

Property Income Fund

Announcement – 29 June 2009

Property revaluation

One of the Fund's nine direct properties was independently valued in June 2009 resulting in a fall in value of \$1.05m or 7.95% on prior book value. The lower valuation is primarily attributed to the challenging economic environment in Australia and overseas, tightening credit markets and valuers generally adopting more conservative assumptions and higher capitalisation rates.

Valuation details:

Property	Pre-valuation book value (\$m)	New independent valuation (\$m)	Previous capitalisation rate	New capitalisation rate	Variance to book value (\$m)	Variance to book value (%)
172-186 Moreland Road, Brunswick, VIC	\$13.20	\$12.15	7.75%	9.50%	-\$1.05	-7.95%

Despite challenging economic conditions, the property continues to demonstrate sound underlying fundamentals. The property remains fully leased to Centrelink with a remaining lease term of three and a half years and a further five year option available.

Please refer to our website at australianunityinvestments.com.au or contact Investor Services on 13 29 39 for up to date information about the Fund.