Appendix 4E

Preliminary final report
for the year ended 31 December 2010

Name of entity	RNY Property Trust
ARSN	115 585 709
Reporting period	Twelve month period ended 31 December 2010
Previous corresponding period	Twelve month period ended 31 December 2009

Results for announcement to market

Financial Performance

	A $'000
Revenue/(loss) from ordinary activities	Down 27.5% to 78,247
Profit/(loss) from ordinary activities after tax attributable to unitholders	Up 52.2% to (25,385)
Net profit/(loss) for the period attributable to unitholders	Up 52.2% to (25,385)

Distributions

Current Period	***Amount per unit***	***Tax Deferred***
Final Distribution	Nil	N/A
Interim Distribution	Nil	N/A
Total	**Nil**	**N/A**
Previous Corresponding Period:		
Final Distribution	Nil	N/A
Interim Distributions	Nil	N/A
Total	**Nil**	**N/A**

Record date for determining entitlement to the distribution for the period ended 31 December 2010	N/A
Date the December 2010 distribution is payable	N/A
Tax advantage component of the December 2010 distribution	N/A
The taxable component of the December 2010 distribution comprises: Australian sourced income Foreign sourced income	 Nil% Nil%
Foreign tax credit per unit	Nil

Disclosures in this report

This preliminary final report does not include all the notes of the type normally included in an Annual Financial Report. Accordingly, it is recommended that this report be read in conjunction with the Annual Report of RNY Property Trust for the year ended 31 December 2009 together with any public announcements made by the Trust during the year ended 31 December 2010 in accordance with the continuous disclosure requirements of the Listing Rules of the Australian Securities Exchange.

RNY PROPERTY TRUST
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Review of Operations

For the 12-month period ended 31 December 2010 the Trust reported a consolidated net loss after tax of A$32.9 million. Adjusting for the impact from minority interests, certain non cash items and foreign exchange gain or loss, the Trust reported adjusted net profit after tax of A$4.7 million, or A$0.0178 per unit.

The Trust executed 67 lease transactions during the period totalling 460,732 square feet (13.9% of the portfolio). The Trust's portfolio reported an occupancy rate, at period end, of 80.8%, achieved a renewal rate, during the period, of 72.5%, and reported a decrease of 12.6% in year-over-year, same property net operating income.

Funding

The US LLC has US$247.6 million of mortgage debt consisting of two separate loans of US$196.1 million and US$51.5 million that matured in September and October 2010, respectively. With regards to both of these loans, the US LLC has continued discussions with the CMBS Special Servicer related to an extension and/or restructuring of each of these loans and continues to pay interest on a current basis.

The US$196.1 million loan is secured by 9 properties valued at US$210.4 million as of 31 December 2010. The US$51.5 million loan is secured by 3 properties valued at US$57.8 million as of 31 December 2010.

There are no assurances that the Company will be able to refinance or extend these loans. Such mortgage debt is recourse only to the properties which serve as collateral for each loan.

Change of accounting policy

In previous periods RNY Property Trust has accounted for its investment in RNY Australia Operating Company LLC ("RAOC"), in which it holds a 75% interest, using the equity method of accounting. This was deemed the most appropriate method given the level of involvement that the 25% minority interest holder has over the affairs of RAOC. After discussions with the Australian Securities and Investments Commission, the Responsible Entity for the Trust (RNY Australia Management Ltd) has confirmed that the investment in RAOC will be accounted for on a consolidated basis. Accordingly, the attached accounts for the 2010 year reflect consolidated amounts with adjustments for the non-controlling interest where applicable. Comparative numbers have also been adjusted in the accounts to reflect this change.

Matters subsequent to the end of the financial year

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect significantly the operations of the Group, or the results of those operations, or the state of affairs of the Group, in future financial years.

Statement of Comprehensive Income
year ended 31 December 2010

	Notes	Consolidated 2010 $'000	Consolidated 2009 $'000
CONTINUING OPERATIONS			
Revenue and other income			
Rental income from investment properties		75,963	96,632
Net changes in the fair value of derivatives		-	9,182
Other income		2,281	2,062
Interest income		3	37
Total revenue and other income		78,247	107,913
Expenses			
Property expenses		39,559	46,244
Borrowing costs		25,099	25,673
Loss from investment property revaluations		40,099	109,340
Other investment property expenses		3,867	3,416
Administration expenses		313	311
Management fees		1,804	2,402
Other expenses		368	397
Total expenses		111,109	187,783
Loss from continuing operations before income tax benefit		(32,862)	(79,870)
Income tax benefit		-	(5,397)
NET LOSS FROM CONTINUING OPERATIONS AFTER TAX		(32,862)	(74,473)
OTHER COMPREHENSIVE LOSS			
Foreign currency translation loss (net of tax)		(18,693)	(75,197)
Other comprehensive loss for the year, net of tax		(18,693)	(75,197)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		(51,555)	(149,670)
Loss from continuing operations after tax is attributable to:			
Unitholders of RNY		(25,385)	(53,114)
Non-controlling interest		(7,477)	(21,359)
		(32,862)	(74,473)
Total comprehensive loss for the year is attributable to:			
Unitholders of RNY		(38,970)	(107,042)
Non-controlling interest		(12,585)	(42,628)
		(51,555)	(149,670)
Basic and diluted earnings per unit from continuing operations attributable to RNY Unitholders (cents)		(9.64)	(20.16)
Basic and diluted earnings per unit from total comprehensive income attributable to RNY Unitholders (cents)		(14.79)	(40.64)

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Distribution Statement
year ended 31 December 2010

	Notes	Consolidated 2010 $'000	Consolidated 2009 $'000
Total comprehensive loss for the period attributable to unitholders of RNY		(38,970)	(107,042)
Adjusted for RNY share of:			
Loss from investment property revaluations		30,074	82,005
Straight lining of rental income		(799)	(1,046)
Cash from discontinued operations		-	(19)
Net unrealised gain on revaluation/settlement of derivatives		-	(9,517)
Deferred tax benefit		-	(5,397)
Mortgage cost amortisation		998	1,313
Leasing cost amortisation		2,493	2,047
Foreign currency translation loss		13,585	53,928
INCOME AVAILABLE FOR DISTRIBUTION		7,381	16,272
Other amounts retained		(7,381)	(16,272)
DISTRIBUTION PAID AND PAYABLE	5	-	-
Distribution per unit (cents)		-	-

The above Distribution Statement should be read in conjunction with the accompanying notes.

Balance Sheet
as at 31 December 2010

	Notes	Consolidated 2010 $'000	2009 $'000 (Restated)	2008 $'000 (Restated)
Current assets				
Cash and cash equivalents	9(b)	12,449	13,692	16,960
Trade and other receivables		1,568	1,244	3,939
Other current assets		38	54	42
Total current assets		14,055	14,990	20,941
Non-current assets				
Investment properties	3	460,929	556,828	845,212
Other non-current assets		9,336	11,095	14,962
Total non-current assets		470,265	567,923	860,174
Total assets		484,320	582,913	881,115
Current liabilities				
Trade and other payables		12,705	11,439	17,887
Derivative financial instruments		-	-	10,509
Secured borrowings – current	4(a)	243,630	276,064	63,509
Provision for distribution	5	-	-	5,927
Total current liabilities		256,335	287,503	97,832
Non current liabilities				
Deferred withholding tax liability	6	-	-	6,176
Secured borrowings – non current	4(b)	113,479	129,333	461,319
Preferred shares	7	123	139	180
Total non-current liabilities		113,602	129,472	467,675
Total liabilities		369,937	416,975	565,507
Net assets		114,383	165,938	315,608
Unitholders' Equity				
Units on Issue	8	251,377	251,377	251,377
Reserves		(39,950)	(26,365)	27,563
Accumulated deficit		(126,833)	(101,448)	(48,334)
		84,594	123,564	230,606
Non-controlling interest		29,789	42,374	85,002
TOTAL EQUITY		114,383	165,938	315,608

The above Balance Sheet should be read in conjunction with the accompanying notes.

Cash Flow Statement
year ended 31 December 2010

	Notes	Consolidated 2010 $'000	2009 $'000
Cash flows from operating activities			
Receipts from customers		77,920	101,389
Payments to suppliers		(43,355)	(62,339)
Interest received		3	37
Interest and borrowing costs paid		(24,589)	(25,250)
Net cash inflow from operating activities	9(a)	9,979	13,837
Cash flows from investing activities			
Payments for property plant & equipment		(6,639)	(8,640)
Net cash outflow from investing activities		(6,639)	(8,640)
Cash flows from financing activities			
Repayment of borrowings		(660)	-
Distribution paid		-	(5,927)
Net cash outflow from financing activities		(660)	(5,927)
Net increase/(decrease) in cash and cash equivalents		2,680	(730)
Cash and cash equivalents at beginning of year		13,692	16,960
Net foreign exchange differences		(3,923)	(2,538)
Cash and cash equivalents at end of year	9(b)	12,449	13,692

The above Cash Flow Statement should be read in conjunction with the accompanying notes.

Statement of Changes in Equity
year ended 31 December 2010

	Note	Units on Issue	Undistributed (Loss)/Income	Reserves	Owners of RNY	Non-controlling interest	Total Equity
		$'000	$'000	$'000	$'000	$'000	$'000
CONSOLIDATED							
At 31 December 2008		251,377	(48,334)	27,563	230,606	85,002	315,608
Foreign currency translations taken to equity		-	-	(53,928)	(53,928)	(21,269)	(75,197)
Loss for the year		-	(53,114)	-	(53,114)	(21,359)	(74,473)
Total comprehensive income/(loss) for the year, net of tax		-	(53,114)	(53,928)	(107,042)	(42,628)	(149,670)
Distributions		-	-	-	-	-	-
At 31 December 2009		251,377	(101,448)	(26,365)	123,564	42,374	165,938
Foreign currency translations taken to equity		-	-	(13,585)	(13,585)	(5,108)	(18,693)
Loss for the year		-	(25,385)	-	(25,385)	(7,477)	(32,862)
Total comprehensive loss for the year, net of tax		-	(25,385)	(13,585)	(38,970)	(12,585)	(51,555)
Distributions		-	-	-	-	-	-
At 31 December 2010		251,377	(126,833)	(39,950)	84,594	29,789	114,383

The Statement of Changes in Equity should be read in conjunction with the accompanying notes.

1. Corporate Information

The Trust was constituted on 2 August 2005. The Responsible Entity of the Trust is RNY Australia Management Limited ("RAML"). The Responsible Entity's registered office is at Level 56, MLC Centre, 19 Martin Place, Sydney, NSW 2000.

RNY Property Trust ("RNY" or the "Trust") is a trust limited by units incorporated in Australia. These units are publicly traded on the Australian Stock Exchange.

2. Summary of Significant Accounting Policies

(a) Basis of Preparation

This Preliminary Final report has been prepared in accordance with the Australian Stock Exchange Listing Rules. This report does not constitute the full financial report for the period ended 31 December 2010.

The Preliminary Final Report comprises the financial statements of the Trust and its subsidiary, RNY Australia LPT Corporation ("US REIT"), along with the US REITs investment in RNY Australia Operating Company LLC ("RAOC" or the "US LLC") together known as the "Group". The significant accounting policies adopted for the period are outlined below.

The report is prepared in accordance with the historical cost convention except for derivative financial instruments and investment properties that are held at fair value. The report is presented in Australian dollars and all values are rounded to the nearest thousand dollars per ASIC 98/0100.

(b) Change in accounting policy

In previous periods RNY has accounted for its investment in RAOC, in which it holds a 75% interest, using the equity method of accounting. This was deemed the most appropriate method given the level of involvement that the 25% minority interest holder had over the affairs of RAOC. After discussions with the Australian Securities and Investments Commission, the Responsible Entity for the Trust (RNY Australia Management Ltd) has confirmed that the investment in RAOC will be accounted for on a consolidated basis. Accordingly, the attached accounts for the 2010 year reflect consolidated amounts with adjustments for the non-controlling interest where applicable. Comparative numbers have also been adjusted in the accounts to reflect this change.

(c) Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Trust and its subsidiaries as at 31 December 2010. Information from the financial statements of the consolidated entity is included from the date the parent entity obtained control.

Adjustments are made to bring into line any dissimilar accounting policies that may exist.

All inter-company balances and transactions, including unrealised profits arising from intra-group transactions, have been eliminated in full. Unrealised losses are eliminated unless costs cannot be recovered.

2. Summary of Significant Accounting Policies (continued)

(d) Significant accounting judgements, estimates and assumptions

(i) Significant accounting judgements

Management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Operating lease commitments

Space in each of the investment properties owned by the US LLC is leased to third parties. The US LLC retains all the significant risks and rewards of ownership of these properties and has accordingly classified the leases as operating leases.

(ii) Significant estimates and assumptions

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. There are no key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period apart from the following assumptions:

Investment properties – refer Note 2(l)
Derivative financial instruments – refer Note 2(k)

(e) Provision for distribution

A provision for distribution is recognised in the balance sheet if the distribution has been declared or publicly recommended on or before balance date.

(f) Cash and cash equivalents

Cash at bank and short term deposits are stated at nominal values. For the purpose of the statement of cash flows, cash includes deposits at call, which are readily convertible to cash on hand and are subject to an insignificant risk of changes in value.

(g) Trade and other receivables

Trade receivables are recognised and carried at original invoice amount, less a provision for any uncollectible debts.

The collectibility of debts is assessed on an ongoing basis and specific provision is made for any doubtful accounts when collection of the full amount is no longer probable. Bad debts are written off when identified.

(h) Creditors and accruals

Liabilities are recognised for amounts to be paid in the future for services received, whether or not billed. Creditors are normally settled within 30 days.

Liabilities for creditors are carried at the original invoice amount.

2. Summary of Significant Accounting Policies (continued)

(i) Borrowing costs

Borrowing costs are recognised as expenses in the period in which they are incurred.
Borrowing costs include:

- Interest on bank overdrafts and short-term and long-term borrowings.
- Amortisation of ancillary costs incurred in connection with the arrangement of borrowings.

(j) Investments in Controlled Entities

The Trust's direct investment in its subsidiary (the US REIT) is carried at cost, less any adjustment for impairment.

Balances and transactions between the Trust, the US REIT and the US LLC have been eliminated in preparing the consolidated financial statements.

(k) Derivative financial instruments

At 31 December 2009 the Group has no outstanding derivative positions.

The Group had previously used derivative financial instruments such as foreign currency contracts and interest rate swaps to hedge its risks associated with interest rate and foreign currency fluctuations. Such derivative financial instruments were stated at fair value. The fair value of forward exchange contracts was calculated by reference to current forward exchange rates for contracts with similar maturity profiles. The fair value of interest rate swap contracts was determined by reference to market values for similar instruments.

For derivatives that did not qualify for hedge accounting, any gains or losses arising from changes in fair value were taken directly to net profit or loss for the year.

(l) Investment Properties

The Group's investment properties are carried at fair value. Independent valuations of investment properties are obtained at intervals of not more than three years from suitably qualified property valuers. Such valuations are reflected in the consolidated financial statements of the Group. Notwithstanding, the directors of US REIT and the Responsible Entity assess the carrying value of each investment property at each reporting date to ensure that the carrying value does not materially differ from its fair value. Where the carrying value differs from fair value, the relevant assets are adjusted to their fair value.

The prime valuation methodology used by the property valuers in determining fair value, is to discount the expected net cash flows to their present value using a market determined risk-adjusted discount rate applicable to the respective asset. Changes in fair value of an investment property are recorded in the income statement of the associate.

Expenditure capitalised to properties include the costs of acquisition, capital and refurbishment additions. Land and buildings are considered to have the function of an investment and are therefore regarded as a composite asset. The buildings and components thereof (including plant and equipment) are not depreciated.

2. Summary of Significant Accounting Policies (continued)

(m) Foreign currencies

Translation of foreign currency transactions

The functional and presentation currency of the parent entity is Australian dollars. Transactions in foreign currencies of entities within the consolidated entity are converted to local currency at the rate of exchange ruling at the date of the transaction.

Foreign currency monetary items that are outstanding at the reporting date (other than monetary items arising under foreign currency contracts where the exchange rate for that monetary item is fixed in the contract) are translated using the spot rate at the reporting date. At 31 December 2010, a spot rate of A$1.00 = US$1.02 was used (31 December 2009: A$1.00 = US$0.90).

Exchange differences arising from amounts payable and receivable are treated as operating revenue or expense in the period in which they arise, except for a monetary item arising under a foreign currency contract outstanding at the reporting date where the exchange rate for the monetary item is fixed in the contract and is translated at the exchange rate fixed in the contract.

Translation of financial reports of foreign operations

The functional currency of RNY's controlled entities is United States dollars.
As at the reporting date, the assets and liabilities of these entities are translated into the presentation currency of RNY at the rate of exchange ruling at the balance sheet date and the Statement of Comprehensive Income is translated at the average exchange rates for the period. The exchange differences arising on the retranslation are taken directly to the foreign currency translation reserve.

(n) Interest bearing loans and borrowings

Loans and borrowings are initially recognised at fair value of the consideration received less directly attributable transaction costs and are subsequently measured at amortised cost using the effective interest rate method.

(o) Contributed Equity

Issued capital is recognised at the fair value of the consideration received by the Trust. Any transaction costs arising on the issue of ordinary units are recognised directly in equity as a reduction of the unit proceeds received.

(p) Revenue

Revenue from rents, interest and distributions is recognised to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured. Revenue brought to account but not received at balance date is recognised as a receivable. Rental income earned under leases with fixed increases is recognised in income on a straight line basis over the lease term.

(q) Earnings per unit (EPU)

Basic EPU is calculated as net profit attributable to members divided by the weighted average number of ordinary units. Diluted EPU is calculated as the net profit attributable to members divided by the weighted average number of ordinary units adjusted for the effects of all dilutive potential ordinary units.
RNY has no dilutive potential ordinary units therefore its basic and diluted EPU are the same.

2. Summary of Significant Accounting Policies (continued)

(r) Taxes

Income Tax

Under current Australian tax legislation, the Trust is not liable to pay Australian income tax provided its taxable income and taxable realised gains are fully distributed to unitholders.

Under the US Internal Revenue Code, US REIT has elected to be taxed as a Real Estate Investment Trust (REIT), and on this basis, US REIT should not be subject to US federal income taxes to the extent that it distributes annually all of its taxable income and capital gains to its shareholders. In order to maintain its qualification as a REIT, US REIT must distribute at least 90% of its taxable income (net of capital gains) to its shareholders annually.

Under current Australian tax legislation, unitholders of RNY may be entitled to receive a foreign tax credit for United States withholding tax deducted from dividends and interest paid to RNY by US REIT.

The Trust may realise a capital gain or loss on disposal of its US investments that may attract a US tax liability. Under AIFRS, a deferred tax liability or asset must be recognised based on movements in the carrying value and tax cost base of investment property assets, with any movements reflected in the Statement of Comprehensive Income as a tax expense or benefit. Gains from such disposals attract a US tax rate of 38.25% for land disposals and a rate of 15% for building disposals.

Goods and Services Tax

Revenues, expenses and assets (with the exception of receivables) are recognised net of the amount of Goods and Services Tax (GST) to the extent that the GST is recoverable from the taxation authority. Where GST is not recoverable, it is recognised as part of the cost of acquisition, or as an expense. Receivables and payables are stated inclusive of GST. The net amount of GST recoverable from or payable to the taxation authority is included in the balance sheet as a receivable or a payable.

Cash flows are included in the Cash Flow Statement on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority is classified as part of operating cash flows.

(s) Leasing fees

Costs that are directly associated with negotiating and executing the on-going renewal of tenant lease agreements (including commissions, legal fees and costs of preparing and processing documentation for new leases) are capitalised to the carrying value of the property and amortised on a straight line basis over the lease term.

(t) Leasing Incentives

Lease incentives in the form of up-front payments, contributions to certain lessee costs, relocation costs and fit-outs that are offered in relation to the on-going operation of the property are recognised as part of the carrying value of the investment properties. The aggregate cost of incentives is amortised on a straight line basis over the lease term.

2. Summary of Significant Accounting Policies (continued)

(u) Impairment of Assets

The directors of the Responsible Entity, the US REIT and the US LLC assess at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, an estimate is made of the asset's recoverable amount. When the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and written down to its recoverable amount.

(v) Non-controlling interests

Non-controlling interests are allocated their share of net profit after tax in the statement of comprehensive income and are presented within equity in the consolidated statement of financial position, separately from the equity of the RNY unitholders.

Losses are attributed to the non-controlling interest even if that results in a deficit balance.

(w) Comparatives

Where necessary, comparative information has been reclassified to conform with changes in presentation in these financial statements.

3. Investment Properties

	Consolidated 2010 $'000	Consolidated 2009 $'000
Investment properties at fair value	460,929	556,828

The Trust has an interest in property investments, through the indirect holding of 75% interest in the US LLC.

	2010 $'000	2009 $'000
Included in the carrying value of investment properties are the following		
Straight – line asset*	10,122	10,491
Lease commissions	9,858	10,882
Deferred revenues**	(3,660)	(3,724)
Total	16,320	17,649

*Asset arising from recognising lease income, with fixed increases, on a straight line basis
**Liability related to receipt of cash in advance of lease obligations

(a) Reconciliation of Carrying Amounts
A reconciliation of the carrying amount of property investments at the beginning and end of the financial year is set out below:

	2010 $'000	2009 $'000
Carrying amount at the start of the year	556,828	845,212
Fair value decrement	(40,099)	(109,340)
Capital additions	5,895	5,632
Other investment value	744	3,007
Foreign exchange loss	(62,439)	(187,683)
Carrying amount at the end of the year	**460,929**	**556,828**

3. Investment Properties (continued)

The attached table shows details of property investments held through controlled entities as at 31 December 2010. Amounts are in US Dollars and Australian Dollars where indicated.

Property Address	Date of Acquisition	Book Value At 31 Dec 09 @100% US $'000	Book Value At 31 Dec 10 @100% US $'000	Latest Independent Appraisal(i) @100% US $'000	Valuer	Date of Latest Independent Appraisal	Book Value At 31 Dec 09 @100% AUD $'000	Book Value At 31 Dec 10 @100% AUD $'000	Latest Independent Appraisal(i) @100% AUD $'000
35 Pinelawn Rd, Long Island	21 Sep 05	17,400	16,000	17,400	CBRE Inc	31 Dec 09	19,400	15,743	17,121
150 Motor Parkway, Long Island	21 Sep 05	33,400	29,900	33,400	CBRE Inc	31 Dec 09	37,239	29,421	32,864
660 White Plains Rd, Westchester County	21 Sep 05	35,100	29,800	35,100	CBRE Inc	31 Dec 09	39,135	29,322	34,537
100 Executive Dr, Nth New Jersey	21 Sep 05	11,949	10,500	11,200	CBRE Inc	30 Jun 10	13,323	10,332	11,020
100 Grasslands Rd, Westchester County	21 Sep 05	7,760	8,600	8,500	CBRE Inc	30 Jun 10	8,652	8,462	8,364
80 Grasslands Rd, Westchester County	21 Sep 05	14,000	13,600	14,000	CBRE Inc	31 Dec 09	15,609	13,382	13,775
200 Executive Dr, Nth New Jersey	21 Sep 05	11,400	10,700	11,400	CBRE Inc	31 Dec 09	12,710	10,529	11,217
492 River Rd, Nth New Jersey	21 Sep 05	36,673	37,700	40,900	CBRE Inc	30 Apr 08	40,889	37,095	40,244
225 High Ridge Rd, Fairfield County	21 Sep 05	51,900	53,600	51,900	CBRE Inc	31 Dec 09	57,866	52,740	51,068
300 Motor Parkway, Long Island	21 Sep 05	7,585	6,400	6,400	CBRE Inc	31 Dec 10	8,457	6,297	6,297
505 White Plains Rd, Westchester County	21 Sep 05	3,108	2,900	2,900	CBRE Inc	31 Dec 10	3,465	2,854	2,853
55 Charles Lindbergh Blvd, Long Island	21 Sep 05	33,750	35,042	35,400	CBRE Inc	30 Jun 09	37,630	34,480	34,832
200 Broadhollow Rd, Long Island	21 Sep 05	11,215	10,300	10,300	CBRE Inc	31 Dec 10	12,504	10,135	10,135
10 Rooney Circle, Nth New Jersey	21 Sep 05	7,435	7,300	8,900	CBRE Inc	31 Dec 08	8,290	7,183	8,757
560 White Plains Rd, Westchester County	21 Sep 05	16,034	16,200	16,600	CBRE Inc	30 Jun 09	17,877	15,940	16,334
555 White Plains Rd, Westchester County	21 Sep 05	16,420	14,300	14,300	CBRE Inc	31 Dec 10	18,308	14,071	14,071
6800 Jericho Turnpike, Long Island	6 Jan 06	31,331	28,100	28,100	CBRE Inc	31 Dec 10	34,933	27,649	27,649
6900 Jericho Turnpike, Long Island	6 Jan 06	13,983	12,100	15,300	CBRE Inc	30 Jun 09	15,590	11,906	15,055

3. Investment Properties (continued)

Property Address	Date of Acquisition	Book Value At 31 Dec 09 @100% US $'000	Book Value At 31 Dec 10 @100% US $'000	Latest Independent Appraisal(i) @ 100% US $'000	Valuer	Date of Latest Independent Appraisal		Book Value At 31 Dec 09 @100% AUD $'000	Book Value At 31 Dec 10 @100% AUD $'000	Latest Independent Appraisal(i) @100% AUD $'000
710 Bridgeport Ave, Fairfield County	6 Jan 06	36,660	33,400	38,500	CBRE Inc	30 Jun 09		40,874	32,864	37,883
580 White Plains Rd, Westchester County	6 Oct 06	19,841	18,500	18,500	CBRE Inc	31 Dec 10		22,122	18,203	18,203
300 Executive Dr, Nth New Jersey	6 Oct 06	12,733	14,200	14,200	CBRE Inc	31 Dec 10		14,197	13,972	13,972
1660 Walt Whitman Rd, Long Island	6 Oct 06	14,196	13,600	15,700	CBRE Inc	30 Jun 09		15,828	13,382	15,448
520 Broadhollow Rd, Long Island	6 Oct 06	13,825	11,600	11,300	CBRE Inc	30 Jun 10		15,414	11,414	11,119
50 Marcus Drive, Long Island	6 Oct 06	40,221	32,600	33,000	CBRE Inc	30 Jun 10		44,844	32,077	32,471
1155 Railroad Avenue, Fairfield County	26 Jun 07	1,500	1,500	-	-	-		1,672	1,476	-
		499,419	468,442	493,200				556,828	460,929	485,289

(i) CB Richard Ellis, Inc. – Valuation and Advisory Services performed appraisals for seven of the Trust's properties at 31 December 2010 as noted above. Internal appraisals were then performed at balance date on the remainder of the properties based on capitalisation rates advised by CB Richard Ellis, Inc.

4. Secured Borrowings

(a) Current secured borrowings:

Facility	US $'000 2010	US $'000 2009	AUD $'000 2010	AUD $'000 2009	Int Rate	Maturity Date
*Fixed rate commercial mortgages**						
Tranche I mortgage	196,100	196,100	192,923	218,642	5.20%	Sep 2010
Tranche III mortgage	51,501	51,501	50,707	57,422	5.20%	Oct 2010
Total	**247,601**	**247,601**	**243,630**	**276,064**		

(b) Non-current secured borrowings:

Facility	US $'000 2010	US $'000 2009	AUD $'000 2010	AUD $'000 2009	Int Rate	Maturity Date
*Fixed rate commercial mortgages**						
Tranche II mortgage	72,000	72,000	70,845	80,276	5.32%	Jan 2016
Dec 2009 mortgage	43,330	44,000	42,634	49,057	6.125%	Jan 2017
Total	**115,330**	**116,000**	**113,479**	**129,333**		

* The mortgages are secured over certain properties of the US LLC.

Funding
The US LLC has US$247.6 million of mortgage debt (shown above) consisting of two separate loans of US$196.1 million and US$51.5 million that matured in September and October 2010, respectively. With regards to both of these loans, the US LLC has continued discussions with the CMBS Special Servicer related to an extension and/or restructuring of each of these loans and continues to pay interest on a current basis.
The US$196.1 million loan is secured by 9 properties valued at US$210.4 million as of 31 December 2010. The US$51.5 million loan is secured by 3 properties valued at US$57.8 million as of 31 December 2010.
There are no assurances that the Company will be able to refinance or extend these loans. Such mortgage debt is recourse only to the properties which serve as collateral for each loan.

5. Provision for distribution

The Trust's last distribution was paid on 27 February 2009, being the final distribution for the 2008 year. The Trust suspended distributions after this payment.

6. Deferred withholding tax liability and tax losses

Deferred withholding tax liability

In prior years the deferred tax liability of the US LLC related to US federal income taxes payable on the difference between the adjusted tax cost base and the carrying value of the investment properties held in the US LLC. At 31 December 2010 the US LLC had no deferred tax liability (2009: Nil).

United States Tax Losses

At 31 December 2010, the Group has US capital losses for which no deferred tax asset is recognised on the balance sheet of $AU8.521 million (2009: $AU6.127 million). These are available for offset against future US capital gains subject to the continued meeting of relevant statutory tests under US taxation law.

7. Preferred Shares

	Consolidated	
	2010 $'000	2009 $'000
Preferred shares	**123**	**139**

To comply with US regulations relating to US REITs, on 31 January 2006 an additional 125 persons were allotted shares in the US REIT at $US1,000 per share. The preferred shares are not convertible into shares of any other class or series. An annual coupon rate of 12.5% applies to these shares. In accordance with Australian accounting standards, the preferred stock has been classified as long term debt and the amounts paid or payable to the preferred shareholders are included in interest expense.

8. Units on Issue

	Consolidated	
	2010 Units	2009 Units
(a) Movements in ordinary units on issue		
Units on issue at beginning of the year	263,413,889	263,413,889
Units issued during the year	-	-
Units on issue at the end of the year	263,413,889	263,413,889

	Consolidated	
	2010 $'000	2009 $'000
(b) Movement in issued equity		
Issued equity at the beginning of the year	251,377	251,377
Movements in equity during the year	-	-
Issued equity at the end of the year	**251,377**	**251,377**

Each unit ranks equally with all other ordinary units for the purpose of distributions and on termination of the Trust. Ordinary units entitle the holder to one vote, either in person or by proxy, at a meeting of the Trust.

9. Reconciliation of net loss to net cash inflow from operating activities

	Consolidated 2010 $'000	Consolidated 2009 $'000
(a) Reconciliation of net loss to net cash inflow from operating activities		
Net loss for the year	(32,862)	(74,473)
(Increase)/decrease in receivables and other assets	1,451	(2)
(Decrease)/increase in payables and other liabilities	1,266	(6,449)
Income tax benefit	-	(5,397)
Fair value movement in derivatives	-	(10,509)
Movement in investment property valuations	40,099	109,340
Net realised foreign exchange loss	25	1,327
Net cash inflow from operating activities	9,979	13,837
(b) Components of cash		
Cash as at the end of the financial year as shown in the Cash Flow Statement is reconciled to the Balance Sheet as follows:		
Cash and liquid assets	12,449	13,692

10. Earnings per unit

	Consolidated 2010 Cents	Consolidated 2009 Cents
Basic and diluted earnings per unit	(9.64)	(20.16)
Basic earnings per unit after adjusting for fair value movements, deferred tax expense, derivative movements and foreign currency movements*	1.78	5.31

*This calculation is based on the following adjusted net loss:	2010 $'000	2009 $'000
Total comprehensive loss attributable to RNY unitholders	(38,970)	(107,042)
<u>*Adjusted for RNY share of:*</u>		
add: loss from investment property revaluations	30,074	82,005
less: unrealised derivative gain	-	(9,517)
less: deferred tax benefit	-	(5,397)
Add: foreign currency translation loss	13,585	53,928
Adjusted net profit used in calculation above	4,689	13,977

Earnings per unit are calculated by dividing the net profit attributable to unitholders for the year by the weighted average number of ordinary units on issue during the year. The weighted average number of units used in the calculation of earnings per unit is 263,413,889.

11. Net Asset Backing per Unit

	Consolidated	
	2010	**2009**
	$	**$**
Net asset backing per unit	$0.32	$0.47

Net asset backing per unit is calculated by dividing the equity attributed to unitholders of RNY by the number of ordinary units on issue being 263,413,889 units

12. Segment Reporting

The Group has identified its operating segment based on internal reports that are reviewed and used by the Board of Directors of the Responsible Entity (the chief operating decision makers) in assessing the performance and in determining the allocation of resources.

The Group's management has determined that RNY has one operating segment, represented by the investment in the US LLC.

RNY's income is derived from indirect investments in office properties located outside Australia, held via the investment in the subsidiary and from short term deposits and money market securities which are held for and are incidental to those property investments. Except for cash deposits and derivatives held in Australia, all such investments are located in the United States.

The performance measures used by management differ from those disclosed in the Statement of Comprehensive Income as certain adjustments are made to arrive at an adjusted net profit or loss which better facilitates the decision making of the chief operating decision makers. The adjustments made to the segment result are detailed in Note 10 of these accounts. A reconciliation of adjusted net profit to the consolidated net loss shown in the statement of comprehensive income is also provided in the note.

Segment revenues are derived from a broad tenant base across the 24 operating properties owned by the Group. There is no single tenant providing revenues greater than 10% of the segment's total income.

13. Subsequent Events

There has not arisen in the interval between the end of the financial year any item, transaction or event of a material or unusual nature likely to affect significantly the operations of the Group, or the results of those operations, or the state of affairs of the Group, in future financial years.

14. Compliance Statement

(i) This Preliminary Financial Report has been prepared in accordance with the Australian Stock Exchange listing rules.

(ii) This report and the financial statements upon which the report is based use the same accounting policies.

(iii) This report is based on financial statements that are in the process of being audited and therefore no audit report has been attached.