

# ASX Announcement

20 May 2011

## **Brookfield Prime Property Fund (ASX: BPACB) Reminder – Final Instalment of Partly Paid Securities**

This is a reminder regarding the final instalment of the partly paid securities of Brookfield Prime Property Fund (**Fund**) and attached is a short presentation on the final instalment.

An audio version of the presentation can be found at <http://www.seotechnologies.com/brookfield2/> and is also available on the Fund's website.

Key dates relating to the payment of the Final Instalment are as follows:

Last day of trading in partly paid securities	Tuesday 31 May 2011
Last day for settlement of partly paid "call unpaid" trades	Friday 3 June 2011
Final Instalment due and payable	Wednesday 15 June 2011, before 5.00pm (AEST)

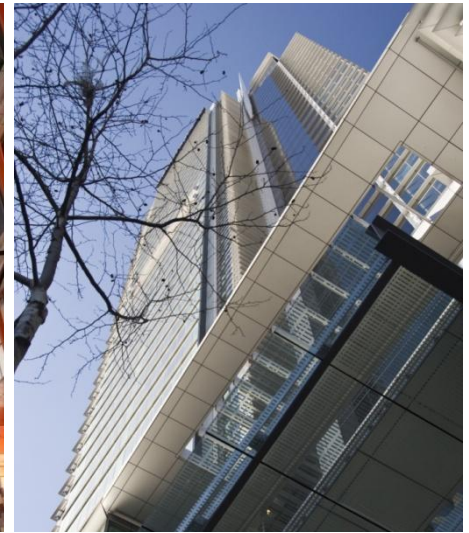
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Final Instalment of Partly Paid Units

19 May 2011





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## Current Status of the Fund

- ▶ Since Fund recapitalisation in November 2009:
  - Capital structure has been stabilised;
  - Conditions in the broader prime property sector have improved; and
  - Fund's properties have continued to perform at or above expected levels.
- ▶ In March 2011 the Fund signed 10 year lease renewal for Defence Plaza Melbourne with Commonwealth of Australia.
- ▶ Fund portfolio of properties is 100% occupied.
- ▶ Weighted average lease expiry is approximately 7.7 years.
- ▶ Assuming payment of the Final Instalment by all unitholders, and the resulting reduction of the Fund's debt, the Fund's gearing will reduce to approximately 60.2% based on 31 December 2010 valuations.
- ▶ Distribution of 1.5 cents per unit was paid 29 April 2011.
- ▶ After payment of the Final Instalment, further consideration will be given to payment of distributions.



# Final Instalment Due 15 June 2011

- ▶ Final Instalment due on or before 5.00pm (AEST) Wednesday, 15 June 2011.
- ▶ \$2.237 due on each partly paid unit in the Fund.
- ▶ Non transfer of units on-market by 31 May 2011 or off-market (so that transfers are registered by 7 June 2011), will result in an obligation to pay the Final Instalment on units by Wednesday, 15 June 2011.

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# Net Tangible Asset (NTA)

## Impact on Fund NTA position

- ▶ NTA per partly paid unit as at 31 December 2010 was \$2.66 per unit (excluding the final instalment).
- ▶ All proceeds from the Final Instalment will be used to repay the Fund's debt facility.
- ▶ Based upon the value of the Fund's assets as at 31 December 2010 and assuming the payment of the Final Instalment by all unitholders, the NTA per unit would increase by \$2.237 to approximately \$4.90 per unit.
- ▶ This may not necessarily be reflected in the trading price on the ASX.
- ▶ Valuation of the properties will again be assessed with preparation of 30 June 2011 financial statements.

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# Important Dates

<b>Tuesday, 31 May 2011</b>	Last day for trading in partly paid 'call unpaid' units (ASX Code: BPACB). Suspension from trading of partly paid, 'call unpaid' units (ASX Code: BPACB) from the close of trading.
<b>Wednesday, 1 June 2011</b>	First day of trading of fully paid units on a deferred settlement basis (ASX code: BPA).
<b>Friday, 3 June 2011</b>	Last day for settlement of "call unpaid" trades.
<b>Tuesday, 7 June 2011</b>	Last day for accepting registrations of transfers of partly paid, 'call unpaid' (BPACB) units.
<b>Wednesday, 15 June 2011 by 5.00pm (AEST)</b>	Final instalment due and payable.

There are a number of other important dates relevant to trading in the Fund securities after 15 June 2011 and these are set out in the letter to investors dated 22 April 2011

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# Default in Paying the Final Instalment

- ▶ If total amount payable for the Final Instalment is not received on units by 5:00pm (AEST) on Wednesday, 15 June 2011, investors will be liable for:
  - the unpaid amount;
  - interest (up to a maximum of 4% plus BBSW per annum); and
  - all reasonable expenses incurred by us as a result of non-payment.
- ▶ Units may also be forfeited in accordance with the process provided in the constitution and sold by public auction to recover the total amount due.
- ▶ Investors will still be liable to pay any outstanding amount if there is a deficit after the Responsible Entity sells the units and applies the net proceeds against the Final Instalment, interest and expenses.
- ▶ If the Responsible Entity cannot sell the units, investors will still be liable for the Final Instalment plus interest and expenses.
- ▶ If investors do not pay, the Responsible Entity can institute legal proceedings against them to recover the outstanding amounts.
- ▶ A holder of units which are forfeited and sold ceases to be a member in respect of the forfeited units (and has no claims or demands against us in respect of the forfeited units).





# Investor relations

Investors are encouraged to seek advice from their financial or legal adviser with regards to their investment and their obligations in relation to the Final Instalment.

For investors or advisers with any questions these should be directed to:

Link Market Services

1800 685 455 (within Australia)

Or +61 2 8280 7141 (outside Australia)