



VentureCrowd


Issue date: 3 June 2020

# VENTURECROWD SUPER HIGH YIELD FUND (PIMPAMA)

VENTURECROWD TRUST NO. 0493

**INFORMATION MEMORANDUM**  
(PREFERRED EQUITY)  
A WHOLESALE INVESTMENT TRUST FOR THE  
DEVELOPMENT OF RESIDENTIAL PROPERTY

VENTURECROWD PTY LTD  
ACN 40 166 598 849  
AFSL NO. 503 381  
[VENTURECROWD.COM.AU](http://VENTURECROWD.COM.AU)



## 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.0493 (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 Licensee 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.

# 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
<b>Project</b>	The Fund is being established to fund the construction of 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.
<b>Offer</b>	<p>This is an offer of \$1.00 Units in the VentureCrowd Trust No.0493 (Pimpama), an unregistered managed investment scheme.</p> <p>The Fund will acquire preference shares in Gawthorn Drive Pimpama Development Pty Ltd which owns the Property.</p>
<b>Interest</b>	12% p.a. paid monthly in arrears for 12 months subject to liquidity, following which the interest will be capitalised if the preference shares have not been redeemed.
<b>Minimum Investment</b>	\$25,000 - Lower amounts may be accepted at the Fund Manager's discretion.
<b>Fund Manager</b>	VentureCrowd Pty Ltd will manage the Fund. Further information about the Fund Manager is contained in section 2.1.
<b>LVR</b>	Maximum gearing including preference shares of 68.5%.
<b>Development Manager</b>	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.
<b>Sales Manager</b>	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.

**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**

Distributions will be paid monthly in arrears.

**Term**

The term of the Units is estimated to be 12 months, subject to liquidity.

**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**

Additional funds to complete the project have been sourced through a commercial debt facility from an independent financier in return for a registered first mortgage security on the Property to complete construction of the project. The debt facility will have a maximum LVR of 55% and will be repaid progressively during the life of the Project from the proceeds of the sales of completed dwellings.

**Fees**

Fees are set out in section 6 below.

**How to invest?**

You can apply to invest in the Fund directly at [www.venturecrowd.com.au](http://www.venturecrowd.com.au)

If you would like more information about this offer, please:

- email us at [hello@venturecrowd.com.au](mailto:hello@venturecrowd.com.au) or
- call us on 1300 039 655

## 2. THE 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](http://www.venturecrowd.com.au).



**STEVEN MAARBANI**  
**Director, CEO & Executive Chair**

**Steven** is a 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**  
**Executive Director, Technology Lead**

**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 Stokes 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.





**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.

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## **2.2 Development Manager – VentureCrowd Property Australia**

VentureCrowd Property, an associate of the Fund Manager, has been appointed as the development manager for the Project. VentureCrowd Property was originally established in 2012.

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

### 3.1 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.

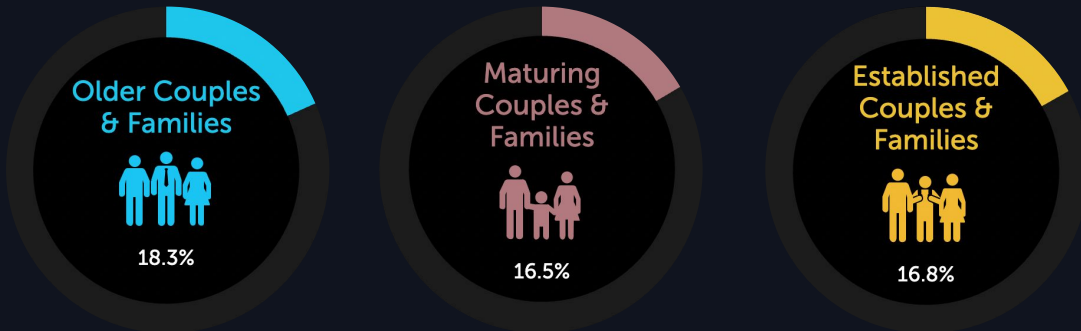
There is an array of early learning, primary, secondary and tertiary educational facilities within the area. Along with local parklands, amenities, shops and businesses; a brand new Westfield has just opened its doors.





## The lifestyles and people of Pimpama

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



### 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.



## 4. 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
<b>Revenue</b>	
<b>NET Sales Revenue</b>	\$33,043,96
- Gross Sales Revenue	\$34,887,370
- Less Selling Costs	-\$1,843,403
<b>Total Revenue (After GST Paid)</b>	\$30,190,569
- Total Revenue (Before GST Paid)	\$33,043,967
- Less GST Paid on all Revenue	-\$2,853,397
<b>Costs</b>	
<b>Land Purchase Cost</b>	\$3,500,000
<b>Land Acquisition Costs</b>	\$401,775
<b>Construction Costs (inc. Contingency)</b>	\$19,272,521
- Subdivision Costs	\$4,025,001
- Built Form	\$14,897,520
- Contingency	\$350,000
<b>Professional Fees</b>	\$1,705,096
<b>Statutory Fees</b>	\$2,303,504

<b>Land Holding Costs</b>	\$9,010
Finance Charges	\$649,666
Interest Expense	\$1,185,212

<b>Total Costs (After GST Reclaimed)</b>	<b>\$26,904,147</b>
- Total Costs (Before GST Reclaimed)	\$29,026,785
- Less GST Reclaimed	-\$2,122,638

Performance Indicators	Total
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<b>Net Development Profit</b>	<b>\$3,286,483</b>
<b>Development Margin</b>	<b>10.89%</b>
Projected Return on Investment (ROI)	16.18%
Ordinary Equity Contribution	\$4,000,000
Preferred Equity Contribution	\$3,500,000
Peak Debt Exposure	\$13,515,921
Max Debt LVR	68.48%

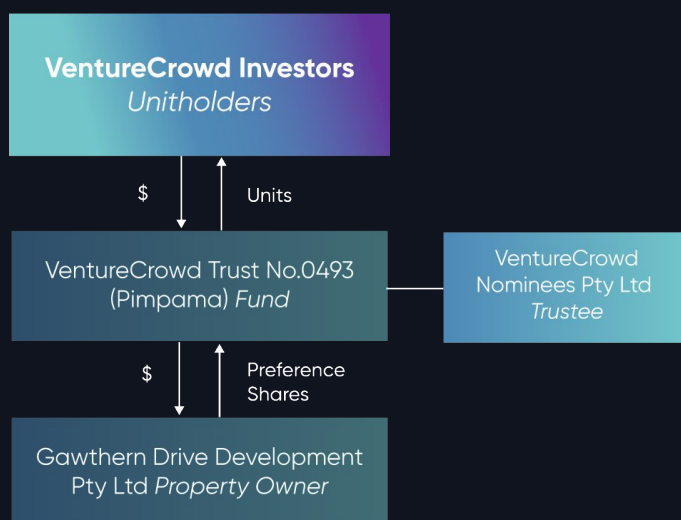


## 5. THE FUND

### 5.1 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 preference shares in Gawthorn Drive Pimpama Development Pty Ltd which was established to hold the title to the Property. Directors of Gawthorn Drive Pimpama Development Pty Ltd were appointed by the Trustee. The Trustee will issue Units to investors in its capacity as an authorised representative of VentureCrowd Pty Ltd (ACN 166 598 849) under its Australian Financial Services License No.503381.



### 5.2 Preference Shares

The preference shares will have the following rights:

1. 12% p.a. paid monthly in arrears for 12 months subject to liquidity, following which the interest will be capitalised if the preference shares have not been redeemed
2. priority repayment in the event of a liquidation or winding up of the company
3. redeemable at the election of the company at any time

### 5.3 Investment Strategy

The preferred equity capital will be used to repay an existing loan and civil works.

The existing loan was used for the:

1. continuation of civil works for the site; and
2. 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 have been sourced through a commercial debt facility from an independent financier in return for a registered first mortgage security on the Property. 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 life of the Fund is estimated to be 12 months. Following the redemption of the preference shares, the Fund Manager will wind up the Fund in accordance with the Trust Deed with any remaining interest and capital returned to Unitholders.

#### 5.4 Distributions

Distributions will be paid monthly in arrears.

#### 5.5 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.

#### 5.6 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.



## 6. THE 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
<b>General risks</b>	General investment risks include: <ul style="list-style-type: none"><li>• a downturn in the general economic and market conditions in South-East Queensland;</li><li>• unfavourable movements in interest rates, inflation or the unemployment rate;</li><li>• changes to the law (including tax laws) and accounting rules;</li><li>• industrial relations disputes and strikes;</li><li>• natural disasters, including earthquakes, fire and storm; and</li><li>• social unrest, terrorist attack or war in Australia or overseas.</li></ul>
<b>Market risk</b>	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.
<b>No guarantee</b>	Neither the performance of this investment nor the repayment of Unitholder contributions is guaranteed by the Trustee, the Fund Manager or any other person.
<b>Insurance risk</b>	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.
<b>Development cost</b>	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.

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**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.

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**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.

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**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.

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**Taxation & stamp duty**

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.

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.

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.

## 7. 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.

### 7.1 Summary

Type of fee	Amount (incl. GST)	How and when paid
<b>Contribution Fee</b> <i>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.</i>	1.1% of your investment amount in the Fund	Payable upon acceptance of your investment by the Trustee.
<b>Management Fee</b> <i>This is the fee charged by the Trustee for the general administration, operation and management of the Fund.</i>	1.65% p.a. of the Gross Asset Value of the Fund	Payable monthly in arrears directly from the Fund's assets.
<b>Fund costs and expenses</b> <i>These are the costs and expenses of operating the Fund.</i>	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.


### 7.2 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 fees**

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 Australia 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.





## 8. 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.

### **8.1 Taxation Status of Trust**

The trust is expected to be treated as a “flow through entity” for tax purposes, not a “public trading trust”, and accordingly should not be taxed as a corporate entity. This means the trust should not pay tax on income or capital gains derived by investment activities, and any income or capital gain distributed to you from your investment in the trust will be taxed according to your personal circumstances. The “public trading trust” status of a trust is required to be determined annually.

VentureCrowd recommends that you obtain personal tax advice from a registered tax agent regarding your investment in the trust.

### **8.2 Goods & 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.



### **8.3 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.

### **8.4 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.

### **8.5 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.

## 9. ADDITIONAL INFORMATION

### 9.1 How to participate

To invest in this opportunity, simply visit our website - [www.venturecrowd.com.au](http://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](mailto: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.

### 9.2 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.

### 9.3 Privacy

The Fund Manager and its related parties value investor privacy and are committed to protecting your personal information. We will only collect information that is required for the purpose of performing its functions in respect of the Fund.

By making an investment in the Fund, you agree to us collecting, holding and using information about you to process your application, and to administer and manage our obligations to you. You need not give us any personal information requested in our application process or in any other communication relating to the Fund. However, without this information, we may not be able to process your application or properly carry out our obligations to you under the Trust Deed.

We may disclose your personal information if, acting in good faith, we believe that the law requires or permits us to do so, or if you consent. We may also use your personal information to offer other investment opportunities that may be of interest to you unless you request us not to do so. Under the Privacy Act 1988 (Cth), you may request access to your personal information that we hold.

## 9.4 Termination of the Fund

The Fund terminates on the earliest of:

- A. the date that is one calendar month after the date on which all assets have been either realised in cash or written off in the accounts of the Fund;
- B. the 80th anniversary of the day before the Fund commenced; and
- C. date on which the Fund terminates in accordance with a provision of the Trust Deed or by law.

## GLOSSARY

<b>AFSL</b>	Australian Financial Services Licence
<b>ASIC</b>	Australian Securities & Investments Commission
<b>Development Manager</b>	VentureCrowd Property Australia Pty Ltd (ACN 159 744 386)
<b>Distribution Period</b>	has the meaning given in the Trust Deed
<b>Fund (or Trust)</b>	VentureCrowd Trust No.0493 (Pimpama)
<b>Fund Manager</b>	VentureCrowd Pty Ltd (ACN 166 598 849)
<b>Gross Asset Value (GAV)</b>	the sum of the value of the Fund's assets
<b>Homecorp</b>	Homecorp Constructions Pty Ltd (ACN 169 928 205)
<b>Project</b>	the project described in Section 1
<b>Property</b>	40 Gawthorn Drive, Pimpama Queensland
<b>Trust</b>	VentureCrowd Trust No.0493 (Pimpama)
<b>Trust Deed</b>	the trust deed in respect of the Trust



<b>Trustee</b>	VentureCrowd Nominees Pty Ltd (ACN 166 599 140)
<b>Unit</b>	a unit in the Trust
<b>Unitholder</b>	the holder of a Unit in the Trust
<b>VentureCrowd</b>	VentureCrowd Pty Ltd (ACN 166 598 849)
<b>VentureCrowd Property</b>	VentureCrowd Property Australia Pty Ltd (ACN 159 744 386)
<b>VentureCrowd Sales</b>	VentureCrowd Sales Pty Ltd (ACN 623 873 361)



Trust No. 0493 **PIMPAMA**

**WE FIND AND FUND THE FUTURE**

A FUTURE THAT IS GOOD FOR  
**INVESTORS, FOUNDERS AND HUMANITY**

