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VentureCrowd Trust No.0505
(Glenvale Devine Road Development Pty Ltd)

INFORMATION **MEMORANDUM**

First Mortgage Loan Offer - Glenvale, QLD
Residential Land Subdivision

Issue Date:
11 May 2021

Issued by:
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 the *VentureCrowd Trust No.0505 (Glenvale Devine Road Development Pty Ltd)* (**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.

OUR **PURPOSE**

We’re passionate about giving our community the ability to invest in the projects they believe in and, by doing so, shape the world in which we live.

At VentureCrowd, our purpose is to **find and fund the future**. A future that is good for investors, founders and humanity.

1. INVESTMENT **SUMMARY**

1.1 Overview

The VentureCrowd Trust No.0505 (Glenvale Devine Road Development Pty Ltd) **(Fund)** is a ‘managed investment scheme’ available to ’wholesale clients’ as defined in the *Corporations Act 2001* (Cth).

The Fund will invest in a first mortgage loan to Glenvale Devine Road Development Pty Ltd **(Borrower)** to fund the development of a residential subdivision project located at Lots 10-12 Drayton Wellcamp Rd, Glenvale, QLD 4350 **(Property)**.

The project is a DA approved 314 lot land subdivision divided into 10 stages. The first 3 stages (75 lots) are almost complete, with practical completion estimated within 7 months. The ‘on completion’ valuation of the first 75 lots is expected to be approximately $13.1 million.

Initial tranches invested will be used to:

1. Repay the existing interim first mortgage;
2. Fund cost to complete stages 1-3, allowing those lots to be sold; and
3. Commence the sales and marketing campaign.

The balance parcel of land, currently approved for the remaining 239 lots provides further value add opportunity through the potential for an amended DA to increase the yield from the approved 239 lots to approximately 320 lots. Increasing the remaining lots would conservatively add $12.56 million in revenue to the project, based upon an average pricing of $155,000 per lot.

The Fund will invest up to the lower of $17,000,000 or a maximum LVR of 65% in tranches subject to conditions. The site is independently valued with an ‘on completion’ gross realisation value of $56.34 million. At peak debt, the Fund’s exposure to the project will not exceed a maximum LVR of 65%.

Key Project Highlights:

1. DA approved project
2. 314 lot land subdivision, with scope for additional lots (STCA)
3. 26 month project period
4. Stage 1-3, representing 75 registered lots, nearing completion with circa 7 months construction remaining
5. Strong emerging rural location, well situated to benefit from recently completed and future planned developments, infrastructure & amenity and employment opportunities
6. Property situated in the identified ‘Toowoomba West Growth Area’
7. Strong market demand in the Toowoomba region for large land subdivisions with a number of other subdivision developments in the region
8. Strong population growth underpins the demand for new dwellings with Toowoomba’s population growth currently exceeding supply of new lots and dwellings
9. Value add opportunity through amended DA to increase balance parcel land lot yield

Key Features

Item	Detail
Project	The project is a DA approved 314 lot land subdivision divided into 10 stages.
Offer	This is an offer of $1.00 Units in the VentureCrowd Trust No.0505 (Glenvale Devine Road Development Pty Ltd), an unregistered unit trust. The Fund will invest in a first mortgage loan to the Borrower.
Offer Closes	The offer closes on 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.
Target Return	12% p.a. (net of fees)
Minimum Investment	$25,000
Term	12 months
Loan Amount	The Fund will lend up to the lower of $17,000,000 or a maximum LVR of 65% in tranches subject to conditions.
Maximum LVR	The Fund's exposure to the project will not exceed a loan to value ratio of 65%. The Property is independently valued with an 'on completion' gross realisation value of $56.34 million.
Use of Funds	Funds invested will be used to: 1. Repay the existing interim first mortgage; 2. Fund cost to complete stages 1-3, allowing those lots to be sold; and 3. Commence the sales and marketing campaign.
Property	The property is located at Lots 10, 11 and 12 Drayton-Wellcamp Road, Toowoomba, more particularly described as: • Lot 10 on SP300552, Title Reference 51131739; • Lot 11 on SP300552, Title Reference 51131740; and • Lot 12 on SP300552, Title Reference 51131741.
Borrower	Glenvale Devine Road Development Pty Ltd, the owner of the Property
Security	1st ranking mortgage over the Property

Key Features

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.
Project Superintendents	*Internal Civil Works* Pinnacle Engineering Group Pty Ltd ABN 80 608 431 625 *External Civil Works* RMA Engineers Pty Ltd ABN 25 259 873 058
Builder	The head contractor for the remaining works is yet to be appointed.
Exit Strategy	The Property will be developed into a multi staged land subdivision. The completed lots are intended to be sold for a profit.
Distribution Policy	Distributions will be paid monthly in arrears.
Capital Return Policy	The Fund Manager proposes to return capital to Unitholders once the settlement of the dwellings commences, subject to: · ongoing working capital requirements of the Project; · requirements of tax legislation.
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.
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 If you would like more information about this offer, please: ● email us at hello@venturecrowd.com.au or ● call us on 1300 039 655.

2. MANAGEMENT

2.1 Fund Manager – VentureCrowd

VentureCrowd Pty Ltd (ACN 166 598 849) is one of Australia's leading digital investment platforms for alternative assets, including property, venture capital and alternative credit.

VentureCrowd holds 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 license.

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.

STEVEN MAARBANI

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.

DAVID WHITTING
Property Director

David is a former lawyer and a senior property development executive with over 25 years' experience with some of Australia's leading property organisations. David was previously the Queensland General Manager for Grocon, State Director for Multiplex Developments and Project Director for Laing O'Rourke. David specialises in strategy, acquisitions, disposals, structuring, project initiation and approvals of institutional grade real estate assets across the commercial, residential, retail and hospitality categories.

David leads VentureCrowd's property team.

MARC BROOKS
Finance Director

Marc is a chartered accountant with over 20 years' international experience in regulated organisations including over 15 years specialising in funds management. He has extensive experience in building multinational finance functions subject to European, North American and Asian taxation and financial regulatory regimes. Marc holds a Bachelor of Business from QUT and is a member of CAANZ.

Marc leads VentureCrowd's finance team.

AARON RUMER
Chief Operating Officer

Aaron's drive is operational execution and efficiency having spent the last 18 years holding senior management roles in complex cross-functional operating environments Executing through long-held 6 Sigma and Lean degrees Aaron is passionate about building and using real-time data to make informed decisions, ultimately driving performance and creating an agile business. Spending many years working within Kerry Stokes controlled Seven Group Holdings managing a number of large start-ups and mergers.
Aaron understands what it takes to go from strategy to execution whilst ensuring that culture and performance are not left behind.

Aaron leads VentureCrowd's operations team.

GLEN BARRY
Chief Brand Officer

Glen is one of Australia's leading brand and creative executives, having held former roles including National Director of the Australian Graphic Design Association, NSW President of the AGDA, Director of Innovation Strategy at Deloitte and Creative Director & Head of Brand Identity and Brand Experience at Ideaworks. Glen has led the creation and implementation of some of Australia's most loved brands including Dymocks, Raine & Horne, King Gee, Big W and Oporto.

Glen leads VentureCrowd's brand identity and customer experience.

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. It's 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 (trading as *VentureCrowd Property Projects*) 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 Location

Glenvale is located in the western corridor of Toowoomba region and is an emerging rural community zone with several nearby developments currently under construction or in planning.

Toowoomba is situated on the edge of the Great Dividing ranges, approximately 125KM west of Brisbane and is the second largest inland city in Australia. The site benefits from its proximity to both the Wellcamp Airport (11km), opened late 2014, and the new Toowoomba Bypass (3.5KM) which offers direct connection points within a few streets from the site. The site is well positioned between the Toowoomba CBD and Wellcamp Airport and also has easy access to major arterial roads. By 2041 it is expected that Toowoomba's western corridor will be the second largest employment area in Toowoomba, accounting for 23% of regional employment growth. The land is level with both road alignments with mild undulation to the rear boundary. The land is also not flood affected.

There are a number of new estates being developed in the Toowoomba region and these include Glenview, Cotswold, Highfields and the Avenues.

The Toowoomba region has a current infrastructure pipeline in excess of $13 billion with a number of major projects completed during 2019 including the Toowoomba Bypass, which will underpin future development and opportunities for the region. The following is an overview of some of the key major projects currently underway in the Toowoomba region:

- Inland Rail - 1,700KM freight rail line allowing freight to be delivered from Melbourne to Brisbane via regional Victoria, New South Wales and Queensland in less than 24 hours.
- InterLink SQ - Master planned logistics, warehousing and industrial estate located near Glenvale.
- Wellcamp Entertainment Precinct - Wagner Corporation announced a $175 million plan to develop the Wellcamp Entertainment Precincts which will incorporate motorsport, driver training and a 40,000 person performing arts venue.
- Renewable Energy Projects - numerous large scale renewable energy projects including four solar farms with a combined total investment of $1.5 billion.
- Retail Development - Glenvale currently has a Coles Supermarket under construction and other shopping outlets are also in the plans of either being developed , redeveloped or recently completed. These include The Mill's Precinct, Eastville, Walton Stores, QIC Grand Central, Homeware Centre, Glenvale Retail development and also Wellcamp Business Park. Plans also exist for Pulse data centre, a Lexus showroom, Pet food processing plant, V8 Supercar Track, Bunnings store, Infant Milk factory, Bulli Creek Solar factory and 4 new fuel stations.

3.2 Market Drivers

VentureCrowd has commissioned research into the suburb and the housing market relevant to the project. A summary of the research is set out below:

- **Population** - Toowoomba has a population of approximately 170,000 residents. Population growth has been steady over the past 10 years with approximately 1,650 new residents each year. Toowoomba's forecasted population growth is expected to increase slightly to approximately 1,700 per year. The suburb of Glenvale has a population of approximately 7,000 residents and forms part of the Toowoomba West statistical area, which is the the second fastest-growing area within the Toowoomba City Council, recording population growth of 3.0% per annum last year. This is more than three times the population growth of the Toowoomba region as a whole. The Toowoomba West region is expected to experience high population growth due to the significant supply of greenfield urban land.

- **Demographics** - The predominant household type in Toowoomba is families with children or other relatives still at home (46%). It is expected the area will have continued strong appeal to younger buyers and couples intending to start a family. This demographic is expected to have considerable appetite for the proposed development.

- **Rental Market** - 38% of dwellings in Glenvale are rented which is slightly higher than the Toowoomba region as a whole. Vacancy rates in the Toowoomba region are currently very tight at 0.5% suggesting an undersupply of suitable rental product. The median rental weekly rent for a four-bedroom houses in Toowoomba is $400 per week, which has risen by around $7.00 per week over the past 12 months. Gross rental yields in Toowoomba are significantly outperforming Brisbane, Sydney and Melbourne averaging 5.4% per annum.

- **Demand-** A major driver of residential property is population growth. With Toowoomba's population expected to increase by 1,700 new residents each year over the next decade strong demand for new dwellings is expected. With an average household size of 2.5 persons per household an estimated 680 dwellings will be required each year over the coming 10 year period. Government projections have estimated Toowoomba West will be home to more than 30,000 residents living in 12,700 homes by the year 2050; suggesting a need for around 265 new houses in Toowoomba West each year for the next 30 years. The Glenvale site forms part of the 3,500 urban allotments currently approved for development in Toowoomba; of which a very low 17% (or 580 lots) have operational works approval but have yet to be sold and settled. Currently Toowoomba does not have enough land for sale to meet the demand for 680 new dwellings each year, (less than one year's supply of new land) and therefore strong demand for the Glenvale lots is expected.

More information can be found by reading the Broad Property Research and Advisory Research report found Here.

3.3 The Development

This project is a large sized land subdivision in Toowoomba, bringing between 314 and 392 house size blocks to market. The project will be completed on 3 separate titles over ten (10) continuous stages, with work on the first 3 stages, being 75 lots, almost complete. Practical completion of stages 1 -3 is targeted for circa 7 months from the raising of the capital.

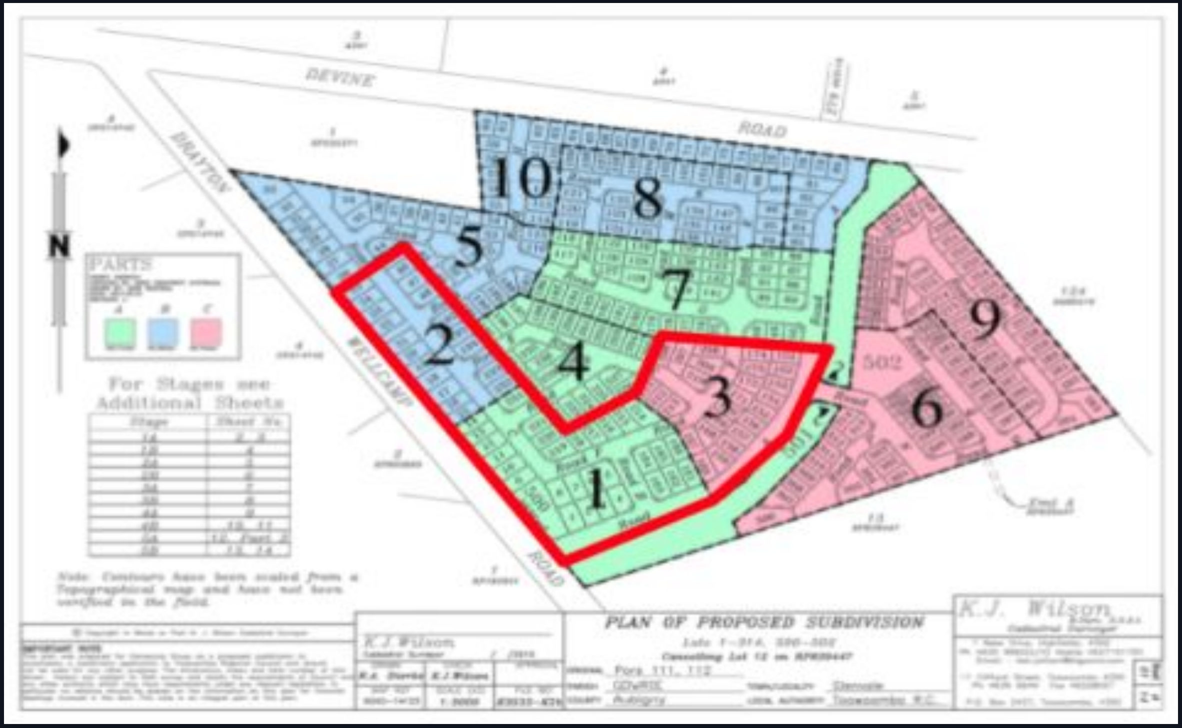
The subdivided lots will have an average lot size of 550m2, exclusive of dedicated areas for parks and internal roads in the Development. The entire property will have all services connected including town water, sewer and power and is close to transport, schools, sporting facilities and shopping.

To achieve registration of the first 75 lots the following works must be completed:

- The trunk infrastructure works external to the site, including construction of a sewer pump station and rising sewer main through a neighbouring property; and
- The final items on site, being road line marking, footpath construction and completion of the electrical reticulation.

Cost to complete the required works for registration of the 75 lots totals $8,500,000 (ex GST) and includes the following:

- Land Agreements - $147,700
- Professional/Consultants - $1,432,000
- Construction Costs - $6,165,000
- Statutory/Authority Fees - $1,1262,000
- Marketing - $280,000



3.4 Sales Strategy

The sales and marketing campaign is expected to launch upon the commencement of the trunk infrastructure construction works. Once these works commence greater visibility as to the practical completion date will allow for an effectively timed sales and marketing campaign.

The approved lots are generally sized between 500-700sqm although there are a number in the range of 360-365sqm and 2 over 1000sqm. The list price for the first 75 lots will be $13.1m or an average price point under $175,000. This accords with the Assessed Market Value for Stages 1A, 1B and 2A in the valuation of June 2019.

Sales volumes in 2020, despite recent national setbacks including bushfires and COVID-19 are considerably higher than 2019. Median land values are also rising, reflecting the undersupply of new land in the Toowoomba market. The median sale price achieved for residential land lots in Toowoomba has increased by $85,000 over the past 10 year period with a current median sale price of $230,000.

3.5 Feasibility & Funding Table

The table below contains a summary of the financial forecast for the Project.

Feasibility Table	Total
Gross Realisation (Stage 1-3 75 Lots)	**$13,125,000**
Less GST	($1,193,182)
Less Selling Costs	($468,750)
Net Realisation (Stage 1-3 75 Lots)	**$11,463,068**
Gross Realisation (Balance Parcel - 239 Lots)	$43,259,000
Less GST	($3,932,636)
Less Selling Costs	($1,536,770)
Net Realisations	**$37,789,594**
Land Agreements	$147,700
Professional/Consultants	$1,432,000
Construction Costs	$6,165,000
Statutory/Authority Fees	$1,262,000
Marketing	$280,000
Total Development Costs (ex GST)	**$8,500,000**
Repayment Interim Mortgage	$3,750,000
Total 1st Ranking Mortgage (ex interest, fees)	**$12,250,000**

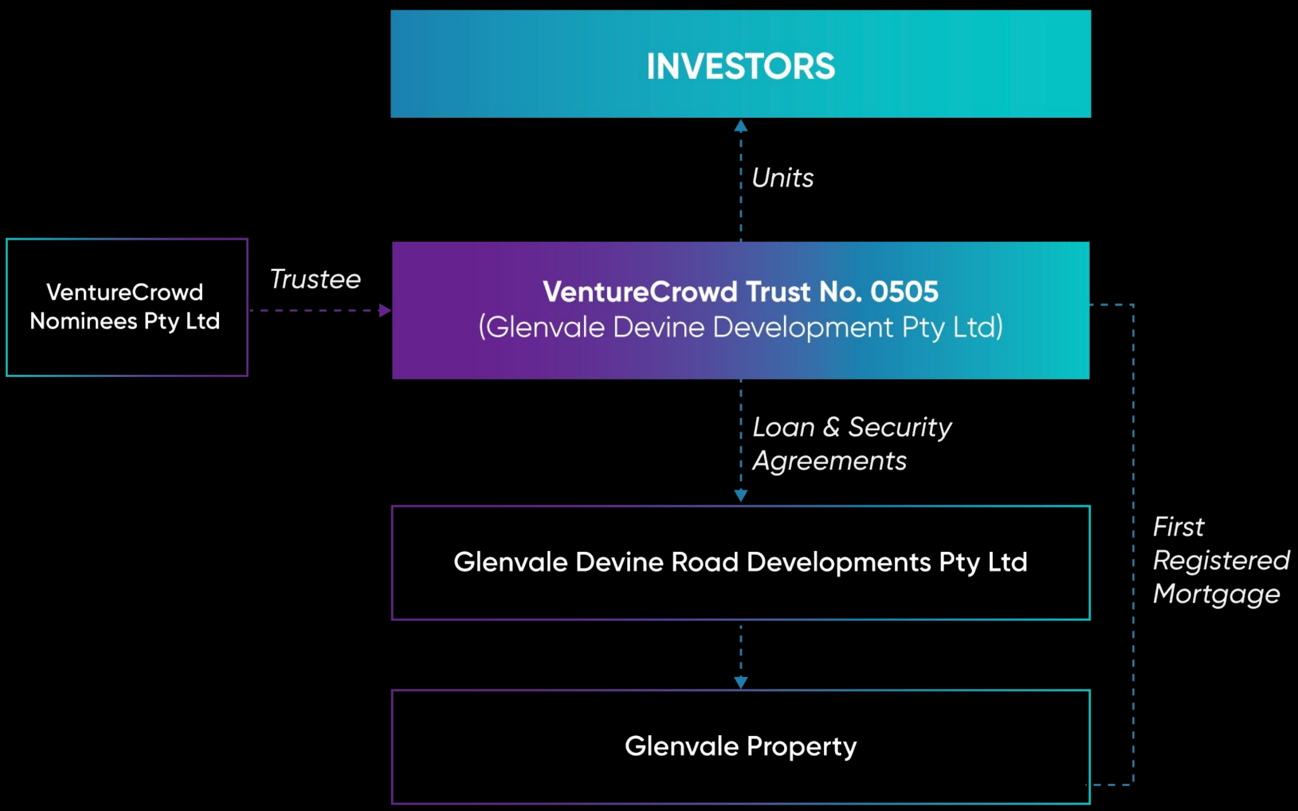
4. THE **FUND**

4.1 Structure

The Fund is an unregistered wholesale managed investment scheme, structured as a 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 provide a construction loan to the Borrower (also the owner of the Property) which will be secured by a first ranking registered mortgage over the Property.

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.



4.2 Investment Strategy

The Fund Manager intends to invest up to $17,000,000 to be deployed in tranches that are subject to conditions. The Property will be developed into a staged land subdivision, with the completed lots intended to be sold for a profit.

The costs to complete the first 75 lots is estimated to be $8,500,000 (ex GST) as outlined in section 3.5. The initial tranches of funding will be used to:

1. Repay the existing interim first mortgage;
2. Fund the cost to complete works for stages 1-3, enabling the sale of 75 lots; and
3. Commence of the sales and marketing campaign.

The life of the Fund is estimated to be 26 months from the date the Units are issued to the settlement of the final lot. Following the settlement of all lots, the Fund Manager will wind up the Fund in accordance with the Trust Deed with any remaining profits and capital returned to Unitholders.

The principal investment will be progressively repaid from sales of the registered land lots.

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.

5. 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
General Risks	General investment risks include: • 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	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.
No guarantee	Neither the performance of this investment nor the repayment of Unitholder contributions is guaranteed by the Trustee, the Fund Manager or any other person.
Insurance risk	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.
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 Borrower has entered into, and may in the future enter into, legal documents and contracts in relation to numerous aspects of the development of the Project, some of which are with related parties. 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 a Project that is 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	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.

6. FEES & **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.

The forecast returns contained within this information memorandum are the result after the estimated fees and expenses have been remitted.

Type of Fee	Amount (incl. GST)	How and when paid
Contribution Fee This is the fee charged by the VentureCrowd Group for the establishment of the trust and the purchasing entity, structuring the overall investment and raising capital by way of issue of Units.	1.1% of your investment amount in the Fund	Payable upon acceptance of your investment by the Trustee.
Management Fee This is the fee charged by the VentureCrowd Group for the general administration, operation and management of the Fund.	1.65% p.a. of the Gross Asset Value of the Fund	Payable monthly in arrears directly from the Fund's assets.
Fund costs and expenses These are the costs and expenses charges by the VentureCrowd Group for the operation of the Fund.	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.

6.2 Explanation of fees and expenses

Management 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;
- 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).

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 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.

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 in respect of certain categories of expenditure. 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 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.

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**

8.1 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.

8.3 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.

8.4 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.

9. GLOSSARY

AFSL	Australian Financial Services Licence
ASIC	Australian Securities & Investments Commission
Borrower	Glenvale Devine Road Development Pty Ltd
Development Manager	VentureCrowd Property Australia Pty Ltd (ACN 159 744 386)
Distribution Period	Has the meaning given in the Trust Deed
Fund (or Trust)	VentureCrowd Trust No.0505 (Glenvale Devine Road Development Pty Ltd)
Fund Manager	VentureCrowd Pty Ltd (ACN 166 598 849)
Gross Asset Value (GAV)	The sum of the value of the assets held by the Trust
Homecorp	Homecorp Constructions Pty Ltd (ACN 169 928 205)
IM	Means this information memorandum
Minimum Subscription Amount	$25,000
Project	The project described in Section 1
Property	Lots 10-12 Drayton Wellcamp Rd, Glenvale, QLD 4350
Trust (or Fund)	VentureCrowd Trust No.0505 (Glenvale Devine Road Development Pty Ltd)
Trust Deed	The trust deed in respect of the trust
Trustee	VentureCrowd Nominees Pty Ltd (ACN 166 599 140)
Unit	A unit in the trust
Unitholder	The holder of a unit in the trust
VentureCrowd	VentureCrowd Pty Ltd (ACN 166 598 849)
VentureCrowd Group	VentureCrowd and any of its associated entities
VentureCrowd Property	VentureCrowd Property Australia Pty Ltd (ACN 159 744 386)
VentureCrowd Sales	VentureCrowd Sales Pty Ltd (ACN 623 873 361)

WE **FIND** AND **FUND** THE **FUTURE**

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