Cromwell Ipswich City Heart Trust

Cromwell Ipswich City Heart Trust
ARSN 154 498 923
APIR Code CRM0015AU

Product Disclosure Statement

Dated 16 December 2011

Issued by Cromwell Funds Management Limited
ABN 63 114 782 777
AFSL 333214

Cromwell Responsible Investment Series

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For the answer to any questions you have regarding this Trust, please contact your financial advisor or Cromwell Funds Management Limited

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Cromwell Responsible Investment Series

Cromwell Responsible Investment Series

Cromwell Funds Management Limited has established responsible investment criteria against which assets are measured for their environmental and corporate governance standards. The same criteria are applied to the investment vehicle that holds the asset. If the asset and the investment vehicle meet the criteria, the fund will be part of the Cromwell Responsible Investment Series (CRIS) and carry the CRIS Symbol. CRIS funds will also seek inclusion in the *Responsible Investment Certification Program* which is administered by the Responsible Investment Association Australasia (RIAA). For further information on RIAA, visit www.responsibleinvestment.org.

The Cromwell Ipswich City Heart Trust is the first product in the Series. Further details of CRIS and its criteria are detailed in in Section 1.8 of this PDS.

Important Notice and Disclaimer

Cromwell Funds Management Limited ABN 63 114 782 777 ("CFM") holding Australian Financial Services Licence number 333214 is the responsible entity of the Cromwell Ipswich City Heart Trust ("the Trust") ARSN 154 498 923 and is the issuer of this Product Disclosure Statement ("PDS") and the units offered in this PDS. This PDS is dated 16 December 2011.

Neither CFM, the Custodian nor their related entities, directors or officers makes any promise or representation, or gives any guarantee as to the success of the Trust, distributions, amount you will receive on withdrawal, income or capital return or the taxation consequences of investing.

This offer is only open to persons receiving this PDS as a hard copy or electronically within Australia.

The information contained in this PDS is general information only and does not take into account your individual objectives, financial situation or needs. Investors should read this PDS carefully and assess whether the information is appropriate for them in respect of their objectives, financial situation and needs before making any decision about whether to acquire units in the Trust. We encourage investors to consult a financial or other advisor before making an investment decision.

In this PDS, an administration service or an investor directed portfolio service such as a wrap account, master trust or nominee service, is referred to as an "IDPS".

CFM consent to the use of this PDS by IDPS operators that include the Trust on their investment menu.

The information in this PDS is up to date at the time of preparation. However, some information can change from time to time. Information that is not materially adverse may be updated and made available at **www.cromwell.com.au/ich/updates**, and a paper copy of any updated information will be provided by CFM free of charge upon request.

This PDS may be accessed at **www.cromwell.com.au/ich**. If an Investor has received this PDS electronically, CFM will provide a paper copy free of charge upon request to our Investor Services Team on 1300 276 693.

An investment in the Trust is subject to investment and other risks including those risks set out in Section 4.

The PDS contains forward looking statements relating to future matters which are subject to known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of the Trust to be materially different from those expressed or implied by such statements.

All illustrations are artist's impressions only. At the date of this PDS, the Building has not been built.

The Australian Securities & Investments Commission ("ASIC") takes no responsibility for the contents of this PDS.

CFM may change any of the terms and conditions of this PDS with, in the case of material changes, 30 days notice to investors.

Chairman's Letter

Dear Investor

As part of Cromwell's commitment to developing quality property related investment products that suit investor needs, I am pleased to offer you the opportunity to invest in the Cromwell Ipswich City Heart Trust.

The responsible entity of the Trust, Cromwell Funds Management Limited, is seeking to raise $49,250,000 to be used in combination with the Bank Loan to buy the Land and fund construction of the Ipswich City Heart Building, a state of the art environmentally friendly building in the heart of Ipswich, Queensland.

Cromwell Property Group will provide seed funding of up to $20 million by way of the Cromwell Loan and will subscribe for any units not issued by 31 December 2012 up to the Maximum Subscription.

With world markets continuing to experience volatility and low interest rates reducing the yields offered by cash and term deposits, this simple, tax effective investment is a 'back to basics', single property syndicate that has the Queensland Government's Department of Public Works as the major tenant.

The major tenant has agreed to lease 91% of the lettable area of the Building for 15 years, with fixed 3.75% per annum rental increases for the term of the lease.

The property is being developed by a subsidiary of Leighton Holdings Limited, an ASX top 50 listed company and one of the world's major project development and construction organisations. The Developer will enter into a 5 year lease on any areas of the remaining 9% of the lettable area of the Building, which remain vacant on completion of construction.

As with all investments there are risks. However, Cromwell has worked hard to mitigate these risks, as outlined in this PDS.

Based on the issue price of $1.00 per unit, the Trust is forecast to provide investors with a commencing distribution yield of 7.75% per annum increasing to 8.25% per annum during the Forecast Period to June 2015. Distributions are forecast to be paid monthly, with the additional benefits of tax deferral and potential capital growth.

The Trust replicates many features of the successful Cromwell Riverpark Trust launched in 2009 including the 7 year investment period, innovative construction funding structure, strong tenant covenant, and long lease term.

Since 1998, Cromwell has built a portfolio of properties under management valued in excess of $1.8 billion. In that time, Cromwell's experienced management team has catered to the needs of the Government and blue chip sector, which make up a substantial proportion of Cromwell's tenant base, and continues to manage each property in-house for the benefit of investors.

We encourage you to consider an investment in the Cromwell Ipswich City Heart Trust as part of a diversified investment portfolio. In doing so, please read this PDS carefully and consult your financial or other advisor to ensure it is appropriate for your objectives, financial situation and needs.

P. Weightman

Paul Weightman
Executive Chairman
Cromwell Funds Management Limited

Investment Summary

Investment Overview

		Section
Investment Type	Unlisted property trust investing in a single office property	1
Investment Objective	To provide investors with a minimum distribution yield of 7.75%[1] per annum paid monthly over the 7 year term[2] and capital growth potential	1
Investment Asset	A 9 storey commercial office and retail building valued at $92,955,000[3] to be constructed on a site located at 117 Brisbane Street, Ipswich, Queensland ("the Ipswich City Heart Building" or "the Building")	3
Capital Raising Amount	$49,250,000 ("Maximum Subscription")	1.1
Offer Period	The Trust will be open to applications until the Maximum Subscription is reached	
Cromwell Commitment	Cromwell Property Group ("Cromwell") will provide a loan of up to $20,000,000 to fund settlement of the Land and initial costs. Cromwell has committed to subscribe for any units not issued (up to the Maximum Subcription) at 31 December 2012[4].	1.6
First Issue Date	The first units are expected to be issued in December 2011[5]	1.1
Timeframe and Liquidity	The Trust is illiquid with a term of 7 years from the First Issue Date[2]	1.3
Responsible Entity	Cromwell Funds Management Limited ("CFM")	2

1 Based on issue price of $1.00 per unit.

2 Investors may vote to extend this term, for further details refer to Section 1.3.

3 m3property (Qld) Pty Ltd valuation 'as if complete' – refer to Section 11 for the summary valuation report. Excludes transaction costs.

4 Cromwell Subscription may be subject to Cromwell securityholder approval in certain circumstances. For further details refer to Section 1.6.

5 The issue of units may be earlier or later, for further details refer to Section 1.1.

Tenancy Overview

		Section
Major Tenant	Queensland Government's Department of Public Works has signed an agreement for lease for 91% of the lettable area	3
Major Tenant Lease	15 years from the date of Practical Completion, estimated to be September 2013[1]	3

1 Date of Practical Completion may be earlier or later, for further details refer to Section 4.2.1.

Key Dates

Settlement of Land	8 December 2011
First Issue Date	December 2011[1]
Construction Commences	January 2012[1]
Trust closed to applications	When Maximum Subscription reached or 31 December 2012
Practical Completion of Building	September 2013[1]
Trust term ends	December 2018[1,2]

1 Estimated as at the date of this PDS and subject to change.

2 Investors may vote to extend this term, for further details refer to Section 1.3.

Key Financial Information

		Section
Distributions	Forecast at 7.75% per annum[1] from the First Issue Date, forecast to increase to 8.25% per annum during the Forecast Period until June 2015	6.3
Tax Deferral[2]	Distributions forecast to be 100% tax deferred for the period to June 2014, and 84% tax deferred for the year to June 2015	6.3.2
Pro-forma NTA per security	Pro-forma net tangible assets per security forecast to be $0.92 at the date of Practical Completion	6.4
Pro-forma Gearing	The Gearing Ratio is expected to be 52.5%[3] at the date of Practical Completion	1.7.3

1 Based on issue price of $1.00 per unit. Distributions are not guaranteed, see Section 1.4.

2 Tax deferral status is subject to conditions, for further details refer to Section 4.3.8.

3 Calculation based on 'as if complete' valuation and expected Bank Loan balance at the date of Practical Completion.

Investment Details

		Section
Issue Price	$1.00 per unit	8.1
Minimum Investment	$10,000	8.1.1
Distribution Payments	Approximately 10 days after the end of each month	1.4

Risks

			Section
Diversification Risk	The Trust will own a single property, so will not be diversified by investment class, geographic location or different property sectors		4.1
Property Risks	• Construction risk • Rectification risk • Tenancy risk • Valuation risk • Insurance risk	• Capital Expenditure risk • Contamination risk • Development risk • Disaster risk	4.2
Trust Risks	• Liquidity risk • Borrowing risk • Counterparty risk • Manager risk	• Litigation risk • Legal and Regulatory risk • Economic and Market risk • Distribution risk	4.3

Fees and Other Costs[1]

		Section
Indirect Cost Ratio	Forecast to be 0.9% of the Trusts average net asset value until the date of Practical Completion, then 1.51% per annum of the Trust's average net asset value for the remainder of the Forecast Period.	5.1
Transaction Fee	2% of the Property's 'as if complete' value	5.1
Project Management Fee	1% of the Property's 'as if complete' value	5.1
Performance Fee	20% of any excess cash flow above the amount required to generate an internal rate of return of 10% from the Property, payable on sale of the Property or extension of the Trust term	5.2.1

1 Summary of material fees and costs only, for further details refer to Section 5.

Artists impression of the
Ipswich City Heart Building

1 Trust Overview

1.1 The Offer

Subscription proceeds from the Offer together with the Bank Loan, will be used to acquire land at 117 Brisbane Street, Ipswich Queensland ("the Land") and construct a commercial building ("the Ipswich City Heart Building" or "the Building").

A maximum of $49,250,000 ("the Maximum Subscription") is to be raised through the issue of $1.00 units under this PDS. CFM may vary the Maximum Subscription, but does not expect to do so by a material amount. The offer opens on the date of this PDS and will close on the date the Maximum Subscription is raised. No additional units will be issued after this date.

Settlement of the Land ("Settlement") occured on 8 December 2011.

The First Issue Date for units is expected to be in December 2011.

Units will be issued when an application is accepted by CFM, which is generally expected to be within 2 business days of receipt of applicants funds, a valid application and all required supporting information.

1.2 Trust Property

The Land is being acquired from Ipswich City Properties Pty Ltd ("the Vendor") a wholly owned subsidiary of Ipswich City Council. The Vendor and Leighton Properties (Brisbane) Pty Limited ("the Developer") have entered into a joint venture arrangement to redevelop a large site in the heart of the CBD of Ipswich City including the Land. The Trust has entered into a Development Agreement with the Developer which governs the terms on which the Ipswich City Heart Building will be constructed. Under the Development Agreement, the Developer will make provision for a funding allowance ("Funding Allowance") which has the effect of reducing the purchase price of the Property by 8.50% per annum calculated as construction costs are paid. The Funding Allowance is expected to compensate the Trust for the cost of interest and distributions, while the Building is being constructed.

The Queensland Department of Public Works has entered into an agreement for lease ("DPW AFL") over 91% of the lettable area of the Building including 100% of the office areas and part of the retail areas for a term of 15 years. The DPW Lease will commence from the later of 1 October 2013 and the date of Practical Completion. If the date of Practical Completion is prior to 30 September 2013, the Developer will continue to pay the Funding Allowance until commencement of the DPW Lease.

The balance of the lettable area is retail space which will have a 5 year lease from the date of Practical Completion to the Developer ("the Leighton Properties Lease").

As the space leased to the Developer is progressively leased to retail tenants the Leighton Properties Lease will be replaced. The weighted average lease term by income is 13.7 years from the expected date of Practical Completion or 15.5 years from the date of issue of this PDS.

The Trust will own a single property. As a result, the Trust is not and will not be diversified by investment class, geographic location or by exposure to different property sectors.

Settlement of the Land occurred on 8 December 2011. Construction is expected to commence in January 2012 and the date of Practical Completion is expected to be 30 September 2013. However, both of these dates may change.

Further information on the key agreements mentioned above are in Section 3.5 and Section 10.

The Trust does not intend to invest in other unlisted property schemes or listed property securities.

The Trust will hold a limited amount of cash in order to provide working capital and a provision for unforseen capital expenditure.

1.3 Term of the Trust & Sale of the Property

The initial term of the Trust is 7 years from the First Issue Date. During the initial term of the trust, investors have no right of withdrawal. The First Issue Date is estimated to be during December 2011 but may be later at CFM's absolute discretion. As soon as practicable after the end of the term, estimated to be December 2018, CFM will sell the Property and wind-up the Trust. The marketing and sale of the Property would normally be expected to require a period of between three and six months, but may require a longer or shorter period depending on market conditions and other circumstances at the time.

CFM may make a recommendation to investors to sell the Property prior to the end of the term, or to extend the term of the Trust for a further period if CFM believes it is appropriate to do so. In this case, CFM will call a unitholder meeting and investors will be asked to consider and vote on the proposal.

An extraordinary resolution to sell the Property before the end of the term or to extend the term of the trust would require at least 50% of total units able to be voted to vote in favour of the resolution for it to be passed.

If an extraordinary resolution is passed, all investors will be bound by its outcome regardless of whether they voted in favour of, or against, the resolution.

When the Property has been sold, investors will be paid the proceeds of sale (net of all fees and costs), as soon as possible after completion of the sale and the Trust will be wound up.

1.4 Distributions

The Trust's distribution policy is to distribute an amount which is no more than 100% of expected profits available for distribution (excluding unrealised gains/losses) over the medium term.

Distributions are not guaranteed and may be reduced or not paid if forecast profit available for distribution is less than expected or if other unforeseen events occur.

Until Practical Completion, when tenant rental payments commence, the Developer will provide the Funding Allowance which has the effect of reducing the cost of the Property below its valuation. This Funding Allowance will be taken into account in calculating profits available for distribution until Practical Completion. From Practical Completion of the Ipswich City Heart Building, the Trust will earn rental income and all distributions are expected to be paid only from realised income.

The commencing distribution upon issue of units is forecast to be 7.75 cents per unit per annum, which at the issue price of $1.00 per unit equates to 7.75% per annum. Distributions are forecast to increase to 8.00% per annum from July 2013 and 8.25% per annum from July 2014.

Distributions will not be able to be re-invested for additional units.

Distributions are calculated in cents per unit and will be paid monthly based on the number of days in the month an investor holds units in the Trust. Distributions will normally be paid electronically within 10 days of each month end.

The Trust's first distribution is expected to be paid to investors within 10 days of the end of the month in which units are first issued.

All taxable income in a financial year will be distributed by the Trust to investors. Capital gains or losses may also occur on the sale of the Property.

Further information on forecast distributions and the calculation of profit available for distribution is contained in Section 6.3.2.

1.5 Valuation Policy

CFM maintains a documented valuation policy and the Trust complies with this policy.

Where practical, the Property will be independently valued each year after the date of Practical Completion. All independent valuations are to be carried out by appropriately qualified valuers, who are registered with the Valuers Registration Board of Queensland and have a minimum of 5 years relevant experience. Valuers are instructed to undertake their valuation in accordance with industry standards and to outline their valuation methodology within the valuation report.

The Property was independently valued on 27 October 2011 by m3property (Qld) Pty Ltd on an 'as if complete' basis at a value of $92,955,000. This valuation has been determined using a combination of the capitalisation, discounted cash flow and direct comparison methods of valuation. The capitalisation rate used was 8.50%. The "as is" valuation of the Land is equivalent to its purchase price of $5,300,000. A summary of the valuation is contained in Section 11 and the risks associated with valuations are outlined in Section 4.2.4.

It is not envisaged that the Property will be re-valued until Practical Completion.

1.6 Cromwell Commitment

Historically some property syndicates have not completed due to the issuer being unable to raise sufficient investor funds to purchase the property and application funds have been returned to applicants. Cromwell has mitigated this risk by agreeing to commit up to the Maximum Subscription to the Trust ("the Cromwell Commitment"). The Cromwell Commitment will be in the form of a loan of up to $20,000,000 to the Trust ("the Cromwell Loan") and a commitment to subscribe for any unissued units up to the Maximum Subscription at 31 December 2012 ("the Cromwell Subscription"), subject to certain conditions.

The Cromwell Loan will be utilised by the Trust to settle the Land and make initial payments expected to be due under the Development Agreement up to February 2012. The Cromwell Loan will bear interest at an equivalent rate to distributions to investors. Cromwell will not charge any other fees for the provision of the Cromwell Loan.

Based on the expected timing and quantum of subscriptions from investors, and the Financial Information in Section 6, CFM expects that the Cromwell Loan will be repaid by June 2012 from the proceeds of subscriptions and the Cromwell Subscription will not be called upon. However, CFM can call on the Cromwell Subscription at any time, to the extent reasonably necessary to fund the construction of the Building and associated costs.

Any balance of the Cromwell Loan as at 31 December 2012 will automatically convert to units to satisfy the Cromwell Subscription. In addition, Cromwell must subscribe for any amount not issued, up to the Maximum Subscription, at 31 December 2012. For example, if $45,000,000 has been subscribed at 31 December 2012, CFM would require Cromwell to subscribe an amount of $4,250,000 to satisfy the Maximum Subscription.

In certain circumstances, Cromwell may require securityholder approval for part of the Cromwell Subscription in excess of a 50% holding in the Trust to satisfy ASX listing rule requirements, however it is not expected such approval will be required, provided that either CFM elects to call Cromwell to subscribe up to the Maximum Subscription by 30 September 2012, or at least $25,000,000 is subscribed by investors other than Cromwell, by 31 October 2012. If the Cromwell securityholder approval is required, but is not obtained, CFM will consider other alternatives to fund that portion of the equity, including extending the offer period, additional borrowings or an early sale of the Property.

Conversion of the Cromwell Loan to units can occur earlier than 31 December 2012 if a notice of default is issued for the Bank Loan or on any steps being taken to wind up or terminate the Trust. Although these events are considered by CFM to be highly unlikely to occur, this condition ensures the Cromwell Loan does not inadvertently rank ahead of investors units in these circumstances.

Cromwell does not currently intend to hold units in the Trust as a long term investment If Cromwell acquires units in the Trust under the Cromwell Subscription, it is expected Cromwell will continue to seek investors to acquire those units over time.

Monies raised during the offer period will be used to fund the acquisition and construction costs and repay any outstanding Cromwell Loan.

Structuring the Cromwell Commitment in this way minimises transaction costs that may otherwise be incurred.

1.7 Trust Borrowing

1.7.1 Borrowing Policy

Construction of the Building will be partly funded by way of a Bank Loan secured against the Property. Borrowing by the Trust is known as gearing. Repayment of these borrowings ranks ahead of investors' interests in the Trust and payment of interest on borrowings must be funded prior to any distributions being made to investors. As a result, the borrowing policy and borrowing facility expiry profile of the Trust are important factors to consider.

There are risks involved in investing in a geared Trust as gearing magnifies profits, losses and capital gains and losses. See "Borrowing Risk" in Section 4.3 for further information.

CFM has adopted a borrowing policy for the Trust which outlines the level of gearing and interest cover to be applied to the Property. The Trust complies with this policy. Under the borrowing policy, the Trust will not undertake any additional borrowing which would increase the Gearing Ratio of the Trust or the Property above 55%.

Based on the Financial Information in Section 6 and the 'as if complete' valuation of the Property, the Trust expects to maintain the Gearing Ratio below 55% during the Forecast Period.

Under the borrowing policy the Trust will not undertake any additional borrowing after the date of Practical Completion that would decrease the Interest Cover Ratio below 2 times. Prior to the date of Practical Completion, interest costs will be capitalised and will be funded by the Funding Allowance and the Interest Cover Ratio will not be calculated. This is because the Funding Allowance has the effect of reducing the cost of the Property below its 'as if complete' valuation and is designed to compensate the Trust for the cost of interest and distributions paid after the date of Completion and up to the end of the Construction Period.

Based on the Financial Information in Section 6, the Trust is expected to maintain an Interest Cover Ratio above 2 times after the date of Practical Completion and up to the end of the Forecast Period.

1.7.2 Borrowing Facility

CFM has entered into a Bank Loan facility of $50,737,500 for a period of 3 years from Settlement. The terms of the Bank Loan facility are detailed in Section 10.7. The Bank Loan is only expected to be drawn to $48,800,000.

1.7.3 Gearing Ratio

The Gearing Ratio indicates the extent to which the Trust's assets are funded by borrowings. The Gearing Ratio gives an indication of the potential risks faced by the Trust as a result of its borrowings due to, for example, an increase in interest rates or a decrease in property values.

Gearing calculations exclude the Cromwell Loan, as this loan will be repaid either during the Construction Period from the proceeds of subscriptions or converted to units at 31 December 2012.

$$\text{Gearing Ratio} = \frac{\text{Bank Loan}}{\text{Property Value}}$$

The Gearing Ratio on completion of construction of the Building is expected to be 52.5%. This is based on the 'as if complete' valuation summarised in Section 11 and a number of assumptions set out in the Financial Information in Section 6. The Bank Loan is not expected to be utilised until after Maximum Subscription has been reached.

The Trust does not have any off balance sheet financing.

1.7.4 Interest Rates

The interest rate payable on the Bank Loan is made up of two components, the market rate and the margin rate.

The market rate is determined periodically with reference to market data, and can be fixed through hedging for a period of time with the approval of the financier. Fixing the market rate eliminates the impact of interest rate movements on distributions for that period. CFM has fixed the market rate applying to the Bank Loan for the period between July 2012 and June 2015. The Bank Loan is not expected to be utilised prior to July 2012. The market rate applying after the fixed rate period will depend on market conditions at the time.

The margin rate will be set out in the Bank Loan agreement between the financier and the Trust. The margin rate on the Bank Loan will be fixed for the term of the Bank Loan unless on event of default occurs under the loan agreement. A portion of the margin during the Construction Period will be payable based on the total available facility amount, rather than the balance of the facility. The margin rate after expiry of the Bank Loan will depend on a number of factors at the time the loan is refinanced or extended including prevailing market conditions, availability of funding and the Gearing Ratio.

For further details, refer to "Financial Information" in Section 6.

1.7.5 Interest Cover Ratio

The Interest Cover Ratio measures the ability of the Trust to meet its interest payments on borrowings from its earnings. The level of interest cover gives an indication of the Trust's financial health. A higher number indicates greater available funds with which to pay interest costs and distributions. It is a key measure of the risks associated with the Trust's borrowings and the sustainability of borrowings.

$$\text{Interest Cover} = \frac{\text{EBITDA} - \text{unrealised gains} + \text{unrealised losses}}{\text{Interest expense}}$$

The Interest Cover Ratio for the Trust, calculated in accordance with the formula above, is forecast as follows:

	7 mths ending 30 June 2012	Year ending 30 June 2013	Year ending 30 June 2014	Year ending 30 June 2015
Interest Cover Ratio	N/A[1]	N/A[1]	2.55 times[2]	2.64 times

1 Interest is capitalised until Practical Completion.

2 For the period from Practical Completion to 30 June 2014.

The EBITDA (earnings before interest, tax, depreciation, straight lining of rentals and amortisation) and interest expense used in the calculations is based on a number of assumptions set out in the financial information in Section 6.

See "Borrowing Risk" in Section 4.3 of the PDS for further information on the potential impact of adverse changes in the Interest Cover Ratio.

1.8 Responsible Investment Series

CFM considered environmental and governance standards in the establishment of the Trust. These standards influenced the decision to buy the Property although no specific weighting was applied. Systems are in place to ensure these standards are upheld for the life of the Trust.

The environmental and governance standards achieved by the Trust and its asset make it eligible for inclusion in Cromwell's Responsible Investment Series ("CRIS").

In selecting a development asset for inclusion in CRIS, CFM requires an Ecological Sustainable Development ("ESD') and is registered for a Green Star certification, targeting 5 Star Green Star - Office Design v3. This represents a building of "Australian Excellence" in sustainable design according to the Green Star rating tool administrator, Green Building Council of Australia. Once this rating is received there are no ongoing review requirements.

Additionally (or if acquiring an existing building where Green Star ratings are not applicable), CFM targets a minimum National Australian Built Environment Rating System ("NABERS") Base Building Energy rating of 4.5 Stars. NABERS is a national initiative managed by the NSW Office of Environment and Heritage.

Cromwell's in-house property management team aims to maintain the asset to this high NABERS standard for the life of the investment and will monitor the asset under a facilities management operational framework. As part of this framework, annual NABERS reviews are undertaken to check that the building continues to meet energy and water usage targets.

If the NABERS rating fall below the target level, CFM will work to restore the rating to target levels, where it is considered prudent and cost effective to do so.

As a single property investment vehicle, no additional assets are intended to be acquired.

In addition to environmental considerations, CFM applies its best practice corporate governance methodology to the selection, retention and disposal of its assets under management.

Cromwell has embraced the ASX Corporate Governance Principles & Recommendations which are also applied to the management of CFMs investment vehicles. As a financial services licensee and responsible entity, CFM adheres to the relevant ASIC regulations and implements a robust compliance system that aims to ensure adherence to its legal and regulatory obligations. Section 10.2 of this PDS provides further details of CFMs compliance framework.

Although investment risk is addressed in Section 4 of this PDS, Cromwell considers risk mitigation to be an important element for consideration in its Responsible Investment Series. As such, a property's eligibility is rated against variables including:

- Experience and capabilities of the developer;
- Experience and capabilities of the consultants and design team;
- Experience and capabilities of the contractor;
- Technical specifications; and
- Strength of lease covenant.

Trust risks are also assessed, including:

- Ability to complete the transaction in light of economic and market conditions;
- Reliability of income distributions to investors; and
- Ability to manage the legal, regulatory, compliance and borrowing framework.

These criteria are assessed as part of the extensive due diligence undertaken by Cromwell and independent consultants.

While CFM takes environmental considerations into account, CFM does not take into account labour standards, social or ethical considerations for the purpose of selecting, retaining or realising the investment within the Trust.

Cromwell aims to become an Environmental, Social and Governance ("ESG") leader in relation to property management and investment in Australia. The Group has applied the Global Reporting Initiative ("GRI") guideline as the framework for reporting on the Group's ESG performance and has published an annual sustainability report since 2009. It is also in its fifth year of assessing assets against NABERS and more recently Cromwell became a signatory to the United Nation's Principles for Responsible Investment ("PRI") and a member of the Responsible Investment Association of Australasia ("RIAA").

By adopting the PRI principles, the RIAA Charter and demonstrating leadership in GRI reporting, Cromwell hopes to continue to broaden its ESG focus. Cromwell continues to actively pursue assets which meet the high environmental standards achieved by the Trust, and expect to launch further investment vehicles in the Cromwell Responsible Investment Series.

1.9 Related Party Transactions

CFM is the responsible entity for the Trust and has appointed a number of related entities to provide services to the Trust. Related party transactions carry a risk that they could be assessed and reviewed less rigorously than transactions with other parties. Where material transactions occur, investors should consider the capability and sustainability of those related party arrangements and the potential for conflict of interest. CFM has policies and processes in place to manage the risk of any actual or perceived conflict of interest as a result of a related party transaction.

Transactions are only approved if evidence supports the transaction as being one on arm's length terms, or if approval is received from Trust unitholders.

CFM and related entities may also subscribe for or acquire units in the Trust.

For further information, please refer to section 5 (regarding fees paid to CFM and its related parties for services provided to the Trust) and section 10.12 (regarding the related party arrangements that relate to the Trust).

1.10 ASIC Disclosure Principles

In September 2008, the Australian Securities and Investments Commission ("ASIC") issued Regulatory Guide 46 'Unlisted property schemes – improving disclosure for retail investors' ("RG 46").

RG46 sets out eight disclosure principles which, if followed, ASIC believes will help investors understand, compare and assess unlisted property schemes such as the Trust.

Set out below is a table which lists each disclosure principle and where information meeting that principle is included in the PDS. CFM believes that all disclosure principles have been met to the extent that they are relevant to the Trust.

Disclosure Principle		Section
1. Gearing Ratio	This indicates the extent to which the Trust's assets are funded by interest bearing liabilities	**1.7.3** (4.3, 6 and 11 are also relevant)
2. Interest Cover	This indicates the Trust's ability to meet its interest payments from its earnings	**1.7.5** (4.3 and 10.7 are also relevant)
3. Scheme Borrowing	This disclosure is important because it helps investors understand significant risks associated with the Trust	**1.7.1** (4.3 and 10.7 are also relevant)
4. Portfolio Diversification	This discloses the Trust's direct property portfolio, a key element in the financial position and performance of the Trust	**1.2** (3 and 4.1 are also relevant)
5. Valuation Policy	This will help investors understand how CFM will value the Property and assess the reliability of that valuation. Valuations affect the Gearing Ratio and are important for loan covenants	**1.5** (4.2 is also relevant)
6. Related Party Transactions	This will help investors understand and assess the approach CFM takes to transactions between the Trust and CFM's related entities	**1.9** (5 and 10.12 are also relevant)
7. Distribution Practices	This will help investors understand how CFM will fund distributions and assess whether distributions are sustainable	**1.4** (4.3 and 6.3 are also relevant)
8. Withdrawal Arrangements	Investors need to be aware of their withdrawal rights	**8.4** (4.3 is also relevant)

2 Investment Manager

2.1 Cromwell Property Group

Cromwell Property Group ("Cromwell") is an internally managed Australian real estate investment trust (A-REIT) with an Australian property portfolio and an award winning property funds management business. Cromwell is an experienced fund manager specialising in property investment, with over $1.8 billion of property under management.

The Group is a stapled security trading on the Australian Securities Exchange (ASX: CMW) with a market capitalisation of over $650 million as at the date of this PDS.

2.1.1 History

Cromwell has been listed on the ASX since 1971 and began operations as a property fund manager in 1997. In 1998 Cromwell was recapitalised and a new Board of Directors appointed. The first property was acquired for a managed fund in 1999 and since then Cromwell has acquired and managed over $2 billion in property assets.

In 2006, six Cromwell-managed unlisted property funds, including the Cromwell Diversified Property Trust were merged, listed and stapled to Cromwell to create the Cromwell Property Group as it is known today.

Cromwell has grown to become one of Australia's leading property investment groups by adhering to its core business of Australian property investment and focusing on building wealth for its investors. Cromwell has consistently outperformed its ASX listed peers in the A-REIT sector since 2006. Information on performance of Cromwell is confirmed in the most recent annual report and on the Cromwell website, www.cromwell.com.au.

Cromwell is experienced at overseeing construction projects of the nature being undertaken by the Trust, having undertaken similar projects since 2004 with an end value of over $350 million.

2.1.2 Portfolio Management

Cromwell is continually improving its property portfolio, giving particular attention to tenant quality and increasing the weighted average lease term of the portfolio. In recent years this has involved Cromwell using its internal property and project management capability to undertake significant property refurbishments, allowing long-term, blue chip tenants to be retained and secured.

2.1.3 Integrated Property Management

Cromwell's Australian property focus enables it to provide the Group and its managed funds with a full suite of property related services including property sourcing, due diligence, property management, leasing, asset enhancement, debt management and asset realisation.

Many competitors outsource responsibility for the day-to-day management of their properties, whereas Cromwell actively manages all the property assets of the Group and its managed funds in-house, creating a seamless link between investors, the assets and their tenants. This integrated property management model is one of Cromwell's key competitive advantages. By keeping these functions in-house, Cromwell helps to ensure that assets are managed in accordance with the interests of investors and to the expectations of tenants.

2.2 Cromwell Funds Management Limited

Cromwell Funds Management Limited is a wholly owned subsidiary of Cromwell and is the responsible entity of the Trust.

CFM seeks to build on Cromwell's capabilities in its management of the Trust, with the in-depth property knowledge and experience of the wider Group being combined with CFMs funds management capabilities in order to identify quality opportunities in unlisted property for the benefit of investors.

CFM has a strong customer service focus. Investors in Cromwell investment funds receive quarterly newsletters that provide updates on the funds assets. Up to date information on the company, its people and investment funds is also available online at www.cromwell.com.au.

CFM is expected to provide the following services to the Trust:

- arrangement and negotiation of the acquisition of the Land and ongoing strategic advice in relation to the Trust and the Property;
- structuring of the Trust including arrangement of equity funding and arrangement and negotiation of debt funding and interest rate hedging;
- negotiating the terms of construction and managing and overseeing the construction of the Property; and
- day to day management of the Trust and its investment activities.

CFM may assign its right to charge fees set out above and in Section 5 to another related party which is also a wholly owned subsidiary of Cromwell.

Artists impression of Ipswich City Heart Building

3 The Property

3.1 Property Summary

Location	117 Brisbane Street, Ipswich, Queensland
Major Tenant	Queensland Government (Department of Public Works)
Completion	September 2013
Area	Land 3,169 sqm Expected net lettable area 17,734 sqm
Weighted Average Lease Term (WALT)	13.7 years from Practical Completion (15.5 years from the date of this PDS)
Target Environmental Ratings	• 5 Star Green Star - Office Design v3 • 5 Star Green Star - Office As Built v3 • 4.5 Star NABERS Energy rating • 4 Star NABERS Water rating

The nine storey Ipswich City Heart Building will be 91% leased to the Queensland State Government's Department of Public Works ("DPW").

The Building is targeting a Five Star Green Star Office Design and As Built rating under the Green Building Council of Australia ("GBCA") Green Star – Office Version 3 rating tool. Under the rating tool, Five Stars signifies 'Australian Excellence' in environmentally sustainable design and construction, responding to the Government tenant's requirement for a purpose built, long term, flexible working environment in a landmark location.

3.2 Location

The Land is located on the corner of Brisbane and Bell Streets in the heart of the Ipswich CBD.

Ipswich is located approximately 40 kilometres south west of Brisbane and is in the top five national growth catchments in Australia, with the current population (estimated at 175,000) projected to increase by 164% to 462,000 by 2031.

The Property will form part of ICON Ipswich, a masterplanned urban renewal project which is expected to incorporate further office developments, residential units and a 60,000 sqm regional shopping centre. ICON Ipswich is a joint venture between Ipswich City Properties Pty Ltd (a wholly owned subsidiary of Ipswich City Council) and Leighton Properties Pty Limited, which aims to re-invigorate the Ipswich City Centre and reinforce the primacy of the precinct as the retail, commercial, entertainment, residential, cultural and civic heart of the city. Sophisticated architecture, dedicated community and civic spaces and outstanding access to transport are the foundations of ICON Ipswich.

The Land has excellent proximity to amenities including:

- Ipswich Train Station 100 metres (approx);
- Bus Interchange on Bell Street; and
- Ipswich City Mall 100 metres (approx).

The Land was not affected by the January 2011 Queensland floods.

3.3 Building

The Building will incorporate approximately 15,600 sqm of office space over 9 levels, in addition to approximately 2,134 sqm of retail space over the lower ground, ground and mezzanine levels. Also included are 206 basement car parks, 9 moped parking bays and facilities for 120 bicycles. The design for the tower aims to allow engagement with the street, retail and café spaces.

In addition, consistent with the Green Star requirements is the provision of bicycle parking spaces for tenants and visitors with toilet, shower and locker facilities.

The site slopes from the south west corner of Brisbane Street to the north east corner of Bell Street. The Building responds to this by stepping retail around this ground floor. Above the ground floor, the two podium levels generally follow the street alignments to allow maximum light penetration. The Brisbane and Bell Street corner of the tower contains the "Winter Room" space on each office level. The Winter Room is an enclosable balcony that can alternate between an internal and external area and is designed as a place for the tenant to experience the natural weather cycles during those months when it is most enjoyable to be external to the normal building envelope. These enclosable balconies add to the appeal of the Property creating a unique working environment. The approach to the Building design was to incorporate passive design principles and not solely rely upon mechanical services. This approach is applied to daylight penetration, thermal comfort, indoor air quality, transport, land use and adaptive reuse.

The desire for strong daylight penetration is integral to reduce the requirement for artificial lighting thereby reducing energy costs and enhancing occupancy comfort. The depth of the floor plate to glazing has been a significant driver of the Building design. The linear floor plate of approximately 24 metres depth combined with simple fit out strategies, effectively mean no part of the floor plate is more than 10 metres from a natural daylight source.

3.4 Lease Profile

- Queensland Government tenant
- Weighted Average Lease term of 13.7 years from the date of Practical Completion

The Queensland Government's Department of Public Works has signed an agreement for lease for a 15 year lease with two further 5 year option periods over the Building's commercial office floors, part of the retail space, storage accommodation and 177 basement parking bays. The DPW Lease is for 91% of the lettable area.

The remaining lettable area (comprising retail space) will be subject to a 5 year lease with a subsidiary of the ASX listed Leighton Holdings Limited, to be progressively replaced as new tenants are secured.

Further details of the leases are contained in Section 10.5 and 10.6.

3.5 Purchase and Construction

This section is a summary only. For details of the various agreements please refer to Section 10.

There are risks involved in the construction of a building. See "Property Risks" in Section 4.2 for further details.

3.5.1 Land Purchase Agreement

The Trust has entered into the Land Purchase Agreement with Ipswich City Properties Pty Ltd ("the Vendor") to purchase the Land for $5,300,000. The Trust has also entered into the Development Agreement with Leightons Properties (Brisbane) Pty Limited ("the Developer").

Completion of the purchase of the Land from the Vendor ("Settlement") occurred on 8 December 2011 under the Land Purchase Agreement. Further details of the Land Purchase Agreement are contained in Section 10.3.

3.5.2 Development Agreement

The Developer agrees under the Development Agreement to design, develop and arrange for the Building to be built in accordance with agreed design and building specifications.

The amount payable by the Trust under the Development Agreement is forecast to be $87,655,215 ("the Development Amount"). Accordingly, the amount the Trust is obligated to pay for the Land and development and construction of the Building is $92,955,215 ($5,300,000 plus $87,655,215). Any costs in excess of that amount (subject to adjustments for changes in income) are not required to be met by the Trust and must be borne by the Developer. These amounts will be reduced by the Funding Allowance, which is forecast to be $6,600,000 during the Construction Period.

The Development Amount is subject to adjustment following the commencement of the DPW Lease based on final actual net income utilising final surveyed areas, actual achieved rents and actual building outgoings. While the cost of some categories of outgoings are agreed, others are subject to a tender process on or after the date of Practical Completion, or based on actual costs after the date of Practical Completion.

The aim of the adjustments is to protect the Trust from a reduction in net income between the date of the Development Agreement and Practical Completion.

The Developer has entered to enter into a Construction Contract with J Hutchinson Pty Ltd for the Building. Payments to the Builder will be met by the Developer.

Further information on the Development Agreement is contained in Section 10.4.

3.5.3 DPW Lease

DPW has entered into an agreement for lease ("DPW AFL") with respect to 91% of the lettable area of the Property.

DPW can terminate the DPW AFL if the Building is not practically complete by 31 December 2014, which is 15 months after the date the Building is expected to be completed. If DPW terminate the DPW AFL, then the Trust has the ability to exercise the Put Option and require the Developer to purchase the Land from the Trust for an amount equal to the consideration the Trust had paid to date for the Land, registration fees, instalments of the Development Amount and the Funding Allowance. Under the DPW AFL, DPW has required certain design and building specifications for the Building. The Developer must ensure these requirements are met under the Development Agreement.

DPW will enter into the formal lease ("DPW Lease") when the property has reached Practical Completion. The DPW Lease is for a term of 15 years. Further details of the DPW Lease terms are in Section 10.5.

3.5.4 Leighton Properties Lease

During the construction of the Building, the Developer will be attempting to lease the retail space on pre-agreed terms (including minimum rental terms – see Section 10.6). The Developer will enter into a lease ("Leighton Properties Lease") over any unleased retail space for 5 years from Practical Completion while it continues to find suitable tenants. As new tenants are found the Leighton Properties Lease will be progressively replaced by the new tenant leases, providing they meet the minimum criteria set out in Section 10.6.

ICON Masterplan Summary

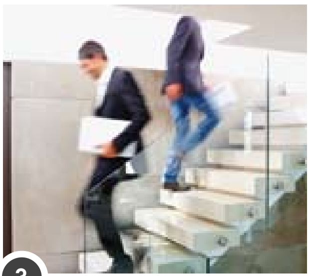
ICON Ipswich is a $1 billion urban renewal project in the heart of the Ipswich CBD, where the Ipswich City Heart Building will be constructed.

The project is a joint venture between Ipswich City Properties Pty Ltd and Leighton Properties Pty Limited which will revitalise the site over the next 5 years in one of the largest regional urban renewal projects in Australia.

Information regarding the development programme is current as at the date of this PDS and is subject to change. See Section 4.2.1

1 Ipswich City Heart Building

2 Perspective from South/West Retail Precinct

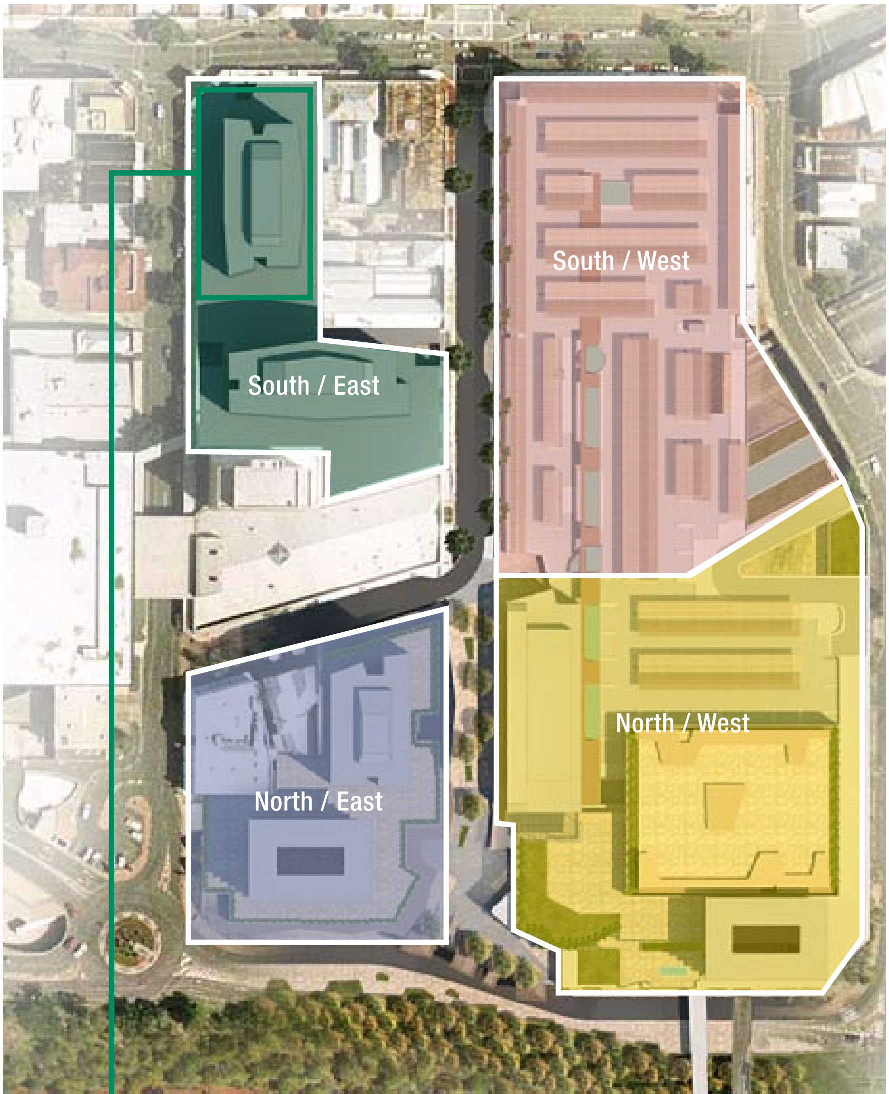


3 Proposed Commercial

4 Proposed Residential

5 Perspective of Plaza from North/West Shopping Centre

6 Proposed Public Library



Development Programme Overview

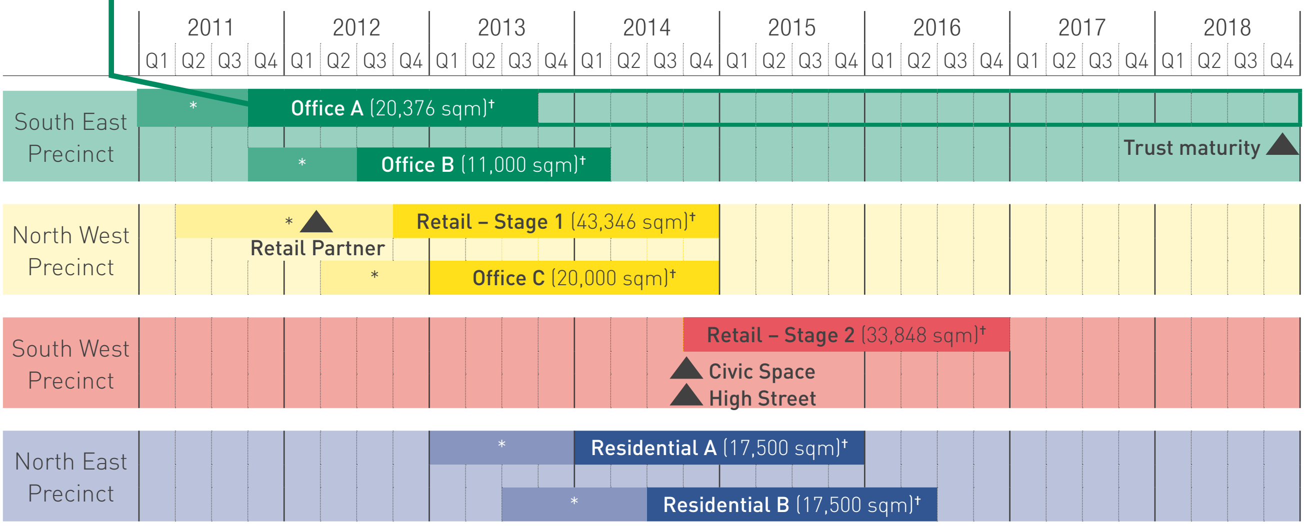
The landmark ICON Ipswich project will span four city blocks and deliver approximately 170,000 square metres of master planned commercial, retail, residential and public space to deliver a 'new generation' city centre.

The project includes a 60,000 square metre shopping centre with cinemas and a public library which are expected to be a significant draw card.

The precinct also boasts excellent transport links and ample parking to cater for a growing population.

As shown in the timeline below, the proposed programme has the final retail stage being completed at the end of 2016.

This allows for a 2 year period between completion of the precinct and the maturity of the Trust and expected sale of the Ipswich City Heart Building. This is expected to be advantageous for the Trust, as the Property will benefit from being a well established asset within a fully completed, master planned precinct.



* Planning/Leasing/Sale followed by Construction period. † Area is approximation of gross floor area.


Artists impression of the Ipswich City Heart Building
Brisbane Street Entrance

Mayor Paul Pisasale
City of Ipswich
Queensland Australia

25 November 2011

Fund Manager
Cromwell Ipswich City Heart Trust

RE: Ipswich City Heart Office Development

As Mayor of the City I am pleased to welcome the Cromwell Property Group and their investors to Ipswich. The recent acquisition of the Ipswich City Heart office complex is a substantial investment in the redevelopment of the Ipswich Central Business District.

The new building is located on a high profile corner in the Ipswich CBD and will be a focal point for the city providing an unmatched profile and immediate access to a range of amenities and transport options. It is an essential part of the Ipswich CBD Masterplan which envisages further office development, around 180 residential units and a 60,000 m2 Regional Shopping Centre, including department stores and a cinema adjacent to the asset.

By 2031 our population is projected to grow from 175,000 to 462,000 and there is an enormous amount of development currently underway to service this growth. Springfield and the new Ripley Valley developments will be home to 200,000 new residents and the 14 industrial parks, in various stages of development, will cater for all types of industry and create the jobs for these new residents.

$21.7 billion has been committed to developing the Western Corridor over the next 20 years including the Ipswich Motorway Upgrade, the Darra to Springfield Rail connection, upgrades to Ipswich Hospital and education infrastructure.

The vision for Ipswich is to be the lead economy in South East Queensland – creating opportunities for residents and businesses through quality new investment, skills development and technology leadership. This is happening now and the redevelopment of the CBD is an integral part of the plan.

We see the Queensland State Government's pre commitment to Cromwell's Ipswich City Heart office complex on a 15+ year lease term as further evidence of the government's support of the Ipswich City Council's CBD Masterplan.

I look forward to working with Cromwell to capitalise on the development and investment opportunities being generated by the growth in Ipswich.

Regards,

Mayor Paul Pisasale
City of Ipswich

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4 Investment Risks

An investment in the Trust is subject to risks. The risks outlined in this section are not exhaustive, but CFM considers them to be the key risks of investing in the Trust. If these risks eventuate, they may result in reduced distributions and/or a loss of some or all of the capital value of an investment in the Trust.

Where applicable, information is included on how CFM aims to manage these risks. However, risks cannot be avoided altogether and some risks are completely outside the control of CFM.

A potential investor should consider the risks and their attitude towards risk in general, when considering an investment in the Trust. The entire PDS should be read and considered.

4.1 Diversification

Except for prudentially regulated investments and Australian government bonds (which tend to offer very low yields relative to other investment options), having all, or a substantial portion of your investment capital in one investment can be a very risky strategy. This is because all investments are at risk of falling in value, even when the market or economy as a whole is doing well. If you only make one investment, and that investment falls in value, then you have no returns from other investments to potentially offset your loss.

However, although all investments involve some risk, that risk may be managed by:

- Investing small amounts regularly to reduce the risk of investing everything just before a market drops;
- Spreading investments across different kinds of investment choices (such as shares, property and cash) to reduce the risk of being in the wrong market at the wrong time;
- Spreading money among shares in different companies, different properties and different industries to reduce the risk of losing heavily on a single investment; and
- Dividing money between a number of investment managers to reduce the risk that the one investment manager you pick performs poorly.

Spreading your investments in this way is known as 'diversification' and is a very common way to manage investment risk.

The Trust will own a single property and so is not diversified by investment class, geographic location of its properties or by exposure to different property sectors. Further, the majority of the lettable area will be leased by a single tenant.

CFM encourages investors to reduce investment risk through appropriate diversification and not to invest a substantial portion of their available investment capital into the Trust.

4.2 Property Risks

These risks relate to investing in property generally as well as particular risks in relation to the Property.

4.2.1 Construction Risk

If there are cost overruns, then the Building would cost more than forecast to complete and additional capital or finance may need to be sourced.

The completion of the Building could also be delayed due to the fault of the Developer or the Builder or other unforseen events. If the Building is not completed on time, the tenants will not begin paying rent when expected.

Further, compensation payments may need to be made to DPW if Practical Completion of the Building is delayed beyond 31 January 2014. These costs are funded by the Developer, but could become the responsibility of the Trust if CFM was required to exercise its "step in" rights.

The ICON masterplan summary on pages 16-17 is indicative only and current as at the date of this PDS and subject to change. The final development may occur sooner or later than indicated and the components may vary. Changes in the masterplan or a delay in the timetable may have a negative impact on the future valuation of the Property.

CFM has negotiated a maximum amount that the Trust will pay to the Developer (subject to adjustments) in relation to the development and construction of the Building. Any costs in excess of that amount will be met by the Developer. The Developer will be paid by way of progress payments in arrears based on construction work completed and verified by an independent quantity surveyor.

CFM has also negotiated 'step-in' rights for the Trust under the Development Agreement such that it can take over control of the development of the Ipswich City Heart Building in certain circumstances.

CFM and its related parties will actively supervise the progress of the project, and has undertaken a number of similar projects in the past. CFM will also engage an independent firm of quantity surveyors and construction cost managers to review the progress claims and cost to complete.

The obligations of the Developer under the Development Agreement are guaranteed by its parent company, Leighton Holdings Limited, an ASX top 50 listed company.

The Trust will continue to receive compensation by way of the Funding Allowance if construction is completed after the expected date of 30 September 2013. This is expected to be sufficient to continue to fund distributions and interest payments during any extended construction period.

4.2.2 Rectification Risk

The Building may contain defects at Practical Completion, the recification of which may be costly.

CFM will be actively involved in the project and checking that the agreed design brief is being followed by the Builder and its sub-contractors.

Under the Development Agreement the Developer must arrange the Builder to rectify or repair as soon as reasonably practical any defect in the base building works notified within twelve months of Practical Completion (or any extended period pursuant to the DPW AFL). To secure this obligation the Developer is required to deliver a bank guarantee within 10 days of the date of Practical Completion.

Unless the Trust exercises its 'step in' rights under the Development Agreement, the obligations associated with any rectification work lie with the Developer.

4.2.3 Tenancy Risk

The Trust's forecast income is largely dependent upon tenants, particularly DPW, paying rent in accordance with their lease terms. There is a risk that these tenants may default on the terms of their lease or that the Trust does not provide agreed minimum service standards, either of which could result in a reduction in rental income for the Trust, and additional expenses associated with re-leasing the tenancy.

CFM aims to manage this risk through active property management, including regular contact with tenants, strong arrears management procedures and utilising professional leasing agents to actively manage any vacancies.

DPW and Leighton Properties are considered by CFM to be low default risk tenants.

CFM will enter into maintenance contracts to reduce the risk of minimum service standards not being reached.

The Developer will be attempting to secure suitable tenants for the retail space during construction and will enter into the Leighton Properties Lease over any remaining vacant space at Practical Completion.

4.2.4 Valuation Risk

The ongoing value of a property is influenced by changes in property market conditions (e.g. supply, demand, capitalisation rates and rentals). The valuation of the Property has been determined on an 'as if complete' basis. There is no guarantee that the Property will enjoy a capital gain on its sale or that the value of the Property will not fall as a result of the assumptions on which the valuation is based proving to be incorrect.

CFM aims to manage this risk by undertaking thorough due diligence on the Property, obtaining independent external valuations prior to Settlement and at least annually from the date of Practical Completion, and regularly reviewing the ongoing investment performance of the Property. In addition, the credit quality of DPW, the structure of fixed rental increases and the long term of the DPW Lease assist to cushion the Trust against any falls in property value as a result of a weakening in underlying market demand or rental rates. At the end of the seven year term of the syndicate the DPW lease will still have approximately 9.8 years to run making it an attractive income investment for a wide range of potential buyers and financiers.

4.2.5 Insurance Risk

The performance of the Trust may be adversely affected where losses are incurred due to uninsurable risks, uninsured risks or under-insured risks. Further, any failure by an insurer or re-insurer may adversely affect the Trust's ability to make claims under an insurance policy.

CFM aims to manage this risk by maintaining appropriate insurance cover in respect of the Property and reviewing that cover not less than annually. Insurance cover during the Construction Period is the responsibility of the Developer.

4.2.6 Capital Expenditure Risk

Capital expenditure on the Building once completed could exceed expectations. This could result in increased funding costs and lower distributions.

CFM works closely with building and other consultants in an effort to ensure ongoing capital expenditure estimates are accurate. As the Building and its facilities will be new, the capital expenditure needed over the life of the Trust is expected to be significantly less than an older building.

4.2.7 Contamination Risk

The valuation of the Property or rental income could be adversely affected by the discovery of an environmental contamination or incorrect assessment of costs associated with an environmental contamination.

External consultants reports have been completed on the site assessing any environmental contamination considerations.

4.2.8 Development Risk

The Trust may be exposed to development risks as a result of a future refurbishment or further development. Development can be subject to external influences over which the Trust has little or no control.

CFM does not currently intend that the Trust will undertake any residual development activity after Practical Completion of the Property. In the event that future development activity were to occur, CFM may look to minimise the associated risks by limiting exposure to cost and time overruns, seeking partners to share risks and seeking pre-commitments from appropriate tenants.

4.2.9 Disaster Risk

Disasters such as natural phenomena, acts of god and terrorist attacks may damage or destroy the Property. It is not possible to insure the Property against some of these events. Occurrence of these events could also lead to insurance becoming unavailable for such events in the future, or premiums increasing above levels expected by CFM. The Property is located within the central business district of the City of Ipswich which was affected by the floods in January 2011. Whilst the site itself was not affected, its proximity to the river does not prevent future floods affecting the site.

The design and construction of the Property has considered flood risk mitigation and management throughout, and the Property is expected to be insured against flood risks from Practical Completion. Insurance during the Construction Period is the responsibility of the Developer.

4.3 Trust Risks

These risks relate to either an investment in the Trust or factors which affect all investments generally.

4.3.1 Liquidity Risk

The Trust is illiquid for the Trust term of seven years. CFM will not offer a withdrawal facility during this period. An investor can however transfer units in the Trust to another person by providing CFM with a completed standard transfer form signed by both the transferor and the transferee. CFM intends to maintain a register of potential buyers and sellers of units and can assist to match buyers and sellers, subject to strict regulatory limitations.

Direct property assets are by their nature illiquid investments. It may be difficult for CFM to dispose of the Property at the end of the term in a timely manner at an optimal sale price. This could affect the timing and / or amount of final distributions when the Trust is wound up.

Further, it may be that, at the end of the Trust's seven year term, investors pass an extraordinary resolution to extend the term of the Trust. Any such resolution will be binding on all investors regardless of whether or not they voted in favour of it.

4.3.2 Borrowing Risk

The Trust's borrowing enhances the potential for increases in distributions and capital gains for investors if the Property increases in value or the Trust income increases. However, it also enhances the potential for reductions in distributions or capital losses in the event that the Property falls in value or the Trust income reduces.

There are certain preconditions which must be satisfied prior to the drawdown of the Bank Loan, including confirmation that the Maximum Subscription has been reached. A failure to meet one or more of these conditions may result in the Bank Loan not being able to be utilised in full, or at all, or in changes to the terms of the Bank Loan.

The term of the Trust is expected to be longer than the term of the Bank Loan and there is no guarantee that CFM will be able to refinance the Bank Loan on maturity. If there are not sufficient funds to meet the interest payments, or if the value of the Property falls materially, or the Bank Loan is in breach of one of the financial covenants set out in Section 10.7, the Bank Loan may be in default and the financier may want to enforce its security over the Property. These events could require payment of the Bank Loan, possibly prior to its expected expiry. This could result in an early sale of the Property, additional equity being required, or distributions being reduced to repay the borrowings.

If the borrowings are refinanced, the interest rate margin payable may be higher than that applying to the current borrowings.

Increases in variable market interest rates (after the period of fixed interest rate hedging expires) will increase interest costs which may result in a reduction in distributions.

CFM regularly monitors borrowings and seeks refinance terms well in advance of the expiry of existing facilities to minimise the risk of an adverse result on refinancing. CFM also undertakes regular monitoring of forecast interest rates and actively manages interest rate risk through hedging (limiting the market rate of interest for a period of time) where considered appropriate and cost effective.

4.3.3 Litigation Risk

The Trust may be involved in disputes and possible litigation. It is possible that a material dispute could adversely affect the value of the assets or the income of the Trust.

CFM aims to manage this risk by carefully selecting tenants, undertaking thorough property due diligence and formalising significant agreements with suppliers and other contractors.

4.3.4 Manager Risk

Investing in the Trust means that an investor is delegating their control over some investment decisions to CFM. How the Trust performs depends partly on the performance of CFM as manager and the performance of any external service providers.

CFM and Cromwell have considerable experience as a property funds manager and aim to use this experience to maximise returns for investors.

4.3.5 Counterparty Risk

There is a risk that a counterparty to an agreement described in Section 10, such as a tenant, the Developer, the Builder or a financier will not perform its obligations under the agreement. This is likely to negatively impact on the Trust.

CFM takes a number of measures to minimise the risk to the Trust of a counterparty defaulting on its obligations. These may include undertaking an assessment of the credit quality of the counterparty and negotiating "step in" rights or the ability to replace a counterparty in certain circumstances. CFM may also ask the counterparty to provide additional support by such measures as bank guarantees or security deposits which are designed to support counterparty obligations in the event of a default.

4.3.6 Legal and Regulatory Risk

Changes in any law (including income tax laws), regulation or government policy could have an impact on the Trust's performance.

4.3.7 Economic and Market Risk

The overall investment performance of the Trust may be impacted by changing economic or property market conditions. These may include movements in interest rates, exchange rates, securities markets, inflation, consumer spending, employment and the performance of individual local, state, national and international economies.

Over recent years up to the date of this PDS, global markets have experienced substantial volatility and lack of liquidity, primarily as a result of a significant reduction in the availability, and increases in pricing of credit. To date this has impacted severely on world markets, however Australia has been relatively less affected than most larger developed economies including the United States, United Kingdom and Europe. At this time it is unclear to what extent the Australian economy will ultimately be affected, and how long the impact may last.

CFM believes the terms attaching to the DPW Lease and the Leighton Properties Lease will result in relative stability of cash flows beyond the term of the current economic downturn, which means the Trust will be relatively less impacted than general property markets as a result of any further deterioration in economic conditions.

4.3.8 Distribution Risk

There is no guarantee that the Trust will pay distributions at the rate forecast in the financial information or at all. The tax advantaged component of the distribution will depend on the Trust satisfying various requirements including its ability to utilise tax losses incurred in the start-up phase. If the Trust does not satisfy these requirements, the tax advantaged component of the distribution could be materially less.

The high quality of tenants and other counterparties and the term of the leases are expected to provide significant certainty of cash flows during the Forecast Period and beyond. In addition, CFM aims to maximise certainty through hedging interest rates where prudent and cost effective to do so, and maintaining strong relationship with major banks in order to maximise the probability and terms of refinance at the end of the Bank Loan term.

5 Fees and Other Costs

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 Australian Securities and Investments Commission ("ASIC") website (www.moneysmart.gov.au) has a managed funds calculator to help you check out different fee options.

5.1 Fees and Other Costs

This 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 Trust assets as a whole.

Taxation information is set out in Section 7.

You should read all of the information about fees and costs because it is important to understand their impact on your investment.

Type of Fee or Cost	Amount[1]	How & When Paid
Fees when your money moves in or out of the Trust		
Establishment fee: This is 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

1 All fees set out in this section are inclusive of the net effect of Goods and Services Tax (GST), (i.e. includes GST net of input tax credits and any available reduced input tax credits). The Trust may not be entitled to claim a reduced input tax credit in all instances.

Type of Fee or Cost	Amount[1]	How & When Paid
Management Costs		
The fees and costs for managing your investment	i) Ongoing Trust management fee of 0.60% per annum of the Trust's gross asset value[2] (i.e. $60 out of every $10,000 of the gross Trust's asset value). This will not be charged until Practical Completion.	Payable from the date of Practical Completion to CFM monthly in arrears unless waived or deferred (refer to Section 5.2.1). Paid from Trust assets.
	ii) Ongoing Administration Costs estimated to be up to 0.15% per annum of the Trust's gross asset value[2] (i.e. $15 out of every $10,000 of gross asset value).	Payable when incurred. If expenses are initially paid by CFM, CFM is entitled to be reimbursed upon presentation of relevant invoices. Paid from Trust assets.
	iii) Performance Fee of 20% of the outperformance above a 10% IRR of the Property.	Payable to CFM in cash upon the sale of the Property and for any extension of the term. Paid from Trust assets.
	iv) Removal Fee equivalent to any stated fees that CFM has deferred over the life of the Trust and an amount equivalent to the Performance Fee that would have been payable if the Property was sold on the date CFM ceases to be responsible entity.	Paid by the Trust if CFM is removed as responsible entity of the Trust. Paid from Trust assets.
	v) Abnormal Expenses which can not be estimated with any certainty.	Payable when incurred. Paid from Trust assets.

1 All fees set out in this section are inclusive of the net effect of Goods and Services Tax (GST), (i.e. includes GST net of input tax credits and any available reduced input tax credits). The Trust may not be entitled to claim a reduced input tax credit in all instances.

2 Fees are calculated and charged monthly in arrears. For the purpose of calculating monthly fees, the amount of gross assets is determined using the average of the months opening and closing gross assets from the date of Practical Completion, as determined per the Trust's monthly financial accounts.

Type of Fee or Cost	Amount[1]	How & When Paid
One-off Establishment Costs[2]		
Transaction Fee: The fee for acquiring the Trust property, arranging the Bank Loan and raising the equity	2% of the valuation of the Property of $92,955,000 which is $1,859,100	Charged by CFM or a related party monthly in arrears in proportion to the percentage of building works completed.
Project Management Fee: The fee for managing the development process for the Trust	1% of the valuation of the Property of $92,955,000 which is $929,550	Charged by CFM or a related party monthly in arrears in proportion to the percentage of building works completed.

1 All fees set out in this section are inclusive of the net effect of Goods and Services Tax (GST), (i.e. includes GST net of input tax credits and any available reduced input tax credits). The Trust may not be entitled to claim a reduced input tax credit in all instances.

2 These fees are paid by the Trust, are associated with the initial establishment of the Trust and are one-off in nature and therefore have not been included in the ongoing management costs for the Trust. These fees and other costs result in a reduction in the initial Net Tangible Asset backing per unit, which is estimated in Section 6.4 at $0.92.

Service Fees[1]		
Switching fee: The fee for changing your investment options	Nil	Not applicable

1 Advice fees agreed between you and your financial adviser, and other service fees, may apply to your investment in the Trust through this PDS. See section 5.4 for further details about the advice fees that may be payable.

5.2 Additional Explanation of Fees and Costs

5.2.1 Ongoing Management Fees and Costs

These fees and costs are paid by the Trust and therefore indirectly by you in proportion to your investment in the Trust. If CFM or a related party is liable to pay GST on any fees charged to the Trust, CFM is entitled to be reimbursed by the Trust for the GST liability.

Trust Management Fees

These are the fees that CFM charges for managing and overseeing the Trust's operations and providing access to the Trust. CFM will not charge this fee until the date of Practical Completion. The management fee is calculated and charged monthly in arrears.

Ongoing Administration Costs

The Trust will incur administration costs such as audit costs, custodial fees, compliance committee costs, accounting/tax/legal advice, bank charges, printing and stationery costs, postage and registry fees. CFM estimates these at a maximum of 0.15% per annum of the Trust's gross asset value.

Performance Fee

Performance fees are included in the management costs section of the Fees and Other Costs table in Section 5.1.

CFM is entitled to be paid a performance fee as soon as possible after the sale of the Property, or on an extension of the Trust term. The amount of the Performance Fee will be 20% of the excess amount, above an internal rate of return ("IRR") of 10% from the Property from the date of acquisition of the Property (or the most recent extension of the Trust term) until the date of sale of the Property (or the date the Trust term is extended). The internal rate of return will be calculated based on the monthly net cash flows in respect of the Property including but not limited to:

- the purchase price of the Land and construction cost of the Building;
- the acquisition costs of the Property including stamp duty, transfer fees, due diligence costs, part of the CFM transaction fee attributable to the Property and CFM project management fee;
- capital improvements after purchase;
- lease costs and lease incentives;
- rental and other property income less property outgoings and taxes; and
- proceeds of sale less any costs of selling the Property.

For the avoidance of doubt the internal rate of return does not include payments or receipts in respect of any loan or equity utilised to purchase the Property or any management fee or other costs not directly attributable to the Property.

Where the Trust term is extended, the most recent valuation will be substituted for the proceeds of sale less a selling cost allowance of 1% of the valuation. If the Trust term is extended for a second or subsequent period, the previous valuation (less the selling cost allowance) will be substituted for the purchase price of the Land and construction cost of the Building.

Performance Fee Example

This example is provided for information purposes only to illustrate the calculation of the performance fee. Actual results may vary significantly from those in this example, particularly if the Property is sold at a date which is earlier or later than the expected term of the Trust.

Based on the expected financial performance of the Trust for the Forecast Period, and reasonable estimates of financial performance after that date, the Property would need to be sold at the end of the Trust's expected term of 7 years for approximately $101,612,000 (before selling costs are deducted) to show an internal rate of return of 10%, before CFM would be entitled to a performance fee. Based on those assumptions, which include an average distribution amount of 8.38 cents per unit per annum, this would be sufficient to return approximately $1.11 per $1.00 invested to investors. CFM would be entitled to a fee equivalent to 20% of the excess above this amount. For example, if the Property was sold for an amount which resulted in an additional $5,000,000 proceeds after selling costs being realised (equivalent to a Property sales price of approximately $106,662,000), CFM would receive a performance fee of $1,000,000 (being 20% of $5,000,000) and investors would receive approximately $1.19 for each $1.00 invested.

Removal Fee

On removal as responsible entity of the Trust CFM will require payment of any fees it has previously deferred and an amount equivalent to the Performance Fee that would have been payable if the Property was sold on the date CFM ceases to be responsible entity.

Abnormal Expenses

CFM is entitled to be reimbursed from the Trust for abnormal expenses, such as the cost of unitholder meetings, legal costs of any proceedings involving the Trust and terminating the Trust. Whilst it is not possible to estimate such expenses with certainty, CFM anticipates that the events that give rise to such expenses will rarely occur.

Reimbursement of Costs

CFM is entitled, under the Constitution, to be reimbursed for all expenses and liabilities (which include the ongoing administration costs and abnormal expenses referred to above) which it may incur in the proper performance of its duties under the Constitution. These expenses include (but are not limited to):

- costs, charges and expenses of establishing the Trust and the Constitution including the preparation, due diligence, registration, promotion and distribution of any disclosure document in respect of the Trust;
- costs, charges and expenses incurred in connection with the acquisition or proposed acquisition of any Assets of the Trust (including stamp duty payable in accordance with the law);
- costs, charges and expenses of maintaining and improving any assets of the Trust;
- fees and expenses of the auditors;
- costs, charges and expenses incurred in connection with the borrowing of monies on behalf of the Trust or in connection with the Trust assets;
- fees and expenses of any approved valuer or other expert employed by the Trust;
- costs of convening and holding any meeting of investors;
- expenses incurred in connection with the keeping and maintaining of accounting and financial records and registers including the register of investors;
- costs, charges, and expenses and disbursements paid or payable to the Custodian;
- the fees and expenses of the compliance committee of the Trust;
- fees incurred in arranging finance or refinancing debt;
- fees and expenses in connection with any audit of the compliance plan; and
- any underwriting fees in respect of the issue of any units or other costs incurred in connection with the issue of units under any offer.

5.2.2 Other fees and costs incurred in the normal course of the Trust's business

Property Management Fees

CFM expect to appoint Cromwell Property Services Pty Ltd ("Cromwell Property") a related company, to manage the Property. However, Cromwell Property may retain an external property manager to perform some property management functions.

Cromwell Property will be paid property management fees at commercial market rates for the property management functions it performs.

In circumstances where property management fees form part of the outgoings of the Property, they may be recoverable, in full or in part, from tenants under the terms of their leases and to the extent this occurs there will be no net cost to the Trust.

Leasing Fees

Cromwell Property will receive leasing commissions if it secures new tenants or renews or extends leases with existing tenants for the Property. These fees will be charged at commercial market rates, depending on the size of the area leased, the term of the lease and the conditions of the lease. Where an external agent is retained to introduce new tenants, the external agent will be paid by the Trust at commercial market rates. In such cases, Cromwell Property will limit its fee to the commercial rate for a coordinating agent.

Property Capital Expenditure

Cromwell Property or another related party of CFM will provide services to the Trust to manage the ongoing property capital expenditure programme. External project managers are also used from time to time. Services are charged at commercial market rates.

Asset Disposal Fee

Cromwell Property may act as the selling agent of the Trust's property. Where it or any other related party of CFM is appointed selling agent, Cromwell Property will receive a fee of up to 1% of the sale price upon completion of any such sale. Where any other real estate agent is appointed to sell the Property, Cromwell Property will limit its fee to no more than 1% of the sale price, including external agent fees.

Accounting Services Fee

A related party of CFM will keep and maintain the Trust's financial and accounting records and will charge the Trust accounting services fees at commercial market rates for the provision of those services.

Other Service Fees

CFM or a related party may also provide other services to the Trust or the investors in the future such as registry or other management services. Should that occur, CFM or a related party will charge fees for those services at commercial market rates for the provision of those services.

5.2.3 Differential Fees

CFM may rebate fees on an individual basis as permitted by the Corporations Act and ASIC relief. By way of example, CFM may rebate fees with wholesale investors as defined in the Corporations Act, including IDPS operators.

5.2.4 Related Party Transactions

In the execution of transactions, CFM expect to deal with professional organisations that could include associated entities. All transactions are conducted on arm's length terms and in accordance with Cromwell's related party transactions policy. Refer to Section 10.12 for further information.

5.2.5 Changes to Fees and Expenses

CFM may change the fees and expenses referred to in this PDS. CFM will provide at least 30 days notice to investors of any proposed increase in fees or expense recoveries or introduction of new fees.

5.3 Waiver or Deferral of Fees

CFM may at its discretion:

- partially or fully waive any fees to which it is entitled; or
- defer its entitlement to fees to which it would otherwise be entitled, and may claim these in the event it is removed as responsible entity of the Trust.

As at the date of this PDS, CFM has agreed not to charge any management fee until the date of Practical Completion of the Property and has not deferred its entitlement to any fees.

The maximum fees chargeable by CFM as set out in the Constitution are the same as those outlined in this Section with the exception of the following:

- the maximum management fee is 1% per annum of the total value of all Trust property but CFM has agreed not to charge any management fee for the period until the date of Practical Completion of the Property and will charge 0.6% per annum thereafter;
- the maximum acquisition fee for any further assets acquired by the Trust in addition to the Property is 2% of the gross value of any asset acquired for the Trust (including the projected value of any building to be constructed on land acquired). The Trust is a single property investment vehicle and no additional assets are intended to be acquired; and
- a removal fee of up to 2% of the gross asset value of the Trust is payable to CFM on removal as responsible entity of the Trust but CFM has agreed not to charge this fee.

All the above fees are excluding GST. Under the Constitution CFM is also entitled to recover an additional amount from the Trust on account of any GST liability it has in relation to the above fees.

5.4 Payments to Your Financial Adviser

5.4.1 Advice Fees

You may agree with your financial adviser that an initial advice fee will be paid for financial planning services your financial adviser provides for you. This advice fee is additional to the fees shown in Section 5.1, and is paid to your financial adviser, not to CFM.

You and your financial adviser determine the amount of any advice fee. The fee is a fixed percentage of each investment amount. We deduct the fee agreed between you and your advisor up to 3% from each investment amount and forward it to your financial adviser before issuing units in the Trust.

This information must be noted on your application form when you make your initial investment.

5.4.2 Other Payments and Benefits

Your financial adviser may receive payments and/or other benefits from the dealer group or organisation under which they operate. These payments and benefits are not paid by the Trust.

5.5 Example of Annual Fees And Costs

The table below gives an example of how the fees and costs for this product can affect your investment over a 1 year period. You should use this table to compare this product with other managed investment products.

This table assumes that, for the period, Practical Completion has been reached, the ongoing Trust management fee is payable at 0.60% per annum of the Trust's gross asset value and ongoing administration costs are payable in accordance with the forecasts. However, refer to Section 5.2 and the notes below for further detail of fees and how they may change.

Example: Balance of $50,000

Ongoing Management fees or ICR[1]	1.51% per annum	For every $50,000 you have in the Trust you will be charged $755 each year[2].
Contribution Fee	0%	Nil
Equals Cost of Trust		If your balance was $50,000 then for that year you will be charged total fees of $755[2]. **What it costs you will depend on the fees you negotiate with your financial advisor.**

1 Indirect cost ratio (ICR) is a measure of the indirect management costs of investing in the Trust, being those borne by all investors on a proportional basis. The ICR is estimated to be up to 1.51% per annum on a net asset basis. The fee table in 5.1 shows the ongoing Trust management fee and ongoing administration costs on a gross asset basis, as it is on that basis that CFM charges the Trust.

2 This example does not include performance fees, removal fees or abnormal expenses as it is not possible to give an accurate estimate of these costs. It also does not include any additional fees that your financial advisor or IDPS operator may charge you. The example also does not include the fees associated with establishing the Trust, acquiring the Land and constructing the Building because they are one-off and not part of the ongoing management costs of the Trust. These fees along with other costs, result in reduction in the initial Net Tangible Assets backing per unit, which is estimated in Section 6.4 at $0.92.

6 Financial Information

This section contains the following information ("the Financial Information"):

6.1 Basis of Preparation

Financial Information has been presented in an abbreviated form, in so far as it does not include all the disclosures required by International Financial Reporting Standards ("IFRS") applicable to annual financial reports prepared in accordance with the Corporations Act.

The forecasts contained within the Financial Information have been prepared on the basis of the best estimate assumptions and key accounting policies set out within the relevant sections of the Financial Information and should be read in conjunction with those assumptions and accounting policies and the investment risks set out in Section 4. The directors of CFM believe the forecasts contained within the Financial Information are reasonable and are based on best estimate assumptions as set out in this section. Although due care and attention has been taken in preparing the Financial Information many factors which affect the Financial Information are outside the control of the directors or are not capable of being foreseen or accurately predicted. As such actual results may differ materially from the Financial Information.

Forecasts have been prepared for the Trust for the 7 month period ending 30 June 2012, and for each of the following 3 financial years ("Forecast Period").

6.2 Forecast Sources and Application of Funds

The Trust was constituted on 13 July 2011 and will prepare its first annual financial report for the period ending 30 June 2012. Settlement of the Land occurred on 8 December 2011 and the date of Practical Completion is forecast to be 30 September 2013.

Funds for the acquisition of the Land and construction of the Ipswich City Heart Building are assumed to be sourced and applied as set out below.

	$'000
Sources of Funds	
Equity Subscribed[1]	49,250
Bank Loan	48,800
Total Sources of Funds	**98,050**
Application of Funds	
Land Purchase and Building Construction[2]	88,279
Property Acquisition Costs[3]	354
Property Acquisition Fee – CFM[4]	697
Project Management Fee – CFM	930
Loan Establishment Costs – CFM[4]	203
Loan Establishment Costs – Other[5]	297
Equity Issue Costs – Other	350
Equity Issue Costs – CFM[4]	959
Management Costs to Practical Completion[6]	128
Distributions during Construction Period[7]	4,888
Cash	965
Total Application of Funds	**98,050**

1 It is assumed Maximum Subcription is raised, however the Cromwell Loan is expected to be utilisied in part, from December 2011 until June 2012.

2 Includes Land purchase, construction costs, consultants fees and all other costs expected to be payable under the Development Agreement and capitalised interest during the construction period.

3 Includes property stamp duty, legal and other professional fees and due diligence costs relating to the acquisition of the Land.

4 CFM's total transaction fee of $1,859,000 includes loan co-ordination fees of $203,000, equity co-ordination fee of $959,000 and property acquisition fee of $697,000. CFM will charge the transaction fees in proportion as the Building is constructed under the Development Agreement.

5 Includes loan facility establishment costs, valuation fees and legal and other professional costs relating to the arrangement of the Bank Loan.

6 Operating costs are shown net of expected interest income to Practical Completion.

7 Distributions and interest costs until the date of Practical Completion are funded from the Funding Allowance provided by the Developer under the Development Agreement.

6.3 Forecast Income and Distribution Statements

6.3.1 Income Statement

Set out below is the Forecast Income Statement of the Trust for the Forecast Period. The Forecast Income Statement should be read in conjunction with the best estimate assumptions and key accounting policies set out within the relevant sections of the Financial Information, and the investment risks set out in Section 4.

	7 months ending 30 June 12 $'000	Year ending 30 June 13 $'000	Year ending 30 June 14 $'000	Year ending 30 June 15 $'000
Revenue and property expenses				
Rental income	0	0	8,556	11,425
Property expenses	0	0	(773)	(1,052)
Net property income	0	0	7,783	10,373
Interest	8	110	37	61
Other expenses				
Responsible entity fees	0	0	(425)	(584)
Administration costs	(78)	(137)	(142)	(146)
Finance costs – interest	0	0	(2,119)	(2,826)
Finance costs – amortisation	(97)	(167)	(167)	(70)
Profit/(loss) before fair value adjustments	**(167)**	**(194)**	**4,967**	**6,808**
Net gain on fair value adjustments:				
Investment property[1]	0	0	2,695	0
Interest rate derivatives[2]	0	0	0	0
Profit/(loss)	**(167)**	**(194)**	**7,662**	**6,808**

1 Net gain on fair value adjustments of Investment Property is included only to the extent of an increase in the carrying value on the date of Practical Completion to the 'as if complete' valuation and writing off initial capitalised acquisition costs. This has been the only change in value forecast as there is no reasonable basis to make future forecasts in relation to Investment Property values due to a number of factors which are outside the control of CFM.

2 Net gain on fair value adjustments of interest rate derivatives has not been forecast as there is no reasonable basis to make future forecasts in relation to values due to a number of factors which are outside the control of CFM.

6.3.2 Distribution Statement

Set out below is the Forecast Distribution Statement of the Trust for the Forecast Period. The Forecast Distribution Statement shows the profit available for distribution to investors by adjusting profit before fair value adjustments for certain non-cash and significant items.

	7 months ending 30 June 12 $'000	Year ending 30 June 13 $'000	Year ending 30 June 14 $'000	Year ending 30 June 15 $'000
Profit/(loss) before fair value adjustments	(167)	(194)	4,967	6,808
Add back:				
Straight-line rentals	0	0	(1,872)	(2,246)
Finance costs – amortisation	97	167	167	70
Funding Allowance[1]	892	3,935	1,773	0
Interest capitalised[2]	(422)	(331)	(567)	0
Profit available for distribution	400	3,577	4,468	4,632
Distributions paid/payable	(468)	(3,435)	(3,940)	(4,063)
Surplus/Shortfall	**(68)**	**142**	**528**	**569**
Forecast distributions per unit (annualised rate)	7.75 cents	7.75 cents	8.00 cents	8.25 cents
Forecast tax advantaged component of distributions[3]	100%	100%	100%	84%

1 The Funding Allowance reduces the cost of construction under the Development Agreement. This allowance is designed to compensate the Trust for the costs of interest and distributions until the date of Practical Completion.

2 Under accounting standards interest costs during the Construction Period will be capitalised against the cost of the Property. Interest is shown net of forecast line fees payable prior to the first loan drawn down date, which are $326,000 in FY12 and $279,000 in FY13.

3 Due to the availability of tax deductions for depreciation and building allowances, interest and some equity raising costs, distributions are forecast to be partially tax deferred for the Forecast Period. Further taxation information is set out at Section 7.

6.4 Forecast Pro-forma Balance Sheet

Set out below is the forecast Pro-forma Balance Sheet of the Trust. The Pro-forma Balance Sheet assumes construction of the Building is completed on 30 September 2013, the Maximum Subscription has been raised, the Cromwell loan has been repaid and the Bank Loan is drawn to $48,800,000. The Forecast Pro-forma Balance Sheet should be read in conjunction with the best estimate assumptions and key accounting policies set out within the relevant sections of the Financial Information and the investment risks set out in Section 4.

	Pro-forma $'000
Current assets	
Cash and cash equivalents[1]	1,293
Total current assets	**1,293**
Non-current assets	
Investment property[2]	92,955
Total non-current assets	92,955
Total assets	**94,248**
Current liabilities	
Distributions payable	328
Total current liabilities	**328**
Non-current liabilities	
Borrowings[3]	48,605
Total non-current liabilities	**48,605**
Total liabilities	**48,933**
Net assets	**45,315**
Equity	
Units issued	49,250
Transaction costs	(1,309)
Undistributed losses[4]	(2,626)
Total equity	**45,315**
No of units issued ('000)	49,250
Net asset value per unit	$0.92

1 Cash includes an amount of $328,000 for one months distributions, which is payable on the 10th of the following month and shown as a current liability.

2 Investment Property is included at fair value ('as if complete' valuation). All acquisition property costs and fees are effectively written off as part of the fair value adjustment.

3 Borrowings are shown net of the costs of establishing the Bank Loan which will be amortised as finance costs over the term of the facility.

4 Undistributed losses incorporate forecast results for the period ending 30 September 2013 less distributions paid for this period as set out in the forecast income and distribution statements in Section 6.3.2.

6.5 Key Accounting Policies

The Financial Information has been prepared in accordance with IFRS, the Corporations Act and the Constitution. The Financial Information has been prepared on the basis of historical cost except for investment property which is carried at fair value.

6.5.1 Investment Property

Investment property comprises land, buildings and improvements and is held for long-term rental income. Investment property is initially recorded at cost, including costs of acquiring and constructing the property. Investment property is revalued to fair value at each balance date. Fair value is determined at each balance date with reference to:

- Independent valuations prepared by external valuers; and
- Assessment by CFM to identify any material changes which may have an impact on value.

Gains or losses arising from changes in fair value are included in the income statement in the period in which they arise. The carrying amount of investment property recorded in the balance sheet may include components relating to straight-lining of rental income relating to fixed increases in rentals in future periods, lease incentives and direct leasing costs.

6.5.2 Revenue Recognition

Interest revenue is recognised as it accrues using the effective interest method.

Rental revenue from investment property is recognised on a straight-line basis over the lease term. Rental revenue not received at reporting date is reflected in the balance sheet as a receivable or if paid in advance, as rent in advance. Lease incentives granted are considered an integral part of the total rental revenue and are recognised as a reduction in rental income over the term of the lease on a straight-line basis.

Contingent rents based on the future amount of a factor that changes other than with the passage of time including turnover rents and CPI linked rental increases, are only recognised when contractually due.

Prospective lessees may be offered incentives as an inducement to enter into leases. These incentives may take various forms including up front cash payments, rent free financial periods, or a contribution to certain lessee costs such as fit out or relocation costs. They are recognised in the balance sheet as a component of the carrying amount of investment property and amortised on a straight-line basis over the lease term as a reduction of rental income.

Initial direct leasing costs incurred by the Trust in negotiating and arranging leases are recognised in the balance sheet as a component of the carrying amount of investment property and are amortised as an expense on a straight line basis over the lease term.

An analysis of the components of rental revenue during the forecast period is as follows:

	7 months ending 30 June 12 $'000	Year ending 30 June 13 $'000	Year ending 30 June 14 $'000	Year ending 30 June 15 $'000
Rental income and recoverable outgoings	0	0	6,684	9,179
Straight-lining of rentals	0	0	1,872	2,246
Lease incentive – amortisation	0	0	0	0
Lease costs – amortisation	0	0	0	0
Total revenue	**0**	**0**	**8,556**	**11,425**

6.5.3 Borrowings and Borrowing Costs

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost using the effective interest rate method. Under this method, fees, costs, discounts and premiums directly related to the financial liability are spread over its expected life. Borrowings are classified as current liabilities unless the Trust has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

Borrowing costs incurred for the construction of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use. Other borrowing costs are expensed.

6.5.4 Financial Instruments

The Trust is exposed to changes in interest rates and may use interest rate swaps to hedge these risks, which are classified as derivative financial instruments. Such derivative financial instruments are initially recognised at fair value on the date on which an interest rate swap contract is entered into and are subsequently measured at fair value at balance date. Derivatives are carried as assets when their fair value is positive and as liabilities when their fair value is negative.

6.5.5 Trust Establishment and Equity Issue Costs

Trust establishment and equity issue costs including a portion of the CFM transaction fee are recognised in the balance sheet as a reduction in the equity of the Trust.

6.5.6 GST

The Financial Information has been prepared net of GST, with the exception of non-recoverable GST on certain equity issue costs.

6.5.7 Income Tax

Under current income tax legislation the Trust is not liable to pay tax provided its taxable income and taxable realised capital gains are distributed to investors. The liability for capital gains tax that may arise if the investment property were sold is not accounted for. See Section 7 for further information.

6.6 Key Forecast Assumptions

The forecasts presented above are for the Forecast Period, and are based on the Trust's key accounting policies and the following material best estimate assumptions:

6.6.1 Property Acquisition and Fair Value Adjustment

The Land was acquired on 8 December 2011. Construction payments are made in accordance with the expected timetable provided by the Developer. Practical Completion occurs on 30 September 2013. Total construction and acquisition costs are expected to be $88,633,000 made up as follows:

	$'000
Investment Property Construction costs	
Land Purchase	5,300
Construction Costs	81,054
Capitalised Interest	1,925
Total	**88,279**
Investment Property Acquisition costs	
Stamp Duty and Transaction Duty	264
Due Diligence and Legal costs	90
	354
Total construction and acquisition costs	**88,633**
Fair Value Adjustment & CFM Fees	
Property Acquisition Fee	697
Project Management Fee	930
Fair Value Adjustment	2,695
Total	**92,955**

6.6.2 Bank Loan

The Bank Loan is progressively drawn to fund construction of the Building in accordance with the expected timetable provided by the Developer and is fully drawn at Practical Completion. The terms of the Bank Loan remain as set out in Section 10.7.

6.6.3 Cromwell Loan

The Cromwell Loan is drawn initially in December 2011 to fund the Land purchase and initial Development Amount draws. It is repaid progressively by June 2012 as capital is raised.

6.6.4 Derivative Financial Instruments

The market interest rate has been fixed for the period July 2012 to June 2015 at a rate of 3.99% on a notional amount of $48,800,000.

6.6.5 Capital

All capital is assumed to be fully subscribed by 30 November 2012.

6.6.6 Investments

It is assumed:

- no additional properties are purchased by the Trust;
- the investment property continues to be held beyond the Forecast Period; and
- no other authorised investments are made other than as set out in the sources and uses of funds in Section 6.2 with any surplus assets being represented by cash or short term deposits earning interest at an average rate of 4% per annum.

6.6.7 Net Property Income

Net property income is the gross income received from the investment property less property outgoings. The main assumptions underlying the Trust's forecast net property income are:

- The DPW Lease commences on the date of Practical Completion and the lessee fulfils its obligations under the terms of the DPW Lease. Initial lease incentives and lease costs associated with the DPW Lease, where applicable, are paid by the Developer under the terms of the Development Agreement;
- The Leighton Properties Lease commences on the date of Practical Completion and the lessee fulfils its obligations under the terms of the Leighton Properties Lease. Any retail tenancies leased during the term of the Leighton Properties Lease are at rates which are in accordance with the minimum criteria set out in the Development Agreement. All lease incentives and other direct leasing costs are funded by the Developer as provided for in the terms of the Development Agreement;
- No allowances have been made for re-leasing costs, vacancy periods or lease incentives as no leases expire during the Forecast Period, with the exception of any re-leasing achieved under the terms of the Leighton Properties Lease, which are not expected to result in any substantive change in property income due to the minimum criteria required to be met;
- Income increases are in accordance with lease provisions. Rentals under both the DPW and Leighton Properties Leases increase by 3.75% per annum;
- There are no tenant defaults during the Forecast Period;
- Property outgoings consist of rates, taxes and other property outgoings in relation to the investment property. The DPW Lease is a gross lease structured to allow for partial recovery of all outgoings. The Leighton Properties Lease is a gross lease and does not allow for the recovery of outgoings; and
- Property outgoings increase by CPI of 2.75% per annum.

6.6.8 Fair Value Adjustments – Investment Property

Initially the investment property will be measured at cost, including acquisition costs, and then carried at fair value. It is assumed that the valuation of the Property at the date of Practical Completion is $92,955,000, in accordance with the 'as if complete' valuation. There is an initial gain on fair value of $2,695,000 representing the difference between the valuation and the total acquisition and construction costs. From that date on, it is assumed the fair value of the investment property during the Forecast Period increases by the amount of capital expenditure, straight-line rental assets and lease incentives such that no gain/loss on fair value adjustment is recognised in the income statement.

6.6.9 Finance Costs

Finance costs include interest and other costs incurred in connection with the arrangement of borrowings. Interest costs have been shown separately from amortisation costs in the forecast income statement. The market interest rate has been fixed for the period July 2012 to June 2015 and the margin rate is fixed under the Bank Loan for a period of 3 years from Settlement. The combination of the market rate and the margin rate for the Forecast Period are expected to result in effective fixed interest at the rates indicated below.

	7 months ending 30 June 12 $'000	Year ending 30 June 13 $'000	Year ending 30 June 14 $'000	Year ending 30 June 15 $'000
Bank loan – amount[1]	0	32,687	48,800	48,800
Interest rate	N/A	5.79%	5.79%	5.79%
Total margin costs	0	52	2,128	2,268
Total line fee costs	326	558	558	558
Less capitalised amount	(326)	(610)	(567)	0
Finance costs recognised in income statement	0	0	2,119	2,826

1 Expected balance at the end of the period. The Bank Loan is assumed to be progressively drawn up to $48,800,000 from January 2013 to October 2013 in accordance with the expected construction program.

The Cromwell Loan is expected to be utilised to a maximum of $14,500,000 in December 2011 and fully repaid from the proceeds of subscriptions by June 2012. Interest of $422,000 at 7.75% per annum is capitalised into the investment property.

6.6.10 Distributions Paid to Investors

Distributions are paid monthly in arrears in proportion to the number of days in each month the units are held.

6.6.11 Tax Advantaging of Distributions

Distributions will be partly tax advantaged due primarily to the availability of tax deductions for depreciation, building allowances, interest and some capital raising costs. Tax deductions for depreciation and tax allowances have been based on estimates prepared by a qualified quantity surveyor.

6.6.12 Fair Value Adjustment – Interest Rate Derivatives

The forecasts assume there will be no gain or loss on fair value adjustment of interest rate derivatives during the Forecast Period, as there is no reasonable basis on which to make such forecasts. During the term of an interest rate derivative its fair value is likely to fluctuate. However, providing the derivative is held for the full term, at the end of the term the derivative will have no value.

6.6.13 GST

The Trust is registered for GST and will generally be able to claim input tax credits in respect of GST paid on a monthly basis.

6.6.14 Fees

Fees payable to CFM and related parties are in accordance with the fees outlined in Section 5.

No payment of performance fees has been assumed during the Forecast Period as performance fees are only payable on the disposal of the investment property or the extension of the Trust term.

6.6.15 Pro-forma Adjustments

The Pro-forma balance sheet of the Trust has been prepared as if the following transactions had taken place prior to, or on, 30 September 2013:

- The purchase of the Land for $5,300,000. Payment for acquisition costs of $354,000, construction and other costs of completing the Building of $81,054,000, capitalised interest of $1,925,000, CFM transaction fee of $697,000, and CFM project management fee of $930,000;
- The Bank Loan of $48,800,000 has been drawn and borrowing costs of $500,000 paid, which includes CFM fees of $203,000;
- The issue of 49,250,000 units at $1.00 per unit to raise $49,250,000 less equity issue costs of $1,309,000, which includes CFM fees of $959,000;
- Payment of distributions of $4,888,000 up to the date of Practical Completion less $328,000 owing in respect of the month of September 2013;
- Receipt of interest income of $123,000 less administration costs of $251,000 and amortisation of loan transaction costs of $305,000 from inception of the Trust until Practical Completion; and
- Revaluation of the Property on Practical Completion to $92,955,000, and recognition of a fair value adjustment of $2,695,000.

6.7 Sensitivity Analysis

The forecasts have been based on certain economic and business assumptions about future events. The forecast profit, profit available for distribution and distributions payable for each period during the Forecast Period is sensitive to a number of factors. A summary of the possible impact of different outcomes in the key assumptions underlying the forecasts is set out in the table. However, the disclosed movements in these key assumptions are not intended to be indicative of the complete range of variations that may occur.

Variable	Effect
Change in net property income	Under the DPW Lease and Leighton Properties Lease, 100% of the net property income is fixed from the date of Practical Completion for the balance of the Forecast Period. There is not expected to be any impact on net property income unless the date of Practical Completion is earlier or later than that forecast. For each month acceleration/delay in Practical Completion, the impact on profit for the relevant period would be approximately +/- $602,000 net of capitalised interest on the Bank Loan. This would be offset by an approximately equivalent decrease/increase in construction and development costs due to the operation of the Funding Allowance under the Development Agreement. Should net property income increase or decrease during the Forecast Period for any other unforeseen reason (e.g. tenant default), each +/- 5% change in net property income would lead to approximately a +/- $394,000 annual change in profit available for distribution, which represents +/- 0.8 cents per unit per annum.
Change in interest rates	The majority of interest expense is forecast to be effectively fixed for the Forecast Period. If variable interest rates increased or decreased by 1% per annum for the Forecast Period, the impact of the change in interest payable for the relevant period would be negligible due to the fixed interest rate arrangements. On expiry of the fixed interest rate hedging arrangements (which occurs after the Forecast Period) or the Bank Loan (which is expected to occur in December 2014), a 1% per annum change in the interest rate payable as a result of a change in the market rate or the margin rate, would lead to an annual change in profit available for distribution of approximately +/- $488,000, which represents +/- 1.0 cents per unit per annum.
Fair Value of Investment Properties	The forecasts assume the date of Practical Completion is 30 September 2013, the investment property is revalued to $92,955,000 on that date and then increases in value only by the amount of the capital expenditure, straight-line rental assets and lease incentives. Each +/- 1% increase in the fair value of the investment property would lead to an approximate change in the fair value adjustment of +/- $929,550 and a change in the net assets of the Trust by the same amount, representing approximately a +/- 1.9 cent change in the net asset value per unit.
Fair Value of Financial Instruments	The forecasts assume the interest rate hedge does not change in value over the Forecast Period, as these changes in value cannot be estimated with any certainty. However at the end of the life of the hedge (assuming it is held to maturity) it will have no value. Therefore, there will be no impact on profit available for distribution over the term of the hedge.

7 Taxation Information

The taxation information in this PDS is of a general nature only and is based on current taxation legislation at the date of this PDS. This information is for resident investors who hold their units as long term investments on capital account.

We have also provided general observations in relation to the tax implications for non-resident investors who hold their units as long term investments on capital account.

The following comments should not be regarded as tax advice.

Tax treatment may vary according to individual circumstances and investors are advised to seek their own tax advice in respect of their investment in the Trust. Tax liabilities are the responsibility of each individual investor and CFM is not responsible for taxation or penalties incurred by investors.

7.1 Australian Resident Investors

The Trust is an Australian resident trust for Australian tax purposes. CFM intends to limit the Trust's investment activities to ensure that the Trust is treated as a 'flow through' entity for the purposes of Australian tax.

The Trust will distribute all of the Trust income and therefore should not be subject to Australian income tax. Investors will be presently entitled to their proportionate share of the Trust income earned by the Trust and accordingly will be subject to tax on the same proportion of the taxable income derived by the Trust. Investors will be subject to tax on such amounts that have been reinvested or have not yet been received. CFM will provide investors with an annual tax statement.

7.1.1 Distributions from the Trust

The Constitution provides that an investor will be presently entitled to their proportionate share of distributable income.

Broadly, the distributable income of the Trust will either be an amount equal to the taxable income of the Trust or another amount as determined by CFM. Distributable income may include income and capital gains from the Trust's investments in real property and cash. The tax implications for investors will depend upon the components of the distributions.

Tax deferred income / return of capital

Distributions from the Trust may include tax deferred income or a return of capital. Such amounts are not taxable as income to investors when distributed but rather will give rise to cost base adjustments to investors' units for capital gains tax purposes.

These adjustments could result in either an increased capital gain or a reduced capital loss when the units are subsequently disposed of (refer to the "Disposal of units" section below). A capital gains tax event will arise prior to disposal where the sum of tax deferred distributions received exceeds an investor's cost base in their units.

Capital gains of the Trust

The Trust is expected to qualify as a managed investment trust and will make an election to treat investments on capital account for taxation purposes. Gains or losses on the disposal of the Property will be taxable as a capital gain or loss.

If the Trust disposes of the Property, a distribution may include capital gains. This will be identified in the annual tax statement to ensure that investors can calculate their net capital gain position.

Broadly, where the Trust disposes of an asset it has held for more than 12 months it may be eligible for discount capital gains concessions. The discounted capital gain will form part of the Trust income and will be available to eligible investors.

Disposal of units

Investors may be liable for tax on capital gains realised on transferring or otherwise disposing of units in the Trust.

In order to determine their capital gains tax position, investors will need to adjust the tax cost base of their units in the Trust for any tax deferred distributions that were received from the Trust. Investors may also be entitled to discount capital gain concessions where the units have been held for more than 12 months.

The Trust does not issue a separate capital gains statement if the investor disposes of units in the Trust.

7.1.2 Quoting a Tax File Number ("TFN"), TFN exemption or Australian Business Number ("ABN")

Collection of an investor's TFN is authorised and its use and disclosure strictly regulated by the tax laws and the Privacy Act 1988. Investors may quote a TFN or claim a TFN exemption in relation to their investment in the Trust when completing their application form. Investors may quote an ABN instead of a TFN if they are making this investment in the course of an enterprise carried out by them.

If an investor chooses not to quote a TFN, TFN exemption or ABN, CFM may be required to deduct tax at the prescribed rate from that investor's income distributions. At the date of the PDS this rate was 46.5%.

7.1.3 Social Security

Investing in the Trust may affect an investor's entitlement to social security benefits as their investment may be included in the income and assets tests of Centrelink and the Department of Veterans' Affairs. Investors should obtain professional advice concerning the particular social security implications for their circumstances.

7.1.4 Goods and Services Tax (GST)

The issue of units in the Trust is not subject to GST. However, fees and expenses incurred by the Trust, such as management fees, will attract GST at the rate of 10%.

The Trust will not be entitled to claim input tax credits for the full amount of the GST incurred on some expenses. However, for the majority of such expenses, a Reduced Input Tax Credit ("RITC") of 75% of the GST paid may be claimed. Any unclaimable GST charge on fees and expenses is incorporated in the management costs for the Trust.

7.2 Non-resident Investors

The following comments are general in nature and are based on the Trust qualifying as a managed investment trust for the purposes of the withholding tax rules.

Broadly, where a non-resident individual holds or has the right to hold 10% or more of the value of the interests in the Trust, membership interests, or distributions of income of the Trust, the Trust will not qualify as a managed investment trust and therefore not qualify for the concessional withholding tax rates available for particular types of distributions. Therefore, CFM will aim to ensure no individual non-resident investor directly or indirectly holds 10% or more of the relevant interests in the Trust.

Non-resident investors should seek independent tax advice before investing, taking into account their particular circumstances and the provisions of any relevant Double Taxation Agreement between Australia and their country of residence.

Tax on Income

CFM is required to withhold tax on a non-resident investor's behalf in respect of any Australian taxable income distributed by the Trust.

For investors that are tax resident in countries approved as 'information exchange countries', a final withholding tax rate of 7.5% applies to distributions of taxable income other than interest, dividends or royalties. For investors that are not tax resident in such a country, a final withholding tax rate of 30% will apply.

When a distribution includes Australian sourced interest, a final withholding tax of 10% will apply to that component.

A 'final' withholding tax means that tax is deducted from the relevant component of the investor's Trust distribution and the investor is not required to lodge an Australian tax return in respect of this component. Further, expenses incurred in connection with deriving this income cannot be claimed as a deduction against this income in Australia.

Tax on disposal of units

Where a non resident investor holds less than 10% of the units in the Trust, the investor should not be subject to Australian capital gains tax on disposal.

7.3 Government Managed Investment Trust Review

The Government is currently reviewing the taxation of managed investment trusts. The purpose of the review is to introduce a specific tax regime for managed investment trusts to reduce complexity, increase certainty and minimise compliance costs. While the outcome of the Government's review is expected to be revenue neutral, such a new regime may have impacts on the future taxation of the Trust.

7.4 Indirect Investors

The taxation information in this PDS does not consider the treatment of indirect investors. Indirect investors should consult their tax advisor in relation to investing through an IDPS.

8 Applications & Withdrawals

8.1 How to Invest

CFM reserves the right to establish higher or lower minimum investment amounts or to decline part or all of any application at its absolute discretion.

No resident investor may hold more than 20% and no individual non resident investor may hold more than 10% of the units on issue in the Trust at any given time, although these limits may be waived by CFM in its absolute discretion.

All units issued under the PDS will be issued at $1.00.

All application monies will be held in an interest bearing trust account. Interest will not be paid to applicants and any interest earned on application funds will be paid to the Trust. Where application forms and investment funds are received before 1pm EST on a Sydney business day, units will be issued at the close of that business day. Applications and investment amounts received after 1.00pm EST on a Sydney business day are taken to be received on the next Sydney business day.

Investors should retain a copy of this PDS and any supplementary documents for future reference and if they wish to make additional investments.

8.1.1 Direct Investors

Direct investors should complete the application form accompanying this PDS and return it to CFM with their initial investment. Initial investments must be a minimum of $10,000. Payments must be made by way of cheque made payable to Cromwell Funds Management Limited ATF ICH Applications.

8.1.2 Indirect Investors

Investors can make investments indirectly through an IDPS by directing the IDPS operator to acquire units in the Trust on their behalf.

Indirect investors do not become investors in the Trust and accordingly they do not acquire the same rights as direct investors; those rights are acquired by the IDPS operator. The IDPS operator can exercise or decline to exercise the rights they have as unitholder on the investor's behalf according to the arrangements governing the IDPS.

8.2 No Cooling Off Rights

The Trust will not be "liquid" as that term is defined under the Corporations Act. As a result, there will be no "cooling off" period relating to applications and by submitting an application accompanied by a payment, an investor will be deemed to have made an application, which may not be withdrawn, for the number of units for which payment has been made.

8.3 Transferring Units

An investor can transfer units in the Trust to another person by providing CFM with a completed standard transfer form signed by both the transferor and the transferee. CFM reserves the right to decline transfer requests in its absolute discretion including when a transfer is not completed correctly, is not stamped, if any one investor would hold more than 20% of units or if any individual non resident investor would hold more than 10% of units.

Tax implications could be associated with the transfer of units. Investors should discuss their circumstances with their professional advisor before requesting a transfer.

8.4 Withdrawals

The Trust has an initial 7 year term during which investors have no right of withdrawal.

9 Investment Services

9.1 Customer Service and Enquiries

If investors wish to make an enquiry about an investment in the Trust or the Trust's activities, they can contact CFM between 8:30 am and 5:00 pm, Brisbane time, weekdays from anywhere in Australia by calling 1300 CROMWELL (1300 276 693).

Alternatively, CFM can be contacted via:

Fax:	+61 7 3225 7788
Email:	invest@cromwell.com.au
In writing:	Cromwell Funds Management Limited GPO Box 1093 Brisbane, QLD 4001 AUSTRALIA

9.2 Communicating with Investors

Units in the Trust are expected to be "ED Securities" as defined under the Corporations Act, and consequently the Trust is expected to be a "disclosing entity" as defined under the Corporations Act.

As a disclosing entity, the Trust would be subject to regular reporting and disclosure obligations and must lodge various documents with ASIC. Copies of documents lodged with ASIC in relation to the Trust may be obtained from, or inspected at, an ASIC office. Investors would be entitled to obtain a copy of the following documents:

- the annual financial report of the Trust most recently lodged with ASIC;
- any half year financial report lodged with ASIC by the Trust after lodgement of the most recent annual financial report and before the date of the PDS; and
- any continuous disclosure notices given by the Trust after lodgement of the most recent annual report and before the date of the PDS. Continuous disclosure notices can also be found at www.cromwell.com.au/ich/updates.

Direct Investors

Direct investors, that is investors not investing via an IDPS will receive the following communications from CFM, unless they elect otherwise:

- an investment confirmation following the issue of units;
- six monthly investment statements detailing their investment transactions;
- quarterly investment reports detailing the performance and activities of the Trust;
- an annual transaction statement; and
- an annual tax statement detailing information required for inclusion in the investor's income tax return.

Annual financial reports will be made available at www.cromwell.com.au/ich/updates. They will not be sent to investors unless requested.

Indirect Investors

An indirect investor will not receive statements, tax information or other information directly from CFM. An indirect investor should receive equivalent information from the operator of the IDPS. Up to date access to investment information is also available online at www.cromwell.com.au/ich.

9.3 Complaints Handling

Direct Investors

The Constitution sets out the procedure by which CFM is to receive, consider, investigate and respond to complaints by investors who are dissatisfied with the management or administration of the Trust.

If investors wish to make a complaint, CFM can be contacted:

Fax:	+61 7 3225 7788
Email:	complaints@cromwell.com.au
In writing:	The Dispute Resolution Officer Cromwell Funds Management Limited GPO Box 1093 Brisbane, QLD 4001 AUSTRALIA

CFM will acknowledge any complaint in writing. CFM will within 45 days (or longer period having regard to the nature of the complaint) investigate, properly consider and decide what action (if any) to take or offer regarding the complaint and communicate its decision to the investor.

CFM may, at its discretion, give any of the following remedies to a complainant:

- information and explanation regarding the circumstances giving rise to the complaint;
- an apology;
- compensation for loss incurred by the investor as a direct result of the breach (if any); and/or
- such other remedies as CFM considers appropriate.

If the investor is dissatisfied with the decision made by CFM, the investor may refer the complaint to the Financial Ombudsman Service ("FOS"), an external complaints resolution scheme of which CFM is a member, at the address set out below:

Financial Ombudsman Service
GPO Box 3
Melbourne, VIC 3001

Alternatively, further information is available by contacting FOS on:

Phone:	1300 780 808
Website:	www.fos.org.au
Email:	info@fos.org.au

Indirect Investors

Indirect investors should contact their IDPS operator in the first instance with any complaints in relation to an investment in the Trust.

9.4 Privacy Statement

The application form accompanying this PDS requires an investor to provide personal information. CFM and service providers to CFM or the Trust may collect, hold and use personal information in order to assess an application, service an investor's needs, provide facilities and services to investors, CFM or the Trust and for other purposes permitted under the Privacy Act 1988 (Cth). Tax, company and anti-money laundering law also require some of the information to be collected in connection with an application. If an investor does not provide the information requested or provides us with incomplete or inaccurate information, their application may not be able to be processed efficiently, or at all. Information may be disclosed to an investor's financial advisor and to CFM's agents and service providers on the basis that they deal with such information in accordance with the privacy policy of the Group, which includes CFM.

Personal information may also be used by us to administer, monitor and evaluate products and services, gather, aggregate and report statistical information, assist an investor with any queries and take measures to detect and prevent fraud and other illegal activity. CFM may also be allowed or obliged to disclose information by law. If an investor has concerns about the completeness or accuracy of the information CFM has about them or would like to access or amend personal information held by CFM, they can contact the Group's privacy officer using the contact details below. A copy of the Group's privacy policy can be obtained from www.cromwell.com.au or from the privacy officer.

Further information can be obtained by contacting:

The Privacy Officer
Cromwell Property Group
Phone: +61 7 3225 7777
Fax: +61 7 3225 7788

9.5 Anti-Money Laundering and Counter Terrorism Financing

In making the offer contained in this PDS and in operating the Trust, CFM is required to comply with the Anti-Money Laundering and Counter-Terrorism Financing legislation ("AML/CTF Law"). This means that CFM will require investors to provide personal information and documentation in relation to their identity when they invest in the Trust. CFM may need to obtain additional information and documentation from an investor to process their application or subsequent transactions or at other times during their investment.

CFM needs to identify:

- an investor (including all investor types noted on the application form) prior to the issue of units in the Trust to them. CFM can not issue units until all relevant information has been received and an investor's identity has been satisfactorily verified;
- an investor's estate – if an investor dies whilst they are the owner of units in the Trust, CFM will need to identify their legal personal representative prior to them redeeming units or transferring ownership; and
- anyone acting on the investor's behalf, including under a power of attorney.

In some circumstances, CFM may need to re-verify this information.

By applying to invest in the Trust, investors also acknowledge that CFM may decide to delay or refuse any request or transaction, including by suspending the issue, transfer or withdrawal of units in the Trust, if it is concerned that the request or transaction may breach any obligation of, or cause CFM to commit or participate in an offence under AML/CTF Law. CFM will incur no liability to any investor if it does so.

10 Additional Information

10.1 Constitution

The Constitution, this PDS, the Corporations Act and other laws such as the general law relating to trusts govern the relationship between the investors and CFM.

A number of the provisions of the Constitution have been dealt with elsewhere in this PDS. Other important provisions of the Constitution are set out below. You can inspect a copy of the Constitution at ASIC or CFM head office, or can request a copy by contacting us on 1300 CROMWELL (1300 276 693).

The Constitution establishes the managed investment scheme known as the Cromwell Ipswich City Heart Trust.

The Constitution sets out the basis upon which CFM is appointed responsible entity of the Trust. The responsible entity or the appointed custodian holds the assets of the Trust at all times on trust for the investors subject to the provisions of the Constitution and the Corporations Act.

Generally the Constitution:

- defines investors' rights to withdraw from the Trust;
- defines what investors are entitled to receive when withdrawing from the Trust;
- defines when the Trust may be wound up and what Investors are entitled to receive on winding up; and
- states that an investor's liability is generally limited to the amount paid or which remains unpaid on that investor's units, however higher courts are yet to determine the effectiveness of these types of provisions.

In relation to CFM's powers, duties and liabilities as responsible entity of the Trust, the Constitution:

- allows CFM to reject applications for units, in whole or in part, at CFM discretion and without giving reasons;
- allows CFM to set a minimum investment to be made in the Trust;
- provides that, unless the Corporations Act or other law provides otherwise or CFM acts fraudulently, negligently or in breach of trust, CFM is not liable for any loss suffered in any way relating to the Trust; and
- allows CFM to change the Constitution, but only with investors approval if the change would adversely affect the rights of investors.

10.2 Compliance Plan and Committee

The Compliance Plan outlines the principles and procedures which CFM intends to follow to ensure that it complies with the provisions of the Corporations Act and the Trust Constitution.

Each year the Compliance Plan is independently audited as required by the Corporations Act and a copy of the auditor's report is lodged with ASIC.

CFM has a compliance committee with a majority of external members. The functions of the compliance committee include:

- assessing the adequacy of the compliance plan and recommending any changes; and
- monitoring compliance with the compliance plan and reporting findings to CFM.

10.3 Land Purchase Agreement

The Trust has entered into the Land Purchase Agreement with Ipswich City Properties Pty Ltd, which provides for:

- the purchasing of the Land; and
- an acquisition price of $5,300,000 plus GST.

The contract was conditional on development approval and registration of an approved plan of subdivision. The Vendor has complied with these conditions. Settlement of the Land was completed on 8 December 2011.

10.4 Development Agreement

At completion of the Land Purchase Agreement, the Development Agreement with the Developer came into effect.

The Developer is appointed and agrees to carry out the development services which includes procuring the works required by and in accordance with the DPW AFL ("the Works") in accordance with an agreed design brief, and procuring the commencement of the DPW Lease pursuant to the DPW AFL ("Development Services"). The Developer is responsible for all design, development and construction costs, approval and infrastructure charges, leasing costs including incentives and professional fees in respect of the Works ("Development Costs").

The Developer provides warranties to the Trust in relation to the Works and their compliance with the DPW AFL and where warranties are required by the owner of the Land in favour of DPW, the Developer provides back to back warranties. The Developer is required to provide to DPW whatever security is necessary under the DPW AFL and the Developer otherwise bears all risks in relation to performance of that agreement.

The Developer has engaged a builder to construct the Works pursuant to the Construction Contract. All risks in relation to the Construction Contract which are not the responsibility of the Builder, including potential cost over runs, are the responsibility of the Developer.

The Trust agrees to pay the Developer for the Development Services the sum of $87,655,215 ("Development Amount").

The Development Amount is payable as $9,950,000 on 16 December 2011 with the balance drawn monthly on a cost to complete basis.

The Developer is entitled to make monthly progress claims for the Development Amount. Such claims must be supported by certification from the Builder and its consultants, together with certification from a quantity surveyor confirming the cost of the Works in the claim and the cost to complete the Works.

Upon receipt of the certificates, the Trust is required to make payment within 5 business days of the progress claim provided that the total of the payments to date, the required payment and the cost to complete do not exceed the Development Amount.

The Development Amount is reduced by the Funding Allowance which is calculated at the rate of 8.5% per annum on all payments made by the Trust for the acquisition of the Land, and all instalments of the Development Amounts. The Funding Allowance accrues from the date of each of such payment and is capitalised monthly until the commencement date of the DPW Lease.

The Development Amount is subject to adjustment following the commencement of the DPW Lease based on final actual net income utilising final surveyed areas, actual achieved rents, and actual building outgoings. While the cost of some categories of outgoings are agreed, others are subject to a tender process on or about the date of Practical Completion, or based on actual costs after the date of Practical Completion.

The Developer irrevocably grants to the Trust an option to require the Developer to purchase the Land if the Trust terminates the Development Agreement ("Put Option"). The amount payable by the Developer to the Trust (60 days after exercise of the option) in the event that the Put Option is exercised is:

- the purchase price, stamp duty and registration fees paid by the Trust under the Land Purchase Agreement;
- the amount of all instalments of the Development Amount paid by the Trust; and
- the amount of the accrued Funding Allowance.

Until the commencement of the DPW Lease, the Developer is required to use all reasonable endeavours to lease the retail space (approx 9% of total lettable area) in accordance with agreed minimum leasing criteria and at not less than target rentals. If there is vacant retail space at the commencement of the DPW Lease, the Developer must enter into a 5 year lease of that space. See Section 10.6 on the Leighton Properties Lease.

All of the Developer's obligations under the Development Agreement, including the Put Option and Leighton's Properties Lease, are guaranteed by Leighton Holdings Limited.

10.5 DPW Agreement for Lease and Lease

DPW has entered into an agreement for lease with the Developer in respect of the commercial office space in the Building ("DPW AFL").

Under the DPW AFL the Developer is required to design and construct the Building in accordance with designated design guidelines and documentation. The Developer is required to design the Works, amongst other things, so as to be capable of achieving a Five Star Green Star rating.

The DPW AFL requires the Developer to provide at Practical Completion of the Building security for its obligations to remedy defects and to obtain a Five Star Green Star As Built rating in favour of DPW in an amount of $250,000.

Upon completion of the Building, DPW will enter into a lease of the premises (being all of the commercial office space in the Building) ("DPW Lease") in accordance with the following commercial terms:

Term	15 years
Options	First option period: 5 years Second option period: 5 years
Commencement Date	Determined under the provisions of the DPW AFL but expected to be on or about 1 October 2013
Expiry Date	15 years after the Commencement Date
Rent	$455 per sqm applied to the lettable area as determined under the DPW AFL (Approximately 16,120 sqm). Estimated commencement Rental $7,334,600 per annum
Rent Reviews	Years 2-15: Fixed 3.75%
Premises and Permitted Use	Levels 1 – 9: Offices Upper Ground Floor: Office and Service Centre Level 1: A private gymnasium
Outgoings and maintenance	The lessee must pay the lessor the lessee's proportion of increase in statutory outgoings over a fixed base year, and the lessee's proportion of increase in building outgoings over an updating base year
Carparking Bays	177 undercover bays
Carparking Fee	$200 per bay per month $424,800 per annum. The car parking fee is reviewed in the same manner and at the same times as the rental
Storage	$150 per sqm (approximately 224 sqm) $33,600 per annum

DPW may terminate the DPW AFL if the Building is not practically complete by 31 December 2014. The current estimate for Practical Completion is 30 September 2013. If the Building is not completed by 31 January 2014, DPW is entitled to damages of $11,000 per day. The Developer is responsible for funding this amount if the liability arises.

In the event that DPW terminates the DPW AFL, the Trust has a right to exercise the Put Option described at 10.4.

10.6 Leighton Properties Lease

If at the commencement date of the DPW Lease any retail space in the Building has not been leased in accordance with the following minimum targeted rental rates and leasing criteria then the Developer must enter into a lease with the Trust for a term of 5 years at the target rent and on the basis of the agreed leasing criteria ("Leighton Properties Lease").

Target rent rates means:

- for the tenancy area designated as mezzanine of 880 square metres of lettable area – $535 per square metre;
- for the tenancy area designated as upper ground of 165 square metres of lettable area – $727 per square metre;
- for the tenancy area designated as upper ground of 287 square metres of lettable area – $500 per square metre;
- for the tenancy area designated as upper ground of 60 square metres of lettable area – $1,000 per square metre;
- for the tenancy areas designated as lower ground of 222 square metres of lettable area – $1,000 per square metre;
- for the 29 car parks – $2,400 per car park per annum;
- for the 9 moped parks – $1,200 per park per annum; and
- for the area designated as storage of 149 square metres – $150 per square metre.

Leasing Criteria

- Rent reviews – Minimum 3.75% annual rent increases;
- Lease term – Minimum 5 years;
- Security – Minimum bank guarantee of 3 months' gross rent;
- Incentives – Maximum of 25% of gross rent payable over the initial lease term; and
- Tenancy covenant – Each tenant must be a person or corporation who is respectable, responsible and solvent with a proven ability and capacity to perform the lease terms and conditions.

If all the space is vacant the rental under the leases (subject to final survey) will be $1,119,050 per annum.

During the term of the Leighton Properties Lease, the Developer has a right to put tenancy proposals to the Trust and provided that they comply with the above target rates and leasing criteria the Trust will accept a surrender of the Leighton Properties Lease in respect of such space from the commencement date of the approved new lease.

As described at 10.4, the obligations of the Developer under the Leighton Properties Lease are guaranteed by Leighton Holdings Limited.

10.7 Bank Loan

CFM has entered into facility documentation with a major Australian bank for the Bank Loan on the following terms:

Borrower	Cromwell Funds Management Limited as responsible entity for the Trust.
Facility Limit	AUD $50,737,500 (expected to be drawn to $48,800,000).
Facility Term	Three years from Settlement.
Purpose	To partly fund the construction of the Building, and once Practical Completion is achieved to an ongoing term funding facility.
Drawdown Conditions	There are certain conditions which must be satisfied prior to drawdown including confirmation that the Maximum Subscription has been reached.
Loan to Value Ratio Covenant	At all times after the date of Practical Completion the loan to value ratio (facility amount divided by Property value) to be no greater than 55%. The Property would need to fall in value by approximately 5% for this covenant to be breached.
Weighted Average Lease Term Covenant ("WALT")	The WALT is to be no less than the remaining term of the debt plus one year. The lease to DPW would need to be terminated for the covenant to be breached.
Interest Cover Ratio Covenant	At all times after the date of Practical Completion the interest cover ratio (net property income divided by facility interest amount) must be no less than 1.75 times. Net property income would need to fall by approximately 34% or interest expense would need to increase by approximately 51% for this covenant to be breached.
Change of Responsible Entity	A change in the responsible entity is a event of default under the facility agreement.

10.8 Disclosure of Interests

No expert or any firm in which any expert is a partner has any interest in the offer under the PDS and no amounts have been paid or agreed to be paid (other than normal fees) to any expert or any firm in which they are a partner for services rendered by the expert or the firm in connection with the offer under this PDS.

10.9 Interests and Fees of Other Parties

Other than as set out below or elsewhere in the PDS, no director of CFM or any person named in the PDS as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of the PDS has, within the 2 year period prior to the date of this PDS, had an interest in the promotion of the Trust and no amounts, whether in cash or shares or otherwise, have been paid or agreed to be paid to any director or proposed director either to induce him to become, or to qualify as, a director, or otherwise for services rendered in connection with the promotion of the Trust.

10.10 Consents

10.10.1 m3property (Qld) Pty Ltd

m3property (Qld) Pty Ltd has given its written consent to be named in the Investment Summary and Section 1.5 of this PDS and to the inclusion of its independent valuation report in this PDS in the form and context in which it is included and has not withdrawn its consent prior to the date of the PDS.

10.10.2 The Trust Company Limited

The Trust Company Limited has given its written consent to be named in Sections 13 and 14 of this PDS in the form and context in which it is named and has not withdrawn its consent prior to the date of the PDS.

10.10.3 Boardroom Pty Limited

Boardroom Pty Limited has given its written consent to be named in Section 14 of this PDS in the form and context in which it is named and has not withdrawn its consent prior to the date of the PDS.

10.10.4 Green Building Council of Australia

The Green Building Council of Australia has given its written consent to be named in Sections 1.8 and 3.1 of this PDS in the form and context in which it is named and to the inclusion of the statements attributed to it and to the references to the 5 Star Green Star rating for Office Design in the context in which they are used. It has not withdrawn its consent prior to the date of the PDS.

10.10.5 Ipswich City Council

The Ipswich City Council has given its written consent to be named in Sections 1.2 and 3.2 of this PDS in the form and context in which it is named and to the inclusion of the letter in this PDS in the form and context in which it is included and has not withdrawn its consent prior to the date of the PDS.

10.11 Directors of CFM

Entities associated with the directors hold securities in Cromwell of which CFM is a wholly-owned subsidiary. The directors will benefit indirectly from any profit generated by CFM from promoting and managing the Trust.

10.12 Related Party Details

Related party transactions with Cromwell entities are reviewed and approved by senior management and the Directors of CFM, taking into account clearly identified governance policies and guidelines. Decisions in relation to conflict of interest and related party transactions are documented.

CFM has appointed, or expects to appoint a number of related entities to provide services to the Trust, including:

- Cromwell Property Services Pty Ltd ABN 68 080 159 280 ("Cromwell Property"), which is expected to provide property, facilities management and leasing services to the Trust in relation to the Property;
- Cromwell Operations Pty Ltd ABN 44 107 377 677 ("Cromwell Operations"), which is expected to provide accounting services to the Trust.

Cromwell has also agreed to provide the Cromwell Commitment, comprising the Cromwell Loan and Cromwell Subscription, as described in Section 1.6.

The appointment of these entities and provision of the Cromwell Commitment have been or are expected to be done in accordance with CFM's policies. Compliance with these policies is monitored in accordance with the Trust's Compliance Plan.

The appointment of Cromwell Property and Cromwell Operations and the provision of the Cromwell Commitment have been or are expected to be made on arm's length commercial terms at market rates or better.

CFM, Cromwell Property and Cromwell Operations are wholly owned subsidiaries of Cromwell.

Cromwell Property is a licensed real estate business that may, under a written arrangement, provide some of the following services to the Trust in relation to the Property from time to time:

- strategic advice on management of the Property;
- arranging the sale of the Property;
- management of premises;
- leasing services; and
- property management and project supervision.

Appointment of Cromwell Property for these services is not exclusive and CFM or Cromwell Property may engage external service providers to undertake some or all of these functions.

The value of the financial benefit received by Cromwell Property is expected to be in the form of fees received from the Trust. From the date of Practical Completion, it is expected that Cromwell Property will receive property facilities management fees of approximately $267,000 per annum. Cromwell Property may also receive leasing fees calculated as a percentage of average annual rentals for new and extended leases and project management fees calculated as a percentage of total project costs. Fees are set and reviewed annually having regard to the nature and scope of work performed and taking into account similar fees charged by other managers and service providers, and in relation to property and facilities management services, data published by the Property Council of Australia in relation to similar assets.

Cromwell Operations undertakes accounting, registry and other administrative functions for Cromwell and its managed funds. Cromwell Operations is expected to provide accounting services to the Trust under a written arrangement, and may provide registry and other administrative services to the Trust from time to time.

The value of the financial benefit received by Cromwell Operations for accounting services is expected to be in the form of fees received from the Trust. From the First Issue Date, it is expected that Cromwell Operations will receive accounting fees of approximately $50,000 per annum. Fees are set and reviewed annually having regard to the nature and scope of work performed and taking into account similar fees charged by other managers and service providers, and the cost of providing the services.

The appointment of Cromwell Operations for these services is not exclusive and CFM or Cromwell Operations may engage external service providers to undertake some or all of these functions.

The value of the financial benefit received by Cromwell for the Cromwell Loan is expected to be in the form of interest received from the Trust at the same rate as distributions, expected to be 7.75% per annum. Cromwell will not charge any other fees for the provision of the Cromwell Loan. Any units issued to Cromwell pursuant to the Cromwell Subscription will be issued on the same terms as those issued to other unitholders in the Trust.

CFM may also appoint other related parties from time to time to undertake services for the Trust.

As appropriate, CFM will provide ongoing updates of material service engagements and financial benefits that are paid to related parties through updates to investors. Any updates can be found on our website at www.cromwell.com.au/ich/updates.

The value of related party payments are also reported yearly as part of the Fund's audited annual accounts. The first annual audited accounts for the Trust will be prepared for the period to 30 June 2012 and will be available on our website www.cromwell.com.au/ich/updates by 30 September 2012.

1594:DM

27 October 2011

The Directors
Cromwell Funds Management Limited
Level 19, 200 Mary Street
BRISBANE QLD 4000

Dear Directors

RE: PROPOSED OFFICE BUILDING - 171 BRISBANE STREET, IPSWICH, QLD 4305

1.0 INSTRUCTIONS

We refer to your recent instructions requesting a formal valuation report of the above property and a summary for the purposes of inclusion in a Product Disclosure Statement (PDS). This letter provides a summary of the full valuation report, detailing the principal factors that have been considered to reach our opinion of market value. For further detailed information, reference should be made to the full valuation report, dated 27 October 2011, under file reference 1418.

2.0 BRIEF DESCRIPTION

In its current form the subject land is part of the Ipswich City Heart Masterplan area that encompasses a 3.2 hectare parcel central to the Ipswich CBD. The subject allotment comprises a regular shaped allotment to the corner of Brisbane and Bell Streets. The land parcel provides an area of 3,171 square metres.

The property is to be developed with an A-Grade commercial office building with three basement levels of car parking, lower ground and ground level retail, a mezzanine level and nine levels of office accommodation. The completed building is anticipated to be of a high quality to accommodate the State Government pre-commitment. It has been designed to achieve a 5 Star Green Star rating and 4.5 Star NABERS Energy rating.

m3property (QLD) Pty Ltd
Brisbane Office
Unit 11B, 23 James Street
Fortitude Valley Qld 4006
Telephone 07 3620 7900
Toowoomba Office
143 - 145 Margaret Street
(Access via Church Street)
Toowoomba Qld 4350
Telephone 07 4638 2844

3.0 TENANCY DETAILS

An Agreement For Lease pre-commitment exists with The State of Queensland for a 15 year term over the office component of the building, along with a 520 square metre ground level 'service centre'. This provides a strong lease covenant with limited default risk. The remaining tenancies are subject to a five-year lease to the developer.

Subject to the State Government pre-commitment and the five-year lease to the developer, the subject property will in effect maintain a full occupancy in terms of rental income from the date of completion. The property will have a Weighted Average Lease Expiry of 14.1 years by area and 13.7 years by income.

The pre-committed State Government office rental of $455 gross plus per square metre, and $200 per bay per month over the 177 cars, is considered to lie within market parameters and has thus been adopted for valuation purposes.

Leighton Properties (Brisbane) Pty Ltd (to be known as LPPL) will enter into a lease for 5 years over any vacant space at Practical Completion at the target rentals in the order of $500 to $1,000 per square metre. Annual rental increases will be set at 3.75%. LPPL will pay all leasing costs, commissions, incentives, leasing legal fees and marketing costs in respect of all leases entered into. LPPL will be permitted during the lease term to sublease this space or surrender the lease if a tenant is found who meets the agreed tenant criteria.

We consider some of the target rental levels for the retail components to be above market parameters. The developers lease also extends over the 29 'retail' car spaces, 149 square metres of surplus storage and nine moped parking bays. The ability to achieve these rentals beyond the initial lease period poses a risk, however the income represents a small component of the overall income, particularly by the expiry of the guarantee in the sixth year where the property's' running yield is forecast to be in the order of 10%. Overall we believe that a prospective purchaser would accept these parameters in the context of the investment as a whole.

We have been provided with the forecast outgoings budgeted for the 2013/14 financial year. We have given close consideration to each of the items contained within the proposed outgoings budget. The respective operating expenses generally appear reasonable for a property of this nature, particularly having regard to the 'as new' construction and the single tenancy over the tower levels of the building. Overall the total adopted outgoings equate to $58 per square metre which is considered appropriate for a property of this nature and has thus been adopted for valuation purposes.

A summary of the passing and assessed market income derived from the property is shown below:

Tenancy	Passing		Assessed Market		Var %
	$pa	$/m² /bay pa	$pa	$/m² /bay pa	
Base Rental Income	$8,350,900	$470.90	$8,133,785	$458.65	2.67%
Storage Income	$55,950	$3.15	$55,950	$3.15	0.00%
Car Parking	$494,400	$200.00	$494,400	$200.00	0.00%
Moped Rental	$10,800	$0.61	$10,800	$0.61	0.00%
Gross Income	**$8,912,050**	**$502.54**	**$8,694,935**	**$490.29**	**2.50%**
Less: Outgoings	$1,030,614	$58.11	$1,030,614	$58.11	0.00%
Less: Vacancy Allowance	-	-	$45,097	$2.54	0.00%
Net Income	**$7,881,436**	**$444.42**	**$7,619,224**	**$429.64**	**3.44%**

The disparity between the passing and market net income is a function of our lower assessment of retail market rentals, coupled with the application of a perpetual market vacancy allowance.

4.0 MARKET COMMENTARY

In summary the broader market conditions have somewhat stabilised over the past 18 months. Growth in tenant demand, coupled with an absence of new development, has resulted in a contraction of vacancy levels across the Brisbane CBD, Fringe and Metropolitan markets for the time being. Despite this, a dampened level of business conditions has been felt across all market sectors.

A return to fundamentals has occurred such that risk is now more strongly reflected in yields. In the current market factors such as a property's cash flow profile, lease covenant, location and building quality are key considerations for prospective purchasers. The range between prime and secondary assets remains wide. We believe the market to possess an overall healthy balance with yields currently akin to their expected long-term average.

The Ipswich region was originally settled as a coal mining area and it now acts somewhat as a satellite city to Brisbane. Ipswich is characterised by a generally lower socioeconomic status, particularly in regards to the area representing a more affordable market for house prices. Major road networks including the Ipswich Motorway, Cunningham and Warrego Highways provide good connectivity throughout South East Queensland and beyond. The greater Ipswich Council area has a population in the order of 160,000 people and this population base will support the steady general economic growth of the region going forward. Overall the broader economic fundamentals of Ipswich appear sound.

The Ipswich commercial office market has been characterised by very limited supply of new office accommodation over the past ten years. The supply of new construction will be subject to pre-commitments to lease. Tenant demand mainly emanates from Government agencies and local businesses, which is typically only for smaller tenancy areas (say, less than 500 square metres) however Government requirements can exceed this. With the exception of the State Government pre-commitment over the subject development, demand for office accommodation within Ipswich is likely to continue at an overall slow level of take up going forward. Given development is primarily tenant led, supply is also forecast to be low.

Ipswich City Council has acquired a number of key strategic sites within the Ipswich City Centre with the intention to redevelop the land into a vibrant mixed-use development that will incorporate retail, residential, commercial, entertainment and public open spaces. The project is seen as a key catalyst project in the rejuvenation of the city centre. The subject development forms the first stage of the proposed project through a joint venture agreement with Leighton Properties. A sub-regional shopping centre anchored by a major supermarket is also reportedly close to being announced as another leading component of the project.

5.0 VALUATION RATIONALE

The property "as if complete" has been valued utilising the capitalisation and discounted cash flow approaches and reconciled with the direct comparison method. In adopting appropriate valuation parameters consideration has been given to the specific attributes of the subject property, the current comparable sales evidence, in the context of the current market sentiment. The valuation analysis is shown as follows;

Capitalisation Value	$90,393,730
Discounted Cash Flow	$94,210,750
Market Value	**$92,955,000**
Passing Initial Yield	8.48%
Equated Yield	8.26%
10 Year IRR	10.22%
Value /m² NLA	$5,242 /m²

The property is currently subject to a land purchase agreement. The agreement is structured on a fund-through basis whereby the land component will be transacted for $5,300,000 plus GST. The purchaser will pay construction draw down payments (on the basis of a developer's coupon rate of 8.50%). The total completed project price will be $92,955,000 based upon a projected yield of 8.48%. Our valuation supports this contracted price.

The current contracted price for the land component is $5,300,000. This price reflects $272 per square metre of GFA (being 19,480 square metres) and $1,671 per square metre of site area. These rates lie within the ranges set by current market sales and are considered appropriate having regard to the subject development in the context of the Development Approval and 15-year lease pre-commitment to the State Government.

Additionally a residual cash flow has been undertaken as a check approach. The development inputs are based upon our knowledge of typical market parameters, coupled with the assessed "as if complete" value of $92,955,000 and 'as is' Land Value of $5,300,000. The resultant development profit is $12,401,621, which equates to a margin of 17.61%. Our 'As Is' Land Value, based on the Development Approval and State Government pre-commitment, is therefore considered appropriate.

6.0 VALUATION

Subject to the qualifications and assumptions contained within the body of our full valuation report, in the context of the Development Approval and the State Government pre-commitment to lease, we assess the current market value of 171 Brisbane Street, Ipswich, Queensland exclusive of GST, as at 27 October 2011, to be:

AS IF COMPLETE
$92,955,000
(NINETY TWO MILLION NINE HUNDRED AND FIFTY FIVE THOUSAND DOLLARS)

AS IS – SITE VALUE
$5,300,000
(FIVE MILLION THREE HUNDRED THOUSAND DOLLARS)

7.0 DISCLAIMERS AND QUALIFICATIONS

m3property (Qld) Pty Ltd has prepared this summary which appears in the Product Disclosure Statement. **m3**property (Qld) Pty Ltd was involved only in the preparation of that part of the summary and the valuation report referred to herein and specifically disclaim liability to any person in the event of any omission in respect of the valuations and this summary.

In preparing our valuation we have relied upon various financial and other information submitted by Cromwell Property Group. Where possible, within the scope of our retainer and limited to our expertise as valuers, we have reviewed this information including by analysis against industry standards. Based upon that review, we have no reason to believe that the information is not fair and reasonable or that material facts have been withheld. However, our enquiries are necessarily limited by the nature of our role and we do not warrant that we have identified or verified all of the matters which a full audit, extensive examination or due diligence investigation might disclose. For the purpose of our valuation assessment, we have assumed that this information is correct.

We confirm that this summary may be used in this Product Disclosure Statement.

This valuation is current at the date of valuation only. The value assessed herein may change significantly and unexpectedly over a relatively short period including as a result of general market movements or factors specific to the particular property. We do not accept liability for losses arising from such subsequent changes in value. Without limiting the generality of the above comment, we do not assume any responsibility or accept any liability where this valuation is relied upon after the expiration of three months from the date of valuation, or such earlier date if you become aware of any factors that have any affect on the valuation. Liability limited by a scheme approved under Professional Standards Legislation.

This valuation report does not purport to be a site or structural survey of the improvements, nor was any such survey undertaken. Overall, we have assumed that the improvements will be completed in a proper and workmanlike manner and that upon completion, detailed reports with respect to the structure and service installations of the improvements, upon completion, would not reveal any defects or inadequacies requiring significant capital expenditure. This valuation assessment assumes that the development is completed in accordance with the plans and details provided and that on completion the property will fully comply with all statutory building regulations, the Building Code of Australia and Council's conditions of consent.

m3property (Qld) Pty Ltd confirms that it does not have a pecuniary interest that could conflict with its valuation of the property.

Yours sincerely

Derek Morell AAPI
Certified Practicing Valuer
Registration No. 2953
Associate Director – m3property (Qld)

Robert Tye AAPI
Director – m3property (Qld)

12 Application Instructions and Forms

For an application to be considered, it must be properly completed and returned with a cheque or direct deposit for the proposed investment amount. Cheques should be either Australian bank cheques or drawn on an Australian domiciled account in the name of the applicant. If you would like to direct deposit funds by electronic transfer, contact us for bank account details and a reference number, so we can match your application funds on receipt.

You are requested to provide your TFN, ABN or exemption code to ensure tax is not required to be deducted from the distributions paid.

You are required to provide your bank account details for payment of distributions.

CFM has the sole discretion whether to accept or reject an application. If your application is rejected, wholly or in part, then CFM will notify you in writing and return the relevant application monies, together with any accrued interest, within 10 business days.

By sending a completed application form to CFM, you are making an offer to become an investor in the Trust and you are agreeing to be legally bound by the Constitution and the terms of this PDS. A summary of the Constitution is included in Section 10.1 of this PDS.

Correct format of Registerable Titles

Only legal entities are allowed to hold units in the Trust. Applications must be in the name(s) of natural person(s), companies or other legal entities acceptable to the Trust. At least one full given name and the surname are required for each natural person. The name of the beneficiary or any other non-registerable name may be included by way of an account designation if completed exactly as described in the example of correct forms of registerable title shown below.

Type of Investor	Correct format of Registerable Name	Incorrect format
Individual		
Use given names, not initials	John Alfred Smith	~~J A Smith~~
Company		
Use company name, not abbreviations. Director(s) names **must** be completed within the Applicant(s) Details section	ABC Pty Ltd	~~ABC P/L or ABC Co~~
Trust[1]		
Use trustee(s) names	Sue Smith	~~Sue Smith Family Trust~~
Use name of the trust in the account designator section	Sue Smith Family Trust	~~Sue Smith~~
Superannuation Funds		
Use name of trustee of fund	Jane Smith Pty Ltd	~~Jane Smith Super Fund~~
Use name of fund in the account designator section	Jane Smith Super Fund	~~Jane Smith Pty Ltd~~
Deceased Estates[2]		
Use executor(s) names	Sue Lennon	~~Estate of the Late Jon Lennon~~
Use name of the deceased in the account designator section	Estate of the Late Jon Lennon	
A Minor (less than 18 years old)[3]		
Use Trustee(s) personal names	Sue Smith	~~Junior Smith~~
Use name of the Minor in the account designator section	Junior Smith	~~Sue Smith~~

1 If there are two or more Trustees, please name each. All Trustees should sign.

2 A copy of the grant of probate or letters of Administration, certified as being a true and accurate copy of the original by a Justice of the Peace, a lawyer or a commissioner of declarations should be attached.

3 If the Minor does not hold a TFN, please supply the TFN of one of the Trustees.

Please tear out and return

CROMWELL IPSWICH CITY HEART TRUST ARSN 154 498 923

Investment Application Form

Cromwell

Complete this form using BLACK ink and print well within the boxes in CAPITAL LETTERS. Mark appropriate answer boxes with a cross (X). **Do not use this form unless it accompanies the Product Disclosure Statement dated 16 December 2011 issued by Cromwell Funds Management Limited, ABN 63 114 782 777, AFSL 333214 ("CFM") as responsible entity for the Cromwell Ipswich City Heart Trust ARSN 154 498 923 ("Trust").** You should read the PDS before completing this application form. CFM or a financial adviser who has provided an electronic copy of the PDS will send you a paper copy of the PDS and application form free of charge if you so request.

SECTION 1 INVESTMENT

Please mark with a cross (X) one of the boxes to indicate who is making the investment.

☐ Individual Investor ☐ Joint Investor ☐ Trustee for Super Fund
☐ Executor of an Estate ☐ Company ☐ Trustee for Trust

Minimum application is $10,000 and thereafter multiples of $1,000.

Investment amount $ __ __ __ , __ __ __ , 0 0 0 . 0 0

SECTION 2 APPLICANT(S) DETAILS

Cromwell requires additional identification information to adhere with Anti Money Laundering (AML) legislation if you have not invested in a Cromwell-managed fund previously. If a booklet has not been provided with this PDS, you can access the information from www.cromwell.com.au/AML

Has the person/entity investing in this Trust invested in a Cromwell-managed fund previously? Yes ☐ No ☐ If yes, please provide your investor number:

A

Individual Investor, Joint Investor 1, Company Director 1, Executor 1 or Trustee 1

Title Given name(s)

Surname Date of birth (day/month/year) / /

B

Joint Investor 2, Company Director 2, Executor 2 or Trustee 2

Title Given name(s)

Surname Date of birth (day/month/year) / /

C

Please include your TFN in the space provided to ensure tax is not deducted from distributions.

Tax File Number(s) (Individual and Joint Investors only)

A B

If any of the investors above are exempt from providing a TFN, please provide the reason for the exemption (eg: Sole Parent Benefits, Service Pension, etc.)

D

Please fill in this section if you are investing on behalf of a Company.

Name of Investing Company, Association, Body or Trustee Company if applicable

ABN TFN

E

Individual investors may designate an investment on behalf of another individual. CFM is only required to act on instructions from the investors listed in 2A or 2B. CFM is not bound to take any notice of any interest of any person listed in 2E.

Account Designator (name of Super Fund, Trust, Deceased Estate or other entity or person)

A T F

ABN TFN

If exempt from providing a TFN and/or ABN, please provide the reason for the exemption

F

Required by foreign residents for tax purposes.

If the investing entity is a foreign resident for tax purposes, please specify your country of residence

SECTION 3 APPLICANT(S) CONTACT DETAILS *(Must not be advisor details)*

Please enter contact details, including daytime phone number in case we need to contact you in relation to your application.

Advisor details are not acceptable unless your Advisor holds a power of attorney, a copy of which must be provided.

All administration correspondence will be sent to the nominated mailing address.

Only Quarterly Reports will be sent, via email, unless indicated otherwise.

Mailing address

State Postcode

Daytime phone number - After hours phone number -

Fax number - Mobile number -

Email address

Indicate how you would like to receive Investment Reports for the Trust: Email ☐ Mail ☐

Indicate if you would like to be sent Annual Financial Reports: Yes ☐ No ☐

☐ Tick this box if you do not want to receive marketing related material or calls from Cromwell Property Group

SECTION 4 ADVISOR DETAILS

If you use a Financial Advisor, please have them sign this section and stamp the front of the application form to confirm they hold a current AFS licence and are authorised to deal in and/or advise on managed investment products.

Please indicate the 'Initial Advice Fee' agreed with your financial advisor for the investment amount shown in Section 1. The fee you indicate will be inclusive of GST. If you do not indicate an amount, an investment advice fee of 0.0% will be assumed.

Title Advisor full given name

Advisor surname

Advisor Company (if applicable)

Licensed Dealer

Dealer Licence Number

Initial Advice Fee (if applicable): % (Maximum 3%, incl. GST)

ADVISOR SIGNATURE

Mark this box if you would like your Advisor to receive a copy of all correspondence: ☐

SECTION 5 ADDITIONAL INVESTMENT ENQUIRER

If you would like someone other than the Contact or your Advisor to be able to enquire about this investment, please provide us with their details here.

Title Given name

Surname

Date of birth (day/month/year) / / Company (if applicable)

SECTION 6 DISTRIBUTION PAYMENTS

Name that appears on the Account

Name of Financial Institution

BSB Account number

SECTION 7 DECLARATION AND AUTHORISATION

The Applicant declares that they have received and read the current PDS and agrees to be bound by the PDS and the Constitution (each as amended from time to time). The Applicant declares that it has received and accepted this offer in Australia and that all information in this application is true and correct. The Applicant indemnifies CFM against any liabilities whatsoever arising from acting on any of the details or any future details provided by the Applicant in connection with this application. The Applicant declares that it has legal power to invest in accordance with this application and has complied with all applicable laws in making this application. The Applicant acknowledges that neither CFM or any other member of the Cromwell Property Group (including its directors and employees) guarantee the performance of the Trust or the repayment of capital or any particular rate of return or any distribution. In the case of joint applications, the joint applicants agree that unless otherwise expressly indicated on this application form below, the units will be held as joint tenants and either investor is able to operate the account and bind the other investor for future transactions. If this application is signed under Power of Attorney, the Attorney declares that he/she has not received notice of revocation of that power (a certified copy of the Power of Attorney should be submitted with this application unless we have already sighted it). The Applicant acknowledges that they have read and understood the information under the heading 'Privacy Statement' contained in the current PDS. The Applicant is aware that until they inform CFM otherwise, they will be taken to have consented to all the uses of their personal information (including marketing) contained under that heading and they have consented to their adviser providing such further personal information to CFM as is required or reasonably deemed necessary by CFM under applicable law. Any application for units can be accepted or rejected by CFM at any time. The Applicant understands that if they fail to provide any information requested in this application form or do not agree to any of the possible use or disclosure of their information as detailed in the PDS, their application may not be accepted by CFM and they agree to release and indemnify CFM in respect of any loss or liability arising from its inability to accept an application due to inadequate or incorrect details having been provided. The Applicant agrees that CFM may provide details of their investment can be provided to the adviser group or adviser nominated by them by the means and in the format that they direct.

If the application is signed by more than one person, who will operate the account Any to sign ☐ All to sign together ☐

SIGNATURE A Date / /

Name

If a Company Officer or Trustee, you MUST specify your title:

Director ☐ Sole Director ☐

Trustee ☐ Other

SIGNATURE B Date / /

Name

If a Company Officer or Trustee, you MUST specify your title:

Director ☐ Company Secretary ☐

Trustee ☐ Other

Cheques or drafts must be made payable to **Cromwell Funds Management Limited ICH Apps**. Only cheques or drafts in Australian currency and drawn on an Australian bank will be accepted. Your cheque(s) should be crossed NOT NEGOTIABLE.

Mail your completed application form with your cheque(s) to Cromwell's managed fund registrar:

Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001

BoardRoom Smart Business Solutions

13 Glossary

Bank Loan means the debt funding that CFM will arrange and which, together with the monies raised under this PDS, will be used to fund construction of the Building.

Builder means J Hutchinson Pty Ltd, the builder under the Construction Contract.

CFM means Cromwell Funds Management Limited ABN 63 114 782 777, AFSL 333214.

Construction Contract means the contract entered into between the Developer and the Builder on 9 December 2011 under which the Builder will construct the Building according to the design brief agreed with DPW.

Construction Period means the period from Settlement to Practical Completion.

Cromwell means Cromwell Property Group comprising Cromwell Corporation Limited and Cromwell Property Securities Limited as responsible entity for the Cromwell Diversified Property Trust.

Cromwell Commitment means the Cromwell Loan and the Cromwell Subscription.

Cromwell Loan means the loan of up to $20,000,000 to be provided to the Trust as described in Section 1.6.

Cromwell Subscription means agreement by Cromwell to subscribe for up to the Maximum Subscription by no later than 31 December 2012 as described in Section 1.6.

Custodian means The Trust Company Limited or such other custodian as appointed by CFM from time to time. The Custodian will hold legal title to the Land and other assets on behalf of the Trust.

Developer means Leightons Properties (Brisbane) Pty Limited, a wholly owned subsidiary of Leightons Properties Pty Limited, in turn a wholly owned subsidiary of Leightons Holdings Limited, an ASX listed company.

Development Agreement means the agreement under which the Developer will ensure that the Building is designed, developed and built according to the DPW AFL.

Development Amount means the sum of $87,655,215 payable to the Developer and subject to adjustment under the terms of the Development Agreement.

Development Costs means the costs of developing and constructing the Building in accordance with the requirements set out in the Development Agreement and the DPW AFL.

DPW means The State of Queensland, the tenant under the DPW AFL and DPW Lease.

DPW AFL means the agreement for lease under which DPW has agreed to enter into the DPW Lease on or about the date of Practical Completion.

DPW Lease means the lease of the commercial office area of the Building. The terms of the lease have been pre-agreed under the DPW AFL.

First Issue Date means the date on which units in the Trust are first issued under this PDS and is expected to be in December 2011.

Forecast Period means the period from 1 December 2011 until 30 June 2015.

Funding Allowance means the allowance that will accrue to the Trust on all payments the Trust makes to acquire the Land and all payments under the Development Agreement.

Gearing Ratio means the Bank Loan divided by the value of the Property expressed as a percentage.

Interest Cover Ratio means the number calculated in accordance with the formula set out in Section 1.7.5.

Ipswich City Heart Building or Building means the building to be constructed on the Land under the Construction Contract and the Development Agreement.

Land means the land located at 117 Brisbane Street, Ipswich which is the subject of the Land Purchase Agreement.

Land Purchase Agreement means the agreement to purchase the Land which the Custodian has signed on behalf of the Trust.

Leighton Properties Lease means the lease of any retail area of the Building that the Developer has not otherwise leased at the date of Practical Completion, the terms of which are set out in the Development Agreement.

Maximum Subscription means the maximum amount of money CFM intends to raise under the offer in the PDS, being $49,250,000. This amount may be varied by CFM at its discretion.

Practical Completion means the completion of the Building to such an extent that DPW and any other tenant can occupy the Building.

Property means the Land and the Building.

Put Option means the option to require the Developer to purchase the Land if certain unforeseen events occur and the Trust terminates the Development Agreement.

Settlement means settlement of the acquisition of the Land by the Custodian on behalf of the Trust under the Land Purchase Agreement, which occurred on 8 December 2011.

The Offer means the offer set out in this PDS.

The Trust means the Cromwell Ipswich City Heart Trust constituted on 13 July 2011.

Vendor means Ipswich City Properties Pty Ltd a wholly owned subsidiary of the Ipswich City Council.

Notes

14 Directory

Responsible Entity

Cromwell Funds Management Limited
ABN 11 079 147 809

Level 19, 200 Mary Street
BRISBANE QLD 4000

Freecall: 1300 CROMWELL (1300 276 693)
Telephone: (07) 3225 7777
Facsimile: (07) 3225 7788

Custodian

The Trust Company Limited
ABN 59 004 027 749

213-217 St Pauls Terrace
BRISBANE QLD 4000

Telephone: (07) 3634 9750
Facsimile: (07) 3252 3513

Registry

Boardroom Pty Limited
ABN 14 003 209 836

Level 7, 207 Kent Street
SYDNEY NSW 2000

Telephone: (02) 9290 9640
Facsimile: (02) 9279 0664

Cromwell

www.cromwell.com.au/ich