

Property Income Fund

Announcement – 7 May 2010

Property revaluations

As part of our annual revaluation process four properties were independently valued from January to April 2010, with a change from their previous book value of -0.97m or -4.77%.

The fall in the value of the properties is mainly due to the valuer adopting higher capitalisation rates, and increases in letting up allowances.

We have entered into a heads of agreement for a new two year lease at 65 Beverage Drive Tullamarine to commence from 1 July 2010.

Valuation details:

Property	Pre-valuation book value	New independent valuation	Previous capitalisation rate	New capitalisation rate	Variance to book value	Variance to book value %
65 Beverage Drive Tullamarine VIC ⁽¹⁾	\$4,900,000	\$4,900,000	8.50%	9.00%	\$0	0%
7-9 Siddons Way Hallam VIC ⁽²⁾	\$3,300,000	\$3,280,000	8.00%	9.00%	-\$20,000	-0.61%
11 Dansu Court Hallam VIC ⁽²⁾	\$5,250,000	\$4,800,000	8.00%	9.00%	-\$450,000	-8.57%
15 Telford Place Arundel QLD ⁽²⁾	\$6,900,000	\$6,400,000	9.50%	10.00%	-\$500,000	-7.25%
Total	\$20,350,000	\$19,380,000			-\$970,000	-4.77%

⁽¹⁾ Revalued in January 2010

⁽²⁾ Revalued in April 2010

Please refer to other pages of this website or contact Investor Services on 13 29 39 for up to date information about the Fund.