



MacarthurCook Limited – International Real Estate Fund Manager

04 February 2010

ASX Code :MIF

Letter to Unitholders

Please find attached a letter being sent to unitholders regarding a portfolio update covering:

- The exchange of contracts for sale of a property for \$17 million, which is 8% above the June 2009 valuation and more than double the original acquisition price;
- A further anticipated reduction in debt with gearing reducing to approximately 40% of total assets*, thereby strengthening the balance sheet;
- A further anticipated increase to earnings and potentially distributions for the 2010 financial year;
- An anticipated increase in Net Asset Value per unit*; and;
- A lease covering part of a currently vacant property.

** using data at or since 30/6/09 and prior to finalisation of the half year accounts ending 31/12/2009*

For further information, contact:

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About MacarthurCook:

MacarthurCook Limited is a subsidiary of the AIMS Financial Group (AIMS) and specialises in the investment management of direct property, real estate securities and mortgage assets.

MacarthurCook and AIMS manage over A\$1.1 billion on behalf of over 21,000 investors as at 30 June 2009 and are the investment managers for AIMS-AMP Capital Industrial REIT, MacarthurCook Industrial Property Fund, MacarthurCook Office Property Trust, MacarthurCook Mortgage Fund, Advance Mortgage Fund, MacarthurCook Property Securities Fund, Advance Property Securities Fund and the RMR Asia Pacific Real Estate Fund.

The MacarthurCook Property Securities Fund is listed on the ASX and the Singapore Exchange. The MacarthurCook Industrial Property Fund is listed on the ASX. The AIMS-AMP Capital Industrial REIT is listed on the Singapore Exchange. The RMR Asia Pacific Real Estate Fund is listed on the American Stock Exchange.

About AIMS Financial Group:

Established in 1991, AIMS Financial Group is an Australian company with a solid track record and enviable reputation in the mortgage and securitisation markets. It has expanded to become an international financial group focusing on funds management, real estate investment, securitisation and mortgage lending.

AIMS is a 100% Australian owned business that has operated in Australia for nearly 20 years. AIMS started in Australia with only two staff and today have in excess of 100 staff in Australia. AIMS has been very active in introducing international investors into the Australian real estate market. During this time AIMS has attracted over \$1 billion of investment from its international clients to invest in Australian direct property. In the last 8 years to 2007, AIMS has raised directly and indirectly approximately A\$3 billion in funds from the Australian capital markets, with most of the RMBS (Residential Mortgage Backed Securities) rated AAA by both Standard & Poors and Fitch Ratings.

With offices across Australia and China and highly qualified, professional and experienced cross-cultural teams, AIMS Financial Group bridges the gap between Australia and China in various markets, especially in real estate, resources, technology, infrastructure, banking and financial services.



MACARTHURCOOK

INDUSTRIAL PROPERTY FUND

MacarthurCook Fund Management Limited
("MacarthurCook") (ABN 79 004 956 558) (AFSL 258052)
is the Responsible Entity of the
MacarthurCook Industrial Property Fund
(ARSN 104 606 573)

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4 February 2010

MacarthurCook Industrial Property Fund - Update

MacarthurCook Fund Management Limited, as the Responsible Entity of the MacarthurCook Industrial Property Fund (the "Fund") would like to provide a brief update regarding your Fund, following a recent ASX announcement.

In short, the Responsible Entity has just announced a range of positive transactions which we believe are important to communicate to investors, and are listed below;

- 1. The exchange of contracts for sale of a property for \$17 million, which is 8% above the June 2009 valuation and more than double the original acquisition price;
- 2. A further anticipated reduction in debt with gearing reducing to approximately 40% of total assets*, thereby strengthening the balance sheet;
- 3. A further anticipated increase to earnings and potentially distributions for the 2010 financial year;
- 4. An anticipated increase in Net Asset Value per unit*; and;
- 5. A lease covering part of a currently vacant property.

Further information regarding a number of these transactions is provided below.

Sale of 300-310 Treasure Road Welshpool, Western Australia ("Welshpool")

The Responsible Entity has exchanged contracts for sale of a property in Welshpool, WA for \$17 million, with settlement expected in March 2010. The property has a current annual income return (or passing yield) of 7.3%.

The sale price is 8% above the valuation of the property which was undertaken in June 2009 of \$15.7 million and more than double the price at which the property was acquired for in 2004, of \$8 million.

The property was not on the market for sale but the price which was negotiated made a compelling investment case for our investors. The sale allows the Responsible Entity to not only further reduce debt but is also anticipated to enhance earnings and potentially distributions for the 2010 financial year, as well as increase the underlying net asset value for investors.

The Responsible Entity believes this represents an excellent result for investors and reflects a continued major transformation of the Fund in the last 12 months. In the last year gearing has been reduced from a peak of 57% of total assets to an anticipated level of approximately 40%*. During this time the Responsible Entity has also recommenced distributions from the September 2009 quarter, as we had previously foreshadowed and since this time been able to further enhance earnings and distributions through active management of the Fund.

Reduction in debt and strengthened balance sheet

Net proceeds from the sale of the property will be predominantly used to reduce debt. Following settlement, debt in the Fund is anticipated to be reduced to deliver gearing of approximately 40% of total assets*.

Impact on earnings, distributions and net asset value

As the property is being sold on a relatively low income return or yield (current passing yield is 7.3%), compared to the average yield in the portfolio (9.4% as at 30 June 2009) and compared to the current budgeted cost of debt, the sale is anticipated to enhance earnings and provide the potential for further distribution growth for the balance of the 2010 financial year, and potentially thereafter.

The Responsible Entity will further assess this and the impact on the net asset value per unit of the Fund, following the completion of the half year accounts, ending 31 December 2009.

** using data at or since 30/6/09 and prior to finalisation of the half year accounts ending 31/12/2009*

New lease covering 22% of Crestmead, Queensland

The Responsible Entity is also pleased to advise that it has entered into a one year lease for 22% (approximately 1,400 square metres) of the property in Titanium Court, Crestmead Queensland to Logan Moulders (Plastic manufacturer). Logan Moulders will lease warehouse space in the property for storage of its plastic products.

The new lease is also a very good result for the Fund, as the property is currently vacant and therefore the transaction should also be positive to the earnings and potentially distributions for the Fund's unitholders.

While the lease covers only a portion of the building, this does not compromise the ability to fully lease the property during the next twelve months as the Responsible Entity has the ability to terminate the lease with a relatively short notice period.

The Responsible Entity will provide investors with a further update once it releases its half year financial results ending 31 December 2009, which will be released to the ASX by the end of February 2010.

Yours sincerely



Mr Russell Bullen
Head of Real Estate
MacarthurCook Fund Management Limited
MacarthurCook Industrial Property Fund