

# Product profile - Macquarie Property Income Fund

As at 30 Jun 2008

**Responsible entity** Macquarie Direct Property Management Limited  
**Category** Property Securities Fund  
**Commenced** June 2003  
**Fund status** Open



## Manager

The Responsible Entity of the Fund is part of the Macquarie Bank Group's Real Estate. It has been operating in the field of unlisted property trusts for over a decade. Entities within the Macquarie Group manage more than \$30 billion in property assets across listed and unlisted property trusts, unlisted development funds and property investment syndicates, throughout the world.

## Objectives

The Macquarie Property Income Fund is positioned as an enhanced Australian property securities fund seeking to achieve added value for investors through the application of a disciplined gearing strategy.

## Strategy

The gearing undertaken by the Manager of the fund is structured to deliver investors with a higher tax effective

return than would otherwise be possible, with a primary focus on delivering high levels of tax effective income.

The fund has adopted a multi-manager investment approach, to reduce risk and enhance returns, and invests in Australian listed property securities, through the following two funds:

- Credit Suisse Asset Management Property Fund
- Macquarie Property Securities Fund

## Investor outcomes from this strategy

- High, tax effective income
- Potential capital gains over the medium term
- Diversification of an existing residential portfolio via exposure to office, retail & industrial property
- Leverage with the benefit of non recourse debt and without the need to arrange external financing

Key information	
Primary objective	High after tax income
Secondary objective	Moderate capital growth over time
Suitable for SMSF investors	Yes
Platform availability	Avanteos / BT Wrap / MacWrap / Netwealth / Investment Diversity, Oasis
Independent research available	MIA (van Eyk) / Lonsec / Mercer / S&P
Fees as at 19 December 2007	
Buy/Sell spread	0.60% buy spread; 0.60% sell spread
Management fee – base component	0.885% of gross assets
– incentive component	12% of out-performance over the Benchmark Hurdle capped at 0.90% p.a. of daily gross assets
Investment amounts	
Minimum initial investment	\$10,000
Minimum withdrawal	\$5,000
Commission	
Upfront	Retail: Up to 4.4%; Wholesale/IDPS: Nil
Ongoing	Retail: Up to 1.1%; Wholesale/IDPS: Nil
Unit price	
Calculated daily	\$0.3826 as at 30 June 2008
Investment information	
Investor withdrawals	Daily
Distribution reinvestment	Yes
Expected distributions	Quarterly
Performance as at 30 June 2008	
Total return since inception (June 2003)	(2.95)% (per annum)
Total return 5 years to 30 June 2008	(2.74)% (per annum)
Total return 4 years to 30 June 2008	(7.50)% (per annum)
Total return 3 years to 30 June 2008	(17.37)% (per annum)
Total return 2 years to 30 June 2008	(33.17)% (per annum)
Total return 1 year to 30 June 2008	(67.37)%
Income distribution 1 year to 30 June 2008	1.59 cents per unit
For Quarter ending 30 June 2008	0.38 cents per unit