

DB RREEF Property Syndicates

gordon property trust and
gordon property investment trust

half year report december 2007



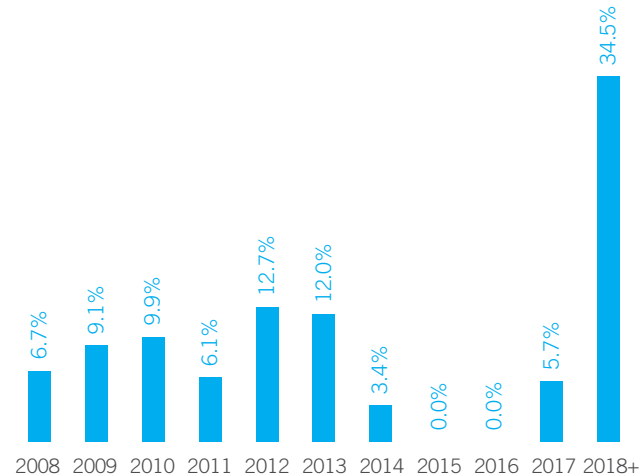
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property highlights

- Income return for the half year ending 31 December 2007 increased to 7.00 cents per unit.
- As at 31 December 2007, the Gordon Shopping Complex was 99.6 percent leased based on lettable area.
- Weighted average lease expiry by income is 8.52 years.

lease expiry profile by net passing income



syndicate details

Syndicate term	12 years
Established	1998
Property type	Retail
Date built	Est 1964
Site area (m ²)	7,928 (Centre) 651 (Arcade)
Net lettable area (m ²)	11,973 (Centre) 1,844 (Arcade)
Car parking	575 spaces
Purchase price	\$40.965 million
Latest valuation date	30 June 2007
Latest valuation	\$85.4 million

financial highlights

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as at 31 December 07*

Total assets	\$86,500,617
Net assets attributable to members	\$81,904,880
Net asset backing per unit attributable to members	\$3.77

six months to 31 December 07*

Distributions to members ¹	\$1,483,173 6.83 cpu
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gordon property investment trust

as at 31 December 07*

Total assets	\$56,588,114
Net assets attributable to members	\$39,073,632
Net asset backing per unit attributable to members	\$2.65

six months to 31 December 07*

Distributions to members ¹	\$1,007,075 6.83 cpu
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¹ Under Australian International Reporting Standards distributions are now classified as total finance costs to members paid and provided for.

* Unaudited.

responsible entity's report

description

The Gordon Shopping Complex (the Complex) comprises two retail assets, the Gordon Centre (the Centre) and the Gordon Village Arcade (the Arcade). The Complex has a total lettable area of 13,817 square metres. The Centre is anchored by a supermarket with specialty retail and commercial office tenancies located over three levels. The Arcade is linked to the Centre and provides retail accommodation for approximately 26 specialty retailers over four levels.

location

The Complex is located on the Pacific Highway, Gordon, 16 kilometres north of the Sydney CBD.

leasing

The Complex is 99.6 percent occupied with a weighted average lease expiry of 8.52 years. This has increased significantly following recent lease renewals, in particular a new 10 year lease to Harvey Norman.

As at 31 December 2007, all of the retail shops in the Centre are now fully leased. Only one office suite is currently vacant and this is anticipated to be leased shortly.

This represents an excellent leasing performance resulting in the Centre now having an improved and updated tenancy mix, including new fashion and jewellery stores, cafés and services.

Annual sales turnover at the Centre have remained strong, boosted by the new retailers and the continuing performance of the Woolworths' supermarket (annual sales turnover up 4.7 percent for the year to 2007 when compared to the corresponding period in the previous year).

The Village Arcade continues to be fully occupied. The two lease renewals due later in the financial year, Copperfield Antiques and Dr Parker's Dental Surgery, have been successfully concluded for further five year terms.

improvements

Preliminary work is currently being carried out with a view to replacing the two main escalators serving the Harvey Norman store. The timing of this work will be planned in careful consultation with Harvey Norman.

It is also proposed that the public toilets will be upgraded during the current year to improve the Centre amenities.

Initial project planning is also underway to evaluate further improvements to the entrances, lighting and signage throughout the Centre and car parks.

performance

Income distribution for the first half of the financial year is 6.83 cents per unit. The estimated annualised income total will be 13.50 cents per annum. This represents an increase from the previous year's income return of 0.49 cents per unit.

Distributions from October 2007 have reduced so that income returns are now in line with the underlying property income.

contact

responsible entity

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custodian

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