

APN | Funds Management



12 October 2009

Quarterly distribution statement

APN AREIT Fund | ARSN 134 361 229

Dear Investor,

We are pleased to enclose the distribution statement for your investment in the APN AREIT Fund for the quarter ended 30 September 2009.

A total distribution of 2.6082 cents per unit (CPU) was paid over the quarter. By annualising the September 2009 monthly distribution of 0.8694 CPU, this reflects an annualised yield of 8.30% after all fees and expenses based on the 30 September redemption price of \$1.2563.

The distribution was deposited into your nominated bank account on 12 October 2009. If you do not receive the amount indicated in the attached distribution statement please contact Investor Services on 1800 996 456. Those investors who chose to have their distributions reinvested will receive their distribution as additional units in the Fund.

If withholding tax has been deducted from your distribution you are either a non-resident investor or you have not supplied us with a Tax File Number (TFN), Australian Business Number (ABN) or you fall within an exemption category. Please provide us with your TFN or ABN if you wish to avoid future deductions of withholding tax.

If you would like to understand the unit pricing process in greater detail, APN Funds Management's Unit Pricing Policy can be viewed on our website at www.apngroup.com.au

APN AREIT Fund performance update

The APN AREIT Fund provided a total return for the quarter of 25.36%. Since inception (January 2009), the fund has delivered a total return of 34.88%, out-performing the S&P/ASX 200 AREIT Index by 12.17%. You can view the latest comprehensive monthly Fund commentary by visiting our website at www.apngroup.com.au and clicking on 'Funds' then 'Monthly commentaries'.

Please turn over

Market update

As reverberations from the Global Financial Crisis (GFC) continue to be felt through various segments of the economy we maintain a vigilant eye on all the factors that may impact our investments.

Overall, we see both the general economy and real estate market as improving. Locally, the Australian economy has not suffered to the extent of many other Western economies and our property market has benefitted from this resilience. Looking forward however, we expect to see further volatility as the global economy slowly emerges from the GFC. Unresolved issues in the global economy will continue to see APN approach investment markets with caution over the coming year – high amongst those, the future cost of the stimulatory packages required to drive the global economy out of recession and the continuing impact of the weakening of the financial institutions at the centre of the GFC.

APN Online

The easiest way to track your investment is with APN Online where you can securely and conveniently access and manage your APN investments at anytime. With APN Online you can:

- Access your account details
- View your investment value across all investor accounts
- View transaction history and generate your own transaction statements
- View your statements.

To apply for access, simply complete an application form available at www.apngroup.com.au. Your Online access ID will be emailed and your password will be mailed to you.

Thank you for your continued investment and support during these challenging times – we seek every opportunity to deliver a solid investment with a steady income stream to help you achieve your investment objectives.

Yours sincerely

APN FUNDS MANAGEMENT LIMITED



Howard Brenchley
Director and Chief Investment Officer

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Distribution Statements via email?**

Avoid the cumbersome paper trail and help our environment
by electing to receive your statements electronically.

To receive your distribution statements by direct email,
simply email us at: distributionstatements@apngroup.com.au