

Update for BlackRock Combined Property Income Fund (Aust), BlackRock Direct Property Fund (Aust) and BlackRock Direct Real Estate Fund (Aust) Product Disclosure Statements

Issued by BlackRock Investment Management (Australia) Limited ABN 13 006 165 975
Australian Financial Services Licence No 230523

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) ("Property Trust") to achieve their investment strategy in direct property and unlisted property securities.

The BlackRock Property Trust (Aust) and each of the above mentioned Funds are currently "non-liquid" (as defined in the Corporations Act 2001).

While the Funds are "non-liquid" investors are only able to withdraw from the Funds if we make a Withdrawal Offer in accordance with the Constitution of the Funds and the Corporations Act.

There have been no material changes to the following disclosure principle information since the previous PDS Update.

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 28% at 31 December 2010.

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.

The Property Trust currently has a portfolio level debt facility of \$170m with Westpac Banking Corporation, maturing in June 2012. At 31 December 2010, \$138.5m of the facility was drawn with \$31.5m undrawn.

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 31 December 2010 the interest cover for the Property Trust was 3.4 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 31 December 2010. 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 31 December 2010

Property	Sector	Valuer	31/12/2010 Valuation (\$m)	Cap rate (%)	Occupancy		Key tenants
					By area (%)	By income (%)	
DIRECT PROPERTY HOLDINGS							
New South Wales							
60 Holbeche Rd, Arndell Park	Industrial	DTZ	19.60	9.00	100	100	DHL
166 Epping Rd, Lane Cove	Office	DTZ	22.00	8.75	90	87	AGB Nielsen, Tyco Healthcare
26 Rodborough Rd, Frenchs Forest	Office	m3	6.70	10.00	60	56	NEC
708-712 Woodville Rd, East Fairfield	Retail	KF	6.80	8.61	100	100	Hungry Jacks, Subway
107 Pitt St, Sydney	Office	KF	21.25	7.50	89	88	JB Global Investments
7-15 Groves Rd, Bennetts Green	Retail	DTZ	7.65	9.00	100	100	Supercheap Auto, BCF, Joyce Mayne
10 Barrack St, Sydney	Office	DTZ	57.35	7.50	100	100	Credit Corp Group, United Airlines
31-33 Maddox St, Alexandria	Industrial	JLL	50.85	8.00	91	92	Artemodomus
Victoria							
12 Lakeside Dve, Burwood East	Office	DTZ	17.50	8.25	100	100	VicRoads
615 St Kilda Rd, Melbourne	Office	DTZ	27.00	9.25	100	100	Tattersalls
555 Lonsdale St, Melbourne	Office	JLL	59.00	8.00	100	100	Marsh, Monash University
41-45 Hydrive Cse, Dandenong	Industrial	m3	6.50	8.50	100	100	Carter Holt Harvey
76-90 Link Dve, Campbellfield	Industrial	m3	10.80	8.25	100	100	Dana
Queensland							
35 Robina Town Centre Dve, Robina	Office	JLL	40.50	8.75	100	100	Austar
50 Raubers Rd, Banyo	Industrial	m3	11.10	9.50	85	81	Strategic Global Logistics
2-20 Shore St, Ormiston	Retail	DTZ	7.10	8.50	92	86	Red Rooster, Cheesecake Shop
307-311 Ross River Rd, Townsville	Office	DTZ	14.60	8.50	100	100	Centrelink
369 Ann St, Brisbane	Office	DTZ	18.00	8.50	89	88	Bucyrus, Toll Holdings
Australian Capital Territory							
34-42 Sheppard St, Hume	Industrial	Colliers	13.50	10.00	86	87	Allied Pickfords
TOTAL DIRECT PROPERTY HOLDINGS			417.80				

	Region	Sector	Value (\$m)
UNLISTED PROPERTY INVESTMENTS			
Centro Direct Property Fund	Aus/US	Retail	19.83
Japara Aged Care & Retirement Fund	Aust	Aged Care	9.69
Goodman Australia Industrial Fund	Aust	Industrial	37.53
Retirement Villages Group	Aust/NZ	Retirement	4.99
TOTAL UNLISTED PROPERTY INVESTMENTS			72.04
Cash			29.29
Other assets			2.69
GRAND TOTAL			521.82

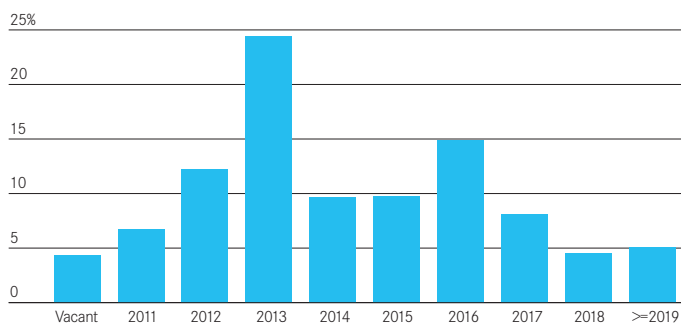
The following table shows the top 5 tenants in the Property Trust based on the percentage of portfolio income at 31 December 2010.

Top 5 tenants of the BlackRock Property Trust (Aust)

Property	Tenant	Percentage of portfolio income
35 Robina Town Centre Dve	Austar Entertainment Pty Ltd	9.5%
615 St Kilda Rd	Tattersalls	5.6%
555 Lonsdale St	Marsh Pty Ltd	5.0%
60 Holbeche Rd	DHL	4.4%
Tally Ho Business Park	VicRoads	3.7%

The following graph shows the lease expiry profile by income for the Property Trust at 31 December 2010.

Lease expiry profile by income for the BlackRock Property Trust (Aust)



Valuation Policy

Details of the valuation policy for all properties in the Property Trust remain unchanged at 31 December 2010.

Distribution Practices

Details of the distribution practices for the Funds remain unchanged at 31 December 2010.

Related Party Transactions

Details of the related party transactions for the Funds remain unchanged at 31 December 2010.

Withdrawal Arrangements

Details of the withdrawal arrangements for the Funds remain unchanged at 31 December 2010.

As previously noted, each of the Funds are currently “non-liquid” within the meaning of the Corporations Act. While the Funds are “non-liquid” investors are only able to withdraw from the Funds if we make a Withdrawal Offer in accordance with the Constitution of the relevant Funds and the Corporations Act.

Accessing updated information

A paper copy of the Update is available free of charge on request by calling our Client Services Centre on 1300 366 100 or can be accessed at our website www.blackrockinvestments.com.au/Advisers/FundCentre/ProductInformation/index.htm

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