

EDGEWATER NEWPORT QUAYS - APARTMENT BUILDING NO. 2

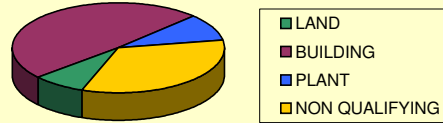
TYPICAL 1 BEDROOM APARTMENT WITH STUDY

PROPOSED SALE PRICE - \$374,900

ESTIMATE OF CAPITAL ALLOWANCES AND TAXATION DEPRECIATION

ADOPTED APPORTIONMENT OF PURCHASE PRICE

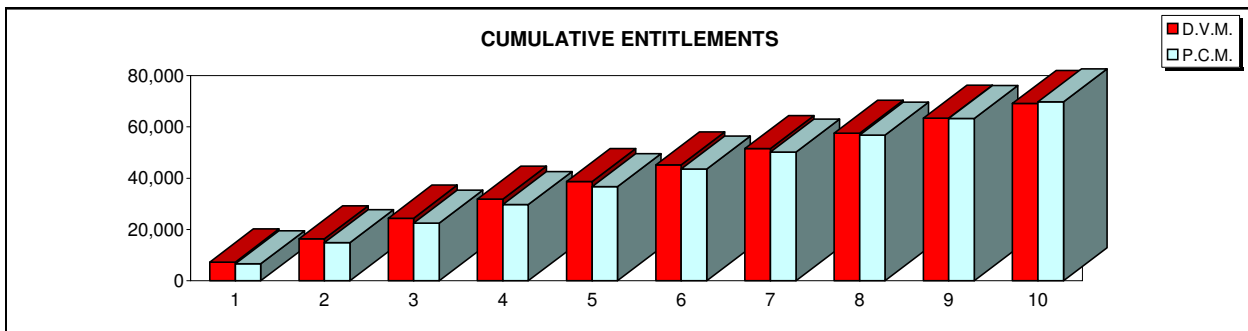
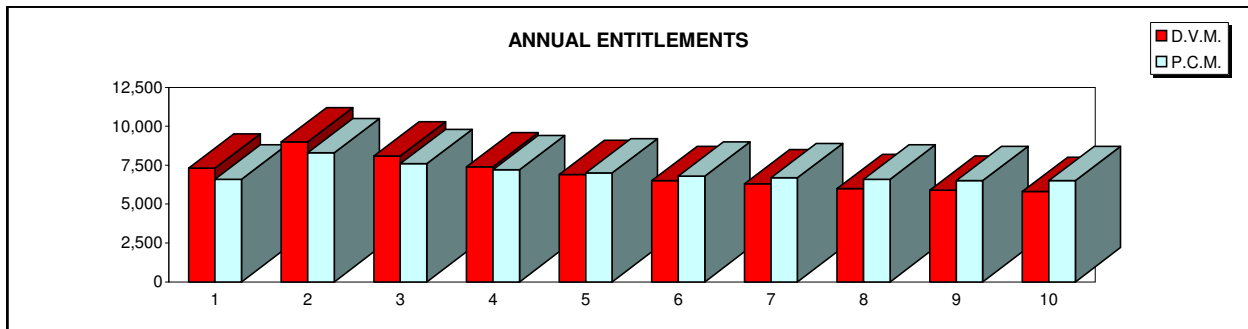
| LAND | BUILDING | PLANT | NON QUALIFYING | TOTAL |
|-----------|------------|-----------|----------------|------------|
| \$ 30,000 | \$ 183,900 | \$ 36,000 | \$ 125,000 | \$ 374,900 |
| 8% | 49% | 10% | 33% | 100% |



Assumed Construction Date: April 30, 2006
 Assumed Purchase Date: October 5, 2007
 Assumed End of First Tax Year: June 30, 2008

| YEAR | PRIME COST METHOD | | | |
|-------------------|------------------------------|---------------------------------|--------------------------------|------------------------------|
| First Year Period | Division 40 Allowances Plant | Division 43 Allowances Building | Total Yearly Capital Allowance | Cumulative Capital Allowance |
| 268/365 | \$ | \$ | \$ | \$ |
| 1 | 3,200 | 3,400 | 6,600 | 6,600 |
| 2 | 3,700 | 4,600 | 8,300 | 14,900 |
| 3 | 3,000 | 4,600 | 7,600 | 22,500 |
| 4 | 2,800 | 4,600 | 7,200 | 29,700 |
| 5 | 2,400 | 4,600 | 7,000 | 36,700 |
| 6 | 2,200 | 4,600 | 6,800 | 43,500 |
| 7 | 2,100 | 4,600 | 6,700 | 50,200 |
| 8 | 2,000 | 4,600 | 6,600 | 56,800 |
| 9 | 1,900 | 4,600 | 6,500 | 63,300 |
| 10 | 1,900 | 4,600 | 6,500 | 69,800 |
| Balance | 11,000 | 139,100 | 150,100 | 150,100 |
| TOTAL | 36,000 | 183,900 | 219,900 | |

| DIMINISHING VALUE METHOD | | | |
|------------------------------|---------------------------------|--------------------------------|------------------------------|
| Division 40 Allowances Plant | Division 43 Allowances Building | Total Yearly Capital Allowance | Cumulative Capital Allowance |
| \$ | \$ | \$ | \$ |
| 3,900 | 3,400 | 7,300 | 7,300 |
| 4,400 | 4,600 | 9,000 | 16,300 |
| 3,500 | 4,600 | 8,100 | 24,400 |
| 2,800 | 4,600 | 7,400 | 31,800 |
| 2,300 | 4,600 | 6,900 | 38,700 |
| 1,900 | 4,600 | 6,500 | 45,200 |
| 1,700 | 4,600 | 6,300 | 51,500 |
| 1,400 | 4,600 | 6,000 | 57,500 |
| 1,300 | 4,600 | 5,900 | 63,400 |
| 1,200 | 4,600 | 5,800 | 69,200 |
| 11,600 | 139,100 | 150,700 | 150,700 |
| 36,000 | 183,900 | 219,900 | |



NOTES

The above tables represent an assessment of Capital Allowances and Tax Depreciation that would normally be available for the Purchase of this Property based on the property being used for residential purposes. This assessment of Capital Allowances and Tax Depreciation cannot be submitted to the ATO as a detailed Report because it is an **ESTIMATE ONLY** and does not meet the ATO's criteria apropos the final settlement details and construction cost pertinent to the individual purchase. Please contact Rider Hunt Terotech in Adelaide on (08) 8100 1200, in order to request the Final Detailed Capital Allowances and Tax Depreciation Report for submission to the ATO.

Rider Hunt Terotech