

Premium Income Fund

NSX Release: 20 December 2012



Payment received from Joint Venture – Peppertree at Trinder Avenue, Maroochydore, Queensland

Wellington Capital Limited as responsible entity of the Premium Income Fund is pleased to announce that the Fund has received payment from the joint venture at the Peppertree development on Trinder Avenue in Maroochydore, Queensland for the sale of 8 lots.

Following the sale of 8 lots at Peppertree, the Fund has received \$40,000 per lot. This amounts to a return to the Fund of \$320,000.

The property, located at Maroochydore on the Sunshine Coast in Queensland, is a residential development site that originally was security for one of the Fund's mortgage loans.

The property was sold 'as is' to a purchaser who has undertaken the development in accordance with the existing development application. The arrangement saw the purchaser pay \$100,000 on completion and have the obligation to source and provide all capital required to undertake the development of the land into 30 residential lots.

The capital required to undertake the development is then repaid from the sales proceeds.

The developer receives \$40,000 per lot and the Fund receives \$40,000 per lot. The balance net proceeds are then apportioned 50% to the Fund and 50% to the developer.

This arrangement ensures that Fund enjoys some of the economic benefits of the land being developed and sold, whilst having the developer procure and be responsible for funding, delivery and sale.

For further information please contact:

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