

AMP Capital Core Property Fund update



Client communication

Dear Investor,

AMP Capital is pleased to announce that the AMP Capital Core Property Fund (the Fund) will move from quarterly to monthly withdrawal terms from 2 October 2009.

Improved liquidity

We introduced quarterly pro-rata withdrawal windows in March 2009 to manage the Fund's asset allocation and liquidity in response to the global financial crisis and the downturn in the listed property sector. This move ensured that all investors had equal access to available cash. Since then, liquidity in the Fund has improved due to a combination of our active management and a rebound in the listed property sector and this has allowed 100% of withdrawal requests to be paid to investors each quarter. The Fund also divested a direct property asset in August which has further enhanced liquidity, with the Fund's allocation now overweight to listed property with around 58% in listed property and 42% in direct property.

As a result, our prudent and active management of the Fund during challenging market conditions has enabled us to move to more frequent withdrawal terms sooner than expected.

Monthly withdrawal terms

As well as providing more frequent access to liquidity, we will now also accept more than one withdrawal request from each investor each month. If we receive more than one withdrawal request from you, we will aggregate and process the total of your withdrawal requests for that month. The cut-off date for receiving withdrawal requests will be 2.00pm on the 15th of each calendar month (or the next business day if the 15th is not a business day) and we aim to pay requests within ten business days after the 15th. To ensure fair access to all investors, withdrawals will still be allocated on a pro-rata basis if there is insufficient cash to fully pay all withdrawals. We believe these changes will benefit investors by allowing more ready access to funds while maintaining measures to prudently manage the Fund's available liquidity and ensure all unit holders are treated equally.

We believe that, going forward, these monthly withdrawals are the most appropriate solution to handle potential market volatility and constrained liquidity.

Benefits of the listed/direct approach

Although both listed and direct property markets have faced challenges, we believe the Fund's approach of combining the two sectors has benefited investors. For example, when listed markets fell last year, the direct property market was still providing double-digit returns. Our exposure to both property asset classes reduced the impact of the underperformance in the listed sector on the total portfolio. Likewise with rising capitalisation rates and weaker direct property values this year,

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retaining exposure to rebounding listed markets has also helped maintain performance. Therefore, we still believe that the combination of listed and direct property offers diversification and reduces portfolio volatility, smoothing investment returns over the five-year investment horizon of the Fund. Importantly, the Fund also allows retail investors to gain exposure to institutional-quality direct property investments and rare assets like regional shopping centres.

Ongoing active management

AMP Capital continues to actively manage the Fund and its liquidity profile. As promised, we reviewed the Fund's withdrawal terms and increased access for investors as soon as the stability of markets allowed. The listed property sector has rebounded strongly since March 2009, while the direct markets are now stabilising in terms of capitalisation rate movements and the space markets are starting to improve. The Fund's direct property investments are in high-quality, well-located properties with strong income streams. These assets have been re-valued on a quarterly basis since October 2008 to better reflect market values, and we plan to continue with quarterly valuations to ensure investors receive fair value. The Fund also benefits from the scale and expertise of the broader AMP Capital group, which has close to 50 years experience investing in and managing high-quality investment-grade properties.

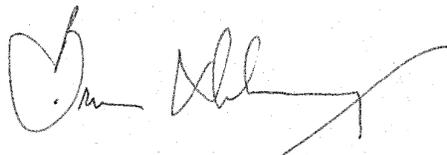
We believe the Fund's blend of listed and direct property investments leaves it well placed to capitalise on market opportunities in both sectors.

Supplementary PDS

A supplementary Product Disclosure Statement (PDS) outlining the changes to the Fund was issued on 2 October 2009. A copy of this supplementary PDS is available on our website www.ampcapital.com.au or by calling Client Services on 1800 658 404.

AMP Capital remains committed to acting in the best interest of investors and we are pleased to be able to increase the frequency of withdrawals. We thank you for your ongoing support. If you have any questions about the Fund, please contact your Account Manager or our Client Services Team on 1800 658 404, between 8.30am and 5.30pm (Sydney time) Monday to Friday.

Yours sincerely,



Brian Delaney
Business Director – Client, Product and Marketing
AMP Capital Investors

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