

Product Disclosure Statement
Multiplex Diversified Property Fund
ARSN 123 879 630

Responsible Entity

Multiplex Capital Securities Limited ACN 103 736 081

March 2007

A large globe on a stand in a modern building with a reflective floor. The globe is positioned in the center of the frame, supported by a metal stand. The floor is highly reflective, showing a clear reflection of the globe and the stand. The background consists of large windows and a modern interior design.

Diversified Fund

MULTIPLY
CAPITAL

Section 1	Key features	1
Section 2	About the Fund	4
Section 3	Details of the Offer	8
Section 4	Initial Portfolio	13
Section 5	Multiplex and the Manager	21
Section 6	Risk factors	24
Section 7	Fees and other costs	28
Section 8	Taxation	34
Section 9	Material agreements	37
Section 10	Additional information	40
Section 11	Glossary	45
Section 12	How to invest	48
Application forms		
Direct debit request forms		
Corporate Directory		IBC

Important notice

Multiplex Diversified Property Fund

This product disclosure statement (PDS) is dated 19 March 2007 and relates to the offer of Units in the Multiplex Diversified Property Fund (ARSN 123 879 630, APIR code MLP0001AU) (Fund) by Multiplex Capital Securities Limited (ACN 103 736 081, AFSL 226442) in its capacity as responsible entity of the Fund (Manager).

Electronic PDS

An electronic version of this PDS appears at www.multiplexcapital.biz. It may also be viewed on the website of other companies that hold an AFSL.

Availability of Offer

The offer of Units under this PDS is only available to persons receiving this PDS (electronically or otherwise) within Australia. Persons who access an electronic version of this PDS should ensure they download and read the entire PDS.

Applications for Units can only be submitted on the Application Form attached to and forming part of, or accompanying, this PDS or accompanied by an electronic version of this PDS. A paper copy of this PDS is available free of charge to any person in Australia by telephoning the Manager on 1800 570 000.

Responsible entity and custodian

The Manager is the responsible entity of the Fund and the issuer of Units offered under this PDS. The Manager is a wholly owned subsidiary of Multiplex Limited (ACN 008 687 063) (Multiplex). Contact details for the Manager are on the inside back cover of this PDS. The custodian of the Fund is JPMorgan Chase Bank, N.A. (Custodian).

The Custodian is not the issuer of this PDS, and makes no representation as to, and takes no responsibility for, the accuracy or truth of any statement in or omission from any part of this PDS. None of the Manager, the Custodian, Multiplex Group nor their associates, directors or members guarantee the success of the Fund, the repayment of capital or any particular rate of capital or income return. An investment in the Fund is not an investment in the Multiplex Group, the Manager or the Custodian and is subject to investment and other risks (see Section 6).

The Manager has not authorised any person to give any information or to make any representation in connection with the Offer which is not contained in this PDS. No such information or representation may be relied upon as having been authorised by the Manager in connection with the Offer or the Fund.

Important information

This PDS contains important information and prospective Investors should read it carefully. In preparing this document the Manager did not take into account the individual investment objectives, financial or taxation situation or needs of any particular person. Before making an investment decision, prospective Investors should read this PDS carefully in its entirety and consider whether the investment is appropriate to their objectives, financial or taxation situation and needs. Investors are encouraged to obtain independent financial advice before making an investment decision.

This PDS does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. The distribution of this PDS

outside Australia may be restricted by law and persons who come into possession of this PDS outside Australia should seek advice on and observe such restrictions. Any failure to comply with these restrictions may constitute a violation of applicable securities laws.

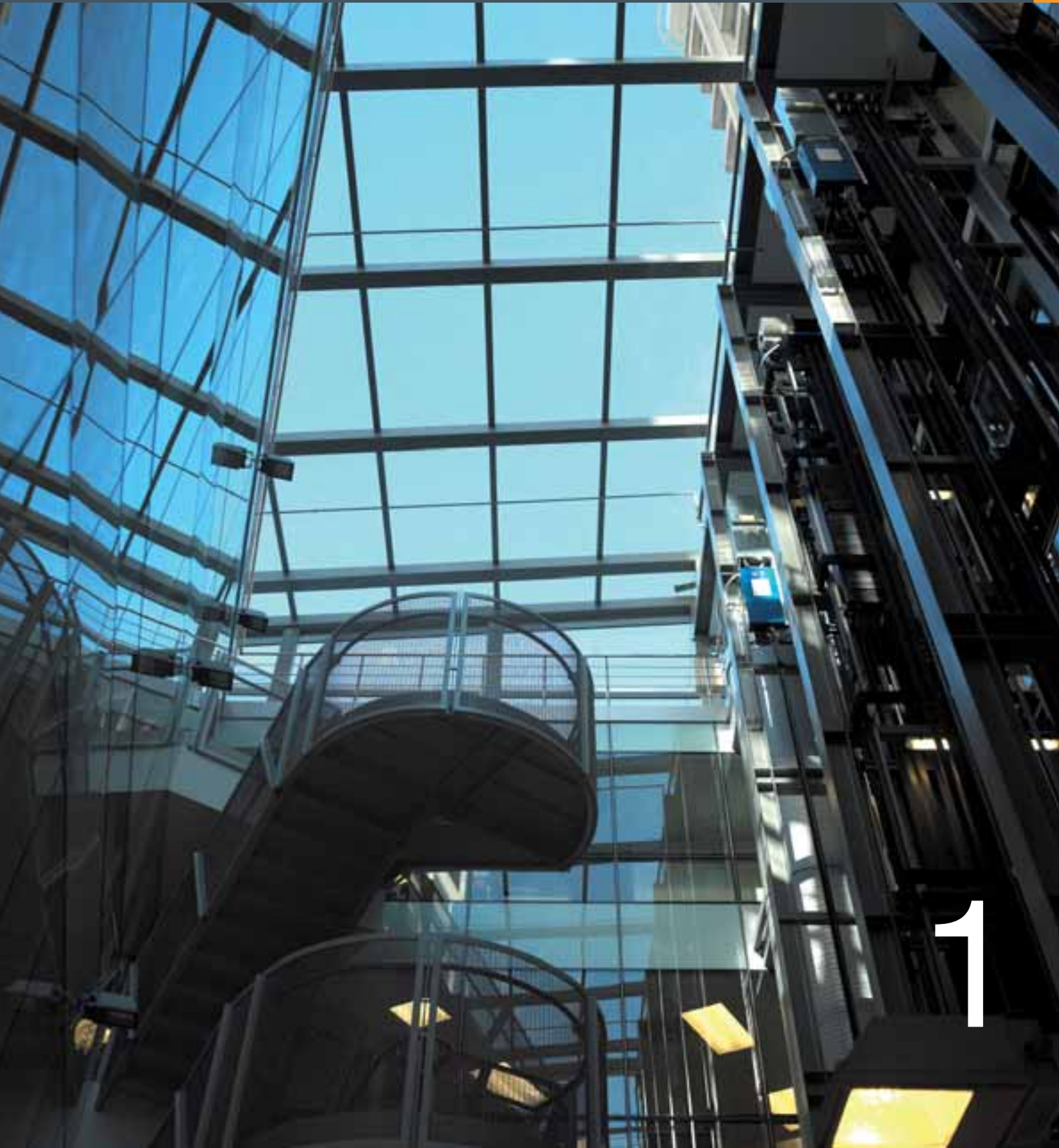
Information contained in this PDS (and any supplementary product disclosure statement) may change from time to time. If such a change is materially adverse to the Offer, then in accordance with the Corporations Act, the Manager will issue a supplementary product disclosure statement. However, if the change will not be materially adverse to the Offer, then the Manager will provide updated information on its website at www.multiplexcapital.biz. Upon request, the Manager will provide a paper copy of any updated information free of charge.

This PDS is intended for use by persons investing directly in the Fund as well as persons investing indirectly in the Fund through an Administration Service. For investors investing through an Administration Service, references to "Investors" in this PDS are references to the operator or custodian of that service (who holds the Units).

Certain terms used in this PDS have been defined and the definitions are set out in the glossary in Section 11. That Section should be read in conjunction with the rest of this PDS.

Photos in this PDS do not represent assets that are directly held by the Fund. The photos are either abstract images or are of properties owned by property funds in which the Fund has an interest as at the date of this PDS.

Unless otherwise specified, references to dollar amounts are expressed in Australian dollars.



The following table summarises some of the key features of the Fund. This summary is not intended to be exhaustive. To find more detailed information, please refer to the relevant Section of this PDS. Prospective Investors should read the entire PDS to make an informed decision about whether to acquire Units.

Feature	Summary	Section
The Fund	Multiplex Diversified Property Fund, an open-ended, unlisted unit trust.	2.1
The Manager	Multiplex Capital Securities Limited, an experienced property securities fund manager.	5.3
Objectives	To provide Investors with: <ul style="list-style-type: none"> – a diversified direct and indirect exposure to the property market; – income returns paid quarterly, a component of which is Tax Deferred; and – the potential for capital growth over the medium to longer term. 	2.2
Strategy	The Fund will invest into diversified property investments comprising the following asset classes: <ul style="list-style-type: none"> – unlisted property trusts; – listed property trusts; – direct real property; – property investment companies; and – cash and fixed interest securities. 	2.3
Initial Portfolio	As at the date of this PDS the Fund owns the Initial Portfolio which it acquired for \$54.13 million and provides indirect exposure to 47 listed and unlisted property trusts, 21 different fund managers and over 1,865 underlying property assets. The Multiplex Group provided the Fund with the Initial Portfolio in consideration for the issue of 54.13 million Units.	4
	Based upon the cost to the Fund of the Initial Portfolio and the actual distributions paid by the funds that comprise the Initial Portfolio for the quarter ending 31 December 2006, these distributions would have provided an annualised yield to the Fund of 8.49% per annum.	2.5
	Please note that this is not a forecast of the Fund's performance. As this PDS is issued during a quarterly distribution period the current yield to the Fund from the Initial Portfolio cannot be precisely determined. As the December quarter distributions have been annualised, prospective Investors should not place undue reliance on the above yield. Historical returns are not indicative of likely future performance for either the Initial Portfolio or the Fund.	
Benefits	Some of the benefits of investing into the Fund are: <ul style="list-style-type: none"> – exposure to all of the main property sectors (office, retail and industrial); – geographic diversification to different property markets; – enhanced liquidity through the Liquidity Enhancement Facility; – alignment of interests through Multiplex Group co-investment in the Fund; and – no management fees charged on investments in any Multiplex Funds, as management fees will be charged by the manager of the relevant Multiplex Fund. 	2.3 2.3 3.8 5.1 7.4.2
Risks	Those typically associated with similar property based investment funds. The value of an investment in the Fund, and income received by Investors, may rise or fall and Investors may suffer losses. Prospective Investors should carefully consider the risks before investing.	6

Feature	Summary	Section
Removal of responsible entity	Multiplex has an option to acquire the Initial Portfolio in the event that steps are taken to change the responsible entity of the Fund to a company that is not a related body corporate of the Manager. Multiplex may require similar options in relation to additional assets it may offer to sell the Fund in the future.	9.4
	The Liquidity Enhancement Facility will terminate if the Manager is replaced as responsible entity of the Fund by a company other than a Multiplex subsidiary.	9.5
Tax	There are tax implications arising from making an investment into the Fund.	8
Investor reporting	When investing/withdrawing:	Confirmation of transaction.
	Quarterly:	Distribution advice, fact sheets.
	Yearly:	Audited reports and accounts, tax statement.
Minimum initial investment	\$10,000 (no minimum for Administration Services) and in \$1,000 increments thereafter.	3.2
Unit pricing	Daily.	3.4
Distribution reinvestment plan	A distribution reinvestment plan is available which allows Investors to reinvest all or part of their distributions to acquire additional Units. ¹	3.6
Regular investment plan	A regular investment plan option is available which allows Investors to make regular additional investments in the Fund. ¹	12.5
Withdrawals	Available daily (normally paid within ten Business Days). ¹	3.7
Liquidity Enhancement Facility	The Fund's liquidity is enhanced by a liquidity facility of up to \$50 million provided to the Manager by Multiplex.	3.8
Contribution fee	Administration Service investors:	Nil ² .
	Direct Investors:	4.1% (GST inclusive) ³ .
Management costs	Management fee – 0.615% per annum of Gross Asset Value (but not able to be charged in relation to the Fund's investments in Multiplex Funds).	7.4.2
	Expense recoveries – estimated at 0.2% per annum of Gross Asset Value.	7.4.6
Withdrawal fee	Nil.	7.2
Other fees and costs	There are other transaction based fees and costs that may be charged.	7.4.2
Buy spread	Transaction cost allowance – 1.0% ¹ . Contribution fee component – Nil for Administration Service investors ² and 4.1% (GST inclusive) for Direct Investors ³ .	7.4.7
Sell spread	Nil. ¹	7.4.7
Complaints	The Manager has a complaints resolution procedure and is a member of the Financial Industry Complaints Service.	10.4
Cooling off	A 14 day cooling-off period will apply to applications at any time when the Fund is Liquid, which it is as at the date of this PDS.	3.9

Notes:

1 Information is correct as at the date of this PDS.

2 The contribution fee is not charged when an investment is made through an Administration Service.

3 This amount is used to pay commission to licensed financial advisers. Advisers may rebate their commission to Direct Investors resulting in the Direct Investor being issued additional Units.



2

2.1 Fund overview

The Fund is an open-ended, unlisted unit trust that is a registered managed investment scheme. As at the date of this PDS the Fund owns the Initial Portfolio, which it acquired for \$54.13 million and comprises:

- 40.74 million units in the ASX listed Multiplex Acumen Property Fund (MPF), see Section 4.2; and
- 2.75 million units in Multiplex New Zealand Property Fund (MNZPF), see Section 4.3.

The Initial Portfolio provides indirect exposure to 47 listed and unlisted property trusts, 21 different fund managers and over 1,865 underlying property assets.

The Initial Portfolio was acquired from Multiplex Group to comprise the seed investments for the Fund. The consideration received by Multiplex Group for the sale of the Initial Portfolio was 54.13 million Units. As at the date of this PDS, Multiplex Group is the sole unitholder in the Fund. It is the current intention of Multiplex Group to maintain an investment in the Fund of between 25% and 50%, representing a strong alignment of interests between Multiplex Group and Investors.

The Manager intends to make further investments on behalf of the Fund from proceeds raised under this PDS. New investments will be made into unlisted and listed property trusts, direct real property and property investment companies (see Section 2.3). Funds raised may also be used to repay debt if drawn (see Section 2.6) or to fund withdrawal requests (see Section 3.7).

2.2 Fund objectives

The Manager aims to provide Investors with a number of benefits including:

- broad direct and indirect property investment diversification in terms of geographic location, property sector and tenant exposure;
- income returns paid quarterly, a component of which is Tax Deferred;
- potential for capital growth over the medium to longer term;
- an enhanced level of liquidity to that offered by many other unlisted property trusts, supported by the Liquidity Enhancement Facility;
- alignment of interests through Multiplex Group co-investing into the Fund;
- daily unit pricing; and
- the ability for superannuation funds to invest (subject to each fund's own investment mandate and compliance with relevant legislation) and for investments to be made through Administration Services.

2.3 Investment strategy

The Fund aims to maintain a diversified portfolio of property related investments and may maintain an exposure to cash and fixed interest securities.

In order to acquire seed assets to establish the Fund, the Manager acquired the Initial Portfolio. The asset allocations of the Initial Portfolio are outside the target allocations. However, as funds are raised pursuant to this PDS, the Manager intends to make additional investments to re-weight the Fund's asset allocations within the maximum and minimum levels set out in this Section.

Investment types

The Fund's long-term target asset allocations, and maximum and minimum allocation ranges for each investment category, are summarised in the table below:

Asset category	Minimum %	Maximum %	Target %
Unlisted property trusts	40	80	50
LPTs	5	40	20
Direct real property	10	50	20
Property investment companies	0	10	5
Cash and fixed interest securities	0	10	5

The Manager has elected to outsource the management of the Fund's LPT portfolio to an industry expert, SG Hiscock, a firm that as at the date of this PDS manages property securities valued at more than \$1.3 billion (see Sections 5.6 and 9.6 for more information).

Property sectors

The Fund intends to have a core direct and indirect exposure to the traditional property sectors of retail, industrial and office property. In addition to these core investments, the Manager may enhance returns by also investing in higher-yielding, non-traditional property sectors. In limited circumstances, investments may be made by way of loans, provided they further the Fund's investment objectives and are appropriately secured.

The Fund's target allocations, and maximum and minimum allocation ranges by property sector, are summarised in the table below:

Property sector	Minimum %	Maximum %	Target %
Office	30	60	40
Industrial	15	50	25
Retail	15	50	25
Other	0	20	10

Geographic spread

Investments may be made, directly or indirectly, in property assets located domestically and internationally. The Fund's target allocations, and maximum and minimum allocation ranges by property location, are summarised in the table below:

Underlying property location	Minimum %	Maximum %	Target %
Australia	20	80	50
International	20	80	50

Indirect exposure to international property would normally be obtained through investments into Australian domiciled unit trusts.

Variations

On occasion, the Manager may exceed the allocation ranges for short periods of time in order to take advantage of particular investment opportunities.

It is intended that the Fund's assets will be fully invested at most times. However, surplus funds may be placed by the Manager on term deposit, invested in bank bills or in other appropriate money market instruments pending a suitable investment being made.

The minimum, maximum and target percentages set out in this Section may be changed by the Manager after giving 20 Business Days prior notice to Investors. Notice of the changes will be posted to the Manager's website.

Portfolio updates

The Manager will provide up to date details of the Fund's portfolio and targeted acquisitions through notices posted to the Manager's website and the Fund's quarterly reports.

2.4 Investment criteria

Each investment opportunity must meet the following broad criteria. It must:

- assist in meeting the Fund's investment objectives of paying quarterly income returns (a portion of which is Tax Deferred) and providing the potential for capital growth over the medium to longer term;
- comply with the Fund's investment strategy to maintain a diversified portfolio of property related investments; and
- be approved by the Manager's Board, which contains a majority of independent directors.

2.5 Returns to Investors

An Investor's total return will include the income they receive, but may also include changes in the capital value of their investment. The Manager may periodically return capital to Investors with their entitlement to distributable income.

The actual distributions which were paid by MPF and MNZPF for the quarter ending 31 December 2006 were 2.66 cents per unit and 2.39 cents per unit respectively. Based upon the cost to the Fund of its investment in MPF and MNZPF, these distributions would have provided to the Fund an annualised yield of 8.49% per annum.

Please note that this is not a forecast of the Fund's performance. As this PDS is issued during a quarterly distribution period, the current yield to the Fund from the Initial Portfolio cannot be precisely determined. As the December quarter distributions have been annualised, prospective Investors should not place undue reliance on the above yield. Historical returns are not indicative of likely future performance, in relation to either the Initial Portfolio or the Fund.

2.6 Borrowings

The Constitution permits the Manager to borrow on behalf of the Fund. At the date of this PDS, the Fund has no borrowings. However, the Fund may borrow to make investments in listed and unlisted property trusts and property investment companies. However, this will only be done after first considering the borrowing levels already present in the relevant investment vehicles.

The Fund may borrow money when acquiring any direct real property investments. It is intended that the level of borrowing would not exceed 65% of the value of the relevant property, except for a short term if required to effect settlement of a particular asset.

It is intended that the ratio of the Fund's total direct borrowings, excluding any borrowings used to acquire direct property, will not exceed 20% of the Gross Asset Value, except for periods of time in order to take advantage of particular investment opportunities.

Any borrowings undertaken by the Fund will be made by the Manager on the basis the lenders have no recourse to Investors.

If money is borrowed by the Fund, the Manager may seek to hedge some or all of the interest rate for the term of the borrowings to reduce the Fund's exposure to fluctuations in interest rates while those hedging arrangements remain in place.

2.7 Investment into Multiplex Funds

Multiplex Capital is the funds management division of Multiplex Group. It currently operates several funds (see Section 5.2) and intends, on an ongoing basis, to set up new property based funds.

The Fund may invest into existing or yet to be created property funds operated by Multiplex Capital (in addition to MPF and MNZPF being the funds comprising the Initial Portfolio), on the following basis:

- the investment is on arm's length terms; and
- the investment is within the investment criteria and asset allocation profile for the Fund.

If the Fund is to invest into a Multiplex Fund, it will only do so with the approval of a majority of the independent directors of the Board.

If such an investment is made, a Multiplex entity will receive fees in its capacity as manager of the relevant Multiplex Fund. However, no management fees can be charged by the Manager to the Fund in relation to investments into any Multiplex Funds.

The manager of the relevant Multiplex Fund may require that units be sold back to that manager, at their future market value, in the event there is a proposal to change the responsible entity of the Fund to a company that is not part of the Multiplex Group.

The Fund may, in addition to the Initial Portfolio, hold a material level of investments in Multiplex Funds.



3

3.1 How to invest

Direct Investors

To acquire Units directly, an applicant can do one of the following:

- complete the yellow Application Form attached to or accompanying this PDS and send it to the Registry, together with the application money; or
- complete both the yellow Application Form and grey Direct Debit Request Form (Initial Investment) attached to or accompanying this PDS and send them to the Registry; or
- complete an online Application Form on the Manager's website and use the BPAY® service of the applicant's bank to pay the application money.

Instructions on how to complete the Application Form are provided in Section 12.

Indirect Investors

Investments through an Administration Service are made by instructing the operator of the relevant service to make an investment in the Fund.

General

The Fund is open-ended, which means there is no fixed closing date. As at the date of this PDS, the Manager intends to continue accepting applications to acquire Units on an ongoing basis. The Manager may, however, cease accepting applications for a period of time or close the Offer if it is not reasonably satisfied that it will be able to invest application monies in accordance with the Fund's investment strategy.

The Manager may accept or reject applications into the Fund, in whole or part, at its absolute discretion. To the extent the Manager does not accept an application, the Manager will refund the relevant application monies (less taxes and bank charges), without interest, within five Business Days.

As at the date of this PDS, the Manager also offers Investors the ability to participate in a regular investment plan, which facilitates regular additional investments in the Fund by completing the blue coloured Direct Debit Request Form (Regular Investment Plan). Applicants should refer to Section 12.5 for further details.

3.2 Minimum initial investment

Unless the Manager otherwise agrees, the minimum initial amount for an investment in the Fund is \$10,000 and then in multiples of \$1,000.

There is no minimum investment for an Administration Service.

3.3 Issue or transfer of Units

Applicants will, at the discretion of the Manager, be either issued new Units or transferred existing Units owned by the Manager in its personal capacity. This decision will not impact upon the Investor.

Units may be transferred to an applicant in circumstances where the Manager (or its nominee) has acquired Units pursuant to the Liquidity Enhancement Facility (see Section 3.8).

3.4 Unit pricing

The Unit Price is determined daily and will fluctuate. Prospective Investors should contact the Manager or visit the Manager's website to obtain the current Unit Price.

The Unit Price is calculated by determining the Net Asset Value, adding an allowance for transaction costs and dividing that amount by the number of Units on issue. The amount so derived is then grossed-up to include the contribution fee (if applicable) the Manager charges the Fund plus the amount of any GST the Fund cannot recover on that fee. The unit pricing formula also removes the impact of any Income Units and adjusts for any partly paid units.

The Manager uses funds received from the contribution fee to pay commission to advisers. When an adviser elects to rebate their commission, the relevant Investor may receive additional Units.

As no contribution fee is charged by the Manager on an investment made through an Administration Service, the Unit Price for Units issued to an Administration Service will be lower than the Unit Price for Direct Investors. The difference in Unit Price will equal the contribution fee (plus any unrecoverable GST) the Manager charges the Fund on a direct investment which, at the date of this PDS, is 4.1%.

The Manager makes an allowance for transaction costs, based on an estimate of the costs that would reasonably be expected to result from the acquisition of the Fund's assets. This ensures that new Investors contribute towards the costs incurred by existing Investors in the acquisition of the Fund's assets. The amount of the Unit Price allocated to transaction costs remains in the Fund as an asset and can then be used to assist in meeting the costs of acquiring new investments.

As at the date of this PDS, the transaction cost allowance factored into the Unit Price is 1.0%.

If a correctly completed Application Form and application money in cleared funds is accepted by the Manager by 3.00pm (Sydney time) on any Business Day, the investment will be processed using the Unit Price determined at the close of business that day. Applications accepted after 3.00pm (Sydney time) on any Business Day will be processed using the Unit Price determined at the end of the following Business Day.

3.5 Investor distributions

Investors will be entitled to distributions of the income realised by the Fund, net of fees and expenses of the Fund.

Income distributions will, in general, be determined at the end of each quarter and paid within 20 Business Days of the end of the relevant quarter. The first distribution payment after the date of this PDS will be made in July 2007.

Only those Investors on the register on the last day of the distribution period are eligible to receive a distribution. An Investor's distribution is equal to the distributable income per Unit multiplied by the number of Units held by the Investor. If an Investor withdraws their investment part-way through a quarter, they will not receive a distribution at the end of the quarter. However, the price they receive for their Units will include an allowance for the income accrued in the Fund attributable to the Units, up to the date of withdrawal.

Distributions made during a financial year may include a portion of any taxable capital gains earned by the Fund for that year. The amount and details of any such gains will be notified to Investors in their annual taxation statement to be provided by the Manager.

Investors may elect to have quarterly income distributions to which they are entitled:

- paid by electronic funds transfer to a nominated Australian bank, building society or credit union account; or
- reinvested to acquire further Units (see Section 3.6).

If no choice is made, then all distributions will be automatically reinvested on behalf of the Investor.

Distributions will not be paid by cheque.

Investors may change their distribution instructions by notifying the Registry in writing, provided at least ten Business Days' notice is given before the end of the relevant distribution period.

3.6 Distribution reinvestment plan

As at the date of this PDS, the Manager operates a distribution reinvestment plan, under which Investors may choose to reinvest all or part of their distributions from the Fund to acquire further Units. Investors may choose to join or withdraw from the distribution reinvestment plan at any time, by providing the Registry with ten Business Days' notice in writing prior to the end of the relevant distribution period. Investors should note that if they do not participate in the distribution reinvestment plan, then the percentage of the Fund they own will reduce over time, relative to the Investors who participate.

Units will be issued under the distribution reinvestment plan at the Unit Price (excluding the contribution fee and any non-recoverable GST) applying on the day they are issued.

The Manager may at any time change the terms of the distribution reinvestment plan or decide to cancel, suspend or reactivate the plan. The Manager will give Investors at least 20 Business Days' notice in writing before making any changes to or cancelling, suspending or reactivating the plan. Such notice will be posted on the Manager's website.

3.7 Liquidity – withdrawing an investment

The Manager considers the Fund to be Liquid as at the date of the PDS (approximately 94% of the Initial Portfolio comprises an investment in an LPT) and expects it to continue to be Liquid. While the Fund is Liquid, Investors can request the withdrawal of their Units at any time.

The Corporations Act provides that a fund is "liquid" when at least 80% of the value of the assets of the fund are liquid assets – being assets such as cash, marketable securities and any other property the responsible entity reasonably expects can be realised for market value within a time specified in the fund's constitution. In relation to the Fund, the time specified in the Constitution is 12 months.

An Investor may only request to withdraw a minimum of \$10,000 at any one time and must maintain a prescribed minimum holding of at least \$10,000. If a withdrawal request is accepted, the Manager will aim to make the redemption payment within ten Business Days. As at the date of this PDS, the Manager expects to be able to meet this time frame because of the following:

- the Fund will have an exposure to LPTs and other marketable securities which can be sold at short notice;
- application proceeds from new Investors may be used to fund withdrawals;
- proceeds will be retained in the Fund when Investors participate in the distribution reinvestment plan which may be used to fund the withdrawal of other Investors; and
- proceeds will be available from the winding up of any unlisted property funds in which the Fund has invested.

To further enhance the ongoing liquidity of the Fund, Multiplex has agreed to fund the Liquidity Enhancement Facility (see Section 3.8) which may be called upon in certain circumstances.

Withdrawal requests approved prior to 3.00pm (Sydney time) on any Business Day will generally be processed that day, using the Withdrawal Price determined at the close of business that day. Requests approved after 3.00pm (Sydney time) on any Business Day will be processed on the following Business Day, using the Withdrawal Price determined at the end of that day.

The Withdrawal Price is calculated by determining the Net Asset Value, subtracting an allowance for transaction costs, or a 'sell spread', and then dividing that amount by the number of Units on issue. The pricing formula then removes the impact of any Income Units and adjusts for any partly paid units. As at the date of this PDS, the sell spread is nil.

Please note that while the Manager intends to satisfy approved withdrawal requests within ten Business Days of their receipt, the Constitution allows the Manager up to 12 months to satisfy an approved withdrawal request. It is also important to note that the Manager may suspend the approval of withdrawal requests if the Manager considers this to be in the best interests of Investors. For example, this might happen if, due to circumstances beyond the Manager's control, it cannot calculate the Withdrawal Price or pay the withdrawal proceeds.

If at any time the Manager is not reasonably satisfied that the Fund is Liquid, then Investors will not be able to request a withdrawal of their investment and the only way to withdraw from the Fund will be if the Manager makes a periodic withdrawal offer. The Manager is under no obligation to make such withdrawal offers.

Investors wishing to withdraw from the Fund should contact the Manager or visit the Manager's website for information in relation to the withdrawal process and the current Withdrawal Price.

3.8 Liquidity Enhancement Facility

To the extent there are insufficient funds available to meet withdrawal requests within ten Business Days of their acceptance, Multiplex has agreed to fund the Liquidity Enhancement Facility, which may be used by the Manager to satisfy approved withdrawal requests within ten Business Days.

The Manager may, in its personal capacity, use the Liquidity Enhancement Facility, in its discretion:

- to subscribe for (or have a nominee subscribe for) new Units, Liquidity Units or debt securities issued by the Fund, with the proceeds being used to fund the redemption of the withdrawing Investors' Units; or
- to acquire (or have a nominee acquire) the Units of withdrawing Investors at the current Withdrawal Price, thereby allowing Investors to withdraw by way of transfer of their Units to the Manager or its nominee.

The Liquidity Enhancement Facility:

- is limited, at any time, to 20% of the Gross Asset Value as at the end of the preceding quarter, up to a maximum of \$50 million, less any amounts previously used to subscribe for or acquire Units, Liquidity Units or debt securities which are still held by the Manager (or its nominee); and
- will terminate if the Manager is replaced as responsible entity of the Fund by a company other than a Multiplex subsidiary.

No Multiplex Group entity will withdraw from the Fund in circumstances where the Manager would need to use the Liquidity Enhancement Facility to fund the withdrawal.

The Manager reserves the right to suspend the Liquidity Enhancement Facility at any time should the Manager believe the acquisition of Units or Liquidity Units by the Manager may incur stamp duty at a property transfer rate. At the date of this PDS, the Manager does not expect stamp duty to apply to the issue or transfer of such units, however, the position could change as the nature of the Fund's investments change.

As the size of the Liquidity Enhancement Facility is limited, Investors should not rely on the facility being available. The Manager will set out on its website, on a monthly basis, the amount of the Liquidity Enhancement Facility which is available.

While the Manager (or its nominee) holds Units as a result of the Liquidity Enhancement Facility, new applications for Units may be satisfied by the transfer of the Manager's (or its nominee's) Units to new Investors. Therefore, applicants under this PDS may be transferred existing Units instead of being issued new Units. As Units will be transferred at the current applicable Unit Price, applicants will be in exactly the same position whether they are transferred existing Units or issued new Units.

The Manager is entitled at any time to redeem any Units, Liquidity Units or debt securities acquired under the Liquidity Enhancement Facility.

3.9 Cooling-off period

At all times when the Fund is Liquid, Direct Investors will have cooling off rights under the Corporations Act.

In accordance with these rights, a Direct Investor has the right to return Units and to have their application money repaid, subject to adjustments allowed by law for changes in the value of the Fund's assets and tax (if applicable), and a reasonable charge for administration costs. The right to return the Units can only be exercised during the period of 14 days commencing from the earlier of:

- the date the Investor receives the confirmation of their investment; or
- the end of the fifth Business Day after the day on which Units were issued to the Investor.

This cooling off right ceases to apply if an Investor chooses to exercise certain Investor's rights or powers before the end of the 14 days.

These cooling-off rights do not apply to wholesale clients (as defined in the Corporations Act) or to Administration Service investors. Those investing through an Administration Service should seek advice from the operator of the service about any cooling-off rights that may apply to their investment.

3.10 Anti-money laundering

New laws in relation to anti-money laundering were enacted in Australia on 12 December 2006. The obligations under this legislation become binding in stages over the 24 months following enactment. As at the date of this PDS, final rules in relation to this legislation have not been issued by the Australian Transaction Reports and Analysis Centre (AUSTRAC). The Manager may in future require additional information to verify the identity of an Investor and any underlying beneficial owner of Units and the source of payment. Where the Manager requests such information, processing of applications or withdrawals may be delayed until the requested information is received in a satisfactory form.



4

4.1 Introduction

The Initial Portfolio was acquired from Multiplex Group on 15 March 2007 and comprises:

- 40.74 million units in the ASX listed Multiplex Acumen Property Fund (MPF), which has investments in 17 listed property securities and 30 unlisted property securities; and
- 2.75 million units in Multiplex New Zealand Property Fund (MNZPF) which owns, or has exchanged contracts to purchase, 41 direct property assets in New Zealand.

In consideration for selling the Initial Portfolio, Multiplex Group was issued with 54.13 million Units.

The following is a balance sheet for the Fund as at the date of this PDS.

Assets	
Current assets	Nil
Non-current assets	
MPF units (40.74 million units purchased at \$1.25 per unit)	\$51.03m
MNZPF units (2.75 million units purchased at \$1.13 per unit)	\$3.10m
Total assets	\$54.13m
Total liabilities	Nil
Net assets	\$54.13m
Units on issue	54.13m
Net asset backing per Unit	\$1.00

Please note, in establishing the Fund, Multiplex has met all of the Fund's establishment costs up to the date of this PDS. These costs will not be recovered from the Fund.

4.2 Multiplex Acumen Property Fund (MPF)

The Fund acquired 40.74 million MPF units from MPT at a purchase price per unit of \$1.25. This price was the volume weighted average of the trading price of MPF units for the ten days prior to the acquisition date (15 March 2007). The Fund paid for this investment by issuing MPT with 51.03 million Units in the Fund at \$1.00 per Unit.

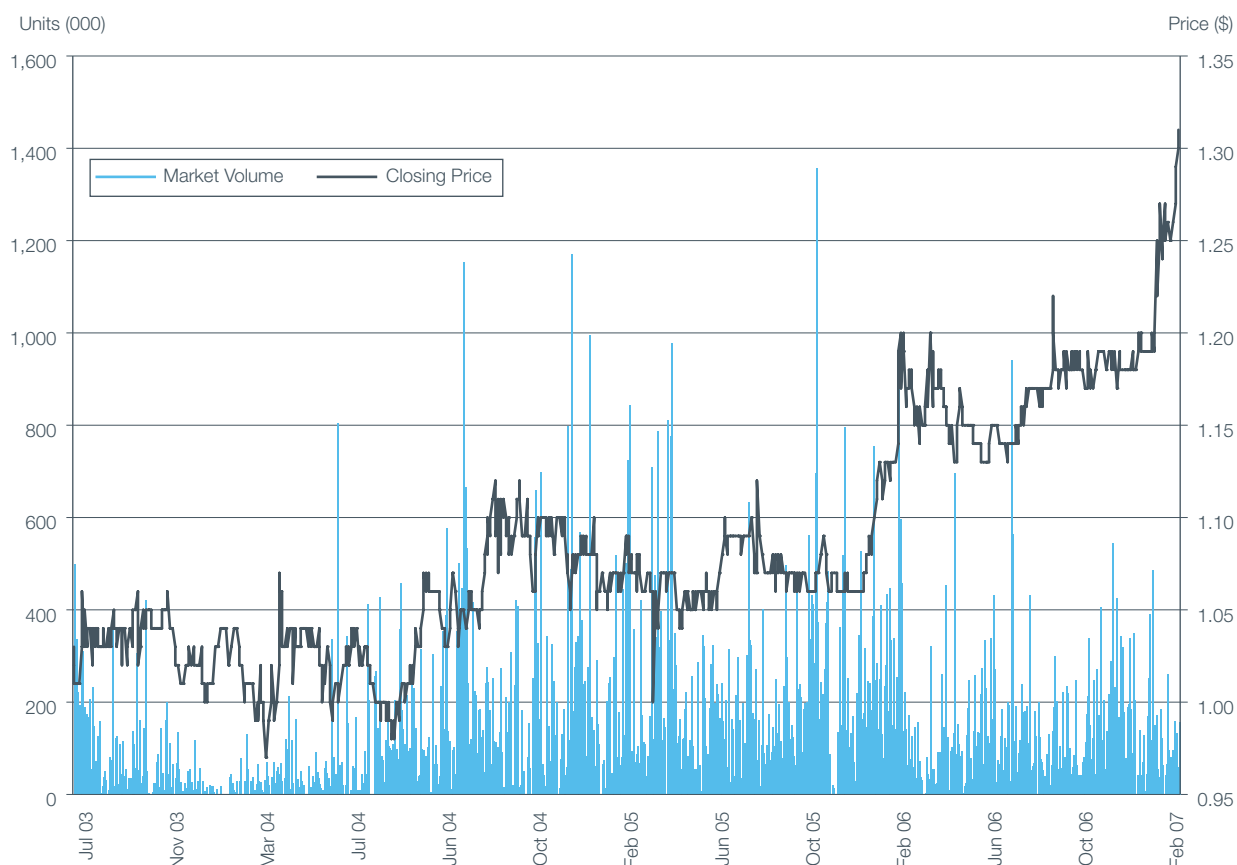
MPF is a listed property securities fund managed by Multiplex Capital Securities Limited, the company which is the responsible entity for the Fund. MPF listed in July 2003 and has a targeted 80/20 allocation to unlisted and listed property securities respectively. It is strongly diversified across asset class, property sector, geographic location and fund managers.

Total assets of approximately \$344 million as at 31 December 2006 are spread across a property investment portfolio encompassing:

- 47 separate property securities;
- 21 different fund managers;
- 5 property sectors;
- 11 geographic areas; and
- over 1,865 underlying property assets.

The underlying direct properties owned by the funds in which MPF has invested reflect an average unexpired lease term to expiry of approximately 6.0 years. At 31 December 2006, MPF's gearing was 17.8% (net debt to assets). Interest rates on these borrowings are fixed in relation to 90% of the fund's debt at an interest rate of 6.80%, for an average term of 3.4 years.

MPF trading price and volume since listing



*Please note that past performance is no indication of likely future performance.

Performance of MPF (since inception)

Period	Income yield ¹ % pa	Capital growth ¹ % pa	Total return ² % pa
8 July 2003 to 30 June 2004 (annualised)	9.44	1.00	10.44
Year to 30 June 2005	9.84	2.97	12.81
Year to 30 June 2006	9.90	8.17	18.07
Year to 31 December 2006	9.83	12.21	22.04

Notes:

- Both the income yield and capital growth figures are determined against the ASX market price per MPF unit as traded on the ASX at the start of the relevant financial year (or \$1.00 in relation to the period to 30 June 2004).
- Total return is the income yield plus capital growth.

Please note the past performance of MPF is no indication of the likely future performance of MPF or the Fund. The Fund's performance is dependent on many factors, including the returns generated by additional investments made using funds raised under this PDS.

MPF investment portfolio (As at 31 December 2006)

Fund name	ARSN	Manager	Investment allocation %	Market value ¹ \$m	Number of properties ⁴	Ownership of investment vehicle ⁵ %
Unlisted Property Funds						
Abbotsford Property Trust	092 632 883	DB RREEF	0.2	0.7	1	6.3
APN National Storage Property Trust	101 227 712	APN	0.8	2.6	34	2.8
APN Regional Property Fund	110 488 821	APN	1.1	3.6	5	10.9
APN UKA Poland Retail Fund	122 452 779	APN/UKA	2.3	7.5	1	19.9
APN UKA Vienna Retail Fund	119 990 840	APN/UKA	1.9	6.0	1	13.6
Centro MCS 21	092 292 316	Centro MCS	3.5	11.3	1	13.9
Centro MCS 22	090 931 007	Centro MCS	0.8	2.7	1	11.6
Centro MCS 28	103 353 055	Centro MCS	1.2	3.9	2	3.2
FKP Core Plus Fund	118 324 280	FKP	0.4	1.2	7 ²	2.2
Gordon Property Trust	092 632 052	DB RREEF	1.3	4.3	1	7.8
ING Real Estate Direct Office Fund	107 540 867	ING	1.1	3.6	1	18.8
Investa Brisbane Commercial Trust	096 106 142	Investa	2.5	8.1	2	15.8
Investa Fifth Commercial Trust	104 184 072	Investa	4.1	13.2	4	19.1
Investa First Industrial Trust	098 530 468	Investa	0.5	1.7	5	5.5
Investa Fourth Commercial Trust	102 383 077	Investa	0.0	0.0	2	0.1
Investa Second Industrial Trust	098 325 789	Investa	0.6	1.9	4	5.5
Investa Sixth Commercial Trust	106 690 162	Investa	4.2	13.5	4	20.0
Investa Diversified Office Fund	113 369 627	Investa	5.1	16.5	9	18.2
MAB Diversified Property Trust	103 463 467	MAB	2.2	7.0	11	10.6
Mirvac Childcare Fund	104 229 861	Mirvac	0.4	1.2	31	7.4
Mirvac Industrial Fund	099 630 154	Mirvac	0.3	1.1	3	4.8
Mirvac Retail Portfolio	111 550 684	Mirvac	1.1	3.6	7	6.2
Multiplex Development and Opportunity Fund	100 563 488	Multiplex Capital	3.1	9.9	18 ²	6.5
Multiplex NZ Property Fund	110 281 055	Multiplex Capital	20.5	66.2	41	24.4
Northgate Property Trust	092 632 481	DB RREEF	5.1	16.6	1	25.7
Rimcorp Property Trust #3	116 193 241	Rimcorp	0.4	1.2	2	18.5
St Hilliers Enhanced Property Fund #2	na	St Hilliers	0.5	1.8	2 ²	10.0
The Child Care Property Fund	106 891 641	SAITeysMcMahon	1.6	5.3	170	5.6
The Essential Health Care Trust	102 470 333	SAITeysMcMahon	1.5	5.0	9	11.5
Westpac Diversified Property Fund	119 620 674	Westpac	7.0	22.5	9	20.0
Unlisted total			75.3	243.7	388	17.9³

Notes:

- 1 Value of MPF's investment as at 31 December 2006.
- 2 These funds invest into projects and do not directly own property.
- 3 Weighted average by value.
- 4 Last stated.
- 5 Manager estimate as at 31 December 2006.

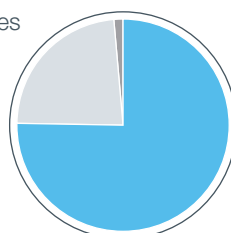
Fund name	ARSN	Manager	Investment allocation %	Market value ¹ \$m	Number of properties ⁵	Ownership of investment vehicle ⁶ %
Listed Property Funds						
APN/UKA European Retail Trust	114 153 641	APN/UKA	2.5	8.0	32	1.3
Australand Property Group ³	106 680 424	Australand	1.2	4.0	26	0.2
Australian Education Trust	102 955 939	Austock	0.5	1.7	249	0.8
Commonwealth Property Office Fund	086 029 736	Colonial	1.0	3.2	28	0.1
Cromwell Group ³	102 982 598	Cromwell	3.6	11.7	32	1.5
DB RREEF Trust ³	089 324 541	DB RREEF	1.1	3.7	181	0.1
Galileo Japan Trust	122 465 990	Galileo	0.3	0.5	21	0.2
Galileo Shopping America Trust	106 294 197	Galileo	1.3	4.1	132	0.3
Investa Property Group ³	088 705 882	Investa	0.8	2.6	35	0.1
Macquarie Countrywide Trust	093 143 965	Macquarie	0.7	2.3	250	0.1
Macquarie DDR Trust	106 570 352	Macquarie	0.6	2.1	78	0.2
Macquarie Office Trust	093 016 838	Macquarie	0.9	2.8	41	0.1
Macquarie Pro-Logis	100 649 536	Macquarie	1.0	3.1	126	0.3
Mirvac Industrial Trust	113 489 624	Mirvac	1.5	5.0	76	1.3
Multiplex Prime Property Fund	110 096 663	Multiplex Capital	5.3	17.2 ²	4	9.9
Rubicon Japan Trust	121 038 864	Rubicon	0.7	2.2	10	0.6
Valad Property Group ³	102 618 824	Valad	0.5	1.8	40	0.1
Listed total			23.5	76.0	1,477	2.8⁴
Cash			1.2	3.8		
Total portfolio			100.0	323.5	1,865	14.3⁴

Notes:

- Value of MPF's investment as at 31 December 2006.
- Balance sheet value includes deferred settlement of \$8.3 million as the present value of final call of \$0.40 per unit in June 2011.
- ARSN shown is for the trust of a stapled entity.
- Weighted average by value.
- Last stated.
- Manager estimate as at 31 December 2006.

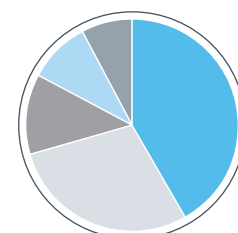
Asset allocation*

- 75.3% Unlisted Property Securities
- 23.5% Listed Property Securities
- 1.2% Cash



Property sector*

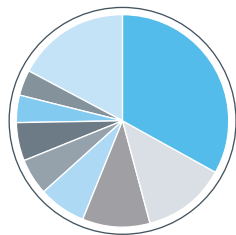
- 41.7% Office
- 29.1% Retail
- 12.2% Industrial
- 9.4% Development
- 7.6% Other



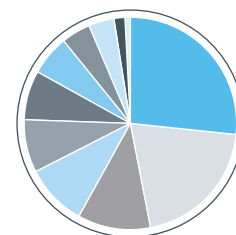
* As at 31 December 2006.

Fund manager*

33.0%	Multiplex Capital
13.0%	Investa
10.3%	APN, APN/UKA
7.2%	Westpac
5.6%	SAITeysMcMahon
5.6%	DB RREEF
4.3%	Centro
3.8%	Cromwell
17.2%	Other

**Property location***

26.7%	New South Wales
20.4%	New Zealand
11.1%	Queensland
9.3%	Victoria
8.2%	Europe
7.7%	Western Australia
6.1%	United States
4.5%	South Australia
3.6%	Tasmania
1.6%	Australian Capital Territory
0.8%	Asia



* As at 31 December 2006.

4.3 Multiplex New Zealand Property Fund (MNZPF)

The Fund acquired 2.75 million MNZPF units from a Multiplex wholly owned subsidiary known as Multiplex Capital Pty Ltd (MCPL) at a purchase price per unit of \$1.13. This price is the same price paid by MCPL to acquire the units and is less than the net tangible assets per unit as at 31 December 2006 of \$1.25. The Fund paid for this investment by issuing to MCPL 3.10 million Units in the Fund at \$1.00 per Unit.

MNZPF is an unlisted property trust operated by Multiplex Capital Management Limited (an associate of the Manager which is wholly owned by Multiplex). MNZPF was established in September 2004 with a portfolio of 11 properties, which has grown to 41 properties located across New Zealand valued at NZ\$901.7 million. The portfolio is diversified in terms of asset sector (office, retail and industrial), tenant profile and location. Additional properties may be acquired by MNZPF in the future.

Performance of MNZPF (since inception)

	Income yield % pa	Capital growth ⁴ % pa	Total return ⁵ % pa
28 July 2004 to 30 June 2005	9.00 ¹	(4.00)	5.00
Year to 30 June 2006	9.90 ²	22.92	32.82
Half year to 31 December 2006	8.05 ³	11.86	19.91

Notes:

- 1 Based upon the annualised cent per unit income distribution paid to investors divided by \$1.00, being the initial issue price of units in MNZPF.
- 2 Based upon the cent per unit distribution paid to investors divided by \$0.96, being the net tangible assets per unit in MNZPF as at 1 July 2005.
- 3 Based upon the annualised cent per unit distribution paid to investors for the half year ended 31 December 2006 divided by \$1.18, being the net tangible assets per unit in MNZPF as at 1 July 2006.
- 4 Capital growth based on the change in the NTA per unit in MNZPF for the relevant period. For the year ended 30 June 2005, the change was based upon a commencing unit price of \$1.00, being the issue price of units in MNZPF. For the half year ended 31 December 2006, the change is an annualised figure.
- 5 Total return is the income yield plus capital growth.

Please note the past performance of MNZPF is no indication of the likely future performance of MNZPF or the Fund. The Fund's performance is dependent on many factors, including the returns generated by additional investments made using funds raised under this PDS.

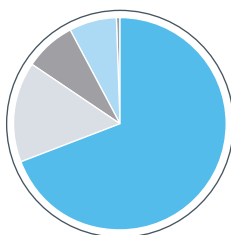
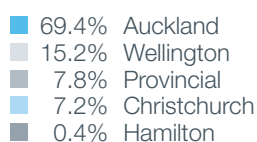
MNZPF property portfolio (As at 31 December 2006)

Property name	Location	Purchase price NZ\$m	Value ¹ NZ\$m	% of portfolio by value
Office				
AIA House	Auckland	24.6	29.5	3.3
Gen-i Tower	Auckland	63.7	75.0	8.3
Farmers Carpark	Auckland	1.4	1.7	0.2
University Building	Auckland	9.6	12.1	1.3
Telecom House	Auckland	55.5	61.5	6.8
Telco Building	Auckland	14.7	18.3	2.0
SAP Centre	Auckland	19.4	21.8	2.4
Uniservices House	Auckland	17.5	20.0	2.2
12 Whitaker Place	Auckland	0.7	1.0	0.1
The Plaza	Auckland	10.5	12.3	1.4
ASB Bank Centre	Auckland	113.9	136.3	15.1
ANZ Business Centre	Auckland	26.7	27.2	3.0
EDS House	Wellington	26.1	26.8	3.0
Tel Tower ²	Wellington	19.0	19.0	2.1
Conservation House ²	Wellington	36.1	39.2	4.4
180 Molesworth St ³	Wellington	35.5	38.8	4.4
Subtotal – office		474.9	540.4	60.0

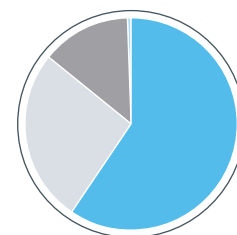
Notes:

- 1 The property values are the carrying values in the accounts of MNZPF based on the most recent valuations.
- 2 The Fund has exchanged contracts to purchase these properties.
- 3 Includes the development rights over an adjoining building.

Location diversification (by value)*



Sector diversification (by value)*



* As at 31 December 2006.

MNZPF property portfolio (continued)

Property name	Location	Purchase price NZ\$m	Value ¹ NZ\$m	% of portfolio by value
Retail				
Countdown Botany	Auckland	14.8	18.5	2.1
Countdown Lynfield	Auckland	12.1	17.4	1.9
Countdown Oamaru	Oamaru	3.7	3.9	0.4
Countdown Porirua	Wellington	6.5	7.8	0.9
Foodtown Hamilton	Hamilton	2.8	3.8	0.4
Foodtown Pukekohe	Pukekohe	8.2	8.5	0.9
Howick Shopping Centre	Auckland	10.7	13.5	1.5
South City Shopping Centre ²	Christchurch	40.0	46.9	5.2
The Hub	Whakatane	43.3	43.5	4.8
Valley Mega Centre	New Plymouth	24.1	24.3	2.7
Woolworths Dargaville	Dargaville	5.2	5.3	0.6
Woolworths Grey Lynn	Auckland	8.7	11.1	1.2
Woolworths Invercargill	Invercargill	3.6	3.8	0.4
Woolworths Marton	Marton	1.4	1.7	0.2
Woolworths New Plymouth	New Plymouth	7.5	7.8	0.9
Woolworths Paeroa	Paeroa	2.9	3.0	0.3
Woolworths Papakura	Auckland	3.9	5.3	0.6
Woolworths Putaruru	Putaruru	2.5	2.6	0.3
Woolworths Te Awamutu	Te Awamutu	5.5	5.6	0.6
Woolworths Wanganui	Wanganui	4.2	4.2	0.5
Subtotal – retail		211.6	238.3	26.4
Industrial				
Christchurch Distribution Centre	Christchurch	15.4	18.0	2.0
IRD Building	Wellington	4.8	5.3	0.6
Mangere Distribution Centre	Auckland	55.5	74.2	8.2
Wiri Distribution Centre	Auckland	20.5	25.5	2.8
Subtotal – industrial		96.2	123.0	13.6
Total portfolio		782.7	901.7	100.0

Notes:

1 The property values are the carrying values in the accounts of MNZPF based on the most recent valuations.

2 Includes a separate building known as 573–579 Colombo Street.



5.1 Multiplex Group

Multiplex Group is a fully integrated and diversified property business, with operations in property funds management, development, construction and facilities management.

With more than 2,000 employees, Multiplex Group offices are located in Australia, New Zealand, the United Kingdom and the United Arab Emirates.

As at the date of the PDS, Multiplex Group owns 100% of the Units on issue in the Fund. As new Units are issued this percentage holding will be diluted. However, as at the date of this PDS Multiplex Group intends to maintain an investment in the Fund of between 25% and 50%.

5.2 Multiplex Capital

Multiplex Capital is the property funds management division of Multiplex Group. Multiplex Capital manages a diversified range of listed and unlisted property trusts. The division employs over 40 people that among them have extensive experience in many areas of the property funds management industry. Total funds under management (FUM), as at 31 December 2006, exceed \$6 billion.

Multiplex Funds	FUM (\$m) (31 Dec 2006)
Listed funds	
Multiplex Acumen Property Fund	322
Multiplex Property Trust	3,097
Multiplex Prime Property Fund	671
AMP NZ Office Fund*	943
Unlisted funds	
Multiplex New Zealand Property Fund	804
Multiplex Development and Opportunity Fund	149
Single Property Funds	78
Property syndicates	
Multiplex Acumen Vale Syndicate Limited	68
	6,132

Note:

* Multiplex owns 50% of the manager. This fund is listed on the New Zealand Stock Exchange. The FUM number shown is the total assets under management for this fund.

Information about each Multiplex Fund can be found at www.multiplexcapital.biz. Multiplex Capital anticipates establishing a number of new funds in 2007.

5.3 The Manager

Multiplex Capital Securities Limited is the responsible entity of the Fund and is referred to in this PDS as the Manager.

The Manager was incorporated on 14 February 2003 and is wholly owned by Multiplex. The Manager holds AFSL number 226442, which authorises it to operate and manage the Fund.

The Manager is responsible for the management of the Fund and must perform its role in accordance with its duties under the Corporations Act, the Constitution and the Compliance Plan. In exercising its powers and duties, the Manager must act honestly, with care and diligence and in the best interests of Investors. Where there is a conflict between the Manager's own interests and that of Investors, it must prefer the interests of Investors over its own interests.

The Manager has established a broad compliance program governing the operations of the Fund which is set out in the Compliance Plan. A compliance committee has also been appointed. The majority of members of the compliance committee are external, independent members. The compliance committee is responsible for monitoring and reporting on the Manager's compliance with the Constitution, the Compliance Plan and the Corporations Act.

5.4 Directors of the Manager

Peter Morris, Non-executive Chairman

Peter has over 35 years' experience in property, initially in project and development management and more recently in funds management. He is a recognised leader in the development and project management fields, having played a major role in the growth of professional project management as a specialist skill in Australia. For 14 years he acted as Managing Director of Bovis Australia (now part of Bovis Lend Lease) and its forerunners. During this time he was responsible for the delivery of some of Australia's largest and most high profile commercial projects.

Peter acts as Independent Chairman of Multiplex Capital Management Limited, Multiplex Capital Investments Limited and Multiplex Capital Securities Limited. He is also an independent director of Galileo Funds Management, the responsible entity of Galileo Shopping America Trust, a listed property trust owning retail assets in the USA valued at over US\$2.1 billion.

Rex Bevan, Non-executive Director

Rex has many years' business experience in the areas of financial management, investment banking and the provision of economic and investment advice.

From 1988 to 2005 he filled a number of roles within Western Pacific Portfolio Planning Pty Ltd (now Western Pacific Finance Ltd), including the position of Research Manager, and later, Managing Director. From 1994 to 1998 Rex was a director of the master trust operator, Flexiplan Australia Ltd, prior to its acquisition by MLC.

Brian Motteram, Non-executive Director

Brian has in excess of 30 years' experience working in the area of finance and accounting. He has worked with international accounting firms, in his own private practice, and during the last 18 years in private enterprise in both the mining and property industries.

He spent eight years (from 1996 to 2004) as an executive of the Hawaiian group of companies in positions of Chief Financial Officer and later, Finance Director.

Robert McCuaig, Non-executive Director

Robert is Chairman of the Advisory Board of Colliers International Property Consultants in Australia. Along with David Collier, he formed McCuaig and Collier, which in 1988 became the New South Wales office of Colliers International. He was a forerunner in the establishment of Colliers in Australia, now one of the world's largest professional property services groups. Robert has acted as a property adviser to the University of Sydney, Westpac, Qantas Airways, Presbyterian Church, Sydney Ports Authority, Benevolent Society of NSW, the State of New South Wales and the Commonwealth of Australia.

Ian O'Toole, Executive Director

Ian has responsibility for the overall direction and strategy of the Multiplex Capital funds management business, including both MPT and the external funds management business of Multiplex Capital. He has over 24 years' experience in funds management and prior to joining Multiplex Capital in 2003, was responsible for both capital transactions and asset management within ING Real Estate Investment Management Limited.

Robert Rayner, Executive Director

Robert has responsibility for the day-to-day operation and development of Multiplex Capital's funds management activities. Robert has been involved in property and property funds management for more than 17 years and has extensive property and financial experience in both the listed and unlisted sectors of the funds management industry. Robert was a founding shareholder and director of the Acumen Capital funds management business, since renamed Multiplex Capital.

5.5 Fund management

The fund manager is responsible for monitoring the performance of the Fund's assets (and the performance of SG Hiscock), recommending new investments and ensuring overall compliance with various statutory requirements and Manager policies. The fund manager also produces Investor reports to keep Investors updated and informed about the Fund.

5.6 SG Hiscock, the LPT manager

SG Hiscock will manage the Fund's LPT portfolio (excluding the Fund's interest in MPF). SG Hiscock manages more than \$1.3 billion in listed property securities and \$2.7 billion in total funds. Managed Investments Assessments Pty Ltd, an independent property investments research group, have rated SG Hiscock as a 'Strong' manager in relation to its ability to manage domestic listed property securities funds. Their EQT SGH Property Fund was recently rated a 4 star fund by Standard and Poor's, the highest rating in that category. In addition, SG Hiscock was a finalist in the 2006 Money Management Property Securities Fund Manager of the Year Awards.

SG Hiscock is a boutique investment manager specialising in property securities, small companies and absolute return funds. The principals at SG Hiscock have a long track record and expertise in managing listed property security portfolios.





6

As with most investments, the performance of the Fund, the level of future distributions, the value of the Fund's investments and the value of Units may be influenced by a number of risk factors, many of which are outside the control of the Manager.

The value of an investment in the Fund, and income received by Investors, may rise or fall and Investors may suffer losses.

Before investing, potential Investors should consider whether the Fund is a suitable investment, given their investment objectives.

The following risk factors are not exhaustive. Potential Investors should read this PDS in full and, if they require further information on any possible risks of an investment in the Fund, they should seek appropriate financial advice.

Market risks

The returns from investments in listed and unlisted property trusts and property investment companies are affected by a range of economic factors, including changes in interest rates, exchange rates, inflation, general share market conditions, government policy (including monetary and taxation policy and other laws), fluctuations in general market prices for property, shares, bonds and other tradable investments, and the general state of the domestic and world economies.

While the Fund has a large exposure to MPF or LPTs generally, which it does as at the date of this PDS, the Unit Price will be more susceptible to ASX market forces and as such may be more volatile than the unit price for an unlisted property fund with a lesser exposure.

The value of Units can go down as well as up due to circumstances affecting the economy generally, or other factors which may affect the value of the securities and properties in which the Fund may invest.

Property market risks

The investments of the Fund are essentially investments in property assets. The value of the property assets will be affected by a number of risks, some of which include, without limitation:

- the level of tenancy vacancies may fluctuate with market forces;
- a downturn in the value of a property, or in the property market in general;
- pricing or competition policies of any competing properties or tenants;
- increased competition from new or existing properties; and
- increases in supply or falls in demand in any of the sectors of the property market to which the Fund is exposed.

A key factor to mitigate these risks is asset diversification.

Asset risk

Asset risk is the risk of inadequate asset research or monitoring, or material changes in asset characteristics.

To mitigate this risk, the Manager undertakes research on the various property markets in which it invests and the specific investments held by the Fund.

Underlying fund risk

The Manager will invest assets of the Fund in other funds managed by other fund managers. Those other funds may be subject to each of the risks outlined above, as well as other risks specific to those funds and the jurisdictions in which they operate.

To manage this risk the Manager will only invest in funds with investment strategies which the Manager believes to be consistent with the investment objectives of the Fund and will monitor the performance of those funds.

Borrowing and interest rate risk

The Fund itself may have borrowings, plus the investment vehicles in which the Fund invests may have a level of borrowings. Unfavourable movements in interest rates could lead to increased interest expense which could reduce returns from the Fund. In extreme circumstances, an increase in interest rates could lead to a failure by an investment vehicle (or by the Fund itself) to meet interest obligations, or could mean refinancing is not possible. In such an event, the underlying property assets may have to be sold at short notice, which may affect the price achieved. The Manager may seek to hedge some or all of the interest rate on any borrowings for all or part of their term to reduce the Fund's exposure to fluctuations in interest rates while those hedging arrangements remain in place.

Currency risk

As at the date of this PDS, the Fund has an indirect exposure to property assets located outside Australia, through ownership of units in the MNZPF. In the future, the Fund may also acquire units in other funds that own property outside Australia and may also acquire international property directly. The level of income generated by these foreign assets may be affected by movements in foreign exchange rates. In some cases, these movements may have a negative impact on the returns paid to the Fund. A weaker Australian dollar will result in the value of investments held in foreign currencies increasing in value. Conversely, if there is an upward movement of the Australian dollar against the foreign currency in which an investment is held, the value of the assets held in the foreign currency will fall. The Manager may seek to hedge some or all of the Fund's exposure to currency risk, through either or both capital and income hedges.

Income risks

The level of income the Fund will receive (and therefore the level of distributions that may be paid to Investors) can fall as well as rise. Returns are affected by the underlying strength of the cash flows, balance sheets and management of the investment vehicles in which the Fund invests and the cash flows from the direct assets which the Fund may own. In particular, the returns for listed and unlisted property trusts are affected by, in addition to the other factors mentioned in this Section, borrowing levels and the level of net income, including any amounts of Tax Deferred income derived from the underlying properties.

Changes in law or government policy

Changes in income tax, indirect tax or stamp duty legislation or policy may affect the Fund's returns. Such changes can result in the distribution policy of the Fund having to change. As changes in revenue law or policy and other legal or regulatory changes often cannot be foreseen, the Manager will attempt to respond to any such changes in whatever manner seems practical and in the interests of Investors.

Liquidity risk

While the Manager considers the Fund to be Liquid (see Section 3.7), Investors will be able to request a withdrawal of their investment at any time and the Manager intends to approve such withdrawal requests and then make payment within ten Business Days. However, the Manager may in certain circumstances, such as when it considers that it is not in the best interests of Investors for withdrawals to be made or when the Manager cannot calculate or pay the Withdrawal Price, refuse to accept withdrawal requests. Further, the Manager has up to 12 months to satisfy an approved withdrawal request. If at any time the Manager considers that the Fund is not Liquid, then Investors will only be able to withdraw from the Fund if the Manager makes a withdrawal offer. The Manager will only make a withdrawal offer if it is in the best interests of all Investors to do so and only then to the extent the Fund has cash available to fund the withdrawal offer.

Key personnel risk

This is the risk that key individuals employed by the managers of entities in which the Fund invests are no longer able to fulfil their obligations. The Manager aims to ensure that managers or entities in which the Fund invests have adequately qualified and experienced teams to mitigate key person risk.

The Manager intends to have sufficient resources to enable the Fund to continue unaffected should any member of its team leave.

Dilution

As new Units are issued, an Investor's proportional beneficial ownership in the underlying assets of the Fund may be reduced. If an Investor does not reinvest all of their distributions, then the Investor's beneficial ownership in the Fund may be diluted compared to those Investors that do reinvest distributions. Although an Investor's percentage ownership in the Fund may be reduced by the issue of new Units to other applicants, the value of the Investor's interest should be preserved, on the basis the Manager intends to apply new application monies towards investments that do not materially impact either the distribution yield or the Unit Price.

General comments

As a result of these and other investment risks, Investors should expect that the value of the Fund's investments, and the level of income (including the level of Tax Deferred income) received by them from the Fund from its current and future investments, may fluctuate. Consequently, the value of Units and the amount of any income entitlement distributed may rise or fall.

It is important to note that not all risks can be foreseen. It is therefore not possible for the Manager to protect the value of the Fund's investments from all risks. Investors should ensure they obtain appropriate professional advice regarding the suitability of an investment in the Fund having regard to their individual circumstances, including investment objectives, their level of borrowings, their financial situation and individual needs.

The Manager anticipates that diversifying the Fund's investments in accordance with the Fund's investment strategies, should help mitigate the risks to which the Fund and its investments are exposed.

The Manager does not guarantee the repayment of capital or the performance of the Fund.



Government regulations require the Manager to include the following standard consumer advisory warning. The information in the consumer advisory warning is standardised across all product disclosure statements and is not specific to information on fees and charges for the Fund.

7.1 Consumer advisory warning

Did you know?

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

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

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the fund or your financial adviser.

To find out more

If you would like to find out more, or see the impact of the fees based on your own circumstances, the Australian Securities and Investments Commission (ASIC) website (www.fido.asic.gov.au) has a managed investment fee calculator to help you check out different fee options.

7.2 Fees and other costs

This Section shows fees and other costs that you may be charged. These fees and costs may be deducted from your money, the returns on your investment or from the Fund's assets as a whole. Information on taxation is set out in Section 8. You should read all information about fees and costs as it is important to understand their impact on your investment.

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	Not applicable
Contribution fee The fee on each amount contributed to your investment ¹ .	For Direct Investors, up to 4.1% of application money paid to acquire Units. No contribution fee is charged on an investment made through an Administration Service.	If payable, this fee is paid by the Fund to the Manager on the issue of Units ^{2,3} . Not applicable
Withdrawal fee The fee on each amount you take out of your investment.	Nil	Not applicable
Termination fee The fee to close your investment.	Nil	Not applicable

Type of fee or cost	Amount	How and when paid
Management costs		
The fees and costs for managing your investment ⁴ .	(i) Management fee of 0.615% per annum of Gross Asset Value.	Calculated daily and payable by the Fund to the Manager within five Business Days of the end of each quarter ³ .
	(ii) Acquisition fee of 3.075% of the value of each real property asset acquired for the Fund.	Payable by the Fund to the Manager on settlement of the acquisition.
	(iii) Disposal fee of 1.025% of the sale price of each real property asset.	Payable by the Fund to the Manager on settlement of the sale.
	(iv) Expense recoveries estimated to be 0.2% per annum of Gross Asset Value.	Paid from the income (or assets) of the Fund as and when incurred.
Service fees		
Investment switching fee		
The fee for changing investment options.	Nil	Not applicable

Notes:

- 1 See Section 7.4.1 for further details.
- 2 It is from this fee the Manager will pay commission to advisers and financial planners for introducing Direct Investors (which those advisers or planners may elect to rebate to Direct Investors to enable them to acquire extra Units).
- 3 The amount of this fee can be negotiated by wholesale clients (see Section 7.4.5 for further details).
- 4 See Section 7.4.2 for further details.

7.3 Example of annual fees and costs for this Fund

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

Example	Balance of \$50,000 with a contribution of \$5,000 during the year	
Contribution fees	From 0% up to 4.1% ¹	For every additional \$5,000 an Investor puts in, the Fund will be charged between \$0 and \$205.
PLUS Management costs	0.56% ²	And, for every \$50,000 invested in the Fund, the Fund will be charged up to \$280 each year.
EQUALS Cost of Fund		If an Investor has an investment of \$50,000 at the beginning of the year and they put in an additional \$5,000 during a year, the Fund will be charged fees from – \$280 to \$485 ³ . What it costs an Investor will also depend on the fees agreed with their financial adviser.

Notes:

- 1 No contribution fee is charged on an investment made through an Administration Service. When Units are issued to Direct Investors, the Fund will be charged a contribution fee of between 0% and 4.1%, and from this, the Manager will pay commission to advisers and financial planners (which those advisers or planners may elect to rebate to Direct Investors to enable them to acquire extra Units).
- 2 This figure represents the Indirect Cost Ratio (ICR) for the Fund (additional fees may apply – see Section 7.4.4).
- 3 The annual management costs are incurred progressively throughout the year, but for the purpose of these fee examples, the Manager has not included any annual management costs incurred on the \$5,000 contributed during the year.

7.4 Additional explanation of fees and costs

7.4.1 Contribution fee

The contribution fee is factored into the Unit Price for Direct Investors. For example, if \$10,000 is invested when the Unit Price is \$1.00 (which includes the contribution fee), then the Investor will receive 10,000 Units. As the fee is charged by the Manager to the Fund and not to Investors directly, the fee forms part of the Unit Price, rather than being subtracted from application monies prior to the issue of Units. The Manager then uses this money to pay commissions to advisers, which those advisers may elect to rebate to Direct Investors so they can acquire extra Units.

The Manager does not charge the Fund a contribution fee in relation to investments made by indirect Investors through an Administration Service. As no contribution fee is charged, the Unit Price paid by these investors does not include an allowance for the fee. The Unit Price paid on an investment through an Administration Service will therefore be lower than the Unit Price for Direct Investors.

7.4.2 Management costs

Management fee – The Manager is entitled to charge the management fee on the Gross Asset Value. However, the Fund may invest in other Multiplex Funds, in which case Multiplex subsidiaries will be entitled to charge management fees in relation to the relevant Multiplex Fund they manage.

To ensure there is no doubling up on management fees, the Manager is prohibited from charging a management fee to the Fund, to the extent the Gross Asset Value includes interests in other Multiplex Funds.

Acquisition fee – This is the fee for identifying, negotiating and attending to the acquisition of real property assets on behalf of the Fund. The amount charged is up to 3.075% of the value of the real property asset. This fee is paid by the Fund, on acquisition of the real property asset. For every \$50,000 of property value acquired by the Fund, an acquisition fee of \$1,537.50 will be charged to the Fund.

Disposal fee – This is the fee for negotiating and attending to the disposal of real property. The amount charged is 1.025% of the sale price of the real property asset. This fee is paid by the Fund, on settlement of the sale of the real property asset. For every \$50,000 of the sale price of real property sold by the Fund, a disposal fee of \$512.50 will be charged to the Fund.

Investments through investment structures – To ensure there is no doubling up on fees, where an asset is acquired by the Fund through a subtrust or company established by the Manager or an associate of the Manager, the Manager will not charge a fee to the Fund itself, to the extent that fee is charged to the subtrust or company. Where the subtrust or company is not wholly owned by the Fund, the level of the Manager's fee will be based on the proportional interest of the Fund in the subtrust or company.

7.4.3 Administration Services

Persons investing through an Administration Service should be aware that whilst no contribution fee is charged by the Manager, they will, in addition to the other fees described above, be liable to pay fees to the operator of the service as described in the offer document or guide for the relevant Administration Service.

The Manager (in its personal capacity) may make two types of payments to operators of Administration Services:

- product access payments (as a flat dollar amount per annum) for administration and investment related services, which may be an amount of up to \$40,000 per annum (GST inclusive) per Administration Service; and/or
- fund manager payments (based on volumes of business generated) which may be an amount of up to 0.20% of amounts invested.

The amount of these payments may change during the life of this PDS. The Manager may also draw on its own resources to provide marketing and product support to an Administration Service.

7.4.4 Indirect Cost Ratio (ICR)

The Fund's ICR is the ratio of the estimated annual ongoing management costs for the Fund, to the estimated average net assets of the Fund.

As at the date of this PDS, the Fund's only assets comprise the Initial Portfolio (being units in MPF and MNZPF which are both Multiplex Funds). As explained in Section 7.4.2, the Manager cannot charge a management fee to the Fund, to the extent the Gross Asset Value includes investments in other Multiplex Funds, to avoid any doubling up on management fees. This means that while the Fund's only assets are investments in MPF, MNZPF or other Multiplex Funds, the Manager will not charge the management fee.

Over time, the Fund will increase its assets as it makes further investments in accordance with the Fund's investment strategy. These investments may be in direct real property and property trusts which are not Multiplex Funds. To the extent the Fund's assets consist of investments in these other trusts or asset types, the Manager will charge the management fee to the Fund.

The ICR of 0.56% shown in Section 7.3 is therefore provided to give an estimate of the annual management costs for the Fund, assuming 50% of the Fund is invested other than in Multiplex Funds and assuming a gearing level of 10% for the Fund.

In calculating the ICR, the Fund's annual management costs do not include fees and expenses charged within any listed or unlisted property trusts in which the Fund may invest, such as MPF and MNZPF. Such fees and expenses are reflected in the net performance of those trusts and are costs an Investor would incur if they invested directly in the respective trusts.

Asset acquisition and disposal fees may also be incurred. Such fees are not included in the ICR because they will only be incurred when acquisitions and disposals occur and are therefore not annual ongoing management costs.

7.4.5 Wholesale investments and fee rebates

The Manager may, on an individual basis, negotiate with "wholesale clients" (as that term is defined in the Corporations Act), in relation to rebates on the contribution fee and ongoing management fee, in circumstances permitted by the Corporations Act or by applicable relief granted by ASIC. Rather than rebating the contribution fee, the Manager may instead reduce the Unit Price payable by wholesale clients to the extent the Manager agrees with those clients to reduce the contribution fee.

The Manager has agreed to rebate the contribution fee in respect of employees of the Manager or of its related bodies corporate. However, the Manager may only do this if the number of votes that may be cast by employees on a resolution of Investors is no more than 5% of all votes of Investors.

Any rebates negotiated with wholesale clients or employees are payable by the Manager from the Manager's own funds and therefore do not affect the fees payable by other Investors.

7.4.6 Expense recoveries

The Manager is entitled to be reimbursed out of the Fund for costs, charges and expenses properly incurred in relation to the Fund. These expenses include, but are not limited to, the cost of items such as administration, asset custody, bank charges, audit and tax advice, compliance costs, stationery, postage, legal costs, printing and information technology expenses and the services of external consultants.

7.4.7 Buy/sell spread

A buy/sell spread is the difference between the Unit Price and the Withdrawal Price.

A buy spread is the amount by which the Unit Price exceeds the Net Asset Value per Unit. The buy spread is a combination of the contribution fee (if charged) that is grossed-up into the Unit Price and an allowance per Unit for the transaction costs incurred in buying Fund assets.

A sell spread is the amount by which the Withdrawal Price is lower than the Net Asset Value per Unit.

Buy spread – In calculating the Unit Price, the Manager will factor in an allowance for transaction costs so that new Investors contribute toward the costs incurred by the Fund in acquiring new investments. When the Fund acquires real property, these costs will include stamp duty, agent's fees, acquisition fees and legal expenses. However, when the Manager makes an investment in a listed or unlisted property trust, it intends to do so on a wholesale basis, in which case little or no contribution fees will be paid to the manager of the relevant trust. The transaction costs on these types of investments will therefore be minimal. As at the date of this PDS, the Manager has determined that a transaction cost factor of 1.0% will apply to all applications to reflect the Manager's best estimate of the average cost of acquiring the Fund's investments.

For investments made through an Administration Service, there is no contribution fee grossed-up into the Unit Price, in which case the buy spread is limited to 1.0%. Where the Unit Price is grossed-up to allow for the contribution fee charged in relation to a direct investment, then an additional 4.1% is added to the buy spread. Direct Investors can limit the impact of this buy spread on the value of their investment by negotiating with their adviser for a rebate of the commission paid by the Manager to the adviser. Such rebates will usually be in the form of additional Units issued to Investors.

Sell spread – In calculating the Withdrawal Price, the Manager may subtract an allowance for transaction costs to the extent costs are incurred in the sale of Fund investments. However, where withdrawals are funded from available cash, new applications or by the sale of marketable securities, the Manager does not expect any transaction costs to be incurred. As at the date of this PDS the Manager expects this will be the case and therefore the sell spread is currently nil.

Except for that part of the buy spread which is used to meet the contribution fee payable to the Manager, the buy/sell spread is retained in the Fund to meet transaction costs. If transaction costs change, the Manager may adjust the buy/sell spread. Prospective Investors can obtain the current Unit Price and Withdrawal Price by accessing the Manager's website or by contacting the Registry. The difference between these prices will be the current buy/sell spread.

7.4.8 Adviser remuneration

The Manager may pay commissions to advisers whose clients make a direct investment in the Fund. Any such commissions will be paid by the Manager out of its own resources and will not represent an additional cost to the Fund or any Investor. These commissions do not include any other fees and expenses that may be agreed between an Investor and their adviser. An Investor's adviser should give the Investor details of their remuneration arrangements.

The Manager may pay an adviser a commission within the following ranges:

- 0–4% (plus GST) of a Direct Investor's application monies as an upfront payment (for example, at 4% the payment will be \$400 plus \$40 GST for every \$10,000 invested); or
- 0–2% (plus GST) of a Direct Investor's application monies as an upfront payment plus 0.5% per annum as a trail commission for five years (for example at 2%, \$200 plus \$20 GST upfront and \$50 plus \$5 GST per annum, for every \$10,000 invested); or
- 0–1% per annum of a Direct Investor's application monies as a trail commission for five years (for example at 1% the payment will be \$100 plus \$10 GST per annum for every \$10,000 invested).

Commission will only be paid to persons who hold an AFSL or are otherwise permitted by law to receive such payments. Trail fees will continue for a maximum of five years but will end before the five year term if the Units are redeemed or the Investor or the financial adviser informs the Manager in writing that the Investor is no longer a client of the financial adviser.

Some advisers may rebate part or all of their upfront commission (on a GST exclusive basis) to Investors by directing the Manager to do so in part 15 of the Application Form. Investors who lodge applications directly with the Manager are not entitled to receive commission and, unless they are wholesale clients, will not be entitled to a rebate of the contribution fee.

Where an indirect investment is made through an Administration Service, no commission is paid by the Manager. However, fees may be payable by the Investor to the operator of the service and/or the adviser who assists in making the investment.

7.4.9 Changes to fees and charges

Under the Constitution, the Manager is entitled to charge a maximum annual management fee of 0.7175% of the Gross Asset Value per annum.

If the Manager intends to increase the management fee above the 0.615% per annum disclosed in the table in Section 7.2, then the Manager will give Investors 20 Business Days' written notice. Whilst it is not intended as at the date of this PDS, this fee may be increased (up to the maximum allowed) for a number of reasons, including changes in costs and changes in the economic, regulatory and competitive environment.

The Manager is also entitled to charge a transfer fee of 1.0% (minimum of \$100) of the consideration paid on a transfer of Units (eg \$100 on a transfer worth \$10,000). The transfer fee is paid on registration of the transfer by the transferring Investor. As at the date of this PDS, the Manager does not intend to charge any transfer fee. If this fee is to be charged in the future for one or more of the reasons mentioned above, then Investors will be given 20 Business Days' written notice.

The Manager may accept lower fees than it is entitled to receive or may defer payment for any period. Where payment is deferred, the fees accrue daily until paid. In the event the Manager is removed as responsible entity of the Fund, the balance of any outstanding accrued deferred fees will be paid to the Manager from the Fund.

7.4.10 Goods and Services Tax (GST)

All fees stated in the fees and costs table and the example fee table are inclusive of GST and RITCs. Where a fee paid by the Fund is subject to a RITC under the GST legislation, the Fund can only recover 75% of the GST paid. For additional information in relation to the taxation implications of an investment in the Fund, please see Section 8.



8

The Manager's comments in this Section are intended to assist Investors in relation to the income tax (including CGT) implications for them of their investment in Units in the Fund. The comments are based on current law and practice, and are of a general nature only. Investors should consider seeking their own advice, where appropriate, specific to their own circumstances.

The comments in this Section are relevant only for Investors who will hold their Units as capital assets, such that only the CGT provisions in the tax law will be relevant to them on a disposal of those Units. The comments are not applicable to any Investor who carries on a business of dealing in securities or who will, for any other reason, hold their Units on revenue account.

The Manager intends that each year the Fund will distribute to its Investors an amount at least equal to the excess of its taxable income over the non-cash parts thereof (foreign tax suffered and any franking credits received). The Manager expects that the taxable income of the Fund will be taxable in the hands of its Investors and not in the hands of the Manager.

There are certain provisions in the income tax law which, where they apply, cause a trust to be taxed in a similar manner to a company. The Manager does not expect those provisions to apply to the Fund.

After the end of each income year (30 June), the Manager will issue an annual taxation statement to each Investor, giving information necessary for that Investor's income tax return.

8.1 Investors who are residents of Australia for income tax purposes

Taxation of distributions

Distributions from the Fund will include assessable income. Investors who are residents of Australia for income tax purposes will be required to include that assessable income in their income tax returns.

The Manager expects that the Fund will continue to hold its assets on capital account. To the extent that distributions from the Fund include realised capital gains, those gains will need to be taken into account in the CGT results of Investors for the relevant years. Where the gains relate to assets held for at least 12 months, the CGT discount (50% in the case of individuals and most trusts, and 1/3rd in the case of most superannuation entities) should be available to Investors in relation to those gains.

The Manager also expects that part of the distributions from the Fund will be Tax Deferred. Tax Deferred distributions will normally not be assessable to Investors on their receipt, but will reduce the cost base of their Units for CGT purposes. If the situation is reached where the cost base of any Unit is eliminated by Tax Deferred distributions received by the holder of that Unit, any further Tax Deferred receipts would themselves constitute capital gains to that Investor.

Distributions may also include the part of any capital gain made by the Fund which is attributable to the 50% CGT discount that will be taken into account (where applicable) in the Fund. Distributions of such amounts to Investors should not be assessable to them and should not reduce the CGT cost bases of their Units.

The Fund's assets are expected to include (directly or indirectly) investments in assets outside Australia. Income from such assets will normally be foreign-sourced for income tax purposes and may suffer foreign tax. In that event, it will be necessary for Investors to gross up their cash distributions for tax purposes to reflect additional assessable income in relation to any foreign tax suffered by the Fund on such income. Investors should normally be able to claim a foreign tax credit in relation to that foreign tax, thereby reducing the income tax payable by them on their assessable incomes.

The Fund's assets may include shares in property investment companies. If franking credits are received by the Fund on dividends on these shares (or on any other distributions), it will normally be necessary for Investors to report as assessable income their cash taxable distributions after gross-up for the franking credits. Investors should normally be able to claim tax offsets, equal to the franking credits, to reduce the income tax payable by them on their assessable incomes.

Distributions of assessable income in relation to an income year ending on a 30 June will need to be reflected in the income tax return for that year, even if the distribution is physically received by the Investor in the subsequent income year.

Redemptions or other disposals of Units

The CGT cost base of a Unit will be the amount paid for the Unit plus any incidental costs of the acquirer.

Tax Deferred distributions received by an Investor will reduce the CGT cost base of the Unit in respect of which those distributions are received.

On a disposal of a Unit in the Fund, an Investor will need to compare the CGT cost base of that Unit (reduced as described above) with the proceeds of disposal. Any incidental costs of disposal should be added to the CGT cost base for this purpose.

A capital gain or loss will arise for an Investor to the extent that the CGT cost base of a Unit, quantified as described above, differs from the proceeds of disposal. That capital gain or loss will need to be taken into account for purposes of the CGT result of the Investor in the year in which the disposal takes place.

If the Investor has held the Unit for at least 12 months, that Investor should be entitled to the CGT discount (50% in the case of individuals and most trusts, and 1/3rd in the case of most superannuation entities) in relation to any capital gain on that disposal.

Withholding of tax from distributions

Investors will be given the opportunity to quote a tax file number (TFN) or, in appropriate circumstances, an Australian Business Number (ABN) to the Manager. If an Investor chooses not to supply a TFN or to claim an exemption, tax will be withheld from its distributions at the highest marginal tax rate plus the Medicare levy (currently a combined rate of 46.5%).

8.2 Investors who are not residents of Australia for income tax purposes

Investors who are not residents of Australia for income tax purposes will need to consider both Australian tax and tax under the laws of their country of residence.

Taxation of distributions, and withholding of tax from distributions

Investors who are not residents of Australia for income tax purposes will be liable to Australian income tax on some or all of the parts of their distributions that are from Australian sources. The Manager will withhold amounts from distributions on account of that tax at rates appropriate to the type of income and the status of the Investor.

For non-resident Investors who are not trustees, there will be no practical need to quote a TFN or an ABN or claim an exemption.

Non-resident Investors who are trustees may choose to quote a TFN or, if applicable, an ABN or, if relevant, to claim an exemption. If such an Investor does none of those things, tax will be withheld from its distributions at 46.5% (or, in certain circumstances, at lower rates on parts of those distributions).

Disposals of Units

A non-resident Investor should generally not be liable to Australian CGT on any capital gain it might make on the disposal (by redemption or otherwise) of a Unit, unless that Investor and its associates have an option or right to acquire an interest in the Fund which confers an entitlement to, or an entitlement to acquire, at least 10% of either the income or corpus (capital) of the Fund. The relevant 10% threshold test will be satisfied if there is a 10% or greater entitlement (or entitlement to acquire) either at the time of disposal, or throughout a 12 month period which commences in the 24 months preceding the time of the disposal and which ends no later than the time of disposal.

Non-resident investors whose investment in the Fund satisfies the 10% threshold test noted above should obtain their own advice in relation to the possible application of CGT to their investment in the Fund.



9.1 Constitution

The Constitution is dated 8 February 2007 and has been lodged with ASIC. It governs the rights and obligations of Investors and the Manager's duties and powers.

The Manager cannot amend the Constitution without Investors approving the amendment by special resolution, unless the Manager reasonably believes the amendment will not adversely affect the rights of Investors.

The Constitution includes provisions dealing with:

- investments of the Fund;
- the distribution of income and capital;
- the obligations, duties and powers of the Manager and delegation of its functions;
- the duration of the Fund, including its termination;
- recoverable expenses, permitted borrowings and the limitation of the Manager's liability;
- remuneration and indemnification of the Manager as the responsible entity; and
- procedures for the convening and holding of meetings of Investors.

Under the Constitution, the Manager is authorised to issue different classes of units having rights and obligations determined by the Manager in its discretion. The Constitution specifically provides for the issue of the following classes of units.

Ordinary Units:

- being the Units issued to Investors pursuant to this PDS.

Liquidity Units:

- issued at the same Unit Price as that applying to Units acquired by Investors under this PDS;
- have an equal entitlement to participate in distributions with Investors;
- may be redeemed at a price equal to their issue price (ie there is no buy/sell spread applying to Liquidity Units);
- can be redeemed in priority to Units but behind Income Units in the event the Fund is not Liquid; and
- rank behind Income Units but ahead of Units on a winding-up of the Fund.

As at the date of this PDS, it is the intention of the Manager that Liquidity Units would only ever be issued in the circumstances referred to in Section 3.8.

Income Units:

- issued at \$1 per unit;
- entitled to a fixed distribution rate nominated by the Manager which must be paid ahead of all other unitholders' distribution entitlements;
- redeemed at \$1 per unit, but because the withdrawal price does not factor in accrued income, these units entitle the holder to a pro rata distribution up to the date of withdrawal;
- can be redeemed in priority to all other units in the event the Fund is not Liquid; and
- rank ahead of all other units on a winding-up of the Fund.

At the date of this PDS, there are no Liquidity Units or Income Units (or any other additional unit class or sub-class) on issue. As referred to in Section 4.1, there are 54.13 million ordinary Units on issue as at the date of this PDS, which are held by Multiplex Group.

The Manager may create additional classes of units in its discretion. Investors should note that their rights as unitholders will be subject always to the rights and entitlements attaching to other classes of units.

9.2 Compliance Plan

The Compliance Plan sets out the arrangements and measures that the Manager will apply in operating the Fund to ensure compliance with the Corporations Act and the Constitution. Compliance with the plan will be overseen by the Fund's compliance committee (which comprises a majority of independent members) and will be audited annually by an external auditor.

9.3 Custody deed

As at the date of this PDS, all the assets of the Fund are held by JPMorgan Chase Bank, N.A. as custodian. The Custodian is not liable to Investors. The Custodian may only act on proper instructions (as set out in the custody deed) given by, or on behalf of the Manager. The Custodian is indemnified by the Manager for any action taken and all claims and liabilities arising in connection with the assets of the Fund, except in the case of fraud, negligence or wilful default under the custody deed by the Custodian. In the event that the Fund acquires any direct property, the Manager may act as self custodian.

9.4 Options and rights of first and last refusal over Initial Portfolio

The Manager has entered into deeds with Multiplex, granting to Multiplex call options over the assets comprising the Initial Portfolio (the MPF units and MNZPF units). The call options give Multiplex (or its nominee) the right to purchase the MPF units and MNZPF units (or any of them), exercisable if any action is taken to change the responsible entity to a company which is not a member of the Multiplex Group.

If the call option rights are exercised, then the price payable will be the market price for the relevant units. The market price for the MPF units will be based on a volume weighted average of the trading price for the units on the ASX. The market price for the MNZPF units will be the current price for units in the MNZPF as quoted by the responsible entity of the MNZPF (or, if the MNZPF is not open for investment at that time, the net asset value per unit in the MNZPF as calculated by the responsible entity of the MNZPF).

Under separate deeds between the Manager and Multiplex, the Manager has also granted to Multiplex rights of first and last refusal in relation to the Initial Portfolio. These rights will mean the Fund (including its subtrusters) must not sell or otherwise deal with any of the MPF units or MNZPF units, unless the Fund first offers them to Multiplex (or its nominee).

If the Fund wishes to transact with any of the units in the Initial Portfolio, then the Fund must first offer them to Multiplex for a period of 30 days. If Multiplex (or its nominee) wishes to accept the offer, then it will have 30 days to do so.

If Multiplex does not wish to accept the first offer, then the Manager may negotiate in relation to the transaction with a third party. If following these negotiations the Manager wants to proceed with the transaction, then it must first again offer the units to Multiplex (for 30 days) on the same terms as those negotiated with the third party.

If Multiplex does not accept (or does not have a nominee accept) this final offer, then the Fund may transact with the third party, on terms no more favourable to the third party than those which were offered to Multiplex. If the transaction does not proceed with the third party within six months, or it does proceed but does not complete, then Multiplex must again be provided with the first and last opportunities described above, in relation to any proposed dealings with the units by the Fund.

9.5 Loan facility from Multiplex to fund the Liquidity Enhancement Facility

The Liquidity Enhancement Facility agreement is between Multiplex and the Manager, in its personal capacity. Under this agreement, Multiplex agrees to make available a facility which will assist the Manager in satisfying approved withdrawal requests.

The facility is limited, at any time, to 20% of the Gross Asset Value as at the end of the preceding quarter, up to a maximum of \$50 million, less any amounts previously drawn that remain outstanding. Any funds provided by Multiplex to the Manager under this agreement are repayable by the Manager to Multiplex from the Manager's own assets and not out of the Fund. The Manager must also pay to Multiplex interest on all amounts outstanding to Multiplex under the agreement. Interest is payable by the Manager from its own funds and not from the assets of the Fund. The agreement gives Multiplex a right to take a charge over any Units (or other securities issued in the Fund) acquired by the Manager, whilst funds are outstanding to Multiplex.

The facility terminates if the Manager is replaced as responsible entity of the Fund by a company other than a Multiplex subsidiary or the Fund is wound up.

9.6 SG Hiscock investment management agreement

This is the agreement under which the Manager has appointed SG Hiscock to manage the Fund's LPT portfolio (excluding the Fund's interest in MPF).

The agreement sets out SG Hiscock's duties as manager of the LPT portfolio. SG Hiscock must manage the portfolio and develop it in accordance with the Fund's objectives and investment strategy. SG Hiscock will provide regular reports to the Manager and regularly confer with the Manager regarding the Fund's LPT portfolio.

Under the agreement, SG Hiscock will be paid a management fee by the Manager in its personal capacity on a quarterly basis. The fee will be based on a percentage of the aggregate value of the LPT portfolio managed by SG Hiscock at the end of each quarter.

The agreement can be terminated by the Manager at any time, on one month's notice. SG Hiscock can terminate the agreement by giving at least three months' notice to the Manager.



10

10.1 Rights and obligations of Investors

The rights and obligations of Investors are governed by the Constitution, this PDS, the Corporations Act and the general law of trusts. The Constitution provides that the liability of each Investor is limited to their investment in the Fund. An Investor is not required, under the Constitution, to indemnify the Manager or a creditor of the Manager against any liability of the Manager (except for liabilities for tax or user pays fees in relation to the Investor). However, the Manager is unable to assure Investors that their liability will be limited in the manner provided by the Constitution, because the liability of Investors is ultimately to be determined by the courts. Section 9.1 contains a summary of the Constitution.

10.2 Corporate governance

Responsible entity

The Manager is responsible for the overall governance of the Fund, including the protection of Investor interests, developing strategic direction, establishing goals for management and monitoring the achievement of these goals (see Section 5.3).

Board composition

The Board meets on a regular basis and is required to discuss pertinent business developments and review the operations and performance of the Fund. There is a majority of non-executive members on the Board (see Section 5.4).

Compliance committee

The Manager has established a compliance committee which includes a majority of external members. The role of the compliance committee includes:

- monitoring the Manager’s compliance with the Compliance Plan;
- reporting to ASIC, if the compliance committee takes the view that the Manager has not taken or does not propose to take appropriate action to deal with breaches reported to the Manager; and
- assessing the adequacy of the Compliance Plan and recommending any changes to the Manager.

Conflicts policy

In appropriate circumstances, the Fund may:

- acquire further properties or investments from the Multiplex Group or from Multiplex Funds (please note however, the Multiplex Group is under no obligation to offer properties or investment opportunities to the Fund, nor is the responsible entity of a Multiplex Fund under any obligation to offer properties or investment opportunities to the Fund);
- sell properties or investments to the Multiplex Group or to a Multiplex Fund;
- co-invest with the Multiplex Group or with a Multiplex Fund in properties or investments; and
- invest in a Multiplex Fund, for example the funds comprising the Initial Portfolio.

Whenever a transaction presents the Manager with a conflict of interest, it will be conducted in accordance with the Manager’s conflicts policy.

10.3 Custodian

As at the date of this PDS, JPMorgan Chase Bank, N.A. is the custodian of the Fund in relation to all Fund assets. The Manager may act as self custodian in relation to direct property assets acquired in the future. The role of the Custodian is to hold assets of the Fund and to deal with these assets only as instructed by the Manager in accordance with the provisions of the agreement between the Manager and the Custodian. Section 9.3 contains a summary of the custody deed. The Custodian is not a trustee appointed to protect the interests of Investors. Subject to regulatory requirements, the Manager reserves the right to change the custody arrangements and will keep Investors updated of any changes on the Manager’s website.

10.4 Complaints

The Constitution contains procedures for the handling of complaints from Investors. If an Investor has a complaint, the Investor should contact the Manager providing their name, address and Investor number. The Manager is required to acknowledge receipt of a written complaint as soon as practicable and in any event within 14 days.

The Manager must give proper consideration to the complaint and must act in good faith to deal with the complaint.

The determination relating to the complaint, the remedies (if any) available and information regarding any further avenue for complaint must be communicated with 45 days of receipt of the complaint.

The Manager is a member of the Financial Industry Complaints Service Limited (FICS). Investors can contact FICS on 1300 780 808 or write to FICS at PO Box 579 Collins Street West, Melbourne VIC 8007.

ASIC also has a toll free infoline on 1300 300 630 which Investors may use to complain or obtain information.

10.5 Investment through an Administration Service

A person may invest indirectly in the Fund through an Administration Service, by directing the trustee or operator of the Administration Service to acquire Units on their behalf. Investors through an Administration Service may rely upon and are authorised to use the information contained in this PDS for the purpose of directing the trustee or operator of the service to invest in the Fund on their behalf.

Those investing through an Administration Service should consult the operator of the service as to any cooling-off rights, if any, they may have.

An indirect investor does not hold Units in the Fund. Accordingly, they do not acquire the rights of an Investor in the Fund or acquire any direct interest in the Fund. The operator or manager of the Administration Service acquires these rights and can exercise, or decline to exercise them, on behalf of the indirect investor according to the arrangements governing the Administration Service. An indirect investor should ignore information in this PDS that is relevant only to potential Direct Investors. This includes information relating to:

Application Form – Indirect investors do not complete the Application Form attached to or accompanying this PDS. Instead they complete the application form supplied by the operator of the Administration Service which can be obtained from the investor's adviser.

Investor information – An indirect investor will receive no statements, tax information or other information directly from the Fund. An indirect investor should receive equivalent information from the operator of the Administration Service.

Withdrawals – Those parts of this PDS which relate to withdrawing Units will affect the operator of the Administration Service and not the indirect investor.

Fees and expenses – Fees and expenses applicable to the Administration Service (as set out in the Administration Service offer document or client agreement) are payable in addition to the fees and expenses stated in this PDS. However, it is worth noting that the Manager does not charge a contribution fee on investments made through Administration Services.

10.6 Statement regarding labour standards and environmental, social and ethical considerations

The Manager does not, in the context of making decisions relating to the Fund, take into account labour standards or environmental, social or ethical considerations, except to the extent the Manager considers these issues have the potential to materially impact on the merits of its decisions in relation to the Fund. This means that if the sustainability or value of the Fund is adversely affected due to unacceptable labour standards or environmental, social or ethical factors, the Manager may choose not to invest further or to dispose of the investment.

10.7 Reporting

Investors will receive reports and other information relating to their investment in the Fund. This includes:

When investing, withdrawing or otherwise transacting	A confirmation of each issue, redemption or transfer of Units.
Quarterly	Distribution advice, fact sheets.
Yearly	Annual report together with a copy of the Fund's audited annual financial statements. An annual taxation statement showing the details of distributed income, its Tax Deferred component and any distributed capital for the last financial year.
Periodically	Fund updates detailing significant recent or upcoming events or transactions.
Website	All Fund reports and the daily Unit Price and Withdrawal Price will be posted on the Manager's website.
Accessing account details	Any queries in relation to the Fund or Investor account details should be directed to: <ul style="list-style-type: none"> – By phone (advisers), Multiplex Capital adviser services on free call 1800 570 000; – By phone (Investors), Registry investor services on free call 1800 766 011; – By email (advisers) on adviser@multiplexcapital.biz; and – By email (Investors) on enquiries@multiplexcapital.biz.

Investors investing through an Administration Service will receive reports on their investment from the operator of the service, not from the Manager.

10.8 Continuous disclosure

Once the Fund has 100 Investors, it will become a disclosing entity and will be subject to regular reporting and disclosure obligations. In particular, annual financial reports, half-year financial reports and any continuous disclosure notices must be lodged with ASIC by the Manager. Copies of the documents lodged with ASIC may be obtained from or inspected at an ASIC office or obtained from the Manager, free of charge upon request.

10.9 Privacy

The Manager is committed to managing personal information in a way that complies with the principles outlined in the *Privacy Amendment (Private Sector) Act 2000* and to using any personal information provided in an application in a way that respects the privacy of Investors.

By completing the attached Application Form, applicants are providing personal information to the Manager through the Registry. The Registry has been contracted by the Manager to manage the applications for Units, maintain the Fund's register of Investors and otherwise manage communications with Investors.

The Manager will use personal information only for the following purposes:

- to evaluate applications;
- to issue Units;
- to communicate with Investors in relation to their Unit holdings and all transactions relating to Unit holdings;
- to advise Investors of their quarterly distributions;
- to report in relation to a Investor's investment in the Fund including annual reports, annual taxation information and other information; and
- to keep Investors informed of future Multiplex Capital investment opportunities, products and services of a similar type.

If Investors do not provide the information requested on the Application Form, the Manager may not be able to process or accept applications. Personal information will be shared with the Registry to maintain Unit holdings and may be disclosed to other entities within Multiplex, but only for the above purposes. The Manager may use the information collected on the Application Form to inform Investors of future investment opportunities offered by Multiplex Capital. If Investors do not wish to receive information on future Multiplex Capital investment opportunities or products, they should indicate the election in the relevant box on the Application Form.

Personal information may also be disclosed to any financial institution nominated by Investors (or to the facilitator of any BPAY® service) and may be disclosed to an Investor's licensed financial adviser. If Units are purchased through an adviser or a broker, by signing the Application Form, an Investor authorises the Manager to disclose to the adviser or broker noted or whose stamp appears on the Application Form, information relating to the application for Units and the investment in the Fund. This authorisation specifically excludes the disclosure of any tax file numbers or any information in relation to them. This authority will continue unless revoked by an Investor in writing.

If obliged to do so by law, the Manager will provide an Investor's personal information to other parties strictly in accordance with the relevant legal requirements.

10.10 Instructions by facsimile

Subject to the Corporations Act, the Manager may accept certain instructions from Investors by facsimile, including additional investment applications, withdrawals and change of Investor details.

Where an Investor gives instructions to the Manager by facsimile, that Investor releases the Manager from and indemnifies it against all losses and liabilities arising from any payment or action by the Manager based on any instruction (even if not genuine) that the Manager receives by a facsimile bearing the Investor's investor number and a signature which is apparently that of the Investor or that of an authorised signatory for the investment. The Investor agrees that neither it nor any entity claiming through it has any claim against the Manager or the Fund in relation to such payments or actions.

Investors giving instructions by facsimile should be aware that there is a risk that a fraudulent facsimile withdrawal request can be made by someone who has access to the Investor's investor number and a copy of the Investor's signature.

10.11 Valuation methods and policies

Under the Constitution, the Manager may determine the valuation methods and policies it will apply from time to time in determining the Net Asset Value. Generally, the value of an asset will be the market price of the asset, unless the Manager considers there is no market for the asset or the market price does not represent the asset's fair value.

As at the date of the PDS the Manager's policy on the valuation of the Fund's assets is as follows:

Listed property trusts

Investments in listed property trusts are valued at their last sale price.

Unlisted property funds

The initial value of investments in unlisted property funds will be the initial acquisition cost. Beyond this, interests in these investments will be revalued to their net asset backing upon this information being published by the respective manager.

The Manager may have regard to published information, economic data and trends in property values and may adjust the value of underlying investments accordingly where it believes it would be prudent to do so at any time.

Property investment companies

Investments in property investment companies will be valued at their fair value, using the latest financial information available to the Manager.

Direct property

The value of a property asset will initially be its purchase price, plus all transaction and acquisition costs associated with the acquisition. Upon subsequent valuations of the property being conducted, the value of the property will be the amount stated in the most recent valuation. Subsequent valuations can either be an independent valuation, which will be undertaken at least every three years, or a director's valuation, which will be undertaken at least annually or more frequently if required. The timing of individual valuations will be staggered in order to, as much as possible, avoid undue fluctuations in the Unit Price.

Other assets

Cash and debtors are recorded at their current face value. Other liquid assets will be valued at their realisable or market value.

Any future changes to the valuation methods and policies set out in this Section will be updated on the Manager's website.

10.12 Unit pricing policy

If the Manager is required to prepare documents describing the policies it will use to determine, or the formula or method it may apply to, any variable components of the Unit Price or Withdrawal Price, copies of the documents will be available from the Manager at no charge.

10.13 Investment structures

To provide the Fund with as much flexibility as possible, investments may be made through investment vehicles (such as subtrusts and companies), established by the Manager (or an associate of the Manager). Although these investment vehicles may be initially wholly owned by the Fund, they may subsequently be opened up to investment from third parties.

It may also be in the Investors' best interests for the Fund to make investments by stapling the Fund with the trust or company holding the desired assets. If this occurs, Investors will be issued units or shares in the target investment vehicle, which will then be stapled to their Units. Investors will then only be able to deal with their Units as a stapled security (ie the Units cannot be traded separately from the security to which they are stapled). As at the date of this PDS there is no intention for Units to be stapled.



11

Administration Service	An investor directed portfolio service (IDPS), IDPS-like scheme such as a master trust or wrap account, or a nominee or custody service.
AFSL	Australian financial services licence.
Application Form	The application form attached to or accompanying this PDS.
ASIC	Australian Securities and Investments Commission.
ASX	ASX Limited or the market operated by it as the context requires.
Board	The board of directors of the Manager.
Business Day	A day other than a Saturday or Sunday on which banks are open for general business in Sydney, New South Wales.
CGT	Capital gains tax.
Compliance Plan	The compliance plan for the Fund.
Constitution	The constitution for the Fund as summarised in Section 9.1.
Corporations Act	<i>Corporations Act 2001</i> (Cth) and its regulations.
Custodian	JPMorgan Chase Bank, N.A.
Direct Investor	An Investor who applied for Units pursuant to this PDS directly (rather than indirectly through an Administration Service).
Fund	Multiplex Diversified Property Fund ARSN 123 879 630.
Gross Asset Value	The gross value of the assets of the Fund including the value of any interposed investment vehicle, such as a sub-trust or company, established by the Manager or an associate of the Manager, through which the Fund makes investments.
GST	Has the meaning given to it in the <i>A New Tax System (Goods and Services Tax) Act 1999</i> (Cth).
Income Units	A class of units in the Fund issued on the terms set out in Section 9.1. There are none on issue as at the date of this PDS.
Initial Portfolio	The portfolio of investments owned by the Fund at the date of this PDS and described in Section 4.
Investor	A holder of Units in the Fund.
Liquid	The Corporations Act provides that a fund is “liquid” when at least 80% of the value of the assets of the fund are liquid assets (being assets such as cash, marketable securities and any other property the responsible entity reasonably expects can be realised for market value within a time specified in the fund’s constitution). In this regard, the time specified in the Constitution is 12 months.
Liquidity Enhancement Facility	A facility with Multiplex, capped at \$50 million, that the Manager in its personal capacity will use to assist in funding withdrawals from the Fund (see Section 3.8).

Liquidity Units	A class of units in the Fund issued on the terms set out in Section 9.1. There are none on issue as at the date of this PDS.
LPT	Listed property trust.
Manager	Multiplex Capital Securities Limited (ACN 103 736 081, AFSL 226442), the responsible entity of the Fund.
MNZPF	Multiplex New Zealand Property Fund (ARSN 110 281 055) an unlisted property fund that owns a diversified portfolio of New Zealand property and managed by Multiplex Capital Management Limited.
MPF	Multiplex Acumen Property Fund (ARSN 104 341 988), a property securities fund listed on ASX and managed by Multiplex Capital Securities Limited.
MPT	Multiplex Property Trust (ARSN 106 643 387) and its controlled entities.
Multiplex	Multiplex Limited (ACN 008 687 063) and its controlled entities.
Multiplex Capital	The funds management division within Multiplex Group.
Multiplex Funds	All funds, registered with ASIC, where a related entity of Multiplex is the responsible entity, except the Fund and wholly owned subtrusts of the Fund.
Multiplex Group	Multiplex and MPT.
Net Asset Value	The gross value of the Fund's assets less the liabilities of the Fund.
Offer	The offer of Units under this PDS.
PDS	This product disclosure statement.
Registry	Registries (Victoria) Pty Ltd (ACN 110 851 333), being the company appointed by the Manager to manage the register of Investors.
RITC	Reduced input tax credit, which means only 75% of a GST liability can be recovered.
SG Hiscock	SG Hiscock & Company Limited, ACN 097 263 628, the manager of the Fund's LPT portfolio.
Tax Deferred	Refers to the non-assessable component of a distribution received by Investors. This amount does not form part of an Investor's taxable income in the year of receipt but will reduce the cost base of the Investor's Units for capital gains tax purposes.
Unit	An ordinary unit in the Fund.
Unit Price	The price at which a Unit is issued (see Section 3.4 for further information).
Withdrawal Price	The price received per Unit on a withdrawal from the Fund (see Section 3.7 for further information).



12

12.1 How to invest

Before completing the Application Form you should read this PDS carefully.

Please pay particular attention to all of the risk factors in Section 6 and other information in relation to the Units, the Fund and its assets. The risks need to be considered in light of an Investor's own investment situation.

Where appropriate, Investors should also consult a financial, taxation or other professional adviser before deciding whether to apply for Units.

For Direct Investors, there are **three** ways to invest:

1. Cheque

Complete the yellow Application Form attached to this PDS and post with a cheque to the Registry.

OR

2. Direct debit

Complete both the yellow Application Form and grey Direct Debit Request Form (Initial Investment), both of which are attached to this PDS and post them to the Registry.

OR

3. Online

Complete the electronic Application Form at www.multiplexcapital.biz and BPAY® online.

For Indirect Investors, do not complete the yellow Application Form attached to or accompanying this PDS. Please complete the application form supplied by the operator of the relevant Administration Service.

12.2 Application Form instructions

Please complete all relevant sections of the Application Form using BLOCK LETTERS.

These instructions are cross-referenced to each section of the Application Form.

1. If you have previously invested into a Multiplex Fund, please provide your existing investor number/s.
2. Enter the \$ amount of your application.
3. Write your full name or the full company name. Initials are not acceptable for first names. See Section 12.3 for examples of the correct form of registrable title.
4. Enter your postal address for all correspondence. Until we notify you otherwise, all communications to you from the Fund will be mailed to the person(s) and address as shown. For joint applicants, only one address can be entered.
5. Enter your Australian tax file number (TFN) or, where relevant, Australian business number (ABN) or exemption category, if you are an Australian resident. You are not obliged to supply your TFN (or, where relevant, an ABN) or claim an exemption, but tax may be withheld from some or all of your distributions if you choose not to supply this information. This will not affect your Application Form.
6. Insert your date of birth.
7. You may pay your application monies by cheque or completing and returning the grey Direct Debit Request Form (Initial Investment). If you are not paying by direct debit then please complete the cheque details in Part 8 of the Application Form. If you are paying by direct debit then please complete the grey Direct Debit Request Form (Initial Investment).
8. Make your cheque payable to "MDPF Application Account", cross it and mark it "Not Negotiable". Cheques must be made in Australian currency and drawn on an Australian bank or building society.
9. Enter your contact details so we may, if necessary, contact you regarding your Application Form or application monies.
10. Enter your email address so we may, if necessary, contact you regarding your Application Form or application monies or other correspondence.
11. Distributions will be paid by direct electronic payment into your nominated bank, building society or credit union account. Unless you intend your distributions to be reinvested into additional Units, then you must provide full details of your account and BSB numbers along with a copy of a blank deposit slip to ensure the accuracy of the details provided. If these details are not provided you will be deemed to have elected to reinvest your distributions until you notify the Manager otherwise.
12. Distributions may be reinvested into the Fund. Please indicate whether you would like to reinvest your distributions and if so, whether you would like to reinvest all, or a certain percentage. If you tick 'yes' but do not then specify a percentage, then 100% of your distributions will be reinvested.
13. Please complete this part if you would like to make regular investments into the Fund. See Section 12.5 for more information.
14. Please advise if you would not like to receive information about other Multiplex Capital products or services.
15. Advisers/Brokers are requested to complete their details and stamp the Application Form.
16. Please read and note the relevant declaration.
17. Joint applications must be signed by all parties. subject to the law, joint applicants are treated as joint tenants. Corporate applications must be signed in accordance with the applicant company's constitution. Applications made by those under the age of 18 must be signed by the parent/guardian under whose name the application is made.

12.3 Registrable titles

Note that ONLY legal entities can hold Units. The application must be in the name of a natural person(s), a company or other legal entities acceptable to the Manager. At least one full name and surname is required for each natural person.

Examples of the correct form of registrable title are set out below:

Type of Investor	Correct Form	Incorrect Form
Trusts	Mr John David Smith <J D Smith Family A/C>	John Smith Family Trust
Deceased estates	Mr Michael Peter Smith <Est Lte John Smith A/C>	John Smith (deceased)
Partnerships	Mr John David Smith & Mr Ian Lee Smith	John Smith & Son
Clubs/unincorporated bodies	Mr John David Smith <Smith Investment A/C>	Smith Investment Club
Super Funds	John Smith Pty Limited <J Smith Super Fund A/C>	John Smith Superannuation Fund

12.4 Lodgement

Mail your completed Application Form with cheque(s) or the Direct Debit Request Form (Initial Investment) attached, in accordance with instructions from your financial adviser or to the following address:

Delivery:
Multiplex Diversified Property Fund
c/- Registries Limited
Level 2, 28 Margaret Street
Sydney NSW 2000

Postal:
Multiplex Diversified Property Fund
c/- Registries Limited
PO Box R67 Royal Exchange
Sydney NSW 1223

If you have any questions as to how to complete any of the forms, please call 1800 766 011.

12.5 Regular investment plan

As at the date of this PDS, the Manager has implemented a regular investment plan, enabling Investors to make regular additional investments in the Fund without the need for the Investor to complete a new Application Form each time.

The minimum regular investment amount is, as at the date of this PDS, \$100 per calendar month.

If an Investor wishes to participate in the regular investment plan, then they must :

- elect to participate in the plan in part 13 of the Application Form and state the amount you wish to invest each month; and
- complete the blue Direct Debit Request Form (Regular Investment Plan), which accompanies this PDS.

On that form, Investors must nominate an account from which their additional investment amounts will be taken each month. The Registry will debit the additional investment amount from participating Investors' bank, building society or credit union accounts, each month. The debit should normally occur by approximately the 15th day of each calendar month.

Investors choosing to participate in the regular investment plan should note that additional investments under the plan will be subject to the same fees and costs as their initial investment in the Fund. Further, bank fees and government charges may apply.

If an Investor wishes to withdraw from the regular investment plan, or to change the amount of their regular investment, then they may do so by notifying the Registry in writing, at least ten Business Days before their next additional investment is due to be debited.

Please note the Manager may terminate, suspend or alter the terms of the regular investment plan, in its discretion and at any time, by placing a notice on the Manager's website. The termination, suspension or change will not take effect until at least 10 Business Days after the notice is posted onto the Manager's website.

Investors who are participating in the regular investment plan will be provided with copies of any updated or supplementary PDSs during the time they are participating. Investors should also make sure they regularly review the Manager's website for updated information regarding the Fund and its investments.

The Fund

Multiplex Diversified Property Fund
ARSN 123 879 630

Responsible entity and Manager

Multiplex Capital Securities Limited
Level 4
1 Kent Street
Sydney NSW 2000
Phone: (02) 9256 5700
Freecall: 1800 570 000
Fax: (02) 9256 5001
www.multiplexcapital.biz

Directors

Peter Morris
Rex Bevan
Brian Motteram
Robert McCuaig
Ian O'Toole
Rob Rayner

Custodian

JPMorgan Chase Bank, N.A.
Level 35
AAP Centre
259 George Street
Sydney NSW 2000

LPT investment manager

SG Hiscock & Company Limited
Level 22
600 Bourke Street
Melbourne VIC 3000

Legal Advisers

McMahon Clarke Legal
62 Charlotte Street
Brisbane QLD 4000

Auditor

KPMG
The KPMG Centre
10 Shelley Street
Sydney NSW 2000

Registry

Registries (Victoria) Pty Ltd
Level 11
485 La Trobe Street
Melbourne VIC 3000
Freecall: 1800 766 011



Product Disclosure Statement
Multiplex Diversified Property Fund
ARSN 123 879 630