Centuria

UNLISTED PROPERTY FUND

Centuria 25 Grenfell Street Fund

PRODUCT DISCLOSURE STATEMENT

ARSN 656 250 154

How to Complete your Application

Online Application
Go to **www.centuriainvestor.com.au/C25GSFoffer** and follow the instructions to complete your application.

Postal Application
Refer to 'How to Invest' (page 59) and follow the instructions to complete your Application.

Online Applications are Recommended
We highly recommend applying through our streamlined Online Application Portal. Online Applications will be processed immediately, as opposed to postal Applications which may take several days to be received. Existing Centuria Investors will only require their Centuria account number, investing entity name, email address and banking instructions to complete an online Application. These details can be found on your latest Centuria distribution statement.
For new investors, the online Application lists the documents you require to complete your Application.

Further Information
For further information, please contact our Investor Services Team on:
1800 182 257

International Investors please call toll free on:
+61 2 9290 9689

Important Information

This Product Disclosure Statement (PDS) is dated 21 February 2022 and relates to the offer of Units (Offer) in the Centuria 25 Grenfell Street Fund (ARSN 656 250 154) (Fund). The Offer of Units under this PDS is made by Centuria Property Funds No. 2 Limited (ABN 38 133 363 185, AFSL 340 304) (Centuria) as the responsible entity for the Fund.

Prospective Investors interested in the investment opportunity outlined in this PDS should conduct an independent investigation and analysis as to its merits and risks. In preparing this PDS, Centuria has not taken into consideration the individual objectives, financial situation or needs of any person. It is important to read this PDS in its entirety and seek professional advice when necessary in relation to any proposed investment. Nothing in this PDS constitutes financial product advice by Centuria or a recommendation to invest in the Offer.

None of Centuria, its associates or directors, guarantees the performance of the Fund, the repayment of capital or any income or capital return.

Past performance is not indicative of future performance.

It is particularly important that, in considering an investment in the Fund, you consider the risk factors that could affect the performance of the Fund (please refer to Section 10). You should carefully consider these factors in light of your personal circumstances (including financial and taxation issues) and seek professional advice before deciding whether to invest in the Fund.

This PDS supersedes all preliminary information and other previous communications in connection with the Fund. All such preliminary information and previous communications should be disregarded. Any information or representation not contained in this PDS may not be relied on as having been authorised by Centuria in connection with the Fund.

Centuria and its related bodies corporate, together with their directors and officers may hold Units in the Fund.

The Offer set out in this PDS is available to Investors in Australia and New Zealand. New Zealand Investors should read the Section for New Zealand Investors on page 2. This PDS does not constitute an offer of Units in any jurisdiction in which, or to any person to whom, it would be unlawful to offer the Units under this PDS. The distribution of this PDS in jurisdictions outside Australia and New Zealand may be restricted by law and any person into whose possession the PDS comes (including nominees, trustees or custodians) should seek advice on and observe those restrictions. It is the responsibility of any overseas applicant to ensure compliance with all laws of any country relevant to their Application.

The return of a duly completed Application Form will be taken to constitute a representation and warranty that there has been no breach of the restrictions imposed by law in jurisdictions other than Australia and New Zealand.

Information in this PDS may change from time to time. Information that has changed in relation to the Fund that is not materially adverse information will be made available on Centuria's website at **centuriainvestor.com.au/C25GSF** and a printed copy will be available from Centuria free of charge upon request (see the Directory on page 80 of this PDS). Centuria may issue a supplementary product disclosure statement to supplement any relevant information not contained in this PDS, in accordance with its obligations under the Corporations Act. Any supplementary product disclosure statement and updated information should be read together with this PDS. A copy of any supplementary product disclosure statement and other information regarding the Fund will be made available on Centuria's website **centuriainvestor.com.au/C25GSF** and a printed copy will be available from Centuria free of charge upon request (see the Directory on page 80 of this PDS).

Information in this PDS may include details about prospective investment performance. Centuria strongly recommends that Investors review this material before making a decision to acquire Units in the Fund.

This PDS may be viewed online on Centuria's website. If you access the electronic version of this PDS, you should ensure that you download and read this PDS in full. A paper copy of this PDS is available free of charge to any person by calling Centuria (see the Directory on page 80 of this PDS).

In accordance with ASIC Regulatory Guide 198 'Unlisted disclosing entities: Continuous disclosure obligations', Centuria advises that it will fulfil its continuous disclosure requirements by way of website disclosures that comply with ASIC's good practice guidance. All disclosures required under continuous disclosure requirements will be uploaded online onto the Centuria Investor portal. All Investors will be given login access to the portal which is accessible at **www.centuriainvestor.com.au.**

Photographs in this PDS are photographs of the Property or parts of the Property, unless otherwise specified. Currency amounts are stated in Australian dollars.

Important Information

New Zealand Investors

Important Additional Information

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

Warning Statement

1. This Offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act 2001 (Aust) and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.
2. This Offer and the content of the Offer document are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act 2001 (Aust) and the regulations made under that Act set out how the offer must be made.
3. There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime.
4. The rights, remedies, and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies, and compensation arrangements for New Zealand financial products.
5. Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to this offer. If you need to make a complaint about this offer, please contact the Financial Markets Authority, New Zealand (**www.fma.govt.nz**). The Australian and New Zealand regulators will work together to settle your complaint.
6. The taxation treatment of Australian financial products is not the same as for New Zealand financial products.
7. If you are uncertain about whether this investment is appropriate for you, you should seek the advice of a financial advice provider.

Additional Warning Statement: Currency Exchange Risk

1. The Offer may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.
2. If you expect the financial products to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

Centuria can be contacted in New Zealand at:

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Partner

Chapman Tripp
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Auckland 1140, New Zealand
tim.williams@chapmantripp.com

Introduction

Centuria as responsible entity for the Centuria 25 Grenfell Street Fund ARSN 656 250 154 (Fund) has acquired a 50% interest in one of Adelaide's most iconic CBD office buildings, 25 Grenfell Street, Adelaide, South Australia (Property).

Situated within the heart of the Adelaide CBD, this A-grade asset has a long history of attracting high calibre tenants with approximately 72% of the Property's gross income underpinned by leases to the South Australian Government and multi-nationals such as Minter Ellison, Aurecon and Lipman Karas.

Featuring a Weighted Average Lease Expiry (WALE) of 3.9 years by income[1], there is the potential to add value to the Property by enhancing its leasing profile through active management and capital expenditure upgrades.

Centuria also considers the building to be well positioned to benefit from Adelaide's record infrastructure investment and defence projects.

With an initial Fund gearing level of 44.6%, the Fund is forecast[2] to provide attractive, tax-effective returns of 7.00% p.a. (annualised) in FY22, growing to 7.10% p.a. in FY23, with distributions being paid on a monthly basis. Forecast returns are anticipated to be 100% tax deferred in FY22 and 100% tax deferred in FY23.

Contents

1 As at 1 April 2022 and includes vendor rental guarantees that range from 12 months to two years over 2,886 sqm of vacant space.

2 The forecast returns are predictive in nature and are calculated in accordance with a number of underlying assumptions (please refer to Section 7.4). As such, returns may be affected by incorrect assumptions or by known or unknown risks and uncertainties and may differ materially from results ultimately achieved.
Returns are not guaranteed. Returns in FY22 are based on the assumption that the investment commences on or around 1 April 2022.

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Key Features

Section 1

The following table contains key information about an investment in the Centuria 25 Grenfell Street Fund with cross references to relevant Sections of this PDS where further details may be found. The information contained in the table is subject to change without notice.

FEATURE	SUMMARY	SECTION
Investment Type	The Fund is a single-asset, closed ended unlisted property fund, which has invested in a special purpose wholly-owned trust (Holding Trust) that owns a 50% interest in the Property. Investors will receive Units in the Fund. As the Holding Trust is wholly-owned by the Fund, for ease of reading, a reference to the "Fund" in this PDS includes the Holding Trust, unless the context otherwise indicates.	2 and 8
Manager	Centuria is the responsible entity of the Fund. Centuria is a 100% owned subsidiary of the ASX-listed Centuria Capital Limited (Centuria Capital). As at 31 December 2021, total assets under the management of Centuria Capital were approximately $20.2 billion. Of this, Centuria has approximately $19.3 billion of assets under management across its listed and unlisted property portfolio[1].	6
Fund Property	The Fund has acquired a 50% interest (through the Holding Trust) in 25 Grenfell Street, Adelaide, South Australia (Property), for $83,251,567 (50% share). The remaining 50% of the Property is held by MA Financial Group (MAF). A Co-owners' Agreement has been entered into by both parties, which governs the key decision making procedures in respect of the Property. Please refer to Section 8.6 for a summary of the key terms of the Co-owners' Agreement.	4
Offer Open	21 February 2022[2]	
Offer Close	18 March 2022[2]	
Offer Amount	$48,471,149. This is not a minimum amount which needs to be raised for the Fund to proceed, because the Fund's indirect 50% interest in the Property has already been acquired, using the proceeds of issue of Acquisition Units. However, if the Offer Amount is not raised by the Offer Close date (or such other date determined by Centuria), Centuria may decide not to proceed with the Offer. Centuria may accept, reject or scale back any Application, in accordance with its capital allocation procedures.	2.9 and 8.4
Minimum Investment	$50,000. Centuria may accept investments that are less than this amount in its discretion.	
Cooling Off	No cooling off period applies to an investment in the Fund.	12.1
How to Invest	To apply to become an Investor you should read this PDS in its entirety. Applications can be made via **post** or **online**. Please refer to the inside cover page for details on "How to Complete your Application". Please note online Applications are recommended. Go to the following online Application website and follow the instructions to complete your Application: **www.centuriainvestor.com.au/C25GSFoffer**	Inside Front Cover
Unit Pricing	Units issued under the Offer will be issued at the Unit Issue Price, which is $1.00 per Unit. Thereafter, the Unit price will reflect the NTA per Unit[3] with adjustments made for the amortisation of certain fees and expenses relating to the Fund establishment, the Offer and asset acquisition. These fees and expenses will be amortised on a straight-line basis over five years, thereby matching the initial five-year term of the Fund.	8.3
Regular Income Distributions	Distributions will be paid monthly.	2.5
Liquidity	It is not the current strategy of the Fund to make a liquidity facility available to Investors during the Fund term.	10.2
Initial Fund Gearing	The Fund will have an initial gearing level of 44.6%, which is based on the total value of all the assets of the Fund, including the Fund's cash assets.	12.5
Initial Loan to Valuation Ratio (LVR) (Under Debt Facility)	The Fund will have an initial LVR of 45% based on the independent valuation of the Property (adjusted for the Fund's proportionate interest in the Property), but excluding the value of the Fund's cash assets.	2.8 and 12.5

1 Includes assets exchanged but not settled, cash and other assets. Also includes assets under management of related company Centuria Property Funds Limited. All figures above are also in Australian dollars (currency exchange ratio of AU$1.000:NZ$1.0617).

2 All dates are indicative only and subject to change. Centuria may shorten or extend the Offer period. Investors are therefore encouraged to submit their Application Form as soon as possible. Centuria may also scale back or accept Applications to invest, in accordance with its capital allocation policy.

3 The initial NTA per Unit will be $0.97. Please see Sections 7.3 and 8.3 for further information.

Key Features

Section 1

The following table contains key information about an investment in the Centuria 25 Grenfell Street Fund with cross references to relevant Sections of this PDS where further details may be found. The information contained in the table is subject to change without notice.

FEATURE	SUMMARY	SECTION
Fund Term	The Fund will have an initial term of five years, however it may be extended by up to an additional two years by an Ordinary Resolution of the Investors (more than 50% of votes cast are in favour of the extension). The term of the Fund may be extended beyond seven years for up to two years at a time where a Unanimous Resolution is passed by Investors (100% of votes cast are in favour of the extension). The term of the Fund may also be extended beyond seven years for up to two years at a time where a Unanimous Resolution is not passed, but all Investors who voted against the Unanimous Resolution are given an opportunity to have their Units sold or redeemed at the prevailing Withdrawal Price (Liquidity Event). Whether a Liquidity Event is offered is determined by Centuria. Please refer to Section 8.5 of the PDS for more information about a Liquidity Event. If a Liquidity Event is not offered by Centuria, then the Fund term will not be extended and Centuria will sell its interest in the Property and wind up the Fund.	2.6 and 8.5
Forecast Income Return	• FY22: 7.00% p.a. (pre-tax) (annualised). • FY23: 7.10% p.a. (pre-tax). These forecast returns are predictive in nature and are calculated in accordance with a number of underlying assumptions (please refer to Section 7.4 for further information). As such, returns may be affected by incorrect assumptions or by known or unknown risks and uncertainties and may differ materially from results ultimately achieved. Returns are not guaranteed. All returns in FY22 are based on the assumption that the investment commences on or around 1 April 2022.	2.4, 2.5 and 7.1
Taxation Benefits	Forecast tax deferral (for Australian residents only): • 100% for the financial year ending 30 June 2022 • 100% for the financial year ending 30 June 2023 Tax deferred percentage of distributions are expected to reduce over the remainder of the Fund term. Tax deferrals will decrease an Investor's cost base for Capital Gains Tax (CGT) purposes. Further detail on tax deferral can be found at Section 11.1.	7.1 and 11.1
Fees and Expenses	Certain one off and ongoing fees are payable in relation to investments in the Fund, including management fees and fees associated with the acquisition and sale of the Property. Centuria (and the Holding Trustee, as applicable) may also recover, or be reimbursed for, expenses that have been properly incurred in relation to the operation of the Fund. Centuria (or the Holding Trustee, as applicable) may contract with third parties and related entities for the provision of services paid for by the Fund.	9
Valuation Policy	Under Centuria's valuation policy, Centuria will have the Property valued by an independent valuer at least once every 24 months. However, typically, Centuria has independent valuations conducted annually for all properties in its funds.	12.2
Related Party Policy	Centuria has a conflict of interest policy in place to ensure that any related party transaction entered into by Centuria is managed in accordance with this policy.	12.3
Holding Trust Trustee	A special purpose vehicle company has been incorporated (Centuria Investment Management (Property) No. 5 Pty Ltd) to act as the trustee of the Holding Trust, which owns the Fund's interest in the Property. The trustee of the Holding Trust is wholly owned by Centuria Property Funds No. 2 Limited.	8.1
Regular Reporting	Investors will receive six monthly fund updates and quarterly distribution statements summarising their monthly distribution payments and an annual taxation statement. Investors will also be able to access all correspondence and details of their investment on the Centuria Investor Portal[4].	2.12 and 12.14
Risks	An investment in the Fund will be subject to all of the risks involved in investing in property and in an unlisted property trust.	10
Handling Complaints	Centuria has a complaints handling procedure and is also a member of an external dispute resolution body.	12.13
How to Contact Us	**Centuria Property Funds No. 2 Limited** **Address** Level 41, Chifley Tower, 2 Chifley Square, Sydney NSW 2060 **Phone** +61 2 8923 8923 **Website** www.centuria.com.au **Email** property.enquiry@centuriainvestor.com.au	

4 The Centuria Online Investor Portal can be accessed via **www.centuriainvestor.com.au.**

Investment Overview

Section 2

The Fund holds a 50% interest in a $166.5 million A-grade office building, prominently located in Adelaide's commercial core.

2.1 The Manager

Centuria is a highly regarded and experienced real estate investment manager:

- A 100% owned subsidiary of the ASX-listed Centuria Capital Limited (Centuria Capital). As at 31 December 2021, total assets under the management of Centuria Capital were $20.2 billion[1];
- Centuria has $19.3 billion of real estate assets managed on behalf of retail and institutional investors across its listed and unlisted property portfolio[1];
- Successful track record of delivering strong investor returns for over 22 years;
- Extensive experience in managing commercial office and industrial property investments;
- Implemented a series of initiatives to improve the rights of investors; and
- Award winning fund manager with between three and six funds in the top 10 Property Council/IPD Australia Unlisted Core Retail Property Fund Index over the last twenty one quarters[2].

Further information on Centuria can be found in Section 6.

2.2 The Property

The Property enjoys the following key attributes:

- Landmark, A-grade office building constructed in 1975, which was substantially refurbished in 2007 to extend the retail podium;
- 88.4% leased with a WALE of 3.9 years (by income)[3] as at 1 April 2022;
- The 2,886 sqm (11.6% of the NLA) of vacant space is subject to vendor rental guarantees that range between 12 months and two years;
- Multi-tenanted with approximately 72% of the Property's gross income underpinned by the South Australian Government and blue-chip corporate tenants;
- Central CBD location with excellent access to premium retail and hospitality precincts such as Rundle Mall, Peel Street and Leigh Street;
- 24,911 sqm of NLA with large, flexible floorplates of over 1,000 sqm;
- Situated on large rectangular site of 1,968 sqm, which is setback from surrounding buildings, the Property offers excellent natural light from all four sides and panoramic views from the upper levels;
- Basement parking for 30 vehicles; and
- Fixed annual rent reviews of predominately between 3.00% and 3.50%.

Further information about the Property can be found in Section 4.

2.3 Investment Rationale

The investment rationale for the acquisition of the Property is based on the following key drivers:

- The South Australian Government and multi-national tenants underpin the forecast monthly distributions, which are estimated to be 7.00% p.a. (annualised) (pre-tax) in FY22, growing to 7.10% p.a. (pre-tax) in FY23;
- Opportunity to add value by repositioning an iconic and well located commercial office property through a targeted capital expenditure program and proactive leasing campaign;
- Potential to capitalise on the demand for high quality, A-grade office space within the Adelaide CBD;
- The Property offers a 150 to 170 basis point yield premium over comparable (Prime-grade) assets in Sydney and Melbourne;
- Major infrastructure investment and defence projects are anticipated to support future jobs growth and economic activity in South Australia;
- Appetite for high quality Australian commercial office assets remains high; and
- No stamp duty payable on commercial real estate transactions in South Australia.

Further information about the Investment Rationale can be found in Section 3.

1 Includes assets exchanged but not settled, cash and other assets. Also includes assets under management of related company Centuria Property Funds Limited. All figures above are also in Australian dollars (currency exchange ratio of AU$1.000:NZ$1.0617).

2 As based on total return for the 12 months to the end of each quarter up until 30 September 2021. Past performance is not indicative of future performance.

3 Includes the impact of the vendor rental guarantees mentioned in the following point.

Investment Overview

Section 2

2.4 Return Comparison

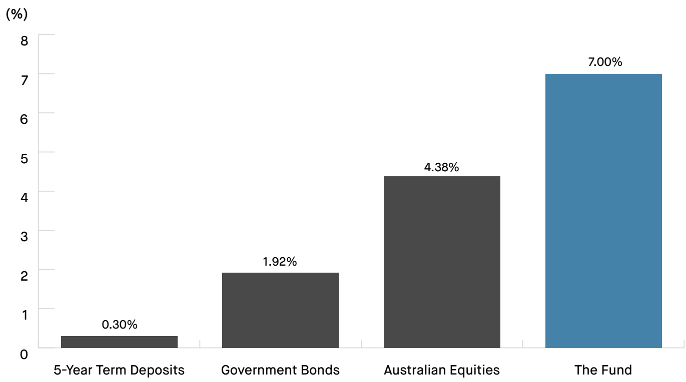
The forecast distribution yield to Investors for the financial year ending 30 June 2022 is 7.00% p.a. (annualised) (pre-tax) increasing to 7.10% p.a. (pre-tax) for the financial year ending 30 June 2023.

The chart below highlights the relative yields of various investment classes in comparison to the forecast annualised distribution yield for the Fund for the financial year ending 30 June 2022.

For the financial year ending 30 June 2022, the Fund is forecast to offer a healthy premium over the yields on the other asset classes shown below. It is important to note that investments offering greater returns may have additional risks. Please refer to Section 10, which sets out some of the key risks associated with an investment in the Fund. **Past performance is not an indicator of future performance.**

All yields exclude fluctuations in price movements or capital gains/losses.

Yield Comparison on Different Asset Classes



Notes to the graph:

1. 5 Year Term Deposits – Commonwealth Bank of Australia five-year term deposit for balances between $50,000 and $2,000,000 (interest paid annually) as at 24 January 2022
2. Government Bonds – 10-Year Australian Government Bond as at 24 January 2022.
3. Australian Equities – S&P/ASX 200 average 10-year distribution yield to 10 February 2022.
4. Forecast annualised distribution of 7.00% p.a. for FY2022 based on an initial Fund gearing of 44.6%.

2.5 Forecast Distributions

Centuria has forecast distributions for the Fund for the financial year ending 30 June 2022 and the financial year ending 30 June 2023. The table below outlines these forecasts.

FINANCIAL YEAR ENDING	30 JUN. 2022[1] (ANNUALISED)	30 JUN. 2023
Distributions[2]	7.00%	7.10%
Tax Deferral[3]	100%	100%

1. The forecast assumes the investment commences on 1 April 2022 and the first period of income is from 1 April 2022 to 30 June 2022.
2. Forecast return based on the Unit Issue Price of $1.00. Please refer to Section 7 for further information, including the assumptions on which the forecasts are based.
3. The tax deferred percentage of distributions is expected to reduce over the remainder of the Fund term. Please note that tax deferrals will decrease an Investor's cost base for Capital Gains Tax (CGT) purposes. Further detail on tax deferral can be found at Section 11.

Distributions from the Fund will be paid to Investors on a monthly basis. Distributions are usually paid within 10 business days of the end of each month.

Some property schemes make distributions partly or wholly from unrealised revaluation gains, capital, borrowings or support facilities arranged by the responsible entity, rather than solely from cash from operations available for distribution.

Subject to the below, the Fund will only pay distributions from its cash from operations (excluding borrowings) available for distribution unless otherwise disclosed by Centuria as responsible entity for the Fund.

As a result of the adjustment for outstanding tenant incentives and vendor rental guarantees retained by the Fund and MAF (in cash) after settlement of the acquisition of the Property (see Section 7), some distributions to Investors are expected to comprise a component of capital. This is because some or all of the tenant incentive and rental guarantee adjustments will, over time, be used to assist in paying distributions, and that tenant incentive and rental guarantee adjustments will form part of the capital of the Fund.

Whilst some of the distributions during the Forecast Period are expected to include an amount from the capital of the Fund, this amount will not be material, and the use of the tenant incentive and rental guarantee adjustments in this manner is not unusual and is sustainable over the Forecast Period, as most of the forecast distributions will still be sourced from the Fund's cash from operations. For the same reasons, Centuria does not consider that there are any material risks to Investors associated with the inclusion in the distributions of this amount from the Fund's capital.

Please see Section 7 for details in relation to the forecast distributions, for the Forecast Period.

The forecast distributions are not indicative of the total return that you may receive from your investment. Your total return will be impacted by any capital gains or losses on your investment once the Fund's interest in the Property is sold.

Each Investor will participate in distributions on a pro-rata basis having regard to the number of Units held by the Investor at the close of business on the last day of the relevant distribution period. The distribution per Unit will be determined by dividing the total amount available for distribution for any given distribution period by the total number of Units eligible to receive that distribution at the close of business on the last day of the relevant distribution period.

Centuria anticipates that a proportion of the forecast distributions will be tax deferred for Australian tax residents. An advantage of the investment structure is the ability of the Fund to pass on taxation allowances, such as building allowances and plant and equipment depreciation to Australian tax residents. Please refer to Section 11.1 for further information on the tax implications for Australian tax residents of investing in the Fund.

As with all investments, an investment in the Fund is subject to risks. The key risks associated with an investment in the Fund are detailed in Section 10.

2.6 Term of Investment

The initial term of the Fund is five years, however it may be extended by up to an additional two years by an Ordinary Resolution of Investors (more than 50% of votes cast are in favour of the extension). Investors may not withdraw from the Fund during this period.

The term of the Fund may be extended beyond seven years for up to two years at a time where a Unanimous Resolution is passed by Investors (100% of votes cast are in favour of the extension).

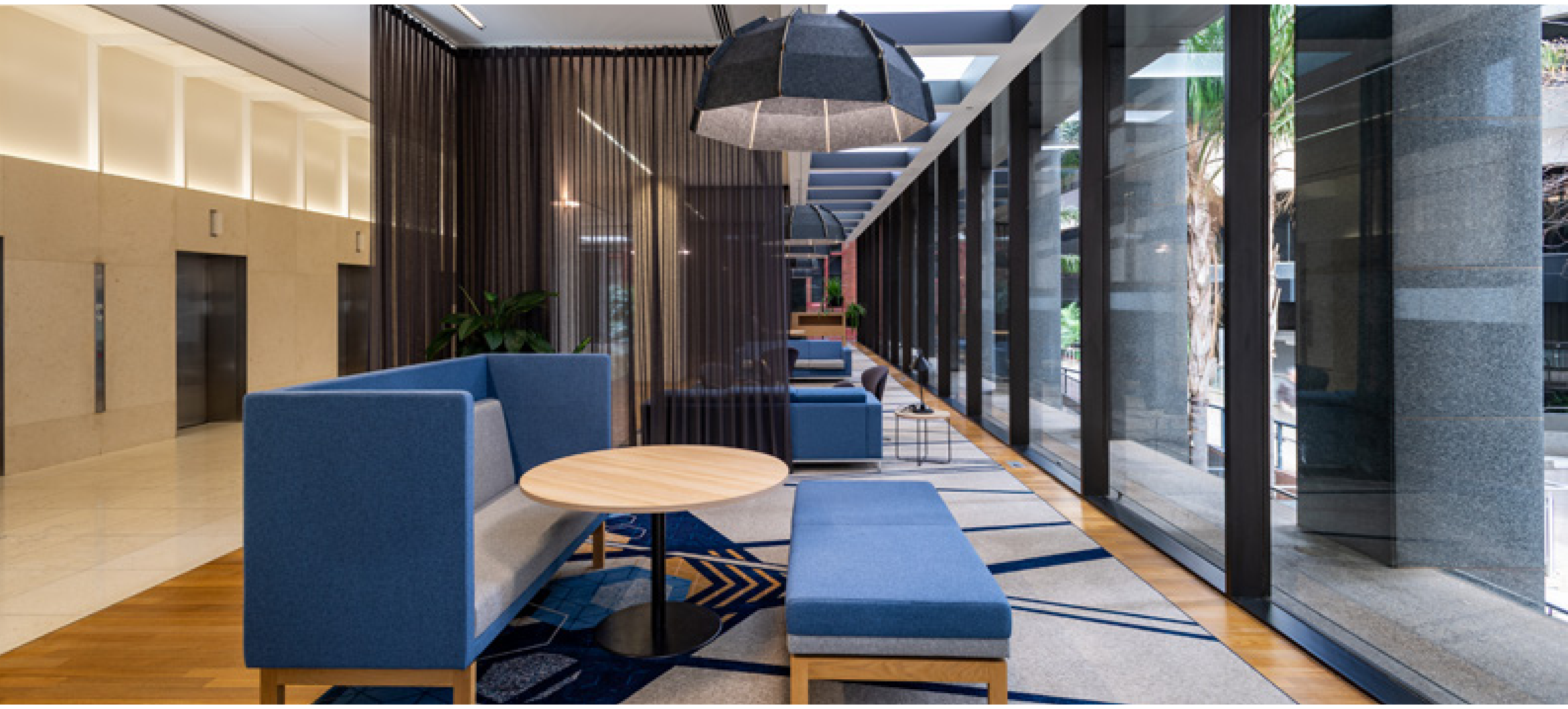
The term of the Fund may also be extended beyond seven years for up to two years at a time where a Unanimous Resolution is not passed, but all Investors who voted against the resolution are given an opportunity to have their Units sold or redeemed at the prevailing Withdrawal Price (Liquidity Event). Whether a Liquidity Event is offered is determined by Centuria. If a Liquidity Event is not offered by Centuria, then the Fund term will not be extended and Centuria will sell its interest in the Property and wind up the Fund.

If Centuria offers a Liquidity Event, then Centuria will make a "withdrawal offer" to all Investors providing all Investors with an opportunity, by making a "withdrawal request", to redeem their Units at the prevailing Withdrawal Price. Centuria will determine the strategy for providing liquidity based on the circumstances at the relevant time, which may include raising further capital for the Fund, obtaining further debt for the Fund (depending on the Fund's gearing ratio at that time) or a combination of these and other strategies.

If the total withdrawal requests from all Investors in response to the withdrawal offer exceed the amount available under the withdrawal offer, then all Investors will be scaled back on a pro-rata basis, in accordance with the requirements of the Corporations Act.

Investment Overview

Section 2



In addition to making the withdrawal offer, Centuria will, subject to its obligations at law, assist Investors to sell their Units at the prevailing Withdrawal Price under the Liquidity Event. Transfers of Units in the Fund can occur by the transferor and the transferee delivering to Centuria a completed and signed standard transfer form.

The Fund term will only be extended if all Investors who voted against the Unanimous Resolution are given the opportunity to exit the Fund under the Liquidity Event. As a result, if all Investors who voted against the Unanimous Resolution and participated in the Liquidity Event are not able to exit the Fund under the Liquidity Event, then no Investors will be able to withdraw or sell any of their Units under the Liquidity Event and instead the following will occur:

- No Units will be redeemed or sold under the Liquidity Event;
- The Fund term will not be extended; and
- The Fund's interest in the Property will be sold and the Fund wound up.

2.7 Co-owners' Agreement

The Fund has acquired a 50% tenants in common interest in the Property. This interest is held by the Holding Trust, a wholly owned subsidiary of the Fund. As part of the acquisition, Centuria Property Funds No.2 Limited in its capacity as responsible entity of the Fund has entered into a Co-owners' Agreement with MA Financial Group, which has acquired the remaining 50% of the Property (Co-owners' Agreement).

The key terms of the Co-owners' Agreement are as follows:

- A Co-owners' Committee has been established to review, consider and make determinations on substantive issues with respect to the management and operation of the Property. If the Co-owners fail to reach agreement, matters of significant importance may be referred to a separate special committee for determination.
- Before the Property has been owned for five years, neither Co-owner may dispose its 50% interest in the Property without the prior consent of the Co-owner unless the disposal is to a related party.
- Once the Property has been held for five years, either Co-owner may sell its 50% interest, however each Owner has a first right of refusal over each other's interest.
- Each Co-owner will have a Drag and Tag right, allowing either party to participate in the in sale (Tag), or compelling the remaining party to sell (Drag). That said, any drag right is subject to a minimum price, being the acquisition value plus capital expenditure and incentives paid during the initial ownership.

Please refer to Section 8.6 for further detail in relation to the Co-owners' Agreement.

2.8 Debt Facility

The Fund has entered into a debt facility to partially fund the acquisition of its 50% interest in the Property.

The Fund will have an initial LVR of 45%[1] based on the independent valuation of the Property (adjusted for the Fund's proportionate interest in the Property), but excluding the value of the Fund's cash assets.

A summary of the existing finance facility with National Australia Bank is as follows:

Facility Limit	$41,650,000
Initial Drawing	$37,485,000
Facility Period	3 years
Initial Loan to Valuation Ratio (LVR)[1]	45.0%
LVR Covenant	57.5%
Maturity Date	3 years from initial drawdown
Assumed Average Total Cost of Interest over Forecast Period	2.77%
Fixed Rate Period	3 years
Forecast Interest Cover Ratio (ICR)[2]	2.83 times
Forecast ICR for Bank Covenant Purposes[3]	4.85 times
ICR Covenant	2.50 times

1 The LVR is calculated by dividing the total interest bearing liabilities by the independent valuation of the Property (adjusted for the Fund's proportionate interest in the Property), but excluding the value of the Fund's cash assets. The LVR indicates the level of borrowing within the Fund (when measured against the value of Fund's interest in the Property) and the exposure an Investor has to the returns and losses

within the Fund. As well as increasing returns, higher leveraging can increase the risk of your investment. Please refer to Section 10.2 for further detail on leveraged risk.

2 The forecast ICR relates to the period from 1 April 2022 to the end of its first financial year, adjusted to reflect a 12-month period. It is based on an assumed total blended rate of interest of 2.66% p.a. and based upon assumptions set out in Section 7. The ICR is calculated in accordance with RG 46 by dividing (EBITDA - unrealised gains + unrealised losses) by the interest expense.

3 The forecast ICR for bank covenant purposes relates to the period from 1 April 2022 to the end of its first financial year, adjusted to reflect a 12-month period. It is based on an assumed total blended rate of interest of 2.66% p.a. and based upon assumptions set out in Section 7. The ICR is calculated in accordance with the expected bank covenant definition as advised by National Australia Bank, being Net Property Income dividend by interest expense under the facility. The ICR gives an indication of the Fund's ability to meet the interest payments from earnings. The lower the ICR, the higher the risk that the Fund will not be able to meet its interest payments. A scheme with a low ICR only needs a small reduction in earnings, or a small increase in interest rates or other expenses, to be unable to meet its interest payments.

Under the Co-owners' Agreement, each Co-owner has separately financed the ownership of their respective interests in the Property, albeit both owners have existing finance facilities with National Australia Bank.

As per the assumptions as set out in the debt facility table, the amount by which the net property income of the Fund must fall before the Fund will breach its ICR covenant is 48.4%.

The amount by which the value of the Fund's interest in the Property will have to fall before the Fund will breach its LVR covenant is 21.7%.

Some important features of the debt facility are as follows:

1. The security taken by the financier is a first ranking real property mortgage over the Fund's interest in the Property and a general security deed over the assets of the Fund. The financier also holds a first ranking general security deed over the assets of the Holding Trust.
2. Certain information undertakings are required by the financier, which relate to the provision of annual and half yearly accounts and insurance policies for the Property, updated Fund models and divestment strategies, an independent valuation of the Property at least once every 12 months and tenancy schedules.
3. The events of default under the terms of the facility are usual for facilities of this nature and include the following:

- A failure to pay amounts due to the lender;
- The giving of a representation, warranty or statement by or on behalf of the Fund, or in a document provided under or in connection with the facility, which is not true in a material respect or is misleading when made or repeated;
- The occurrence of a cross default under a security document provided in respect of the facility;
- The appointment of an administrator, or the winding up or insolvency of the Fund;
- Any enforcement action being taken in respect of any of the assets of the Fund;
- A change of control occurs in relation to Centuria or the Fund without the lender's prior consent; and
- Centuria breaches the terms of its AFSL or has its AFSL revoked.

If an event of default occurs, the financier may take enforcement action against the Fund, including requiring that the payment of distributions be suspended and requiring that all outstanding monies be immediately repaid. The financier will only have recourse to the assets of the Fund and will not have recourse to the assets of the individual Investors. The financier has recourse to the assets of the Fund in priority to the claims of Investors' interests.

The interest expense of the Fund will not be capitalised.

Under the finance terms, an interest rate hedging strategy must be agreed with the financier. Accordingly, the Fund has hedged the interest cost applicable to 80% of the initial draw down for the entire three year term of the facility. The purpose of such a hedge is to fix the rate of interest on a majority of the debt in order to mitigate against interest rate volatility.

Investors should note the term of the proposed debt facility is three years, whereas the Fund's initial term is five years. The Fund's debt will therefore need to be refinanced prior to expiration of the facility. Centuria will actively monitor the facility and intends to take steps towards refinancing the facility, before its expiration; although there can be no guarantee replacement funding will be available at the time on comparable terms.

Centuria Capital also provided a short term loan to the Fund to finance the Fund's portion of the deposit and pay for the cost of the hedging arrangement to lock-in the fixed rate borrowing facility. This loan was repaid in full at settlement of the Property on 20 January 2022. Please refer to Section 12.4 for further information.

2.9 Acquisition Units

To facilitate the launch of the Fund and secure the Fund's interest in the Property, Centuria Capital has acquired $48,471,149 in Acquisition Units, at an issue price of $1.00 each.

Acquisition Units have the same rights as Units except for the following:

- Acquisition Units have a preferential right to be redeemed out of the proceeds from the issue of Units. Acquisition Units do not have any preferential rights to be redeemed out of the Fund's other assets (such as income or other cash generated from operations);
- The withdrawal price of an Acquisition Unit is the prevailing issue price of a Unit; and
- It is intended that Centuria Capital's Acquisition Units will be redeemed, using the proceeds raised under this Offer.

If the entire Offer Amount is not raised, then Centuria Capital will retain some Acquisition Units in the Fund.

2.10 Centuria Investor Rights Initiatives

Centuria is a market leader in the Australian unlisted property investment market. We have surveyed our investors to identify any issues of concern when investing in unlisted property funds.

As a result of the feedback we received, we have undertaken a series of initiatives to improve the rights of investors in our funds. The key issues we have identified and our actions to address these issues are:

1. **Investor Control Over The Manager**
At present, under the Corporations Act, removing a manager/responsible entity may only be effected with the support of investors who together hold at least 50% of all units on issue in the fund. Centuria believes this test is too onerous for investors. We have seen circumstances where non-performing managers have become entrenched because the hurdle rate to remove them is too high. Therefore, Centuria has reduced the voting level required to remove the Manager to be supported by Investors who together hold 35% of all Units on issue; and the resolution to remove the Manager is supported by at least 50% of all Units actually voted. Investors will need to approve any replacement responsible entity by an Extraordinary Resolution (i.e. approval by Investors who together hold at least 50% of all Units).
2. **Manager Performance Fee Structure**
Centuria believe that the success fee payment for funds should be designed to align the interests of investors and the manager. While our success fees to date have only been payable once a property has been sold and investors receive a profit, we have added an Internal Rate of Return hurdle to performance fees to take into account our goal of providing the maximum total return in a timely manner to investors.
3. **"Poison Pill" Provisions**
Some funds have "poison pill" provisions which require the relevant fund to pay an exit fee to the manager, even if the manager is removed by a vote of investors prior to the end of a fund. While we have not previously had "poison pill" provisions, we will continue to ensure that the Manager will not be eligible to receive exit fees if removed prior to the completion of the Fund.

Investment Overview

Section 2

4. Liquidity

Centuria will ensure that no investor can be locked into a fund for longer than a specified time period (subject to being able to undertake a timely sale of a fund's assets under normal market conditions). This is reflected in the voting structure for the Fund term, which specifies that any extension beyond seven years would require a Unanimous Resolution of Investors, or where a Unanimous Resolution is not passed, that all Investors who vote against the resolution are given the opportunity to have their Units sold or redeemed at the prevailing Withdrawal Price (Liquidity Event).

The Fund term will be extended if all Investors who voted against the Unanimous Resolution are given an opportunity to exit the Fund under the Liquidity Event. If all Investors who voted against the Unanimous Resolution and participated in the Liquidity Event are not able to exit the Fund under the Liquidity Event, then no Units will be redeemed or sold under the Liquidity Event, the Fund term will not be extended, the Property will be sold and the Fund wound up.

2.11 Total Return and Annualised Volatility of Various Asset Classes

A well diversified investment portfolio should include investments in a wide range of asset classes, including both listed and direct property. Some of the key benefits of investing in direct property (such as the Fund) include:

- Comparably higher income and total returns;
- Low correlation with the equity market; and
- Lower volatility compared to some other asset classes.

Total Return and Volatility Comparison against other major Australian asset classes over 25 years to 31 December 2021.

ASSET CLASS	TOTAL RETURN (P.A.)	VOLATILITY (P.A.)
Australian Residential Property	10.2%	4.1%
Australian Direct Property[1]	9.9%	2.6%
Australian Office Property	9.9%	2.8%
Australian Shares	9.1%	13.3%
Australian Retail Property	9.0%	3.3%
A-REITs	8.2%	16.7%
Australian Managed Funds	7.7%	7.2%
Australian Fixed Interest	5.7%	3.1%
Australian Cash	4.6%	3.1%

1 Australian Direct Property includes the retail, office and industrial sectors.
Source: S&P/ASX, MSCI, REIA, CBA, BLOOMBERG, RBA, PCA/IPD.
Past performance is not indicative of future performance.

Investment Overview

Section 2

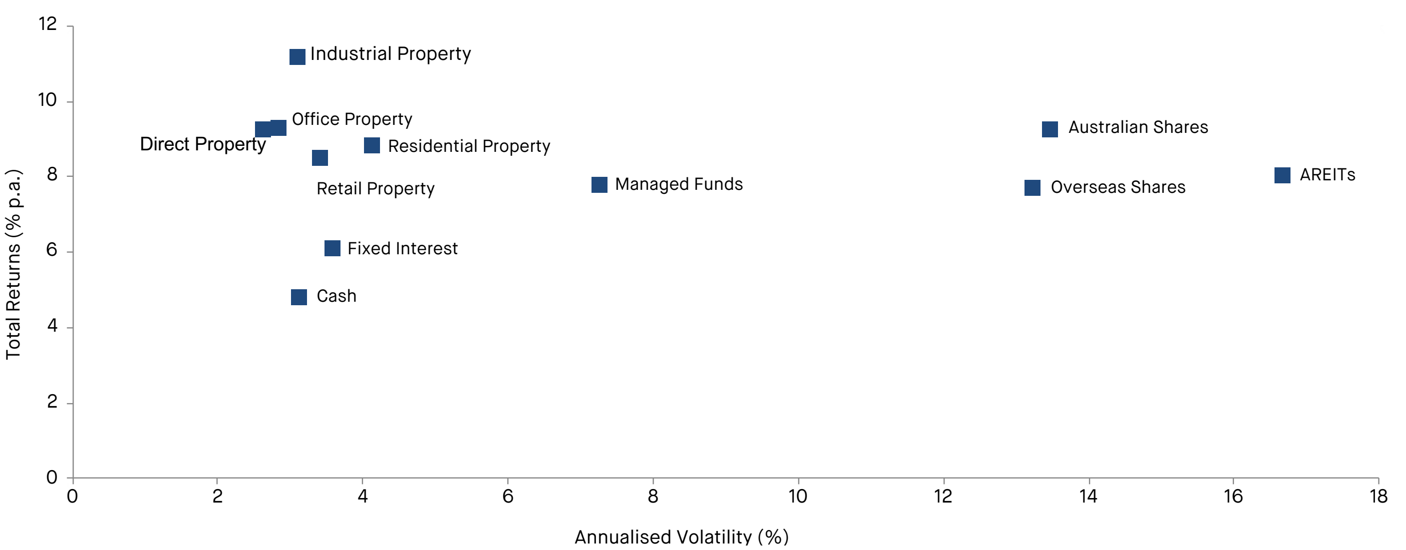
The key benefits of Direct Property include the potential for strong returns with low volatility.

The financial information in the two graphs below should not be considered an indication of the performance of the Fund. In addition, **past performance is not indicative of future performance**. Investors should consider the risks associated with an investment in the Fund including general risks of investing in unlisted managed investment schemes and risks specific to the Fund (including investing in property and the liquidity of an investment in the Fund). Please refer to Section 10 of this PDS for a summary of some of the key risks associated with an investment in the Fund.

Graph 1 exhibits the annualised return and volatility (risk) characteristics over a range of different asset classes over 25 years to 31 December 2021. As shown, Direct Property provides strong returns with lower volatility than the majority of the other asset classes.

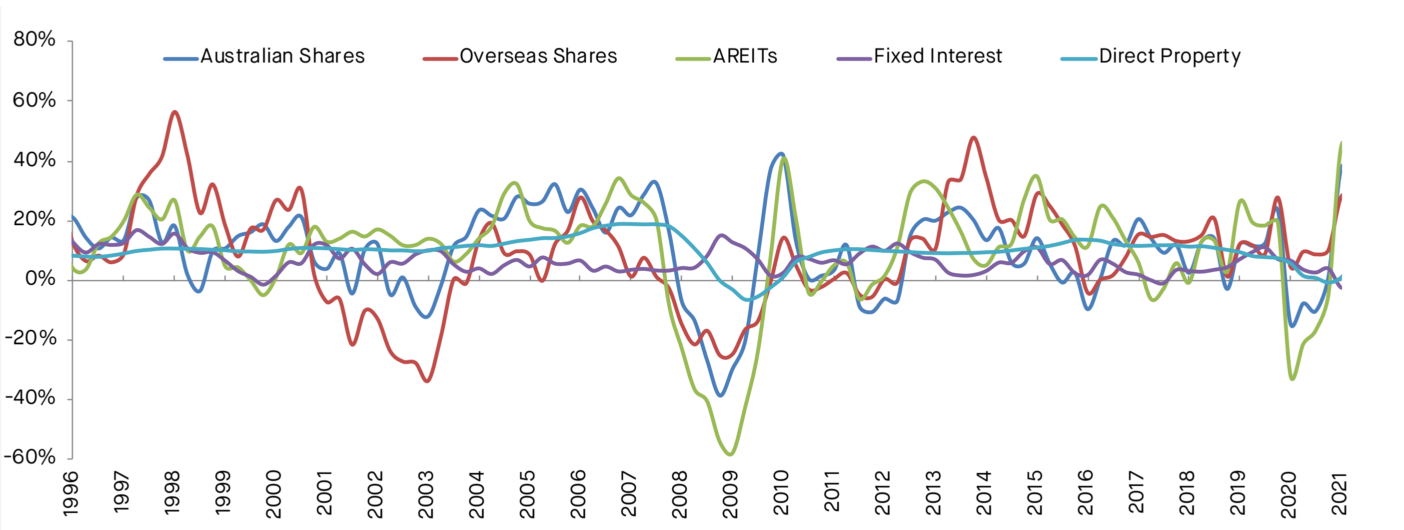
Graph 2 however, exhibits the Asset Class Rolling Annual Returns over 25 years to 31 December 2021 after fees and costs but pre-tax. As displayed in below, the rolling Direct Property returns are less volatile than the other asset classes over this 25 year period.

Graph 1. Asset Class Total Returns - 25 Years to 31 December 2021[1] (after fees and costs, pre-tax)



Source: S&P/ASX, MSCI, REIA, CBA, BLOOMBERG, RBA, PCA/IPD.

Graph 2. Asset Class Rolling Annual Total Returns - 25 Years to 31 December 2021[1] (after fees and costs, pre-tax)



Source: S&P/ASX, MSCI, REIA, CBA, BLOOMBERG, RBA, PCA/IPD.

1 The above tables show annual total returns. The total return from an investment is reflective of, and will depend on, the underlying movements in asset value together with the distributions of income received by investors from the investment. The financial information in the above tables should not be considered an indication of the performance of the Fund. In addition, past performance is not indicative of future performance. Investors should consider the risks associated with an investment in the Fund including general risks of investing in unlisted managed investment schemes and risks specific to the Fund (including investing in property and the liquidity of an investment in the Fund). Please refer to Section 10 of this PDS for a summary of the key risks associated with an investment in the Fund.

Investment Overview

Section 2

2.12 Centuria Online Investor Portal

Investors can keep up to date with information related to their investment, including all Fund updates, distribution and tax statements and specific Property performance by visiting our online investor portal at **www.centuriainvestor.com.au** and logging in.

2.13 Unlisted Property Fund Disclosure Principles and Benchmarks

Centuria is dedicated to ensuring its disclosure to Investors adheres to industry best practice and ASIC guidelines. This PDS contains disclosures against each of the disclosure benchmarks and principles set out in ASIC Regulatory Guide 46 (Unlisted Property Schemes: Improving Disclosure for Retail Investors). In addition, updated information will be available on the Centuria Online Investor Portal and is available from Centuria on request.

The following table shows the benchmarks set out in RG 46:

ASIC'S DISCLOSURE PRINCIPLES AND BENCHMARKS	DOES THE MANAGER COMPLY WITH ASIC'S BENCHMARK/ DISCLOSURE PRINCIPLES?	WHERE CAN I FIND FURTHER INFORMATION IN THIS PDS?
Scheme Borrowings and Gearing (Disclosure Principles 1 & 3 and Benchmark 1) These principles and benchmarks relate to the extent to which the Fund's assets are funded by interest-bearing liabilities and ensuring disclosure is provided in respect of what this means to Investors. ASIC's Benchmark 1 is for Centuria to have in place a gearing policy that governs the gearing within a Fund at the individual facility level.	Yes – a gearing policy has been implemented.	2.8, 12.5
Interest Cover Ratio and Interest Cover Policy (Disclosure Principle 2 and Benchmark 2) This principle and benchmark relates to how the Fund's cost of liabilities (interest cover) is maintained and providing disclosure in respect of what this means to Investors. ASIC's Benchmark 2 is for Centuria to have in place a policy that governs the management of ICR within a Fund at the individual facility level.	Yes – an ICR policy has been implemented.	2.8, 12.6
Interest Capitalisation (Benchmark 3) ASIC's Benchmark 3 states that the interest of the Fund should not be capitalised.	Yes – Centuria does not capitalise interest.	7.4
Portfolio Diversification (Disclosure Principle 4) This disclosure principle relates to disclosure around the level of diversification in a portfolio.	Yes – the Fund will own a single asset.	4.0
Valuations (Benchmark 4) ASIC's Benchmark 4 addresses the way in which valuations are carried out on the Fund's assets. The benchmark requires Centuria to maintain and comply with a written valuation policy that meets ASIC's minimum requirements.	Yes – Centuria does maintain and comply with a written valuation policy.	12.2
Related-Party Transactions (Disclosure Principle 5 and Benchmark 5) This principle and benchmark relates to Centuria's policy for related-party transactions and how this is disclosed to Investors. ASIC's Benchmark 5 requires Centuria to maintain and comply with a written policy on related-party transactions, including the assessment and approval processes for such transactions and arrangements to manage conflicts-of-interest.	Yes – Centuria does maintain and comply with a written policy on related party transactions.	12.3
Distribution Practices (Disclosure Principle 6 and Benchmark 6) This disclosure principle and benchmark relates to the source of distributions. ASIC's Benchmark 6 requires the Fund to only pay distributions from its cash from operations (excluding borrowings) available for distribution, unless otherwise disclosed by Centuria as responsible entity for the Fund.	No – A portion of distributions are expected to come from capital, as a result of the impact of an adjustment for outstanding tenant incentives and vendor rental guarantees.	2.5, 7.0
Withdrawal Arrangements (Disclosure Principle 7) This disclosure principle addresses disclosure of withdrawal arrangements within the Fund.	Yes – Centuria will not have a withdrawal facility open.	10.2
Net Tangible Assets (Disclosure Principle 8) This disclosure principle addresses disclosure of the net tangible asset (NTA) backing per Unit of the Fund.	Yes – Centuria has disclosed the NTA backing per Unit of the Fund.	7.3, 8.3, 10.2


JLL

Investment Rationale

Section 3

3.1 The Fund enjoys attractive, tax deferred forecast distribution yields with initial Fund gearing of 45%

The Fund is forecast to distribute 7.00% p.a. (annualised) (pre-tax) for the period to 30 June 2022 and 7.10% p.a. (pre-tax) for the financial year ending 30 June 2023. These forecast distributions are also expected to be 100% tax deferred in FY22 and 100% tax deferred in FY23 for Australian tax residents, providing Investors with greater access to their income.

The initial Fund gearing has been set at 44.6% (with an LVR of 45% as calculated under the Fund's proposed debt facility), which provides ample headroom within the debt facility's LVR covenant of 57.5%.

Centuria, as responsible entity for the Fund, has entered into a hedging agreement to fix the interest rate payable on 80% of the Fund's debt for the three year term of the facility. This mitigates a majority of the risk of interest rate volatility, allowing for more stable distribution forecasts in this period.

3.2 Diversified cash flow, underpinned by the South Australian Government and multi-national companies

The Property is 88.4% leased to 24 tenants with a WALE of 3.9 years (by income) as at 1 April 2022[1]. Furthermore, approximately 72% of the Property's gross income is generated from the Minister for Transport and Infrastructure (Department of Primary Industries and Regions, Minister for Energy and Mining, SA Health) and other blue chip tenants such as Minter Ellison, Aurecon, Lipman Karas and JLL.

Fixed annual rental reviews of predominately between 3.00% and 3.50% are also incorporated into the leases and as a result, the Fund is expected to provide a stable source of monthly income distributions to Investors.

3.3 One of Adelaide's most prominent office towers

25 Grenfell Street is a modern, A-grade commercial office building that has been refurbished to include a high quality End of Trip Facility, contemporary foyer, retail plaza and ground floor meeting/waiting areas.

The iconic, 26 level building also features large, efficient floorplates ranging between 1,043 sqm to 1,078 sqm, which can be easily split to accommodate a variety of users.

Furthermore, due to the Property being setback from surrounding development, it offers excellent natural light and expansive views over metropolitan Adelaide from the upper floors.

3.4 High profile Adelaide CBD location

Positioned in the heart of the CBD, the office tower is situated in close proximity to Adelaide's major retail precincts including Rundle Mall and Rundle Place. Both Leigh and Peel Streets are also nearby for numerous bar and dining options.

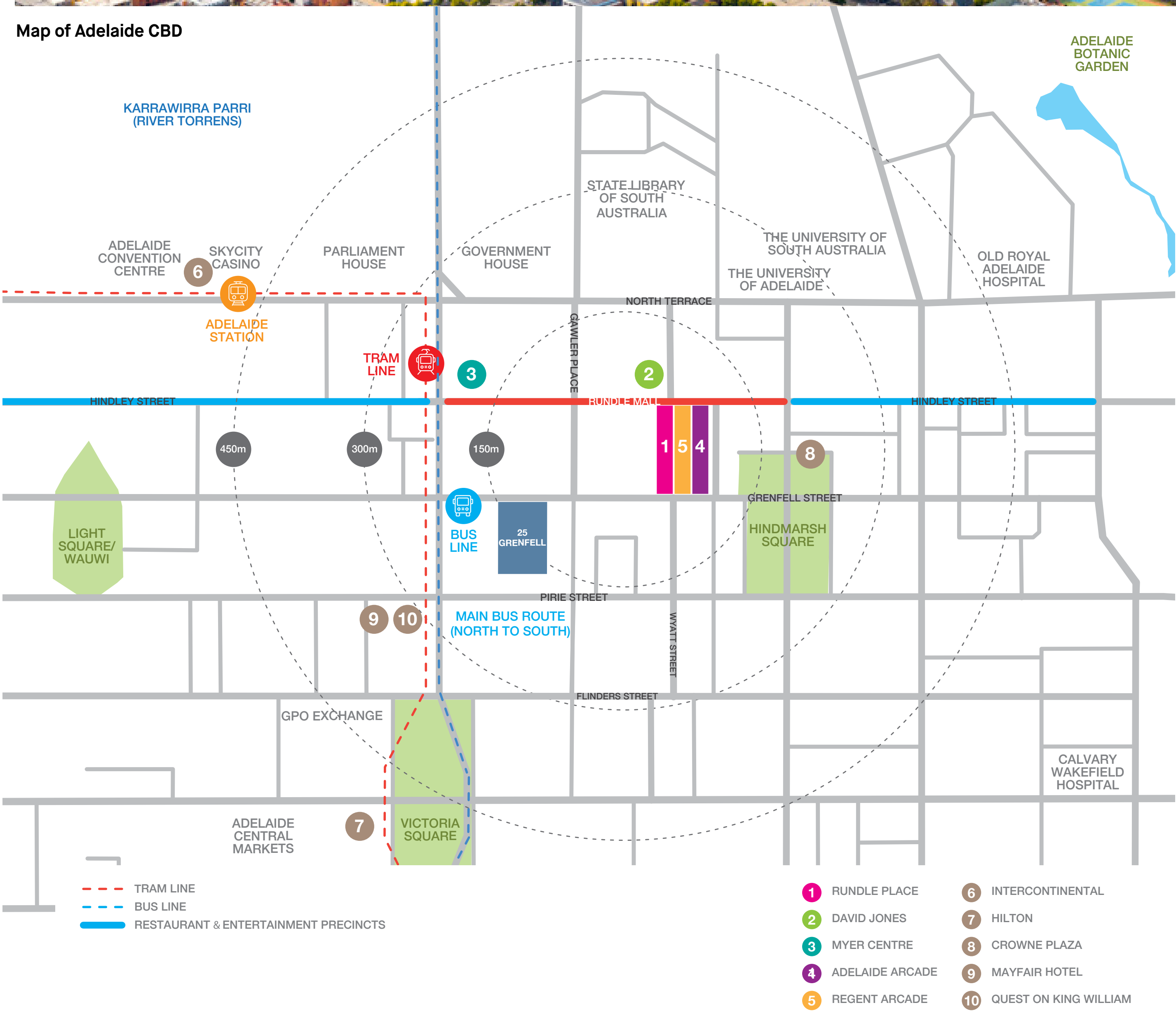
The Property also provides excellent access to public transport with frequent bus services running along Grenfell Street and the Adelaide Metro trams operating throughout the CBD from both King William Street and North Terrace. The Adelaide Railway Station is also within walking distance from the Property.

1 Includes the impact of the vendor rental guarantees.

Investment Rationale

Section 3

Map of Adelaide CBD



Investment Rationale

Section 3

3.5 Potential to add value through an active asset management strategy

At the date of this PDS, approximately 2,886 sqm or 11.6% of the Property's NLA is vacant and subject to vendor rental guarantees that range between 12 months and two years.

As a result, Centuria and MAF intend to implement a proactive leasing campaign and complete an extensive capital works program that is designed to assist with absorbing the existing vacant areas, achieving high levels of tenant retention and reinforcing the Property's reputation as one of Adelaide's most iconic office buildings.

During the first five years of the Fund, the Co-owners have forecast approximately $7.9 million in capital expenditure, which includes base building items identified within a technical due diligence report completed by CBRE (please refer to Section 4.4 for further information), upgrades to bathrooms and lift lobbies, activation of the retail plaza and various sustainability initiatives. This capital expenditure has been included in the Co-owners' budget for the Property, to be funded over time using borrowings.

The primary aim of the strategy is to deliver a repositioned core office asset with a stable cash flow and greater ESG credentials that is highly attractive to prospective investors. Both Centuria and MAF have a proven track record in this space.

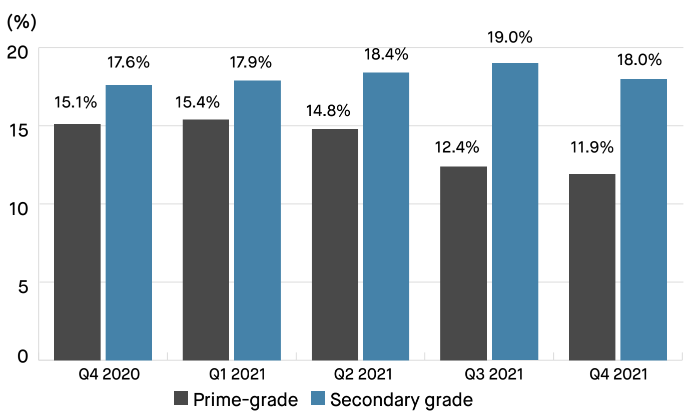
Please note that a major façade replacement and high-rise lift upgrade is also underway, which is being completed at the vendor's cost – the amount was deducted off the purchase price of the Property.

3.6 Strong fundamentals in Prime-grade[1] leasing market

According to JLL Research, over the 12 months to December 2021, the Prime-grade office vacancy rate in the Adelaide CBD reduced from 15.1% to 11.9%, which demonstrates the current strength of the market even during a pandemic. In addition, asking rents for the new major office developments are in excess of $700 per sqm gross and based on the independent valuation, the average market rent within the Property is $549 per sqm gross.

Therefore, 25 Grenfell Street is well positioned to capitalise on the strong demand for high quality office accommodation and drive potential rental growth while maintaining a considerable discount to new supply.

Adelaide CBD Office Vacancy Rates by Grade

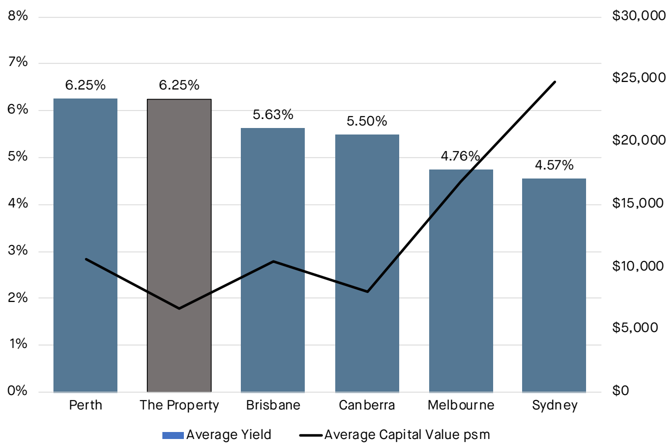


Source: JLL Research

3.7 Offers a yield premium of approximately 150 to 170 basis points over Melbourne and Sydney CBD Prime-grade[1] office assets

Investing in Adelaide's CBD office market offers an attractive yield premium in comparison to other markets around Australia. According to the independent valuation, the Property is being acquired at a market capitalisation rate of 6.25% and according to JLL Research, yields at the mid-point of the Prime-grade range in the Melbourne and Sydney CBD are 4.76% and 4.57% respectively.

CBD Prime Office Yields/Capital Values (Dec 21)



Source: JLL Research

3.8 No stamp duty in South Australia on commercial property transactions

South Australia is the only state in Australia that has no stamp duty payable on commercial property transactions, which on average is a saving approximately 5% compared to other states in Australia. This results in a higher starting NTA for the Fund than if stamp duty was payable.

3.9 Appetite for high quality Australian commercial office assets remains high

Despite the pandemic, yields for commercial office properties within Australia have remained stable and, in some cases, compressed, particularly for institutional grade stock with strong lease covenants.

1 Prime-Grade office stock is defined as the combination of both Premium-grade and A-grade office stock.

Investment Rationale

Section 3

3.10 Significant investment in South Australia

The South Australian economy has proven to be resilient throughout the course of the pandemic and has been underpinned by the emergence of sectors such as defence, education, healthcare and resources. Many of these industries have developed from South Australia's significant investment in infrastructure and federal government defence contracts.

Defence

- The recently announced AUKUS alliance will see nuclear powered submarines being built in Adelaide.
- $45 billion has also been committed for the construction of Australia's new fleet of Hunter Class frigates, which is expected to create 2,500 jobs in Adelaide and the vast majority will be located at the Osborne Naval Shipyard.

Bio-Med

- The $3.6 billion medical precinct on Adelaide's North Terrace is the largest health cluster in the southern hemisphere and includes the following:
  - The new $2.4 billion Royal Adelaide Hospital;
  - SAHMRI 1 (South Australian Health and Medical Research Institute) that houses approximately 700 researchers;
  - The University of Adelaide's new Health and Medical Sciences building; and
  - The University of South Australia's Health Innovation building.
- SAHMRI 2 is also under construction and due for completion in 2023.
- The new Women's and Children's Hospital is proposed for completion in 2025/26 as well.

Resources

- South Australia holds 68% of Australia's economic copper.
- The Olympic Dam copper, uranium, gold and silver deposit is one of the world's largest known accumulations of metals.
- Two of the top six ASX energy companies are based in South Australia.

Innovation

- Lot Fourteen's Innovation and Entrepreneur Precinct on North Terrace is home to the Australian Space Agency and is anticipated to house 6,000 workers when complete.
- Adelaide also features Australia's first 10 gigabyte fibre optic network and is the country's only CISCO Lighthouse City.

Liveability

- Adelaide has been ranked the world's third most liveable city by the Economist Intelligence Unit's Global Liveability Index for 2021.
- According to the Australian Bureau of Statistics, Adelaide also has the lowest residential property prices of all mainland capital cities. This combined with the quality of life is also attracting interstate migration.

Source: Cushman and Wakefield, Knight Frank, www.minister.defence.gov.au

Investment Rationale

Section 3

Comparable Sales Evidence

The acquisition metrics of the Property compare favourably to recent sales evidence of institutional grade assets in Sydney and Melbourne, where demand has pushed yields to historical lows. The tables on this page compare the Property with other relevant sales completed in the Adelaide, Melbourne and Sydney office markets.

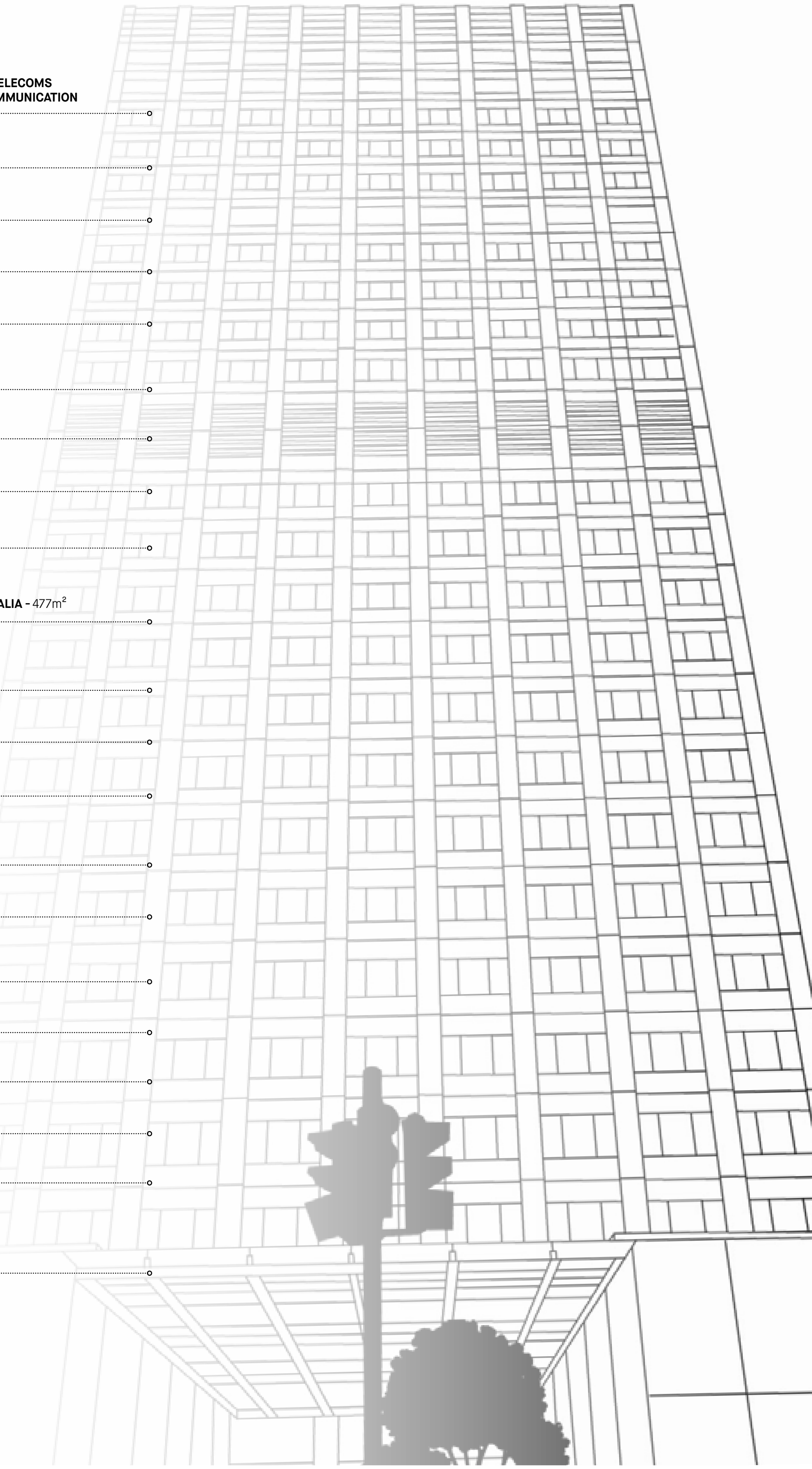
ADELAIDE OFFICE TRANSACTIONS	25 GRENFELL ST, ADELAIDE SA	50 FLINDERS ST, ADELAIDE SA	33 RICHMOND RD, KESWICK SA	75 HINDMARSH SQ, ADELAIDE SA	620 MERSEY RD, OSBORNE PARK SA	25 NILE ST, PORT ADELAIDE SA
Sale Date	Dec-21	Aug-20	Nov-20	Oct-20	Dec-20	Sep-21
Sale Price	$166.50m	$174.65m	$80.00m	$40.50m	$48.25m	$62.75m
NLA	24,911m²	21,745m²	6,532m²	4,662m²	8,006m²	6,393m²
WALE	3.9 yrs	5.5 yrs	12.5 yrs	3.8 yrs	9.6 yrs	11.4 yrs
Key Tenants	SA Government	PCCU	SA Government	NOVA Entertainment	ANI	SA Government
Initial Yield	6.97%	6.60%	4.78%	6.21%	5.07%	4.78%
Equivalent Yield	6.18%	5.92%	4.77%	6.09%	5.07%	4.74%
Capital Rate per $/m²	$6,684m	$8,032	$12,247	$8,687	$6,027	$9,815

SYDNEY AND MELBOURNE OFFICE TRANSACTIONS	25 GRENFELL ST, ADELAIDE SA	9 WENTWORTH ST, PARRAMATTA NSW	60 CARRINGTON ST, SYDNEY NSW	200 GEORGE ST, SYDNEY NSW	101 MORAY ST, MELBOURNE VIC	469 LA TROBE ST, MELBOURNE VIC
Sale Date	Dec-21	Sep-21	Jan-21	Jul-21	Sep-21	Jun-21
Sale Price	$166.50m	$64.00m	$140.00m	$578.50m	$205.12m	$201.30m
NLA	24,911m²	7,651m²	14,631m²	38,983m²	15,851m²	19,861m²
WALE	3.9 yrs	2.3 yrs	3.6 yrs	5.2 yrs	6.4 yrs	2.7 yrs
Key Tenants	SA Government	Commonwealth of Australia	Woods Bagot	Ernst & Young	SCA	Russell Kennedy
Initial Yield	6.97%	5.94%	4.88%	4.25%	4.86%	4.08%
Equivalent Yield	6.18%	5.36%	4.89%	4.33%	4.92%	5.01%
Capital Rate per $/m²	$6,684m	$8,365	$19,137	$29,679	$12,910	$10,135

The Property

Section 4

Stack Diagram of the Property



ROOF TELCO'S
OPTUS | **AUSTRALIAN RADIO NETWORK** | **VERTICAL TELECOMS**
TX AUST | **ATEN AUSTRALIAN** | **CIRRUS COMMUNICATION**

LEVEL 23
LIPMAN KARAS - 1,078m^2

LEVEL 22
LIPMAN KARAS - 1,077m^2

LEVEL 21
REGUS ADELAIDE - 1,078m^2

LEVEL 20
SUPERANNUATION FUNDS MANAGEMENT - 1,078m^2

LEVEL 19
RESERVE BANK - 277m^2 | **APRA -** 212m^2
ROBERT WALTERS - 307m^2 | **SINOSTEEL URANIUM -** 213m^2

LEVEL 18
JLL - 1,078m^2

LEVEL 14, 15, 16 & 17
GOVERNMENT OF SOUTH AUSTRALIA - 4,310m^2

LEVEL 13
GOVERNMENT OF SOUTH AUSTRALIA - 1,047m^2

LEVEL 12
LIBERTY MUTUAL - 237m^2 | **LGEE CONVEYANCING -** 122m^2
VACANT - 118m^2 | **GOVERNMENT OF SOUTH AUSTRALIA -** 477m^2

LEVEL 11
COMMONWEALTH OF AUSTRALIA - 552m^2 | **LAITY MORROW -** 409m^2

LEVEL 10
MINTERELLISON - 1,043m^2

LEVEL 9
MINTERELLISON - 1,043m^2

LEVEL 8
MINTERELLISON - 585m^2 | **MINTERELLISON -** 391m^2 **(STAGING SPACE)**

LEVEL 7
HEATHGATE - 1,047m^2

LEVEL 6
ORACLE GLOBAL SERVICES - 349m^2 | **HEATHGATE -** 239m^2
VACANT - 400m^2

LEVEL 4 & 5
AURECON - 2,086m^2

LEVEL 3
AURECON - 482m^2 | **VACANT -** 489m^2

LEVEL 2
VACANT - 1,043m^2

LEVEL 1
RANDSTAD - 350m^2 | **VACANT -** 613m^2

LOWER GROUND
BANK OF QUEENSLAND - 105m^2
SUNCORP - 284m^2
GEORG JENSEN - 107m^2

UPPER GROUND
LOBBY
VACANT - 30m^2

PLAZA (RETAIL)
BANH MI - 86m^2 | **PLUS 82 POCHA** - 102m^2
VACANT - 75m^2 | **BORSA CUCINA PASTA** - 177m^2
VACANT - 53m^2 | **VACANT** - 65m^2

BASEMENT
PARKING BAYS - 30 spaces

The Property

Section 4

4.1 Key Features of the Property

The Property enjoys the following key attributes:

- Landmark, A-grade office building constructed in 1975, which was substantially refurbished in 2007 to extend the retail podium;
- 88.4% leased with a WALE of 3.9 years (by income) as at 1 April 2022;
- The 2,886 sqm (11.6% of the NLA) of vacant space is subject to vendor rental guarantees that range between 12 months and two years;
- Multi-tenanted with approximately 72% of the Property's gross income underpinned by the South Australian Government and blue-chip corporate tenants;
- Central CBD location with excellent access to premium retail and hospitality precincts such as Rundle Mall, Peel Street and Leigh Street;
- 24,911 sqm of NLA with large, flexible floorplates of over 1,000 sqm;
- Situated on large rectangular site of 1,968 sqm, which is setback from surrounding buildings, the Property offers excellent natural light from all four sides and panoramic views from the upper levels;
- Basement parking for 30 vehicles; and
- Fixed annual rent reviews of predominately between 3.00% and 3.50%.

4.2 The Property

Originally constructed in 1975 with major refurbishments being undertaken during the 1990s and 2007 (retail podium extension), the Property comprises a 26 level, A-grade commercial office building featuring 24,911 sqm of NLA and basement parking for 30 vehicles.

The building's lobby is raised from the street level and includes two access points with the main entrance located on Grenfell Street. The Exchange Place foyer at the rear of the Property features an expansive space with both high rise and low rise lift lobbies, waiting/meeting areas and a café.

There are also two prominent retail "pods" fronting Grenfell Street with a number of additional tenancies situated at the lower ground level, along with the recently expanded End of Trip Facility.

The office accommodation is spread across the upper 23 levels with a mixture of full floor and part floor tenancies. Offering large, flexible floorplates that range between 1,043 sqm and 1,078 sqm, the fitouts throughout the building are of high standard, particularly those that have been completed in the past two years.

The position and design of the Property provides excellent natural light to all four sides of the asset and panoramic views from the upper levels.

4.3 Acquisition Summary (50% interest)

PROPERTY	SECTOR	INDEPENDENT VALUATION[1]	PURCHASE PRICE[2]
25 Grenfell St, Adelaide, South Australia	A-Grade Commercial Office	$83.25m	$83.25m

1 Based on the independent valuation included in Section 5.
2 The Fund invests in the Holding Trust, which owns a 50% interest in the Property.

4.4 Building Report

A detailed building and services due diligence report in respect of the Property has been undertaken by CBRE. Centuria considered that the report did not identify any major issues which should preclude the Fund proceeding with the acquisition of the Fund's interest in the Property.

Where issues have been identified, they have been costed and a capital expenditure budget has been prepared.

Please note that the building report did identify the presence of Aluminium Composite Panels (ACPs), however these are currently being replaced at the vendor's cost and the project is anticipated to be completed by February 2023.

4.5 Title Particulars

The Property comprises a single Certificate of Title and is described as Lot 100 in Deposited Plan 47431. It is located within the Capital City Zone, which permits a mix of uses including commercial office and retail. Therefore, the current use of the land is considered permissible.

The Property

Section 4

4.6 Tenant Profiles

Department for Infrastructure and Transport | www.dpti.sa.gov.au
The Department for Infrastructure and Transport forms part of the Government of South Australia, providing effective planning policy, efficient transport, and valuable social and economic infrastructure on behalf of the South Australian Government.

Government of South Australia is the administrative authority of the Australian state of South Australia.

Minter Ellison | www.minterellison.com
MinterEllison is Australia's largest law firm providing legal and consulting services through a global network of affiliated firms and associated companies.

The group provides legal advice and support to clients including, government, private and publicly listed companies, and small and large businesses in Australia and overseas.

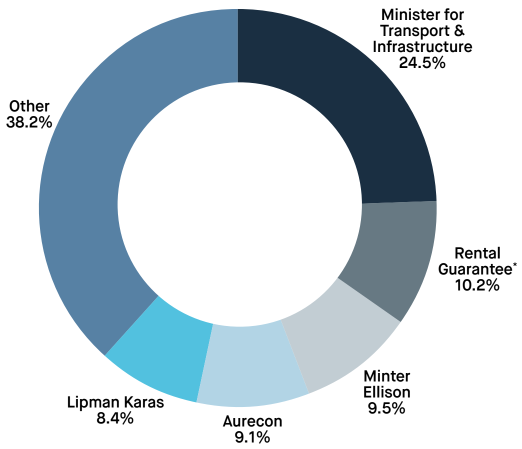
Aurecon | www.aurecongroup.com
Aurecon is a multi-national engineering firm based in over 26 countries, employing over 7,500 staff members.

The group provides engineering, management, design, planning, project management, consulting and advisory across both the private and public sector across built forms, and infrastructure works.

Lipman Karas | www.lipmankaras.com
Lipman Karas is a specialist investigative dispute resolution practice that is involved in some of the largest and most complex litigation around the world.

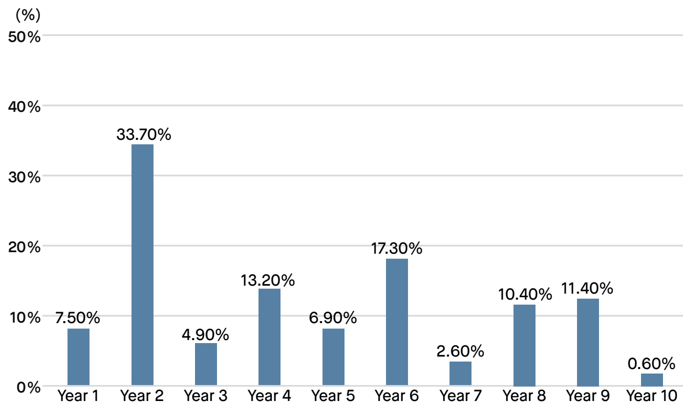
With offices in Australia and London, the firm has expertise in a number of areas such as company law, audit and other professional negligence, director and banker liability, white collar fraud, private international law, equitable remedies and shareholder disputes.

Tenant Mix (by gross income)



*The 2,886 sqm (11.6% of the NLA) of vacant space is subject to vendor rental guarantees that range between 12 months and two years.

Expiry Profile (by gross income and including rental guarantees)*



8 February 2022

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The Directors
Centuria Property Funds No 2 Limited
Level 41, Chifley Tower
2 Chifley Square
Sydney NSW 2000

Dear Sirs

Re: Valuation Summary Letter
Property: 25 Grenfell Street, Adelaide, SA ("Subject Property")

We refer to instructions issued by Centuria Property Funds No 2 Limited (CPF2L) dated 24 January 2022 to provide the Market Value of 25 Grenfell Street, Adelaide SA. This valuation summary letter ("summary letter") has been prepared for inclusion into a Product Disclosure Statement (PDS) to be issued by Centuria Property Funds No 2 Limited.

We have prepared a full and comprehensive Valuation Report for the property in accordance with our instructions. This summary letter should be read in conjunction with the Valuation Report (prepared as at 31 January 2022) as we note this summary letter does not include all essential information and the assumptions which are detailed in our Valuation Report. The Valuation Report provides a detailed description of the property; its current tenancy configuration and agreements; assumptions impacting value and local market characteristics.

An extract from the valuation report comprising the SWOT Analysis and Critical Assumptions is annexed to this summary letter.

We have assessed the valuation on the basis of Freehold Title, subject to the existing leases. We have been specifically instructed to incorporate the following assumptions:

- Ongoing lift and façade works are complete;
- Rental Guarantees are provided over the vacant areas as per the schedule provided on 19 October 2021; and
- Outstanding Incentives & Lessor Works are paid out (with the exception of Heathgate Resources).

Market Value as defined by the International Valuation Standards Council (IVSC) and as adopted by the Australian Property Institute (API) is as follows:

"Market Value is the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing, and where the parties had each acted knowledgeably, prudently and without compulsion."

We have assessed the market value of the property in accordance with the Market Value definition referred to above. In the event that a sale was to occur in circumstances not reflecting that Market Value definition, the price realised may be at a substantial discount to the Market Value assessed.

savills

Valuation Summary

Property Description	The property comprises a commercial office building with basement parking (30 vehicles), ground floor retail plaza and podium areas, and twenty three (23) upper levels of A grade commercial office accommodation. The building was originally constructed in 1975 and the retail podium extension was undertaken in 2007. The subject property is located on the southern side of Grenfell Street a short distance east of the intersection with King William Street, about 750 metres north - east of the Adelaide GPO, and about 300 metres south of Rundle Mall.
Car Parking	30 lettable bays (ratio of 1 space per 829m²)
Lettable Area	24,876.00m²
Site Area	1,968.00m²
Zoning	Capital City Zone – City of Adelaide
Occupancy Level	90% - Rent Guarantees over vacant space
Weighted Average Lease Expiry	3.76 years[1]
Adopted Market Value (50% Interest)	$83,250,000 (*) (Eighty Three Million Two Hundred and Fifty Thousand Dollars)
Adopted Market Value (100% Interest)	$166,500,000 (*) (One Hundred and Sixty Six Million Five Hundred Thousand Dollars)
Passing Initial Yield	6.85%
Equated Market Yield	6.26%
Internal Rate of Return (10 years)	6.46%
Adopted Valuation Figure (psm)	$6,693/m²
Net Passing Income (pa & psm)	$11,403,507 (avg office $435/m²)
Adopted Outgoings (pa & psm)	$3,070,872 ($123/m²)
Gross Passing Income (pa % psm)	$14,474,379 (avg office $582/m²)
Gross Market Income (pa & psm)	$14,242,205 (avg office $549/m²)
Net Market Income (pa & psm)	$11,171,333 (avg office $426/m²)
Average Annual Market Rental Growth (pa)	Office: 2.76% (average compound rate)
Capital Expenditure	$11,523,838 (FV $463/m²)

[1] Assumes surrender/contraction rights are exercised as detailed in our Critical Assumptions.
(*)This valuation amount is exclusive of a Goods and Services Tax and is expressed in $AUD.

Page 2

Valuation Methodology

We have assessed the valuation on the basis of Freehold Title, subject to existing leases. The valuation is determined on the basis that the property, the Title thereto and its use is not affected by any matter other than that mentioned in the full valuation report. Furthermore, it has been assumed that reasonable resources are available in negotiating the sale and exposing the property to the market.

Given the nature of the subject property, we have primarily relied upon the discounted cash flow approach and capitalisation approach as they best address the main criteria upon which investments of this magnitude are normally bought and sold. We have adopted the direct comparison approach ($/m^2 of lettable area) as a secondary (check) method.

A discounted cash flow analysis has been prepared taking into account the ability of the property to generate income over a 10 year period based on certain assumptions. Provision is made for leasing up periods upon the expiry of leases where applicable throughout the 10 year time horizon.

Each year's net operating income during the period is discounted to arrive at the present value of expected future cash flows. The property's anticipated sale value at the end of the period (i.e. its terminal or reversionary value) is also discounted to its present value and added to the discounted income stream to arrive at the total present market value of the property.

The capitalisation approach involves estimating the potential sustainable gross market income of a property from which annual outgoings are deducted to derive the net market income. This net market income is then capitalised at an appropriate rate derived from analysis of comparable sales evidence. Adjustments to the capitalised value are then made for items including profit rent/shortfall derived from passing rents which are above or below market, letting up allowance over vacant areas including foregone rental and outgoings over the assumed letting up period together with marketing expenses and leasing commissions, short term capital expenditure, outstanding lease incentives including rent free periods and committed Lessor contributions.

Reliance

The full valuation report is for the reliance of Centuria Property Funds No 2 Limited (in its capacity as manager of the Centuria 25 Grenfell Street Fund).

The Valuation Summary Letter is for the purpose of inclusion in a Product Disclosure Statement (PDS) to be issued by Centuria Property Funds No 2 Limited as responsible entity for the Centuria 25 Grenfell Street Fund.

Liability Disclaimer

Savills Valuations Pty Ltd (Savills) has prepared this summary letter for Centuria Property Funds No 2 Limited for inclusion in the Product Disclosure Statement (PDS) for the Fund to be dated on or around 21 February 2022 and has only been involved in the preparation of this summary letter and the valuation referred to therein. Savills specifically disclaim liability to any person in the event of any omission from, or false or misleading statements included in the PDS, other than with respect to this summary letter.

Savills has prepared this summary letter and the valuation report based upon information made available to us at the date of valuation. Any reliance upon this summary letter should be based upon the actual possession or sighting of an original valuation report duly signed and countersigned. We believe that this information is accurate and complete, however we have not independently verified all such information. In providing this summary letter, Savills is not providing advice about a financial product, nor the suitability of the investment set out in the PDS. Savills does not, nor do the Valuers, hold an Australian Financial Services Licence and is not operating under such a licence in providing its opinion as to the value of the property detailed in this summary letter and the valuation report.

We confirm that Savills Valuations Pty Limited and the appointed Valuer, Mr Heath Dowling, do not have any pecuniary interest that would conflict with the proper valuation of the property and the valuation being made independently of Centuria and/or its officers. Savills Valuations Pty Limited was paid a fee of $9,000 plus GST for undertaking the valuation of the property and preparing the valuation report and this summary valuation letter. The Valuers performing this valuation have in excess of 5 years continuous experience in the Valuation of property of a similar type and are authorised as Valuers in the State of South Australia.

Savills Valuations Pty Ltd accepts no responsibility to third parties nor does it contemplate that the valuation report will be relied upon by third parties (other than in relation to the market valuation referred to in this summary letter). We invite other parties who may come into possession of the valuation report to seek our written consent to them relying upon the valuation report and we reserve our rights to review the contents in the event that our consent is sought.

This Valuation is current at the date of valuation only. The value assessed herein may change significantly and unexpectedly over a relatively short period of time (including as a result of general market movements or factors specific to the particular property). Liability for losses arising from such subsequent changes in value is excluded as a liability where the 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 effect on the valuation.

Liability Disclaimer (continued)

In respect of the office sector, as at the valuation date we continue to be faced with an unprecedented set of circumstances caused by COVID-19 and an absence of relevant/sufficient market evidence on which to base our judgements. Our valuation of the subject property is therefore reported as being subject to 'material valuation uncertainty' as set out in VPS 3 and VPGA 10 of the RICS Valuation – Global Standards. Consequently, in respect of these valuations less certainty – and a higher degree of caution – should be attached to our valuation than would normally be the case.

For the avoidance of doubt, this explanatory note, including the 'material valuation uncertainty' declaration, does not mean that the valuation(s) cannot be relied upon. Rather, this explanatory note has been included to ensure transparency and to provide further insight as to the market context under which the valuation opinion was prepared. In recognition of the potential for market conditions to move rapidly in response to changes in the control or future spread of COVID-19 we highlight the importance of the valuation date.

Savills consents to the Valuation Report being made available for inspection at the registered address of Centuria Property Funds No 2 Limited.

Liability limited by a scheme approved under Professional Standards Legislation.

RICS

Yours sincerely,

Heath Dowling
State Director - SA
Valuation & Advisory

Appendix (Extract from Valuation Report) – Overleaf:

- SWOT Analysis
- Critical Assumptions

Regulated by RICS

SWOT Analysis

25 Grenfell Street, Adelaide, SA

Strengths	■ A Grade office asset very well located in the core of the CBD, with very good public transport links and retail amenity in the vicinity. ■ The subject is considered a core holding by institutional capital given its age, location, and market profile, and is within a price bracket which is relatively competitive for institutional capital. ■ Reasonable size floor plates (1,043m^2 to 1,078m^2) with central services core and building setbacks providing good natural light to all sides and very good views at the upper levels. ■ Diversified tenancy profile with Government and major companies including Minter Ellison, Aurecon and Lipman Karas, and a sound WALE (by income) of 3.76 years (incl rent guarantees). ■ Multi-let nature of the building provides a staggered lease profile. ■ Mechanical services were substantially upgraded from 2008 to 2010. ■ End of Trip facilities provided having been recently expanded. ■ High rise lifts in the process of being upgraded (assumed complete for valuation). ■ Façade works underway with ACP to be removed (assumed complete for valuation). ■ Rental guarantees in place over vacant space (10.0% of NLA).
Weaknesses	■ Base building male and female amenities are located within the central services core via the emergency stairwells, considered less desirable by some tenants. ■ Outgoings recoveries are limited despite most leases providing for increases over a base year, due to adopted outgoings being lower than base year amounts.
Opportunities	■ Lease the current vacancies, and negotiate renewal periods for imminent vacancies to improve the tenancy profile. ■ Explore outgoings savings, energy efficiencies, and NABERS rating improvements. ■ Undertake capital expenditure as proposed to improve the condition and appeal of the building. ■ The full floor plates can be split if required.
Threats	■ Potential cashflow volatility with imminent lease expiries, likely incentives and ongoing capital expenditure on repairs and maintenance. ■ The statutory Site Value and Capital Value appear low and there is therefore risk of increases to statutory outgoings over the medium term. ■ Ongoing negative impacts of the global Covid-19 pandemic impacting let up, incentives, and market rents. ■ Structured lease reviews are expected to outstrip market rental growth. ■ The capital market for institutional grade office buildings has been strong for the past 36 months, (including the period since the onset of Covid-19) with strong yield compression leading to elevated capital values. Investment demand has proven resilient to the impacts of Covid and is expected to remain firm in the shorter term given the main drivers such as low interest rates, strong foreign investment demand, and poor performance of alternative investments, particularly fixed interest investments (bonds). However, if any of the above factors was to reverse, values may be negatively impacted. ■ Unidentified capital expense items. ■ Tenant default on lease obligations.

Savills Valuations Pty Ltd | ABN 73 151 048 056

Printed: 8/02/2022

Version 19

Critical Assumptions

25 Grenfell Street, Adelaide, SA

Tenancies/Financial	■ That the information supplied to us in the electronic data room and our instructing party is complete, current and accurate. ■ We have been specifically instructed to incorporate the following assumptions: ○ Ongoing lift and façade works are complete; ○ Rental Guarantees are provided over the vacant areas as per the schedule provided on 19 October 2021; ○ Outstanding Lessor Works are paid out (with the exception of Heathgate Resources); and ○ Outstanding Incentives are paid out (with the exception of Heathgate Resources). ■ We have incorporated the following assumptions in our calculations: ○ Minter Ellison exercise contraction rights over Part Level 8 at earliest possibility (1 July 2022). ○ Aurecon exercise their early surrender rights for Part Level 3 in April 2025 and Levels 4 & 5 in April 2027. ■ We have also incorporated the following tenancies within our calculations, based upon the Heads of Agreement (HOA) or partially executed lease documentation we have reviewed as at the stage of preparing this report: ○ Minter Ellison (Part Level 8, Level 9 & Level 10) ○ Heathgate Resources Pty Ltd (Part Level 6 & Level 7) ○ Julius R Turk Pty Ltd (Part Level 12) ○ Fresco-Bah Grenfell Pty Ltd (Lobby Café) ○ Australian Energy Market Operator (Part Level 1) Our valuation specifically assumes that leases are executed in accordance with the key terms summarised in Section 7.3 and the appended Tenancy Schedule, and we stress that there could be a material impact on value should this not eventuate.
Physical	■ This valuation has been made on the assumption that there are no actual or potential contamination issues affecting the site or the building. ■ We have carried out this valuation on the assumption that this property is free from flood affectation. ■ We have relied upon the supplied lettable areas for the purposes of this valuation, and should a building survey prove these areas to be incorrect we reserve the right to review this valuation. ■ We are not qualified to carry out nor have we sighted a structural survey/report of the building, accordingly we are not qualified to express an opinion as to the structural integrity of the building. We were also unable to inspect parts of the premises that were unexposed or inaccessible and therefore cannot say that such parts are free from defects. We recommend that a structural survey/report be commissioned by the nominate party to identify any building defects. We reserve the right to review this valuation if any such defects are identified. ■ The Technical Due Diligence has indicated that ACP cladding is installed over a large proportion of the building façade. Previous sampling of the ACP material during their façade inspection and confirmed that the majority of the ACP at the site contains 95-100% Polyethylene (PE) to its core. A contract to replace the cladding has been awarded and rectification works are underway. We note the Technical DD report makes a specific allowance for the rectification of the ACP ($8,676,300) and we are advised the remaining works are to be adjusted for at settlement. Our valuation has been undertaken on the assumption the works are completed and all ACP has been removed. Should this not be the case, we reserve the right to review our assessment.

Continued overleaf.

Critical Assumptions (cont.)

25 Grenfell Street, Adelaide, SA

Legal/Planning	■ We have reviewed the various notifications on title and have assumed for the purpose of this valuation that these notifications do not have any adverse effect on the value of the property. ■ That all certificates and approvals are in place as required by the local authority. ■ That the property is occupied and managed in full compliance with the law, in particular relating to safety and fire regulations. ■ We are unaware of any current road widening or resumption requirements for the property; however, we have not completed searches with resuming authorities to confirm this. Our valuation therefore assumes that the property is not the subject of any proposed resumptions.
GST	■ Our valuation of this property has been prepared on a GST exclusive basis with no provision included for the payment of GST by the supplier (vendor) on its sale. All sales and valuation calculations quoted in this report are exclusive of GST obligations. ■ In relation to any potential GST liability, we advise that we are not taxation or legal experts and we recommend competent and qualified advice be obtained. Should this advice vary from our interpretation of the legislation and Australian Taxation Office rulings current as at the date of this valuation, we reserve the right to review and amend our valuation accordingly. ■ Our assumptions with respect to GST are current at the time of this report. Changes to the GST Act may impact the value of the subject land if and when these occur. ■ In analysing the sales evidence referred to in our report, it is noted that we have attempted to ascertain whether or not the sales pricing is inclusive or exclusive of the Goods and Services Tax (GST). In relation to sales evidence, we stress that the Land Titles Offices in Australia do not currently differentiate between, or record, whether or not the sale price is inclusive or exclusive of GST. Where we have not been able to verify whether or not GST is included in the sale price, we have assumed that the Land Titles office record of sales is exclusive of GST. Should this not be the case for any particular sale transaction used as evidence, we reserve the right to reconsider our valuation.
General	■ The rental and sales information has been obtained from a number of sources including RP Data and registered government sales transfers. Whilst we understand the information to be reliable, we are unable to guarantee the accuracy. ■ In the event we become aware of a material change in investment market dynamics during the period between the Date of Issue and Date of Valuation, we reserve the right to amend our assessment. ■ The DCF exercise appended hereto has been undertaken for the sole purpose of assisting in the determination of the market value of the property and we make no guarantees or warranty as to the accuracy of the future rental income stream projections in so far as they relate to market rental movements. ■ This report has been countersigned to verify the report is issued by this Company. Any reliance upon this report is restricted to the nominated party(ies) and must be based upon the actual possession or sighting by them of an original document duly signed and countersigned in the before mentioned manner. ■ All information provided to us by the instructing party for the purpose of preparing this report is accurate and current as at the Date of Valuation. ■ Savills Valuations Pty Ltd accepts no responsibility to third parties nor does it contemplate that this report will be relied upon by third parties. We invite other parties who may come into possession of this report to seek our written consent to them relying upon this report and we reserve our rights to review the contents in the event that our consent is sought.

Continued overleaf.

Critical Assumptions (cont.)

25 Grenfell Street, Adelaide, SA

General (cont.)	▪ This Valuation is current at the date of valuation only. The value assessed herein may change significantly and unexpectedly over a relatively short period of time (including as a result of general market movements or factors specific to the particular property). Liability for losses arising from such subsequent changes in value is excluded as is liability where the 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 effect on the valuation. ▪ This valuation is prepared on the assumption that the lender as referred to in the valuation report (and no other), may rely on the valuation for mortgage finance purposes and the lender has complied with its own lending guidelines as well as prudent finance industry lending practices, and has considered all prudent aspects of credit risks for any potential borrower, including the borrower's ability to service and repay any mortgage loan. Further, the valuation is prepared on the assumption that any such lender is providing mortgage financing at a conservative and prudent loan to value ratio. This clause (Prudent Lenders Clause) only applies if the lender is not a lender regulated by the Banking Act of 1959. ▪ The market for investment grade assets has firmed noticeably over the last 2 years, with yields now considered to be reaching historical lows. At some point it is quite possible that the cycle could move into a downward phase and yields could soften. If this was to occur then values will reduce. This inherent risk factor should be considered when forming investment decisions. ▪ Unless otherwise set out in the Proposal, Savills is not aware of any conflict of interest in accepting your instruction to value the Property and the valuer set out in the Proposal is in a position to provide an objective and unbiased valuation.

Should any of the assumptions in this report be incorrect or inaccurate, then we reserve the right to amend the valuation and the report.

Centuria Property Funds No. 2 Limited

Section 6

6.1 The Responsible Entity

Centuria has approximately $19.3 billion of assets under management[1] across its listed funds and unlisted property portfolio.

Centuria was formed in 1998 with a specific focus on the purchase of high quality, growth oriented commercial property investments.

Centuria is a 100% owned subsidiary of the ASX listed Centuria Capital Limited. Total funds (which includes property and non-property funds) under the management of Centuria Capital are approximately $20.2 billion.

Centuria Capital is regulated by the ASX, ASIC and APRA.

A profile of Centuria Capital together with details on the directors and key senior management can be found at **www.centuria.com.au.**

6.2 Board of Directors

The Directors of the responsible entity of the Fund, Centuria Property Funds No. 2 Limited, as at the date of this PDS are:

Roger Dobson
Independant Chairman

Qualifications
Masters of Laws, Bachelor of Law, Member of the Australian Restructuring Insolvency and Turnaround Association (ARITA) and INSOL International

Roger has been an Independent Non-Executive Director of Centuria Property Funds No.2 Limited (CPF2L) since October 2017 and was appointed Chairman of the Board in July 2020. He is also a member of CPF2L's Audit, Risk Management and Compliance Committee. He has extensive experience in large, complex restructuring and insolvency matters throughout Australia.

For more than a decade, Roger has represented main banking syndicates, offshore funds holding a substantial debt position, companies experiencing financial distress, liquidators, administrators, and receivers. His experience covers a diverse range of industries, including energy and resources, mining services, construction, engineering services, media and communications, investment banking and financial services, retail, manufacturing, and infrastructure.

Roger heads Jones Day's Business Restructuring & Reorganisation practice in Australia.

He holds a Master of Laws from Columbia University, NYC, and a Bachelor of Law from Adelaide University. He is a member of the Australian Restructuring Insolvency & Turnaround Association (ARITA) and INSOL International.

Peter Done
Non-Executive Director

Qualifications
Bachelor of Commerce (Accounting) UNSW, and Fellow of Chartered Accountants Australia and New Zealand

Peter joined the Centuria Capital Group Board as an Independent Non-Executive Director in November 2007. He is also Chairman of Centuria Capital Group's Audit, Risk Management and Compliance Committee.

He has extensive knowledge in accounting, audit and financial management in the property development and financial services industries, corporate governance, regulatory issues and Board processes through his many senior roles.

Peter hails from a 38-year career at KPMG. From 1979, he held the position of Partner until his retirement in 2006. During his 27 years as Partner, Peter was the lead audit partner for many clients, including those involved in property development, primary production and television and film production and distribution.

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

1 As at 31 December 2021 and includes assets exchanged but not settled, cash and other assets. Also includes assets under management of related company Centuria Property Funds Limited. All figures above are also in Australian dollars (currency exchange ratio of AU$1.000:NZ$1.0617).

Centuria Property Funds No. 2 Limited

Section 6

Jennifer Cook

Independent Non-Executive Director

Qualifications

Masters in Business Administration University of Southern Queensland and Graduate of Australian Institute of Company Directors

Jennifer is Managing Director of commercial property consultancy, Customer 360, working with major Australian businesses to develop place transformation strategies that deliver competitive advantage and growth. Her broad leadership experience extends across consumer and business-to-business markets, asset management, retail, major events and festivals, arts and culture, professional services and tourism.

Previous senior roles include AMP Capital Real Estate's Head of Customer Experience for the $10bn Australia and New Zealand retail portfolio, Urban Development Institute of Australia's (UDIA Qld) Director of Brand and Innovation, Associate Director of Brand Strategy for Fortune 500 company AECOM, and General Manager of Retail for Virgin Mobile.

Ms Cook is also on the advisory board member of sharing economy startup Vennu. She has a MBA from the University of Southern Queensland (USQ) and is a Graduate of the Australian Institute of Company Directors.

Natalie Collins

Independent Non-Executive Director

Qualifications

Bachelor of Economics (Accounting) and Member of the Australian Institute of Company Directors

Natalie has been an independent Non-Executive Director of Centuria Property Funds No.2 Limited (CPF2L) since July 2020. She also sits on the Boards of Centuria Life Limited, Guardian Friendly Society, Centuria Healthcare Asset Management Limited and is a member of Centuria Capital Group's Culture and ESG Committee.

Currently, Natalie is Head of Commercial Partnerships at Woolworths Group, responsible for unlocking value between Woolworths and their largest commercial partners. Prior to this, Natalie was Head of Emerging Ventures and Co-Founder of Amatil X, the corporate venture capital arm at Coca-Cola Amatil, established to leverage the global startup ecosystem to uncover disruptive business models and new technologies to drive growth.

Natalie started her career as an auditor with PwC and has since gained 20 years experience in the global consumer packaged goods and retail industries spanning finance, corporate strategy, supply chain, marketing, and innovation.

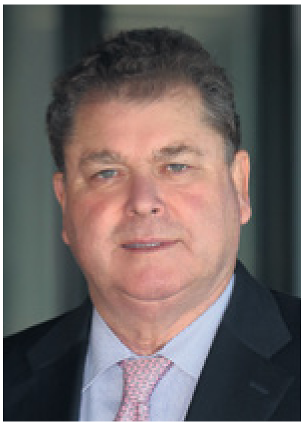
She holds a Bachelor of Economics (Accounting) from Macquarie University, is an active mentor and advisor to early-stage startup founders, and is a Graduate of the Australian Institute of Company Directors (GAICD).

Centuria Property Funds No. 2 Limited

Section 6

6.3 Senior Executives

The Senior Executives of Centuria Capital have extensive experience in the property and funds management industry. Together they offer diverse skills with a strong property and funds management focus.



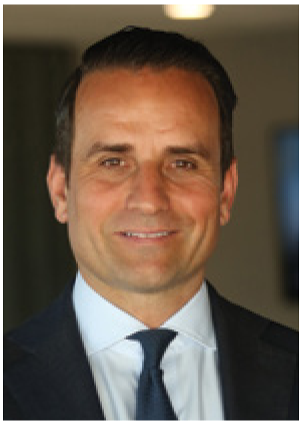
John McBain
Joint CEO

Qualifications
Diploma in Tech (Valuations), Diploma in Urban Valuation

John joined the Centuria Capital Board (formerly Over Fifty Group) on 10 July 2006. He was appointed as Chief Executive Officer of the Over Fifty Group in April 2008. John was also a founding director and major shareholder in boutique funds manager Century Funds Management, which was established in 1999 and acquired by Over Fifty Group in July 2006.

Prior to forming Century, John founded property funds manager Waltus Investments Australia Limited and Hanover Group Pty Limited a specialised property consultancy. Waltus was formed in 1995 and was one of the first dedicated property funds managers in Australia. Prior to 1990 John held senior positions in a number of property development and property investment companies in Australia, New Zealand and the United Kingdom.

John holds a Diploma in Urban Valuation (University of Auckland).



Jason Huljich
Joint CEO

Qualifications
Bachelor of Commerce (Commercial Law)

Jason became the Centuria Capital Group Joint CEO in June 2019 after previously leading Centuria's Real Estate and Funds Management business. Jason was also a founding director and major shareholder in boutique funds manager Century Funds Management, which was established in 1999 and acquired by Over Fifty Group in July 2006. He is an Executive Director of Centuria Capital Group. In his role he is responsible for providing strategic leadership and ensuring the effective operation of Centuria's real estate portfolio and funds management operations.

Jason has extensive experience in the commercial property sector, with specialist skills in property investment and funds management. He is also a past President of the Property Funds Association (PFA), which represents the $125 billion direct property investment body in Australia, and continues to serve on their national executive.

Jason holds a Bachelor of Commerce (Commercial Law) from the University of Auckland, New Zealand.

Stuart Wilton
Co-Head - Unlisted Funds/Fund Manager

Qualifications
Bachelor of Business (Property), Member of Australian Property Institute

Stuart joined Centuria in May 2010 and was appointed Co-Head - Unlisted Funds in July 2021. Overseeing the group's Australian unlisted property funds, he is jointly responsible for the fund establishment, performance, reporting and investor relations of assets in excess of $8 billion. The role also involves working extensively with the property team to develop and implement fund strategies, as well as liaise with financiers to secure and renew fund debt facilities where required. Stuart previously held several key positions in the Centuria asset and funds management divisions, most recently as an Unlisted Fund Manager.

Prior to joining Centuria, Stuart worked for Potomac Realty Capital in Boston, a specialist real estate finance company focused on structured financial solutions and permanent real estate loans for all commercial property types. During his two years as a Capital Markets Analyst, Stuart was involved in closing approximately $500 million worth of transactions across all sectors.

Centuria Property Funds No. 2 Limited

Section 6

Ross Lees

Head of Funds Management

Qualifications

Masters of Applied Finance from Macquarie University and Bachelor of Business (Property Economics) from UWS.

Ross Lees is the Head of Centuria's Real Estate Funds Management business, which is responsible for both listed and unlisted property funds in the office, industrial & healthcare sectors. This includes Australia's largest ASX listed pure play office & industrial REITs (ASX:COF & ASX:CIP), as well as both open ended and closed end unlisted property funds with AUM of approximately $13. 5 billion. Ross was previously the Fund Mangager, Centuria Industrial REIT (ASX:CIP), with overall responsibility for the operation, performance and strategy of the REIT.

Ross joined Centuria in 2017 and has over 15 years of investment management experience having joined Centuria from Dexus where he held senior transactional and portfolio management roles. Prior experience includes over six years at Stockland, and four years at Logos Property Australia having established and led their asset management platform.

Ross holds a Master of Applied Finance from Macquarie University and Bachelor of Business (Property Economics) from UWS.

Andrew Essey

Head of Transactions

Qualifications

Bachelor of Business Admin

Andrew Essey joined Centuria Property Funds in February 2013 as National Leasing Manager, Andrew was appointed Fund Manager in November 2015, and transitioned to the role of Head of Transactions in July 2017. As Head of Transactions, he is responsible for originating and managing the Group's property transactions and oversight of the Group's acquisitions team.

Prior to joining Centuria, Andrew worked for DTZ in Sydney's North Shore Agency from 2007, most recently holding the position of Director. While at DTZ, Andrew's focus was on leasing and sales within Sydney's North Shore industrial and office park markets. During his nearly 6 years with DTZ, Andrew was directly involved in over 180 transactions while representing both institutional and private investors.

Victor Georos

Head of Portfolio & Asset Management

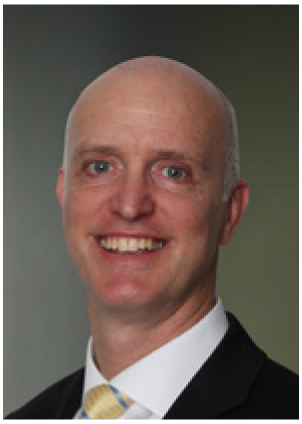
Qualifications

Victor holds a Bachelor of Land Economy and a Graduate Diploma of Finance and Investment (FINSIA).

Victor joined Centuria as Senior Portfolio Manager in April 2013 and was appointed Head of Portfolio and Asset Management in July 2015.

In his role he is responsible for overseeing portfolio and asset management of Centuria's property portfolio, including the development and implementation of strategies to enhance value through active asset management and development. Victor works closely with the Funds Management and the Development teams. In addition, Victor manages Centuria Property Funds' valuation program and is actively involved with the constant review of best practice policies and procedures.

Victor has extensive experience in asset and investment management, development and funds management across the office, retail and industrial sectors, with a key focus on results and building high-performance teams across all sectors. Prior to joining Centuria, Victor held senior positions with GPT Group and Lend Lease, including Head of Industrial and Business Parks at GPT.



Ben Harrop

Head of Distribution

Qualifications

Bachelor of Economics, Graduate Diploma in Applied Finance, Diploma of Financial Planning, Postgraduate Certificate in Management, and a Diploma from the Australian Institute of Company Directors

Ben leads a team of professionals who proactively distribute, service and support Investors and advisers. His team manages the servicing of Centuria's unlisted property funds, the diversified property fund as well as Centuria Life investment bonds.

Ben has spent 25 years in wealth management in various senior leadership positions. Ben brings broad market experience across the full advice and product spectrum. Prior to joining the Centuria Group, Ben worked at ANZ Wealth as Head of Strategic Accounts Management and managed the distribution and research of investment, platform, private client and insurance solutions at firms such as AMP Capital, Zurich, Bankers Trust and Macquarie Bank. Ben commenced his career working in his family insurance broking business.

Ben is a Senior Associate with FINSIA (the Financial Services Institute of Australasia), and an active member of industry associations having been a judge for the AFA Rising Star of the year award.

Financial Information

Section 7

Sections 7.1 to 7.4 provide forecasts in relation to the financial performance and position of the Holding Trust, reflecting a 50% freehold interest in the Property.

The Fund will acquire a 50% freehold interest in the Property, via an investment in units in the Holding Trust. The forecast financial performance and position of the Fund's investments are separately disclosed within the tables at Sections 7.1 to 7.4.

7.1 Forecast Returns

The forecast pre-tax returns in respect of the Holding Trust and the Fund (which holds 100% of the units in the Holding Trust) are summarised below.

YEAR ENDED	30 JUNE 2022[1]	30 JUNE 2023
Holding Trust[2]		
FUND INCOME		
Gross Property Income[3]	$1,626,915	$6,021,581
Total Income	**$1,626,915**	**$6,021,581**
EXPENSES		
Expenses relating to the Property[4]	$378,484	$1,543,155
Total Expenses	**$378,484**	**$1,543,155**
Net Operating Income	**$1,248,431**	**$4,478,426**
Finance Costs		
Interest on Debt Facility[5]	$257,468	$1,099,603
Interest on Centuria Capital Funding[6]	$111,296	$-
Amortised Borrowing Costs[7]	$30,432	$122,064
Total Finance Costs	**$399,196**	**$1,221,667**
Net Income after Finance Cost	**$849,235**	**$3,256,759**
ADJUSTMENTS		
Less: Straight-lining of Rental Income[8]	$(220,870)	$(514,340)
Add: Amortised Borrowing Costs paid at settlement[7]	$30,432	$122,064
Distributable Funds	**$658,797**	**$2,864,483**
Net Distributions Received by the Fund	**$658,797**	**$2,864,483**

Financial Information

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YEAR ENDED	30 JUNE 2022[1]	30 JUNE 2023
Centuria 25 Grenfell Street Fund[9]		
TRUST INCOME		
Gross Trust Distribution Income	$658,797	$2,864,483
Total Income	**$658,797**	**$2,864,483**
EXPENSES		
Fund Expenses[10]	$221,435	$794,888
Total Expenses	**$221,435**	**$794,888**
Net Operating Income	**$437,362**	**$2,069,595**
Finance Costs		
Total Finance Costs	**$-**	**$-**
Net Income after Finance Cost	**$437,362**	**$2,069,595**
ADJUSTMENTS		
Distributable Funds	**$437,362**	**$2,069,595**
Add: Interest on Centuria Capital Funding[9]	$111,296	$-
Add: Funds Distributed from Working Capital[11]	$297,263	$1,371,857
Net Distributions Received by Investors	**$845,921**	**$3,441,452**
Annualised Return on Cash Contributions[12]	**7.00%**	**7.10%**
Estimated Tax Deferral[13]	**100.00%**	**100.00%**

The above forecasts are based on a number of assumptions. See Section 7.4 for further details.

Notes to forecasts:

1 The forecast assumes the Fund's investment period commences on 1 April 2022 and the first year of income is for the year from 1 April 2022 to 30 June 2022.
2 The forecast income and expenditure for the Holding Trust reflects a 50% freehold interest in the Property.
3 Gross rental income (rent plus outgoings) to be received from tenants pursuant to their leases.
4 Includes expenses associated with ownership and maintenance of the Property such as property management fees, rates, land tax and maintenance expenses.
5 Interest on debt facility calculated based on an interest only loan, with 80% of the facility fixed at a rate of 2.935% p.a. and the remaining 20% of the facility on a variable rate. The estimated average blended rate is 2.77% p.a. over the forecast period.
6 Centuria Capital provided the Holding Trust with short-term funding to lock in the interest swap under the proposed debt facility and to finance the deposits for acquisition of the Property. Interest is charged on this funding at 10% per annum and this interest cost is funded from the working capital of the Fund. This short-term debt from Centuria Capital was fully repaid at settlement date.
7 Capitalised Borrowing Costs to be paid at date of settlement are to be amortised on a straight-line basis over three years.
8 Rental income from the investment property is recognised in the profit or loss on a straight-line basis over the term of the leases. Rental income not received at reporting date is reflected in the balance sheet as a receivable. If rents are paid in advance these amounts are recorded as payables in the balance sheet. Contingent rents based on the future amount of a factor that changes other than with the passage of time are only recognised when due.
9 The forecast income and expenditure for the Centuria 25 Grenfell Street Fund reflects a 50% freehold interest in the Property, via an investment in units in the Holding Trust.
10 Fund Expenses include accounting, audit, valuation, custodian fees, administration costs and management fees.
11 Over the forecast period approximately $1,669,120 is being distributed from working capital for settlement adjustments received from the vendor in relation to outstanding tenant incentives and rental guarantees for current vacancies. This amount has been fully provided for by the vendor.
12 These returns are calculated purely on the cash subscribed by Investors, excluding any cash provided by the financier under the debt facility. The returns are calculated after taking into account any payment of interest on the debt facility.
13 The tax deferred percentage of distributions is expected to reduce over the remainder of the Fund term. Please note that tax deferrals will decrease an Investor's cost base for capital gains tax (CGT) purposes. Further detail on tax deferral can be found at Section 11.

7.2 Source and Application of Funds

SOURCE OF FUNDS	AMOUNT
Total Cash Subscribed by Centuria 25 Grenfell Street Fund Investors[1]	$48,471,149
Debt Facility from Financier	$37,485,000
Total Funds Raised	**$85,956,149**

APPLICATION OF FUNDS	
Centuria 25 Grenfell Street Fund[2]	
Gross Purchase Price of the Property via Allotment of Units in Holding Trust	$83,251,567
Interest on Centuria Capital Funding[3]	$111,296
Establishment/Placement Fee	$1,665,031
Loan Establishment Fee	$124,755
Valuation Fees	$13,500
Due Diligence Reports	$130,000
Legal Fees (Property settlements)	$125,000
Legal Fees (Debt)	$75,000
Legal Fees (PDS)	$50,000
Research Contribution[4]	$50,000
PDS Preparation and Distribution Costs	$25,000
Fund Marketing	$125,000
Accountant Review	$35,000
Member Registry Maintenance Fee	$25,000
Working Capital[5]	$100,000
Contingency Provision	$50,000
Total Centuria 25 Grenfell Street Fund	**$85,956,149**

Notes:

1 The cash subscribed by investors will be applied towards the acquisition of the Property, and related costs, via an investment in units in the Holding Trust.

2 The application of funds reflects the amounts required for establishment of the Fund to facilitate the 50% investment in the Property, via units in the Holding Trust.

3 Centuria Capital provided the Holding Trust with short-term funding to lock in the interest swap under the proposed debt facility and to finance the deposit for acquisition of the Property. Interest is charged on this funding at 10% per annum and this interest cost is funded from the working capital of the Fund. This short-term debt from Centuria Capital was fully repaid at settlement date.

4 Fees paid to independent consultants to prepare investment reports on the Fund.

5 This money will be invested by the Manager and used for expenditure as it best sees fit. The Manager will use this money to fund any extraordinary items of expenditure of the Holding Trust e.g. fit-outs, capital works, leasing fees, rent free periods, vacancy allowance, income support or such other expenditure as the Manager considers is in the Investors' best interests.

7.3 Forecast Pro-Forma Balance Sheet[1]

HOLDING TRUST[2]	AMOUNT
Assets	
Property[3]	$83,250,000
Less: Adjustment of valuation for outstanding rental abatements and rental guarantees[4]	($4,475,722)
Accumulated cash, receivables and prepayments	$5,100,982
Total Assets	**$83,875,260**
LIABILITIES	
Borrowings	$37,485,000
Capitalised Borrowing Costs	($366,258)
Total Liabilities	**$37,118,742**
Net Assets attributable to the Fund	**$46,756,518**

CENTURIA 25 GRENFELL STREET FUND[5]	
Assets	
Units in Holding Trust	$46,756,518
Accumulated cash, receivables and prepayments	$100,000
Total Assets	**$46,856,518**
LIABILITIES	
Total Liabilities	**$-**
Net Assets attributable to Investors	**$46,856,518**
Units on Issue	**48,471,149**
NTA per Unit	**$0.97**
Debt to assets ratio[6]	**44.6%**

This Balance Sheet has been prepared in accordance with the recognition and measurement requirements of Accounting Standards.

Notes to forecasts:

1 Balance sheet is based on figures as at 1 April 2022 assuming successful completion of the Offer.
2 The forecast assets and liabilities for the Holding Trust reflects a 50% freehold interest in the Property.
3 The Property is valued on a gross basis, based upon an independent valuation report. The gross valuation excludes the impact of any outstanding rental abatements or rental guarantees.
4 The gross Property Valuation is reduced for the outstanding lease incentives owing in relation to rental abatements, and rental guarantees. Based on a discount rate of 6.5%, the present value of the $5,100,982 rental abatements and guarantees applicable from 1 April 2022 to 1 October 2028 is $4,475,722.
5 The forecast assets and liabilities for Centuria 25 Grenfell Street Fund reflects a 50% freehold interest in the Property, via an investment in units in the Holding Trust.
6 The debt to assets ratio for Centuria 25 Grenfell Street Fund is calculated by dividing borrowings by the total assets, being the property and the accumulated cash, receivables and prepayments, and includes the assets and liabilities held in the Holding Trust.

Financial Information

Section 7

7.4 Key Assumptions

Centuria's forecast returns and forecast taxation allowances have been prepared applying various assumptions.

Investors should appreciate that many factors which affect actual results may be outside the control of Centuria or may not be capable of being foreseen or accurately predicted. As such, actual results may differ from the forecasts.

Centuria has made the following assumptions in making the forecasts of returns to Investors:

Rental Income

Rental income is assumed to reflect the leases and increase in accordance with the rental review provisions of the leases, with no tenant defaults assumed. Rental income from the Property is recognised in the profit or loss on a straight line basis over the term of the leases. Rental income not received at the reporting date is reflected in the balance sheet as a receivable. If rents are paid in advance these amounts are recorded as payables in the balance sheet. Contingent rents based on the future amount of a factor that changes other than with the passage of time are only recognised when due.

Outgoings Expenditure

Outgoings expenditure is based on actual costs as at the acquisition date and are forecast to increase annually at an average of 2.25% p.a. over the Forecast Period.

Working Capital

A Fund liquidity allowance of $100,000 will be raised to allow for non-recoverable items of capital expenditure and other purposes permitted under the constitution for the Fund (e.g. expenditures on the Property considered by Centuria to be in the best interests of the Investors). Until such time as these funds are needed, they will be invested by Centuria for the benefit of the Investors in a relevant deposit account and will seek to attract the best possible interest rate.

Interest Costs

The Fund has assumed an average total cost of interest over the Forecast Period of 2.77% p.a. Details of the debt facility are contained in Section 2.8. Upfront borrowing costs are amortised over three years following completion of the purchase of the Property.

ASIC's Benchmark 3 states that the interest of the Fund should not be capitalised.

Interest capitalisation means a fund would not be required to make interest payments until an agreed point in time. Interest would therefore be capitalised on the value of the fund's financing facility. This would increase the gearing in the fund. The Fund will pay interest when due (monthly) and does not intend to capitalise interest.

Hedging and Deposit Costs

The Fund has incurred $111,296 of interest on funds borrowed from Centuria Capital prior to settlement ($5,662,578).The borrowed funds have been used for the deposit to purchase the Property and to provide security for the three year interest rate swap.

Loan to Valuation Ratio (LVR)

The forecast assumes an initial LVR of 45% as calculated under the Fund's debt facility (based on the independent valuation of the Property). The debt facility has an LVR covenant of 57.5%.

Debt Covenants

The forecast assumes that debt covenants are not breached and the rights of the financier are not exercised.

Taxation

The Fund is treated as a trust for Australian taxation purposes. Under the current Australian income tax legislation, the Fund is not liable for Australian income tax, including capital gains, provided that the Investors are presently entitled to the income of the Fund that has been determined in accordance with the constitution of the Fund. Accordingly, no allowance for income tax has been made.

Taxation Allowances

The quantity surveyor engaged by Centuria has estimated Division 40 (plant and equipment depreciation) and Division 43 (building allowance) taxation allowances accessible by the Holding Trust. In estimating the available taxation allowances, Centuria has assumed Division 250 of the ITAA 1997 ("Div 250") will not apply to the Holding Trust. Div 250 is an integrity measure that aims to prevent taxpayers that can benefit from claiming capital allowances deductions, from claiming such deductions, where the taxpayer lacks a predominant economic interest in the asset and the asset is used by a tax preferred entity. Whilst the property is tenanted by government and tax preferred entities, Centuria does not envisage that the Holding Trust will be deemed to lack a predominant economic interest in the property, however, does not guarantee that this will be the case. Accordingly, it is not expected that Div 250 will apply to deny the capital allowance deductions, however, Centuria will assess the potential application of Div250 upon attainment of a comprehensive quantity surveyors report for the property following acquisition and upon renewal or adjustment of any major leases.

Accounting and Audit Fees

Accounting and audit fees are as per estimates received from the accountant and auditor.

GST

The Fund will be registered for GST. As a financial supply provider, the Fund will not be entitled to claim full input tax credits on the fees, costs and expenses payable by the Fund. However, the Fund may be entitled to claim a reduced input tax credit (RITC) on the fees, costs and expenses. The non-recoverable GST on the fees, costs and expenses is not expected to be material to the Fund, and as such the forecasts provided in Section 7 do not include non-recoverable GST.

Other Expenses

The Fund will incur operating expenses including registry fees, custodian fees, legal and tax compliance fees, investor reporting costs, valuation fees and other miscellaneous expenses. These costs have been forecast based on Centuria's experience in managing similar funds and taking into account factors likely to influence the level of expenses, including the gross asset value of the Fund.

Recovery of Fund Expenses

The Manager, and the Holding Trustee, where applicable, are entitled to be reimbursed for all reasonable outgoings and disbursements in connection with the proper performance of their duties and obligations in operating the Fund and the Holding Trust. Expenses recovered may, for example, include those relating to postage, printing, accounting services, auditing services, legal services, valuations, maintenance of the Investor register and custody services. These costs have been forecast based on Centuria's experience in managing similar funds.

Establishment and Placement Fee

An establishment and placement fee equal to 2.0% (plus GST) of the gross value of the Property multiplied by the Fund's interest in the Property, being $1,665,031 (plus GST), was paid to Centuria at settlement of the Property.

Fund Management Fees

A management fee calculated as 0.8% (plus GST) p.a. of the Fund's gross asset value (including the gross asset value of the Holding Trust) has been assumed. Management fees are paid monthly in arrears.

Distribution Reinvestment Plan

It has been assumed that there will be no distribution reinvestment plan in operation.

Investment Structure

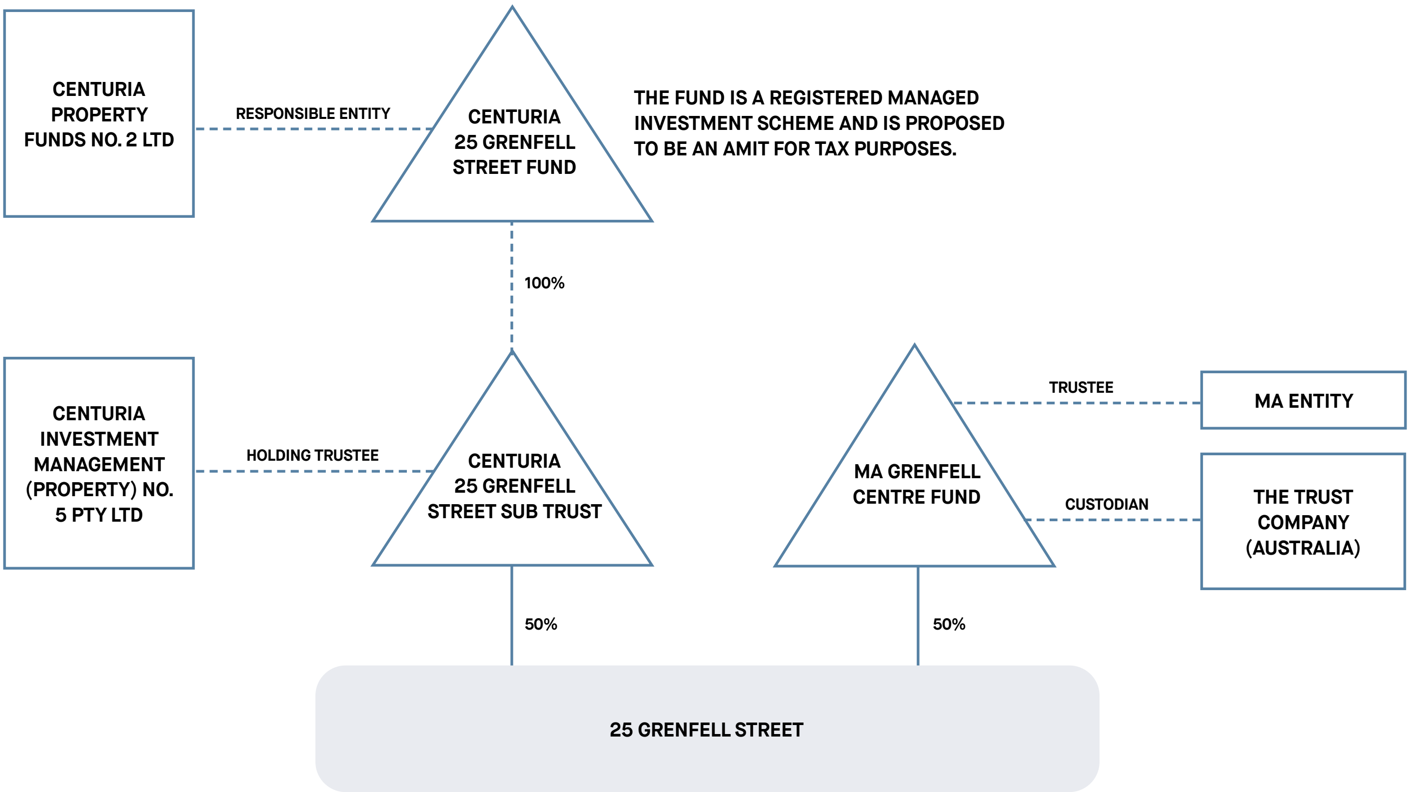
Section 8

8.1 Structure of the Fund

The Fund is a registered managed investment scheme, which will be operated and managed by its responsible entity, Centuria.

The Fund acquired a 50% indirect interest in the Property. It purchased the interest through acquiring units in the Holding Trust and the Holding Trust owns the interest in the Property.

The structure of the Fund and Property ownership are as follows:



1 The Holding Trustee is wholly owned by Centuria Property Funds No. 2 Limited.
2 Centuria has appointed the Holding Trustee under its AFSL licence as a corporate authorised representative.
3 Legal title to the Fund's 50% interest in the Property is held by the Holding Trustee as custodian.
4 Note: The Property was owned by the vendor in another trust, which was effectively taken over by the Co-owners (indirectly) as part of the purchase transaction. However, that trust is being wound-up and will no longer be part of the ownership structure.

8.2 Offer of Units in the Fund

The Offer of Units made in this PDS will remain open until 18 March 2022, or until the Offer is fully subscribed. The period of the Offer may be changed by Centuria at its discretion. Centuria may accept, reject or scale back any Application, in accordance with its capital allocation procedures.

Investors should read this entire PDS and make independent enquiries prior to investing in the Fund.

Centuria intends to use the amount raised under the Offer to redeem the Acquisition Units in the Fund which are held by Centuria Capital.

8.3 Unit Issue Price and Initial NTA

Units issued under the Offer will be issued at the Unit Issue Price, which is $1.00 per Unit. Thereafter, the Unit price will reflect the NTA per Unit with adjustments made for the amortisation of certain fees and expenses relating to the Fund establishment, the Offer and asset acquisition. These fees and expenses will be amortised on a straight-line basis over five years, thereby matching the initial five year term of the Fund.

Please note that as a result of the adjustments referred to above, the issue price of Units will differ from the NTA per Unit.

The initial NTA per Unit will be $0.95, which is calculated by dividing the net assets less intangible assets of the Fund (as adjusted with any other adjustments) by the number of Units and (if relevant) Acquisition Units on issue in the Fund.

Refer to Section 10.2 'Unit Price Risk' for an explanation of what the NTA calculation means in practical terms and key risks associated with the Fund's initial NTA per Unit.

8.4 Offer Amount

The Offer amount is up to $48,471,149 comprised of Units. This is not a minimum amount which needs to be raised for the Fund to proceed, because the Fund's indirect 50% interest in the Property has already been acquired, using the proceeds of issue of Acquisition Units. However, if Centuria determines not to proceed with the Offer because the Offer Amount is not achieved by the Offer close date (or such later time determined by Centuria):

- Any Units already issued to Investors will be compulsorily redeemed by Centuria. In these circumstances, each Investor will receive a total amount equal to the number of Units they hold multiplied by the Unit Issue Price of $1.00; and
- Any Application Monies for which Units have not been allotted will be refunded to each Applicant, without interest (less any tax or bank fees paid).

Investment Structure

Section 8

8.5 Fund Term

The initial term of the Fund is five years, however it may be extended by up to an additional two years by an Ordinary Resolution of Investors (more than 50% of votes cast are in favour of the extension). Investors may not withdraw from the Fund during this period.

The term of the Fund may be extended beyond seven years, for up to two years at a time, if a Unanimous Resolution is passed by Investors (100% of votes cast are in favour of the extension).

The term of the Fund may also be extended beyond seven years, for up to two years at a time, where a Unanimous Resolution is not passed, but all Investors who voted against the resolution are given an opportunity to have their Units sold or redeemed at the prevailing Withdrawal Price (Liquidity Event). Whether a Liquidity Event is offered is determined by Centuria. If a Liquidity Event is not offered by Centuria, then the Fund term will not be extended and Centuria will sell the Property and wind up the Fund.

If Centuria offers a Liquidity Event, then Centuria will make a "withdrawal offer" to all Investors providing all Investors with an opportunity by making a "withdrawal request" to redeem their Units at the prevailing Withdrawal Price. Centuria will determine the strategy for providing liquidity based on the circumstances at the relevant time, which may include raising further capital for the Fund, obtaining further debt for the Fund (depending on the Fund's gearing ratio at that time) or a combination of these and other strategies.

If the total withdrawal requests from all Investors in response to the withdrawal offer exceed the amount available under the withdrawal offer, then all Investors will be scaled back on a pro-rata basis, in accordance with the requirements of the Corporations Act.

In addition to making the withdrawal offer, Centuria will, subject to its obligations at law, assist Investors to sell their Units at the prevailing Withdrawal Price under the Liquidity Event. Transfers of Units in the Fund can occur by the transferor and the transferee delivering to Centuria a completed and signed standard transfer form.

The Fund term will only be extended if all Investors who voted against the Unanimous Resolution are given the opportunity to exit the Fund under the Liquidity Event. If all Investors who voted against the Unanimous Resolution and participated in the Liquidity Event are not able to exit the Fund under the Liquidity Event, then no Investors will be able to withdraw or sell any of their Units under the Liquidity Event and instead the following will occur:

- No Units will be redeemed or sold under the Liquidity Event;
- The Fund term will not be extended; and
- The Property will be sold and the Fund wound up.

8.6 Co-owners' Agreement

The Fund has acquired a 50% tenants in common interest in the Property. This interest is held by the Holding Trust, a wholly owned subsidiary of the Fund. As part of the acquisition, Centuria Property Funds No.2 Limited in its capacity as responsible entity of the Fund has entered into a Co-owners' Agreement with MA Financial Group, which has acquired the remaining 50% of the Property (Co-owners' Agreement).

The key terms of the Co-owners' Agreement are as follows:

- A Co-owners' Committee has been established to review, consider and make determinations on substantive issues with respect to the management and operation of the Property, including:
  - All proposals and recommendations from any Co-owner or the property manager, which relate to the management of the Property and are not already approved within a business plan;
  - Matters relating to the management and operation of the Property referred to it by any Co-owner or the property manager that are not already approved within the business plan;
  - Issues regarding the performance of the property manager or the obligations of the property manager under the property management agreement; and
  - The annual review and variation (if applicable) of the business plan.

If the Co-owners fail to reach agreement, matters of significant importance may be referred to a separate special committee, and if not resolved by that committee, then they will be referred to a mediation process.

Before the Property has been owned for five years, neither Co-owner may dispose its 50% interest in the Property without the prior consent of the other Co-owner unless the disposal is to a related party.

Once the Property has been held for five years, either Co-owner may sell its 50% interest, however each Owner has a first right of refusal over each other's interest.

Furthermore, each Co-owner will have a Drag and Tag right, allowing either party to participate in the in sale (Tag), or forcing the remaining party to sell (Drag). That said, any drag right will be subject to a minimum price, being the acquisition value plus capital expenditure and incentives paid during the initial ownership.

Fees and Expenses

Section 9

9.1 Did You Know?

Small differences both in investment performance and fees and costs can have a substantial impact on your long-term returns.

For example, total annual fees and costs of 2% of your Fund balance rather than 1% could reduce your final return by up to 20% over a 30-year period (for example, reduce it from $100,000 to $80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs. You may be able to negotiate to pay lower management costs where applicable. Ask Centuria or your financial adviser.

To find out more

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

The table below shows fees and other costs that you may be charged. These fees and costs will be deducted from the Fund's monies prior to distribution of income to Investors unless specified otherwise. Information on taxation is set out in Section 11.

You should read all the information about fees and costs because it is important to understand their impact on your investment. The fees and costs set out below are net of GST (i.e. net of the amount of GST recoverable from the ATO as input tax credits or reduced input tax credits).

Centuria may elect to waive, or defer the payment of part or all of any fee or cost, on the basis that it may recover the deferred fee or cost from the assets of the Fund at a later date. Costs may be paid from the Fund, or from the Holding Trust (and therefore may be paid to Centuria or to a Holding Trustee). References to Centuria in this Section, in the context of payment or reimbursement of costs and expenses, should therefore be taken to also include the Holding Trustee.

TYPE OF FEE OR COST	AMOUNT	HOW AND WHEN PAID
Fees when your money moves in or out of the Fund		
Establishment fee: The fee to open your investment.	Nil	There is no establishment fee.
Contribution fee: The fee on each amount contributed to your investment.	Nil	There is no contribution fee.
Withdrawal fee: The fee on each amount you take out of your investment.	Nil	There is no withdrawal fee.
Exit fee: The fee to close your investment.	Nil	There is no exit fee.
Management costs[1]		
The fees and costs for managing your investment		
Management fee	Management fee of 0.8% p.a. of the Fund's gross assets (including the Fund's proportionate interest in the gross assets of any sub-entity).	Accrued daily and payable monthly in arrears to Centuria from the assets of the Fund.
	Custody fee of greater of $15,000 p.a. (with annual CPI increases) and 0.015% (plus GST) p.a. of the Fund's gross assets (including the gross value of the assets of the Holding Trust).	Payable to Centuria monthly in arrears from the assets of the Fund.
Estimated expenses	Estimated expenses of 0.31% p.a. of the Fund's gross assets (including the Fund's proportionate interest in the gross assets of any sub-entity).	Payable to Centuria as and when incurred from the assets of the Fund.
Performance fee	Performance fee of 20% of the Fund's outperformance over an IRR of 8% p.a.	Payable to Centuria on the occurrence of a sale of its interest in the Property or a Realisation Transaction.
Establishment and placement fee	Establishment and placement fee of 2% of the gross value of the Property.	Payable to Centuria within five business days of completion of the acquisition of the Property from the assets of the Fund.
Sale fee	Sale fee of 1% of the consideration received by the Fund (including by the Holding Trust) for sale of its interest in the Property.	Payable to Centuria within five business days of the completion of the sale of the Fund's interest in the Property from the assets of the Fund. Any associated sales agent's fees will be paid by Centuria from this amount.
Service Fees[2]		
Switching Fee The fee for changing investment options.	Nil	There is no switching fee.

1 The components of the ongoing management costs are discussed in more detail in Section 9.3 entitled 'Additional Explanation of Annual Fees and Costs'. The management fee may be negotiated in certain circumstances, please refer to the 'Differential Fees' section on page 47.

2 Advice fees agreed between you and your financial adviser may apply to your investment in the Fund. Refer to Section 9.3 for more detail.

Fees and Expenses

Section 9

9.2 Example of Annual Fees and Costs

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

EXAMPLE		BALANCE OF $50,000[1]
Contribution Fee	Nil	You will not be charged a contribution fee.
Plus Management Costs	2.02%[2]	For every $50,000 you have invested in the Fund, you will be charged approximately $966 each year.[3]
Equals Cost of Fund		For every $50,000 you have invested in the Fund, you will be charged approximately $966 each year.[3]
Plus establishment and placement fee in first year of investment only	3.67%[4]	For every $50,000 you have invested in the Fund, you will be charged approximately $1,764 in the first year.[5]
Equals total cost of Fund in first year of investment only		If you had an investment of $50,000 at the beginning of the year, including the upfront establishment and placement fee, you would be charged a total of approximately $2,730 for the first year of the investment.[6]

1 Investors are not able to make ongoing contributions to their investment during the term of the Fund.

2 Based on ongoing management costs of 1.11% p.a. of the value of the Fund's gross assets (including the Fund's proportionate interest in the gross assets of any sub-entity) taking into account gearing within the structure.

3 This amount does not include any establishment and placement, sale or performance fees. Please refer to the explanation of these fees on pages 46 and 47.

4 Based on upfront establishment and placement fee equal to 2.0% of the purchase price of the Property multiplied by the Fund's proportionate interest in the Property.

5 This amount will only be incurred in the first year of investment. Please refer to the explanation of the establishment and placement fees on page 47.

6 Including the upfront establishment and placement fee, the total cost of the Fund in the first year of investment is 5.69% of the Fund's net assets. This amount reflects the cost of the Fund in the first year of investment only.

9.3 Additional explanation of Annual Fees and Costs

Ongoing Management Costs

The estimated ongoing management costs identified in the table on page 45 and this page comprise management fees and expense recoveries. A short description of each of these types of fees is set out below.

Management Fees

This is the fee paid to Centuria for general administration of the Fund. The management fee is calculated as 0.8% (plus GST) p.a. of the Fund's gross assets (including the gross value of the assets of the Holding Trust), accrued daily and paid monthly in arrears.

Custody Fee

This is the fee paid to Centuria Property Funds No. 2 Limited for performing the custodial function for the Fund. The custody fee is calculated as the greater of $15,000 p.a. (with annual CPI increases) and 0.015% (plus GST) p.a. of the Fund's gross assets (including the gross value of the assets of the Holding Trust), calculated and paid monthly in arrears. This custody fee is paid as an expense of the Fund.

Expense Recovery

These are the out-of-pocket expenses and other costs that Centuria is entitled to recover from the Fund, including but not limited to, expenses incurred in acquiring, valuing, holding or disposing of investments, issuing Units, convening and holding Investors' meetings, amending the constitution of the Fund and establishing and maintaining registers and accounting records. This also includes expenses incurred by Centuria in respect of external service providers and advisers, including compliance costs, Australian financial services licensing costs, audit, accounting and legal fees. Centuria is entitled to be reimbursed from the assets of the Fund as and when Centuria incurs the relevant expense. An estimate of Centuria's recoverable expenses is included in the management costs set out in the tables in Section 9.1 and 9.2.

Performance Fee

This is the fee paid to Centuria as an incentive to maximise the sale proceeds of the Fund's interest in the Property. Centuria will be entitled to a performance fee of 20% (plus GST) of the portion of outperformance of the Fund over an Internal Rate of Return (IRR) of 8% p.a. The first performance fee calculation period will be from the date of completion of the acquisition of the Fund's interest in the Property, to the date of completion of the sale of the Fund's interest in the Property, the date of completion of the sale of the Fund's interest in the Holding Trust, or the date of completion of any Realisation Transaction. If any further distributions are made to Investors from that date to the date the Fund is finally wound up, the performance fee will be re-calculated to take those distributions into account.

A Realisation Transaction is a reference to a restructure or other arrangement affecting the Fund, which enables Investors to realise more than 50% of their Units. In this case, the performance fee will be calculated as if the NTA or the actual scheme or other arrangement consideration (as the case may be) was paid to Investors.

Centuria's entitlement to any performance fee arises at the time the relevant sale agreement is entered into, or (if applicable) at the time the Realisation Transaction completes. If a sale or a Realisation Transaction (if applicable) does not complete, Centuria will rebate the performance fee to the Fund.

Example of Calculation of Performance Fee

This example is provided for information purposes only to illustrate the calculation of the performance fee. Actual results may vary significantly from those in this example.

For example, if the Fund:

- Raised $48.6 million at $1.00 per Unit through this PDS;
- Paid a distribution p.a. of 7.00 cents per Unit for five years (representing total distributions to Investors of $3.402 million p.a.); and
- Returned $1.10 per Unit at its wind up (representing $53.46 million).

Then the Fund equity IRR based on these series of cash flows is calculated to be 8.90% p.a. The outperformance amount above the hurdle IRR of 8.00% p.a. would be $2,586,528, being the amount that, if included in the Fund IRR cash flows as an outflow at the wind up of the Fund, reduces the Fund IRR to 8% p.a.

Therefore, the performance fee payable would be $517,306 (being 20% of $2,586,528). For an Investor with a $50,000 investment, this would equate to a performance fee of $53.

Fees and Expenses

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Establishment and Placement Fee

This is the fee charged by Centuria for the identification and analysis of the investment, for raising equity, procuring debt and structuring the investment. The establishment and placement fee is equal to 2.00% (plus GST) of the gross value of the Property multiplied by the Fund's percentage interest in the Property and was paid upon completion of the acquisition of the Property from the assets of the Fund. The Fund has acquired its 50% indirect interest in the Property for $83,251,567, therefore, the establishment and placement fee that was paid to Centuria was $1,665,031 (plus GST).

Sale Fee

This is the agency fee charged by Centuria in respect of coordinating the sale of its interest in the Property. It is charged at a rate of 1.00% (plus GST) of the consideration received by the Fund (including by the Holding Trust) for the sale of its interest in the Property. The Fund's share of any payments to external parties, such as real estate agents, involved in the sale will be paid for by Centuria from this fee. The sale fee is payable to Centuria from the assets of the Fund within five business days of settlement of the sale of the Fund's interest in the Property.

For example, if the Fund sells its 50% interest in the Property for $110,000,000, the sale fee payable to Centuria would be $1,100,000 (plus GST).

Professional Service Fees

Centuria is entitled to pay any person (including any third party or related body corporate of Centuria) property management fees, development management fees, facilities management fees, managing agents' fees and leasing fees relating to the Fund's interest in the Property. All such fees will be at normal commercial rates.

For more detail on related party transactions and Centuria's conflict of interest policy, refer to Section 12.3.

Adviser Remuneration

Centuria does not pay any commission to financial advisers or other intermediaries. Investors are able to direct Centuria to pay an amount on their behalf to their adviser. To do so, please nominate the payment amount on your Application Form, and this amount will be deducted from your Investment Amount and corresponding number of issued Units.

Transaction and Operational Costs

Transactional costs are costs incurred by the Fund for, amongst other things, buying and selling its interest in the Property and other Fund assets and entering into interest rate hedging products. Transactional costs include brokerage, stamp duty, legal and tax advice, property settlement costs and amounts payable in connection with interest rate hedging products.

Operational costs are costs incurred by the Fund for its ownership and maintenance of any Fund assets including its interest in the Property. They include the Fund's proportionate share of property management fees, rates, land tax, other statutory outgoings, maintenance expenses and other general outgoings for the Property. The operational costs also include borrowing costs for the Fund. Borrowing costs are the expenses related to borrowing money by the Fund and its interposed vehicles for investments and include costs such as interest, loan establishment fees and associated legal costs.

The total transactional and operational costs of the Fund for the first year of operation are estimated to be 6.48% of the Fund's estimated average net assets, or $3,100 for a $50,000 investment in the Fund.

Differential Fees

Centuria may negotiate special fee arrangements with Investors who are Wholesale Clients pursuant to the Corporations Act under which Centuria reduces or rebates fees to those Investors. Such special fee arrangements will not adversely impact upon the fees that are paid by other Investors as set out in this Section 9.

Investment Considerations and Risks

Section 10

As with any investment, there are risks associated with investing in the Fund. Many of these risks are outside the control of Centuria.

Where risks eventuate, income distributions may be lower than expected or may be suspended and/or the capital value of your investment could fall. Distributions are not guaranteed and neither is the return of your capital.

The investment considerations and risks of investing in the Fund include:

- General investment risks including economic and market conditions;
- Considerations and risks which would apply if Investors were purchasing the Property in their own right; and
- Considerations and risks in relation to holding interests in a managed investment scheme.

Investors should be aware that the value of the Property, the income to Investors and the value of the Units could be adversely affected by a number of factors, including those outside the control of Centuria. Key investment considerations and risks include those set out below.

10.1 General Investment Risks

General investment risks include:

- A downturn in the Australian and/or global economy in general;
- Interest rate fluctuations;
- Legislative changes (which may or may not have a retrospective effect) including taxation and accounting issues;
- Inflation;
- Natural disasters, including earthquakes, social unrest, terrorist attacks or war in Australia or overseas, or pandemics such as COVID-19; and
- If you are a foreign Investor, currency exchange rate fluctuations.

10.2 Specific Property and Fund Risks

Fall in Fund Revenue

There is the risk that the Fund's revenue may decrease as a result of falling rental demand, rent payments decreasing, tenant incentives or guarantors failing to fulfil obligations under a lease or the Property not being fully leased. Where tenants fail to pay rent in a timely manner, a material impact on distributions may occur and distributions may be reduced or suspended. This may also have a negative effect on distributions to Investors and the value of the Property.

Fall in the Value of the Property

A downturn in the property market and/or a fall in property values may have an adverse effect on the value of the Fund and the return to Investors.

Tenancy and Leasing Risk

If the tenants of the Property fail to honour their lease obligations, including failing to pay rent on time, then this could have a detrimental impact on the Fund. It could result in a reduction, delay or suspension to the distributions available to you, or in extreme circumstances, a failure by the Fund to meet its interest obligations to lenders.

There is no guarantee that any current tenants will renew their lease when they expire. Any vacancy will diminish the income available to the Fund for distribution and if present on the sale of the Property, it may impact on the return to Investors as the sale price will likely be reduced.

The Property has four main tenants and vendor rental guarantees over the vacant space, which combined, comprise approximately 61.8% of the Property's gross passing income, and are outlined below:

- Minister for Transport and Infrastructure: 5,834 sqm (approximately 24.5% of the Property's gross passing income);
- Vendor Rental Guarantees: 2,886 sqm (approximately 10.2% of the Property's gross passing income);
- Minter Ellison: 2,671 sqm (approximately 9.5% of the Property's gross passing income);
- Aurecon: 2,568 sqm (approximately 9.1% of the Property's gross passing income); and
- Lipman Karas: 2,155 sqm (approximately 24.5% of the Property's gross passing income).

There is no guarantee that these tenants will renew their leases or the vacant space will be leased within the Forecast Period, which is a risk for the Fund. Should vacancy arise in the Property, the Fund as a Co-owner could incur additional downtime and costs associated with re-leasing the premises such as contributions to an incoming tenant fitout, rent free or other incentive payments.

Unit Price Risk

The Unit Issue Price under this PDS is $1.00. At the date of the Offer, the expected NTA is $0.95 per Unit. Based on these figures, the NTA per Unit will need to increase by 5.3% before it equates to the Unit Issue Price.

ASIC Disclosure Principle 8 addresses the disclosure of the NTA backing per Unit of the Fund.

The NTA backing of a scheme gives investors information about the value of the tangible or physical assets of the scheme. The initial and ongoing NTA backing may be affected by various factors, including fees and charges paid upfront for the purchase of the Property, costs associated with capital raising, or fees paid to Centuria or other parties.

Unexpected Capital Expenditure

There is a risk that capital expenditure requirements may exceed expectations. This may result in increased funding costs and Centuria may need to reduce or suspend distributions.

COVID-19 Risk

At the time this PDS is issued, although the COVID-19 pandemic has now been going for some time, the extent and impact of the COVID-19 pandemic is still developing. It is unknown what the ultimate effect will be on the broader global economy. In general, Australia has to date been less impacted by the pandemic than many other countries and the Australian Government introduced a range of fiscal stimulus measures to address the economic impact of the COVID-19 pandemic. Even so, the COVID-19 pandemic could still adversely impact the revenue of some of the tenants in the Property. As a result, tenants may fail to generate sufficient revenue to make rental payments.

In addition, as a result of reduced revenue, Centuria and MAF may receive requests from tenants for rent abatements or reductions. If Centuria and MAF are required to provide rent reductions or abatements, the income of the Fund may be materially impacted.

Any failure of a tenant to pay rent, rent abatements or a reduction in demand will impact the Fund's revenue. This may have a negative impact on distributions to Investors and the value of the Fund's investments.

Force Majeure Risk

Natural phenomena may affect the Property. There are events including certain force majeure events and terrorist attacks for which insurance cover is not available and the Fund does not have cover. This would result in a loss of capital, in turn reducing the value of Units and returns.

Fund Manager Risk

Centuria is responsible for managing the Fund's investments on a day to day basis. If Centuria fails to do so effectively, then this could negatively affect the Fund's performance.

In particular, there is a risk that Centuria may fail to anticipate movements in the property market, fail to manage the investment risks appropriately or fail to properly execute the Fund's investment strategy. These factors could have an adverse impact on the financial position and performance of the Fund.

Investment Considerations and Risks

Section 10

Liquidity Risk

ASIC Disclosure Principle 7 aims to address disclosure of withdrawal/redemption arrangements within the Fund.

The Fund does not allow any redemptions under normal circumstances through the term of the Fund, and Investors' investments are therefore illiquid. If it becomes necessary for the Fund to dispose of its interest in the Property for any reason, including to lower gearing or due to the term of the Fund not being extended, there is a risk that the Fund may not be able to realise its interest in the Property in a timely manner or at an optimal sale price. This may affect Centuria's ability to return capital to Investors or the amount of capital it is able to return.

There is no established external secondary market for the sale of Units in the Fund. Investors may arrange for their own private sale and Centuria, without obligation, will assist in that process. There is no right for Investors to require these Units to be purchased by Centuria or by any other person, or to have their Units redeemed. Centuria retains the right to provide some liquidity to Investors, and will advise Investors of its intention to do so and its policy for redemptions if it is able to or elects to provide liquidity, however no guarantee is given that Investors will be able to exit the Fund (in whole or in part). This may affect Centuria's ability to return capital to Investors or the amount of capital it is able to return.

In addition, direct real estate assets are, by their nature, illiquid assets. It may be difficult for Centuria to dispose of the Fund's interest in the Property at the end of the Fund term in a timely manner at its optimal sale price.

Leveraged Investment and Interest Rate Exposure

The borrowings within the investment structure create leverage which increases the potential for capital gains and losses.

The Fund has hedged the interest rate on 80% of the debt facility for the entire three year term, thereby mitigating a majority of the risk of interest rate movements during the first three years of the Fund's initial term. If for any reason the Fund's interest in the Property needed to be sold prior to the end of this period, then break fees may apply to exit the interest rate hedge.

After the first three years of the Fund's initial term, it is possible that the Fund will become more exposed to movements in interest rates (which might be higher than the effective interest rate payable during the first three years arising from the interest rate hedging arrangement), and this could result in a reduction in income returns from the Fund.

A fall in the value of the Property or the net income derived from the Property could result in a breach of a borrowing condition. If there is a default under the debt facility, the financier may enforce its security against the Fund's interest in the Property and, amongst other things, sell the Fund's interest in the Property to recover any amounts owing.

The Fund's debt facility is for a term of three years. Upon the expiry of the debt facility, the financier has no obligation to roll over the debt facility. Furthermore, there is no certainty that debt funding to replace the current debt facility for the remaining two years of the initial Fund term or any extension, will be obtained or will be obtained on comparable terms. This may lead to increased interest costs for the Fund and therefore it may have a negative impact on Investors' returns.

The Fund will be subject to the terms and conditions of the Fund's debt facility, including key covenants. Breaches of these covenants or any other default in terms may enable the financier to take action against the Fund, including requiring the Fund's interest in the Property to be sold (please refer to Section 2.8 for further information on the debt facility). Such action may adversely impact on the income and distributions of the Fund.

Outgoings

Any future leases entered into by the Holding Trust and MAF in respect of the Property may be on a gross basis, whereby the Holding Trust and MAF are required to meet all outgoings incurred in connection with the Property. If outgoings are greater than those anticipated, there will be an adverse impact on the Fund's financial performance. Conversely, if outgoings are less than those anticipated, there may be a positive impact on the Fund's financial performance.

No Guarantee of Investment Returns

Neither the performance of this investment nor the repayment of capital is guaranteed by Centuria or the financier.

Counterparty Risk

The Fund or the Holding Trust, may, in the ordinary course of business, be involved in possible litigation and disputes, for example, tenancy disputes, disputes with MAF under the Co-owners' Agreement, environmental and occupational health and safety claims, industrial disputes and any legal claims or third party claims.

A material or costly dispute or litigation may affect the value of the assets or the expected income of the Fund.

The Fund and the Holding Trust expect to enter into, and may in the future enter into, legal documents and contracts in relation to numerous aspects of the Fund's and the Holding Trust's operations. These include, but are not limited to, property management arrangements, custody arrangements, debt financing arrangements, property development arrangements and tenancy arrangements. The Fund or the Holding Trust may be adversely affected where a party fails to perform under these agreements.

Risk of Reliance on Experts

Certain assumptions have been based on advice obtained from independent experts. While Centuria believes it is reasonable to rely on those experts, there is a risk that those assumptions may prove incorrect if, for example, a technical property report fails to identify the need for capital works or a revenue authority disagrees with a legal opinion and levies additional transfer registration fees.

Hedging Risk

The Fund intends to hedge some of its interest rate exposure by entering into an interest rate swap arrangement. The Fund will use mark-to-market accounting to value the hedging arrangements in accordance with standard Australian accounting practices. This may result in changes to the Fund's balance sheet as interest rate market conditions change, resulting in some volatility in the recorded value of such hedging arrangements. Centuria does not believe that this will materially impact the long-term financial position of the Fund or Investors as the financial impact of the hedging arrangement will revert to nil when the hedging arrangement expires.

Concentration Risk

Generally, the more diversified a portfolio, the lower the impact that an adverse event affecting one investment will have on the income or capital value of the portfolio. The Fund will own a 50% indirect interest in a single property and is not diversified by asset class, geographic location of properties or exposure to different property sectors.

Risk of Partial Ownership

The Fund has acquired a 50% indirect interest in the Property through acquiring units in the Holding Trust, which owns the Fund's interest in the Property. While Centuria believes that a partial interest may offer enhanced liquidity prospects (given a greater number of prospective purchasers may be attracted due to the lower purchase price), there is a risk that at any point in time, a prospective buyer pool, on balance may prefer to acquire a 100% interest in the Property and this may impact the value of the Fund's interest in the Property.

As outlined in Section 8.6, the Fund has entered into a Co-owners' Agreement with MA Financial Group in respect of the Property. The Co-owners' Agreement governs the decision making procedures in respect of the Property. Any material dispute or litigation in relation to the Co-owners' Agreement may affect the value of the Property and/or the income of the Fund.


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Taxation Information

Section 11

The following taxation information provides a general outline of some of the taxation implications of holding Units in the Fund. Taxation implications for Investors not residing in Australia or New Zealand may differ substantially from those outlined in this section.

The following information relates only to the Australian and New Zealand income tax (including CGT) and Goods and Services Tax (GST) implications of holding Units in the Fund, but does not contemplate stamp duty. This taxation summary is necessarily general in nature. The information is current as at the date of this PDS and may change from time to time. However, it does not take into account the specific circumstances of any Investor. It is therefore important that Investors obtain independent professional advice as to the specific taxation implications for their own circumstances.

The Manager does not purport to offer any taxation advice. The Manager and its officers, employees, taxation or other advisers do not accept any liability or responsibility in respect of any statement concerning taxation consequences, or in respect of the taxation consequences. The information below is based on an Australian or New Zealand tax resident Investor holding their investment in the Fund on capital account and not on revenue account or as trading stock and not being subject to the 'TOFA provisions' in Division 230 of the Income Tax Assessment Act 1997 (Cth) in relation to the Units.

11.1 Australian Taxation of Australian Resident Investors

1. Taxation of the Fund

The Fund is a closed-ended unlisted fund that indirectly invests in real Property for the purposes of deriving rental income. The Fund will acquire 100% of the units in the Holding Trust, which will own the 50% interest in the Property. Under current Australian income tax legislation, the Manager in its capacity as Responsible Entity for the Fund should not be liable to taxation on the net taxable income of the Fund, provided that the income of the Fund is fully distributed to presently entitled Investors or attributed under the Attribution Managed Investment Trust (AMIT) rules each year as relevant. Where the Fund incurs a loss for tax purposes, the loss cannot be distributed to Investors but will be carried forward to be utilised by the Fund against future income and/or capital gains. The carry forward and use of revenue losses will be subject to satisfying the loss recoupment rules.

Distributions

Investors will be subject to Australian income tax on their proportionate share of the net taxable income of the Fund for the relevant year, irrespective of whether actual distributions differ from the net taxable income of the Fund.

Distributions may also include tax deferred distributions, which arise where the net taxable income of the Fund is lower than the cash distribution amount for the period (e.g. such as due to tax deductions arising within the Holding Trust for capital allowances on assets). Tax deferred distributions are not immediately assessable to Investors when received but are applied to reduce an Investor's cost base in their Units.

This reduction in cost base will impact on the calculation of any taxable capital gain or capital loss on any disposal, redemption or transfer of the Units.

If the aggregate tax deferred distributions received from the Fund reduces an Investor's cost base in the Units to nil, any further tax deferred distributions received are assessable as capital gains to the Investor in the income year they are received.

Investors will be able to identify the categories of distributions from the annual tax statement which will be issued by the Manager each year to assist Investors in preparing their tax returns.

Capital Gains - Disposal of Property

Distributions to Investors may include net capital gains, CGT discount and CGT concession components which typically result from the Fund's disposal of Property. The CGT discount rules operate such that where the Fund derives a capital gain in respect of an asset held for at least 12 months, it should be entitled to a 50% discount in the calculation of the taxable capital gain that is distributed to Investors. Where a distributed capital gain includes a discounted capital gain component, the Investor is required to 'gross up' that amount by the discount applied by the Fund (i.e. 50%). The gross capital gain prior to discount is then included in the calculation of the Investor's net capital gain or loss. The Investor may then be entitled to apply their own capital losses from other investments and/or the CGT discount. Whether an Investor can obtain the benefit of a CGT discount will depend on their tax profile, including whether they are an Australian resident for tax purposes. The CGT concession component of a distribution typically represents the portion of a gross capital gain which is excluded from the calculation of the Fund's taxable capital gain due to the CGT discount. Subject to the comments above regarding the calculation of the Investor's net capital gains, a CGT concession amount should not be assessable when received by Investors. Further, there will be no reduction in cost base of the Units held by the Investor in respect of the CGT concession component of a Fund distribution.

Capital Gains - Sale or Redemption of Units

The disposal, redemption or transfer of any Units in the Fund may give rise to a taxable capital gain to an Investor. A discount may be available for certain Australian resident Investors in calculating the taxable amount of a capital gain where the Units in the Fund have been held for more than twelve months. For example, the discount is one-half for individuals and trusts, and one-third for complying superannuation entities and life insurance companies that hold the Units as a complying superannuation asset.

2. Attribution Managed Investment Trust (AMIT)

The Manager will use its reasonable endeavours for the Fund to qualify as a 'managed investment trust' (**MIT**) although this is ultimately subject to satisfying various requirements, some of which will be determined by the make-up of the Investors. Concessions apply to relieve trusts from some of the MIT requirements during the first two income years.

In May 2016, the Australian Federal Government enacted legislation establishing a new tax system for MITs. Trusts that meet the eligibility criteria may elect to become an attribution managed investment trust (AMIT). Provided the Fund is eligible to be an AMIT, and where it is commercially appropriate, the Manager may arrange for the Fund to elect into the AMIT regime. Once an AMIT election is made, the election is irrevocable.

The AMIT regime includes the following measures:

- A mechanism for the taxable income and tax offsets of the Fund to be attributed to Investors on a "fair and reasonable" basis, rather than being allocated proportionally based on the income distributed, or each Investor's present entitlement, to the income of the Fund. This aims to ensure that the income retains the tax character it had in the hands of the Fund and the Fund may not be held liable to tax on any undistributed income.
- An ability for under estimations and over-estimations of attributed amounts at the Fund level to be carried forward and adjusted in the year in which the variation is discovered.
- An ability for the cost base of an investor's holdings to be increased where the cash distribution received from the Fund is less than the attributed amount that is taxable to the investor.

If the Fund is an AMIT, investors will be issued an AMIT Member Annual (AMMA) Statement each year which will replace the annual tax statement. The AMMA Statement will set out the components of attributed income and other relevant taxation information to assist Australian resident Investors with the preparation of their income tax returns. Investors should seek their own advice on the potential impact of the Manager choosing for the AMIT regime to apply to the Fund.

3. Tax File Numbers

Investors are not required to quote their tax file number (TFN) or Australian Business Number (ABN) in relation to an investment in the Fund. However, if an Investor does not quote a TFN (or ABN where appropriate) or provide an appropriate TFN exemption, tax may be required to be deducted from distributions at the current rate of 47%.

Taxation Information

Section 11

11.2 Australian Taxation of New Zealand Residents

1. Distributions - Managed Investment Trust Withholding Tax Regime

The following comments are general in nature and are based on the Fund qualifying as a Managed Investment Trust (MIT) for the purposes of the withholding tax rules.

Pursuant to the MIT withholding tax regime, the Manager is required to withhold tax at a rate of 15% from distributions of net taxable income (including rent and capital gains, but excluding amounts of interest which are subject to 10% interest withholding tax) made to New Zealand resident Investors. The Fund is also required to provide a payment summary to such Investors which sets out the total of the withholding payments that the payment summary covers and the total of the amounts withheld by the Fund from those withholding payments. If the Fund does not qualify as an MIT, the tax treatment of your investment will differ. We recommend that you seek independent taxation advice in this regard.

2. Taxation of Capital Gains

The disposal, redemption or transfer of any Units in the Fund may give rise to a taxable capital gain. For example, this will be the case in circumstances where a New Zealand resident Investor and its associates have, at the time of disposal, redemption or transfer, or throughout a twelve month period that began no earlier than 24 months before that time and ended no later than that time, a direct participation interest in the Fund (including any interests held by associates) of 10% or more. Non-residents of Australia (e.g. New Zealand residents) are not entitled to discount capital gains treatment.

11.3 New Zealand Taxation of New Zealand Resident Investors

1. Income Tax

As the Fund is an Australian unit trust, it will be treated as a company for New Zealand tax purposes. The summary set out below assumes that you and your associates do not together hold more than 10% of the total Units on issue in the Fund. Investors will be taxed on their Units under one of two regimes: the ordinary tax regime or the Foreign Investment Fund (FIF) regime.

2. Tax Treatment Under the Ordinary Tax Regime

An Investor will be taxed under the ordinary tax rules if the Investor is a New Zealand resident natural person or a trustee of an eligible trust and does not hold offshore investments (FIF interests) (including offshore equities and/or units in a foreign unit trust, but excluding, amongst other things, shares in most Australian resident companies listed on the ASX) the total cost of which is more than NZ$50,000, unless the Investor elects otherwise. Under the ordinary tax rules:

Any distributions received over the life of the investments should be treated as taxable income for the Investor. Australian taxes withheld (if any) could be available as tax credits, subject to conditions.

The tax treatment of gains arising on disposal or redemption of the Units shall depend on whether such investments have been held on capital or revenue account. Broadly, a Unit will be held on revenue account and gains shall be subject to taxes at applicable income tax rates from the sale or redemption of Units (losses could be offset against other items of income), if the Investor:

- Derives an amount from the sale of investments from carrying on or carrying out a profit-making undertaking or scheme;
- Acquired the investments for the purpose of disposing of them; or
- Is engaged in the business of dealing in investments of this nature; or
- The investments are otherwise on revenue account.

Where the investments are held on capital account, any gains on disposal or redemption of Units will not be taxable. Such classification is fact specific and may vary on a case-by-case basis. We recommend Investors retain appropriate documentation which may support capital or revenue classification. Amounts taxed as dividends will not be taxed again as gains from sale.

3. Tax Treatment Under FIF Regime

Other Investors will be taxed under the FIF regime (FIF Investors). New Zealand tax laws provide for various methods to compute FIF income, the most commonly used in the case of investments in overseas funds/foreign companies have been summarised below:

Fair Dividend rate (FDR) method: under these rules, the FIF Investor will be deemed to derive taxable income equal to 5% of the market value of the Units the investor holds at the beginning of the income year. Any profits from selling or redeeming the Units and any dividends or redemption proceeds received are ignored, subject to the following:

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

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

The FIF Investor must apply the method which produces the lesser amount of additional income when applied consistently to all of their FIF investments bought and sold in the same income year. A slightly different version of this method is used by Investors that are managed funds.

Comparative value (CV) method: if a FIF Investor is a natural person or a family trust and its actual realised and unrealised return from its total portfolio of offshore equity investments (excluding most Australian resident companies listed on the ASX) is lower than the amount calculated under the FDR method described above, then the Investor can elect to be taxed on its actual realised and unrealised returns (including dividends). This method must be applied across all the NZ Investor's FIF interests if chosen. FIF Investors are allowed to calculate their FIF income using either of the above methods which produces a lower income.

Cost method: this is generally used when use of the FDR method is allowed under the New Zealand tax laws, but it is not practical because the FIF Investor cannot determine the market value of the FIF as at the beginning of the year (e.g. in case of investments in unlisted foreign companies where unit prices are not readily available).

It is noted that the application by an Investor of a certain method for calculating taxable income under the FIF regime in respect of Units held in the Fund may have implications for other investments that the Investor holds that are also subject to the FIF regime. Overall, the FIF Investor must apply the method consistently to all of their FIF investments in that income year (unless the FIF interests are of different classes or tax laws prevent/prescribe the use of a particular method).

An Investor will also need to make certain elections in respect of how amounts are converted to New Zealand dollars. The FIF regime described above is subject to various exceptions. Investors should seek specific tax advice if they believe the FIF regime may apply to them.

4. GST

The issue and redemption of Units in the Fund will not be subject to New Zealand GST.

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12.1 Cooling Off Rights

No cooling off rights apply to an investment in the Fund.

12.2 Valuation Policy

Centuria maintains and complies with a written valuation policy for the valuation of property assets held by each of its property funds that meets ASIC's RG 46 Benchmark 4.

ASIC's Benchmark 4 addresses the way in which valuations are carried out on the Fund's assets. The benchmark requires Centuria to maintain and comply with a written valuation policy that requires:

a. Valuers to be:

(i) Registered or licensed in the relevant state, territory or overseas jurisdiction in which the property is located (where a registration or licensing regime exists), or otherwise be a member of an appropriate professional body in that jurisdiction; and

(ii) Independent;

b. Procedures to be followed for dealing with any conflicts of interest;

c. Rotation and diversity of valuers;

d. Valuations to be obtained in accordance with asset timetable; and

e. For each property, an independent valuation to be obtained:

(i) before the property is purchased:

- for a development property, on an 'as is' and 'as if complete' basis; and
- for all other property, on an 'as is' basis; and

(ii) within two months after the directors form a view that there is a likelihood that there has been a material change in the value of the property.

Under Centuria's policy, valuations are classified as either an internal valuation or an independent valuation. An internal valuation is a valuation undertaken by Centuria and approved by Centuria's Board. It is commonly referred to as a director's valuation. An independent valuation is a valuation undertaken by an external valuer in accordance with Centuria's policy. Both internal and independent valuations may be adopted for the purposes of statutory and financial reporting or to advise investors in a fund of the current market value of a property.

All properties are independently valued prior to purchase of any direct or indirect interest by any of Centuria's registered managed investment schemes. Centuria's valuation policy also requires investment properties to be independently valued at least once every 24 months. However, in practice, independent valuations are generally conducted annually for each of Centuria's registered managed investment schemes, or such other times required by a fund's financier. Whilst annual valuations are conducted, a further external valuation will be conducted within two months of the directors determining that there is likely to be a material change in the value of a property. This will usually arise where the directors identify a material change during the process of completing a directors' valuation. All external valuers engaged to conduct an independent valuation must be approved valuers on Centuria's and the financier's valuation panel and can only be appointed to the panel if they meet criteria in relation to qualifications, registration, experience and independence. Centuria's valuation panel is also designed to provide a diversity of valuers.

Centuria's policy requires adequate rotation of valuers such that no valuer may perform an independent valuation more than three times consecutively. A valuer appointed from the valuation panel must also have no conflicting interests.

Valuations are conducted on an 'as is' basis using either a discounted cash flow or capitalisation approach.

The capitalisation approach is the primary method and involves dividing the annual fully leased net income of a property by the appropriate capitalisation rate. The capitalisation rate is determined by analysing recent sales with similar characteristics to the subject property, and calculating what the annual net market income of the property is as a percentage of the sale price. The discounted cash flow approach, which compliments the capitalisation approach and essentially acts as a check method, allows an investor or owner to make an assessment of the property's current value and likely long-term return based on rental and capital growth assumptions over an assumed investment horizon, which is generally 10 years.

To obtain a full copy of the valuation policy, please contact Centuria Investor Services.

12.3 Related Party Policy

ASIC's RG 46 Benchmark 5 relates to Centuria's policy for related party transactions and how this is disclosed to Investors.

ASIC's Benchmark 5 requires Centuria to maintain and comply with a written policy on related party transactions, including the assessment and approval processes for such transactions and arrangements to manage conflicts of interest.

Centuria Capital maintains and complies with a written group wide Conflict of Interest policy (COI Policy) that governs the way in which conflicts of interest are managed. Where the Fund enters into a transaction or other arrangements with a related party of Centuria, the transaction is reviewed, assessed and managed in accordance with the COI Policy. A conflict of interest may arise where there is a conflict or potential conflict between the interests of the responsible entity, or its related entities, and the interests of Investors.

In accordance with its COI Policy, Centuria is committed to either avoiding, or properly managing, perceived, potential and actual conflicts of interest through:

- Documenting policy and procedures on conflicts of interest;
- Identifying, assessing, evaluating and disclosing conflicts of interest;
- Avoiding or managing conflicts of interest to properly protect investors' interests;
- Taking appropriate steps to ensure the fair treatment of investors in Centuria entities, including Centuria funds and all investors potentially impacted by the conflict, which may include:
  - Seeking external advice or separate representation for different Centuria entities;
  - Separation or "quarantining" of Centuria decision-makers – particularly in relation to the consideration of the interests of investors in different Centuria entities including Centuria funds or in different classes;
  - Documentation of procedures adopted which may include preparation of reports evaluating and considering conflict issues;
  - Escalation of decision-making;
  - Bench-marking transactions or arrangements against market practice or transacting on arm's length terms;
  - Disclosure to investors; and
  - Approval by investors, if required by law.

Centuria is also committed to dealing in an open manner with conflicts of interest and related party engagements through initial and/or ongoing disclosure wherever this is likely to be relevant to Investors.

The Board of Centuria has oversight of identified conflict of interest issues and the steps taken by management to avoid or manage perceived, potential and actual conflicts of interest.

As explained earlier in this PDS and at Section 12.4 below, Centuria Capital provided a short-term loan to the Fund to finance the deposit and to cover the security for the interest rate hedging arrangement under the debt facility. This loan was repaid in full at settlement of the Property. This loan transaction was assessed and documented in accordance with Centuria's COI Policy, and was entered into on terms that Centuria considers no more favourable than what would be charged by a lender in a comparable transaction if dealing on arm's length terms.

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As also explained earlier in this PDS, Centuria Capital subscribed for Acquisition Units in the Fund, to help fund the purchase of the Fund's interest in the Property. This subscription was also assessed and documented in accordance with the COI Policy, and was entered into on terms that Centuria considers no more favourable to Centuria Capital than what would be offered in a comparable transaction if dealing on arm's length terms. It is intended that the Acquisition Units will be redeemed from the proceeds raised under this Offer.

12.4 Centuria Capital Financing of Acquisition Deposit, Hedging Security and Subscription for Acquisition Units

Centuria Capital provided an unsecured loan to the Fund of $5,662,578 to finance the deposit payable for the Fund's 50% interest in the Property, as well as the security to lock in the three year interest rate swap under the Fund's debt facility. Interest is charged at a rate of 10% p.a. The accrued interest and loan principal was repaid on settlement of the Property. Total interest paid to Centuria Capital was $111,296.

As explained earlier, Centuria Capital also subscribed for Acquisition Units in the Fund. These are related party transactions as Centuria is a wholly owned subsidiary of Centuria Capital. In entering into these transactions with Centuria Capital, Centuria complied with its conflicts of interest policy.

12.5 Gearing Policy

ASIC's RG 46 Benchmark 1 relates to the extent to which the Fund's assets are funded by interest bearing liabilities and providing disclosure in respect of what this means to Investors. This Benchmark requires Centuria to have in place a gearing policy that governs the gearing within a fund at an individual facility level.

Gearing is the level of debt finance that is used to purchase properties or manage the capital expenditure within a fund. Gearing increases the exposure of Investors to movement in the value in the underlying properties in which a fund invests. It can magnify capital gains, however, it can also magnify capital losses. A highly geared fund will have a lower asset buffer to rely on in times of financial stress.

Borrowings are generally secured against the property (or properties) held by a fund (in this case the Fund's interest in Property and the investment in the Holding Trust held by the Fund) and this will mean that repayment of these borrowings ranks ahead of an Investor's interest in the Fund.

Most facilities will also have conditions that enable the financier to call on the loan if investors exercise their rights to remove and replace the responsible entity for the Fund.

If the Fund's borrowings are to mature within a timeframe which is shorter than the life of the Fund, it will need to refinance. Centuria has negotiated a five year debt facility on behalf of the Fund, which matches the length of the Fund's initial term.

The LVR formula as set down by RG 46, and used by Centuria when calculating the gearing ratio of the Fund, is:

$$\textbf{LVR} = \frac{\text{total interest bearing liabilities}}{\text{total assets}}$$

The LVR will be updated in the Fund's RG 46 statements, however, it is important to note that the Fund's financier will use a different methodology to measure its LVR covenant. Centuria will report against this covenant in quarterly Investor updates.

Using the above calculation, it is expected the Fund will have an initial gearing ratio of 44.6% based on the independent valuation of the Property (net of outstanding rental abatements and rental guarantees adjusted at the settlement of the Property) and the Fund's cash. The value of the Property held in the Holding Trust is taken into account when calculating this ratio. However, under the Fund's debt facility, the initial LVR is 45%, as the calculation methodology under the facility is based only on the Property's value (based on the independent valuation of the Property) and does not take into consideration the Fund's cash assets.

Each financier of a fund will set an LVR covenant. This covenant is the maximum percentage level of gearing a fund can hold relative to asset values under the financing facility.

If this covenant is breached, the financier may exercise its rights under the facility agreement including the imposition of higher interest margins or forcing the sale of a property. It is for this reason that Centuria has negotiated an expected LVR covenant of 57.5%. Centuria monitors both the LVR and ICR covenants (please see Section 12.6 for further information) for every fund it manages on a monthly basis at formal monthly treasury meetings and a monthly property executive committee meeting.

During these meetings, management will take active steps to manage LVR and ICR within the debt covenants where possible.

The measures available to manage LVR and ICR covenants will vary between funds and are the subject of commentary in Centuria's quarterly Investor updates.

Where a covenant is breached, Centuria will work in consultation with the financier to take appropriate steps to manage the breach and to do so in the best interests of Investors.

A copy of Centuria's LVR policy is available on request from Centuria.

12.6 Interest Cover Policy

ASIC's RG 46 Benchmark 2 relates to how the Fund's cost of liabilities (interest cover) is maintained and providing disclosure in respect of what this means to Investors.

A geared fund will incur an interest expense that will increase with the size of the loan or interest rate margins applied by the financier. A fund with higher gearing will be more sensitive to interest rate movements than a fund with lower gearing.

An ICR is a measure of a fund's ability to meet its interest expenses from the earnings of the fund. The ICR is a key indicator of a fund's financial health.

The closer a fund is to an ICR of one, the closer the fund's cash flow is to meeting interest expenses only. If the ICR falls below one, the fund earnings are insufficient to meet interest expenses.

Each financier will set an ICR covenant. The covenant will set the minimum ICR that the fund must hold.

The ICR formula as set down by RG 46 and used by Centuria to calculate the Fund's ICR is:

$$\textbf{ICR} = \frac{\text{EBITDA - unrealised gains + unrealised losses}}{\text{interest expense}}$$

Centuria maintains and complies with a written policy in relation to the management of the LVR and ICR at an individual credit facility level for its funds.

The Fund has an initial ICR of 2.83 times under the RG 46 calculation methodology, however for bank covenant purposes the Fund has an initial ICR of 4.85 times and an ICR covenant of 2.5 times.

Centuria's policy requires management to endeavour to maximise the headroom between the forecast ICR for the Fund and the ICR covenant agreed with the financier. A specific target ICR is not set beyond the requirement to seek headroom over the covenant at refinance and then to manage the facility within that covenant.

See Section 12.5 above for further detail on Centuria's LVR Policy.

A copy of Centuria's ICR Policy is available on request from Centuria Investor Services.

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12.7 Investors' Rights

The rights attached to the Units are set out in the constitution of the Fund. Those rights are, in certain circumstances, also regulated by the Corporations Act and the general law. Centuria has registered the Fund as a managed investment scheme under the Corporations Act.

The constitution of the Fund is available for inspection at the offices of Centuria. The following is a summary of some of the principal rights of Investors:

- Investors are entitled to receive notice of, and to attend and vote at, a general meeting of the Fund and to receive all notices, accounts and other documents required to be sent to members under the constitution of the Fund, the Corporations Act or the general law;
- Each Investor present in person or by an attorney, representative or proxy at a general meeting of the Fund has one vote on a show of hands (unless an Investor has appointed two proxies) and one vote per dollar value of the total interests they have in the Fund on a poll. Where there are two or more joint holders of a Unit and more than one of them is present at a meeting and tenders a vote in respect of the relevant Unit, only the vote cast by the holder whose name appears first in the Unit register will count;
- Centuria may, on behalf of the Fund, issue further Units for the issue price calculated in accordance with the constitution;
- Units may be transferred by a written document in the required form. Centuria may refuse to register a transfer of Units without giving any reason;
- If the Fund is wound up, Investors will be entitled to participate in any surplus assets of the Fund according to their rights and interests. Subject to rights attached to a particular class of Units, this means in proportion to their holdings. In addition to the circumstances in which the Fund may be wound up under the Corporations Act, Centuria may wind up the Fund by giving Investors in the Fund notice of the termination date;
- Subject to the constitution of the Fund and the Corporations Act, the Manager has all the powers in respect of the Fund which it would have if it was the owner of the assets of the Fund. The constitution of the Fund provides that the Manager will be paid out of the income or capital of the Fund certain fees which are detailed in Section 9;
- Centuria may hold Units and may contract with itself in another capacity, for example as trustee of another fund, and may contract with related entities for the provision of services to the Fund paid for by the Fund; and
- The liability of Investors is limited under the Constitution to the value of their investment. However, the question of limited liability for investors of managed investment schemes has not been tested in a court of law.

12.8 Future Capital Raising

Centuria may, on behalf of the Fund, issue further Units. In addition, Centuria may, in its discretion, determine to raise further capital by means of a number of other methods including:

- Discounted pro-rata rights offer to all Investors;
- Issue of separate classes of units with different rights; or
- Operation of a distribution reinvestment program.

Centuria and its associates are permitted to acquire Units in the Fund via future capital raisings. Centuria may also enter into arrangements (including through the provision of finance) with underwriters or other entities to facilitate a purchase of Units. Any fees payable to underwriters or other entities to acquire Units will be paid for by Centuria out of its own funds and will have no effect on the Fund or its returns.

Units acquired by, or as a result of an arrangement with, Centuria or its associates may be issued on different terms and may rank ahead of Units for redemption purposes or for payment of capital and income distributions.

12.9 Appointment of Centuria Property Services to provide services to the Property

On behalf of the Fund, the Co-owners may engage Centuria Property Services to provide property management, facilities management, development management and leasing services to the Property.

If Centuria Property Services is appointed to provide those services in the future, then it will be paid an amount no higher than what is being paid to the existing providers at the time.

If Centuria Property Services is engaged at any point in the future by the Co-owners, it will be on arm's length terms and managed in accordance with Centuria's conflict of interest procedures and disclosed to Investors (including the actual amounts to be paid to Centuria Property Services) through Centuria's statement of compliance with ASIC Regulatory Guide 46 (which will also include any required related party disclosures).

12.10 Labour Standards and Environmental, Social or Ethical Considerations

Centuria does not directly take labour standards or environmental, social or ethical considerations into account for the purpose of selecting, retaining or realising investments of the Fund, as these decisions are primarily based on economic considerations. However, sometimes these matters do indirectly affect the economic factors upon which investment decisions are based.

12.11 Consents

Each of JLL, CBRE and Savills have consented to the statements made, or based on statements made, by them to be included in this PDS in the form and context in which they are included and at the time of issue of this PDS had not withdrawn their consent. None of these entities has authorised or caused the issue of this PDS and nor are they responsible for the PDS.

12.12 Interest on Application Monies

Application Monies that Centuria holds in an account prior to the issue of Units may earn interest. Any interest earned on an Investor's funds held in the Applications account will be paid to the Fund. However, if Centuria determines not to proceed with the Offer because the Offer Amount is not achieved by the Offer close date, then Centuria will be entitled to retain any interest earned.

12.13 Dispute Resolution

The Manager and its subsidiary companies are committed to striving for excellence in relation to its products and services and want to ensure that they respond to Investors' concerns as quickly and efficiently as possible. Despite their best endeavours, they realise that complaints will occur from time to time and, to this end, have in place comprehensive internal and external complaints resolution processes to ensure they are resolved with minimum inconvenience to all parties. If you have a complaint, please contact us on (02) 8923 8923, or +61 2 8923 8923 for NZ Investors. We will either try to resolve your complaint or put you in contact with someone who is better placed to resolve the complaint. If you are not satisfied with the response you receive or if you wish to submit a written complaint, you may write to us at:

Address:	**Centuria Property Funds No. 2 Limited** **Complaints Resolution Process** **Level 41, Chifley Tower, 2 Chifley Square** **Sydney NSW 2000**
or Email:	**compliance@centuria.com.au**

Please provide the reason for your complaint and any other additional details and we will attempt to resolve the matter and respond within five business days of receipt.

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If you are not satisfied with the response we provide you in respect of your complaint, you may contact the Australian Financial Complaints Authority. Its contact details are:

Australian Financial Complaints Authority
GPO Box 3
Melbourne VIC 3001

Telephone:	**1800 931 678**
Email:	**info@afca.org.au**
Website:	**www.afca.org.au**

Please note that a complaint must have gone through Centuria's complaints handling process before it can be referred to the Australian Financial Complaints Authority.

12.14 Investors' Right to Information

At all times during which the Fund is a disclosing entity, the Fund will be subject to regular reporting and disclosure obligations. Copies of documents lodged with ASIC in relation to the Fund may be obtained from, or inspected at, an ASIC office.

You have a right to obtain a copy of the following documents:

- The annual financial report most recently lodged with ASIC by the Fund;
- Any half year financial report lodged with ASIC by the Fund after lodgement of that annual report and before the date of this PDS; and
- Any continuous disclosure notices given by the Fund after lodgement of that annual report and before the date of this PDS.

12.15 Personal Information

Centuria takes all reasonable steps to protect your personal information. Centuria will use your personal information for:

- Processing your Application for Units;
- Informing you of any other potential investment opportunities to be promoted and/or managed by Centuria or any of its related entities. If you do not wish to receive this information, please contact Centuria's Privacy Officer on **(02) 8923 8923**;
- Administering the Fund (including calculation of entitlements and distributions, and ownership and interests in Units); and
- Any purpose related to the above purposes.

Your personal information may be disclosed to related entities of Centuria and any organisation (such as an accountant or auditor) involved with the administration of the Fund for any of the above purposes.

The provision of the personal information requested is needed to allow your Application to be processed. By completing the Application Form, you consent, for the purposes of the Spam Act 2003 (Cth) and the Unsolicited Electronic Messages Act 2007 (New Zealand) to receiving commercial emails from Centuria, related entities of Centuria or any other entity involved with the administration of the Fund.

You can get access to and correct the personal information about you that Centuria holds or a copy of Centuria's Privacy Policy by contacting its Privacy Officer on **(02) 8923 8923.**

12.16 Anti-Money Laundering and Counter-Terrorism Financing

The Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth) (AML Legislation) is aimed at addressing money laundering in Australia and the threat to national security caused by terrorism. This legislation requires us to collect identification information from you and to verify your identity from original or certified copies of specified documents, or reliable independent electronic data (or a combination of documents and electronic data). Further details of the anti-money laundering regime, including what identification information and documentation you are required to provide, are set out in the Application Form. By applying for Units, you agree to the following:

- You will supply, or procure the supply of, any documentation and other evidence and perform any acts to enable Centuria to comply with the AML Legislation;
- If we suspect that you are in breach of the AML Legislation applicable in Australia or elsewhere, or we believe it is required to take action under any laws relating to the AML Legislation or any other applicable law in Australia or elsewhere, we may take any action we consider appropriate, including transferring your Units and refusing or ceasing to provide you with services, in order to comply with any laws relating to the AML Legislation or any request of a relevant authority; and
- We may, in our absolute discretion, with or without notice to you, disclose or otherwise report the details of any transaction or activity, or proposed transaction or activity, in relation to the Fund (including any personal information, as defined in the Privacy Act 1988 (Cth) that you may have provided to us) to any reporting body authorised to accept reports under any laws relating to the AML Legislation applicable in Australia or elsewhere.

If you do not complete the relevant verification sections of the Application Form, this may delay the processing of your Application or result in your Application being returned.

12.17 United States of America (US) Foreign Account Tax Compliance Act (FATCA) and Common Reporting Standard (CRS)

FATCA is a US law that came into effect on 1 July 2014 and impacts investors worldwide. FATCA attempts to minimise US income tax avoidance by US persons investing in assets outside the US, including through their investments in foreign financial institutions. FATCA requires reporting of US persons' direct and indirect ownership of non-US accounts and non-US entities to the US Internal Revenue Service (IRS). The Australian Government has entered into an Inter-Governmental Agreement (IGA) with the Government of the United States of America for reciprocal exchange of taxpayer information. Under the IGA and enacted legislation, financial institutions operating in Australia report information to the ATO rather than the US IRS. The ATO may then pass the information on to the US IRS.

The Fund may meet the definition of a 'Foreign Financial Institution' and if so, Centuria will comply with its FATCA obligations. These laws apply to all financial institutions offering bank or deposit accounts, investment funds, custodial accounts and certain insurance accounts in Australia.

The FATCA self-certification form included in the Application Form must be completed by all Investors and requires self-certification of an Investor's taxation status under US law. The self-certification is used by Centuria to determine if reporting is required in relation to your investment in the Fund.

The CRS is the single global standard for the collection, reporting and exchange of financial account information of non-residents, which applies to calendar years ending after 1 July 2017. Under CRS, the Fund may need to collect and report financial account information of non-residents to the ATO. The ATO may exchange this information with the participating foreign tax authorities of those non-residents.

Glossary of Terms

Section 13

Unless the context otherwise requires, in this PDS the following terms have the meanings shown below:

DEFINED TERM	MEANING
ABN	Australian Business Number.
ACN	Australian Company Number.
Accounting Standards	The Australian Accounting Standards, issued by the Australian Accounting Standards Board.
Acquisition Unit	An Acquisition Unit in the Fund as described in Section 2.9.
AFSL	Australian Financial Services Licence.
AMIT	Attribution Managed Investment Trust.
AML Legislation	Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth).
Application	An application to acquire Units in the Fund pursuant to the Offer.
Application Form	The form attached to or accompanying this PDS at Appendix 1 and the online form available to Australian Investors only at **www.centuriainvestor.com.au/C25GSFoffer** which must be used to make an Application for Units in the Fund pursuant to the Offer.
Application Monies	The price or the amount paid by a prospective Investor to apply for Units in the Fund.
APRA	Australian Prudential Regulation Authority.
ARSN	Australian Registered Scheme Number.
ASIC	Australian Securities and Investments Commission.
ASX	ASX Limited ACN 008 624 691, or the market operated by it as the context requires.
ATO	Australian Taxation Office.
Board	The board of directors of Centuria.
CBD	Central Business District.
Centuria Capital or CNI	Centuria Capital Limited ACN 095 454 336.
Centuria	Centuria Property Funds No. 2 Limited ACN 133 363 185 AFSL 340 304.
Centuria Property Services	Centuria Property Services Pty Limited ACN 092 526 924.
CGT	Capital gains tax.
Corporations Act	Corporations Act 2001 (Cth).
Co-owner	MA Asset Management Ltd ACN 142 008 535 as trustee of the MA Grenfell Centre Fund.
Co-owners' Agreement	The agreement between Centuria and MAF which governs the management and ownership of the Property.
EBITDA	Earnings Before Interest, Taxation, Depreciation and Amortisation.
ESG	Environmental, social and corporate governance.
Extraordinary Resolution	A resolution of which notice as set out in section 252J(c) of the Corporations Act has been given and that has been passed by at least 50% of the total votes that may be cast by Investors entitled to vote on the resolution.
FATCA	U.S Foreign Account Tax Compliance Act.
Forecast Period	The financial year ending 30 June 2022 (annualised) and the financial year ending 30 June 2023.
Fund	Centuria 25 Grenfell Street Fund - ARSN 656 250 154.
FY	Financial Year.
GST	Goods and Services Tax (Australia and New Zealand).
Holding Trust	Centuria 25 Grenfell Street Sub Trust, the special purpose trust, which will own 50% of the Property. The Fund will own its 50% indirect interest in the Property through investing in the Holding Trust.
Holding Trustee	Trustee of the Holding Trust, being Centuria Investment Management (Property) No. 5 Pty Ltd ACN 654 487 288.
ICR	Interest cover ratio.

Glossary of Terms

Section 13

Unless the context otherwise requires, in this PDS the following terms have the meanings shown below:

DEFINED TERM	MEANING
Internal Rate of Return or IRR	The Internal Rate of Return is the annualised, effective compound return rate of each of the cash flows received by Investors.
Investment Amount(s)	The amount subscribed by an Investor for Units.
Investor	A person/entity holding a Unit in the Fund.
ITAA 1997	Income Tax Assessment Act 1997 (Cth).
Liquidity Event	An opportunity for all Unitholders to exit the Fund.
LVR	Loan to value ratio. The ratio of any outstanding borrowings to the value of the Fund's interest in the Property.
MAF/MA Financial Group	MA Asset Management Ltd ACN 142 008 535 as trustee of the MA Grenfell Centre Fund.
Manager	Centuria, as responsible entity of the Fund.
MIT	A managed investment trust within the meaning of the Taxation Administration Act 1953 (Cth).
NAB	National Australia Bank ABN 12 004 044 937.
NABERS	The National Australian Built Environmental Rating System.
NLA	Net Lettable Area.
NTA	Net Tangible Assets. Calculated as the gross assets (including the Fund's proportionate interest in the liabilities of any sub-entity) of the Fund less liabilities of the Fund (excluding liabilities of Investors but including the Fund's proportionate interest in the gross assets of any sub-entity).
Offer	The invitation to subscribe for Units pursuant to this PDS.
Offer Amount	$48,471,149
Offer Open	21 February 2022.
Offer Close	18 March 2022.
Ordinary Resolution	A resolution which is passed by more than 50% of the votes cast by Investors entitled to vote on the resolution.
p.a.	Per annum.
PCA/IPD	Property Council of Australia/Investment Property Databank.
PDS	This product disclosure statement and any replacement or supplementary product disclosure statement.
Property	25 Grenfell Street, Adelaide, South Australia.
Realisation Transaction	A restructure or other arrangement affecting the Fund, which enables Investors to realise more than 50% of their Units.
RBA	Reserve Bank of Australia.
REIA	Real Estate Institute of Australia.
RG 46	ASIC Regulatory Guide 46 (Unlisted Properties schemes: Improving Disclosure for Retail Investors).
S&P/ASX	Standard & Poor's/Australian Securities Exchange.
SA	South Australia.
Sqm	Square metres.
TFN	Tax file number.
Unanimous Resolution	A resolution, which is passed by 100% of the votes cast by Investors entitled to vote on the resolution.
Unit	An ordinary unit in the Fund.
Unit Issue Price	The issue price for Units issued pursuant to the Offer, being $1.00 per Unit.
WALE	Weighted Average Lease Expiry.
Wholesale Client	An Investor who is a wholesale client for the purposes of section 761G of the Corporations Act.
Withdrawal Price	The Withdrawal Price calculated in accordance with the Fund's constitution and is based on the NTA per Unit adjusted for, amongst other things, costs and expenses associated with the sale of the assets and the winding up of the Fund.

How to Invest

Online application
Go to **www.centuriainvestor.com.au/C25GSFoffer** and follow the instructions to complete your application.

New Zealand Investors
May invest online however you still will be required to provide certified identification documentation.

Postal application
Refer below and follow the instructions to complete your application.

This Application Form is part of the product disclosure statement (PDS) issued by Centuria Property Funds No.2 Limited (ABN 38 133 363 185) (AFSL 340 304) (the Manager) for the Centuria 25 Grenfell Street Fund (Fund) ARSN 656 250 154, dated 21 February 2022. You should read the PDS and the Application Form together in full before applying to invest as it provides important information about investing in the Fund. You should also read the target market determination (TMD) for the Fund, which is available at **centuria.com.au/C25GSF/TMD.**

Any person who gives another person access to this Application Form must at the same time and by the same means, give the other person access to the PDS. The Offer to which the PDS relates is only available to eligible Investors receiving a copy of the PDS (electronically or otherwise) in Australia, New Zealand and any other jurisdiction where the Offer may lawfully be made. Unless the context requires otherwise, capitalised terms used in this Application Form have the meaning given to them in the PDS. The Manager reserves the right to accept or refuse any Application for investment in the Fund.

Checklist - Completing your Application Form

- ☐ **Step 1:** Complete the **Application Form - 25 Grenfell Street Fund** relevant to your investment entity type (on page 60).
- ☐ **Step 2:** If required complete the **Identification Form 1 - Individual, Joint, Sole Trader** (on page 64).
- ☐ **Step 3:** If required complete the **Identification Form 2 - Companies** (on page 66).
- ☐ **Step 4:** If required complete the **Identification Form 3 - Trusts, Trustees, SMSFs** (on page 68).
- ☐ **Step 5:** Complete the **Tax Status Declaration Form** (on page 75).
- ☐ **Step 6:** Complete the **TMD Questions** (on page 79).
- ☐ **Step 7:** **Make payment** using one of the payment methods below.

How to invest

The minimum Investment Amount is $50,000 and in multiples of $1,000 minimum thereafter. The Manager reserves the right to accept lesser amount at its discretion.

Payment Method

Please select one of the four payment methods and indicate your preference on your Application form. All payments must be made in Australian dollars (AUD).

1. BPAY® telephone and internet banking

Biller code	226 928
Reference number	Provided by Centuria

® Registered to BPAY Pty Ltd ABN 69 079 137 518

You can make payment with your bank using telephone or internet banking. You will need to quote the biller code and reference number when making your payment. Once your original Application is accepted, Centuria Investor Services will contact you by phone or email to provide you with your BPAY reference number. If you are an existing Investor you can use your Investor Number as your BPAY reference.

2. Cheque

Please make cheques payable to **Centuria 25 Grenfell Street Fund Applications** and attached with your original Application Form when posting. Please cross and write 'not negotiable' on Australian cheques only.

3. Electronic Funds Transfer

Please transfer funds electronically to the following account and send your completed Application Form to the address below.

Account Name:	Centuria 25 Grenfell Street Fund Applications Account
BSB:	332-027
Account Number:	555 821 806
Your reference:	Please use the name of your investment entity

It is important to include your **investment entity** as your reference to ensure there is no delay in allotting your Units in the Fund. If you are an existing Centuria Investor you can use your Investor Number.

Where to send your application

Centuria 25 Grenfell Street Fund

C/O Centuria Investor Services
GPO Box 3993
Sydney, NSW 2001

Please Note: Your application cannot be processed until both your original Application Form, payment and the required identification documents have been received by the Manager.

Application Form Centuria 25 Grenfell Street Fund

Guide to completing this Application Form.
- Complete the form for each new Investor nominated on your application.
- Complete the form in pen using BLOCK LETTERS and mark appropriate answers with a cross X or number.
- Any queries please contact the Centuria Investor Services team on **1800 182 257**.

Investor Identification

The AML legislation requires the Manager to confirm the identity of each Investor. If the Manager is not able to do so, it may not be able to accept your application.

If you are an existing Centuria investor and we have your current AML documentation on file, please ONLY complete pages 60 to 63 and the TMD questions found on page 79 of this application pack.

Has the person/entity invested in a Centuria product previously?

☐ Yes, Investor number: ☐☐☐☐☐☐☐☐☐☐☐

☐ No

In addition to this Application Form, you also need to complete the Investor Identification Form appropriate to the type of Investor you are, as below.

☐ 1. Individual/Joint Investor: > If "NO", complete Investor Identification Form – Individuals.

☐ 2. Company: > If "NO", complete Investor Identification Form – Companies.

☐ 3. Trust and Trustee: > If "NO", complete Investor Identification Form – Trusts, Trustees & SMSFs.

Investment Amount and Entity Details

Minimum investment amount is $50,000 and thereafter in multiples of $1,000. Payment details on page 59.

Investment amount AUD: $ ☐☐☐☐☐☐☐☐☐

If you're investing as an individual, the individual trustees of a trust or joint Investors please complete this section.

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

Title ☐ Given name(s) ☐

Surname ☐ Date of birth ☐☐ ☐☐ ☐☐

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

Title ☐ Given name(s) ☐

Surname ☐ Date of birth ☐☐ ☐☐ ☐☐

Providing your TFN will ensure tax is not deducted from distributions.

Tax File Number(s) - Individual and Joint Investors 1 & 2 only

☐☐☐☐☐☐☐☐☐ ☐☐☐☐☐☐☐☐☐

If Investor(s) above, are exempt from providing a TFN, please provide the exemption reason below.

☐

(Continued on the next page)

Application Form Centuria 25 Grenfell Street Fund

If you're investing under a company, corporate trustee, trust or super fund please complete this section.

Name of investing Company, Association, Body or Corporate Trustee if applicable

ACN

TFN

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

Provide the ABN and/or TFN of the trust, super fund or named individual.

ABN

TFN

If Investors above, are exempt from providing a TFN, please provide the exemption reason below.

Required by foreign residents for tax purposes.

If the investing entity is not an Australian resident for tax purposes, specify the country of tax residency:

Complete this section if you are an existing Investor through a company, corporate trustee, trust, super fund.

Has there been any change to the following?:

- If a company, the company details including directors, beneficial owners and key stakeholders (greater than 25% of shares).
- If a trust, the trust details including beneficial owner, trustee and beneficiaries.

☐ Yes - You must complete the identification form referring to your investment entity.

☐ No - Complete the Tax Status Declaration Form, (if not completed previously).

Application Form Centuria 25 Grenfell Street Fund

Applicant(s) Contact Details (must not be adviser details)

These contact details will be used for all investment correspondence.

Adviser details are not acceptable unless your Adviser holds a Letter of Authority which must be provided with this application form.

These contact details will be used for all administration correspondence.

Address

Suburb | State | Postcode | Country

Work phone | Home phone

Mobile phone | Facsimile

Email

Adviser Details

Please have your financial adviser complete and sign this Section, to confirm they hold a current AFS licence and are authorised to deal or advise on managed investment products.

I hereby direct the Manager to pay an adviser service fee, out of my Application Monies (inclusive of GST) on my/our behalf to my financial adviser.

Adviser given name(s) | Adviser surname

Adviser Email Address

Licensed Dealer | AFS Licence No.

Adviser Company (if applicable) | Adviser Signature:

Initial Advice Fee (if applicable) %

Signature

As the financial adviser of the Applicant, by signing above, I confirm I have reviewed the TMD in providing personal advice to the Applicant in relation to their investment in the Fund and I further represent that I:

- have product governance arrangements in place to ensure compliance with my distribution obligations in Part 7.8A of the Corporations Act;
- will provide to Centuria the reports specified in the TMD within the timeframes specified in the TMD;
- will not knowingly do anything to put Centuria in breach of Part 7.8A of the Corporations Act; and
- will notify Centuria immediately if I become aware of anything that would, or may potentially, put Centuria in breach of Part 7.8A of the Corporations Act.

Distribution Instructions

If you have an international bank account please contact Centuria Investor Services.

Account Name

Financial Institution

BSB | Account Number

Source of Funds

Please confirm the source and origin of funds being invested. e.g. inheritance, savings or superannuation contributions.

Application Form Centuria 25 Grenfell Street Fund

Payment Details

These details are required so your payment can be matched to your Application Form.

Please indicate your payment method:

☐ Cheque > Made payable to: Centuria 25 Grenfell Street Fund Applications

☐ EFT > Your Reference ____________________

☐ BPAY® > Please refer to payment Section 'How to invest' on page 59.

Declaration and Signatures

I/we acknowledge, declare and agree that by signing this Application Form:

- I/We have read the PDS and I/we agree to be bound by the terms and conditions contained in the PDS.
- I/We have read the TMD for the Fund which is available at **centuria.com.au/C25GSF/TMD.**
- I/We agree to be bound by the constitution of the Centuria 25 Grenfell Street Fund as amended from time to time.
- I/We acknowledge that an investment in the Fund is subject to investment and other risks, including possible delays in repayment and the loss of income and the loss of capital invested.
- I/We acknowledge that the Manager does not guarantee the performance of the Fund or the return or repayment of capital or income.
- I/We represent that all details contained in this Application Form (including if relevant my answers to the TMD Questions on page 79) are complete and accurate.
- I am/We are not, as a result of the law of any place, a person to whom this PDS should not be given.
- I/We represent and warrant that, except as agreed with the Manager, I am/we are in Australia, New Zealand or any other jurisdiction in which the offer may lawfully be made and am/are not acting for the account or benefit of another person outside Australia, New Zealand or any jurisdiction in which it would be unlawful to offer the Units under this PDS.
- I/We have personally received the PDS accompanied by, or attached to, this Application Form, which I/we have read and understood before applying to invest in the Fund.
- I/We consent to my/our information being disclosed between those entities outlined in Section 12.15 of the PDS, and to its use for direct marketing (subject to my/our right of opt-out at any time), product management and development, and for other reasonable purposes.
- If I/We have directed the Manager to make a payment to my/our financial adviser, I/We understand that this payment will be deducted from my/our initial Application Monies and paid by the Manager as agent of the financial adviser named on page 62 of the PDS. The balance of my/our Application Monies after the deduction of the Adviser fee will be invested in the Fund.
- I/We undertake to provide any information that the Manager reasonably requires for the purposes of the Manager Obligations under the AML Legislation.

Please note: Applications received from companies or corporate trustees must be signed in accordance with their constitution.

Privacy

By signing this Application Form you acknowledge that you have read, understood and agree to the collection, use and disclosure of your personal information as set out in Section 12.15 of the PDS or otherwise as required by law. In particular, you agree we may use your personal information to assess whether you are likely to be in the target market for the Fund and to tell you about products or services that might better serve your needs or promotions about any other matters that may be of benefit or interest to you and you also agree your personal information for these purposes may be disclosed to the Manager and its related companies, to other organisations, and to relevant service providers.

If you do not want to receive such information, please tick the box below.

☐ **I DO NOT wish to receive information about new Centuria investment products and events.**

Signatures

All authorised signatures to sign. If any to sign is ticked, this will authorise one person to operate the account in the future.

☐ Any to sign ☐ All to sign

Signature A	Signature B
Full name	Full name
Date	Date

If a company officer or trustee you must specify your title

Signature A	Signature B
☐ Director ☐ Sole Director & Company Secretary	☐ Director ☐ Company Secretary
☐ Trustee Other ______	☐ Trustee Other ______

Identification Form 1 – Individuals, Joint, Sole Trader

Guide to completing this Application Form.
- Complete the form for each applicant individual nominated on your application.
- Complete the form in pen using BLOCK LETTERS and mark appropriate answers with a cross X or number.
- Any queries please contact the Centuria Investor Services team on **1800 182 257**.

Applicant 1
(personal details)

Title

☐ Mr ☐ Ms ☐ Mrs ☐ Dr ☐ Miss

Surname

Date of birth

First Name(s)

Residential address (Not a PO Box)

Suburb | State | Postcode | Country

Postal address (if different to residential address).

Postal address

Suburb | State | Postcode | Country

Complete if you are a sole trader.

Full business name

ABN

Business address (Not a PO Box)

Suburb | State | Postcode | Country

Applicant 2
(personal details)

Title

☐ Mr ☐ Ms ☐ Mrs ☐ Dr ☐ Miss

Surname

Date of birth

First Name(s)

Residential address (Not a PO Box)

Suburb | State | Postcode | Country

Postal address (if different to residential address).

Postal address

Suburb | State | Postcode | Country

(Continued on the next page)

Identification Form 1 – Individuals, Joint, Sole Trader

Section 1 – Acceptable Primary ID Documents *(certified copies required)*

Please complete Section 1 (if you do not own a document from Section 1, then complete Section 2 or 3).

Select ONE option from this Section only

☐ Australian State/Territory driver's licence containing a photograph of the person;

☐ Australian passport (a passport that has expired within the preceding two years is acceptable);

☐ Card issued under a State or Territory for the purpose of proving a person's age containing a photograph of the person; or

☐ Foreign passport or similar travel document containing a photograph and the signature of the person*.

Section 2 – Acceptable Secondary ID Documents *(certified copies required)*

Should only be completed if the individual does not own a document from Section 1.

Select ONE option from this Section only

☐ Australian birth certificate;

☐ Australian citizenship certificate;

☐ Pension card issued by Centrelink; or

☐ Health card issued by Centrelink.

AND ONE option from this section

☐ A document issued by the Commonwealth or a State or Territory within the preceding 12 months that records the provision of financial benefits to the individual and which contains the individual's name and residential address;

☐ A document issued by the Australian Taxation Office within the preceding 12 months that records a debt payable by the individual to the Commonwealth (or by the Commonwealth to the individual), which contains the individual's name and residential address. Black out the TFN on the certified copy of this document;

☐ A document issued by a local government body or utilities provider within the preceding three months which records the provision of services to that address or to that person (the document must contain the individual's name and residential address); or

☐ If under the age of 18, a notice that was issued to the individual by a school principal within the preceding three months and contains the name and residential address and records the period of time that the individual attended that school.

Section 3 – Acceptable Foreign ID Documents

Should only be completed if the individual does not own a document from Section 1.

BOTH documents from this Section must be presented

☐ Foreign driver's licence that contains a photograph of the person in whose name it is issued and the individual's date of birth*; and

☐ National ID card issued by a foreign government containing a photograph and a signature of the person in whose name the card was issued*.

* Documents that are written in a language that is not English must be accompanied by an English translation prepared by an accredited translator.

IMPORTANT: Please attach a certified, legible copy of the original ID documentation nominated above for each individual (and any required translation).

IMPORTANT: This Identification Form is now complete. Please proceed to the Tax Status Declaration Form on page 75.

Identification Form 2 – Companies

Guide to completing this Application Form.
- Complete the form for the Australian Company nominated on your application.
- Complete the form in pen using BLOCK LETTERS and mark appropriate answers with a cross X or number.
- Any queries please contact the Centuria Investor Services team on **1800 182 257**.

Section 1 - Company Details

Section 1.1 - General Information

Full name as registered by ASIC

ACN

Registered office address

Suburb	State	Postcode	Country

Principal place of business (if different from registered office) (PO Box is NOT acceptable)

Suburb	State	Postcode	Country

Section 1.2 - Regulatory/Listing Details

Select any categories which apply to the company and provide the information requested.

☐ Regulated company (licensed by an Australian Commonwealth, State or Territory statutory regulator)

Regulator name

Licence details

☐ Australian listed company

Name of market/exchange

☐ Majority-owned subsidiary of an Australian listed company

Australian listed company name

Section 1.3 - Company Type

Select ONE of the following categories.

☐ Public ☐ Proprietary

Section 1.4 - Directors

Only needs to be completed for proprietary companies.

How many directors are there?

Provide full name of each director below

	Full given name(s)	Surname
1.		
2.		
3.		
4.		

If there are more directors, provide details on a separate sheet

Identification Form 2 – Companies

Section 1.5 - Beneficial Owners

Please provide the details for the individual(s) who ultimately own more than 25% of the company. If there aren't any, provide the names of the individual(s) who directly or indirectly 'control' the company. This section is not required for companies that marked a box in Section 1.2.

Beneficial Owner 1

Surname

Date of birth

First Name(s)

Residential address (Not a PO Box)

Suburb

State

Postcode

Country

Beneficial Owner 2

Surname

Date of birth

First Name(s)

Residential address (Not a PO Box)

Suburb

State

Postcode

Country

Beneficial Owner 3

Surname

Date of birth

First Name(s)

Residential address (Not a PO Box)

Suburb

State

Postcode

Country

Beneficial Owner 4

Surname

Date of birth

First Name(s)

Residential address (Not a PO Box)

Suburb

State

Postcode

Country

Section 1.6 – Acceptable Company ID Documents

Attach a certified copy of:

- [ ] The driver's licence OR passport for each beneficial owner completed in Section 1.5. See the Identification form for Individuals for acceptable alternative ID options; and
- [ ] A copy of the ASIC extract of the company OR a certified copy of the Certificate of Registration.

IMPORTANT: This Identification Form is now complete. Please proceed to the Tax Status Declaration Form on page 75.

Identification Form 3 – Trusts, Trustee & SMSFs

Guide to completing this Application Form.
- Section 1 must be completed for all trusts;
- Section 1 (applicable Sections) – if the type of trust is 'Unregulated' in Section 1.3
- Section 3 (applicable Sections) – if selected trustee is a Company
- Complete the form in pen using BLOCK LETTERS and mark appropriate answers with a cross X or number.
- Any queries please contact the Centuria Investor Services team on **1800 182 257**.

Section 1 - Trust Details

General Information

Full name of trust

Full business name (if any)

Country where trust established

Section 1.1 - Type of Trust

Type of trust (select only ONE of the following trust types and provide the information requested).

☐ Regulated (including self-managed super funds)
> Go to Section 1.2.

☐ Unregulated (including family trusts, unit trusts & testamentary trusts)
> Go to Section 1.3.

Section 1.2 - Regulated Trusts

Type of regulated trust (select only ONE of the following trust types and provide the information requested)

Type of Regulated Trust

☐ Superannuation fund (including self-managed)

☐ Other, please specify

ARSN/ABN

Country in which trust was established

Full business name (if any) of the trustee in respect of the trust was established

For a registered managed investment scheme, **Regulated Trust** (e.g. SMSF) or government superannuation fund (as selected in Section 1.2) AND if the Trust has an Australian Business Number (ABN), no trust documentation is required.

> Go to Type of Trustee, Section 2.

Identification Form 3 – Trusts, Trustee & SMSFs

Section 1.3 - Unregulated Trust

Type of unregulated trust (select only ONE of the following trust types and provide the information requested).

Type of Unregulated Trust

☐ Family Trust

☐ Unit Trust

☐ Testamentary Trust

☐ Other, please specify

Beneficial Owner(s) of the Trust (Individual(s) that directly or indirectly control the trust e.g. Appointer).
If there are more beneficial owners, please provide details on a separate sheet.

First Name(s)

Surname

Date of birth

Residential address (Not a PO Box)

Suburb

State

Postcode

Country

Settlor name (Not required if the settlor is deceased or the material asset contribution to the trust by the settlor at the time the trust was established was less than $10,000)

First Name(s)

Surname

Date of birth

Residential address (Not a PO Box)

Suburb

State

Postcode

Country

Beneficiary details

If the trust identifies the beneficiaries by reference to membership of a class, please provide details of the class.
(e.g. family members of named person).

How many beneficiaries are there?

Provide full name of each beneficiary below;

	Full given name(s)	Surname
1.		
2.		
3.		
4.		
5.		

If there are more beneficiaries, provide details on a separate sheet.

> Go to Type of Trustee, Section 2.

Identification Form 3 – Trusts, Trustee & SMSFs

Section 2 - Type of Trustee

Type of trustee to the trust (select only ONE of the following trustee types and provide the information requested).

Type of Trustee

☐ Individual(s)
> Go to Section 2.1.

☐ Company
> Go to Section 3.

Section 2.1 - Trustee Details

How many trustees are there?

Trustee 1

Full given name(s) | Surname | Date of birth

Residential address of individual trustee (PO Box is NOT acceptable)

Suburb | State | Postcode | Country

Trustee 2

Full given name(s) | Surname | Date of birth

Residential address of individual trustee (PO Box is NOT acceptable)

Suburb | State | Postcode | Country

Trustee 3

Full given name(s) | Surname | Date of birth

Residential address of individual trustee (PO Box is NOT acceptable)

Suburb | State | Postcode | Country

- Regulated trust with a company as trustee - go to Section 3 on page 71.
- Regulated trust with individual trustee(s) - this Identification Form is now complete. Please proceed to the Tax Status Declaration Form on page 75.
- Unregulated trust with a company as trustee - go to Section 3 on page 71.
- Unregulated trust with individual trustee(s) - this Identification Form is now complete. Please proceed to the Verification Requirements on page 73 and complete the Tax Status Declaration form on page 75.

Identification Form 3 – Trusts, Trustee & SMSFs

Section 3 Company details *(to be completed if trustee is a company)*

Section 3.1 - General information

Full registered name

ACN or other registration number

Registered office address (Not a PO Box)

Suburb	State	Postcode	Country

Principal place of business (if any) (PO Box is NOT acceptable)

Suburb	State	Postcode	Country

Section 3.2 - Regulatory/Listing Details

Select any categories which apply to the company and provide the information requested.

☐ Regulated company (licensed by an Australian Commonwealth, State or Territory statutory regulator)

Regulator name

Licence details

☐ Australian listed company

Name of market/exchange

☐ Majority-owned subsidiary of an Australian listed company

Australian listed company name

Section 3.3 - Company type

Select ONE of the following categories.

☐ Public ☐ Proprietary

Section 3.4 - Directors

Only needs to be completed for proprietary companies.

How many directors are there?

Provide full name of each director below

	Full given name(s)	Surname
1.		
2.		
3.		
4.		

If there are more directors, provide details on a separate sheet.

- Unregulated trusts with a Company trustee - continue to Section 3.5.
- Regulated trusts - proceed to the Tax Status Declaration Form on page 75.

Identification Form 3 – Trusts, Trustee & SMSFs

Section 3.5 - Company details

Please provide the details for the individual(s) who ultimately own more than 25% of the company. If there aren't any, provide the names of the individual(s) who directly or indirectly 'control' the company. This Section is not required for companies that marked a box in Section 3.2.

Beneficial owner 1

Surname

Date of birth

First Name(s)

Residential address (Not a PO Box)

Suburb State Postcode Country

Beneficial owner 2

Surname

Date of birth

First Name(s)

Residential address (Not a PO Box)

Suburb State Postcode Country

Beneficial owner 3

Surname

Date of birth

First Name(s)

Residential address (Not a PO Box)

Suburb State Postcode Country

Section 3.6 – Acceptable Company ID Documents

Attach a certified copy of:

☐ The driver's licence OR passport for each beneficial owner completed in Section 3.5. See Section 4.2 for acceptable alternative ID options for individual trustees.

☐ A **copy** of the ASIC extract of the company OR a certified copy of the Certificate of Registration.

IMPORTANT: This Identification Form is now complete. Please proceed to the Tax Status Declaration Form on page 75.

(Continued on the next page)

Identification Form 3 – Trusts, Trustee & SMSFs

Section 4 - Verification Requirements - Unregulated Trusts only

Section 4.1 - Verification of the Trust - Unregulated Trusts only

If the trust is an **Unregulated Trust** selected in Section 1.1, OR the trust does not have an ABN:

In order to verify the trust the following is

☐ A certified copy of the Trust Deed **or;**

☐ **If not reasonably available** a certified extract of the Trust Deed. Extracts of Trust Deeds must include the name of the Trust, Trustees, Beneficiaries, Settlor/s and Appointers (where applicable).

Documents that are written in a language that is not English must be accompanied by an English translation prepared by an accredited translator.

Section 4.2 - Individual Trustee Identification Documents – Unregulated Trusts only *(certified copies required)*

A certified copy of acceptable identification documents are required for ALL of the following:

☐ ALL Beneficial Owner(s) listed in Section 1.3;

☐ The Settlor listed in Section 1.3 (if any); **and**

☐ ONE Trustee listed in Section 2.1 (if any)

Complete Section 4.2.1 (or if the individual does not own a document from Section 4.2.1, then complete either Section 4.2.2 or 4.2,3).

Section 4.2.1 – Acceptable primary ID documents

Select ONE option from this Section only

☐ Australian State/Territory driver's licence containing a photograph of the person;

☐ Australian passport (a passport that has expired within the preceding 2 years is acceptable);

☐ Card issued under a State or Territory for the purpose of proving a person's age containing a photograph of the person; or

☐ Foreign passport or similar travel document containing a photograph and the signature of the person.*

***** Documents that are written in a language that is not English must be accompanied by an English translation prepared by an accredited translator.

IMPORTANT: This Identification Form is now complete.

Identification Form 3 – Trusts, Trustee & SMSFs

Complete Section 4.2.1 (or if the individual does not own a document from Section 4.2.1, then complete either Section 4.2.2 or 4.2,3).

Section 4.2.2 – Acceptable secondary ID documents
– should only be completed if the individual does not own a document from Section 4.2.1

Select ONE option from this section

☐ Australian birth certificate;

☐ Australian citizenship certificate;

☐ Pension card issued by Centrelink; or

☐ Health card issued by Centrelink.

AND ONE option from this section

☐ A document issued by the Commonwealth or a State or Territory within the preceding 12 months that records the provision of financial benefits to the individual and which contains the individual's name and residential address;

☐ A document issued by the Australian Taxation Office within the preceding 12 months that records a debt payable by the individual to the Commonwealth (or by the Commonwealth to the individual), which contains the individual's name and residential address. Block out the TFN on the certified copy of this document; or

☐ A document issued by a local government body or utilities provider within the preceding three months which records the provision of services to that address or to that person (the document must contain the individual's name and residential address).

Section 4.2.3 – Acceptable foreign ID documents*
– should only be completed if the individual does not own a document from Section 4.2.1

ONE document from this Section must be presented

☐ Foreign driver's licence that contains a photograph of the person in whose name it is issued and the individual's date of birth; and

☐ National ID card issued by a foreign government containing a photograph and a signature of the person in whose name the card was issued.

Important: Please attach an original or a certified, legible copy of the original ID documentation used to verify the individual trustee (and any required translation).

***** Documents that are written in a language that is not English must be accompanied by an English translation prepared by an accredited translator.

IMPORTANT: This Identification Form is now complete.

Tax Status Declaration Form

USE A **BLACK PEN**. PRINT IN CAPITAL LETTERS INSIDE THE BOXES

This form is to be used to record your Tax Residency in accordance with the Foreign Tax Compliance Act (FATCA) and the Common Reporting Standards (CRS). Please see Other Information for further details and definitions.

TAX INFORMATION

Tax Residency rules differ by country. Whether you are a tax resident of a particular country is often (but not always) based on the amount of time you spend in a country, the location of your residence or place of work. For the US, tax residency can be as a result of citizenship or residency.

NOT REQUIRED FOR SELF MANAGED SUPERANNUATION FUND INVESTORS

Section 1 Individual(s) or Sole Trader only (all other investor types proceed to Sections 2)

Tax Residency rules differ by country. Whether you are a tax resident of a particular country is often (but not always) based on the amount of time you spend in a country, the location of your residence or place of work. For the US, tax residency can be as a result of citizenship or residency.

TAX INFORMATION

INDIVIDUAL 1

Please answer both tax residency questions

Are you a tax resident of Australia? ☐ Yes ☐ No If you are not a tax resident of another country proceed to Section 3 Signatures

Are you a tax resident of another country? ☐ Yes ☐ No

If you are a tax resident of a country other than Australia, please provide your Tax Identification Number (TIN) or equivalent below. If you are a tax resident of more than one country, please list all relevant countries below.

If a TIN is not provided, please list one of the three reasons specified (A,B or C) for not providing a TIN.

A TIN is the number assigned by each country for the purposes of administering tax laws. This is the equivalent of a Tax File Number in Australia or a Social Security Number in the US. If a TIN is not provided, please list one of the three reasons specified (A, B or C) for not providing a TIN.

1. Country		TIN		If no TIN, list reason A, B or C	
2. Country		TIN		If no TIN, list reason A, B or C	
3. Country		TIN		If no TIN, list reason A, B or C	

If there are more countries, provide details on a separate sheet.

Reason A The country of tax residency does not issue TINs to tax residents
Reason B The individual has not been issued with a TIN
Reason C The country of tax residency does not require the TIN to be disclosed.

INDIVIDUAL 2

Are you a tax resident of Australia? ☐ Yes ☐ No If you are not a tax resident of another country proceed to Section 3 Signatures

Are you a tax resident of another country? ☐ Yes ☐ No

If you are a tax resident of a country other than Australia, please provide your Tax Identification Number (TIN) or equivalent below. If you are a tax resident of more than one country, please list all relevant countries below.

If a TIN is not provided, please list one of the three reasons specified (A, B or C) for not providing a TIN.

A TIN is the number assigned by each country for the purposes of administering tax laws. This is the equivalent of a Tax File Number in Australia or a Social Security Number in the US. If a TIN is not provided, please list one of the three reasons specified (A, B or C) for not providing a TIN.

1. Country		TIN		If no TIN, list reason A, B or C	
2. Country		TIN		If no TIN, list reason A, B or C	
3. Country		TIN		If no TIN, list reason A, B or C	

If there are more countries, provide details on a separate sheet.

Reason A The country of tax residency does not issue TINs to tax residents

Reason B The individual has not been issued with a TIN

Reason C The country of tax residency does not require the TIN to be disclosed.

Tax Status Declaration Form

INDIVIDUAL 3

Are you a tax resident of Australia? ☐ Yes ☐ No If you are not a tax resident of another country proceed to Section 3 Signatures

Are you a tax resident of another country? ☐ Yes ☐ No

If you are a tax resident of a country other than Australia, please provide your Tax Identification Number (TIN) or equivalent below. If you are a tax resident of more than one country, please list all relevant countries below.

If a TIN is not provided, please list one of the three reasons specified (A, B or C) for not providing a TIN.

A TIN is the number assigned by each country for the purposes of administering tax laws. This is the equivalent of a Tax File Number in Australia or a Social Security Number in the US. If a TIN is not provided, please list one of the three reasons specified (A, B or C) for not providing a TIN.

1. Country		TIN		If no TIN, list reason A, B or C	
2. Country		TIN		If no TIN, list reason A, B or C	
3. Country		TIN		If no TIN, list reason A, B or C	

If there are more countries, provide details on a separate sheet.

Reason A The country of tax residency does not issue TINs to tax residents
Reason B The individual has not been issued with a TIN
Reason C The country of tax residency does not require the TIN to be disclosed.

Section 2 Companies and Non-Superannuation Trusts

Name of Company/Non-Superannuation Trust

If you are a company, please provide the country of incorporation

Provide the ABN, ARBN or ACN for the Company

Are you a Financial Institution? ☐ Yes ☐ No

If Yes, provide the company's Global Intermediary Identification Number (GIIN), if applicable

If the company is a Financial Institution but does not have a GIIN, provide its FATCA status (select one of the following statuses)

☐ Deemed Compliant Financial Institution
☐ Non Reporting IGA Financial Institution
☐ Exempt Beneficial Owner
☐ Excepted Financial Institution
☐ Non participating Financial Institution
☐ Other (describe the FATCA status in the box provided)

Are you a Financial Institution that is not an Investment Entity managed by another Financial Institution which is not a resident of a participating jurisdiction? ☐ Yes ☐ No *If No, proceed to Section 3 Signatures*

Are you a public company listed on a Stock Exchange? ☐ Yes ☐ No *If Yes, proceed to Section 3 Signatures*

Are you an Active Non Financial Entity? ☐ Yes ☐ No *If Yes, proceed to Section 3 Signatures*

Tax Status Declaration Form

Section 2 **Companies and Non-Superannuation Trusts (continued)**

Are you a Passive Non Financial Entity (NFE)?	☐ Yes	☐ No	*If No, proceed to Section 3 Signatures*
If you are a Passive NFE, do you have any Controlling Persons who are resident of another country for tax purposes?	☐ Yes	☐ No	*If you do not have any Controlling Persons who are a tax resident of another country, proceed to Section 3 Signatures*

Name of Controlling Person 1

Date | **Country of Birth** | **Country of Citizenship**

A TIN is the number assigned by each country for the purposes of administering tax laws. This is the equivalent of a Tax File Number in Australia or a Social Security Number in the US. If a TIN is not provided, please list one of the three reasons specified (A, B or C) for not providing a TIN.

1. Country		TIN		If no TIN, list reason A, B or C	
2. Country		TIN		If no TIN, list reason A, B or C	
3. Country		TIN		If no TIN, list reason A, B or C	

If there are more countries, provide details on a separate sheet.

Name of Controlling Person 2

Date | **Country of Birth** | **Country of Citizenship**

A TIN is the number assigned by each country for the purposes of administering tax laws. This is the equivalent of a Tax File Number in Australia or a Social Security Number in the US. If a TIN is not provided, please list one of the three reasons specified (A, B or C) for not providing a TIN.

1. Country		TIN		If no TIN, list reason A, B or C	
2. Country		TIN		If no TIN, list reason A, B or C	
3. Country		TIN		If no TIN, list reason A, B or C	

If there are more countries, provide details on a separate sheet.

Tax Status Declaration Form

Name of Controlling Person 3

Date	Country of Birth	Country of Citizenship

A TIN is the number assigned by each country for the purposes of administering tax laws. This is the equivalent of a Tax File Number in Australia or a Social Security Number in the US. If a TIN is not provided, please list one of the three reasons specified (A, B or C) for not providing a TIN.

1. Country		TIN		If no TIN, list reason A, B or C	
2. Country		TIN		If no TIN, list reason A, B or C	
3. Country		TIN		If no TIN, list reason A, B or C	

If there are more countries, provide details on a separate sheet.

Section 3 Signatures

I/We acknowledge that the statements made in this form are, to the best of my knowledge and belief, correct and complete.

I/We acknowledge that the information contained in this form may be reported to the Australian Tax Office and exchanged with tax authorities of another jurisdiction or jurisdictions in which I may be a tax resident where those jurisdictions have entered into Agreements to exchange Financial Account Information.

I/We undertake to advise you within 30 days of any change in circumstances which affects the tax residency status of the account holder identified in the form or causes the information contained herein to become incorrect or incomplete, and to provide you with a suitably updated self-certification and Declaration within 30 days of such change in circumstances.

SIGNATURE(S) OF SECURITYHOLDERS (THIS MUST BE COMPLETED BY ALL SECURITY HOLDERS)

Individual: This form is to be signed by securityholder.

Joint: Where the holding is in more than one name, all the if the securityholders must sign.

Power of Attorney: To sign as Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified copy if the Power of Attorney with this form.

Companies: Two Directors, Director & Company Secretary, or Sole Director and Sole Company Secretary can sign. Please indicate the office held by signing in the appropriate space.

INDIVIDUAL OR SECURITY HOLDER 1 (Sole Director and Sole Company Secretary)	**INDIVIDUAL OR SECURITY HOLDER 2** (Director)	**INDIVIDUAL OR SECURITY HOLDER 3** (Director/Company secretary)
Signature	Signature	Signature
Date	Date	Date

Please ensure you complete TMD questions on the following page.

Filtering Questions for Target Market Determination

Please answer the below questions to assist us to identify whether you meet the target market for this product. If you don't understand the questions or need assistance, we recommend that you seek advice from your financial adviser before deciding to proceed with your investment.

Are you investing in this fund on the advice of a licensed financial services provider who has provided investment advice having regard to your personal objectives, financial situation and needs?

☐ Yes ☐ No

If yes, please ensure Adviser Details (on page 62) is completed in full. Nothing further required.

If no, go to Question 1 below.

Question 1

The fund does not offer a redemption facility and you have no right to redeem your investment until the fund term expires, the asset is sold and your capital is returned. Do you accept you will not have access your capital before the fund term expires?

☐ Yes ☐ No

By answering 'NO' to this question you have indicated that you are unlikely to be within the target market for the Fund. In order for us to process your application, please acknowledge both of the following:

☐ I understand that I am unlikely to be within the target market for the Fund; and

☐ I wish to proceed with the application.

Question 2

The fund will use some debt to acquire assets. Do you accept that because the fund uses debt (or gearing) any capital gains or losses (which are determined by changes in value of the underlying property) will be magnified depending on the level of gearing employed?

☐ Yes ☐ No

Question 3

Do you accept the capital value of your investment is not guaranteed?

☐ Yes ☐ No

Question 4

The income paid by this fund is not guaranteed and may vary over time. Do you accept that you should not invest if you are reliant on the income you receive from this fund to meet your day to day living requirements and cannot bear any fluctuations in your income distributions?

☐ Yes ☐ No

Question 5

Diversification is an important principal of investing. Do you accept you should not invest all your savings in a single investment or asset type and this investment should form part of a broader investment portfolio?

☐ Yes ☐ No

Please indicate the percentage your investment in the fund represents of the assets you have available for investment, excluding your residential home:

☐ <25%

☐ 25-33%

☐ 33-100%

☐ Prefer not to provide this information

IMPORTANT: If you have answered "NO" to any of the above questions or if you are investing more than 33% of your assets available for investment in the Fund, this product may not be suitable for you. Before proceeding with your investment, we recommend that you seek advice from your financial adviser, review the target market determination for the Fund which can be found at centuria.com.au/C25GSF/TMD, and review the PDS, in particular Section 10, Investment Considerations and Risks.

Directory

Responsible Entity

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Fax: +61 2 9460 2960
Web: www.centuria.com.au/property
Email: contactus@centuria.com.au

AFSL 340 304

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Solicitor

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Centuria