

Performance (Distribution Reinvested)

	1 m	3m	6m
Hi Q	-7.0%	-25.4%	-27.0%
S&P/ASX 300 Prop Accum	-5.6%	-24.5%	-28.0%

Funds Under Management

Hi Q	\$21,104,282	100.0%
LPT Index	\$0	0.0%
LPT Active	\$5,146,756	24.4%
Unlisted Property	\$6,011,072	28.5%
Financial Structures	\$4,946,454	23.4%
Cash	\$5,000,000	23.7%

Fund Debt

Amount	\$782,405
LVR	3.7%

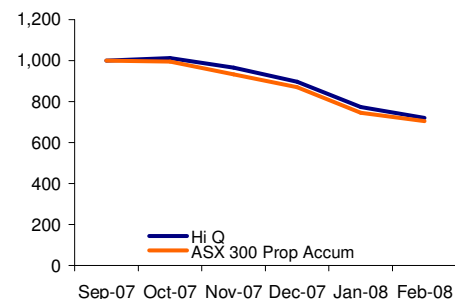
Distribution Yield

	Hi Q	S&P/ASX 300 Prop Accum
30-Jun-07	10.63%	6.00%
30-Sep-07	10.63%	5.70%
31-Dec-07	10.63%	6.10%

Fund Overview

- The S&P / ASX 300 Property Accumulation Index fell 5.6% during February and Hi Q -7.0%. With the ongoing correction in share market LPT valuations, there are a number of emerging value opportunities when compared with underlying asset values. The sector is now offering a yield of 7.5% against 6.0%, six months ago.
- Value opportunities lie in high quality LPTs, which like the sector as a whole, have been affected by market volatility. Over the course of the last three months, we have reduced our exposure to LPT's that have significant offshore assets and switched into domestic LPTs with high quality assets and strong lease covenants.
- The top three outperformers, in the LPT sector, were Tishman Speyer Office (TSO), Dexus Property Group (DXS) (formerly DBREEF) and Australand Property Group (ALZ). The three Rubicon trusts (RJT, RAT, REU) were the worst performers in the sector, falling in excess of 55%.

Monthly Performance (rebased 1000 = Sep-07)



Top 5 LPT Positions (% of Hi Q portfolio)

ING Real Estate Community Living Group	2.5%
Multiplex Acumen Property Fund	2.2%
MacarthurCook Property Securities Fund	2.2%
Australian Education Trust	1.7%
GPT Group	1.3%

Unlisted Property (% of Hi Q portfolio)

Orchard Essential Healthcare	7.5%
Tankstream Property Investments Fund	9.4%
REED Property Trust	11.6%

Financial Structures Portfolio (% of Hi Q)

	Barrier	Yield	Kick-In	Value	% Hi Q
WOKI 1 - MCW, DRT, MGR	83.0%	15.3%	Yes	\$ 1,538,896	7.3%
WOKI 2 - WDC, GPT, SGP, MCW, MOF	83.0%	16.8%	Yes	\$ 1,942,979	9.2%
WOKI 3 - WDC, GPT, SGP, CFX, MOF	80.0%	15.5%	Yes	\$ 1,464,579	6.9%

Cash Distribution (cpu)

Annual Forecast	10.63
March Forecast Distribution (1 Jan to 31 Mar)	2.6575

- Hi Q is yet to apply its large reserves preferring instead to wait until at least there is better market clarity and lower volatility. This is an extremely beneficial position to be in as it provides the best opportunity to grow unit holder value.
- Hi Q's distribution forecast is unchanged at 10.63cpu. The March distribution of 2.675cpu will be paid in the first week of April.
- We have again provided a monthly supplement with this monthly edition, which has been sent earlier to you. We are conscious of the nervousness caused by declining investments and are therefore keen to keep you up to date with the market and also inform you as to what we are doing to reduce the impact to our funds.
- We continue to invite all investors to contact us on 1800 648 328 with any queries or concerns.

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