



## Withdrawal Offer #3 for AXA's direct property funds

As part of the work to bring AXA and AMP together, we are continuing to explore opportunities for the future of the Wholesale Australian Property Fund (WAPF) and Australian Property Fund (APF).

Since the funds were closed to additional investments and redemptions in 2008, we have made two Withdrawal Offers available to clients. We are now in a position to offer another limited opportunity for investors who wish to redeem some or all of their investment.

### Withdrawal Offer #3

Withdrawal Offer #3 will open on 19 September 2011 and close at 5.00 pm on 24 October 2011.

Current liquidity held in the funds enables us to make 5 per cent (\$40.0m for WAPF and \$2.9m for APF) available as part of this offer. As APF invests predominantly in WAPF, the exact amount available to clients will depend on the amount APF receives from the WAPF Withdrawal Offer. If APF receives an amount greater than 5 per cent, the amount made available may be increased up to a maximum of 10 per cent.

If the total amount requested by all unit holders exceeds the amount of available cash, then each withdrawal request will be reduced on a pro rata basis, subject to the following minimum payment amounts (or the entire account balance for balances below these amounts):

- \$1,500 for WAPF unit holders
- \$750 for APF unit holders.

### How do my clients take advantage of Withdrawal Offer #3?

We will send a letter to investors on 15 September 2011 with information on the Withdrawal Offer and a Withdrawal Offer form. A copy of this letter and withdrawal form is attached to this Bulletin.

To take part in this Withdrawal Offer, the investor simply needs to complete the Withdrawal Offer form and return it to us by 5.00 pm on 24 October 2011. Within 21 days of the offer closing, we will pay the Withdrawal Offer proceeds into the financial institution account that the nominates.

### Fund update

The funds continue to offer investors exposure to a portfolio of quality direct properties. The properties held in the portfolios are professionally managed and strongly tenanted, with a high occupancy rate of 96 per cent<sup>1</sup> and an average lease expiry of 4.8 years<sup>2</sup>. They have no gearing and have continued to pay a stable income stream throughout the ups and downs of investment markets over the past few years.

We will continue to actively manage the funds and their assets in the best interests of unit holders. In line with our liquidity strategy, we will also continue to explore further opportunities to sell several non-core, readily marketable properties to facilitate future Withdrawal Offers for those unit holders who need access to capital.

### Keeping you informed

We will continue to provide up-to-date information about the funds, including monthly performance updates and information on future Withdrawal Offers, to ensure that you and your clients are well informed of any fund changes or new developments.

### More information

If you would like more information please contact your AXA Relationship Manager or email [axaresearch@axa.com.au](mailto:axaresearch@axa.com.au).

<sup>1</sup> At 30 June 2011

<sup>2</sup> At 30 June 2011





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Dear Client

### **Wholesale Australian Property Fund - Withdrawal Offer #3 is now open**

As an investor in AXA's Wholesale Australian Property Fund (WAPF or the Fund) we\* are writing to provide you with an update on the Fund and information on Withdrawal Offer #3.

Before we provide further details of this new Withdrawal Offer, we want to first update you on Withdrawal Offer #2 which closed in April 2011. Payment details for Withdrawal Offer #2 are provided below. As the total value of requests exceeded the amount available, unit holders received a pro rata percentage of their requested amount, except for amounts of \$1,500 or less which were paid in full.

<b>Fund</b>	<b>Total payment amount</b>	<b>Pro-rata % paid**</b>
WAPF	\$41.4m	8.57%

### **Withdrawal Offer #3 dates**

Withdrawal Offer #3 for unit holders in WAPF is open from 19 September 2011 and closes at 5.00pm, on 24 October 2011.

### **How much can I withdraw?**

We are making 5 per cent of the Fund available for withdrawal (\$40m). You may elect to submit a withdrawal request for some or all of the units you hold in the Fund. As the offer is funded by available cash, the amount you receive will depend on the available cash and the total value of all unit holder requests for the offer.

If the total amount requested by all unit holders exceeds the amount of available cash, then each withdrawal request will be reduced on a pro rata basis, subject to a minimum payment of \$1,500 or your entire account balance for balances below \$1,500. If you have requested less than \$1,500, you will receive your requested amount in full.

### **How do I take advantage of the Withdrawal Offer?**

If you would like to take advantage of this Withdrawal Offer, simply complete the attached form and return it to us in the reply-paid envelope provided. We need to receive your completed form by 5.00 pm, 24 October 2011.

We will pay your Withdrawal Offer proceeds into your nominated financial institution account within 21 days of the offer closing.

### **Future Withdrawal Offers**

At this stage, we do not have a timeframe for future Withdrawal Offers. We will continue to keep you updated via our website regarding the Fund and the availability of future Withdrawal Offers. Go to [axa.com.au](http://axa.com.au) > **investments** > **changes to AXA's property and mortgage funds**.

### **Fund update**

The Fund continues to offer exposure to a portfolio of quality direct properties. The properties held in the portfolio are professionally managed and strongly tenanted, with a high occupancy rate of 96 per cent and an average lease expiry of 4.8 years as at 30 June 2011. It has no gearing and has continued to pay a stable income stream throughout the ups and downs of investment markets over the past few years.

While the Fund remains closed, we will continue to actively manage the Fund and its assets in the best interests of all unit holders. In line with our liquidity strategy, we will also continue to explore further opportunities to sell several non-core, readily marketable properties held by the Fund to facilitate future Withdrawal Offers. Importantly, quarterly income payments continue to be paid and remain stable and competitive relative to other investment yields available.

**Your questions answered**

The enclosed question and answers document has been developed to provide more information to help you make an informed decision.

If you have any further questions, please contact your financial adviser or our Customer Service Centre on 1800 780 035.

Yours sincerely

**Craig Dainton**

General Manager

Wealth Management Operations

\* National Mutual Funds Management Ltd AFSL 234652 (referred to as 'AXA' or 'we') is the Responsible Entity of the Wholesale Australian Property Fund ARSN 088 996 392 and the Australian Property Fund ARSN 096 853 619

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Responsible Entity: National Mutual Funds Management Ltd

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# AXA's Wholesale Australian Property Fund

## Withdrawal Offer – Frequently asked questions

### Q1. How much can I withdraw?

A1. We are making 5 per cent of the Fund available for withdrawal (\$40m). You may elect to submit a withdrawal request for some or all of the units you hold in the Fund.

### Q2. How much will I receive?

A2. As the offer is funded by available cash the amount you receive will depend on this and the total value of all unit holder requests. As a result, the amount you receive may be less than the amount you request.

If the total value of requests exceeds the amount available, unit holders will receive a percentage of their requested amount, which will be calculated according to the following scale-back formula:

*% of request paid = total cash available from Fund / total value of unit holder requests received.*

Example:

If the total value of all Withdrawal Offer requests is \$500,000 and the amount of cash available in the Fund to satisfy requests is \$250,000, the percentage each unit holder will receive of their request is:

$\$250,000 / \$500,000 = 50\%$

Under this scenario if you have requested \$20,000, then you will receive \$10,000.

Additionally, a minimum payment amount of up to \$1,500 or your entire account balance (for balances below the minimum payment amount) will be available to ensure that investors have certainty of the minimum they will receive. If you request less than the minimum payment amount, you receive your requested amount in full.

### Q3. How do I take up the Withdrawal Offer?

A3. You must complete and sign the attached Withdrawal Offer form to take up the offer and return it to us in the reply-paid envelope provided. If you do not use the attached form, we will not be able to process your request.

The form must be returned by 5.00 pm on 24 October 2011 to:

AXA Unit Trust Withdrawal Offer  
Reply Paid 85853  
LAVERTON VIC 3028

Alternatively, you can fax your form to us on (03) 8688 5789.

You must return the Withdrawal Offer forms to us by no later than 5.00 pm on 24 October 2011. If we receive a Withdrawal Offer form after this time we are not obliged to process the form.

We will only process one withdrawal request from each investment. If you send multiple Withdrawal Offer forms for the offer we will process the latest valid form we receive.

### Q4. I don't know what my balance is. How many units should I request to withdraw?

A4. You may request to withdraw any amount. Please refer to the attached form where we have noted your balance.

If the amount you have requested exceeds your balance, we will process your request for the balance of units held.

**Q5. Can I modify or cancel a request I have made?**

A5. Yes. Any amendments or cancellations must be in writing and received by AXA no later than 5.00 pm on the closing date – 24 October 2011.

To amend your request, please complete and submit a new Withdrawal Offer form, available from [axa.com.au/investment>Changes to AXA's property and mortgage funds](http://axa.com.au/investment>Changes to AXA's property and mortgage funds), or by calling 1800 780 035. This will replace the Withdrawal Offer form you previously submitted.

**Q6. When will I be paid my Withdrawal Offer proceeds?**

A6. Withdrawal Offer payments will be paid within 21 days of the offer closing.

Please note that you may continue to receive regular income distributions before, during and after these Withdrawal Offers. These payments are processed separately from any Withdrawal Offer amounts paid

**Q7. How will the withdrawal price be calculated?**

A7. Please refer to [axa.com.au/investment>Changes to AXA's property and mortgage funds](http://axa.com.au/investment>Changes to AXA's property and mortgage funds) for further information on how the withdrawal price will be applied.

**Q8. What impact will the Withdrawal Offer have on my income distributions?**

A8. For the quarter ending 30 September 2011, you will receive income distributions in respect of all units you hold as at the date of this letter. These payments are separate from any Withdrawal Offer amounts.

If you accept the Withdrawal Offer and request to withdraw a portion of your investment, you should note that your future income distributions will be proportionately reduced.

**Q9. If there are two account holders, do both account holders need to sign the Withdrawal Offer form?**

A9. Yes, both account holders need to sign the Withdrawal Offer form for it to be processed.

\* National Mutual Funds Management Ltd AFSL 234652 (referred to as 'AXA' or 'we') is the Responsible Entity of the Wholesale Australian Property Fund ARSN 088 996 392 and the Australian Property Fund ARSN 096 853 619.

**Important information**

This information has been prepared to provide you with general information only. It is not intended to take the place of professional advice and you should not take action on specific issues in reliance on this information. In preparing this information, we did not take into account the investment objectives, financial situation or particular needs of any particular person. Before making an investment decision, you need to consider (with or without the assistance of an adviser) whether this information is appropriate to your needs, objectives and circumstances. You should obtain a copy of the relevant Product Disclosure Statement (PDS) before making a decision to invest in any financial product. The National Mutual Life Association of Australasia Limited and its associates derive income from issuing interests in the products, full details of which are contained in the PDSs. Unless specifically stated, the repayment of capital or performance of our products is not guaranteed. This information is provided for persons in Australia only and is not provided for the use of any person who is in any other country. Past performance is not necessarily indicative of future performance.

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