PRODUCT DISCLOSURE STATEMENT

PEET GREENVALE SYNDICATE

ARSN 160 996 510

For the issue of 17 million Units at $1.00 each.

Peet Funds Management Limited ACN 145 992 169
is the Responsible Entity for the Syndicate AFSL 415 753

PEET

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IMPORTANT NOTICE

Responsible Entity - Peet Funds Management Limited ('Responsible Entity') ACN 145 992 169 holding Australian Financial Services Licence number 415753 is the Responsible Entity of the Peet Greenvale Syndicate ('Syndicate') ARSN 160 996 510 and is the issuer of this Product Disclosure Statement ('PDS'). The Syndicate was registered with the Australian Securities and Investments Commission ('ASIC') as a managed investment scheme on 12 November 2012.

Important Information - This PDS is dated 19 November 2012. No person is authorised to provide any information or to make any representation in connection with the Offer, which is not contained in this PDS. Any information or representation not so contained may not be relied upon as having been authorised by the Responsible Entity, its directors, or any other person in connection with the Offer. Applications can only be made using an Application Form in or accompanying this PDS.

Restrictions – This Offer is only being made to persons in Australia. This PDS does not constitute an invitation or offer in any place in which, or to any person to whom, it would not be lawful to make such an offer. The distribution of this PDS in jurisdictions outside Australia may be restricted by law and persons who come into possession of the PDS should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities law.

Electronic PDS - This PDS may be viewed online at www.peet.com.au/greenvale and is only available online to residents of Australia. If you access the electronic version of this PDS, you should ensure that you download and read the entire PDS. A paper copy of the PDS is available free of charge to any person in Australia before the closing date of the Offer by calling the toll free number 1800 689 778.

Disclaimer - An investment in the Syndicate is subject to investment and other risks, including delays in repayment and/or loss of capital invested. The information contained in this PDS does not take into account the investment objectives, financial situation and particular needs of intending investors. It is important that you read the entire PDS before making any decision to invest in the Units, and in particular in considering the prospects of the Syndicate, that you consider the risk factors which could affect the financial performance of the Syndicate. You should carefully consider these factors in light of your particular investment needs, objectives and financial circumstances (including financial and taxation issues) and seek advice from a suitably qualified professional advisor before deciding whether to invest. Please refer to the risks highlighted in section 9. Neither the Responsible Entity nor its related entities, directors or officers give any guarantee, promise, representation or assurance as to the performance of the Syndicate or the repayment of capital. The Issue of Units in the Syndicate is not underwritten. Peet will subscribe for 25% of the Units on issue, but where subscriptions exceed 17 million Units, Peet will be scaled back to a minimum holding of 10%.

The Offer in this PDS closes on 14 March 2013 subject to the right of the Responsible Entity to vary this closing date.

No development has commenced on the Property and the photographs in this PDS do not necessarily represent any property controlled by the Syndicate, nor its intended development. The main photograph on the front cover is an aerial image of the Property and surrounding landholdings. Title boundaries are indicative only.

This PDS contains forward looking statements. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, at the date of this PDS, are reasonably expected to take place (including the key assumptions set out in section 7). Such forward looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Responsible Entity. The Responsible Entity cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward looking statements contained in this PDS will actually occur and investors are cautioned not to place undue reliance on these forward looking statements.

This PDS includes information regarding the past performance of the Peet Group and syndicates or funds managed by the Responsible Entity. Investors should be aware that past performance should not be relied upon as being indicative of future performance.

Updated Information – Information contained in this PDS which is not materially adverse information may change from time to time, and if that information does change then the Responsible Entity may update that information at its website at www.peet.com.au/greenvale which prospective investors can then access from the internet. A paper version of any updated information will be given to prospective investors who request it.

Glossary – The glossary in section 14 of this PDS defines a number of the key terms used.

CHAIRMAN'S LETTER

Dear Investor

The Peet Group has a long and successful track record in creating and managing investments in land syndication and development. I am pleased to inform you of this latest syndicate offering.

THE PROPERTY

The Property, comprising 39.4 hectares, is located on Mickleham Road, Greenvale and is approximately 24 kilometres from the Melbourne CBD. Greenvale is a well established suburb and the Property is located within close proximity to a number of other estates which have been developing residential housing over the last few years.

Peet has completed the rezoning of the Property and the land currently has a planning permit in place for its western portion and we intend to commence construction in mid 2013.

The Project is expected to produce 437 lots and it is estimated that the total life of the Syndicate from formation to completion of all settlements is six years.

HUME GROWTH CORRIDOR

The land is located within the Hume Growth Corridor. The Hume Corridor is considered to be one of the key growth corridors of Melbourne and has experienced average population growth of 5.9% per annum over the last five years. The Hume Corridor benefits from good access to transport and significant local amenity, including schools, recreational facilities and shopping centres.

THE OFFER

The Syndicate will be structured as a unit trust and registered managed investment scheme.

The Offer is for 17 million fully paid units at an issue price of $1.00 per unit. The Offer will raise $17.0 million in equity towards the acquisition of the land, which will be acquired for $18.0 million (excluding GST). Peet will retain a core holding in the Syndicate of no less than 10%.

DISCOUNT TO INDEPENDENT VALUATION

Similarly to the successful Peet Point Cook Kingsford Syndicate, the Syndicate is purchasing the land from Peet at a 10% discount to the current independent valuation. Peet will provide and fund a range of services to the Property (refer to section 1.6).

MANAGEMENT

The Peet Group is one of Australia's largest residential land syndicators. It currently manages 22 retail syndicates on behalf of its many investors.

Peet is committed to environmental excellence and sustainability and has been awarded for setting benchmarks within these fields. The industry recognition and awards Peet has received in recent years are testament to the quality of the land estates and communities it creates.

RETURNS

It is intended that as profits emerge from the settlement of lots, the Syndicate will pay fully franked distributions to Unitholders. Capital returns will be paid on a progressive basis. The payment of distributions and capital returns will be subject to available funds, taxation legislation and the Corporations Act.

The Responsible Entity is forecasting an Investor IRR of 17.0% per annum before tax and after all fees. The first capital return is expected in October 2014. Please refer to the Profit Forecast Assumptions and Profit Forecasts in section 7.

RISKS

While the Peet Group has successfully managed many similar projects, there are risks associated with land development and this Property which may adversely impact on the Syndicate. Please refer to the detailed risk information in section 9.

The Constitution of the Syndicate provides that the liability of Unitholders is limited to their investment in the Syndicate.

This Product Disclosure Statement (PDS) contains important information about the Offer and it should be read in its entirety. The forecast financial information is presented in section 7 along with the sensitivity analysis and the risks in section 9. We recommend that you consult your usual financial adviser before making an investment decision.

The Syndicate provides an opportunity to invest in a subdivision in the established suburb of Greenvale.

I invite you to become a Unitholder in Peet Greenvale Syndicate.

Yours faithfully

Tony Lennon

TONY LENNON
CHAIRMAN – PEET GROUP

IMPORTANT DATES

Offer Open .... 20 November 2012

Offer Close .... 14 March 2013[1]

Date of Issue of Units .... by 21 March 2013[1]

Dispatch of Unit Certificates .... within four weeks of issue

Settlement of Property Acquisition .... 28 March 2013[2]

Subscription Due - $1.00 per Unit .... on Application

Syndicate Wound Up (forecast) .... January 2019

[1]The Closing Date and the date of Issue of the Units is subject to the right of the Responsible Entity to close the Issue at any earlier time or to extend the closing time and date. Intending investors are encouraged to submit their applications promptly.

All other dates are forecasts – refer to sections 7 and 9. Such forward looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Responsible Entity. The Responsible Entity cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward looking statements contained in this PDS will actually occur and investors are cautioned not to place undue reliance on these forward looking statements.

[2] Settlement to occur 7 days after acceptance of the irrevocable offer to sell. This is currently estimated as 28 March 2013. Refer to section 11.2 for further information.

KEY FEATURES AND KEY RISKS

KEY FEATURES

Attractive Forecast Rate of Return – A forecast Investor IRR of 17.0% before tax and after all fees and expenses. This return is based on forecast pre-tax returns to investors of $1.85 per unit including capital and franking credits, commencing in October 2014. Investors should refer to the profit forecast assumptions in section 7 and the risks in section 9.

Prime Location – The Property is located approximately 24 kilometres north of Melbourne's CBD and within the Hume City Council, one of Melbourne's key growth areas. The Property will be within close proximity to local amenities including retail centres, schools and recreational facilities.

Serviced Site – The Peet Group will be responsible for the provision of services to the site. This will significantly reduce the upfront costs and risk to the Syndicate in creating the first stage of development.

Population Growth – The Hume Corridor has been one of Melbourne's fastest growing corridors and has recorded average population growth of 5.9% per annum over the last five years. This strong population growth is expected to continue with key infrastructure in place and several significant projects currently underway which will continue to create employment in the area.

Experienced Management - Peet is Australia's largest ASX listed specialist residential land developer and has been operating for over 115 years. It currently manages 22 residential land development syndicates and has a total of 68 projects around Australia including 25 projects around Melbourne.

Peet Core Holding – Peet will subscribe for 25% of the units on issue, but where subscriptions exceed 17 million Units, Peet will be scaled back to a minimum holding of 10%.

KEY RISKS

Some of the key risks associated with the Project and investment in the Syndicate are summarised below. Investors should consider the pertained risks as outlined in section 9.

Lower Population Growth - Population growth in Melbourne and/or the Hume Corridor may be less than forecast by the Consulting Economist which may negatively impact on sales rates. See section 9.1 for more information.

Lower Price Escalation - Land values may not increase as forecast by the Consulting Economist leading to lower sales revenue over the life of the Project. See section 9.1 for more information.

Lower Sales Prices or Sales Rates - The initial sales prices or sales rates assumed by the Independent Valuer may not be achieved resulting in the return to investors being lower than forecast. See section 9.1 for more information.

Higher Development Costs - Costs to develop the Property may be higher than those estimated by the Consulting Engineer which may adversely impact on returns to Unitholders. See section 9.1 for more information.

Greenvale Reservoir - The Property abuts the Greenvale Reservoir and to obtain a planning permit for stages 6 to 10 of the Project, Melbourne Water needs to consent to the issuing of a planning permit. This will require Melbourne Water and the Syndicate to agree on the location, scope and size of a Bund.

The Responsible Entity, based on expert advice, is assuming that the Syndicate will only need to provide a Bund that protects the Reservoir from waterflows created by development within its land. Melbourne Water is seeking a Bund that would protect the Reservoir from future residential development on land to the north and north east of the Syndicate's land prior to providing consent. If this is not resolved by July 2015 it may have a material impact on the returns to investors. See section 9 for more information.

1. SYNDICATE OVERVIEW

1.1 INVESTMENT SUMMARY

Offer	This is an Offer of 17 million $1.00 Units in Peet Greenvale Syndicate, payable on application.
Minimum Investment	All applications must be for a minimum of 5,000 Units and thereafter in increments of 1,000 Units.
Asset	The Responsible Entity, on behalf of the Syndicate, will purchase the Property, known as Lot A on Unregistered Plan of Subdivision 714625C and located at 1170 Mickleham Road, Greenvale, Melbourne.
Forecast IRR	The Responsible Entity is forecasting an Investor IRR of 17.0% before tax and after payment of all fees and expenses. Investors should refer to the profit forecast assumptions in section 7 and the risks in section 9.
Investment Risks	There are risks associated with investment in the Syndicate – refer to section 9.
Taxation Implications	General information about the taxation implications of investing in the Syndicate are set out in section 12.1.10
Responsible Entity	Peet Funds Management Limited is the Responsible Entity. It is a wholly owned subsidiary of Peet Limited, a public company listed on the Australian Securities Exchange. Peet is an experienced fund manager and is currently managing 22 syndicates with an on-completion value of more than $2.5 billion (if sold at today's prices). Additional information on Peet and the Responsible Entity is detailed in sections 2 and 10.
Development Manager	Peet Development Management Pty Ltd is a wholly owned subsidiary of Peet and is the Development Manager for the Project. Peet is Australia's largest ASX-listed specialist residential land developer, and is currently developing 68 projects throughout Australia with potential for approximately 48,500 lots with an estimated on-completion value of $8.8 billion (if sold at today's prices).
Sales Manager	Peet Estates (VIC) Pty Ltd is a wholly owned subsidiary of Peet Limited and is the Sales Manager for the Project.
Syndicate Strategy	The Property will be developed into a residential estate, with resulting lots intended to be sold for a profit.
Distribution Policy	It is intended that distributions will be paid once the Syndicate has declared its maiden taxable profit and that all distributions will be fully franked, with the exception of the final distribution which will be franked to the extent of available franking credits.
Capital Return Policy	The Responsible Entity intends to return capital to Unitholders regularly once settlements commence. The proceeds from the settlement of each lot contain a portion of Unitholders' original capital enabling regular returns of capital to be made provided that sales are able to be achieved. Distributions and capital returns will vary from period to period depending on the lot settlements achieved, annual profits generated, available franking credits and working capital requirements.

First Capital Return	October 2014
First Distribution	January 2016

Note: Although distributions and capital returns are intended to occur as per the above timeframe, this should not be taken as a representation by any party that these events will occur at the times indicated.

1. SYNDICATE OVERVIEW

Term of the Syndicate	The life of the Syndicate is estimated to be 7 years from formation to winding up. Following the settlement of all subdivided lots within the Property, the Responsible Entity will seek to wind-up the Syndicate in accordance with the Syndicate's Constitution and the Corporations Act with any remaining profits and capital returned to Unitholders.
Liquidity	It is not intended that Units be listed on a securities exchange, therefore Units should be considered illiquid. Investors do not have any withdrawal rights as the Syndicate is not a liquid managed investment scheme. Investors may, subject to the laws of Australia and the Constitution, sell or transfer their Units.
Cooling Off Period	There is no cooling off period for this investment as the Syndicate is not a liquid managed investment scheme.
Redemptions	No redemption or liquidity facility is offered by the Responsible Entity.
Tax Status	The Syndicate is a managed investment scheme that is intended to operate as a trading trust. Accordingly, the Syndicate will pay tax at the corporate rate (currently 30%) on taxable profits derived. The Responsible Entity will not pay distributions of profit prior to the Syndicate's first payment of tax following its first taxable profit. All distributions, with the exception of the final distribution and returns of capital, will be fully franked.
Borrowing Strategy	The Syndicate will partially debt fund the acquisition of the Property and fully debt fund the development of Stage 1. Development of future stages will be funded through a combination of working capital and debt. The debt facility will be repaid progressively during the life of the Project from proceeds received from the sale of the residential lots.
Debt Facility	The Responsible Entity has received an Indicative Terms Sheet from an Australian bank for an $11.2 million debt facility. The debt facility will be used to fund the balance of the acquisition price, transaction costs and development of Stage 1. It is intended to finalise the loan documentation and have a debt facility in place prior to the Closing Date. The key terms of the proposed debt facility are detailed in section 12.1.9.
Debt Facility Condition	The Offer is conditional on the Responsible Entity obtaining a debt facility on substantially similar, or better, terms to those set out in section 12.1.9, prior to the Closing Date. If the debt facility condition is not satisfied, the Responsible Entity will return the subscription monies to subscribers as soon as practicable after the Closing Date. Interest will be payable on the subscription monies refunded – please refer to section 12.1.4.
Equity Raising Condition	The purchase of the Property is conditional upon the Syndicate raising $17 million in equity through the Offer. Peet will subscribe for a maximum of 4.25 million units or 25% of the Offer. Where there are subscriptions for more than 17 million Units, Peet's entitlement will be scaled back to no less than 1.7 million Units. If the equity raising condition is not satisfied, the Responsible Entity will return the subscription monies to subscribers as soon as practicable after the Closing Date. Interest will be payable on the subscription monies refunded – please refer to section 12.1.4.
Valuation Policy	The Responsible Entity will have the Property independently valued at least annually. Please refer to section 1.4 for further details.
Voting Rights	At a meeting of Unitholders, each Unitholder may cast one vote on a show of hands and one vote for each Unit held on a poll.
Complaint	The Responsible Entity has a complaints resolution procedure – please refer to section 10.5.

1. SYNDICATE OVERVIEW

1.2 PROJECT SUMMARY

The Project	The Project is the development, marketing and sale of the Property.
The Property	The Property is known as Lot A on Unregistered Plan of Subdivision 714625C and is located at 1170 Mickleham Road, Greenvale, Victoria. The Property is 39.4 hectares in area.
Zoning	Zoned Urban Growth Zone and forms part of the Greenvale North R1 Precinct Structure Plan.
Market Value	The Market Value of the Property, assessed by Charter Keck Cramer as at 5 November 2012 was $20.1 million (exclusive of GST). Please refer to the Independent Valuer's Report in section 13.
Purchase Price	The Responsible Entity will purchase the Property for a price of $18.0 million, exclusive of GST, with settlement forecast to occur on 28 March 2013.
Location	The Property is located 24 kilometres north of the Melbourne Central Business District. Greenvale is a suburb in Melbourne's North, with a median house price above the Melbourne average.
Access	The Property enjoys frontage to Mickleham Road and is in close proximity to the Tullamarine Freeway and Hume Highway.
Nearby Amenity	Retail amenity such as Greenvale Shopping Centre and the under construction Craigieburn Town Centre are located in close proximity to the Property. The Property is also well serviced by schools, with Aitken College, Greenvale Primary School and Kolbe College in close proximity.
Lot Yield	Approximately 437 residential lots, ranging in size from 256 to 1,334 square metres and averaging 472 square metres.

Construction Commences	Mid 2013
First Settlements	Early 2014
Final Settlements	August 2018

Note: Although construction and settlements are intended to occur as per the timeframe set out above, this should not be taken as a representation by any party that these events will occur at the times indicated.

1. SYNDICATE OVERVIEW

1.3 FREQUENTLY ASKED QUESTIONS

Am I investing in a company or a trust?

Peet Greenvale Syndicate is an unlisted unit trust which has been registered with ASIC as a managed investment scheme. Investors will receive Units in the Syndicate and will be entitled to capital repayments throughout the life of the investment and distributions once the Syndicate has generated taxable profits.

How often will distributions be paid?

It is intended that regular distributions will be paid to Unitholders once the Syndicate has made a taxable profit. Investors should refer to the profit forecast assumptions in section 7 and the risks in section 9.

What is the tax status of distributions?

The Syndicate will pay fully franked distributions to Unitholders, with the exception of the final distribution which will be franked to the extent of franking credits available.

What is the role of the Responsible Entity?

The Responsible Entity is responsible for the operation and management of the Syndicate and must perform its role in accordance with its duties under the Corporations Act, the Constitution and the Compliance Plan. In exercising its powers and duties, the Responsible Entity must act honestly, with care and diligence and in the best interests of Unitholders. Where there is a conflict between its own interests and that of Unitholders, it must prefer the interests of Unitholders over its own. The Responsible Entity has the power to appoint third parties to do anything that it is authorised to do in connection with the Syndicate. However, the Responsible Entity remains liable for the acts of third parties, even where the third party acts fraudulently or outside the scope of its authority or engagement. The Responsible Entity has delegated a number of aspects of the management of the Syndicate to related entities. These arrangements are discussed in section 11.

Is there any recourse to investors?

The Constitution provides that the liability of Unitholders is limited to their investment in the Syndicate, including any unpaid portion of their Units.

Will I receive regular updates on the progress of the Syndicate?

Yes. A report will be sent to all Unitholders quarterly.

What are the significant fees?

The following fee will be paid to Peet subsidiaries in respect to its services in the establishment of the Syndicate:

- Capital Raising Facilitation Fee of 2.0% of the equity raised (payable March 2013).

The Development Manager will charge a GST exclusive Development Management Fee of 7.0% on the GST inclusive gross sales price of each lot sold within the Project.

The Sales Manager will charge a GST exclusive Sales Management Fee of 2.0% on the GST inclusive gross sales price of each lot sold within the Project.

The Development Manager is entitled to a performance fee, calculated as:

- 20% of all pre-tax profits which are in excess of 12% per annum of the equity raised by the Syndicate; plus
- an additional 20% of all pre-tax profits which are in excess of 20% per annum of the equity raised by the Syndicate, averaged over the life of the Project on a simple interest basis.

These fees and other associated costs are further explained in section 6.

Do I share in development profits?

Yes. The Responsible Entity undertakes the development of the Property on behalf of the Unitholders and any development profit is made on behalf of the Unitholders.

Can the Syndicate hedge against interest rate increases?

Yes. The Responsible Entity will consider the opportunity to hedge against interest rate increases at the time of negotiating bank funding.

1. SYNDICATE OVERVIEW

1.4 ASIC RETAIL DISCLOSURE PRINCIPLES

In March 2012, ASIC issued an updated version of Regulatory Guide 46: "Unlisted property schemes: Improving disclosure for retail investors ('RG 46')". RG 46 sets out the six benchmarks and eight disclosure principles identified by ASIC which are designed to help investors understand, compare and assess unlisted property schemes such as the Syndicate.

Set out in the tables below are each of the benchmark and disclosure principles and a summary of how each is addressed by the Syndicate or a reference to the relevant section:

CLOSED

Benchmark	Disclosure against benchmark
Benchmark 1: Gearing policy Benchmark 1 addresses whether a scheme has, and complies with, a policy on gearing at an individual credit facility level.	The Responsible Entity does not comply with Benchmark 1 as it does not have a formal written policy that governs its level of gearing because the covenant's of the proposed debt facility serves as an appropriate substitute and it has been determined that gearing will not exceed 50%. The Responsible Entity will primarily use debt to fund development of the Property. See related disclosure principle below for risks. The Syndicate intends to manage its financial position such that these requirements are met. The debt facility will be on similar terms to those outlined in section 12.1.9.
Benchmark 2: Interest cover policy Benchmark 2 addresses whether a scheme has, and complies with, a policy on the level of interest cover at an individual credit facility level.	The Responsible Entity does not comply with Benchmark 2 as it does not have a written policy governing the Syndicate's level of interest cover. The Responsible Entity does not consider this ratio relevant for the management of a development fund. Interest cover measures an unlisted property trust's ability to meet interest payments on any loan facilities from its earnings, which provides an indication of the trust's financial health. The debt facility to be obtained by the Syndicate, on terms as outlined in Section 12.1.9, does not have an interest cover covenant and interest will be capitalised into the loan. However, the Responsible Entity intends to manage the Syndicate on a basis that complies with the terms of the debt facility in place at that time. For the relevant risks see Benchmark 3 below.
Benchmark 3: Interest capitalisation Benchmark 3 addresses whether the interest expense of a scheme is capitalised.	The Responsible Entity does not comply with Benchmark 3 because interest will capitalise into the loan. Interest capitalisation occurs when accrued or accumulated interest is added to the loan principal instead of being paid on a regular basis. It generally applies where a fund's assets are being developed as during development, assets may not generate any income to meet interest payment obligations under debt facilities. The Syndicate will capitalise interest incurred on the debt facility and pay down debt as lots are settled. The asset of the Syndicate is a developing asset and therefore interest will be capitalised into the debt facility during development. The risk associated with capitalising interest is that should there be insufficient capacity in the debt facility to continue to capitalise interest, the Responsible Entity may not be able to fund interest cost and therefore meet its banking covenants. Default on banking covenants could lead to a sale of assets or funding on less favourable terms.

1. SYNDICATE OVERVIEW

Benchmark	Disclosure against benchmark
Benchmark 4: Valuation policy Benchmark 4 addresses whether a scheme has and complies with a valuation policy that governs how valuations are carried out by a responsible entity in relation to the scheme's assets.	The Responsible Entity complies with Benchmark 4 as the following valuation policy will be utilised by the Syndicate: • The Property will be independently valued at least every year or when the Responsible Entity believes there has been a material change to the Property value; • The Independent Valuer to be appropriately qualified, registered and have at least 5 years relevant experience; and • The valuation is to be undertaken in accordance with industry standards and it must outline the methodology used within the report. The Responsible Entity will aim to rotate the valuer every three years in line with normal banking practices. On this basis of rotation and given the independent valuer is likely to be appointed by the external lender, it is considered that a conflict of interest will not arise, but should a conflict arise, the Responsible Entity will take appropriate measures to avoid the conflict. The Property was independently valued by Charter Keck Cramer on 5 November 2012. The valuation was $20.1 million excluding GST on an 'as is' basis - please refer to section 13 for more details on the 'as is' and 'as is complete' basis of valuation.
Benchmark 5: Related party transactions Benchmark 5 addresses whether a scheme has, and complies with, a policy on related party transactions.	The Responsible Entity does not comply with Benchmark 5. The Responsible Entity does not have a written policy on related party transactions, but is currently preparing a written policy and it will be published on the Syndicate's page of www.peet.com.au when complete. Without a related party transactions policy there is an increased risk that related party transactions will not be properly assessed, however it is the Responsible Entity's intention that unless specific approval is received from Unitholders, all transactions with related parties will be conducted on arm's length terms, or better than arm's length terms, as approved by the board of Directors of the Responsible Entity and in compliance with the Corporations Act. Any risk is therefore minimised.
Benchmark 6: Distribution practices Benchmark 6 addresses a scheme's practices for only paying distributions from cash from operations.	The Responsible Entity does not comply with Benchmark 6 as it may pay distributions from debt. The Responsible Entity intends to distribute fully franked distributions to investors when profits and funds are available, subject to relevant taxation provisions, the availability of franking credits and working capital requirements. These distributions may be made utilising the debt facility which may get repaid from available working capital prior to franking credits becoming available. Accordingly this practice is sustainable and carries minimal risk for the Unitholders.

Disclosure principle	Summary or reference to relevant section
Gearing Ratio – This details the amount of the Syndicate's total assets that are funded by debt	Gearing ratios provide an indication of the extent to which an unlisted property trust is funded by debts (liabilities). Gearing ratios can affect a fund's level of risk. Generally, a higher gearing ratio indicates a higher reliance on borrowings to fund investments and this can expose a fund to increased costs in times of financial stress or if interest rates rise. The expected gearing ratio for the Syndicate will range from 0 to 50% with an expected gearing ratio of 28% (before GST refund) or 19% (after GST refund) on commencement of the Syndicate. The gearing ratio is calculated as the total debt plus outstanding bank guarantees of the Syndicate as a proportion of the Syndicate's tangible assets as accepted by the bank.

1. SYNDICATE OVERVIEW

Disclosure principle	Summary or reference to relevant section
Interest Cover	Interest cover measures an unlisted property trust's ability to meet interest payments from its earnings, which provides an indication of the trust's financial health. The lower the interest cover ratio for a trust, the higher the risk that the trust will not be able to meet its interest expenses on its debt facilities. The interest cover ratio for a fund is calculated by dividing the funds' earnings by interest expenses of the fund. This ratio is not relevant for the Syndicate as it will not be generating revenue from development until first settlements occur. Therefore, interest will be capitalised into the debt facility, which will be repaid over time from proceeds of lot settlements.
Scheme Borrowing – This disclosure allows investors to understand risks associated with the Syndicate's debt facilities	Debt will be utilised to partially fund the acquisition and then fund the transaction and development costs. The debt facility will be secured against the Property. Repayment of these borrowings ranks ahead of Unitholders interests. On settlement of the Property, the aggregate amount owing under the debt facility will be $3,217,250. As at the settlement date asset values would have to fall by approximately 68% before any of the terms in section 12.1.9 are breached. It should be noted though that as the Property is a developing asset, as development commences, the level of debt and therefore the value position provided above will change. All amounts due under the facility, including capitalised interest, will be payable on expiry of the proposed 18 month term if the expiry date is not extended. The debt facility, based on the indicative terms sheet detailed in section 12.1.9, is to fund the completion and development of Stage 1. Interest rate hedging opportunities will be be considered by the Responsible Entity. There are risks involved in investing in a geared trust as gearing magnifies profits and losses. Due to the short term of the proposed facility, there is a risk that on expiry of the facility, the Responsible Entity is unable to refinance the debt or refinance the debt on less favorable terms. Please refer to section 9 for further information.
Portfolio Diversification	The Syndicate has been created to develop and sell residential lots in the Project. It is intended that, on completion of the development, the Syndicate will be wound up. The key milestones for the Syndicate, as outlined in the PDS, are: • Estimated construction commencement — mid 2013 • Estimated first settlements — early 2014 • Estimated final settlements — August 2018 The above key milestones are derived based on the Responsible Entity's forecasts outlined in section 7.2 and may change as development of the Property proceeds. The Syndicate does not intend to invest in any other properties, property schemes or listed property securities. For a valuation of the Property please refer to the independent valuation in section 13. For more information on risks associated with the development, please see section 9.1. For further information on funding strategy of the Syndicate, please see section 1.1 and 12.1.9.

1. SYNDICATE OVERVIEW

Disclosure principle	Summary or reference to relevant section
Related Party Transactions	The Responsible Entity for the Syndicate has appointed a number of related entities to provide services to the Syndicate (for more details on the Responsible Entity relationship with the parties see section 1.1). The value of the related party transactions is set out in section 6.3.4, 6.3.5, 6.3.6 and section 1.2. Related party transactions carry a risk that they could be assessed and reviewed less rigorously than transactions with other parties. Where material related party transactions occur investors should consider the nature of those related party arrangements and the potential for conflicts of interest. The Responsible Entity will only approve related party transactions which are on at least arm's length terms or if specific approval is received from Unitholders. As at the date of the PDS, the Responsible Entity, on behalf of the Syndicate, has or intends to enter into the related party transactions outlined in sections 1.6, 6.3, 11.2 and 11.3 The related party transactions in this PDS are on arm's length or better than arm's length terms.
Distribution Practices	The Syndicate intends to pay fully franked distributions to Unitholders subject to available working capital and franking credits. The first distribution is forecasted for October 2014 and the final distribution will be franked to the extent of available credits. Distributions are not guaranteed and are subject to the Syndicate generating taxable profits. Distributions will not be able to be re-invested for additional Units. It is forecast that distributions will be paid quarterly or six monthly. The Syndicate intends to pay fully franked distributions when sufficient working capital and franking credits are available. This may result in excess cash, prior to the franking credits being available, being used to repay debt and future distributions then partially or fully paid from available debt facilities. The risk with paying distributions from debt is that it increases the gearing of the Syndicate. Debt will only be utilised to pay distributions where it is within the terms of the debt facility and the LVR of the Syndicate remains below 50%.
Withdrawal Arrangements	The Syndicate is an illiquid investment and there is no liquidity or redemption facility offered. Investors will receive capital returns throughout the life of the development and the Responsible Entity will seek to wind up the Syndicate following sale and settlement of the last lot from the development.
Net Tangible Assets	The Net Tangible Assets (NTA) value for each Unit will be $0.99 on the Issue Date, based on the independent valuation in section 13 of $20.1million. The NTA is calculated by dividing the Net Tangible Assets of the Syndicate, using the independent valuation, by the fully paid number of units on issue. The NTA value of each Unit is an important indication of the value of the assets underlying the Syndicate on a per Unit basis. The value of the Unitholders Units for the purpose of a sale of those units to a third party may however be affected by other commercial matters such as the size of a Unitholders holding. The Syndicate is an illiquid investment and there is no liquidity or redemption facility offered. If the development of the property does not proceed in line with the profit forecasts in section 7 there is a risk that the NTA could fall.

1. SYNDICATE OVERVIEW

1.5 UPDATES TO RETAIL DISCLOSURES AND COMMUNICATION

The retail benchmarks and disclosure principles discussed in section 1.4 are current as at the date of this PDS. Information contained in this PDS which is not materially adverse information may change from time to time, and if that information does change, then the Responsible Entity may update that information on its website at www.peet.com.au/greenvale which prospective investors can then access from the internet. A paper version of any updated information will be given to prospective investors who request it at no additional charge.

Where the Syndicate has 100 investors or more (which is likely to be the case for the Syndicate), it is considered to be a 'disclosing entity' for the purposes of the Corporations Act. As a disclosing entity, the Syndicate will be subject to regular reporting and disclosure obligations.

Copies of documents to be lodged with ASIC in relation to the Syndicate may be obtained from, or inspected at, an ASIC office. Unitholders will have the right to obtain a copy of the following documents from the Responsible Entity free of charge:

- the annual financial report for the Syndicate most recently lodged with ASIC;
- any half year financial report for the Syndicate lodged with ASIC after the lodgement of the annual financial report and before the date of this PDS; and
- any continuous disclosure notices given for the Syndicate after the lodgement of that annual financial report and before the date of this PDS.

The Responsible Entity will send all Unitholders an annual report on the Syndicate operations, including audited financial statements, within three months of the end of each financial year.

1.6 THE VENDOR

Peet is the Vendor of the Property which is being purchased by the Syndicate. The Property is a 39.4 hectare englobo land parcel that is being sold at a 10% discount to valuation.

Peet is selling the land as it has significant land holdings in the area with residential estates under development at Greenvale and Craigieburn with approximately 2,900 lots remaining. Peet will retain an area of approximately 7 hectares located adjacent to the Property being purchased by the Syndicate, which will either be sold to a retirement living operator or developed for residential purposes.

The Property is the significant part of a 46.4 hectare land parcel owned by Peet that was marketed for sale in July 2012 as it was considered that Peet's property portfolio was overweight to the Melbourne market, particularly the Hume corridor, and as part of a strategy to sell non-core assets and reduce debt. No acceptable offers were received and the property was withdrawn from the market.

Peet has structured the sale to create a transaction suitable for a retail syndicate, in that the land is being purchased at a discount to an independent valuation and development approvals are in place to allow construction on parts of the Property within approximately six months of settlement. In addition, the terms of the acquisition by the Syndicate include Peet providing the following services to the Property at Peet's cost:

- interim signalised intersection and part of the east-west connector;
- sewer;
- drainage; and
- water distribution main.

In addition, Peet Limited will provide a loan of up to $1.5 million to facilitate the completion of the ultimate signalised intersection with Mickleham Road prior to lots being titled for stage 1. The loan will be interest free and repaid on the earlier of completion of stage 10 or December 2017. Refer to Section 11.2 for further details.

While the Syndicate is buying a significant portion of the land previously offered for sale by Peet at a price above offers received during Peet's sales campaign, the Property will be enhanced by the services being paid for by Peet which reduces project risk.

Peet, through subsidiary entities, will be appointed the Development Manager and Sales Manager. Please refer to section 6 for details on fees to be received.

2. ABOUT PEET

BACKGROUND AND TRACK RECORD

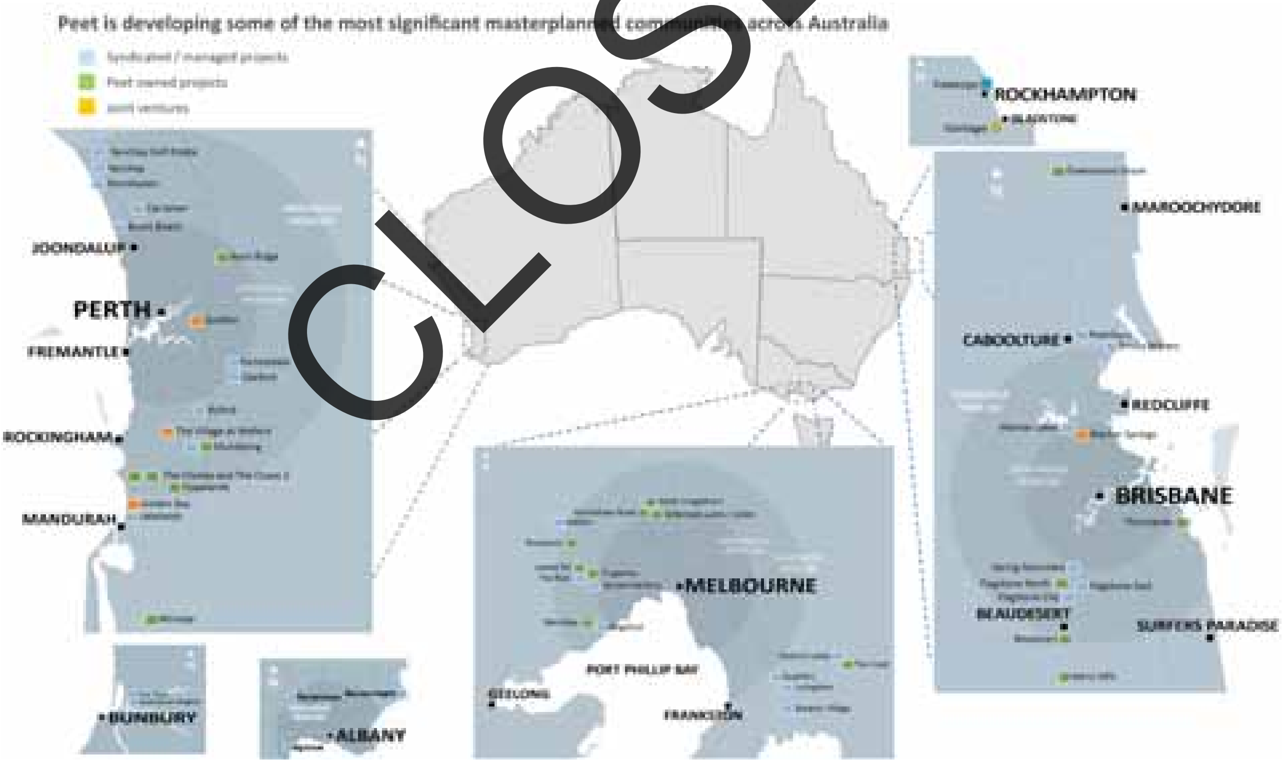
Peet is a leading national property group that has been operating successfully in Australia for more than 115 years.

Originally established in Western Australia and historically linked with the development of some of Perth's most prestigious suburbs, Peet expanded into Victoria more than a decade ago and later into Queensland and New South Wales. Peet listed on the ASX in 2004.

Today Peet has 68 projects with the majority located in the growth corridors of the Perth, Brisbane and Melbourne metropolitan areas.

Peet employs around 150 people in offices located in Perth, Melbourne and Brisbane, with professional project executives responsible for guiding projects through all stages of the development process. All team members are appropriately skilled, with qualifications or experience appropriate for the development industry. Peet ensures that the necessary experts and consultants such as project engineers, surveyors, planners, urban designers, environmental scientists and landscape architects are engaged to facilitate development to the highest standards.

The diagram below displays the location of current Peet projects nationally.

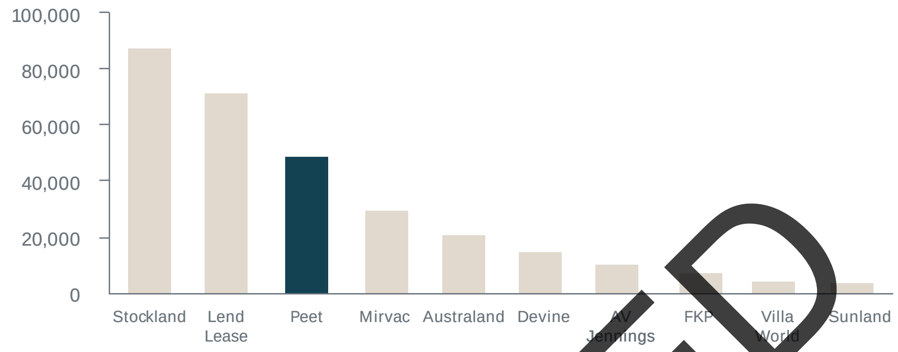


2. ABOUT PEET

LAND BANK

Peet's land bank is the third largest residential land bank of any ASX-listed company, with the potential to be developed into approximately 48,500 lots, with an estimated on-completion value of $8.8 billion (if sold at today's prices).

RESIDENTIAL LOTS CONTROLLED - ASX LISTED DEVELOPERS



FUNDS MANAGEMENT DIVISION

Peet's funds management platform features a direct retail distribution network of around 4,500 active investors, with a strong history of repeat investment. As at 30 June 2012, Peet was managing 22 syndicates that owned 25 residential land development projects.

Peet has successfully raised in excess of $290 million of equity for syndicated land acquisitions since 2003, and the on-completion value of Peet's existing syndicated projects is $2.5 billion (if sold at today's prices).

AWARDS

Peet has been proud to earn a number of coveted industry awards for excellence in planning, design, environmental management and the development of vibrant, sustainable communities. Since 2010, it has added to its list of awards:

- Urban Development Institute of Australia (Qld) Awards for Excellence, Best Residential Subdivision – Warner Lakes, Qld;
- Urban Development Institute of Australia (WA) Awards for Excellence, Sustainable Urban Development – Carramar Golf Course Estate, WA;
- Urban Development Institute of Australia (Vic) Awards for Excellence, Residential Development 250 lots or fewer – Skye Valley, Vic;
- Urban Development Institute of Australia (Vic) Awards for Excellence Judges' Award – Innisfail Estate, Vic;
- Urban Development Institute of Australia (Vic) EnviroDevelopment Certification in Ecosystems and Community – Cardinia Lakes, Vic;
- Urban Development Institute of Australia (Vic) EnviroDevelopment Certification in Ecosystems, Water and Community – Quarters, Vic;
- Urban Development Institute of Australia (Vic) EnviroDevelopment Certification in Ecosystems, Water and Community – Aston Craigieburn, Vic;
- Town of Kwinana, Looking Forward Award – The Village at Wellard, WA;
- Parks and Leisure Australia (National) Awards for Excellence, Inclusive and Connected Communities – The Village at Wellard, WA;
- Parks and Leisure Australia (WA) Awards for Excellence, Inclusive and Connected Communities – The Village at Wellard, WA; and
- Australian Marketing Institute (WA) Award New Product Launch – Launch of Shorehaven at Alkimos, WA.

2. ABOUT PEET

Warner Lakes - Queensland

Shorehaven at Alkimos - Western Australia

Golden Bay - Western Australia

Kingsford Estate - Victoria

Burns Beach - Western Australia

3. THE LOCATION

HUME CORRIDOR

The North Corridor – Craigieburn Statistical Local Area (Hume Corridor) will play an integral role in the future development of the Melbourne Metropolitan Region in terms of population and economic growth. The Hume Corridor forms part of the Hume City Council Local Government Area.

Over the period 2006 to 2011, the population in this region grew by 16,642 people at an average annual growth rate of 5.9 per cent. The rate of growth in the Hume Corridor outstripped the average annual growth rate for Victoria over this period. As the area has matured, population growth has stabilised to around 5.0 per cent per annum in the past two years.

The Hume Corridor has a very young population with 24 per cent of people in 2011 aged between 0 and 14 years and almost 30 per cent of people aged between 35 and 54 years. This age profile suggests there is a strong market for traditional family homes.

On average, the population in the Hume Corridor earned a gross personal weekly income of $541 in 2011, up from $475 in 2006. For the period between 2006 and 2011, the proportion of the population of the Hume Corridor in the lower and medium income groups fell, whilst the proportion of the population earning more than $1,000 per week increased by 7 per cent to 22 per cent.

Future employment conditions for the Hume Corridor are strong and will be supported by policy settings, as set out in the Hume Economic Development Strategy 2030, which encourage employment generation and self-sufficiency in the region. The development of major town centres such as the under-development Craigieburn Town Centre and the Broadmeadows Activity Centre will support employment growth over the next 20 years.

A number of major infrastructure projects are planned for or are presently taking place in or around the Hume Corridor including:

- Roads: Key road developments providing benefits to the Hume Corridor include Aitken Boulevard, the Outer Metropolitan Ring Road and the North-East Link;
- Craigieburn Town Centre: Due for completion in late 2013, the Craigieburn Town Centre will provide more than 50,000 square metres of retail space including three supermarkets, two discount department stores and approximately 160 specialty stores. The Town Centre will be named Craigieburn Central;
- Melbourne's Wholesale Fruit and Vegetable Markets and National Flower Centre: Work commenced on site in 2009 to relocate the Centre from West Melbourne to Epping, with completion expected in 2014;
- Metropolitan Fire Brigade Training Facility: Announced in July 2012, this new $109 million facility will be located in Craigieburn and is expected to be operational in 2014.

The rollout of infrastructure throughout the Hume Corridor is likely to positively impact the competitiveness of the region and therefore have the potential to increase the market share of the Hume Corridor compared to other parts of the Melbourne metropolitan area.

Developers in the Greenvale/Craigieburn region include Peet, Stockland, Pask, Australand, Villawood and Places Victoria (formerly VicUrban).

The Greenvale area has historically been dominated by Peet with the development of Greenvale Lakes, whilst Stockland has the largest land holding in Craigieburn.

3. THE LOCATION

GREENVALE

Greenvale is located approximately 24 kilometres north of the Melbourne CBD and is positioned at the southern end of the Hume Growth Corridor. There are a number of residential estates located within the Greenvale locality, namely Providence (Pask Group), Greenvale Gardens (Australand) and Greenvale Lakes (Peet).

Adjacent to the Property is the Greenvale Reservoir. Completed in 1971, the Greenvale Reservoir supplies water for the north-western and western suburbs of Melbourne.

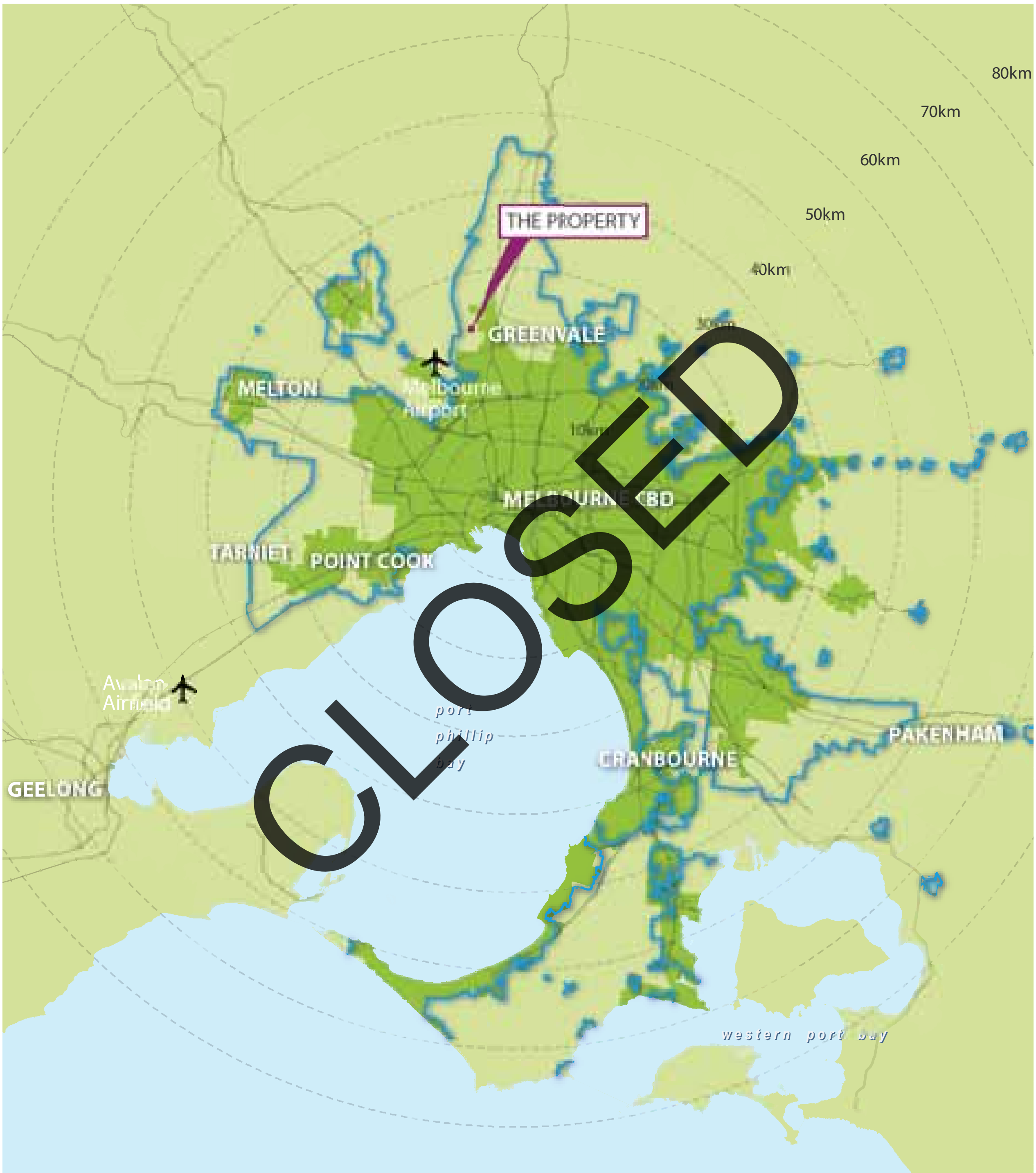
The Greenvale Reservoir Park is located to the south and east of the Property and provides a regional open space for Greenvale and the wider region. The park offers more than 53 hectares of open space and features walking paths and picnic facilities.

The Property benefits from its proximity to a wide range of amenities, including:

- 3 kilometres from the under development Craigieburn Town Centre, which is due for completion in late 2013. When complete, it will comprise more than 50,000 square metres of retail space;
- 7 kilometres from the Broadmeadows Activity Centre;
- 8 kilometres from the Melbourne Airport, which is accessed from the Property via Mickleham Road and the Tullamarine Freeway;
- 2 kilometres from the Greenvale Shopping Centre, which includes a Coles supermarket and specialty shops;
- adjacent to the proposed Greenvale North Neighbourhood Activity Centre, which is expected to provide 5,300 square metres of retail space and include a supermarket; and
- close to primary and high schools such as Aitken College, Kolbe College, Craigieburn Secondary College and Greenvale Primary School.

Greenvale is also well serviced by both the Roxburgh Park Train Station and the Craigieburn Train Station, with both stations being approximately five kilometres from the Property.

3. THE LOCATION



4. THE PROJECT

THE PROPERTY

The Property enjoys extensive frontage to Mickleham Road to the west and is bounded by the Providence Estate to the south, Aitken Hill Conference and Event Centre and future residential development to the north and by the Greenvale Reservoir to the east.

The Property is raised towards its centre, with the site sloping both east and west. A shallow ridgeline bisects the site from north to south. Land to the east of this ridgeline enjoys extensive views over the adjacent Greenvale Reservoir extending to the Melbourne CBD in the distance.

The Property has an area of 39.4 hectares and is expected to yield 437 residential lots over ten stages.

The Property is located at 1170 Mickleham Road, Greenvale and is known as Lot A on Unregistered Plan of Subdivision 714625C. Lot A will be created by the subdivision of Lot E on Plan of Subdivision 646719U. Lot B, to be retained by Peet, will also be created by this subdivision, representing an area of 6.9 hectares.

The timing of the subdivision of Lot E will be dependent on receiving an approval for a Staged Payment Arrangement from the Victorian Minister for Planning or by Peet selling Lot B. The title to Lot E will be transferred to the Responsible Entity, which will hold Lot A on behalf of the Syndicate and Lot B on behalf of Peet.

External services will be extended to the Property by the vendor as part of its obligations under the contract of sale and as required by the vendor to service Lot B. Please refer to section 11.2 and section 1.6 for more details on the servicing requirements in the contract of sale.

DESIGN

The Concept Plan provides an example of how the Property may be subdivided. A submission to amend the staging of the approved development, associate the park with a later stage of development and create a superlot for Lot B has been prepared and will be submitted to Hume City Council in mid November 2012. Therefore, it is possible that amendments to the Concept Plan may occur as Hume City Council assesses the application.

The Concept Plan features:

- a main entry road located at the midpoint of the Property which provides a direct link to the main north-south connector road that bisects the Property;
- a north-south connector road that traverses the ridgeline and is the main road for the new community connecting all stages of the Property. The north-south connector will provide future secondary entry points into the Property via Garibaldi Road to the south and future development to the north and will allow for wider views over the landscape to the east due to its position on the ridgeline;
- two local parks, with the main park being centrally located and forming the focal point for the main entry road. The main park is located in a position which allows for views further east over the reservoir and towards the city;
- a yield of 437 residential lots ranging in size from 256 to 1,334 square metres, with an average size of 472 square metres; and
- a future development area of 6.9 hectares to be retained by Peet

4. THE PROJECT

PLANNING APPROVALS AND PROJECT TIMING

The Property was included within the Urban Growth Boundary in November 2005 and is zoned Urban Growth Zone (UGZ). The purpose of the UGZ is to manage the transition of non-urban land into urban land in accordance with a Precinct Structure Plan (PSP).

A PSP needs to be prepared before land contained within the UGZ can be developed. In respect to the Property, a PSP has been prepared that contains the Property and is referred to as Greenvale North R1 PSP. This PSP was incorporated into the Hume City Council Planning Scheme via Amendment C119 in January 2011.

The Greenvale North R1 PSP identifies two broad precincts, the Mickleham Road neighbourhood (which contains the Property) and the Mount Aitken neighbourhood to the east. The PSP provides the following outcomes for the Property:

- conventional density residential development comprising between 10 to 14 dwellings per net developable hectare and a small area of medium density housing in the southern part of the site;
- a north-south connector road bisecting the Property, broadly along the ridgeline, and an east-west connector intersecting with Mickleham Road via a signalised intersection;
- two areas of passive open space, one to the north and a larger more central area to the east of the north-south connector road;
- an encumbered open space/retarding basin in the south of the Property; and
- a reservoir protection mechanism (bund) along its eastern and southern boundary.

A planning permit (P15280) has been issued for the western part of the Property. The planning permit was issued in September 2011 and applies primarily to the land to the west of the north-south connector road. A submission to amend the staging of the approved development, associate the park to a later stage and create Lot B will be submitted with the Hume City Council in mid-November 2012. It is anticipated that this amendment should issue in 30 to 60 days.

The balance of the Property, principally the land to the east of the north-south connector, requires a planning permit before it can be developed. It is envisaged that the planning permit for the balance of the Property would be issued within three to four months of lodgement, but only after the issue of the Greenvale Reservoir bund has been resolved (please refer to section 9).

As a permit is available for the Property, design and documentation can commence immediately. If design commences by the end of 2012, it is reasonable to conclude that construction of stage 1 could commence in mid 2013 and be substantially complete by the end of 2013. Titles for new lots could reasonably be expected to issue in early 2014.

These timeframes could be subject to delays or restrictions on development outside the control of the Responsible Entity. Investors should refer to the risks in Section 9 for more detail.

4. THE PROJECT

PROJECT SALES AND MARKETING STRATEGY

Peet has a well established reputation as a successful land developer, and engages internal and external sales and marketing executives with significant experience across residential developments throughout the Melbourne metropolitan area. Peet has owned land in the Greenvale/Craigieburn region since 2003 and is currently developing Aston (Craigieburn) and Greenvale Lakes (Greenvale).

Development of the Project's vision has commenced and will be well defined before commencement of the development in mid 2013. The Project will be positioned as a high quality and prestigious community, leveraging off its desirable Greenvale location, proximity to existing amenity and the topography of and views available from the Property.

This positioning will inform the sales and marketing strategy for the Project, which will encompass the creation of a unique estate brand and promotion through a variety of marketing channels.

The Project's vision will also guide the design and presentation of the Project, with landscaping elements that will celebrate the gentle topography and elevated land and will provide expansive views south-east and east over the Greenvale Reservoir to the Melbourne CBD beyond.

The Project will initially be sold from Peet's Greenvale retail sales suite, located at the Greenvale Shopping Centre, before the establishment of a project specific sales office on the Property. The Project will offer a range of lot types and by doing so, will provide a diverse range of sales prices which will broaden the market reach of the Property.

The Peet Group will work closely with residential home builders active in the Hume Growth Corridor to provide lots suitable for their standard houses. There is potential for some lots in the estate to be purchased by builders for display homes.

4. THE PROJECT

SUBDIVISION CONCEPT PLAN

Source: Bosco Jonson Pty Ltd

5. ECONOMIC OUTLOOK

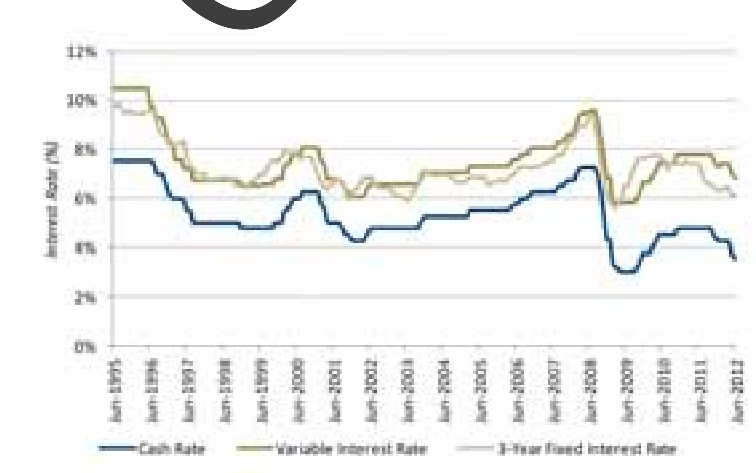
Victoria experienced a strong economic rebound post the Global Financial Crisis with 2.5% Gross State Product (GSP) growth in 2010-11, compared to 2.1% nationally. GSP growth estimates for 2011-12 have been revised down from 2.25% to 1.5%. The Consulting Economist is forecasting subdued growth over the coming 18 months, with growth expected to recover in the medium term to above 2.0% by 2014.

Source: ABS 5220.0, Victorian Budget (2012-13), MacroPlan Dimasi (2012)

Victoria's population growth has returned to its historical average with growth in the year to March 2012 of 1.5%. This growth has been supported by strong net overseas migration, with Victoria having a net overseas migration for the year to March 2012 of 48,418 people. The Department of Immigration and Citizenship outlook for future population growth for Victoria is a steady return to historical trends, largely driven by net overseas migration.

Full time employment growth in Victoria slowed to 0.2% in the 2011 financial year, a sharp slowdown from the historical average of 2.1%. The Consulting Economist expects that the 2012 financial year growth rate will be broadly in line with the previous year's result. Employment Growth in Victoria is constrained due to the impact of the higher Australian dollar and tightening state budgets.

The Reserve Bank of Australia (RBA) reduced the cash rate by 0.25 percentage points in October 2012 to 3.25%. A further rate cut is likely over the coming months.



Source: RBA

5. ECONOMIC OUTLOOK

The rate of recovery in the housing market will be dependent on continued strong migration into Victoria and the housing demand that it generates. It is expected that after one (potentially two) further interest rate cuts, the RBA will move back towards the medium term average.

The median house price in Melbourne has remained flat over the March and June 2012 quarters at $535,000, but has recorded a 9.3% fall over the year to June 2012, representing the largest fall in median house prices across the country.

This fall in median house prices is largely a reaction to the strong price growth that has occurred in Melbourne over the past two years and has resulted in an improvement in the affordability ratio. With the Consulting Economist forecasting relatively flat growth through to 2014, affordability should improve further providing a strong incentive for First Home Buyers to enter the market.

Source: REIA, MacroPlan Dimasi

Source: ABS 6302.0, REIA REMF 1

6. FEES AND OTHER COSTS

The format of this section is prescribed by the Corporations Regulations. It is a requirement of those regulations to include the following Consumer Advice Warning in product disclosure statements. This is a standard statement and is not specific to this Product Disclosure Statement.

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 lower contribution fees and management costs where applicable. Ask the fund or your financial advisor.

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 management investment fee calculator to help you check out different fee options.

6.1 FEES AND OTHER COSTS

This section shows fees and other costs that you may be charged. These fees and other costs may be deducted from your money, from the returns on your investment or from the Syndicate's assets as a whole.

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

Type of fee or cost	Amount (less any non recoverable GST)	How and when paid
Fees when your money moves in or out of the fund		
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.

6. FEES AND OTHER COSTS

Type of fee or cost	Amount (less any non recoverable GST)	How and when paid
Management cost		
The fees and costs for managing your investment		
Capital Raising Facilitation Fee[1]	$0.35 million, inclusive of GST credits not reclaimable. (2.0% of the Equity Raised)	A one off Capital Raising Facilitation Fee is payable to the Responsible Entity in full from the assets of the Syndicate on the issue date. Wholesale clients, as defined under the Corporations Act, can negotiate a rebate in respect of this fee (see section 6.3.8 for further information).
Other Issue Expenses	Estimated at $0.46 million, inclusive of GST credits not reclaimable.	Payable in full on the Issue Date to various parties such as lawyers, accountants, valuers, and other providers of services from the assets of the Syndicate or reimbursable to the Responsible Entity.
Annual Syndicate Administration Charge	$50,000 per annum adjusted annually for CPI.	An Annual Syndicate Administration fee is payable annually in June to the Responsible Entity for the provision of accounting, registry and compliance services from the assets of the Syndicate.
Estimated Syndicate Administration Costs	Estimated at $70,000 per annum.	External administration costs payable on invoice to various parties such as accountants, auditors and valuers from the assets of the Syndicate or reimbursable to the Responsible Entity
Development Management Fee	7.0% of the GST inclusive gross sale price of each lot sold.	Fee for provision of development management services to the Syndicate which is payable to the Development Manager from the sale proceeds of each lot on settlement.
Sales Management Fee	2.0% of the GST inclusive gross sale price of each lot sold.	Sales Management Fee for provision of sales management services to the Syndicate which is payable to the Sales Manager from the sale proceeds of each lot on settlement.
Performance Fee	20% of any pre-tax profit above a 12% simple interest return on funds raised by the Offer; and An additional 20% of excess pre-tax profits above a 20% simple interest return on funds raised by the Offer.	Performance Fee for exceeding benchmark returns which is payable annually to the Development Manager from the assets of the Syndicate, following the annual audit of the Syndicate.
Service Fees		
Investment Switching Fee The fee for changing investment options	Nil	Not applicable

[1] This fee may include an amount payable to an adviser (see section 6.3.8 "Advisor remuneration and fee rebates" under the heading "Additional Explanation of Fees and Costs").

6. FEES AND OTHER COSTS

6.2 EXAMPLE OF ANNUAL FEES AND COSTS FOR THE SYNDICATE

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

Example[1][2]	% Fee	Balance of $50,000
Contribution Fees	Nil	Based on the minimum investment of $5,000 your share of the fee will be $0
Plus Syndicate Administration Charge	0.30%	For every $50,000 you have invested in the Syndicate your share of the Syndicate's charge will be $148 per annum
Syndicate Administration Costs	0.41%	For every $50,000 you have invested in the Syndicate your share of the Syndicate's charge will be $207 per annum.
Development Management Fee[3]	7.0% of the GST inclusive gross sale price of each lot sold in the year.	Total Development Management Fee for the Project is estimated as $7.7 million. For every $50,000 you have invested in the Syndicate your share of the Syndicate's charge will be $3,923 per annum. This fee is only payable on settlement of lots.
Sales Management Fee[3]	2.0% of the GST inclusive gross sale price of each lot sold in the year.	Total Sales Management Fee for the Project is estimated as $2.2 million. For every $50,000 you have invested in the Syndicate your share of the Syndicate's charge will be $1,121 per annum. This fee is only payable on settlement of lots.
Performance Fee[3]	4.46%	Total Performance Fee for the Project is estimated as $752,600. For every $50,000 you have invested in the Syndicate your share of the Syndicate's charge will be $382 per annum. This fee will not be paid annually.
Equals Cost of fund		If you had an investment of $50,000 at the beginning of the year, you would be charged fees of $5,781.

[1] This table above does not include the one off capital raising facilitation fee. For every $50,000 you have invested, your share would be $1,025.

[2] The indirect cost percentages above have been calculated by dividing the estimated cost by the NTA of the Offer.

[3] The total fees outlined above are estimates based on the Profit Forecasts outlined in Section 7. The actual fees payable may vary depending on the Syndicate's performance and return.

6. FEES AND OTHER COSTS

6.3 ADDITIONAL EXPLANATION OF FEES AND COSTS

6.3.1 Related Party Transactions

Over the life of the Project, Peet and the Responsible Entity of the Syndicate may deal with organisations that could include associated entities, including those detailed in sections 6.3.5 and 6.3.6 below. All transactions with related parties will be conducted on at least arm's length terms.

6.3.2 Capital Raising Facilitation Fee

The Responsible Entity, in its own right, is entitled to the Capital Raising Facilitation Fee of 2.0% (exclusive of GST) of equity raised for completing the Offer. The fee will be payable on settlement of the Property.

6.3.3 Annual Syndicate Administration Charge

The Constitution provides for the Responsible Entity to receive a fee of $50,000 per anum (exclusive of GST and adjusted annually in line with CPI) in consideration for establishing and maintaining the register, the accounting system and records, providing required compliance services and otherwise effecting the efficient administration of the Syndicate.

6.3.4 Syndicate Administration Costs

Ongoing administration costs for which the Responsible Entity is entitled to be paid or reimbursed by the Syndicate may include but are not limited to the following costs:

- disbursements paid or incurred by the Development Manager under the Development and Sales Management Agreement;
- preparation of audit, taxation returns and financial statements;
- costs associated with Unitholder reporting;
- engagement of valuers, consultants and advisors; and
- Compliance Committee costs.

The amount included in the table in section 6.2 is an estimate only and does not limit the Responsible Entity in recovering any expenses incurred in the legitimate performance of its duties.

6.3.5 Development Management Fee

Peet Development Management Pty Ltd (the 'Development Manager') is to earn fees as a percentage of sales income in its role as Development Manager. These fees will only be payable by the Responsible Entity as lot sales are settled.

The Development Manager will be paid a fee of 7.0% (exclusive of GST) of the GST Inclusive gross sale price of each lot sold under the Development and Sales Management Agreement. The duties that will be performed under this agreement by the Development Manager include:

- ensuring that lots are developed and brought to the market in a timely manner;
- ensuring compliance with all development conditions imposed by relevant authorities;
- compiling and reviewing relevant market research;
- compiling and maintaining a list of all interested purchasers in the residential lots;
- ensuring the developed lots are advertised, promoted and marketed by arranging suitable signage, advertising and other media products; and
- ensuring the completed lots are presented appropriately for sale.

Please refer to section 6.2 for further information on the estimated fees payable.

6. FEES AND OTHER COSTS

6.3.6 Sales Management Fee

Peet Estates (VIC) Pty Ltd (the 'Sales Manager') is to earn fees as a percentage of sales income in its role as Sales Manager. These fees will only be payable by the Syndicate as lot sales are finalised; that is, such fees are not paid until sales made are settled.

The Sales Manager will be paid a fee of 2.0% (exclusive of GST) of the GST Inclusive gross sale price of each lot sold under the Development and Sales Management Agreement. The duties that will be performed under this agreement include managing the sale and settlement process of each lot.

The Sales Manager has the right to request the Responsible Entity to appoint an agent to sell the lots for the Syndicate. Should the Responsible Entity appoint such an agent then the Syndicate will recoup any costs resulting from this appointment by deducting those amounts (up to a maximum of 1.0% of the gross sales price) from the fee payable to the Sales Manager for the sales management services.

Please refer to Section 6.2 for further information on the estimated fees payable.

6.3.7 Development Manager's Performance Fee

The management fees set out in the table in section 6.2 includes a Development Manager's Performance Fee which may be payable to the Development Manager after the end of each financial year and is calculated as follows:

i. for such pre-tax profits derived from the Project by the Syndicate which are above 12% per annum of the equity raised by the issue of Units in the Syndicate, calculated over the life of the Project on a simple interest basis, the Syndicate will pay to the Development Manager 20% of the pre-tax profits (calculated prior to allocation of any profit share); and

ii. for such pre-tax profits derived from the Project by the Syndicate which are in excess of 20% per annum of the equity raised by the issue of Units in the Syndicate, averaged over the life of the Project on a simple interest basis, the Syndicate will pay to the Development Manager an additional fee equal to 20% of such excess pre-tax profit.

The Performance Fee is subject to profits exceeding any losses and is only due and payable after 30 June in each year where there is a surplus of total pre-tax profits over any total losses as at that previous 30 June. The Performance Fee shall be subject to final adjustment between the parties upon completion of the Project so that the total fees paid and payable (if any) to the Development Manager shall be in accordance with the calculations set out in sub paragraphs (i) and (ii) above over the life of the Project.

If at the end of the Project the total Performance Fee paid to the Development Manager exceeds what would have been paid if the performance fee had been payable to the Development Manager once only at the end of the Project, the Development Manager will be required to refund to the Syndicate the amount of the excess. The forecast Performance Fee payable to the Development Manager is forecasted as $752,600 – please refer to the Profit Forecast in section 7.3. Actual profits or anticipated timing may differ from those forecast, which may affect the amount of the Performance Fee payable to the Development Manager.

6.3.8 Advisor Remuneration and Fee Rebates

Peet Group may pay commissions to approved licensed financial advisers who introduce investors. Commissions are payable by the Peet Group from its Capital Raising Facilitation Fee. Advisers who receive commissions from the Peet Group are obliged to disclose this to their clients.

The Peet Group may, on an individual basis, negotiate with 'wholesale clients' (as that term is defined in the Corporations Act) in relation to rebates on the Capital Raising Facilitation Fee in circumstances permitted by the Corporations Act or by applicable relief granted by ASIC. Any rebates negotiated with wholesale clients are payable by the Peet Group from its funds and therefore do not affect the fees payable by other investors.

6.3.9 Waiver or Deferral of Fee

Peet or any subsidiary 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 have been entitled, and may claim these in the event it is removed as Responsible Entity.

At the date of this PDS, the Development Manager and the Sales Manager have agreed to waive any Development or Sales Management Fees on the first 40 residential lots sold in the Project.

6.3.10 Tax

Further information regarding taxation is detailed in section 12.1.10 and the estimated tax payable by the Syndicate can be seen in section 7.3.

6.3.11 Changes in fees

The Constitution does not allow for fees to be increased without Unitholder approval.

7. FORECAST FINANCIAL INFORMATION

7.1 APPLICATION OF FUNDS RAISED

The Issue will raise capital to go toward the costs of acquiring the Property. Borrowed funds will be applied to complete the funding of the purchase and acquisition costs, development, interest and holding costs.

The costs set out below are net of recoverable GST.

	$	$
Funds raised		17,000,000
Less costs of the Offer		
- Legal (Gilbert + Tobin)	65,000	
- Investigating Accountant (Ernst & Young and Ernst & Young Transaction Advisory Services Limited)	72,500	
- Consulting Town Planner (Urbis)	7,000	
- Consulting Engineer (SMEC Urban)	18,900	
- Independent Valuer (Charter Keck Cramer)	17,500	
- Consulting Economist (MacroPlan Dimasi)	22,700	
- Independent research and other consultants	44,050	
- Production and marketing	150,000	
- Postage, couriers, general expenses and contingency	52,350	
- Capital raising facilitation fees	340,000	
- GST not recoupable on above items	19,750	809,750
Net proceeds of Offer		16,190,250
Less costs of property acquisition and bank fees		
- Purchase price	18,000,000	
- Stamp duty on purchase, adjustment of rates and taxes, bank fees and legals	1,407,500	19,407,500
Debt Facility Required[1]		3,217,250

[1] Based on the debt required to complete the full acquisition of the Property (net of GST) and to fund the costs of the Offer, net of the capital raised.

7.2 PROFIT FORECAST ASSUMPTIONS

The profit forecasts are based upon a number of key assumptions in regard to the anticipated development and marketing program to be implemented by the Syndicate. These assumptions have been adopted by the Responsible Entity and reviewed by the independent experts whose reports appear in this PDS. Based on available information and their experience in their area of expertise, the independent experts have confirmed that the assumptions adopted for the purposes of the profit forecasts are reasonable. Investors should be aware that actual results may vary significantly from those forecasts because future events may not occur in accordance with the assumptions.

7. FORECAST FINANCIAL INFORMATION

The key assumptions adopted by the Responsible Entity in the preparation of the profit forecasts are as follows:

1.	The Responsible Entity will utilise a debt facility to partially fund the acquisition and development, capitalised interest and miscellaneous expenses to the extent required.	Refer to section 12.1.9 for further details of the debt facility.
2.	A 90 day bank bill rate of 3.65% per annum over the life of the debt facility has been adopted. A bank margin of 1.75% and a line fee of 1.75% per annum have also been assumed, based on the Indicative Terms Sheet received.	This is considered reasonable by the Consulting Economist, who considers that the RBA Cash Rate will average between 3.25% and 3.5% between 2012 and 2014. The Responsible Entity will provide a copy of the full Consulting Economist's report free of charge to any person who requests a copy during the Offer Period.
3.	A total of 437 residential lots are developed.	The development yield adopted is as per the Concept Plan, which is considered reasonable by the Consulting Town Planner – refer to section 13.
4.	Annual escalation rate for selling prices of: to 30 June 2014 0.0% from 1 July 2014 to 30 June 2016 4.5% from 1 July 2016 thereafter 5.0%	The Consulting Economist has forecast that lot sales prices will increase as follows: 2012 0.0% 2013 2.5% 2014-2015 4.5% 2016-2019 5.0% The Responsible Entity has adopted more conservative selling price escalation assumptions, particularly in the initial years of the Project, to take into account the Consulting Economist views of subdued growth in the Victorian economy over the next 18 months. The Consulting Economist has confirmed that the escalation rates for selling prices are reasonable. Note the sensitivity table in section 7.4.1 showing the effect of variances in the escalation rate on the Unitholders' IRR.
5.	The cost of development advised by the Consulting Engineer is in today's dollars and exclusive of GST unless noted otherwise. The average development cost is $93,814 per lot, exclusive of GST as indicated in the development cost estimate. Additional costs of $19,701 per lot are included within the profit forecast for items not covered by the Consulting Engineer including consultancy, landscaping, sales office construction and other such costs.	The Consulting Engineer confirms that the development cost estimate provided is reasonable. The Development Manager confirms that the additional allowances are reasonable based on its experience. Please refer to the Sensitivity Analysis in section 7.4.2 for assessment of the impact of increases in development costs on the Unitholders' IRR.
6.	Timing of payments for construction of the first stage of subdivisional works will commence in mid 2013, with new lot titles able to be issued in early 2014.	Confirmed as reasonable by the Consulting Engineer. Please refer to section 9 for risks associated with obtaining construction approvals and issuing of lot titles.
7.	Development costs increase at 1.5% per annum beginning 1 July 2013, and increase to 3.0% per annum from 1 July 2015.	The Consulting Economist has forecast development costs to increase by 0.5% to 1.5% per annum over the period between 2012 and 2015, and around 2.0% to 3.0% per annum over the period between 2016 and 2019. The Responsible Entity has adopted 1.5% per annum beginning 1 July 2013 and increasing to 3.0% per annum from 1 July 2015. This assumption is confirmed as reasonable by the Consulting Economist – please refer to section 13. Please refer to the Sensitivity Analysis in section 7.4.1 for assessment of the impact of cost escalation rates on the Unitholders' IRR.

7. FORECAST FINANCIAL INFORMATION

8.	The allowance for estate landscaping and presentation costs is $5,920,000 (pre escalation), which is included within the costs indicated in Assumption 5.	The lot sales prices adopted by the Independent Valuer have regard for the landscaping works included in the cost estimate.
9.	Titles are issued for the first stage in February 2014, enabling the settlement of lot sales to commence in March 2014.	Confirmed as reasonable by the Consulting Engineer.
10.	Marketing commences during construction of the first stage and the lots are sold subject to title issuing (presales), with 15 of the 48 lots in Stage 1 forecast to settle in March 2014.	Confirmed as reasonable by the Responsible Entity on the basis of the proposed marketing strategy, and the rate of sale advised in the Independent Valuer's report – please refer to section 13.
11.	A sales rate of 6 to 8 lots per calendar month has been adopted for the Project.	The sales rates adopted are in line with the Consulting Economist and are confirmed as reasonable by the Consulting Economist. Although the Independent Valuer has forecast 7 sales per month, the Responsible Entity has taken the position of adopting a lower initial sales rate than the Independent Valuer and stepping the sales rate up over the course of the Project in line with the Consulting Economist's views. The Responsible Entity confirms that this is reasonable based on its experience. Refer to the Sensitivity Analysis in section 7.4.3 for assessment of changes in the sales rates on the Unitholders' IRR.
12.	An initial average sales price of $231,500 per residential lot (pre escalation) is achieved, inclusive of GST.	The average sales price is at or below the sales pricing provided by the Independent Valuer and based on this, the Independent Valuer confirms the sales prices adopted are reasonable – please refer to section 13. The sales price is inclusive of an incentives package being provided to purchasers, at a value of $5,000 per residential lot. Refer to the Sensitivity Analysis in section 7.4.2 for assessment of changes in the lot sales prices on the Unitholders' IRR.
13.	General expenses, including overheads, settlement costs, estate maintenance, annual valuation and Responsible Entity administration fees total approximately $2.6 million (GST exclusive) over the life of the Syndicate. The costs include escalation at the same rate as development costs (refer to Assumption 7).	This assumption is considered reasonable by the Responsible Entity and is based on Peet Group's long-term experience with similar developments.
14.	Rates and land tax total approximately $2.1 million over the life of the Project.	This is considered reasonable by the Responsible Entity and is based on an unimproved capital value of $18,000,000.
15.	An allowance for advertising and promotion expenses and promotional incentives over the life of the Project (but excluding the construction of the sales office and associated carparks and landscaping) equating to $4.6 million (escalated at the same rate as development costs - refer to Assumption 7).	This assumption is considered reasonable by the Responsible Entity based upon Peet Group's experience with other estates it is currently marketing in the Melbourne metropolitan area.
16.	The Responsible Entity intends to pay fully franked distributions, commencing January 2016. The Responsible Entity forecasts fully franked dividends being paid either quarterly or half yearly.	Refer to section 1.1 for details on the Distribution Policy. All distributions will be subject to the availability of profits, franking credits, ongoing requirements for working capital and as taxation legislation allows.
17.	The Responsible Entity intends to return capital progressively over the life of the Project. It is intended that 5% of the capital to be returned to Unitholders is retained within the Syndicate. This retention will be returned to Unitholders on winding-up of the Syndicate.	The Responsible Entity will return capital to Unitholders regularly once settlements commence. The proceeds from the settlement of each lot contains a portion of Unitholders' original capital enabling regular returns of capital to be made. Capital returns will vary from period to period depending on the lot settlements achieved and working capital requirements.

7. FORECAST FINANCIAL INFORMATION

Calculation of GST payable

The profit forecast has been prepared on the basis that the Property will be purchased under the general provisions of the GST legislation, and GST will be paid and subsequently reclaimed on the acquisition. The Responsible Entity will apply the general provisions of the GST Act for those lots developed within the Property for the assessment of GST payable.

The profit forecast has been prepared on the basis of development expenses being inclusive of GST and appropriate input tax credits being recovered quarterly.

7.3 PROFIT FORECAST

The profit forecast is based on the assumptions set out in section 7.2 and has been prepared in accordance with the recognition and measurement principles (but not all of the presentation and disclosure requirements) prescribed in Accounting Standards and other mandatory professional reporting requirements in Australia and the accounting policies of the Trust as set out in Section 8. In accordance with Accounting Standards, distributions to Unitholders will be expensed as a finance cost. However, this accounting treatment will have no impact on amounts available to be distributed to Unitholders or the forecast return of the Syndicate.

Investors should read the profit forecast in conjunction with sections 7.2, 7.4 and 9. Investors should be aware that actual results may vary significantly from the profit forecast because future events may not occur in accordance with the assumptions and material events that cannot reasonably be foreseen may eventuate.

Revenue (net of GST)	$ '000
Sales[1]	108,898
Interest earned	99
Total revenue	108,997
Less expenditure (net of GST)	
Development costs, including Development Manager's Fee, Sales Manager's Fee, landscaping costs, consultants	64,106
Property purchase and associated acquisition costs	19,139
Advertising expenses and purchaser incentives	4,570
Interest expense, borrowing costs and bank guarantees charges	1,984
Holding, contingency and administration costs	2,950
Development Manager's Performance Fee over the life of the Project	752
Settlement costs on lot sales	259
Total expenditure	93,760
Forecast Profit Before Tax and distributions to Unitholders	15,237
Less Estimated Income Tax Expense	4,328
Forecast Profit After Tax Over the Life of the Project and distributions to Unitholders	10,909

[1] Note: sales revenue inclusive of GST is forecast to be $119.8 million.

The profit forecast has been reviewed by the Investigating Accountant, Ernst & Young Transaction Advisory Services Limited, whose report is included in section 13. The profit forecast set out below is based on raising $17 million, and should be read in conjunction with the assumptions set out in section 7.2 and the risks as set out in section 9.

Profit Forecast Summary Per $1 Unit Over the Life of the Project (1)(2)

	Capital Raised $17,000,000
Franked Distributions	$0.63
Return of Capital	$0.97
Franking Credits	$0.25
Total Return(2)	$1.85 per $1 Unit before tax
Internal Rate of Return (IRR) Before Tax(2) (3)	17.0% per annum
Net Tangible Assets (NTA) at time of Issue(4)	$0.99

(1) The life of the Syndicate is estimated to be seven years resulting in the syndicate winding up in the 2019 financial year.
(2) The actual payments to Unitholders will vary from year to year depending on the variables noted in section 7.2. Examples of IRR calculations are presented within the Glossary – please refer to section 14.
(3) The profits of the Syndicate will be taxed and distributed to Unitholders as franked distributions, to the extent of available franking credits. The after tax return to a Unitholder will depend upon the Unitholder's own taxation circumstances.
(4) Based on a valuation of $20,100,000, exclusive of GST. Please refer to the Independent Valuers Report in section 13.

7. FORECAST FINANCIAL INFORMATION

7.4 SENSITIVITY ANALYSIS

The profit forecast for the Syndicate, as set out in section 7.3, was prepared on the assumptions set out in section 7.2. Investors should note that the returns may vary due to variations in factors such as, but not limited to, sales prices, sales rates and development costs. Sensitivity tables are provided below to illustrate the impact on the Unitholders' Internal Rate of Return before Tax (IRR) due to variances in sales rates and the rates of escalation of both sales prices and development costs. Investors should note that the sensitivity tables below are independent of each other and that simultaneous variances in sales prices, sales rates and development costs, or other factors not considered, could lead to further variation in forecast returns.

7.4.1 Escalations

Table 7.4.1 illustrates the impact on the Unitholders' IRR (the unshaded numbers) of changes in the assumed annual compound increase for selling prices (read across the top of the table and being changes in Assumption 4 as set out in section 7.2) and development costs (read down the left side of the table and being changes in Assumption 7 as set out in section 7.2). The table assumes all other assumptions remain as set out in section 7.2.

For example, if the selling price of lots increased at 1.0% per annum higher than the adopted assumption and development costs increased at 1.0% per annum higher than the adopted assumption, then the Unitholders' IRR would be 17.2% per annum.

Table 7.4.1 - Sensitivity analysis of IRR per annum as adjusted to reflect various possible changes to Profit Forecast Assumptions 4 and 7

Change in Cost Increase Per Annum Assumptions	Change in Sales Price Increase Per Annum Assumptions				
	-1.0%	-0.5%	0%	+0.5%	+1.0%
+1.0%	13.7%	14.6%	15.5%	16.4%	17.2%
+0.5%	14.6%	15.4%	16.3%	17.1%	17.9%
0%	15.3%	16.2%	17.0%	17.8%	18.6%
-0.5%	16.1%	16.9%	17.7%	18.5%	19.3%
-1.0%	16.8%	17.6%	18.4%	19.2%	19.9%

7.4.2 Changes in Initial Sales Prices And Development Costs Per Lot

Table 7.4.2 illustrates the impact on the Unitholders' IRR (the unshaded numbers) of changes in the assumed initial sales prices (read across the top of the table and being changes in Assumption 12 as set out in section 7.2) and changes in the initial development cost per lot (read down the left side of the table and being changes in Assumption 5 as set out in section 7.2). The table assumes all other assumptions remain as set out in section 7.2.

For example, if the initial sales price was 2.5% lower and the development cost per lot was 5% higher, then the Unitholders' IRR would be 9.4% per annum.

Table 7.4.2 - Sensitivity analysis of IRR per annum as adjusted to reflect various possible changes to Profit Forecast Assumptions 5 and 12

Change in initial development cost per lot	Change in initial sales price				
	-5.0%	-2.5%	0%	+2.5%	+5.0%
+5.0%	3.5%	9.4%	14.6%	18.9%	22.6%
+2.5%	5.3%	11.0%	15.8%	20.0%	23.4%
0%	7.0%	12.5%	17.0%	20.9%	24.3%
-2.5%	8.7%	13.9%	18.2%	21.9%	25.2%
-5.0%	10.2%	15.1%	19.3%	22.8%	26.0%

7. FORECAST FINANCIAL INFORMATION

7.4.3 Sales Rates

Table 7.4.3 illustrates the impact on the Unitholders' IRR (the unshaded numbers) of changes in the initial sales prices (read across the top of the table and being changes in Assumption 12 as set out in section 7.2) and sales per month (read down the left side of the table and being changes in Assumption 11 as set out in section 7.2). The table assumes all other assumptions remain as set out in section 7.2.

For example, if the initial selling price was 5% higher and the sales rate was 2 sales per month higher, then the Unitholders' IRR would be 26.2% per annum.

Table 7.4.3 - Sensitivity analysis of IRR per annum as adjusted to reflect various possible changes to Profit Forecast Assumptions 12 and 11

Change in sales per month	Change in initial sales price				
	-5%	-2.5%	0%	+2.5%	+5%
-2	0.3%	6.4%	11.2%	15.3%	18.9%
0	7.0%	12.5%	17.0%	20.9%	24.3%
+2	7.5%	13.6%	18.5%	22.6%	26.2%
+4	7.9%	14.5%	19.6%	24.0%	27.9%

8. HISTORICAL AND PRO FORMA FINANCIAL INFORMATION

PEET GREENVALE SYNDICATE PRO FORMA FINANCIAL INFORMATION

Assumptions used in the preparation of the Pro Forma Balance Sheet

The Pro Forma Balance Sheet of Peet Greenvale Syndicate as at 29 October 2012 has been prepared as if the following transactions had taken place at that date:

Pro Forma Transactions

(a) Settlement on the Property, known as Lot A on Unregistered Plan of Subdivision 714625C and located at 1170 Mickleham Road, Greenvale Victoria acquired for $18,000,000 (net of GST).

(b) The commercial funding facility of $11,200,000 has been received with terms substantially similar to the Indicative Terms Sheet, of which $3,217,250 has been drawn down (refer section 12.1.9).

(c) Transaction costs associated with the establishment of the debt facility of $56,000 have been capitalised into the carrying value of inventory.

(d) The estimated transaction costs (rates, taxes, stamp duty and legal costs) associated with the acquisition of the Property amounting to $1,351,500 (net of GST) have been incurred and are capitalised into the carrying value of inventory.

(e) Receipt of $17,000,000 through the issue of 17,000,000 Units at $1.00 each, payable on application.

(f) The Capital Raising Facilitation Fee payable to the Responsible Entity totalling $348,500 (net of recoverable GST) has been paid and has been offset against net assets attributable to Unitholders as incurred.

(g) Costs in respect to the preparation of this PDS totalling $461,250 (net of recoverable GST) have been paid and have been offset against net assets attributable to Unitholders as incurred.

The financial information on pages 37 to 38 of the PDS should be read in conjunction with the summary of significant accounting policies and financial disclosures set out in notes 1-7.

8. HISTORICAL AND PRO FORMA FINANCIAL INFORMATION

HISTORICAL BALANCE SHEET

OVERVIEW

The Historical Balance Sheet of the Trust as at 29 October 2012 is derived from the books and records of the Trust. It reflects the two fully paid ordinary units issued on inception of the Trust on 29 October 2012.

The financial information has been prepared in accordance with the significant accounting policies as outlined in note 1.

	Notes	Historical 29 October 2012 $
Current Assets		
Cash and cash equivalents	2	2
Total Assets		2
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	5	2

The Historical Balance Sheet should be read in conjunction with the accompanying notes.

8. HISTORICAL AND PRO FORMA FINANCIAL INFORMATION

PRO FORMA BALANCE SHEET

OVERVIEW

The Pro Forma Balance Sheet of the Trust as at 29 October 2012, derived from the Historical Balance Sheet at 29 October 2012 and adjusted for the completion of the transactions (the Pro Forma transactions) disclosed on page 36, is set out below.

The financial information has been prepared in accordance with the basis of preparation and the significant accounting policies as outlined in note 1.

	Notes	Historical 29 October 2012 $	Pro Forma 29 October 2012 $
Current Assets			
Cash and cash equivalents	2	2	2
Total Current Assets		2	2
Non-Current Assets			
Inventory	3	-	19,407,500
Total Non-Current Assets		-	19,407,500
TOTAL ASSETS		2	19,407,502
Current Liabilities			
Interest-bearing liabilities		-	-
Total Current Liabilities		-	-
Non-Current Liabilities			
Interest-bearing liabilities	4		3,217,250
Trade and other payables		-	-
Total Non-Current Liabilities		-	3,217,250
TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNITHOLDERS)		-	3,217,250
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	5	2	16,190,252

The Pro Forma Balance Sheet should be read in conjunction with the accompanying notes.

8. HISTORICAL AND PRO FORMA FINANCIAL INFORMATION

NOTES TO FINANCIAL INFORMATION

1. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies which have been adopted in the preparation of the Historical and Pro Forma Balance Sheet of the Trust are summarised below.

(a) Basis of Preparation

The historical and pro forma financial information has been prepared in accordance with the measurement and recognition requirements (but not all the disclosure requirements) of Australian Accounting Standards and authoritative pronouncements of the Australian Accounting Standards Board.

The financial information has been prepared on the basis of the historical cost basis and except where stated does not take into account changing money values or current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

Following completion of the capital raising the Trust will have working capital to be applied to future holding costs and general expenses. It is the intention of the Directors of the Responsible Entity that a finance facility will fund further holding costs, the acquisition costs, development of the Property and general expenses on a staged basis as required. It is intended that the facility be secured by a Registered First Mortgage over the Property.

The financial information does not contain the full note disclosures of the type normally included with general purpose financial reports, however in the opinion of the Responsible Entity, the information presented is adequate for the purpose of this PDS.

(b) Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of 3 months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

(c) Unitholders Funds

Incremental costs directly attributable to the issue of new Units are shown in Unitholder's funds as a deduction.

(d) Inventories

Land held for development and sale is valued at the lower of cost and net realisable value. Costs include cost of acquisition (land), development costs and finance costs capitalised during development. When development is completed finance costs and other holding costs are expensed as incurred. Finance costs included in the cost of land held for sale are those costs that would have been avoided if the expenditure on the acquisition and development of the land had not been made. Finance costs incurred while active development is interrupted for extended periods are recognised as expenses.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Estimates of net realisable value are based on the most reliable evidence available at the time the estimates are made, of the amount the inventories are expected to realise and the estimate of costs to complete. These estimates take into consideration fluctuations of price or cost directly related to events occurring after the end of the period to the extent that such events confirm conditions existing at the end of the period.

Land purchased for residential subdivision is classified as non-current. It is reclassified to current when lots within the stage are expected to be sold within 12 months.

(e) Interest Bearing Loans and Borrowings

All loans and borrowings are initially recognised at the fair value, net of transaction costs incurred. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities which are not incremental costs relating to the actual drawdown of the facility, are recognised as prepayments and amortised on a straight line basis over the term of the facility.

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 the balance sheet date.

8. HISTORICAL AND PRO FORMA FINANCIAL INFORMATION

NOTES TO FINANCIAL INFORMATION

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Borrowing Costs

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

The capitalisation rate used to determine the amount of finance costs to be capitalised is the weighted average interest rate applicable to the Trust's outstanding borrowings during the year.

(g) Revenue Recognition

Revenue is recognised and measured at the fair value of the consideration received or receivable to the extent that it is probable that economic benefits will flow to the Trust and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Sale of Land

Revenue and profits from the sale of lots from completed stages of land subdivision are recognised on settlement of the sale, when the risks and rewards of the land have passed to the buyer.

Interest Revenue

Revenue is recognised as the interest accrues using the effective interest rate method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.

(h) Income Tax

Current tax assets and liabilities for the current period are measured as the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Deferred income tax is provided on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except where the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax assets and unused tax losses can be utilised except where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in the Income Statement.

8. HISTORICAL AND PRO FORMA FINANCIAL INFORMATION

NOTES TO FINANCIAL INFORMATION

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Other Taxes

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST) except:

- where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

(j) Trade and Other Payables

Trade and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Trust prior to the end of the financial year that are unpaid and arise when the Trust becomes obliged to make future payments in respect of the purchase of these goods and services. These amounts are unsecured and are usually paid within 30 days of recognition.

(k) Provisions

Provisions are recognised when the Trust has a present obligation (legal or constructive), as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation measured. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the balance sheet date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision resulting from the passage of time is recognised in finance costs.

(l) Trade and Other Receivables

Trade and other receivables, which generally have terms of 30 days are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less an allowance for any uncollectible amounts.

Collectability of trade receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An impairment loss provision is recognised when there is objective evidence that the company will not be able to collect the receivable. Financial difficulties of the debtor, default payments or debts more than 60 days overdue are considered objective evidence of impairment. The amount of impairment loss is the receivable carrying amount compared to the present value of estimated future cash flow, discounted at the original effective interest rate.

8. HISTORICAL AND PRO FORMA FINANCIAL INFORMATION

NOTES TO FINANCIAL INFORMATION (CONTINUED)

	Historical 29 October 2012 $	Pro Forma Reference	Pro Forma 29 October 2012 $
2. CASH RECONCILIATION			
Subscription for foundation units	2		2
Add bank loans drawn down	-	b	3,217,250
Add Capital Raising under this PDS (17,000,000, $1.00 units paid to $1.00)	-	e	17,000,000
Less payment of land acquired	-	a	(18,000,000)
Less payment of acquisition costs	-	d	(1,351,500)
Less payment of facility establishment costs	-	c	(56,000)
Less costs associated with Capital Raising	-	f, g	(809,750)
Closing cash balance	2		2

The Capital Raising Costs of $809,750 (refer Pro Forma Transactions (f) and (g)) includes 25% of the GST payable on the costs as this is not recoverable by the Syndicate. Only 75% of the GST payable on the capital raising costs is recoverable.

		Reference	$
3. INVENTORY			
Land at purchase cost		a	18,000,000
Capitalised finance costs		c	56,000
Land acquisition costs		d	1,351,500
			19,407,500

An independent valuation of the Property, as at 5 November 2012 valued the Property at $20,100,000, excluding GST.

The Property will be provided as security for the debt facility as described in note 4 to the financial information.

		Reference	$
4. INTEREST-BEARING LIABILITIES			
Interest-bearing liabilities		b	3,217,250

Interest bearing liabilities represent the amount drawn down under the debt facility. The indicative terms of this facility are outlined in section 12.1.9.

The total debt facility will be secured by way of a first registered mortgage over the development property and a first registered mortgage debenture over the assets of the Syndicate.

8. HISTORICAL AND PRO FORMA FINANCIAL INFORMATION

NOTES TO FINANCIAL INFORMATION (CONTINUED)

5. NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

	Number of Ordinary Units	Historical 29 October 2012 $	Pro Forma Reference	Pro Forma 29 October 2012 $
Issued on 29 October 2012	2	2		2
Issue of 17,000,000 $1.00 Units, payable on application	17,000,000		e	17,000,000
	17,000,002	2		17,000,002
Less: Capital Raising expenses[1]			f, g	(809,750)
Balance as at 29 October 2012		2		16,190,252

1 The costs of the capital raising are shown as a deduction from net assets attributable to Unitholders in accordance with AASB 132 'Financial Instruments – Recognition and Measurement'.

6. CONTINGENCIES AND COMMITMENTS

The Directors of the Responsible Entity are not aware of any commitments or contingencies other than those commitments or contingencies described in this document (including the Material Contracts).

7. SUBSEQUENT EVENTS

The Directors of the Responsible Entity are not aware of any events other than those described in this document.

9. INVESTMENT RISKS

Whilst the Directors and senior executives of the Responsible Entity, Development Manager and Sales Manager are experienced land developers and business managers and although Peet has substantial experience in profitably managing property syndicate projects, there are risks associated with land development which may, either directly or indirectly, result in reduced distributions and/or a loss of some or all of the capital value of an investment in the Syndicate.

Before deciding whether to subscribe for Units, you should consider whether an investment in this Syndicate, the underlying asset of which will be the Property, is suitable for you. If you are in doubt as to whether you should invest, please consult a suitably qualified professional advisor. The risks associated with investing in the Syndicate include, but are not limited to:

9.1 Property and Development Risks

1. Development approval for residential lots, or any other applicable approval or consent, being withheld or delayed by the Hume City Council, GAA or any other government or semi-government department or authority, and development is not able to proceed or is delayed.

   Should this materialise the Syndicate's ability to generate returns may be affected, and the Responsible Entity may consider other development opportunities for the Property, or consider selling the Property as an englobo parcel/s. The Consulting Town Planner has confirmed in its report that the development of the land for residential purposes is an appropriate use.
2. The lot yield adopted for the Project (Profit Forecast Assumption 3) is not achieved because, for example, the subdivision plan approved by the Hume City Council when obtaining the planning permit for the eastern portion of the land varies from the Concept Plan resulting in a loss of lot yield.

   Should this materialise it may result in a lower return to Unitholders. The Consulting Town Planner has confirmed in its report that the adopted lot yield is considered reasonable.
3. Changes to the requirements of the local government or any other government or semi-government department or authority for any reason, including but not limited to archaeological, ethnographic, heritage, site contamination, economic, employment, identified or unidentified flora or fauna species, environmental, geotechnical, native vegetation, clearing of road reserves for the installation of offsite infrastructure, areas of public open space, size of easements and buffers of any nature, and buffers to arterial roads or nearby activities generating noise, odours or other nuisances may reduce the yield estimated by the Consulting Town Planner, delay the commencement of development or increase the costs associated with the development.

   Should this materialise it may result in a lower return to the Unitholders.
4. A planning permit has been granted for the western portion of the Property only. A planning permit for the remaining portion of the land will be applied for as development proceeds on the permitted land.

   If the Hume City Council does not grant a planning permit or the terms of the permit do not allow a development yield in line with those assumed in the Concept Plan, then this will have a negative impact on Unitholders' returns.
5. The Property abuts the Greenvale reservoir and to obtain a planning permit for stages 6 to 10 of the Project, being principally the land to the east of the north-south connector, an agreement is required with Melbourne Water in respect to the creation of a bund between residential development and the reservoir. The bund is required to protect the reservoir from an up to 1 in 1,000,000 year ARI rainfall event. The assumptions in relation to the size and cost of the bund to the Syndicate are based upon assumptions detailed in the Consulting Engineer's report.

   As at the date of this PDS, this issue is unresolved. Melbourne Water has stated that it does not endorse the indicative alignment of the bund shown on the plans prepared by Peet's consultants and that Melbourne Water does not consent to Peet's proposed alignment. Melbourne Water has stated instead that it requires the development of an integrated, best-for-catchment reservoir mechanism alignment that is agreed to by all relevant landowners, developers and authorities. Melbourne Water has urged Peet to work collaboratively with other landowners and developers in the catchment to develop an integrated approach to the reservoir protection mechanism that considers the entire Greenvale reservoir catchment (ultimate solution).

   Peet and the Responsible Entity intend to continue to work with its consultants and Melbourne Water to find a solution that allows the Syndicate to obtain a permit for its remaining land without the completion of the ultimate solution.

   Melbourne Water's discretion is arguably broad under the relevant planning controls. Melbourne Water is also afforded referral authority status under the relevant planning controls. If it objects to any permit application referred to it, the responsible authority must refuse the application under the Planning and Environment Act 1987 (Vic) (Act).

   The Responsible Entity can appeal any decision to refuse a planning permit application to the Victorian Civil and Administrative Tribunal (VCAT). It can also appeal to VCAT to review any decision by Melbourne Water relating to a matter which the planning scheme specifies must be done to the satisfaction or must not be done without the consent or approval of Melbourne Water.

9. INVESTMENT RISKS

Should the Responsible Entity not be able to satisfactorily resolve the issue relating to the bund in time for the commencement of Stage 6 of the Project, or at all, and the assumptions in relation to the size and cost of the bund to the Syndicate underestimate the actual size or cost then this may result in a significantly lower return to Unitholders. However, the Responsible Entity is confident, based on advice received, that Peet and the Responsible Entity, on behalf of the Syndicate will be able to resolve this matter over the next 2 to 3 years so that the Syndicate will not be responsible for the cost of creating the bund outside the direct requirements for the Property and the planning permit can be received within the PDS current forecasts.

6. Based upon the Consulting Engineer's report, it is assumed that a number of infrastructure items will be partially or fully reimbursable.

   Should the amount or timing of the actual refunds change negatively then this may reduce the returns to Unitholders.

7. The existing branch sewer is located within the Providence Estate, some 50 metres south of the Property. An existing easement has been provided to extend the sewer to the northern boundary of the Providence Estate. Approval is required from Melbourne Water to obtain an easement across Garibaldi Road as this is not a public road. Yarra Valley Water will require an agreement from the land owners that will be affected by the branch sewer extension. Such approval has not yet been obtained.

   The sewer can be extended along the existing Mickleham Road reserve to service the Project if the approvals cannot be obtained in a timely manner.

8. Peet may elect to develop residential lots on Lot B or sell to a party that will develop residential lots. This development may then compete for sales with the Syndicate.

   Should a new residential estate be created on Lot B, this may have a negative impact on returns to Unitholders. As Lot B is only seven hectares, it is unlikely to have a long term impact on the Project's sales rate or prices.

9. Lot sale rates and sale prices assumed for the Project (Profit Forecast Assumptions 11 and 12) may not be achieved.

   Should the assumed average lot sales prices or lot sale rates not be achieved, the returns to Unitholders may be affected. Should the rate of sales not be achieved, the development and selling period of the Project may be extended which may affect returns to Unitholders. Refer to the Sensitivity Analysis in section 7.4.

10. The lot sales price escalation rate adopted for the profit forecasts for the duration of the Project (Profit Forecast Assumption 4) may not eventuate.

    Should this occur, the returns to Unitholders may be less than those forecast. Refer to the Sensitivity Analysis in section 7.4 for examples of variations in the lot sale price escalation rates.

11. The Hume City Council is part of the GAA however it has not yet implemented the GAA's Engineering Design and Construction manual. The GAA standards will not apply until the Hume City Council has agreed to adopt these standards. The Consulting Engineer has utilised the Hume City Council's engineering design and construction standards in the costing of road works and drainage infrastructure to service the Property.

    When the Hume City Council adopts the GAA Standards additional construction costs may be incurred.

12. Development costs (Profit Forecast Assumption 5) are greater than forecast.

    Increases in development costs may affect the returns to Unitholders. Refer to the Sensitivity Analysis in section 7.4.2 for examples of variations in the development costs.

13. Escalation of development costs (Profit Forecast Assumption 7), is higher than expected.

    Should this occur the return to Unitholders may be less than forecast. Refer to the Sensitivity Analysis in section 7.4.1 for examples of variations in development costs escalation rates.

14. State Government and/or council development contributions exceed forecast levels.

    This may result in the Project being less profitable and may affect returns to Unitholders. The Consulting Engineer has based its report and development cost estimate on the information currently available and their considerable experience in land development in the Melbourne metropolitan area, and specifically the Hume City Council.

15. Increases in Project expenditure.

    Should there be increases in Project expenditure, returns to Unitholders may be affected.

16. The receipt of titles for any stage of development may be delayed due to approval or consent being withheld by the Hume City Council or any other government or semi-government department or authority.

    Should this materialise it may delay a forecast return to Unitholders and the delay of settlement income may result in a breach of the covenants of the Syndicate's debt facility and/or lower returns to Unitholders.

9. INVESTMENT RISKS

9.2 Financial Risks

1. On completion of the Project the ability of the Responsible Entity to return to Unitholder's the remaining capital (less costs of the Offer) invested by them in subscribing for their Units, will depend upon sufficient funds (capital and profits) being available to pay out the claims of all creditors of the Syndicate.

   The claims of creditors will take priority over Unitholders which may affect Unitholder's returns.

2. Units in the Syndicate should be considered illiquid because it is unlikely that there will be an established secondary market for the Units. It is not proposed to apply to list the Units on the Australian Securities Exchange. No redemption or liquidity facility is offered by the Responsible Entity.

   Investors may, subject to the laws of Australia and the Constitution, sell or transfer their Units at any time. Should you appoint a securities dealer to sell your Units, then brokerage and other costs may apply.

3. The Commissioner of Taxation may assess returns of capital to be taxable to recipients (in whole or part) as profit distributions in certain circumstances where it believes that capital is being returned in substitution for profit. In such an instance the return of capital may be deemed an unfranked profit distribution.

   The Responsible Entity intends to make capital returns only when confident that they would not be treated as profit distributions.

4. At some stage the Project may not meet the Syndicate bank's lending criteria in which case the Responsible Entity will need to seek alternative funding on behalf of the Syndicate.

   Such alternative funding, if obtained, may be on terms or at an interest rate less favourable than the previous facility, adversely impacting on the financial performance of the Syndicate and as a result may impact on returns to Syndicate Unitholders.

5. The Syndicate is exposed to changes in interest rates on its debt facility.

   Should interest rates rise above that forecast in Profit Forecast Assumption 2 this may have a detrimental impact on the Syndicate's profitability. The Syndicate may enter into interest rate hedges to mitigate this risk.

6. The Syndicate will require its debt facility to be extended or to source a new facility on its expiry. The renewed or new facility may be on terms less favourable than the previous facility, or the debt may be required to be repaid at this time.

   Should this eventuate, then it may have a detrimental impact on the profitability of the Syndicate and Unitholders returns may be reduced or delayed.

7. It may be determined that some costs in the Project are deductible to the Syndicate at a earlier or later point in time than is currently forecast. There is a risk that this will change the timing of fully franked distributions payable by the Syndicate.

   Should this eventuate the returns to Unitholders may be impacted.

8. The Property is subject to the Growth Areas Infrastructure Charge (GAIC). The Profit Forecast in Section 7.3, based on legal advice, has assumed that the Syndicate applies for and is granted a Staged Payment Arrangement by the Victorian Minister for Planning. This approval is at the discretion of the Minister.

   Should the Staged Payment Arrangement not be granted, then the Syndicate would be required to pay their full GAIC obligation of $3.35 million prior to receiving titles for Stage 1. The assumption that the Minister will grant a Staged Payment Arrangement, which requires 30% of the GAIC obligation to be paid before Stage 1 titles are issued, is based upon legal advice that this is a reasonable expectation.

9. An investment in the Syndicate may be adversely affected if the Responsible Entity has insufficient funds to meet its financial commitments or to meet the financial requirements imposed by the Responsible Entity's Australian Financial Services Licence. The insolvency of the Responsible Entity or other companies within the Peet Group (including the Development Manager and Sales Manager) may result in the suspension or termination of the Syndicate if no suitable replacement can be appointed. There is no guarantee that an alternative, qualified and willing responsible entity would be available.

9. INVESTMENT RISKS

9.3 General Risks

1. Changes in economic and business conditions or local, state or federal government policies in Australia or internationally may impact upon the fundamentals of the Project, its target markets, cost structures and profitability.

   Adverse changes in such things as the level of inflation, interest rates, exchange rates, government policy (including fiscal, monetary, state and federal taxation, migration, international affairs, security and regulatory policies), consumer spending, employment rates, inter alia, are outside the control of the Directors and may result in a material adverse impact on the Project, and on the Syndicate.

2. Changes in federal, state or local government legislation or policies (including the requirements for developer contributions, infrastructure agreements, listings of threatened or endangered species and council rates) or the policies of servicing authorities and utilities may indirectly affect the return to Unitholders.

   Should any of these risks materialise, the Syndicate's ability to generate returns may be affected or delayed and it may consider other development opportunities for the Property.

3. The population growth in the Hume City Council and/or the suburb of Greenvale may be less than forecast by the Consulting Economist.

   Should this occur commencement of development of the Project may be delayed or the project life extended.

4. A significant increase in unemployment and/or a significant decrease in consumer confidence in Melbourne could have a detrimental impact on the Melbourne property market, and the ability of the Development Manager to sell lots on behalf of the Syndicate.

   Should this occur commencement of development of the Project may be delayed or the development period extended.

10. THE RESPONSIBLE ENTITY

10.1 RESPONSIBLE ENTITY

Peet Funds Management Limited (PFML) is a wholly owned subsidiary of Peet and is the Responsible Entity for Peet Greenvale Syndicate. PFML was granted an Australian Financial Services Licence (AFSL) (no. 415753) on 5 July 2012, the same date that it took over as Responsible Entity of Peet's existing managed investment schemes:

- Peet Income Property Fund;
- Burns Beach Property Trust;
- Yatala Unit Trust;
- Peet Point Cook Kingsford Syndicate; and
- Peet Yanchep Land Syndicate.

PFML was established as a result of an operational restructure conducted by the Peet Group, with an aim to improve the corporate governance and risk management of the Group by ensuring the operation of Peet's managed investment schemes is conducted by a trustee (i.e. PFML) that is separate from Peet, and its trading activities. It was also in preparation for ASIC's proposed changes to the financial requirements for responsible entities (commencing November 2012), particularly the restrictions on providing guarantees and indemnities to related parties. Peet, as part of its day-to-day operations, is required to provide guarantees to and on behalf of its subsidiaries.

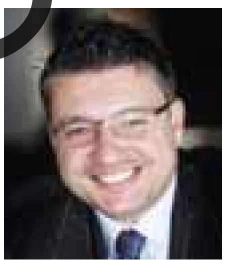
PFML's primary function is to act as Responsible Entity of the Group's managed investment schemes.

10.2 PEET FUNDS MANAGEMENT LIMITED DIRECTORS AND COMPANY SECRETARY

BRENDAN GORE
DIRECTOR

ANTHONY LENNON
DIRECTOR

GRAEME SINCLAIR
DIRECTOR



DOM SCAFETTA
COMPANY SECRETARY

Brendan Gore –Director

Brendan Gore has held senior corporate, commercial and operational roles for more than 20 years and brings to the positions of Managing Director and Chief Executive Officer of the Peet Group wide-ranging expertise in the business, resources and property sectors. Mr Gore is a qualified accountant and Fellow of the Australian Institute of Company Directors, CPA Australia and the Chartered Secretaries Australia.

Before joining Peet, Mr Gore held the dual role of Chief Financial Officer and Company Secretary of Mermaid Marine Australia Limited - now Australia's largest marine-based services provider to the offshore oil and gas industry. He began with Peet as Chief Financial Officer and played a key role in expanding the company's scope of activities and growing its core residential development and land syndication businesses.

10. THE RESPONSIBLE ENTITY

In January 2007, he was appointed inaugural Chief Operating Officer, taking on responsibility for developing Peet's integrated operational strategy and managing the day-to-day safety and performance of its business divisions. Assuming the position of Managing Director and Chief Executive Officer later that same year, Mr Gore maintains Peet's ongoing commitment to a long-term, strategic and disciplined approach to growth and expansion.

Anthony Lennon – Director

Anthony Lennon joined Peet in 1991 and became a Director in 1996. He moved to Victoria over a decade ago to establish Peet's operations in Australia's eastern states and oversaw significant expansion since that time.

Before joining the company, Mr Lennon worked in the United Kingdom, where he completed his post-graduate Diploma in Business Administration while on a Graduate Management Training Scheme with major international construction and development company, John Laing PLC. His time with this global company saw him gain valuable experience in property planning, marketing, feasibility analysis and project management.

Mr Lennon's responsibilities since joining Peet have included project management, broadacre acquisitions, marketing and financing and a six-year stint as Chairman of one of WA's largest conveyancing businesses.

Until his transition from Executive to Non-Executive Director on 27 August 2012, Mr Lennon was Peet Limited's National Business Development Director. He is a board member of the Urban Development Institute of Australia (Victoria).

Graeme Sinclair – Director

A qualified Chartered Accountant with more than 35 years accumulated experience in investment and wealth management services, Graeme Sinclair joined the Peet Board in June 2004. Mr Sinclair gained his accounting qualifications with an international accounting firm in 1971, before transferring to the firm's London office.

Two years later he returned to Australia and joined the Myer Family Group, an actively-managed long term investment group. The Myer Family Group holds Australian and international equity portfolios, as well as private equity and property investments. After becoming the Chief Executive Officer and Managing Director of the Myer Family Company Pty Ltd, Mr Sinclair served in these roles for 13 years before retiring from the positions in mid 2009.

Mr Sinclair is also a Non-executive Director of Mirrabooka Investments Limited, a listed investment company specialising in investing in small and medium-sized companies.

Mr Sinclair has a number of philanthropic activities, including being a Trustee of the William Buckland Foundation, one of Australia's largest philanthropic foundations, and a Director of Habitat for Humanity Australia (Victoria) Inc, having previously served as Secretary of both The Myer Foundation and the Sidney Myer Fund.

Dom Scafetta – Company Secretary

Dom Scafetta is a qualified Chartered Accountant who has worked with Peet since 1998.

Mr Scafetta began his career with major accounting firm Coopers & Lybrand (now PricewaterhouseCoopers) after completing a commerce degree in 1993. He held a senior role with the organisation in its Business Services division and advised a range of clients on accounting, taxation and general business matters.

After four years at Coopers & Lybrand, Mr Scafetta joined Peet as Company Accountant and Company Secretary, which also required him to act as Company Secretary for the company's various syndicates and subsidiaries. Prior to Peet being listed on the Australian Securities Exchange, Mr Scafetta was appointed Chief Financial Officer and served in that role until February 2005, when he was appointed as Company Secretary of Peet Limited.

10.3 COMPLIANCE COMMITTEE

Peet has an established Compliance Committee which has been engaged for the Syndicate. The membership of the committee comprises:

- Dom Scafetta (Chairman) – Mr Scafetta is Peet's Company Secretary. Refer to section 10.2 for information on Mr Scafetta's experience.
- Dene Rundle (External Member) – a practising accountant for more than 40 years including 11 years in public practice. Mr Rundle has been involved in property development for many years.
- Graeme Sinclair (External Member) – Mr Sinclair is a Non-executive Director of Peet and Director of the Responsible Entity. Refer to section 10.2 for information on Mr Sinclair's experience.

10. THE RESPONSIBLE ENTITY

The compliance plans of the managed investment schemes have been lodged with ASIC and are subject to ongoing review. The Committee meets at least quarterly and is required to report breaches of the Corporations Act 2001, the Responsible Entity's Australian Financial Services Licence and the managed investment scheme's constitution and compliance plans to the directors of the Responsible Entity. In the event that this occurs, the directors of the Responsible Entity are then required to report to ASIC any significant breaches of obligations.

A copy of the compliance plan for the Syndicate is available for inspection at the Responsible Entity's registered office.

Please refer to the Corporate Directory for details.

10.4 AUDITORS

PricewaterhouseCoopers is the appointed AFSL auditor for the Responsible Entity. PricewaterhouseCoopers has been appointed as the compliance auditor for the Syndicate.

Ernst & Young has been appointed as the financial auditor for the Syndicate.

10.5 COMPLAINTS HANDLING

The Responsible Entity will establish and maintain a procedure for dealing with complaints by Unitholders in relation to the Syndicate which is consistent with Australian Standard AS10002/2006 on complaints handling or any other standard which satisfies the requirements (if any) of the Corporations Act or any government agency from time to time.

A Unitholder may lodge a complaint in relation to the Syndicate by notice in writing (or by any other method the Responsible Entity may approve) to:

The Compliance Officer
Peet Funds Management Limited
PO Box 7224
CLOISTERS SQUARE WA 6850

The Responsible Entity:

(a) must within 45 days acknowledge any complaint received from a Unitholder and attempt to resolve the complaint;

(b) may within the initial 45-day period notify the Unitholder that additional time is required for resolution and that up to 90 days may be required for that purpose; and

(c) must communicate its decision to the Unitholder within the time periods detailed above.

If the Unitholder is dissatisfied with the decision made by the Responsible Entity, the Unitholder may refer the complaint to the external complaints resolution scheme, of which the Responsible Entity is a member, at the address set out below:

Financial Ombudsman Service
GPO Box 3
MELBOURNE VIC 3001

The Financial Ombudsman Service can also be contacted by phone on 1300 78 08 08.

11. SUMMARY OF MATERIAL DOCUMENTS

11.1 CONSTITUTION

Peet's responsibilities and obligations, as the Responsible Entity of the Syndicate, are governed by the Constitution as well as the Corporations Act and general trust law.

The Constitution contains a number of provisions relating to the rights, terms, conditions and obligations imposed on both the Responsible Entity and investors. A number of these are outlined elsewhere in this PDS. Some of the provisions relating to investors' rights, under the Constitution, include:

(a) Unitholders' rights to share in any Syndicate income, and how the Responsible Entity calculates it;

(b) Unitholders' liability – this is generally limited to the amount paid or which remains unpaid on a Unitholder's Units. However, higher courts are yet to determine the effectiveness of these types of provisions;

(c) what Unitholders are entitled to receive if the Syndicate is wound up;

(d) the nature of the Units – identical rights attach to all Units under the Offer; and

(e) Unitholders' rights to attend and vote at meetings – these are mainly contained in the Corporations Act.

There are also provisions governing the Responsible Entity's powers and duties, including:

(a) the fees the Responsible Entity can charge and expenses that it can recover; and

(b) the Responsible Entity's broad powers to invest, borrow and generally manage the Syndicate.

The Constitution also deals with the Responsible Entity's liabilities in relation to the Syndicate and when it can be reimbursed out of the Syndicate's assets, for example:

(a) the Responsible Entity is generally not liable for acting in reliance on professional advice;

(b) subject to the Corporations Act, the Responsible Entity is not generally liable for any loss where it acts without fraud, negligence or a breach of trust; and

(c) the Responsible Entity can be reimbursed for all expenses that it incurs in connection with the proper performance of its duties in respect of the Syndicate.

In addition, the Constitution sets out how the Responsible Entity calculates unit prices. In particular, it provides that:

(a) all Units issued after the close of the Offer must generally be issued at an application price based on the net trust value of the Syndicate; and

(b) if redemptions are available, Units must only be redeemed at a redemption price based on the net trust value of the Syndicate.

The Corporations Act governs how the Responsible Entity can amend the Constitution (generally it can only amend the Constitution where it reasonably believes that the changes will not adversely affect Unitholders' rights, otherwise the Constitution can only be amended if approved at a meeting of Unitholders).

The Corporations Act also governs when the Responsible Entity can retire and when it can be removed as the responsible entity of the Syndicate. Generally, this requires a meeting of Unitholders.

11. SUMMARY OF MATERIAL DOCUMENTS

11.2 OFFER AND CONTRACT OF SALE

1. Irrevocable Offer and Contract

The Responsible Entity has received an irrevocable offer ("Irrevocable Offer") from Peet Limited ("Vendor") to sell Lot A on unregistered plan of subdivision PS714625C ("Property") to it on the terms and conditions of a contract of sale of real estate ("Contract") annexed to the Irrevocable Offer. The Irrevocable Offer remains open for acceptance by the Responsible Entity at any time until 5:00PM Western Australian Time on 31 March 2013.

2. Structure

The Property is part of the land currently contained in Lot E on Plan of Subdivision PS646719U ("Lot E"). The Contract provides for the transfer of the entirety of Lot E to the Responsible Entity, on the basis that the Responsible Entity will own the Property in its own right and will hold the remainder of Lot E other than the Property (which is Lot B on unregistered plan of subdivision PS714625C ("Lot B")), as trustee for the Vendor. The Responsible Entity will deal with Lot B at the Vendor's direction once subdivision has occurred and the Responsible Entity has also entered into a bare trust deed with the Vendor to confirm that the Vendor remains as the beneficial owner of Lot B.

3. Stamp Duty

Stamp duty will be payable by the Responsible Entity in relation to the Property and will not be payable in respect of Lot B if the State Revenue Office accepts that there has been no change in its beneficial ownership and that the bare trustee provisions of section 35(1) of the Duties Act 2000 (Vic) have been satisfied.

The Contract provides that Peet is responsible for any stamp duty which is assessed in respect of Lot B at any time if the exemption does not apply.

4. GAIC

As the Property is subject to Growth Areas Infrastructure Contribution ("GAIC"), this structure enables the Responsible Entity to firstly apply for a deferral of GAIC at settlement and then to apply for a staged GAIC payment approval after settlement allowing payment of GAIC by the Responsible Entity on a progressive stage by stage basis as development of the Property continues. The Vendor has acknowledged that it remains solely liable for GAIC in relation to Lot B.

Whilst the Vendor can obtain a staged GAIC payment approval for the entirety of Lot E (including all proposed stages of development of the Property by the Responsible Entity), it cannot transfer this approval where the Responsible Entity is acquiring part of Lot E, ie only acquiring the Property. This means that the Vendor would otherwise need to pay GAIC for the Property prior to settlement and would then require full reimbursement at settlement by the Responsible Entity.

The Contract provides that the Responsible Entity is only liable for GAIC in respect of the Property and that Peet is responsible for GAIC in respect of Lot B.

5. Servicing and Intersection Works

Peet will provide servicing to the Property to enable future development at its own cost by the time the Responsible Entity requires these services as part of development of stage 1 of the Property.

Peet will construct a temporary intersection at its own cost by the time the Responsible Entity requires the intersection as part of development of stage 1 of the Property.

If an upgraded intersection is required by the relevant authorities, then Peet will construct it and contribute up to $2,600,000 towards the costs of the upgraded intersection and the Responsible Entity will be required to pay any amount in excess of $2,600,000 at the time costs are incurred. The Responsible Entity is then required to reimburse Peet for any costs incurred by Peet in relation to the upgraded intersection less a fixed contribution by Peet of $1,100,000 (ie up to a maximum of $1,500,000) on the earlier of 1 December 2017 or the commencement of works in Stage 10 of the development of the Property.

6. GST

The Irrevocable Offer specifies a sale price of $18,000,000 plus GST, calculated in accordance with the general provisions of the GST Act. Upon acceptance of the Irrevocable Offer by the Responsible Entity, the Contract will require the Responsible Entity to complete settlement by paying $18,000,000 plus GST 7 days after acceptance of the Irrevocable Offer. The Responsible Entity will then be entitled to claim an input tax credit of $1,800,000 in its next Business Activity Statement lodged after settlement.

The transfer of Lot B to the Responsible Entity as bare trustee and retransfer of Lot B back to Peet after subdivision should not constitute a taxable supply in accordance with Goods and Services Tax Ruling GSTR 2008/3. If the ATO later applied that ruling did not apply and the transfer attracted GST, the Responsible Entity would pay GST on the transfer of Lot B and claim an input tax credit for the full GST paid in its next Business Activity Statement lodged after settlement.

7. Legal Review

HWL Ebsworth Lawyers has reviewed the Irrevocable Offer and Contract and considers the terms of the Irrevocable Offer and Contract (other than the provisions in respect of transfer of the balance of Lot E to the Responsible Entity as trustee for the Vendor) as being at arms length.

11. SUMMARY OF MATERIAL DOCUMENTS

11.3 DEVELOPMENT & SALES MANAGEMENT AGREEMENT

Peet Funds Management Limited, as the Responsible Entity of the Syndicate, has engaged two wholly owned subsidiaries of Peet, Peet Development Management Pty Ltd (the Development Manager) and Peet Estates (VIC) Pty Ltd (the Sales Manager), to perform development management and sales and marketing management services in connection with the Project, in accordance with the terms of the Development and Sales Management Agreement.

The Development and Sales Management Agreement requires the Development Manager and the Sales Manager (either itself or through agents, contractors or related parties) to do all things it may deem necessary, prudent and desirable for:

(a) carrying out the efficient, businesslike and proper administration of the Project;

(b) promoting and marketing the Project in a timely and businesslike manner; and

(c) selling the lots created by the Project in a timely and businesslike manner.

The fees payable to the Development Manager and the Sales Manager are outlined elsewhere in this PDS and explained in detail in section 6.

Peet must also reimburse the Development Manager and the Sales Manager for any disbursements paid or incurred by the Development Manager and the Sales Manager in the course of performing their duties under the Development and Sales Management Agreement.

The Development and Sales Management Agreement can be terminated by the Responsible Entity due to the failure by the Development Manager or the Sales Manager to remedy or take steps to remedy any default within 30 days of being given notice specifying the default by the Responsible Entity, provided that Unitholders resolve in favour of a resolution to terminate the Development Manager or Sales Manager's appointment, such resolution being passed by at least 80% of the votes cast by Unitholders entitled to vote on the resolution.

Both the Development and Sales Manager's and the Sales Manager's liability to Peet for any loss, liability, cost or expense arising from their wilful misconduct, bad faith or negligence is limited to $500,000 each.

The Development Management Agreement contains provisions which set out the remuneration payable to the Development Manager and/ or Sales Manager in the event the contract is terminated. The remuneration payable is determined as follows:

i) in respect to lots sold but not settled and finished and ready for the sale the full fee (as detailed in section 6) will be payable;

ii) in respect to all lots sold but not created the full fee (as detailed in section 6) will be payable; and

iii) a minimum of 2% (plus GST) of the GST inclusive market value of the remaining land.

12. ADDITIONAL INFORMATION

12.1 GENERAL INFORMATION

12.1.1 Units Offered For Subscription

17 million Units are offered for subscription pursuant to this PDS. The total consideration of $1.00 in respect of each Unit in the Syndicate is payable on application.

12.1.2 Application For Units

All applications for Units must be for a minimum of 5,000 Units and thereafter in increments of 1,000 Units. Applications must be made on an Application Form in or accompanying this PDS (either electronic or hard copy version) and must be completed in accordance with the instructions set out in this PDS.

All applications must be accompanied by payment of $1.00 for each Unit applied for and cheques should be made payable to Peet Greenvale Syndicate Trust Account and crossed 'Not Negotiable'. All payments must be in Australian currency.

Completed Application Forms and accompanying cheques should be sent to:

Peet Greenvale Syndicate PO Box 7224 CLOISTERS SQUARE WA 6850.	or	Peet Greenvale Syndicate PO Box 7225 ST KILDA ROAD VIC 8004

Subscription lists will remain open until 5.00pm (Western Standard Time) on 14 March 2013 (Closing Date) subject to the right of the Responsible Entity to close the Offer at any earlier time and date or to extend the closing time and date.

12.1.3 Issue Of Units

Issue of Units will be made within 7 days of the Closing Date and Unit Certificates will be mailed to successful applicants thereafter.

The Responsible Entity has the right to accept or reject any application for Units offered under this PDS in whole or in part and/or to nominate the allottees. Where no Units are issued, the amount tendered with the relevant Application Form will be returned in full. Where the number of Units issued is less than the number of Units applied for, the surplus application monies will be dispatched as soon as practicable following the issue of the Units. Interest will be paid on refunded application monies – please refer to section 12.1.4 below.

No oversubscriptions will be accepted and, if required, applications may be subject to scaling at the sole discretion of the Responsible Entity. Peet's application for 25% of the units will be the first application subject to scaling to a minimum holding of 10%.

No subscribers' funds shall be utilised until the Offer is closed and the Units have been issued.

12.1.4 Interest On Subscription Monies

Subscription monies received prior to the Issue Date will be deposited in an interest-bearing account with NAB and held in trust until the Issue Date. Investors will receive interest on funds forwarded with the Application, currently estimated at 2.75% per annum before tax.

IMPORTANT NOTE: Investors who earn greater than $120 in interest and do not provide their Tax File Number or Australian Business Number on the Application Form will have withholding tax at 46.5% deducted from interest earned on subscription monies.

12.1.5 Investment Policy

It is envisaged that the primary investment to be undertaken by the Syndicate will be the purchase of the Property, the development of the Property, the sale of resultant lots and the depositing of surplus funds from time to time with a bank. The Responsible Entity may enter into interest rate swaps for the purpose of limiting the financial consequences of increases in interest rates applicable to the debt facility. The Constitution provides that the investment policy of the Syndicate may only be varied by the Responsible Entity with the approval of a special resolution of Unitholders.

12. ADDITIONAL INFORMATION

12.1.6 Distribution Policy

If development occurs and if a profit is generated and subject to ongoing requirements for working capital, it is proposed to pay fully franked distributions out of profits regularly. The final distribution is expected to be partially franked or unfranked.

Returns of capital will be made progressively over the life of the Project, generally in proportion with the number of lots settled in each year (and those lots proportion of the initial land value), subject to ongoing requirements for working capital and as taxation and corporate legislation will allow.

12.1.7 Realisation Of Investment

Following the completion of the Project, the Responsible Entity will seek to wind up the Syndicate in accordance with the Constitution and the Corporations Act.

12.1.8 Liquidity & Transfer Of Units

Investors may, subject to the Constitution, sell or transfer their Units at any time. The Responsible Entity is not obliged to register a transfer where the transfer is not accompanied by a certificate for the Units dealt with in the transfer, the transfer is not duly stamped (where required), or any amount payable by the transferee to the Responsible Entity in respect of any of the transferor's Units remains unpaid. Tax implications could be associated with the transfer of Units. Investors should discuss their circumstances with their professional advisor before requesting a transfer.

Units in the Syndicate should be considered illiquid because it is unlikely that there will be an established secondary market for the Units. Should you appoint a securities dealer to sell your Units, then brokerage may apply.

It is not proposed to list the Units on the Australian Securities Exchange or any other secondary market. Investors may transfer or sell their Units at any time provided they are able to locate a purchaser and negotiate a sale.

12.1.9 Indicative Terms Sheet - Debt Facility

The Responsible Entity has received an Indicative Terms Sheet from an Australian Bank for a debt facility. The Responsible Entity intends to enter into a debt facility on similar or better terms to those contained in the terms sheet. The key terms are:

Facility Limit:	$11.2 million.
Purpose:	To partially fund the acquisition of the Property and to partially fund development costs.
Term:	18 months.
Margin:	1.75% per annum of the drawn amount.
Base:	The Bank Bill Swap Rate ('BBSY')
Line Fee:	1.75% of the facility limit.
Establishment Fee:	$56,000.
Security (includes):	1. First registered mortgage over the Property.
	2. First ranking mortgage debenture over the assets of the Syndicate.

The proposed debt facility is structured to fund stages individually, with Stage 2 funding conditional on 80% or more of Stage 1 being sold prior to Stage 2 funding being provided.

The Debt Facility Condition detailed in section 1.1 must be satisfied prior to the Offer Closing Date.

12. ADDITIONAL INFORMATION

12.1.10 Taxation And Duty

The Syndicate is a resident of Australia for purposes of the Income Tax Assessment Act 1936 and 1997. Distributions paid by the Syndicate will be eligible to be franked to the extent of the Syndicate's available franking credits and when received by Australian residents will normally be taxable as income. Individual Unitholders who are residents of Australia will be entitled to an imputation credit in respect of franked distributions received from the Syndicate.

Over the life of the Project, Unitholders in the Syndicate can expect to receive a capital return of $0.97 for every $1.00 invested. For Unitholders who hold the investment on capital account a return of capital generally does not give rise to any income tax liability apart from reducing the tax cost base of the Unitholders' Units in the Syndicate. $0.03 per Unit can be claimed as a capital loss by the Unitholders when the Units in the Syndicate are ultimately cancelled (upon completion of the Project and subsequent winding-up of the Syndicate). Unitholders may deduct this capital loss against capital gains arising as a result of any other Capital Gains Tax event.

The various costs incurred from the initial subscription for Units which give rise to this $0.03 per Unit reduction, will be deductible against the Syndicate's taxable income, the deductions being spread over five years at a rate of 20% of the costs per year.

The Commissioner of Taxation may cause returns of capital to be taxable to recipients (in whole or part) as unfranked distributions in certain circumstances where capital is being returned in substitution for distributions of income. The Responsible Entity intends to make capital returns only when confident that they would not be treated as unfranked distributions.

Investors should not rely solely on this summary but should consult a taxation advisor to determine any tax consequences for them of an investment in Units in the Syndicate.

12.1.11 Anti-Money Laundering And Counter Terrorism Financing

In making the Offer contained in this PDS and in operating the Syndicate, the Responsible Entity is required to comply with the Anti-Money Laundering and Counter Terrorism Financing legislation ('AML/CTF Law'). This means that the Responsible Entity will need to obtain additional identification information when investors purchase Units in the Syndicate and undertake transactions in relation to their investment.

The Responsible Entity will need to identify:

- an investor prior to purchasing units. The Responsible Entity will not issue Units until all relevant information has been received and the potential investor's identity has been satisfactorily verified;
- an investor's estate – if an investor dies while they are the owner of the Units – the Responsible Entity will need to identify the legal personal representative prior to transferring ownership; and
- anyone acting on an investor's behalf, including under a power of attorney.

In some circumstances the Responsible Entity may need to re-verify this information.

By applying to invest in the Syndicate, investors also acknowledge that the Responsible Entity may decide to delay or refuse any request for any transaction if it is concerned that the request or transaction may breach any obligation, or cause the Responsible Entity or any of its associated entities, parties, directors or officers to commit or participate in an offence under any AML/CTF Law, and no entity in the Peet Group will incur any liability to any investor if it does so. Please refer to Peet's website for further information.

12.1.12 Labour Standards, Environmental, Social And Ethical Considerations

The Responsible Entity does not explicitly take into account labour standards, environmental, social or ethical considerations for the purpose of selecting, retaining or realising the investment within the Syndicate.

12. ADDITIONAL INFORMATION

12.2 CONSENTS

The following entities have given, and have not at the date of this PDS, withdrawn their written consent to be named in this PDS and any electronic version of it in the form and context in which they are named, and to the inclusion of the following information in the form and context in which it is included. Save as stated, none of the persons has caused or authorised the issue of this PDS or have in any way been involved in the making of the Offer.

Bosco Jonson has consented to the inclusion of the Concept Plan prepared by them in the PDS. Bosco Jonson does not make any statement in this PDS nor is any statement in this PDS based upon a statement by Bosco Jonson.

Charter Keck Cramer has consented to be named in this PDS and any electronic version of it as the Independent Valuer, to the inclusion of the Valuation Report in the form and context in which that document is included and to any express references to that document in this PDS in the form and context in which those references are included. Charter Keck Cramer does not make any other statement in this PDS nor is any other statement in this PDS based upon a statement by Charter Keck Cramer.

Ernst & Young has consented to be named in this PDS and any electronic version of it as the Syndicate Auditor and to the express references to the unaudited accounts of the Syndicate in this PDS in the form and context in which those references are included. Ernst & Young does not make any other statement in this PDS nor is any other statement in this PDS based upon a statement by Ernst & Young.

Ernst & Young Transaction Advisory Services Limited has consented to be named in this PDS and any electronic version of it as the Investigating Accountant, to the inclusion of the Investigating Accountant's Report and Financial Services Guide in this PDS in the form and context in which those documents are included and to any express references to those documents in this PDS in the form and context in which those references are included. Ernst & Young Transaction Advisory Services Limited does not make any other statement in this PDS nor is any other statement in this PDS based upon a statement by Ernst & Young Transaction Advisory Services Limited.

Gilbert + Tobin has consented to be named in this PDS and any electronic version of it as Solicitors to the Issue. Gilbert + Tobin does not make any statement in this PDS nor is any statement in this PDS based upon a statement by Gilbert + Tobin.

HWL Ebsworth has consented to be named in this PDS and any electronic version of it. HWL Ebsworth does not make any statement in the PDS nor is any statement in this PDS based upon a statement by HWL Ebsworth.

MacroPlan Dimasi has consented to be named in this PDS and any electronic version of it as the Consulting Economist, to the inclusion of its Economic Research in the form and context in which that document is included and to any express references to that document in this PDS in the form and context in which those references are included. MacroPlan Dimasi does not make any other statement in this PDS nor is any other statement in this PDS based upon a statement by MacroPlan Dimasi.

Peet Development Management Pty Ltd has consented to be named in this PDS and any electronic version of it as the Development Manager and to all other references to it acting in those capacities in the form and context in which it is named and those other references are included.

Peet Estates (VIC) Pty Ltd has consented to be named in this PDS and any electronic version of it as the Sales Manager and to all other references to it acting in those capacities in the form and context in which it is named and those other references are included.

Peet Ltd has consented to be named in this PDS and any electronic version of it as the parent entity of the Responsible Entity.

SMEC Urban has consented to be named in this PDS and any electronic version of it as the Consulting Engineer, to the inclusion of its Engineering Report in the form and context in which that document is included and to any express references to that document in this PDS in the form and context in which those references are included. SMEC Urban does not make any other statement in this PDS nor is any other statement in this PDS based upon a statement by SMEC Urban.

Urbis has consented to be named in this PDS and any electronic version of it as the Consulting Town Planner, to the inclusion of its Planning Report and Location Map in the form and context in which the documents are included and to any express references to that document in this PDS in the form and context in which those references are included. Urbis does not make any other statement in this PDS nor is any other statement in this PDS based upon a statement by Urbis.

12. ADDITIONAL INFORMATION

12.3 PRIVACY NOTIFICATION

By filling out an Application Form to apply for Units, you are providing personal information to the Responsible Entity for the Syndicate.

The Privacy Act 1988 (Cth) regulates the way the Responsible Entity collects, uses, disposes, keeps secure and gives people access to their personal information.

The Responsible Entity has confirmed it will adopt Peet's corporate "Privacy Policy Statement".

The Responsible Entity is committed to respecting the privacy of your personal information and has adopted a privacy policy, which states how your personal information is managed. You can obtain a copy of the policy by writing to the Responsible Entity.

In this regard, it is advised as follows:

The Responsible Entity can collect, hold and use personal information in order to process your application and if your application is successful, to administer your Unitholding in the Syndicate, including:

1. setting up and maintaining a register of Unitholders in accordance with the Corporations Act;
2. paying distributions to you;
3. communicating with you, such as sending you annual reports, notices of meetings and any other documentation which the Syndicate wishes to send to you as a Unitholder;
4. carrying out general administration including monitoring, auditing, evaluating, modelling data, dealing with complaints and answering queries; and
5. complying with its legal and regulatory obligations.

If you do not provide the information requested in the Application Form or any other information we request in connection with your application or your investment, if your application is successful, the Syndicate may not be able to process or accept your application for Units or process any subsequent transaction in relation to your investment.

Your personal information may be provided to Peet Group's agents or service providers on the basis that they deal with such information in accordance with the privacy policy. The types of agents and service providers that may be provided with your personal information and the circumstances in which your personal information may be disclosed are:

1. registry for ongoing administration of the Unit register;
2. printers and mail houses for the purposes of preparation and distribution of documents to you and for handling mail;
3. professional service providers such as lawyers, accountants, auditors, consultants and other professional advisors for the purposes of administering and advising on the Units and for any associated actions; and
4. other companies where Peet Limited believes it is more efficient to outsource services or functions to those companies.

12. ADDITIONAL INFORMATION

Your personal information may be provided to certain third parties. The types of third parties that may be provided with your personal information and the circumstances in which your personal information may be disclosed are:

1. government, regulatory authorities or other people when permitted or required by law, such as ASIC or people inspecting the Unit register in accordance with the Corporations Act; and
2. in certain circumstances and with safeguards to respect your privacy, potential or actual purchasers of an interest in the Syndicate or the Syndicate's business or any part thereof.

You have the right to gain access to your personal information held by the Responsible Entity, subject to certain exemptions under the law. A reasonable fee may be charged for providing access to personal information. You can request access to your personal information by writing to:

The Privacy Officer (Mrs C Young) Peet Limited PO Box 7224 Cloisters Square PERTH WA 6850	Ph: 08 9420 1111 Fax: 08 9481 4712

Any changes to the privacy policy or statements of the Responsible Entity will be posted on the Peet website at www.peet.com.au.

12.4 MATERIAL CONTRACTS AND INSPECTION OF DOCUMENTS

The Directors consider that the contracts mentioned below and summarised in this PDS are material in terms of the Offer ('Material Contracts') and, as such, may be relevant to a potential investor in the Syndicate. Any intending investor may read the Material Contracts at the Responsible Entity's registered office. The Material Contracts are:

1. Development, Marketing and Sales Management Agreement between Peet Funds Management Limited, Peet Development Management Pty Ltd and Peet Estates (VIC) Pty Ltd; and
2. Contract of Sale between Peet Limited and Peet Funds Management Limited.

Copies of the documents listed below will be available for inspection during normal business hours free of charge at the registered office of the Responsible Entity during the Offer Period:

- the Material Contracts;
- the Consents;
- the Constitution;
- the Compliance Plan;
- the full Independent Valuation report;
- the full Consulting Economist's report; and
- this PDS.

The information in the Consulting Economist Report is a summary of a full report, which is incorporated by reference into the PDS. The Responsible Entity will provide a copy of the full report free of charge to any person who requests a copy during the Offer Period and the report is also available at the following website, www.peet.com.au/greenvale.

The information in the Valuation Report is a summary of a full report, which is incorporated by reference into the PDS. The Responsible Entity will provide a copy of the full report free of charge to any person who requests a copy during the Offer Period and the report is also available at the following website www.peet.com.au/greenvale.

12.5 APPROVAL BY DIRECTORS

Each of the Directors has consented to be named in this PDS and has authorised the issue of this PDS.

13. INDEPENDENT EXPERTS REPORTS

CONSULTING TOWN PLANNER
Urbis

CONSULTING ENGINEER
SMEC Urban

CONSULTING ECONOMIST
MacroPlan Dimasi

INDEPENDENT VALUER
Charter Keck Cramer

INVESTIGATING ACCOUNTANT
Ernst & Young Transaction Advisory Services Limited

CONSULTING TOWN PLANNER

7 November 2012

The Directors
Peet Funds Management Limited
Level 7, 200 Georges Terrace
PERTH, WA 6000

Dear Sirs,

1170 MICKLEHAM ROAD, GREENVALE PLANNING REPORT

1. INTRODUCTION

This planning report has been prepared at the request of Peet Funds Management Limited for inclusion in a Product Disclosure Statement for the Peet Greenvale Syndicate (the Syndicate).

Urbis Pty Ltd is a consulting firm offering a unique range of skills, expertise and knowledge in planning, urban design, property, social planning, economics and research and is well qualified to provide this advice.

2. THE PROPERTY

The Property is located at 1170 Mickleham Road, Greenvale. The Property is presently contained within one title, and is described as Lot E on Plan of Subdivision 646719U. Two Legal agreements are registered on title as a result of the land once being part of a larger landholding. These agreements do not impact on the development of the site. An unregistered Plan of Subdivision, PS714625C, is presently being prepared to subdivide Lot E on PS 646719U into two allotments. The Syndicate will purchase Lot A on PS714625C representing an area of 39.4 hectares. The Property is located in the Hume City Council.

The Property is raised towards its centre, with the land sloping both east and west. A shallow ridgeline bisects the Property from North to South. The Property has a lengthy abuttal to Mickleham Road to the West.

The Property is broadly bound by:

- To the South: by Garibaldi Road. Beyond this lies the Providence Estate which has approval for circa 600 dwellings. A new activity Centre is also proposed on this site. South-east of the Property lies Greenvale Reservoir which forms part of Melbourne's water supply system for the Northern corridor. A water storage tank associated with the Reservoir lies immediately to the south-east.
- To the West: by Mickleham Road. Beyond this lies open countryside which is located outside the Urban Growth Boundary.
- To the North: by open countryside, which is located within the Urban Growth Boundary, and which is nominated for inclusion within the future Craigieburn West Precinct Structure Plan.
- To the East:by open area which presently forms part of the Greenvale Reservoir catchment. Beyond this lies the Mount Aitken neighbourhood which is identified for future residential development.

3. LOCATION

The Property lies approximately 24 kilometres North of Melbourne's CBD within the Hume Growth Corridor. The Property abuts, and has a long frontage to Mickleham Road which is a main road running North-south through the wider area.

In terms of local facilities:

- Craigieburn Town Centre is presently under development 3 kilometres to the East. When complete the Town Centre will accommodate some 50,000 square metres of floorspace and will form the focus of the Craigieburn development corridor.
- Roxburgh Park is located circa 7 kilometres to the South East, provides a residential community of circa 20,000 residents and is centred around an Activity Centre.
- Broadmeadows Activity Centre is the Principal Town Centre for the wider corridor and is located circa 9 kilometres to the South. It provides a range of higher order uses and facilities.

CONSULTING TOWN PLANNER

- Melbourne Airport is located some 8 kilometres south-west of the Property and is accessed via Mickleham Road and the Tullamarine Freeway.
- The proposed Greenvale North Neighbourhood Activity Centre is located immediately south of the Property, adjacent to the retarding basin. A floorspace allowance of 5,300 square metres is proposed which would likely accommodate an anchor supermarket in the order of 3,800 square metres together with a range of speciality shops. The Planning Scheme Amendment (C150) which proposes to amend the planning controls applying to the land to facilitate this development is presently on hold at the request of the landowner.

Established residential estates within close proximity includes Stockland's Highlands Estate in Craigieburn and Peet's Greenvale Lakes in Greenvale.

4. PLANNING CONTROLS

The Property is subject to a number of Planning Controls, ranging from State based controls to more local planning controls contained within the Hume City Council's Planning Scheme. Relevant controls are discussed below. In summary, the controls dictate that the Property is to be developed for residential purposes and the controls are such that a permit can be sought for development at the time of writing.

STATE PLANNING POLICY FRAMEWORK

Melbourne's population is expected to grow from four million to six million over the next 30-40 years. Melbourne 2030 is the State Government's current strategic policy document to manage Melbourne's growth and this document anticipates that this growth will be accommodated both within the established urban area and within designated growth corridors. Whilst this document is to be replaced by the Victorian Government's new Metropolitan Planning Strategy document, its over-riding direction to accommodate suitable population growth will be retained as a key theme in this new document.

The State Planning Policy Framework (SPPF) seeks to foster the objectives of planning in Victoria (as set out in the Planning and Environment Act 1987) through appropriate planning policies and practices which encompasses relevant environmental, social and economic factors. These policies have been established in light of Melbourne 2030 and are to be read in conjunction with the updated version Melbourne@5 Million which seeks to achieve the sustainable growth of Melbourne and locate development in designated growth areas around outer Melbourne. Again, the principles of these documents will be contained within the new Metropolitan Planning Strategy document

URBAN GROWTH BOUNDARY

The Urban Growth Boundary (UGB) was introduced as part of Melbourne 2030. The Property is contained within the UGB with Mickleham Road forming the westernmost extent of UGB in the Northern Growth Corridor. Land within the UGB is expected to be developed for intensive urban purposes whilst land outside the UGB is expected to remain associated with low intensity uses. The Northern Growth Corridor, along with the other Growth Corridors, is expected to accommodate close to half of Melbourne's new housing land supply over the next 30-40 year period.

GROWTH CORRIDOR PLANS

The Growth Corridor Plans (June 2012) provide a strategic framework to guide the planning of new communities in each of the growth corridor. A Corridor Plan is prepared for each of the identified Growth Corridors. The Northern Corridor Plan identifies that the Property is to be developed for residential purposes.

GROWTH AREAS INFRASTRUCTURE CONTRIBUTION

The Growth Areas Infrastructure Contribution (GAIC) is a levy payable on relevantly zoned land brought into the Urban Growth Boundary since 2005. The Property was brought into the Urban Growth Boundary in November 2005 as part of Amendment C66. The charge is currently $84,960 (2012/13 Indexation) per hectare for the subject land; the cost is indexed annually. It is payable at the time of purchase. Subject to approval from the Growth Areas Authority, the GAIC obligation can be deferred and/or staged.

STATE POLICY

The specific State policies of particular relevance to the development of the Property are:

- Settlement- Clause 11 comprises general principles for land use and development planning associated with settlements. Planning is required to recognise the need for, and wherever possible, contribute towards, a range of outcomes including health and safety, diversity of choice, a high standard of urban design and amenity, energy efficiency, accessibility and land use and transport integration.

The objective for urban growth in Clause 11.02-2 seeks to locate growth areas in close proximity to transport corridors and services, and to provide these areas with efficient and effective infrastructure while protecting economically and environmentally important areas. In regards to the sequencing of development Clause 11.02-4 states that there is a need to ensure that infrastructure and services are available for new development, and that new developments are established in a timely manner.

The provision of public open space areas is encouraged by Clause 11.03 with the objective to create a diverse and integrated network of public open spaces to meet the needs of communities.

- Environmental and Landscape Values - The objective of this Clause is to require planning to implement environmental principles that have been adopted at an international level. This includes protecting biodiversity, environmentally sensitive areas and important landscapes, and achieving a net gain in the extent and quality of native vegetation.
- Environmental Risks - This Clause seeks to minimise and avoid any hazards or environmental degradation through requiring planning to adopt a best practice environmental management and risk management approach.
- Natural Resource Management - Clause 14.02 seeks to assist the protection of waterways and groundwater through measures such as minimising the quantity and retarding the flow of stormwater from developed areas.
- Built Environment and Heritage - Clause 15 seeks to ensure that new uses and developments respond to their landscape, valued built form and cultural context, and protect places and sites of significance. Specifically the objective of Clause 15.01-3 is "to ensure the design of subdivisions achieves attractive liveable, walkable, cyclable, diverse and sustainable neighbourhoods". This Clause includes the following relevant strategies:
  - Compact and Walkable Neighbourhoods: Encourage neighbourhood design which is compact and has walkable distances between various community facilities and services contributing to the overall sustainability of the area.
  - Reduction of Car Dependency: Reduce car dependence by locating neighbourhoods in close proximity to public transport, providing spaces and networks for cycling and walking, and utilising permeable subdivision layouts that provide for efficient movement between neighbourhoods.
  - Diversity in Lot Sizes: Require new subdivisions to provide a range of lot sizes to meet the current and future needs of different groups of people within the community.
  - Open Space: Encourage the provision of community open space which is designed to meet a variety of needs for various people within the community and which is linked to the wider open space network.
- Housing - The overall objective of Clause 16 is to provide a diverse range of housing that has access to supporting infrastructure and community facilities such as public transport, schools, shops and open space. The following highlights the aspects of the Clause relevant to this application:
  - Integrated Housing: The objective of Clause 16.01-01 is to promote a housing market that meets community needs, such as by ensuring that housing developments are provided with the necessary infrastructure and services.
  - Location of Residential Development: The objective of Clause 16.01-2 is to locate new housing close to activity centres and employment corridors. Higher density housing is encouraged on sites well located in relation to activity centres, employment corridors and public transport.
  - Housing Diversity: The objective of Clause 16.01-4 is to provide a range of housing types to meet increasingly diverse needs. Growth areas are to provide a mix of housing types and densities in and around activity centres.
- Transport - Clause 18 requires planning to ensure the transport system is integrated and sustainable. The objectives of Clauses 18.01-1 (Land Use and Transport Planning) and 18.02-1 (Sustainable Personal Transport) are to promote the integration of land use and transport and to promote the use of sustainable personal transport respectively.
- Infrastructure - This Clause requires planning to deliver efficient, equitable and accessible social and physical infrastructure. Growth areas are to be "planned in a manner that allows for the logical and efficient provision and maintenance of infrastructure".

LOCAL PLANNING POLICY

MUNICIPAL STRATEGIC STATEMENT

The Municipal Strategic Statement (MSS) articulates the planning objectives and strategies to guide the future development of Hume and its community. The MSS confirms that the Hume City Council is one of Melbourne's key gateways, providing important transport links to the eastern seaboard. The MSS highlights that the Municipality is undergoing rapid urban development as one of the five growth areas in Metropolitan Melbourne.

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ZONING

The Urban Growth Zone (UGZ) is applied to land within the UGB which has been identified as being suitable for development. Schedule 2 of the UGZ applies to the Property. The existence of a Schedule to the UGZ indicates a Precinct Structure Plan (PSP) applies to the Property, in this case the Greenvale North R1 PSP (January 2011).

The purpose of the Urban Growth Zone is to manage the transition of non-urban land into urban land in accordance with a precinct structure plan. Schedule 2 details the Future Urban Structure for the Property. The Property is nominated for predominantly residential development with incidental areas of passive open space and land set aside for stormwater management.

OVERLAYS

A Development Contributions Plan Overlay (DCPO) applies to the Property and Schedule 2 to the DCPO is applicable. The purpose of the DCPO is to identify areas which require the preparation of a development contributions plan for the purpose of levying contributions for the provision of works, services and facilities before development can commence. The Greenvale North R1 Development Contributions Plan (January 2011) has been prepared to satisfy the provisions of this Overlay and is discussed in more detail below.

An Environmental Significance Overlay (ESO) applies to the part of the Property located east of the ridgeline. Schedule 9 to the ESO applies. The purpose of the ESO is to identify areas where the development of land may be affected by environmental constraints and ensure that development is compatible with identified environmental values. ESO9 relates to the Greenvale Reservoir Protection Area. Key objectives of the Schedule include:

- to protect the Reservoir from impacts of surrounding development, particularly where new development has the potential to increase surface storm water runoff or the potential to reduce the quality of storm water runoff;
- to ensure the cumulative effect of development in the Greenvale Reservoir Protection Area maintains or reduces the level of risk to the quality of water supplied from Greenvale Reservoir;
- to ensure development and land use is consistent with the Greenvale Reservoir Catchment: Drinking Water Quality Risk Management Plan (March 2008);
- to protect the water quality of the Greenvale Reservoir from surface storm water runoff in a 1,000,000 annual exceedence probability (AEP) storm event;
- to ensure that development is compatible with the protection of the Greenvale Reservoir;
- to ensure any Reservoir protection mechanisms (including a bund) are protected from erosion and inappropriate development; and
- to ensure co-ordinated urban development in the catchment area, which provides for the integration of protection measures for the Greenvale Reservoir.

CLOSED

GREENVALE NORTH R1 PRECINCT STRUCTURE PLAN (2011) (GREENVALE NORTH PSP)

Precinct Structure Plans (PSPs) respond to the strategic framework contained within the Growth Corridor Plans and set the broad structure for future suburbs. A PSP has to be prepared for land contained within the UGZ before land can be developed. Permit Applications to develop land need to respond to the provisions of the PSP.

The Greenvale North PSP was incorporated into the Hume Planning Scheme via Amendment C119 in January 2011. The Greenvale North PSP is a long term plan to guide future urban development and enables the transition of non-urban land to urban land. Contained within the PSP is the Native Vegetation Precinct Plan which identifies which native vegetation may be removed without the need for a permit.

The Greenvale North PSP identifies two broad precincts, the Mickleham Road neighbourhood (which contains the Property) and the Mount Aitken Neighbourhood to the east. Plan 7 outlines the future urban structure for the area. Generally, within the Greenvale North PSP the Property:

1. is nominated in the large for conventional density residential development in the main (defined in the Greenvale North PSP as being between 10 and 14 dwellings per net developable hectare. A small area of medium density housing is nominated in the southern part of the Property.
2. has a North-south connector road bisecting the Property, broadly along the ridgeline, and an east-west connector road intersecting with Mickleham Road via a signalised intersection;

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3. is shown as accommodating two areas of passive open space, one to the north of the Property, and a larger more central area to the east of the North-south connector road. The Greenvale North PSP confirms that 4.48% of the Property is to be provided as passive open space requirement of 4.48%.
4. is shown as accommodating an encumbered open space/retarding basin area of a minimum of 2.33 hectares in the south of the Property; and,
5. is shown as being bounded by a ‘reservoir protection mechanism’(bund) along its eastern and southern boundary.

GREENVALE NORTH R1 DEVELOPMENT CONTRIBUTION PLAN (2011)

The Development Contribution Plan (DCP) document identifies the Property as being part of Property 1. The Property, together with Lot B on PS714635C forms the Mickleham neighbourhood area. Table 2 within the DCP identifies that the Mickleham area has a gross size of 49.89 hectares and has a net developable area of 40.05 hectares (which includes land not contained within the Property).

The DCP collects funds on a developable hectare basis for specific physical and social infrastructure facilities within the PSP area. No infrastructure items are identified within the PSP on the Property meaning that costs associated with the development, such as the Mickleham Road intersection construction, and the reservoir protection bund are to be borne by the Syndicate.

Notwithstanding that no DCP items are located on the Property, the DCP identifies that a development infrastructure levy of $ 86,907 per developable hectare is required for infrastructure located elsewhere within the PSP (As Hume City Council has not undertaken land valuation in recent times, for the purpose of preparation of the costings, Smec Urban has applied an increase according to the Rawlinson BPI making the current levy calculated at approximately $86,907 Hectare. It is of note that Hume City Council will be revaluing the land component in the near future).

A community infrastructure levy of up to $900 per dwelling is also payable. Whilst technically this payment is made by the home-builder at the time of construction of the building approval we understand that the Syndicate will consider paying this charge as part of the planning permit process. This approach is used by larger developers to simplify the process for the prospective purchaser of individual lots.

OPEN SPACE CONTRIBUTION

Clause 52.01 of the Hume City Council Planning Scheme requires that a person who proposes to subdivide land must make a contribution to the council for public open space in an amount specified in the schedule to Clause 52.01 (being a percentage of the land intended to be used for residential, industrial or commercial purposes, or a percentage of the site value of such land, or a combination of both). The Schedule to Clause 52.01 identifies that an open space contribution of 4.48% is required.

The PSP mandates two areas of open space are provided on the Property, and that ‘property one’ (within which the Property forms part of) provides 3.6Ha of open space on site which equates to 6.53% of the ‘property one’ area (NOTE: this includes land outside the proposed Syndicate area). Section 4.4.5 of the Greenvale North PSP makes clear that, in the event of an overprovision against the requirements of Clause 52.01, the subdivider may request that the council reimburse the subdivider the difference in Property value between 4.48% and the amount specified in the PSP. It is anticipated that the Syndicate will request reimbursement of any over-provision based on the approved Property layout.

5. PLANNING PERMIT

A planning permit has been issued for the Western part of the Property (and also includes land not contained in the Syndicate’s Property). Planning permit P15280 was issued in September 2011 by Hume City Council and applies, in the main, to land to the west of the North-south connector road as defined in the Greenvale North PSP. The permit allows a ‘Multi-lot staged subdivision and the creation of access to a Road Zone’. The permit contains 72 conditions, some of which need to be satisfied before Endorsed Plans can be issued. Endorsed Plans, showing 354 lots together with the road network and open space have been provided to Urbis indicating that Condition 1 has been satisfied.

The Endorsed Plan shows that the western part of the Property is to be developed over 7 stages with a new signalised intersection created approximately midway along the Property’s western boundary. Stage 1 includes the new intersection, the retarding basin (2.41ha) in the South of the Property, and a neighbourhood park (1.96ha) along the Eastern boundary. Flexibility exists within the permit to re-stage the development and associate the park delivery with a different Stage. There are two processes available to change the Staging (with the latter being more likely), namely:

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- Retain the staging numbers as shown but develop them out of sequence. This requires Council exercising its discretion under Condition 8 on the permit; OR,
- Lodge an application to amend the permit pursuant to Section 72 of the Planning and Environment Act to substitute the current Endorsed Plans showing staging with an alternative staging strategy.

A submission to amend the Staging of the approved development, associate the park with a later stage of development, and create a superlot for Lot B has been prepared and will be submitted to Hume City Council in mid November 2012. It is anticipated that this amendment should issue within 30-60 days.

The 72 planning permit conditions are generally consistent with other subdivision permits issued by Hume City Council in the surrounding area, save for Condition 20 which relates to the construction of a bund to protect Greenvale Reservoir from polluted stormwater runoff. The trigger for satisfaction of this permit condition is the development of any residential land east of the North-south connector road. As the permit does not include any residential land east of the road, this Condition is of no relevance to this approval, however, will be relevant when the balance of the Property is developed. It is of note that Condition 7 on the permit provides for the resolution of any equalisation payments to be made to the Syndicate due to any over-provision of open space.

The balance of the Property requires a permit before it can be developed. Given the strategic work undertaken to-date, it is envisaged that the permit for the balance of the Property would issue within 3-4 months of lodgement, based on the fact that the layout broadly reflects that shown in the Greenvale North PSP.

6. CONCEPT PLAN

The Concept Plan for the Property shows the subdivision of the Property to create a new residential community of some 437 lots together with expanses of open spaces. Key features of the Concept Plan include:

- A new main entry road into the Property from Mickleham Road. The main entry is located at the midpoint of the Property, and provides a direct link onto the main North-south connector road that bisects the Property. The North-south connector traverses the ridgeline and is the main road for the new community connecting to all stages of the Property. The road will provide secondary future entry points into the Property via Garibaldi Road to the south and future development to the North and will allow for wider views over the landscape to the east due to its position on the ridgeline.
- A retarding basin located in the south western corner of the Property. The basin caters for the collection of storm water and is2.4 hectares in size. The feature will be designed and landscaped in a way which ensures it becomes an environmental asset to the Property and the wider area. The Concept Plan leverages from this feature by proposing a local road along the eastern boundary of the basin, thereby allowing homes to front it.
- Two local parks to service the new community. The main park (1.96ha) is sited centrally and forms the focal point for the main entry road. The main park is sited in a position which allows for key views further east over Greenvale Reservoir and towards the City. The second local park is located at the Northern end of the property and is 0.81hectares. Both parks will provide passive recreational opportunities for future residents.
- A bund treatment to protect the Greenvale Reservoir. This bund will protect Greenvale Reservoir from stormwater runoff and is proposed on the eastern and southern boundary of the property. The bund will allow for off-road trails which will link key environmental assets and link into the wider off-road trail network.
- A sequential staging strategy. The Staging shown on the Concept Plan shows a staging strategy which sees the lots around the entry road developed first, with subsequent stages being developed northwards up to the property boundary, before progressing with lots east of the North-south Connector Road, and eventually completing the development in the South of the Property. Overall 10 Stages are proposed.
- A Superlot coinciding with Lot B of Proposed PS714625C of 6.935 Ha is proposed in the south of the site.
- Lot Sizes. A range of lot sizes are provided for with the average lot size being 472 square metres.

7. DEVELOPMENT CONSIDERATIONS FOR BALANCE OF PROPERTY

The eastern part of the balance of the Property, and a small area in the south of the Property require a permit before it can be developed. Given the strategic work undertaken to-date, it is envisaged that the permit for the balance of the Property would issue within 3-4 months of lodgement, assuming that the layout broadly reflects that shown in the Concept Plan and satisfaction of the Permit Conditions.

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The development of the eastern part of the Property for a residential subdivision is clearly envisaged by the Greenvale North PSP which applies to the wider area. Given the over-riding presumption in favour, and the fact the Concept Plan broadly mirrors the layout shown in the Greenvale North PSP, we have restricted our comments to the issues below.

DWELLING DENSITY

The Greenvale North PSP requires an average net density of circa 13 dwellings per net developable hectare to be provided within the Precinct Structure Plan area. This density appears to be achieved on the Concept Plan

ROAD NETWORK

The Future Urban Structure Plan (Plan 7) within the Greenvale North PSP identifies two loop roads in the eastern part of the Property. These are nominated as being Access Street Level 1 (16m road reserve). The Road Network Plan (Plan 16) notes that these roads are to be Access Streets Level 2 (17m road reserve). The exact construction of the street network will need to be addressed as part of any traffic report accompanying the permit application. Aside from that minor detail, the road strategy on the Concept Plan reflects that shown in the PSP.

PEDESTRIAN AND CYCLE NETWORK

The Greenvale North PSP outlines the required on and off-road cycle network. The Concept Plan shows the necessary connections.

OPEN SPACE

Clause 52.01 requires that 4.48% (of the net developable area) of passive open space is provided across the Property.
A park in the northern part of the Property is required in addition to the park forming part of the existing permit. Whilst this park is nominated within the PSP as being on the western side of the North-south connector street, its absence within the Endorsed Plans means that it will need to be accommodated within the eastern part of the Property. This is consistent with the endorsed plans for the west which show an indicative location of the park in the east. The PSP confirms that local parks need to be a minimum of 0.75Ha and so the park shown in the Concept Plan meets that requirement.

8. SUB CONSULTANT REPORTS

A number of technical reports have been prepared as part of the process which led to the preparation of the Greenvale North PSP, and the identification of the Property for development. These reports and others were subsequently used to underpin the permit application for the western part of the Property.

CULTURAL HERITAGE

We have been provided with advice from a highly regarded Cultural heritage advisor that confirms that there is no requirement for the preparation of a mandatory Cultural Heritage Management Plan pursuant to the Aboriginal Heritage Regulations 2007.

FLORA AND FAUNA

The reports accompanying the planning permit for the western part of the Property encompass the whole of the landholding (and beyond). Given the acceptance of Council of these reports, it is considered likely that the requirements for the wider Property have been satisfied. Correspondence from the Department of Sustainability and Environment indicates that offsets payments have been made for the Property.

ENVIRONMENTAL

The report underpinning the western approval relates to the whole Property. As required by the Schedule to the UGZ, Council has applied a Condition to the permit which requires the submission and approval of a site assessment.
In discussions with Council, it has indicated that it is satisfied with the content of the report, subject to getting either a peer review, or confirmation that the Author is an EPA accredited Auditor.

TRAFFIC

The traffic report underpinning the existing permit on the west of the Property is based on traffic movements generated by the development of the whole of the Property together with Lot B which does not form part of the Syndicate's Property.
The access strategy onto Mickleham Road and the internal road network approved as part of the existing permit therefore was designed with capacity to accommodate the development of the eastern part of the Property.

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STORMWATER MANAGEMENT

The stormwater management report which accompanied the permit application for the west of the Property was based on the impact of developing the whole of the Property, together with the land contained within Lot B. The calculations and assumptions underpinning this report were accepted by Council and by Melbourne Water.

9. CONCLUSION

The Strategic Planning Framework for the Property is such that it is readily available for development subject to a permit being secured for its development.

The Concept Plan shows a layout which is consistent with the layout shown in the Greenvale North PSP in terms of lot layout, density, and road hierarchy. We note that a planning permit for the subdivision (354 lots) for the Western part of the Property (consistent with the Concept Plan, save for the staging) has already been issued. A number of Conditions have already been satisfied albeit further information is still required to be submitted to and approved by Council before development can commence on the Property. The permit Conditions themselves appear to be consistent with other permits issued by the Hume City Council in the area and do not appear unduly onerous. A submission to amend the staging of the development to be consistent with that shown on the Concept Plan has been made.

The Eastern part of the Property, and a small area to the South do not benefit from a planning permit at the time of writing. Having said that, a number of reports underpinning the approval of the western part of the Property related to the whole Property rather than just the western part. Given the existence of the Greenvale North PSP, and the approval of the subdivision on the western part of the Property, it is not considered that a permit for this part of the Property will be particularly problematic (assuming it reflects the layout shown in the Concept Plan) and a 3-4 month approval process should be allowed for. Of relevance to this part of the Property is the need to design and construct a reservoir protection mechanism (likely a bund) to protect the Reservoir from polluted stormwater runoff.

10. DISCLAIMER

Urbis has consented to the inclusion of this advice in the Product Disclosure Statement. Urbis is not providing advice about a financial product, or the suitability of the investment as set out in the Product Disclosure Statement. Such opinion can only be provided by a person who holds an Australian Financial Services Licence. Urbis does not hold such a licence and is not operating under any such licence in providing this report.

Urbis has been retained by Peet Funds Management Limited and no other party to provide this report. We do not have a financial interest in either Peet Limited or Peet Funds Management Limited and have provided this report solely in our capacity as an independent professional advisor. We have received a fee of $7,000 +GST for our professional services in providing this report.

Yours sincerely,

Breton Fleming

Director – Planning & Design

CONSULTING ENGINEER

07 November 2012

The Directors
Peet Funds Management Limited
Level 7
200 St Georges Terrace
PERTH WA 6000

Dear Sirs

PEET GREENVALE SYNDICATE

ENGINEERING REPORT & PRELIMINARY DEVELOPMENT COSTING

INTRODUCTION

SMEC Urban has been engaged by Peet Funds Management Limited to prepare this report and Preliminary Development Cost Estimate (Costing) for inclusion in a Product Disclosure Statement (PDS) to be issued for the Peet Greenvale Syndicate (Syndicate).

SMEC Urban is an industry recognised consulting firm providing services in Engineering, Surveying, Planning, Urban Design, Landscape Architecture and Project Management.

The Property is located at 1170 Mickleham Road, Greenvale. Lot A on Unregistered Plan of Subdivision 7146225C, being a lot created by the subdivision of Lot E on PS646719U, will be referred to as the Property in this report. The proposed development by the Syndicate will be undertaken on Lot A, on Unregistered Plan of Subdivision 714625C and has an area of 39.4 Hectares. This report is based on the Concept Plan prepared by a well regarded surveying consultancy dated 11th October 2012, Drawing No. 731500QH (including staging of development in accordance with that Concept Plan), the requirements of Planning Permit P15280 issued by Hume City Council dated 20 September 2011 (Permit) and the anticipated staged Development Program referred to in this report. Costs are based on known construction costs in the Greenvale area and the greater Hume City Council area and outer Northern Metropolitan area in general. All Costings are at present day values. All costs are GST exclusive.

The information contained herein reflects SMEC Urban's discussions with officers of servicing authorities and agencies (including private-sector utilities) referred to in this report and is subject to change as formal development agreements are entered into and development approvals are obtained prior to subdivision. Whilst our estimate of the development costs may vary following receipt of formal advice and completion of detailed design, the cost estimates are considered reasonable based on the information received from the regulatory authorities, site inspections, conceptual design of key elements of future subdivision works and the experience of SMEC Urban in similar projects.

THE PROPERTY

The Property is located within the developing area of Greenvale and has frontage to Mickleham Road; a key main road in the subject area. The Property abuts Mickleham Road to the West, Aitken Hill Conference and Event Centre and rural land to the north and the Providence Residential Property to the south. The Greenvale Reservoir and catchment adjoins the eastern boundary of the Property.

Mickleham Road provides a direct north-south link to Craigieburn Road to the north and Somerton Road to the south. Both these latter roads are presently classified as arterial roads and provide an important east-west link to the Hume Freeway. As development proceeds in the Greenvale area, Mickleham Road will be reclassified by VicRoads to an arterial road and will form a key piece of transport infrastructure network in the area.

The topography of the Property generally has good falls sloping within the range of 1.25% to 5%. The south-west corner rises from an RL of 186 metres AHD to an RL of 212.5 metres at the central north boundary of the Property. A well-defined ridge extends in a north-south direction generally through the middle of the site. Properties to the east of this ridge have extensive views over the adjacent Greenvale Reservoir and extending to the Central Business District of Melbourne.

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The Property may have been used for military training purposes in the past. This use is consistent with other land in the area. Unexploded ordnance (UXO) investigative survey has been completed over the site and no issues were identified.

GEOTECHNICAL CONDITIONS

A Geotechnical survey has been undertaken on the site by an experienced Geotechnical Engineering company.

The subsurface profile consists of a surficial topsoil layer of 150 to 200mm thick overlying a grey-brown silty clay or sandy clay which extends to depths varying from 0.4 metres to at least 3 metres and weathered basalt below. Many of the 38 test pits encountered rock at levels 1 to 3 metres below the surface. The clay subgrades encountered on site are generally weak which is typical in most of the Melbourne area and a design CBR value of 2% has been recommended for pavement design. The soils encountered, as indicated in the geotechnical survey report, are typical of the area and do not present any concerns for the construction of infrastructure. The Costings have made allowance for the geotechnical conditions prevailing on site.

DEVELOPMENT CONTRIBUTIONS PLAN

The Property is within the Greenvale North R1 Precinct Structure Plan Development Contributions Plan (DCP), January

2011 established under the Hume Planning Scheme. The DCP sets the amount of development infrastructure contributions that the Syndicate will be liable to pay to Hume City Council (as collecting agency for the DCP) as a contribution to the projected cost of infrastructure in the Precinct. Details of the DCP can be found on the GAA web site. The amounts of contributions set under the DCP are indexed in the following manner:

- Capital costs of all infrastructure items except for land are in 1st January 2010 dollars and will be indexed by the Collecting Agency annually for inflation in the following way:
  - In relation to the costs associated with the infrastructure items other than land, the cost must be adjusted according to the following method:
  - The capital cost for each infrastructure item will be adjusted by applying the Building Price Index (BPI), as published in the latest edition of Rawlinson's Australian Construction handbook on 1st January and 1st July each year (Rawlinson BPI);
- In relation to the cost of land, the land value must be adjusted by adopting a revised value determined according to the following method:
  - The land value will be adjusted on 1 July each year following site specific land valuations undertaken by a registered value. Within 14 days of the adjustments being made, the Collecting Agency will publish the amended contributions on the Collecting Agency's website.

As Hume City Council has not undertaken land valuation in recent times, for the purpose of preparation of these Costings, we have applied an increase according to the Rawlinson BPI making the current levy calculated at approximately $86.907/ Hectare. We are advised that Hume City Council will be revaluing the land component in the near future. The Net Developable Area within the aforementioned DCP is 40.051 Hectares of which the Property has an estimated apportionment of 33.116 Hectares. DCP contributions have been included in the Costings.

The Permit requires the developer to pay to Hume City Council a Community Infrastructure Levy (CIL) which amounts to $900 per lot. The CIL has been included in the Costings.

INFRASTRUCTURE WORKS

The following provides preliminary advice on infrastructure required to service the Concept Plan.

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MICKLEHAM ROAD

Mickleham Road is a declared main road and therefore falls under the jurisdiction of VicRoads. VicRoads will be the regulatory Authority for all works within Mickleham Road.

Mickleham Road has a 21 metre wide road reservation and is currently a two lane sealed rural standard road along the Property frontage. Intersections onto this road have been upgraded to urban standard to the south as part of the development of abutting landholdings. Ultimately Mickleham Road will have its road reservation widened from 21 metres to 50 metres (along the west side) and will contain two carriageways of three lanes each to convey the expected 36,000 vehicle movements per day. The upgrade and duplication of Mickleham Road will be undertaken by VicRoads. The Syndicate will be responsible for the intersection works onto Mickleham Road, which will comprise a single north bound traffic lane and two south bound traffic lanes.

The Permit requires an intersection to be constructed as part of the proposed stage 1 works which will form the entry road into the Property. This intersection will be signalised.

Permit condition 64 requires a signalised intersection to be constructed prior to the issue of a statement of compliance for stage 1. A functional layout plan has been prepared by a specialist Traffic Engineering company that provides for an interim signalised intersection on Mickleham Road as it currently prevails for stage 1 intersection works (Interim Intersection) A further functional layout plan has been prepared to accommodate an intersection with a single north bound traffic lane and two south bound traffic lanes along Mickleham Road (Full Intersection). In our view, the projected traffic flows at this intersection do not warrant this standard of intersection layout until the final stage of the development. VicRoads have provided advice that the functional design plan for the "Full Intersection" is satisfactory. SMEC Urban understands that negotiations are continuing between the current Land Owner and VicRoads for acceptance of an interim intersection proposal. The Costings have been prepared on the basis that an interim signalised intersection will be constructed as part of the stage 1 construction works, and upgraded to accommodate the full intersection as part of stage 10 works. If VicRoads do not agree with a two staged intersection, the cost of the construction of the Full Intersection works will be brought forward to stage 1 resulting in no further intersection works for the development. Under this scenario, the total cost of intersection works will be reduced; however additional financing costs will be incurred up front.

VicRoads and the Precinct Structure Plan (PSP) prepared by the Growth Areas Authority (GAA) also require the Syndicate to construct off road shared paths adjacent to Mickleham Road. The extent of these shared paths is as required by the PSP and has been included in our Costings.

YARRA VALLEY WATER KEY INFRASTRUCTURE

Yarra Valley Water Corporation (YVW) is the retail Metropolitan Water Utility providing sewer, water and recycled water supply infrastructure for the Property. Yarra Valley Water Greenvale Growth Strategy requires significant infrastructure to be constructed to service the Property and surrounding development. Under the Strategy all of this work that is deemed to be "shared assets" as defined in the YVW Land Development Manual will be reimbursed by YVW if constructed by the Syndicate. The reimbursement is expected within one year of completion of asset installation. These construction works are included in YVW's current Water Plan and, based on the current Essential Services Commission (ESC) price determination, are deemed "shared assets" and therefore reimbursable without "bring forward costs" being applied.

As per Yarra Valley Water's policy, provision is made in the Costing for payment of sewer, water and recycled water, new connection charges and the "per lot" contributions as provided below. These contributions are the subject of annual reviews by the ESC. Increases generally in accordance with CPI have been applied during the past several years; however greater or lesser increases in future years (which are not provided for in the Costing) are possible.

a) Potable Water Main

i. Distribution Main

YVW advises that the water supply will extend from the existing 450mm Greenvale North main in Garibaldi Road, adjacent to the southern boundary of the property. Distribution mains (greater than 150mm in diameter) to and through the Property will need to be constructed by the Syndicate as the Property development progresses. These mains through the Property are currently classified as "shared assets" and would not be subject to any bring forward costs. Reimbursement by YVW would be expected within 12 months of completion of the works.

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ii. Reticulation Main

Reticulated water mains will need to be provided by the Syndicate throughout the development to service each lot and have been included in the Costings. New connection charges payable to YVW for water supply for small lots (<450 square metres) are currently set at $304.32 per lot and $608.64 for larger lots (>450 square metres).

b) Recycled Water Main

i. Distribution Main

For recycled water services to be provided to the Property, YVW would need to undertake extensive external pipeline construction, at its cost, to extend recycled water mains to the Property. The recycled water service is currently located at the corner of Craigieburn Road and Aitken Boulevard some 5.5 kilometres away from the Property. To service the Property, new mains would need to be constructed by YVW along Craigieburn Road to Mickleham Road then down Mickleham Road to the Property. YVW is currently considering the provision of these mains as part of its 2013 to 2018 water plan, so recycled water will not be available when the initial stages of construction are completed which regularly occurs on many projects being developed in the Melbourne Metropolitan Region.

ii. Reticulation Main

Reticulated recycled water mains will be provided by the Syndicate throughout the development to service each lot and have been included in the Costings. Initially potable water will be cross connected to the recycled water main to provide water supply to the residents for use until recycled water is extended to the Property. YVW will manage this cross connection process.

Recycled Water new connection charges for small lots (<450 square metres) are currently set at $608.64 per lot and $1,217.30 for larger lots (>450 square metres).

c) Sewerage Facilities

i. Branch Sewer

The Property is not currently sewered. There is an existing 300mm diameter branch sewer located within the Providence Estate approximately 50 metres south of the south-west corner of the Property. YVW advises that there is an easement within the Providence Estate that will facilitate the extension of the branch sewer to the Property without undue delays. The existence of the easement has been confirmed with a Title Search. This branch sewer needs to be extended to the Property and then along the "central ridge" of the Property adjacent to the proposed North-South Connector Road as development progresses and eventually extend to the northern boundary when stage 5 is constructed. The branch sewer through the Property is currently classified as a shared asset and based on the current ESC price determination would not be subject to any bring forward costs. Again the cost of these works will be reimbursed by YVW within 12 months of completion of the works.

ii. Sewer Reticulation

The Syndicate will be required to extend sewer reticulation mains to service each allotment created and have been included in the Costings. The Stage 6 to 9 specific Costings have taken into account additional sewer costs associated with special construction and testing techniques expected to be mandated for sewerage works which fall within the "Greenvale Reservoir" catchment area.

Sewerage new connection charges for small lots (<450 square metres) is currently set at $608.64 per lot and $1,217.30 for larger lots (>450 square metres).

(d) Yarra Valley Water Advice

YVW have advised that reimbursement by YVW of construction costs will apply to water and recycled water mains greater than 150mm in diameter and sewer mains greater than 225mm in diameter. If such sizing is required by YVW to service future land that is not within the ownership of the Property, such assets are deemed "Shared Assets". SMEC Urban has assumed for Costing purposes their inclusion in this development and that corresponding construction cost reimbursement from YVW will apply.

It should be noted that the above advice from YVW is based on current policy set by the ESC. A new ESC price determination will come into effect as of 1 July 2013 and as a consequence funding arrangements may change at that time.

CONSULTING ENGINEER

MELBOURNE WATER MAIN DRAINAGE WORKS

Melbourne Water Corporation (MW) is the responsible regulatory Authority for the construction of main drainage to service the area. The Property is located within the Upper Brodies Creek Drainage Scheme (UBCDS). The proposed development will require the construction of main drainage pipelines, a retarding basin and water quality treatment (RB & WQT) in the south-west corner of the Property as required in the UBCDS and will be reimbursed by MW out of the UBCDS. For Civil Works, MW will reimburse 90% of the cost following Practical Completion and the balance following Final Completion; usually one year after Practical Completion. For Landscape works, 50% will be reimbursed following Practical Completion and the balance following completion of a two year defects liability period. MW may consider progress reimbursement payments during the construction period.

Provision is made in the costing for payment to Melbourne Water of the standard development charges under the UBCDS which comprise:

Hydraulic Charge - $88,978 per hectare

Water Quality Charge - $13,169 per hectare

The Property has been assessed under the MW Land Development Manual as a "High Density" residential development (lots less than 450 square metres including dual occupancy) for the purposes of the Costings. Accordingly a 25% surcharge has been applied to the above Hydraulic and Water Quality Charge. Upon computing of plans of subdivision, some stages may average lot sizes greater than 450 square metres in which case the above standard Hydraulic and Water Quality Charges will apply. MW will also be required to compensate the Syndicate for the acquisition of land that will be occupied by the RB & WQT. MW will be required to assess the value of the land based on the undeveloped broad acre land value at the date of the accepted Works Offer from MW. Land acquisition compensation has not been included in our Costings. The anticipated timing for the land acquisition is difficult to determine as approval of the Government Land Monitor (GLM) is required for all purchases, compulsory acquisition, and compensation payments in excess of $0.25M (exclusive of GST). Unless approved by the GLM, land must not be acquired for an amount in excess of a valuation carried out by a registered valuer listed on the Valuer General - Victoria panel of Valuers. Details of MW policies relating to the above matters can be found on Melbourne Water's LDM web site.

In accordance with Melbourne Water Land Development Manual, drainage scheme works within the Property would have to be constructed by the Syndicate. We have reviewed the key infrastructure to be constructed under the UBCDS and advise this is included in the Costing. Provision has also been made in the Costing for the reimbursements of the construction costs of such key infrastructure referred to above including consultant fees.

The key infrastructure works which include the RB & WQT can be constructed when required. Based on SMEC Urban's analysis, the staging of the development proposed in the Concept Plan would allow the proposed RB & WQT to be constructed after the completion of stage 1 but would need to be completed before the completion of stage 3 subject to Council approval. The Costings have included this infrastructure being included as part of the stage 3 works. These works are reimbursable but would be required to be financed from commencement of works until two months post issuing of Practical Completion before an initial reimbursement by MW is made. As discussed earlier MW may agree to give progressive reimbursement for the retarding basin/wetlands construction prior to works reaching Practical Completion.

INTERNAL ROAD WORKS AND DRAINAGE

Hume City Council is the regulatory Authority for all roadworks within the estate other than Mickleham Road and all drainage infrastructure that is not part of MW UBCDS. All such roadworks and drainage are to be constructed at the Syndicates cost and have been included in the Costings.

Underground drainage pipes will be required convey the 1 in 5 year ARI rainfall events, with overland flow paths provided along roads and through reserves to accommodate up to 1 in 100 year ARI rainfall events. A drainage point will be provided to service every lot created within the proposed development.

Road and street cross sections as provided on the Concept Plan has to satisfy the Greenvale North R1 Precinct Structure Plan (PSP). The Costings for roads are based on typical cross sections recommended in the PSP. Section 4.6.3 of the PSP - Flexibility in Road Design – allows for variation to the street cross section if acceptable to Hume City Council and VicRoads. There are opportunities where this can be applied in the development which would reduce road construction costs. These potential savings have not been costed and have not been included in the Costings.

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The Property is within part of Hume City Council that is within the Urban Growth Zone (UGZ). The UGZ is administered by the Growth Areas Authority (GAA). The GAA is an independent statutory body with a broad, facilitative role to provide coordination for all parties involved in planning and development of Melbourne's growth areas. The GAA reports directly to the Minister for Planning.

Councils within the UGZ have collaborated to prepare an Engineering Design and Construction Manual (April 2011) (Manual) to standardise engineering requirements for subdivision development across all of Melbourne's growth area councils. This Manual was approved for use by the GAA in November 2011. Hume City Council's implementation of the Manual is pending. Accordingly the GAA standards will not apply until Council has agreed to adopt the Manual. Accordingly the Hume City Council's engineering design and construction standards have been adopted for the costing of road works and drainage infrastructure to service the Property. If Hume City Council agrees to adopt the Manual, additional construction costs may be incurred. In this event, a transition period of 60 days will apply where engineering designs can be submitted for approval that accord with Hume City Council standards prior to the implementation of the GAA Engineering Design and Construction Manual. The Stages included in the current Permit are unlikely to be affected.

BUND LEVY BANK

MW has placed a condition on the Permit that requires "No residential development to take place east of the natural north- south ridge line that generally aligns with the proposed north-south road until the exact location of the proposed 1 in 1,000,000 year bund required to protect the Greenvale reservoir from polluted stormwater is constructed". This will affect stages 6 to 9 of the proposed development.

The bund approval timing is not fixed at this time but it will need to be completed prior to the commencement of the aforementioned stages. SMEC and a highly regarded specialist drainage engineer have considered strategies for both an overall Reservoir Protection Bund Strategy and a site specific solution and these are at various stages of development. The specialist drainage engineer has prepared a report for the "Functional Design for the Proposed Reservoir Bund" which provides for a bund levy solution for the Property only.

Peet Ltd in conjunction with SMEC has held discussion with Melbourne Water who appears eager for a resolution of a holistic bund strategy, specifically on the western side of the Greenvale Reservoir where upstream development within the catchment may be undertaken by a number of stakeholders. Initial comments have been provided by MW. Subject to continued work and discussion on a specific bund concept and design continuing, approval for a site specific bund should be resolved within the next 12 months.

The presented levy bund Costings are based on the site specific bund concept prepared by the specialist drainage engineer and SMEC's understanding of Melbourne Water's requirements to date. The construction cost for the levy bund has been included in these Costings and is limited to the protection mechanism for the Property only. Should stage 9 be constructed ahead of stages 6, 7 and 8, MW may consent to the Bund Levy being constructed in two stages. The Costings have assumed that the bund will be completed prior to the construction of any works on the east side of the ridge.

PUBLIC TRANSPORT VICTORIA

Public Transport Victoria (PTV) formerly Department of Transport is the regulatory Authority for public transport matters within the Property. The PTV requires 3 bus stops to be provided within the development along the main north-south connector road that traverses the site. In addition this road must accommodate buses. This road and bus stops are included in the Greenvale North R1 PSP as well as a condition on the Permit. Connector road and bus stop construction costs have been included in the Costings.

ELECTRICAL SERVICES

Jemena Electricity Networks (Vic) Ltd (Jemena) operates the electricity distribution network in the vicinity of the Property. Jemena has advised that the connection of underground electrical services is readily available to the proposed development. Provision of High Voltage Substation sites will be required throughout the development.

Some relocation of existing electrical infrastructure works will be required to construct the Property's entry intersection works as well as to retire an existing overhead supply that serviced former buildings on site. Costs associated with electrical services have been provided in the Costings.

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TELECOMMUNICATIONS

NBN Co will be the regulatory Authority for the telecommunications within the Property. The Syndicate is responsible for the cost of installation of ducts and distribution pits throughout the proposed development. NBN Co provides broadband and telecommunication cable infrastructure to service the proposed development at its cost. The Costings include the cost for installation of the ducts and pits.

GAS

SP AusNet operates the gas distribution network in the vicinity of the Property. They have confirmed that connection to their network is readily available and will be provided in accordance with their usual terms and conditions for such residential developments. The Developer will be required to provide a shared trench (usually with water mains) for the laying of Gas mains. Shared trenching has been included in our Costings.

MISCELLANEOUS MATTERS

Peet Ltd has commissioned consultants to undertake an environmental contamination assessment, Cultural Heritage assessment and Flora and Fauna assessment of the Property

i. Property Environmental Contamination

A recent report prepared by an experienced environmental consultant advised that the Property is considered clean and is suitable for residential development. Council advised they are satisfied with the report, subject to getting a peer review, or confirmation that the author has EPA appropriate accreditation.

ii. Cultural Heritage Management Plan (CHMP)

The Cultural Heritage consultant reported there are no areas of Cultural Sensitivity present within any part of the Property. Therefore a CHMP is not required in this instance.

iii. Flora and Fauna

Flora and Fauna is covered under the Planning report. A permit condition requires that a Striped Legless Lizard translocation/ salvage plan is to be provided and implemented. The cost for this work has been included in the Costings.

PRELIMINARY DEVELOPMENT COST ESTIMATE

A staged cost estimate (Costing) for the development of the Property has been prepared, based on the aforementioned subdivision Concept Plan. Costs are based on known construction costs in the Greenvale area and the greater Hume City Council area and outer Northern Metropolitan area in general.

The information contained herein reflects SMEC Urban's discussions with officers of servicing authorities and agencies (including private-sector utilities) referred to in this report and is subject to change as formal development agreements are entered into and development approvals are obtained prior to subdivision. Whilst our estimate of the development costs may vary following receipt of formal advice and completion of detailed design, the cost estimates are considered reasonable based on the information received from the regulatory authorities, site inspections, conceptual design of key elements of future subdivision works and the experience of SMEC Urban in similar projects. All Costings are at present day values. All costs are GST exclusive.

The costing allows for the construction of civil engineering works such as earth works, roads, drainage, retarding basin, wetlands, intersection works, sewer and water reticulation, electrical and telecommunication services, gas reticulation and retaining walls in steeper areas of the site. The Costings also include YVW and MW contributions as well as Development Contributions as required under the Greenvale North (R1) PSP and the Permit. In addition an allowance has also been included in the development Costings for professional Engineering, Planning and Surveying fees. Landscape Architecture fees have not been included for landscaping of Public Open Space Reserves.

The Costings also include a Community Infrastructure Levy of $900 per lot as required under condition 3 of the Permit. The Costings also include the payment of Growth Areas Infrastructure Contribution (GAIC) which is calculated on the area of each of the proposed stages for the Property; totalling 39.4 Hectares. The Property was included in the Urban Growth Boundary in 2005/06 and is therefore classified as "Type A" Land. The GAIC contribution for Type A land is now $84,960/ Hectares and will increase on 1st July each year by the Consumer Price Index.

CONSULTING ENGINEER

The subdivision of Lot E on PS646719U into Lot A and B on Unregistered Plan of Subdivision 7146225C when registered will trigger 30% GAIC contribution over the whole of the Property. The GAIC contribution has been included in stage 1 Costings. The remaining 70% GAIC contribution will be paid progressively as stage 2 to 10 is developed. Again these contributions have been included in each of the staged Costings.

The Costings exclude marketing, legal, financing, development management fees as well as holding costs and taxes.

The overall development cost per lot is $93,814 based on the 437 lots shown on the current Concept Plan. These costs are considered reasonable and are consistent with development costs of other similar properties within outer the Melbourne Metropolitan area.

DEVELOPMENT PROGRAM

As a Permit is available for the Property, design and documentation for stage 1 can now commence. If design commences by the end of 2012, having regard to site conditions and experience with similar projects, it is reasonable to conclude that construction works for stage 1 could commence by the middle of 2013 and works reaching substantial completion by end of

2013, resulting in Titles for lots in stage 1 being available early 2014. Based on our experience, these timeframes are achievable. Subsequent stages can be documented and constructed to meet the sales rates for the project.

CONCLUSION

All public utilities are available in close proximity to the Property and can be provided by extensions through existing road reserves and easements.

There are six infrastructure items that represent a risk or constraint to development.

1. The existing branch sewer is located within the Providence Estate, some 50 metres south of the property. An existing easement has been provided to extend the sewer to the northern boundary of the Providence Estate. Approval is required from MW to obtain an easement across Garibaldi Road as this road is not a public road and is owned by MW. Garibaldi Road separates the Providence Estate from the southern boundary of the Property. Yarra Valley Water will require an agreement from the land owners that will be affected by the branch sewer extension. Such approval has not been obtained. To mitigate this risk, approval from the landowners should be sought over the next few months. Alternatively, consideration could be given and approval sought for the sewer to be extended along the existing Mickleham Road reserve to service the proposed development.

2. A Bund Levy Embankment is required to protect the Greenvale Reservoir for an up to 1 in 1,000,000 year ARI rainfall event. A detailed report has been prepared by a highly regarded specialist drainage engineer for a functional design for the bund levy. Consultation has commenced with Melbourne Water and it is expected that an agreement should be achieved with Melbourne Water in the next 12 months. As this bund is at the Concept Phase only, the risk of cost variance based on resolution for approval and construction should be acknowledged. Upon agreement being reached with MW, a planning permit application to develop land on the east side of the ridge (stages 6 to 10 on the Concept Plan) can be lodged with Council. A realistic time line for obtaining this planning permit would be 3 to 4 months from date of application.

3. Permit condition 64 requires a signalised intersection to be constructed prior to the issue of a statement of compliance for stage 1. A functional layout plan has been prepared by a specialist Traffic Engineering company that provides for an interim signalised intersection on Mickleham Road as it currently prevails for stage 1 intersection works. A further functional layout plan has been prepared that provides for a signalised intersection to accommodate an intersection with a single north bound traffic lane and two south bound traffic lanes along Mickleham Road (Full Intersection). In our view, the projected traffic flows at this intersection do not warrant this standard of intersection layout until stage 10 of the Concept Plan. VicRoads have provided advice that the functional design plan for the “Full Intersection” is satisfactory. SMEC Urban understands that negotiations are continuing between the current Land Owner and VicRoads for acceptance of an Interim Intersection proposal. The Costings have been prepared on the basis that a two staged Intersection will be constructed; Interim Intersection as part of the stage 1 construction works and Full Intersection as part of the stage 10 works. If VicRoads agree with a two staged construction for the intersection works, the cost to construct the Full Intersection works could be delayed until stage 10 of the development. Under this scenario, the total cost of intersection works will be increased; however the additional financing costs will be delayed until the final stage of the Property.

CONSULTING ENGINEER

4. Councils within the UGZ have collaborated to prepare an Engineering Design and Construction Manual (April 2011) (Manual) to standardise engineering requirements for subdivision development across all of Melbourne's growth area councils. This Manual was approved for use by the GAA in November 2011. Hume City Council's implementation of the Manual is pending. Accordingly the GAA standards will not apply until Council has agreed to adopt these standards. Accordingly the Hume City Council's engineering design and construction standards have been adopted for the costing of road works and drainage infrastructure to service the Property. If Hume City Council agrees to adopt the Manual, additional construction costs may be incurred. This may affect stages 6 to 10 of the Concept Plan that are the subject of a separate planning permit to allow subdivision of land to take place.

5. It should be noted that the advice from YVW is based on current policy within their Land Development Manual; a new Essential Service Commission price determination will come into effect as of 1 July 2013 and as a consequence funding arrangements may change at that time.

6. As Hume City Council has not undertaken land valuation in recent times, for the purpose of preparation of these Costings, we have applied an increase according to the Rawlinson BPI making the current levy calculated at approximately $86,907/Hectare. In January 2010, land acquisition comprised 44.9% of the DCP contribution, while Infrastructure comprised the balance. Should land valuations have increased significantly above the Rawlinson BPI since Jan 2010, then additional DCP contribution payment will be required at the completion of each stage of the development.

   Upon resolution to the above matters there will be no significant engineering impediment to development of the Property in accordance with the Subdivision Concept Plan.

Disclaimer

SMEC Urban has consented to the inclusion of this report in the Product Disclosure Statement, but is not providing advice about a financial product, or the suitability of the investment as set out in the Product Disclosure Statement. Such an opinion can only be provided by a person who holds an Australian Financial Services Licence. SMEC Urban does not hold such a licence and is not operating under any such licence in providing this report.

We have been retained by Peet Funds Management Limited and no other party to provide this report. SMEC Urban does not have a financial interest in Peet Funds Management Limited or Peet Limited and have provided this report solely in our capacity as an independent professional advisor. We have received a fee of $18,900.00 + GST for our professional services in providing this report.

Should you have any queries regarding the information provided or require any additional information please contact the undersigned.

Yours faithfully

SMEC Urban

Pe

DATE: 07 November 2012

CONSULTING ECONOMIST

1. EXECUTIVE SUMMARY

Introduction

1. The Consulting Economist (MacroPlan Dimasi) has prepared an economic report for inclusion in a Product Disclosure Statement inviting investments in the Peet Greenvale Syndicate.

2. The Consulting Economist was asked to provide an economic overview of residential indicators to be relied upon in making forward-looking statements in the Product Disclosure Statement, commenting on the supply and demand for residential development and the level of construction activity in the applicable region. Additionally, the Consulting Economist was requested to provide estimates of price growth and escalation of building and construction costs.

Victoria and Melbourne Market Overview

3. Victoria experienced a strong economic rebound post the Global Financial Crisis with 2.5% Gross State Product (GSP) growth in 2010-11, compared to 2.1% nationally. State Government real GSP growth estimates have been revised down for 2011-12 from 2.25% (2011-12 budgets) to 1.5% (2012-13 budget). MacroPlan Dimasi forecasts subdued growth over the coming 18 months, driven by a slowing housing market and slower employment growth. Growth is proposed to recover in the medium term, returning to State Government forecast (above 2% by 2014).

4. Victorian dwelling approvals have slowed following strong performance in the property market post GFC and early 2009, when the First Home Owners Grant was active and interest rates fell. The latest June 2012 quarter however, showed an increase in approvals by 23%. This is partially attributed to the increased First Home Buyers activity prior to the discontinuation of the First Home Buyers grants that occurred on 30 June 2012. It is evident that the provision of grants in the State has played a role in advancing demand as a mechanism for insulating the economy from the fallout associated with the GFC. It is expected that housing affordability supported by a general improvement in market conditions, will see greater activity from the First Home Buyer segment from late 2013.

5. Employment growth slowed to 0.2% in the 2010-11 financial year, a sharp slowdown from the historical average of 2.1%. Employment growth within Victoria is constrained due to the higher $AUD as well as tightened State budgets reducing spending. Furthermore there have been significant impacts felt across manufacturing and the services sectors. Government cut-backs are expected to result in further job cuts (Victorian Government announced 4,200 jobs cut) over the coming twelve months.

   Future employment conditions for the Hume Corridor, where the property is located, are strong and will be supported by policy settings set out in the Hume Economic Development Strategy 2030 that encourage employment generation and self-sufficiency in the region. The development of major town centres, including the Craigieburn Town Centre and the Broadmeadows Activity Centre will support employment growth over the next 20 years.

6. Retail sales have improved nationally in the June 2012 quarter. Retail sales grew faster than expected at 1.4% across Australia (in chain volume measures). In Victoria however, it contracted by 0.15% (in chain volume measures) in the June 2012 quarter.

7. House prices in Melbourne had average year on year growth of 10.1% for the five years leading to September 2011 quarter. Currently house prices in Melbourne have remain flat over the June Qtr 2012. The end result has been a 9.3% fall in Melbourne's median house sale prices over 2011-12. In the first half of 2012, the price has been hovering around $535,000, with little growth. The median house price in Greenvale in the June Qtr 2012 was $580,000, this compares to $480,000 in Victoria and $350,000 in neighbouring Craigieburn.

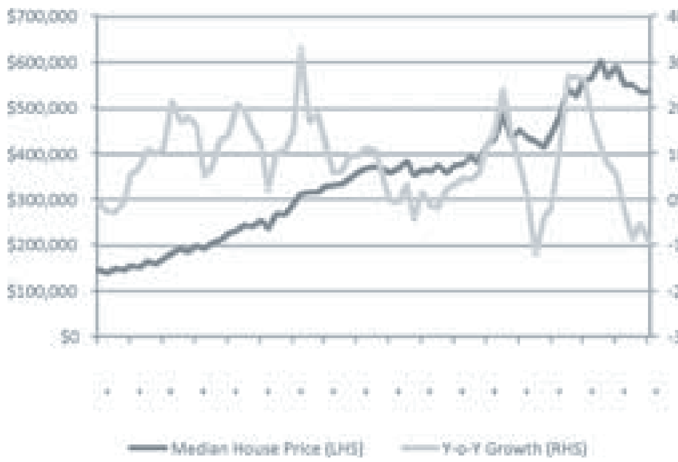

Figure 1. Median House Price, Melbourne (average for the year ending March)

Source: REIA, MacroPlan Dimasi

CONSULTING ECONOMIST

8. Strong historical price growth in Melbourne has eroded affordability of home ownership. This has improved over the course of FY 2011/2012 as a correction in house prices was supported by a continuation of wage growth; albeit limited. With relatively flat growth expected through to 2014, affordability should improve further, providing strong incentive for First Home Buyers to make purchasing decisions.

   Victoria's population growth returned to its historical average (1.5%) with growth in the year to March 2012 at 1.5%. After recent declines in net overseas migration (NOM) nationally (below 170,000), NOM has made a strong return with 197,200 people for the year ending March 2012. Victoria attracted 48,418 (25%) of this migration, and reached a population of 5.6 million. This exceeds the Department of Immigration and Citizenship (DIAC) forecasts, which stated NOM would return above 200,000 by 2014.

9. The pre-retirement/ retirement age cohort of 55-74 years recorded the largest growth over 2006-2011 with an average annual growth rate of 2.8%, comprising more than 30% of total population growth (26,700 people per annum). Followed by the 25-34 age group – a key first home buyer – growing by 2.2% pa and comprising 20% of all population growth.

   Victoria's Estimated Resident Population (ERP) at March 2012 of 5.6 million people is projected by the Department of Planning and Community Development to increase to 6.7 million people by 2031. Metropolitan Melbourne is forecast to capture the majority share (between 75-80 per cent) of this future growth.

10. The Reserve Bank of Australia (RBA) recently reduced the Cash Rate by 0.25 percentage points in October 2012, to 3.25%. Markets are pricing in another cut within the next 6-8 month period. Prior to the recent cut, the RBA had held the Cash Rate as they considered economic performance was running close to trend levels and the inflation level remained relatively low.

11. Although the Cash Rate remains below its medium-term average, variable lending rates are around their average levels. The three year fixed rate has decreased to approximately 6.0%, down from its peaks in late 2009. The variable rate has dropped down to around 7.0%.

12. ABS data indicates that the 2011-12 Victorian CPI change was 1.2%. This rate is substantially lower than the 2-3% band the RBA targets. Inflation by this measure remains relatively flat.

13. Over the long term, construction costs generally maintain a growth average similar to the inflation rate. However this trend has been less stable during the mid to late 2000s. Victoria had been running at near full capacity during the mid to late 2000s, with some markets running at excess capacity (particularly the labour market) during this period. This in turn was driving rapid price growth (consumer prices, wage prices and house prices). The weakening in economic activity over 2008 and 2009 has reduced many of these capacity constraints and allowed for a cooling in consumer and producer prices. This has allowed for key infrastructure projects to be fast tracked, taking advantage of cheaper inputs to construction (oil, steel, cement).

14. Based on the assessment prepared by the Consulting Economist, construction costs have been estimated to increase by 0.5% to 1.5% per year over the period between 2012 and 2015, and around 2.0% to 3.0% per year over the period between 2016 and 2019. There continues to be a significant amount of uncertainty in the global markets and construction costs are expected to fluctuate over time. The Consulting Economist believes this is a fair representation of the escalation in civil construction costs.

15. The recent strong population growth in Victoria has put a significant amount of pressure on existing infrastructure. To alleviate these pressures and prepare for future growth a number of new infrastructure projects are planned. Some of the major infrastructure projects near the subject property include:

    - Roads: There are key road developments with regard to the Hume Corridor: 1) The North-East Link, 2) Aitken Boulevard, 3) M80 Upgrade, 4) Cooper Street duplication, 5) Outer Melbourne Metropolitan Ring Road / E6 Transport Corridor, and 6) Hume Highway Donnybrook Road grade separation.
    - Relocation and redevelopment of Melbourne's Wholesale Fruit and Vegetable Markets and National Flower Centre from Footscray Road in West Melbourne to a new site in Epping. With the aim of redeveloping the market into an efficient and integrated trading environment, the new market precinct is expected to meet future needs for warehousing space, cater for modern logistics and drive over $1 billion of investment on the site. Work commenced onsite at the end of 2009 and the new market is scheduled to be fully operational in 2014.

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- Regional Rail Link is an estimated $4 billion investment that will connect Southern Cross Station to Sunshine and eventually connect Sunshine to Werribee with 44 km of twin track , creating a link to significant road and rail links in Melbourne's north.
- MFB (Metropolitan Fire Brigade) Training Facility Craigieburn. Announced in July 2012 by the Victoria Government, this $109 million project is expected to be operational in 2014. It will provide a specialised emergency service learning and training facility which will occupy half of an 18.6 Hectare site in Craigieburn.

Local Market Analysis

16. Most of the growth projected to take place in the City of Hume, will be focussed around the two primary development fronts in Craigieburn and Greenvale. Greenvale is located approximately 24 kilometres north of the Melbourne Central Business District in the northern half of the City of Hume and will play an important role in supporting future population growth in this growth corridor. The Property is located at 1170 Mickleham Road, Greenvale, also known as Lot A on PS 714625C, being a lot proposed to created by the subdivision of Lot E on PS646719U.

    The Hume Corridor of Melbourne is vital to the future development of the Melbourne Metropolitan Region in terms of population and economic growth. Local attributes include:

- Good existing amenity
- Relative affordability
- Land availability for residential and employment developments
- Rail and road infrastructure
- Large existing population

17. Over the period 2006 to 2011, the population of the Hume Corridor, Hume – Craigieburn SLA (where the Property is located) grew by almost 16,642 people at an average annual growth rate of 5.9%.

    As the area has matured, population growth in the Hume Corridor has stabilised in the past decade, from over 8% growth rate per annum in 2001-2004 to around 5% per annum in the last two years. The rate of growth in the Hume Corridor has outstripped the average annual growth rate in Victoria over this period.

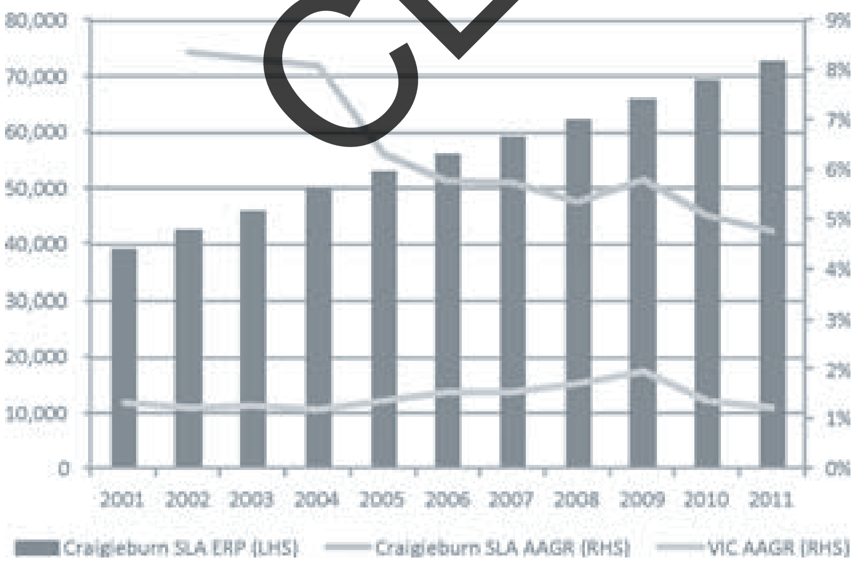

Figure 2. Population growth, Hume Corridor

Source: ABS 3235.0 and 3218.0

CONSULTING ECONOMIST

18. Based on this, The Consulting Economist has forecast an increase of almost 22,376 people between 2012 and 2019 at an annual growth rate of 4.2%. This exceeds the forecast average rate (2.1%) of growth for the Hume LGA during 2011-2021. Reflecting the growth of the Hume Corridor as an affordable entry level property market, the largest forecast increase (2012-2021) in persons (+5,417 people) from any age cohort is expected to be in the 25-34 brackets. This suggests a prevalence of young couple and young family households.

    The fastest growing age cohort, in percentage terms, between 2012 and 2021 is forecast to be in the 75-79 age group, with a growth rate of 14.1%; however this comes off a low base of 628 people in 2012.

    The second greatest proportion of growth over the period 2012-2021 is forecast to come from those aged between 55-64 (+4,561).

    This indicates there may be a future requirement for either an aged care or retirement facility within the corridor. Further analysis would need to be undertaken to determine the validity of this observation.

	2012	2016	2021	2012-21	
				No.	% pa
0-4	6,205	6,755	7,810	1,605	[illegible]
5-9	6,263	7,019	7,578	1,315	2.3%
10-14	6,413	6,961	7,783	1,370	2.4%
15-19	6,123	7,131	7,700	1,577	2.9%
20-24	5,761	7,196	8,292	2,531	4.9%
25-34	11,881	14,178	17,298	5,417	5.1%
35-44	12,873	13,580	15,169	2,296	2.0%
45-54	10,520	12,793	14,379	3,858	4.1%
55-64	5,725	7,532	10,286	4,561	8.9%
65-69	1,627	2,269	3,008	1,381	9.4%
70-74	1,022	1,481	2,221	1,199	13.0%
75-79	628	915	1,426	798	14.1%
80-84	374	520	816	442	13.1%
85+	291	420	614	323	12.4%

Figure 3. Hume Corridor Population Projections by Age (Adjusted)

Source: Victoria in the Future (2012), MacroPlan Dimasi (2012).

19. To estimate dwelling demand in the Hume Corridor, the Consulting Economist has provided a revised dwelling forecast for the years 2012-2013 based on the current rate of lot take up in the corridor, rather than adopting the underlying requirement forecast. Expressed demand over this period is likely to continue to be impacted by ongoing weakness in buyer confidence. For this reason we have identified the annual rate of sales during 2003-2007, as being an accurate indication of average per annum sales in periods not considered peaks in the cycle. The Consulting Economist has then adopted the underlying requirement projection for the remaining forecast period. This will also reflect a decline in persons required for the formation of a new dwelling and the increased prevalence of medium density product delivered to both Craigieburn and Greenvale.

    Using the State Governments population forecast, Victoria In Future (VIF), underlying requirement to cater for population growth results in demand for an additional 8,318 dwellings over the period 2012-2019. Alternatively using MacroPlan Dimasi revised forecast that accounts for several periods of reduced total lot sales in the corridor, population growth would require 7,818 new dwellings.

CONSULTING ECONOMIST

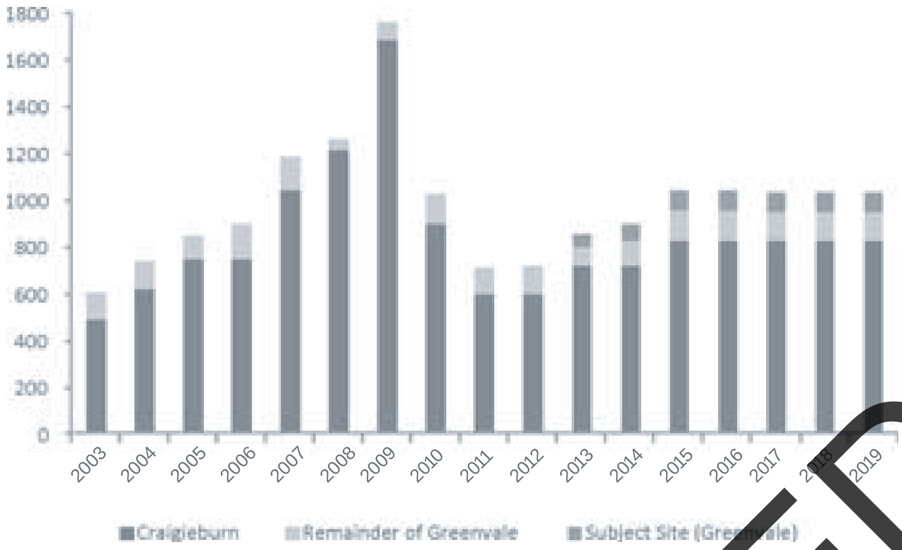

Figure 4. Dwelling requirement per annum, Hume Corridor

Source: Price Finder / MacroPlan Dimasi

20. Land sales activity in Greenvale has been modest over the past decade when compared to the neighbouring suburb of Craigieburn, which has seen a significant amount of development and subsequent amenity. Land sales in Greenvale in the 2011-12 financial year totalled 119; above the average recorded over the previous five years. This is less than the peak of 146 recorded in FY 2006-2007; however this result is likely to reflect a number of unsettled sales. From this peak, sales in Greenvale have declined each year to FY 2009-2010, whilst they were generally rising in Craigieburn. This is likely to reflect a lack of diversity brought about by too few competing estates in Greenvale and possibly some buyer leakage to a more affordable Craigieburn. It is also important to note that this period of sales activity was impacted by a significant drop in available supply. This is highlighted by the higher levels of sales achieved in 2011/2012 as new supply was introduced to the suburb.

21. Land sales in Greenvale over the past 10 years have averaged 11% of the total Greenvale/Craigieburn residential lot sales. This proportion dropped significantly (average of 4%) during the 2008-2010 financial years, primarily due to a reduction in available supply and buyers' preference for more affordable stock in Craigieburn, post GFC. More recently, with the addition of new supply Greenvale has recaptured a greater proportion of the corridors sales (17%). This is greater than the average proportion of sales (15%) achieved during the 2003-2008 period.

22. In 2011, the median land price in Greenvale was $255,000, down from $298,000 in FY 2010-2011. The historical land price growth in Greenvale has been around 4.6 per cent per year since 2002. Despite significant average year on year price growth in Craigieburn over the past decade, prices in Greenvale remain on average 31% higher.

Local Area Future Prospects

23. Analysis of various indicators in the local area (prices, sales and lots released), including both the suburb of Greenvale and the Hume Corridor, suggest a robust local property market in sound economic times that has considerable potential over the long term. The Consulting Economist considers however that the Greenvale housing market has been difficult to interpret in recent times. The suburb has had limited variety in supply and therefore diversity of offer. The delivery of a number of development fronts and price points can encourage diversity in product type that can meet the needs of a range of market segments. This situation is starting to change however, with a number of land holders progressing plans to deliver new stock to the market.

CONSULTING ECONOMIST

Currently, take up rates in Greenvale are around 119 lots per annum (or approximately 17% of the total Hume Corridor). However historical take up rates in Greenvale partly reflects:

- Establishing market
- Land sales activity characterised by small releases;
- Limited amount of zoned land for significant development.

With three prominent developers currently in the process of delivering new supply to Greenvale, the historic constraints to sales activity listed above will be diminished.

24. Greenvale has experienced price growth since 2003, however has recently recorded a steep decline in FY 2011-2012 (approximately 14%). There are two primary reasons for this: A drop in sales activity and the likelihood of discounting; and a greater proportion of smaller / lower priced product. Future growth in land prices will be underpinned by:

- Land sales in the Greenvale region benefiting from a level of demand transfer from the surrounding suburbs outside of Hume as the established housing market firms and buyers view escalating prices as a catalyst to purchase new housing stock from a growth area development because of the perception they represent greater value.
- Construction of the Craigieburn Town Centre (50,000 square metres) in Craigieburn, opening in 2013, comprising of three supermarkets and two Discount Department stores. This is likely to drive land sales in Greenvale in the short and medium term (2011-2020).
- While Greenvale will face competition from land releases in Craigieburn and Mickleham, the Consulting Economist anticipates that the Greenvale land supply market will grow significantly above historical rates over the short and medium term based on the factors outlined above.

25. The Syndicate is likely to have a higher rate of lot sales over the life of the development than past projects due to:

- A range of lot sizes and product types can be delivered due to proximity to the new Craigieburn Town Centre; high amenity sites.
- Significantly improved amenity is expected to be established locally and regionally over the next decade.
- Proximity to the future development of the Broadmeadows Activity Centre and related employment will also improve the attractiveness of the location, particularly to white collar workers with higher incomes.
- New diversity in residential product brought about by additional new supply.

The Property provides the opportunity for both land and house and land packages that are accessible to a range of market segments, namely:

- First homebuyers;
- Investors;
- Cash – out market for 50+ year olds; and
- Downsizers.

26. On this basis, the Consulting Economist anticipates that the Greenvale land supply market will be sufficiently supplied over the short and medium term. The following assumptions have been applied:

Greenvale attracts around 170-180 dwellings per year (25% of total dwellings in the Hume Corridor) over the period 2013. While this is above the average land sales in Greenvale over the past five years (107 land sales per year), this estimate reflects the variety and additional new supply that is expected to be offered in the corridor and the improving amenity offered by contemporary estates. In addition, the Property achieves a 35% market share of all sales that take place in Greenvale based on just three significant competitors operating in the suburb. This would attract 60 sales over 2013.

Greenvale maintains a 25% share of total corridor sales in 2014, as the suburb will offer a greater share of the total supply in the corridor. In addition, the Property captures approximately 40% of all Greenvale sales as development at Providence nears completion. This would attract around 220-225 dwellings for 2014. This would attract 79 sales to the property in 2014.

Greenvale maintains a 25% share of total corridor sales during 2015-2019 and with an expected increase in expressed demand, the corridor will attract 255-265 sales p.a. based on a 40% Greenvale market share. This would attract 104 sales p.a. to the estate over this period.

CONSULTING ECONOMIST

It is important to note that a low base scenario has been considered whereby Greenvale only captures 20% of the total corridor sales and the Syndicate achieves 35% market share in 2013 and 40% thereafter. This would result in the following outcome:

The Property achieves 48 sales in 2013, 72 sales in 2014 and approximately 83 year during 2015-2019.

27. Based on our assessment, land price growth of between 2.0 – 5.0% per cent per annum for Greenvale over the period 2012-2019 is reasonable. This estimate allows for little to no growth in 2012 before an escalation that is marginally above half the long term average in 2013 (2.5%). Over 2014/2015, land prices are then forecast to escalate by 4.5%, broadly in line with the ten year average (4.6%), as buyer confidence returns and demand is expressed through higher take up rates within the corridor. The average rate of escalation during 2016-2019 is forecast to be 5.0%.

Suburb	2012	2013	2014	2015	Average rate of growth2016-2019
Greenvale Land Price Escalation	0	2.5	4.5	4.5	5.0

Figure 5. Land price escalation, Greenvale

Source: Price Finder / MacroPlan Dimasi

The forecast rates of escalation provided in this report applies to the property with its current lot mix, however there is an opportunity to achieve a higher rate of escalation on the rate per square metres by increasing the mix of smaller lots (i.e. between 400-450 Square metres). This trend has been observed since 2010 in Craigieburn where the average lot sizes have been decreasing while lot prices have experienced marginal growth.

The Consulting Economist believes these forecasts and the assumptions behind them are reasonable.

Forecasts

28. The forecasts and projections in this report are based on assumptions about circumstances and events that have not yet transpired and they are therefore subject to variations that may arise as future economic and market factors actually occur. As a result, we cannot provide any assurance that the forecasts and projections contained in this report will be achieved.

    Key assumptions made to undertake the forecasts include:

    - The Victorian economic growth outlook and housing market performance will be subdued over at least the coming 18 months prior to recovery around 2014/15.
    - RBA Cash Rate will average between 3.25% and 3.5% between 2012 and 2014.
    - No additional major development not identified already is assumed to occur within Greenvale/Craigieburn over the next 2 years.
    - Greenvale achieves an increased proportion (moving from the long term average of 11% to 25%) of the Hume Corridor land sales market from 2013 due to a range of factors outlined above.
    - Lot price ranges for the Property aren't significantly higher than comparable product in Greenvale.
    - Analysis of the Subdivision Concept Plan depicts approximately 437 residential lots.
    - Land sales for the property commence in second half of 2013 calendar year.
    - The Property capturing around 35-40% of the Greenvale land sales market over the life time of the Syndicate.
    - The Consulting Economist considers that there is a reasonable basis for making each of these assumptions.

29. The information in the economic report is incorporated by reference into this Product Disclosure Statement. The Syndicate will provide a full copy of the economic report free of charge to any person who requests a copy during the offer period.

Disclaimer

30. MacroPlan Dimasi Pty Ltd has consented to the inclusion of this report in the Product Disclosure Statement but is not providing advice about a financial product, or the suitability of the investment as set out in the Product Disclosure Statement. Such an opinion can only be provided by a person who holds an Australian Financial Services Licence. MacroPlan Dimasi does not hold such a licence and is not operating under any such licence in providing this report. We have been retained by Peet Funds Management Ltd and no other party to provide this report. We do not have a financial interest in Peet Funds Management Limited or Peet Ltd and have provided this report solely in our capacity as an independent professional adviser. We have received a fee of $22,700 plus GST for our professional services in providing this report.

VALUATION REPORT

EXECUTIVE SUMMARY

1170 Mickleham Road, Greenvale.

INSTRUCTIONS

Client Instructions

Peet Funds Management Limited
Level 7
200 St. Georges Terrace
PERTH WA 6000
(The Directors)

Date of Instruction - 26 September 2012.

Refer to Assumptions / Qualifications - Terms of Reference.
Refer to Assumptions / Qualifications - Definitions of Market Value.

CLOSED

Purpose

To assess the current market value of the freehold.

Interest Valued

Freehold.

Prepared By

Thomson Maloney & Partners Pty. Ltd.
T/A Charter Keck Cramer

Bradley W Papworth, B. Bus (Prop), FAPI
Certified Practising Valuer
API Member No. 62349
Director

Telephone: 9691 1408

Charter Keck Cramer Reference.

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VALUATION REPORT

Terms of Reference

This report is prepared for the use of our client for the stated purpose and should not be reproduced in whole or part, apart from the use within the PDS, or relied upon by any other party for any use, other than investors using the PDS to decide whether to invest in the Peet Greenvale Syndicate, without the express written authority of Charter Keck Cramer. Specifically, no party may rely upon financial projections contained within the report. Any projections within our valuation is made as a valuation for the value at a static point in time and should not be represented in any way providing an indication as to likely future profits, cashflow or value.

Charter Keck Cramer has consented to the inclusion of this report in the PDS, but is not providing advice about financial product or suitability of the investment as set out in the PDS. Such an opinion can only be provided by a person who holds an Australian Financial Services Licence. Charter Keck Cramer does not hold such a licence and is not operating under any such licence in providing this report. We have been retained by Peet Funds Management Limited and no other party to provide this report. We do not have a financial interest in Peet Funds Management Limited or Peet Limited and have provided this report solely in our capacity as independent professional advisers. We have received a fee of $19,250 (inclusive of Goods and Services Tax) for our professional service in providing this report.

The valuation is current as at the date only. Values assessed herein 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 resulting from such subsequent changes in value. Without limiting generality of the above, 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.

Charter Keck Cramer, it's Directors, Executive Officers and employees therefore cannot and do not make any warranty or representation as to the accuracy or completeness of any information or statement contained in any part of the PDS other than in respect of the material prepared by Charter Keck Cramer.

We draw attention to the provisions of our Professional Indemnity insurance, that all valuations are only valid for three months from the date of valuation, no responsibility being accepted for clients' reliance upon reports beyond that period. Accordingly, any parties authorised to rely upon our opinion should be aware of the need for a review as necessary.

It is assumed that no significant event has occurred between the date of inspection and the date of the valuation report that would impact on the value of the subject property.

VALUATION REPORT

VALUATION DETAILS

Date of Inspection.

5 November 2012.

Date of Valuation.

5 November 2012.

Due to possible changes in market forces and circumstances in relation to the subject property, this report can only be regarded as relevant as at the date of valuation. The value of the proposed allotments "as if complete" is assessed reflecting current market conditions. No projections of value are made when the completed allotments are actually offered for sale to the market.

This valuation is current as 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.

Refer to Assumptions / Qualifications - Date of Valuation.

Proprietor Considerations.

Our valuation has been completed on the basis:

- The site is unaffected by unsupervised fill, soil or groundwater contamination.
- The property is unaffected by Aboriginal or archaeological artefacts of significance.
- The property is unaffected by flora and fauna issues.
- The property does not utilise the Margin Scheme.
- The appointment of an independent Engineer to confirm a development cost estimate of the proposed subdivision.

Property Risk Assessment.

We refer you to the risk analysis included within the PDS.

Valuation.

Subject to the assumptions and qualifications contained within this report, we have assessed the project related site value of the subject property (exclusive of GST) in the sum of:

$20,100,000

Twenty Million, One Hundred Thousand Dollars

Disclaimer.

This Executive Summary should be read in conjunction with the balance of this report. The report has been prepared subject to various qualifications, disclaimers and assumptions detailed throughout the report and within the Assumptions / Qualifications section.

Refer to Assumptions / Qualifications - Third Party Disclaimer.

VALUATION REPORT

1. TITLE AND STATUTORY DETAILS

Title Particulars.

The parent property is described within Certificate of Title Volume 11322 Folio 174 as Lot E on Plan of Subdivision No. 646719U.

Unregistered Plan of Subdivision No. PS714625C provides for subdivision of the parent allotment into two allotments. Our assessment is completed on the basis that Lot A on unregistered Plan of Subdivision No. PS714625C is registered and separately titled.

Registered Proprietor.

The registered proprietor is shown as Peet Limited registered on the 9 December 2011.

Encumbrances.

Encumbrances noted on title are as follows:

- Instrument No. AH738397V refers to a mortgage in favour of ANZ Fiduciary Services Pty. Ltd., registered on 21 January 2011.
- Instrument No. AE282918H refers to a Section 173 Agreement between the Hume City Council and Peet & Company Ltd., registered on 6 April 2006.
- Instrument No. AE330131M refers to a Section 173 Agreement between the Hume City Council, Peet & Company Ltd., Peet Greenvale No. 2 Limited and Melbourne Water Corporation, registered on 3 May 2006.
- Instrument No. AH336996N is a section 201UB Notice pursuant of the Planning and Environment Act 1987. The Notice is a G1 Application to record the registrar of land that a Growth Areas Infrastructure Contribution (GAIC) may be payable. This notice was registered on the 1 July 2010.

Refer to Assumptions / Qualifications - Encumbrances.

Native Title.

There are no attributes observed that would identify the property as having co-existing or likely co-existing Native Title interests.

Refer to Assumptions / Qualifications - Native Title.

VALUATION REPORT

2. PLANNING CONSIDERATIONS

Local Authority.

Hume City Council.

Land Use Zoning and Development Controls.

Pursuant to the provisions of the Hume Planning Scheme, the land is predominantly included within an Urban Growth Zone (UGZ) pursuant to Schedule 2 which refers to the Greenvale North R1 Precinct Structure Plan (PSP).

Furthermore, we note the property is affected by a Development Contribution Plan Overlay pursuant to schedule 2 and an Environmental Significance overlay pursuant to Schedule 9.

We refer to the Planning Report for the subject property included within the PDS, which details the planning controls which affect the property.

Refer to Assumptions / Qualifications - Land Use Zoning and Development Controls.

Planning Approvals.

Planning Permit No.P15280 was issued by the Hume City Council in September 2011 for the western part of the property. The permit allows a ‘multi-lot staged subdivision and access to site from a road zone’. The permit is subject to 72 Conditions.

Current Use.

As at the date of our inspection, the property was utilised for grazing purposes.

Potential / Future Uses.

Pursuant to the Planning Scheme, the potential uses for the subject property may be summarised as those where a planning permit is not required (Section 1 of the Planning Scheme) and those where a planning permit is required (Section 2 of the Planning Scheme). Those uses noted under Section 3 (prohibited) are not considered to place any undue restriction upon the future use or development of the site. We refer you to the ordinances provided as an annexure to this report with respect to the allowable and prohibited uses.

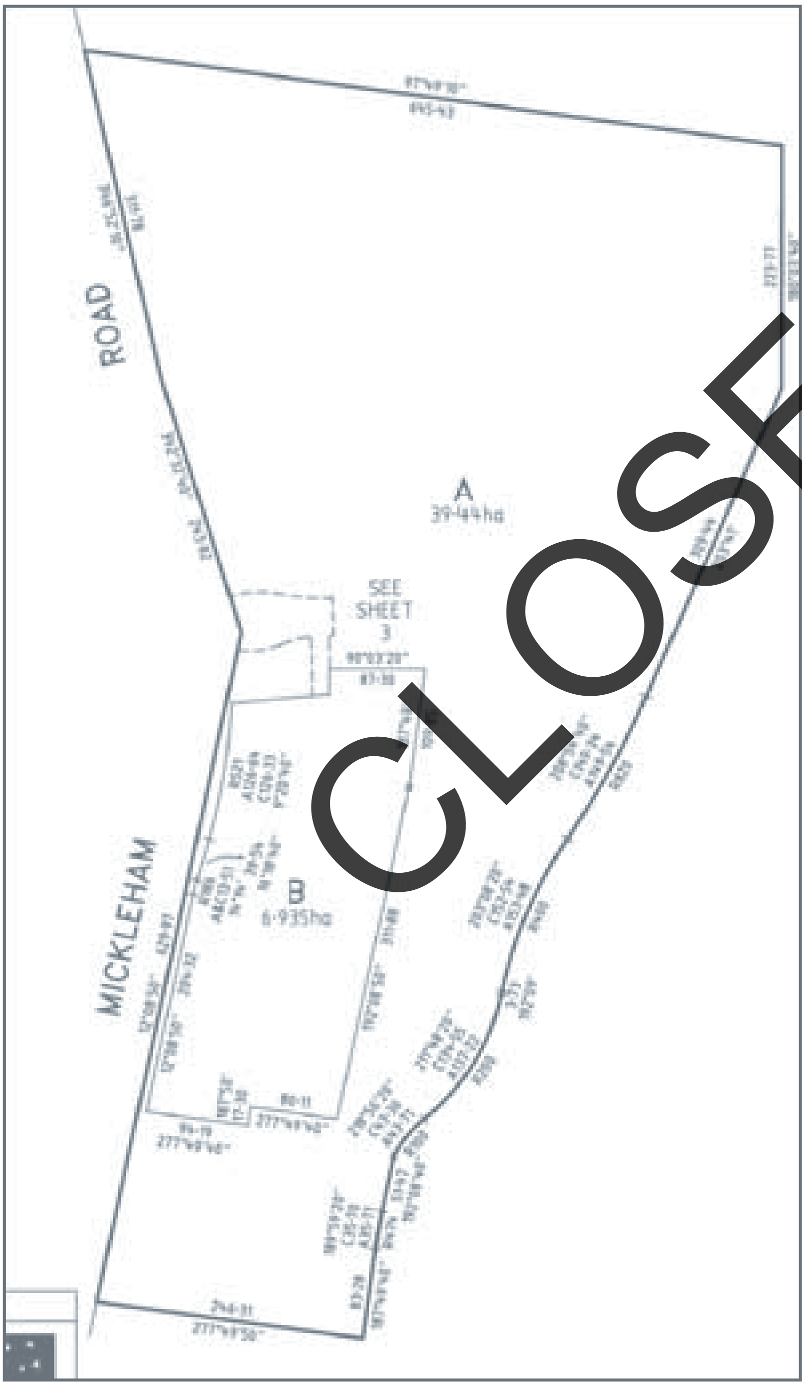
In our opinion, the development of the site as a residential subdivision is considered the highest and best use.

VALUATION REPORT

3. LAND AND LOCALITY DESCRIPTION

Land Area and Dimensions.

The subject property comprises an inglobo development land encompassing a total area of 39.44 hectares, situated on the eastern side of Mickleham Road. A copy of the proposed Plan of Subdivision (not to scale) is provided below:



VALUATION REPORT

Land Description and Site Identification.

The subject property is highly irregular in shape, situated north-west of the Greenvale Reservoir and is gently undulating in topography.

We note the property was surveyed for the preparation of the Plan of Subdivision confirming occupational measurements.

Refer to Assumptions / Qualifications - Land Description and Site Identification.

Locality and Surrounding Development.

Within the Hume City Council, in the area known as Greenvale, Postcode 3059, the property is located approximately 24 kilometres north of the Melbourne Central Business District. Mickleham Road extends in a north to south direction extending from Melrose Drive, Tullamarine.

Greenvale has been identified as the southern portion of the Hume Growth Area. In particular, south and east of the subject property are a number of estates including the Providence, Greenvale Gardens and Greenvale Lakes estates. North-east of the subject property is the Aitken Hill Conference and Event Centre.

In respect of services and facilities complementing residential occupation, the Greenvale Village Shopping Centre is situated 2.5 kilometres south-west and the Roxburgh Park Shopping Centre is 4.3 kilometres south-east, each incorporating a supermarket and speciality shops. Primary and secondary schools are located nearby including the Greenvale Primary School, Roxburgh Rise Primary School, Craigieburn Secondary College, Good Samaritan Catholic School and Roxburgh Homestead Primary School.

In relation to public transport, the Roxburgh Park Station is situated 4.6 kilometres south-east and the Craigieburn station is located 5 kilometres north-east.

Road System and Access.

Mickleham Road is a bitumen sealed roadway. Mickleham Road interchanges with the Western Ring Road providing access through to the Melbourne Central Business District via the Tullamarine Freeway.

Services and Amenities.

All usual utilities including electricity, gas, telephone, water and mains sewer can be augmented to service the subject property.

Urban amenities located within reasonable proximity to the subject property are as follows:

- Roxburgh Park Shopping Centre - 3.75 kilometres south-east.
- Primary School - 1.5 kilometres.
- Melbourne Central Business District – 24 kilometres south.

Environmental Statement.

We have perused the Environment Protection Authority's (EPA's) current Priority Sites Register, and we can confirm that the subject site is not listed.

Perusal of the current list of Issued Certificates and Statements of Environmental Audit discloses that the subject site is not listed.

We have not been provided with environmental or asbestos reports for the subject property.

In summary, a visual site inspection has not revealed any obvious signs of pollution or contamination. Nevertheless, we are not experts in the detection or quantification of environmental problems and, accordingly, have not carried out a detailed environmental investigation. Therefore, this valuation and our report is made subject to there being no actual or potential contamination issues or environmental hazards, including surface or sub-surface soil problems including instability, toxic or hazardous wastes or building material hazards issues affecting:

- The existing or potential use of the property.
- The value or marketability of the property.
- The site.

VALUATION REPORT

Verification that the property is free from contamination or environmental hazards and has not been affected by pollutants of any kind may be obtained from a suitably qualified environmental expert. Should subsequent investigation show that the site is contaminated or has environmental hazards this valuation and report may require revision. The right is reserved to review, and if necessary, vary the valuation figure if any contamination or other environmental hazard is found to exist.

Archaeological Considerations.

We refer to the planning report included within the PDS, which details that there is no requirement for the preparation of a mandatory Cultural Heritage Management Plan pursuant to the Aboriginal Heritage Regulations 2007.

Should any problem be known or arise, the valuation should be referred back to us for further comment.

Flora and Fauna Considerations.

We refer to the planning report included within the PDS, which details that it is likely that the requirements for flora and fauna have been satisfied and the offset payments have been made for the property.

Should any problem be known or arise, then the matter should be referred back to us for further comment.

VALUATION REPORT

4. SCOPE OF THE DEVELOPMENT

Description.

The subject of this assessment comprises an Urban Growth zoned holding, encompassing an area of 39.44 hectares.

The subject property being lot A on unregistered Plan of Subdivision No.PS714625C. When complete, the estate is proposed to yield 437 allotments over 10 stages.

Plan of Subdivision.

The proposed master plan, provides for the construction of 437 allotments ranging in size from 256 - 1334 square metres, with an average lot size of 472 square metres. The plan also incorporates a super lot (Lot B) which is not included within our assessment. A summary of the yield for each stage is as follow:

		Area (Square Metres)		
Stage	No. of Lots	Minimum	Average	Maximum
1	48	346	462	611
2	38	350	436	594
3	31	329	424	517
4	42	350	456	745
5	43	369	468	670
6	45	400	595	1334
7	42	390	520	697
8	47	363	533	1003
9	79	256	465	575
10	22	315	425	556
Total	**437**	**256**	**472**	**1334**

Development Costs.

A preliminary development cost estimate for Stages 1 - 10 has been prepared by Smec Urban dated 31 October 2012 for the construction of 437 allotments. The total development cost is $40,996,717, equivalent to $93,814 per lot. The costings incorporate road and drainage construction, professional fees and charges, sewer and water contributions and authority fees and charges. The costing does not incorporate an allowance for landscaping. We have been provided with public open space landscaping costs equalling $5,920,000, increasing the total development cost to $46,916,717, equivalent to $107,361 per lot. A breakdown of the costing can be shown as follows:

Stage	Construction Cost	Cost Per Lot
1	$ 5,468,000	$113,916
2	$ 2,823,560	$ 74,304
3	$ 2,450,735	$ 79,056
4	$ 2,923,300	$ 69,602
5	$ 5,443,220	$126,586
6	$ 4,683,300	$104,073
7	$ 3,071,740	$ 73,137
8	$ 4,023,550	$ 85,607
9	$ 6,040,130	$ 76,457
10	$ 4,069,182	$184,976
Total	**$40,996,717**	**$ 93,814**
Landscaping	$ 5,920,000	$ 13,547
Total	**$46,916,717**	**$107,361**

Should the costings vary from the level adopted, the matter should be referred back to us for further consideration.
Refer to Assumptions / Qualifications - Carbon Policy Considerations.

VALUATION REPORT

5. MARKET CONSIDERATIONS

Market Commentary.
We refer you to the Economic Research included within the PDS.

Risk Assessment.
In arriving at our assessment of value, we have given consideration to the risk parameters in relation to the property and its position in the current market.

Marketability.
Demand and Affordability.
- Reasonable demand expected.

Purchaser Profile.
- Subdivider / Developer.

Method of Sale.
- Auction / Tender.

Selling Period.
- 6 - 9 months.

Comparative Sales Evidence.
In concluding value, we have had regard to the evidence of sales in varying degrees comparable within nearby estates. In particular we note the following sales:

Providence Estate.
The Providence estate is situated directly south of the subject property and is developed by Pask. The estate is situated west of the Greenvale Reservoir. When complete, the estate is proposed to yield 630 allotments, complemented with a central park and retail and mixed use precinct. We have considered the sales within the estate as follows:

Address	Area (Square Metres)	Sale Price	Sale Date
9 Padova Drive	400	$243,000	July 2012
5 Padova Drive	400	$243,000	July 2012
17 Padova Drive	448	$259,000	July 2012
12 Verona Street	401	$240,000	June 2012
10 Verona Street	401	$240,000	June 2012
8 Verona Street	401	$240,000	June 2012
14 Verona Street	401	$240,000	June 2012
8 Padova Drive	448	$259,000	June 2012
5 Battista Grove	373	$240,000	May 2012
33 Positano Grove	625	$285,000	May 2012
3 Montenegro Road	671	$325,000	May 2012
14 Samos Drive	476	$265,000	May 2012
16 Napoli Circuit	572	$313,000	April 2012
6 Padova Drive	448	$256,000	April 2012
19 Padova Drive	484	$256,000	April 2012
18 Samos Drive	476	$265,000	April 2012
10 Samos Drive	476	$265,000	April 2012
3 Battista Grove	375	$241,000	April 2012
18 Verona Street	450	$256,000	March 2012
18 Padova Drive	448	$256,000	March 2012

VALUATION REPORT

Greenvale Gardens Estate.

Developed by Australand, when complete, the Greenvale Gardens estate is expected to yield 700 residential allotments incorporating a central park and drainage reserve. Sales within the estate are noted as follows:

Address	Area (Square Metres)	Sale Price	Sale Date
2 Buttercup Drive	542	$268,000	June 2012
24 Water Fern Grove	400	$233,000	June 2012
16 Scarlet Drive	296	$206,500	May 2012
26 Scarlet Drive	351	$233,000	May 2012
21 Scarlet Drive	400	$233,000	April 2012
18 Buttercup Drive	448	$244,000	April 2012
13 Scarlet Drive	336	$218,000	April 2012
5 Oak Leaf Street	448	$244,000	April 2012
18 Scarlet Drive	352	$223,000	March 2012
23 Water Fern Grove	463	$248,000	March 2012
22 Oak Leaf Street	480	$252,000	March 2012
10 Oak Leaf Street	479	$252,000	March 2012
26 Water Fern Grove	448	$234,000	March 2012

We have also noted asking prices within the estate as follows:

Lot No.	Area (Square Metres)	Asking Price
346	360	$209,000
411	425	$239,000
444	400	$219,000
438	508	$262,000
432	576	$299,000
317	448	$245,000 - $265,000
239	400	$210,000+
227	400	$210,000+

VALUATION REPORT

Aston Estate.

The Aston estate is to be a Master Planned Community (MPC) located within the recently completed Craigieburn R2 PSP and is expected to provide a total of approximately 1,950 dwellings, together with major open space, wetlands and future provisions for a neighbourhood shopping centre. Recent sales within the estate are detailed as follows:

Lot No.	Area (Square Metres)	Sale Price	Sale Date
132	429	$205,000	September 2012
133	504	$220,000	September 2012
205	420	$186,000	September 2012
306	420	$190,000	September 2012
319	448	$202,500	September 2012
243	485	$177,000	August 2012
247	420	$157,000	August 2012
301	512	$185,000	August 2012
305	480	$195,000	July 2012
223	350	$175,000	June 2012
130	426	$200,000	May 2012
134	640	$240,000	May 2012
209	436	$180,000	May 2012
303	400	$175,000	May 2012
311	392	$174,000	May 2012
348	415	$182,500	May 2012
217	475	$195,000	April 2012
317	350	$177,000	April 2012
339	465	$189,000	April 2012
117	512	$225,000	March 2012
118	576	$236,000	March 2012
216	448	$200,000	March 2012
242	431	$205,000	March 2012
315	350	$176,000	March 2012
343	375	$189,000	March 2012

VALUATION REPORT

6. VALUATION RATIONALE

Essential Considerations.

Having considered the evidence in detail and all valuation parameters generally, we summarise the following positive and negative attributes with respect to the specific subject property:

Positive Attributes.

- Situated north of the developing Providence estate.
- Urban Growth zoned land identified in the approved Greenvale North R1 PSP.

Negative Attributes.

- Significant amount of land located within the northern growth corridors, in particular the municipalities of Hume and Whittlesea.

Valuation Methodology.

The most appropriate method of assessment for residential development land and that which has been adopted in this instance is by hypothetical development calculations, utilising the demonstrated planning criteria to indicate an appropriate lot yield and professionally compiled service costings. This method is considered the most appropriate as, in the circumstances of the property being offered for sale, the most likely purchaser would be a developer who would consider market trends and requirements and subdivide the land to fulfil market opportunities.

Gross Realisation.

In assessing the individual allotments "as if complete" we have had regard to the performance of surrounding estates. We have assessed the cumulative value of the individual components as at the date of valuation as follows:

Stage	Lot No.	Area (sq.m.)	Aspect	Assessed Value	Stage	Lot No.	Area (sq.m.)	Aspect	Assessed Value
1	1	486	Internal	$251,000	6	220	512	Internal	$255,000
1	2	500	Internal	$253,000	6	221	512	Internal	$255,000
1	3	493	Internal	$252,000	6	222	512	Internal	$255,000
1	4	611	Internal	$275,000	6	223	512	Internal	$255,000
1	5	515	Internal	$256,000	6	224	512	Internal	$255,000
1	6	510	Internal	$255,000	6	225	512	Internal	$255,000
1	7	451	Internal	$245,000	6	226	400	Internal	$233,000
1	8	453	Internal	$245,000	6	227	400	Internal	$233,000
1	9	453	Internal	$245,000	6	228	400	Internal	$233,000
1	10	451	Internal	$245,000	6	229	460	Park	$271,000
1	11	510	Internal	$255,000	6	230	593	Park	$298,000
1	12	549	Internal	$264,000	6	231	562	Park	$293,000
1	13	514	Internal	$256,000	6	232	485	Park	$275,000
1	14	453	Internal	$245,000	6	233	512	Internal	$255,000
1	15	445	Internal	$243,000	6	234	512	Internal	$255,000
1	16	507	Internal	$254,000	6	235	512	Internal	$255,000
1	17	449	Internal	$244,000	6	236	512	Internal	$255,000
1	18	457	Internal	$246,000	6	237	512	Internal	$255,000
1	19	420	Internal	$238,000	6	238	512	Internal	$255,000
1	20	477	Internal	$249,000	6	239	512	Internal	$255,000
1	21	346	Internal	$225,000	6	240	512	Internal	$255,000
1	22	352	Internal	$226,000	6	241	576	Internal	$269,000

VALUATION REPORT

Stage	Lot No.	Area (sq.m.)	Aspect	Assessed Value	Stage	Lot No.	Area (sq.m.)	Aspect	Assessed Value
1	23	367	Internal	$229,000	6	242	591	Internal	$271,000
1	24	405	Internal	$234,000	6	243	659	Internal	$285,000
1	25	396	Internal	$232,000	6	244	1334	Internal	$338,000
1	26	353	Internal	$226,000	6	245	1161	Reserve	$353,000
1	27	358	Internal	$227,000	6	246	769	Reserve	$315,000
1	28	395	Internal	$232,000	6	247	609	Reserve	$289,000
1	29	392	Internal	$232,000	7	248	496	Internal	$252,000
1	30	392	Internal	$232,000	7	249	403	Internal	$233,000
1	31	350	Internal	$226,000	7	250	400	Internal	$233,000
1	32	378	Internal	$230,000	7	251	453	Internal	$245,000
1	33	420	Internal	$238,000	7	252	491	Internal	$251,000
1	34	477	Internal	$249,000	7	253	483	Internal	$250,000
1	35	527	Internal	$259,000	7	254	512	Internal	$255,000
1	36	483	Internal	$250,000	7	255	552	Internal	$264,000
1	37	526	Internal	$259,000	7	256	602	Internal	$273,000
1	38	554	Internal	$265,000	7	257	574	Internal	$268,000
1	39	494	Internal	$252,000	7	258	541	Internal	$262,000
1	40	560	Internal	$266,000	7	259	541	Internal	$262,000
1	41	557	Internal	$265,000	7	260	541	Internal	$262,000
1	42	576	Internal	$269,000	7	261	541	Internal	$262,000
1	43	526	Internal	$259,000	7	262	516	Internal	$256,000
1	44	547	Internal	$263,000	7	263	576	Internal	$269,000
1	45	516	Internal	$256,000	7	264	554	Internal	$265,000
1	46	510	Internal	$255,000	7	265	554	Internal	$265,000
1	47	375	Internal	$230,000	7	266	554	Internal	$265,000
1	48	375	Internal	$230,000	7	267	467	Internal	$248,000
2	49	511	Internal	$255,000	7	268	467	Internal	$248,000
2	50	504	Internal	$253,000	7	269	550	Internal	$264,000
2	51	489	Internal	$251,000	7	270	697	Park	$321,000
2	52	443	Internal	$243,000	7	271	582	Park	$297,000
2	53	513	Internal	$256,000	7	272	536	Internal	$261,000
2	54	442	Internal	$243,000	7	273	538	Internal	$261,000
2	55	426	Internal	$239,000	7	274	512	Internal	$255,000
2	56	457	Internal	$246,000	7	275	448	Internal	$244,000
2	57	457	Internal	$246,000	7	276	512	Internal	$255,000
2	58	458	Internal	$246,000	7	277	512	Internal	$255,000
2	59	461	Internal	$247,000	7	278	562	Internal	$266,000
2	60	467	Internal	$248,000	7	279	627	Park	$307,000
2	61	474	Internal	$249,000	7	280	578	Park	$296,000
2	62	423	Internal	$238,000	7	281	648	Park	$311,000

VALUATION REPORT

Stage	Lot No.	Area (sq.m.)	Aspect	Assessed Value
2	63	458	Internal	$246,000
2	64	402	Internal	$233,000
2	65	448	Internal	$244,000
2	66	448	Internal	$244,000
2	67	400	Internal	$233,000
2	68	438	Internal	$242,000
2	69	437	Internal	$242,000
2	70	507	Internal	$254,000
2	71	507	Internal	$254,000
2	72	448	Internal	$244,000
2	73	378	Internal	$230,000
2	74	350	Internal	$226,000
2	75	392	Internal	$232,000
2	76	399	Internal	$232,000
2	77	394	Internal	$232,000
2	78	400	Internal	$233,000
2	79	399	Internal	$232,000
2	80	350	Internal	$226,000
2	81	368	Internal	$229,000
2	82	369	Internal	$229,000
2	83	352	Internal	$226,000
2	84	355	Internal	$227,000
2	85	484	Internal	$250,000
2	86	594	Internal	$272,000
3	87	441	Internal	$243,000
3	88	444	Internal	$243,000
3	89	439	Internal	$242,000
3	90	395	Internal	$232,000
3	91	396	Internal	$232,000
3	92	464	Internal	$247,000
3	93	472	Internal	$248,000
3	94	414	Internal	$236,000
3	95	329	Internal	$221,000
3	96	351	Internal	$226,000
3	97	350	Internal	$226,000
3	98	350	Internal	$226,000
3	99	350	Internal	$226,000
3	100	350	Internal	$226,000
3	101	392	Internal	$232,000
3	102	441	Internal	$243,000

Stage	Lot No.	Area (sq.m.)	Aspect	Assessed Value
7	282	457	Internal	$246,000
7	283	390	Internal	$232,000
7	284	447	Internal	$244,000
7	285	448	Internal	$244,000
7	286	448	Internal	$244,000
7	287	513	Internal	$256,000
7	288	453	Internal	$245,000
7	289	584	Internal	$270,000
8	290	580	Reserve	$282,000
8	291	576	Reserve	$282,000
8	292	616	Reserve	$290,000
8	293	1003	Internal	$323,000
8	294	614	Internal	$276,000
8	295	593	Internal	$271,000
8	296	569	Internal	$267,000
8	297	459	Internal	$246,000
8	298	541	Internal	$262,000
8	299	541	Internal	$262,000
8	300	541	Internal	$262,000
8	301	541	Internal	$262,000
8	302	541	Internal	$262,000
8	303	541	Internal	$262,000
8	304	516	Reserve	$269,000
8	305	554	Internal	$265,000
8	306	484	Internal	$250,000
8	307	484	Internal	$250,000
8	308	484	Internal	$250,000
8	309	484	Internal	$250,000
8	310	484	Internal	$250,000
8	311	467	Internal	$248,000
8	312	467	Internal	$248,000
8	313	525	Internal	$258,000
8	314	716	Internal	$295,000
8	315	582	Park	$297,000
8	316	677	Park	$318,000
8	317	640	Park	$309,000
8	318	512	Internal	$255,000
8	319	448	Internal	$244,000
8	320	512	Internal	$255,000
8	321	576	Internal	$269,000

CHARTER KECK CRAMER

VALUATION REPORT

Stage	Lot No.	Area (sq.m.)	Aspect	Assessed Value
3	103	517	Internal	$257,000
3	104	508	Internal	$254,000
3	105	448	Internal	$244,000
3	106	432	Internal	$241,000
3	107	400	Internal	$233,000
3	108	448	Internal	$244,000
3	109	448	Internal	$244,000
3	110	401	Internal	$233,000
3	111	414	Internal	$236,000
3	112	466	Internal	$247,000
3	113	464	Internal	$247,000
3	114	455	Internal	$245,000
3	115	450	Internal	$244,000
3	116	458	Internal	$246,000
3	117	472	Internal	$248,000
4	118	426	Internal	$239,000
4	119	464	Internal	$247,000
4	120	448	Internal	$244,000
4	121	400	Internal	$233,000
4	122	400	Internal	$233,000
4	123	400	Internal	$233,000
4	124	400	Internal	$233,000
4	125	399	Internal	$232,000
4	126	368	Internal	$229,000
4	127	473	Internal	$249,000
4	128	392	Internal	$232,000
4	129	448	Internal	$244,000
4	130	448	Internal	$244,000
4	131	506	Internal	$254,000
4	132	381	Internal	$231,000
4	133	400	Internal	$233,000
4	134	392	Internal	$232,000
4	135	350	Internal	$226,000
4	136	350	Internal	$226,000
4	137	392	Internal	$232,000
4	138	392	Internal	$232,000
4	139	350	Internal	$226,000
4	140	350	Internal	$226,000
4	141	392	Internal	$232,000
4	142	448	Internal	$244,000

Stage	Lot No.	Area (sq.m.)	Aspect	Assessed Value
8	322	576	Internal	$269,000
8	323	576	Reserve	$282,000
8	324	609	Internal	$275,000
8	325	569	Reserve	$280,000
8	326	412	Reserve	$248,000
8	327	446	Reserve	$256,000
8	328	481	Reserve	$263,000
8	329	392	Reserve	$244,000
8	330	448	Reserve	$256,000
8	331	439	Reserve	$254,000
8	332	646	Internal	$283,000
8	333	442	Internal	$243,000
8	334	397	Internal	$232,000
8	335	363	Internal	$228,000
8	336	431	Internal	$240,000
9	337	452	Internal	$245,000
9	338	512	Internal	$255,000
9	339	548	Internal	$263,000
9	340	513	Internal	$256,000
9	341	513	Internal	$256,000
9	342	508	Internal	$254,000
9	343	519	Internal	$257,000
9	344	450	Internal	$244,000
9	345	514	Internal	$256,000
9	346	510	Internal	$255,000
9	347	527	Internal	$259,000
9	348	449	Internal	$244,000
9	349	449	Internal	$244,000
9	350	509	Internal	$255,000
9	351	498	Internal	$252,000
9	352	448	Internal	$244,000
9	353	400	Internal	$233,000
9	354	400	Internal	$233,000
9	355	400	Internal	$233,000
9	356	448	Internal	$244,000
9	357	512	Reserve	$268,000
9	358	448	Reserve	$256,000
9	359	448	Reserve	$256,000
9	360	482	Reserve	$263,000
9	361	445	Internal	$243,000

VALUATION REPORT

Stage	Lot No.	Area (sq.m.)	Aspect	Assessed Value
4	143	448	Internal	$244,000
4	144	585	Internal	$270,000
4	145	745	Internal	$298,000
4	146	576	Internal	$269,000
4	147	448	Internal	$244,000
4	148	512	Internal	$255,000
4	149	512	Internal	$255,000
4	150	576	Internal	$269,000
4	151	576	Internal	$269,000
4	152	448	Internal	$244,000
4	153	448	Internal	$244,000
4	154	512	Internal	$255,000
4	155	512	Internal	$255,000
4	156	546	Internal	$263,000
4	157	638	Internal	$281,000
4	158	394	Internal	$232,000
4	159	512	Internal	$255,000
5	160	512	Internal	$255,000
5	161	448	Internal	$244,000
5	162	448	Internal	$244,000
5	163	448	Internal	$244,000
5	164	490	Internal	$251,000
5	165	465	Internal	$247,000
5	166	508	Internal	$254,000
5	167	448	Internal	$244,000
5	168	448	Park	$268,000
5	169	507	Park	$279,000
5	170	432	Park	$265,000
5	171	400	Park	$256,000
5	172	448	Park	$268,000
5	173	459	Internal	$246,000
5	174	480	Internal	$250,000
5	175	480	Internal	$250,000
5	176	480	Internal	$250,000
5	177	492	Internal	$251,000
5	178	447	Internal	$244,000
5	179	413	Internal	$236,000
5	180	369	Internal	$229,000
5	181	369	Internal	$229,000
5	182	413	Internal	$236,000

Stage	Lot No.	Area (sq.m.)	Aspect	Assessed Value
9	362	351	Internal	$226,000
9	363	424	Reserve	$251,000
9	364	341	Reserve	$235,000
9	365	390	Reserve	$244,000
9	366	394	Reserve	$244,000
9	367	409	Reserve	$247,000
9	368	326	Reserve	$231,000
9	369	342	Reserve	$235,000
9	370	363	Reserve	$239,000
9	371	389	Reserve	$244,000
9	372	420	Reserve	$250,000
9	373	476	Reserve	$261,000
9	374	575	Reserve	$281,000
9	375	513	Internal	$256,000
9	376	513	Internal	$256,000
9	377	573	Internal	$268,000
9	378	326	Internal	$220,000
9	379	313	Internal	$217,000
9	380	313	Internal	$217,000
9	381	313	Internal	$217,000
9	382	313	Internal	$217,000
9	383	313	Internal	$217,000
9	384	401	Internal	$233,000
9	385	401	Internal	$233,000
9	386	401	Internal	$233,000
9	387	371	Internal	$229,000
9	388	489	Internal	$251,000
9	389	375	Internal	$230,000
9	390	375	Internal	$230,000
9	391	454	Park	$270,000
9	392	499	Park	$277,000
9	393	411	Park	$259,000
9	394	567	Park	$294,000
9	395	375	Internal	$230,000
9	396	375	Internal	$230,000
9	397	375	Internal	$230,000
9	398	476	Internal	$249,000
9	399	420	Internal	$238,000
9	400	421	Internal	$238,000
9	401	444	Park	$267,000

VALUATION REPORT

Stage	Lot No.	Area (sq.m.)	Aspect	Assessed Value	Stage	Lot No.	Area (sq.m.)	Aspect	Assessed Value
5	183	472	Internal	$248,000	9	402	256	Park	$231,000
5	184	445	Internal	$243,000	9	403	256	Park	$231,000
5	185	448	Internal	$244,000	9	404	256	Park	$231,000
5	186	473	Internal	$249,000	9	405	256	Park	$231,000
5	187	465	Internal	$247,000	9	406	256	Park	$231,000
5	188	480	Internal	$250,000	9	407	256	Park	$231,000
5	189	476	Internal	$249,000	9	408	256	Park	$231,000
5	190	448	Internal	$244,000	9	409	256	Park	$231,000
5	191	448	Internal	$244,000	9	410	256	Park	$231,000
5	192	512	Internal	$255,000	9	411	256	Park	$231,000
5	193	512	Internal	$255,000	9	412	256	Park	$231,000
5	194	670	Internal	$287,000	9	413	256	Park	$231,000
5	195	437	Internal	$242,000	9	414	256	Park	$231,000
5	196	420	Internal	$238,000	9	415	483	Park	$275,000
5	197	430	Internal	$240,000	10	416	527	Reserve	$272,000
5	198	557	Internal	$265,000	10	417	449	Reserve	$256,000
5	199	509	Internal	$255,000	10	418	434	Reserve	$253,000
5	200	590	Internal	$271,000	10	419	355	Reserve	$238,000
5	201	505	Internal	$254,000	10	420	355	Reserve	$238,000
5	202	439	Internal	$242,000	10	421	355	Reserve	$238,000
6	203	580	Internal	$269,000	10	422	393	Reserve	$244,000
6	204	600	Internal	$273,000	10	423	392	Reserve	$244,000
6	205	626	Internal	$278,000	10	424	371	Reserve	$240,000
6	206	660	Internal	$285,000	10	425	508	Internal	$254,000
6	207	611	Internal	$275,000	10	426	512	Internal	$255,000
6	208	615	Park	$304,000	10	427	556	Internal	$265,000
6	209	531	Park	$286,000	10	428	332	Internal	$222,000
6	210	608	Park	$301,000	10	429	381	Internal	$231,000
6	211	464	Park	$272,000	10	430	371	Internal	$229,000
6	212	545	Park	$289,000	10	431	393	Internal	$232,000
6	213	936	Park	$349,000	10	432	469	Internal	$248,000
6	214	716	Internal	$295,000	10	433	445	Internal	$243,000
6	215	604	Internal	$273,000	10	434	527	Internal	$259,000
6	216	665	Internal	$286,000	10	435	538	Internal	$261,000
6	217	638	Internal	$281,000	10	436	375	Internal	$230,000
6	218	610	Internal	$275,000	10	437	315	Internal	$217,000
6	219	583	Internal	$270,000					

VALUATION REPORT

No. of Lots	Gross Realisation Inclusive of GST	Exclusive of GST
437	$109,866,000	$99,878,000

Hypothetical Development Analysis.

In concluding value, we have adopted the hypothetical development approach, utilising the gross realisation assessed and deducting selling expenses, development expenses, holding charges, purchase costs, interest charges, together with an allowance for profit and risk.

Profit and Risk Analysis.

In adopting an appropriate profit and risk factor, we have analysed comparable development site sales to indicate rates of return. In assessing the profit and risk factor, we have had regard to the following attributes of the subject development:

- Town Planning approval.
- Location within an established precinct.
- Scope of the development.
- Established and future competition within the precinct.

In determining a profit and risk factor, we note the recent sale of the Highton Ridge estate in Geelong which sold indicating a profit and risk factor of 22.5% or Internal Rate of Return (IRR) of 19.5% for 338 lots.

Having regard to the abovementioned factors, we have considered it appropriate to adopt a profit and risk factor of 22.5%, totalling a project profit of $17,237,971.

Sales Rate Analysis.

In determining an appropriate sales rate, we have had regard to the performance of the surrounding estates in particular the Providence, Aston, Greenvale Gardens and Greenvale Lakes estates expressed to a rate per calendar month. Sales performances within the last year is summarised below:

Quarter	Average Estimated Net Sales (p.c.m.) Providence	Aston	Greenvale Gardens	Greenvale Lakes
June 2012	5.67	6.33	8.67	0.33
March 2012	1.00	6.33	14.67	2.67
December 2011	8.33	9.33	5.67	1.00
September 2011	16.67	13.00	6.00	6.00
Average	7.91	8.74	8.75	2.5

The Aston estate achieved an average of 8.74 lot sales per calendar month for the September 2011 to June 2012 quarters which is marketed at a lower price point and is more affordable compared to the subject estate, therefore would achieve a higher sales rate. The current soft market conditions would provide for a lower initial sales rate which would increase as economic circumstances improve. Therefore, we have adopted an average of seven lots per calendar month over the term of the development, having regard to the sales rates of the estates within the locality, the economic outlook and the current market conditions.

Construction Timing.

In respect of timing, construction is perceived to be undertaken over a period of five months, with a further month for Titles Office release and therefore provides a development period of six months.

VALUATION REPORT

Assumption Summary.

A summary of our assumptions incorporated within the hypothetical subdivision analysis is summarised as follows:

Assumptions	Calculation assumes 100% cost of fund and adopted interest rate of 9% per annum.	
Time Periods	Planning	Completed
	Construction	100 Months
	Sale and Settlement Period	67 Months
	Notional Purchase Settlement	3 Months
	Total Holding	78 Months
Gross Realisation	$109,866,000	
Selling Costs (Exclusive of GST)	Agent's Commission	3%
	Advertising & Legals	2.5%
Development Expenses	$46,916,717	
Purchase Costs	Stamp Duty (Based Upon Assessed Value)	$1,219,983
	Due Diligence	$ 10,000
	Legal Costs	$ 5,000
Goods and Services Tax (GST)	The development cost estimate prepared excludes GST. We note elements of the estimate, being some authority fees and charges, are GST free, however a full 10% has been included for all development costs. The GST paid upon the costs is recouped with input tax credits one month in arrears. In assessing the GST payable upon the sale of individual allotments, we have assumed a hypothetical sale with the value assessed, however as the purchase is not adopting the Margin Scheme, the GST liability is 1/11th of the gross realisation and can be shown as follows:	
	Gross Realisation	$109,866,000
	GST Liability	$ 9,987,818
Profit and Risk Factor	22.5%	

VALUATION REPORT

After calculation, the indicated land value is $20,100,000 (exclusive of GST). A summary of our assessment can be shown as follows:

Cashflow Development Analysis.			
Gross Realisation			$109,866,000
Less	**Selling Costs (Net Realisation)**		
	Commission	$3,295,980	
	Advertising / Legals	$2,746,650	
	GST Sales Remittance	$9,987,818	$16,030,448
			$93,835,552
Less	**Entrepreneurial Margin for Profit and Risk**		
	Adopted @ 22.5% on total funds outlaid calculated at		$17,237,971
			$76,597,580
Less	**Construction Costs**		$46,916,717
			$29,680,863
Less	**Purchase and Holding Costs**		
	Stamp Duty	$1,219,983	
	Rates & Taxes	$1,764,470	
	Legal Fees	$5,000	
	Due Diligence	$10,000	$2,999,453
			$26,681,410
Less	**Interest**		
	Calculated on site purchase and construction funding @ 9% per annum.		$6,516,410
Indicated Value			$20,165,000
Project Related Site Value, Say $22,100,000 (Inclusive of GST) or $20,100,000 (Exclusive of GST)			

Direct Sales Comparison Approach.

As a secondary method of assessment, we have adopted the direct comparison approach after the analysis of sales in varying degrees comparable. In particular we note the following sales:

1600 Mickleham Road, Mickleham.		
Situated on the eastern side of Mickleham Road, approximately 600 metres north of its intersection with Craigieburn Road. The property is zoned Farming, however was included within the UGB as part of the Growth Areas Logical Inclusions Review 2011. The sale property is yet to be identified within a PSP, however in accordance with the Northern Growth Corridor Plan, the property has been identified for future residential development. Enquiries with the agent confirm the property was purchased with a $1,000,000 deposit and the balance due three years from the date of sale.	Sale Date Sale Price Land Area (Hectares) Rate (Per Hectare)	July 2012 $5,350,000 (T) 11.3 $473,451 (T) $380,000 (CE)

Comparison To Subject.

The subject property is larger, however has superior zoning and planning status, forming part of the approved Greenvale North R1 PSP, identifying the property for future residential development. Therefore, a higher value rate is considered appropriate for the subject property.

VALUATION REPORT

333 Point Cook Road, Point Cook.		
A Residential 1 zoned holding encompassing 33.4 hectares, situated on the eastern side of Point Cook Road, approximately 1.5 kilometres north of Point Cook Homestead Road and abutting the Sanctuary Lakes estate to the north and east.	Sale Date Sale Price Land Area (Hectares) Rate (Per Hectare)	April 2012 $31,000,000 33.4 $928,144

Comparison To Subject.

The subject property occupies an inferior location compared to the sale property. Furthermore, serviced lot values for Point Cook are at a significant premium compared to Greenvale. Therefore, a lower value rate is considered appropriate for the subject property.

830 - 860 Bridge Inn Road, Doreen.		
A Residential 1 zoned holding situated on the southern side of Bridge Inn Road. Comprises approximately 28 hectares of developable area, encumbered by overhead transmission lines. The property has Town Planning approval and is proposed to be developed into 350 residential allotments. The property sold in mid 2011 at the height of the market for inglobo development land and with serviced residential allotments being sold at a premium for the locality. Having particular regard to the current market conditions, a lower value rate is considered appropriate for the subject property.	Sale Date Sale Price Rate (Per Hectare)	August 2011 $24,000,000 $857,143

Having regard to the sales evidence above, and the attributes of the subject property, we have adopted a value rate of $500,000 per hectare. A summary of our assessment can be shown as follows:

39.44 @ $500,000 Per Hectare	$19,720,000
For Practical Valuation Purposes, Say $19,700,000 (Exclusive of GST)	

The direct comparison approach supports the project related site value assessed.

VALUATION REPORT

7. VALUATION AND VALUATION COMPLIANCE STATEMENT.

Valuation.

Subject to the assumptions and qualifications contained within this report, we have assessed the project related site value of the subject property (exclusive of GST) in the sum of:

$20,100,000

Twenty Million, One Hundred Thousand Dollars

Valuation Compliance Statement.

Charter Keck Cramer confirms that:

- The statements of fact presented in the report are correct to the best of Valuer's knowledge.
- The analyses and conclusions are limited only by the reported assumptions and conditions.
- The Valuer has no interest in the subject property.
- The Valuer's fee is not contingent upon any aspect of the report.
- The valuation was performed in accordance with an ethical code and performance standards.
- The Valuer has satisfied professional education requirements.
- The Valuer has experience in the location and category of the property being valued.
- The Valuer has made a personal inspection of the property.
- No-one, except those specified in this report, has provided professional assistance in preparing the report.

We confirm that neither Charter Keck Cramer nor any of its Directors or employees has any pecuniary interest that could conflict with the proper valuation of this property.

Refer to Assumptions / Qualifications - Third Party Disclaimer.

The counter signatory has reviewed the valuation based on the data presented in the report for the accuracy of calculations, the reasonableness of data, the appropriateness of methodology, and compliance with client guidelines, regulatory requirements and professional standards. The counter signatory is satisfied that the valuation is based on reasonable grounds. The data presented has not been independently confirmed and the property has not been inspected by the counter signatory.

Prepared by
Charter Keck Cramer

Bradley W Papworth, B. Bus (Prop), FAPI
Certified Practising Valuer
API Member No. 62349
Director

Telephone: 9691 1408

Claudio Petrocco
Counter Signatory
Director

Address Level 4, 473 Bourke Street, Melbourne Vic. 3000
Telephone 9425 5555
Facsimile 9425 5544

VALUATION REPORT

8. ASSUMPTIONS / QUALIFICATIONS

Legend.

square metres	sq.m.
hectares	ha.
per annum	p.a.
per hectare	p.ha.

Terms of Reference.

Our report has been prepared in accordance with the January 2012 edition of the Australia and New Zealand Valuation and Property Standards, being the third joint publication of the standards by the Australian Property Institute (API) and the Property Institute of New Zealand (PINZ).

Any intending third party wishing to rely upon the contents of this valuation and its recommendations should note that in accordance with the provisions of our company's professional indemnity insurance policy, they must, in written form, seek our approval in response to which we will consider the authorisation of this report for their use. Under the provisions of our policy certain third parties may be ineligible for reliance upon our valuation. Otherwise, no responsibility is accepted for any third party which may use or rely upon the whole or any part of the contents of this report. It should be noted that any subsequent amendments or changes in any form thereto will only be notified to and known by the parties to whom it is authorised.

Definitions of Value.

This valuation has been prepared in accordance with the following API definition of market value:

"The estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently, and without compulsion."

The project related site value is defined as:

"The value of the site in relation to the particular project intended, subject to our various verifiable assumptions and formal recommendations, being a figure which depends entirely upon the success of the project as forecast in our analysis. The project related site value does not represent the value of the land in isolation, but rather an assessment concluded by way of a cashflow analysis in relation to the particular project proposed."

Date of Valuation.

Due to possible changes in market forces and circumstances in relation to the subject property, this report can only be regarded as relevant as at the date of valuation.

This valuation is current as 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.

We draw attention to the provisions of our professional indemnity insurance, that all valuations are only valid for three months from the date of valuation, no responsibility being accepted for clients' reliance upon reports beyond that period. Accordingly, any parties authorised to rely upon our opinion should be aware of the need for a review as necessary.

Our assessment is subject to there being no significant event that has occurred between the date of inspection and the date of the valuation report that would impact on the value of the subject property.

VALUATION REPORT

Third Party Disclaimer.

This valuation is for the use only of the party to whom it is addressed and for no other purpose. No responsibility is accepted for any third party who may use or rely on the whole or any part of the content of this valuation. No responsibility will be accepted for photocopied signatures. It should be noted that any subsequent amendments or changes in any form to the valuation and report would only be notified to and known by the parties to whom it is addressed. This report is a valuation report and is not intended as a structural survey. Charter Keck Cramer prohibit publication of this report in whole or in part, or any reference thereto, or to the valuation assessment(s) contained herein, or to the names and professional affiliation of the Valuers, without the written approval of the Valuer.

Encumbrances.

Our valuation is subject to there being no undisclosed or unregistered easements or encumbrances which would have an adverse effect on our valuation other than those previously described and noted on the Certificate of Title attached as an annexure at the rear of this report. Should it be discovered that further easements or encumbrances exist, this report should be referred back to Charter Keck Cramer for consideration, comment and amendment (if necessary).

Native Title.

Pursuant to the Native Title Act (Clth) 1993, and as amended 30 September 1998, land with the exception of an "Exclusive Possession Grant", may be claimed as the property of Indigenous Australians leading to the co-existence or likely co-existence of Native Title in relation to a particular piece of land, subject to the verification of a prior or continuing connection to the land.

We are not experts in Native Title or the property rights derived therefrom and have not been supplied with appropriate anthropological, ethnoecological and/or ethnographic advice. Therefore, the property valuation or assessment is made subject to there being no actual or potential Native Title affecting:

- The value or marketability of the property.
- The land.

The National Native Title Register (NNTR) was established under Section 192 of the Native Title Act (Clth) 1993. The NNTR contains determinations of Native Title made by the High Court of Australia, the Federal Court of Australia, or such similarly recognised bodies. Formal verification that the property is not subject to co-existing Native Title interests and/or subject to determination should be obtained by searching the Registry of Native Titles Claims, which is administered by the National Native Titles Tribunal. We have viewed maps prepared by the National Native Title Tribunal detailing Native Title Applications, determination areas and indigenous land use agreements. The map does not identify that the subject property is affected by applications and determinations as per the Federal Court on 31 March 2010.

This assessment is completed on the basis that the property is not affected by co-existing Native Title interests. Should subsequent investigation show that the land is subject to existing or potential co-existing Native Title interests, this property valuation or assessment will require revision and should be referred back to Charter Keck Cramer for consideration, comment and amendment.

Land Use Zoning and Development Controls.

Although a Planning Certificate has not been sighted, the zoning particulars have been confirmed by the online Planning Scheme, which is an internet based copy of the Planning Scheme provided by the Department of Planning and Community Development (DPCD). Our assessment is completed subject to the planning information obtained being current and correct.

Please note that a Planning Certificate has not been provided or obtained. In the event that a Planning Certificate is obtained and the information thereon is materially different to that provided to Charter Keck Cramer via the approved internet based version, then we reserve the right to review our assessment and amend this report (as necessary).

Land Description and Site Identification.

Measurements taken on site appear to substantially accord with those shown on title. A current survey has not been sighted. This valuation is subject to there being no encroachments by or upon the property and this should be confirmed by a current survey and/or advice from a Registered Surveyor. If any encroachments are noted by the survey report, the Valuer should be consulted to reassess any effect on the value stated herein.

VALUATION REPORT

Carbon Pollution Consideration.

The release of the Carbon Pollution Reduction Scheme: Australia's Low Pollution Future - White Paper in December 2008 identified the Government's commitment to meet its long term target of reducing greenhouse gas emission by 60% from 2000 levels by 2050. In order to achieve this, the Government proposed to implement the Carbon Pollution Reduction Scheme by 1 July 2011. The scheme was to put a price on carbon in a systematic manner throughout the economy, employing a cap and trade emissions trading mechanism in the overall aim to limit greenhouse gas emissions. The mechanics of the cap and trade scheme requires emitters of greenhouse gases to acquire a permit or provide a cost of abatement for every tonne of greenhouse gas emitted annually, with the number of available permits limited. This was abandoned in early 2010. A change in Federal Government policy provided for the proposed introduction of a Carbon Tax in July 2012. The introduction of the Carbon Tax is expected to result in increased costs throughout the economy, affecting items such as the prices of electricity, gas, petrol and other goods and services. The expected increase in costs of commodities and services would translate directly to an increase in costs associated with the development of land and housing. This valuation has been made on the basis that no allowance has been incorporated for potential cost increases nor cost of obtaining abatements or permits. Should the introduction of the Carbon Tax or Carbon Pollution Reduction Scheme impact upon the property or cost of developing the land, this assessment should be referred back to us for further consideration.

INVESTIGATING ACCOUNTANT

ERNST & YOUNG

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14 November 2012

The Board of Directors
Peet Funds Management Limited (as Responsible Entity to the Peet Greenvale Syndicate)
Level 7, 200 St Georges Terrace
Perth WA 6000

Dear Directors

CLOSED

PART 1 – INVESTIGATING ACCOUNTANT'S REPORT ON HISTORICAL FINANCIAL INFORMATION, PRO FORMA FINANCIAL INFORMATION AND FORECAST FINANCIAL INFORMATION

1. Introduction

We have prepared this Investigating Accountants Report (the "Report") on the historical, pro forma and forecast financial information of Peet Greenvale Syndicate (the "Syndicate") for inclusion in the Public Disclosure Statement ("PDS") to be dated on or about 15 November 2012, and to be issued by Peet Funds Management Limited ("Peet"), in connection with the offer of units in the Syndicate ("the Offer").

Expressions defined in the PDS have the same meaning in this Report.

Ernst & Young Transaction Advisory Services Limited ("Ernst & Young Transaction Advisory Services") holds an Australian Financial Services Licence (AFS Licence Number 240585). Irshaad Songerwala is a Director and Representative of Ernst & Young Transaction Advisory Services. We have included our Financial Services Guide as Part 2 of this Report.

2. Scope

Ernst & Young Transaction Advisory Services has been requested to prepare this Report to cover the following financial information:

Historical Financial Information

The historical financial information, as set out in section 8 of the PDS comprises:

- the balance sheet as at 29 October 2012.

(Hereafter 'the Historical Financial Information'.)

The Historical Financial Information has been extracted from the Syndicate's underlying books and records.

Pro Forma Financial Information

The pro forma financial Information as set out in section 8 of the PDS comprises:

- the pro forma historical balance sheet as at 29 October 2012; which assumes completion of the proposed transactions (the 'Pro forma Transactions') and includes the pro forma adjustments disclosed in the PDS.

(Hereafter the 'Pro Forma Financial Information').

Forecast Financial Information

The forecast financial Information as set out in section 7 of the PDS comprises:

- the summary profit forecast for the seven years ending 30 June 2019, forecast returns and sensitivity analysis.

(Hereafter 'the Forecast Financial Information').

(Collectively, the 'Financial Information').

The Forecast Financial Information is based on the assumptions outlined in Section 7.2 of the PDS.

The Financial Information is presented in an abbreviated form insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards applicable to general purpose financial reports.

INVESTIGATING ACCOUNTANT

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3. Directors' Responsibility for the Financial Information

The Directors of Peet have prepared and are responsible for the preparation and presentation of the Financial Information. The Directors are also responsible for the determination of the best-estimate assumptions and pro forma adjustments as set out in sections 7.2 and 8 of the PDS.

4. Our Responsibility

Historical and Pro Forma Financial Information

Our responsibility is to express a conclusion on the Historical and Pro Forma Financial Information based on our review.

We have conducted an independent review of the Historical and Pro Forma Financial Information in order to state whether on the basis of the procedures described, anything has come to our attention that would cause us to believe that:

a. The Historical Financial Information does not present fairly the balance sheet as at 29 October 2012 in accordance with the measurement and recognition requirements (but not all of the presentation and disclosure requirements) of Australian Accounting Standards;

b. The Pro Forma assumptions do not provide a reasonable basis for the Pro Forma Financial Information;

c. The Pro Forma Financial Information has not been prepared on the basis of the assumptions set out in Section 8 of the PDS;

d. The Pro Forma Financial Information does not present fairly the pro forma historical balance sheet as at 29 October 2012 in accordance with the measurement and recognition requirements (but not all of the presentation and disclosure requirements) of Australian Accounting Standards as if the pro forma transactions set out in Section 8 of the PDS had occurred at 29 October 2012.

Our independent review of the Historical and Pro Forma Financial Information has been conducted in accordance with Australian Auditing and Assurance Standards applicable to review engagements. Our procedures consist of reading of relevant contracts and other legal documents, inquiries of management personnel and the Directors of Peet, and analytical and other procedures applied to the Syndicate's accounting records. These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance provided is less than that given in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion on the Historical and Pro Forma Financial Information.

Forecast Financial Information

Our responsibility is to express a conclusion on the Forecast Financial Information based on our review.

We have conducted an independent review of the Forecast Financial Information in order to state whether on the basis of the procedures described, anything has come to our attention that would cause us to believe that:

a. The Directors' best-estimate assumptions do not provide a reasonable basis for the preparation of the Forecast Financial Information;

b. The Forecast Financial Information was not prepared on the basis of the best-estimate assumptions; and

c. The Forecast Financial Information does not present fairly the summary profit forecast for the seven years ending 30 June 2019, forecast returns and sensitivity analysis as set out in Section 7 of the PDS in accordance with the recognition and measurement requirements (but not all of the presentation and disclosure requirements) of Australian Accounting Standards.

The Forecast Financial Information has been prepared by the Directors to provide investors with a guide to the Syndicate's potential future financial performance based upon the achievement of certain economic, operating, developmental and trading assumptions about future events and actions that have not yet occurred and may not necessarily occur. There is a considerable degree of subjective judgement involved in the preparation of the Forecast Financial Information. Actual results may vary materially from this Forecast Financial Information and the variation may be materially positive or negative. Accordingly, investors should have regard to the Risk Factors set out in Section 9 of the PDS and Sensitivity Analysis set out in Section 7.4 of the PDS.

Our independent review of the Forecast Financial Information has been conducted in accordance with Australian Auditing and Assurance Standards applicable to review engagements. Our procedures consist of reading of relevant contracts and other legal documents, inquiries of management personnel and the Directors of Peet, and analytical and other procedures applied to the Syndicate's accounting records. These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance provided is less than that given in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion on the Forecast Financial Information.

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Australian Financial Services Licence No. 240585

INVESTIGATING ACCOUNTANT

Ernst & Young

5. Conclusion

Review conclusion on Historical and Pro Forma Financial Information

Based on our independent review, which is not an audit, nothing has come to our attention which causes us to believe that:

a. The Historical Financial Information does not present fairly the balance sheet as at 29 October 2012 in accordance with the measurement and recognition requirements (but not all of the presentation and disclosure requirements) of Australian Accounting Standards;

b. The Pro Forma assumptions do not provide a reasonable basis for the Pro Forma Financial Information;

c. The Pro Forma Financial Information has not been prepared on the basis of the assumptions set out in Section 8 of the PDS;

d. The Pro Forma Financial Information does not present fairly the pro forma historical balance sheet as at 29 October 2012 in accordance with the measurement and recognition requirements (but not all of the presentation and disclosure requirements) of Australian Accounting Standards as if the pro-forma transactions set out in Section 8 of the PDS had occurred at 29 October 2012.

Review conclusion on Forecast Financial Information

Based on our review of the Forecast Financial Information, which is not an audit, and based on an investigation of the reasonableness of the Directors' best-estimate assumptions giving rise to the prospective financial information, nothing has come to our attention which causes us to believe that:

a. The Directors' best-estimate assumptions do not provide a reasonable basis for the preparation of the Forecast Financial Information;

b. The Forecast Financial Information was not prepared on the basis of the best-estimate assumptions; and

c. The Forecast Financial Information does not present fairly the summary profit forecast for the seven years ending 30 June 2019, forecast returns and sensitivity analysis as set out in Section 7 of the PDS in accordance with the recognition and measurement requirements (but not all of the presentation and disclosure requirements) of Australian Accounting Standards.

The best-estimate assumptions, set out in Section 7.2 of the PDS, are subject to significant uncertainties and contingencies often outside the control of Peet and the Directors. If events do not occur as assumed, actual results achieved and distributions provided by the Syndicate may vary significantly from the Forecast Financial Information. Accordingly, we do not confirm or guarantee the achievement of the Forecast Financial Information, as future events, by their very nature, are not capable of independent substantiation.

We disclaim any assumption of responsibility for any reliance on this Report or on the Financial Information to which this Report relates for any purposes other than the purpose for which it was prepared. This Report should be read in conjunction with the PDS.

6. Independence or Disclosure of Interest

Ernst & Young Transaction Advisory Services does not have any pecuniary interests that could reasonably be regarded as being capable of affecting its ability to give an unbiased conclusion in this matter. Ernst & Young provides audit and other advisory services to Peet Limited, and Ernst & Young Transaction Advisory Services will receive a professional fee for the preparation of this Report.

Yours faithfully

Ernst & Young Transaction Advisory Services Limited

Irshaad Songerwala

Director and Representative

PART 2 – FINANCIAL SERVICES GUIDE

1. Ernst & Young Transaction Advisory Services

Ernst & Young Transaction Advisory Services Limited ("Ernst & Young Transaction Advisory Services" or "we," or "us" or "our") has been engaged to provide general financial product advice in the form of an Independent Accountant's Report ("Report") in connection with a financial product of another person. The Report is to be included in documentation being sent to you by that person.

2. Financial Services Guide

This Financial Services Guide ("FSG") provides important information to help retail clients make a decision as to their use of the general financial product advice in a Report, information about us, the financial services we offer, our dispute resolution process and how we are remunerated.

3. Financial services we offer

We hold an Australian Financial Services Licence which authorises us to provide the following services:

- financial product advice in relation to securities, derivatives, general insurance, life insurance, managed investments, superannuation, and government debentures, stocks and bonds; and
- arranging to deal in securities.

4. General financial product advice

In our Report we provide general financial product advice. The advice in a Report does not take into account your personal objectives, financial situation or needs.

You should consider the appropriateness of a Report having regard to your own objectives, financial situation and needs before you act on the advice in a Report. Where the advice relates to the acquisition or possible acquisition of a financial product, you should also obtain an offer document relating to the financial product and consider that document before making any decision about whether to acquire the financial product.

We have been engaged to issue a Report in connection with a financial product of another person. Our Report will include a description of the circumstances of our engagement and identify the person who has engaged us. Although you have not engaged us directly, a copy of the Report will be provided to you as a retail client because of your connection to the matters on which we have been engaged to report.

5. Remuneration for our services

We charge fees for providing Reports. These fees have been agreed with, and will be paid by, the person who engaged us to provide a Report. Our fees for Reports are based on a time cost or fixed fee basis. Our directors and employees providing financial services receive an annual salary, a performance bonus or profit share depending on their level of seniority. The estimated fee for this Report is $73,150 (inclusive of GST).

Ernst & Young Transaction Advisory Services is ultimately owned by Ernst & Young, which is a professional advisory and accounting practice. Ernst & Young may provide professional services, including audit, tax and financial advisory services, to the person who engaged us and receive fees for those services.

Except for the fees and benefits referred to above, Ernst & Young Transaction Advisory Services, including any of its directors, employees or associated entities should not receive any fees or other benefits, directly or indirectly, for or in connection with the provision of a Report.

Ernst & Young Transaction Advisory Services Limited, ABN 87 003 599 844
Australian Financial Services Licence No. 240585

6. Associations with product issuers

Ernst & Young Transaction Advisory Services and any of its associated entities may at any time provide professional services to financial product issuers in the ordinary course of business.

7. Responsibility

The liability of Ernst & Young Transaction Advisory Services is limited to the contents of this Financial Services Guide and the Report.

8. Complaints process

As the holder of an Australian Financial Services Licence, we are required to have a system for handling complaints from persons to whom we provide financial services. All complaints must be in writing and addressed to the AFS Compliance Manager or the Chief Complaints Officer and sent to the address below. We will make every effort to resolve a complaint within 30 days of receiving the complaint. If the complaint has not been satisfactorily dealt with, the complaint can be referred to the Financial Ombudsman Service Limited.

9. Compensation Arrangements

The Company and its related entities hold Professional Indemnity insurance for the purpose of compensation should this become relevant. Representatives who have left the Company's employment are covered by our insurances in respect of events occurring during their employment. These arrangements and the level of cover held by the Company satisfy the requirements of section 912B of the Corporations Act 2001.

Contacting Ernst & Young Transaction Advisory Services	Contacting the Independent Dispute Resolution Scheme:
AFS Compliance Manager Ernst & Young 680 George Street Sydney NSW 2000 Telephone: (02) 9248 5555	Financial Ombudsman Service Limited PO Box 3 Melbourne VIC 3001 Telephone: 1300 78 08 08

This Financial Services Guide has been issued in accordance with ASIC Class Order CO 04/1572.

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14. GLOSSARY

AAGR	Average Annual Growth Rate
Accounting Standards	Australian Accounting Standards and authoritative pronouncements of the Australian Accounting Standards Board
AML/CTF Law	Anti-Money Laundering and Counter Terrorism Financing Act 2006.
AFSL	Australian Financial Services Licence
Application	the application for Units under this PDS.
Application Form	one of the application forms attached to and forming part of this PDS.
ARI	Average recurrence Interval
ASIC	the Australian Securities and Investments Commission.
ASX	the Australian Securities Exchange.
Bund	a reservoir protection mechanism
Capital Raised	the capital raised pursuant to this PDS.
CBD	Central Business District.
Closing Date	14 March 2013 subject to the right of the Responsible Entity to vary this closing date.
Compliance Plan	the Compliance Plan for the Syndicate dated 29 October 2012, as modified or replaced.
Constitution	the constitution of the Syndicate dated 29 October 2012, as supplemented by a deed dated 9 November 2012.
Consulting Economist	MacroPlan Dimasi, as noted in the Corporate Directory.
Consulting Engineer	SMEC Urban, as noted in the Corporate Directory.
Consulting Town Planner	Urbis, as noted in the Corporate Directory.
Corporations Act	Corporations Act 2001 (Cth)
Costing	the estimate of development costs that has been prepared by the Consulting Engineer. Note that this does not include all costs associated with the development of the Project.
Costs of the Issue	the aggregate of fees payable to the Responsible Entity under the Constitution and the cost of external consultants to the issue and costs of preparing and distributing this PDS.
CPI	means the Consumer Price Index (all Groups for the City of Melbourne) published periodically by the Australia Bureau of Statistics or any replacement index.
Development Manager	Peet Development Management Pty Ltd ACN 126 440 186, appointed under the Development and Sales Management Agreement.
Development and Sales Management Agreement	the Development, Marketing & Sales Management Agreement between Peet Funds Management Limited, Peet Development Management Pty Ltd and Peet Estates (VIC) Pty Ltd, dated 19 November 2012.
Directors	the Directors of the Responsible Entity from time to time.
EBITDA	earnings before interest, tax, depreciation and amortisation.
Equity Raised	17 million Units at $1.00 each.
GAA	Growth Areas Authority (Victoria)
GAIC	Growth Areas Infrastructure Charge
GST Act	A New Tax System (Goods and Services Tax) Act 1999
GST Inclusive Gross Sales Price	the GST inclusive gross sale price of any parcel of land sold by the Syndicate.

14. GLOSSARY

Independent Valuer Charter Keck Cramer, as noted in the Corporate Directory.

Investigating Accountant Ernst & Young and Ernst & Young Transaction Advisory Services Limited, as noted in the Corporate Directory.

Investor a holder of Units in the Syndicate.

Issue Date the day on which investors under this Offer are entered into the Unit register of the Syndicate.

Indicative Terms Sheet the Indicative Terms Sheet from an Australian bank.

Internal Rate of Return (IRR) or Investor IRR is calculated using the following formula:

$$I = \frac{cf}{(1+IRR)} + \frac{cf_2}{(1+IRR)^2} + \frac{cf3}{(1+IRR)^3} + \ldots\ldots\ldots + \frac{cf_i}{(1+IRR)^i} + \ldots\ldots\ldots + \frac{cf_{\%}}{(1+IRR)^{\%}}$$

Where:

i = initial investment

cfi = distribution to investors during the ith period (in years), inclusive of distributions,} franking credits and any return of capital.

n = investment term (in years i.e. 6 years)

IRR = discount rate which equates the sum of the discounted distributions to the initial investment

Investors should note that the IRR measure is particularly sensitive to the timing of distributions. This is best illustrated by reference to hypothetical examples 1 and 2 below.

The examples are provided to illustrate the calculation of IRR. The examples below assume that each cashflow occurs at the end of the respective year and that the initial investment is $20,000. Please note that these examples are hypothetical only and should not be construed as bearing any relation to the investment.

In the first example there are 3 sets of cash flows associated with the same initial investment of $20,000. All 3 profiles generate the same total distributions over the investment term, however the IRRs associated with each profile are different due to the timing differences between associated distribution profiles.

Example 1

	Investment A	Investment B	Investment C
Initial Investment	$20,000	$20,000	$20,000
Year 1	$4,000	$10,667	$24,000
Year 2	$4,000	$10,667	$4,000
Year 3	$24,000	$10,667	$4,000
Total Distributions	$32,000	$32,000	$32,000
IRR	20%	28%	44%

Note: Forecast IRR for the Syndicate's Unitholders is calculated on a monthly basis rather than annual, as presented in the table above.

IRR on investment B for Example 1 is calculated as follows:

$$\$20,000 = \frac{\$10,667}{(1+28\%)} + \frac{\$10,667}{(1+28\%)^2} + \frac{\$10,667}{(1+28\%)^3}$$

14. GLOSSARY

In the second example the total distributions from each project are different, however they achieve the same IRR based on the initial investment of $20,000 due to the differences in the timing of distributions.

	Investment A	Investment B	Investment C
Initial Investment	$20,000	$20,000	$20,000
Year 1	$13,598	$9,498	$7,448
Year 2	$6,799	$9,498	$7,448
Year 3	$6,799	$9,498	$14,897
Total Distributions	$27,196	$28,493	$29,793
IRR	20%	20%	20%

Example 2

IRR on investment A for Example 2 is calculated as follows:

$$\$20{,}000 = \frac{\$13{,}598}{(1+20\%)} + \frac{\$6{,}799}{(1+20\%)^2} + \frac{\$6{,}799}{(1+20\%)^3}$$

Issue – the issue of Units under this PDS.

Lot B – being Lot B on Unregistered Plan of Subdivision 714625C and being a lot to be retained by the Vendor.

Lot E – Lot E on Plan of Subdivision 646719U. The Property and Lot B will both be created on subdivision of Lot E.

LVR – the loan to value ratio of the Syndicate, calculated as per the Indicative Terms Sheet. The loan to value ratio is calculated as the net debt outstanding divided by the value of the englobo land, developed lots and partially complete development at a point in time.

NTA – the Net Tangible Assets held by the Syndicate, with the value of the Property adjusted to current market valuation.

Offer – the offer of 17 million Units pursuant to this PDS.

Offer Period – the period from the date the Offer is opened until the Closing Date.

PDS – this Product Disclosure Statement.

Peet – Peet Limited ACN 008 665 834 and, where the context requires, all of its wholly owned subsidiaries.

Peet Development Management – Peet Development Management Pty Ltd ACN 126 440 186, a wholly owned subsidiary of Peet Limited, which is appointed as the Development Manager for the Project.

Peet Group – Peet and all its wholly owned subsidiary companies including the Responsible Entity

Project – the development, marketing and sale of the Property that will be undertaken by the Syndicate.

Property – 39.4 hectares property to be purchased by the Syndicate, being Lot A on Unregistered Plan of Subdivision 714625C and located at 1170 Mickleham Road, Greenvale Victoria.

PSP – Precinct Structure Plan

Responsible Entity – Peet Funds Management Limited ACN 145 992 169 and holder of AFSL 415 753 in its capacity as the responsible entity of the Syndicate and issuer of the Units, the subject of the Offer (or such other entity appointed as responsible entity of the Syndicate, from time to time).

14. GLOSSARY

Sales Manager	Peet Estates (VIC) Pty Ltd ACN 125 813 274, appointed under the Development, Marketing and Sales Management Agreement.
Syndicate	the Trust in which investors will invest pursuant to this PDS, being Peet Greenvale Syndicate – ARSN 160 996 510.
Trust	the Syndicate.
Unit	a unit in the Syndicate.
Unit Certificate	a certificate issued to a Unitholder by the Responsible Entity as per the terms of the Constitution.
Unitholder	a holder of a Unit(s) in the Syndicate.
Vendor	Peet Limited

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15. APPLICATION FORMS

CLOSED

15.1 BEFORE COMPLETING THE APPLICATION FORM

Three different Application Forms have been included in the PDS, relating to the following applicants:

- Application Form 1 – Existing Peet Limited or Syndicate Investor;
- Application Form 2 – New Peet Investor – Individual Applicant; and
- Application Form 3 – New Peet Investor – Companies and Non-Individual Applicants.

A person who gives another person access to the Application Form must at the same time and by the same means give the other person access to the PDS and any supplementary document.

Before completing the Application Form, applicant(s) are advised to read the PDS. By lodging the Application Form, the applicant(s) agree(s) that this application is made upon and subject to the terms of the PDS, agree(s) to take any lesser number of Units that may be issued to the applicant(s) pursuant to the PDS and declare(s) that all details and statements made are complete and accurate.

Please refer to section 15.3 on the following page for further guidance on completing the Application Form. If you have any questions relating to its completion, please contact us on 1800 689 778.

15.2ANTI-MONEY LAUNDERING AND COUNTER-TERRORISM FINANCING ACT 2006

The Anti-Money Laundering and Counter-Terrorism Financing Act 2006, requires the collection and verification of certain Unitholder details when you first apply to invest.

Investors completing Application Form 2 will be required to provide certified proof of identity documents if you choose to invest. A list of appropriate identity documents are listed on Application Form 2.

We may require additional proof of identity documents upon receipt of your Application Form and will contact you as soon as possible if we require more information.

If we do not receive all the required valid customer identity documents, we may be unable to issue Units to you.

Who can certify your proof of identity documents?

Identity documents may be certified as a true copy of an original document by one of the following persons:

- Justice of the Peace;
- Police officer;
- Officer with two or more continuous service with one or more financial institutions (for the purposes of the Statutory Declaration Regulations 1993);
- Finance company officer with two or more years of continuous service with one or more finance companies (for the purpose of the Statutory Declaration Regulations 1993);
- Officer with, or authorised representative of, a holder of an Australian financial services licence, having two or more continuous years of service with one or more licensees;
- Member of the Institute of Chartered Accountants in Australia, CPA Australia or the National Institute of Accountants with two or more years of continuous membership, ie an accountant;
- Judge of a court;
- Magistrate;
- A person who is enrolled on the roll of the Supreme Court of a State or Territory, or the High Court of Australia, as a legal practitioner (however described), i.e. a lawyer;
- Agent of the Australian Postal Corporation who is in charge of an office supplying postal services to the public;
- Permanent employee of the Australian Postal Corporation with two or more years of continuous service who is employed in an office supplying postal services to the public;
- Chief executive officer of a Commonwealth court;
- Australian consular officer or an Australian diplomatic officer (within the meaning of the Consular Fees Act 1955); and
- Notary public (for the purposes of the Statutory Declaration Regulations 1993).

15. APPLICATION FORMS

15.3 THE GUIDE TO COMPLETING THE APPLICATION FORM

The securities to which the Application Forms relate are Units. Further information about investing in the Units is contained in the PDS. During the Offer Period, an electronic or paper copy of the PDS, any supplementary document and the Application Forms will be provided to you, at no charge, upon request by telephoning the Toll Free No. 1800 689 778.

A. Determine the number of Units you wish to apply for. The application must be for a minimum of 5,000 Units and thereafter in increments of 1,000 Units.

B. Calculate the amount you will need to provide with your application at the price of $1.00 per Unit.

C. Attach your 'Not Negotiable' cheque(s) payable to 'Peet Greenvale Syndicate Trust Account'. Your cheque should be in Australian currency and be drawn on a branch of a bank trading in Australia. Sufficient cleared funds should be held in the relevant account(s), as cheque(s) returned unpaid are likely to result in your Application being rejected and a dishonour fee being charged. Please paperclip or pin (do not staple) your cheque to the Application Form. Should you wish to pay by Electronic Funds Transfer, please contact Peet on 9420 1111.

D. Please insert the full names of the Applicants. Note that only legal entities are allowed to hold Units. Applications must be in the name(s) of natural persons, companies or other legal entities acceptable to the Responsible Entity.
At least one full given name and the surname is required for each natural person.
Please refer to the table below for further detail.

E. If the application is made on behalf of a trust or superannuation fund, insert the trust or superannuation fund name as the account name, in accordance with the table below.
The name of the beneficiary, minor or any other registrable name may be included by way of an account designation if completed exactly as described in the example of correct forms of registrable names below.

F. Enter your postal address for all correspondence. All communication to you from the Registry will be mailed to the persons and address as shown. For joint applicants, only one address can be entered.

G. Please also provide your residential or business address. This cannot be a PO Box address.

H. Please provide a daytime contact name, telephone number and email address, in case we need to contact you regarding this Application.

I. Enter your Tax File Number (TFN) or exemption category.
Business enterprises may alternatively quote their Australian Business Number (ABN).
Where applicable, please enter the TFN or ABN for each joint Applicant.
Collection of TFNs and ABNs is authorised by taxation laws.
Quotation of your TFN or ABN is not compulsory and will not affect your Application. However, if these are not provided, tax will be required to be deducted at the highest marginal rate of tax (including the Medicare Levy) from unfranked payments. For a Trust or Superannuation Fund, the TFN of the Trust or Fund is required, not the TFN of the trustee.

J. For individual Applicants, you are required to provide your date of birth.

K. If you are completing the Application Form as an agent for a Company or Non-Individual Applicant, please provide your full name.

L. Please confirm if anyone else will have a beneficial interest in this investment by ticking the 'yes' or 'no' boxes provided.

M. Licensed investment advisors, stock brokers and other approved persons entitled to receive commission are to provide their contact details including the AFSL number.

N. In the case of a Domestic Company, the full registered Company name, registered office address, principal place of business and the name of each Director of the Company (if registered as a Proprietary Company) is to be supplied.

O. SIGNATURES

Individual Applicants

The Application must be signed by the individual, or the individual's Attorney or duly authorised agent. A copy of the relevant Power of Attorney or agent's authority (in each case signed by the individual appointing the Attorney or agent), must accompany the application. Where there is more than one applicant, and they are all individuals, each applicant should sign the Application Form.

Company Applicants

Application by companies must be executed in accordance with section 127(1) or (2) of the Corporations Act. Alternatively, the application may be signed by an Attorney of the company appointed pursuant to a Power of Attorney executed in accordance with section 127(1) or (2). A "certified copy" of the relevant Power of Attorney must accompany the application.

Lodgement of Applications

Return the Application Form with cheque(s) attached to:

Mailing Address:

Peet Greenvale Syndicate		
PO Box 7224	OR	PO Box 7225
CLOISTERS SQUARE WA 6850		ST KILDA ROAD VIC 8004

THE SUBSCRIPTION LIST CLOSES 5.00PM WST 14 March 2013 or as determined by the Responsible Entity.

Correct forms or registrable name(s)

Type of Investor	Correct Form	Samples of Incorrect Form
Individual Use given name(s), not initials	Mr John Alfred Smith	J A Smith
Joint Use given name(s), not initials	Mr John Alfred Smith & Mrs Janet Marie Smith	John Alfred & Janet Marie Smith
Companies Use company title, not abbreviations	ABC Pty Ltd	ABC P/L ABC Co
Trusts Use trustee(s) personal name(s) Do not use the name of the trust	Ms Janet Smith <Janet Smith Family A/C>	Janet Smith Family Trust
Minor Apply in name of adult. Do not use name of minor	Mr John Alfred Smith <David Smith>	Mr David Smith
Deceased Estates Use executor(s) personal name(s) Do not use the name of the deceased	Mr Michael Smith <Est John Smith A/C>	Estate of Late John Smith
Partnerships Use the partners' personal names Do not use the name of the partnership	Mr John Smith & Mr Michael Smith <John Smith & Son A/C>	John Smith & Son
Clubs/unincorporated bodies/business names Use office bearer(s) personal name(s) Do not use the name of the club etc.	Miss Janet Smith <ABC Tennis Association A/C>	ABC Tennis Association
Superannuation funds Use the trustee of fund Do not use the name of the fund	Mr John Smith Pty Ltd <Super Fund A/C>	John Smith Pty Ltd SuperannuationFund

APPLICATION FORM 1
EXISTING PEET INVESTOR

Are you an existing Peet Limited or Peet Syndicates Investor? YES ☐ NO ☐ Existing Peet Limited or Peet Syndicates Investors should complete Application Form 1, whilst all new applicants should complete Application Form 2 or 3.

1. THIS APPLICATION IS MADE IN THE NAME OF:

i) an individual (personal) ☐; an individual (sole trader) ☐; a company ☐; a partnership ☐; other (eg associations) ______.

ii) in my/our/it's own right ☐; as a trustee ☐; or as an agent. ☐ (tick where applicable)

If you are completing this Application Form as an agent of the applicant, please refer to number 12 (below).

2. I/WE HEREBY IRREVOCABLY APPLY FOR ______ Units in Peet Greenvale Syndicate upon the terms of this Product Disclosure Statement and agree to be bound by the provisions of the Constitution as amended from time to time.

3. I/WE HAVE ENCLOSED a cheque for $ ______ ($1.00 per Unit) made in favour of Peet Greenvale Syndicate Trust Account. Should you require to pay by EFT, please contact Peet on 08 9420 1111.

4. APPLICANT 1

MR/MRS/MS FULL NAME OF APPLICANT 1 OR COMPANY NAME

APPLICANT 2

MR/MRS/MS FULL NAME OF APPLICANT 2 OR COMPANY NAME

5. ACCOUNT NAME < >

(i.e. trust or superannuation fund name)

Please refer to the 'Guide to Completing the Application Form' in Section 15.3 to ensure you have applied in a registrable name.

6. POSTAL ADDRESS

STREET NUMBER & NAME OR PO BOX

SUBURB OR TOWN STATE POSTCODE

7. RESIDENTIAL OR BUSINESS ADDRESS

STREET NUMBER & NAME (cannot be a PO Box)

SUBURB OR TOWN STATE POSTCODE

8. CONTACT DETAILS

CONTACT NAME PHONE

EMAIL ADDRESS

9. TAX FILE NUMBER OR EXEMPTION (tick as applicable)

Applicant 1 ☐ Trust or Superannuation Fund ☐ Applicant 2 ☐ Trust or Superannuation Fund ☐

10. ABN, ACN OR ARSN (tick as applicable)

Applicant 1 ☐ Trust or Superannuation Fund ☐ Applicant 2 ☐ Trust or Superannuation Fund ☐

11. DATE OF BIRTH (Individuals)

APPLICANT 1 APPLICANT 2

12. AGENTS

MR/MRS/MS/DR/OTHER FULL NAME OF AGENT

13. BENEFICIAL INTEREST Will anyone else have a beneficial interest in this investment? YES ☐ NO ☐

CLOSED

APPLICATION FORM 1
EXISTING PEET INVESTOR

DECLARATION BY APPLICANT(S)

By completing this Application Form, which relates to the Product Disclosure Statement dated 19 November 2012 (PDS) issued by Peet Funds Management Limited (ACN 145 992 169, AFSL 415753) as the Responsible Entity for Peet Greenvale Syndicate (ARSN 160 996 510) the Applicant:

- acknowledges that holding Units are subject to investment risks including the possible loss of capital invested;
- declares that they have received, read and understood the PDS to which this Application Form is attached;
- acknowledges that the Responsible Entity is entitled to accept or reject this Application in whole or in part;
- declares that, if an electronic Application Form has been obtained, an electronic copy or a print out of the PDS has also been obtained;
- acknowledges that the privacy notification in section 12.3 of this PDS has been read, understood and agreed to and that personal information may be used, disclosed and otherwise handled in the manner referred to;
- agrees to provide all information and identification materials that may be required at any time for the purpose of complying with obligations under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006;
- acknowledges that if the required information is not received and identity is therefore unable to be verified, my investment or a transaction relating to my investment may not be able to be processed;
- agrees to be bound by the Syndicate's constitution; and
- acknowledges that they will be issued Units by the Responsible Entity.

CLOSED

14. SIGNATURES OF APPLICANT(S)

INDIVIDUALS

SIGNATURE OF APPLICANT 1

SIGNATURE OF APPLICANT 2

COMPANY

EXECUTED BY

NAME OF COMPANY

SIGNATURE OF DIRECTOR

SIGNATURE OF DIRECTOR/
COMPANY SECRETARY (please delete as applicable)

FULL NAME OF DIRECTOR (print)

FULL NAME OF DIRECTOR/COMPANY SECRETARY (print)

SUBSCRIPTION LIST CLOSES 5.00 PM WST 14 March 2013 or as determined by the Responsible Entity.

The PDS is dated 19 November 2012.

THIS FORM MUST BE ATTACHED TO THE PDS WHEN DISTRIBUTED

APPLICATION FORM 1
EXISTING PEET INVESTOR

Are you an existing Peet Limited or Peet Syndicates Investor? YES ☐ NO ☐ Existing Peet Limited or Peet Syndicates Investors should complete Application Form 1, whilst all new applicants should complete Application Form 2 or 3.

1. THIS APPLICATION IS MADE IN THE NAME OF:

i) an individual (personal) ☐; an individual (sole trader) ☐; a company ☐; a partnership ☐; other (eg associations) ____________.

ii) in my/our/it's own right ☐; as a trustee ☐; or as an agent. ☐ (tick where applicable)

If you are completing this Application Form as an agent of the applicant, please refer to number 12 (below).

2. I/WE HEREBY IRREVOCABLY APPLY FOR ____________ Units in Peet Greenvale Syndicate upon the terms of this Product Disclosure Statement and agree to be bound by the provisions of the Constitution as amended from time to time.

3. I/WE HAVE ENCLOSED a cheque for $ ____________ ($1.00 per Unit) made in favour of Peet Greenvale Syndicate Trust Account. Should you require to pay by EFT, please contact Peet on 08 9420 1111.

4. APPLICANT 1

MR/MRS/MS FULL NAME OF APPLICANT 1 OR COMPANY NAME

APPLICANT 2

MR/MRS/MS FULL NAME OF APPLICANT 2 OR COMPANY NAME

5. ACCOUNT NAME < >

(i.e. trust or superannuation fund name)

Please refer to the 'Guide to Completing the Application Form' in Section 15.3 to ensure you have applied in a registrable name.

6. POSTAL ADDRESS

STREET NUMBER & NAME OR PO BOX

SUBURB OR TOWN STATE POSTCODE

7. RESIDENTIAL OR BUSINESS ADDRESS

STREET NUMBER & NAME (cannot be a PO Box)

SUBURB OR TOWN STATE POSTCODE

8. CONTACT DETAILS

CONTACT NAME PHONE

EMAIL ADDRESS

9. TAX FILE NUMBER OR EXEMPTION (tick as applicable)

Applicant 1 ☐ Trust or Superannuation Fund ☐ Applicant 2 ☐ Trust or Superannuation Fund ☐

10. ABN, ACN OR ARSN (tick as applicable)

Applicant 1 ☐ Trust or Superannuation Fund ☐ Applicant 2 ☐ Trust or Superannuation Fund ☐

11. DATE OF BIRTH (Individuals)

APPLICANT 1 APPLICANT 2

12. AGENTS

MR/MRS/MS/DR/OTHER FULL NAME OF AGENT

13. BENEFICIAL INTEREST Will anyone else have a beneficial interest in this investment? YES ☐ NO ☐

APPLICATION FORM 1
EXISTING PEET INVESTOR

DECLARATION BY APPLICANT(S)

By completing this Application Form, which relates to the Product Disclosure Statement dated 19 November 2012 (PDS) issued by Peet Funds Management Limited (ACN 145 992 169, AFSL 415753) as the Responsible Entity for Peet Greenvale Syndicate (ARSN 160 996 510) the Applicant:

- acknowledges that holding Units are subject to investment risks including the possible loss of capital invested;
- declares that they have received, read and understood the PDS to which this Application Form is attached;
- acknowledges that the Responsible Entity is entitled to accept or reject this Application in whole or in part;
- declares that, if an electronic Application Form has been obtained, an electronic copy or a print out of the PDS has also been obtained;
- acknowledges that the privacy notification in section 12.3 of this PDS has been read, understood and agreed to and that personal information may be used, disclosed and otherwise handled in the manner referred to;
- agrees to provide all information and identification materials that may be required at any time for the purpose of complying with obligations under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006;
- acknowledges that if the required information is not received and identity is therefore unable to be verified, my investment or a transaction relating to my investment may not be able to be processed;
- agrees to be bound by the Syndicate's constitution; and
- acknowledges that they will be issued Units by the Responsible Entity.

CLOSED

14. SIGNATURES OF APPLICANT(S)

INDIVIDUALS

SIGNATURE OF APPLICANT 1

SIGNATURE OF APPLICANT 2

COMPANY

EXECUTED BY

NAME OF COMPANY

SIGNATURE OF DIRECTOR

SIGNATURE OF DIRECTOR/
COMPANY SECRETARY (please delete as applicable)

FULL NAME OF DIRECTOR (print)

FULL NAME OF DIRECTOR/COMPANY SECRETARY (print)

SUBSCRIPTION LIST CLOSES 5.00 PM WST 14 March 2013 or as determined by the Responsible Entity.

The PDS is dated 19 November 2012.

THIS FORM MUST BE ATTACHED TO THE PDS WHEN DISTRIBUTED

APPLICATION FORM 2

NEW PEET INVESTOR – INDIVIDUAL APPLICANTS

The Anti-Money Laundering and Counter-Terrorism Financing Act 2006, requires the collection and verification of certain shareholder details when you first apply to invest. We may also require further information during the course of your investment or when there is a transaction in relation to an investment. It is important to carefully read and complete the Application Form, particularly ensuring all additional documentation specified in section 15 of this form accompanies your application. This will help to ensure that there will be no delay in processing your application. If we do not receive the required information or we are unable to verify your identity, we may not be able to proceed with your investment or a transaction in relation to your investment.

Are you an existing Peet Limited or Peet Syndicates Investor? YES ☐ NO ☐ Existing Peet Limited or Peet Syndicates Investors should complete Application Form 1, whilst all new applicants should complete Application Form 2 or 3.

1. THIS APPLICATION IS MADE IN THE NAME OF:

i) an individual (personal) ☐; an individual (sole trader) ☐.

ii) in my/our own right ☐; as a trustee ☐; or as an agent ☐. (tick where applicable)

If you are completing this Application Form as an agent of the applicant, please refer to number 14 (overleaf).

2. I/WE HEREBY IRREVOCABLY APPLY FOR ______ Units in Peet Greenvale Syndicate upon the terms of this Product Disclosure Statement and agree to be bound by the provisions of the Constitution as amended from time to time.

3. I/WE HAVE ENCLOSED a cheque for $ ______ ($1.00 per Unit) made in favour of Peet Greenvale Syndicate Trust Account. Should you require to pay by EFT, please contact Peet on 08 9420 1111.

4. APPLICANT 1

MR/MRS/MS FULL NAME OF APPLICANT 1

APPLICANT 2

MR/MRS/MS FULL NAME OF APPLICANT 2

5. ACCOUNT NAME

< >

(i.e. trust or superannuation fund name)

Please refer to the 'Guide to Completing the Application Form' in Section 15.3 to ensure you have applied in a registrable name.

6. POSTAL ADDRESS

STREET NUMBER & NAME OR PO BOX

SUBURB OR TOWN STATE POSTCODE

7. RESIDENTIAL ADDRESS

STREET NUMBER & NAME (cannot be a PO Box)

SUBURB OR TOWN STATE POSTCODE

8. CONTACT DETAILS

CONTACT NAME PHONE

EMAIL ADDRESS

9. TAX FILE NUMBER OR EXEMPTION (tick as applicable)

Applicant 1 ☐ Trust or Superannuation Fund ☐ Applicant 2 ☐ Trust or Superannuation Fund ☐

10. ABN, ACN OR ARSN (tick as applicable)

Applicant 1 ☐ Trust or Superannuation Fund ☐ Applicant 2 ☐ Trust or Superannuation Fund ☐

11. DATE OF BIRTH

APPLICANT 1 APPLICANT 2

12. BENEFICIAL INTEREST Will anyone else have a beneficial interest in this investment? Yes ☐ No ☐

CLOSED

ADVISOR STAMP

APPLICATION FORM 2

NEW PEET INVESTOR – INDIVIDUAL APPLICANTS

CLOSED

13. ADVISOR DETAILS

Only licensed investment advisors, stock brokers and other approved persons are entitled to receive commission. Please remit any entitlement to commission to:

ADVISOR NAME
NAME OF ADVISOR

ADVISOR BUSINESS NAME
NAME OF BUSINESS

CONTACT DETAILS
ADDRESS - STREET NUMBER & NAME
SUBURB OR TOWN　STATE　POSTCODE
EMAIL ADDRESS
PHONE NUMBER　MOBILE PHONE

AFSL HOLDER
NAME OF COMPANY

AFSL NUMBER
NUMBER OF AFSL

14. AGENTS

MR/MRS/MS/DR/OTHER　FULL NAME OF AGENT

15. PROOF OF IDENTITY

Please identify the documents attached to this application:

Certified copy of **one** of the following

- Drivers Licence
- Passport*
- Proof of Age Card
- National Identity card#

OR Certified copy of **one** of the following:

- Birth Certificate^
- Citizenship Certificate^
- Pension card

AND original or certified copy of **one** of the following:

- Commonwealth/State/Territory notice
- ATO notice
- Council/utilities notice

PLUS if you are completing this application as an agent of the applicant:

- Original or certified copy of evidence of the applicant's authorisation

*Passport may be expired up to 2 years. Foreign passports must: contain a photograph; be issued by a foreign government or the UN. Passports not in English must be accompanied by a translation prepared by an accredited translator.

#Foreign certificates may be accepted. If not in English then must be accompanied by a translation prepared by an accredited translator.

^As above. However, expired cards can not be accepted.
The notice must show name and residential address, be no more than 12 months old (3 months for council / utilities notice) and record the provision of a financial benefit (Government notice), tax due or refund payable (ATO notice) or provision of services (council / utilities notice).

IMPORTANT NOTE: Please refer to Section 15.2 to determine who can certify these documents as a true copy of an original document. If we do not receive the required information or we are unable to verify your identity, we may not be able to proceed with your investment or a transaction in relation to your investment.

DECLARATION BY APPLICANTS

By completing this Application Form, which relates to the Product Disclosure Statement dated 19 November 2012 (PDS) issued by Peet Funds Management Limited (ACN 145 992 169, AFSL 415753) as the Responsible Entity for Peet Greenvale Syndicate (ARSN 160 996 510) the Applicant:

- acknowledges that holding Units are subject to investment risks including the possible loss of capital invested;
- declares that they have received, read and understood the PDS to which this Application Form is attached;
- acknowledges that the Responsible Entity is entitled to accept or reject this Application in whole or in part;
- declares that, if an electronic Application Form has been obtained, an electronic copy or a print out of the PDS has also been obtained;
- acknowledges that the privacy notification in section 12.3 of this PDS has been read, understood and agreed to and that personal information may be used, disclosed and otherwise handled in the manner referred to;
- agrees to provide all information and identification materials that may be required at any time for the purpose of complying with obligations under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006;
- acknowledges that if the required information is not received and identity is therefore unable to be verified, my investment or a transaction relating to my investment may not be able to be processed;
- agrees to be bound by the Syndicate's constitution; and
- acknowledges that they will be issued Units by the Responsible Entity.

16. SIGNATURES OF APPLICANTS INDIVIDUALS

SIGNATURE OF APPLICANT 1　SIGNATURE OF APPLICANT 2

SUBSCRIPTION LIST CLOSES 14 March 2013 or as determined by the Responsible Entity.

The PDS is dated 19 November 2012.

THIS FORM MUST BE ATTACHED TO THE PDS WHEN DISTRIBUTED

In accordance with the Anti-Money Laundering and Counter-Terrorism Financing Act 2006, the Responsible Entity may be required to verify the identity of the applicant at some time in the future.

APPLICATION FORM 3

NEW PEET INVESTOR – COMPANIES & NON-INDIVIDUAL APPLICANTS

The Anti-Money Laundering and Counter-Terrorism Financing Act 2006, requires the collection and verification of certain shareholder details when you first apply to invest. We may also require further information during the course of your investment or when there is a transaction in relation to an investment. It is important to carefully read and complete this Application Form to ensure that there will be no delay in processing your application. If we do not receive the required information or we are unable to verify your identity, we may not be able to proceed with your investment or a transaction in relation to your investment.

Are you an existing Peet Limited or Peet Syndicates Investor? YES NO Existing Peet Limited or Peet Syndicates Investors should complete Application Form 1, whilst all new applicants should complete Application Form 2 or 3.

1. THIS APPLICATION IS MADE IN THE NAME OF:

i) an individual (personal) ; an individual (sole trader) ; a company ; a partnership ; other (eg associations) .

ii) in my/our/it's own right ; as a trustee ; or as an agent. (tick where applicable)

If you are completing this Application Form as an agent of the applicant, please refer to number 10 (below).

2. I/WE HEREBY IRREVOCABLY APPLY FOR Units in Peet Greenvale Syndicate upon the terms of this Product Disclosure Statement and agree to be bound by the provisions of the Constitution as amended from time to time.

3. I/WE HAVE ENCLOSED a cheque for $ ($1.00 per Unit) made in favour of Peet Greenvale Syndicate Trust Account. Should you require to pay by EFT please contact Peet on (08) 9420 1111.

4. APPLICANT 1

FULL NAME OF APPLICANT 1 OR COMPANY NAME

APPLICANT 2

FULL NAME OF APPLICANT 2 OR COMPANY NAME

5. ACCOUNT NAME

< >

(ie. trust or superannuation fund name)

Please refer to the 'Guide to Completing the Application Form' in Section 15.3 to ensure you have applied in a registrable name.

6. POSTAL ADDRESS

STREET NUMBER & NAME OR PO BOX

SUBURB OR TOWN STATE POSTCODE

7. CONTACT DETAILS

CONTACT NAME PHONE

EMAIL ADDRESS

8. TAX FILE NUMBER OR EXEMPTION (tick as applicable)

Applicant 1 Trust or Superannuation Fund Applicant 2 Trust or Superannuation Fund

9. ABN, ACN OR ARSN (tick as applicable)

Applicant 1 Trust or Superannuation Fund Applicant 2 Trust or Superannuation Fund

10. AGENTS

MR/MRS/MS/DR/OTHER FULL NAME OF AGENT

11. BENEFICIAL INTEREST

Will anyone else have a beneficial interest in this investment? YES NO

CLOSED

ADVISOR STAMP

APPLICATION FORM 3

NEW PEET INVESTOR – COMPANIES & NON-INDIVIDUAL APPLICANTS

12. ADVISOR DETAILS

Only licensed investment advisors, stock brokers and other approved persons are entitled to receive commission. Please remit any entitlement to commission to:

ADVISOR NAME

NAME OF ADVISOR

ADVISOR BUSINESS NAME

NAME OF BUSINESS

CONTACT DETAILS

ADDRESS - STREET NUMBER & NAME

SUBURB OR TOWN STATE POSTCODE

EMAIL ADDRESS

PHONE NUMBER MOBILE PHONE

AFSL HOLDER

NAME OF COMPANY

AFSL NUMBER

NUMBER OF AFSL

13. IN THE CASE OF A DOMESTIC COMPANY:

FULL REGISTERED COMPANY NAME

FULL ADDRESS OF REGISTERED OFFICE

STREET NUMBER & NAME

SUBURB OR TOWN STATE POSTCODE

FULL ADDRESS OF PRINCIPAL PLACE OF BUSINESS

STREET NUMBER & NAME

SUBURB OR TOWN STATE POSTCODE

IS THE COMPANY REGISTERED BY ASIC AS A

PROPRIETARY or PUBLIC COMPANY

IF A PROPRIETARY COMPANY, THE NAME OF EACH DIRECTOR OF THE COMPANY

CLOSED

DECLARATION BY APPLICANTS

By completing this Application Form, which relates to the Product Disclosure Statement dated 19 November 2012 (PDS) issued by Peet Funds Management Limited (ACN 145 992 169, AFSL 415753) as the Responsible Entity for Peet Greenvale Syndicate (ARSN 160 996 510) the Applicant:

- acknowledges that holding Units are subject to investment risks including the possible loss of capital invested;
- declares that they have received, read and understood the PDS to which this Application Form is attached;
- acknowledges that the Responsible Entity is entitled to accept or reject this Application in whole or in part;
- declares that, if an electronic Application Form has been obtained, an electronic copy or a print out of the PDS has also been obtained;
- acknowledges that the privacy notification in section 12.3 of this PDS has been read, understood and agreed to and that personal information may be used, disclosed and otherwise handled in the manner referred to;
- agrees to provide all information and identification materials that may be required at any time for the purpose of complying with obligations under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006;
- acknowledges that if the required information is not received and identity is therefore unable to be verified, my investment or a transaction relating to my investment may not be able to be processed;
- agrees to be bound by the Syndicate's constitution; and
- acknowledges that they will be issued Units by the Responsible Entity.

14. SIGNATURES OF APPLICANTS

COMPANY

NAME OF COMPANY

EXECUTED BY

SIGNATURE OF DIRECTOR

SIGNATURE OF DIRECTOR/ COMPANY SECRETARY (PLEASE DELETE AS APPLICABLE)

FULL NAME OF DIRECTOR (PRINT)

FULL NAME OF DIRECTOR/COMPANY SECRETARY (PRINT)

SUBSCRIPTION LIST CLOSES 14 March 2013 or as determined by the Responsible Entity.

The PDS is dated 19 November 2012.

THIS FORM MUST BE ATTACHED TO THE PDS WHEN DISTRIBUTED

In accordance with the Anti-Money Laundering and Counter-Terrorism Financing Act 2006, the Responsible Entity may be required to verify the identity of the applicant at some time in the future.

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CORPORATE DIRECTORY

THE SYNDICATE
Peet Greenvale Syndicate
ARSN 160 996 510
Level 7, 200 St Georges Terrace
PERTH WA 6000

REGISTERED OFFICE
Level 7, 200 St Georges Terrace
PERTH WA 6000

RESPONSIBLE ENTITY & UNIT REGISTRY
Peet Funds Management Limited
Level 7, 200 St Georges Terrace
PERTH WA 6000
Phone (08) 9420 1111
Facsimile (08) 9481 4712

DIRECTORS OF THE RESPONSIBLE ENTITY
Brendan Gore
Anthony J Lennon
Graeme Sinclair

COMPANY SECRETARY OF THE RESPONSIBLE ENTITY
Dom Scafetta

DEVELOPMENT MANAGER
Peet Development Management Pty Ltd
Level 7, 200 St Georges Terrace
PERTH WA 6000

SALES MANAGER
Peet Estates (VIC) Pty Ltd
Level 7, 200 St Georges Terrace
PERTH WA 6000

SOLICITORS TO THE ISSUE
Gilbert + Tobin
1202 Hay Street
WEST PERTH WA 6005

INVESTIGATING ACCOUNTANT
Ernst & Young Transaction Advisory Services Limited
Ernst & Young Building
11 Mounts Bay Road
PERTH WA 6000

INVESTIGATING ACCOUNTANT
Ernst & Young
Ernst & Young Building
11 Mounts Bay Road
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SYNDICATE AUDITOR
Ernst & Young
Ernst & Young Building
11 Mounts Bay Road
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CONSULTING ECONOMIST
MacroPlan Dimasi
Level 4, 356 Collins Street,
MELBOURNE VIC 3000

INDEPENDENT VALUER
Charter Keck Cramer
Level 4, 473 Bourke Street
MELBOURNE VIC 3000

CONSULTING TOWN PLANNER
Urbis
Level 12, 120 Collins Street
MELBOURNE VIC 3000

CONSULTING ENGINEER
SMEC Urban
Level 4, 71 Queens Road
MELBOURNE VIC 3004

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