



**30 June 2005**

**ASX Code : MCK**

## **ASX Announcement**

### **MacarthurCook launches Office Property Trust**

Specialist investment manager MacarthurCook Limited has today announced the launch of its latest investment fund, the MacarthurCook Office Property Trust.

The Trust is to be an open-ended sector specific property fund targeted at retail and smaller institutional investors.

The Trust's initial acquisition is a 13 storey office property at 181 Miller Street, North Sydney in the heart of the North Sydney business district.

Contracts were exchanged on the property on 29 June 2005.

The property was purchased for \$54.5 million on an initial yield of 9.0%

Craig Dunstan, Managing Director and Chief Investment Officer at MacarthurCook, said the property had many high profile commercial tenants such as the Australian Rugby Union, Westpac Banking Corporation and BIS Shrapnel.

"There are a total of 21 tenants in the building including those listed above and this spread, together with the longevity of leases and the calibre of tenants should provide investors with a secure and continuous long term income stream," said Mr Dunstan.

He said the Trust will acquire additional properties over time to diversify the portfolio for investors. "We will be actively pursuing additional acquisitions in Melbourne, Brisbane, Adelaide and various regional centres as well as opportunities in New Zealand cities," he said.

Mr Dunstan said MacarthurCook's investment approach to the Trust is to achieve superior returns through an active approach to portfolio management, based on intensive research, an excellent understanding of the fundamentals of the property market, the identification of value-adding opportunities, and the identification of assets that deliver secure income and consistent long-term investment performance for investors.

The product disclosure statement for the MacarthurCook Office Property Trust will be available by mid July.

The Trust is forecast to pay an income distribution of 8.65% per annum to Retail investors and 8.80% per annum to Wholesale investors over the forecast period to 30 June 2007.

Payments to investors will be quarterly, with distributions partially underwritten by MacarthurCook. Mr Dunstan added there would be a strong tax deferred component to the Trust with 100 per cent of the distributions expected to be tax-advantaged during the initial two-year forecast period.

Redemptions will be available on an annual basis from July 2009.

The launch of the MacarthurCook Office Property Trust follows the successful recent launch of two other MacarthurCook property investment funds: the MacarthurCook Property Securities Fund and MacarthurCook Diversified Property Income Fund.

The MacarthurCook Property Securities Fund listed on the Australian Stock Exchange on 17 December 2005 and since that time, the initial \$1.00 units have traded up to \$1.12 with an income distribution being paid at 9.3% per annum to the initial investors. The investment portfolio has expanded to over \$90 million.

The MacarthurCook Diversified Property Income Fund was launched in March 2005 and has recently received favourable independent research ratings from Lonsec Research, InvestorWeb Research and Managed Investment Assessments.

Mr Dunstan said, "our latest property fund is focused on the office property market in which we currently see good value. Yields on retail property have reached historically low levels whilst office property yields still remain attractive and with the pick up in office employment, the outlook for increasing demand for office space remains attractive".

**Further information contact**

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