

26 September 2007

The Manager
Australian Stock Exchange Limited
20 Bridge Street
Sydney NSW 2000

DB RREEF Funds Management Limited
ABN 24 060 920 783
Australian Financial Services Licence
Holder

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Email: karol.oreilly@dbrreef.com

Dear Sir/Madam

DB RREEF RENTS Trust (ASX: DRR)
Annual Report for the period ending 30 June 2007

DB RREEF Funds Management Limited, as responsible entity for DB RREEF RENTS Trust (DRR), provides a copy of the DB RREEF RENTS Trust 2007 Annual Report.

For further information, please contact:

Karol O'Reilly	Fund Manager	(03) 8611 2930
Emma Parry	Media Enquiries	(02) 9017 1133

Yours sincerely



Tanya Cox
Company Secretary

DB RREEF RENTS Trust

annual report 2007



DB RREEF

Managed in partnership with Deutsche Bank 

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FRONT COVER: The Zenith, Chatswood NSW
ABOVE: One Margaret Street, Sydney NSW

DB RREEF RENTS Trust ARSN 112 705 852

Responsible Entity: DB RREEF Funds Management Limited ABN 24 060 920 783 AFSL No. 238163

Note: In this report, all dollar values are provided in Australian dollars unless otherwise stated.

Distributions
per security

\$7.57 up 4.4 percent



tax advantaged
income **90%**

market capitalisation
\$208.1 million

total assets
\$208.2 million

distributions
\$15.4 million



letter from the chair



I AM PLEASED TO PRESENT THE DB RREEF
RENTS TRUST ANNUAL REPORT FOR THE
YEAR ENDED 30 JUNE 2007



Dear Investor,

DB RREEF RENTS Trust (DB RREEF RENTS) paid income distributions totalling \$7.57 per security for the year (\$15.4 million) with 90 percent of that income being tax advantaged.

The security price closed at \$102.00 on 30 June 2007, resulting in a market capitalisation of \$208.1 million. The net tangible asset per security was \$100.08, an increase from \$100.03 at 30 June 2006.

DB RREEF RENTS investors have benefited from an increase in money market rates on the back of a tightening in Australian monetary policy over the past year.

On behalf of the Board, I would like to thank you for your continued investment in DB RREEF RENTS and look forward to reporting back to you next year.

Yours faithfully

A handwritten signature in black ink that reads "Chris Beare". The signature is written in a cursive style with a horizontal line underneath the name.

Christopher T Beare
Chair

17 September 2007



chief
executive
officer's report

View from Governor Phillip Tower and Governor Macquarie Tower, Sydney NSW

DB RREEF RENTS OBJECTIVE IS TO PROVIDE QUARTERLY INCOME PAYMENTS AT AN ATTRACTIVE YIELD

DB RREEF RENTS' assets are invested in a sub-trust of DB RREEF Trust (ASX: DRT), which at 30 June 2007 comprised \$9 billion of direct property assets in Australia, New Zealand, the United States and Europe.

DB RREEF Trust's property portfolio continued to expand over the year with acquisitions and commitments in Australia, France, Germany and the US. Over 1,152,000 square metres of space was leased, bringing the occupancy level to 96 percent and increasing the portfolio's average lease duration to 5.3 years. DB RREEF Trust has been actively managing and developing its portfolio with approximately \$2.2 billion of assets currently under development.

Net profit for the year was \$1,211 million (up 13.5 percent). This was based on total property revenue of \$693 million, representing a 4.5 percent increase and \$864 million in revaluations of property investments. Total assets at 30 June 2007 were \$9,487 million, an increase of 14.5 percent over last year. Net tangible assets (NTA) per stapled security was \$1.82 representing an increase of 29 cents per security or 19 percent since 30 June 2006.

providing consistent income returns

Total income for the DB RREEF RENTS Trust for the year was \$15.7 million and profit attributable to investors was \$15.5 million. Distributions totalling \$15.4 million were paid to investors for the year ended 30 June 2007 (2006: \$14.8 million). Total assets were \$208.2 million (2006: \$207.9 million) and net assets were \$204.2 million (2006: \$204.1 million) or \$100.08 per security.

DB RREEF RENTS pays quarterly distributions which for the year ended 30 June 2007 totalled \$7.57 per security and was 90 percent tax-deferred.

Investors who held DB RREEF RENTS for the year received the following distributions:

Quarter ending	Distribution rate (%)	Rate per RENTS (\$)
30 September 2006	7.2600	1.83
31 December 2006	7.4817	1.89
31 March 2007	7.7133	1.90
30 June 2007	7.8033	1.95
Total		7.57

The increase in the distribution reflects a tightening of monetary policy which saw the Reserve Bank of Australia lift its official target cash rate by 0.50 percent during the year. Money market rates have fluctuated mildly above the cash rate with the margin varying according to the changing expectations of market participants regarding future inflationary pressures and consequences for monetary policy.

DB RREEF continued to progress its sustainability programs throughout the year. As one of Australia's largest property owners, we take our responsibilities seriously in regards to minimising our overall environmental impact both in the development of new properties, and in the management and refurbishment of existing properties. Our group-wide sustainability strategy aims to satisfy the environmental, social and economic requirements of our properties while meeting the needs of our tenants, investors and employees. Our 2007 Corporate Responsibility and Sustainability report is available on our website at www.dbrreef.com/sustainability

Thank you for your support during the year, we look forward to reporting our performance in the next period.



Victor P Hoog Antink
Chief Executive Officer

17 September 2007



about DB RREEF



DB RREEF IS ONE OF THE LARGEST INTEGRATED PROPERTY GROUPS IN AUSTRALIA

DB RREEF is one of Australia's largest integrated property groups, with properties in Australia, New Zealand, the United States and Europe. DB RREEF Trust is currently the sixth largest listed property trust and a Top 60 listed entity on the ASX, with a total market capitalisation of approximately \$5.7 billion as at 30 June 2007.

The DB RREEF group has an integrated real estate platform with two core operating activities:

- a direct property portfolio of 250 properties valued at approximately \$9 billion as at 30 June 2007; and
- a 50 percent share in DB RREEF Funds Management Limited, a property funds management business, with the remaining 50 percent being owned by a wholly owned Deutsche Bank subsidiary.

DB RREEF Funds Management Limited is responsible for managing the group's entire direct property portfolio, as well as approximately \$4.6 billion of funds under management through three property syndicates, two direct property mandates and a wholesale property fund.

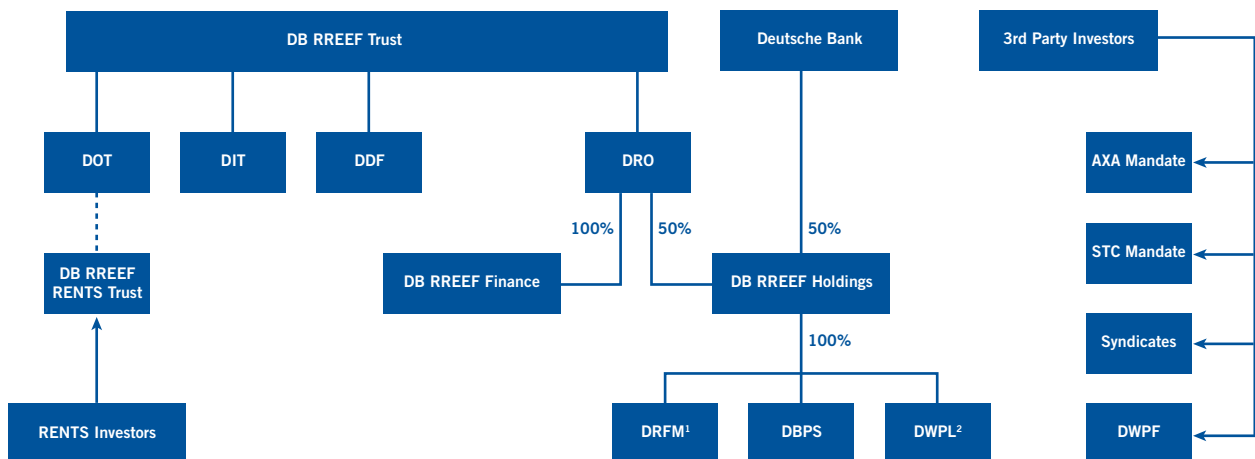
These combine to give DB RREEF total funds under management of approximately \$13.6 billion.

At 30 June 2007, the Australian and New Zealand assets accounted for approximately 81 percent of the value of DB RREEF's property portfolio, US and European assets making up the remainder.

DB RREEF's investments are undertaken on both a wholly owned basis and through joint ventures with co-owners. DB RREEF is committed to the long-term integration of sustainability practices throughout its property portfolio.

DB RREEF has access to global real estate investment opportunities and research expertise through its strategic relationship with RREEF.

DB RREEF group structure



1 DRFM is the Responsible Entity of DB RREEF RENTS Trust, DB RREEF Trust and the Syndicates.

2 DWPL is the Responsible Entity of DB RREEF Wholesale Property Fund (DWPF).

board of directors



Christopher T Beare BSc, BE (Hons), MBA, PhD, FAICD
Chair and Independent Director Age 56

Chris Beare has a wealth of experience in technology, finance and investment. He joined investment bank Hambros Australia in 1991, becoming head of corporate finance in 1994 and joint Chief Executive in 1995, serving until Hambros was acquired by Société Générale in 1998. During that period Hambros was active in infrastructure, telecoms and media. Chris remained a Director of SG Australia until 2002. From 1998, he helped form Radiata (a technology start-up spanning Sydney and Silicon Valley). As Chair and Chief Executive Officer, he then steered it to a successful sale to Cisco Systems in 2001. For four years prior to joining Hambros, Chris was Executive Director of the Melbourne-based Advent Management venture capital firm. Chris has been a director of a number of companies in the finance, infrastructure and technology sectors. Chris is both the Chair and an Independent, Non-Executive Director of DB RREEF Funds Management Limited. He is also the Chair of the Board Nomination and Remuneration Committee and a member of the Board Treasury Policy Committee.



Elizabeth A Alexander AM BComm, FCA, FAICD, CPA
Independent Director Age 64

Elizabeth Alexander was formerly a partner with PricewaterhouseCoopers and is currently Chairman of CSL Limited and a Director of Boral Limited, Deputy Chair of the Financial Reporting Council, and a member of the Takeovers Panel. Elizabeth's previous appointments include National Chair of the Australian Institute of Company Directors, National President of the Australian Society of Certified Practising Accountants and a member of the Australian Accounting Standards Board. Elizabeth is also Chair of a number of Board audit committees. Elizabeth is an Independent, Non-Executive Director of DB RREEF Funds Management Limited and Chair of the Board Audit Committee.



Barry R Brownjohn BComm
Independent Director Age 56

Barry Brownjohn is a senior consultant with Pacific Road Corporate Finance where he focuses on advising companies on strategic acquisitions and divestments in the financial services and related technology sectors. He was formerly the Australian Managing Director of the Bank of America. While with the Bank of America, Barry held a range of senior management roles in various overseas locations. He is currently an Advisory Board Member of the South Australia Financing Authority, and a Director of Citigroup Pty Limited and Bakers' Delight Holdings Limited. Barry's previous appointments include Chair of the International Banks and Securities Association, and the Asia Pacific Managed Futures Association. Barry is an Independent, Non-Executive Director of DB RREEF Funds Management Limited, Chair of the Board Treasury Policy Committee and a member of the Board Audit Committee.



Stewart F Ewen OAM FILE
Independent Director Age 58

Stewart Ewen has had over 40 years of extensive property experience, commencing with the Hooker Corporation in 1966 where he worked throughout Australia and South East Asia. In 1983 he established Byvan Limited which, by 2000, managed \$8 billion in shopping centre assets in Australia, Asia and North America. In 1999, he sold his interest in Byvan to the Savills Group in London, remaining as Chair until 2001. As the major partner of NavyB Pty Ltd he has completed numerous residential and commercial property projects. He has also held the position of Managing Director of Enacon Ltd, was previously a Director of Abigroup Ltd, and was instrumental in the establishment of Converting Technology Pty Ltd. Stewart has previously served as President of the Property Council of NSW and is a Director of the Cure Cancer Australia Foundation and assisted in the establishment of Cell Bank Australia. Stewart is also a Director of CapitaCommercial Trust Management Limited, Singapore. Stewart is an Independent, Non-Executive Director of DB RREEF Funds Management Limited and a member of the Board Nomination and Remuneration Committee.



Andrew J Fay BAg Econ (Hons), ASIA
Alternate Director to Charles B Leitner III Age 42

Andrew Fay is Head of Deutsche Asset Management Australia Limited (DeAM), as well as its Chief Investment Officer for Australia. Andrew is dually responsible for the operation of DeAM's Australian business and the consistency of the investment process for all asset classes within Australia. Andrew joined DeAM in 1994 after six years with the investment division of AMP Global Investors. Andrew sits on the Investment and Financial Services Association (IFSA) Investment Board in Australia. Andrew holds an Honours degree in Agricultural Economics from the University of Sydney and has completed a graduate diploma with the Securities Institute of Australia. Andrew is Deutsche Bank's nominated Alternate Director to Charles Leitner.



Victor P Hoog Antink BComm, MBA, FCA, FAPI, MAICD
Executive Director Age 53

Victor Hoog Antink joined DB RREEF after almost nine years at Westfield Holdings where he was the Director of Funds Management, responsible for both the Westfield Trust and the Westfield America Trust. Victor has a commerce degree from the University of Queensland, an MBA from the Harvard Business School, is a fellow of the Australian Property Institute, a fellow of the Institute of Chartered Accountants in Australia, and a member of the Institute of Company Directors. Victor has over 25 years of experience in property and finance and is the immediate past president of the Property Council of Australia. Victor is CEO and an Executive Director of DB RREEF Funds Management Limited and a member of the Board Treasury Policy Committee. Victor is a Deutsche Bank nominated Director.



Charles B Leitner III BA
Non-Executive Director Age 47

Charles Leitner is the Global Head of RREEF, the global alternative investments operation of Deutsche Asset Management, which manages €65.3 billion of real estate, infrastructure, private equity and hedge fund investments worldwide. With 23 years of real estate investment experience, Charles joined RREEF in 1988 and became a partner in the firm in 1996. In 2001 he assumed overall responsibility for RREEF's US property acquisition business and in 2004 was appointed Global Head of RREEF. Based in New York, Charles graduated from the University of Pennsylvania with a BA in Urban Studies/Regional Science. He is a Trustee of the Urban Land Institute, and a member of the Real Estate Roundtable, the National Association of Office and Industrial Parks, and the Pension Real Estate Association (PREA). Charles is a Non-Executive Director of DB RREEF Funds Management Limited and is a Deutsche Bank nominated Director.



Brian E Scullin BEc
Non-Executive Director Age 56

Following a career in government and politics in Canberra, Brian Scullin was appointed the inaugural Executive Director of the Association of Superannuation Funds of Australia (ASFA) in 1987. He joined Bankers Trust in Australia in 1993 and held a number of senior positions, becoming President of Japan Bankers Trust in 1997. In 1999 he was appointed Chief Executive Officer – Asia/Pacific for Deutsche Asset Management and retired from this position in 2002. Brian is a panel member of the Financial Industry Complaints Service Limited and a Director of State Super Financial Services Limited. Brian is a Non-Executive Director of DB RREEF Funds Management Limited, Chair of the Board Risk and Compliance Committee and is a member of the Board Nomination and Remuneration Committee. Brian is a Deutsche Bank nominated Director.

corporate governance statement

DB RREEF FUNDS MANAGEMENT IS THE RESPONSIBLE ENTITY OF EACH OF THE FOUR TRUSTS THAT COMPRISE DB RREEF TRUST

DB RREEF Funds Management is also the Responsible Entity of three property syndicates and DB RREEF RENTS Trust, and is the investment manager for two private client property mandates. To ensure consistency of governance across DB RREEF's funds and mandates, the Board has determined that the following corporate governance framework will apply to these funds and mandates. These trusts, syndicates and client mandates are collectively referred to in this corporate governance statement as the Trusts.

the governance framework

The corporate governance framework is designed to support the strategic objectives of each of its Trusts by defining accountability and creating control systems appropriate to mitigate the risks inherent in the day to day operations of the Trusts.

To achieve this objective, DB RREEF has implemented a corporate governance framework that meets each of the ASX Principles of Good Corporate Governance (ASX Principles). A reconciliation of the ASX Principles against DB RREEF's own governance framework can be found on the web page www.dbrreef.com/governance

principle 1. a solid foundation for oversight and management

DB RREEF is committed to maintaining, through both the Executive management and the Board, a balance of skills, experience and independence appropriate to the nature and extent of its operations. The governance framework enables the Board to provide strategic guidance, while exercising effective oversight of management. The framework also defines the roles and responsibilities of the Board and management in order to facilitate Board and management accountability and ensure a balance of authority.

DB RREEF Funds Management is a wholly owned subsidiary of DB RREEF Holdings. DB RREEF Holdings is 50 percent owned by DB RREEF Operations Trust and 50 percent owned by First Australian Property Group Holdings Pty Limited, a subsidiary of Deutsche Bank AG (DB). DB RREEF Funds Management and DB RREEF Holdings share a common Board of Directors.

The Shareholders' Deed between DB RREEF Operations Trust and First Australian Property Group Holdings Pty Limited (Deed) prescribes the composition of the Boards of DB RREEF Funds Management and DB RREEF Holdings and requires agreement of the shareholders regarding the management of personnel in the Human Resources, Internal Audit, Legal and Compliance functions. Further, the Deed prescribes a number of matters that require an ordinary resolution of shareholders, rather than a resolution of the Board. The Board has considered the provisions of the Deed and concluded that the Deed does not compromise the ability of the Board to act independently and in the best interests of investors. The Board's committee structure is outlined at www.dbrreef.com/governance

1.1 role of the board

The Board is responsible for establishing objectives and ensuring strategies for their achievement are in place and their achievement monitored. The Board also carries ultimate responsibility for the approval of property acquisitions, divestments and major developments. The Board ensures that the fiduciary and statutory obligations of each Trust to its investors are met, and that such duties have priority over all other duties including the interests of DRFM's shareholders.

The Board is responsible for appointing and removing the Chief Executive Officer (CEO), ratifying the appointment of the Chief Financial Officer (CFO), Chief Operating Officer (COO) and Company Secretary, and monitoring the performance of the senior management team. A copy of the Board's Terms of Reference and the Directors' Code of Conduct is available at www.dbrreef.com/governance

corporate governance statement (continued)

1.2 role of management

The day to day management of each of the Trusts rests in the hands of the management team. To assist this team in the direction, implementation and monitoring of its plans and strategies, a number of management committees have been established and responsibilities delegated. The management committees include the Executive Committee, Investment Committee, Portfolio Review Committee, Risk Management Committee, Compliance and Internal Audit Committee and the Capital Markets Committee.

A summary of the responsibilities of DB RREEF's management committees is available at www.dbrreef.com/governance

principle 2. structuring the board to add value

2.1 structure of the board

The composition of the Board reflects its role and the duties and responsibilities it discharges. It reflects the need for the Board to work together as a team with each Director making their own contribution to the Board's decision making process. General qualifications for Board membership include the ability and competence to make appropriate business recommendations and decisions, an entrepreneurial talent for contributing to the creation of investor value, relevant experience in the industry sector, high ethical standards, sound practical sense and a total commitment to the fiduciary and statutory obligations to further the interests of investors and achieve each Trust's objectives.

The Board currently comprises seven members, four of whom are independent and three of whom are appointed by DB, including the CEO. Specific skills the incumbent Directors bring to the Board include strategy, property management, funds management, capital markets and financial management.

The members of the Board as at the date of this Annual Report are detailed in the Directors section of this Annual Report.

The Board meets regularly throughout the year therefore ensuring sufficient time is available to deal with Board related matters and when required Directors also meet to consider specific business. At each regular Board meeting the Independent Directors also meet without Executive Directors. Each year the Directors also meet to specifically consider strategy in conjunction with senior management.

2.2 director independence

Independent Directors are independent of management and free of any business or other relationship that could materially interfere with the exercise of their unfettered and independent judgement. Independent Directors are active in areas which enable them to relate to the strategies of DB RREEF and to make a meaningful contribution to the Board's deliberations. The Board regularly assesses the independence of its Independent Directors, in light of interests disclosed to it.

Independent Directors hold office for three years, following their first appointment (or, if appointed by the Board between annual meetings, from the date of the Annual General Meeting immediately succeeding this appointment). It is not generally expected that an Independent Director would hold office for more than ten years, or be nominated for more than three consecutive terms, whichever is the longer.

Although the Board is advised by internal Legal Counsel and the Company Secretary, Independent Directors are encouraged to take independent professional advice, at the group's expense, as required. Independent Directors also confer regularly, outside Board meetings, without the involvement of management and Executive Directors.

Please refer to www.dbrreef.com/governance for a description of the procedure for the selection and appointment of new Directors to the Board which includes specific criteria used in the determination of Director independence.

2.3 role of the chair

The Chair is an Independent Director, and is responsible for the leadership of the Board, for the efficient organisation and conduct of the Board's functions, and for the briefing of Directors in relation to issues arising pertinent to the Board. The Board has also clearly defined, and the Chair monitors, the responsibilities and performance of the CEO.

2.4 board nomination and remuneration committee

A Board Nomination and Remuneration Committee has been established by the Board to assist in the fulfilment of its responsibilities, by overseeing all aspects of Director and Executive remuneration, performance evaluation, training, succession planning and Director nominations.

It comprises two Independent Directors (one of whom is the Chair) and two DB appointed members. The members of the Board Nomination and Remuneration Committee are as follows:

Committee member	Status
Christopher T Beare (Chair)	Independent Director
Stewart F Ewen OAM	Independent Director
Brian E Scullin	DB appointed representative and Non-Executive Director
Andrew J Fay	DB appointed representative and Alternate Director

The Board Nomination and Remuneration Committee's composition of two Independent Directors, one of whom is the Chair, one DB appointed Non-Executive Director and one DB appointed Alternate Director is in line with the ASX Principles. However, it differs from the ASX Principles commentary and guidance in that it does not comprise a majority of Independent Directors. This departure reflects the unique shareholding of DB RREEF Funds Management, being 50 percent owned by DB RREEF and 50 percent owned by DB and enables DB to bring to deliberations its experience as a global financial institution, as well as recognising the materiality of its shareholding. The Board has considered this departure from ASX guidelines and has determined that the departure does not compromise the objectives of the Committee.

Reporting to the Board Nomination and Remuneration Committee and the Executive Committee, the management Compensation Committee oversees the development and implementation of all DB RREEF's human resource management systems, including compensation and recruitment, and advises the Board Nomination and Remuneration Committee.

A copy of the Board Nomination and Remuneration Committee's Terms of Reference is available at www.dbrreef.com/governance

principle 3. promoting ethical and responsible decision-making

3.1 code of conduct

To ensure the satisfaction of statutory and fiduciary obligations to each of its investor groups and to maintain confidence in its integrity, the Board has implemented a series of clearly articulated compliance policies and procedures by which it requires all employees to abide. In addition, it considers that it is important that its employees meet the highest ethical and professional standards and consequently has established an Employee Code of Conduct for all employees.

Please refer to www.dbrreef.com/governance for a copy of DB RREEF's Employee Code of Conduct.

DB RREEF is committed to and strongly supports disclosure being made by employees of corrupt conduct, illegality or substantial waste of company assets. DB RREEF aims to provide protection to employees who make such disclosures from any detrimental action or reprisal.

Please refer to www.dbrreef.com/governance for a copy of DB RREEF's whistle-blowing policy.

3.2 insider trading and trading in DB RREEF securities

The group has implemented a trading policy that sets out the requirements applying to Directors and employees who wish to trade or invest in any of the group's financial products for their personal account or on behalf of an associate.

The policy specifies any Director or employee who wishes to trade in any security issued by or managed by DB RREEF must obtain written approval before entering into a trade. Generally, approval will not be granted during defined blackout periods. These periods commence at the end of the Trusts' half-year or full-year reporting periods and end on the day the Trusts' results are announced. In addition, if Compliance or the Chief Executive Officer considers that there is the potential that inside information may be held or the potential that a significant conflict of interest may arise, additional blackout periods will be imposed.

While the trading policy described above applies to Directors and Senior Executives, the Board has determined that Directors will not trade in any security managed by DB RREEF.

Directors have made this decision because the Board of DB RREEF has responsibility for DB RREEF Trust as well as the third party business. Directors are obliged to act in the best interests of each group of investors independently of each other. Therefore, to minimise the appearance of conflict that may arise by being a Director of multiple funds, the Board has determined that it will not invest in any fund managed by DB RREEF, including DB RREEF Trust. While this decision may fail to achieve the desired alignment of interest between investors and the Board, the Directors consider it to be of greater importance to demonstrate that they are not motivated to act in the interests of any one fund over another. This position is periodically reviewed by the Board.

With regard to aligning Senior Executives' interests with DB RREEF Trust investors, the Board has put in place a long-term incentive scheme that it considers ensures an alignment of their interests with all investors. A description of Senior Executives' long-term incentive scheme is contained in the Directors' Report.

Please refer to www.dbrreef.com/governance for a copy of the Employee Trading Policy.

corporate governance statement (continued)

3.3 related party dealings

The group has implemented a policy covering the management of related party dealings. Where a related party dealing has been identified, the following occurs:

- at management level, the interests of both parties are represented by dedicated teams, each headed by a DB RREEF executive;
- when required, at Board level the interests of both parties are represented by dedicated Board members;
- information barriers are established with dedicated team members operating on either side of the “barrier”;
- team members are briefed by Compliance of their obligations and responsibilities while working on the transaction;
- a clean desk policy applies while the transaction is in progress;
- documentation resulting from the transaction is maintained on a restricted access database; and
- ongoing training is conducted for dedicated employees in relation to management of conflicts of interest during the life of the transaction.

On a monthly basis, Compliance reports to the Board on related party transactions that have been managed in the previous period. During the last financial year, related party transactions have included:

- the lease of commercial premises at 343 George Street Sydney, an asset of DB RREEF Trust, to DB RREEF Funds Management Limited;
- the acquisition by DB RREEF Holdings of DB RREEF Wholesale Property Limited, the Responsible Entity of DB RREEF Wholesale Property Fund;
- the disposal of assets from DB RREEF Trust to various clients/mandates managed by DB RREEF; and
- the disposal of 50 percent of five retail assets to DB RREEF Wholesale Property Fund.

principle 4. safeguarding the integrity of financial reporting

4.1 review and authorisation

To ensure the truthful and factual presentation of each Trust's financial position, DB RREEF has put in place a structure of review and authorisation for each of the Trust's financial records and reports. This structure includes:

- the establishment of a Board Audit Committee to review the Financial Statements of each entity and review the independence and competence of the external auditor; and
- semi-annual management representations to the Board Audit Committee, affirming the veracity of each entity's Financial Statements.

4.2 board audit committee

A Board Audit Committee has been established by the Board, and its charter requires that all members are financially literate and have an understanding of the industry in which the group operates, and one or more members have specific financial expertise. The Board Audit Committee currently comprises two Independent Directors, including the Chair, and one DB appointed Director. The Board Audit Committee operates under formal Terms of Reference, has access to management, and internal and external auditors without management present, and has the right and opportunity to seek explanations and additional information. In addition, the external auditor is invited to attend all Board Audit Committee meetings. The Committee may also obtain independent professional advice in the satisfaction of its duties at the cost of the group. The Committee meets as frequently as required to undertake its role effectively and not less than four times per annum.

The membership of the Board Audit Committee is as follows:

Committee member	Status
Elizabeth A Alexander AM (Chair)	Independent Director
Barry R Brownjohn	Independent Director
Brian E Scullin	DB appointed Non-Executive Director

In order to ensure review of non-audit services by the external auditor, the Board Audit Committee has responsibility for approving the engagement of the auditor for any non-audit service of fee greater than \$100,000.

A copy of the Board Audit Committee's Terms of Reference including the Committee's procedure for the selection and appointment of the external auditor and for the rotation of external audit engagement partners, is available at www.dbrreef.com/governance

principle 5. timely and balanced disclosure

5.1 continuous disclosure

In order to promote an informed and orderly market in DB RREEF's securities, DB RREEF has implemented a process to ensure timely and balanced continuous disclosure for all material matters that impact the Trusts. The process puts in place mechanisms designed to ensure compliance with ASX Listing Rules and ASIC's disclosure requirements such that:

- all investors have equal and timely access to material information, including the financial situation, performance, ownership and governance of the Trusts; and
- all announcements are factual and presented in a clear and balanced way.

Please refer to www.dbrreef.com/governance for a copy of the Continuous Disclosure and Analyst Briefings Policy.

principle 6. respecting the rights of security holders

6.1 annual general meeting

DB RREEF respects the rights of investors and to facilitate the effective exercise of those rights, the Board has committed to the conduct of an annual general meeting for DB RREEF Trust.

Each annual general meeting is designed to:

- supplement effective communication with investors;
- provide investors ready access to balanced and understandable information about their fund;
- increase the opportunities for investor participation; and
- facilitate investors' rights to ratify the appointment of Independent Directors.

The external auditor of the Trust attends each annual general meeting and will be available to answer investor questions about the conduct of the audits of both the Trusts' financial records and their Compliance Plans and the preparation and content of the auditor's report.

6.2 communications with investors

In addition to conducting an Annual General Meeting, the group has a communications and investor relations strategy that promotes an informed market and encourages participation with each Trust's investors. This strategy includes the use of DB RREEF's website to enable ready access to DB RREEF announcements, annual and half-year reports, presentations and analyst support material. DB RREEF also has available significant historical information on announcements, distributions and other related information on the website at www.dbrreef.com

principle 7. recognising and managing risk

DB RREEF has a risk management system designed to identify, assess, monitor and manage risk and to report on its risk profile.

A copy of DB RREEF's Risk Management Policy is available at www.dbrreef.com/governance

7.1 risk management

Board Risk and Compliance Committee

The Board has established a Board Risk and Compliance Committee to review risk and compliance matters and monitor the group's conformance with the requirements of the Managed Investments Act, as specified in Section 601JC of the Corporations Act. The Committee includes only members

who are familiar with the requirements of the Managed Investments Act and have extensive risk and compliance experience. The Committee is also encouraged to obtain independent professional advice in the satisfaction of its duties at the cost of the group.

As at 30 June 2007, the Committee comprised five members, three of whom are external members (i.e. members who satisfy the requirements of Section 601JB(2) of the Corporations Act) and two of whom are executives of the group. The scope of the Committee includes all Trusts, including the group's investment mandates. The Committee reports to the Responsible Entity any breach of the Corporations Act or breach of the provisions contained in any Trust's Constitution, and further reports to ASIC if the Committee is of the view that the Responsible Entity has not taken appropriate action to deal with a matter reported to it.

The membership of the Board Risk and Compliance Committee, as at 30 June 2007, was as follows:

Committee member	Status
Brian E Scullin (Chair)	Independent Member
Elizabeth A Alexander AM	Independent Member
Andy P Esteban	Independent Member
Tanya L Cox	Executive Member and Chair of the Risk Management Committee
John C Easy	Executive Member and Chair of the Compliance and Internal Audit Committee

In addition to its responsibilities under the Act, the Board Risk and Compliance Committee is responsible for the oversight of DB RREEF's risk management systems, including its internal compliance and control environment. The Committee's Terms of Reference are available at www.dbrreef.com/governance

To enable the Board Risk and Compliance Committee to effectively fulfil its obligations, the Management Compliance, Internal Audit Committee and Risk Management Committee have been established to monitor the effectiveness of the group's risk management, internal compliance and control systems.

Board Treasury Policy Committee

DB RREEF has significant interest rate and foreign exchange exposures. To assist in the effective management of these exposures the Board has established a number of committees to specifically manage DB RREEF's financial risks. These committees are the Board Treasury Policy Committee and management Capital Markets Committee. The Board Treasury Policy Committee's role is to review and recommend for approval to the Board financial risk management policies and hedging and funding strategies, and to monitor overall financial risk management exposures.

corporate governance statement (continued)

The membership of the Board Treasury Policy Committee is:

Committee member	Status
Barry R Brownjohn (Chair)	Independent Director
Christopher T Beare	Independent Director
Victor P Hoog Antink	Chief Executive Officer and Executive Director
Peter C Roberts ¹	Executive Member and Chair of Capital Markets Committee

¹ Peter C Roberts resigned on 8 June 2007.

A copy of the Board Treasury Policy Committee's Terms of Reference is available at www.dbrreef.com/governance

7.2 management representations

In addition to the operation of the above management committees, the Chief Executive Officer makes the following representations in relation to risk management:

- at least quarterly to the Head of Compliance, regarding conformance with compliance policies and procedures. Any exceptions are reported by Compliance to the Board Risk and Compliance Committee quarterly; and
- on a semi-annual basis to the Board Audit Committee regarding the veracity of DB RREEF's Financial Statements.

7.3 compliance

Compliance is an important aspect in DB RREEF's activities, consequently the group has a segregated Compliance function reporting to the General Counsel on a day to day basis and ultimately to the Board Risk and Compliance Committee. Compliance's responsibility is to promote an effective compliance culture including the provision of compliance advice, the drafting and updating of relevant compliance policies and procedures, conducting compliance training and monitoring and reporting adherence to key compliance policies and procedures.

principle 8. encouraging enhanced performance

The Board is committed to enhancing both its own and management's effectiveness. To achieve this objective the group has implemented a training and education regime that facilitates increased performance through increasing all DB RREEF Directors and employees skills bases. DB RREEF has also implemented a comprehensive performance evaluation program for its employees to support the effectiveness of its education and training programs.

8.1 board education, independent advice and performance evaluation

The Board Nomination and Remuneration Committee is also responsible for ensuring the effectiveness of the induction process and overseeing the regular performance evaluation of the Board, its committees and individual Directors.

DB RREEF is subject to a variety of regulatory and legal obligations, arising from:

- the Corporations Act (including specifically the provisions of the Managed Investments Act);
- the Australian Stock Exchange listing rules and governance requirements;
- the requirements of an Australian Financial Services Licence holder; and
- the group's governance and compliance framework.

To ensure that new Directors are able to meet their responsibilities effectively, Directors receive an induction briefing and an information pack which includes the corporate governance framework, committee structures and their terms of reference, any governing documents and Directors' and Officers' insurance details, along with background reports. In addition, Directors undertake training, through regular presentations by management and external advisers on sector, fund and industry specific trends and conditions.

Directors are also encouraged to:

- take independent professional advice, at the group's expense;
- seek additional information from management; and
- directly access the Company Secretary, General Counsel and Head of Compliance.

The Board Nomination and Remuneration Committee has implemented a Board performance evaluation program which extends over a two year period. The process is designed to identify opportunities for performance improvement. In 2006, the evaluation process looked at the performance of the whole Board and its Committees and in 2007, individual Director performance was evaluated. In each alternate year the Board also reviews the progress of findings of the previous year's evaluation. The evaluation is undertaken through the use of questionnaires and face to face interviews on a broad range of issues.

A copy of the Board, committee and Director performance evaluation process including Directors' Code of Conduct is available at www.dbrreef.com/governance

8.2 employee education and performance evaluation

DB RREEF requires all employees to undertake and maintain a minimum level of ongoing training and professional development. The specific type and amount of training is determined by the employee's job function and professional skills. Managers and supervisors have the day to day responsibility for ensuring all employees reporting to them have undertaken the required training. The Human Resources division is responsible for monitoring all DB RREEF employee training requirements and reporting on all training activities regularly to the Executive Committee.

In addition, employees considered "advisers" are required to have in place an annual training plan and to undertake a specified number of hours of training per annum. Employees who provide financial product advice to retail investors are also required to maintain accreditation pursuant to ASIC Regulatory Guide RG146.

8.3 employee performance evaluation

To foster continuous improvement and to ensure the effectiveness of its education and training programs, the group conducts an annual performance evaluation of all employees.

Each year the Board ensures that the goals of the group are clearly established and that strategies are in place for the achievement of those goals. Goals are reviewed periodically to ensure they remain consistent with the group's priorities and the changing nature of its business. These goals become the performance targets for the CEO and Executive Committee. Performance against these goals is reviewed annually by the Board Nomination and Remuneration Committee and is taken into account in the remuneration review of Executive Committee members.

Cascading goals and objectives are established for all other employees and their performance is reviewed annually by the Executive Committee. Remuneration and incentive payments are considered by the Compensation Committee and recommended to the Board Nomination and Remuneration Committee, based on the achievement of approved performance objectives and market comparatives.

principle 9. remunerating fairly and responsibly

Details of the group's remuneration framework for Non-Executive Directors and employees are set out in the Remuneration Report that forms part of the Directors' Report contained in this Annual Report.

principle 10. recognising the legitimate interests of stakeholders

The group is aware that the creation of value through the better management of natural, human, social, financial and other resources is essential to the development of its reputation, and acknowledges the interests of its stakeholders including investors, employees, tenants, bankers/financiers and the broader community, in the further pursuit of this objective.

To address these objectives the group has in place a Directors' Code of Conduct, which addresses Directors' duties and responsibilities, conflicts of interest, use and confidentiality of information and Director independence. The Directors' Code of Conduct is available at www.dbrreef.com/governance

DB RREEF has also developed a Corporate Responsibility and Sustainability strategy which can be found at www.dbrreef.com/sustainability

website

Further information and documents are available at www.dbrreef.com/governance including a full description of the group's Governance Framework along with various Committee Terms of Reference, Policies and Codes of Conduct, along with reconciliation to the ASX Principles.

financial reports

DB RREEF RENTS TRUST (ARSN 112 705 852)

ANNUAL FINANCIAL REPORT 30 JUNE 2007

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ABOVE: Pound Road West, Dandenong VIC

All press releases, financial reports and other information are available on our website: www.dbrreef.com

THE DIRECTORS OF DB RREEF FUNDS MANAGEMENT LIMITED (DRFM) AS RESPONSIBLE ENTITY OF DB RREEF RENTS TRUST (THE TRUST) PRESENT THEIR DIRECTORS' REPORT TOGETHER WITH THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

1. directors and other key management personnel

1.1 directors

The following persons were Directors or Alternate Directors of DRFM at all times during the year, and to the date of this Directors' Report:

Directors	Appointed
Christopher T Beare	4 August 2004
Elizabeth A Alexander AM	1 January 2005
Barry R Brownjohn	1 January 2005
Stewart F Ewen OAM	4 August 2004
Victor P Hoog Antink	1 October 2004
Charles B Leitner III	10 March 2005
Brian E Scullin	1 January 2005
Alternate Director	
Andrew J Fay for Charles B Leitner III	30 January 2006

1.2 other key management personnel

In addition to the Directors listed above the following persons were deemed by the Board Nomination and Remuneration Committee to be key management personnel (KMP) during all or part of the financial year and up to the date of this report:

Name	Title	The date they qualified or ceased to qualify as a KMP during the 12 months ended 30 June 2007
Victor P Hoog Antink	Chief Executive Officer	
Tanya L Cox	Chief Operating Officer	
John C Easy	General Counsel	
Ben J Lehmann	Fund Manager, DB RREEF Trust	
Peter C Roberts ¹	Chief Finance Officer	Ceased to qualify 8 June 2007
Paul G Say	Head of Corporate Development	Qualified 19 March 2007
Mark F Turner	Head of Unlisted Funds	

¹ Resigned 8 June 2007.

2. remuneration report

Remuneration received by key management personnel of the Trust is a cost of DRFM and not the Trust. DRFM does not recover any proportion of their remuneration from the Trust.

3. directors' interests

As at the date of this Directors' Report, no Director or Alternate Director directly or indirectly held:

- securities in the Trust; or
- options over, or any other contractual interest in, securities in the Trust; or
- an interest in any other fund managed by DRFM.

4. principal activities

During the year the principal activity of the Trust consisted of an investment in preference units of DOT Commercial Trust, a sub-trust of DB RREEF Office Trust. DB RREEF Office Trust forms part of the DB RREEF Trust stapled security. There were no significant changes in the nature of the Trust's activities during the year.

5. total value of trust assets

The total value of the assets of the Trust as at 30 June 2007 was \$208.2 million (2006: \$207.9 million). Details of the basis of this valuation are outlined in note 1 of the Notes to the financial statements and form part of this Directors' Report.

6. review and results of operations

The Trust's results for the year ended 30 June 2007 was:

- Profit attributable to unitholders was \$15.5 million (2006: \$14.1 million);
- Distributions paid and payable to Unitholders were \$15.4 million (2006: \$14.8 million);
- Total assets were \$208.2 million (2006: \$207.9 million); and
- Net assets were \$204.2 million (2006: \$204.1 million).

The operations of the Trust have been in line with expectations.

7. likely developments and expected results of operations

In the opinion of the Directors, disclosure of any further information regarding business strategies and the future developments or results of the Trust, other than the information already outlined in this Directors' Report or the Financial Statements accompanying this Directors' Report, would be unreasonably prejudicial to the Trust.

8. significant changes in the state of affairs

The Directors of DRFM are not aware of any matter or circumstance not otherwise dealt with in this Directors' Report or the Financial Statements that has significantly or may significantly affect the operations of the Trust, the results of those operations, or state of the Trust's affairs in future financial years.

9. matters subsequent to the end of the financial year

Since the end of the year the Directors of DRFM are not aware of any matter or circumstance not otherwise dealt with in this Directors' Report or the Financial Statements that has significantly or may significantly affect the operations of the Trust, the results of those operations, or state of the Trust's affairs in future financial years.

directors' report (continued)

10. distributions

Distributions paid or payable by the Trust for the year ended 30 June 2007 are outlined in note 9 of the Notes to financial statements and form part of this Directors' Report.

11. DRFM fees and associate interests

Details of fees paid or payable by the Trust to DRFM for the year ended 30 June 2007 are outlined in note 13 of the Notes to the financial statements and form part of this Directors' Report.

The number of units in the Trust held by DRFM or its associates as at the end of the financial year are disclosed in note 13 of the Notes to the financial statements and forms part of this Directors' Report.

12. interests in the trust

The movement in units on issue in the Trust during the year and the number of units on issue as at 30 June 2007 are detailed in note 7 of the Notes to the financial statements and form part of this Directors' Report.

The Trust did not have any options on issue as at 30 June 2007 (2006: nil).

13. environmental regulation

The Directors of DRFM are satisfied that adequate systems are in place for the management of its environmental responsibility and compliance with its various licence requirements and regulations. Further, the Directors are not aware of any breaches of these requirements and to the best of their knowledge all activities have been undertaken in compliance with environmental requirements.

14. indemnification and insurance

The insurance premium for a policy of insurance indemnifying Directors, officers and others (as defined in the relevant policy of insurance) is paid by DRFM. The auditors are in no way indemnified out of the assets of the Trust.

15. audit

15.1 auditor

PricewaterhouseCoopers (PwC or the Auditor) continues in office in accordance with section 327 of the *Corporations Act 2001*.

15.2 non-audit services

Details of the amounts paid to the Auditor, which include amounts paid for non-audit services, are set out in note 2 of the Notes to the financial statements.

The Board Audit Committee is satisfied that the provision of non-audit services provided during the year by the Auditor (or by another person or firm on the Auditor's behalf) is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The reasons for the Directors being satisfied are:

- Board Audit Committee has determined that the external auditor will not provide services that have the potential to impair the independence of its audit role, including:
 - participating in activities that are normally undertaken by management; and
 - being remunerated on a "success fee" basis.

- Board Audit Committee has determined that the Auditor will not provide services where the Auditor may be required to review or audit its own work, including:
 - the preparation of accounting records;
 - the design and implementation of information technology systems;
 - conducting valuation, actuarial or legal services;
 - promoting, dealing in or underwriting securities; or
 - providing internal audit services.
- Board Audit Committee regularly reviews the performance and independence of the Auditor and whether the independence of this function has been maintained having regard to the provision of non-audit services.
- the Auditor has provided a written declaration to the Board regarding its independence at each reporting period.
- Board Audit Committee approval is required before the engagement of the Auditor to perform any non-audit service for a fee in excess of \$100,000.

The above Directors' statements are in accordance with the advice received from the Board Audit Committee.

15.3 audit independence declaration

A copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* is set out in the Financial Statements and forms part of this Directors' Report.

16. rounding of amounts and currency

The Trust is a registered scheme of a kind referred to in Class Order 98/0100, issued by the Australian Securities & Investments Commission, relating to the "rounding off" of amounts in this Directors' Report and the Financial Statements. Amounts in this Directors' Report and the Financial Statements have been rounded off in accordance with that Class Order to the nearest thousand dollars, unless otherwise indicated. All figures in this Directors' Report and the Financial Statements, except where otherwise stated, are expressed in Australian dollars.

17. management representation

The Chief Executive Officer and the Chief Financial Officer have reviewed the Trust's financial reporting processes, policies and procedures together with its risk management and internal control and compliance policies and procedures. Following that review it is their opinion that the Trust's financial records for the financial year have been properly maintained in accordance with the *Corporations Act 2001* and the Financial Statements and their notes comply with the accounting standards and give a true and fair view.

18. directors' authorisation

This Directors' Report is made in accordance with a resolution of the Directors.



Christopher T Beare
Chair

27 August 2007



Victor P Hoog Antink
Chief Executive Officer

27 August 2007

auditor's independence declaration

FOR THE YEAR ENDED 30 JUNE 2007



Auditor's Independence Declaration

PricewaterhouseCoopers
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As lead auditor for the audit of DB RREEF RENTS Trust for the year ended 30 June 2007, I declare that to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of DB RREEF RENTS Trust during the period.

A handwritten signature in black ink that reads 'JA Dunning'.

JA Dunning
Partner
PricewaterhouseCoopers

Sydney
27 August 2007

Liability limited by a scheme approved under Professional Standards Legislation

income statements

FOR THE YEAR ENDED 30 JUNE 2007

	Note(s)	2007 \$'000	2006 \$'000
Income			
Fair value gain on investment		15,593	14,312
Interest revenue		102	22
Total income		15,695	14,334
Expenses			
Other expenses		(153)	(177)
Total expenses		(153)	(177)
Profit attributable to unitholders of DB RREEF RENTS Trust		15,542	14,157
Earnings per unit¹			
		Cents	Cents
Basic earnings per unit	17	–	–
Diluted earnings per unit	17	–	–

1 Earnings per unit represents the earnings attributable to the ordinary unitholder, DB RREEF Office Trust. Details of earnings per unit attributable to preference unitholders are included in note 17 of the Notes to the financial statements.

The above Income Statements should be read in conjunction with the accompanying notes.

balance sheets

AS AT 30 JUNE 2007

	Note(s)	2007 \$'000	2006 \$'000
Current assets			
Cash and cash equivalents		4,190	3,894
Receivables	3	8	–
Total current assets		4,198	3,894
Non-current assets			
Financial assets at fair value through profit or loss	4	204,000	204,000
Total non-current assets		204,000	204,000
Total assets		208,198	207,894
Current liabilities			
Payables	5	62	322
Provisions	6	3,978	3,509
Total current liabilities		4,040	3,831
Total liabilities		4,040	3,831
Net assets		204,158	204,063
Equity			
Contributed equity	7	197,705	197,705
Undistributed income	8	6,453	6,358
Total equity		204,158	204,063

The above Balance Sheets should be read in conjunction with the accompanying notes.

statements of changes in equity

FOR THE YEAR ENDED 30 JUNE 2007

	Note(s)	2007 \$'000	2006 \$'000
Total equity at the beginning of the year		204,063	204,873
Profit		15,542	14,157
Transactions with equity holders in their capacity as equity holders:			
Contributions of equity, net of transaction costs	7	–	(181)
Distributions provided for or paid	9	(15,447)	(14,786)
Total transactions with equity holders		(15,447)	(14,967)
Total equity at the end of the year		204,158	204,063

The above Statements of Changes in Equity should be read in conjunction with the accompanying notes.

cash flow statements

FOR THE YEAR ENDED 30 JUNE 2007

	Note(s)	2007 \$'000	2006 \$'000
Cash flows from operating activities			
Receipts in the course of operations (inclusive of GST)		9	584
Payments in the course of operations (inclusive of GST)		(425)	(117)
Interest received		101	22
Distributions received		15,593	14,312
Net cash inflow from operating activities	16	15,278	14,801
Cash flows from investing activities			
Payments for investments in unit trusts		–	–
Net cash outflow from investing activities		–	–
Cash flows from financing activities			
Proceeds from issue of units		–	–
Establishment expenses and unit issue costs		–	(263)
Distributions paid		(14,981)	(11,268)
Net cash inflow/(outflow) from financing activities		(14,981)	(11,531)
Net inflow in cash and cash equivalents		297	3,270
Cash and cash equivalents at the beginning of the year		3,894	624
Cash and cash equivalents at the end of the year		4,191	3,894

The above Cash Flow Statements should be read in conjunction with the accompanying notes.

notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2007

note 1. summary of significant accounting policies

(a) basis of preparation

The Trust was created on 27 January 2005. On 15 June 2005, the Trust listed 2,040,000 units on the Australian Stock Exchange under the code "DRRPA". The Trust is required to comply with the reporting and disclosure requirements under *the Corporations Act 2001* and Australian Accounting Standards.

This general financial report for the year ended 30 June 2007 has been prepared in accordance with the requirements of the Trust's Constitution, the *Corporations Act 2001* and Australian Equivalents to International Financial Reporting Standards (AIFRS).

This financial report is prepared on the going concern basis and historical cost conventions and has not been adjusted to take account of either change in the general purchasing power of the dollar or changes in the values of specific assets, except for the revaluation of certain non-current assets (refer note 1(c)).

Critical accounting estimates

The preparation of Financial Statements in conformity with AIFRS may require the use of certain critical accounting estimates and management to exercise its judgement in the process of applying the Trust's accounting policies. Other than the estimation of fair values described in note 1(b), no key assumptions concerning the future, or other estimation of uncertainty at the reporting date, have a significant risk of causing material adjustments to the Financial Statements in the next annual reporting period.

(b) financial assets at fair value through profit and loss

The Trust has designated its investment in DOT Commercial Trust (DCT) as a financial asset at fair value through profit or loss. The investment is revalued at each reporting date to its fair value in accordance with AASB 139. Changes in the fair value of the investment are recognised in the Income Statements for the year. Distributions received from the investment are credited against the investment when received.

The fair value of the investment is determined using discounted cash flow analysis. The discount rate applied in calculating the fair value of the investment is 1.3 percent per annum over the 90 day bank bill rate.

(c) income recognition

Interest income

Interest income is brought to account on an accruals basis using the effective interest rate method and, if not received at the balance date, is reflected in the Balance Sheets as a receivable.

(d) expenses

Expenses are brought to account on an accruals basis and, if not paid at the balance date, are reflected in the Balance Sheets as a payable.

(e) goods and services tax

Revenues, expenses and capital assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Cash flows are included in the Cash Flow Statements on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from or payable to the ATO is classified as operating cash flows.

(f) taxation

Under current legislation, the Trust is not liable for income tax, provided it satisfies certain legislative requirements.

(g) distributions

In accordance with the Trust's Constitution, the Trust distributes its distributable income to unitholders by cash. Distributions are provided for when they are approved by the Board of Directors and declared.

(h) cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(i) receivables

Receivables are recognised initially at fair value and subsequently measured at amortised cost, which is based on the invoiced amount less provision for doubtful debts. Trade receivables are required to be settled within 30 days and are assessed on an ongoing basis for impairment. Receivables which are known to be uncollectable are written off. A provision for doubtful debts is established when there is objective evidence that the Trusts will not be able to collect all amounts due according to the original terms of the receivables.

(j) acquisition of assets

The purchase method of accounting is used for all acquisitions including business combinations. Cost is measured as the fair value of the assets given up, shares issued or liabilities assumed at the date of exchange plus costs directly attributable to the acquisition. Where equity instruments are issued in an acquisition, the value of the instruments is their published market price as at the date of exchange unless, in rare circumstances, it can be demonstrated that the published price at the date of exchange is an unreliable indicator of fair value and that other evidence and valuation methods provide a more reliable measure of fair value. Transaction costs arising on the issue of equity instruments are recognised directly in equity.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange discounted at the entity's incremental financing rate.

(k) payables

These amounts represent liabilities for amounts owing at balance date. The amounts are unsecured and are usually paid within 30 days of recognition.

(l) earnings per unit

Basic and diluted earnings per unit is determined by dividing the net profit attributable to unitholders of the Trust by the weighted average number of ordinary units outstanding during the year.

(m) segment reporting

A business segment is a group of assets and operations engaged in providing services that are subject to risks and returns that are different to those of other business segments. A geographical segment is engaged in providing services within a particular geographic environment and is subject to risks and returns that are different from those of segments operating in other geographic environments.

(n) rounding of amounts

The Trust is the kind referred to in Class Order 98/0100, issued by the Australian Securities & Investments Commission, relating to the rounding off of amounts in the financial report. Amounts in the financial report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, the nearest dollar.

(o) new accounting standards and UIG interpretations

Certain new accounting standards and UIG interpretations have been published that are not mandatory for the 30 June 2007 reporting period. Our assessment of the impact of these new standards and interpretations is set out below:

- (i) AASB 7 *Financial Instruments Disclosure* and AASB 2005-10 *Amendments to Australian Accounting Standards* (AASB 132, AASB 101, AASB 114, AASB 117, AASB 133, AASB 139, AASB 1, AASB 4, AASB 1023 and AASB 1038).

AASB 7 and AASB 2005-10 are applicable to annual reporting periods beginning on or after 1 January 2007. AASB 7 requires qualitative information about exposure to risks arising from financial instruments, including specific minimum disclosures about credit risk, liquidity risk and market risk. The Trust has elected not to adopt the standard early. Application of this standard will not affect any of the amounts recognised in the Financial Statements.

- (ii) AASB 8: *Operating Segments* and AASB 2007-3 *Amendments to Australian Accounting Standards arising from AASB 8* (AASB 5, AASB 6, AASB 102, AASB 107, AASB 119, AASB 127, AASB 134, AASB 136, AASB 1023 and AASB 1038), are applicable to annual reporting periods beginning on or after 1 January 2009. It requires segment information disclosure based on segments monitored by the chief operating decision maker in allocating resources and in assessing their performance rather than on a business/geographical basis. This will require more qualitative disclosure for single segment entities. Application of this standard will not affect the amounts recognised in the Financial Statements.

note 2. audit and advisory fees

During the year the auditor of the Trust and its related practices and non-related audit firms earned the following remuneration:

(a) assurance services

Audit services

	2007 \$	2006 \$
PwC Australia audit and review of financial reports and other audit work under the <i>Corporations Act 2001</i>	33,910	10,000
Total remuneration for assurance services	33,910	10,000

(b) taxation services

Fees paid to PwC Australia	3,144	26,010
Total remuneration for taxation services	3,144	26,010

note 3. current assets – receivables

	2007 \$'000	2006 \$'000
GST receivable	2	–
Other receivables	6	–
Total current assets – receivables	8	–

note 4. financial assets at fair value through profit or loss

		2007 \$'000	2006 \$'000
Name of entity	Principal activity		
DOT Commercial Trust	Commercial property investment	204,000	204,000
Total financial assets at fair value through profit or loss		204,000	204,000

On 15 June 2005, the Trust purchased 1,976,320 preference units in DOT Commercial Trust (DCT) for \$100 each. Preference units do not confer on their holders any rights on the winding up of DCT or any rights to distributions. However, where a distribution is declared to preference unit holders, this distribution must be paid in preference to any distribution declared to ordinary unit holders. Preference units hold no voting rights in relation to DCT, other than where the matter is in relation to the rights of the preference units. In these matters, each preference unit carries 1,000 votes on a poll.

notes to the financial statements (continued)

note 5. current liabilities – payables

	2007 \$'000	2006 \$'000
Accruals	62	74
GST payable	–	248
Total current liabilities – payables	62	322

note 6. current liabilities – provisions

provision for distribution

	2007 \$'000	2006 \$'000
Opening balance as at 1 July 2006	3,509	–
Additional provisions	15,447	14,786
Payments of distributions	(14,978)	(11,277)
Closing balance as at 30 June 2007	3,978	3,509

Provision is made for the distribution to be paid for the period ending 30 June 2007. This distribution was paid on 16 July 2007.

note 7. contributed equity

(a) value of units on issue

	2007 \$'000	2006 \$'000
Opening balance as at 1 July 2006	197,705	197,886
Cost of placement of units	–	(181)
Closing balance as at 30 June 2007	197,705	197,705

(b) number of units on issue

	2007 Number of units	2006 Number of units
Opening balance as at 1 July 2006	2,040,001	2,040,001
Closing balance as at 30 June 2007	2,040,001	2,040,001

terms and conditions

Each preference unit ranks equally with all other preference units for the purposes of distributions and on termination of the Trust.

The one ordinary unit holds all the voting rights in the Trust, but has no beneficial interest in the Trust assets. The preference units hold the beneficial interest in the assets of the Trust. Payment of distributions to preference unitholders is at the Directors' discretion.

The preference units entitle holders to receive non-cumulative quarterly floating rate distributions at a margin of 130 basis points above the 90-day bank bill rate. The preference units may be exchanged for cash or stapled securities in DB RREEF Trust on 30 June 2012 (the Step-up Date). For each distribution period following the Step-up Date, the margin will increase by a once only step-up of two percent per annum unless the preference units are repurchased or exchanged.

Payments, which become due and payable to holders, are guaranteed on an unsecured and subordinated basis by the Responsible Entity of each of the DB RREEF stapled trusts (each a guarantor). This guarantee ranks ahead of the distribution payments on stapled securities, but is subordinated to the claims of senior creditors.

note 8. undistributed income

	2007 \$'000	2006 \$'000
Undistributed income as at 1 July 2006	6,358	6,987
Net profit attributable to members	15,542	14,157
Distributions provided for or paid	(15,447)	(14,786)
Undistributed income as at 30 June 2007	6,453	6,358

note 9. distributions paid and payable

	2007 \$'000	2006 \$'000
30 September 2006 (paid 17 October 2006)	3,737	4,223
31 December 2006 (paid 16 January 2007)	3,856	3,566
31 March 2007 (paid 18 April 2007)	3,876	3,488
30 June 2007 (paid 16 July 2007)	3,978	3,509
Total distributions paid and payable	15,447	14,786

	2007 Cents per unit	2006 Cents per unit
30 September 2006 (paid 17 October 2006)	183.00	207.00
31 December 2006 (paid 16 January 2007)	189.00	175.00
31 March 2007 (paid 18 April 2007)	190.00	171.00
30 June 2007 (paid 16 July 2007)	195.00	172.00
Total cents per unit	757.00	725.00

note 10. financial risk management

(a) credit risk

Credit risk represents the loss that would be recognised if counterparties failed to perform as contracted.

The Trust does not have a material exposure to a group of counterparties which are expected to be affected similarly by changes in economic or other conditions.

On-balance sheet financial instruments

The credit risk on financial assets of the Trust which have been recognised in the Balance Sheets is the carrying amount.

(b) market risk

Market risk is the risk that the value of the Trust's investment portfolio will fluctuate as a result of changes in valuations. This risk is managed by ensuring that all activities are transacted in accordance with mandates, overall investment strategy and within approved limits. Market risk analysis is conducted regularly on a total portfolio basis.

On-balance sheet financial instruments

The net fair value of cash and non-interest bearing monetary financial assets and liabilities approximate their carrying value.

(c) liquidity risk

Liquidity risk is the risk that the Trust will experience difficulty in either realising assets or otherwise raising sufficient funds to satisfy commitments. The risk management guidelines adopted are designed to minimise liquidity risk through maintaining sufficient cash balances and the availability of funding through an adequate amount of committed credit facilities.

notes to the financial statements (continued)

note 10. financial risk management (continued)

(d) cash flow and fair value interest rate risk

Cash flow risk is the risk that the future cash flows will fluctuate. Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

The Trust's exposure to interest rate risk is hedged with interest rate swaps and the weighted average effective interest rate (for each class of financial asset and financial liability, and each maturity bracket including floating rate financial assets and liabilities), and are set out in the following table.

30 June 2007

Note(s)	Fixed interest maturing in:							Total \$'000
	Floating interest rate \$'000	1 year or less \$'000	Over 1 and less than 2 years \$'000	Over 2 and less than 3 years \$'000	Over 3 and less than 4 years \$'000	Over 4 and less than 5 years \$'000	More than 5 years \$'000	
Financial assets								
Cash and cash equivalents	4,190	–	–	–	–	–	–	4,190
Receivables	3	8	–	–	–	–	–	8
Total	4,198	–	–	–	–	–	–	4,198
Weighted average interest rate	5.72%							
Financial liabilities								
Payables	5	–	–	–	–	–	–	–
Total	–	–	–	–	–	–	–	–
Weighted average interest rate	–							
Net financial (liabilities)/assets	4,198	–	–	–	–	–	–	4,198

30 June 2006

Note(s)	Fixed interest maturing in:							Total \$'000
	Floating interest rate \$'000	1 year or less \$'000	Over 1 and less than 2 years \$'000	Over 2 and less than 3 years \$'000	Over 3 and less than 4 years \$'000	Over 4 and less than 5 years \$'000	More than 5 years \$'000	
Financial assets								
Cash and cash equivalents	3,894	–	–	–	–	–	–	3,894
Receivables	3	–	–	–	–	–	–	–
Total	3,894	–	–	–	–	–	–	3,894
Weighted average interest rate	5.37%							
Financial liabilities								
Payables	5	–	–	–	–	–	–	–
Total	–	–	–	–	–	–	–	–
Weighted average interest rate	–							
Net financial assets	3,894	–	–	–	–	–	–	3,894

note 11. contingent liabilities

The Directors of the Responsible Entity are not aware of any other contingent liabilities in relation to the Trust, other than those disclosed in the Financial Statements, which should be brought to the attention of unitholders as at the date of completion of this report.

note 12. commitments

There are no commitments receivable or payable, which have not been recognised at the reporting date.

note 13. related parties

responsible entity

The Trust was formed on 27 January 2005, at which time DB RREEF Funds Management Limited (DRFM) was appointed as the Responsible Entity.

responsible entity fees

Under the terms of the Trust Constitution, the Responsible Entity is not entitled to receive fees in relation to the management of the Trust. However, the Responsible Entity is entitled to be reimbursed for expenses incurred in relation to administration or management of the Trust.

related party transactions

All related party transactions are conducted on normal commercial terms and conditions unless otherwise stated.

unitholdings

At 30 June 2007, Deutsche Bank AG and its related parties, schemes and portfolios managed by Deutsche Bank AG and its related parties held 120,932 units (2006: 175,494) in the Trust.

The Trust has no investments in the Responsible Entity. The Trust has an investment in DOT Commercial Trust, a sub-trust of DB RREEF Office Trust, whose Responsible Entity is also DRFM. DB RREEF Office Trust is part of the DB RREEF Trust stapled group, which is listed on the Australian Stock Exchange.

Deutsche Bank AG

Deutsche Bank AG owns 50 percent of DRH, which is the 100 percent owner of DRFM, the Responsible Entity of the Trust. Dealings with the bank include not only transactions in its capacity as part owner of the new Responsible Entity, but also in the provision of financial services.

directors

The following persons were Directors or Alternate Directors of DRFM during the whole of the financial year and up to the date of this report, unless otherwise stated:

Director

C T Beare BSc, BE (Hons), MBA, PhD, FAICD^{1,4,5}

E A Alexander AM, BComm, FCA, FAICD, FCPA^{1,2}

B R Brownjohn BComm^{1,2,5}

S F Ewen OAM, FILE^{1,4}

V P Hoog Antink BComm, MBA, FCA, FAPI, MAICD

C B Leitner III BA

B E Scullin BEc^{2,3,4}

Alternate Director

A J Fay BAg Ec (Hons), ASIA (Alternate to C B Leitner)

1 Independent Director.

2 Audit Committee Member.

3 Compliance Committee Member.

4 Nomination and Remuneration Committee Member.

5 Treasury Policy Committee Member.

No Directors held an interest in the Trust as at 30 June 2007 or at the date of this report.

other key management personnel

In addition to the Directors listed above the following persons were deemed by the Board Nomination and Remuneration Committee to be key management personnel during all or part of the financial year and up to the date of this report:

Name	Position	Qualification date of other key management personnel during the 12 months ended 30 June 2007
Victor P Hoog Antink	Chief Executive Officer	
Tanya L Cox	Chief Operating Officer	
John C Easy	General Counsel	
Ben J Lehmann	Fund Manager, DB RREEF Trust	
Peter C Roberts	Chief Financial Officer	Ceased to qualify 8 June 2007
Paul G Say	Head of Corporate Development	Qualified 19 March 2007
Mark F Turner	Head of Unlisted Funds	

Remuneration received by key management personnel of the Trust is a cost of DRFM and not the Trust. DRFM does not recover any proportion of their remuneration from the Trust.

No key management personnel or their related parties held an interest in the Trust for the years ended 30 June 2006 and 30 June 2007 or at the date of this report.

There were no loans or other transactions with key management personnel or their related parties during the years ended 30 June 2006 and 30 June 2007 or at the date of this report.

note 14. events occurring after reporting date

Since the end of the year, the Directors of the Responsible Entity are not aware of any matter or circumstance not otherwise dealt with in their report or the Financial Statements that has significantly or may significantly affect the operations of the Trust, the results of those operations, or state of the Trust's affairs in future periods.

note 15. segment information

geographical segments

The Trust's investments are all located in Australia.

business segments

The Trust operates solely within the property trust investment sector.

notes to the financial statements (continued)

note 16. reconciliation of net profit/(loss) to net cash inflow from operating activities

	2007 \$'000	2006 \$'000
Profit	15,542	14,157
Net increment on revaluation of investments	(15,593)	(14,312)
Distributions received credited against investments	15,593	14,312
Change in operating assets and liabilities		
(Increase)/decrease in receivables	(256)	584
Increase/(decrease) in payables	(8)	60
Net cash inflow from operating activities	15,278	14,801

note 17. earnings per unit

(a) basic earnings per unit

	2007 cents	2006 cents
Basic earnings per ordinary unit	–	–
Basic earnings per preference unit	761.86	693.97

(b) diluted earnings per unit

	2007 cents	2006 cents
Diluted earnings per ordinary unit	–	–
Diluted earnings per preference unit	761.86	693.97

(c) reconciliation of earnings used in calculating earnings per unit

	2007 \$'000	2006 \$'000
Profit attributable to ordinary unitholders of the Trust used in the calculation of basic and diluted earnings per unit	–	–
Profit attributable to preference unitholders of the Trust used in the calculation of basic and diluted earnings per unit	15,542	14,157
Profit attributable to unitholders in the Trust used in the calculation of basic and diluted earnings per unit	15,542	14,157

(d) weighted average number of units used as a denominator

	2007 Number of units	2006 Number of units
Weighted average number of ordinary units outstanding used in the calculation of basic and diluted earnings per unit	1	1
Weighted average number of preference units outstanding used in the calculation of basic and diluted earnings per unit	2,040,000	2,040,000

directors' declaration

FOR THE YEAR ENDED 30 JUNE 2007

The Directors of DB RREEF Funds Management Limited as Responsible Entity of DB RREEF RENTS Trust declare that the Financial Statements and notes set out on pages 22 to 30:


- i. comply with applicable Australian Equivalents to International Financial Reporting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
- ii. give a true and fair view of the Trust's financial position as at 30 June 2007 and of its performance, as represented by the results of its operations and its cash flows, for the year ended on that date.

In the Directors' opinion:

- a. the Financial Statements and notes are in accordance with the *Corporations Act 2001*;
- b. there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable; and
- c. the Trust has operated in accordance with the provisions of the Constitution dated 27 January 2005 during the year ended 30 June 2007.

The Directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer required by section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of the Directors.



Christopher T Beare

Chair

Sydney

27 August 2007



Independent auditor's report to the unitholders of DB RREEF RENTS Trust

PricewaterhouseCoopers
ABN 52 780 433 757

Darling Park Tower 2
201 Sussex Street
GPO BOX 2650
SYDNEY NSW 1171
DX 77 Sydney
Australia
www.pwc.com/au
Telephone +61 2 8266 0000
Facsimile +61 2 8266 9999

Report on the financial report

We have audited the accompanying financial report of DB RREEF RENTS Trust (the Trust), which comprises the balance sheet as at 30 June 2007, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration for DB RREEF RENTS Trust.

Directors' responsibility for the financial report

The directors of the DB RREEF Funds Management Limited (the Responsible Entity of the Trust) are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

Liability limited by a scheme approved under Professional Standards Legislation



Our procedures include reading the other information in the Annual Report to determine whether it contains any material inconsistencies with the financial report.

For further explanation of an audit, visit our website
<http://www.pwc.com/au/financialstatementaudit>.

Our audit did not involve an analysis of the prudence of business decisions made by directors or management.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

Auditor's opinion on the financial report

In our opinion:

- (a) the financial report of DB RREEF RENTS Trust is in accordance with the *Corporation Act 2001*, including:
 - (i) giving a true and fair view of the Trust's financial position as at 30 June 2007 and of their performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*; and
- (b) the financial statements and notes also comply with International Financial Reporting Standards as disclosed in Note 1.

PricewaterhouseCoopers

JA Dunning
Partner

Sydney
27 August 2007

investor information

DB RREEF RENTS WAS LISTED ON THE AUSTRALIAN STOCK EXCHANGE ON 16 JUNE 2005 (ASX: DRRPA) AND FORMS PART OF THE DB RREEF GROUP

DB RREEF RENTS structure

Real-estate perpetual Exchangeable Step-up Securities are fully paid preference units in DB RREEF RENTS. DB RREEF RENTS are issued by DB RREEF Funds Management Limited as Responsible Entity of the Trust. The monies raised through the issue of DB RREEF RENTS were used to subscribe for preference units in DOT Commercial Trust, a sub-trust of DB RREEF Office Trust which is part of the DB RREEF Trust stapled security. The proceeds of the subscription have been used within DB RREEF Trust to reduce senior debt. DB RREEF RENTS securities are perpetual and have no maturity date.

Investors have the benefit of a subordinated guarantee from DB RREEF Funds Management Limited as the Responsible Entity of DB RREEF Diversified Trust, DB RREEF Industrial Trust, DB RREEF Office Trust and DB RREEF Operations Trust, the four trusts that comprise DB RREEF Trust (each a Guarantor). The Guarantors guarantee, on a subordinated basis, the obligations of the issuer and transferee (upon the exchange of any DB RREEF RENTS) to pay money which becomes due and payable to investors. If a distribution amount is not paid in full, while it is not cumulative, a “distribution stopper” will prevent DB RREEF Funds Management Limited as the Responsible Entity of DB RREEF Trust from paying any distribution or making any return of capital to investors of securities in DB RREEF Trust.

Subject to the direction of DB RREEF Funds Management Limited as the Responsible Entity of DB RREEF Office Trust, DB RREEF Funds Management Limited as issuer of DB RREEF RENTS, may initiate exchange of DB RREEF RENTS into DB RREEF Trust stapled securities or repurchase DB RREEF RENTS for cash on or after the step-up date, being 1 July 2012, or earlier in certain circumstances.

If DB RREEF RENTS are not exchanged or repurchased, the DB RREEF RENTS distribution margin will increase by a once off step-up of two percent per annum (i.e. 3.3 percent per annum) from the step-up date, being 1 July 2012.

DB RREEF RENTS information

Other information required to be disclosed in relation to DB RREEF RENTS Trust and DB RREEF Trust under the continuous disclosure obligations of the ASX Listing Rules may be obtained from the DB RREEF Group's website at www.dbrreef.com

Holders of DB RREEF RENTS are entitled upon request to receive all notices of meetings of the DB RREEF Trust, and all other documents (including annual reports and Financial Statements of the DB RREEF Trust) at the same time or within a reasonable time, as DB RREEF Trust stapled security holders.

If you have any queries in relation to your investment in DB RREEF RENTS, please contact our client service information line on 1800 819 675 or from outside Australia +61 2 8280 7126 or email enquiries.drt@dbrreef.com

Information available on the website includes:

- ASX announcements;
- periodic reports and presentations;
- distribution and tax information;
- corporate governance; and
- research.

security registry

If you have administrative inquiries, such as change of address or the way in which you wish your distributions to be paid, you can contact Link Market Services on the InfoLine 1800 819 675 or update your account details via the website at www.dbrreef.com/rents

enquiries, obtaining information or making a complaint

The group has processes in place to deal with security holder questions and complaints. If you have any questions or complaints, or wish to obtain information regarding the stapled securities, please contact our client service InfoLine on 1800 819 675 or from outside Australia +61 2 8280 7126, or email enquiries.drt@dbrreef.com.

The group is a member of the Financial Industry Complaints Service Limited (FICS). This is an independent dispute resolution service and may be contacted through:

Financial Industry Complaints Service Limited
PO Box 579
Collins Street West
Melbourne VIC 8007

Phone: 1300 780 808
Fax: +61 3 9621 2291

stock exchange listing

DB RREEF RENTS are listed on the ASX and their ticker code is (ASX: DRRPA).

payment of distributions

With respect to your distributions, you can only have your distribution paid directly into your nominated Australian bank, building society or credit union account.

annual tax statement

After the end of a financial year you will receive a tax statement. This statement summarises the distributions paid to you during the year and includes information required to complete your tax return.

unclaimed funds

DB RREEF RENTS has a number of investors who have unclaimed funds. If you believe you have unclaimed funds please contact our Security Registry, Link Market Services on 1800 819 675. Link Market Services will complete a search for you and assist you in recovering your funds for up to a seven year period. For outstanding monies after that time, you should contact the NSW Office of State Revenue on 1300 366 016, email unclaimedmoney@osr.nsw.gov.au or go to their website at www.osr.nsw.gov.au and use their search facility for unclaimed moneys.

tax file number

You are not required by law to provide your tax file number, Australian Business Number or Exemption. However, if you do not provide your TFN, ABN or Exemption, withholding tax at the highest marginal rate, currently 48.5 percent, may be deducted from income distributions paid to you. If you have not supplied this information and wish to do so, please advise the registry or your sponsoring broker.

distribution timetable

The distribution timetable below indicates the anticipated distribution, banking and mailing dates for the year to June 2008. Investors should note that these dates are indicative only and may change.

Distribution period date	Announcement date	Ex-distribution date	Record date	Anticipated distribution date
30 September 2007	19 September 2007	24 September 2007	28 September 2007	16 October 2007
31 December 2007	18 December 2007	21 December 2007	31 December 2007	16 January 2008
31 March 2008	18 March 2008	25 March 2008	31 March 2008	15 April 2008
30 June 2008	19 June 2008	24 June 2008	30 June 2008	15 July 2008

DB RREEF RENTS pays quarterly distributions into each investor's nominated Australian bank account. The distribution rate for DB RREEF RENTS is determined on the first business day of each quarter. Until 1 July 2012, the distribution rate will be equal to the 90 day bank bill rate plus 1.3 percent per annum. The quarterly distributions for the quarter ended 30 June 2007 was paid to investors on 16 July 2007.

top 20 security holders as at 31 August 2007

Rank	Investor	Balance	Percentage of issued capital (%)
1	J P Morgan Nominees Australia Limited	753,750	36.95
2	RBC Dexia Investor Services Australia Nominees Pty Limited <GSENI A/C>	139,720	6.85
3	Pan Australian Nominees Pty Limited	119,732	5.87
4	Cogent Nominees Pty Limited <SMP Accounts>	105,317	5.16
5	ANZ Nominees Limited <Cash Income A/C>	83,358	4.09
6	Citicorp Nominees Pty Limited	69,768	3.42
7	Tynong Pastoral Co Pty Ltd <Tynong Pastoral Unit A/C>	50,000	2.45
8	RBC Dexia Investor Services Australia Nominees Pty Limited <MLCI A/C>	47,609	2.33
9	Goldman Sachs JBWere Capital Markets Ltd <Hybrid Portfolio A/C>	39,045	1.91
10	UBS Wealth Management Australia Nominees Pty Ltd	34,822	1.71
11	HSBC Custody Nominees (Australia) Limited	33,055	1.62
12	Mr John Edward Mytton Barnes	21,238	1.04
13	Australian Executor Trustees Limited <No 1 Account>	20,474	1.00
14	Cogent Nominees Pty Limited	12,500	0.61
15	Ginger Max (Australia) Pty Ltd	12,200	0.60
16	Champames Pty Limited <The James Family A/C>	10,000	0.49
16	Mr Ian Bradley Robertson	10,000	0.49
16	Tolsutra Pty Ltd <The AC Maxwell Family A/C>	10,000	0.49
17	Mr Gary Dean Corby + Mrs Helen Corby	8,000	0.39
18	Ms Danita Rae Lowes	6,515	0.32
Total for top 20 holders		1,587,103	77.79
Total other holders		452,897	22.21
Total all holders		2,040,000	100.00

investor information (continued)

substantial holders as at 31 August 2007

The names of substantial holders, who at 31 August 2007, have notified the Responsible Entity in accordance with Section 671B of the *Corporations Act 2001* are:

Name	Number of stapled securities	Percentage voting (%)
Deutsche Bank Group	135,916	6.66
Challenger Financial Services Group	397,060	19.43
AMP Limited	110,000	5.39

class of securities

DB RREEF RENTS Trust has one class of security trading on the ASX with 1,338 investors holding 2,040,000 securities at 31 August 2007.

spread of securities at 31 August 2007

Range	Investors	Securities	Percentage of issued capital (%)
1 to 1000	1,248	294,760	14.45
1001 to 5000	69	153,039	7.50
5001 to 10000	6	49,613	2.43
10001 to 100000	11	424,069	20.79
100001 and over	4	1,118,519	54.83
Total	1,338	2,040,000	100.00

At 31 August 2007, the number of security investors holding less than a marketable parcel of five securities (\$102,000) is nil and they hold nil securities.

voting rights

In the event that a meeting of DB RREEF RENTS investors is called, each investor has one vote. Voting is conducted by way of a show of hands. On a poll, each investor has one vote for each dollar of the value of the total interests they have in the Trust, for which they are eligible to vote as DB RREEF RENTS investors.

the number and class of securities that are restricted or subject to voluntary escrow

There are no securities that are restricted or subject to voluntary escrow.

on-market buy-back

DB RREEF RENTS Trust has no on-market buy-back currently in place.

DB RREEF RENTS Trust
ARSN 112 705 852

responsible entity

DB RREEF Funds Management Limited
ABN 24 060 920 783

registered office of responsible entity

Level 9, 343 George Street
Sydney NSW 2000

PO Box R1822
Royal Exchange NSW 1225

Phone: +61 2 9017 1100
Fax: +61 2 9017 1101

directors of the responsible entity

Christopher T Beare, Chair
Elizabeth A Alexander AM
Barry R Brownjohn
Stewart F Ewen OAM
Victor P Hoog Antink
Charles B Leitner III (Alternate: Andrew J Fay)
Brian E Scullin

secretaries of the responsible entity

Tanya L Cox
John C Easy

investor enquiries

InfoLine: 1800 819 675
Phone: +61 2 8280 7126
Email: enquiries.drt@dbreef.com
Website: www.dbreef.com/rents

auditors

PricewaterhouseCoopers
Chartered Accountants
201 Sussex Street
Sydney NSW 2000

security registry

Link Market Services Limited
Level 12, 680 George Street
Sydney NSW 2000

Locked Bag A14
Sydney South NSW 2000

Phone: +61 2 8280 7126
Freecall: 1800 819 675
Fax: +61 2 9261 8489

Email: registrars@linkmarketservices.com.au
Website: www.linkmarketservices.com.au

For inquiries regarding your holding you can either contact the Security Registry, or access your holding details via the web at www.dbreef.com/rents and follow the links.

Listed on the Australian Stock Exchange ASX Code: DRRPA.

InfoLine 1800 819 675 Monday to Friday between 8.30am and 5.30pm (Sydney time).



WOOD FIBRE FROM
SUSTAINABLE FORESTS



EMS
ENVIRONMENTAL
MANAGEMENT SYSTEMS



ECO
BLEACHING PROCESS

Consistent with DB RREEF's commitment to sustainability, this report is printed with soy inks on an Australian made paper, manufactured under the highest level of international environmental standards. The paper pulp is Elemental Chlorine Free (ECF) and is sourced from sustainable forests. The principal energy source (92 percent) of the mill is hydroelectric and wind farm and waste from the mill is recycled for compost. The mill is certified under ISO14001 environmental management systems.

www.dbrreef.com/rents

