

RNY

ANNUAL REPORT

11

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The past year was an uneven year for the US economy as encouraging economic indicators in the beginning of the year slowed as various international and domestic events, such as the European debt crisis, slowing economies in Europe and China, and US political gridlock and credit concerns, raised concerns about the global and US economic recoveries. While the US economy has shown signs of growth, the recovery remains inconsistent and moderate, and unemployment remains persistently high. Historically, commercial real estate's recovery lags the broader economy and is driven by job growth. Thus, we expect 2012 to continue to be a challenging year for our industry. The good news is that we are starting to see some companies expand their businesses despite the uncertainty of the economic recovery in the US. In addition, the New York area markets are somewhat supply constrained and should recover more quickly when job growth resumes.

During these challenging times RNY's management remains focused on the operations of the Trust in an effort to control costs, conserve cash, and retain tenants. In addition, we will continue to focus on our discussions to restructure and/or extend our one remaining expired debt maturity. As the largest unit holders in RNY, we are committed to evaluating and executing the best policies and strategies to maximise unitholder value.

Overview

RNY presently owns a 75% interest in 25 commercial office properties located in the New York Tri-State area markets (the "Portfolio") containing approximately 3.3 million square feet of lettable office space. The remaining 25% indirect interest in the Portfolio, along with RNY's responsible entity and the other corporate entities related to RNY, is owned by affiliates of RXR Realty LLC ("RXR") and its partners.

RXR is one of the premier real estate operators, developers and investment managers in the New York Tri-State area. RXR, and its affiliates, employs approximately 206 people and manages real estate assets having a gross value of approximately US\$4.7 billion comprised of 106 properties and approximately 18.0 million square feet of office space in the Long Island, New Jersey, and Westchester/Connecticut markets (the "NY Tri-State area markets") and Manhattan. RXR's strategy is to be the local expert for office properties in the NY Tri-State area markets, and to focus on extensive local relationships, in-depth market knowledge, concentrated scale of high quality properties, active community involvement, a commitment to excellence and a long-term approach to our business.

2011 Results

From an operating perspective, 2011 was about being a focused, hands-on manager in a tough economic environment. For the year, RNY executed 67 leasing transactions totalling 249,243 square feet and achieved a 69.8% renewal rate. RNY management has focused on retaining our existing tenants. A by-product of this strategy is that we have been very competitive on rents. During the year, same space average rents decreased 6.4%, while year over year same space net operating income decreased 5.7%. For the year-ended 31 December 2011, RNY reported net profit after tax of \$481,000 or 0.18 cents per unit (adjusted for non-cash items) and distributable earnings of \$1.48 million or 0.56 cents per unit. RNY did not distribute any of its 2011 earnings, reflecting a policy announced in 2009 to suspend distributions.

During 2011, the Portfolio's occupancy remained stable. Occupancy for the Portfolio on 31 December 2011 was 80.5%, a small increase from 80.3% at 30 June and a slight down-tick from 80.8% on 31 December 2010. Demand in the suburban office market is materially driven by small to medium size businesses, who remain cautious as the sluggish US economy experiences moderate growth. Small businesses continue to struggle more than large companies, due to less access to credit than large firms and more reliance on consumer spending. High vacancy rates and negative absorption continued throughout our suburban markets during 2011 as US unemployment rates remained high and various international events created headwinds for the global and US economy. These conditions made leasing challenging, with landlords offering significant concessions, as competition for tenants continues to be fierce.

With regards to asset values, RNY management revalued the entire Portfolio at 31 December 2011. CB Richard Ellis was engaged to perform appraisals of five of RNY's properties and to provide capitalisation rate data for the other 19 properties of the Portfolio. Management utilized these appraisals and this cap rate data to complete the valuations. Such revaluations resulted in a 2.6% decrease in the value of the Portfolio for the six-month period ended 31 December 2011, and a 2.0% decrease year over year. The average per square foot value of the Portfolio decreased to US\$138, and the resulting net tangible assets (NTA) decreased to US29 cents per unit at 31 December 2011.

During the year, our underlying gearing ratio increased to 78.9%, mainly due to the decrease in property values.

The US LLC is in the final documentation stages of a discounted pay-off and refinancing of the US LLC's US\$196.1 million CMBS loan (the "CMBS Loan") which matured in September 2010. The CMBS loan is secured by 9 properties valued at US\$195.6 million as of 31 December 2011. There can be no assurances that such closing will occur.

With regards to the US LLC's US\$51.5 million CMBS mortgage debt which expired in 2010, the US LLC has continued discussions and negotiations with the special servicer of such loan regarding an extension and/or restructuring. The US LLC continues to pay interest on this loan on a current basis. Such loan is secured by three properties valued at US\$55.6 million as of 31 December 2011. There are no assurances that we will be able to refinance or extend this loan. Such mortgage debt is recourse only to the properties which serve as collateral for such loan.

Outlook for 2012

We remain cautious about 2012 due to the uncertainty with regard to the pace and sustainability of a US recovery. While some measures of economic stability have returned to the US economy, high vacancy rates are still commonplace throughout our suburban markets. Landlords continue to offer significant concessions to attract tenants. Much of the leasing activity taking place represents landlords taking tenants from a competing property. We don't expect positive absorption to occur until the employment situation in the US improves and businesses start expanding again. Although there are indications that the employment situation in the US may be improving in the private sector, these gains are being offset by government job cuts. In addition, small to medium size businesses continue to lag.

In this competitive market environment, management is maintaining our focus on the Portfolio's performance – with an emphasis on tenant retention. Our Portfolio expirations are very manageable during the next year. In 2012, RNY has approximately 223,000 square feet set to expire (which accounts for 9.2% of the Portfolio's revenue and 7.0% of the Portfolio's square feet). Approximately 53% of this space is on Long Island, our strongest market. While our renewal rates in 2011 and 2010 were 69.8% and 72.5%,

respectfully, based on our discussions with tenants we are forecasting a renewal rate of approximately 60% for 2012.

Another priority for RNY management is rebuilding occupancy in the Portfolio as leasing markets begin to show a few signs of stabilizing and with the certainty provided by the expected refinancing of the CMBS Loan, as leasing prospects should improve at the nine properties secured by such refinanced loan, when such transaction is completed. We continue to provide competitive terms on lease renewals with a focus on rent concessions rather than build-out expenditures. We are also focused on operating our portfolio as efficiently as possible by controlling costs and limiting capital expenditures to essential projects.

In addition, the Board of Directors has continued to suspend unitholder distributions to strengthen our capital position and ensure that we have liquidity to either reinvest in the Portfolio or potentially to invest as part of a debt refinancing or restructuring. This strategy proved valuable in the successful resolution of the CMBS Loan. RNY's primary goal for 2012 will be to continue to actively negotiate a restructuring and/or refinancing of the US\$51.5 million of US LLC mortgage debt that matured in 2010. We are engaged in discussions regarding the extension or refinancing of such loan and are considering financial solutions as well as other options necessary to address our obligations under such mortgage debt. These negotiations are complex, but Management remains focused on these discussions and is working hard to resolve same as soon as possible. However, there are no assurances that we will be able to refinance or extend this loan. This mortgage debt is recourse only to the three properties which serve as collateral for such loan and thus will not have any impact to the US LLC's overall credit.

Management believes that the best strategy in this environment is to be patient, focus on portfolio occupancy and prudent capital management. We believe that the long-term embedded value of the Portfolio will re-emerge, as the NY Tri-State area markets are consistently some of the healthiest and fastest to recover in the US. Management and the Board will continue to evaluate the best strategic alternatives to realise the maximum value for unitholders.

Thank you for your continued support and confidence.



Scott Rechler
Chairman & Chief Executive Officer
RNY Australia Management Limited

PORTFOLIO OVERVIEW

LONG ISLAND

1. Hauppauge

150 Motor Parkway
300 Motor Parkway

2. Melville

35 Pinelawn Road
200 Broadhollow Road
520 Broadhollow Road
1660 Walt Whitman Road
50 Marcus Drive

3. Syosset, NY

6800 Jericho Turnpike
6900 Jericho Turnpike

4. Uniondale

55 Charles Lindbergh Boulevard

NORTHERN NEW JERSEY

5. West Orange

100 Executive Drive
200 Executive Drive
300 Executive Drive
10 Rooney Circle

6. Nutley

492 River Road

WESTCHESTER COUNTY

7. Elmsford

80 Grasslands Road
100 Grasslands Road

8. Tarrytown

505 White Plains Road
555 White Plains Road
560 White Plains Road
580 White Plains Road
660 White Plains Road

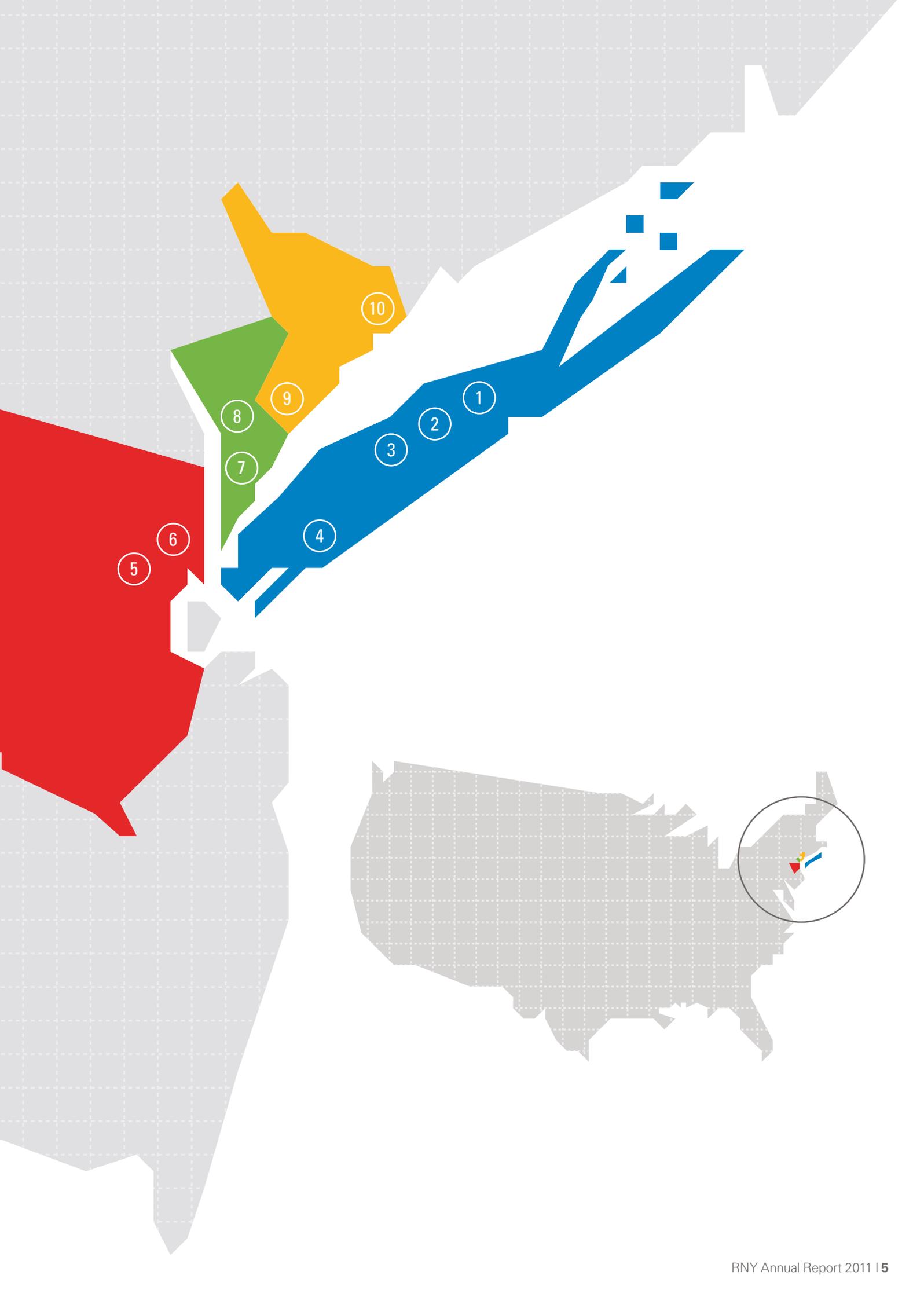
FAIRFIELD COUNTY

9. Stamford

225 High Ridge Road

10. Shelton

710 Bridgeport Avenue



PROPERTY PORTFOLIO DETAILS

ADDRESS	MARKET	PURCHASE DATE	NLA (SQ FT)
TRANCHE I PROPERTIES			
225 High Ridge Road	Fairfield County	21 Sept '05	223,940
660 White Plains Road	Westchester County	21 Sept '05	253,800
150 Motor Parkway	Long Island	21 Sept '05	184,124
55 Charles Lindbergh Boulevard	Long Island	21 Sept '05	214,581
492 River Road	Northern New Jersey	21 Sept '05	130,009
560 White Plains Road	Westchester County	21 Sept '05	126,113
35 Pinelawn Road	Long Island	21 Sept '05	110,950
555 White Plains Road	Westchester County	21 Sept '05	125,497
200 Executive Drive	Northern New Jersey	21 Sept '05	106,327
100 Executive Drive	Northern New Jersey	21 Sept '05	94,530
80 Grasslands Road	Westchester County	21 Sept '05	86,985
200 Broadhollow Road	Long Island	21 Sept '05	68,585
10 Rooney Circle	Northern New Jersey	21 Sept '05	70,873
300 Motor Parkway	Long Island	21 Sept '05	59,383
100 Grasslands Road	Westchester County	21 Sept '05	47,720
505 White Plains Road	Westchester County	21 Sept '05	26,600
TRANCHE II PROPERTIES			
710 Bridgeport Avenue ⁽³⁾	Fairfield County	7 Jan '06	452,414
6800 Jericho Turnpike	Long Island	7 Jan '06	209,255
6900 Jericho Turnpike	Long Island	7 Jan '06	95,343
TRANCHE III PROPERTIES			
50 Marcus Drive	Long Island	Oct '06	163,762
580 White Plains Road	Westchester County	Oct '06	171,369
300 Executive Drive	Northern New Jersey	Oct '06	125,440
520 Broadhollow Road	Long Island	Oct '06	88,631
1660 Walt Whitman Road	Long Island	Oct '06	78,379
Total/average ⁽⁵⁾			3,314,610

- (1) 100% BASIS. VALUES ARE ROUNDED
(2) WEIGHTED BY INCOME
(3) PROPERTY INCLUDES BOTH OFFICE AND OTHER FLEX USES INCLUDING RESEARCH AND DEVELOPMENT
(4) REPRESENTS DIRECTOR VALUATIONS CONDUCTED AS OF 31 DECEMBER 2011, EXCEPT FOR 225 HIGH RIDGE ROAD, 660 WHITE PLAINS ROAD, 35 PINELAWN ROAD, 55 CHARLES LINDBERGH BLVD AND 200 EXECUTIVE DRIVE, WHICH WERE INDEPENDENTLY APPRAISED BY CB RICHARD ELLIS
(5) TOTALS MAY VARY SLIGHTLY DUE TO ROUNDING

VALUATION DATE ⁽⁴⁾	VALUATIONS (US\$ MILLION) ⁽¹⁾⁽⁴⁾	PURCHASE PRICE (US\$ MILLION) ⁽¹⁾	% OF PORTFOLIO (%)	NLA OCCUPANCY (%)	WEIGHTED AVERAGE LEASE TERM TO EXPIRY (YEARS) ⁽²⁾
Dec '11	42.2	76.5	13.7	79.0	4.3
Dec '11	31.0	50.3	9.0	77.1	4.6
Dec '11	27.8	34.2	6.1	81.4	3.4
Dec '11	35.0	29.6	5.3	100.0	1.8
Dec '11	37.8	28.4	5.1	100.0	9.4
Dec '11	16.4	19.4	3.5	84.2	3.1
Dec '11	15.3	18.9	3.4	88.3	4.1
Dec '11	14.3	17.7	3.2	75.5	2.6
Dec '11	9.7	16.0	2.9	56.8	3.6
Dec '11	9.4	14.5	2.6	68.1	2.0
Dec '11	13.8	14.2	2.5	98.0	3.3
Dec '11	9.9	11.8	2.1	81.6	5.9
Dec '11	5.8	11.1	2.0	41.4	1.9
Dec '11	6.4	8.1	1.4	71.0	3.2
Dec '11	8.6	8.0	1.4	100.0	2.7
Dec '11	2.9	3.8	0.7	69.9	2.1
Dec '11	37.4	39.4	7.0	74.6	7.9
Dec '11	27.2	30.9	5.5	91.6	3.8
Dec '11	13.6	14.4	2.6	95.4	3.4
Dec '11	30.7	37.1	6.6	100.0	2.0
Dec '11	23.5	26.4	4.7	83.6	5.7
Dec '11	14.2	17.2	3.1	71.9	4.6
Dec '11	11.6	16.0	2.9	22.6	4.1
Dec '11	13.3	15.0	2.7	79.7	1.2
	457.8	559.2	100.0	80.5	3.9

PROPERTY PORTFOLIO DETAILS

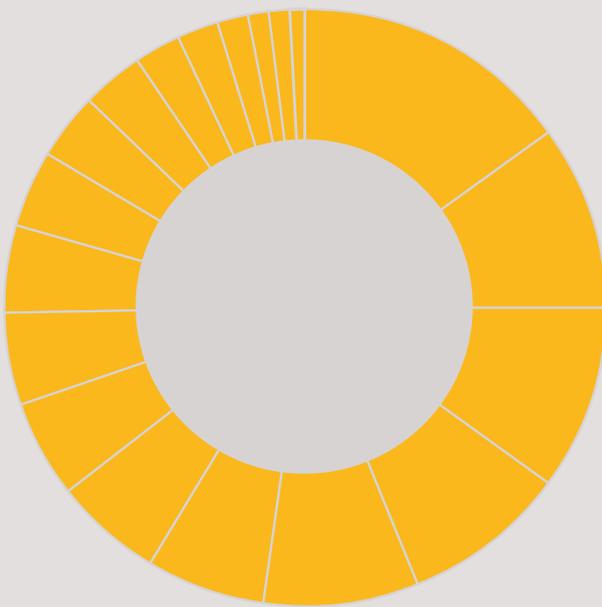
TENANT NAME	INDUSTRY	WEIGHTED AVERAGE TERM REMAINING (YEARS)	% OF BASE RENTAL REVENUE	% OF TOTAL NLA
TOP 25 TENANTS^{(1)/(2)} (BASED ON BASE RENTAL REVENUE)				
Arrow Electronics Inc.	Defense/Electronics	2.0	8.9%	4.9%
Lockheed Martin Corp.	Defense/Electronics	1.7	5.4%	3.7%
Radianz US	Telecom	9.4	5.0%	3.9%
Perkin Elmer Inc.	Technology	8.2	4.8%	7.8%
Bayer Healthcare LLC	Pharmaceuticals	2.6	4.2%	2.9%
Amscan Inc.	Consumer Products	3.0	4.1%	3.0%
Synapse Group Inc.	Financial Services	4.8	2.9%	2.3%
Lincoln Educational Svcs. Corp.	Other Professional Services	4.2	2.3%	1.7%
HQ Global Workplaces	Real Estate	6.3	1.9%	1.4%
Federal Aviation Admin.	Governmental	1.9	1.8%	0.9%
Liberty Mutual	Insurance	4.3	1.5%	1.2%
Ampacet Corporation	Manufacturing	9.3	1.5%	1.1%
Herbert L. Jamison & Co.	Insurance	2.4	1.4%	0.9%
AC Nielsen	Consulting/Research	3.2	1.4%	1.0%
Bank of America NA	Financial Services	4.3	1.2%	0.9%
Frequency Electronics Inc.	Defense/Electronics	2.1	1.1%	2.7%
Petroleum Heat & Power	Consumer Products	4.1	1.0%	0.6%
Oracle USA Inc.	Technology	1.0	1.0%	0.6%
Patient Care Inc.	Healthcare	2.5	0.9%	0.7%
Philip Morris Mgmt. Co.	Consumer Products	3.7	0.9%	0.8%
Guardian Life Insurance Co.	Insurance	9.1	0.8%	0.6%
D.L.C Management Corp.	Real Estate	5.7	0.8%	0.6%
North Shore Reg Health System	Healthcare	8.8	0.8%	0.8%
New York State Teachers United	Governmental	1.7	0.8%	0.4%
Ingerman Smith LLP	Legal Services	5.7	0.7%	0.4%

(1) Based on total assets under management at 1 January 2012, for all 24 properties.

(2) Ranked by 100% of annualised base rental revenue. Based on monthly rent in place as of 1 January 2012.

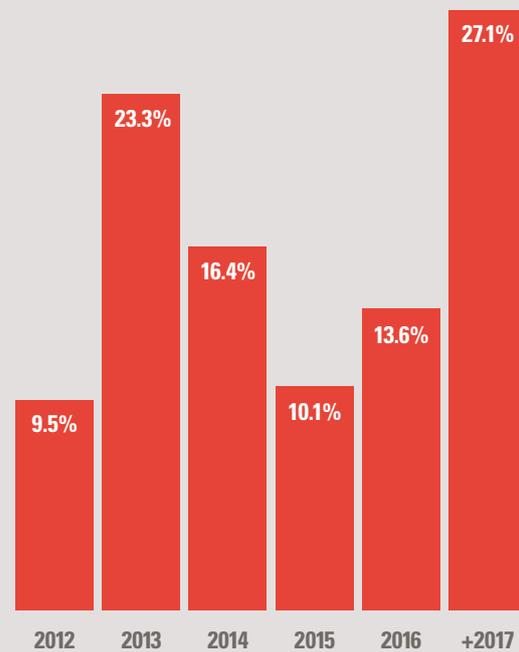
ASSET AND TENANT DIVERSIFICATION
 THE FOLLOWING CHARTS HIGHLIGHT THE TENANT
 INDUSTRY DIVERSIFICATION (FOR ALL TENANTS)
 AND LEASE EXPIRY PROFILE OF THE PROPERTIES

TENANT INDUSTRY DIVERSIFICATION



15.3% Defense/Electronics	4.2% Pharmaceuticals
10.0% Financial Services	3.6% Real Estate
10.0% Technology	3.3% Manufacturing
8.8% Consumer Products	2.5% Advertising
8.3% Insurance	2.4% Consulting/Research
6.3% Telecom	1.6% Accounting
5.7% Other Professional Services	1.2% Other
5.3% Legal Services	0.9% Retail/Wholesale
5.0% Governmental	0.8% Commercial Banks
4.8% Healthcare	

LEASE EXPIRY PROFILE (BY INCOME)



Following are some of the highlights from the fiscal year ending 31 December 2011 for RNY Property Trust ("RNY" or the "Trust"):

RNY

RNY is the first Australian listed property trust with a primary strategy of investing in commercial office property in the New York Tri-State area in the United States, giving Australian investors their first opportunity to invest exclusively in the New York Tri-State area markets.

RNY was listed on the Australian Stock Exchange on 26 September 2005, in a partly-paid transaction with the final equity instalment paid during 2006. RNY presently owns a 75% interest in 25 properties (the "Portfolio") containing approximately 3.3 million square feet in the suburban New York Tri-State area markets of Long Island, New Jersey and Westchester/Connecticut (the "NY Tri-State area markets").

Headstock Company

The remaining 25% interest in the Portfolio is owned by affiliates of RXR Realty LLC ("RXR") and its partners. RXR is one of the premier real estate operators, developers and investment managers in the NY Tri-State area. RXR employs approximately 206 people and manages real estate assets having a gross value of approximately US\$4.7 billion comprised of 106 properties and approximately 18.0 million square feet of office space in the NY Tri-State area markets and Manhattan.

During 2008 the Executive Directors of RAML purchased 51.3 million units of the publicly-traded units of RNY (19.5% of the outstanding units of RNY), making them the largest unitholder of RNY.

Financial Highlights

In the year ended 31 December 2011, RNY reported a net loss after tax of \$12.6 million. For the year-ended 31 December 2011 RNY reported adjusted net profit after tax of \$481,000 or 0.18 cents per unit (adjusted for non-cash items) and distributable earnings of \$1.48 million or 0.56 cents per unit. RNY did not distribute any of its 2011 earnings, reflecting a policy announced in 2009 to suspend distributions. RNY ended the year with net tangible assets of \$0.28 per unit.

At 30 June 2011, the Trust's management revalued the entire Portfolio. CB Richard Ellis ("CBRE"), an independent property appraisal firm, was engaged to perform appraisals of six RNY properties and to provide capitalisation rate data for the other 18 properties of the Portfolio. Management utilized the appraisals and cap rate data to complete these valuations. Such revaluations resulted in a 0.7% increase in the Portfolio's value from 31 December 2010. The average per square foot value of the Portfolio increased to US\$142 (from US\$141 per square foot at 31 December 2010).

At 31 December 2011 management again revalued the entire Portfolio, using the same process that was used at 30 June. CBRE was engaged to perform appraisals of five RNY properties and to provide cap rate data for the other 19 properties of the Portfolio. Management then completed these valuations utilizing these appraisals and cap rate data. Such revaluations resulted in a 2.6% decrease in the Portfolio's value from 30 June and a 2.0% decrease in the Portfolio's value from 31 December 2010. The average per square foot value of the Portfolio decreased to US\$138.

RNY's underlying gearing ratio on 31 December 2010 was 76.9% (excluding default interest).

Leasing Highlights

For the year ended 31 December 2011, RNY executed 67 lease transactions totalling 249,243 square feet, representing 7.5% of the Portfolio, and achieved a renewal rate of 69.8%. Total same space average rents decreased 6.4% during the year, whilst same space net operating income decreased 5.7% for the period. During 2012, leases representing 223,093 square feet will be expiring, which is 7.0% of the total Portfolio (representing 9.2% of the Portfolio's revenue).

Portfolio Highlights

The Portfolio includes approximately 260 tenants, with two tenants, Arrow Electronics and Lockheed Martin Corp., representing 8.9% and 5.4%, respectively, of the Portfolio's revenue. Arrow Electronics is a global provider of products, services and solutions to industrial and commercial users of electronic components and enterprise computing solutions, with 2011 sales of US\$21.4 billion. Arrow's lease at its headquarters at 50 Marcus Drive in Melville, NY expires at 31 December 2013. Lockheed Martin is a global security company and is principally engaged in the research, design, development, manufacture, integration and sustainment of advanced technology systems, products and services with 2011 sales of US\$46.5 billion. Lockheed's lease at 55 Charles Lindbergh Blvd in Uniondale, NY expires at 30 September 2013. No other tenants represent more than 5.0% of the Portfolio's revenue.

The tenants of the Portfolio represent a diverse variety of industries with no single industry accounting for too large a portion of the Portfolio's revenue. The top industries represented by the Portfolio's tenants are defense and electronics (15.3%), financial services (10.0%), technology (10.0%) and consumer products (8.8%). The Portfolio's occupancy on 1 January 2011 was 80.8%, which decreased to 80.3% at 30 June. At 31 December 2011 the occupancy of the entire Portfolio was 80.5%.

Recent Developments/Subsequent events

The US LLC is in the final documentation stages of a discounted pay-off and refinancing of the US LLC's US\$196.1 million CMBS loan (the "CMBS Loan") which matured in September 2010. The CMBS Loan is secured by 9 properties (the "Properties") valued at US\$195.6 million as of 31 December 2011. The closing of such transaction is expected imminently, but there can be no assurances that such closing will occur.

Based on the loan documents as at the date of this report, the new financing will consist of a 5-year US\$123 million senior bank loan with an interest rate of LIBOR plus 3.95% (the "Senior Bank Loan") and a 5-year US\$36 million mezzanine loan expected to accrue interest at a rate of 13% per annum, with pay rates of 6% during year 1, 8% during year 2 and 13% thereafter (the "Mezzanine Loan"). The Mezzanine Loan lender will have the right to receive additional interest equal to 15% of the net residual cash flow from the Properties, after an amount that provides the borrower an annual internal rate of return ("IRR") of 15% on any new equity invested in the Properties, up to a cap of 16.5% IRR on the total Mezzanine Loan. The proceeds from the Senior Bank Loan and Mezzanine Loan will be used to pay-off the discounted CMBS Loan.

Based on the loan documents as at the date of this report, the Senior Bank Loan will require monthly payments of principal and interest based upon a 30-year amortization term. The Senior Bank Loan will mature in 5 years. The Mezzanine Loan will require payments of interest only and also matures in 5 years. The Senior Bank Loan will be recourse only to the same nine Properties which served as collateral for the CMBS Loan.

With regards to the US\$51.5 million CMBS (commercial mortgage backed securities) mortgage loan, which matured in October 2010, the US LLC continues to pay interest on a current basis and is continuing discussions with the CMBS special servicer for such loan (the "Special Servicer") related to an extension and/or restructuring of the loan. Please note, however, that there can be no assurances that discussions with the Special Servicer will be successful. Such mortgage debt is recourse only to the properties which serve as collateral for such loan.

LONG ISLAND

1. Hauppauge

150 Motor Parkway
300 Motor Parkway

2. Melville

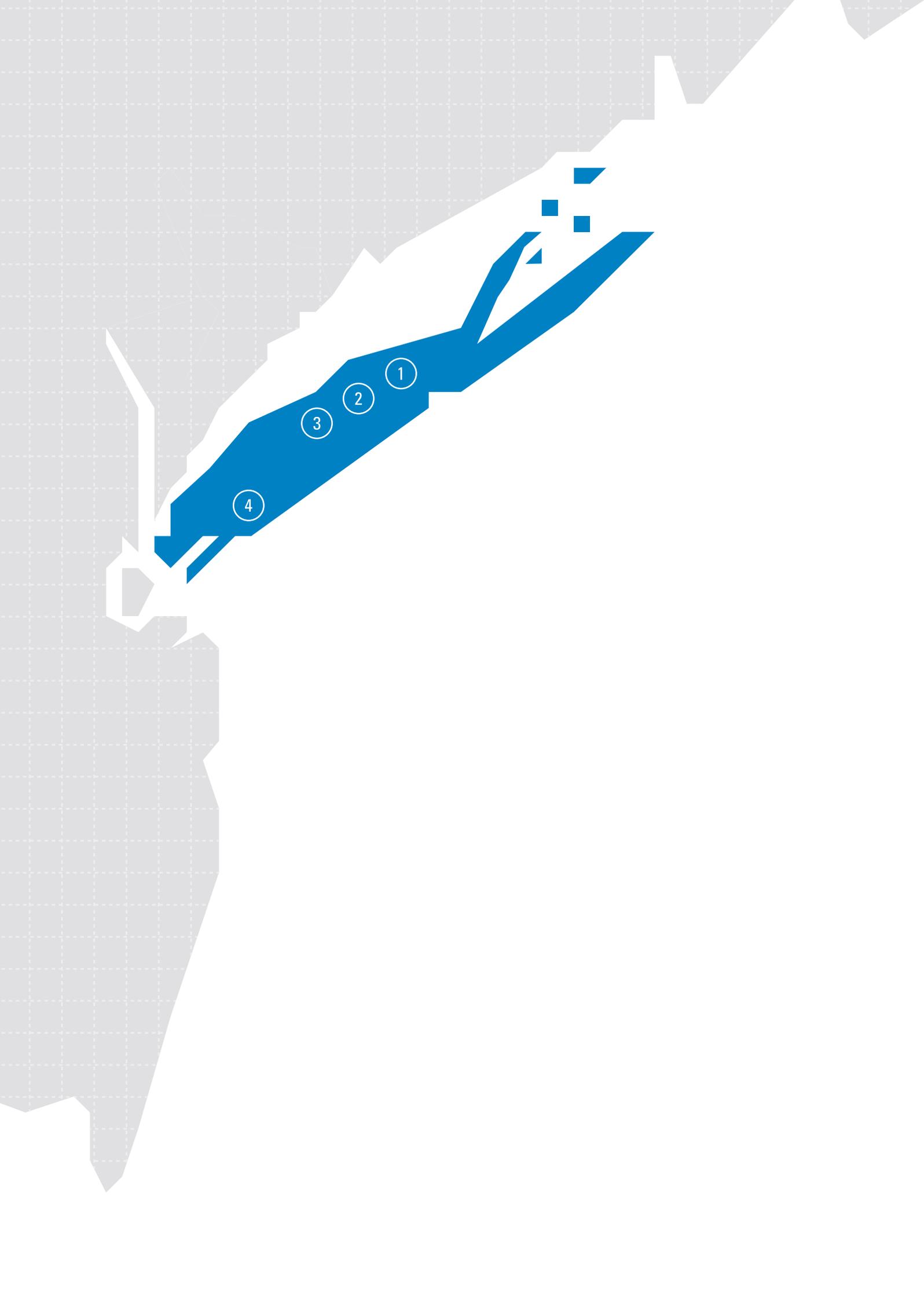
35 Pinelawn Road
200 Broadhollow Road
520 Broadhollow Road
1660 Walt Whitman Road
50 Marcus Drive

3. Syosset, NY

6800 Jericho Turnpike
6900 Jericho Turnpike

4. Uniondale

55 Charles Lindbergh Boulevard

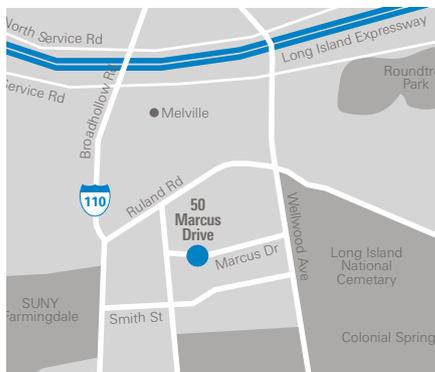


LEASE EXPIRY BY % OF INCOME



PROPERTY OVERVIEW

50 Marcus Drive, Long Island is a 163,762 sq ft NLA, two storey office building. The site area is 12.9 acres and includes 1,040 parking spaces. It is located within easy access of the Long Island Expressway. It is 100% leased to Arrow Electronics with a remaining lease term of 2.0 years.



ACQUISITION SUMMARY

Trust's indirect interest in US LLC	75.0%
Purchase price (US\$ million)*	37.1

VALUATION SUMMARY

Director valuation	Dec '11
Valuation (US\$ million)	30.7

* 100% basis

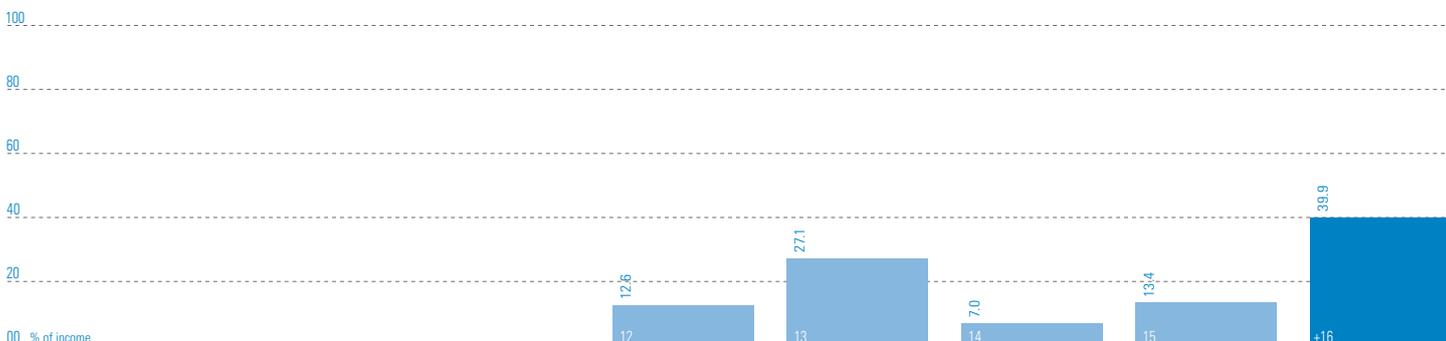
PROPERTY STATISTICS

Market	Long Island
Land area (acres)	12.9
Net Lettable Area (sq ft)	163,762
Occupancy (based on NLA)	100.0%
Lease term to expiry	2.0 years

MAJOR TENANTS SUMMARY

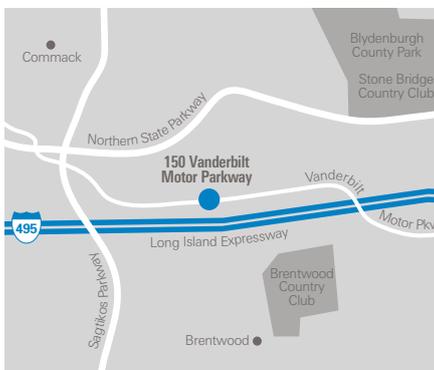
TENANT	INDUSTRY	LEASED AREA (SQ FT)	% OF TOTAL RENT	LEASE EXPIRY DATE	REMAINING TERM (YEARS)
Arrow Electronics	Defense/Electronics	163,762	100.0%	December 2013	2.0
Other	Other tenant – 0				
Total		163,762	100.0%		

LEASE EXPIRY BY % OF INCOME



PROPERTY OVERVIEW

150 Motor Parkway, Long Island is a 184,124 sq ft NLA, four storey office building and features a two storey lobby of granite and glass. The site area is 11.3 acres and includes 1,040 parking spaces. It is located within easy access of the Long Island Expressway. Major tenants include Liberty Mutual, New York State United Teacher, HQ Global Workplaces Inc. and Ingerman Smith LLP. Occupancy is 81.4% and weighted average lease term to expiry (by income) is 3.4 years.



ACQUISITION SUMMARY

Trust's indirect interest in US LLC	75.0%
Purchase price (US\$ million)*	34.2

VALUATION SUMMARY

Director valuation	Dec '11
Valuation (US\$ million)	27.8

* 100% basis

PROPERTY STATISTICS

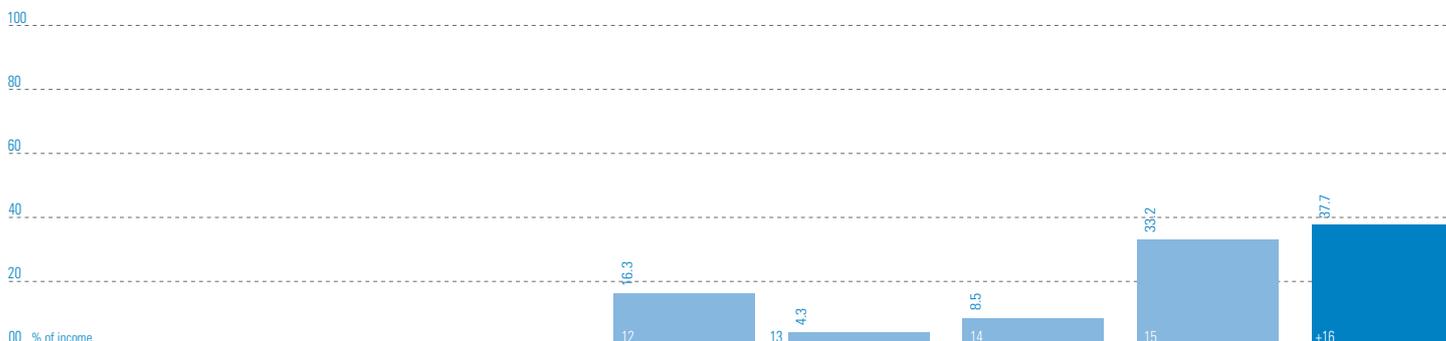
Market	Long Island
Land area (acres)	11.3
Net Lettable Area (sq ft)	184,124
Occupancy (based on NLA)	81.4%
Gross weighted average lease term to expiry (by income)	3.4

MAJOR TENANTS SUMMARY

TENANT	INDUSTRY	LEASED AREA (SQ FT)	% OF TOTAL RENT	LEASE EXPIRY DATE	REMAINING TERM (YEARS)
HQ Global Workplaces Inc.	Real Estate	16,584	11.9%	July 2018	6.6
New York State United Teacher	Governmental	14,066	11.1%	September 2013	1.8
Ingerman Smith LLP	Legal Services	12,801	10.3%	August 2017	5.7
Liberty Mutual	Insurance	14,796	8.4%	January 2016	4.1
Other	Other tenants – 22	91,675	58.3%		
Total/average ⁽¹⁾		149,922	100.0%		3.4

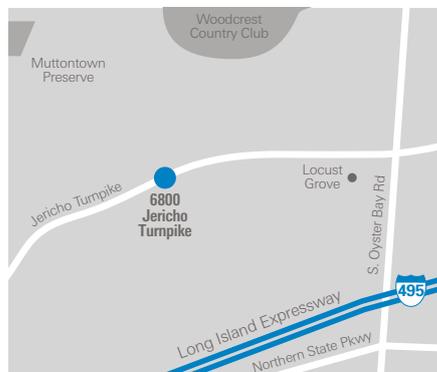
(1) Totals may vary due to rounding.

LEASE EXPIRY BY % OF INCOME



PROPERTY OVERVIEW

6800 Jericho Turnpike, Long Island is a 209,255 sq ft NLA, two storey office building and features a newly renovated lobby and a new 4-star restaurant and café. The site area is 13.0 acres and includes 970 parking spaces. It is located between Route 135 and Routes 106 and 107. Major tenants include AC Nielsen, Massachusetts Mutual Life and Stewart Greenblatt Manning. Occupancy is 91.6% and weighted average lease term to expiry (by income) is 3.8 years.



ACQUISITION SUMMARY

Trust's indirect interest in US LLC	75.0%
Purchase price (US\$ million)*	30.9

VALUATION SUMMARY

Director valuation	Dec '11
Valuation (US\$ million)	27.2

* 100% basis

PROPERTY STATISTICS

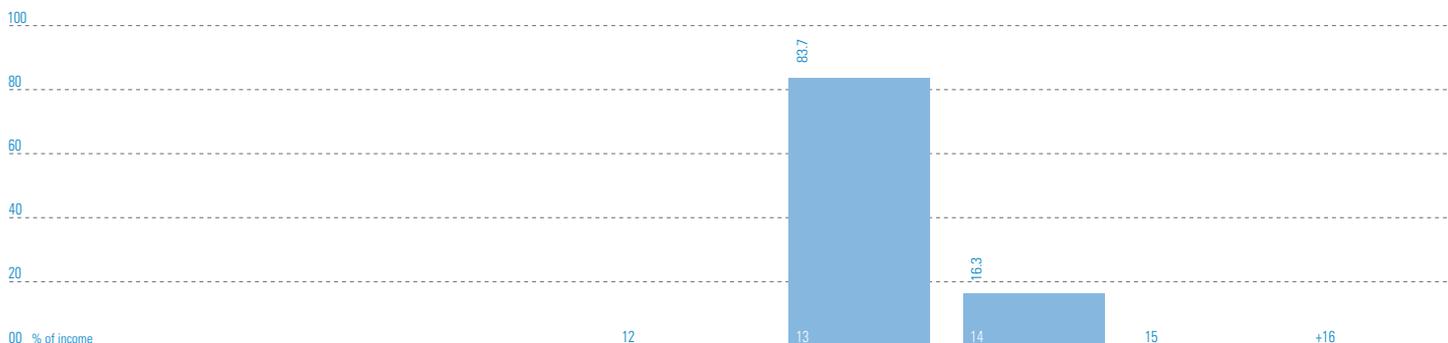
Market	Long Island
Land area (acres)	13.0
Net Lettable Area (sq ft)	209,255
Occupancy (based on NLA)	91.6%
Gross weighted average lease term to expiry (by income)	3.8 years

MAJOR TENANTS SUMMARY

TENANT	INDUSTRY	LEASED AREA (SQ FT)	% OF TOTAL RENT	LEASE EXPIRY DATE	REMAINING TERM (YEARS)
AC Nielsen C/O VNU	Consulting/Research	34,276	18.0%	March 2015	3.2
Massachusetts Mutual Life	Insurance	13,839	7.3%	May 2017	5.4
Stewart Greenblatt Manning	Legal Services	13,411	7.8%	May 2015	3.4
Other	Other tenants – 38	116,309	61.0%		
Total/average ⁽¹⁾		189,615	100.0%		3.8

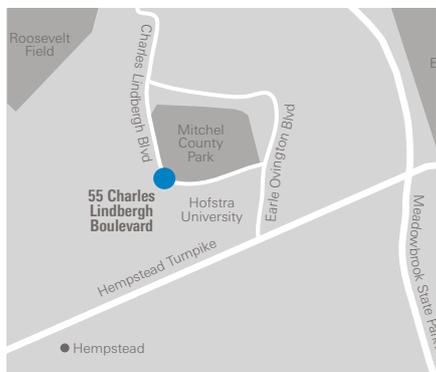
(1) Totals may vary due to rounding.

LEASE EXPIRY BY % OF INCOME



PROPERTY OVERVIEW

55 Charles Lindbergh Boulevard, Long Island is a 214,581 sq ft NLA, two storey office building and features a café. The site area is 10.0 acres and includes 672 parking spaces. It is located within easy access of the Long Island Expressway and Northern State Parkway. Major tenants include Lockheed Martin Corporation and Frequency Electronics. Occupancy is 100.0% and weighted average lease term to expiry (by income) is 1.8 years.



ACQUISITION SUMMARY

Trust's indirect interest in US LLC	75.0%
Purchase price (US\$ million)*	29.6

VALUATION SUMMARY

CBRE appraisal	Dec '11
Valuation (US\$ million)	35.0

* 100% basis

PROPERTY STATISTICS

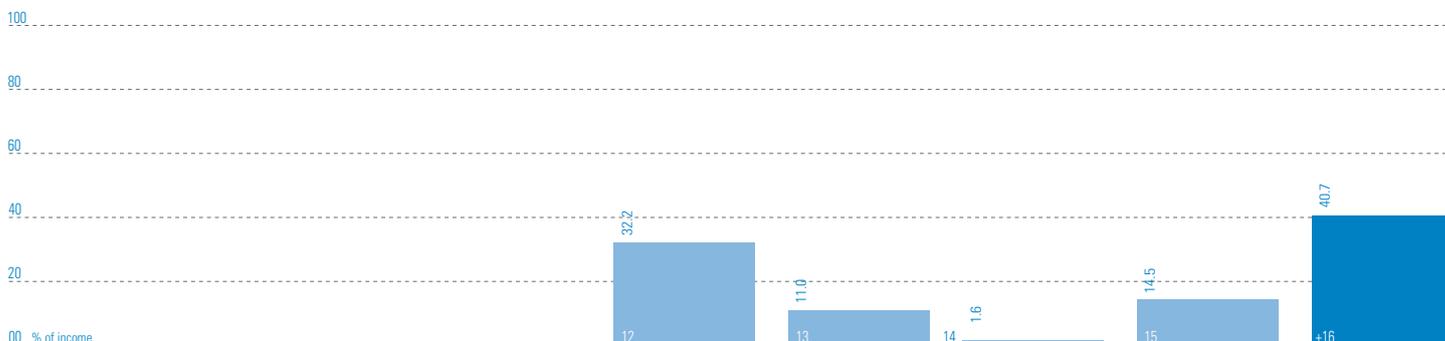
Market	Long Island
Land area (acres)	10.0
Net Lettable Area (sq ft)	214,581
Occupancy (based on NLA)	100.0%
Gross weighted average lease term to expiry (by income)	1.8

MAJOR TENANTS SUMMARY

TENANT	INDUSTRY	LEASED AREA (SQ FT)	% OF TOTAL RENT	LEASE EXPIRY DATE	REMAINING TERM (YEARS)
Lockheed Martin Corporation	Defense/Electronics	123,554	83.7%	September 2013	1.8
Frequency Electronics	Defense/Electronics	91,027	16.3%	January 2014	2.1
Other	Other tenants – 0				
Total/average ⁽¹⁾		214,581	100.0%		1.8

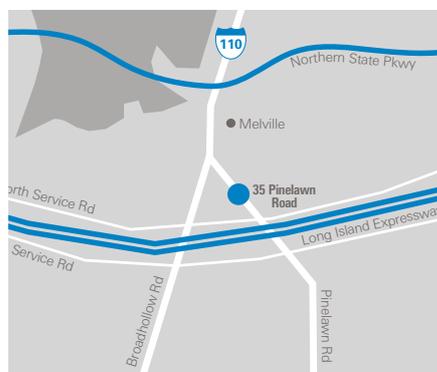
(1) Totals may vary due to rounding.

LEASE EXPIRY BY % OF INCOME



PROPERTY OVERVIEW

35 Pinelawn Road, Long Island is a 110,950 sq ft NLA, two storey office building and features a café. The site area is 6.0 acres and includes 461 parking spaces. It is located within easy access of the Long Island Expressway. Major tenants include North Shore Regional Healthcare and Aramis Inc., Occupancy is 88.3% and weighted average lease term to expiry (by income) is 4.1 years.



ACQUISITION SUMMARY

Trust's indirect interest in US LLC	75.0%
Purchase price (US\$ million)*	18.9

VALUATION SUMMARY

CBRE appraisal	Dec '11
Valuation (US\$ million)	15.3

* 100% basis

PROPERTY STATISTICS

Market	Long Island
Land area (acres)	6.0
Net Lettable Area (sq ft)	110,950
Occupancy (based on NLA)	88.3%
Gross weighted average lease term to expiry (by income)	4.1 years

MAJOR TENANTS SUMMARY

TENANT	INDUSTRY	LEASED AREA (SQ FT)	% OF TOTAL RENT	LEASE EXPIRY DATE	REMAINING TERM (YEARS)
North Shore Reg. Health	Healthcare	27,087	22.9%	September 2020	8.8
Aramis	Consumer Products	7,380	11.3%	October 2012	0.8
Pilots Benefits Group	Real Estate	5,043	6.0%	February 2018	6.2
Prestige Equipment Corp.	Other Professional Services	4,375	5.8%	October 2015	3.8
Other	Other tenants – 23	51,357	54.0%		
Total/average ⁽¹⁾		95,242	100.0%		4.1

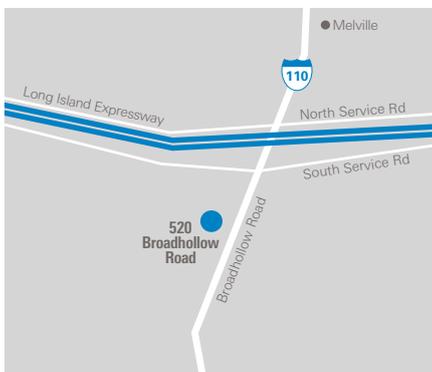
(1) Totals may vary due to rounding.

LEASE EXPIRY BY % OF INCOME



PROPERTY OVERVIEW

520 Broadhollow Road, Long Island is an 88,631 sq ft NLA, single storey office building. The site area is 7.0 acres and includes 353 parking spaces. It is located within easy access of the Long Island Expressway. Major tenants include Petro Inc. Occupancy is 22.6% and weighted average lease term to expiry (by income) is 4.1 years.



ACQUISITION SUMMARY

Trust's indirect interest in US LLC	75.0%
Purchase price (US\$ million)*	16.0

VALUATION SUMMARY

Director valuation	Dec '11
Valuation (US\$ million)	11.6

* 100% basis

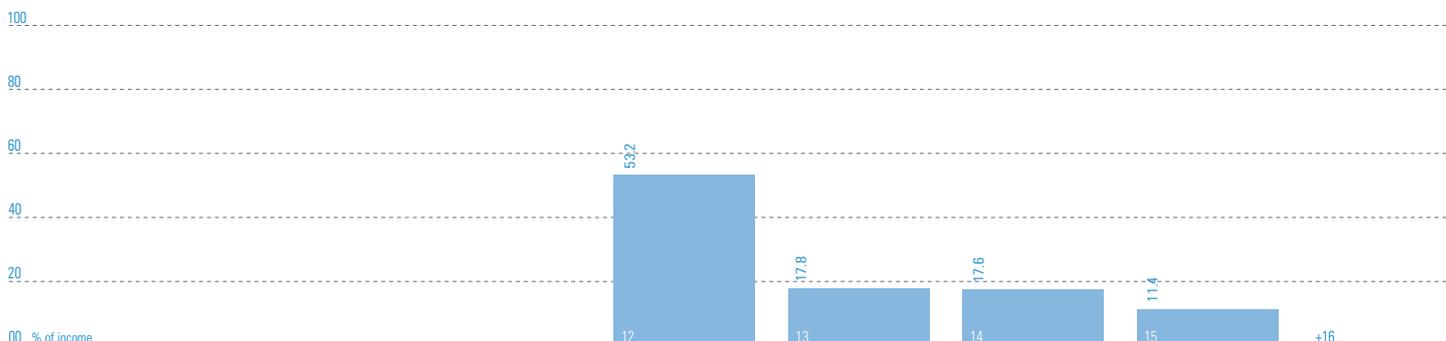
PROPERTY STATISTICS

Market	Long Island
Land area (acres)	7.0
Net Lettable Area (sq ft)	88,631
Occupancy (based on NLA)	22.6%
Gross weighted average lease term to expiry (by income)	4.1

MAJOR TENANTS SUMMARY

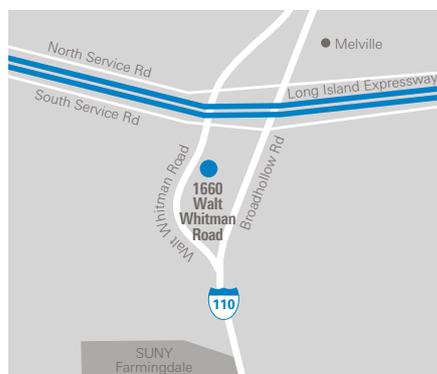
TENANT	INDUSTRY	LEASED AREA (SQ FT)	% OF TOTAL RENT	LEASE EXPIRY DATE	REMAINING TERM (YEARS)
Petro Inc.	Consumer Products	20,014	100.0%	January 2016	4.1
Other	Other tenant – 0	0			
Total/average		20,014	100.0%		4.1

LEASE EXPIRY BY % OF INCOME



PROPERTY OVERVIEW

1660 Walt Whitman Road, Long Island is a 78,379 sq ft NLA, single storey office building. The site area is 6.5 acres and includes 304 parking spaces. It is located within easy access of the Long Island Expressway. Major tenants include Integrated Business Systems, Cybear Inc., Eckerd Corp and AT&T. Occupancy is 79.7% and weighted average lease term to expiry (by income) is 1.2 years.



ACQUISITION SUMMARY

Trust's indirect interest in US LLC	75.0%
Purchase price (US\$ million)*	15.0

VALUATION SUMMARY

Director valuation	Dec '11
Valuation (US\$ million)	13.3

* 100% basis

PROPERTY STATISTICS

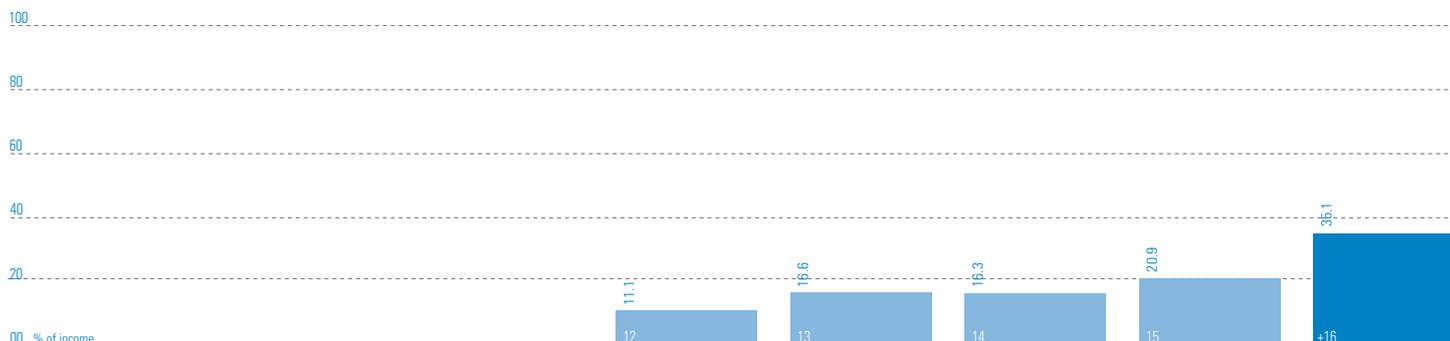
Market	Long Island
Land area (acres)	6.5
Net Lettable Area (sq ft)	78,379
Occupancy (based on NLA)	79.7%
Gross weighted average lease term to expiry (by income)	1.2 years

MAJOR TENANTS SUMMARY

TENANT	INDUSTRY	LEASED AREA (SQ FT)	% OF TOTAL RENT	LEASE EXPIRY DATE	REMAINING TERM (YEARS)
Eckerd Corp.	Consumer Products	12,640	23.3%	February 2012	0.2
Integrated Business Systems	Technology	10,747	17.8%	April 2013	1.3
AT&T	Telecom	10,488	17.6%	February 2014	2.2
Cybear Inc.	Financial Services	8,724	16.0%	August 2012	0.7
Other	Other tenants – 2	19,827	25.3%		
Total/average ⁽¹⁾		62,426	100.0%		1.2

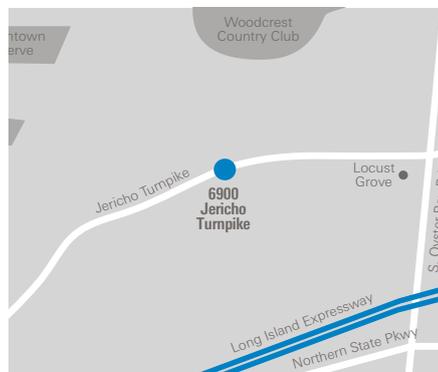
(1) Totals may vary due to rounding.

LEASE EXPIRY BY % OF INCOME



PROPERTY OVERVIEW

6900 Jericho Turnpike, Long Island is a 95,343 sq ft NLA, four storey office building and features a newly renovated lobby. The site area is 5.0 acres and includes 377 parking spaces. It is located between Route 135 and Routes 106 and 107. Major tenants include Hoffman & Baron LLP, Lincoln Financial Group and United Jewish Appeal. Occupancy is 95.4% and weighted average lease term to expiry (by income) is 3.4 years.



ACQUISITION SUMMARY

Trust's indirect interest in US LLC	75.0%
Purchase price (US\$ million)*	14.4

VALUATION SUMMARY

Director valuation	Dec '11
Valuation (US\$ million)	13.6

* 100% basis

PROPERTY STATISTICS

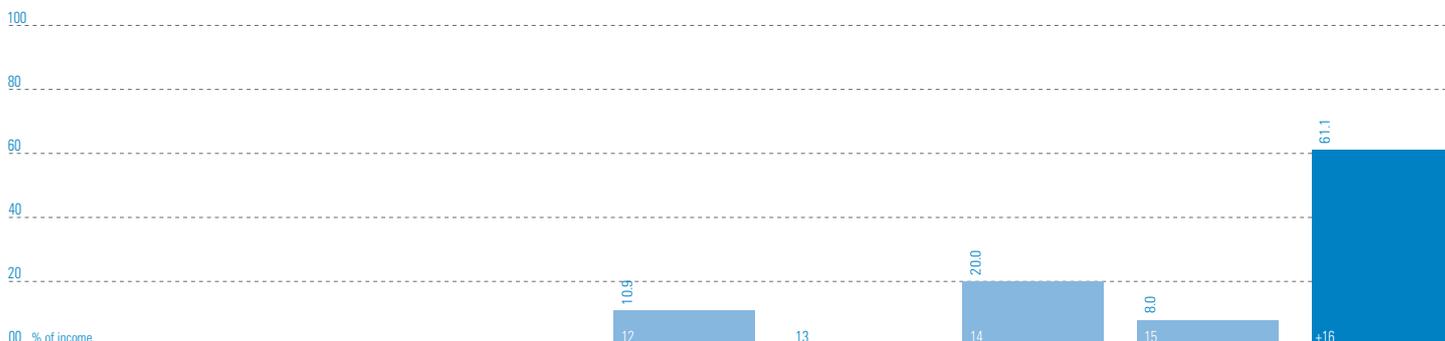
Market	Long Island
Land area (acres)	5.0
Net Lettable Area (sq ft)	95,343
Occupancy (based on NLA)	95.4%
Gross weighted average lease term to expiry (by income)	3.4

MAJOR TENANTS SUMMARY

TENANT	INDUSTRY	LEASED AREA (SQ FT)	% OF TOTAL RENT	LEASE EXPIRY DATE	REMAINING TERM (YEARS)
Hoffman & Baron LLP	Legal Services	17,298	16.9%	April 2016	4.3
United Jewish Appeal	Legal Services	10,848	14.1%	July 2014	2.6
Lincoln Financial Group	Financial Services	10,379	12.1%	November 2016	4.9
Other	Other tenants – 9	52,440	56.9%		
Total/average ⁽¹⁾		90,965	100.0%		3.4

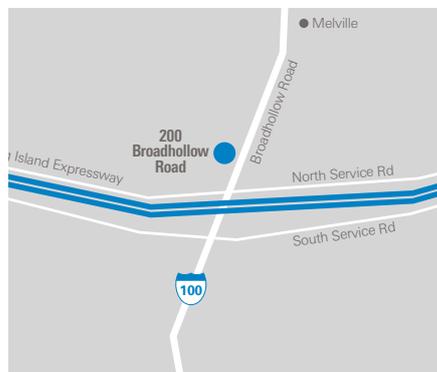
(1) Totals may vary due to rounding.

LEASE EXPIRY BY % OF INCOME



PROPERTY OVERVIEW

200 Broadhollow Road, Long Island is a 68,585 sq ft NLA, four storey office building and features a distinctive lobby and a café. The site area is 4.6 acres and includes 299 parking spaces. It is located within easy access of the Long Island Expressway and Northern State Parkway. Major tenants include HQ Global Workplaces and Guardian Life Insurance. Occupancy is 81.6% and weighted average lease term to expiry (by income) is 5.9 years.



ACQUISITION SUMMARY

Trust's indirect interest in US LLC	75.0%
Purchase price (US\$ million)*	11.8

VALUATION SUMMARY

Director valuation	Dec '11
Valuation (US\$ million)	9.9

* 100% basis

PROPERTY STATISTICS

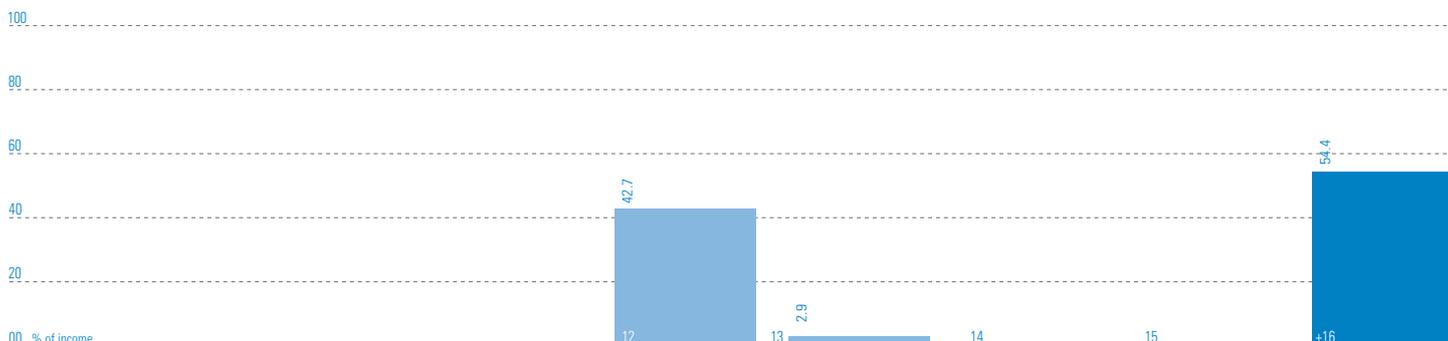
Market	Long Island
Land area (acres)	4.6
Net Lettable Area (sq ft)	68,585
Occupancy (based on NLA)	81.6%
Gross weighted average lease term to expiry (by income)	5.9 years

MAJOR TENANTS SUMMARY

TENANT	INDUSTRY	LEASED AREA (SQ FT)	% OF TOTAL RENT	LEASE EXPIRY DATE	REMAINING TERM (YEARS)
HQ Global Workplaces	Real Estate	16,507	28.3%	March 2018	6.3
Guardian Life Insurance	Insurance	10,973	18.0%	November 2025	13.9
Willis of New York Inc.	Insurance	7,580	17.3%	May 2014	2.4
Ameriprise Hldgs	Financial services	9,404	11.2%	July 2017	5.6
Other	Other tenants – 6	11,520	25.1%		
Total/average ⁽¹⁾		55,984	100.0%		5.9

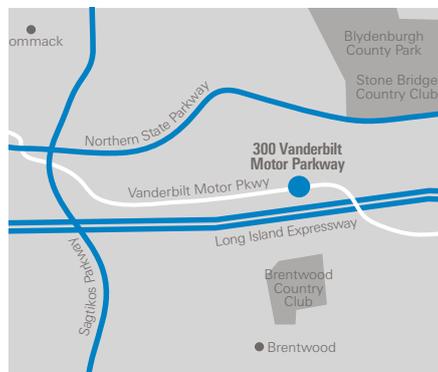
(1) Totals may vary due to rounding.

LEASE EXPIRY BY % OF INCOME



PROPERTY OVERVIEW

300 Motor Parkway, Long Island is a 59,383 sq ft NLA, single storey office building. The site area is 4.2 acres and includes 279 parking spaces. It is located within easy access of the Long Island Expressway and Long Island Motor Parkway. Major tenants include NYS Department of Law. Occupancy is 71.0% and weighted average lease term to expiry (by income) is 3.2 years.



ACQUISITION SUMMARY

Trust's indirect interest in US LLC	75.0%
Purchase price (US\$ million)*	8.1

VALUATION SUMMARY

Director valuation	Dec '11
Valuation (US\$ million)	6.4

* 100% basis

PROPERTY STATISTICS

Market	Long Island
Land area (acres)	4.2
Net Lettable Area (sq ft)	59,383
Occupancy (based on NLA)	71.0%
Gross weighted average lease term to expiry (by income)	3.2

MAJOR TENANTS SUMMARY

TENANT	INDUSTRY	LEASED AREA (SQ FT)	% OF TOTAL RENT	LEASE EXPIRY DATE	REMAINING TERM (YEARS)
NYS Dept. of Law	Governmental	18,077	42.6%	February 2012	0.2
United Abstract Group	Real Estate	15,011	31.2%	July 2016	4.6
From the Ashes d/b/a K. Peters	Healthcare	5,092	16.5%	January 2020	8.1
Other	Other tenants – 2	3,993	9.6%		
Total/average ⁽¹⁾		42,173	100.0%		3.2

(1) Totals may vary due to rounding.

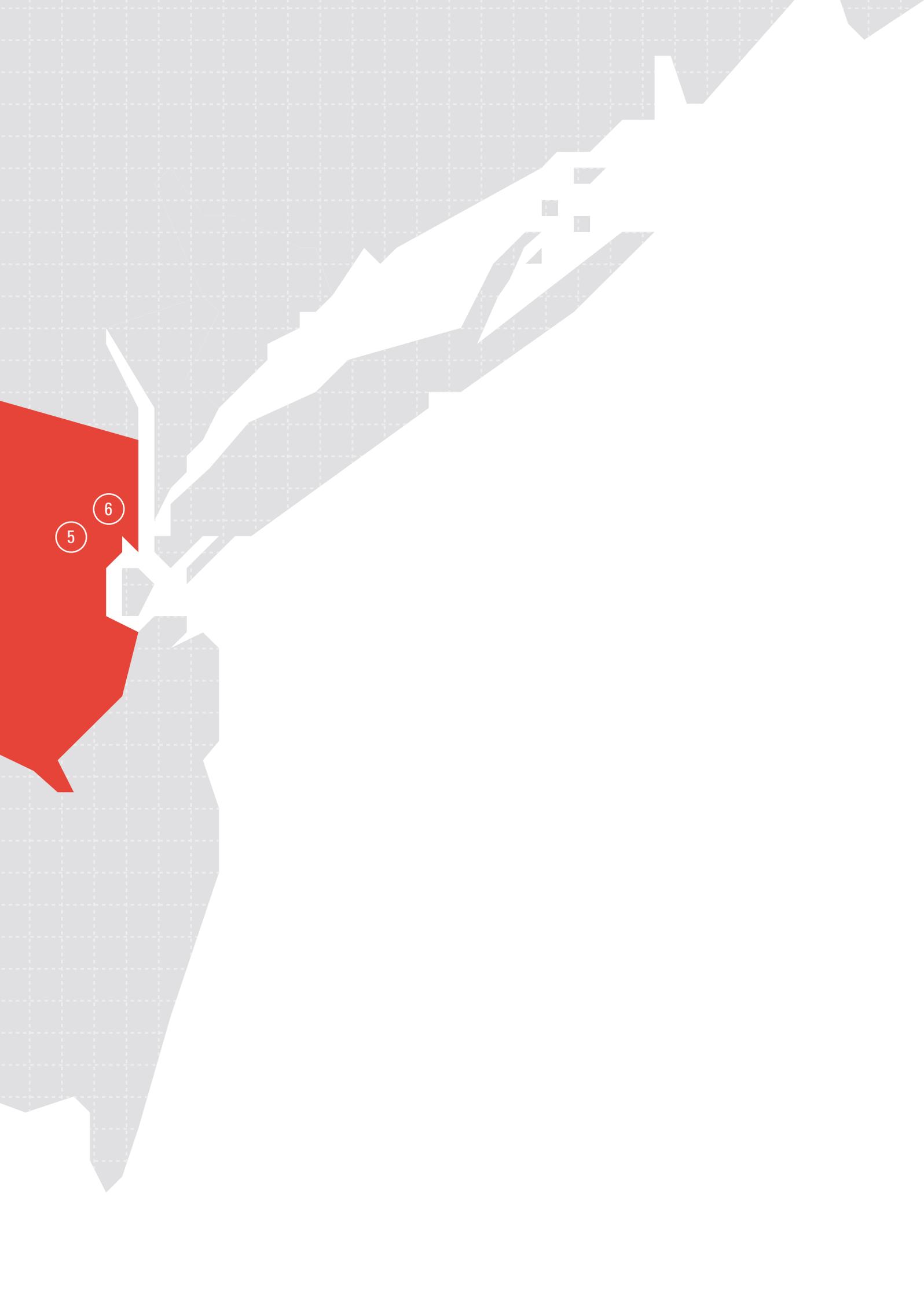
NORTHERN NEW JERSEY

5. West Orange

100 Executive Drive
200 Executive Drive
300 Executive Drive
10 Rooney Circle

6. Nutley

492 River Road

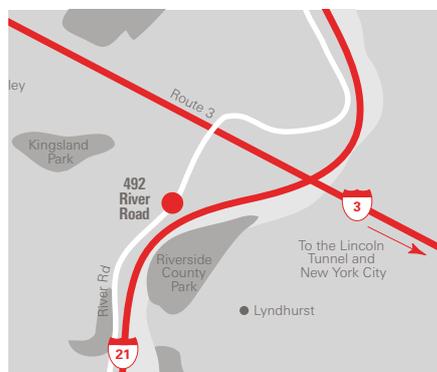


LEASE EXPIRY BY % OF INCOME



PROPERTY OVERVIEW

492 River Road, Northern New Jersey is a 130,009 sq ft NLA, three storey office building. The site area is 17.3 acres and includes 496 parking spaces. It is located within easy access of Route 3 and Route 21. The building is 100% leased to Radianz with a remaining lease term of 9.4 years.



ACQUISITION SUMMARY

Trust's indirect interest in US LLC	75.0%
Purchase price (US\$ million)*	28.4

VALUATION SUMMARY

Director valuation	Dec '11
Valuation (US\$ million)	37.8

* 100% basis

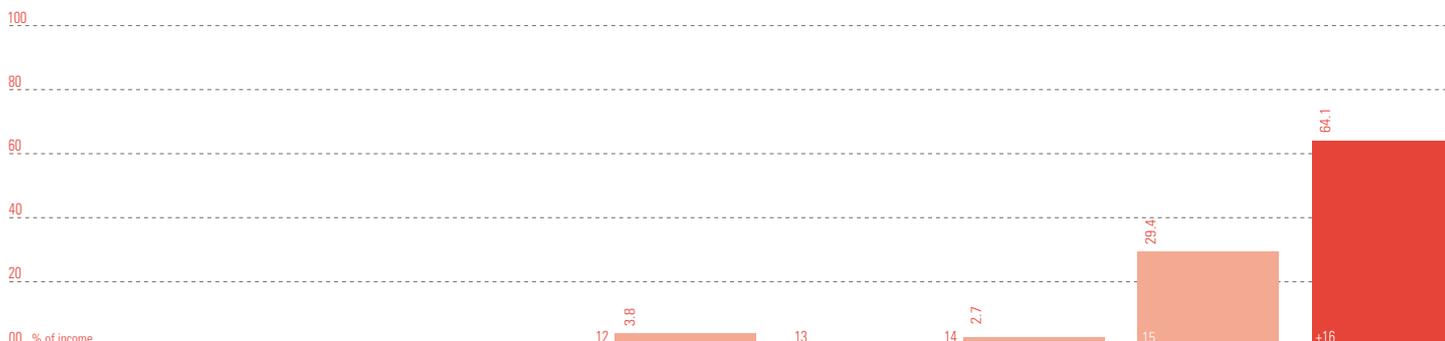
PROPERTY STATISTICS

Market	Northern New Jersey
Land area (acres)	17.3
Net Lettable Area (sq ft)	130,009
Occupancy (based on NLA)	100.0%
Gross weighted average lease term to expiry (by income)	9.4 years

MAJOR TENANTS SUMMARY

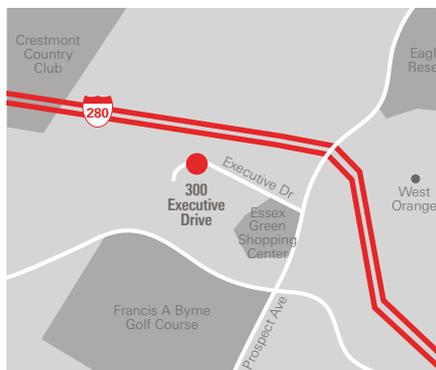
TENANT	INDUSTRY	LEASED AREA (SQ FT)	% OF TOTAL RENT	LEASE EXPIRY DATE	REMAINING TERM (YEARS)
Radianz	Telecom	130,009	100.0%	May 2021	9.4
Other	Other tenants – 0	0			
Total		130,009	100.0%		

LEASE EXPIRY BY % OF INCOME



PROPERTY OVERVIEW

300 Executive Drive, Northern New Jersey is a 125,440 sq ft NLA, four storey office building and features a marble and wood lobby. The site area is 8.7 acres and includes 508 parking spaces. It is located within easy access of Route 280, New Jersey Turnpike and Garden State Parkway. Major tenants include Kessler Foundation, Government Employees Ins Co., Nationwide Mutual Ins. Co. and Olympic Agency Inc. Occupancy is 71.9% and weighted average lease term to expiry (by income) is 4.6 years.



ACQUISITION SUMMARY

Trust's indirect interest in US LLC	75.0%
Purchase price (US\$ million)*	17.2

VALUATION SUMMARY

Director valuation	Dec '11
Valuation (US\$ million)	14.2

* 100% basis

PROPERTY STATISTICS

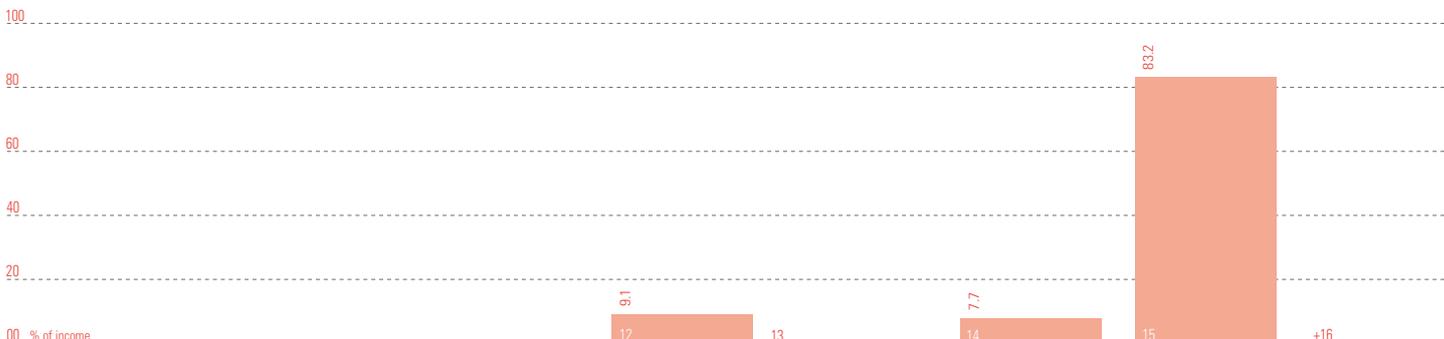
Market	Northern New Jersey
Land area (acres)	8.7
Net Lettable Area (sq ft)	125,440
Occupancy (based on NLA)	71.9%
Gross weighted average lease term to expiry (by income)	4.6

MAJOR TENANTS SUMMARY

TENANT	INDUSTRY	LEASED AREA (SQ FT)	% OF TOTAL RENT	LEASE EXPIRY DATE	REMAINING TERM (YEARS)
Kessler Foundation	Healthcare	17,354	18.1%	June 2016	4.5
Government Employees Ins Co.	Insurance	13,886	17.1%	July 2015	4.6
National Mutual Ins Co.	Insurance	16,484	15.6%	July 2016	4.6
Olympic Agency Inc.	Insurance	10,788	12.8%	December 2018	7.0
Other	Other tenants – 7	31,669	36.3%		
Total/average ⁽¹⁾		90,181	100.0%		4.6

(1) Totals may vary due to rounding.

LEASE EXPIRY BY % OF INCOME



PROPERTY OVERVIEW

200 Executive Drive, Northern New Jersey is a 106,327 sq ft NLA, four storey office building and features a newly renovated lobby with storefront entrance. The site area is 8.2 acres and includes 415 parking spaces. It is located within easy access to Route 280, New Jersey Turnpike and Garden State Parkway. Major tenants include Lincoln Educational and Partnership for Children. Occupancy is 56.8% and weighted average lease term to expiry (by income) is 3.6 years.



ACQUISITION SUMMARY

Trust's indirect interest in US LLC	75.0%
Purchase price (US\$ million)*	16.0

VALUATION SUMMARY

CBRE appraisal	Dec '11
Valuation (US\$ million)	9.7

* 100% basis

PROPERTY STATISTICS

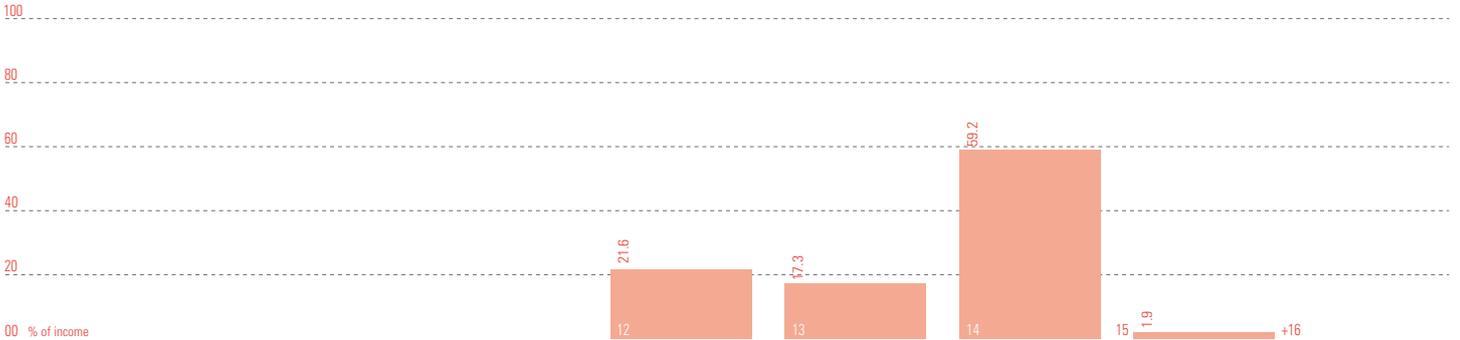
Market	Northern New Jersey
Land area (acres)	8.2
Net Lettable Area (sq ft)	106,327
Occupancy (based on NLA)	56.8%
Gross weighted average lease term to expiry (by income)	3.6 years

MAJOR TENANTS SUMMARY

TENANT	INDUSTRY	LEASED AREA (SQ FT)	% OF TOTAL RENT	LEASE EXPIRY DATE	REMAINING TERM (YEARS)
Lincoln Educational SRV	Other Professional Services	45,408	76.6%	December 2015	4.0
Partnership for Children	Governmental	5,717	7.7%	June 2014	2.5
Other	Other tenants – 4	9,273	15.7%		
Total/average ⁽¹⁾		60,398	100.0%		3.6

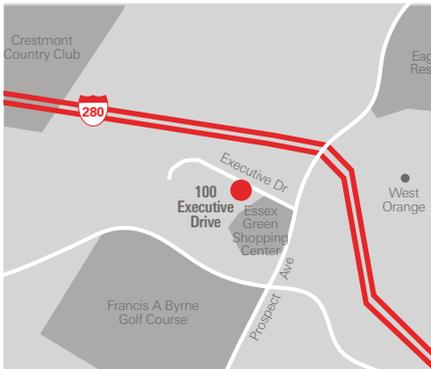
(1) Totals may vary due to rounding.

LEASE EXPIRY BY % OF INCOME



PROPERTY OVERVIEW

100 Executive Drive, Northern New Jersey is a 94,530 sq ft NLA, three storey office building and features a distinctive mirror and granite lobby. The site area is 10.1 acres and includes 419 parking spaces. It is located within easy access to Route 280, New Jersey Turnpike and Garden State Parkway. Major tenants include Herbert L Jamison, Patient Care Inc. and Feinstein-Raiss Klein. Occupancy is 68.1% and weighted average lease term to expiry (by income) is 2.0 years.



ACQUISITION SUMMARY

Trust's indirect interest in US LLC	75.0%
Purchase price (US\$ million)*	14.5

VALUATION SUMMARY

Director valuation	Dec '11
Valuation (US\$ million)	9.4

* 100% basis

PROPERTY STATISTICS

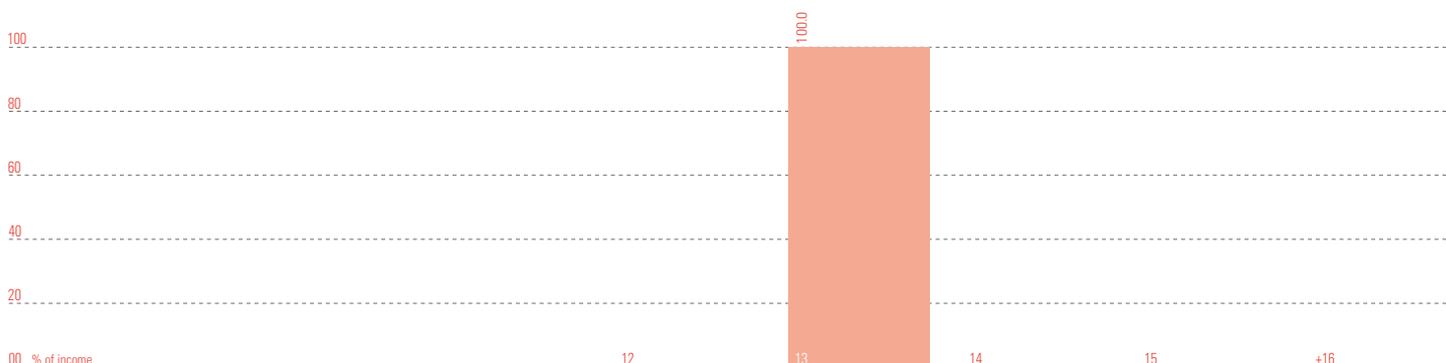
Market	Northern New Jersey
Land area (acres)	10.1
Net Lettable Area (sq ft)	94,530
Occupancy (based on NLA)	68.1%
Gross weighted average lease term to expiry (by income)	2.0

MAJOR TENANTS SUMMARY

TENANT	INDUSTRY	LEASED AREA (SQ FT)	% OF TOTAL RENT	LEASE EXPIRY DATE	REMAINING TERM (YEARS)
Herbert L Jamison	Insurance	31,390	51.0%	May 2014	2.4
Patient Care	Healthcare	14,503	21.6%	August 2012	0.7
Feinstein-Raiss Klein	Legal Services	9,114	14.3%	December 2013	2.0
Other	Other tenants – 4	9,339	13.1%		
Total/average ⁽¹⁾		64,346	100.0%		2.0

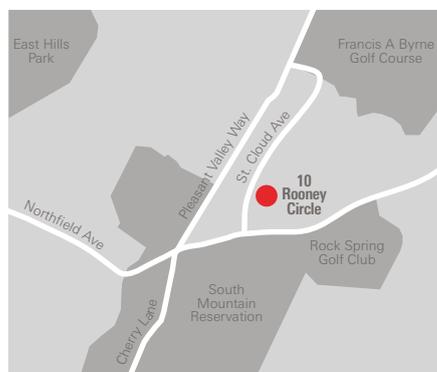
(1) Totals may vary due to rounding.

LEASE EXPIRY BY % OF INCOME



PROPERTY OVERVIEW

10 Rooney Circle, Northern New Jersey is a 70,873 sq ft NLA, three storey office building. The site area is 5.2 acres and includes 266 parking spaces. It is located within easy access of Route 280, New Jersey Turnpike and Garden State Parkway. Major tenants include Federal Aviation Admin. Occupancy is 41.4% and weighted average lease term to expiry (by income) is 1.9 years.



ACQUISITION SUMMARY

Trust's indirect interest in US LLC	75.0%
Purchase price (US\$ million)*	11.1

VALUATION SUMMARY

Director valuation	Dec '11
Valuation (US\$ million)	5.8

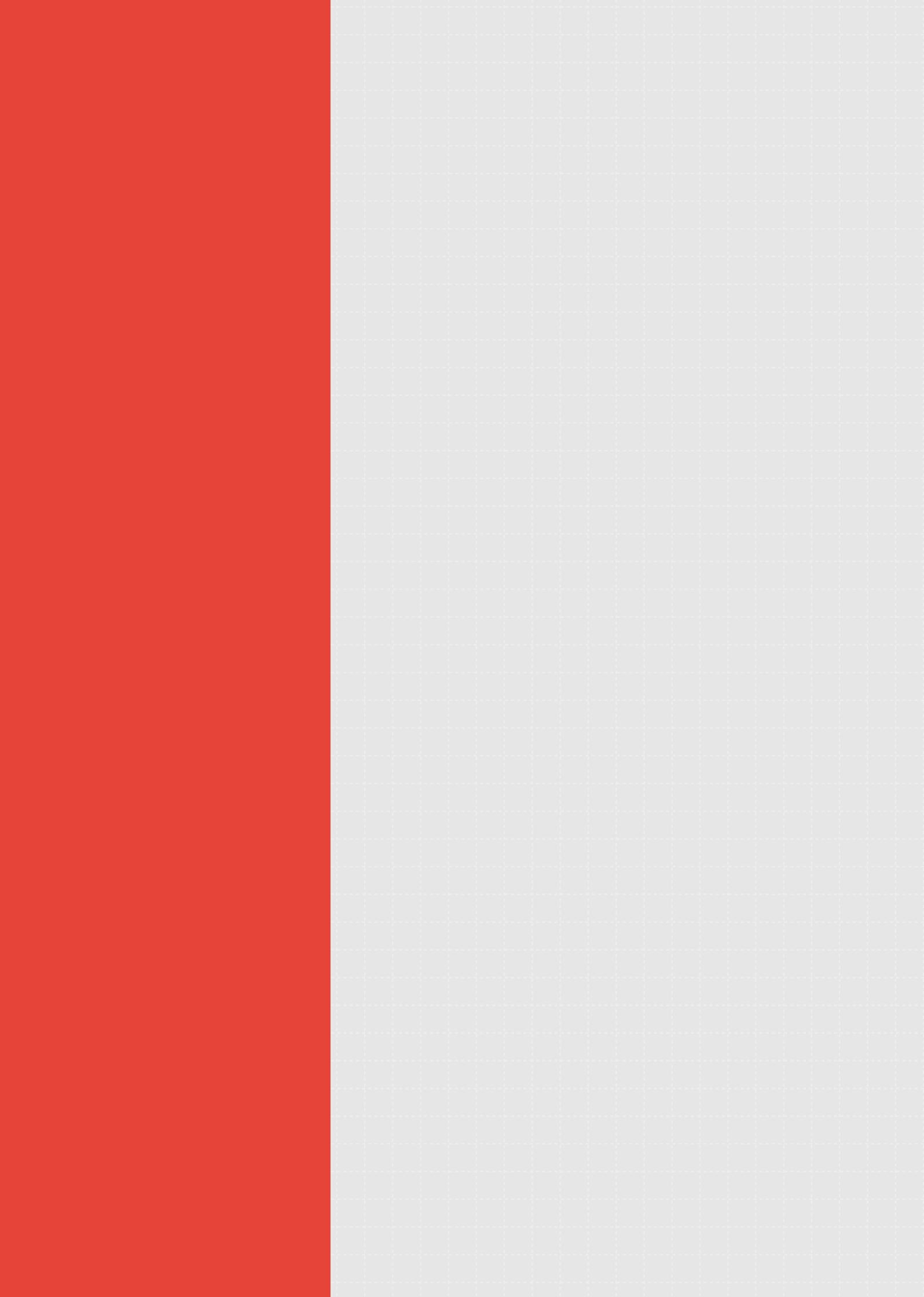
* 100% basis

PROPERTY STATISTICS

Market	Northern New Jersey
Land area (acres)	5.2
Net Lettable Area (sq ft)	70,873
Occupancy (based on NLA)	41.4%
Gross weighted average lease term to expiry (by income)	1.9 years

MAJOR TENANTS SUMMARY

TENANT	INDUSTRY	LEASED AREA (SQ FT)	% OF TOTAL RENT	LEASE EXPIRY DATE	REMAINING TERM (YEARS)
Federal Aviation Admin.	Governmental	29,372	100.0%	November 2013	1.9
Other	Other tenants – 0	0			
Total/average		29,372	100.0%		1.9



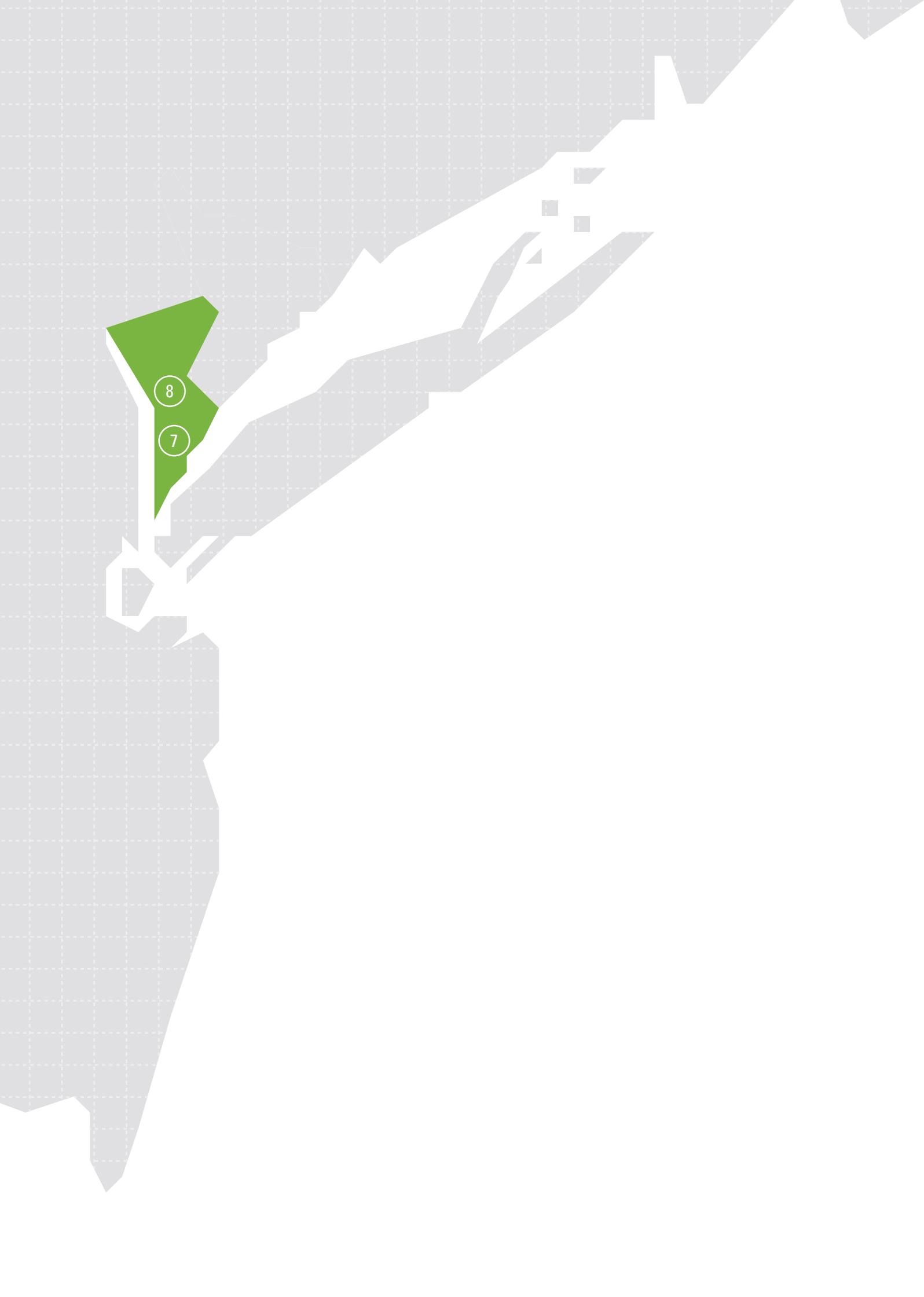
WESTCHESTER COUNTY

7. Elmsford

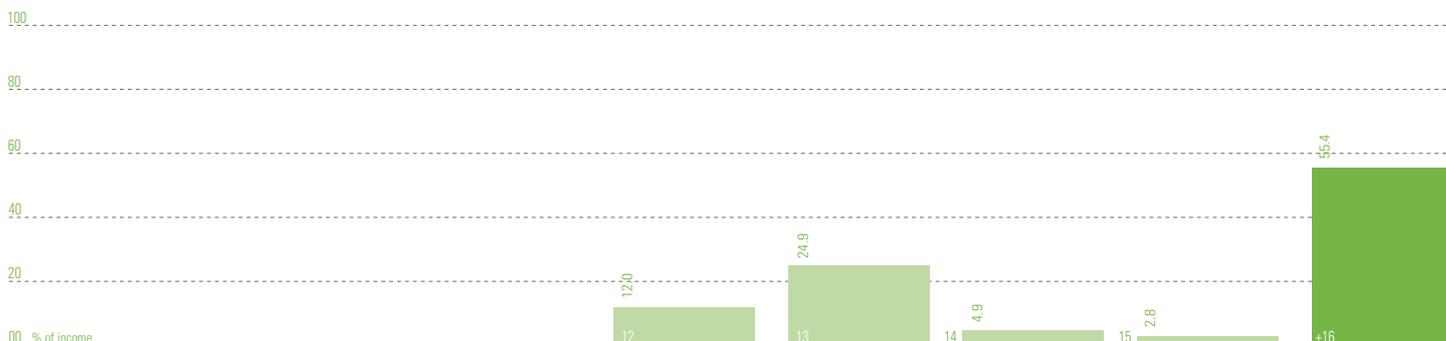
80 Grasslands Road
100 Grasslands Road

8. Tarrytown

505 White Plains Road
555 White Plains Road
560 White Plains Road
580 White Plains Road
660 White Plains Road

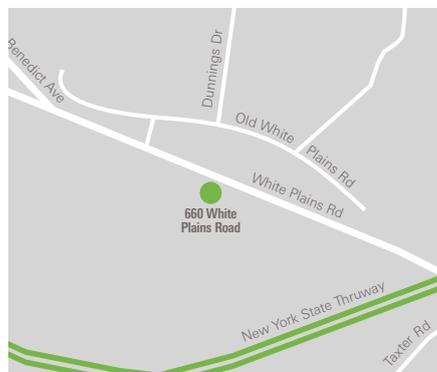


LEASE EXPIRY BY % OF INCOME



PROPERTY OVERVIEW

660 White Plains Road, Westchester County is a 253,800 sq ft NLA, six storey office building. The site area is 10.9 acres and includes 830 parking spaces. It is located within easy access of the Westchester Parkway System. Major tenants include Ampacet Corp., AllState Insurance Co. and Datacap Inc. Occupancy is 77.1% and weighted average lease term to expiry (by income) is 4.6 years.



ACQUISITION SUMMARY

Trust's indirect interest in US LLC	75.0%
Purchase price (US\$ million)*	50.3

VALUATION SUMMARY

CBRE appraisal	Dec '11
Valuation (US\$ million)	31.0

* 100% basis

PROPERTY STATISTICS

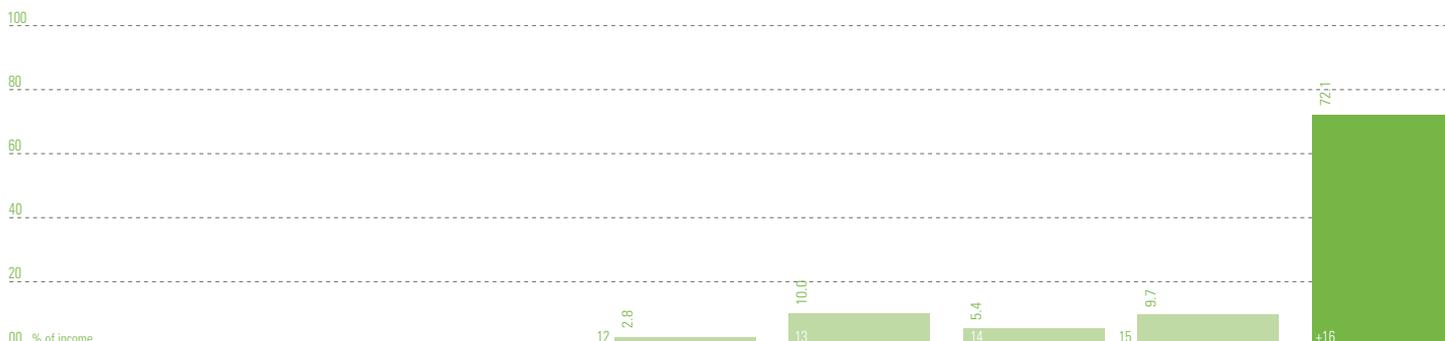
Market	Westchester County
Land area (acres)	10.9
Net Lettable Area (sq ft)	253,800
Occupancy (based on NLA)	77.1%
Gross weighted average lease term to expiry (by income)	4.6 years

MAJOR TENANTS SUMMARY

TENANT	INDUSTRY	LEASED AREA (SQ FT)	% OF TOTAL RENT	LEASE EXPIRY DATE	REMAINING TERM (YEARS)
Ampacet Corp.	Manufacturing	36,474	18.4%	March 2021	9.3
AllState Insurance Co.	Insurance	15,470	8.5%	August 2016	4.7
Datacap Inc.	Technology	13,139	6.8%	June 2013	1.5
American List Counsel Inc	Advertising	10,330	6.1%	June 2013	1.5
Other	Other tenants – 28	120,146	60.2%		
Total/average ⁽¹⁾		195,559	100.0%		4.6

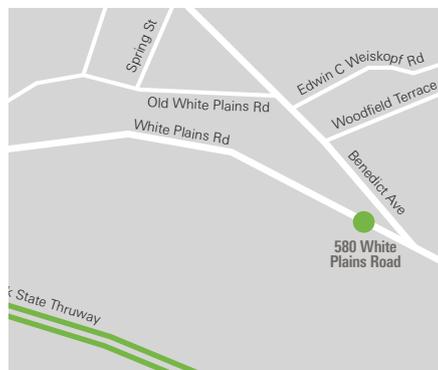
(1) Totals may vary due to rounding.

LEASE EXPIRY BY % OF INCOME



PROPERTY OVERVIEW

580 White Plains Road, Westchester County is a 171,369 sq ft NLA, six storey office building. The site area is 6.1 acres and includes 609 parking spaces. It is located within easy access of the Westchester Parkway System. Major tenants include Xerox Corporation, D.L.C. Management Corp. and Mental Health Associates. Occupancy is 83.6% and weighted average lease term to expiry (by income) is 5.7 years.



ACQUISITION SUMMARY

Trust's indirect interest in US LLC	75.0%
Purchase price (US\$ million)*	26.4

VALUATION SUMMARY

Director valuation	Dec '11
Valuation (US\$ million)	23.5

* 100% basis

PROPERTY STATISTICS

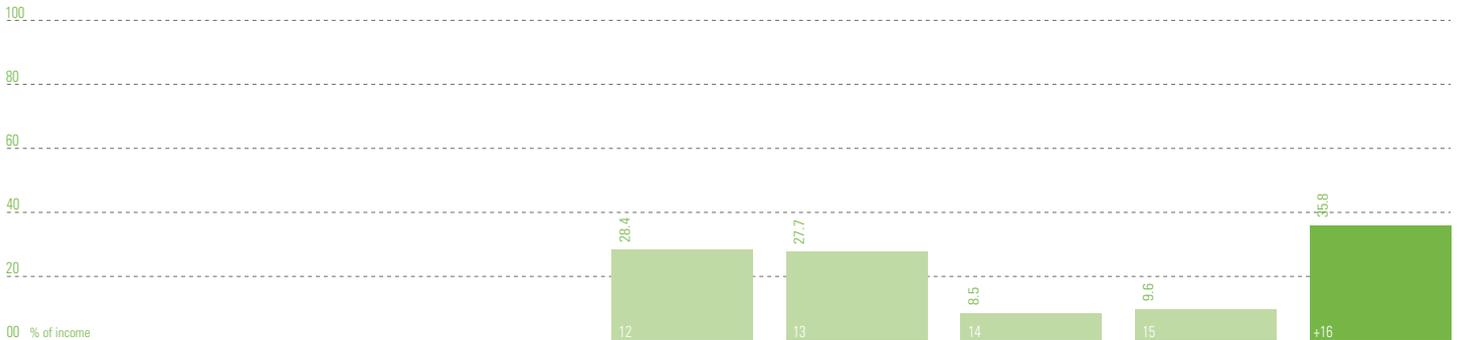
Market	Westchester County
Land area (acres)	6.1
Net Lettable Area (sq ft)	171,369
Occupancy (based on NLA)	83.6%
Gross weighted average lease term to expiry (by income)	5.7

MAJOR TENANTS SUMMARY

TENANT	INDUSTRY	LEASED AREA (SQ FT)	% OF TOTAL RENT	LEASE EXPIRY DATE	REMAINING TERM (YEARS)
Xerox Corporation	Consumer Products	23,920	9.6%	June 2016	4.5
D.L.C. Management Corp.	Real Estate	18,747	15.1%	August 2017	5.7
Mental Health Associates	Healthcare	16,146	10.9%	February 2021	9.2
Kissel & Pesce LLP	Advertising	11,194	9.4%	May 2018	6.4
Other	Other tenants – 17	73,180	55.0%		
Total/average ⁽¹⁾		143,187	100.0%		5.7

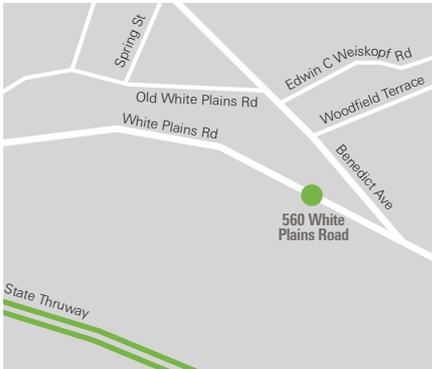
(1) Totals may vary due to rounding.

LEASE EXPIRY BY % OF INCOME



PROPERTY OVERVIEW

560 White Plains Road, Westchester County is a 126,113 sq ft NLA, six storey office building. The site area is 4.0 acres and includes 402 parking spaces. It is located within easy access of the Westchester Parkway System. Major tenants include Oracle USA Inc., Ent and Allergy Associates, and Clarfeld Financial Advisors. Occupancy is 84.2% and weighted average lease term to expiry (by income) is 3.1 years.



ACQUISITION SUMMARY

Trust's indirect interest in US LLC	75.0%
Purchase price (US\$ million)*	19.4

VALUATION SUMMARY

Director valuation	Dec '11
Valuation (US\$ million)	16.4

* 100% basis

PROPERTY STATISTICS

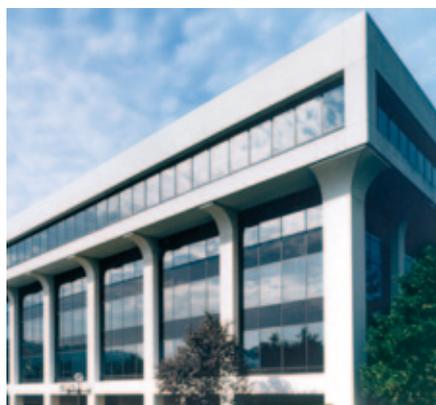
Market	Westchester County
Land area (acres)	4.0
Net Lettable Area (sq ft)	126,113
Occupancy (based on NLA)	84.2%
Gross weighted average lease term to expiry (by income)	3.1 years

MAJOR TENANTS SUMMARY

TENANT	INDUSTRY	LEASED AREA (SQ FT)	% OF TOTAL RENT	LEASE EXPIRY DATE	REMAINING TERM (YEARS)
Oracle USA	Technology	21,179	22.1%	December 2012	1.0
Clarfeld Financial Advisors	Financial Services	15,831	14.7%	September 2013	1.8
ENT and Allergy Associates	Healthcare	15,345	13.6%	December 2019	9.0
Complus Data Innovations	Technology	8,380	7.3%	February 2017	6.2
Other	Other tenants – 13	45,498	42.4%		
Total/average ⁽¹⁾		106,233	100.0%		3.1

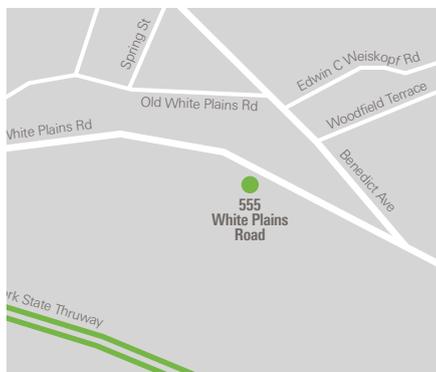
(1) Totals may vary due to rounding.

LEASE EXPIRY BY % OF INCOME



PROPERTY OVERVIEW

555 White Plains Road, Westchester County is a 125,497 sq ft NLA, five storey office building and features a high quality lobby. The site area is 4.2 acres and includes 386 parking spaces. It is located within easy access of the Westchester Parkway System. Occupancy is 75.5% and weighted average lease term to expiry (by income) is 2.6 years.



ACQUISITION SUMMARY

Trust's indirect interest in US LLC	75.0%
Purchase price (US\$ million)*	17.7

VALUATION SUMMARY

Director valuation	Dec '11
Valuation (US\$ million)	14.3

* 100% basis

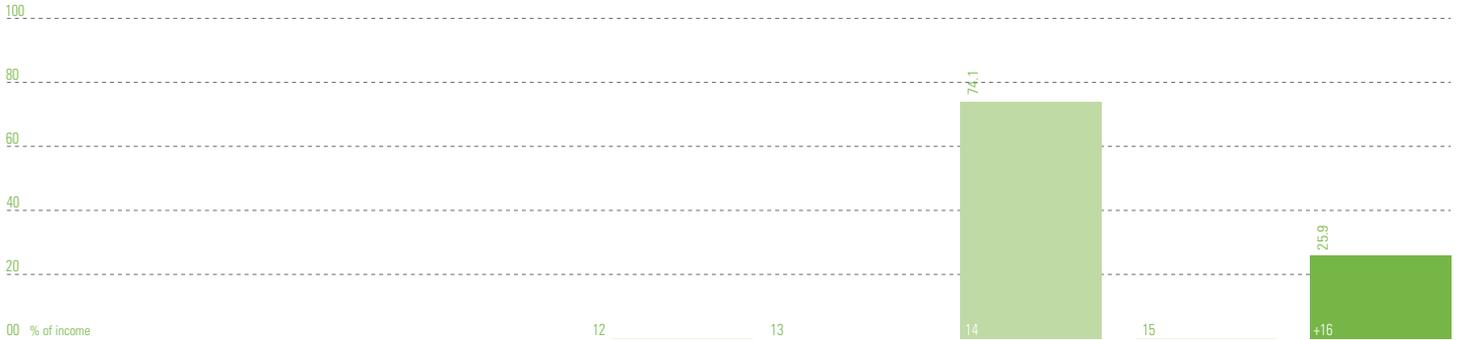
PROPERTY STATISTICS

Market	Westchester County
Land area (acres)	4.2
Net Lettable Area (sq ft)	125,497
Occupancy (based on NLA)	75.5%
Gross weighted average lease term to expiry (by income)	2.6

MAJOR TENANTS SUMMARY

TENANT	INDUSTRY	LEASED AREA (SQ FT)	% OF TOTAL RENT	LEASE EXPIRY DATE	REMAINING TERM (YEARS)
Bayer Healthcare LLC	Pharmaceuticals	94,717	100.0%	July 2014	2.6
Other	Other tenants – 0				
Total/average		94,717	100.0%		2.6

LEASE EXPIRY BY % OF INCOME



PROPERTY OVERVIEW

80 Grasslands Road, Westchester County is a 86,985 sq ft NLA, three storey office building and features a two storey lobby. The site area is 4.9 acres and includes 287 parking spaces. It is located within easy access of Route 9A, Sprain Brook Parkway, Saw Mill River Parkway and Interstate 287. Major tenants include Amscan Inc. and Liberty Mutual. Occupancy is 98.0% and weighted average lease term to expiry (by income) is 3.3 years.



ACQUISITION SUMMARY

Trust's indirect interest in US LLC	75.0%
Purchase price (US\$ million)*	14.2

VALUATION SUMMARY

Director valuation	Dec '11
Valuation (US\$ million)	13.8

* 100% basis

PROPERTY STATISTICS

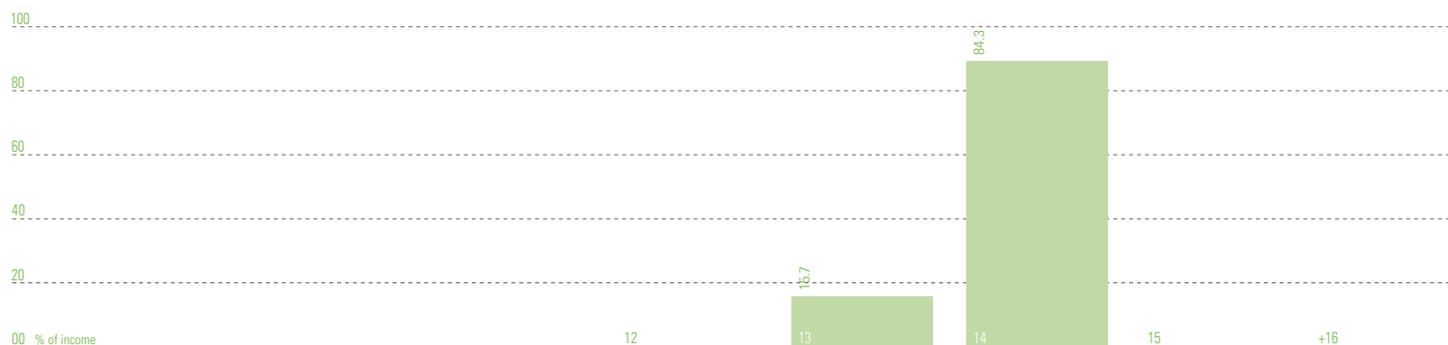
Market	Westchester County
Land area (acres)	4.9
Net Lettable Area (sq ft)	86,985
Occupancy (based on NLA)	98.0%
Gross weighted average lease term to expiry (by income)	3.3 years

MAJOR TENANTS SUMMARY

TENANT	INDUSTRY	LEASED AREA (SQ FT)	% OF TOTAL RENT	LEASE EXPIRY DATE	REMAINING TERM (YEARS)
Amscan	Consumer Products	60,184	73.2%	December 2014	3.0
Liberty Mutual	Insurance	24,191	25.9%	April 2016	4.3
Hypertech Solutions Inc	Technology	870	0.9%	October 2014	2.8
Other	Other tenants – 0				
Total/average ⁽¹⁾		85,245	100.0%		3.3

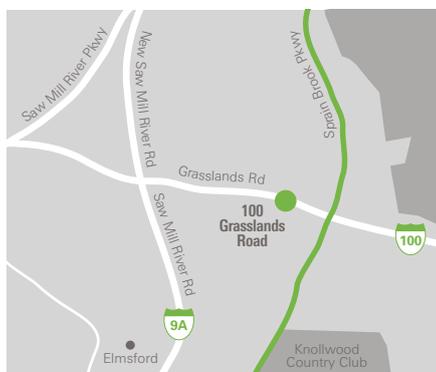
(1) Totals may vary due to rounding.

LEASE EXPIRY BY % OF INCOME



PROPERTY OVERVIEW

100 Grasslands Road, Westchester County is a 47,720 sq ft NLA, single storey office building. The site area is 8.5 acres and includes 458 parking spaces. It is located within easy access of Route 9A, Sprain Brook Parkway, Saw Mill River Parkway and Interstate 287. Major tenants include Amscan Inc. and Cooper Electric. Occupancy is 100.0% and weighted average lease term to expiry (by income) is 2.7 years.



ACQUISITION SUMMARY

Trust's indirect interest in US LLC	75.0%
Purchase price (US\$ million)*	8.0

VALUATION SUMMARY

Director valuation	Dec '11
Valuation (US\$ million)	8.6

* 100% basis

PROPERTY STATISTICS

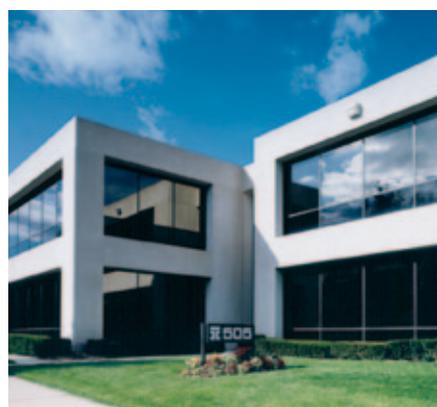
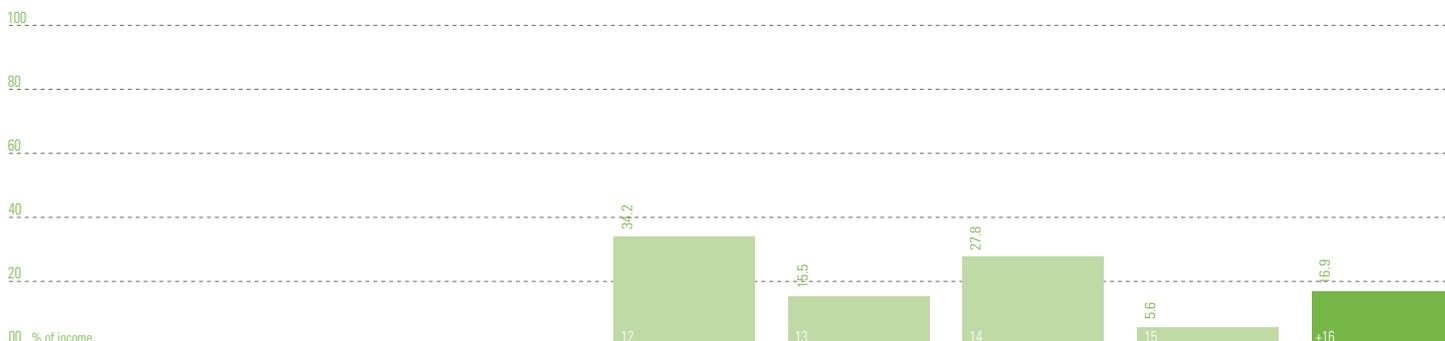
Market	Westchester County
Land area (acres)	8.5
Net Lettable Area (sq ft)	47,720
Occupancy (based on NLA)	100.0%
Gross weighted average lease term to expiry (by income)	2.7

MAJOR TENANTS SUMMARY

TENANT	INDUSTRY	LEASED AREA (SQ FT)	% OF TOTAL RENT	LEASE EXPIRY DATE	REMAINING TERM (YEARS)
Amscan	Consumer Products	39,551	84.3%	December 2014	3.0
Cooper Electric	Retail/Wholesale	8,169	15.7%	March 2013	1.2
Other	Other tenants – 0				
Total/average ⁽¹⁾		47,720	100.0%		2.7

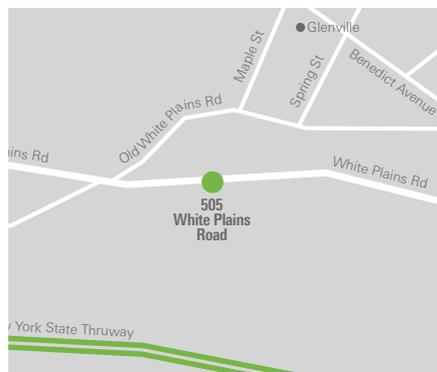
(1) Totals may vary due to rounding.

LEASE EXPIRY BY % OF INCOME



PROPERTY OVERVIEW

505 White Plains Road, Westchester County is a 26,600 sq ft NLA, two storey office building. The site area is 1.4 acres and includes 89 parking spaces. It is located within easy access of the Westchester Parkway System. Major tenants include Bank of America, Elliot Associates Inc., B&T Partners and Restaurant Support Inc. Occupancy is 69.9% and weighted average lease term to expiry (by income) is 2.1 years.



ACQUISITION SUMMARY

Trust's indirect interest in US LLC	75.0%
Purchase price (US\$ million)*	3.8

VALUATION SUMMARY

Director valuation	Dec '11
Valuation (US\$ million)	2.9

* 100% basis

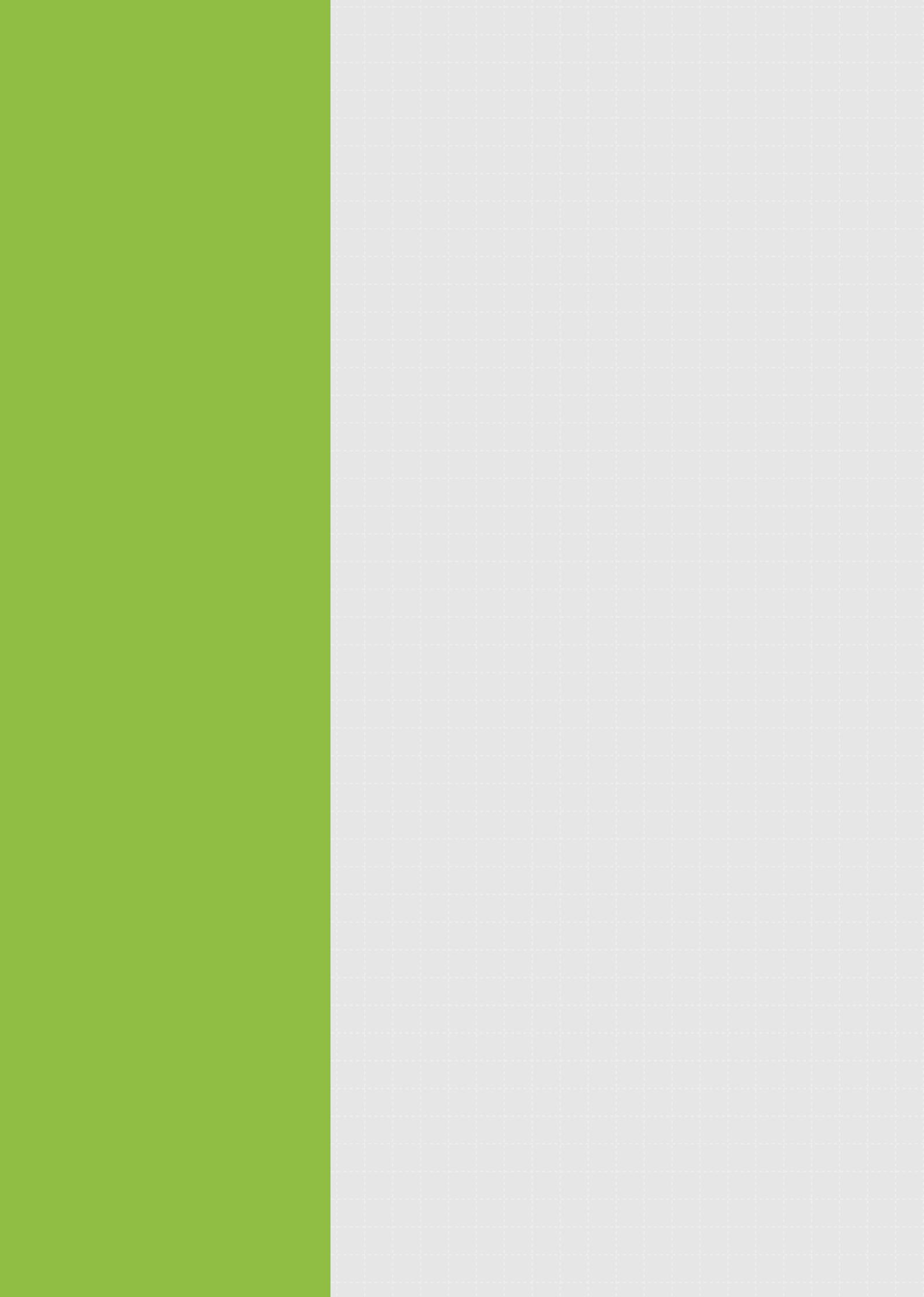
PROPERTY STATISTICS

Market	Westchester County
Land area (acres)	1.4
Net Lettable Area (sq ft)	26,600
Occupancy (based on NLA)	69.9%
Gross weighted average lease term to expiry (by income)	2.1 years

MAJOR TENANTS SUMMARY

TENANT	INDUSTRY	LEASED AREA (SQ FT)	% OF TOTAL RENT	LEASE EXPIRY DATE	REMAINING TERM (YEARS)
Bank of America	Commercial Bank	3,102	20.4%	September 2014	2.8
B&T Partners	Other Professional Services	2,567	14.3%	June 2012	0.5
Elliot Associates Inc.	Other Professional Services	2,679	13.5%	January 2013	1.1
Restaurant Support Inc.	Insurance	2,026	7.6%	December 2016	5.0
Other	Other tenants – 12	8,214	44.2%		
Total/average ⁽¹⁾		18,588	100.0%		2.1

(1) Totals may vary due to rounding.



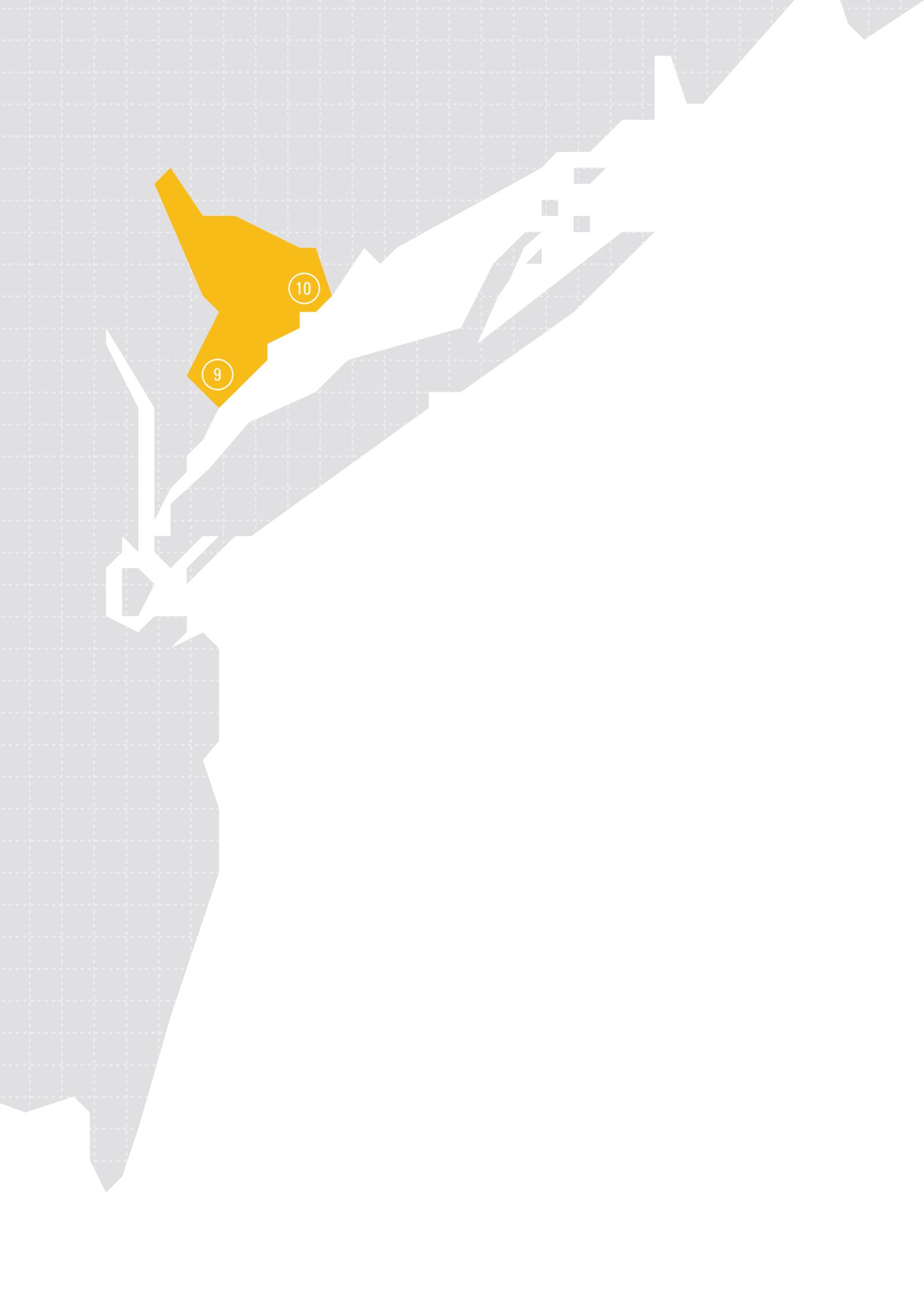
FAIRFIELD COUNTY

9. Stamford

225 High Ridge Road

10. Shelton

710 Bridgeport Avenue

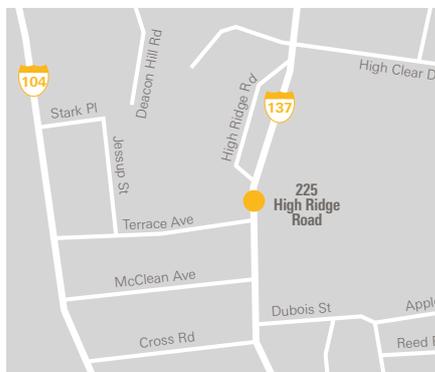


LEASE EXPIRY BY % OF INCOME



PROPERTY OVERVIEW

225 High Ridge Road, Fairfield County is a 223,940 sq ft NLA, three storey office property. The site area is 14.01 acres and includes 685 parking spaces. It is located within easy access of Interstate 95. Major tenants include Synapse Group Inc., Philip Morris Management Co., Bank of America and Harbor Watch Capital Mgmt. Occupancy is 79.0% and weighted average lease term to expiry (by income) is 4.3 years.



ACQUISITION SUMMARY

Trust's indirect interest in US LLC	75.0%
Purchase price (US\$ million)*	76.5

VALUATION SUMMARY

CBRE appraisal	Dec '11
Valuation (US\$ million)	42.2

* 100% basis

PROPERTY STATISTICS

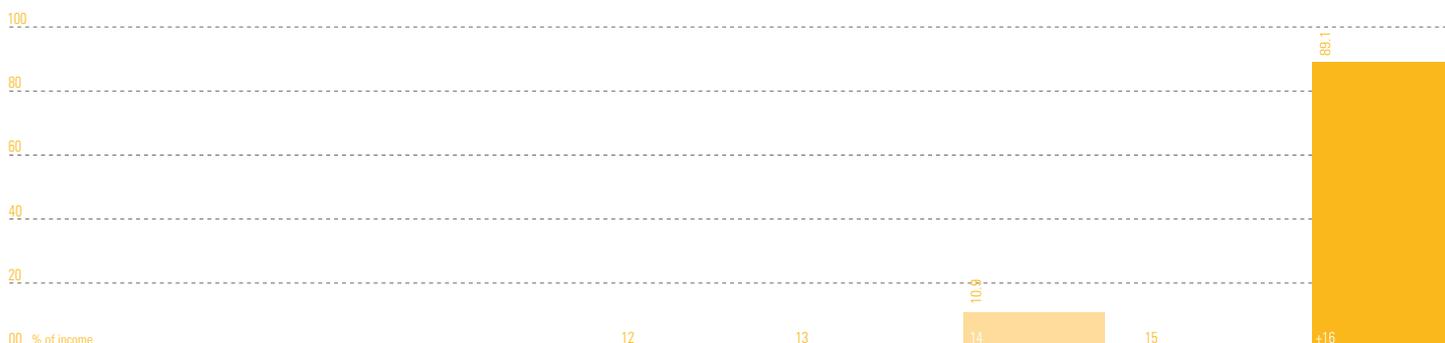
Market	Fairfield County
Land area (acres)	14.0
Net Lettable Area (sq ft)	223,940
Occupancy (based on NLA)	79.0%
Gross weighted average lease term to expiry (by income)	4.3 years

MAJOR TENANTS SUMMARY

TENANT	INDUSTRY	LEASED AREA (SQ FT)	% OF TOTAL RENT	LEASE EXPIRY DATE	REMAINING TERM (YEARS)
Synapse Group Inc.	Financial Services	74,945	40.7%	September 2016	4.8
Bank of America	Financial Services	31,321	17.4%	April 2016	4.3
Philip Morris Management	Consumer Products	28,001	12.4%	September 2015	3.8
Harbor Watch Capital Mgmt	Financial Services	15,451	9.1%	October 2018	6.8
Other	Other tenants – 7	27,192	20.4%		
Total/average ⁽¹⁾		176,910	100.0%		4.3

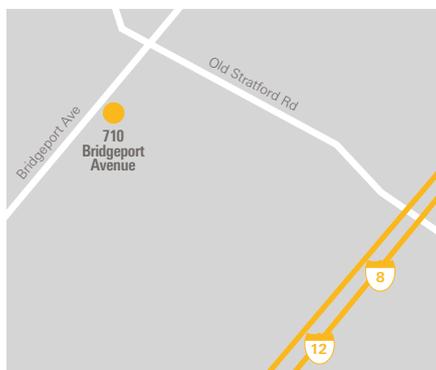
(1) Totals may vary due to rounding.

LEASE EXPIRY BY % OF INCOME



PROPERTY OVERVIEW

710 Bridgeport Avenue, Fairfield County is a 452,414 sq ft NLA, two storey office and other flexible use (including research and development) building. The site area is 36.1 acres and includes 868 parking spaces. The major tenants include Perkin Elmer Inc. and Panolam Industries. Occupancy is 74.6% and weighted average lease term to expiry (by income) is 7.9 years.



ACQUISITION SUMMARY

Trust's indirect interest in US LLC	75.0%
Purchase price (US\$ million)*	39.4

VALUATION SUMMARY

Director valuation	Dec '11
Valuation (US\$ million)	37.4

* 100% basis

PROPERTY STATISTICS

Market	Fairfield County
Land area (acres)	36.1
Net Lettable Area (sq ft)	452,414
Occupancy (based on NLA)	74.6%
Gross weighted average lease term to expiry (by income)	7.9

MAJOR TENANTS SUMMARY

TENANT	INDUSTRY	LEASED AREA (SQ FT)	% OF TOTAL RENT	LEASE EXPIRY DATE	REMAINING TERM (YEARS)
Perkin Elmer	Technology	258,744	89.1%	July 2020	8.6
Panolam Industries	Manufacturing	78,877	10.9%	April 2014	2.3
Other	Other tenant – 0	0			
Total/average ⁽¹⁾		337,621	100.0%		7.9

(1) Totals may vary due to rounding.

The board of directors of RAML (the "Board") is responsible for the corporate governance of the Trust. The Board has implemented certain policies and procedures to facilitate its commitment to sound corporate governance practices. The Trust's website (www.rnypt.com.au) contains copies of key corporate governance policies and documents, including the Board Charter, the Audit and Risk Management Committee Charter, the Working Rules of the Compliance Committee, the Continuous Disclosure and Communications Policy, the Securities Trading Policy, the Code of Conduct and the Diversity Policy.

The ASX Corporate Governance Council's Corporate Governance Principles (the "ASX Principles") and Recommendations (the "ASX Recommendations") is a guide to the top 500 ASX listed companies on good corporate governance practices and contains 27 separate best practice recommendations relating to 8 key principles of corporate governance. A chart listing these ASX Principles and Recommendations is reproduced at the end of this Corporate Governance Statement. Such chart also states whether the Trust has or has not complied with each of the ASX Recommendations. This statement discloses the extent to which RAML has followed these ASX Recommendations in relation to the operations of the Trust for the period from 1 January 2011 to 31 December 2011.

The Board's corporate governance practices have been operating since the Trust was listed on the Australian Stock Exchange ("ASX") in September 2005 and, with few exceptions, these practices have been compliant with the ASX Recommendations. Where RAML's corporate governance practices have not complied with the ASX Recommendations an explanation as to the extent and the reason for the non-compliance has been provided in this statement.

The Trust is a registered managed investment scheme under the Corporations Act 2001. There are special provisions governing the Trust and those who administer it that are designed to protect investors.

Structure of the Board

The Board's Charter sets out the allocation of the functions and responsibilities of the Board. The Board's Charter details the following requirements:

- (a) the functions and responsibilities of the Board;
- (b) the role of the Board;
- (c) the role of the Chairman of the Board (the "Chairman"); and
- (d) the role of Board Committees.

A copy of the Board's Charter may be reviewed at www.rnypt.com.au on the Trust's website.

The Role of the Chairman

The Chairman provides leadership of the Board and strategic direction for the Trust and RAML, most particularly by:

- (a) leading and facilitating the Board and its deliberations;
- (b) ensuring that the directors remain focused on the enhancement of unitholder value;
- (c) ensuring that management appropriately responds to questions and enquiries of members of the Board; and
- (d) acting as spokesman for the Trust and communicating and consulting with unitholders, shareholders and relevant stakeholders on significant issues, as appropriate.

Scott Rechler, the Chairman and Chief Executive Officer of RNY Australia Management Limited ("RAML"), is also the Chairman and Chief Executive Officer of RXR Realty LLC ("RXR"). RAML is an affiliate of RXR. Because of this, Mr Rechler is not considered by RAML to be an independent director. This is a departure from the ASX Recommendations 2.2 and 2.3, but given Mr Rechler's expertise and experience in the real estate industry and the New York Tri-State area markets, and other factors, such as RXR's significant ownership interest in the Trust's portfolio, the Board strongly believes that Mr Rechler's continuation in both roles is in the best interests of the Trust.

The Role of the Chief Executive Officer

The Board has delegated day to day management of the Trust's assets to the Chief Executive Officer and senior management.

The Role of Board Committees

The Board may delegate certain functions to committees. Committee members have the appropriate skills, expertise, availability, and, where relevant, independence to provide an efficient process through which the Board may delegate decision making powers.

ASX Recommendation 2.4 recommends that listed entities establish a nomination committee. However, since the date the Trust was listed on the ASX these functions have been carried out by the Board. The Board does not consider that a separate nomination committee would be appropriate at this stage. The Board committees currently in operation are detailed below.

Audit and Risk Management Committee

At the date of this statement, the members of the Audit and Risk Management Committee (the "Audit Committee") are Messrs Meagher, Peacock and Robinson. The Board has adopted a Charter for the Audit Committee which sets out the functions and responsibilities of the Audit Committee, a copy of which is listed on the Trust's website at www.rnypt.com.au.

Compliance Committee

At the date of this statement, the members of the Compliance Committee are Messrs Meagher, Peacock and Robinson. The Board has adopted a set of Working Rules for the Compliance Committee, a copy of which is listed on the Trust's website at www.rnypt.com.au.

The Directors

The Board comprises six directors and all six of the directors have been in office since the Trust was listed on ASX, in September 2005, and remain in office as at the date of this report. The Board considers the following three directors to be external and independent:

Philip Meagher

Mervyn Peacock

William Robinson

The three executive directors in office at the date of this report are:

Scott Rechler

Michael Maturro

Jason Barnett

The Trust does not comply with ASX Recommendation 2.1, which recommends for a majority of the Board to be independent. However, the directors believe that the Trust benefits from the ongoing involvement of the RXR executive directors at the Board level, as the relationship with RXR is critical to the performance of the Trust and the three executive directors have an average of 21 years experience in the industry, 18 years experience at RXR (or its predecessor entities) and an extensive amount of local market insight, knowledge and industry relationships in connection with the New York Tri-State commercial office markets.

During the period from 1 January 2011 until 31 December 2011 the Board held 4 meetings with all Board members attending each meeting, except for Mr Robinson who was absent from one Board meeting, and Mr Barnett who was absent from two Board meetings.

Board Profiles

Scott Rechler – Chairman and Chief Executive Officer

Scott Rechler has served as Chief Executive Officer and Chairman of RXR since January 2007. RXR is a multi-billion dollar, private real estate company which was formed subsequent to the merger of Reckson Associates Realty Corp (“Reckson”) with SL Green, one of the largest public real estate management buyouts in REIT history.

Mr Rechler’s vision and leadership guided Reckson where he served as Chief Executive Officer and Chairman through its years of dynamic growth throughout Long Island, New Jersey, New York City, Westchester and Connecticut, overseeing in excess of US\$6 billion in acquisitions and developments and managing over 20 million square feet of commercial property in New York’s Tri-State area. Mr Rechler’s real estate acumen and entrepreneurial spirit have delivered stellar returns to investors including over a 700% total return to Reckson’s shareholders.

Mr Rechler was the architect of Reckson’s successful IPO in 1995 and was with Reckson from 1989 until January 2007. During his tenure he served as President, Chief Executive Officer, a member of Reckson’s Board of Directors from its formation, as well as the Chairman of the Board.

Mr Rechler is actively involved with the Real Estate Roundtable, for which he is a member of the Board of Directors and Co-Chair of its Political Action Committee.

Mr Rechler prides himself on enhancing the communities where RXR operates. As such, Mr Rechler serves as a board member of the Association for a Better New York, member of the Hofstra Honors College Advisory Committee, as well as the NYU Real Estate Institute Advisory Committee. In addition, Mr Rechler serves on the board of many of the region’s top cultural institutions such as the Tribeca Film Institute and the Long Island Children’s Museum where he serves as its co-Chairman of the Board.

In June 2011, Mr. Rechler was appointed by New York Governor Andrew Cuomo to serve on the Board of Commissioners of the Port Authority of New York and New Jersey, and in September 2011, Mr. Rechler was named to serve as Vice Chairman of such Board.

Michael Maturo – President and Chief Financial Officer

Michael Maturo has served as President and Chief Financial Officer of RXR since January 2007. Mr Maturo was an integral part of the Reckson/SL Green merger and is one of the founding managing partners of RXR. In this capacity, along with the two other founding managing partners, he develops and implements RXR’s corporate, operating and fund management strategies. Mr Maturo also has oversight responsibility for all financial, strategic planning and capital market activities.

Prior to the Reckson/SL Green merger, Mr Maturo served as President, Chief Financial Officer and a Director at Reckson, where he was responsible for Reckson’s capital market’s activities as well as its accounting, financing, strategic planning, budgeting, treasury, tax management, internal and external reporting and investor relations departments. Mr Maturo also had oversight responsibility over the company’s investment functions and allocation of capital. Mr Maturo worked closely with the company’s CEO in developing and implementing the company’s corporate and operating strategies.

Mr Maturo was with Reckson from 1995 until January 2007 and during his tenure served as Executive Vice President, Treasurer and Chairman of the Investment Committee, where he completed over US\$6 billion in capital markets transactions, spearheaded Reckson’s IPO of its Australian LPT and established Reckson’s investment grade rating, culminating in the issuance of US\$800 million of senior unsecured notes.

Mr Maturo specialises in diverse phases of real estate finance, including corporate and property debt financings and recapitalisation transactions, leading efforts to raise over US\$2 billion of additional debt and equity capital during this time period.

Prior to joining Reckson, Mr Maturo was a senior manager with EY Kenneth Leventhal Real Estate Group. Mr Maturo is a Certified Public Accountant.

Jason Barnett – Senior Executive Vice President and General Counsel

Jason Barnett has served as Vice Chairman and General Counsel of RXR since January 2007. In this capacity he is involved in many aspects of the company’s business and is responsible for all legal and compliance matters for RXR. Mr Barnett is also responsible for corporate initiatives, overseeing RXR’s transactional and corporate activities. Mr Barnett was an integral part of the Reckson/SL Green merger, successfully navigating Reckson through a myriad of legal complexities to execute the transaction. Mr Barnett is also one of the founders of RXR.

Prior to the Reckson/SL Green merger, Mr Barnett served as Senior Executive Vice President – Corporate Initiatives, General Counsel and Secretary where he was integrally involved in over US\$6 billion of acquisitions, financings and capital market transactions.

Mr Barnett was with Reckson from 1996 until 2007 and during his tenure was responsible for the coordination of all legal and compliance matters, and was involved in over US\$5 billion of real estate transactions, including acquisitions, dispositions, joint ventures, and financings. Mr Barnett was also involved in approximately US\$2 billion of public securities offerings on behalf of Reckson.

Prior to joining Reckson, Mr Barnett practiced in the corporate and securities department of Sidley Austin Brown & Wood, LLP, an international law firm, where he focused on capital markets and Real Estate Investment Trusts. He is a member of the American Bar Association, the Real Estate Board of New York, and the National Association of Real Estate Investment Trusts and is admitted to the Bar of the State of New York.

Philip Meagher – Independent Director

Philip Meagher joined the Board of RAML on 26 May 2005. Mr Meagher has over 30 years of experience in law, property trust management and professional trusteeship. From 2003 to 2005 he was a Business Development Manager, Corporate Services, of the Trust Company of Australia Ltd. Prior to that Mr Meagher worked in various capacities within the Permanent Trustee Company including as Senior Manager of Property Custody and Accounting, as well as New South Wales Manager of Corporate Trusts. Mr Meagher has previously served as Managing Director of Equitable Group Ltd, the wholly owned funds management subsidiary of QBE Limited, the local Executive Director of British Land Company Holdings Australia Limited, and Chairman of Metlife Trustee Pty Limited. Mr Meagher is a non-practising solicitor of the Supreme Court of New South Wales.

Mr Meagher is currently a Responsible Officer and Chairman of the Compliance Committee and Risk Management Committee for Fortius Funds Management Pty Ltd, a wholesale property fund manager.

Mervyn Peacock – Independent Director

Mervyn Peacock joined the Board of RAML on 27 July 2005. Mr Peacock has over 35 years domestic and international experience in a variety of investment areas including Fund Management, Private Equity, Infrastructure and Property. Mr Peacock was Chief Investment Officer and a Director of AMP Capital Investors for five years until his retirement in January 2006. Prior to that he was Investor Relations Manager of AMP Ltd.

Mr Peacock currently holds a number of directorships including UniSuper Ltd, Riverland Water Pty Ltd, and The Infrastructure Fund of India.

Mr Peacock qualified as an Associate of the Australian Society of Accountants, is a Fellow of the Financial Services Institute of Australasia, and is a graduate of the Australian Institute of Company Directors.

William Robinson – Independent Director

William Robinson joined the Board of RAML on 27 July 2005. Mr Robinson has over 40 years of domestic and international experience in finance, mining and property. Mr Robinson has been a director of companies in Australia, Africa, Asia, North America and Europe including Unwired Australia Group, Deutsche Asset Management, Deutsche Real Estate, Southern Mining Corporation, Diamond Trust Bank Kenya Ltd, CIGA Hotels SPA and Emerging Market Growth Fund Limited. Mr Robinson is an Associate of the Bankers Institute of Australasia and Australian Society of Accountants and also a Fellow of the Australian Institute of Company Directors.

Monitoring Directors' Performance

Pursuant to its Charter, the Board will annually review the performance of its Directors and key executives to ensure that they perform in accordance with the Trust's strategies and objectives.

No Board assessment was undertaken in the financial year ended 2011, although the Chairman has the responsibility of continually monitoring the performance and operation of the Board.

Ethical and Responsible Decision Making

The Board is committed to ensuring that it acts ethically and responsibly when dealing with the Trust and unitholders. Accordingly, the Board has adopted a Code of Conduct (the "Code") which is structured to promote ethical and responsible decision making. The Code details RAML's commitment to ensuring that all directors and employees of RAML observe the highest standards of ethical behaviour and conduct.

Pursuant to the Code, all directors and employees of RAML are required to:

- (a) comply with all relevant laws and regulations;
- (b) act honestly and with integrity;
- (c) not place themselves in situations which result in a conflict of interest;
- (d) use RAML's assets responsibly and in the best interests of RAML; and
- (e) be responsible and accountable for their actions.

The Board, management and all employees of RAML are committed to implementing and complying with the Code, a copy of which is listed at www.rnypt.com.au on the Trust's website.

Securities Trading Policy

A Securities Trading Policy (the "Trading Policy") was adopted by the Board on 13 September 2005. A further update to this policy was approved by the Board on the 29 December 2010. Under the Trading Policy, directors and employees of RAML are encouraged to be long-term holders of units in the Trust. However, the Trading Policy is designed to regulate the timing of any acquisition or disposal of units in the Trust by directors and employees of RAML so as to ensure that the "insider trading" prohibitions prescribed under the Corporations Act are not breached. A copy of the Trading Policy may be reviewed at www.rnypt.com.au on the Trust's website.

Diversity Policy

In December 2011, RAML formalized its Diversity Policy. The Diversity Policy explains RAML's commitment to promoting a positive workplace environment free from discrimination and harassment and employment based on personal capabilities and qualifications. The policy has been developed having regard to the current size of RAML's business operations. There was no formal review of this policy in the financial period ended 2011. A copy of the Diversity Policy may be reviewed at www.rnypt.com.au on the Trust's website.

Integrity in Financial Reporting

RAML's Audit and Risk Charter (the "Audit Charter") was adopted by the Board on 13 September 2005. The Audit Charter establishes the Audit Committee and sets out the composition, operation and responsibilities of the Audit Committee. According to the Audit Charter, the Audit Committee shall comprise at least three members appointed by the Board. A majority of the Audit Committee members shall be external directors (in accordance with Corporations Act) and all members of the Audit Committee shall be non-executive directors of RAML. The Chairman of the Audit Committee shall be an independent director, who is not Chairman of the Board. According to the Audit Charter, the core responsibilities of the Audit Committee are to assist the Board in relation to:

- (a) the integrity of financial statements of the Trust;
- (b) monitoring the Trust's relationship with its external auditors (Ernst & Young);
- (c) overseeing the effectiveness of the internal audit function;

- (d) assessing the propriety of related party transactions;
- (e) assisting with the maintenance of an effective framework to deal with risk management; and
- (f) considering the adequacy of the Trust's, the Directors' and Officers' and other insurance cover.

As at the date of this report, the Audit Committee comprises Messrs Meagher, Peacock and Robinson. Mr Peacock is the Chairman of the Audit Committee.

Continuous Disclosure

The Board believes that investors and the investment market should be informed of all material business events that may influence the Trust. As a disclosing entity under the Corporations Act, the Trust complies with the continuous disclosure regime under the ASX listing rules and the Corporations Act. To monitor compliance with this regime, RAML has a Continuous Disclosure and Communications Policy (the "Disclosure and Communications Policy"), adopted on 13 September 2005. The Disclosure and Communications Policy is designed to ensure that timely disclosure is made to the ASX to support a fully informed market, and to promote effective communications with unitholders. A copy of the Disclosure and Communications Policy may be reviewed at www.rnypt.com.au on the Trust's website.

The Board is committed to providing timely and relevant information to unitholders

through its annual reports, six-monthly financial reporting, as well as by providing periodic reports and presentations and key market announcements via ASX, as well as posting such announcements and materials on the Trust's website.

Risk Management

The Trust has formalised risk management policies which are monitored by the Board on a regular basis. Risks such as operational, financial, environmental, legal and insurance risks at both the Manager and Trust level are managed through RAML's risk management frameworks and procedures.

As a Managed Investment Scheme, the Trust is required to have a Compliance Plan in place. The Compliance Plan sets out the systems and processes in place to ensure compliance with the Corporations Act and the Trust's Constitution. Material non-compliance with any part of the Compliance Plan shall be reported to ASIC by the Board. The Trust's auditors conduct an audit of the Compliance Plan once a year.

Remuneration

No employees, including executive officers or directors, are remunerated by the Trust. Independent non-executive directors are remunerated by RAML. Although, RAML does not currently have a formal remuneration committee, these functions are carried out by the Board itself. This is a departure from ASX Recommendation 8.1. However, in consideration of the actual

remuneration paid by RAML and the Trust, the Board does not believe that it is necessary to establish a remuneration committee, nor does the Board believe that any marked efficiencies or enhancements would be achieved by the creation of a separate remuneration committee. Particularly given that pursuant to its Charter, the Board annually reviews and evaluates the performance of the CEO, other executive officers as well as the Board's performance in the context of the Trust's strategy and objectives.

Further information relating to remuneration is disclosed in Note 21(iii) to the Financial Statements for the year ended 31 December 2011. Such Financial Statements are included in this Annual Report and can also be viewed at www.rnypt.com.au on the Trust's website.

Information relating to transactions with related parties is disclosed in Note 23 to the Financial Statements for the year ended 31 December 2011. Such Financial Statements are included in the Annual Report and can also be viewed at www.rnypt.com.au on the Trust's website.

Please visit the Trust's website www.rnypt.com.au for further information on the Trust's corporate governance policies.

The ASX Corporate Governance Council's Corporate Governance Principles and Recommendations, and the Trust's compliance or non-compliance with such Recommendations, are listed below:

ASX Principle

RAML Compliance

Principle 1: Lay solid foundations for management oversight

1.1	Formalise and disclose the functions reserved to the Board and those delegated to management	Complies
1.2	Companies should disclose the process for evaluating senior executive performance	Complies
1.3	Provide the information in the Guide to reporting on Principle 1	Complies

Principle 2: Structure the board to add value

2.1	A majority of the Board should be independent directors	Does not Comply
2.2	The Chairman should be an independent director	Does not Comply
2.3	The roles of the Chairman and Chief Executive Officer should not be exercised by the same individual	Does not Comply
2.4	The board should establish a Nomination Committee	Does not Comply
2.5	Companies should disclose process for evaluating the performance of the Board, its committees and individual directors	Complies
2.6	Provide the information in the Guide to reporting on Principle 2	Complies

Principle 3: Promote ethical and responsible decision-making

3.1	Establish a code of conduct to guide the directors, the Chief Executive Officer (or equivalent) and any other key executive as to: <ul style="list-style-type: none"> • The practices necessary to maintain confidence in the company's integrity. • The practices necessary to take into account their legal obligations and reasonable expectations to their unitholders • The responsibility and accountability of individuals for reporting and investigating reports of unethical practices 	Complies
3.2	Establish a policy concerning diversity and disclose the policy or a summary of that policy. The policy should include requirements for the Board to establish measurable objectives for achieving gender diversity for the Board to access annually both the objectives and progress in achieving them	Complies
3.3	Companies should include in each annual report the measurable objectives for achieving gender diversity set by the Board in accordance with the diversity policy and progress towards achieving them	Does not comply
3.4	Companies should include in each annual report the proportion of women employees in the whole organization, women in senior executive positions and women on the Board	Does not comply
3.5	Provide the information in the Guide to reporting on Principle 3	Complies

Principle 4: Safeguard integrity in financial reporting

4.1	The Board should establish an audit committee	Complies
4.2	Structure the audit committee so that it consists of: <ul style="list-style-type: none"> • Only non-executive directors • A majority of independent directors • An independent Chairman who is not Chairman of the Board • At least three members 	Complies
4.3	The Audit Committee should have a formal charter	Complies
4.4	Provide the information indicated in the Guide to reporting on Principle 4	Complies

Principle 5: Make timely and balanced disclosure

5.1	Establish written policies and procedures designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior management level for that compliance	Complies
5.2	Provide the information indicated in the Guide to reporting on Principle 5	Complies

Principle 6: Respect the rights of shareholders

6.1	Design and disclose a communications strategy to promote effective communication with shareholders and encourage effective participation at general meetings	Complies
6.2	Provide the information indicated in the Guide to reporting on Principle 6	Complies

Principle 7: Recognise and manage risk

7.1	Companies should establish policies for the oversight and management of material business risks and disclose a summary of those policies	Complies
7.2	The Board should require management to design and implement the risk management and internal control system to manage the company's material business risks and report to it on whether those risks are being managed effectively. The Board should disclose that management has reported to it as to the effectiveness of the company's management of its material business risks	Complies
7.3	The Board should disclose whether it has received assurance from the Chief Executive Officer (or equivalent) and the Chief Financial Officer (or equivalent) that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks	Complies
7.4	Companies should provide the information indicated in the Guide to report on principle 7	Complies

Principle 8: Remunerate fairly and responsibly

8.1	The Board should establish a Remuneration Committee	Does not Comply
8.2	The Remuneration Committee should be structured so that it: <ul style="list-style-type: none"> • Consists of a majority of independent directors • Is chaired by an independent chair • Has at least three members 	Does not Comply
8.3	Companies should clearly distinguish the structure of non-executive directors' remuneration from that of executive directors and senior executives	Complies
8.4	Companies should provide the information indicated in the Guide to reporting on Principle 8	Complies

SUPPLEMENTARY UNITHOLDER INFORMATION
AS AT 13 MARCH 2012

RANGE OF UNITHOLDERS

Holding	Number of Holders	Number of Units
1-1,000	16	7,412
1,001-5,000	34	119,841
5,001-10,000	51	446,532
10,001-100,000	286	11,720,871
100,001 and over	100	251,119,233
Total number of unitholders	487	263,413,889
Number of unitholders holding less than a marketable parcel	33	

SUBSTANTIAL UNITHOLDERS (PER FORM 604 FILINGS ON ASX)

Company	Number of Units	% of Units on Issue
RXR-A Investments LLC	51,252,240	19.46
Orbis Investment Management	34,793,881	13.20
Intelligent Investor Funds Pty Ltd	29,789,289	11.31
Deutsche Bank AG	18,105,762	6.87
Wesley Capital Management LLC	17,551,486	6.66

TWENTY LARGEST UNITHOLDERS (PER LINK MARKET SERVICES)

Unitholder	Number of Units	% of Units on Issue
1. HSBC Custody Nominees (Aust) Ltd	75,621,698	28.71
2. National Nominees Ltd	51,675,096	19.62
3. Citicorp Nominees Pty Ltd	24,292,037	9.22
4. JP Morgan Nominees Australia Ltd	17,354,942	6.59
5. Bond Street Custodians Ltd	15,846,230	6.02
6. HSBC Custody Nominees (Aust) Ltd-GSCO	10,517,734	3.99
7. Citicorp Nominees Pty Ltd <Colonial>	8,518,430	3.23
8. BSF (BVI) Ltd	5,600,000	2.13
9. ABN AMRO Clearing Sydney Nominees Pty Ltd	4,376,000	1.66
10. JP Morgan Nominees Australia Ltd	3,753,136	1.42
11. Sandler Super Fund	2,000,000	.76
12. Brazil Farming Pty	1,700,000	.65
13. Mr Christopher Lopherd	1,660,000	.63
14. Pan Australian Nominees Pty Ltd	1,578,762	.60
15. Mr Anthony Charles Patrick Cotterell	1,049,000	.40
16. Mr B Johnson & Ms A Jane Hall	1,000,000	.38
17. Jelly Pty Ltd	892,300	.34
18. Pythagoras Aust Pty Ltd	886,000	.34
19. Pagred Nominees Pty Ltd	830,000	.32
20. Browns' Superannuation	797,972	.30
Total in this Report	229,949,337	87.30
Total Other Investors	33,464,552	12.70
Total Units on Issue	263,413,889	100.00

Responsible Entity of the Trust

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Jason Barnett

Michael Maturo

Philip Meagher

Mervyn Peacock

William Robinson

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