 6.8. The Directors believe that the Financial Information has been prepared with due care and attention, and consider the key assumptions outlined in Section 6.8 to be reasonable at the time of preparing this PDS. The commentary provided on the assumptions is intended to assist potential Investors in assessing the reasonableness and likelihood of financial performance occurring in line with the assumptions. The Directors do not represent that the events and the forecast timing described in the underlying assumptions will actually occur.

Potential Investors should be aware that the timing of actual events and the magnitude of their impact might differ from that assumed in preparing the Financial Information, and that any deviation from these assumptions may have a material positive or negative effect on the Fund's actual financial performance or position. Potential Investors are advised to review the key assumptions contained in Section 6.8, in conjunction with the sensitivity analysis contained in Section 6.9,

the Risks contained in Section 7 and other information provided in this PDS.

Preparation of Pro forma Balance Sheet

The Pro forma Balance Sheet has been prepared to reflect the transactions described in Section 13.1 in relation to the Final Implementation Agreement, together with the issue of new Units and the establishment of a new Debt Facility for the Fund.

In summary the Pro forma Balance Sheet assumes:

- \$215.3 million is raised from the issue of 215.3 million new Units for \$1.00 each, which equates to \$210.8 million net of equity issue fees of \$4.5 million;
- \$105.3 million of debt is drawn, offset by capitalised establishment costs of \$1.2 million;
- total payments to the Existing Unitholders and their related parties of \$114.3 million;
- repayment in full of the previous debt facility of \$192.6 million;
- \$2.0 million is applied to fund working capital;
- \$1.5 million is used to enter into an interest rate hedging facility;
- the settlement of pre-IPO transaction structuring costs of \$4.5 million which are incurred prior to the Issue Date; and
- retained earnings of \$1.1 million which comprises the difference between the fair value of the investment property and the net impact of total payments to the Existing Unitholders, related parties and repayment of the previous debt facility together with the pre-IPO transaction structuring costs of \$4.5 million.

6.4 Forecast income statement

The table below represents the forecast income statement from 1 September 2013 to 30 June 2014:

	Note	1 September 2013 to 30 June 2014 (\$M)
Net rental income	1	20.0
Expenses		
Fund management fees	2	(1.4)
Other expenses	3	(0.2)
Total expenses		(1.6)
Profit before finance costs		18.4
Net finance costs	4	(4.4)
Net profit	5	14.0
Number of Units issued (millions)		215.3
Earnings per Unit (cents)		6.5
Annualised earnings per Unit (cents)		7.8

Notes:

1. Net rental income is presented after accounting adjustments in relation to the straight-lining of income, lease incentives and leasing fees and also includes \$2.9 million of property outgoings (net of recoveries of \$0.2 million). Property outgoings include property management fees of \$0.4 million payable to Centuria Property Services pursuant to the Management Services Agreement summarised in Section 13.5.
2. Management Fee payable to CPF as described in Section 8.1.
3. Other expenses include audit fees, tax fees, registry fees, valuation fees, custodian fees and other administration costs.
4. Net finance costs comprise interest costs and line fees, net of interest income on cash balances and after amortisation of capitalised borrowing costs.
5. Net profit does not include any potential movement on the fair value of the investment property or derivative financial instruments as the Directors do not believe that such movements can be reliably estimated.

Financial information

6.5 Forecast Distributions

The table below represents a reconciliation between the forecast income statement contained in Section 6.4 and the forecast cash Distributions to Unitholders for the period from 1 September 2013 to 30 June 2014:

	Note	1 September 2013 to 30 June 2014 (\$M)
Net profit		14.0
Non-cash adjustments:		
Straight-lining of rental income		(1.8)
Borrowing cost amortisation		0.2
Available funds from operations		12.4
Draw down of agreed compensation for incentives from the Existing Unitholders	1	2.1
Distributable Funds		14.5
Less: funds retained to partly fund capital expenditure	2	(0.6)
Distributions to Unitholders		13.9
Distributable Funds per Unit (cents)		6.75
Distribution per Unit (cents)		6.48
Annualised Distribution yield (%)	3	7.80%
Percentage of available funds for distribution (%)		95.9%
Tax deferred component (%)	4	48%

Notes:

1. An amount of \$9.7 million has been deducted from the amounts that would otherwise have been paid by the Fund to the Existing Unitholders for the redemption of their Units as compensation for lease incentives that were agreed to by Ozton but will be borne by the Fund. The Directors have determined that \$2.1 million of this amount should be distributed to Unitholders in the Forecast Period, \$1.8 million of which reflects lease incentives required to be funded in the Forecast Period, with the balance of \$0.3 million distributed at the discretion of the Directors.
2. CPF expects to spend \$3.6 million on capital expenditure on the Northpoint building and a further \$5.5 million related to tenant fit-out in the ten month period from 1 September 2013 to 30 June 2014. Capital expenditure in this period will be funded partly from retained operating cash flows with the remainder through drawing down the Debt Facility.
3. Annualised yield is calculated by grossing up the ten month yield for 12 months, i.e. assuming earnings consistent with the forecast income statement presented in Section 6.4. Investors should note that entities associated with the Existing Unitholders have agreed to a 12 month lease in respect of certain areas in Northpoint which would otherwise be unoccupied on Listing for which an aggregate annual rent of approximately \$2.5 million will be paid on commencement of the lease. To the extent that CPF is unable to lease these unoccupied areas by the end of the first 12 months following Listing, the future rental income from Northpoint, and therefore the future income of the Fund may fall, potentially resulting in a lower Distribution yield. To the extent that the Directors choose to distribute a lesser amount of the incentive compensation payment provided by the Existing Unitholders (as per note 1, above), the future Distribution yield may fall. See Sections 2.3 and 13.1 for more details.

4. Estimated tax deferred component of forecast Distribution determined in accordance with prevailing tax legislation and published income tax rulings and determinations as at the time of preparing this PDS.

6.6 Pro forma Balance Sheet

The table below represents the Pro forma Balance Sheet as at the Issue Date assuming successful completion of the Offer and establishment of the Debt Facility:

	Note	At Issue Date (\$M)
Assets		
Cash	1	2.0
Total Current Assets		2.0
Investment property	2	312.5
Derivative financial instrument	3	1.5
Total Non-Current Assets		314.0
Total Assets		316.0
Liabilities		
Borrowings under the Debt Facility (non-current)	4	104.1
Total Liabilities		104.1
Net Assets		211.9
Equity		
Equity	5	210.8
Retained earnings and reserves	6	1.1
Total equity		211.9
Number of Units issued (millions)		215.3
NTA per Unit (\$)		0.98
Gearing ratio (%)	7	33.1%

Notes:

1. \$2 million will be held as working capital for the Fund.
2. Investment property has been recognised at fair value based on the independent valuation report summarised in Section 10.
3. Fair value of the derivative financial instrument initially recognised as the amount paid to enter into a hedging arrangement being calculated as 0.50% p.a. of the forecast hedged Debt Facility of \$76 million split equally into a three-year tranche and a five-year tranche. To the extent that the hedge fee is not utilised in establishing a hedging instrument, the unused amount shall be offset against the initial debt drawdown.
4. The debt balance represents the initial drawdown required on settlement net of capitalised costs associated with establishment of the Debt Facility.
5. Equity is presented based on funds raised from the issue of new Units net of \$4.5 million of equity issue fees.
6. Retained earnings and reserves on Issue Date comprise the difference between the fair value of investment property and the net impact of total payments to the Existing Unitholders, related parties and repayment of the previous debt facility together with the pre-IPO transaction structuring costs of \$4.5 million.
7. Defined as borrowings under the Debt Facility less cash, divided by the fair value of investment property.

6.7 Sources and application of funds

The redemption of Units held by the Existing Unitholders, cancellation of the Existing Unit Option, payments to the Existing Unitholders in connection with the Pre-Listing Arrangements and repayment of the existing debt facility will be funded through the issue of Units under the Offer and proceeds from borrowings under the Debt Facility. The table below represents the forecast sources and application of funds as at the Issue Date assuming successful completion of the Offer and establishment of the Debt Facility:

	Note	At Issue Date (\$M)
Source of Funds:		
Units to be issued under the Offer		215.3
Partial drawdown of the Debt Facility		105.3
Total Sources of Funds		320.6
Application of Funds:		
Repayment of amounts due to existing bank debt provider	1	192.6
Payments to Existing Unitholders and their associated entities	2, 3	114.3
Working capital		2.0
Offer and other transaction costs		9.0
Derivative payment		1.5
Debt Facility establishment fees		1.2
Total Application of Funds		320.6

Notes:

- Proceeds from the issue of Units and partial draw down of the Debt Facility shall be first applied to repay the entire amount of the existing debt facility together with any fees for which the Fund is liable. Interest on the existing debt facility accrues based on a margin above the Bank Bill Swap bid rate and the payment amount for the existing debt facility is an approximate amount based on that rate as at 25 June 2013. To the extent that the actual payout amount increases because of fluctuations in the Bank Bill Swap bid rate, the entities associated with the Existing Unitholders have agreed to reduce their payments (see note 2) by a corresponding amount.
- The amount of \$114.3m is calculated as follows:

Lease Variation Fee	\$47.2m
Call Option Substitute Arrangements Fee	\$69.0m
Plant and Equipment Fee	\$4.5m
Cancellation of Existing Unit Option Fee	\$3.0m
Receivables from Existing Unitholders including incentive allowances and other minor adjustments under Concurrent Lease Substitute Arrangements Deed	(\$9.4m)
TOTAL	\$114.3m
- Forecast payments to the Existing Unitholders and their associated entities in connection with the Pre-Listing Arrangements and under the terms of the Final Implementation Agreement as summarised in Section 13.1. This amount excludes retention for amounts payable by Tower Holdings Pty Limited pursuant to the agreement to rent unoccupied space referred to in Section 3.4, and excludes amounts Payable by TAG in respect of the subscription agreement referred to in Section 1.

6.8 Key assumptions

In preparing the Financial Information, the following best estimate assumptions have been adopted:

(A) General assumptions

The financial forecast for the period ending 30 June 2014 includes the following general assumptions:

- For the purpose of preparing financial forecasts it has been assumed that the Offer is completed on 31 August 2013;
- The Fund will be registered for GST and the amounts presented in the Financial Information are net of GST to the extent that it is expected to be recovered by the Fund;
- No material acquisitions and no disposals will occur during the Forecast Period;
- No material change in the competitive operating environment;
- No material contract disputes or litigation;
- All existing leases are enforceable and are performed in accordance with the agreed terms;
- No change in the Fund's capital structure, other than what is disclosed in this PDS;
- No significant change to the legislative regimes and regulatory environments in the jurisdictions that the Fund operates during the Forecast Period;
- The Fund will consistently apply the key accounting policies over the Forecast Period; and
- No significant change in accounting standards or other mandatory professional reporting requirements which would materially affect the Fund's Financial Information during the Forecast Period.

(B) Specific assumptions

Rental income:

- Rental receipts have been forecast on a lease-by-lease basis based on existing lease agreements, signed heads of agreements and assumptions in future re-letting, tenant retention, vacancy periods, tenant incentives and market rents;
- Tower Holdings Pty Limited, an entity associated with the Existing Unitholders, has agreed to lease certain premises for a period of 12 months following Listing for approximately \$2.5 million payable in advance;
- The assumed market rents are consistent with those adopted in the independent valuation report summarised in Section 10;
- Rental receipts are assumed to increase in accordance with contracted fixed annual increases (where applicable); and
- Rental income has been recognised on a straight-line basis over the lease terms, as described in the key accounting policies contained in Section 6.10.

Financial information

Re-letting and vacancy:

During the Forecast Period, a total of \$0.9 million in rent has been forecast to be received in respect of leases scheduled to expire for which heads of agreement or new terms have not yet been agreed. The rental income in respect of these leases has been forecast in line with the following assumptions:

- Retention rates for existing tenants are assumed to range between 70% and 75%;
- Letting-up periods have been assumed at 4 months for retail leases and 6 months for office leases;
- A 5-year lease term and a fixed rental increase of 3.75% annually has been assumed on all lease agreements expected to be executed in the Forecast Period, including renewals; and
- Leasing fees have been assumed on the let up of each individual lease, and have been forecast at 10% and 20% of the first year of rental income for renewing and new tenants, respectively. These fees are amortised in profit or loss over the forecast lease term on a straight-line basis.

Tenant incentives:

- Incentives on renewing tenants have been forecast at 7.50% and 13.75% of the total base rental income over the lease term for retail leases and office leases respectively. It has been assumed that 50% of these incentives will be taken in the form of rental abatements over the lease term and the remaining 50% as payments for tenant fit-outs in the first year of the lease;
- Incentives paid to new tenants have been forecast at 15% and 28% of the total base rental income over the lease term for retail leases and office leases respectively. It has been assumed that 20% of these incentives will be taken in the form of rental abatements over the lease term and the remaining 80% as contributions to tenant fit-outs in the first year of the lease;
- Incentives existing as at the date of this PDS shall be paid according to the agreed terms as either rental abatements, rent-free periods or payments to tenant fit-outs; and
- With the exception of tenant fit-out payments, all lease incentives granted are recognised as an integral part of the total rental income, on a straight line basis over the term of the lease.

Expenses:

- Property outgoing have been forecast based on detailed assessments carried out by CPF and independent parties. The detailed assessment includes forecast repairs and maintenance;
- Property outgoing assumed in the Forecast Period amount to \$86.50 per square metre (\$104.20 per square meter annualised);
- The terms of the Management Fee payable to CPF as outlined in Section 8; and
- Other operating expenses include best estimates of accounting fees, audit fees, legal fees, registry fees, valuation fees, custodian fees and other administration costs.

Capital expenditure:

- Capital expenditure has been estimated based on the analysis performed by CPF and the reports of various external consultants;
- A total amount of \$3.6 million has been assumed to be spent on capital works in relation to the building (excluding \$5.5 million of tenant fit-outs) during the Forecast Period; and
- Capital expenditure forecast to be spent in the Forecast Period will be partly funded through retained cash flows with the remainder through drawing down borrowings from the Debt Facility.

Debt Facility:

- The total available Debt Facility is \$125 million, of which an amount of \$105.3 million is assumed to be drawn at the Issue Date;
- The loan establishment fee is forecast at 0.10% p.a. for each year of the facility plus stamp duty payable (a total \$1.2 million) and this amount has been capitalised against borrowings and will be amortised over the term of each tranche of the Debt Facility;
- Borrowings under the Debt Facility are forecast to incur a blended interest rate of 4.67%, including margin and line fees of 1.58% (0.79% each);
- The initial debt drawdown is forecast to be 75% hedged and a contract will be entered into by the Fund to further reduce the ongoing fixed interest rate by an additional 0.50%, the cost of which is forecast to amount to \$1.5 million and has been recognised as a derivative asset on the Pro forma Balance Sheet; and
- Additional drawings from the Debt Facility are assumed to be at a total floating rate forecast of 4.44% (including base rate and margin).

Working capital management:

- A working capital balance of \$2 million has been assumed at the Issue Date. Surplus working capital shall be offset against the Debt Facility throughout the Forecast Period to minimise interest expense;
- In addition, the Fund will have access to additional debt capacity up to the facility limit of \$125 million (the Debt Facility being drawn to only \$105.3 million as at the Issue Date). This additional capacity will be used to fund working capital and capital expenditure on Northpoint;
- In line with the sources and application of funds contained in Section 6.7, any additional working capital as at the Issue Date resulting from the Existing Unitholders' settlement adjustments shall initially be offset against, or funded under, the Debt Facility; and
- Forecast capital expenditure and assumed tenant fit-out payments shall be funded by drawdowns from the Debt Facility during the Forecast Period.

Distributions:

- The Fund will declare and pay Distributions semi-annually; and
- The first Distribution is expected to occur in February 2014.

6.9 Sensitivity analysis

The forecast Financial Information is based on certain economic and business assumptions about future events that are subject to business, economic and competitive uncertainties and contingencies, many of which are beyond the control of the Fund and CPF.

Set out below is a summary of the sensitivity of the Fund's forecast total Distributions and Distribution per Unit before fair value adjustments to variations in a number of key assumptions during the Forecast Period. The changes in the key variables set out in the sensitivity analysis are not intended to be indicative of the complete range of variations that may be experienced.

Sensitivity: Issue Date to 30 June 2014			
	Change in assumption	Total Distributions (\$M)	Distribution per Unit (cents)
Forecast amount		14.0	6.48
Impact of change from assumptions:			
Change in tenant retention rate	- 20 pps	- 0.45	- 0.21
Change in allocation of tenant incentives towards rental abatement ¹	+ 20 pps	- 0.18	- 0.08
Change in rent on new leases	+/- 5.00%	+/- 0.17	+/- 0.08
Change in outgoings	+/- 7.50%	+/- 0.23	+/- 0.11
Change in interest rate prior to executing the Debt Facility Agreement	+/- 25 pps	+/- 0.22	+/- 0.10

Notes:

- The sensitivity assumes that 70% of incentives granted to renewing tenants are taken in the form of rental abatements with the remaining 30% as payments for tenant fit-outs. Incentives granted to new tenants are allocated as 40% in the form of rental abatements with the remaining 60% as contributions to tenant fit-outs.

Care should be taken in interpreting these sensitivities. The estimated impact of changes in each of the variables has been calculated in isolation from changes in other variables over the Forecast Period. In practice, changes in variables may offset each other or may be cumulative, and it is likely that CPF would respond to any adverse change in one variable by taking action to minimise the net effect on the Fund's earnings.

6.10 Key accounting policies

The Financial Information has been prepared on the basis of historical cost, except for certain non-current assets and financial instruments that are measured at revalued amounts or fair value, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

The accounting policies set out below have been applied in preparing the Financial Information except where stated in the Financial Information.

Investment property

Investment property is property held to earn rental income and for capital appreciation. Investment property is measured at fair value with any change therein recognised in profit or loss.

The fair value of the investment property is determined by an external, independent valuation company having an appropriate recognised professional qualification and recent experience in the location and category of the property being valued. Fair value is based on market values, being the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

The valuation is prepared by considering the following valuation methodologies:

- **Capitalisation Approach:** the annual net rental income is capitalised at an appropriate market yield to arrive at the property's market value. Appropriate capital adjustments are then made where necessary to reflect the specific cash flow profile and the general characteristics of the property;
- **Discounted Cash Flow Approach:** this approach incorporates the estimation of future annual cash flows over a 10 year period by reference to expected rental growth rates, ongoing capital expenditure, terminal sale value and acquisition and disposal costs. The present value of future cash flows is then determined by the application of an appropriate discount rate to derive a net present value for the property; and
- **Direct Comparison Approach:** this approach identifies comparable sales on a dollar per square metre of lettable area basis and compares the equivalent rates to the property being valued to determine the property's market value.

The valuation reflects, when appropriate; the type of tenants actually in occupation or responsible for meeting lease commitments or likely to be in occupation after letting of vacant accommodation and the market's general perception of their credit-worthiness; the allocation of maintenance and insurance responsibilities between the lessor and lessee; and the remaining economic life of the property.

Financial information

Derivative financial instruments

The Fund will hold derivative financial instruments to hedge its interest rate exposures.

Derivatives are initially recognised at fair value; attributable transaction costs are recognised in profit or loss when incurred. Subsequent to initial recognition, derivatives are measured at fair value, and the resulting gain or loss is recognised in profit or loss unless the derivative is designated and effective as a hedging instrument.

The fair value of interest rate swaps is the estimated amount that the entity would receive or pay to terminate the swap at reporting date, taking into account current and future interest rates and the current creditworthiness of the swap counterparties.

Borrowings

Borrowings are recorded initially at fair value, net of any attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest rate method with any difference between the initial and recognised amount and redemption value being recognised in profit or loss over the period of borrowing. Borrowing costs are recognised as expenses using the effective interest rate method.

Rental income

Rental income from investment property is recognised in profit or loss on a straight line basis over the term of the lease. Rental income not received at reporting date is reflected in the balance sheet as a receivable. If rents are paid in advance these amounts are recorded as payables in the balance sheet.

Lease incentives granted are recognised as an integral part of the total rental income, on a straight line basis over the term of the lease.

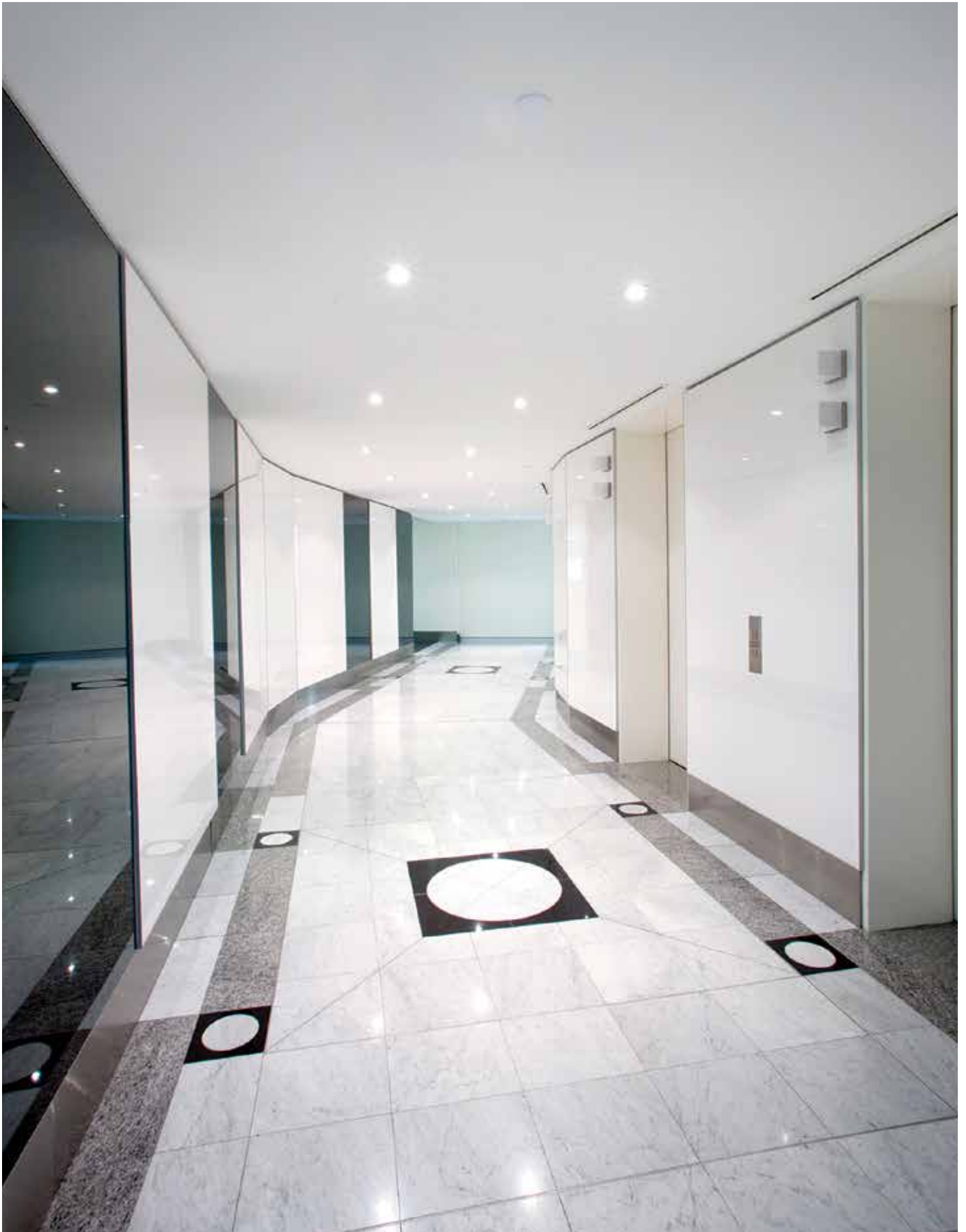
Contingent rents based on the future amount of a factor that changes other than with the passage of time are only recognised when due.

Finance costs

Finance costs include interest expense and amortised borrowing costs. Interest expense is recognised in profit or loss as it accrues. Finance costs are recognised using the effective interest rate applicable to the financial liability.

Distribution

Under current legislation the Fund will not be subject to income tax when its taxable income (including assessable realised capital gains) is distributed in full to the Unitholders. The Fund will fully distribute its Distributable Funds, calculated in accordance with the Fund constitution and applicable taxation legislation, to the Unitholders who are deemed presently entitled to the income under the Constitution.



Investment risks

This Section describes the potential risks associated with the Fund and risks associated with an investment in the Fund. It does not purport to list every risk that may be associated with an investment in the Fund now or in the future, and the occurrence of consequences of some of the risks described in this Section are partially or completely outside the control of CPF and the Board.

The selection of risks has been based on an assessment of a combination of the probability of the risk occurring and impact of the risk if it did occur. The assessment is based on the knowledge of the Board as at the date of this PDS, but there is no guarantee or assurance that the importance of different risks will not change or other risks will not emerge.

Before applying for Units, you should satisfy yourself that you have a sufficient understanding of these matters and should consider whether Units are a suitable investment for you, having regard to your own investment objectives, financial circumstances and taxation position. If you do not understand any part of this PDS or are in any doubt as to whether to invest in Units, it is recommended that you seek professional guidance from your Broker, solicitor, accountant, tax adviser or other independent and qualified professional adviser before deciding whether to invest.

7.1 Risks specific to an investment in the Fund

Investment in a single property

On Listing, the Portfolio will comprise Northpoint only. As the Fund is invested in a single asset and geography, an event that impacts the North Sydney commercial property market or Northpoint itself could materially impact one or both of the rental income or the value of the Fund and consequently have an adverse impact on Distributions or the value of Units or both. No assurance can be given that the Fund will acquire additional properties over time to diversify the Portfolio and thereby mitigate its exposure to Northpoint.

Ability to secure additional properties and funding

Over time, it is the intention of CPF to acquire additional properties that meet the Fund's investment criteria described in Section 2.5, such criteria to be reviewed by CPF from time to time. There can be no guarantee that CPF is able to secure properties for the Fund that meet the Fund's investment criteria.

If additional property acquisition opportunities arise, CPF may fund those acquisitions using debt, equity or a combination of both. The Fund's ability to raise funds from either debt or equity sources in the future depends on a number of factors, including the state of debt and equity markets, the general economic and political climate, and the performance, reputation and financial strength of the Fund and CPF. CPF may not be able to raise debt or equity on attractive terms at the time an acquisition opportunity arises.

Depending on a number of factors, including the Fund's Unit price, its financial position and performance and the nature of the acquisition opportunity, CPF may decide that it is in the best interests of Unitholders to fund an acquisition through the issue of additional Units. If this were to occur, it may dilute the ownership interests of Unitholders depending on Unitholder participation in the equity raising.

If an acquisition is debt funded, it may increase the Fund's Gearing above its target Gearing ratio range for a period of time.

Tenant risk

The Fund relies on tenants to generate the majority of its revenues. If a tenant is affected by financial difficulties, the tenant may default on its rental or other contractual obligations which may result in loss of rental income or losses to the value of the Fund's properties or both.

Re-leasing and vacancy

There is a risk that the Fund may not be able to negotiate suitable lease extensions with existing tenants or replace outgoing tenants with new tenants on substantially the same terms, if at all, or not be able to find new tenants to take over space that is currently unoccupied that will be leased to Tower Holdings Pty Limited for 12 months following Listing. The Fund could also incur additional costs, including lease incentives, associated with re-leasing Northpoint or other properties acquired by the Fund over time. Tenants may not renew their leases, leading to increased vacancies and reduced rental income for the Fund, which could result in a lower Distribution yield. The Fund's ability to re-lease vacant areas across the Portfolio depends on market conditions and financial considerations prevalent at the time new tenants are being sought. New tenants and existing tenants renewing lease agreements may choose to take up more incentives in the form of abatements or rent free periods and less as fit-out contributions, leading to lower rental income for the Fund and reduced cash available for distribution to Unitholders.

Rental income

Distributions made by the Fund are largely dependent upon the rents received from tenants across its Portfolio and expenses incurred during operations. CPF has made a number of assumptions in relation to the level of rental income the Fund will receive as described in Section 6.8. However, actual rental income may differ from those assumptions and may be affected by a number of factors, including:

- overall economic conditions;
- the financial condition of tenants;
- ability to extend leases or replace outgoing tenants with new tenants;
- increase in rental arrears and vacancy periods;
- an increase in unrecoverable outgoings; and
- supply and demand in the property market.

Property valuations

The value of Northpoint and the value of property assets which the Fund may hold in the future are subject to a number of risks which include:

- changes in market rental rates;
- fluctuating tenancy levels;
- a downturn in the property market in general;
- pricing of any competing properties;
- tenants defaulting;
- increased competition from new or existing properties;
- increases in supply or falls in demand for property in the relevant sectors; and
- general economic conditions, such as interest rates and rental capitalisation rates.

Changes in the property market, especially changes in the valuation of properties and in market rents, may adversely affect the Fund's income and Distributions and the price of the Units.

In addition, independent valuations represent a best estimate of the independent valuer at the time of undertaking the valuation and may not reflect the actual price a property would realise if sold. Independent valuations are subject to a number of assumptions which may prove to be inaccurate.

Financial forecasts

The financial forecasts, related forward looking statements and estimates included in this PDS are based on a series of assumptions across many different aspects of the ownership and operation of Northpoint. While such forward looking financial information is based on the best estimates of the Directors, the Directors make no guarantee that such events will occur and potential investors should be clear that the actual financial performance of the Fund may be different from that forecast to occur in this PDS.

Capital expenditure requirements

The Fund has determined that a reasonable capital investment be made in Northpoint to improve the performance of the building and generally improve tenant facilities as outlined in Section 3.5. As described in Section 2.8, the Fund will use its income and undrawn amounts under the Debt Facilities to fund the proposed capital expenditure programme for Northpoint. There is no assurance that capital expenditure by CPF will result in a commensurate increase in the value of Northpoint. There is also a risk that the actual amount of capital expenditure may be higher than estimated, which may impact future Distributions to Unitholders.

In addition, the need for unforeseen capital expenditure on the Portfolio over the life of the Fund (such as repair, maintenance or rectification work on properties) can adversely impact on the returns to Unitholders. While CPF will undertake all reasonable due diligence investigations required prior to acquiring assets, including in relation to Northpoint, there can be no absolute assurance that properties in the Portfolio will not have defects or deficiencies, or that unforeseen capital expenditure will not be required, leading to increased funding costs and potentially lower Distributions to Unitholders.

Development risk

In certain circumstances, the Fund may be exposed to development risk, resulting from the development of new properties, the refurbishment of existing properties or additions and extensions to existing properties.

Property development carries a number of risks, including:

- issues surrounding planning and authority approvals, which can result in delays or require amendments both of which may result in increased costs, time delays and impact the commercial viability of the development;
- delivery and contractual issues with building contractors; and
- unforeseen circumstances which cause project delays or increases to project costs.

A number of factors affect the earnings, cash flows and valuations of commercial property developments, including project costs, scheduled completion dates and securing tenants at estimated rental income.

Financing risk

The ability of CPF to borrow on behalf of the Fund for refinancing, capital expenditure or acquisitions will depend on a range of factors including general economic conditions, debt and equity market conditions, as well as the financial position, financial performance and reputation of CPF and the Fund. Changes in the above factors may impact the cost or availability of funding, and accordingly the Fund's financial performance and position and returns to Unitholders.

The level of the Fund's Gearing will accentuate the effect of any movements in the value of the Portfolio on the Fund's equity.

Breach of covenants

As described in Section 2.8, CPF intends to enter into the Debt Facility. Based on the Pro forma Balance Sheet set out in Section 6, the Fund will be in compliance with all covenants of the Debt Facility at the date of this PDS. However a decline in rental income or the value of the Portfolio may cause the Fund to breach covenants under the Debt Facility.

A breach of the Debt Facility may result in a debt financier enforcing its security over the relevant assets of the Portfolio. The financier may enforce repayment of the facility, which could result in early sale of a property or properties in the Portfolio at a price less than the optimal sale price, additional equity being required or Distributions being reduced or suspended to accelerate pay down of the Debt Facility.

Interest rates

There is a risk that the Debt Facility is not available on the same terms upon refinancing or extension, which would adversely affect the net profit of the Fund.

There is also a risk that market interest rates rise which will impact the interest rate payable under the Debt Facility. CPF intends to enter into hedging arrangements over a minimum of 50% and up to 80% of drawn amounts under the Debt Facility to mitigate the Fund's exposure to interest rate movements, however there can be

Investment risks

no guarantee that such movements will not have an impact on the Fund's financial position or Distributions to Unitholders.

Reliance on management expertise

The Fund is reliant on the expertise, experience and strategies of the key directors and staff of the Centuria Group. In the event that their services were no longer available, this may affect the management and the financial performance of the Fund and therefore returns to Unitholders.

Property liquidity

Property assets are by their nature illiquid investments. The Fund may not be able to realise the assets within a short period of time or may not be able to realise assets at valuation. This may affect the Fund's NTA or Unit price.

Asset risk

Any property in the Portfolio may be damaged or destroyed by flood, fire, earthquake or other disaster. Whilst CPF will insure the properties in the Portfolio against such risks, insurance coverage may prove to be insufficient or not available in some circumstances.

Environmental risk and issues

As with any property, there is a risk that a property in the Portfolio may be contaminated now or in the future. Government environmental authorities may require such contamination be remediated. There is always a residual risk that the Fund may be required to undertake any such remediation at its own cost. Such an event would adversely impact upon the Fund's financial performance.

In addition, environmental laws impose penalties for environmental damage and contamination which can be material in size.

Exposure to hazardous substance at a property within the Portfolio could result in personal injury claims. Such a claim could prove greater than the value of the contaminated property.

An environmental issue may also result in interruptions to the operations of a property in the Portfolio, including the closure of Northpoint. Any lost income caused by such an interruption to operations may not be recoverable.

In addition to the carbon tax and the national greenhouse and energy reporting legislation, the Fund and the operations of Portfolio premises tenants are subject to government environmental legislation. While environmental issues are continually monitored, there is no assurance that the Fund's operations or those of a tenant of the property in the Portfolio will not be affected by an environmental incident or subject to environmental liabilities.

Insurance risk

The Fund will maintain adequate insurance coverage in line with industry practice, however no assurance can be given that such insurance will be available in the future on a commercially reasonable basis, or will provide adequate insurance cover against claims made. If the Fund incurs uninsured losses or liabilities, its assets, profits and prospects may be materially adversely affected.

The nature and cost of insurance has been based upon the best estimate of likely circumstances. However, various factors may influence premiums to a greater extent than those forecast, which may in turn have a negative impact on the net profit of the Fund.

Occupational health and safety

There is a risk that liability arising from occupational health and safety matters at a property in the Portfolio may be attributable to CPF as the landlord instead of, or as well as, the tenant. To the extent that any liabilities may be borne by the Fund, this may impact upon the financial position and performance of the Fund (to the extent not covered by insurance). In addition, penalties may be imposed upon CPF which may have an adverse impact on the Fund and/or CPF.

Historical liabilities

CPF became trustee of the Fund on 26 June 2013. CPF has undertaken thorough due diligence relating to past transactions of the Fund with a view to ensuring all historical liabilities, including for taxes and duties, are accurately reflected in the accounts of the Fund. Notwithstanding this, it is possible that the Fund may have such liabilities that relate to past transactions of the Fund which are not reflected in the accounts of the Fund and which may be required to be satisfied from the assets of the Fund.

7.2 General risks of an investment in the Fund

General investment risks

There are risks associated with any stock market investment. These include:

- the Units may trade on the stock market at, above or below the Issue Price – the price of the Units can fall as well as rise;
- as the Units have not previously been listed, there is no trading history for the Units and therefore no indication of how the Units will perform on ASX;
- the market price of Units may be at a discount to the Fund's NTA per Unit;
- there can be no assurance that liquidity will be maintained in the market for the Units as the number of buyers and sellers of Units will vary. Changes in liquidity may affect the price at which Unitholders are able to sell their Units;
- if CPF issues new Units in the Fund, an existing Unitholder's proportional interest in the Fund may be reduced;
- if a Unitholder does not reinvest their Distributions while a Distribution reinvestment plan is operating, then their interest in the Fund may be diluted; and
- the market price of the Units may be affected by factors unrelated to the operating performance of the Fund, such as those listed under the heading 'Macro-economic risks' below, investor sentiment, Australian and international stock market conditions, and the performance of other property businesses and assets. The stock prices for many listed entities have in recent times been subject to wide fluctuations, which in many cases may be a reflection of a diverse range of influences not specific to those listed entities.

Macro-economic risks

Changes in the general economic outlook both in Australia and globally may impact the performance of the Fund and its Portfolio. Examples include:

- changes in the Australian and international economic outlook;
- performance of comparable listed entities and projects;
- changes in governmental laws and regulations, fiscal policies and zoning ordinances and costs of compliance therewith;
- changes in inflation, interest rates and rental capitalisation rates;
- changes in operating expenses (to the extent they are payable by the Fund and to the extent that they impact the ability of Portfolio premises tenants to make rental payments);
- civil unrest, acts of war, terrorist attacks, acts of God and natural disasters, including earthquakes and floods, which may result in uninsured and insured losses; and
- significant industrial, contractual or political disturbances impacting entities comprising the Fund or the continuity of its business.

No guarantee of Distributions or capital return

Neither CPF nor any other person gives a guarantee as to the amount of any income or capital return from the Units or the performance of the Fund, nor do they guarantee the repayment of capital from the Fund.

Taxation

There may be tax implications arising from Applications for Units, the receipt of Distributions (if any) and returns of capital from the Fund, participation in any on or off market Unit buyback and on the disposal of Units.

The Fund or an investment in the Fund can also be subject to tax risks on the basis that tax laws and relevant administrative practices are subject to change, possibly with retrospective effect.

For example, the Australian Government has announced that it intends to implement a proposed new tax system for MITs from 1 July 2014 and has taken steps towards updating the Australian trust income tax provisions. Although as currently proposed, these changes are not expected to have an adverse impact on the existing tax treatment of the Fund, Investors should monitor developments.

Fees and other costs

The Corporations Act requires CPF as the responsible entity of the Fund to include the following standard consumer advisory warning. The information in the consumer advisory warning is standard across product disclosure statements and is not specific to information on fees and costs in the Fund.

Consumer advisory warning

Did you know?

Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns. For example, total annual fees and costs of 2% of your Fund balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the Fund or your financial adviser.

To find out more

If you would like to find out more, or see the impact of the fees based on your own circumstances, the ASIC website (www.fido.asic.gov.au) has a managed investment fee calculator to help you check out different fee options.

8.1 Fees and other costs

The following table shows fees and other costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from the assets of the Fund as a whole. Taxes are set out in another part of this PDS. You should read all the information about fees and costs because it is important to understand their impact on your investment.

Type of fee or cost	Amount	How and when paid
Fees when your money moves in or out of the Fund		
Establishment fee The fee to open your investment	Nil	Not applicable
Contribution fee The fee on each amount contributed to your investment	Nil	Not applicable
Withdrawal fee The fee on each amount you take out of your investment	Nil	Not applicable
Termination fee The fee to close your investment	Nil	Not applicable
Management costs		
The fees and costs for managing your investment	CPF is entitled to receive a Management Fee for acting as the responsible entity of the Fund equal to: • 0.55% of the Fund's AUM below or equal to \$500 million; plus • 0.50% of the Fund's AUM above \$500 million. In addition, CPF will be entitled to be reimbursed for expenses relating to the proper performance of its duties as responsible entity of the Fund. These costs are estimated to be \$0.23 million¹⁹ per annum which is equal to 0.07%²⁰ of the Fund's AUM.	To be paid from the income or assets of the Fund monthly in arrears Expenses are reimbursable to CPF from the Fund's income and assets as and when incurred
Service fees		
Switching fees The fee for changing investment options	Nil	Not applicable

¹⁹ This amount is an estimate only based on the expected costs of managing and administering the Fund (excluding the Management Fee).

²⁰ This percentage has been estimated based on the Fund's expected AUM on the Issue Date of \$312.5 million. This is an estimate only and it is likely that both the expenses and the Fund's AUM will change over time.

Fees and other costs

Example of annual fees and costs

The following table gives an example of how the fees and costs in the Fund can affect your investment over a one year period.

You should use this table to compare this product with other managed investment products.

Type of fee or cost	Amount	Balance of \$50,000 ²¹
Contribution fee	Nil	Nil
PLUS Management costs	Management Fee 0.55% of the Fund's AUM below or equal to \$500 million; plus 0.50% of the Fund's AUM above \$500 million. Operating expenses 0.07% per annum of AUM.	For every \$50,000 you have in the Fund, you will be charged the following amounts, in respect of the Management Fee and operating expenses, in the first year: \$399 ²² for the Management Fee \$54 ²³ for operating expenses
EQUALS cost of Fund		If you had an investment of \$50,000 at the beginning of the year, you would be charged fees of \$453 for that year

Fees and costs associated with the Offer and redemption of Units in the Fund held by the Existing Unitholders

The following table sets out the fees and costs incurred by the Fund in connection with the redemption of Units in the Fund held by the Existing Unitholders and associated transactions, and the Offer. These costs are one-off in nature and have not been included in the forecast management costs of the Fund in subsequent years.

Type of fee or cost	Amount (A\$m)
Other management fees (including GST)	\$6.7m
Other expenses in connection with the redemption of Units in the Fund held by the Existing Unitholders and associated transactions, and the Offer (including GST)	\$2.3m
Total fees and costs (including GST)	\$9.0m

8.2 Additional explanation of fees and costs

Operating costs

In addition to the Management Fee, CPF is entitled to recover all costs and expenses it incurs in the proper performance of its duties as responsible entity of the Fund, including in relation to:

- costs of maintaining the Fund's compliance committee;
- costs of the Fund's external advisers, including the Fund's auditors;
- fees payable to the Fund's Custodian;
- fees payable to the Registry;
- ongoing fees payable to ASX; and
- the amounts payable to Centuria Property Services under the Management Services Agreement and Development and Project Management Services Agreement (these amounts are described below).

²¹ This table assumes that a total of \$50,000 is invested under the Offer (i.e. to acquire 50,000 Units at \$1.00 each). If you were to invest \$50,000 in Units subsequent to the Offer, the amount of fees applicable to that investment may differ from the amounts set out in this table if more or less than 50,000 Units are acquired (even if the Fund's AUM and the operating expenses were as estimated).

²² This amount has been estimated based on the Fund's expected AUM at the Issue Date of \$312.5 million and applies the full management fee of 0.55% of AUM that will apply from the day following the Issue Date. This is an estimate only and it is likely that the Fund's AUM, and therefore the management fee payable to CPF as responsible entity, will change over time.

²³ See footnotes 19 and 20.

CPF is entitled to recover all such expenses from the assets or income of the Fund, including any amounts payable to a member of the Centuria Group. Any amounts paid to members of the Centuria Group will be under arrangements that are on an arm's length basis where the fees are in accordance with market rates for the relevant services provided.

CPF estimates that in its capacity as responsible entity of the Fund it will incur costs of managing and administering the Fund of approximately \$0.23 million (0.07% of the Fund's expected AUM at the Issue Date) in operating expenses per annum and \$0.63 million (0.20% of the Fund's expected AUM at the Issue Date) in leasing fees per annum under the Management Services Agreement. This is an estimate only and the actual expenses incurred by CPF may differ.

Fees to related parties under other arrangements

Certain of the operating costs will represent fees and expenses paid from the assets of the Fund to members of the Centuria Group including pursuant to the Management Services Agreement and the Development and Project Management Services Agreement. These amounts, which are summarised below, are not included in the above tables as "management costs", as they are of a kind that would be incurred if investors acquired the relevant properties directly and not through the Fund.

Management Services Agreement

Property Management Fee (including operational leasing)	Centuria Property Services is entitled to charge a Property Management Fee. The minimum base Property Management Fee payable will be \$41,668 (plus GST) per month, or \$500,004 (plus GST) per annum. The minimum base Property Management Fee payable will be subject to an annual increase of 3% each 1 July. The maximum Property Management Fee payable will be equal to 2% of gross receipts and forms part of the total building outgoing charges.										
Leasing Administration Fee	Centuria Property Services is entitled to charge a Lease Administration Fee, which is based on the duration of lease entered into by the tenant. The Leasing Administration Fee scale is as follows: <table border="1"> <thead> <tr> <th>Lease Term</th><th>Maximum fee payable to Centuria Property Services</th></tr> </thead> <tbody> <tr> <td>Lease term of up to 3 years</td><td>11.0% of first year Gross Rental Income (plus GST)</td></tr> <tr> <td>Lease term of 3-4 years</td><td>12.0% of first year Gross Rental Income (plus GST)</td></tr> <tr> <td>Lease term of 4-5 years</td><td>13.0% of first year Gross Rental Income (plus GST)</td></tr> <tr> <td>Lease term of 5 years or more</td><td>13.0% + 0.5% for every year over five years (capped at 15.0%) of first year Gross Rental Income (plus GST)</td></tr> </tbody> </table>	Lease Term	Maximum fee payable to Centuria Property Services	Lease term of up to 3 years	11.0% of first year Gross Rental Income (plus GST)	Lease term of 3-4 years	12.0% of first year Gross Rental Income (plus GST)	Lease term of 4-5 years	13.0% of first year Gross Rental Income (plus GST)	Lease term of 5 years or more	13.0% + 0.5% for every year over five years (capped at 15.0%) of first year Gross Rental Income (plus GST)
Lease Term	Maximum fee payable to Centuria Property Services										
Lease term of up to 3 years	11.0% of first year Gross Rental Income (plus GST)										
Lease term of 3-4 years	12.0% of first year Gross Rental Income (plus GST)										
Lease term of 4-5 years	13.0% of first year Gross Rental Income (plus GST)										
Lease term of 5 years or more	13.0% + 0.5% for every year over five years (capped at 15.0%) of first year Gross Rental Income (plus GST)										
Market Review Fee	Centuria Property Services is entitled to charge a Market Review Fee. The minimum Market Review Fee is \$1,000 (plus GST). In addition to the Market Review Fee, any attendance required at arbitration or mediation hearings will be charged at a daily rate equal to \$1,500 (plus GST) per day, including travel time.										

Development and Project Management Services Agreement

Development Planning Fee	Centuria Property Services is entitled to charge a Development Planning Fee. The Development Planning Fee is an hourly rate of \$260 (plus GST) per hour and is increased annually on 1 July by the greater of 3% and the rate of inflation.
Development Services Fee	Centuria Property Services is entitled to charge a Development Services Fee. The Development Services Fee constitutes 5% of the estimated project costs (as set out in the initial investment proposal), paid monthly in arrears during the term of the project. If the scope of the project is changed so that the revised costs exceed the initial estimated project costs, an additional Development Services Fee is payable which is equal to 5% of that excess.
Project Leasing Fee	Refer to 'Leasing Administration Fee' (above).

Fees and other costs

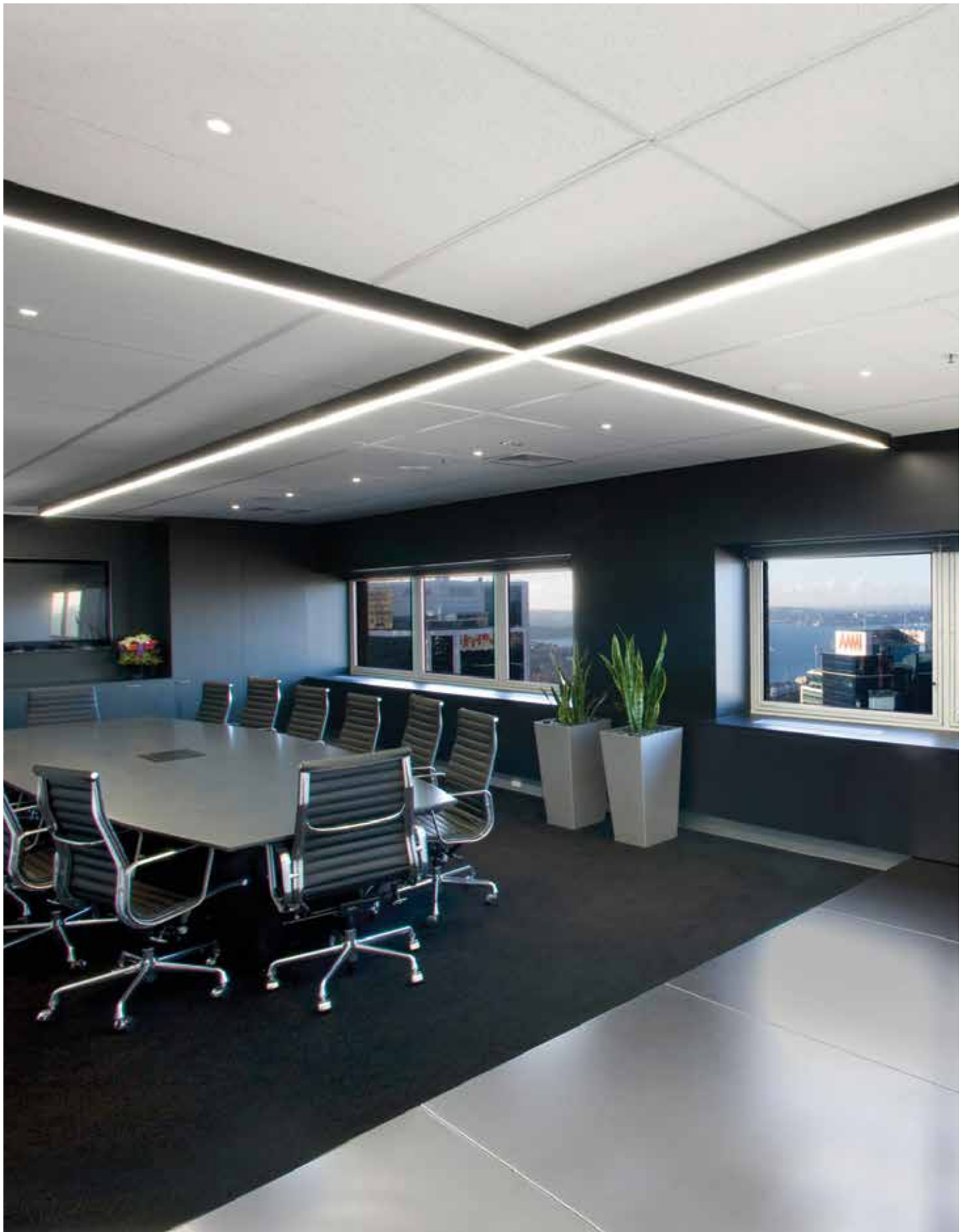
Fee changes

CPF may not increase the fees payable to it as set out in the Constitution without a special resolution of Unitholders first having varied the Constitution. A special resolution requires 75% of the votes (by value) cast by those Unitholders entitled to vote on the resolution.

Goods and services tax

Unless otherwise stated, all fees in this Section of the PDS are inclusive of GST. If registered for GST, the Fund should be able to claim a full input tax credit, a 75% reduced input tax credit or a 55% reduced input tax credit in respect of these expenses, depending on the nature of the expense concerned. In the case of the Management Fee a 55% reduced input tax credit should be available to the Fund.

For additional information in relation to the taxation implications for investors please see Section 11.



Investigating Accountant's Report



Deloitte Corporate Finance Pty Limited
ABN 19 003 883 127

Grosvenor Place
225 George Street
Sydney NSW 2000
PO Box N250 Grosvenor Place
Sydney NSW 1220 Australia

DX: 10307SSE
Tel: +61 (0) 2 9322 7000
Fax: +61 (02) 9322 7001
www.deloitte.com.au

The Board of Directors
Centuria Property Funds Limited as
Responsible Entity of the Centuria Property Trust
Level 23, 111 Pacific Highway
North Sydney NSW 2060

1 August 2013

Dear Directors

INVESTIGATING ACCOUNTANT'S REPORT AND FINANCIAL SERVICES GUIDE

Introduction

This report has been prepared at the request of the directors of Centuria Property Funds Limited as Responsible Entity for Centuria Property Trust (the Fund), for inclusion in a Product Disclosure Statement (PDS) to be issued by the Responsible Entity for the Fund in respect of the offer of units in the Fund (the Offer).

Deloitte Corporate Finance Pty Limited has been engaged by the directors of the Responsible Entity for the Fund (the Directors) to conduct a limited assurance engagement in relation to:

- the forecast statutory income statement of the Fund for the ten month period from 1 September 2013 to 30 June 2014, as set out in Section 6.4 of the PDS;
- the forecast distributions of the Fund for the ten month period from 1 September 2013 to 30 June 2014, as set out in Section 6.5 of the PDS;
- the forecast sources and application of funds of the Fund, as set out in Section 6.7 of the PDS;

(together the Financial Forecasts), and

- the pro forma balance sheet of the Fund at the Issue Date as set out in Section 6.6 of the PDS (the Pro forma Balance Sheet)

(collectively the Financial Information).

Deloitte Corporate Finance Pty Limited is wholly owned by Deloitte Touche Tohmatsu and holds the appropriate Australian Financial Services licence for the issue of this report.

References to the Responsible Entity, Fund and other terminology used in this report have the same meaning as defined in the Glossary of the PDS.

Directors' Responsibility for the Financial Information

The Directors are solely responsible for the preparation and presentation of the Financial Information and the information contained within the PDS, including the assumptions on which it is based.

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee, and its network of member firms, each of which is a legally separate and independent entity. Please see www.deloitte.com/au/about for a detailed description of the legal structure of Deloitte Touche Tohmatsu Limited and its member firms.

Member of Deloitte Touche Tohmatsu Limited

©2013 Deloitte Corporate Finance Pty Limited



Pro forma Balance Sheet

The Pro forma Balance Sheet comprises the Pro forma Balance Sheet of the Fund as at the Issue Date.

The Pro forma Balance Sheet has been prepared by the Directors in accordance with the statement of significant accounting policies set out in Section 6.10 of the PDS and on the assumption that the transactions contemplated in the PDS as occurring on or around the Issue Date are completed as contemplated.

Financial Forecasts

The Financial Forecasts have been prepared by the Directors in order to provide prospective investors with a guide to the potential financial performance of the Fund for the ten month period from 1 September 2013 to 30 June 2014. There is a considerable degree of subjective judgement involved in preparing forecasts. The underlying assumptions are also subject to uncertainties and contingencies which are often outside the control of the Fund. The Financial Forecasts have been prepared using assumptions summarised in the PDS which are based on best estimate assumptions relating to future events that management expect to occur and actions that management expect to take.

As disclosed in Section 6.3 of the PDS, the Financial Forecasts assume that there are no revaluations of the investment property and other related financial assets or movements in the market values of derivative financial instruments during the forecast period, and no corresponding mark to market adjustments are included in the Financial Forecasts, as the Directors do not believe that such revaluations and mark to market adjustments can be reliably estimated.

The sensitivity analysis set out in Section 6.9 of the PDS demonstrates the impacts on the forecast financial performance of changes in key assumptions. The Financial Forecasts are therefore only indicative of the financial performance which may be achievable. Prospective investors should be aware of the material risks and uncertainties relating to an investment in the Fund, which are detailed in the PDS, and the inherent uncertainty relating to the prospective financial information.

Accordingly prospective investors should have regard to the investment risks set out in Section 7 and the sensitivity analysis set out in Section 6.9 of the PDS.

Our Responsibility

Our responsibility is to express a conclusion on the Financial Information based on our procedures. The form of that conclusion on the Financial Information and procedures that we conducted is set out below.

Pro forma Balance Sheet

We conducted our work in accordance with Australian Auditing and Assurance Standards so that we can state whether anything has come to our attention which causes us to believe that the Pro forma Balance Sheet as set out in the PDS does not present fairly the Pro forma Balance Sheet of the Fund at the Issue Date, on the basis of the transactions and/or adjustments described in the PDS and in accordance with the recognition and measurement principles required by Australian Accounting Standards and other mandatory professional reporting requirements in Australia and the accounting policies adopted by the Responsible Entity for the Fund.

Investigating Accountant's Report



Page 3
1 August 2013

Financial Forecasts

We conducted our engagement in accordance with Australian Standard on Assurance Engagement (ASAE) 3000 “Assurance Engagements Other than Audits or Reviews of Historical Financial Information” (ASAE 3000), in order to state whether, based on the procedures performed, anything has come to our attention that causes us to believe that, in all material respects:

- a) the Directors’ best estimate assumptions, as set out in Section 6.8 of the PDS do not provide reasonable grounds for the preparation of the Financial Forecasts;
- b) the Financial Forecasts are not properly prepared on the basis of the Directors’ best estimate assumptions, consistent with the accounting policies adopted and used by the Responsible Entity for the Fund and in accordance with the recognition and measurement principles prescribed in Australian Accounting Standards;
- c) the Financial Forecasts themselves are unreasonable.

Our engagement provides limited assurance as defined in ASAE 3000. Our procedures consisted primarily of enquiry, comparison, and analytical review procedures we considered necessary including discussions with management and directors of the Responsible Entity for the Fund of the factors considered in determining their assumptions. Our procedures included examination, on a test basis, of evidence supporting the assumptions, amounts and other disclosures in the Financial Forecasts and the evaluation of accounting policies used in the Financial Forecasts.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement conducted in accordance with ASAE 3000 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly we will not express an opinion providing reasonable assurance.

Limitations of Use

We disclaim any responsibility for any reliance on this report or on the Financial Information to which it relates for any other purpose than that for which it was prepared.

Inherent Limitations

Prospective financial information, such as the Financial Information, relate to events and actions that have not yet occurred and may not occur. While evidence may be available to support the assumptions on which the Financial Information is based, those assumptions are generally future orientated and therefore speculative in nature. Accordingly, actual financial performance may vary from the prospective financial information presented in the PDS and such variations may be material. We express no opinion as to whether the Financial Forecasts will be achieved.

Independence

Deloitte Corporate Finance Pty Limited does not have any interest in the outcome of this issue other than the preparation of this report included in Section 9 and participation in the due diligence procedures for which normal professional fees will be received.

Deloitte.

Page 4
1 August 2013

Conclusion

Pro forma Balance Sheet

Based on our limited assurance engagement nothing has come to our attention that causes us to believe that the PDS does not present fairly the Pro forma Balance Sheet on the basis of the transactions and/or adjustments described in the PDS and in accordance with the recognition and measurement principles required by Australian Accounting Standards and other mandatory professional reporting requirements in Australia and the accounting policies adopted by the Responsible Entity for the Fund.

Financial Forecasts

Based on our limited assurance engagement, nothing has come to our attention that causes us to believe that, in all material respects:

- i) the Directors' best estimate assumptions, as set out in Section 6.8 of the PDS, do not provide reasonable grounds for the preparation of the Financial Forecasts;
- ii) the Financial Forecasts are not properly prepared on the basis of the Directors' best estimate assumptions, consistent with the accounting policies adopted and used by the Responsible Entity for the Fund and in accordance with the recognition and measurement principles prescribed in Australian Accounting Standards;
- iii) the Financial Forecasts themselves are unreasonable.

Yours faithfully

Deloitte Corporate Finance Pty Limited



Steve Woosnam
Director

Investigating Accountant's Report



Financial Services Guide

What is a Financial Services Guide?

This Financial Services Guide (FSG) provides important information to assist you in deciding whether to use our services. This FSG includes details of how we are remunerated and deal with complaints.

Where you have engaged us, we act on your behalf when providing financial services. Where you have not engaged us, we act on behalf of our client when providing these financial services, and are required to give you an FSG because you have received a report or other financial services from us.

What financial services are we licensed to provide?

We are authorised to provide financial product advice and to arrange for another person to deal in financial products in relation to securities, interests in managed investment schemes, government debentures, stocks or bonds and regulated emissions units (i.e., carbon) to retail and wholesale clients.

Our general financial product advice

Where we have issued a report, our report contains only general advice. This advice does not take into account your personal objectives, financial situation or needs. You should consider whether our advice is appropriate for you, having regard to your own personal objectives, financial situation or needs.

If our advice is provided to you in connection with the acquisition of a financial product you should read the relevant offer document carefully before making any decision about whether to acquire that product.

How are we and all employees remunerated?

Our fees are usually determined on a fixed fee or time cost basis and may include reimbursement of any expenses incurred in providing the services. Our fees are agreed with, and paid by, those who engage us. Clients may request particulars of our remuneration within a reasonable time after being given this FSG.

Other than our fees, we, our directors and officers, any related bodies corporate, affiliates or associates and their directors and officers, do not receive any commissions or other benefits.

All employees receive a salary and while eligible for annual salary increases and bonuses based on overall performance they do not receive any commissions or other benefits as a result of the services provided to you.

The remuneration paid to our directors reflects their individual contribution to the organisation and covers all aspects of performance.

We do not pay commissions or provide other benefits to anyone who refers prospective clients to us.

Associations and relationships

We are ultimately controlled by the Deloitte member firm in Australia (Deloitte Touche Tohmatsu). Please see www.deloitte.com/au/about for a detailed description of the legal structure of Deloitte Touche Tohmatsu.

We and other entities related to Deloitte Touche Tohmatsu:

- do not have any formal associations or relationships with any entities that are issuers of financial products
- may provide professional services to issuers of financial products in the ordinary course of business.

What should you do if you have a complaint?

If you have any concerns regarding our report or service, please contact us. Our complaint handling process is designed to respond to your concerns promptly and equitably. All complaints must be in writing to the address below.

If you are not satisfied with how we respond to your complaint, you may contact the Financial Ombudsman Service (FOS). FOS provides free advice and assistance to consumers to help them resolve complaints relating to the financial services industry. FOS' contact details are also set out below.

The Complaints Officer
PO Box N250
Grosvenor Place
Sydney NSW 1220
complaints@deloitte.com.au
Fax: +61 2 9255 8434

Financial Ombudsman Service
GPO Box 3
Melbourne VIC 3001
info@fos.org.au
www.fos.org.au
Tel: 1300 780 808
Fax: +61 3 9613 6399

What compensation arrangements do we have?

Deloitte Australia holds professional indemnity insurance that covers the financial services provided by us. This insurance satisfies the compensation requirements of the Corporations Act 2001 (Cth).

1 February 2013

Deloitte Corporate Finance Pty Limited, ABN 19 003 883 127, AFSL 241457 of Level 1 Grosvenor Place, 225 George Street, Sydney NSW 2000

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee, and its network of member firms, each of which is a legally separate and independent entity. Please see www.deloitte.com/au/about for a detailed description of the legal structure of Deloitte Touche Tohmatsu Limited and its member firms.

Member of Deloitte Touche Tohmatsu Limited



Valuation summary

JW
128494/30466



26 June 2013

The Directors
Centuria Property Funds Limited
Level 23, 111 Pacific Highway,
NORTH SYDNEY NSW 2080

Dear Sirs,

RE: NORTHPOINT, 100 MILLER STREET, NORTH SYDNEY, NEW SOUTH WALES

We refer to your instructions dated 17 June 2013 requesting us to prepare a market valuation of the above property. We inspected the property 4 June 2013 and have completed a comprehensive valuation and report dated 1 August 2013 as requested. This valuation summary has been prepared for inclusion in a Public Disclosure Statement ("PDS") for the North Sydney Property Trust (NSPT).

m3property Pty Ltd consents to being named in the PDS and to the inclusion of the summary valuation in the PDS. As at the date of the PDS, this consent has not been withdrawn.

For further information reference should be made to the full copy of the valuation and report dated 1 August 2013 which is available for inspection at the offices of Centuria Property Funds Limited.

BRIEF DESCRIPTION

The subject property comprises an established landmark building in North Sydney, which provides modern and functional office accommodation with good natural light and commanding views from the mid to upper levels. The complex consists of a three (3) level podium which incorporates ground level retail and food court (Level 7), two (2) further podium levels of primarily office and a commercial tower comprising 31 levels of office accommodation, three (3) levels of plant in association with six (6) levels of basement car parking for 423 vehicles.

The property is located in the core of the North Sydney CBD with surrounding development in the immediate area comprising similar modern commercial buildings, the more prominent including 101 Miller Street/Greenwood Plaza located on the opposite corner, 100 Pacific Highway, 40 Mount Street and MLC Campus.

m3property (NSW) Pty. Ltd.
ABN 46 330 373 527
Level 14/1 Castlereagh Street
Sydney NSW 2000
Telephone 02 8234 8100
Facsimile 02 9232 5144
info@m3property.com.au
www.m3property.com.au

- 2 -



The subject property occupies a core and prominent location within the North Sydney office precinct and incorporates a WALE of 4.14 years (by area) and a WALE of 3.83 years (by income) including the vendor leases.

The property incorporates a large number of tenants occupying either whole floor or part floor configurations apart from Billy Blue, Experian and Griffith Hack which occupy multiple floors and is considered to incorporate a good tenancy profile. Higher profile occupiers include Jones Lang LaSalle, Colliers International, W T Partnership, Experian, National Australia Bank and Novell.

The property is being purchased under a structured transaction. We have been advised by Centuria Property Funds Limited that there is no transfer of either the property or the units in NSPT at this time. It is intended that the current unitholders in NSPT will have their units redeemed following the issue to the public of units in the Trust, pursuant to the PDS.

The freehold title to the property will be held by a custodian of NSPT. There is currently a 99 year head lease to Ozton Pty Limited (Head Lease). We have been advised by Centuria Property Funds Limited that the following pre-listing arrangements will occur. We have been provided with a draft section of the proposed Product Disclosure Statement which comments on the structure as follows.

Prior to the issue of units pursuant to the PDS, the Head Lease will be amended to shorten the term of the Head Lease so that the Head Lease expires as at 30 June 2014. The lease will be varied so that the rent which is payable from Ozton to Centuria under the Head Lease will equal the passing rent (and other income receivable including vendor lease income) from Ozton in respect of the property. On expiry of the Head Lease, Ozton Pty Limited will cease to have an interest in the property and leases will be directly between the Trust and the occupying tenants (by operation of the Conveyancing Act, NSW, 1919).

Until 30 June 2014, Ozton Pty Limited will appoint Centuria Property Services Pty Limited as property manager of the property. All tenants will be directed to make rental payments direct to an account operated and controlled by Centuria Property Services Pty Limited. In addition, security will be taken over Ozton and its assets to secure the payment of rent under the Head Lease.

We have been advised by Centuria Property Funds Limited that the purchase is subject to the following:

- 12 month leases from Ozton Pty Limited over selected areas outlined as follows:

Commercial	\$1,666,891
Signage	\$850,000
Storage	\$30,510

- New leases to Billy Blue (Think: Education), Colliers International, Experian, Centuria Capital Limited, Secure Parking (detailed in Section 8 of our valuation report);
- Vendor responsible for \$1,882,294 of the Billy Blue incentive.

Valuation summary

- 3 -



Our valuation is based upon the above mentioned structure and information and we reserve the right to review our valuation should the purchase conditions or structure vary from the above information.

INCOME SUMMARY

	NLA		Passing Income			Passing Income Composition
	(m2)	(%)	(\$ p.a.)	(%)	(\$/m²)	
Retail	2,599	7%	\$2,606,980	9%	\$1,003	
Low Rise (Levels 10-20)	13,861	39%	\$7,597,929	27%	\$548	
Mid Rise (Levels 23-32)	8,294	24%	\$6,763,816	24%	\$816	
High Rise (Levels 33-42)	10,430	30%	\$7,888,695	28%	\$754	
Storage	329	1%	\$46,299	0%	\$141	
Other	5	0%	\$858,001	3%	\$171,600	
Car Parking	423	1%	\$2,750,000	10%	\$6,501	
Total Rental Income	35,184	100%	28,491,720	100%	\$810	
Outgoings Recoveries			\$271,960		\$8	
Gross Income			\$28,763,680		\$818	

VALUATION SUMMARY

We assess the market value of **Northpoint, 100 Miller Street North Sydney, NSW** exclusive of GST as at 1 August 2013 to be \$312,500,000 (Three Hundred Twelve Million Five Hundred Thousand Dollars) subject to the qualifications and assumptions contained within our full valuation report.

A summary of the valuation is as follows:

Valuation Date	1 August 2013
DCF Approach	\$312,707,572
Capitalisation Approach	\$307,949,028
Market Value	\$312,500,000
Passing Initial Yield	8.05%
Equated Market Yield	7.65%
10 Year IRR	9.01%
Terminal Capitalisation Rate	8.00%
Value Per Square Metre (NLA)	\$8,882 per square metre

- 4 -



VALUATION RATIONALE

In arriving at our valuations we have examined the available market evidence and applied this analysis to the Discounted Cash Flow approach and Capitalisation of Net Income approach.

CRITICAL ASSUMPTIONS

- For the purpose of this valuation report, we have relied upon the provided information relating to the sale of the subject property outlined in Section 4.1 of our valuation report. Should the transaction details vary from those provided and outlined in Section 4.1, we reserve the right to review our valuation.
- We have been requested by the instructing party to adopt various provided leasing proposals and Heads of Agreements. The advised leasing proposals and Heads of Agreements have been identified and summarised in Section 8 of our valuation report. Our valuation is based upon these adopted leasing proposals and Heads of Agreements progressing to executed leases and registered on title. If this does not occur, we reserve the right to review our valuation.

MARKET COMMENTARY

North Sydney is the largest commercial market on the North Shore and is also the largest non-CBD market in New South Wales according to the Property Council of Australia (PCA) Office Market Report (January 2013). North Sydney is underweight in Prime grade office stock with Prime grade buildings contributing only 25.86% of total stock.

Over the second half of 2012 the market saw increased demand for space on the North Shore with net absorption reaching 18,995 square metres according to the PCA (January 2013). This compares to the six monthly average over the past ten years of 6,150 square metres. Grade 'A' stock witnessed the strongest demand with 14,115 square metres of net absorption over the six month period. Grade 'B' was also positive over the six months to 31 December 2013 with 3,713 square metres absorbed. We expect absorption to remain positive, albeit at subdued levels through the short to medium term as economic recovery continues.

Generally vacancy levels remain tight in North Sydney particularly in the prime segment of the market. In North Sydney, Premium vacancy fell from 3.58% in July 2012 to 1.62% in January 2013, 'A' grade vacancy increased from 2.03% as at July 2012 to 5.31% as at January 2013. Overall metropolitan office rentals have seen slight increases over 2012. This appears to be in response to a general lack of development in the metropolitan markets which is placing upward pressure on rentals. This is particularly evident in prime space where there is a lack of quality contiguous floor space. North Sydney has been one of the best market performers in recent times however into 2013 rentals appear to be plateauing after good increases in 2012.

Valuation summary

- 5 -



Foreign purchasers and domestic institutions are expected to continue to drive demand for the larger commercial office investments, especially prime grade stock with private investors and selected institutions for 'B' grade opportunities. The prime segment of the market currently demonstrates potential for some improvement however demand for 'B' grade investment stock is more variable and more aligned to the particular characteristics of the asset rather than the market in general.

LIABILITY DISCLAIMER AND OTHER INFORMATION

m3property were involved only in the preparation of this summary and the valuation referred to herein, and specifically disclaims liability to any person in the event of any omission from, or false or misleading statement included in the PDS other than in respect of the valuation and summary. **m3property** is not licensed to provide financial product advice under the Corporations Act 2001. **m3property** confirms it has been paid a fee of \$37,000 excluding GST by Centuria Property Funds Limited for this summary and valuation.

Neither the whole nor any part of this valuation report summary or any reference thereto may be included in any published documents, circular or statement, or published in part or in full in any way without written approval of the form and context in which it may appear.

No liability is accepted for any loss or damage (including consequential or economic loss) suffered as a consequence of fluctuations in the property market subsequent to the date of valuation.

m3property is not related to Centuria Property Funds Limited and is therefore independent of them. **m3property** have no interest in the subject property and no personal interest with respect to the parties involved.

Neither the valuer nor **m3property** Pty Ltd has any pecuniary (or other) interest giving rise to a conflict of interest in valuing the property.

Yours faithfully
m3property



John Waugh FAPI
Certified Practising Valuer
Director



Taxation report

This summary has been prepared by King & Wood Mallesons for the purpose of inclusion in this PDS. The purpose of this summary is to explain, in general terms, the main Australian income tax, goods and services tax (GST) and stamp duty implications to a potential Investor who is considering investing in Units in the Fund.

It assumes that the Investor is, and will continue to be, an Australian resident for tax purposes and that the Investor is assessed on gains and losses that arise on the disposal of their Units in the Fund for Australian tax purposes under the capital gains tax (CGT) rules. It does not, for example, consider an Investor who buys and sells the Units in the course of a business that involves trading in financial instruments or securities. A general summary is also provided for Investors who are not Australian residents for tax purposes, but who would otherwise be assessed on gains and losses that arise on the disposal of their Units in the Fund for Australian tax purposes under the CGT rules.

This summary is not being provided as the basis on which a potential Investor should make an investment decision. That decision requires a review of all the materials in this PDS.

This summary is necessarily of a general nature, and does not take into account the specific circumstances of each Investor. Accordingly, a potential Investor should not rely on this summary, but should seek their own taxation advice that takes into account their particular circumstances before making any investment or other decision in relation to the Units in the Fund.

This summary is based on current Australian taxation law as at the date of this PDS. However, taxation issues are complex and taxation laws, their interpretation by the Courts and the associated administrative practices of the Australian Taxation Office (ATO) and the State and Territory revenue offices that administer those laws may change over the term of an investment in the Units.

Tax treatment of the Fund

The responsible entity of the Fund should not itself be subject to Australian income tax in respect of the taxable income of the Fund on the basis that:

- the Unitholders should be “presently entitled” to all of the income of the Fund; and
- the Fund should not be a public trading trust on account of holding Northpoint or any other asset (provided the Fund will only invest in land for the purpose, or primarily for the purpose, of deriving rent, and any other activities will be incidental to that purpose).

The responsible entity intends to operate the Fund such that the Unitholders of the Fund are “presently entitled” to all of the income of the Fund each year.

Disposal of investments by the Fund

The disposal of investments by the Fund may result in taxable income for the Fund. Generally, an amount of income or gain arising on the disposal of investments is expected to be included in the Fund's distribution amount.

Capital/revenue election for Managed Investment Trusts (MITs)

The Government has enacted legislation which enables eligible MITs to make an irrevocable election to apply the CGT regime as the primary code of taxing certain asset disposals from the 2008/09 income year.

Eligible MITs (which include Australian managed investment schemes that are widely held or that are taken to be widely held) can irrevocably elect (in an approved form) to apply the CGT provisions as the primary code to tax gains and losses on certain eligible assets (such as real property).

It is expected that the Fund will hold Northpoint on capital account irrespective of whether the above election is made.

Distributions from the Fund

The Unitholders who are presently entitled to the Distributable Income of the Fund as at year end should be assessable on the taxable income of the Fund, in proportion to their entitlements to that Distributable Income.

Distributions will be taxable in the hands of Unitholders in the year to which the Distribution relates, even if received after the end of the year and even if reinvested in new Units.

A Unitholder's share of the taxable income of the Fund may consist of various components which have been received by the Fund. These components will generally retain their character when passed on to Unitholders.

It is expected that the income distributions that Unitholders will receive will include rental income. The income distributions may also include other components, including any ultimate capital gain on the disposal of Northpoint.

Unitholders may obtain the benefit of the CGT discount and other tax concessions (where applicable) on distributions of capital gains they may receive. The CGT discount is discussed further below.

It is also possible for Unitholders to receive a tax deferred amount in relation to their Distribution from the Fund. This would arise where the Distribution received from the Fund exceeds the amount of the taxable income of the Fund which is to be included in the assessable income of a Unitholder.

The CGT rules may require the cost base which is held by Unitholders in their Units to be reduced where the Unitholder receives a Distribution that is either in whole or in part non-assessable for tax purposes. For example, if a Unitholder receives a tax free return of capital, that return of capital would likely result in a reduction in the cost base. Where such tax deferred amounts received by the Unitholder exceeds the cost base of the Units, the excess is treated as a capital gain.

Redemption of Units

Redemption of a Unit in the Fund is a taxable event for CGT purposes. To the extent that the proceeds on redemption exceed the cost base of the Unit, the Unitholder will make a capital gain. However, if the proceeds on redemption are less than the Unitholder's reduced cost base, the Unitholder will make a capital loss.

For CGT purposes, the Unitholder's cost base and reduced cost base in the Units should be equal to the amount paid to acquire those Units (being, the Issue Price), together with any incidental costs, adjusted for any tax deferred amounts (as discussed above).

If the Unitholder has held the Unit for at least 12 months (excluding the acquisition and disposal dates), then the Unitholder may be entitled to a 50% CGT discount (where the Unitholder is an individual or trust) or a 33⅓% CGT discount (where the Unitholder is a complying superannuation fund). The CGT discount does not apply to a Unitholder that is a company.

If the CGT discount applies, the Unitholder must offset available capital losses against the capital gains then multiply the result by the relevant discount percentage to calculate the amount of their capital gain.

Disposal/transfer of Units

The disposal or transfer of a Unit in the Fund (e.g. on the ASX) is also a taxable event for CGT purposes. To the extent that the proceeds on disposal or transfer exceed the cost base of the Unit, the Unitholder will make a capital gain. However, if the proceeds on the disposal or transfer are less than the Unitholder's reduced cost base the Unitholder will make a capital loss. If the Unitholder has held the Unit for at least 12 months (excluding the acquisition and disposal dates), then the Unitholder may be entitled to the CGT discount (as applicable).

Taxation of Financial Arrangements (TOFA)

The TOFA rules represent a code for the taxation of receipts and payments in relation to financial arrangements. The rules contemplate a number of different methods for bringing to account gains and losses in relation to financial arrangements (including fair value, accruals, retranslation, realisation, hedging and financial records).

Unitholders should seek their own taxation advice in relation to the application of the TOFA rules to their investment.

However, the TOFA rules should not apply to the Units held by individual Unitholders and other excluded Unitholders.

GST

The Australian GST applies at the rate of 10% to "taxable supplies".

For GST purposes, the following should not attract GST for either the responsible entity or the Unitholders:

- the subscription for, issue and redemption of the Units; and
- the payment of Distributions in relation to the Units.

An investor may not be entitled to claim any "input tax credits", including "reduced input tax credits", for GST that it has paid to third party suppliers for services associated with their investment in Units in the Fund. The availability of credits will depend on whether the investor is registered for GST, has acquired the service in the course of its enterprise, and whether the service qualifies for reduced input tax credits.

Stamp duty

On the basis that the Units will be quoted on the ASX at the time of the relevant transaction, the issue, transfer or redemption of those Units should not attract any Australian stamp duty.

This also assumes that no investor (together with any related or associated persons for the purposes of stamp duty law) will hold 90% or more of the interests in the Fund.

Unitholders should confirm the stamp duty consequences of dealing with their Units with their taxation adviser.

Tax File Number (TFN)

Investors who hold the Units will be requested by the Fund to provide their TFN or ABN (if applicable) or claim an exemption in relation to their investment in the Fund. It should be noted that there is no obligation to provide a TFN, however, investors who do not provide their TFN or ABN or claim an exemption may have tax deducted from Distributions at the highest marginal rate plus Medicare levy.

Taxation report

Tax reform

The Australian Government has announced that it intends to implement a proposed new tax system for MITs from 1 July 2014 and has taken steps towards updating the Australian trust income tax provisions.

Investors should seek their own advice on the potential impact of any of the above announcements and proposed legislative changes. Investors should monitor the progress of all relevant legislation and any further legislation introduced as a result of the above reforms.

It is expected that the Fund will seek to qualify as a MIT, where possible.

Non-resident Unitholders

Distributions to non-Australian resident Unitholders may have tax withheld by the responsible entity.

Distributions of interest will be subject to withholding tax at the rate of 10% (subject to an applicable tax treaty).

The Fund would also be required to withhold Australian tax from Distributions to non-resident Unitholders on certain types of other Australian sourced taxable income (e.g. rental income or any ultimate capital gain on the disposal of Northpoint). The rate of tax deducted will depend on whether or not the Fund qualifies as a MIT, the type of income distributed, and, where the Fund qualifies as an MIT, the country of residence of the Investor.

Where the Fund qualifies as an MIT, the distributions by the Fund of that other Australian sourced taxable income (e.g. rental income or any ultimate capital gain on the disposal of Northpoint) would be subject to a final MIT withholding tax at the rate of 15% if the address of the recipient or place of payment is in a jurisdiction with which Australia has an exchange of information ("EOI") arrangement on tax matters. This assumes that the Fund would not qualify as a clean building MIT (in which case, a rate of 10% would apply). A 30% withholding tax applies to a non-resident Unitholder whose address or place of payment is in a non-EOI jurisdiction.

Distributions of Australian sourced taxable income (other than interest) would be subject to higher rates of a non-final tax (generally between 30%–45%) in circumstances where the Fund does not qualify as an MIT.

A non-resident Unitholder should not be taxable in Australia in relation to any capital gain realised by that Unitholder when dealing with their Units (e.g. on disposal) to the extent that the relevant non-resident Unitholder does not hold, or did not hold, at least 10% of the Units in the Fund:

- at the time of the relevant CGT event; or
- throughout a 12 month period within the 24 months before the relevant CGT event.

Non-Australian resident Unitholders should seek their own taxation advice that takes into account their particular circumstances before making any investment or other decision in relation to the Units in the Fund.



Details of the Offer

12.1 Purpose of the offer

The Offer is an initial public offering of 215.3 million Units at an Issue Price of \$1.00 per Unit. The Offer is expected to raise \$215.3 million for the Fund. The purpose of the Offer is to:

- fund the redemption of the Units in the Fund held by the Existing Unitholders and cancellation of the Existing Unit Option, which will result in Applicants under the Offer holding 100% of the Units in the Fund;
- fund payments to the Existing Unitholders and their associated entities in connection with the Pre-Listing Arrangements for the Fund described in Sections 2.3 and 13.1;
- refinance the existing bank debt of the Fund; and
- meet the costs of structuring the transaction and the Offer, using Offer proceeds and drawdowns under the new Debt Facility.

Following the Offer, the Fund will have Gearing of approximately 33.1% which is within the Fund's target Gearing range of 30-40% and provides headroom to the Fund's Debt Facility covenants.

Investors should note that the Fund's Gearing may be outside its target range of 30-40% from time to time (for example where the Fund uses debt to acquire new properties or the valuation of properties in the Fund's Portfolio falls).

12.2 Structure of the Offer

The Offer made under this PDS is structured as follows:

- the Retail Offer, consisting of:
 - the Broker Firm Offer, which is open to Australian and New Zealand resident Retail Investors who have received a firm allocation from their Broker (refer to Section 12.5(A)); and
 - the Centuria Priority Offer, which is open to Eligible Centuria Shareholders and Centuria unlisted property fund investors (refer to Section 12.5(B)).
- the Institutional Offer, which consists of an invitation to certain Institutional Investors in Australia, New Zealand and certain other overseas jurisdictions (excluding the US) to bid for Units (refer to Section 12.6).

Selected Brokers that have been invited to participate in the Broker Firm Offer will receive a firm allocation of Units to allocate to their respective Retail Investor clients on, or around, 13 August 2013.

No general public offer of Units will be made. Members of the public wishing to subscribe for Units under the Offer (who are not eligible under the Centuria Priority Offer) must do so through a Broker with a firm allocation.

TAG has entered into a subscription agreement under which TAG or its nominee will subscribe for 42,841,160 Units, representing approximately 19.9% of the Units on issue on Listing. TAG's obligations under the subscription agreement are conditional on the Offer proceeding.

CPF reserves the right to not proceed with the Offer at any time before the issue of Units to successful Applicants. If the Offer does not proceed, Application Monies will be refunded without interest.

The existing financiers to the Fund have granted a standstill under the existing financing facilities to facilitate the redemption of the Units in the Fund held by the Existing Unitholders (and associated transactions) and the Offer. The standstill expires on 31 August 2013 (unless there is an event of default under the facilities before that date). As the Offer is not underwritten, if an amount of \$215.3 million is not raised by the expiry of the standstill, or the standstill is terminated because of a default under the existing financing facilities, the Offer will not proceed. If the Offer proceeds, the existing financing facilities will be repaid in full.

12.3 Allocation policy

The allocation of Units between the Institutional Offer and the Retail Offer (including between the Broker Firm Offer and the Centuria Priority Offer) will be determined by the Joint Lead Managers in consultation with CPF, having regard to the following factors:

- desire to foster a stable, long-term register;
- desire for a liquid and informed trading market for the Units;
- ability of Institutional Investors and Retail Investors to participate in potential future equity raisings;
- overall level of demand for Units between the Institutional Offer and the Retail Offer (including between the Broker Firm Offer and the Centuria Priority Offer); and
- any other factors that the Joint Lead Managers and CPF consider appropriate.

The allocation policy within each component of the Retail Offer is described in Section 12.5.

12.4 Centuria Offer participation

Centuria and its associated entities intend to subscribe for up to 3 million Units in the Fund, representing up to approximately 1.4% of Units on issue at Listing.

12.5 Retail Offer

(A) Broker Firm Offer

Who can apply in the Broker Firm Offer

The Broker Firm Offer is only open to Australian and New Zealand resident Retail Investors who have received a firm allocation from their Broker.

How to apply in the Broker Firm Offer

Applications to acquire Units under the Broker Firm Offer will only be accepted on the Application Form attached to this PDS. The Application Form must be completed in accordance with the instructions set out on the back of the Application Form.

If you apply in the Broker Firm Offer, you must apply for a minimum number of 2,000 Units and in multiples of 500 Units thereafter. There is no maximum number or value of Units that may be applied for under the Broker Firm Offer. However, CPF and the Joint Lead Managers reserve the right to reject or scale back any applications under the Broker Firm Offer. CPF and the Joint Lead Managers also reserve the right to aggregate any Applications which they believe may be multiple Applications from the same person. CPF may determine a person to be eligible to participate in the Broker Firm Offer, and may amend or waive the Broker Firm Offer Application procedures or requirements, in its discretion in compliance with applicable laws.

Broker Firm Offer Applicants must lodge their Application Forms and Application Monies in accordance with the directions of their Broker in order to receive their firm allocation. Applicants under the Broker Firm Offer must not send their Application to the Registry.

CPF will accept payments of Application Monies from Brokers on behalf of Broker Firm Offer Applicants at the Broker Firm Offer Closing Date or such later date as CPF and the Joint Lead Managers agree. CPF, the Registry and the Joint Lead Managers take no responsibility for any acts or omissions in connection with your Application, Application Form or Application Monies.

Closing date for the Broker Firm Offer

The Broker Firm Offer opens on 13 August 2013 and closes at 5.00pm on 23 August 2013, subject to amendment by CPF in consultation with the Joint Lead Managers.

Allocation policy

For Broker Firm Offer participants, it will be a matter for Brokers as to how they allocate Units amongst their retail clients.

(B) Centuria Priority Offer

Who can apply in the Centuria Priority Offer

The Centuria Priority Offer is open to:

- Eligible Centuria Shareholders at the Centuria Priority Offer record date of 1 August 2013; and
- eligible current and legacy Centuria unlisted property fund investors to be verified at the discretion of CPF.

Applicants under the Centuria Priority Offer will receive a guaranteed minimum allocation of 20,000 Units (or such lower number of Units applied for, subject to the minimum Application size of 2,000 Units and in multiples of 500 Units thereafter). If the total number of Units applied for under the Centuria Priority Offer exceeds 20 million Units, the guaranteed minimum allocation may be scaled back at the discretion of CPF and the Joint Lead Managers.

How to apply in the Centuria Priority Offer

Applications for Units can be made by completing and lodging a paper copy of the Application Form in accordance with the instructions on the Application Form. An Application Form is attached to this PDS and the PDS in electronic form, which is available at www.centuriapropertytrust.com.au. Before making an investment, Applicants should read this PDS in its entirety.

An Application must be accompanied by payment in Australian currency of the Application Money, being of \$1.00 per Unit. Cheques or bank drafts must be made payable to "Centuria Property Funds Limited" and should be crossed and marked "Not Negotiable". Prior to the Centuria Priority Offer Closing Date, Application Forms and corresponding Application Monies should be mailed or delivered to the registry as set out below:

Address

Centuria Property Trust
Computershare Investor Services Pty Limited
GPO Box 2115
Melbourne VIC 3001

Applications must be for a minimum of 2,000 Units and in multiples of 500 Units thereafter. There is no maximum value of Units which may be applied for under the Centuria Priority Offer.

Alternatively, Centuria Priority Offer Applicants are also able to submit their Application Form and Application Money electronically via the internet at www.centuriapropertytrust.com.au with payment through BPAY. Full details of how to make payment through BPAY can be found online at www.centuriapropertytrust.com.au. It is the Applicant's responsibility to ensure that BPAY payment is received by no later than 5:00pm (AEST) on 23 August 2013. If you are applying online and paying by BPAY, you do not need to return the paper Application Form.

You should be aware that your financial institution may implement earlier cut off times with regard to electronic payment and therefore you should consider this when making payment.

Closing date for the Centuria Priority Offer

The Centuria Priority Offer opens on 13 August 2013 and closes at 5.00pm on 23 August 2013, subject to amendment by CPF in consultation with the Joint Lead Managers.

Allocation policy

The Joint Lead Managers, in consultation with CPF, have absolute discretion regarding the allocation of Units to Applicants under the Centuria Priority Offer and may reject any Application, or allocate fewer Units than applied for, in their absolute discretion, subject to the terms of the guaranteed minimum allocation described above.

12.6 Institutional Offer

(A) Invitations to bid

CPF and the Joint Lead Managers are inviting certain Institutional Investors to bid for Units in the Institutional Offer.

The Institutional Offer is structured as follows:

- an invitation to Australian and New Zealand resident Institutional Investors to bid for Units – made under this PDS;
- an invitation to Australian and New Zealand Brokers who elect to bid for Units on behalf of Australian and New Zealand resident Retail Investors – made under this PDS; and
- an invitation to Institutional Investors in certain other overseas jurisdictions (excluding the US).

Details of the Offer

(B) The bookbuild process

The Institutional Offer will be conducted using a bookbuild process managed by the Joint Lead Managers. Further details of how to participate will be separately provided to eligible Institutional Investors by the Joint Lead Managers in due course.

Institutional Investors can only bid into the bookbuild through the Joint Lead Managers. The bookbuild will be a fixed price bookbuild at the Issue Price of \$1.00. The minimum bid size is 100,000 Units and thereafter in multiples of 10,000 Units, however CPF and the Joint Lead Managers reserve the right to accept smaller bids.

Bids must be received between 9.00am (AEST) on 26 August 2013 and 1.00pm (AEST) on 26 August 2013 unless these times and dates are varied by CPF and the Joint Lead Managers.

(C) Allocation process under the bookbuild

The allocation of Units among bidders in the Institutional Offer will be determined by the Joint Lead Managers who have absolute discretion regarding the basis of allocation of Units.

The allocation policy will be influenced by:

- the volume of Units bid;
- the timeliness of bids lodged during the bookbuild;
- the Fund's desire for an informed and active trading market in Units post Listing;
- the size and investment mandate of particular bidders;
- the desire to have a wide spread of Institutional Investors on the Fund's register;
- the likelihood the bidder will be a long-term Unitholder in the Fund; and
- any other factors that CPF and the Joint Lead Managers consider appropriate in their absolute discretion.

12.7 CPF may accept or reject applications

CPF reserves the right to reject any Application which is not correctly completed or which is submitted by a person whom they believe may be an ineligible Applicant. CPF also reserves the right to waive or correct any errors in any Application Form, and to reject any Application in whole or in part for any other reason.

12.8 Application Monies

Application Monies for Units under the Retail Offer will be held on trust for Applicants until the issue of Units to successful Applicants. Application Monies will be fully or partially refunded where an Application is rejected or accepted in part only, the Offer is withdrawn and/or cancelled, or ASX does not grant permission for Units to be quoted within three months after the date of this PDS. No interest will be paid on refunded amounts.

12.9 Announcement of final allocation policy under the Retail Offer

CPF expects to announce the final allocation policy under the Broker Firm Offer and the Centuria Priority Offer on or about 27 August 2013. It is expected that this information will be advertised in The Sydney Morning Herald, The Melbourne Age, The Australian, The Australian Financial Review and the Courier Mail, as well as other metropolitan newspapers on the same day. Applicants in the Broker Firm Offer should confirm their allocation with the Broker from whom they received their allocation. Applicants in the Broker Firm Offer and the Centuria Priority Offer may also call the Offer Information Line on 1300 394 635 (toll free within Australia) between 8.30 a.m. and 5.00 p.m. (AEST) Monday to Friday.

12.10 No cooling off

Applicants should note there will not be a cooling off period in relation to Applications.

Once an Application has been lodged, it cannot be withdrawn. Should quotation of the Units be granted by ASX, Unitholders will have the opportunity to sell their Units at the prevailing market price, which may be different to the Issue Price.

12.11 Offer Management Agreement

The Offer is not underwritten. CPF, as responsible entity of the Fund, and the Joint Lead Managers have entered into an Offer Management Agreement in respect of the management of the Offer.

The Offer Management Agreement provides for a number of circumstances under which the Joint Lead Managers may terminate the Offer Management Agreement and associated obligations. A summary of the key terms of the Offer Management Agreement is provided in Section 13.8.

12.12 Escrow arrangements with TAG

TAG, one of the Existing Unitholders, has agreed that it will subscribe for 42,841,160 Units, representing approximately 19.9% of the Units on issue on Listing, subject to the Offer proceeding. TAG has entered into voluntary escrow arrangements with CPF in relation to that number of Units which, when aggregated with the number of Units which Centuria and its related entities subscribe for under the Offer, represents 19.9% of the Units on issue on Listing. Units held by TAG representing approximately 18.5% of the Units on issue on Listing are expected to be subject to escrow. An "escrow" is a restriction on sale, disposal, or encumbering of, or certain other dealings in respect of, the Units concerned for the period of the escrow, subject to any exceptions in the escrow arrangement.

Under the escrow arrangements, subject to certain exceptions, TAG may not dispose of the escrowed Units for a period of 12 months following Listing. Terrence Agnew is also a party to the escrow arrangements as the controller of TAG.

During the escrow period, TAG may not deal with any of the escrowed Units in any way other than:

- if the dealing is in relation to a reorganisation of their ownership structure where control of the Units is retained by the ultimate controller, CPF has given its consent to the reorganisation and the new holder has agreed to be bound by the same escrow arrangements;
- pursuant to a court order compelling the Units to be disposed of or a security interest to be created over them;
- if the Unitholder dies, pursuant to a transfer by the personal representative of the Unitholder to a person to whom the Units are bequeathed where that person has agreed to be bound by the same escrow arrangements;
- if the dealing is to allow a security interest over the Units and the person in whose favour the security interest is given agrees to be bound by the escrow arrangements;
- if the dealing is conditional on, and under which no person acquires any interest in the escrowed Units until, the expiry of the escrow period;
- to allow acceptance of a takeover offer which is or has become unconditional and where at least half of the non-escrowed Units have already accepted the offer;
- to allow TAG to tender its Units into a bid acceptance facility for a takeover offer where the holders of at least half of the non-escrowed Units have already accepted the offer and tendered their Units into the bid acceptance facility; and
- in connection with the transfer or cancellation of Units as part of a scheme of arrangement, share buyback or other similar reorganisation or an acquisition of share capital that has received all necessary approvals.

If a takeover or reorganisation or acquisition of share capital does not successfully complete, the holding lock will be reapplied to the escrowed Units.

The restriction on dealing is broad and includes, among other things, selling, assigning or transferring, or agreeing or offering to sell, assign or transfer, the relevant Units, entering into an option which would enable or require the relevant Units to be sold, assigned or transferred or creating or, subject to the above exceptions, agreeing to create any security interest over the Units.

12.13 Trading of units on ASX

An application will be made to ASX for the Fund to be admitted to the Official List and for quotation of the Units under the code CCT.

The application for the admission of the Units to the Official List will be made within seven days after the date of this PDS.

Completion of the Offer is conditional on ASX approving this application. If approval is not given within three months after such application is made (or any longer period permitted by law), the Offer will be withdrawn and all Application Monies will be refunded without interest as soon as practicable in accordance with the requirements of the Corporations Act.

It is expected that, subject to approval of ASX, trading of Units will commence on or about 2 September 2013 initially on a deferred basis.

12.14 ASX and its right to remove the units from Official List

ASX takes no responsibility for the content of this PDS or for the investment in the Fund.

The fact that ASX may admit the Fund to the Official List should not be taken as an endorsement by ASX of the merits of the Fund or any investment in the Fund.

12.15 ASX admission and quotation

Following the issue of Units under the Offer (expected to occur on or about 30 August 2013) the Registry will send successful Applicants a holding statement detailing the number of Units issued to them under the Offer. It is expected that holding statements will be dispatched on or about 3 September 2013. It is the responsibility of Applicants to confirm their allocation of Units prior to trading in Units. Applicants can confirm their allocation of Units by contacting their Broker or calling the Offer Information Line on 1300 394 635 (within Australia) or +61 3 9415 4170 (outside Australia). A Unitholder who sells Units before they receive their holding statements does so at their own risk.

12.16 Issue of Units

The issue of Units to Applicants will occur as soon as possible after the Offer is closed.

CPF reserves the right to issue Units to Applicants in full or to issue a lesser number of Units than those for which an Application has been made. Where no allocation is made to a particular Applicant or the number of Units allocated is less than the number applied for by the Applicant, surplus Application Monies will be returned to that Applicant. No interest will be paid on refunded Application Monies. Any interest earned on Application Monies before issue or return will be, and will remain, the property of the Fund.

The Issue Price for each Unit is \$1.00.

12.17 CHESS

CPF will apply for the Units to participate in CHESS, in accordance with the ASX Listing Rules and the ASTC Settlement Rules. CHESS is an automated transfer and settlement system for transactions in securities quoted on ASX under which transfers are effected in a paperless form.

CPF will also, in accordance with the ASX Listing Rules and the ASTC Settlement Rules, maintain an electronic CHESS subregister

Details of the Offer

(for Unitholders who are participants in CHESS or sponsored by such a participant) and an electronic issuer sponsored subregister (for all other Unitholders). These two subregisters will together make up CPF's principal register of Unitholders. Following allocation of the Units to successful Applicants, Unitholders will be sent an initial statement of holding that sets out the number of Units that have been allocated and the Unitholder's Holder Identification Number, or in the case of issuer sponsored holders, the Unitholder Reference Number.

Unitholders will subsequently receive statements showing any changes to their holding of Units. Certificates will not be issued for Units.

12.18 Control implications of the Offer

The Board does not expect that any Unitholder will control the Fund on completion of the Offer.

12.19 Working capital

The Board is of the opinion that following completion of the Offer, the Fund will have sufficient working capital to carry out its stated objectives.

12.20 Brokerage, commission and stamp duty

No brokerage, commission or stamp duty is payable by Applicants who apply for Units using an Application Form.

Investors who buy or sell Units on ASX may be subject to brokerage and other transaction costs. Under current legislation, there is no stamp duty payable on the sale or purchase of Units on ASX provided that no investor (together with any related or associated persons for the purposes of stamp duty law) holds 90% or more of the interests in the Fund.

12.21 Taxation issues

A summary of Australian income tax consequences of investing in the Fund is contained in Section 11.

However, the summary provides general information only. Applicants should make their own enquires in relation to the taxation consequences of investing, taking into account their own circumstances.

Applicants should obtain professional taxation advice if they are in doubt about the consequences of investing, from a taxation perspective.

12.22 New Zealand taxation of New Zealand Resident investors

GST

The issue of Units will not be subject to New Zealand Goods and Services Tax.

The summary set out below assumes that you and your associates do not together hold more than 10% of the total Units on issue in the Fund.

Unitholders will be taxed on their Units under one of two regimes: the Ordinary Tax Regime or the Foreign Investment Fund (FIF) regime.

Tax Treatment under the Ordinary Tax Regime

A Unitholder will be taxed under the ordinary tax rules if the Unitholder is a New Zealand resident natural person and does not hold offshore equities (including units in a unit fund but excluding, amongst other things, shares in most Australian resident companies listed on the ASX All Ordinaries Index) the total cost of which is more than NZ\$50,000. Under the ordinary tax rules:

- any Distributions will be dividend income for the Unitholders;
- A Unitholder will be taxed on any gains from the sale or redemption of Units only if the Unitholder acquired the Units either:
 - for the dominant purpose of resale; or
 - as part of a profit making scheme or undertaking; or
 - as part of a business in respect of which the sale of such investments is an ordinary incident.
- Amounts taxed as dividends will not be taxed again as gains from sale.

Tax Treatment under FIF regime

Other Unitholders will be taxed under the FIF regime (**FIF Unitholders**). Broadly speaking, a FIF Unitholder will be deemed to derive income equal to 5% of the market value of the Units it holds at the beginning of the income year (fair dividend rate, or FDR method). Any profits from selling or redeeming the Units and any Distributions or redemption proceeds received are ignored (except as described in the following paragraphs).

If a FIF Unitholder bought and later sold Units in the same income year, then the FIF Unitholder has additional taxable income equal to either:

- the actual gain from the Units both bought and sold during the income year (including any Distributions paid on them) (actual gain method). For this purpose the last Unit acquired is deemed to be the first sold; or
- 5% of:
 - the difference between the greatest number of Units the FIF Unitholder held at any time during the income year and the number of Units the FIF Unitholder held at the beginning or end of the year (whichever produces the smaller difference), multiplied by
 - the average cost of all Units acquired during the income year (peak holding method).

The FIF Unitholder must apply the method which produces the lesser amount of additional income when applied consistently to all of their FIF investments bought and sold in the same income year.

A slightly different version of this method is used by Unitholders that are managed funds.

If a FIF Unitholder is a natural person or a family trust and its actual realised and unrealised return from its total portfolio of offshore equity investments is lower than the amount calculated under the FDR method described above, then the Unitholder can elect to be taxed on its actual realised and unrealised returns – including dividends (the comparative or CV method). This method must be applied across all the Unitholder's FIF interests. Losses are deductible subject to the limitation that a Unitholder cannot claim a loss overall in respect of all FIF interests held by the Unitholder.

A Unitholder will also need to make certain elections in respect of how amounts are converted to New Zealand dollars.

The FIF regime described above is subject to various exceptions. Unitholders should seek specific tax advice if they believe the FIF regime may apply to them.

12.23 Foreign selling restrictions

No action has been taken to register or qualify the Units or this Offer, or otherwise to permit a public offering of the Units in any jurisdiction outside Australia and New Zealand.

This PDS may not be released or distributed in the United States. This PDS does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or in any jurisdiction where it would be unlawful to issue this PDS. Any securities described in this PDS have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, registration under the US Securities Act and applicable US state securities laws.

This PDS does not constitute an offer of Units to any person to whom it would be unlawful to issue this PDS.

The distribution of this PDS in jurisdictions outside Australia and New Zealand may be restricted by law and persons in possession of this PDS should seek advice on and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of those laws.

It is the responsibility of any overseas Applicant to ensure compliance with all laws of any country relevant to his or her Application.

Each Applicant will be taken to have represented, warranted and agreed that such person:

- (a) is an Australian or New Zealand citizen or resident in Australia or New Zealand, is located in Australia or New Zealand at the time of such Application and is not acting for the account or benefit of any person in the United States, a United States person or any other foreign persons;

- (b) understands that the Units have not been, and will not be, registered under the US Securities Act of 1933 as amended or the securities laws of any state of the United States, and may not be offered, sold or resold in the United States, except in a transaction exempt from, or not subject to, registration under the US Securities Act of 1933 and any other applicable securities laws;

- (c) has not and will not send the PDS or any other material relating to the Offer to any person in the United States; and

- (d) will not offer or sell the Units in the United States or in any other jurisdiction outside Australia or New Zealand or to a United States person, except in transactions which are exempt from registration under the United States Securities Act of 1933 as amended, and in compliance with all applicable laws in the jurisdiction in which such Units are offered and sold.

Each Applicant under the Institutional Offer will be required to make additional certain representations, warranties and covenants set out in the confirmation of allocation letter distributed to it.

12.24 Enquiries

If you have enquiries or questions about this PDS or the Offer you should contact the Offer Information Line or one of the Joint Lead Managers.

If you are unclear in relation to any matter or are uncertain as to whether the Fund is a suitable investment, you should seek professional advice from your Broker, lawyer, accountant or other professional adviser.

Material contracts

13.1 Final Implementation Agreement

The Ozton Parties, Centuria and CPF have entered into the Final Implementation Agreement under which the parties agree:

- to implement the Pre-Listing Arrangements described below; and
- that CPF will conduct the Offer for the purposes described in Section 2.1.

The key terms of the Final Implementation Agreement are set out below.

Pre-Listing Arrangements

Under the Final Implementation Agreement, the Ozton Parties and CPF have agreed to implement the following Pre-Listing Arrangements:

- **(Concurrent Lease)** to enter into the Concurrent Lease Substitute Arrangements Deed described in Section 13.2, under which Ozton agrees to substitute the terms of the existing 99 year Concurrent Lease with the Fund as follows for a payment by CPF of \$47,211,650 as adjusted under the terms of the Concurrent Lease Substitute Arrangements Deed:
 - **(Term)** the term of the Concurrent Lease will expire on 30 June 2014;
 - **(Rent)** Ozton must pay an amount equal to 100% of the rental income that it receives from tenants to the Fund for the period prior to lease expiry;
 - **(Plant and equipment)** Ozton must transfer to CPF certain plant and equipment relating to Northpoint and owned by Ozton. In consideration for the transfer, CPF must pay to Ozton an amount of \$4.5 million on Listing;
- **(Lease of unoccupied premises)** Tower Holdings Pty Limited has agreed to lease certain space within Northpoint on Listing, including commercial tenancies as well as signage and storage, for a 12 month period following Listing for which Ozton will pre-pay an aggregate annual rent of \$2,547,401 to CPF on commencement of the lease;
- **(Billy Blue Agreement for Lease)** to enter into the Billy Blue Agreement for Lease described below in Section 13.3;
- **(Call Option)** to enter into the Call Option Substitute Arrangements Deed under which CPF is required to make a payment of \$69 million to TAG to vary the strike price at which the option may be exercised; and
- **(Replacement of responsible entity)** on 26 June 2013, CPF replaced NSPT as trustee of the Fund. CPF is the current responsible entity of the Fund and is the entity that is proposing to conduct the Offer for the purposes described in Section 2.1.

Redemption of existing interests in the Fund

The Final Implementation Agreement provides that on Listing, CPF must apply part of the proceeds of the Offer together with borrowings under the Debt Facility to:

- **(Redemption of Existing Unitholders' Units)** redeem all of the Units in the Fund held by the Existing Unitholders; and

- **(Cancellation of Existing Unit Option)** cancel the Existing Unit Option held by the Existing Unit Optionholder, an entity associated with an associate of TAG.

After the redemption and cancellation of the above interests, Applicants under the Offer will own all of the Units in the Fund and there will be no other interests in the Fund.

Repayment of the Fund's debts to existing bank debt provider and Ozton Parties

CPF has agreed to cause the Fund to repay debts which are owed to the existing bank debt provider and the Ozton Parties as set out in the description of sources and application of funds in Section 6.7.

Conduct of business

Under the Final Implementation Agreement, up to the Implementation Date, CPF is required to conduct the business of the Fund in substantially the same manner as it was previously conducted when NSPT was the trustee of the Fund. This means, for example, that CPF is not permitted to make any significant change to the nature or scale of any of the Fund's activities, CPF must preserve the Fund's relationship with all third parties that have business dealings with the Fund and must pay all amounts to trade or other creditors of the Fund as directed by TAG.

Ozton also has an obligation, up to the Implementation Date, to preserve its relationship with tenants, suppliers, lessees and other third parties that have business dealings with Northpoint, and to enter into or administer leases in a manner reasonably consistent with existing practices.

Restrictions on dealing with Northpoint or Units

There are a number of restrictions that apply to the Ozton Parties under the Final Implementation Agreement in relation to their ability to deal with Northpoint or Units up to the Implementation Date. These include a prohibition that applies to the Ozton Parties and their ability to alter the ownership structure of Northpoint or altering the number or rights attaching to Units.

Post Implementation – 'Wrong pockets clause'

The Ozton Parties have agreed to account to the Fund in respect of any benefit that they receive in relation to their interest in the Fund or Northpoint from the Implementation Date. If any matter remains outstanding after the Implementation Date, the Ozton Parties have agreed to use their reasonable endeavours to ensure that the Fund receives the full benefit of the interests in Northpoint, consistent with the terms of the Final Implementation Agreement.

Termination

The Final Implementation Agreement may be terminated by:

- (a) Centuria or CPF if:
 - (i) either Ozton or TAG breaches any provision of the Final Implementation Agreement and they fail to remedy the breach within the time requested by the Centuria Parties;
 - (ii) either Ozton or TAG become insolvent;
 - (iii) the Debt Facility Agreement or Offer Management Agreement are terminated in accordance with their terms;
 - (iv) the Implementation Date has not occurred by 31 August 2013 despite the Centuria Parties having used all reasonable endeavours to achieve implementation; or
 - (v) an event of default occurs under the existing debt facilities;
- (b) Ozton or TAG if:
 - (i) a Centuria Party breaches any provision of the Final Implementation Agreement and they fail to remedy the breach within the time requested by the Ozton Parties;
 - (ii) CPF becomes insolvent; or
 - (iii) the Implementation Date has not occurred by 31 August 2013.

Indemnity

The Centuria Parties have agreed to indemnify Ozton and TAG against all damage or loss suffered as a result of a breach of the Final Implementation Agreement by the Centuria Parties.

Warranties

The Centuria Parties and Ozton Parties provided a number of customary warranties under the Final Implementation Agreement, including warranties by the Ozton Parties as to the ownership of Units and warranties by all parties as to their capacity to enter into the Final Implementation Agreement, their performance under the Final Implementation Agreement and to their solvency.

The Ozton Parties warranted that immediately following the Implementation Date:

- (a) the Fund will have no liabilities of any nature whatsoever other than certain permitted liabilities and liabilities incurred by CPF in its capacity as responsible entity of the Fund; and
- (b) the only real property asset of the Fund will be Northpoint.

The Ozton Parties warranted that on the Implementation Date:

- (a) the Units will be free and clear of all encumbrances;
- (b) Northpoint will be free and clear of all encumbrances of any nature whatsoever, except for encumbrances relating to the existing bank debt provider;

- (c) the Fund will not have any actual or contingent liability for any taxes, levies, duties or other imposts of any nature whatsoever unless a proper provision has been made for the payment of such taxes, levies, duties or other imposts in an amount agreed with Centuria (acting reasonably);
- (d) the Fund will have paid all taxes it is required to pay under any Tax Law in respect of the period up to the Implementation Date and will have lodged all returns required by and complied with all obligations contained in the Tax Law;
- (e) for all tax periods up to and including the Implementation Date the Fund will have paid all taxes it is required to pay and will have lodged all returns it is required to lodge and complied with all obligations under A New Tax System (Goods and Services Tax) Act 1999; and
- (f) various matters relating to Northpoint, the tenancies at Northpoint and the correctness and completeness of due diligence information disclosed to CPF.

There are limits in relation to both time and money (minimum claims) in relation to warranty claims.

13.2 Concurrent Lease

The Custodian (as Landlord) and Ozton (as Tenant) are parties to the Concurrent Lease of the whole of Northpoint which expires on 30 June 2014.

The key terms of the Concurrent Lease are set out below.

Rent

The rent is set so that Ozton is required to pay all money received from the subtenants of Northpoint to the Custodian, but is not required to pay any rent in addition to the money received from the subtenants. The anticipated rent payable net of abatements and rent free periods (i.e. the amount anticipated to be received from the subtenants) during the term of the Concurrent Lease is approximately \$22 million.

To the extent Ozton receives any further amounts from any subtenants, licences or other occupiers of Northpoint, it must pay such amounts to the Custodian.

Security

Ozton will grant to the Custodian a mortgage over the Concurrent Lease, and additional security, to secure Ozton's obligation to pay rent to the Custodian.

Expiry and termination

The expiry date of the Concurrent Lease is 30 June 2014.

If the Fund wishes to sell its interest in Northpoint, it is entitled to give written notice to Ozton that it wishes to terminate or vary the Concurrent Lease. Ozton must agree to such termination or variation,

Material contracts

provided the Fund pays the agreed termination or variation fee on the effective date of termination or variation.

The Custodian is not entitled to re-enter under the Concurrent Lease or determine the Concurrent Lease for any reason other than non-payment of rent. Such determination can only take place after a period of six months has passed after Ozton has received written notice from the Custodian demanding payment of rent.

Insurance

The Custodian is required to take out usual insurances with respect to the premises (noting the interest of Ozton).

The Custodian must deposit copies of the certificates of insurance with Ozton and immediately rectify anything which might prejudice the insurance and notify Ozton if an event occurs which gives rise to a claim which could prejudice a policy of insurance or if a policy of insurance is cancelled.

Indemnities

Under the Concurrent Lease, Ozton indemnifies the Custodian from any costs incurred in connection with damage to the building, injury to or death of a person caused or contributed to by the use or occupation of Northpoint and the negligence of Ozton or their employees or agents.

Ozton also indemnifies the Custodian against all liability or loss arising from the leaking of the building or other overflow or leakage of water, including rainwater and any loss of or damage to Northpoint and injury and death occurring in or on Northpoint except to the extent that it is caused by the default or negligence of the Custodian.

Custodian's rights

The Custodian, in its capacity as Custodian of the Fund, is entitled to (subject to giving Ozton reasonable prior notice) enter Northpoint to monitor compliance with the Concurrent Lease and carry out structural alterations if required.

In the event that the Custodian wishes to sell its interest in Northpoint, it must first require the new owner to execute an instrument with Ozton agreeing to be bound by the Concurrent Lease. The new owner is taken to have agreed to comply with all the obligations of the Custodian under the Concurrent Lease.

The Custodian has the right to terminate the Concurrent Lease in respect of those parts of the Concurrent Lease premises:

- (a) that are vacant or become vacant prior to the expiry date of the Concurrent Lease; or
- (b) where an occupational tenant exercises a right of renewal prior to the expiry of the Concurrent Lease,

thereby allowing the Custodian to enter into a new lease (or renewal lease) direct with the applicable tenant.

13.3 Billy Blue Agreement for Lease

The Custodian (as Landlord), Ozton (as Tenant) and CPF are parties to the agreement for lease of Suite G21 on Level 8, Level 9 and Level 10 of Northpoint, 100 Miller Street, North Sydney ("**Billy Blue Premises**").

Think: Education Services (formerly called Billy Blue Group Pty Limited) currently occupies certain areas of Northpoint under several different leases ("**Existing Leases**"). All of the Existing Leases are due to expire on either 31 January 2015 or 1 February 2015. Think: Education Services, entered into a non-binding heads of agreement with Ozton to lease part of the premises that Think: Education Services currently occupies under the Existing Leases from 1 April 2014 or 1 February 2015 ("**Proposed Billy Blue Lease Renewal Terms**"). Think: Education Services is yet to enter a lease on the terms of the Proposed Billy Blue Lease Renewal Terms and therefore Ozton and the Custodian have entered an agreement for lease in relation to the Billy Blue Premises if Think: Education Services does not enter the renewal lease or does so on less favourable terms than the Proposed Billy Blue Lease Renewal Terms.

Agreement to grant lease and indemnity

In the event that Think: Education Services does not enter into a lease of the Billy Blue Premises, Ozton is obliged to accept a lease of the Billy Blue Premises for ten years commencing 1 February 2015 (as described in more detail in this Section under the sub-heading 'Ozton Lease'). Ozton's obligation to lease the Billy Blue Premises expires if Think: Education Services enters into an agreement for lease or lease of the Billy Blue Premises prior to 1 January 2015.

If Think: Education Services enters into a lease on terms equal to or more favourable than the Proposed Billy Blue Lease Renewal Terms, the agreement for lease is terminable by either party.

Ozton Lease

Under the agreement for lease mentioned above, the lease that Ozton is obliged to enter into contains a term of 10 years expiring on 31 January 2025 and will not contain any rights of renewal ("**Ozton Lease**"). The commencing annual rent of the Ozton Lease will be \$2,437,368 and will be increased by 4% annually. During the term of the Ozton Lease, Ozton will be required to provide a bank guarantee equal to six months' rent as security for performance of its obligations under the Ozton Lease.

In all other material respects, the Ozton Lease contains standard terms for a lease of this nature.

13.4 Vacant Space Lease

Tower Holdings Pty Limited have entered into a lease with Ozton of suites 19.02, 32.02, 38.03, level 39, certain storage areas, the north/south signage and the east/west signage (being those parts of Northpoint that are currently vacant) ("**Vacant Space Lease**"). The Vacant Space Lease is for a term of one year commencing one day after the Implementation Date. The rent under the Vacant Space Lease is \$2,547,401.00 per annum and must be paid in advance

on the commencement date. In all other respects the Vacant Space Lease is on standard terms for a lease of this nature.

13.5 Management Services Agreement

CPF, Centuria Property Services and the Custodian have entered into a Management Services Agreement, under which CPF has appointed Centuria Property Services to manage Northpoint.

The key terms of the Management Services Agreement are set out below.

Management Services

Under the Management Services Agreement, Centuria Property Services is engaged to provide a number of services including:

- **(Financial accounting)** administering of all leases and tenancy agreements, collection of rents, policing of tenancy charges in arrears, arranging for payment of rates, insurance premiums and other expenses incurred in operating Northpoint;
- **(Physical surveillance)** formalising maintenance contracts and service agreements, arranging for repairs and maintenance works, inspecting Northpoint on a regular basis, appointment of operations staff as required in consultation with CPF, and providing CPF with an annual budget;
- **(Estate administration)** retaining tenancy files and records of all leases and related documents for the required statutory period, providing recommendations on the insurance requirements of Northpoint, and adhering to insurance claim procedures;
- **(Retail management)** preparing a retail business plan regarding management of the retail component of Northpoint (which involves reviewing the retail mix of the centre and detailing strategies to maximise performance of the retail component), preparing an annual retail marketing and promotion plan, and managing the marketing and promotion plan budget; and
- **(Detailed reporting)** providing monthly financial reports and annual budget reports, including itemised statements of income and expenditure and comparison of actual to budget figures for the relevant period.

Fees and expenses

Centuria Property Services is entitled to receive a minimum base property management fee of \$41,666.67 (plus GST) per month, subject to an annual increase of the greater of 3% and the rate of inflation each 1 July, as determined in accordance with the Management Services Agreement.

The maximum fee payable will be equal to 2% of gross receipts (i.e. all rents, license fees, occupancy fees and other charges payable from tenants and license holders at Northpoint).

Leasing administration fees will also be payable at market rates.

Termination

The Management Services Agreement is ongoing unless terminated. CPF or Centuria Property Services may terminate the Management Services Agreement in customary circumstances including if either party is wound up or enters into liquidation, becomes insolvent or breaches the Management Services Agreement and fails to remedy that breach.

In addition, CPF may terminate the Management Services Agreement if Centuria Property Services engages in any conduct prejudicial to Northpoint or the management of Northpoint or by giving Centuria Property Services 90 days' prior written notice of termination.

The Management Services Agreement will otherwise terminate if Northpoint is sold, effective from the date of completion of the sale.

Warranties

The parties provide a number of customary warranties under the Management Services Agreement, including that they have the authority to enter into the agreement and the ability to perform their obligations.

Indemnities

Subject to certain exclusions relating to, amongst other things, negligence or breach by the indemnified party:

- CPF must indemnify Centuria Property Services against any actions, losses, costs and expenses incurred by Centuria Property Services in the management of Northpoint or exercise of its obligations under the Management Services Agreement; and
- Centuria Property Services must indemnify CPF and the Custodian against losses, costs and expenses arising out of, amongst other things, any negligence or breach of the Management Services Agreement on its part.

Ozton Management Agreement

Ozton will enter into a management services agreement with Centuria Property Services for the duration of the Concurrent Lease as described in Section 2.3. No fees are payable under this agreement.

13.6 Development and Project Management Services Agreement

CPF, Centuria Property Services and the Custodian have entered into a Development and Project Management Services Agreement ("DPMSA"), under which CPF appoints Centuria Property Services to provide development management and project management services for development projects in which CPF invests.

The DPMSA operates on an exclusive basis and runs for a term of twenty years unless terminated earlier.

Material contracts

Services

Under the DPMSA, CPF appoints Centuria Property Services to perform a number of services in regard to the management of potential or existing property development projects located in Australia. Services include:

- **(Development feasibility services)** analysing opportunities for the Fund as development opportunities are identified, including measuring potential risk factors relating to each development opportunity, arranging market research to establish the likely costs and revenues of the development opportunity, and preparing an investment proposal outlining the key features of the development opportunity for the benefit of CPF;
- **(Development planning services)** master planning and strategic direction, meeting with and reviewing adjoining owners/tenants, negotiations on improvements to planning, rezoning land/property for higher and better use, removing limitations and restrictions over the plan, and consolidating or subdividing properties as required;
- **(Development management and project services)** implementation of the commercial and regulatory aspects of the project as approved by CPF, including sourcing and negotiating any pre-sales/leasing, assisting in the engagement of expert consultants, legal advisers and contractors, carrying out the financial management aspects of the project, procuring statutory approvals and assisting in project funding arrangements; and
- **(Project Management Services)** managing the delivery of the physical project, including taking responsibility over various aspects of the project such as design, construction, fit-out, commissioning, authority approvals in relation to design and construction and defect liability periods.

Centuria Property Services is the exclusive provider of such services to CPF on existing assets or development assets that it introduces to CPF.

Development of opportunities

Under the DPMSA, Centuria Property Services must refer all development opportunities that it identifies or considers to CPF, provide to CPF all information in its possession reasonably requested by CPF for the purposes of analysing and evaluating the development opportunity, and procure each member of the Centuria Group to do the same.

Fees and expenses

Payments made by CPF to Centuria Property Services for a particular project will comprise the following:

- **(Development Planning Fee)** which is calculated on services provided at an hourly rate of \$260 per hour, increased annually on 1 July by the greater of 3% and the rate of inflation; and
- **(Development Services Fee)** which constitutes 5% of the estimated project costs (as set out in the initial investment proposal), paid monthly in arrears during the term of the project. If the scope of the project is changed so that the revised costs exceed the initial estimated project costs, an additional Development Services Fee is payable which is equal to 5% of that excess.

Centuria Property Services is also entitled to be reimbursed for certain expenses incurred in the provision of services, including travel costs, government and statutory fees and other pre-approved costs and expenses.

Termination

Provided the parties have first undertaken the dispute resolution procedures prescribed in the DPMSA, the DPMSA may be terminated by CPF or Centuria Property Services if any of the following events occur:

- either CPF or Centuria Property Services is entered into receivership, administration or liquidation, or otherwise ceases to carry on business;
- either CPF or Centuria Property Services breaches any provisions in the DPMSA which either cannot be remedied, or otherwise remain unremedied for 5 business days after notice of the breach has been given to the defaulting party; or
- the DPMSA is required to be terminated by law.

CPF may also, in its absolute discretion, vary, suspend or cancel a development project at any time. If CPF cancels a project, the DPMSA will terminate in respect of those services provided in connection with the project. Centuria Property Services will also be entitled to a portion of the Development Services Fee determined in accordance with the DPMSA, and any outstanding project costs and liabilities associated with the project.

In addition to the above termination rights, CPF may terminate the DPMSA at any time by giving Centuria Property Services 90 days prior written notice.

Warranties

CPF and Centuria Property Services provide a number of customary warranties in the DPMSA, including warranties as to their capacity to enter the DPMSA and their performance under the DPMSA.

In addition, Centuria Property Services warrants that it has, and will have at all times during the term of the DPMSA, the skills, facilities, capacity and staff necessary to perform the services and its obligations under the DPMSA.

Indemnities

Subject to certain exclusions relating to, amongst other things, fraud or dishonesty of the indemnified party, CPF has an obligation to indemnify Centuria Property Services against any losses, costs and expenses incurred by Centuria Property Services or any of its officers or agents acting under the DPMSA.

In turn, Centuria Property Services has an obligation to CPF and the Custodian against losses, costs and expenses arising out of any negligence, fraud or breach of the DPMSA on its part or the part of its officers or agents.

13.7 Fund Constitution

The Fund is a managed investment scheme and the main rules governing its operation are set out in the Constitution. The Corporations Act (subject to the exemptions and declarations given by ASIC), the Listing Rules (subject to the waivers given by ASX) and the general law of trusts are also relevant to the rights and obligations of CPF and Unitholders. The main provisions of the Constitution that deal with the respective rights and obligations of Unitholders and CPF are as follows:

Income and Distribution to Unitholders

Subject to the terms of issue of particular Units, Unitholders are generally entitled to share in Distributions in proportion to the number of Units they hold.

Distributable Income, if any, will be paid annually within three months of the Distribution calculation date for a Distribution period and at such other dates as CPF designates.

If CPF approves, Unitholders may choose to reinvest some or all of a Distribution by acquiring additional Units.

CPF may also distribute any amount of capital to Unitholders pro rata at any time. Pro rata Distributions may be in the form of cash, additional Units in the Fund, or in the form of other assets.

Transfer of Units

Subject to the Corporations Act and the Listing Rules, while the Units are quoted for trading on ASX, they may be transferred by any method permitted by the operating rules of ASX's clearing and settlement facility or the Corporations Act, ASX or ASIC.

Withdrawal

Units may not be redeemed while the Fund is listed except by way of an on-market buy-back or withdrawal offer or under the Implementation Date provisions described below.

Implementation Date provisions

On the Implementation Date, as defined in the Final Implementation Agreement:

- CPF may issue new Units to persons determined by CPF for \$1.00 per Unit;
- subject to CPF having made a redemption offer to the Existing Unitholders and the Existing Unitholders having accepted that offer, CPF must redeem each of the Existing Units for an amount equal to \$209,062,741.00 divided by the total number of Units; and
- subject to CPF having received the consent of the Existing Unit Optionholder and having paid an Existing Unit Option cancellation payment of \$3,000,000 to the Existing Unit Optionholder, CPF will cancel the Existing Unit Option.

Powers and delegation

CPF has powers to invest, borrow, grant all types of security, enter into an underwriting arrangement and generally manage the Fund.

CPF has the power to staple Units to any other security without the prior approval of Unitholders. Subject to the Corporations Act, the Listing Rules and the constitution of the entity which has issued securities stapled to Units, CPF has the power to unstaple stapled Units without the prior approval of Unitholders if stapling becomes unlawful or prohibited under the Listing Rules, or if a winding-up is commenced in respect of a stapled entity. CPF also has the power to enter into a reorganisation of the Fund such as an exchange of stapled Units for other securities, although Unitholder approval by ordinary resolution would be required in some circumstances.

CPF may amend the Constitution by deed, but must have the changes approved by special resolution of Unitholders if the Corporations Act requires.

Meetings

While the Fund is a registered managed investment scheme, Unitholders' rights to requisition, attend and vote at meetings are as prescribed by the Corporations Act.

Rights and limitation of liability of CPF

CPF may hold Units in the Fund and deal with itself as trustee of the Fund or in another capacity.

CPF is not liable in contract, tort or otherwise to Unitholders for any loss suffered in any way relating to the Fund except to the extent that the Corporations Act imposes such liability.

CPF has a right of indemnity out of the assets of the Fund in respect of any liability incurred by it in properly performing or exercising any of its powers or duties in relation to the Fund. This indemnity continues after CPF retires or is removed as responsible entity of the Fund and is subject to the Corporations Act.

Unitholders' liability

A Unitholder's liability is limited to the amount if any which remains unpaid in relation to their Units, except where CPF is entitled to be indemnified by the Unitholder for tax or costs which are incurred as a result of a Unitholder's action or inaction. A Unitholder need not indemnify CPF if there is a deficiency in the assets of the Fund or meet the claim of any creditor of CPF in respect of the Fund's assets.

CPF's fees and expenses

The Constitution entitles CPF to be paid management fees from the assets of the Fund as described in Section 8.1. CPF is also entitled to be paid or reimbursed from the assets of the Fund for its costs and expenses in connection with all aspects of performing the role of responsible entity as described in Section 8.2. CPF may decide not to seek reimbursement of all costs and expenses.

Material contracts

CPF is entitled to be indemnified out of the Fund's assets for the types of costs and expenses listed in the Constitution and any other expenses incurred in the proper performance of its duties in relation to the Fund.

Termination

On termination, each Unitholder is entitled to receive a share of the value of the Fund's assets, after meeting all liabilities and expenses, proportionate to the number of Units held. The Fund continues until the earlier of:

- where the Fund remains a registered managed investment scheme – the date which the Unitholders determine by extraordinary resolution or a date determined by CPF and advised by written notice to Unitholders at least 60 days before the proposed date of termination; or
- where the Fund is not a registered managed investment scheme – the date specified by CPF in a notice to Unitholders sent at least 1 month before the proposed termination; or
- the date on which the Fund terminates in accordance with its constitution or by law.

No Units may be issued or redeemed after the 80th anniversary of the day before the day the Fund commenced unless that issue or redemption would not offend the rule against perpetuities or any other rule of law or equity.

Small holdings

While the Units are quoted on ASX, CPF may sell or redeem Units without the request of a Unitholder where the Units comprise less than a marketable parcel. CPF may only sell or redeem Units once every 12 months after giving the Unitholder written notice and at least six weeks from the date of that notice to notify CPF that the Unitholder wishes to retain the Units.

13.8 Offer Management Agreement

CPF, Centuria and the Joint Lead Managers have entered into an Offer Management Agreement, under which CPF appoints CIMB, Macquarie and RBS Morgans to act as joint lead managers to the Offer, and provide settlement support for the Institutional Offer and Broker Firm Offer. This includes managing the bookbuild and related allocation process.

The Offer Management Agreement does not however, constitute an agreement to underwrite the Offer or a guarantee that the Offer will be successful.

The key terms of the Offer Management Agreement are set out below.

Fees

On the Issue Date, CPF must pay:

- a management fee of 2.5% of the gross proceeds of the Offer to the Joint Lead Managers (to be divided amongst the Joint Lead Managers in their respective proportions); and

- an advisory fee of \$358,000 to Macquarie.

In addition, CPF may, at its sole discretion, pay the Joint Lead Managers (in their respective proportions) an incentive fee of up to 0.5% of the gross proceeds of the Offer, having regard to the performance of the Joint Lead Managers and performance of the Offer. CPF must also reimburse each Joint Lead Manager for reasonable out of pocket expenses and legal costs incurred in respect of the Offer.

The Joint Lead Managers are responsible for all fees payable to any co-managers.

Representations, warranties and undertakings

CPF gives various representations and warranties to the Joint Lead Managers, including that this PDS and associated Offer documents comply with the Corporations Act and the Listing Rules, and that on completion of the Offer, the Custodian, the Fund and CPF and its subsidiaries will have sufficient working capital, capital resources and liquidity to carry on the business of the Fund for 12 months after the date of this PDS. In addition, CPF undertakes that it will not, without the prior written consent of the Joint Lead Managers, at any time within 90 days of the Issue Date, issue or agree to issue or indicate in any way that it may or will issue or agree to issue any Units (or other securities convertible into Units), other than under the Offer.

Each of the Joint Lead Managers and Centuria also provide a number of customary warranties, including as to the validity of their incorporation and authority to enter into the agreement.

Guarantee and indemnities

Subject to certain exclusions primarily relating to negligence or fraud of the indemnified party, CPF indemnifies each Joint Lead Manager, their related bodies corporate and their officers, employees and advisers against all losses or claims incurred as a result of, amongst other things:

- any statement or omission from any Offer document or public statement made by, or with the consent of, CPF in relation to the affairs of CPF or the Offer;
- any breach by CPF of applicable laws in respect of the Offer; or
- any breach by CPF of a representation or warranty in the Offer Management Agreement.

Separately, Centuria guarantees CPF's obligations under the Offer Management Agreement (including the fees described above), and indemnifies each Joint Lead Manager against losses arising from a breach by CPF of the Offer Management Agreement.

Termination events

At any time prior to completion of the Offer, each Joint Lead Manager may terminate the Offer Management Agreement on the occurrence of certain termination events (subject to, in the case of some termination events only, satisfaction of specified materiality thresholds):

- a statement contained in the PDS or certain other documents prepared in connection with the Offer, is misleading or deceptive (including by omission), or the PDS becomes defective under section 1021B of the Corporations Act;

- the S&P ASX 200 Index or the S&P ASX 200 A-REIT Index falls by an amount that is 10% or more of the level as at the close of trading on the day of the agreement and is at or below that level at the close of trading for at least 3 consecutive business days or until the close of trading on the business day before the settlement date, whichever is shorter;
- CPF is prevented from issuing Units within the time required by, amongst other things, the Listing Rules, ASX, or ASIC;
- a director of CPF is charged with an indictable offence;
- ASX refuses to approve the listing of the Fund or quotation of all of the Units on ASX (or subsequently withdraws that approval after it is given);
- ASIC or ASX withdraws in whole or in part, or amends in a material effect, the ASIC modifications or ASX waivers proposed to be granted to the Fund;
- certain ASIC orders (such as a stop order) are issued or applied for, or certain investigations commenced under the Corporations Act in relation to the PDS;
- CPF withdraws this PDS, any invitations to apply for Units or any part of the Offer, or indicates that it does not intend to proceed with the Offer or any part of it;
- an event in the specified timetable (including settlement date, Issue Date and date for listing approval) is delayed for more than 3 business days;
- the Call Option Substitute Arrangements Deed, the Concurrent Lease or any material contract described in Section 13 of this PDS is, amongst other things, terminated or amended without the consent of the Joint Lead Managers, rendered void or voidable or breached in a material respect;
- the Debt Facility is not, or is likely not to be made available due to, amongst other things, failure by the financiers or CPF to enter into the Debt Facility Agreement or associated documentation;
- CPF ceases to be responsible entity of the Fund (or is replaced);
- the PDS, associated Offer documents or any aspect of the Offer does not comply with the Corporations Act, the Listing Rules or other applicable laws;
- a new circumstance arises that would have been required to be included in this PDS had it occurred prior to lodgement;
- any forecast, opinion or belief in the PDS as to future matters is or becomes incapable of being met within the forecast time;
- a warranty contained in the Offer Management Agreement made by CPF or Centuria becomes untrue or incorrect;
- CPF defaults in the performance of any of its obligations under the Offer Management Agreement;
- a change in the senior management or Board of CPF (as disclosed in this PDS) occurs; and
- an adverse change occurs in the financial position or performance of CPF, the Fund (or any of their subsidiaries) or the Custodian, including an adverse change from the position disclosed in this PDS.

The Offer Management Agreement also contains a number of other customary termination events (e.g. insolvency of CPF, Centuria or the Fund, certain changes or contraventions of law, or specified disruptions, moratoriums or hostilities in certain financial markets).

If a Joint Lead Manager terminates, the Joint Lead Manager and its related bodies corporate will not be obliged to subscribe for the Units under the Offer. If all the Joint Lead Managers terminate, they may notify Applicants under the Offer that they will have no obligations or rights to subscribe for Units under the Offer.

13.9 Custody Deed

CPF has appointed The Trust Company Limited (the “**Custodian**”) to provide custody services in respect of the Fund. The Custodian will hold the assets of the Fund. The Custodian may sub-contract custody services to a sub-custodian. Under the Custody Deed, the Fund indemnifies the Custodian for liabilities it may incur in providing the services. The Custodian may terminate the Custody Deed on 90 days’ notice to CPF.

CPF’s Australian Financial Services Licence permits CPF to undertake custody services. It is CPF’s current intention to review the need for an independent custodian in the next two years with a view to possibly reducing the costs of the Fund.

Additional information

14.1 ASX waivers and confirmations

In order to conduct the Offer, CPF has sought certain in principle confirmations from ASX. ASX has confirmed to CPF in principle that:

- the structure of the Fund is appropriate for a listed entity for the purposes of Listing Rule 1.1 (condition 1);
- CPF is not required to release the historical accounts of the Fund for the purposes of pre-quotation disclosure; and
- for the purposes of Listing Rule 12.8, the remuneration committee function for the Fund may be undertaken by the remuneration committee of its related body corporate, Centuria.

14.2 ASIC relief

CPF has sought, and been granted, on behalf of the Fund the following relief and modifications of the Corporations Act from ASIC:

Redemption of Existing Unitholders

- modification of Part 5C.6 and Section 601GA(4) to permit CPF to redeem only the Units currently on issue held by the Existing Unitholders and cancel the Existing Unit Option without a withdrawal offer being made to all Unitholders under Part 5C.6, in accordance with the Final Implementation Agreement;

Equal Treatment Relief

- relief under section 601QA of the Corporations Act from the equal treatment requirement in section 601FC(1)(d), to the extent necessary to allow the CPF to restrict eligibility for redemptions prior to Listing to the Existing Unitholders and cancellation of the Existing Unit Option in accordance with the Final Implementation Agreement and thereby treat these Existing Unitholders differently to other Unitholders; and

Amendments to the Constitution

- modification of section 601GC(1) to permit the Constitution to be amended by CPF prior to the issue of Units under this PDS provided it obtains the written consent of all members being the Existing Unitholders and Existing Unit Optionholder.

14.3 Litigation and claims

Neither CPF nor the Fund is a party to any current litigation material to the financial standing of CPF or the Fund and CPF's directors have no such knowledge of any such potential litigation.

14.4 Environment and ethical considerations

CPF as the responsible entity of the Fund does not take into account labour standards or environmental, social or ethical considerations for the purpose of selecting, retaining or authorising investments for the Fund. Environmental factors are addressed as part of normal property due diligence.

14.5 Related party transactions

The Offer and the Fund's ongoing management involve a number of related party transactions, including under the Management Services Agreement and Development and Project Management Services Agreement.

CPF is a related party of Centuria Group for the purposes of Chapter 2E of the Corporations Act. CPF, in its capacity as responsible entity of the Fund, will have an ongoing relationship with a number of entities in the Centuria Group as set out in agreements including the:

- Development and Project Management Services Agreement; and
- Management Services Agreement.

Each of these agreements is summarised in Section 13 and the fees payable are described in Section 8.

In addition, Centuria has advised CPF that it and its associated entities intend to participate in the Offer by applying for up to 3 million Units under the Offer. Centuria and its associated entities will not receive a fee from either the Joint Lead Managers or the Fund in connection with any Application it may make under the Offer.

14.6 Rights attaching to a Unit in the Fund

The beneficial interest in the Fund is divided into Units, which carry all rights, and are subject to all restrictions and obligations attaching to those Units under the Constitution. Each Unit confers an equal undivided interest. A Unit does not confer any interest in a particular asset of the Fund but only an interest in the assets of the Fund as a whole, subject to the liabilities of the Fund.

14.7 Interests of Directors

Except as set out in this PDS, no director or proposed director of CPF holds, or held at any time during the last two years any interest in:

- the formation or promotion of Fund;
- Northpoint; or
- the Offer,

and no person had paid or agreed to pay, or given or agreed to give, any benefit to a director or proposed director of CPF:

- to induce them to become, or to qualify as, a director of CPF; or
- for services provided by a director or proposed director of CPF in connection with either the formation or promotion of the Fund or with the Offer.

At the date of this PDS none of the Directors of CPF have any interest in Units noting that all of the current Units are held by the Existing Unitholders.

The directors' fees for acting as Directors of CPF will be paid by CPF and will not be paid out of the assets or income of the Fund.

14.8 Interests of professional advisers and promoters

Other than as set out in this PDS, no person named in this PDS as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this PDS and no promoter of the Fund or Joint Lead Managers or financial services licensee named in this PDS as a financial services licensee involved in the Offer, holds at the date of this PDS, or has held in the two years prior to that date, an interest in the formation or promotion of the Fund, any property acquired or proposed to be acquired by the Fund in connection with its formation or promotion of the Offer, nor has anyone paid or agreed to pay any amount, or given or agreed to give any benefit, to such persons for services provided in connection with the formation or promotion of the Fund.

14.9 Complaints

The Compliance Plan sets out measures that CPF will apply in operating the Fund to ensure compliance with the Corporations Act and the Constitution of the Fund.

If you have a complaint about the Fund or CPF in connection with your investment in the Fund you can write to the compliance officer at:

Compliance Officer
Centuria Capital
Level 23, 111 Pacific Highway
North Sydney NSW 2060

The compliance officer will acknowledge your complaint immediately, investigate it and report back to you within 45 days. If you are dissatisfied with the response or the complaint is not resolved within 45 days, you may raise the matter directly with the Financial Ombudsman Service Limited ("FOS"). The FOS's contact details are:

Financial Ombudsman Service Limited
GPO Box 3
Melbourne VIC 3001
Telephone: 1300 780 808

If you are after investment advice you should contact your financial adviser.

14.10 Personal information

CPF takes all reasonable steps to protect your personal information. CPF will use your personal information for:

- processing your Application for Units;
- informing you of any other potential investment opportunities in syndicates to be promoted and/or managed by CPF or any of its related entities. If you do not wish to receive this information please contact CPF's privacy officer;
- administering the Fund (including calculation of entitlements and Distributions, and ownership and interests in Units); and
- any purpose related to the above purposes.

Your personal information may be disclosed to related entities of CPF and any organisation (such as an accountant or auditor) involved with the administration of the Fund for any of the above purposes.

The provision of the personal information requested is needed to allow your Application to be processed. By completing the Application Form, you consent, for the purposes of the Spam Act 2003 (Cwlth) and the Unsolicited Electronic Messages Act 2007 (New Zealand) to receiving commercial e-mails from CPF, related entities of CPF or any other entity involved with the administration of the Fund.

You can get access to and correct the personal information about you that CPF holds or a copy of CPF's privacy policy by contacting its privacy officer on +61 2 8923 8923.

14.11 Foreign investors

This PDS does not constitute an offer or invitation in any jurisdiction in which, or to any person to whom, it would be unlawful to make such an offer or invitation. No action has been taken to register the Units or otherwise permit an offering of Units in any jurisdiction outside of Australia or New Zealand. Units may not be offered or sold in any country outside Australia or New Zealand except to the extent permitted below.

Additional information

New Zealand

This PDS is not a New Zealand prospectus or an investment statement and has not been registered, filed with or approved by any New Zealand regulatory authority under or in accordance with the Securities Act 1978 (New Zealand) (or any other relevant New Zealand law). This PDS may not contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

The Institutional Offer in New Zealand is restricted in New Zealand to persons:

- whose principal business is the investment of money or who, in the course of and for the purposes of their business, habitually invest money;
- who otherwise pay a minimum subscription price of at least NZ\$500,000 for Units under the Offer; or
- who have within the last 18 months paid a minimum subscription price of at least NZ\$500,000 for the same Units in the Fund in a single transaction before the allotment of those initial Units.

The Institutional Offer should not be construed as an offer, invitation, proposal or recommendation to apply for Units in the Fund by persons in New Zealand who do not meet the above criteria. Applications or any requests for information in connection with the Institutional Offer from persons in New Zealand who do not meet the above criteria will not be accepted.

European Economic Area – Belgium

The information in this PDS has been prepared on the basis that all offers of Units will be made pursuant to an exemption under the Directive 2003/71/EC (“**Prospectus Directive**”), as amended and implemented in Member States of the European Economic Area (each, a “**Relevant Member State**”), from the requirement to produce a prospectus for offers of securities.

An offer to the public of Units has not been made, and may not be made, in a Relevant Member State except pursuant to one of the following exemptions under the Prospectus Directive as implemented in that Relevant Member State:

- to any legal entity that is authorised or regulated to operate in the financial markets or whose main business is to invest in financial instruments;
- to any legal entity that satisfies two of the following three criteria: (i) balance sheet total of at least €20,000,000; (ii) annual net turnover of at least €40,000,000 and (iii) own funds of at least €2,000,000 (as shown on its last annual unconsolidated or consolidated financial statements);
- to any person or entity who has requested to be treated as a professional client in accordance with the EU Markets in Financial Instruments Directive (Directive 2004/39/EC, **MiFID**); or
- to any person or entity who is recognised as an eligible counterparty in accordance with Article 24 of the MiFID.

Hong Kong

This PDS has not been, and will not be, authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the **SFO**). No action has been taken in Hong Kong to authorise this PDS or to permit the distribution of this PDS or any documents issued in connection with it. Accordingly, the Units have not been and will not be offered or sold in Hong Kong other than to “professional investors” (as defined in the SFO). No advertisement, invitation or document relating to the Units has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the Units which are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors as defined in the SFO and any rules made under that ordinance.

The contents of this PDS have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the Offer. If you are in doubt about any contents of this PDS, you should obtain independent professional advice.

Norway

This PDS has not been approved by, or registered with, any Norwegian securities regulator under the Norwegian Securities Trading Act of 29 June 2007. Accordingly, this PDS shall not be deemed to constitute an offer to the public in Norway within the meaning of the Norwegian Securities Trading Act of 2007.

The Units may not be offered or sold, directly or indirectly, in Norway except to “**professional clients**” (as defined in Norwegian Securities Regulation of 29 June 2007 no. 876 and including non-professional clients having met the criteria for being deemed to be professional and for which an investment firm has waived the protection as non-professional in accordance with the procedures in this regulation).

Singapore

This PDS has not been registered as a prospectus with the Monetary Authority of Singapore. This PDS and any other document or material in connection with the Offer or sale, or invitation for subscription or purchase of the Units may not be circulated or distributed, nor may the Units be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except to “**institutional investors**” (as defined in the Securities and Futures Act, Chapter 289 (the “**SFA**”)), or otherwise pursuant to, and in accordance with the conditions of, any other applicable provisions of the SFA.

This PDS has been given to you on the basis that you are an “institutional investor” (as defined under the SFA). In the event that you are not an institutional investor, please return this PDS immediately. You may not forward or circulate this PDS to any other person in Singapore.

Any offer is not made to you with a view to the Units being subsequently offered for sale to any other party. You are advised to acquaint yourself with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

Switzerland

The Units may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange (“**SIX**”) or on any other stock exchange or regulated trading facility in Switzerland. This PDS has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this PDS nor any other offering or marketing material relating to the Units may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this PDS nor any other offering or marketing material relating to the Units have been or will be filed with or approved by any Swiss regulatory authority. In particular, this PDS will not be filed with, and the offer of Units will not be supervised by, the Swiss Financial Market Supervisory Authority (“**FINMA**”), and the offer of Units has not been and will not be authorised under the Swiss Federal Act on Collective Investment Schemes (“**CISA**”). The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of Units.

This PDS is personal to the recipient only and not for general circulation in Switzerland.

In the United Kingdom, this PDS is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 (“**FPO**”), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together “relevant persons”). The investments to which this PDS relates are available only to, and any invitation, offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this PDS or any of its contents.

United States

This PDS may not be released or distributed in the United States. This PDS does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. Any securities described in this PDS have not been, and will not be, registered under the US Securities Act and may not be offered or sold in the United States except in transactions exempt from, or not subject to, registration under the US Securities Act and applicable US state securities laws.

14.12 Expenses of the Offer

The total expenses of the Offer are estimated to be approximately \$9.0 million.

14.13 Consents

The persons listed in the table below have given and have not, before the lodgement of this PDS with ASIC, withdrawn their written consent to:

- be named in this PDS in the form and context in which they are named;
- the inclusion of their respective reports or statements noted next to their names and the references to those reports or statements in the form and context in which they are included in this PDS; and
- the inclusion of other statements in this PDS which are based on or referable to statements made in those reports or statements, or which are based on or referable to other statements made by those persons in the form and context in which they are included.

Additional information

Name of person	Named as	Report or Statement
Centuria Capital Limited	CPF's parent company	Statements in the Chairman's Letter, Investment overview, and Sections 3.4, 12.4 and 14.5
Deloitte Corporate Finance Pty Limited	Investigating Accountant	Investigating Accountant's Report set out in Section 9
CIMB Capital Markets (Australia) Limited	Joint Lead Manager	n/a
Macquarie Capital (Australia) Limited	Joint Lead Manager and Financial Adviser	n/a
RBS Morgans Corporate Limited	Joint Lead Manager	n/a
Centric Wealth Limited	Co-Lead Manager	n/a
Chapman Tripp	Contact in New Zealand for service	n/a
Jones Lang LaSalle	Market consultant	Overview of Australian commercial property market in Section 5
m3Property Pty Ltd	Valuer	Valuation summary in Section 10
King & Wood Mallesons	Legal Adviser and Tax Adviser	Taxation implications set out in Section 11
The Trust Company Limited	Custodian	n/a
Computershare Investor Services Pty Limited	Registry	n/a
KPMG	Auditor	n/a
MBM	Services consultant	Report on Northpoint's key services referred to in Section 3.5

Each director of CPF, being Peter Done, Matthew Hardy, Edward Psaltis and Jason Hujich, has given and has not, before lodgement of this PDS with ASIC, withdrawn his or her consent to be named in this PDS as a director in the form and context in which they are named and for the statements made by and on behalf of him or her to be included in this PDS. Each director of CPF as at the date of this PDS has consented to the lodgement of this PDS with ASIC.

None of the persons referred to above has made any statement that is included in this PDS or any statement on which this PDS is based, other than any statement or report included in this PDS with the consent of that person as specified above. Each of the persons referred to above:

- has not authorised or caused the issue of this PDS, and makes no representation or warranty, express or implied, as to the fairness, accuracy or completeness of the information contained in this PDS; and
- to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any statements in or omissions from this PDS other than references to its name or a statement or report included in this PDS with the consent of that person as specified above.



Glossary

Defined term	Meaning
AEST	Australian Eastern Standard Time.
AFSL	An Australian Financial Services License issued under the Corporations Act.
Applicant	A person who has applied for Units under this PDS.
Application	The lodgement of an Application Form for Units under this PDS.
Application Form	The form of application for Units attached to this PDS.
Application Money or Application Monies	The money paid by an Applicant to apply for Units under this PDS.
ARMCC	The Audit, Risk Management and Compliance Committee, described in Section 4.4.
ASIC	Australian Securities & Investments Commission.
Assets Under Management or AUM	The book value of the Fund's investment property.
ASTC	The ASX Settlement and Transfer Corporation Pty Ltd ABN 49 008 504 532.
ASTC Settlement Rules	The settlement rules of ASTC.
ASX	ASX Limited ABN 98 008 624 691.
ASX Guidelines	The ASX Corporate Governance Council's Corporate Governance Principles and Recommendations, revised in 2010.
ATO	The Australian Tax Office.
Australian Accounting Standards	The Australian Accounting Standards and other authoritative announcements issued by the Australian Accounting Standards Board and Urgent Issues Group Interpretations.
Billy Blue Premises	Suite G21 on Level 8, Level 9 and Level 10 of Northpoint.
Billy Blue Agreement for Lease	The agreement between Ozton, CPF and the Custodian for the lease of the Billy Blue Premises, as described in Section 13.3.
Board	The Board of directors of CPF.
Broker	Any ASX participating organisation selected by the Joint Lead Managers and CPF to act as a broker to the Offer.
Broker Firm Offer	The offer of Units under this PDS to Australian or New Zealand resident retail clients of Brokers who have received a firm allocation.
Broker Firm Offer Closing Date	The date on which the Broker Firm Offer will close, expected to be 23 August 2013.
Call Option	The call option between Stockland Trust Management Limited as trustee of the Fund, the Custodian and TAG dated 29 February 2008.
Call Option Substitute Arrangements Deed	The call option substitution arrangements deed between CPF, TAG, and the Custodian.
Centric Wealth Limited	Centric Wealth Limited ABN 69 100 375 237.
Centuria	Centuria Capital Limited ABN 22 095 454 336.
Centuria Group	Centuria and its related bodies corporate, as defined in the Corporations Act.
Centuria Parties	Centuria, CPF in its personal capacity and CPF in its capacity as trustee of the Fund.
Centuria Priority Offer	The offer of Units to Eligible Centuria Shareholders and Centuria unlisted fund investors.
Centuria Priority Offer Closing Date	The date on which the Centuria Priority Offer will close, expected to be 23 August 2013.
Centuria Property Services	Centuria Property Services Pty Limited ABN 095 092 526 924.
CHESS	The Clearing House Electronic Subregister System, operated under the Corporations Act.

Defined term	Meaning
CIMB	CIMB Capital Markets (Australia) Limited ABN 17 000 757 111.
CGT	Capital gains tax.
Compliance Plan	The compliance plan of the Fund, as amended or replaced from time to time.
Concurrent Lease	The Concurrent Lease between the Fund as lessor and Ozton as lessee.
Concurrent Lease Substitute Arrangement Deed	The deed between Ozton, CPF and the Custodian, as described in Section 13.1.
Conflicts of Interest Policy	The policy CPF has in place to govern the way in which CPF manages its responsibilities regarding conflicts of interest and related party transactions, as described in Section 4.4.
Constitution	The constitution of the Fund.
Corporations Act	Corporations Act 2001 (Cwlth).
Corporations Regulations	The Corporations Regulations 2001 (Cwlth).
CPF	Centuria Property Funds Limited ABN 11 086 553 639 AFSL 231 149.
CPF Information	All information contained in this PDS other than information which TAG or Ozton has agreed in its absolute discretion to take responsibility for in the PDS.
Custodian	The Trust Company Limited ACN 004 027 749.
Custody Deed	The deed between CPF and the Custodian (as amended), as described in Section 13.9.
CV method	The Comparative Value method, in the context of the FIF regime described in Section 12.22.
DDA	The Disability Discrimination Act 1992 (Cwlth).
Debt Facility	Has the meaning given in Section 2.8.
Debt Facility Agreement	The agreement to be entered into between Commonwealth Bank of Australia, National Australia Bank and CPF relating to the Debt Facility of the Fund.
Deloitte	Deloitte Corporate Finance Pty Limited ABN 19 003 883 127 AFSL 241 457.
Development and Project Management Services Agreement	The Development and Project Management Services Agreement between CPF and Centuria, as described in Section 13.6.
Directors	Each of the directors of CPF.
Distributable Funds	The net profit of the Fund excluding any revaluation gains or losses and non-cash items plus any amounts the Directors determine should be distributed in relation to compensation received from the Existing Unitholders for lease incentives that were agreed to by Ozton but will be borne by the Fund.
Distributable Income	The net profit of the Fund excluding any revaluation gains or losses and other non-cash items.
Distribution	Distribution made on a Unit in the Fund.
Eligible Centuria Shareholder	An Australian or New Zealand resident shareholder of Centuria Capital Limited at the record date for the Centuria Priority Offer being 1 August 2013.
Existing Leases	Leases under which Think: Education Services currently occupies certain areas of Northpoint, as described in Section 13.3.
EOI	Exchange of information, in the context of the taxation implications described in Section 11.

Glossary

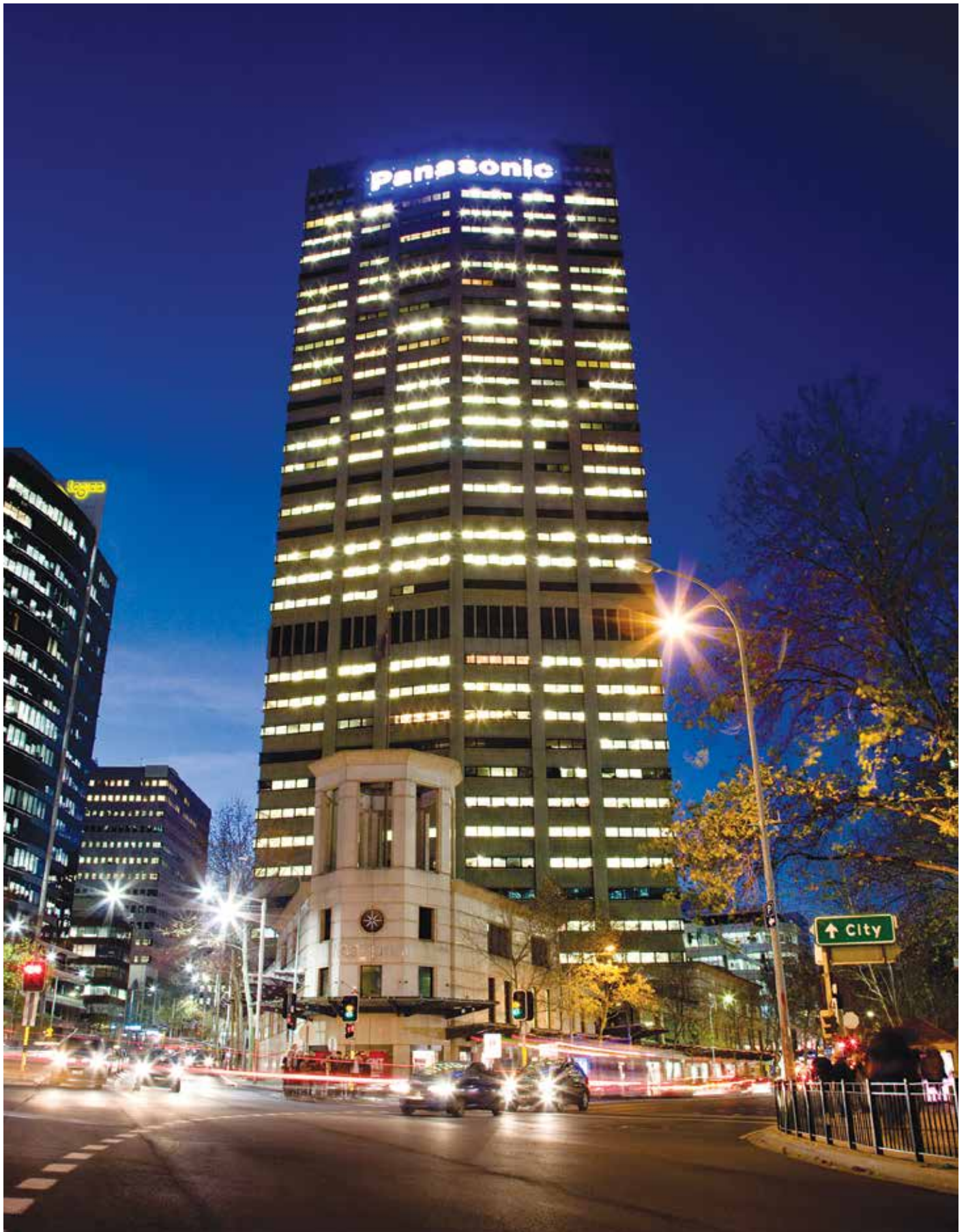
Defined term	Meaning
Existing Unit Option	The option to be issued with 4% of Units on a fully diluted basis held by the Existing Unit Optionholder.
Existing Unit Optionholder	Northfield Properties Pty Ltd ACN 161 070 757 as trustee of the Northfield Investment Trust, an entity associated with an associate of TAG.
Existing Unitholders	The existing unitholders, being TAG (held through its custodian) and Terence Agnew.
Exposure Period	The seven day period required pursuant to the Corporations Act which restricts the Fund from accepting Applications for the issue of Units until seven days after lodgement of the PDS with ASIC.
FDR method	Fair dividend rate method, in the context of the FIF regime described in Section 12.22.
FIF regime	The Foreign Investment Fund regime, as described in Section 12.22.
FIF Unitholders	Unitholders which are taxed under the FIF regime, as described in Section 12.22.
Final Implementation Agreement	The Final Implementation Agreement between Centuria, CPF, Ozton, TAG and NSPT and described in Section 13.1.
Financial Information	The financial information prepared by the directors of CPF, contained in Section 6.
Forecast Financial Information	The financial forecasts contained in Section 6.
Forecast Period	The period from 1 September 2013 to 30 June 2014.
FPO	The Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 (United Kingdom).
FSMA	The Financial Services and Markets Act 2000 (United Kingdom), as amended.
Fund	Centuria Property Trust ARSN 164 553 851 (formerly the North Sydney Property Trust).
FY or Financial Year	The financial year ended or ending 30 June (as the context requires).
Gearing	Borrowings under the Debt Facility plus capitalised borrowing costs less cash, divided by the fair value of investment property.
Gross Rental Income	Rental income received from tenants prior to the deduction of any abatements and non-recoverable expenses.
GST	Has the meaning given in the GST Act.
GST Act	The A New Tax System (Goods and Services Tax) Act 1999 (Cwlth).
Implementation Date	The date on which the Units held by TAG and Terence Agnew which were on issue on 25 June 2013 are redeemed by the Fund in accordance with the Final Implementation Agreement.
Institutional Investor	A person who is a sophisticated or professional investor within the meaning of sections 708(8) or 708(11) of the Corporations Act or a wholesale client within the meaning of section 761G of the Corporations Act.
Institutional Offer	The invitation to Institutional Investors under this PDS as described in Section 12.6.
Investigating Accountant	Deloitte.
Investigating Accountant's Report	The report prepared by Deloitte referred to in Section 9.
Investor	Any person considering the Offer.
Issue Date	30 August 2013.
Issue Price	The price payable for one Unit under this PDS, being \$1.00.

Defined term	Meaning
Joint Lead Managers	CIMB Capital Markets (Australia) Limited ABN 17 000 757 111, Macquarie Capital (Australia) Limited ABN 79 123 199 548, and RBS Morgans Corporate Limited ABN 32 010 539 607.
Lease Variation Fee	The sum of approximately \$47.2 million paid by CPF to Ozton under the Concurrent Lease Substitute Arrangements Deed, as described in Section 13.1.
Listing	The admission of the Fund to the ASX's official list and the quotation of Units by ASX, expected to take place on a deferred settlement basis on 2 September 2013.
Listing Rules	The listing rules of ASX.
m3 Property	m3Property (NSW) Pty Ltd ABN 46 330 373 527.
Macquarie	Macquarie Capital (Australia) Limited ABN 79 123 199 548.
Management Fee	The investment management fee charged by CPF to the Fund.
Management Services Agreement	The Management Services Agreement between CPF and Centuria, as described in Section 13.5.
MBM	MBMpl Pty Ltd ABN 74 099 962 231.
MIT	A Managed Investment Trust for Australian tax purposes.
NABERS	National Australian Built Environment Rating System.
NLA	Net lettable area.
Nomination and Remuneration Committee	The nomination and remuneration committee of CPF, as described in Section 4.4.
Northpoint	'Northpoint Tower', the property located at 100 Miller Street, North Sydney, NSW.
NSPT	NSPT Pty Limited ABN 50 103 118 190.
NTA	The net tangible assets of the Fund.
Offer	The offer of Units under this PDS.
Offer Information Line	1300 394 635 (toll free within Australia) or +61 3 9415 4170 (outside Australia) between 8:30am and 5:00pm (AEST) Monday to Friday during the Offer Period.
Offer Management Agreement	The agreement in relation to the management of the Offer between Centuria, CPF and the Joint Lead Managers.
Offer Period	The period between the Retail Offer Opening Date and Retail Offer Closing Date, 13 August 2013 to 23 August 2013.
Official List	The official list of ASX.
Opening Date	The date on which the Retail Offer will open, expected to be 13 August 2013.
Ozton	Ozton Pty Limited ABN 56 003 435 130.
Ozton Lease	The lease of the Billy Blue Premises which Ozton is obliged to enter into on 1 February 2015, as described in Section 13.3.
Ozton Parties	Ozton, TAG, NSPT in its previous capacity as trustee of the Fund.
PDS	This Product Disclosure Statement dated 13 August 2013.
Portfolio	The properties held by the Fund from time to time, which includes Northpoint for so long as the Fund retains ownership of Northpoint.
Pre-Listing Arrangements	The arrangements relating to the Fund prior to Listing described in Section 13.1.

Glossary

Defined term	Meaning
Proposed Billy Blue Lease Renewal Terms	The non-binding heads of agreement between Think: Education Services and Ozton to lease part of the premises under the Existing Leases from 1 February 2015, as described in Section 13.3.
Prospectus Directive	In the context of the regulatory requirements in the European Economic Area, an exemption under the Directive 2003/71/EC (as amended), as described in Section 14.11.
RBS Morgans	RBS Morgans Corporate Limited ABN 32 010 539 607.
Registry	Computershare Investor Services Pty Limited ABN 48 078 279 277.
REIT	Real estate investment trust.
Relevant Member State	A member state in the European Economic Area, as described in Section 14.11.
Retail Investor	An investor who is not an Institutional Investor.
Retail Offer	Collectively the Broker Firm Offer and the Centuria Priority Offer.
S&P/ASX 50 Index	The Standard & Poors stock market index comprising the 50 largest ASX listed entities by way of market capitalisation.
S&P/ASX 200 Index	The Standard & Poors stock market index comprising the 200 largest and most liquid stocks listed on ASX.
S&P/ASX 200 A-REIT Index	A sector sub-index of the S&P/ASX 200, which provides investors with exposure to Australian real estate investment trusts under the Global Industry Classification Standard (GICS Tier 3).
SFA	The Securities and Futures Act, Chapter 289 (Singapore), as amended.
SFO	The Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong.
Suncorp Facilities	Financial facilities provided by Suncorp-Metway Ltd to the Fund and secured over Northpoint and other assets.
TAG	TAG NSW Pty Limited ABN 15 122 786 118.
TAG Funding	TAG Funding Pty Limited ACN 129 999 364.
Tax Law	The Income Tax Assessment Act 1997, the Income Tax Assessment Act 1936 and the Taxation Administration Act 1953, as applicable.
TFN	Tax File Number.
Think: Education Services	Think: Education Services Pty Limited ABN 47 071 851 842.
TOFA	The Taxation of Financial Arrangements regime under Division 230 of the Income Tax Assessment Act 1997, as described in Section 11.
Tower Holdings Pty Limited	Tower Holdings Pty Limited ABN 66 001 450 728.
Trustee Information	The information obtained by CPF from Ozton for inclusion in this PDS regarding the Fund.
Unit	A fully paid unit in the Fund.
Unitholder	A unitholder in the Fund.
US Securities Act	United States Securities Act of 1933, as amended.

Application Form



This page has been left blank intentionally.

Broker Firm Offer and Centuria Priority Offer Application Form

This Application Form is important and should be read in conjunction with the accompanying Product Disclosure Statement ("PDS") (and any supplementary or replacement PDS). The PDS expires 13 months after the date of the PDS. If you are in doubt as to how to deal with it, please contact your Broker or professional adviser without delay. Broker Firm Offer Applicants must contact their Broker for information on how to submit this Broker Firm Offer Application Form and their payment. You should read the entire PDS carefully before completing this form. To meet the requirements of the Corporations Act, this Application Form must not be distributed unless included in, or accompanied by, the PDS.

If you have a registered address in Australia or New Zealand and you are applying under the Centuria Priority Offer as either an Eligible Centuria Shareholder or Centuria unlisted property fund investor mark the relevant box in Section A below and Eligible Centuria Shareholders should provide their Security Reference Number (SRN) or Holder Identification Number (HIN). If you are not an Eligible Centuria Shareholder or Centuria unlisted property fund investor go directly to Section B.

A Eligible Centuria Shareholders and Centuria unlisted property fund investors

☐ Mark this box if you are an Eligible Centuria Shareholder . You must supply your SRN/HIN (begins with "I" or "X") in the box below: 	OR	☐ Mark this box if you are a Centuria unlisted property fund investor .
---	----	---

B I/we apply for

--	--	--	--	--	--	--	--

C I/we lodge full Application Money

A\$.

Number of Units at \$1.00 per Unit or such lesser number of Units which may be allocated to me/us

Individual/Joint Applications - refer to naming standards overleaf for correct forms of registrable title(s)

[illegible]

E Enter your postal address - Include State and Postcode

Unit		Street Number		Street Name or PO Box /Other Information																	
City / Suburb / Town												State				Postcode				Country	

Enter your contact details

Contact Name 	Telephone Number - Business Hours ()
--	--

G CHES Participant

Holder Identification Number (HIN)

X									
---	--	--	--	--	--	--	--	--	--

Please note that if you supply a CHESSE HIN but the name and address details on your form do not correspond exactly with the registration details held at CHESSE, your application will be deemed to be made without the CHESSE HIN, and any securities issued as a result of the offer will be held on the Issuer Sponsored subregister.

Payment details – Please note that funds are unable to be directly debited from your bank account

Drawer	Cheque Number	BSB Number	Account Number	Amount of cheque
				A\$

Make your cheque or bank draft payable to “Centuria Property Funds Limited”

By submitting this Application Form, I/we declare that this Application is completed and lodged according to the PDS and the declarations/statements on the reverse of this Application Form and I/we declare that all details and statements made by me/us (including the declaration on the reverse of this Application Form) are complete and accurate. I/we agree to be registered as a member of the Centuria Property Trust and to be bound by the Constitution of the Centuria Property Trust, and the terms and conditions of the Offer. I/we make the acknowledgements, representations and warranties set out in the PDS, and agree to the statements set out in the PDS.

See back of form for completion guidelines

How to complete this Application Form

A Eligible Centuria Shareholders and Centuria unlisted property fund investors

Mark box (if you are applying under the Centuria Priority Offer) and insert the corresponding SRN/HIN (for Eligible Centuria Shareholders).

B Units applied for

Enter the number of Units you wish to apply for. Applications under the Centuria Priority Offer must be for a minimum of 2,000 Units (A\$2,000) and in increments of 500 Units (A\$500) thereafter. Broker Firm Offer Applicants should contact their Broker regarding the minimum Application size.

C Application Monies

Enter the amount of application payment. To calculate the amount, multiply the number of Units applied for by the Issue Price (which is A\$1.00 per Unit).

D Applicant name(s)

Enter the full name you wish to appear on the statement of Unit holding. This must be either your own name or the name of a company. Up to 3 joint Applicants may register. You should refer to the table below for the correct forms of registrable title. Applications using the wrong form of names may be rejected. Clearing House Electronic Subregister System ("CHESS") participants should complete their name identically to that presently registered in the CHESS system.

E Postal address

Enter your postal address for all correspondence. All communications to you from Computershare Investor Services Pty Limited ("CIS") will be mailed to the person(s) and address as shown. For joint Applicants, only one address can be entered.

F Contact details

Enter your contact details. These are not compulsory but will assist us if we need to contact you.

G CHESS

Centuria Property Funds Limited ("CPF") will apply to the ASX to participate in respect of Units in CHESS, operated by ASX Settlement and Transfer Corporation Pty Ltd, a wholly owned subsidiary of Australian Securities Exchange Limited. In CHESS, the company will operate an electronic CHESS Subregister of security holdings and an electronic Issuer Sponsored Subregister of security holdings. Together the two Subregisters will make up the CPF's principal register of Units.

If you are a CHESS participant (or are sponsored by a CHESS participant) and you wish to hold Units allotted to you under this Application on the CHESS Subregister, enter your CHESS HIN. Otherwise, leave this section blank and on allotment, you will be sponsored by the CPF and allocated a Securityholder Reference Number ("SRN").

H Payment

Broker Firm Offer

Applicants under the Broker Firm Offer must lodge their Application Form and Application Monies with the relevant Broker in accordance with the relevant Broker's directions in order to receive their firm allocation. Applicants under the Broker Firm Offer must not return this Application Form to the Registry.

Centuria Priority Offer

Centuria Priority Offer Applicants are also able to submit their Application Form via the internet at www.centuriapropertytrust.com.au with payment through BPAY®. Full details of how to make payment through BPAY can be found online at www.centuriapropertytrust.com.au. It is the Applicant's responsibility to ensure that BPAY payment is received by no later than 5:00pm (AEST) on the Centuria Priority Offer Closing Date. If you are applying online and your payment is being made by BPAY, you do not need to return this Application Form.
© Registered to BPAY Pty Ltd ABN 69 079 137 518

If you are making your payment by cheque, make your cheque payable to "Centuria Property Funds Limited" in Australian currency and cross it Not Negotiable. Your cheque must be drawn on an Australian bank or financial institution. Complete the cheque details in the boxes provided. Payment must be received by the CIS at the below address by 5:00pm (AEST) on the Centuria Priority Offer Closing Date.

Lodgement Instructions

Broker Firm Offer Applicants

If you are a Broker Firm Offer Applicant or you have received a firm allocation of Units from your Broker, your Application must be received by your Broker in time for them to arrange settlement on your behalf by the Broker Firm Offer Closing Date (as set out in Section 12 of the PDS). You must contact your Broker for their instructions on how to submit your Broker Firm Offer Application.

Centuria Priority Offer Applicants

Application Forms must be received by CIS by no later than 5:00pm (AEST) on Friday, 23 August 2013. You should allow sufficient time for this to occur. Return the Application Form with cheque(s) attached to:

Centuria Property Trust
Computershare Investor Services Pty Limited
GPO Box 2115
MELBOURNE VIC 3001

Neither Computershare nor CPF accepts any responsibility if you lodge the Application Form at any other address or by any other means.

Privacy Statement

Personal information is collected on this form by CIS, as registrar for Centuria Property Trust, for the purpose of maintaining registers of securityholders, facilitating distribution payments, completing the transactions contemplated in this Application Form and other corporate actions and communications. Your personal information may be disclosed to our related bodies corporate, to external service companies such as print or mail service providers, or as otherwise required or permitted by law. If you would like details of your personal information held by CIS, or you would like to correct information that is inaccurate, incorrect or out of date, please contact CIS. In accordance with the Corporations Act 2001, you may be sent material (including marketing material) approved by Centuria Property Trust in addition to general corporate communications. You may elect not to receive marketing material by contacting CIS. You can contact CIS using the details provided on the front of this form or e-mail privacy@computershare.com.au.

If you have any enquiries concerning your Application, please contact the Offer Information Line on 1300 394 635 toll free (within Australia) or +61 3 9415 4170 (outside Australia).

Correct forms of registrable title(s)

Note that ONLY legal entities are allowed to hold Units. Applications must be made in the name(s) of natural persons, companies or other legal entities in accordance with the Corporations Act. At least one full given name and the surname is required for each natural person. The name of the beneficial owner or any other registrable name may be included by way of an account designation if completed exactly as described in the examples of correct forms of registrable title(s) below.

Type of Investor	Correct Form of Registration	Incorrect Form of Registration
Individual - Use given name(s) in full, not initials	Mr John Alfred Smith	J.A Smith
Joint - Use given name(s) in full, not initials	Mr John Alfred Smith & Mrs Janet Marie Smith	John Alfred & Janet Marie Smith
Company - Use company title, not abbreviations	ABC Pty Ltd	ABC P/L ABC Co
Trusts - Use trustee(s) personal name(s) - Do not use the name of the trust	Ms Penny Smith <Penny Smith Family A/C>	Penny Smith Family Trust
Deceased Estates - Use executor(s) personal name(s) - Do not use the name of the deceased	Mr Michael Smith <Est John Smith A/C>	Estate of Late John Smith
Minor (a person under the age of 18) - Use the name of a responsible adult with an appropriate designation	Mr John Alfred Smith <Peter Smith A/C>	Peter Smith
Partnerships - Use partners personal name(s) - Do not use the name of the partnership	Mr John Smith & Mr Michael Smith <John Smith & Son A/C>	John Smith & Son
Clubs/Unincorporated Bodies/Business Names - Use office bearer(s) personal name(s) - Do not use the name of the club etc	Mrs Janet Smith <ABC Tennis Association A/C>	ABC Tennis Association
Superannuation Funds - Use the name of trustee of the fund - Do not use the name of the fund	John Smith Pty Ltd <Super Fund A/C>	John Smith Pty Ltd Superannuation Fund

Centuria Property Funds Limited (registered office)

Level 23, 111 Pacific Highway
North Sydney NSW 2060

Joint Lead Managers**CIMB Capital Markets (Australia) Limited**

Level 29, 88 Phillip Street
Sydney NSW 2000

Macquarie Capital (Australia) Limited

Level 9, 1 Martin Place
Sydney NSW 2000

RBS Morgans Corporate Limited

Level 9, 88 Philip Street
Sydney NSW 2000

Legal and Tax Advisers to the Offer

King & Wood Mallesons
Level 61, 1 Farrer Place
Sydney NSW 2000

Co-Lead Manager

Centric Wealth Limited
Level 9, 60 Castlereagh Street
Sydney NSW 2000

Investigating Accountant

Deloitte Corporate Finance Pty Limited
Level 9, Grosvenor Place, 225 George Street
Sydney NSW 2000

Auditor

KPMG
10 Shelley Street
Sydney NSW 2000

Registry

Computershare Investor Services Pty Ltd
Yarra Falls, 452 Johnson Street
Abbotsford Vic 3067

Offer Information Line

1300 394 635 (toll free within Australia) or +61 3 9415 4170 (outside Australia) between 8:30am and 5:00pm (AEST) Monday to Friday during the Offer Period

Offer website

www.centuriapropertytrust.com.au

