

Dexus Australian Property Fund

ARSN 096 853 619 | APIR NML0337AU

Dexus Capital Funds Management Limited
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Product Disclosure Statement

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Issued	29 July 2024
Issuer and Responsible Entity	Dexus Capital Funds Management Limited – referred to in this PDS as ' Responsible Entity ', ' we ', ' our ' or ' us ').
Fund	Dexus Australian Property Fund – also referred to in this PDS as ' the Fund ' (ARSN 096 853 619, APIR code NML0337AU)
Dexus	the group of trusts and companies and their subsidiaries which comprise the ASX listed entity Dexus
Unit class	Class M Units

About this Product Disclosure Statement (PDS)

This PDS contains important information about investing in the Dexus Australian Property Fund ("the **Fund**") and may be used by 'direct investors' including individuals, master trusts or platform operators, and 'indirect investors', that is, investors who are investing through a master trust or platform. Information in this PDS can help investors decide if the Fund meets their investment needs and can help compare the Fund to other funds they may be considering.

The information in this PDS is of a general nature only and does not take into account any investor's personal objectives, financial situation or needs. Consequently, all investors are encouraged to obtain appropriate financial advice before investing, and to consider how appropriate the Fund is to their objectives, financial situation and needs.

Before making a decision about investing or reinvesting in the Fund, all investors should consider the information in the PDS. A copy of the current PDS can be obtained free of charge, on request by contacting Investor Services on 1300 374 029.

In addition, you should also consider the Target Market Determination ("**TMD**") for the Fund before making an investment decision to ensure you form part of the target market of the Fund. A TMD in respect of the Fund is available at www.dexus.com/dapinvest.

Important information

Dexus Capital Funds Management Limited (the "**Responsible Entity**") is the responsible entity of the Dexus Australian Property Fund and issuer of this PDS. The Responsible Entity is a wholly owned subsidiary of Dexus. No entity other than the Responsible Entity is responsible for the preparation and issue of this PDS or for any statements or representations made in this PDS.

The Fund is a managed investment scheme structured as a unit trust and registered under the Corporations Act 2001 (Cth), referred to in this PDS as "**the Corporations Act**". The Fund is subject to investment risks, which could include delays in repayment, and loss of income and capital invested. No Dexus company including the Responsible Entity assumes any liability to investors in connection with investments in the Fund or guarantees the performance of our obligations to investors or that of the Responsible Entity, the performance of the Fund or any particular rate of return. The repayment of capital is not guaranteed. Investments in the Fund are not deposits or liabilities of any Dexus company.

The offer in this PDS is available only to eligible persons as set out in this PDS, who receive the PDS (including electronically) within Australia. It may also be available to investors who have received the relevant offer document in New Zealand and have completed the application form attached to that relevant offer document to make their initial investment. The offer will be made in accordance with the terms of the Trans-Tasman Mutual Recognition Scheme which allows the Responsible Entity to make the offer in New Zealand. We cannot accept cash. Unless otherwise specified, all dollar amounts in this PDS are Australian dollars.

This PDS relates to Class M units in respect of the Fund and all rights and entitlements of a Unit relates to the rights, entitlements, obligations, assets, liabilities and other amounts referable to Class M units. Your investment does not give you an interest in any particular asset of the Fund.

About Dexus¹

Dexus (ASX: DXS) is a leading Australasian fully integrated real asset group, managing a high-quality Australasian real estate and infrastructure portfolio valued at \$57.1 billion.

Dexus believes that the strength and quality of its relationships will always be central to its success and is deeply connected to its purpose: Unlock potential, create tomorrow.

Dexus directly and indirectly owns \$15.8 billion of office, industrial, healthcare, retail and infrastructure assets and investments.

Dexus manages a further \$41.3 billion of investments in its funds management business which provides third party capital with exposure to quality sector specific and diversified real asset products. The funds within this business have a strong track record of delivering performance and benefit from Dexus's capabilities.

The platform's \$16.9 billion development pipeline provides the opportunity to grow both portfolios and enhance future returns.

Dexus's sustainability aspiration is to unlock the potential of real assets to create lasting positive impact and a more sustainable tomorrow, and is focused on the priorities of customer prosperity, climate action and enhancing communities.

Dexus is supported by more than 35,000 investors from 22 countries. With four decades of expertise in real estate and infrastructure investment, funds management, asset management and development, Dexus has a proven track record in capital and risk management and delivering returns for investors.

Learn more at www.dexus.com.

About the Dexus Australian Property Fund

Overview

The Fund, established in 2001, aims to provide investors with income and long-term capital growth, by holding a portfolio of property investments primarily through units in the Dexus Wholesale Australian Property Fund and cash. The Fund may also own property directly, and Australian listed property securities.

The Dexus Wholesale Australian Property Fund, established in 1985, aims to provide investors with income and long-term capital growth, through investment in an established and diversified portfolio of Australian office, retail and industrial properties. The Fund may also invest in healthcare and other commercial properties.

The Dexus Wholesale Australian Property Fund primarily invests in direct property and may also invest in Australian listed property securities, unlisted funds and cash to assist in managing its return profile and liquidity. The Dexus Wholesale Australian Property Fund generally targets assets which have high occupancy rates and stable income streams underpinned by leases to long term, secure commercial tenants.

The Dexus Wholesale Australian Property Fund is diversified via investment in properties with a range of performance and risk profiles, located in different markets throughout Australia.

Dexus has been investing in and managing real estate for over 40 years. The Fund benefits from this experience through access to Dexus's property management, development, transactions, treasury and investment management teams. The Fund also benefits from the wider resources of Dexus, including its broad distribution network. This integrated approach, combined with active asset management and efficient capital management, supports the Fund's objective of providing investors with income and long-term capital growth.

Further information about the Fund's investments is provided in the "Fund profile" section of this PDS.

¹ As at 31 December 2023.

At a glance

Investment return objective	To provide income and long-term capital growth.	
Suggested minimum investment timeframe	5 years	
Who can invest?	<ul style="list-style-type: none">• Direct investors including individuals and joint investors over 18 years of age, superannuation funds and trusts• Indirect investors investing in the Fund through a master trust or platform	
Minimum investment amounts	Direct investors Initial - \$10,000 Additional - \$5,000	Indirect investors Minimum investment amounts and fees and costs are subject to the arrangement between indirect investors and their financial advisers, master trusts or platform operators. For further information, you will need to contact your financial adviser, master trust or platform operator.
Management fees and costs	Management fees and costs of 1.22%* pa of the Fund's net assets, comprised of: <ul style="list-style-type: none">• a management fee of 1.10% pa, and• indirect costs of 0.12% pa.	

* The sum of the underlying fee and costs components may differ from the total management fees and costs due to rounding. The total amount of fees you will pay will vary depending on the total value of your investment. Unless otherwise stated, the fees and costs shown in this section are inclusive of Goods and Services Tax and less reduced input tax credits or other input tax credits claimable, rounded to two decimal places. **See the 'Fees and other costs' section of this PDS for ongoing annual fees and costs, including management fees and costs, performance fees (if applicable) and transaction costs components, other fees and costs that may apply and a worked example of ongoing annual fees and costs that may be payable in a year.**

Distribution frequency The Fund aims to pay distributions quarterly (See the 'Distributions' section of this PDS).

See the 'Fund profile' section of this PDS for more detailed information about the Fund.

Withdrawals

The Fund's constitution allows the Responsible Entity to pay withdrawal requests within a period of up to 12 months after receipt. If the Responsible Entity is unable to realise sufficient assets due to certain circumstances beyond its control, the withdrawal request may take longer than 12 months to be satisfied.

The Responsible Entity generally aims to process withdrawal requests for Class M units following the applicable "**Specified Withdrawal Date**" which is the next date which is the 15th of a month falling after the withdrawal request is received by the Responsible Entity (or the next Business Day, if the 15th of the month falls on a day that is not a Business Day).

The Responsible Entity aims to pay processed withdrawal requests six to twelve months after receiving a withdrawal request. Currently, the Responsible Entity expects that payments will be made within 12 months of receiving a withdrawal request. The Responsible Entity may, from time to time, notify investors of the expected payment timeframe on the Fund's website.

The Responsible Entity may take into account a range of factors in determining payment times in the interests of investors as a whole, which may include the following:

- **capital management** – ensuring prudent capital management of the Fund.
- **gearing** – the availability of debt as well as the current and forecast level of Fund gearing, having regard to the target level of gearing and the maximum level of gearing.
- **cashflows arising from applications and withdrawals** – the trend in applications to and withdrawals from the Fund as well as the Responsible Entity's outlook for these flows. This may be affected by many factors, including the outcomes of any research of a ratings agency, whether the Fund is made available through master trusts or other platforms for investment, and whether the Fund is made available to clients by financial planners.
- **asset liquidity** – the ability to readily realise direct property holdings of the Fund for their market value, having regard to market conditions, the time required to transact and the transaction costs which may need to be incurred to sell assets.
- **portfolio composition** – the likely future composition of the portfolio if asset sales are required to fund withdrawal payments, having regard to the investment return objective of the Fund.
- **investor equity** – in managing the Fund in the interests of the investors as a whole, taking into account the interests of Investors who are withdrawing from the Fund and the interests of investors who are retaining their investment in the Fund.

The unit price used to calculate your withdrawal proceeds generally will be the price calculated on the last valuation date before we process the payment of your withdrawal request (or part of your withdrawal request), not the day you notify us of your intention to withdraw.

Cash to fund withdrawals may be available from a number of sources which include: existing cash reserves, the proceeds from application for units by new or existing investors, bank debt, the sale of Australian Real Estate Investment Trust securities ("**AREITs**") (if any) and direct property sales.

A significant proportion of the Fund's assets (as high as 100%) will be held as direct property investments which may not be able to be sold quickly at an appropriate price. Significant time may be required to prepare the property for sale, market the property, negotiate a sale contract and receive the final settlement proceeds. If insufficient liquid resources are not available at the time required or if it becomes necessary to dispose of one or more of the Fund's direct properties to meet withdrawals, there is a greater risk that the Fund may not be able to maintain the current timeframe for processing and paying withdrawal requests.

Where the amount of funds available to meet withdrawal requests is not sufficient to fully meet all withdrawal requests relating to a particular Specified Withdrawal Date, the units requested to be withdrawn may be redeemed pro-rata with other redemptions requested in the same month, with the redemptions occurring in instalments over a period up to the permitted 12 months. Where withdrawals are processed in part, the outstanding units will be redeemed once sufficient cash is available. Withdrawal requests relating to a Specified Withdrawal Date may be paid in priority to other withdrawal requests subsequently received by the Responsible Entity.

Upon request, the Responsible Entity may permit investors to withdraw from the Fund and immediately reinvest an equivalent amount into the Fund.

Each time units are redeemed, the proceeds will be paid promptly. However investors should be aware that withdrawal requests can only be processed and met while the Fund is liquid for the purposes of the Corporations Act.

If the Fund ceases to be liquid for the purposes of the Corporations Act, the Responsible Entity will not meet withdrawal requests. As at the date of this PDS, the Responsible Entity is satisfied that the Fund is liquid under the current Corporations Act definition of 'liquid', where the Responsible Entity reasonably expects that it could sell at least 80% of the Fund's assets at market value within 12 months.

The Fund's liquidity position will be monitored. In the event that the Fund were to cease to be able to process and pay withdrawal requests within the currently expected timeframe in part or in full if the Fund is declared illiquid, the Responsible Entity will as soon as practicable communicate how it plans to meet withdrawal requests in the future. This communication will include the steps to be taken over the next 12 months and the expected liquidity position during this time. This may involve raising equity from new investors, utilising existing cash, increasing the level of debt or withdrawing units in the Dexu Wholesale Australian Property Fund which may in turn require it to sell property securities, selling direct property or undertaking a combination of these measures. Quarterly updates would provide an update on the steps taken or proposed to be taken, the expected liquidity position and the anticipated timeframe to implement these steps.

You should carefully read the "Risks of investing" and "Accessing your money" sections of this PDS. It is essential that you understand the withdrawal arrangements and restrictions for the Fund.

Australian Securities and Investments Commission (ASIC) benchmarks and disclosure principles

ASIC has released benchmarks and disclosure principles to assist investors in comparing risks and returns across investments in the unlisted property sector (see the "Fund Profile" section of this PDS).

Benefits of investing in the Fund

The Fund provides investors with:

- **Access to a diversified portfolio of commercial property investments**

The Fund provides investors with indirect ownership of an established portfolio of office, retail and industrial assets with a focus on income returns and potential for capital growth. The Fund may also invest in healthcare and other commercial properties. The portfolio is well-diversified with investments located in different markets throughout Australia and a large tenant base comprised of corporate and government tenants. This exposure is predominantly held through the Fund's investment in the Dexus Wholesale Australian Property Fund, however the Fund may also own commercial property directly.

- **Access to a fund which allows investors to choose when they invest**

The Fund offers investors a means of owning commercial property through an investment vehicle. The open-ended structure allows investors to choose when they invest in the Fund and, whilst the Fund is liquid, investors may lodge a withdrawal request if they wish to redeem their investment.

- **Dexus's specialist real estate knowledge and broad investment expertise**

Dexus has a track record in real estate investment which can be traced back over 40 years. Investors in the Fund benefit from specialist teams with expertise in investment research, property management, leasing, capital transactions, development, real estate sustainability, debt advisory and funds management.

Investment risks

All investing involves risk, and you should consider investment risks before making an investment decision. The risks specific to the Fund may include or be associated with:

- **property investments** – factors such as investor demand for property, the demand by tenants for commercial space, rental income levels, tenants' ability to service rental payments, the supply of new commercial space, capital expenditure and ongoing expenses for maintenance and repairs may affect the Fund's performance.
- **liquidity** – assets subject to liquidity risk may be difficult to trade and it may take longer for their full value to be realised, and in circumstances where the Fund's portfolio ceases to be 'liquid' for Corporations Act purposes, there may be significant delays or a freeze on withdrawal requests. Market conditions may adversely impact the liquidity of assets held in a fund portfolio.

- **interest rates** – may adversely change and impact the Fund's performance including the risk of capital loss in a rising interest rate environment.
- **gearing** – has the effect of magnifying the Fund's returns, both positive and negative.
- **derivatives** – the use of derivatives may magnify any losses incurred.
- **share market investments** – the value of the Fund's investment in listed securities may decrease or be more volatile as a result of adverse share market movements.
- **market risk** – global economic or financial market events may affect the value of the Fund's investments.
- **capital expenditure** – the Fund is exposed to the risk of higher or unforeseen capital expenditure requirements in order to maintain the quality of the buildings and tenants.
- **development** – where the Fund develops new property it may be exposed to planning risks, environmental risks, construction cost risks and leasing risks.
- **environmental matters** – the Fund is exposed to a range of environmental risks.
- **litigation and disputes** – legal and other disputes (including industrial disputes and class actions) may arise.
- **cyber security risk** – The Responsible Entity and the Fund's service providers increasingly depend on complex information technology and communication systems to conduct business functions. These systems are subject to a number of cyber threats or risks that could adversely affect the Fund and its investors.
- **public health emergencies** – pandemics and other widespread public health emergencies may affect the Fund's performance.
- **conflicts of interest** – conflicts of interest may arise from time to time because the Fund is a member of the Dexus Group, which manages a number of real estate funds; however, the Responsible Entity has policies and procedures in place to manage such conflict.

The 'Risks of investing' section of this PDS provides further information about some of the risks noted above, as well as information about other investment risks of which you should be aware.

Further information

For direct investors, if you have questions about investing in the Fund or require further information, please contact Investor Services on 1300 374 029 between 8.30am and 5.30pm Monday to Friday, Sydney time or alternatively via email at dexus@boardroomlimited.com.au. Indirect investors should contact their financial adviser, master trust or platform operator.

Further information about the Fund is also available online at www.dexus.com/dapf. This information may include performance reports. When reading Fund performance information, please note that past performance is not a reliable indicator of future performance and should not be relied on when making a decision about investing in the Fund.

Fund profile

The Fund's investments

The Fund invests primarily in direct property within Australia, which is either held directly by the Fund or through units in the Dexus Wholesale Australian Property Fund. The Fund also invests in cash and may invest in Australian listed property securities. The portfolio is designed taking into account the real estate cycle, regional characteristics, investment opportunities and the liquidity profile of the Fund and its investments, including the Dexus Wholesale Australian Property Fund. The Fund may also invest in other managed investment schemes or investment companies where it is consistent with the Fund's investment objectives, and may use derivatives for hedging.

The target asset allocation for the Fund is to hold more than 75% of its exposure as direct property, with the balance of less than 25% allocated across cash and Australian Securities Exchange ("ASX") listed property securities, such as AREITs and funds which invest predominantly in AREITs. An AREIT is a corporation, or trust, which provides investors with exposure to properties such as shopping centres and other commercial or industrial properties.

Asset allocation

The Fund holds its investment portfolio primarily through the Dexus Wholesale Australian Property Fund. On a look-through basis, the exposure to asset classes is as follows:

Asset Class ¹	Target Asset Allocation	Asset Allocation Range
Direct property	More than 50%	25% – 100%
AREITs	Less than 50%	0%–50% (total of AREITs and cash)
Cash		

The Fund's exposure to investments may change from time to time. Current portfolio information is available in the "ASIC benchmarks and disclosure principles" available at www.dexus.com/dapfinvest or by contacting the Responsible Entity. Also see the overview of that document on page 8.

Asset allocation ranges for the Fund are shown in the table above and are expressed as a percentage of assets. The Fund's actual asset allocation may be affected by the number of applications and withdrawals, and the availability and volume of direct property allocations. Consequently, the Fund's actual asset allocation may vary significantly from the target asset allocation range set out in the table above.

If we change the target asset allocation or asset allocation ranges set out in the table above, unless the law requires us to issue a supplementary PDS, we will lodge a PDS update notice online on behalf of the Responsible Entity at www.dexus.com/dapfinvest. This updated information can also be obtained by contacting us.

For further information about the Fund's investments, including the Fund's direct property portfolio diversification, see below under "ASIC benchmarks and disclosure principles".

¹ The look-through methodology used in these figures measures the Fund's underlying exposure to a particular asset class by taking into account the asset allocation of the unlisted funds into which it invests. For example, the amount of cash held by the Dexus Wholesale Australian Property Fund will affect the Fund's reported allocation to cash.

Investment guidelines

Factors considered when determining the Fund's asset allocation include:

- the Fund returns
- diversification profile of the Fund
- the capital management strategy of the Fund
- the capital expenditure requirements of the Fund
- the liquidity requirements of the Fund and its investments, including its investment in the Dexus Wholesale Australian Property Fund, and
- market conditions – including property markets, capital markets and access to debt and equity.

Asset evaluation

The following outlines the Fund's asset evaluation process adopted for assets held directly by the Fund and also indirectly via investment in the Dexus Wholesale Australian Property Fund.

Initial asset screening

As part of detailed analysis, all assets are reviewed to ensure that there are no obvious obstacles to investing and to confirm that the asset acquisition opportunity fits with the Fund's portfolio and overall investment strategy.

Due diligence

After initial screening, if a property fits into the Fund's portfolio and overall investment strategy, due diligence commences. This includes analysis of the asset's financial accounts, management agreements and valuations in order to mitigate potential risks prior to the disposal or acquisition of an asset. These due diligence findings are then reviewed by the Investment Committee.

Asset plan – transaction phase

Running simultaneously with the due diligence program, the asset and/or development management team formulates a business plan to be implemented immediately upon closing the asset acquisition. The business plan investigates the potential to increase the asset's value through activities such as:

- minor development works such as upgrading the environmental building rating of the investment
- investigating the feasibility of adding to the area of the building or converting low-value space into high-value space, and
- engaging with tenants to determine their interest in extending their lease well in advance of any expiry.

Asset management

Asset management begins with a detailed analysis of each asset in the portfolio and the preparation of a comprehensive business plan for each asset. For new assets, this is conducted simultaneously with due diligence as described above. These plans are formulated annually with quarterly reviews to track progress. The plans include:

- a 10-year discounted cash flow analysis, which adopts the Dexus view on market rents and yields in its assumptions
- projected capital expenditure
- a tenancy strategy, comprising a tenancy profile, lease expiry, vacancy forecasts, and opportunities to maximise income and occupancy
- a systematic assessment of real estate risk, which includes sensitivity to rental growth, discount rates and capital expenditure
- a review of the opportunities to add value through planning gains, minor or major asset development, and
- an investment strategy recommendation, advising whether to buy, sell or hold the asset.

ASIC benchmarks and disclosure principles

ASIC has released benchmarks and disclosure principles to assist investors in comparing risks and returns across investments in the unlisted property sector. The information below provides an overview of the benchmarks and disclosure principles.

Further information on how these benchmarks and principles apply to the Fund is contained in the "ASIC benchmarks and disclosure principles for the Dexus Australian Property Fund" document which is taken to be included in this PDS and should be read together with this PDS. The benchmarks and disclosure principles document is available online at www.dexus.com/dapfinvest, or can be obtained free of charge from the Responsible Entity, on request. It includes information about:

- Gearing – indicates the extent to which the Fund is funded by debts (liabilities) (also see "Gearing" in this section).
- Interest cover – indicates the Fund's ability to meet interest payments from its earnings.
- Interest capitalisation – occurs when accrued or accumulated interest is added to the Fund's loan principal instead of being paid on a regular basis.
- Valuations – information about the Fund's direct property valuation policy, including how often assets are valued.
- Related party transactions – information about transactions involving parties that have a close relationship with the Responsible Entity.
- Distributions – information about the Fund's distribution sources (also see the "Distributions" section of this PDS).
- Portfolio diversification – information about the Fund's direct property portfolio diversification (also see "The Fund's investments" in this section).
- Withdrawal arrangements – information about an investor's withdrawal rights from the Fund, and any withdrawal conditions (also see the "Accessing your money" section of this PDS).

Gearing

The Fund benefits from Dexus's dedicated team of treasury professionals, who provide active treasury management across the group. The maximum amount the Fund may borrow is 45% of the gross assets at the time the debt is drawn, with a long-term target of 0-15% of gross assets. If debt is drawn only to refinance existing debt for the same or a lower dollar amount, borrowing may exceed the 45% at the time that debt is drawn if the reason is that the percentage of borrowing has increased only because of a reduction in the value of gross assets. From 1 July 2027, the maximum amount the Fund may borrow is intended to revert to 35% of gross assets.

Gearing may incur costs such as the interest paid on outstanding debts and the costs of having the debt facility available. These costs and changes in interest rates may affect the Fund's returns.

Further information about the Fund's use of gearing is contained in the "ASIC benchmarks and disclosure principles for the Dexus Australian Property Fund" document. This document should be read together with the current PDS for the Fund, and is available online at www.dexus.com/dapfinvest, or can be obtained free of charge from the Responsible Entity, on request.

Derivatives

The Fund may use derivatives, such as swaps, options and futures, with the aim of:

- protecting the Fund against risks such as unfavourable changes in an investment's price brought about by, for example, changes in interest rates, credit risk, equity prices, currencies or other factors, and
- implementing the investment objectives of the Fund.

Swaps used may include an interest rate, currency or equity exchange involving two parties. For example, under an interest rate swap one party is obliged to pay the fixed interest rate to the other party in return for receiving the floating interest rate.

Derivatives will not be used to gear the Fund, or for speculative purposes.

The Responsible Entity imposes restrictions on the use of derivatives within the Fund and monitors the implementation of these restrictions in accordance with the Derivatives Risk Statement that applies to the Fund, which can be obtained by contacting the Responsible Entity.

Sustainability at Dexus

Responsible investing

Dexus is committed to making responsible investment decisions on behalf of our capital investors and securityholders. Dexus believes there are links between an organisation's environmental and social impacts, the quality of its corporate governance, and its long - term business success. Our aim is to incorporate and manage material ESG issues as we do other key risks.

As an investor and owner of real assets, on behalf of our investors, we have a stake in the effective operation and sustainability of the broader economy, society, the integrity and transparency of markets, good governance and business conduct.

Dexus believes responsible investing requires consideration of future market trends and societal expectations of corporate responsibility that affect growth and risk factors within industry sectors or company business models, making them increasingly unsustainable.

We recognise that the identification and management of sustainability considerations are an integral part of delivering investment performance for our clients. Sustainability is considered throughout our vertically integrated management model, from formation of investment strategy through to acquisition, analysis, management, development, and divestment of our clients' investments.

For more information, please access the latest Dexus Responsible Investment Policy at www.dexus.com/discover-dexus/about-us/corporate-governance.

Labour standards and environmental, social or ethical considerations for the Fund

Decisions about whether to buy, hold or sell investments for the Fund are primarily based on financial and economic factors.

As part of this analysis, environmental and social issues are taken into account where we believe these factors may have a material financial impact on the value and performance (risk and/or return) of the investment.

Ethical considerations and labour standards are only taken into account to the extent that we believe these factors may have a material impact on the value of an investment.

Considerations of ESG factors and their impacts may influence investment decisions either immediately or throughout the asset lifecycle.

In assessing these factors, the Responsible Entity takes account of the Dexus Sustainability Strategy. This is available online at www.dexus.com/discover-dexus/sustainability and addresses Dexus's strategic priority areas across Customer Prosperity, Climate Action, and Enhancing Communities; supported by foundational areas across Circularity, Indigenous Engagement, Health and Wellbeing, Nature, Diversity, Equity and Inclusion, Human Rights and Governance and Reporting.

Risks of investing

All investing involves risks

Generally, the higher the expected return, the higher the risk.

Assets with the highest long-term returns may also carry the highest level of short-term risk, particularly if you do not hold your investment for the suggested minimum investment timeframe. Additionally, different investment strategies may carry different levels of risk, depending on the assets in which a fund invests.

Whilst the Fund is managed with the aim of providing income and long-term capital growth, you should be aware that the Fund is subject to investment risks, which could include delays in repayment of your investment, the non-payment of distributions and complete or partial loss of capital invested.

When you invest in a managed investment scheme (including the Fund), you should be aware that:

- returns are not guaranteed – future returns may differ from past returns, and the level of returns may vary, and
- the value of your investment may vary, and there may be the risk of complete or partial loss of invested capital.

Investment risks can affect your financial circumstances in a number of ways, including:

- your investment in the Fund may not keep pace with inflation, which would reduce the future purchasing power of your money
- the stated aims and objectives of the Fund may not be met
- the amount of any distribution you receive from the Fund may vary or be irregular, which could have an adverse impact if you depend on regular and consistent distributions to meet your financial commitments, and
- your investment in the Fund may decrease in value, which means you may get back less than you invested.

The value of your investment in the Fund may be affected by the risks listed in this section and by other risks or external factors such as the state of the Australian and world economies, consumer confidence and changes in government policy, regulation, taxation and other laws.

Other factors such as your age, the length of time you intend to hold your investment, other investments you may hold, and your personal risk tolerance will affect the levels of risk suitable for you as an investor. As the risks noted in this section do not take into account your personal circumstances, you should consider the information provided in 'Making an investment decision' at the end of this section, before making a decision about investing or reinvesting in the Fund.

Risks specific to the Fund

Direct property investments, including assets held directly and via investment in underlying funds such as the Dexus Wholesale Australian Property Fund

The Fund's returns may be affected by factors such as demand in the marketplace by investors for property, the demand by tenants for commercial space, rental income levels, tenants' ability to service rental payments, tenants' ability to trade including in the event of a government mandated shutdown such as during a pandemic, the supply of new commercial space, capital expenditure and ongoing expenses for maintenance and repairs, costs and losses associated with natural disasters, or other disasters or events outside of our reasonable control, which prevent the normal operation of the Fund's assets.

The returns from property investments may fluctuate from year to year which means the stability of your capital investment in the Fund is not guaranteed.

The Fund's direct property investments are generally held over the longer term and considered illiquid, which means that immediate access to your capital investment in the Fund is not guaranteed.

Selling commercial properties generally takes three to six months and may take longer in a market downturn.

Liquidity

The Responsible Entity aims to pay processed withdrawal requests six to twelve months after receiving a withdrawal request. Currently, the Responsible Entity expects that payments will be made within 12 months of receiving a withdrawal request. There is a risk that the Responsible Entity may not be able to process and pay withdrawal requests within the anticipated timeframe. The Fund's constitution allows the Responsible Entity to pay withdrawal requests within a period of up to 12 months after receipt. If the Responsible Entity is unable to realise sufficient assets due to circumstances beyond its control, the withdrawal request may take longer than 12 months to be satisfied.

Cash to fund withdrawals may be available from a number of sources which include: existing cash reserves, the proceeds from application for units by new or existing investors, bank debt, the sale of Australian Real Estate Investment Trust securities ("**AREITs**") (if any) and direct property sales.

A significant proportion of the Fund's assets (as high as 100%) are held indirectly as direct property investments which, by their nature, are illiquid investments and may not be able to be sold quickly at an appropriate price. Significant time may be required to prepare the property for sale, market the property, negotiate a sale contract and receive the final settlement proceeds. If insufficient liquid resources are not available at the time required or if it becomes necessary to dispose of one or more of the Fund's direct properties to meet withdrawals, there is a greater risk that the Fund may not be able to maintain the current timeframe for processing and paying withdrawal requests.

Where the amount of funds available to meet withdrawal requests is not sufficient to fully meet all withdrawal requests relating to a particular Specified Withdrawal Date, the units requested to be withdrawn may be redeemed pro-rata with other redemptions requested in the same month, with the redemptions occurring in instalments over a period up to the permitted 12 months.

Where withdrawals are processed in part, the outstanding units will be redeemed once sufficient cash is available. Withdrawal requests relating to a Specified Withdrawal Date may be paid in priority to other withdrawal requests subsequently received by the Responsible Entity. Each time units are redeemed, the proceeds will be paid promptly. However, investors should be aware that withdrawal requests can only be processed and met while the Fund is liquid for the purposes of the Corporations Act.

If the Fund ceases to be liquid for the purposes of the Corporations Act, the Responsible Entity will not meet withdrawal requests. As at the date of this PDS, the Responsible Entity is satisfied that the Fund is liquid under the current Corporations Act definition of 'liquid', where the Responsible Entity reasonably expects that it could sell at least 80% of the Fund's assets at market value within 12 months.

The Fund's liquidity position will be monitored. In the event that the Fund were to cease to be able to process and pay withdrawal requests within the currently expected timeframe in part or in full or if the Fund is declared illiquid, the Responsible Entity will as soon as practicable communicate how it plans to meet withdrawal requests in the future. This communication will include the steps to be taken over the next 12 months and the expected liquidity position during this time. This may involve raising equity from new investors, utilising existing cash, increasing the level of debt, selling property securities, selling direct property or undertaking a combination of these measures. Quarterly updates would provide an update on the steps taken or proposed to be taken, the expected liquidity position and the anticipated timeframe to implement these steps.

See also "Accessing your money" on page 24 of this PDS.

Interest rates

Cash and fixed income investments will be impacted by interest rate movements. While capital gains may be earned from fixed income investments in a falling interest rate environment, capital losses can occur in a rising interest rate environment. The risk of capital gain or loss tends to increase as the term to maturity of the investment increases. Rising interest rates may also affect the rate of returns available on real estate investments.

Gearing and the use of debt

The Fund and underlying funds and securities in which the Fund invests may use debt, sometimes referred to as 'gearing'. Risks associated with gearing include:

- gearing magnifies both gains and losses from the Fund's investments meaning geared funds may experience larger fluctuations in the value of their investments compared with an ungeared portfolio
- changes in interest rates may affect the amount of income available for distribution to investors and/or the capital value of the Fund, and
- financing risk including the Fund's ability to refinance a debt facility on agreeable terms upon the expiry of the original financing term.

Any debt facility may be unsecured, or it may be secured by way of a charge over the assets of the Fund in favour of the loan provider. Risks associated with the use of a debt facility, and the event of default by the Fund, include:

- the loan provider may take possession of, or sell assets of the Fund
- a loan provider could exercise its rights in respect of the assets of the Fund – any amounts owing to a loan provider may rank before investors' interests in the Fund, and
- an inability to obtain or refinance the debt facility.

Derivatives

There are risks of losses to the Fund through the use of derivatives, or if derivatives were used in underlying investments including:

- the value of a derivative may not move in line with the value of the underlying asset
- if a derivative position cannot be reversed losses may be magnified, or
- if the party on the other side of a derivative contract defaults on financial or contractual obligations.

Share market investments

Share market investments have historically produced higher returns than cash or fixed interest investments over the long term. However, the risk of capital loss exists, especially over the shorter term. You should be aware that past share market investment performance is not an indication of future performance.

Specific risks may include a slowdown in economic growth, individual companies reporting disappointing profits and dividends, and management changes. Where a fund is invested in listed securities, the value of these securities may decrease as a result of these and other events.

Market and geographic risk

Certain market or non-market events may have a negative effect on the economies and financial markets worldwide or in specific countries or regions which may have a negative effect on the value of investments including the Fund's investments. These events include economic, social, technological or political conditions, as well as market sentiment, the causes of which may include changes in governments or government policies, political unrest, wars, terrorism, pandemics and natural, nuclear and environmental disasters. The duration and potential impacts of such events can be highly unpredictable, which may give rise to increased and/or prolonged market volatility. In addition, these circumstances may have an impact on the Responsible Entity (and other service providers) operations which may be disrupted.

Capital expenditure

The Fund is exposed to the risk of higher or unforeseen capital expenditure requirements in order to maintain the quality of the buildings and tenants.

Development

Where the Fund develops new property it may be exposed to planning risks, environmental risks, construction cost risks and leasing risks.

Environmental matters

The Fund is exposed to a range of environmental risks which may involve damage to the environment, project delays or additional expenditure. In such situations, the Fund may be required to undertake remedial works and potentially be exposed to third party liability claims and/or environmental liabilities such as penalties and fines.

Litigation and disputes

Legal and other disputes (including industrial disputes and class actions) may arise from time to time in the course of business activities. There is a risk that material or costly disputes or litigation could adversely affect the Fund's financial performance.

Cyber security risk

The Responsible Entity and the Fund's service providers increasingly depend on complex information technology and communication systems to conduct business functions. These systems are subject to a number of different threats or risks that could adversely affect the Fund and its investors, despite the efforts of the Responsible Entity and the Fund's service providers to adopt technologies, processes and practices intended to mitigate these risks and protect the security of their computer systems, software, networks and other technology assets, as well as the confidentiality, integrity and availability of information belonging to the Fund and its investors. To the extent that the Responsible Entity or one of the Fund's service providers is subject to cyber-attack or other unauthorised access to their systems, the Fund may be impacted in the form of stolen, lost or corrupted investor information, Fund proprietary information or trade secrets, or other items.

Public health emergencies

Pandemics and other widespread public health emergencies, including outbreaks of infectious diseases such as SARS, H1N1/09 flu, avian flu, Ebola and COVID-19, have resulted in market volatility and disruption. Future such emergencies have the potential to materially and adversely impact economic production and activity in ways that are impossible to predict, all of which may result in losses to the Fund.

Conflicts of interest

Conflicts of interest may arise from time to time where the Fund invests in other real estate securities related to the Dexus Group or otherwise co-invests or competes for real estate investment opportunities with the Dexus Group; however, the Issuer has established policies and procedures in place to manage any such conflict. Transactions between Dexus Group entities and the Fund must be conducted on an arm's length basis or otherwise in compliance with the Corporations Act.

Other risks

Other risks of investing may apply and you should seek appropriate advice before investing.

Making an investment decision

As the risks noted in this PDS do not take into account your personal circumstances, you should consider the following before making a decision about investing or reinvesting in the Fund:

- **Obtain professional advice** to determine if the Fund suits your investment objectives, financial situation and particular needs.
- **Ensure** you have read the Fund's most up-to-date version of this PDS.
- **Consider** the suggested minimum investment timeframe for the Fund, as set out in this PDS and the Fund's TMD.
- **Regularly review** your investments in light of your investment objectives, financial situation and particular needs.

Fees and other costs

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 investment 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 fees. Ask the fund or your financial adviser.

TO FIND OUT MORE

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

Fees and other costs summary

This section shows fees and other costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from the assets of the managed investment scheme as a whole.

Taxes are set out in the 'Taxation' section of this document.

You should read all the information about fees and costs because it is important to understand their impact on your investment.

Unless otherwise specified, all dollar amounts are in Australian dollars and are inclusive of goods and services tax (**GST**) less reduced input tax credits or other input tax credits claimable.

Table 1**Dexus Australian Property Fund**

Type of fee or cost	Amount	How and when paid
Ongoing annual fees and costs		
<i>Management fees and costs</i> ¹ The fees and costs for managing your investment.	1.22% pa of the Fund's net assets	Management fees and costs are comprised of: <ul style="list-style-type: none"> • a management fee² – calculated daily and paid quarterly out of the Fund's assets and reflected in the unit price and expenses are paid out of the Fund's assets as and when incurred. • indirect costs³ – paid out of the interposed vehicle's⁴ assets once the costs are incurred and reflected in the unit price. Calculated on the basis of reasonable estimate or knowledge of such costs.
<i>Performance fees</i> ⁵ Amounts deducted from your investment in relation to the performance of the product.	0.00% pa of the Fund's net assets	The Fund does not currently charge a performance fee.
<i>Transaction costs</i> ⁶ The costs incurred by the scheme when buying and selling assets.	1.04% pa of the Fund's net assets	If any transaction costs were incurred, they would be paid out of the Fund's assets when the costs are incurred and reflected in the unit price. The amount shown is net of any transaction costs recovered from investors via buy-sell spreads (see below).
Member activity related fees and costs (fees for services or when your money moves in or out of the scheme)		
<i>Establishment fee</i> The fee to open your investment.	Nil	Not applicable
<i>Contribution fee</i> The fee on each amount contributed to your investment.	Nil	Not applicable
<i>Buy/sell spread</i> ⁶ An amount deducted from your investment representing costs incurred in transactions by the scheme.	0.00%/0.00%	When you invest in or withdraw from the Fund, you may incur buy/sell spreads applicable at that time and this amount is reflected in the unit prices for the Fund. The buy spread is taken out of application amounts. The sell spread is taken out of withdrawal amounts.
<i>Withdrawal fee</i> The fee on each amount you take out of your investment.	Nil	Not applicable
<i>Exit fee</i> The fee to close your investment.	Nil	Not applicable
<i>Switching fee</i> The fee for changing investment options.	Nil	Not applicable

Fee amounts in this PDS

Please note that fee amounts shown in this PDS are the fees direct investors are charged when investing through this PDS. If you are an indirect investor (that is, you are investing in the Fund through a master trust or platform), please contact your financial adviser, master trust or platform operator for details of the fee amounts relating to your investment in the Fund.

For direct investors, advice fees agreed between you and your financial adviser and other service fees may apply to your investment in the Fund. Advice fees may be in the form of an investment advice fee and/or an ongoing advice fee. Please refer to "Payments to your financial adviser" in this section for information about the advice fees that may be payable.

1 Management fees and costs are expressed as a percentage of the Fund's net assets. Management fees and costs are made up of a management fee, recoverable expenses and estimated other indirect costs. The sum of these figures may differ to the total management fees and costs, due to rounding.

For more information about management fees and costs, see 'Management fees and costs' under the heading 'Additional explanation of fees and costs'.

2 The management fee may be negotiated with investors who are wholesale clients for the purposes of the Corporations Act. See 'Differential fees' under the heading 'Additional explanation of fees and costs'.

3 For more information on the meaning and calculation of indirect costs. See 'Indirect costs' under the heading 'Additional explanation of fees and costs'.

4 For more information on the meaning of interposed vehicles, see 'Indirect costs' under the heading 'Additional explanation of fees and costs'.

5 The Fund does not currently charge a performance fee. In future, we may appoint managers to manage the Fund's portfolio of listed property securities. For more information, see 'Performance fees' under the heading 'Additional explanation of fees and costs'.

6 As at the date of this PDS, no buy and sell spread applies. For more information about transaction costs and buy/sell spreads that may apply, see 'Transaction costs' under the heading 'Additional explanation of fees and costs'.

Example of annual fees and costs

Table 2 gives an example of how the ongoing annual fees and costs in 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. The ongoing annual fees and costs shown in this table are an example only and are not additional to the fees and costs described in Table 1.

Table 2

Example – Dexus Australian Property Fund		Balance of \$50,000 with a contribution of \$5,000 during the year
Contribution fees	Nil	For every additional \$5,000 you put in, you will be charged \$0.
Plus Management fees and costs ¹	1.22% pa of the Fund's net assets	And , for every \$50,000 you have in the Fund, you will be charged \$610 ² each year.
Plus Performance fees	0.00% pa of the Fund's net assets	And , you will be charged \$0 ² in performance fees each year.
Plus Transaction costs	1.04% pa of the Fund's net assets	And , you will be charged \$520 ² in transaction costs.
Equals Cost of Fund ³		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees and costs of: \$1,130² What it costs you will depend on the fund you choose and the fees you negotiate.

1 Management fees and costs are expressed as a percentage of the Fund's net assets. Management fees and costs are made up of a management fee of 1.10% pa, recoverable expenses of 0.03% pa and estimated other indirect costs of 0.09% pa. The sum of these figures may differ to the total management fees and costs, due to rounding.

2 These fees and costs do not include management fees and costs, performance fees and transaction costs charged on the additional \$5,000 investment.

3 This cost does not include any advice fees paid to your financial adviser.

Additional explanation of fees and costs

Management fees and costs

Management fees and costs are expressed as a percentage of the Fund's net assets, rounded to two decimal places. Management fees and costs are made up of a management fee, Fund expenses and estimated indirect costs.

Management fees and costs components

The management fees and costs shown in Table 1 comprise the following components. The sum of these figures may differ to the total management fees and costs, due to rounding. All figures in the table below are expressed as a percentage of the net assets of the Fund.

Management fee (% pa)	Indirect costs (% pa)	
	Recoverable expenses ¹	Estimated other indirect costs
1.10%	0.03%	0.09%

1 The recoverable expenses are the expenses reimbursed from the Fund in the financial year ended 30 June 2023. Past recoverable expenses reimbursed from the Fund may not be a reliable indicator of future recoverable expenses. See the 'Recoverable expenses' section for further information.

Management fee

The management fee is charged by the Responsible Entity for managing and operating the Fund. The management fee of 1.10% pa is charged on the value of the net assets of the Fund. This fee is reflected in the unit price.

Indirect costs

Indirect costs are generally any amount the Responsible Entity knows, or estimates, will reduce the Fund's returns, that are paid from the Fund's assets or the assets of interposed vehicles.

Generally, an interposed vehicle is a body, trust or partnership in which the Fund's assets are invested. It includes, for example, an underlying fund.

The amount of indirect costs include, but are not limited to:

- recoverable expenses of the Fund
- management fees and costs of an interposed vehicle (including recoverable expenses and any other indirect costs of underlying managers or interposed vehicles in which the Fund invests), and
- a reasonable estimate of costs of investing in over-the-counter derivatives (either at the Fund level or in interposed vehicles), which may be used by the Fund to gain economic exposure to assets (if applicable).

The amount of indirect costs shown in the 'Management fees and costs components' table is based on the Responsible Entity's knowledge of, or where required, reasonable estimate of, such costs. Indirect costs are generally calculated on the basis of indirect costs paid by the Fund in the Fund's previous financial year. As such, the actual indirect costs may differ from the amount shown in the 'Management fees and costs components' table. Indirect costs are deducted from the returns on your investment or from the Fund's assets as a whole. Estimated indirect costs are included in the management fees and costs in Table 1.

Recoverable expenses

In addition to its management fee, the Responsible Entity may also recover expenses relating to the operation of the Fund. These expenses include but are not limited to audit and legal fees, tax and accounting services, custody, administration and registry services, regulatory compliance, the cost of preparing disclosure documents and costs associated with a securities lending program (if applicable). Some internal expenses incurred in connection with these matters may also be recovered from the Fund. Recoverable expenses are included in the management fees and costs in Table 1.

Transaction fees payable to Dexus entities

The Fee Agreement between the Responsible Entity and Dexus Capital Group Holdings Pty Limited (ACN 655 220 670) provides for Dexus Capital Group Holdings Pty Limited to be paid an acquisition fee for direct property transactions. Dexus Capital Group Holdings Pty Limited is wholly owned by Dexus. The fee for an acquisition is 0.4% of the purchase price and the fee for a disposal is 0.5% of the gross sale proceeds. Both fees are only payable once the transactions are finalised and are not payable if the transaction is cancelled. These fees are included in the management fees and costs in Table 1.

Performance fees

The Responsible Entity currently does not charge a performance fee. In the future, we may appoint investment managers to manage the Fund's portfolio of listed property securities. These managers may be entitled to receive performance fees under the relevant investment management agreements based on the underlying manager's outperformance above their relevant benchmarks. If such performance fees were to become payable, they would be a cost to the Fund.

Underlying manager's performance fee example: If you invested \$50,000 in the Fund and 20% of the Fund's assets are managed by an underlying manager that has a performance fee of 25.65% and they outperform their performance benchmark index by 1% in a year, the indirect cost to you would be \$25.65. This estimate is inclusive of Goods and Services Tax (GST) less reduced input tax credits and is provided as an example only and is not a forecast. The actual performance fee may be higher, lower or not payable at all.

Updated fees and costs information

The fees and costs information based on the Responsible Entity's actual knowledge, or reasonable estimate, of the particular fee or cost. Estimates may be based on a number of factors, including (where relevant), previous financial year information, information provided by third parties or as a result of making reasonable enquiries, and typical costs of the relevant investment. As such, the actual fees and costs may differ and are subject to change from time to time. Updated information that is not materially adverse to investors will be updated online at www.dexus.com/dapfinvest, or you may obtain a paper copy or an electronic copy of any updated information from Investor Services, free of charge, on request. You should read the updated information before making a decision. However, if a change is considered materially adverse to investors, the Responsible Entity will issue a supplementary or replacement PDS, which will be available online. You can also obtain a copy of these documents free of charge, by contacting Investor Services.

Transaction costs

The Fund incurs transaction costs when dealing with the assets of the Fund. Transaction costs may include transactional brokerage, clearing costs, stamp duty, the buy and sell spreads of any underlying fund and the costs of (or transaction costs associated with) derivatives. These costs will differ according to the type of assets in the Fund, and will be paid out of the Fund's assets when incurred.

The Responsible Entity estimates the Fund's total gross transaction costs to be approximately 1.04% of the net assets of the Fund.

The transaction costs included in Table 1, if any, would be shown net of the buy-sell spreads incurred by investors.

Buy spread

Transaction costs associated with dealing with the Fund's assets may be recovered by the Fund from incoming investors.

Investments in the Fund may incur a buy spreads, which is designed to ensure, as far as practicable, that any transaction costs incurred as a result of an investor entering the Fund are borne by that investor, and not other investors.

The buy spread is calculated based on the actual or estimated costs the Fund may incur when buying assets. It will be influenced by our experience of the costs involved in trading these assets in different market conditions or the costs that the Fund has actually paid, and will be reviewed whenever necessary to ensure it remains appropriate.

When you enter the Fund, any buy spread applicable at that time is a cost to you and is reflected in the unit price. The buy spread is retained within the Fund, as an asset of the Fund; it is not a fee paid to the Responsible Entity or any investment manager.

The buy spread is taken out of application amounts.

Current buy spreads can be obtained online at www.dexus.com/dapf or by contacting the Responsible Entity.

As at the date of this PDS, no buy and sell spread applies, however in the future, the Fund may charge a buy/sell spread.

Other costs

Borrowing costs

Borrowing costs (or gearing costs) are the costs associated with borrowing money or securities (such as interest, establishment fees, government charges and stock borrowing fees). Borrowing costs are paid out of the Fund's assets or the underlying funds' assets (as the case may be) and reflected in the unit price.

Borrowing costs are not required to be included in the fees and costs noted in Table 1 above.

Costs related to certain specific assets or activities to produce income

The Fund may also incur costs (related to certain specific assets or activities to produce income) that an investor would incur if they invested directly in a similar portfolio of assets. These costs will be paid out of the Fund's assets and are additional to the fees and costs noted in Table 1 above.

Liabilities properly incurred

The Fund's constitution entitles the Responsible Entity to be indemnified from the Fund for any liability properly incurred in relation to the Fund.

Maximum fees

The maximum fees that can be charged under the Fund's constitution (exclusive of GST) are:

- **Contribution fee** – 8% of the application amount. Currently, no contribution fee is charged.
- **Deferred entry fee** – an instalment fee of 8% of the application amount and an early withdrawal fee of 8% only paid if you redeem from the Fund within 4 years. Currently, no deferred entry fee is charged.
- **Withdrawal fee** – 8% of the withdrawal amount. Currently, no withdrawal fee is charged.
- **Management fee** – 5 % per annum of the net asset value of the Fund. The current management fee charged is shown in Table 1.

Under the Fund's constitution, the Responsible Entity is entitled to be paid an additional amount on the above fees, on account of GST, calculated in accordance with the Fund's constitution.

Changes to fees and costs

The Responsible Entity may change the fees and costs noted in this PDS at its discretion and without the consent of investors, up to the maximum levels provided for in the Constitution. For example, fees may be increased where increased charges are incurred due to changes to legislation, where increased costs are incurred, if there are significant changes to economic conditions, or if third parties impose or increase processing charges. However, the Responsible Entity will give investors 30 days' written notice of any intention to increase the management fee or introduce performance fees or contribution or withdrawal fees.

Goods and Services Tax (GST)

Unless otherwise stated, the fees and other costs shown in this section are inclusive of GST, less reduced input tax credits or other input tax credits claimable, rounded to two decimal places. For information about the tax implications of investing in the Fund, refer to the 'Taxation' section of this PDS.

Differential fees

A rebate of part of the management fee or a lower management fee may be negotiated with investors who are wholesale clients for the purposes of the Corporations Act or with Dexus staff. Further information can be obtained by contacting the Responsible Entity.

Alternative forms of remuneration

The Responsible Entity may provide alternative forms of remuneration, such as professional development, sponsorship, and entertainment for financial advisers, dealer groups and master trust or investor directed portfolio service operators, where the law permits. Where such benefits are provided, they are payable by the Responsible Entity and are not an additional cost to you. The Responsible Entity maintains a register to record any material forms of alternative remuneration the Responsible Entity may pay or receive.

Payments to your financial adviser

Advice fees are only applicable to direct investors. Indirect investors should contact their financial adviser, master trust or platform operator about the availability of this arrangement.

Advice fees

You may agree with your financial adviser that advice fees will be paid for financial planning services your financial adviser provides for you. These advice fees are additional to the fees shown in Table 1, and are paid to your financial adviser, not to the Responsible Entity.

Advice fees may be in the form of an ongoing advice fee, as described below.

You and your financial adviser determine the amount of any advice fees and how they will be charged. This information must be noted on your application form when you make your initial investment and each time you make an additional investment.

Ongoing advice fee

This fee can be either a set percentage of your investment account balance or a set dollar amount.

If you elect to pay an ongoing advice fee, we will calculate the fee shortly before the payment will be made. The fee will be deducted from your investment account (by redeeming the appropriate number of units) and we will forward it to your financial adviser. Payments to your financial adviser will be made on or around the same date and in the same manner as any withdrawal amounts are paid from the Fund, as described in the 'Withdrawals' section of this PDS.

You can change the ongoing advice fee at any time by written agreement between you and your financial adviser, and you can cancel the ongoing advice fee at any time. You will need to notify us of any change or cancellation in writing, by mail. Any request for changes or cancellations will need to be provided at least three (3) Business Days prior to the end of the month for the change or cancellation to take effect that month.

Tax

Selling units to pay an ongoing advice fee may have Australian tax implications, although some investors who hold their units on capital account may be entitled to a capital gains tax (CGT) discount if they have held the units for more than 12 months.

Depending on your personal circumstances, you may also be entitled to claim advice fees as deductible expenses on your tax return. You should seek appropriate tax advice about the tax implications, if any, for you.

Other payments and benefits

Your financial adviser may receive payments and/or other benefits from the dealer group or organisation under which they operate. These payments and benefits are not a cost to the Fund.

Other payments

Payments such as online brokerage payments may be made to other parties in relation to your investment in the Fund, where the law permits. These costs are paid out of the management fees and costs; they are not an additional cost to you.

Taxation

Taxation treatment of your investment

It is important that you seek professional taxation advice before you invest or deal with your investment, as the Australian taxation system is complex, and the taxation treatment of your investment will be specific to your circumstances and to the nature of your investment.

This summary is of a general nature only, and does not take into account the specific circumstances of an investor. It has been prepared on the basis that an investor holds their investment on capital account for Australian income tax purposes. It is based on current Australian taxation laws, their interpretation by the Courts and the associated administrative practices of the Australian Taxation Office at the date of publication of this document.

Taxation laws and administrative practices change from time to time. Such changes may impact the taxation of the Fund and you as an investor. It is your responsibility to consider and monitor the impact of any taxation reforms impacting your investment.

Taxation of the Fund

The Fund is a Managed Investment Trust (**MIT**) and will be administered as an Attribution Managed Investment Trust (**AMIT**). Under the AMIT tax regime, you are taxed on the taxable income that is attributed to you by the Responsible Entity on a fair and reasonable basis and in accordance with the Fund's constitution. You may be entitled to tax offsets, which reduce the tax payable by you, and concessional rates of tax may apply to certain forms of taxable income such as capital gains.

Generally, tax should not be paid on behalf of investors. Australian resident investors would be required to include taxable income components attributed to them from the Fund in their assessable income. If you are not an Australian resident for income tax purposes, withholding tax may be payable on the taxable income of the Fund attributed to you. The prescribed rate of withholding will depend upon the components of the Fund's taxable income and the specific circumstances of the investor. Any withholding tax payable may be deducted from cash distributions or redemption proceeds, with any unrecovered withholding tax being a debt owing from you to the Fund.

The Responsible Entity of the Fund should not be subject to Australian tax, in circumstances where there is appropriate attribution of trust components and the non-arm's length income rules do not apply.

Please note that at the time of your initial or additional investment there may be unrealised capital gains or accrued income in the Fund. If later realised, these capital gains and income may form part of the taxable income attributed to you. In addition, there may be realised but undistributed capital gains or income in the Fund, which may form part of the taxable income attributed to you.

Any losses generated by the Fund cannot be passed onto investors. However, where specific requirements are satisfied, the Fund should be eligible to offset losses to reduce later year income or capital gains.

Disposal of units in the Fund - Australian resident investors

The disposal or redemption of units in the Fund is a taxable event for CGT purposes. You may realise a capital gain on disposal, having regards to the proceeds relative to the unit's cost base. Alternatively, you may instead realise a capital loss in respect of your investment, which may be used to reduce capital gains in the same or later years.

The cost base of your investment, which is relevant when calculating any such capital gains or losses, may change over the duration of holding your investment. The cost base of your interest in the Fund may increase or decrease if the taxable income attributed to you differs to the amounts that you have received as a cash distribution.

If an investor has held the unit for at least 12 months (excluding the acquisition and disposal dates), then the investor may be entitled to the CGT discount. If the CGT discount applies, the investor must offset available capital losses against the capital gains then multiply the result by the relevant discount percentage to calculate the amount of their capital gain.

Disposal of units in the Fund – non-resident investors

A non-Australian resident investor should not be subject to Australian income tax on any capital gains realised on the disposal or redemption of units in the Fund where those units are not taxable Australian property (e.g., taxable Australian property includes relevant interests in Australian real property).

If a non-Australian resident investor disposes of their interests in the Fund, the non-resident CGT withholding tax regime would also apply to the disposal. This would require the purchaser to withhold 12.5% of the purchase price at settlement (subject to an exception applying), and to pay it to the ATO. The amount withheld could be claimed by the vendor as a credit for the amount of tax withheld in their income tax return for the relevant tax period.

Non-Australian resident investors should seek their own taxation advice that takes into account their particular circumstances before making any investment or other decision in relation to the units in the Fund.

Administration as an AMIT

Each year we will send you an AMIT Member Annual Statement (**AMMA Statement**), which will contain details of the taxable income attributed to you for the year, together with any net cost base adjustment amount by which the cost base of your interest in the Fund should be increased or decreased.

Providing your Tax File Number (TFN)

You do not have to provide a TFN, exemption code or Australian Business Number (**'ABN'**) when you complete an application to invest or reinvest in the Fund. However, if you do not provide any of these, the Responsible Entity is required to deduct tax from most distributions, including where those distributions are reinvested, at the highest marginal tax rate (plus any applicable levies). Any such amount may be deducted from cash distributions or redemption proceeds, with any unrecovered amount being a debt owing from you to the Fund.

GST

GST applies at the rate of 10% to 'taxable supplies'. For GST purposes, the following should not attract GST for either the Responsible Entity or investors:

- the subscription for, issue and redemption of the units in the Fund; and
- the payment of distributions in relation to the units in the Fund.

An investor may not be entitled to claim any 'input tax credits', including 'reduced input tax credits', for GST that it pays on acquisitions that an investor makes in connection with their investment in the units in the Fund, such as, for example, the acquisition of third party services. The availability of credits will depend on whether the investor is registered for GST, and in connection with the enterprise that is registered, has acquired the service in the course of that enterprise, and whether the service qualifies for reduced input tax credits.

Stamp Duty

Each Australian State and Territory has their own rules which operate to impose stamp duty on the acquisition of units in a unit trust that directly or indirectly owns land assets (and, in some States, other assets) located in that State or Territory.

No duty will be payable on your acquisition and holding of units in the Fund, as long as you, together with your associated or related persons (see further discussion below), do not acquire an interest in the Fund which meets or exceeds the percentage threshold set by each State or Territory. The current percentage interest thresholds for each State and Territory are:

- New South Wales: 20%
- Victoria: 90% (on the basis that the Fund qualifies as a "public unit trust scheme" under the Victorian duties legislation);
- Queensland: 50% (while the Fund does qualify as a "public unit trust scheme" under the Queensland duties legislation, noting that if the Fund does not qualify, the acquisition threshold is 0%); and
- All other jurisdictions: 50%.

Whether or not the Fund qualifies as a wholesale unit trust scheme in New South Wales or as a public unit trust scheme in Victoria and Queensland depends on the number and identity of the Fund's investors from time to time, amongst other things.

In working out whether you have, or may, acquire an interest which meets or exceeds the specified percentage threshold, your interest in the Fund will be aggregated with the interest of all associated or related persons. The definition of associated or related person for the purposes of the stamp duty legislation in each State and Territory refers to a wide range of parties, including parties that acquire their interests in the Fund because they are acting in concerting or acquiring their interests under substantially one arrangement. The Responsible Entity does not propose monitoring unit holdings of investors to determine whether or not they may be associated or related persons.

You will be required to pay, and the Fund will not reimburse you for any stamp duty payable on your acquisition of an interest in the Fund.

You must take your own independent professional stamp duty advice with respect to your investment in the Fund to take into account your individual circumstances, including advice as to whether or not you may be considered to be associated with another investor in the Fund.

Distributions

The Fund aims to pay distributions quarterly, ending 31 March, 30 June, 30 September and 31 December.

You should be aware that although the Fund's objective is to pay distributions quarterly, the amount of each distribution may vary or no distribution may be payable in a distribution period.

Distributions will normally be made within one month after the end of a distribution period and must be made within 3 months. The amount distributed to each unitholder will be based on the number of units held by the unitholder at the end of the distribution period.

Unit prices will normally fall after the end of each distribution period. Consequently, if you invest just before the end of a distribution period, some of your capital may be returned to you as income in the form of a distribution.

Any distributions you receive may affect the social security benefits to which you are or may be entitled, and you should consider discussing this with your financial adviser, or Services Australia (Centrelink or the Department of Veterans' Affairs) before investing.

Distributions paid are based on the income earned by the Fund, and the number of units you hold at the end of the distribution period.

For example, if you held 50,000 units in the Fund, and the Fund paid a distribution of \$0.02 per unit for the distribution period, you would receive \$1,000 (that is, 50,000 units x \$0.02 per unit). Please note this is an example only and not a forecast, the distribution rate will vary for each distribution.

Payment of distributions

Direct investors

You can choose to have distributions:

- paid directly into your current nominated account, or
- reinvested in the Fund

by indicating your selection on your application form. If no selection is made, distributions will be reinvested.

If you have chosen to have your distributions reinvested and submit a withdrawal request this option may no longer be available to you.

Indirect investors

Distributions will be paid or reinvested in accordance with the instructions received from your financial adviser, master trust or platform operator.

If you have chosen to have your distributions reinvested and submit a withdrawal request this option may no longer be available to you.

Reinvestment

Under the Fund's constitution, the issue price for reinvested distributions is calculated as the net asset value (adjusted by any distribution payable), divided by the number of units on issue in the unit class as at the last day of the distribution period. However, no buy spread is applied to reinvested distributions (see 'Buy and sell spreads' in the 'Fees and other costs' section of this PDS).

All investors participating in the Distribution Reinvestment Plan ('DRP') will be awarded additional units in the Fund ('Units') to the value of 2% of the amount reinvested, with funding for those Units being provided by the Responsible Entity (in its personal capacity). The additional units will be issued at the time that each quarterly distribution is reinvested. The Responsible Entity (in its personal capacity) will pay the application price for the additional Units and apply for them on your behalf, but they will be issued to you in your name. The additional Units will appear on your quarterly statement as an application. If you wish to participate, please activate the DRP on the application form (new investors) or distribution election form (existing investors) and send it to us at least three days before the end of the calendar quarter. You can download a paper copy of the distribution election form at www.dexus.com/dapfinvest.

By completing either form, or continuing your existing election to participate in the DRP, you will have authorised the Responsible Entity to apply for the additional Units on your behalf and contribute the application price for them. The Responsible Entity may decide to withdraw this offer at any time and should this occur you will be provided with notice of the withdrawal at least one month prior to the last day of the relevant distribution period.

Investing in the Fund

Who can invest?

Applications to invest in the Fund through this PDS can only be made by:

- individuals and joint investors 18 years of age or over
- partnerships
- companies
- trusts, or
- superannuation funds.

Further information is provided in the 'Applying for an investment' section of this PDS.

Applications can be made by direct and indirect investors (see 'How to apply' under the 'Applying for an investment' section of this PDS).

Additional investments

Relevant fees and expenses will apply to all additional investments.

Direct investors

To make additional investments, send us an authorised email* or letter detailing your investor number, the additional amount you wish to invest, together with confirmation that the investment monies have been deposited into our account. Alternatively, you may use an additional deposit form which can be obtained by contacting Investor Services on 1300 374 029.

Each additional investment must be at least \$5,000. Additional units are issued on the terms and conditions set out in the PDS current at the time the application is processed.

As soon as it's reasonably practical, after each investment we will send you a statement setting out details of your investment and your balance. The relevant fees and expenses will apply to all additional investments.

Indirect investors

If you are an indirect investor and wish to make additional investments, please contact your financial adviser, master trust or platform operator.

*Please refer to "Communicating electronically" in the "Other important information" section of this PDS

Regular investment plan

A regular investment plan allows you to invest from \$500 per month into your investment from your nominated bank account. Regular investment plan amounts are deducted from your nominated bank account around the 20th of each month.

Your application form and direct debit request must be received by about the 15th of the month, for your regular investment plan to start around the 20th of that month. Similarly, if you want to make changes to your nominated bank account for direct debits, a new direct debit request must be received around the 15th of the month. If the new details are not received by this date the change may not occur until the following month.

Your regular investment plan may be cancelled if you fail to meet a direct debit request. Direct debits may be discontinued or suspended, at the Responsible Entity's discretion, under the direct debit system.

Processing applications

The Responsible Entity generally processes applications each Business Day¹ using the close of business issue price for that day.

Currently, if the Responsible Entity receives an application after 1.00pm or on a non-Business Day it will treat it as having been received before 1.00pm the next Business Day.

Issue price

The issue price is determined under the Fund's constitution by reference to the net asset value and transaction costs pertaining to the relevant class of units, and the number of units on issue in that unit class.

The net asset value of the Fund is normally determined at least each Business Day.

The Responsible Entity may exercise certain discretions in determining the unit price (see 'Unit Pricing Discretions Policy' in the 'Other important information' section of this PDS).

Cooling off rights

Direct investors

If you are a retail investor (as defined in the Corporations Act), you have a period of 14 days (the cooling off period) during which you can cancel your investment. To do this, you will need to contact us in writing. The 14 day period starts from the date you receive confirmation of your investment or five business days after we process your application, whichever occurs first. If you cancel your investment during this period, the amount repaid to you is adjusted in accordance with the Corporations Act to reflect any increase or decrease in the value of your investment, any tax or duties payable by the Responsible Entity, and administrative expenses and transaction costs associated with the acquisition and termination of your investment.

The right to cooling off terminates immediately if you exercise a right or power under the terms of the product, such as selling part of your investment or switching it to another product. For any subsequent contributions made under the terms of an existing agreement, or investments made under a switching facility or distribution reinvestment plan, the right to cooling off does not apply to these subsequent contributions.

Indirect investors

Cooling off rights do not apply under this PDS. Your financial adviser or platform operator can provide you with the conditions, if any, that apply to returning your investment within the cooling off period set by the platform operator.

¹ A Business Day is any day other than Saturday, Sunday or a bank or public holiday in Sydney, NSW.

The value of your investment

Unit prices can rise and fall on a daily basis depending on a number of factors, including the market value of the Fund's assets. Consequently, the value of your investment will vary from time to time.

Direct investors

The value of your investment at any point in time is calculated by multiplying the number of units you hold, by the unit price current at that time. Unit prices are updated regularly online at www.dexus.com/dapf and can also be obtained by contacting the Responsible Entity.

Indirect investors

When you invest through this PDS, the master trust or platform operator holds units in the Fund on your behalf. The value of your investment at any point in time is calculated by multiplying the number of units held for you, by the unit price set by the master trust or platform operator. Your financial adviser, master trust or platform operator can provide you with the current unit price relevant to your investment in the Fund.

Risk

The Fund is not capital guaranteed and the value of an investment in the Fund can rise and fall. You should consider the risks of investing before making a decision about investing in the Fund (see the 'Risks of investing' section of this PDS).

Terms and conditions of investing

The offer to invest in the Fund is subject to the terms and conditions described in the Fund's current PDS and as set out in the Fund's constitution (see the 'Other important information' section of this PDS). The Responsible Entity reserves the right to change the terms and conditions (see 'Changes to information in this PDS') and to refuse or reject an application.

We can only accept applications signed and submitted from within Australia or New Zealand. We cannot accept cash.

Retaining this PDS

You should keep this PDS and any replacement or supplementary PDS, as you may need to refer to information about the Fund for ongoing investing. A copy of the current PDS and any replacement or supplementary PDS can be obtained free of charge, on request by contacting Investor Services on 1300 374 029.

Changes to the information in a PDS

Before making an investment decision, it is important to read a current PDS, as information provided in this document may change from time to time. If changes are not materially adverse to investors, the relevant information will be updated online at www.dexus.com/dapfinvest. However, if a change is considered materially adverse to investors, the Responsible Entity will issue a replacement or supplementary PDS which will be available online. You can also obtain a copy of the replacement or supplementary PDS free of charge, by contacting Investor Services.

The Responsible Entity may change the Fund's investment return objective or investment approach, from time to time, if it considers it to be in the best interests of investors. If it does so, it will advise investors.

Questions about your investment

Direct investors

Please contact our Investor Services team on 1300 374 029 between 8.30am and 5.30pm Monday to Friday, Sydney time or alternatively via email at dexus@boardroomlimited.com.au if you have questions relating to your investment.

Indirect investors

You will need to contact your financial adviser, master trust or platform operator for information about your investment.

Accessing your money

Requesting a withdrawal

Direct investors

You can request a withdrawal for Class M units by completing a withdrawal form or sending to Investor Services an authorised email* (to dexus@boardroomlimited.com.au) or a letter (by post to GPO Box 3993, Sydney NSW 2001) detailing the name of the Fund, your investor number, the amount you wish to withdraw and where you would like us to send the proceeds. Withdrawal forms can be obtained online at www.dexus.com/dapfinvest or by contacting Investor Services.

If your investment is below our current minimum investment of \$10,000 and you wish to make a withdrawal, you may be asked to withdraw your entire investment.

The minimum investment balance required to keep the account open is \$5,000. The Responsible Entity reserves the right to accept lower balances.

When you make a withdrawal you dispose of units in the Fund, and this may have tax implications.

To cancel your withdrawal request, please contact us to obtain the relevant form.

* Please refer to "Communicating electronically" in the "Other important information" section of this PDS.

Indirect investors

Contact your financial adviser, master trust or platform operator for details about:

- how to withdraw money
- how your withdrawal will be paid, and
- the minimum withdrawal amount and account balance set by the master trust or platform operator.

Hardship

ASIC has granted the Responsible Entity the ability to pay withdrawal requests received from direct investors where it is established that they are suffering or likely to suffer hardship.

An indirect investor may request their master trust or platform operator to make a withdrawal request if it is established that they are suffering or likely to suffer hardship. Master trust or platform operators may deduct their fees and charges from the proceeds of any withdrawal requests.

The Responsible Entity can only process a hardship application if sufficient liquid assets will remain in the Fund for its day to day operation, and redemptions may only be satisfied in accordance with the Responsible Entity's powers in the Constitution.

The executor or administrator of a member's estate may make a withdrawal request if it is established that a beneficiary of the estate is suffering or likely to suffer hardship. The executor or administrator may deduct their fees and charges from the proceeds of any withdrawal requests.

Direct and indirect investors that qualify for hardship may be able to access some or all of their investment.

To make a withdrawal based on hardship, direct and indirect investors (a person) must meet one of the criteria prescribed by ASIC and there must be sufficient liquid assets available in the Fund. The categories where hardship relief may be permitted include:

- severe financial hardship
- compassionate grounds
- unemployment, or
- permanent incapacity.

The detailed criteria are included in the Hardship Application Form. You can download a paper copy of the Hardship Application Form at www.dexus.com/dapfinvest. The form also lists the documentation required to be submitted with a hardship request to support your claim. This includes signing a Statutory Declaration which is part of the Hardship Application Form. The Hardship Application Form should be sent to Investor Services via an authorised email (to dexus@boardroomlimited.com.au) or by post (to GPO Box 3993, Sydney NSW 2001).

The minimum withdrawal amount is \$1,000 (subject to change at our discretion). If a withdrawal request is received which would result in you holding less than the minimum account balance and your hardship withdrawal meets the ASIC criteria, we may redeem your entire investment.

The maximum withdrawal amount you can apply for through the hardship policy in any calendar year is the lesser of:

- the amount required as a result of the hardship; and
- \$100,000.

You can make up to four hardship applications in any calendar year.

Hardship payments will be assessed on a monthly basis and will not be subject to the payment time restrictions or other payment limits which apply to other withdrawal requests.

Indirect investors should contact their financial adviser, master trust or platform operator if they wish to make a withdrawal based on hardship.

*Please refer to 'Communicating electronically' in the 'Other important information' section of this PDS.

Legal Disability

The Responsible Entity may consider withdrawal requests received from a direct investor or their personal representative (as the case may be) where it is established that the direct investor has suffered a legal disability event.

An indirect investor (or their personal representative) may request their master trust, platform operator or feeder fund to make a withdrawal request if it is established that the relevant indirect investor has suffered a legal disability event. Master trust, platform operators or feeder funds may deduct their fees and charges from the proceeds of any withdrawal requests.

The Responsible Entity can only approve a legal disability withdrawal application if sufficient liquid assets will remain in the Fund for its day to day operation and to do so would otherwise not adversely affect the remaining unitholders. The Responsible Entity has adopted written protocols which set out the process that the

Responsible Entity follows when seeking to determine whether a legal disability withdrawal application would 'adversely affect' the remaining unitholders. The Responsible Entity currently considers that it would adversely affect the remaining unitholders to accept a legal disability withdrawal application if the withdrawal amount for that application would exceed \$500,000, or legal disability withdrawal applications cumulatively would exceed 0.5% of the Fund's net asset value for the preceding quarter (whichever is lower). The Responsible Entity will therefore reject any legal disability withdrawal application which exceeds these amounts.

The categories of legal disability include:

- death of a unitholder (or indirect investor);
- death of the last joint unitholder (or joint indirect investor);
- a unitholder (or indirect investor) becoming bankrupt;
- a unitholder (or indirect investor) becoming totally and permanently disabled;
- if a unitholder is the trustee of a self-managed superannuation fund, the death of the last member of a self managed super fund; and
- if the member is a corporation, the appointment of a liquidator for the purpose of winding up the corporations' affairs and distributing property, except upon a members' voluntary winding up of the corporation.

You can download a paper copy of the relevant legal disability withdrawal form at www.dexus.com/dwapfinvest. The form lists the documentation required to be submitted to support this withdrawal request. Completed forms with supporting documentation should be sent to Investor Services via an authorised email (to dexus@boardroomlimited.com.au) or by post (to GPO Box 3993, Sydney NSW 2001).

Applications to withdraw because of a legal disability event will be assessed on a monthly basis and will not be subject to the payment time restrictions or other payment limits which apply to other withdrawal requests.

The Responsible Entity generally aims to consider applications to withdraw because of a legal disability event which are submitted before the 15th of the month (or the next Business Day, if the 15th of the month falls on a day that is not a Business Day) within 10 Business Days after this time. If the Responsible Entity determines to accept a legal disability withdrawal request, units that are the subject of the request will be converted to a new class of unit. The Responsible Entity aims to process the redemption of the new class of unit and make the withdrawal payment within 30 Business Days after the relevant application is accepted by the Responsible Entity.

Indirect investors should contact their financial adviser, master trust or platform operator if they wish to make a withdrawal based on a Legal Disability Event.

*Please refer to 'Communicating electronically' in the 'Other important information' section of this PDS.

Processing withdrawal requests

The Responsible Entity aims to process withdrawal requests for Class M units following the applicable '**Specified Withdrawal Date**', which is the next date which is the 15th of a month falling after the withdrawal request is received by the Responsible Entity (or the

next Business Day, if the 15th of the month falls on a day that is not a Business Day). To be clear, confirmation of receipt of a withdrawal request does not constitute processing.

The Fund's constitution allows the Responsible Entity to pay withdrawal requests within a period of up to 12 months after receipt. If the Responsible Entity is unable to realise sufficient assets due to circumstances beyond its control, the withdrawal request may take longer than 12 months to be satisfied.

The Responsible Entity aims to pay processed withdrawal requests six to twelve months after receiving a withdrawal request. Currently, the Responsible Entity expects that payments will be made within 12 months of receiving a withdrawal request. The Responsible Entity may, from time to time, notify investors of the expected payment timeframe on the Fund's website.

Withdrawal requests received after 1.00pm Sydney time on any Specified Withdrawal Date will normally be deemed to be received on the next Specified Withdrawal Date.

Multiple withdrawal requests

More than one withdrawal request per investor may be accepted in relation to any Specified Withdrawal Date. Where more than one withdrawal request has been received from the same investor, each withdrawal request will be processed individually.

Amending withdrawal requests

You can amend your withdrawal request by notifying Investor Services in writing either by mail or email* or contacting Investor Services on 1300 374 029 at least five Business Days in advance of the Specified Withdrawal Date (any amendments received after this time will only be processed at our discretion).

If you are an indirect investor and wish to amend your withdrawal request, please contact your financial adviser, master trust or platform operator.

Cancelling withdrawal requests

You can cancel a withdrawal request by notifying Investor Services in writing either by mail or email* or contacting Investor Services on 1300 374 029 at least five Business Days in advance of the Specified Withdrawal Date (any cancellations received after this time will only be processed at our discretion).

You may request the Responsible Entity by written standing instruction to only process withdrawals up to a nominated amount and to cancel any withdrawals in excess of this amount. If a written standing instruction is provided by you, the Responsible Entity consents to administer any withdrawal request in accordance with such standing instruction and will treat any withdrawals in excess of the requested amount to be cancelled at your request.

If you are an indirect investor and wish to cancel your withdrawal request, please contact your financial adviser, master trust or platform operator.

* Please refer to "Communicating electronically" in the "Other important information" section of this PDS.

Withdrawal arrangements if the Fund is not liquid

The withdrawal arrangements outlined above in this section only apply while the Fund is liquid as defined under the Corporations Act. Where the Fund ceases to be liquid, withdrawals upon request are not permitted by law and investors will not be able to withdraw from the Fund unless and until the Responsible Entity chooses to make a withdrawal offer to investors.

As at the date of this PDS, the Fund is liquid under the current Corporations Act definition of 'liquid', that is, the Responsible Entity reasonably expects that it could sell at least 80% of the Fund's assets for market value within 12 months. See "Liquidity" in the "Risks of investing" section of this PDS.

The Responsible Entity reserves the right to terminate the Fund at any time and will do so if it considers it in the best interests of investors. If the Fund is terminated, any unpaid withdrawal requests will be cancelled.

Withdrawal price

The withdrawal price is determined under the Fund's constitution by reference to the net asset value and any transaction costs pertaining to the relevant class of units, and the number of units on issue in that unit class.

The net asset value of the Fund is normally determined at least each Business Day.

The Responsible Entity may exercise certain discretions in determining the unit price (see "Unit Pricing Discretions Policy" in the "Other important information" section of this PDS).

The unit price used to calculate your withdrawal value will be the price calculated on the last valuation date before we process the payment of your withdrawal request (or part of your withdrawal request), not the day you notify us of your intention to withdraw.

Payment times while the Fund is liquid

The Responsible Entity aims to pay processed withdrawal requests for Class M units within six to twelve months after receiving a withdrawal request. Currently, the Responsible Entity expects that payments will be made within 12 months of receiving a withdrawal request. The Responsible Entity may, from time to time, notify investors of the expected payment timeframe on the Fund's website.

In the event that the Fund's withdrawal payment times were to be changed, the change would take immediate effect and would apply to all outstanding withdrawals.

At all times, you should be aware that payment and processing of withdrawal requests is dependent on the availability of cash in the Fund. Where the amount of funds available for meeting withdrawal requests is not sufficient to fully meet all withdrawal requests relating to a Specified Withdrawal Date, the units requested to be withdrawn may be redeemed pro-rata with other redemptions requested in the same month, with the redemptions occurring in instalments over a period up to the permitted 12 months.

Outstanding withdrawals would be processed once sufficient cash is available, taking priority to withdrawal requests subsequently received by the Responsible Entity. Proceeds would be paid promptly following redemption of each instalment.

The Fund's constitution allows the Responsible Entity to pay withdrawal requests within a period of up to 12 months after receipt. If the Responsible Entity is unable to realise sufficient assets due to circumstances beyond its control, the withdrawal request may take longer than 12 months to be satisfied.

The Fund's liquidity position will be monitored. In the event that the Fund were to cease to be able to meet withdrawal requests in the anticipated timeframe in part or in full or if the Fund is declared illiquid, the Responsible Entity will, as soon as practicable, communicate how it plans to meet withdrawal requests in the future. This communication will include the steps to be taken over the next 12 months and the expected liquidity position during this time. This may involve raising equity from new investors, utilising existing cash, increasing the level of debt, withdrawing units in the Dexus Wholesale Australian Property Fund which may in turn require it to sell property securities, selling direct property or undertaking a combination of these measures. Quarterly updates would provide an update on the steps taken or proposed to be taken, the expected liquidity position and the anticipated timeframe to implement these steps.

Further information about withdrawals is contained in the "ASIC benchmarks and disclosure principles for the Dexus Australian Property Fund" document. This document should be read together with the current PDS for the Fund, and is available online at www.dexus.com/dapfinvest, or can be obtained free of charge, from the Responsible Entity, on request.

Transfer of units

Direct investors

Please contact the Responsible Entity for all transfer requests. The Responsible Entity may make additional transfer mechanisms or services available to investors from time to time, and will notify investors if it does so.

Indirect investors

You will need to contact your financial adviser, master trust or platform operator for information about the transfer of units.

Keeping you informed

Investment information

We will send direct investors the following information on behalf of the Responsible Entity:

- confirmation of each transaction
- an initial application statement
- a confirmation statement after each additional investment, excluding investments made through the regular investment plan
- a quarterly report showing transactions and the value of your investment, including any information about distributions which have been paid since the last report, and
- an annual tax statement to help you with your tax return.

Where you have provided us with your email address, we will send notices of meetings, other meeting-related documents and annual financial reports (each a "**Communication**") to you electronically unless you elect to receive these in physical form and notify us of this election.

You have the right to elect whether to receive some or all of these Communications in electronic or physical form and the right to elect not to receive annual financial reports at all. You also have the right to elect to receive a single specified Communication on an ad hoc basis, in an electronic or physical form.

Online access

Online access allows direct investors to view investment information and statements at any time. To register for online access, please contact the Responsible Entity.

Reporting

Direct investors

The Responsible Entity will provide direct investors with the following information free of charge, on request:

- the Fund's annual financial reports, and
- a paper copy of any updated information.

Indirect investors

Please ask your master trust or platform operator about their reporting policy.

Other important information

The Fund's constitution

The Fund's constitution provides the framework for the operation of the Fund and with the Fund's PDS, the Corporations Act and other relevant laws, sets out the relationship between the Responsible Entity and unitholders. The Responsible Entity will send you a copy of the Fund's constitution free of charge, on request.

Overview of the Fund's constitution

The following is an overview of the Fund's constitution.

Some of the provisions of the Fund's constitution are set out in the Fund's PDS and in this document. Further provisions relate to:

- the rights and liabilities of unitholders
- the times when processing of withdrawal requests can be extended, such as if the Fund is illiquid or it is unable to do so due to one or more circumstances outside its control (for example, restricted or suspended trading in the market for an asset)
- where taxes or other amounts can be deducted from payments to unitholders
- where transfers and applications may be refused
- the liability of the Responsible Entity to unitholders in relation to the Fund, which is limited to any liability imposed by the Corporations Act, so long as the Responsible Entity acts in good faith and without negligence
- the powers, rights and liabilities of the Responsible Entity, including its power to invest the assets of the Fund, to deal with itself and its associates, to be paid fees and to be reimbursed or indemnified out of the assets of the Fund
- the right of the Responsible Entity to be reimbursed by a unitholder for tax which is properly referable to the unitholder or to redeem units to satisfy such amounts, or deduct amounts owing to the Responsible Entity from the proceeds of redemption
- changing the Fund's constitution, including in some cases without unitholder approval, such as to meet regulatory changes
- the ability of the Responsible Entity to terminate the Fund at any time
- when the Responsible Entity can terminate the Fund or retire, and what happens if this occurs, and
- voting rights.

Although the Fund's constitution limits a unitholder's liability to the value of their units, superior courts have yet to determine the effectiveness of provisions like this.

The Fund's constitution details the rights of unitholders in relation to their investment in the Fund. If an indirect investor is investing in the Fund via a master trust or platform operator, only the master trust or platform operator may exercise the rights set out in the Fund's constitution as the unitholder in the Fund.

Compliance plan

The Responsible Entity has a compliance plan for the Fund, which sets out the measures that will apply in operating the Fund to ensure compliance with the Corporations Act and the Fund's constitution. The compliance plan is lodged with ASIC and is audited by independent auditors annually to determine compliance with it.

Unit classes

The Fund's constitution provides for multiple unit classes. Under the Fund's constitution, the Responsible Entity has the discretion to introduce new classes of units from time to time.

Under the Fund's constitution, different unit classes may have different rights, obligations and restrictions, including different management fees and costs and expenses. Each unit gives a unitholder an equal and undivided interest in the Fund. However, a unit does not confer any interest in any particular asset of the Fund and does not entitle the unitholder to have any of the assets of the Fund transferred to the unitholder or to interfere with any of the Responsible Entity's rights or powers.

The rights attaching to those units may be different to the rights attaching to Class M units. The rights of any further unit classes will not adversely affect the rights of Class M units.

As at the date of this PDS, one other class of units in the Fund is on issue (Class N). The redemption rights applicable in relation to Class N units are different from the redemption rights applicable in relation to Class M units. The terms applicable to Class N units (including withdrawal rights), are contained in the PDS, available by contacting us. A copy of that PDS may be obtained from the Responsible Entity on request at no charge.

Unitholder meetings

The Responsible Entity may at any time convene a meeting of unitholders of the Fund. Subject to the requirements of the Corporations Act, the Responsible Entity will also convene a meeting if requested in writing to do so by unitholders with at least 5% of the votes that may be cast on the resolution, or at least 100 unitholders who are entitled to vote on resolutions. If a meeting is to be held, a notice setting out relevant information about the meeting will be sent to unitholders. Unitholders may vote at the meeting unless prohibited under the Fund's constitution or under the Corporations Act.

Related party transactions

Any transaction between the Responsible Entity and any of its related parties must comply with related party protocols and Dexu policies and procedures.

As at the date of this document, the relevant policies and procedures that apply to related party transactions of us or the Responsible Entity are contained in the Dexu Conflicts of Interest and Related Party Transactions Policy. Under this Policy, the parties must ensure that transactions are entered into on an arm's length basis and on commercial terms or, if required, relevant approvals are obtained. The Policy will be reviewed on a regular basis and may change from time to time.

Under the Fund's constitution, the Responsible Entity may:

- deal with itself, an associate, investor or any other person
- be interested in and receive a benefit under any contract or transaction with itself, an associate, investor or any other person, or
- act in the same or similar capacity in relation to any other fund.

Continuous disclosure obligations

Where the Fund has more than 100 unitholders who are retail clients it is subject to regular reporting and disclosure obligations under the Corporations Act. Copies of documents lodged with ASIC in relation to the Fund may be obtained from, or inspected at, an ASIC office or can be obtained free of charge by contacting the Responsible Entity. These documents may include:

- the Fund's annual financial report most recently lodged with ASIC;
- the Fund's half year financial report lodged with ASIC (after the lodgement of the annual financial report and before the date of the current PDS); or
- any continuous disclosure notices given after the lodgement of the annual report and before the date of this PDS.

Where the Fund has continuous disclosure obligations, the Responsible Entity will meet those obligations by publishing material information online at www.dexus.com/dapfinvest.

Complaints procedure

Direct investors

The Responsible Entity follows an established procedure to deal with complaints. Complaints are very important to us and we are committed to resolving them as quickly as possible. Depending on the type of complaint lodged, different timeframes apply for the resolution of the complaint. You can find out more information regarding timeframes by reading our Financial Services Complaint Management Policy, on the Dexus website at <https://www.dexus.com/complaints-management>.

If you have any concerns relating to your investment in the Fund, please contact Investor Services by telephone on 1300 374 029 or in writing to Dexus Australian Property Fund, C/- GPO Box 3993, Sydney NSW 2001.

If the matter is not resolved to your satisfaction, you can refer your complaint to the Australian Financial Complaints Authority (AFCA). AFCA is an independent body that provides a free complaint resolution service for complaints made to financial firms. The contact details for AFCA are, by telephone on 1800 931 678, in writing to GPO Box 3, Melbourne Victoria 3001 or by email on info@afca.org.au, in each case free of charge. Further information can be obtained on the AFCA website www.afca.org.au. There may be a time limit for referring your complaint to AFCA. You should contact AFCA for more details.

If the complaint is privacy related, please refer to the Dexus Privacy Policy for more details, which can be obtained online at www.dexus.com/privacy-policy.

Indirect investors

You should contact your financial adviser or platform operator if you have a complaint related to your investment in the Fund. If your issue remains unresolved, you can contact the external dispute resolution scheme of which the platform operator is a member.

Your privacy

Direct investors

The main purpose in collecting personal information is so that we can set up and administer your investment account. If you do not provide the required information, we may not be able to process your application. If you would like us to not use your personal information for direct marketing purposes, please contact us or use the opt out functionality in our communications.

The Dexus Privacy Policy, which can be obtained online at www.dexus.com/privacy-policy or by contacting us, sets out our policies on management of personal information. Your personal information may be disclosed to other members of the Dexus Group, Financial Advisers (where we have your consent to do so), to external service providers (some of which may be located outside of Australia) who provide administrative, financial and other relevant business services (including ID verification) that assist us in your application and providing ongoing services to you.

We will also disclose your personal information where required by law to do so and can also provide this information to any other party you have authorised us to do so.

You can access or correct personal information we hold about you by contacting our Privacy Officer on privacy@dexus.com or our Investor Services on 1300 374 029.

For information on how to make a privacy complaint please refer to the Dexus Privacy Policy.

Indirect investors

Your financial adviser or platform operator will collect personal information from you so that they can set up and administer your investment account. Your financial adviser or platform operator can provide you with information about how they use and disclose this information.

Communicating electronically

When you communicate with the Responsible Entity or Investor Services electronically (for example, by email), it is your responsibility to obtain confirmation from them that they have received your communication. The Responsible Entity is not responsible for any loss or processing delay that occurs as a result of it or Investor Services as its agent not receiving your communication. Please note that the Responsible Entity does not accept a sender's record as evidence that a communication has been received.

Unit Pricing Discretions Policy

The Responsible Entity may exercise certain discretions in determining the unit price of units on application and withdrawal in the Fund. The Unit Pricing Discretions Policy, a copy of which can be obtained, free of charge, by contacting the Responsible Entity, sets out the types of discretions that the Responsible Entity may exercise and in what circumstances the Responsible Entity exercises the discretions and the reasons why it considers the policies are reasonable.

Asset Valuation Policy

Assets in which the Fund invests are held directly by the Fund or through underlying funds in which the Fund invests. Generally, assets that are cash or listed securities are valued at least each Business Day using market prices or otherwise in accordance with our Asset Valuation Policy. Our Asset Valuation Policy sets out the processes for valuing assets that are not exchange-traded including as follows:

- **direct property** valuations are generally determined by independent property valuers every quarter (unless the property is being marketed for sale, is under development or is co-owned or has been purchased recently), or more frequently if deemed appropriate
- **units in unlisted funds** are generally valued at the most recent unit price supplied by the manager of the relevant fund, and
- **investments in underlying funds** are generally valued by an independent administrator.

For further information on our Asset Valuation Policy, please go to www.dexus.com/dapfpolicies or a copy can be obtained, free of charge, by contacting the Responsible Entity.

Anti-money laundering (AML), counter-terrorism financing (CTF), Sanctions Law (sanctions), United States Foreign Account Tax Compliance (FATCA) and Common Reporting Standards (CRS) obligations

When you apply to invest, the Responsible Entity relies on you to comply at all times with all applicable AML/CTF, sanctions and FATCA/CRS obligations. You need to notify the Responsible Entity immediately if you are aware of, or suspect that, any monies used to fund your investment have been or will be derived from, or are related to, any money laundering, terrorism financing or similar activities that would be illegal under applicable laws or regulations or otherwise prohibited under any international convention or agreement ('illegal activities'), or the proceeds of your investment will be used to finance any illegal activities or sanctioned activities. The Responsible Entity may ask you, your agent, or your nominated representative to provide it with additional information and assistance to ensure the Responsible Entity is also able to comply with all applicable AML/CTF, sanctions and FATCA/CRS obligations.

Importantly, the Responsible Entity will need to be immediately notified by you, if you are, or become:

- a 'politically exposed' person or organisation for the purposes of any AML/CTF Law

- a 'proscribed person or entity' for the purposes of any sanctions, or
- commonly known by a name other than the name provided in the form you completed at the time of applying for an investment.

The Responsible Entity relies on you to notify it as soon as possible of any changes to your name or business name, address (residential or business), occupation or core business activity, or ownership including any beneficial owner changes or controlling person changes.

To ensure the Responsible Entity is also able to comply with all applicable AML/CTF, sanctions and FATCA/CRS obligations, it may:

- decide to delay or refuse any request or transaction, including by suspending the issue or redemption of units, if it is concerned that the request or transaction may breach any obligation of, or cause the Responsible Entity to commit or participate in an offence under, any AML/CTF, sanctions and FATCA/CRS obligations, and it will incur no liability to you if it does so
- request further information from you, your agent or your nominated representative which it reasonably believes is necessary for the Responsible Entity to comply with AML/CTF, sanctions and FATCA/CRS obligations. Failing to provide the Responsible Entity with this information in a reasonable time may result in restrictions on your account (including closure) in regard to any investment you have with the Responsible Entity
- take other action it reasonably believes is necessary to comply with AML/CTF, sanctions and FATCA/CRS obligations, including disclosing any information held about you to any of its related bodies corporate or service providers whether in Australia or outside Australia, or to any relevant Australian or foreign regulator, and
- collect additional information about you from time to time, from you, your agent or your nominated representative or from other third parties, for the purposes of satisfying AML/CTF and sanctions and FATCA/CRS obligations, and that any such information may be used and disclosed as described in the Dexus Privacy Policy which can be obtained online at www.dexus.com/privacy-policy or by contacting the Responsible Entity.

Indirect investors

The above information is mainly relevant to platform operators and direct investors. For indirect investors, your financial adviser or platform operator will be able to provide you with information about how AML, CTF, sanctions, FATCA and CRS may affect you in relation to your investment.

Warning statement for New Zealand investors

This offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act 2001 (Aust) and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.

This offer and the content of the PDS are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act 2001 (Aust) and the regulations made under that Act set out how the offer must be made.

There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime.

The rights, remedies, and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies, and compensation arrangements for New Zealand financial products.

Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to this offer. If you need to make a complaint about this offer, please contact the Financial Markets Authority, New Zealand (www.fma.govt.nz). The Australian and New Zealand regulators will work together to settle your complaint.

The taxation treatment of Australian financial products is not the same as for New Zealand financial products, and if you are uncertain about whether this investment is appropriate for you, you should seek the advice of a financial advice provider.

Currency exchange risk

The offer may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.

If you expect the financial products to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

Trading on financial product market

If the financial products are able to be traded on a financial product market and you wish to trade the financial products through that market, you will have to make arrangements for a participant in that market to sell the financial products on your behalf. If the financial product market does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the financial products and trading may differ from financial product markets that operate in New Zealand.

Dispute resolution process

The dispute resolution process described in this PDS is available only in Australia and is not available in New Zealand.

Applying for an investment

How to apply

Direct investors

- Apply easily online - www.dexus.com/dapinvest, or
- Download a paper copy of the application form at www.dexus.com/dapinvest.

Your application will only be processed on receipt of both the completed application form and your initial investment amount.

All investments are made on the basis of the PDS current at the time of contributing your investment amount. You can obtain a current PDS online at www.dexus.com/dapinvest or by contacting Investor Services.

Indirect investors

Your financial adviser, master trust or platform operator will provide you with information about how to apply, including the form you will need to complete, minimum initial and additional investment amounts, and the method of paying your investment amount.

All investments are made on the basis of the PDS current at the time of contributing your investment amount. You can obtain a current PDS from your financial adviser, master trust or platform operator.

Minimum investment amounts

- Initial investment – \$10,000
- Additional investment – \$5,000

The Responsible Entity reserves the right to accept lower investment amounts.

Completing the application form

The application form should only be completed and signed by:

- the person who is, or will become, the unitholder
- an authorised signatory if the application is on behalf of a company, trust or superannuation fund, or
- an agent for the investor, acting under power of attorney or as a legal or nominated representative.

Submitting your application

Application forms can be completed online at www.dexus.com/dapinvest, or mailed to:

Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001

Please include all required identification documentation when submitting your application.

Contacting Dexus

Direct investors

For information about investing with Dexus, please contact Investor Services.

Indirect investors

Contact your financial adviser, master trust or platform operator.

Responsible Entity

Dexus Capital Funds Management Limited
Quay Quarter Tower

Level 30

50 Bridge Street

SYDNEY NSW 2000

E: investorservices@dexus.com

W: www.dexus.com/dapf

Investor Services and Unit Registry

Boardroom Pty Limited

GPO Box 3993

Sydney NSW 2001

T: (in Australia) 1300 374 029

T: (International) +61 2 9290 9600

E: dexus@boardroomlimited.com.au

W: boardroomlimited.com.au

