



Quarterly Update – 31st March 2008

IKEA CENTRE - ALMOST COMPLETE - ON BUDGET - AHEAD OF SCHEDULE

- Development of the IKEA Centre, Perth is now virtually complete.
- Total development cost is expected to be in line with the original budget of \$103.65m.
- The construction of the IKEA Store was completed ahead of the forecast completion date set out in the Product Disclosure Statement (PDS) issued in January 2007.
- Early completion has meant that the lease of the IKEA Store commenced on 4th February 2008, well ahead of schedule, and rental income has been earned from the Store from that date.
- IKEA Perth opened to the public on 14th February 2008 and has attracted high numbers of visitors since that time.

PERIMETER OFFICE/RETAIL BUILDINGS

- Practical Completion of three of the four buildings adjacent to the IKEA Store occurred on 12th March 2008.
- The fourth building is expected to be completed by 30th April 2008.
- Six of the ten planned tenancies in these buildings are under contract.

FUND INCOME

- The net income of the Fund available for distribution to investors for the period to 30th June 2008 is expected to be in line with the PDS.

MARCH 2008 QUARTER DISTRIBUTION

- The first distribution of 1.0 cent per unit has been paid by the Fund for the period ended 31st March 2008.
- The next distribution will be for the period ended 30th June 2008 payable in July 2008.

HALF-YEARLY FINANCIAL REPORT

In accordance with statutory obligations, the half-yearly financial report for the period to 31st December 2007 has been lodged with ASIC. A copy of this report is available on www.lexproperty.com.au, or can be sent to you at your request.

DEBT FUNDING POLICY

- **The Fund has adopted a conservative approach to its debt funding.**
- **The Fund has no facilities which require renegotiation in the near term.**
- **Key points to note are:**
 - **following practical completion of the development, the debt facility is a term facility which has a maturity date 5 years from practical completion (4th February 2013);**
 - **interest expense on 90% of the term facility is fixed until the maturity date; and**
 - **the loan to value ratio of the facility at completion is not expected to exceed 60% at any time following practical completion.**

CHANGE OF ADDRESS

Please note that LEX Property has relocated offices from 18th April 2008 and the new address is:

8B Sunray Drive, Innaloo, Western Australia 6018

For further information about the Fund, please visit the website at www.lexproperty.com.au. If you have any questions regarding your investment in the Fund, please do not hesitate to contact LEX Investor Services on 1800 502 464.



Nick Wyatt
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LEX Property Management Limited