



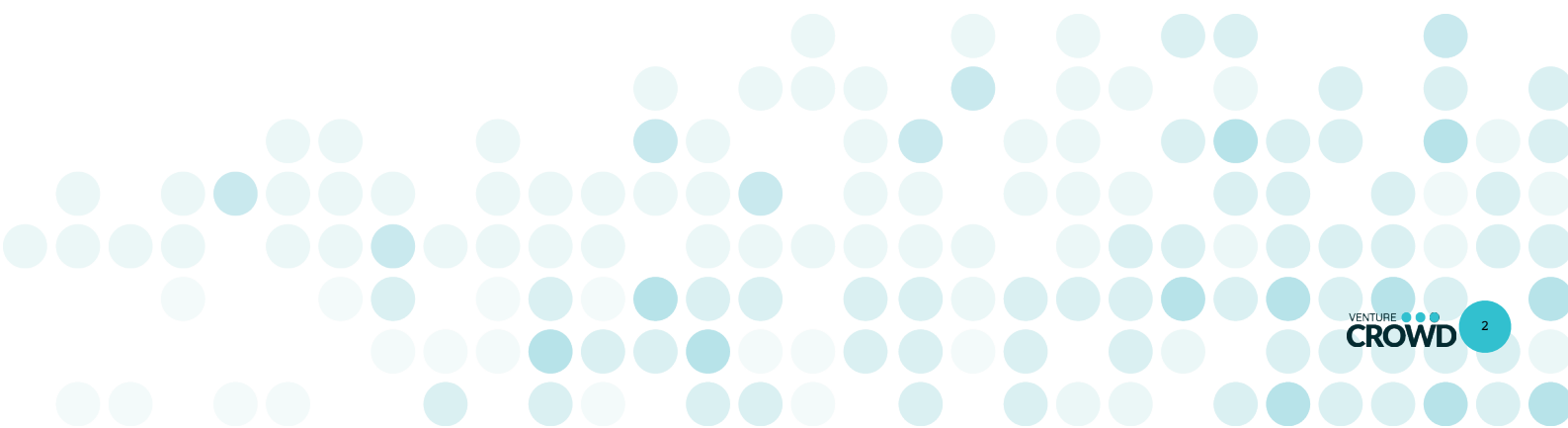
Information Memorandum (Ordinary Equity)

Trust No. **0470.**
(Pimpama)

A wholesale investment
trust for the development
of residential property located at
40 Gawthorn Drive, Pimpama, Queensland.

Issued on 13th August 2019 amended on 13th January 2020

VentureCrowd Pty Ltd
ACN 40 166 598 849
AFSL No. 503 381



About this Information Memorandum

Important Information: This Information Memorandum is an important legal document and should be read in its entirety. This Information Memorandum is issued by VentureCrowd Pty Ltd ACN 166 598 849 (**Fund Manager**) under Australian Financial Services License No.503381. This Information Memorandum is neither a prospectus nor a regulated disclosure document under the Corporations Act 2001 (Cth) (**Act**), nor is it required to be. A copy is not required to be, and has not been, lodged with the Australian Securities and Investments Commission. This Information Memorandum has been prepared only for issue to and use by prospective investors who qualify as wholesale clients as defined in the Act (**Wholesale Clients**) and is not intended to be received or read by anyone other than a Wholesale Client. An interest in VentureCrowd Trust No.0470 Pimpama (**Fund**) will only be issued to investors that are Wholesale Clients.

Jurisdiction: This Information Memorandum does not constitute, and may not be used for the purpose of, an offer or solicitation in any jurisdiction other than the Commonwealth of Australia or in circumstances in which such offer or solicitation is not authorised other than as set out in the separate international disclosure statement. No recipient of this Information Memorandum in any jurisdiction other than the Commonwealth of Australia may treat it as constituting an invitation to them to apply for an interest in the Company nor should any recipients in any event use the Application Form attached to this Information Memorandum unless, in the relevant jurisdiction, such an invitation could lawfully be made to that recipient or an application for Units could lawfully be made in compliance with applicable law.

Unless otherwise agreed with the Fund Manager, any person applying for interests in the Company will by virtue of the person's application be deemed to represent that they are not in a jurisdiction which does not permit the making of an offer or invitation as detailed in this Information Memorandum.

Confidentiality: This Information Memorandum is the property of the Fund Manager. Its contents are strictly confidential, not intended to be disclosed to any person other than the person to whom this Information Memorandum has been provided to by the Fund Manager, and are not to be reproduced, either in whole or in any part or parts, without the Fund Manager's prior written consent and, if such written consent is given, only in accordance with that consent.

No advice: In providing this Information Memorandum the Fund Manager has not taken into account the recipient's objectives, financial situation or needs and accordingly the information contained in this Information Memorandum does not constitute personal advice for the purposes of section 766B(3) of the Act. None of the Fund Manager or its related parties, officers, employees, consultants, advisers or agents represent or warrant that an investment in the Fund is a suitable investment for the recipient. The Fund Manager strongly recommends that potential investors seek independent professional advice as to the financial, taxation and other implications of investing in the Fund before investing.

Completeness: The Fund Manager makes no representation about the accuracy or completeness of the information, statements, opinions or matters (express or implied) arising out of, contained in or derived from this Information Memorandum or any omission from this Information Memorandum or of any other written or oral information or opinions provided now or in the future to any interested party or its advisers.

Forward looking statements: This Information Memorandum contains forward looking statements which are identified by words such as “may”, “could”, “anticipates”, “believes”, “estimates”, “expects”, “intends”, “plans” and other similar words that involve risks and uncertainties. These forward looking statements are subject to various factors that could cause the results of the Fund to differ materially from those expressed or anticipated in these statements. The Fund Manager does not intend to update or revise forward looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Information Memorandum, except where required by law.

Investment risk warning: An investment in the Fund is speculative and as with any investment there are inherent risks in investing in the Fund, including the risk that an investment may result in a reduction in, or total loss of, the capital value of the investment, loss of income and returns that are less than expected or delays in repayment of capital. None of the Fund Manager nor its related parties, officers, employees, consultants, advisers or agents, guarantee the performance of the Fund nor the repayment of capital invested in the Fund. Nothing in this Information Memorandum is or should be relied upon as a promise or representation as to the future. The Fund Manager expressly disclaims all liability for any loss or damage of whatsoever kind (whether foreseeable or not) which may arise from any person acting on any information contained in this Information Memorandum or any information which is made available in connection with any further enquiries, notwithstanding any negligence, default or lack of care. In furnishing this Information Memorandum, the Fund Manager undertakes no obligation to provide any additional information other than as specifically stated in this Information Memorandum.

An aerial, high-angle photograph of a large, dense crowd of people, likely at a festival or public event. The image is in black and white, with a dark teal overlay on the right side. The people are packed closely together, and their heads and shoulders are visible. The overall mood is busy and energetic.

1

Investment Summary

1.

Investment Summary

The table below is a summary of the key features of an investment in the Fund. Potential investors should read the whole of this Information Memorandum and the Trust Deed for more detailed information about the Fund.

Item	Detail
Project	The Fund is being established to fund the acquisition of and commence the civil works for a residential property development project located at 40 Gawthorn Drive, Pimpama Queensland, comprising 76 townhouses complemented by on site parklands and family friendly recreation facilities.
Offer	This is an offer of \$1.00 Units in the VentureCrowd Trust No.0470 (Pimpama) (Fund), an unregistered unit trust. The Fund will acquire ordinary shares in Gawthorn Drive Pimpama Development Pty Ltd which owns the Property.
Offer Closes	The offer closes on the sooner of 5PM on Friday 28th Feb 2020 or the date the allocation is fully subscribed. The Fund Manager reserves the right to close the offer early, extend the offer or withdraw the offer without notice.
Minimum Investment	\$50,000 - Lower amounts may be accepted at the Fund Managers discretion.
ROI	79.34%
Fund Size	The Fund Manager intends to raise \$4,000,000 of equity.
Preferred Equity	The Fund Manager intends to raise \$3,000,000 of preferred equity via a separate trust, VentureCrowd Trust No.0493 (Pimpama).
Asset	The Fund's underlying asset will be the property located at 40 Gawthorn Drive, Pimpama Queensland.
Fund Manager	VentureCrowd Pty Ltd is the manager of the Fund. Further information about the Fund Manager is contained in section 2.1.
Development Manager	VentureCrowd Property Australia Pty Ltd, an associate of the Fund Manager, has been appointed as the development manager for the project. Further information about the Development Manager is contained in section 2.2.
Sales Manager	VentureCrowd Sales Pty Ltd, an associate of the Fund Manager, has been appointed as the marketing and sales agent for the project. Further information about the Sales Manager is contained in section 2.3.

Item	Detail
Builder & Project Manager	The Fund Manager has appointed Homecorp Constructions Pty Ltd as the builder and project manager for the Project. Further information about Homecorp is contained in section 3.4.
Exit Strategy	The Property will be developed into a staged townhouse estate, with the completed dwellings intended to be sold for a profit.
Distribution Policy	No distributions will be paid during the term of the project.
Capital Return Policy	<p>The Fund Manager proposes to return capital to Unitholders once the settlement of the dwellings commences, subject to:</p> <ul style="list-style-type: none"> • ongoing working capital requirements of the Project; • requirements of tax legislation; and • the construction financier's consent.
Term	The term of the Fund is estimated to be 22 months from the issue of Units to the settlement of the final dwelling. Following the settlement of all dwellings, the Fund Manager will wind up the Fund in accordance with the Trust Deed with any remaining profits and capital returned to Unitholders.
Liquidity	Units will not be listed on a securities exchange and Unitholders will not have withdrawal or redemption rights. Therefore, Units should be considered illiquid.
Debt Facility	Following the deployment of the equity funding, additional funds to complete the project will be sourced through a commercial debt facility from an independent financier in return for a registered first mortgage security on the Property. The debt facility will be repaid progressively during the life of the Project from the proceeds of sale of completed dwellings.
Fees	Fees are set out in section 6 below.
How to invest?	<p>You can apply to invest in the Fund directly at www.venturecrowd.com.au.</p> <p>If you would like more information about this offer, please:</p> <ul style="list-style-type: none"> • email us at hello@venturecrowd.com.au or • call us on 1300 039 655.

An aerial, high-angle photograph of a large, dense crowd of people, likely at a festival or event. The image is in black and white, with a dark teal overlay on the right side. The crowd is composed of many individuals, some wearing hats and sunglasses, suggesting an outdoor setting. The overall mood is busy and energetic.

2

Management

2.

Management

2.1. Fund Manager – VentureCrowd

VentureCrowd has been appointed as the manager of the Fund under an investment management agreement between it and the Trustee. VentureCrowd was established in 2013 and has been issued with Australian Financial Services License No.503381 from the Australian Securities & Investments Commission. All financial services related to the Fund will be provided pursuant to the authorisations granted under that AFSL.

VentureCrowd is managed by a team of highly experienced investment management professionals with extensive expertise in funds management, property development, legal, finance and business administration.

For further information about VentureCrowd, please visit our website at www.venturecrowd.com.au.



Craig Hart
Director & Chair

Craig works in corporate advisory helping businesses scale , attract capital and build lasting shareholder value. Craig has practiced for many years as a commercial lawyer and was formerly President of Retail Agencies for Omnicom Inc in Asia. He has a long history in mergers and acquisitions and his commercial and marketing experience is invaluable to VentureCrowd in a market where it seeks to establish itself as the unquestionable market leader. Craig works closely with the executive team across a range of strategic issues.



Steven Maarbani
Director, Chief Executive Officer

Steven is corporate lawyer and former PwC partner specialising in funds management and financial services. He has advised on the establishment of many of Australia's leading venture capital funds (including corporate venture capital funds) as well as co-founding Australia's first equity crowdfunding platform, VentureCrowd. Steven is also a Partner and member of the Innovation Advisory Council of the Real Tech Ventures Fund, and sits on the Advisory Board of a number of high-growth companies.



Darren Tasker

Director, Chief Operations Officer

Darren spent 20 years in senior executive roles with large industrial companies, culminating with his most recent role as the Chief Operating Officer of WesTrac (part of Kerry Stoke's Seven Group Holdings ASX:SVW). He has led finance and operations functions and transitioned several large acquisitions during his career. Darren originally studied as a mechanical engineer before attending Harvard Business School in 2009.



Matt Clunies-Ross

Director

Matthew Clunies-Ross is one of the founding partners of Artesian Capital. He is currently the COO of Artesian Venture Partners and CIO of Artesian Capital Management. Prior to founding Artesian in 2004 Matthew was a director of sales and trading in the capital markets areas of ANZ Bank, HSBC and Macquarie Bank.



Garth Young

Director

Garth is a seasoned entrepreneur with experience in leading businesses from scale-up through to exit. He was the Co-Founder and Managing Director of both Inflight Logistic Services and Inflight New Zealand, which were sold to Gate Gourmet. Following the sale, Garth remained as Managing Director of Gate Gourmet, as the group was floated on the Zurich stock market.

2.2. Development Manager – VentureCrowd Property

VentureCrowd Property, an associate of the Fund Manager, has been appointed as the development manager for the Project.

VentureCrowd Property was established in 2012 and currently manages 10 property development projects across Queensland having an aggregate end value of just over \$178,000,000.

Our development management team comprises registered engineers, architects and project management executives with a wealth of experience in property development, property finance and construction management.

The development management fees payable to VentureCrowd Property are in line with market rates and have been fully disclosed in the project feasibility.

2.3. Sales Manager – VentureCrowd Sales

VentureCrowd Sales, an associate of the Fund Manager, has been appointed to manage sales and marketing function for the Project.

VentureCrowd Sales currently manages land and property sales for a number of property development projects across Queensland.

Our sales team comprises licensed real estate agents and sales professionals with a wealth of experience in off-the-plan property sales.

The sales commissions payable to VentureCrowd Sales together with the marketing cost allowances in respect of the sales program are in line with market rates and have been fully disclosed in the project feasibility.



3

The Project

3.

The Project

3.1. The Property

Located 50km from Brisbane CBD and 30km from the Gold Coast the 2.58 hectare site at 40 Gawthorn Drive, Pimpama is perfectly located in one of the fastest growing areas in Queensland growing by 456 per cent in 10 years.

Pimpama is a suburb located within Gold Coast City Council territory, positioned just off the Pacific Motorway that links Brisbane to the Gold Coast. Traveling on the motorway to either major central business district takes only 35 minutes and established public transport is accessible. The Queensland government has committed to building a train station directly in Pimpama to service the growing population of this suburb.

Located 30 minutes west in the Gold Coast Hinterland is Tamborine Mountain, the third oldest National Park in the world and a recreation hot spot for locals and tourists alike. Pimpama is also surrounded by the biggest and best theme parks in the Southern Hemisphere, restaurants, waterways and beaches.

There is an array of early learning, primary, secondary and tertiary educational facilities within the area. Along with local parklands, amenities, shops and businesses; a brand new Westfield has just opened its doors.

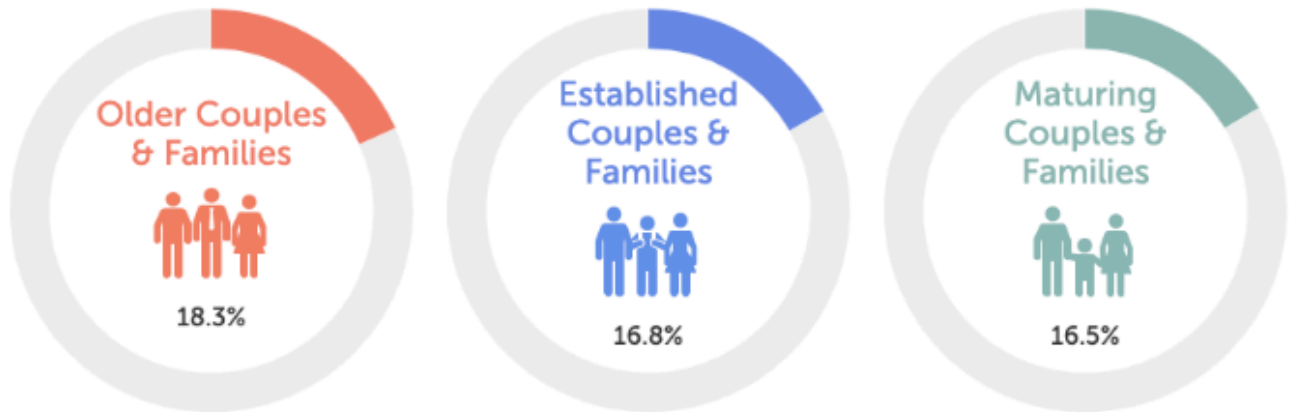


The lifestyles and people of Pimpama

The lifestyle of a suburb is often influenced by who lives there.

Top 3

Details



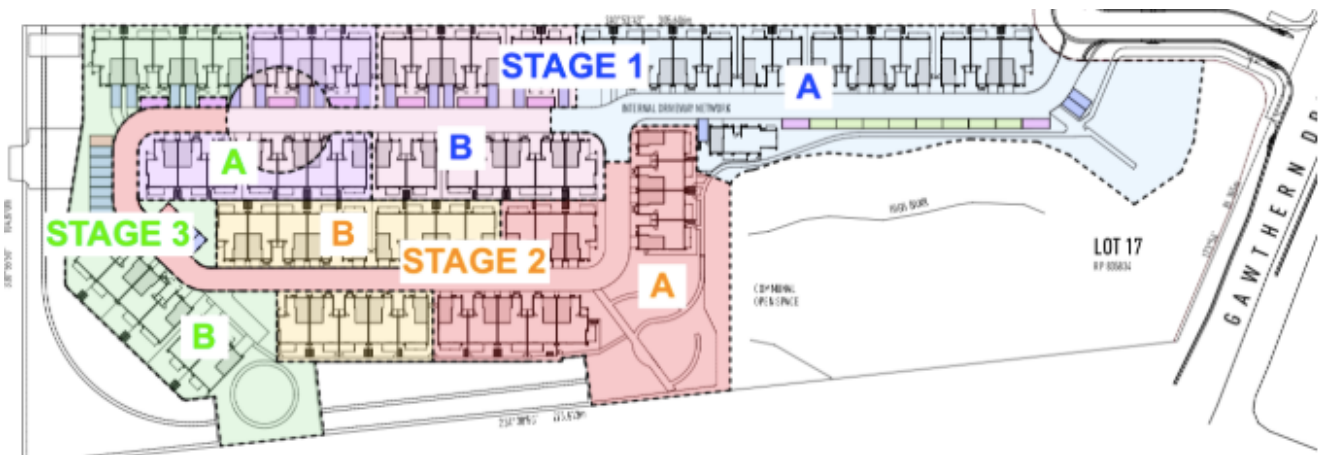
3.2. The Development

The site will be developed into 76 architecturally designed townhouses complemented by on site parklands and family friendly recreation facilities.

Development Approval (DA) and Operational Works (OPW) approvals have been issued by the Gold Coast City Council and construction is ready to commence. Having the DA and OPW in place significantly reduces the risks associated with the purchasing of the land compared to acquiring the property without these approvals.

The 76 townhouses will be developed in 3 stages, namely:

- Stage 1A & 1B – 28 townhouses including the managers house and entry landscaping;
- Stage 2A & 2B – 26 townhouses including communal landscaping; and
- Stage 3A & 3B – 22 townhouses including community and exercise landscaping areas



Under the Development Approval conditions, the property requires standard civil works to provide services to the townhouses. The design of these council approved services have been tendered and construction costs are understood.

The civil construction tendering process has resulted in the preferred tender preparing for mobilisation to site.

All civil construction works including earthworks, roads, stormwater, sewer reticulation and watermain reticulation will be completed in stage 1 and this is expected to take five months.

Homecorp Constructions Pty Ltd will complete the construction of the 76 townhouses over three stages under an exclusive building contract. Each stage will have 2 sub stages to allow registration to be staggered according to sales volumes.

The monitoring of the tendering and construction stages, including technical acceptance of the construction works and progress claims submitted by contractors will be managed by the Development Manager.



3.3. The Townhouses

The townhouses will include the following specifications and selections:

- 3 Bedrooms
- 2 Bathrooms + Powder Room
- Single Car Garage + 48 additional car spaces
- Landscaped Yards
- Stone Benchtops
- Stainless Steel Appliances
- Air-Conditioning
- LED Downlights
- Parklands and Recreation Facilities



Pre-sales marketing of the townhouses will commence six months before stage 1 house construction is complete to further de-risk the project. These sales will be undertaken in collaboration with Homecorp, directly to owner occupiers and investors together with other select independent sales organisations.

The market indicates the townhouses will begin selling for approximately \$429,000 inclusive of GST. Sale prices will be monitored and compared against competitors pricing to ensure maximum return. Sale prices nominated in a bank valuation are generally considered lower than actual sale prices obtained through a professional marketing campaign and reasonable selling period.



3.4. The Builder & Project Manager

Homecorp Constructions Pty Ltd has been appointed as the builder for the Project. Homecorp is an established leader in residential urban property development and master planned communities and will be providing Project Management and Construction services.

Homecorp is 51% owned by Toyota Motor Corporation through its subsidiary Misawa Homes Co Ltd. Toyota Motor Corporation has been building homes since 1975 and has chosen Homecorp to spearhead its expansion into the Australian housing market, bringing with it the latest design and production innovations you would expect from an organisation of this pedigree.

Since inception, Homecorp has developed, sold and completed 18 major residential housing projects, grossing more than \$800 million in sales. With a current development pipeline of over 4,000 residential lots, Homecorp is committed to the creation of continued economic growth, prosperity and job creation in all of the regions.

Homecorp has signed an exclusive construction and marketing agreement with VentureCrowd Property in May 2017 and both parties are intent on scaling their collective execution capability to the Australian property market.

This Project is the first example of this collaboration, bringing together VentureCrowd's capital and funds management capability and Homecorp's construction delivery system backed by the Japanese group that invented lean management systems, Toyota.

For further information on [Homecorp](#), please visit their website.



3.5. Financial Forecast

The project is forecasting net sales revenue of \$32,911,967. The table below contains a summary of the financial forecast for the Project. The detailed financial feasibility is available on request.

Project Costs	Total
Revenue	
NET Sales Revenue	\$32,911,967
- Gross Sales Revenue	\$34,887,370
- Less Selling Costs	-\$1,975,403
Total Revenue (After GST Paid)	\$30,058,569
- Total Revenue (Before GST Paid)	\$32,911,967
- Less GST Paid on all Revenue	-\$2,853,397
Costs	
Land Purchase Cost	\$3,500,000
Land Acquisition Costs	\$401,775
Construction Costs (inc. Contingency)	\$19,272,521
- Subdivision Costs	\$4,025,001
- Built Form	\$14,897,520
- Contingency	\$350,000
Professional Fees	\$1,705,096
Statutory Fees	\$2,303,504
Land Holding Costs	\$9,010
Finance Charges	\$649,666

Interest Expense	\$1,178,626
Total Costs (After GST Reclaimed)	\$26,885,560
- Total Costs (Before GST Reclaimed)	\$29,020,198
- Less GST Reclaimed	-\$2,134,638
Performance Indicators	
Net Development Profit	\$3,173,009
Development Margin	10.99%
Projected Return on Investment (ROI)	79.34%
Equity IRR	32.13%
Ordinary Equity Contribution	\$4,000,000
Preferred Equity Contribution	\$3,000,000
Peak Debt Exposure	\$14,167,482
Max Debt LVR	65.91%

An aerial, high-angle photograph of a dense crowd of people, likely at a festival or public gathering. The image is in black and white, with a dark teal overlay on the right side. The people are packed closely together, and their heads and shoulders are visible. The overall mood is busy and energetic.

4

The Fund

4.

The Fund

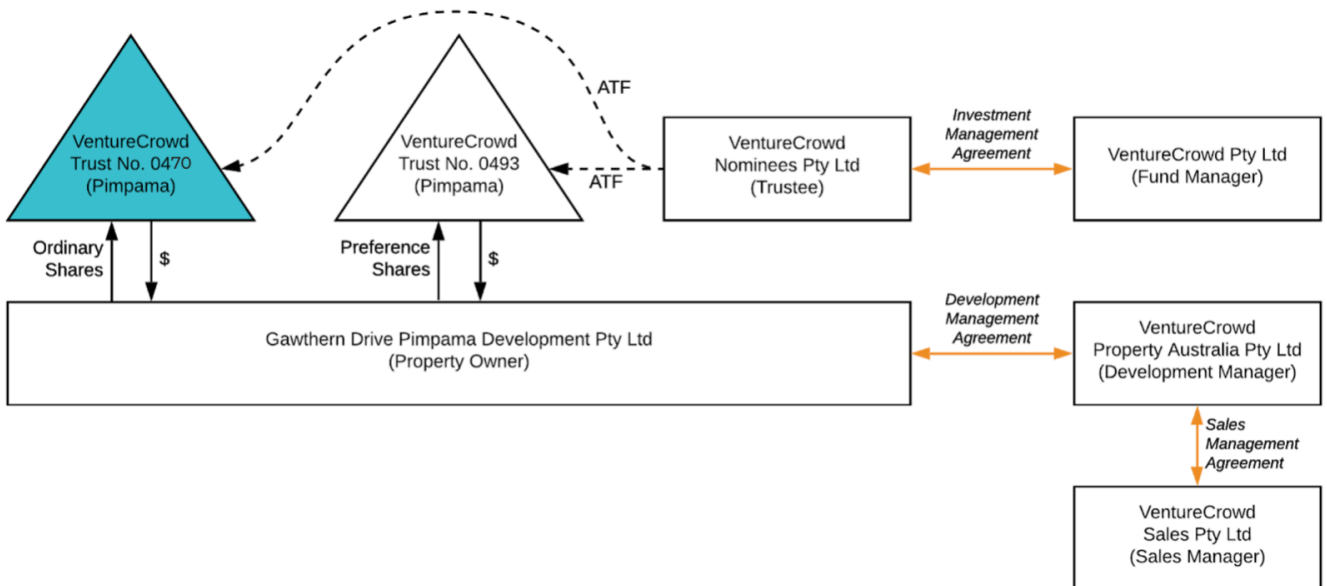
4.1. Structure

The Fund is structured as an unregistered wholesale unit trust, the trustee of which is VentureCrowd Nominees Pty Ltd (ACN 166 599 140).

Investors will acquire Units in the Fund at an issue price of \$1.00 per Unit. The Fund will acquire ordinary shares in Gawthorn Drive Pimpama Development Pty Ltd which is the entity that holds the title to the Property. Directors of Gawthorn Drive Pimpama Development Pty Ltd have been appointed by the Trustee.

The Trustee will issue Units to equity investors in its capacity as an authorised representative of VentureCrowd Pty Ltd (ACN 166 598 849) under its Australian Financial Services License No.503381.

The Fund Manager will also raise \$3,000,000 of preferred equity via a separate trust, Venturecrowd Trust No.0493 (Pimpama). The equity capital structure of the project is as shown in the diagram below.



4.2. Investment Strategy

The Fund Manager intends to raise \$4,000,000 of ordinary equity capital through the issue of Units in the Fund to assist with the:

1. acquisition of the Property;
2. commencement of civil works for the site; and
3. commencement of the pre-sales marketing campaign.

The Property will be developed into a staged townhouse estate, with the completed dwellings intended to be sold for a profit.

Additional funds to complete the project are likely to be sourced through a combination of a commercial debt facility from an independent financier in return for a registered first mortgage security on the Property and through preferred equity. It is intended that the debt facility will be repaid progressively during the life of the Project from the proceeds of sale of completed dwellings. The Fund Manager may, at its sole discretion, vary the projected total amount of capital drawn from each source as operational requirements and capital availability dictate.

The life of the Fund is estimated to be 22 months from the date the Units are issued to the settlement of the final dwelling. Following the settlement of all dwellings, the Fund Manager will wind up the Fund in accordance with the Trust Deed with any remaining profits and capital returned to Unitholders.

4.3. Distributions

No distributions will be paid during the term of the project.

The Manager proposes to return capital to Unitholders once the settlement of the dwellings commences, subject to:

1. ongoing working capital requirements of the Project;
2. requirements of tax legislation; and
3. repayments to the construction financier.

Distributions will vary between investors depending on the date they invest, with investors who invest earlier receiving a higher distribution based on the length of time their capital has been invested. The distribution will be calculated and made in accordance with the formula below. The purpose of the formula is to reward investors who participate early.

$$DA = TDI \times (U/TU) \times (D/TD)$$

Where:

DA	means the distribution amount to a Unitholder
TDI	means the total distributable income for a Distribution Period
U	means the number of units held by a Unitholder at the end of a Distribution Period
TU	means the total number of units held by all Unitholders at the end of a Distribution Period
D	means the number of days a Unitholder has held its Units since the latter of (a) the date their Units were first issued, and (b) the date the last distribution was made
TD	means the total number of days in the relevant Distribution Period

4.4. Liquidity

Units will not be listed on a securities exchange and Unitholders will not have withdrawal or redemption rights. Therefore, Units should be considered illiquid.

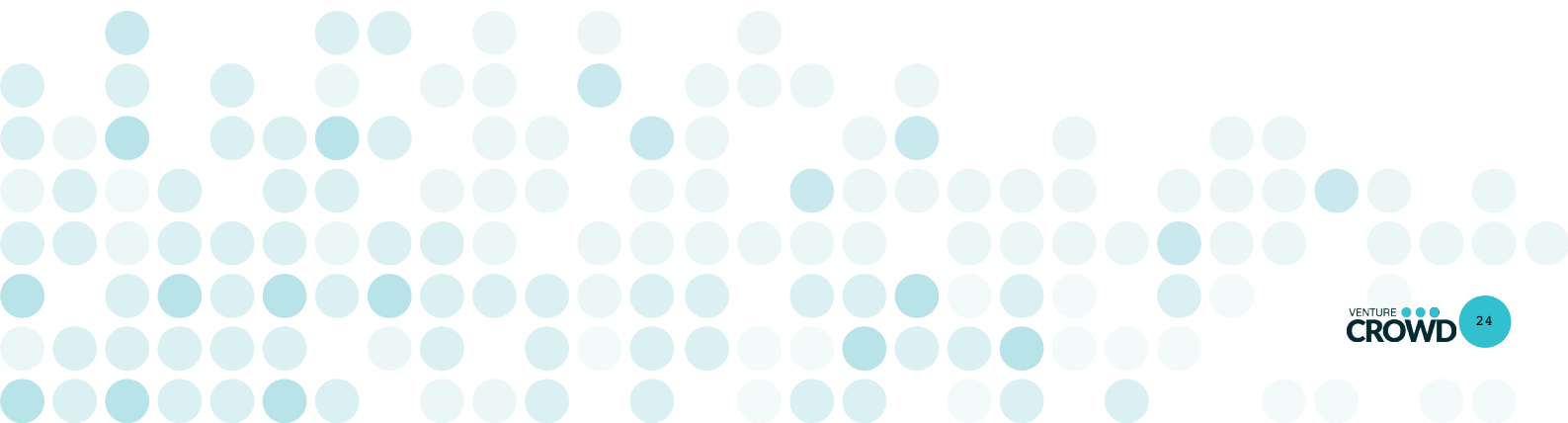
4.5. Trust Deed

The Trust Deed contains detailed information concerning the rights and obligations of an investor, the powers and functions of the Trustee and the manner in which the Fund will be managed.

To the extent there are any inconsistencies between the Trust Deed and this Information Memorandum, the Trust Deed will prevail. This Information Memorandum does not purport to contain all the information that a prospective investor may require in evaluating a possible investment in the Fund.

Prospective investors should review, and seek independent legal advice in respect of the Trust Deed before making an application to invest in the Fund. The Trust Deed is available on request.





An aerial, high-angle photograph of a large, dense crowd of people, likely at a festival or public event. The image is in black and white, with a dark, moody atmosphere. The people are packed closely together, and their heads and shoulders are visible from above. The crowd fills the entire frame, creating a textured, repetitive pattern of human figures.

5

Risks

5.

Risks

Whilst the directors of the Fund Manager are experienced business managers and the senior executives of the Development Manager have substantial experience in managing property development projects, there are always risks associated with development and construction which may, either directly or indirectly, result in reduced distributions and/or a loss of some of the capital value of an investment in the Fund.

Before deciding whether to subscribe for Units, you should consider whether an investment in this Fund, the underlying asset of which will be the Property, is suitable for you. If you are in doubt as to whether you should invest, please consult a suitably qualified professional advisor.

The key risks associated with investing in the Fund include, but are not limited to:

Risk	Summary
General risks	<p>General investment risks include:</p> <ul style="list-style-type: none"> • a downturn in the general economic and market conditions in South-East Queensland; • unfavourable movements in interest rates, inflation or the unemployment rate; • changes to the law (including tax laws) and accounting rules; • industrial relations disputes and strikes; • natural disasters, including earthquakes, fire and storm; and • social unrest, terrorist attack or war in Australia or overseas.
Market risk	<p>The value of the end product may be adversely affected by a downturn in real estate market conditions. Depending on prevailing conditions it may be difficult for the end product to be sold in a timely manner or for an optimal price. There is no guarantee that the forecast sales prices or sales rates will be achieved nor that the Property will not fall in value relative to the current valuation.</p>
No guarantee	<p>Neither the performance of this investment nor the repayment of Unitholder contributions is guaranteed by the Trustee, the Fund Manager or any other person.</p>
Insurance risk	<p>The Project will take out insurance to cover the Property. However, the insurance may not cover all events or claims and is subject to deductible excesses.</p>

Development cost	Forecast development costs and project expenditure may be lower than actually charged, which may result in the Project being less profitable and affecting the returns to Unitholders.
Council development contributions	Council development contributions contained in the feasibility are based on the considerable experience of the Development Manager and the information currently available, however these costs may exceed forecast levels. This may result in the Project being less profitable and may affect returns to Unitholders.
Related party risk	The Fund has entered into, and may in the future enter into, legal documents and contracts in relation to numerous aspects of the Fund's operation or the development of the Project. The Fund may be adversely affected where a party fails to perform under these agreements. There is potentially additional counterparty risk when a related party is involved.
Borrowings risk	The Fund involves an investment in the Project funded partly by invested capital (equity) and partly by money that has been borrowed (debt). When a property is geared the potential for gains and losses are greater. A fall in the value of the Property could result in a breach of a borrowing covenant. If such a default occurs, the lender may enforce its security against the Property and, amongst other things, sell the Property. The borrowings of the Fund are limited recourse, meaning recourse extends only to the assets of the Fund.
Liquidity risk	An investment in the Fund should be viewed as a medium-term investment and should be considered illiquid. No holder of Units has the right to have their Units redeemed or withdrawn from the Fund, and the Trust Deed contains a prohibition on any disposal of Units.
Taxation & stamp duty	<p>The effect of taxation on Unitholders is complex and the summary in section 7.1 is general in nature only. Investors should seek professional taxation advice specific to their own circumstances.</p> <p>Taxation and stamp duty considerations taken into account by the Trustee in preparing this document are based upon relevant legislation, regulations, court decisions and rulings and pronouncements of relevant taxation and revenue authorities now in effect, all of which are subject to change or differing interpretations.</p> <p>Investors should note that any such change could have retroactive application so as to result in taxation and stamp duty consequences different from those taken into account by the Trustee. The Trustee has not sought any ruling from relevant taxation or revenue authorities with respect to these considerations and there can be no assurance that the authorities will not assert, or that a court will not sustain, a contrary position.</p>

An aerial, high-angle photograph of a large, dense crowd of people, likely at a public event or festival. The image is in black and white, with a dark teal overlay on the right side. The crowd is composed of many individuals, some wearing hats and sunglasses, suggesting an outdoor setting. The overall mood is busy and crowded.

6

Fees & Expenses

6.

Fees and Expenses

This section outlines the fees and other costs that you may be charged. These fees and other costs may be deducted from your money, from the returns on your investment or from the Fund's assets as a whole. You should read all of the information about fees and other costs because it is important to understand their impact on your investment.

6.1. Summary

Type of fee	Amount (Incl. GST)	How and when paid
<p>Contribution Fee</p> <p>This is the fee charged by the Trustee for the establishment of the trust and the purchasing entity, structuring the overall investment and raising capital by way of issue of Units.</p>	1.1% of your investment amount in the Fund	Payable upon acceptance of your investment by the Trustee.
<p>Due Diligence Cost Reimbursement</p> <p>This fee is a reimbursement of costs associated with the identification and analysis of the Property, development of the feasibility, managing the due diligence process and negotiating the acquisition.</p>	Fixed total amount of \$192,000	Payable upon the successful raising of the Minimum Subscription Amount.
<p>Management Fee</p> <p>This is the fee charged by the Trustee for the general administration, operation and management of the Fund.</p>	1.65% p.a. of the Gross Asset Value of the Fund	Payable monthly in arrears directly from the Fund's assets.
<p>Fund costs and expenses</p> <p>These are the costs and expenses of operating the Fund.</p>	Costs and expenses estimated at 0.5% p.a. of the Gross Asset Value of the Fund	Payable directly from the Fund's assets as and when they are incurred.
<p>Performance Fee</p> <p>This is the fee payable to the Trustee as an incentive to outperform a benchmark rate of return.</p>	10% of the portion of outperformance of the Fund over an internal rate of return (IRR) of 15%	Payable directly from the Fund's assets as set out in Section 6.2.

6.2. Explanation of fees and expenses

Fund Manager's fees

The Fund Manager's fees will be paid out of the Trustee's own fee entitlements. There will not be an additional charge to the Fund for the Fund Manager's services, unless the Fund Manager undertakes additional work that would have been performed by another agent of the Fund. Any remuneration for additional work will be determined at the relevant time of appointment and will be at normal commercial rates and on arm's length terms.

Costs and expenses

The Fund will incur ongoing administration costs which may include accounting fees, audit costs, registry fees, custodial fees, tax and legal advice fees, investor reporting costs and bank charges. These costs are estimated to be 0.5% per annum of the GAV. This amount is an estimate only and actual costs may be more or less than this amount.

The Trustee is entitled, under the Trust Deed, to be reimbursed for all costs and expenses (which include the ongoing administration costs and abnormal expenses referred to above) that it may incur in the proper performance of its duties under the Trust Deed.

These costs and expenses include (but are not limited to) costs, disbursements and expenses associated with:

- the establishment and termination of the Fund and amending or replacing the Trust Deed;
- the production and circulation of this IM or other disclosure document and marketing and the promotion of the Fund;
- Fund assets and income;
- borrowing money;
- convening and holding meetings of Unitholders and implementing resolutions passed at the meetings;
- registry and accounting services, Fund tax returns, confirmation advices, notices, reports and other documents;
- managing tax obligations and the accounting and audit of the Fund;
- complying with any law or request, policy or requirement of ASIC or any regulatory authority; and
- any professional services provider, agent or delegate of the Trustee (including associates).

Professional services fee

The Trustee may seek professional services for the Fund from qualified providers, including related parties. The fees for these services will be charged at normal commercial rates to the Fund. The Fund Manager may arrange the provision of these services.

As disclosed above, the Trustee has appointed VentureCrowd as the Fund Manager, VentureCrowd Property as the Development Manager and VentureCrowd Sales as the Sales Manager in respect of the Project, all related parties. The fees payable to these entities are in line with market rates and are fully disclosed in the feasibility.

An aerial, high-angle photograph of a large, dense crowd of people, likely at a festival or public event. The image is in black and white, with a dark, moody atmosphere. The people are packed closely together, and their heads and shoulders are visible. The crowd fills the entire frame, creating a sense of a vast, diverse group of individuals.

7

Taxation

7. Taxation

The summary Australian taxation information contained in this document is a general guide to the Australian taxation implications applicable to the Fund for Australian resident investors who hold their units in the Fund.

The summary reflects the income tax legislation in force, and the interpretation of the Australian Taxation Office and the courts of this legislation, as at the date of issue of this document. However, Australian tax laws are subject to continual change and the summary should not be relied upon as a complete statement of all the potential tax considerations which may arise upon investing in the Fund.

As the tax treatment applicable to particular investors may differ, we strongly recommend that investors seek advice from a suitably qualified adviser as to the taxation implications of their proposed investment in the Fund.

7.1. Taxation status of Trust

The Trust is an Australian resident trust for Australian tax purposes. Broadly, the Trust will be a public trading trust under Division 6C of Part III of the Income Tax Assessment Act 1936 unless:

1. The Trust is closely held (which requires that 20 Investors or less hold, in aggregate, 75% or more of the rights to income or capital of the Trust);
2. Tax exempt entities, complying superannuation funds, complying approved deposit funds or pooled superannuation trusts hold less than 20% of the rights to income or capital of the Trust (the “20% tracing rule”). Where such entities are entitled to a refund of franking credits, they are otherwise disregarded for the purposes of the 20% tracing rule; and
3. The Trust does not control and is not able to control, directly or indirectly, the affairs or operations of another person in respect of the carrying on by that other person of a trading business.

The “public trading trust” status of a trust is required to be determined annually.

The activities of the Trust will relate primarily to the development and subsequent sale of property to unrelated parties. As these activities would constitute a “trading business”, the Trustee believes that the Trust should be regarded as a public trading trust.

If the Trust is a public trading trust:

1. The Trust would cease to be a flow through vehicle for tax purposes;
2. The Trust would be liable to pay tax at the corporate taxation rate (currently 27.5% for certain small business entities and 30% for all other entities) on taxable income;
3. Distributions to investors would be frankable and taxed as dividends in the hands of the investors; and
4. Franked distributions received by the Trust can retain their character and passed on to investors as franked dividends.

7.2. Goods and Services Tax (GST)

The Fund is registered for GST. The issue or redemption of Units in the Fund and where applicable the receipt of any distributions are not subject to GST.

The Fund may be required to pay GST included in certain fees, charges, costs and expenses incurred by the Fund. However, to the extent permissible, the Trustee and/or the Fund manager will claim on behalf of the Fund a proportion of this GST as a reduced input tax credit.

Unitholders should seek professional advice with respect to the GST consequences arising from their investment in the Fund.

7.3. Tax File Number (TFN) Australian Business Number (ABN)

Australian investors may notify us of their TFN, ABN (provided they are investing in the course of conducting an enterprise) or their exemption status. In the event that we are not notified of the details, tax may be deducted from gross payments including distributions of income at the highest marginal tax rate, including the Medicare Levy, until such time as the relevant TFN, ABN or exemption is provided. The collection, use and disclosure of your TFN will be in accordance with the tax laws and the Privacy Act.

The investor may be able to claim a credit in the investor's tax return for any TFN/ABN tax withheld. By quoting their TFN or ABN, the investor authorises the Funds Manager to apply it in respect of all the investor's investments with the Funds Manager. If the investor does not want to quote their TFN or ABN for some investments, the Funds Manager should be advised.

7.4. Withholding tax

Non resident investors (if any) may have tax deducted from each distribution comprising of Australian sourced income at the relevant withholding tax rates.

7.5. Tax reform

The comments noted above are based on the taxation legislation and administrative practice as at the issue date of this Information Memorandum. However, it should be noted that the Australian tax system is in a continuing state of reform, and based on the Government's reform agenda, reform is likely to escalate rather than diminish. Any reform of a tax system creates uncertainty, whether it be uncertainty as to the full extent of announced reforms, or uncertainty as to the meaning of new law that is enacted pending interpretation through the judicial process.

It will be necessary to monitor the progress of the reforms, and it is strongly recommended that investors seek their own professional advice, specific to their own circumstances, of the taxation implications of investing in the Fund.



8

Additional Information

8.

Additional Information

8.1. How to participate

To invest in this opportunity, simply visit our website - www.venturecrowd.com.au - and click on the relevant deal.

There are no paper forms to fill out or documents to sign and scan. Our simple application process allows you to register an account and make your investment quickly and easily online.

If you would prefer to speak to one of our team members about this offer, please:

- email us at hello@venturecrowd.com.au or
- call us on 1300 039 655.

Please note, the Fund Manager reserves the right to vary or cancel this offer at any time, vary the amount raised under this offer, vary or waive the minimum investment and close the offer, without notice and without giving reasons.

8.2. Reporting

Once your investment has been accepted, you will be able to view and monitor your investment on your personal investor dashboard via the VentureCrowd website from anywhere at any time.

Your dashboard will include:

- your Unit certificate
- a copy of this Information Memorandum
- a copy of the Trust Deed
- distribution statements
- tax statements
- progress reports on the project issued to Unitholders by the Fund Manager

Distribution statements will be provided to Unitholders following each annual distribution.

