

5 August 2016

The Manager
Company Announcements
Australian Stock Exchange Limited
20 Bridge Street
Sydney NSW 2000

**RNY Property Trust (ASX:RNY) Reports Half-Year Results for
the Period Ended 30 June 2016**

Distributable Earnings of A\$1.695 million on Net Loss of A\$19.194 million

RNY Australia Management Limited (RAML) as responsible entity of RNY Property Trust (the Trust) reported a net loss after tax of A\$19.194 million or A\$0.0729 per unit for the period ended 30 June 2016. Adjusting for the impact from certain non-cash items including property fair value adjustments, the Trust reported adjusted net loss after tax⁽¹⁾ of A\$545 thousand, or A\$0.0021 per unit and distributable earnings of A\$1.695 million, or A\$0.0064 per unit.

Highlights & Summary Portfolio Performance

- Closed on the sale of 200 Broadhollow Road on 30 June 2016 for US\$9.15 million, a 4.7% discount to the 31 December 2015 book value;
- Executed contract to sell 300 Motor Parkway for US\$5.07 million, a 5.7% premium to the 31 December 2015 book value
- Reported leasing activity of 222,055 square feet on 29 transactions (7.69% of the total square feet in the portfolio);
- Achieved a renewal rate of 91.1% for the period ended 30 June 2016⁽²⁾;
- Occupancy at period end of 74.8%, compared to 31 December 2015 and 30 June 2015 at 74.4% and 74.9%, respectively⁽²⁾;
- Year-over-year same property NOI decreased 0.4%;
- The Trust's share of the decrease in the valuation of the portfolio over the past 6 months is US\$12.1 million:

Revaluation Summary: (all amounts are in US\$000's)

Region	30-Jun	31-Dec	Change from 31 December 2015		30-Jun	Change from 30 June 2015	
	2016	2015	US\$	%	2015	US\$	%
Total Long Island	69,694	74,288	(4,594)	(6.2%)	99,000	(29,306)	(29.6%)
Total New Jersey	45,675	48,900	(3,225)	(6.6%)	55,200	(9,525)	(17.3%)
Total Westchester	76,500	79,050	(2,550)	(3.2%)	84,225	(7,725)	(9.2%)
Total Connecticut	51,563	53,250	(1,687)	(3.2%)	58,725	(7,162)	(12.2%)
Total Portfolio	243,432	255,488	(12,056)	(4.7%)	297,150	(53,718)	(18.1%)

Note: Represents RNY's 75% interest. Prior periods have been adjusted to exclude 200 Broadhollow Road sold on 30 June 2016.

As a result of the above, the average per square foot value of the portfolio was US\$112 with an average terminal cap rate of 7.95% used to value the portfolio.

The Trust continues to suspend distributions to unitholders in order to maintain a stronger capital position, increase liquidity, and reduce debt.

The Trust is managed by RAML, an Australian licensed responsible entity which is an affiliate of RXR. Other affiliates of RXR serve as property manager, leasing agent, asset manager, and construction manager and provide other services to the properties in the Trust portfolio. RXR is one of the New York Tri-State area's leading real estate operating and investment companies, specializing in the acquisition, leasing, financing, property and asset management, design and development, and construction of commercial properties.

Notes:

- (1) Adjusted Trust NPAT (A-NPAT) is a non-IFRS figure that, in the opinion of the Board of Directors, provides a more appropriate representation of the operating performance of the underlying portfolio. For a detailed reconciliation between the net loss after tax and A-NPAT, please see slide 3 of the RNY Investor Presentation filed with the ASX on 5 August 2016 (such document may be viewed at www.rnypt.com.au or www.asx.com.au).
- (2) Excludes 200 Broadhollow Road, which was sold on 30 June 2016.

Certain statement herein relate to the Trust's future performance ("forward looking statements"). Although RAML believes such statements are based on reasonable assumptions, forward-looking statements are not guarantees of results and no assurance can be given that the expected results will be delivered. Such forward-looking statements are subject to certain risks, trends and uncertainties that could cause actual results to differ materially from those expected. Among those risks, trends and uncertainties are the general economic climate, including the conditions affecting industries in which principal tenants compete; financial condition of tenants; changes in the supply of and demand for office properties in the New York Tri-State area; changes in interest rate levels and changes in credit ratings and changes in the cost of and access to capital.

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