

## BRANDEAUX SAILS INTO 2008 WITH CONFIDENCE

- Funds performing at the top of their target range
- Investor demand strongest yet
- New purchase of £60M Central London student accommodation
- Positive outlook for continuing strong performance

### Kay Brandeaux, Chairman, says:

“We have sailed into 2008 with all funds performing at the top of their targets, and with our strongest investor demand yet. We completed a £60M purchase of our second major London student residence during the first week of January. This 353 bed purpose built accommodation gives Brandeaux a significant presence in London and provides further capacity to meet our very strong investor demand.”

### Roger Boyland, Chief Executive, says:

“The stress that other sectors of the UK property market are experiencing is not affecting the Brandeaux portfolios, and we do not expect it to. The strength of Brandeaux lies in the non-correlation of its ground rent, reversionary and student housing portfolios to the current troubled commercial property markets.

The student portfolio is performing well. Rents for the 2008/09 year were set during December and early January, and rental increases meet our targets. Student demand for Brandeaux housing is strong and we expect 2008/09 to show the same 98%+ occupancy rate as for 2007/08.

The ground rent and reversionary portfolios continue to perform strongly and our outlook remains strongly positive that they will continue to deliver returns in the same range as they have for the past 12 years since inception in 1996!”

FUND	12 MONTHS RETURN TO 31/12/07
GROUND RENT INCOME FUND	11.58%
GROUND RENT PORTFOLIO	10.66%
GROUND RENT PORTFOLIO PLUS	10.97%
BRANDEAUX STUDENT ACCOMMODATION FUND	10.61%
STUDENT SUCCESS	10.81%
BRANDEAUX STERLING FUND	11.03%
BRANDEAUX US DOLLAR FUND	12.21%
BRANDEAUX EURO FUND	7.87%

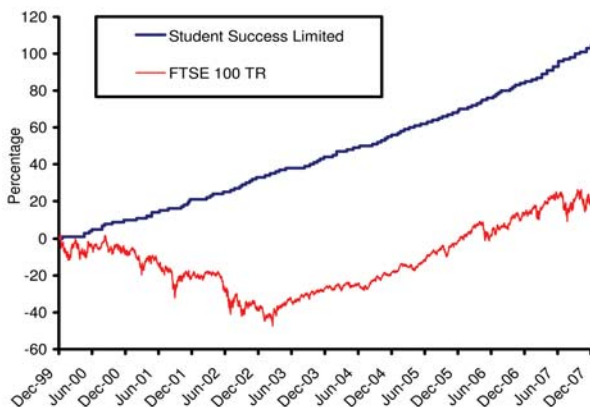


Liberty House, London - Brandaux's latest acquisition, located adjacent to the main City University campus.

### STUDENT SUCCESS FUND

**Total Return\***  
Latest 12 Months  
**+10.81%**

**Total Return\***  
3 Years  
**+31.41%**

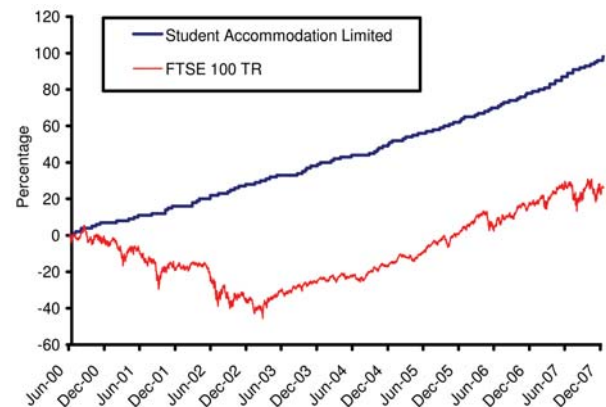


\*Total Return to 31/12/07 - Source: Lipper Hindsight

### BRANDEAUX STUDENT ACCOMMODATION FUND

**Total Return\***  
Latest 12 Months  
**+10.61%**

**Total Return\***  
3 Years  
**+31.13%**



\*Total Return to 31/12/07 - Source: Lipper Hindsight

## FUND INFORMATION

If you wish to print this Newsletter or any of our Fund Fact Sheets please visit our website [www.brandeaux.com](http://www.brandeaux.com). The password is "investor". The Fact Sheets and Newsletters can be found under "Fact Sheets, Newsletters & Press". Hard copies are available by request.

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