

Announcement

22 December 2017

Australian Unity Property Income Fund – ARSN 094 220 498

Property revaluation

The Fund's property located at 40 Allara Street, Canberra, ACT was independently valued during December 2017 resulting in a net decrease of approximately \$1,573,514 or 8.04% from the property's book value immediately prior to valuation. The revaluation resulted in a decrease to the Fund's unit price of approximately 1.14%.

While the capitalisation rate compressed from 9.00% to 8.75% over the 12 months to December 2017, the Valuer has incorporated the vacancy and lease expiries that were not included in 2016, reducing the property's weighted average lease expiry. In determining the new valuation, the Valuer has assessed market rental and then made assumptions for incentives and fees for the existing vacant space, as well as the lease expiries in the coming 24 months.

The existing vacant space on level five has recently undergone a full refurbishment and is currently being actively promoted through leading leasing agents.

Valuation details:

Property	Previous independent valuation	Pre-valuation book value	New independent valuation	Previous capitalisation rate	New capitalisation rate	Variance to book value	Variance to book value
40 Allara Street, Canberra, ACT	\$19,000,000	\$19,573,514	\$18,000,000	9.00%	8.75%	(\$1,573,514)	(8.04%)

More information

We regularly provide up to date information about the Fund, including quarterly Fund Updates and continuous disclosure information. These contain current information about the Fund's diversification, valuation policy, related party transactions, distribution practises and withdrawal rights.

Please refer to the 'Fund Information' section of the Fund's website or contact Investor Services on 13 29 39 for copies of these documents.

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Applicable to
 Australian Unity Property Income Fund – Retail Units YOC0001AU
 Australian Unity Property Income Fund – Wholesale Units YOC0100AU