

Update for **BlackRock Combined Property Income Fund, BlackRock Direct Property Fund and BlackRock Direct Real Estate Fund** Product Disclosure Statements

Issued by BlackRock Investment Management (Australia) Limited ABN 13 006 165 975
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BLACKROCK

Dated 31 August 2009

This notice updates the information contained in the BlackRock Combined Property Income Fund (Aust) (Class C Units) PDS dated 28 April 2008, BlackRock Combined Property Income Fund (Aust) (Class D Units) PDS dated 28 April 2008, BlackRock Direct Property Fund (Aust) (Class C Units) PDS dated 6 June 2006, BlackRock Direct Property Fund (Aust) (Class E Units) Disclosure Document dated 20 October 2005, the BlackRock Direct Real Estate Fund (Class A and B Units) PDS dated 16 May 2007.

Each of the abovementioned funds ('the Funds') invest in the BlackRock Property Trust (Aust) to achieve their investment strategy in direct property and unlisted property securities.

Supplementary Product Disclosure Statements dated 16 July 2009 were issued for the BlackRock Direct Property Fund (Aust) and the BlackRock Direct Real Estate Fund (Aust) (collectively "the Property Funds") as a result of a decision to declare the BlackRock Property Trust (Aust) not liquid (as defined in the Corporations Act) on 16 July 2009.

On the basis that the Property Funds obtain their exposure to direct property and unlisted property trusts through investing in the BlackRock Property Trust (Aust) the view was also formed on 16 July 2009 that the Property Funds were also not liquid (as defined in the Corporations Act). While the Property Funds are not liquid investors are only able to withdraw from the Property Funds if we make a Withdrawal Offer in accordance with the Constitution of the Property Funds and the Corporations Act.

There have been no material changes to the following disclosure principle information as dated in the Funds' Supplementary PDSs dated 28 November 2008.

Gearing/Borrowings

Gearing, also known as borrowing, may be undertaken by the BlackRock Property Trust (Aust) ("Property Trust") for transactional and strategic purposes when we consider it to be in the best interests of unitholders.

The Gearing Ratio is the Property Trust's total interest bearing liabilities divided by the total assets of the Property Trust. A higher gearing ratio means a higher reliance on external liabilities (primarily borrowings) to fund assets.

The Gearing Ratio indicates the potential risks the Property Trust faces in terms of its level of borrowings due to, for

example, an increase in interest rates or a reduction in property values.

The Gearing Ratio for the Property Trust was 30.7% at 30 June 2009.

Scheme Borrowings

The Property Trust implements gearing strategies (ie borrows) for both transactional and strategic purposes. In these circumstances, the Funds will be exposed to interest rate movements on any cash or borrowings the Property Trust holds. Increases in interest rates could have the effect of reducing the availability or increasing the cost of finance for the Property Trust which may impact upon income distributions and the market value of investments held by the Funds. Funding may be raised through various borrowing facilities on commercial terms.

In June 2009, the BlackRock Property Trust (Aust) refinanced and extended its portfolio level debt facility. The Fund previously had a \$200m debt facility with Westpac Banking Corporation, maturing in December 2010. Given the Fund's reduced requirement for debt, the facility has been reduced to \$170m and the maturity extended to June 2012. At 30 June 2009, \$163m of the facility was drawn with \$7m undrawn. To reduce interest rate risk the Property Trust has entered into fixed rate hedging strategies for 25% of the facility.

The repayment of amounts owing to lenders and other creditors of the Property Trust rank in priority to an investor's interest.

Interest Cover

Interest cover refers to the ability of the Property Trust to meet interest obligations on outstanding debt or borrowings. Interest cover is determined by dividing interest payments by income (ie. earnings of the Property Trust before interest and tax). The higher the ratio the better the ability of the Property Trust to meet its interest payments.

At 30 June 2009 the interest cover for the Property Trust was 3.9 times.

Portfolio Diversification

The Funds have exposure to direct property and unlisted property securities through investing in the Property Trust.

The following table contains details of the Property Trust property portfolio as at 30 June 2009. It is not the portfolio of the Funds themselves, but that of the Property Trust into which the Funds invests.

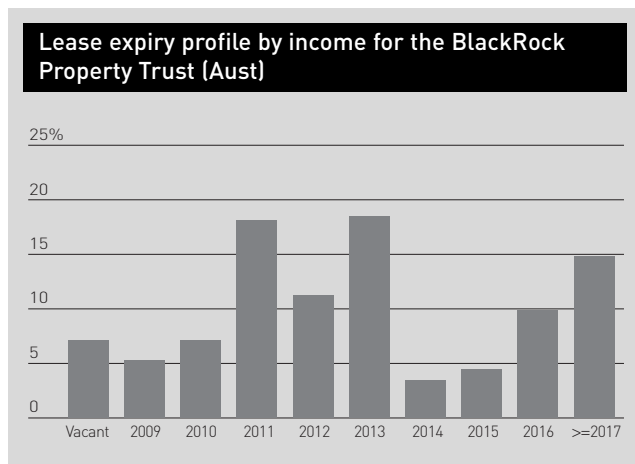
BlackRock Property Trust (Aust) holdings as at 30 June 2009

State	Property	Sector	Valuer	30/6/2009	Cap	Occupancy		Key tenants		
				Valuation	rate	(by area)	(by income)			
				\$m	%	%	%			
DIRECT PROPERTY HOLDINGS										
NSW	Rosemeadow Marketplace	Retail	Savills	13.20	8.75	98	98	Woolworths		
	60 Holbeche Rd, Arndell Park	Industrial	Colliers	19.50	8.50	100	100	DHL		
	166 Epping Rd, Lane Cove	Office	m3	21.90	8.75	89	89	AGB Nielsen, Tyco Healthcare		
	26 Rodborough Rd, Frenchs Forest	Office	KF	8.00	9.25	52	46	NEC		
	708-712 Woodville Rd, East Fairfield	Retail	JLL	7.35	8.50	100	100	Hungry Jacks, Subway		
	107 Pitt St, Sydney	Office	m3	23.90	7.00	78	77	JB Global Investments, NECG		
	7-15 Groves Rd, Bennetts Green	Retail	Savills	7.60	9.00	100	100	Supercheap Auto, BCF, Joyce Mayne		
	10 Barrack St, Sydney	Office	Savills	53.50	7.50	100	100	Credit Corp Group, United Airlines		
VIC	31-33 Maddox St, Alexandria	Industrial	DTZ	50.10	8.00	80	73	Artemodomus		
	12 Lakeside Dve, Burwood East	Office	Savills	17.00	8.50	100	100	VicRoads		
	615 St Kilda Rd, Melbourne	Office	Savills	28.50	8.50	100	100	Tattersalls		
	555 Lonsdale St, Melbourne	Office	Savills	55.30	8.50	96	96	Marsh, Barristers Chambers		
	883 Whitehorse Rd, Box Hill	Office	KF	23.10	8.25	100	100	Department of Human Services		
	87 Chifley Dve, Preston	Industrial	CBRE	7.45	9.50	100	100	Stafford Ellison, Optus, Vodafone		
	41-45 Hydrive Cse, Dandenong	Industrial	CBRE	5.70	9.50	100	100	Carter Holt Harvey		
	76-90 Link Dve, Campbellfield	Industrial	CBRE	9.70	9.00	100	100	Dana		
QLD	289-311 Bayswater Rd, Bayswater	Industrial	CBRE	9.40	8.75	100	100	Clive Peeters		
	35 Robina Town Centre Dve, Robina	Office	LMW	41.00	9.00	100	100	Austar Entertainment		
	50 Raubers Rd, Banyo	Industrial	JLL	11.32	8.60	100	100	Strategic Global Logistics		
	2-20 Shore St, Ormiston	Retail	Savills	6.40	8.75	83	62	Red Rooster, Cheesecake Shop		
	307-311 Ross River Rd, Townsville	Office	JLL	14.50	8.50	100	100	Centrelink		
ACT	369 Ann St, Brisbane	Office	KF	17.00	8.25	49	42	Commonwealth of Aust, Drake		
	34-42 Sheppard St, Hume	Industrial	KF	14.00	9.50	96	94	Allied Pickfords		
Total Direct Property holdings				465.42						
Property				Region	Sector	Value				
				\$m						
UNLISTED PROPERTY INVESTMENTS										
Centro Direct Property Fund		Aus/US	Retail	19.31						
Japara Aged Care & Retirement Fund		Aust	Aged Care	9.12						
Goodman Australia Industrial Fund		Aust	Industrial	40.08						
Macquarie Goodman Hong Kong Logistics Fund		HK	Industrial	21.57						
Retirement Villages Group		Aust/NZ	Retirement	5.11						
Total Unlisted Property Investments				95.19						
CASH				5.50						
OTHER ASSETS				9.20						
Grand Total				575.31						

The following table shows the top 5 tenants in the Property Trust based on the percentage of portfolio income at 30 June 2009.

Top 5 tenants of the BlackRock Property Trust (Aust)		
Property	Tenant	Percentage of portfolio income
35 Robina Town Centre Dve	Austar Entertainment Pty Ltd	8.8%
615 St Kilda Road	Tattersalls	5.5%
883 Whitehorse Road	Minister for Finance	4.9%
555 Lonsdale Street	Marsh Pty Ltd	4.7%
60 Holbeche Road	DHL	4.2%

The following graph shows the lease expiry profile by income for the Property Trust at 30 June 2009.



Valuation Policy

Details of the valuation policy for all properties in the Property Trust remain unchanged at 30 June 2009.

Distribution Practices

Details of the distribution practices for the Funds remain unchanged at 30 June 2009.

Related Party Transactions

Details of the related party transactions for the Funds remain unchanged at 30 June 2009.

Withdrawal Arrangements

Details of the withdrawal arrangements for the Funds remain unchanged at 30 June 2009.

However as previously noted, effective 16 July 2009 the BlackRock Direct Property Fund (Classes C and E Units) and the BlackRock Direct Real Estate Fund (Classes A and B Units) were declared "non-liquid" within the meaning of the Corporations Act. This view has been reached on the basis that BlackRock does not reasonably expect to be able to realise 80% of the assets of the respective Fund within the next 18 months.

Accessing updated information

Updates containing Disclosure Principal Information can be accessed at our website www.blackrockinvestments.com.au/propertyupdates

A paper copy of the Update is available free of charge on request by calling our Client Services Centre on 1300 366 100.