



## Quarterly Update – 30 September 2010

### SEPTEMBER 2010 DISTRIBUTION

- Cash distribution of **2.25 cents per unit** (“cpu”) paid for the September 2010 quarter.
- Annualised cash distribution forecast of **9.0 cpu** represents a 2.9% increase on the previous year (8.75 cpu).
- Distributions for the year to 30 June 2011 forecast to be **100% tax deferred**.
- Your quarterly distribution payment statement is enclosed.

### FUND PERFORMANCE

The full year audited results to 30 June 2010 were published in line with details provided in the last Quarterly Update issued to investors.

The Directors of the Responsible Entity are pleased to confirm that the Fund remains in full compliance with banking covenants and the Directors are satisfied that the financial position of the Fund is sound. No significant changes to operating conditions were experienced during the quarter and the following key measures remain unchanged since 30 June 2010:

- Net tangible asset backing per unit of \$1.18; and
- Gearing on the Fund’s external debt of 55.3% (bank covenant requires this not to exceed 60%).

### DISCLOSURE TO INVESTORS

In accordance with ASIC’s Regulatory Guide 46 (“RG46”), the Responsible Entity is required to disclose certain information regarding the Fund which is aimed at improving disclosure to retail investors in unlisted registered property schemes.

Key principles such as gearing and distribution practices are addressed in this Quarterly Update and an updated commentary on each of the eight disclosure principles is available for viewing by investors on the website at [www.lexproperty.com.au/lpf\\_fund.php](http://www.lexproperty.com.au/lpf_fund.php).

### ANNUAL FINANCIAL REPORT

In accordance with statutory obligations, the Annual Financial Report for the year ended 30 June 2010 has been lodged with ASIC.

A copy of this report is available through our website at [www.lexproperty.com.au/lpf\\_fund.php](http://www.lexproperty.com.au/lpf_fund.php) or can be sent to you on request.

For further information about the Fund, please visit the website at [www.lexproperty.com.au](http://www.lexproperty.com.au). If you have any questions regarding your investment in the Fund, please do not hesitate to contact LEX Investor Services on 1800 502 464.

A handwritten signature in black ink, appearing to read 'Nick Wyatt'.

**Nick Wyatt**

Managing Director

**LEX Property Management Limited**

20 October 2010