



## Quarterly Update – 30 September 2011

### SEPTEMBER 2011 DISTRIBUTION

- The Fund has paid cash distributions of **3.10 cents per unit** (“cpu”) for the quarter ended 30 September 2011.
- This quarterly distribution equates to an annualised cash distribution of **12.40 cpu**, an increase on the previous year’s total cash distribution of **11.80 cpu**.
- Distributions for the year to 30 June 2012 are forecast to be approximately **47% tax deferred**.
- Quarterly distribution payment statements were sent to investors on 27 October 2011.

### FUND PERFORMANCE

The full year audited results to 30 June 2011 were published in line with details provided in the last Quarterly Update issued to investors.

The Fund remains in full compliance with all of its banking covenants and the Directors confirm 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 2011:

- Net tangible asset backing per unit of \$1.09; and
- Gearing on the Fund’s external debt of 51.9% (bank covenant requires this not to exceed 60%).

### PROPERTY SALE PROCESS

As outlined in previous updates, the Directors have commenced an orderly sale process for the Fund’s Property.

The Directors are pleased to advise that the Fund has entered into a Heads of Agreement with a third party for the conditional sale of the Property. The Heads of Agreement provides for an exclusive due diligence period of 6 weeks which commenced on 31 October 2011. All other terms and conditions of the proposed sale are subject to commercial confidentiality arrangements until the execution of a Contract of Sale, which is expected to be 7 days following completion of the due diligence period.

The Fund is presently addressing the first right processes which exist with both Cebas Pty Ltd and Adelaide Airport Limited and the Directors intend to provide further advice to investors following the execution of a Contract of Sale. The aim is to conclude a sale transaction within the current financial year.

### 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/lrpt\\_fund.php](http://www.lexproperty.com.au/lrpt_fund.php).

### ANNUAL FINANCIAL REPORT

In accordance with statutory obligations, the Annual Financial Report for the year ended 30 June 2011 has been lodged with ASIC.

A copy of this report is available through our website at [www.lexproperty.com.au/lrpt\\_fund.php](http://www.lexproperty.com.au/lrpt_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.



**Nick Wyatt**  
Managing Director  
**LEX Property Management Limited**  
3 November 2011