

CONTINUOUS DISCLOSURE NOTICE

31 December 2015



Australian Unity Healthcare Property Trust

The Australian Securities & Investments Commission ('ASIC') requires responsible entities of unlisted property schemes in which retail investors invest to provide a statement addressing six benchmarks and eight disclosure principles. These benchmarks and disclosure principles are contained in ASIC Regulatory Guide 46: Unlisted property schemes – Improving disclosure for retail investors.

This document has been prepared by Australian Unity Funds Management Limited ('AUFM') as the Responsible Entity of the Australian Unity Healthcare Property Trust ('Trust') to update investors on the information relevant to the benchmark and disclosure principles. This document should be read in conjunction with the latest Annual Report for the Trust, available from our website australianunityinvestments.com.au. Alternatively, you can call us on 13 29 39 for a free copy.

This document is dated 31 December 2015 and was issued on 23 February 2016. The financial information in this document is extracted from the Trust's accounting and property management records as at 31 December 2015 and is based on unaudited financial records unless stated otherwise.

The Trust's composition and diversity will change over time as assets are acquired or disposed and tenancies are re-let.

Gearing ratio and policy

Disclosure principle 1 – Gearing ratio

The gearing ratio of the Trust, calculated as total interest-bearing liabilities divided by total assets, was 6.17% as at 31 December 2015 (5.00% as at 30 June 2015 based on the Trust's audited financial statements).

It shows the extent to which the Trust's total assets are funded by interest bearing liabilities and gives an indication of the potential risks investors face in terms of external liabilities that rank ahead of them.

Gearing magnifies the effect of gains and losses on an investment. A higher gearing ratio means greater magnification of gains and losses and generally greater volatility compared to a lower gearing ratio.

The gearing ratio above is calculated in accordance with the ASIC disclosure principles formula and is at a Trust level. The loan to valuation ratio (which is a measure of the borrowing facility amount drawn as a proportion of the value of assets under the borrowing facility security arrangement) is shown under the heading 'Trust borrowing'.

Benchmark 1 – Gearing policy

The Responsible Entity maintains and complies with a written policy that governs the level of gearing at an individual credit facility (borrowing facility) level.

The Trust meets this benchmark. AUFM monitors and manages the Trust's borrowings at an individual borrowing facility level on an ongoing basis in accordance with its Gearing and Interest Cover Policy. The Policy outlines record keeping, monitoring and reporting requirements.

The Trust has a single borrowing facility and generally operates within a gearing ratio range up to 50%. The maximum gearing ratio for the Trust under the Policy is 65%. These parameters may change from time to time.

The Trust continues to comply with AUFM's Gearing and Interest Cover Policy. For further information or to obtain a copy of the Policy please contact us.

Interest cover ratio and policy

Disclosure principle 2 – Interest cover

The Trust's interest cover ratio for the 12 months to 31 December 2015 was 13.16 times (7.13 times for the 12 months to 30 June 2015 based on the Trust's audited financial statements).

Interest cover indicates the ability of the Trust to meet interest payments from earnings. It is an indicator of the Trust's financial health and is a key to assessing the sustainability of, and risks associated with, the Trust's level of borrowing. For example, an interest cover ratio of two times, means that the level of earnings is twice that of interest costs on borrowings, meaning that there is surplus earnings after interest payments which can be used to pay distributions to investors.

Contact Details

Address

Australian Unity Investments
114 Albert Road
South Melbourne VIC 3205

Website

australianunityinvestments.com.au

Email

investments@australianunity.com.au

Investor Services

T 13 29 39 F 03 8682 5057

Adviser Services

T 1800 649 033 F 03 8682 5057

CONTINUOUS DISCLOSURE NOTICE

Australian Unity Healthcare Property Trust

An interest cover ratio of one times means that Trust earnings are only sufficient to pay interest on borrowings and any distributions would either need to be funded from investor capital or alternatively suspended.

Generally, the closer the Trust's interest cover ratio is to one, the higher is the risk of the Trust not being able to meet interest payments from earnings. To mitigate some of this risk, property fund managers may hedge against rises in interest rates to protect the Trust from higher interest costs. In addition, asset management strategies that attract high quality tenants on longer lease terms and tenant diversity aims to ensure that the Trust's level of earnings remains stable and predictable.

The interest cover ratio is calculated in accordance with the ASIC disclosure principles formula and is at a Trust level. The interest cover ratio relevant to the borrowing facility covenant is calculated differently from the ASIC formula and is shown under the heading 'Trust borrowing'.

Benchmark 2 - Interest cover policy

The Responsible Entity maintains and complies with a written policy that governs the level of interest cover at an individual credit facility (borrowing facility) level.

The Trust meets this benchmark. AUFM monitors and manages the Trust's interest cover at an individual borrowing facility level on an ongoing basis in accordance with its Gearing and Interest Cover Policy. The Policy outlines record keeping, monitoring and reporting requirements.

The minimum interest cover ratio for the Trust under the Policy is 1.25 times (calculated as net income divided by interest expense on borrowings). This calculation measure aligns with the Trust's borrowing facility covenant and is different from the calculation adopted by ASIC in Disclosure Principle 2.

The Trust continues to comply with AUFM's Gearing and Interest Cover Policy. For further information or to obtain a copy of the Policy please contact us.

Trust borrowing

Disclosure Principle 3 - Scheme (Trust) borrowing

The Trust borrows to finance new and existing assets, to develop, refurbish and maintain those assets, and to provide liquidity for operating purposes and managing working capital.

Generally, interest costs relating to the borrowings will be met from the earnings of the Trust prior to the payment of distributions to investors.

The Trust has one borrowing facility that is secured by a number of the Trust's assets and is summarised in the following table:

Borrowing details	
Borrowing facility drawn amount	\$50.00 million
Borrowing facility limit	\$300.00 million
Borrowing facility maturity tranche 1 (\$150 million)	June 2016
Borrowing facility maturity tranche 2 (\$150 million)	June 2019
Borrowing facility Loan to Valuation Ratio covenant limit	50.00%
Trust Loan to Valuation Ratio calculated in accordance with borrowing facility definition	9.73%
Amount by which value of assets must decrease before a borrowing facility covenant is breached	84.63%
Borrowing facility Interest Cover Ratio covenant limit	1.75 times
Trust Interest Cover Ratio calculated in accordance with borrowing facility definition	13.27 times
Amount by which the operating cash flow must decrease before a borrowing facility covenant is breached	87.11%
Borrowing facility interest rate (inclusive of borrowing margin, line fees and interest rate hedges)	3.71% p.a.
% of borrowings hedged	0.00%
Weighted hedge expiry	0.00 years

The Trust is required to refinance \$150 million of its \$300 million facility by June 2016 with the remainder by June 2019. We are within the current lenders' covenant and facility limit requirements, and as such, are confident that the borrowing facility will be refinanced prior to maturity. With most refinancing activity there is a risk that the lenders may choose not to refinance the facility.

If this occurred, the Trust would need to find alternate lenders which may be more costly than the existing lenders. In extreme situations if the Trust cannot find alternate lenders, the Trust may lose value from selling assets in poor market conditions in order to repay the borrowed amount.

Our approach is to actively manage the Trust's borrowings in conjunction with the lenders to manage this risk.

To the best of AUFM's knowledge, there have been and are no breaches of loan covenants as at the date of this document.

All amounts owed to lenders and to other creditors will rank before each investor's interest in the Trust. The Trust's ability to pay interest, repay or refinance the amount owed upon maturity; and its ability to meet all loan covenants under its borrowing facility is material to its performance and ongoing viability.

There are no terms within the borrowing facility that may be invoked as a result of investors exercising their rights under the Trust's Constitution.

CONTINUOUS DISCLOSURE NOTICE

Australian Unity Healthcare Property Trust

Interest capitalisation

Benchmark 3 - Interest capitalisation

The interest expense of the Scheme is not capitalised.

The Trust meets this benchmark. The interest expense of the Trust is not capitalised.

Portfolio diversification

Disclosure Principle 4 - Portfolio diversification

The Trust invests predominantly in a diversified portfolio of healthcare property and related assets, including direct property, unlisted managed funds, listed REITs, property syndicates or companies that mainly hold healthcare property.

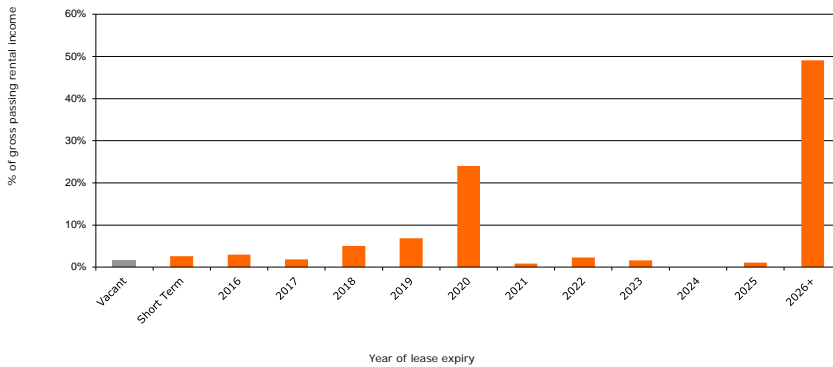
The Trust may also invest in similar international healthcare related assets in countries with healthcare systems and property markets with key attributes similar to Australia.

The Trust typically holds 75-95% of its assets in direct property and may hold up to 20% in listed or unlisted property investments. The balance of the Trust's assets is held in cash and similar investments.

In respect of Class A Units, typically 20% of the value of Class A Units is held separately in a special liquidity reserve. This level may fluctuate from time to time, depending on cash flows.

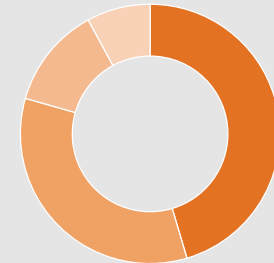
The liquidity reserve can be up to 30% of the Class A Units value. The liquidity reserve may also be invested in Listed REITs up to 15% of net asset value of Class A Units.

Lease expiry profile by income as at 31 December 2015



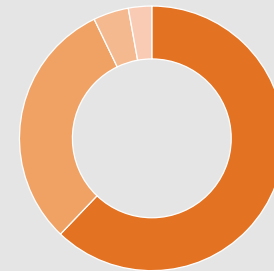
Key portfolio statistics (as at 31 December 2015)

Geographic allocation by value



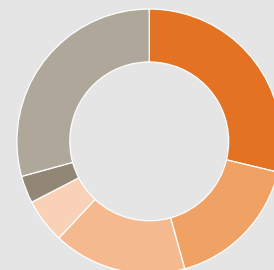
VIC	12 assets	45.41%
NSW	11 assets	34.01%
SA	5 assets	12.66%
QLD	4 assets	7.92%

Property sector diversity by value



Hospital	12 assets	62.12%
Medical Centre	10 assets	30.70%
Development Site	9 assets	4.32%
Aged Care	1 asset	2.85%

Top 5 tenants by income



Ramsay Health Care	28.49%
Healthe Care Australia	18.24%
Calvary Healthcare Adelaide	16.12%
Stryker Australia	5.52%
Australian Unity Care Services	3.27%
Others (excluding vacancy)	28.37%

CONTINUOUS DISCLOSURE NOTICE

Australian Unity Healthcare Property Trust

Portfolio composition as at 31 December 2015

Property Details ¹⁰			Tenancy Details				Valuation Details ¹			
Address	Note	Lettable Area (square metres)	Major Tenant	Number of Tenants	Occupancy Rate % (by area)	Weighted Average Lease Expiry (years) ²	Current Valuation (\$m)	Valuation Date	Capitalisation Rate %	Book Value (\$m)
Hospitals										
Beleura Private Hospital and Clinic, Mornington, VIC		10,054	Ramsay Health	1	100%	18.62	64.00	Aug-15	8.00	64.00
Berkeley Vale Private Hospital, Berkeley Vale, NSW		4,132	Ramsay Health	1	100%	19.83	16.40	Nov-15	8.00	16.40
Brisbane Waters Private Hospital, Woy Woy, NSW		5,845	Healthe Care	1	100%	21.05	25.40	Aug-15	8.50	26.42
Brunswick Private Hospital, Brunswick, VIC		8,000	Healthe Care	1	100%	13.67	25.70	May-15	8.75	25.83
Calvary Rehabilitation Hospital, Walkerville, SA		3,799	Calvary Health	1	100%	3.53	15.60	Aug-15	9.50	15.64
Calvary Wakefield Private Hospital & Medical Clinic, Adelaide SA	6	15,119	Calvary Health	1	100%	3.53	54.90	May-15	N/A	51.14
Figtree Private Hospital, Figtree, NSW		7,277	Ramsay Health	1	100%	19.83	12.75	Aug-15	8.50	12.75
Hunters Hill Private Hospital, Hunters Hill, NSW		2,678	Ramsay Health	1	100%	19.83	16.40	Nov-15	7.75	16.40
North Shore Specialist Day Hospital, Greenwich, NSW		2,190	IVF Australia	1	100%	1.76	11.00	Feb-15	9.00	11.00
Townsville Private Clinic, Townsville, QLD		3,780	Healthe Care	1	100%	21.30	14.26	Aug-15	8.25	16.21
Sub total										255.79
Hospitals Under Development										
Peninsula Private Hospital, Langwarrin, VIC		12,387	Ramsay Health	1	100%	24.62	70.50	Aug-15	8.00	70.50
Robina Private Hospital, Robina, QLD	7	N/A	Healthe Care	1	0%	25.00	8.75	Dec-14	N/A	13.43
The Valley Private Hospital, Dandenong North, VIC		12,770	Healthe Care	1	100%	17.78	61.90	Aug-15	8.00	67.08
Sub total										151.01
Medical Centres and Aged Care Facilities										
8 Herbert Street, St Leonards, NSW		10,556	Stryker Australia	4	100%	3.92	38.50	Nov-15	8.75	38.50
17-19 Fullarton Rd, Kent Town, SA		2,563	Sonic Healthcare	2	89%	3.33	11.10	Nov-14	8.00	11.97
46-50 Underwood Street, Corrimal, NSW	8	-	Primary Health	1	0%	-	3.35	Nov-15	-	3.57
80-82 Bridge Road, Richmond, VIC	8	-	Primary Health	1	0%	-	5.50	Nov-15	-	5.85
Constitution Hill Aged Care, Northmead, NSW		8,668	Australian Unity Care Services	1	100%	12.99	18.05	Jun-15	8.00	18.05
Eureka Medical Centre, Ballarat, VIC		1,459	Primary Health	1	100%	4.67	4.70	Feb-15	8.00	4.70
Figtree Consulting Suites, Figtree, NSW		427	Shelley & Sumbut Namcharon	4	100%	0.27	1.15	Aug-15	N/A	1.15
Gosford Private Medical Centre, North Gosford, NSW		1,830	Sonic Healthcare	2	34%	9.19	13.20	Feb-15	8.00	14.10
HIS Diagnostic Imaging Centre, Richmond, VIC		1,124	Primary Health	1	100%	15.00	13.43	Nov-15	6.45	14.19
Ipswich Medical Centre and Day Hospital, QLD		2,815	Ipswich Day Surgery	14	93%	4.88	10.85	Aug-14	9.00	10.97
Manningham Medical Centre, Templestowe Lower, VIC		4,925	MMC General Practice	17	94%	2.98	32.30	Nov-15	8.00	32.30
Mackay Medical Centre and Day Hospital, Mackay, QLD	3	2,458	Queensland Fertility Group	7	100%	3.61	9.50	Feb-15	9.00	9.51
RPAH Medical centre, Newtown, NSW		7,208	S & K Car Park	57	97%	2.66	57.00	Aug-15	8.50	57.03
Sub total										221.90
Assets Held Pending Development										
10 North East Road, Walkerville, SA	4	155	Vacant	0	0%	<1	0.65	Aug-15	N/A	0.65
12 View Road, Walkerville, SA	4	202	Private Tenant	1	100%	<1	0.79	Aug-15	N/A	0.79
95 Herbert Street, Mornington, VIC	5	191	Private Tenant	1	100%	<1	1.00	Dec-14	N/A	1.30
101 Herbert Street, Mornington, VIC	9	186	Vacant	0	0%	N/A	0.80	Aug-15	N/A	0.80
103 Herbert Street, Mornington, VIC	5	131	Private Tenant	1	100%	<1	0.49	Aug-15	N/A	0.49
105 Herbert Street, Mornington, VIC	5	131	Private Tenant	1	100%	<1	0.49	Aug-15	N/A	0.49
Sub total										4.52
Total direct property										633.22

CONTINUOUS DISCLOSURE NOTICE

Australian Unity Healthcare Property Trust

Portfolio composition as at 31 December 2015 (continued)

Address	Note	Lettable Area (square metres)	Tenancy Details				Valuation Details ¹			
			Major Tenant	Number of Tenants	Occupancy Rate % (by area)	Weighted Average Lease Expiry (years) ²	Current Valuation (\$m)	Valuation Date	Capitalisation Rate %	Book Value (\$m)
Listed Australian REITs										
Generation Healthcare REIT										44.32
Arena REIT										49.88
Cash and other assets										
Other assets										14.52
Cash										29.05
Class A cash reserve										39.06
Cash and other assets										
176.83										
Total (T) / Weighted Average (A)				127 (T)	97.43% (A)	11.38 (A)	620 (T)		8.28 (A)	810.05 (T)

Notes

- Regular valuation of underlying property assets is an important aspect of managing the Trust. Valuations are conducted by qualified independent valuers in accordance with industry standards. We have a policy of generally obtaining independent valuations on Fund direct properties each year. Additionally, as part of our active management approach, we may test asset values on market. At times we may enter arrangements at arm's length with third parties which may impact the value of assets within the portfolio including, but not limited to, put and call options in respect of all or part of an asset within the portfolio. If the value of an asset is impacted in this way, the value may replace the last independent valuation obtained.
- Weighted Average Lease Expiry by base rental income.
- Includes a parcel of vacant land, 1-3 Discovery Lane, North Mackay valued at \$0.50 million as at February 2015.
- Properties adjoining Calvary Rehabilitation Hospital, Walkerville, SA.
- Properties adjoining Beleura Private Hospital, Mornington, VIC.
- Includes 285 Flinders Street, Wakefield, Adelaide, SA. which has previously been reported separately.
- Greenfield development with pre-committed lease.
- Development sites which will be subject to a 15 year lease upon practical completion.
- Terms agreed with Ramsay Health however lease has not yet been executed.
- The direct property information in this table is current as at 31 December 2015. Please refer to the Trust's Announcements page available from our website australianunityinvestments.com.au/hpt for full details on any changes to the Trust's direct property portfolio post this date.

Property development

We believe the Trust can enhance its existing properties and add further value to investors through selective exposure to property development. Property development means the construction of a new building, significant increases to the lettable area of a building or significant changes to the nature or use of the property. In managing the Trust's property portfolio, we may refurbish or redevelop properties from time to time as required. Material property developments will only be undertaken where substantial pre-commitments to lease are in place and development risk is appropriately mitigated.

A risk of property development is construction risk. Construction projects carry a risk that the costs of the project might be higher than budgeted, the project may take longer than expected to complete or the project may not be finished.

We endeavour to mitigate construction risks by negotiating a capped arrangement with builders and/or tenants whereby any costs incurred above this amount will be the responsibility of the builder/tenant as the case may be.

The following developments are fully pre-committed with the existing tenants and funded through a combination of cash and the existing borrowing facility. Please refer to 'Trust borrowing' for further details about the borrowing facility.

The Valley Private Hospital, Mulgrave, VIC

The hospital was refurbished and extended in 2013. The recently completed phase of development expanded the car park and hospital wards. The key features of the refurbishment and expansion (stage one), at a cost of approximately \$14.3 million include:

- a multi-deck car park; and
- two 30 bed wards.

Construction commenced in late 2014 and reached practical completion on 19 January 2016.

Beleura Private Hospital, Mornington, VIC

In late 2015 the Trust completed the expansion of the Beleura Private Hospital, Mornington, VIC. Officially opened in November 2015, the development included a new 30 bed rehabilitation ward, gymnasium, hydrotherapy pool, associated administration areas and car park extension at a cost of \$10.7 million.

Peninsula Private Hospital, Langwarrin, VIC

Works commenced on the hospital's \$50 million expansion including; a new emergency department, an additional 71 beds, a new hybrid operating theatre and additional parking.

CONTINUOUS DISCLOSURE NOTICE

Australian Unity Healthcare Property Trust

The development will be delivered in three phases: Phase A is now complete. Phase B and Phase C have an estimated completion date of July 2016. Importantly, as a result of these commitments, the tenant Ramsay Health Care has also extended its lease until August 2040.

Townsville Clinic, Townsville, QLD

This property was purchased in October 2014 as a vacant office building. The Trust completed capital works of \$7.5 million to convert this property into a mental health clinic and was officially opened in November 2015.

Brisbane Waters Private Hospital, Woy Woy, NSW

This property was purchased in July 2014. Capital works of \$5.6 million commenced in April 2015 to extend and refurbish this property with repositioning as a sub-acute hospital. Works are materially completed.

Robina Private Hospital, Robina, QLD

The 6,662m² land parcel was purchased in June 2015 for \$7.9 million. Plans have been approved for stage one, a \$22 million, 90 bed sub-acute private hospital. Further stages can be built on the land as demand for space increases. Building works commenced in September 2015 with completion estimated in August 2016.

Figtree Private Hospital, Figtree, NSW

Capital works of \$3.1 million have commenced to refurbish and repurpose the existing hospital as a 45 bed rehabilitation hospital, including a new gymnasium and hydrotherapy pool.

Valuation policy

Benchmark 4 - Valuation policy

The Responsible Entity maintains and complies with a written valuation policy that requires:

- a valuer to:
 - be registered or licensed in the relevant state, territory or overseas jurisdiction in which the property is located (where a registration or licensing regime exists), or otherwise be a member of an appropriate professional body in that jurisdiction; and
 - be independent.
- procedures to be followed for dealing with any conflicts of interest;
- rotation and diversity of valuers;
- valuations to be obtained in accordance with a set timetable; and
- for each property, an independent valuation to be obtained:
 - before the property is purchased:
 - for a development property, on an 'as is' and 'as if complete' basis; and
 - for all other property, on an 'as is' basis; and
 - within two months after the directors form a view that there is a likelihood that there has been a material change in the value of the property.

The Trust meets this benchmark and complies with AUFM's Valuation Policy. For further information or to obtain a copy of the Policy please contact us.

Regular valuation of underlying property assets is an important aspect of managing the Trust in the best interests of investors. In addition to the above requirements, the Policy also requires that:

- independent external valuations for new properties must be completed no more than three months prior to exchange of contracts;
- independent external valuations for existing properties must generally be conducted at least once in a financial year;
- where there are multiple properties in a portfolio, the valuations are to be staggered through the year; and
- where a property has been contracted for sale, the contracted sale price may be adopted instead of the independent external valuation.

Additionally, as part of our active management approach, we may test asset values on market. At times, we may enter arrangements at arm's length with third parties which may impact the value of assets within the portfolio including, but not limited to, put and call options in respect of all or part of an asset within the portfolio. If the value of an asset is impacted in this way, the value may replace the last independent valuation obtained.

Related party transactions

Benchmark 5 and Disclosure Principle 5 -

Related party transactions

The Responsible Entity maintains and complies with a written policy on related party transactions, including the assessment and approval processes for such transactions and arrangements to manage conflicts of interest.

The Trust meets this benchmark and complies with AUFM's Related Party Policy.

Related party transactions carry a risk that they could be assessed and reviewed less rigorously than transactions with other parties.

Australian Unity has policies and guidelines in place to manage the risk of any actual or perceived conflict of interest as a result of a related party transaction. Related party transactions with Australian Unity Group entities are reviewed, approved and monitored by senior management with clearly identified governance policies and guidelines. Decisions in relation to conflicts of interest and related party transactions are documented.

As appropriate, we provide ongoing updates of material service engagements and financial benefits that are paid to related parties through the Fund Update and Continuous Disclosure Notice. The value of related party payments are reported yearly as part of the Trust's Annual Report.

CONTINUOUS DISCLOSURE NOTICE

Australian Unity Healthcare Property Trust

For further information about the Policy please contact us. The latest Fund Update and Annual Report can be found on our website australianunityinvestments.com.au. Alternatively we can send you a free copy if you call us on 13 29 39.

Related party activity

AUFM has appointed Australian Unity Property Management Pty Ltd ABN 76 073 590 600 ('AUPM') to provide some property management services to the Trust. Investor approval is not required for this arrangement and the appointment is made on commercial terms and conditions and on an arm's length basis.

AUFM and AUPM are wholly owned subsidiaries of Australian Unity Limited ('AUL') ABN 23 087 648 888 and are members of the Australian Unity Group.

This transaction complies with the Policy.

Australian Unity Property Management

AUPM is a property management business that may, under a written arrangement, provide some of the following services to the Trust as nominated from time to time:

- strategic advice on property acquisitions and sales or arranging the sale or acquisition of property assets;
- management of premises;
- debt arranging, debt structure advice, debt facility negotiation and debt management;
- valuation services;
- leasing services; and
- property management and project supervision.

The appointment of AUPM for these services is not exclusive and AUFM may engage external service providers to undertake these functions.

From 1 July 2015 to 31 December 2015 services to the value of \$1,103,351 have been provided by and paid to AUPM.

Other related party service providers

AUFM charges the Trust for administration expenses (audit fees inclusive) as per the Product Disclosure Statement. We estimate these costs to be 0.40% p.a. of the gross asset value of Retail Units and 0.30% p.a. of the gross asset value of Wholesale Units and Class A Units.

For the six months to 31 December 2015, the amount charged to the Trust was \$1.28 million (excluding GST). This is made up of related party and non-related party expenses.

Investments

AUL and its subsidiaries (related parties) may invest in the Trust and the Trust may invest in related parties from time to time. Details of related party investments are included in the Trust's Annual Report. Investor approval is not required for these

arrangements and the transactions are made on commercial terms and conditions and on an arm's length basis.

As at 31 December 2015 related parties held interests in the Trust of \$2.66 million (0.35%) based on net assets.

Distribution practices

Benchmark 6 and Disclosure Principle 6 -

Distribution practices

The Scheme will only pay distributions from its cash from operations (excluding borrowings) available for distribution

The Trust does not meet this benchmark.

The Trust aims to source and currently sources, all distributions from funds from operations. However, it is permitted to fund distribution payments from other sources, such as capital, if we consider it to be in the interests of investors (for example if rental income is suddenly reduced unexpectedly) and where payment from that source is expected to be sustainable given the circumstances.

The Distribution Policy aligns with the ongoing earning capacity of the Trust. We expect the current source of distributions to be sustainable over the next 12 months. Where the Trust makes distributions from capital, this will have the effect of reducing investors' equity. Where this occurs and the Trust has borrowings, the reduction in investor's equity will have the effect of increasing the gearing ratio and gearing related risks. Where a trust is close to its gearing related covenants, the risk of breaching these covenants is increased.

Withdrawal rights

Disclosure Principle 7 - Withdrawal rights

Retail and Wholesale Units

In normal operating conditions Retail Unit and Wholesale Unit withdrawals from the Trust are paid quarterly. The maximum total amount available for withdrawals each quarter is 2.5% of the net asset value of the relevant class of units on issue (although we have the discretion to alter this amount). If this amount is exceeded, withdrawals may be met on a pro-rata basis.

Where a pro-rata payment occurs, investors will need to reapply in a subsequent withdrawal period if they wish to withdraw any further amount.

Investors written request must be received by 3:00 pm at our Melbourne office on or before the quarter end date (being 28 February, 28 May, 28 August and 28 November or the next business day if the 28th is a non-business day) to receive the withdrawal price as at the cut-off date. Otherwise, the withdrawal request will be processed in the following quarter.

CONTINUOUS DISCLOSURE NOTICE

Australian Unity Healthcare Property Trust

Class A Units

In normal operating conditions Class A Unit withdrawals from the Trust are paid monthly. Monthly withdrawals will be met from the cash reserves held specifically for Class A Units.

In abnormal operating/market conditions the demand for withdrawals may exceed the amount of cash reserve held for Class A Units. Where this occurs, withdrawals will instead be met on a quarterly basis and will be subject to a quarterly cap of 2.5% of the net asset value of Class A Units (although we have the discretion to alter this amount). If this amount is exceeded, withdrawals may be met on a pro-rata basis.

Where a pro-rata payment occurs, investors will need to reapply in a subsequent withdrawal period if they wish to withdraw any further amount. Quarterly withdrawals will be met from the Trust's general cash holding.

Investors written request must be received by 3:00 pm at our Melbourne office on or before the 28th of the month (or the next business day if the 28th is a non-business day) to receive the withdrawal price as at that cut-off date. Otherwise, the withdrawal request will be processed in the following month.

All unit classes

Where we are required to sell property assets, it may take longer for investors to receive their withdrawal proceeds. In extreme cases it could take 12 months or longer for investors to receive their money.

While the Trust is liquid, the Trust's Constitution allows up to 365 days to meet withdrawal requests.

Suspension of withdrawals

If we are of the view that we cannot sell property assets within 365 days to meet withdrawal requests, the Trust will become illiquid and withdrawals will be suspended. If this occurs, investors can only withdraw when we make a withdrawal offer available in accordance with the Trust's Constitution and law.

Substantial investor withdrawal requests

In order to ensure reasonable equity among investors, where any single investor requests a withdrawal from a class of units in excess of 5% of the total number of units on issue of that class during a withdrawal period, we may deem that request to be a single withdrawal request for 5% of the total number of units on issue of that class or such higher amount as we determine at our absolute discretion.

Net tangible assets

Disclosure Principle 8 - Net tangible assets

The Trust is an open-ended property scheme and as such this disclosure principle is not applicable. However, the current unit price for the Trust is available on our website.

For further enquiries

Please contact us either by telephone, email or mail:

Address	114 Albert Road South Melbourne, VIC 3205
Investor Services	13 29 39
Adviser Services	1800 649 033
Website	australianunityinvestments.com.au
Email	investments@australianunity.com.au

Important information

This investment product is issued by Australian Unity Funds Management Limited ABN 60 071 497 115 AFSL 234454 in its capacity as Responsible Entity. This information is intended only to provide a broad summary of this financial product and is not intended to represent general, specific investment or professional advice. Investment decisions should not be made upon the basis of past performance or distribution rate, since future returns will vary. You should refer to the current Product Disclosure Statement if you wish to know more about this product. A copy can be obtained by telephoning 13 29 39, or from our website australianunityinvestments.com.au. The information provided here was current at the time of publication only, and we recommend that you access our website for further information.