

Simplified Prospectus
for the
Real Invest Europe
Public Real Estate Fund

ISIN Code:
AT0000**A001N3** (A)
AT0000**A001P8** (T)
AT0000**A04KN9** (VT)

Approved by the Austrian Financial Markets Supervisory Agency in accordance with the conditions of the Austrian Real Estate Investment Fund Act (Immobilien-Investmentfondsgesetzes (ImmoInvFG))

1. Short description of real estate fund

1.1. Date of establishment of real estate fund

The real estate fund was first established on 26.02.2007. The first share values will be determined on 30.03.2007. It is an open-ended real estate fund share as defined in the Austrian Real Estate Fund Act. The real estate funds are issued for an indefinite period.

1.2. Information on the administrating capital investment company

Real Invest Europe is administrated by the Bank Austria Creditanstalt Real Invest Immobilien-Kapitalanlage GmbH, Vordere Zollamtsstraße 13, 1030 Vienna.

Established: 12.12.2002, licence granted in accordance with § 1 para. 1 no. 13a BWG with decision of the Austrian Financial Markets Supervisory Agency in 13.11.2003 GZ 25 1100/01- FMA - I/2/03.

The Bank Austria Creditanstalt Real Invest Immobilien-Kapitalanlage GmbH is a real estate investment company as defined in ImmoInvFG and is registered in the Company Register at the Commercial Court under the company register number FN 229661m.

The Bank Austria Creditanstalt Real Invest Immobilien-Kapitalanlage GmbH has not delegated any activities to third parties.

1.3. Depositary bank

Bank Austria Creditanstalt AG, Vordere Zollamtsstraße 13, A 1030 Vienna

1.4. Annual auditor

Deloitte Wirtschaftsprüfungs GmbH, Auditing and Tax Advice, Renngasse 1 / Freyung, 1010 Vienna

1.5. The financial group offering the real estate fund

The remit, presentation, and contact points for **Real Invest Europe** are the Bank Austria Creditanstalt AG, Vordere Zollamtsstraße 13, 1030 Vienna, all their branches, and other outlets in Austria.

Note:

This English text is a translation of the original German text and is provided für your convenience only. In the event of any dispute the German text shall prevail.

2. Investment information

2.1. Investment goals

Real Invest Europe is an open-end mutual fund which aims to build up a Europe-wide real estate investment portfolio featuring different profit profiles with a broad distribution. The distribution of real estate is also defined by the Austrian Real Estate Investment Fund Act: the real estate fund must hold at least 10 properties within 4 years from its initial issue.

2.2. Investment strategy

In addition to the Central, East, and South-East European countries (CEE and SEE countries), the initial phase includes investment in Germany. In the mid to long-term, expansion of activities to other Western European countries is also planned, although this is dependent on market developments. The main criterion for the selection of target markets and investment locations is the profit or rental potential of each real estate market.

The fund follows a conservative investment policy in the "Core" investment style. The portfolio will invest in objects with different risks in the areas of Core Real Estate and Core+ Real Estate.

The investment focus of the open-end real estate fund is commercial real estate (offices and retail). Apartments (in Western Europe only) and logistics are included optionally in special situations.

No guarantee can be made that the aims of the investment policy will be achieved.

2.3. Assessment of risk profile

"Share certificates in Austrian real estate funds are securities that certify the rights of the share holders to the assets of the real estate fund. Real estate funds invest the capital made available to them by the shareholders based on the principle of risk distribution, in particular in land, buildings, and separate construction projects and also hold liquid financial assets (liquidity assets), for example, securities and bank deposits. The liquidity assets are used to guarantee the payment obligations due from the real estate fund (for example, for the acquisition of real estate).

The income from the real estate fund consists of an annual dividend payout (for distributing funds, not for retained funds) and the growth in expected income of the fund, and cannot be determined in advance. The growth in value of the real estate fund is dependent on the investment policy defined in the fund conditions, the market growth, the real estate held in the fund, and other assets within the fund (securities, bank deposits). The historical growth in the value of a real estate fund is not an indicator of future growth. The real estate fund is exposed to an earnings risk from possible unoccupied objects. In particular, there could be problems of initial letting if the real estate fund is managing its own construction projects. Unoccupancies can have correspondingly negative effects on the value of the real estate fund and lead to reduced dividend payouts. The investment in real estate funds can also lead to a reduction in applied capital.

Real estate funds invest liquid assets in other forms of investment, for example, interest-bearing securities, and also make bank deposits. These elements of the fund assets are subject to specific risks that are particular to the selected investment form. If real estate funds invest in foreign projects outside of the euro currency region, the share holders are also subject to currency risks, as the market and net value of a foreign object must be converted into euro for each calculation of the share issue price and share redemption price.

Share certificates can normally be returned at any time at the redemption price. Note that restrictions may apply for the redemption of share certificates for real estate funds. In exceptional circumstances, redemption may be temporarily suspended until the sale of the assets of the real estate fund and the receipt of the proceeds of sale. The fund conditions can also stipulate that if large numbers of share certificates are returned, the redemption can also be suspended for a longer period of one to two years. In this case, the payout of the redemption price is not possible during this period. Real estate funds are typically categorized as long-term investment products."

For a detailed description of the individual risks connected to investment in this real estate fund, as well as the counter measures, see the complete sales brochure.

Market risk	The risk that the whole market for an asset class has negative growth and that this negatively affects the price and value of these investments.
Credit risk	The risk that an issuer or counterparty cannot meet their obligations.
Fulfilment risk	The risk that a transaction within a transfer system will not proceed as expected because a counterparty does not pay or deliver on time or as expected.
Solvency risk	The risk that rental incomes are not paid on time or at the agreed amount or over the agreed period.
Risk of unoccupancy	The risk of unoccupied real estate.
Liquidity risk	The risk that an item cannot be dissolved at the right time and at a fair price.
Exchange rate and currency risk	The risk that the value of the investment is influenced by changed to the exchange rate.
Custody risk	The risk of loss of asset objects that are held in a deposit account due to insolvency, negligence, or fraudulent trading.
Correlation risk	Risks that are caused by a concentration of particular investments, branches, regions, or markets.
Value retention risk	The risk that unforeseen or higher expenses are necessary for the property value retention (for example, repair of damage from elementary events, from construction deficiencies, or from inherited pollution).
Performance risk	The performance risk, as well as information on it, whether third-party guarantees exist, and whether such guarantees are restricted.
Warrantor risk	Information on the performance of warrantors.
Inflation risk	Investment earnings can be negatively influenced by changes to inflation.
Change risk	The risk of changing framework conditions, for example, tax regulations.

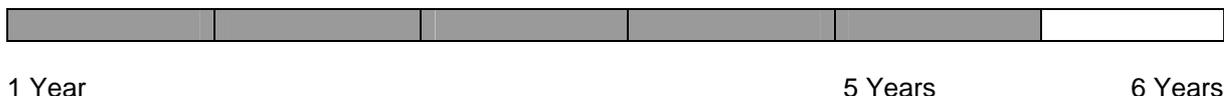
2.4. Previous change in value of real estate fund

The real estate fund was set up on 30.03.2007 (first share value) after the start of the offering period on 26.02.2007 for an unspecified period. Therefore, there are not currently any comparison figures on the previous change in value of the real estate fund.

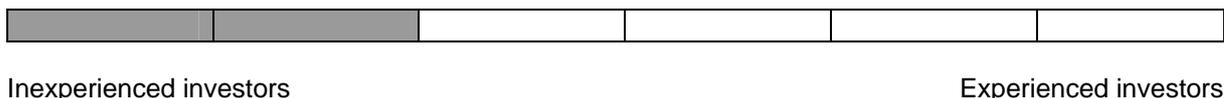
Note: Published data on the past changes in value has no influence of the future potential of the real estate fund.

2.4. Profile of typical investor

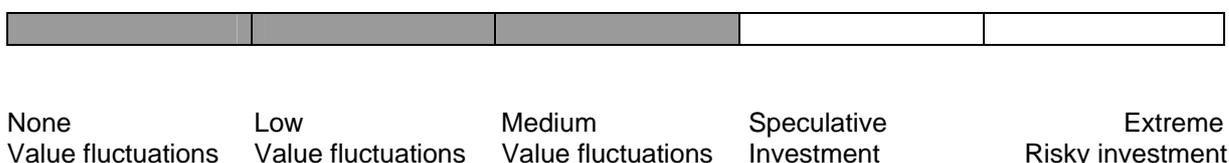
Recommended minimum term



Experience of investor



Risk tolerance of investors



3. Economic information

3.1. Valid tax regulations

The distributable profits of the real estate fund consist of the management profits (basically, the rental income reduced by a maintenance fund of 20% of the rental income), the revaluation surpluses (value increase of real estate after sale or valuation), and the securities and liquidity profits (profits from interest and regular earnings from the investment of liquid funds).

From the revaluation surpluses for domestic real estate, only 80% is included in the tax basis, 20% is tax-free. Share profits from the sale of liquid assets (for example, the sale of security notes) are also tax-exempt.

From a tax perspective, the share holders are treated as "co-owners" so that the profits of the real estate fund are imputed to them. No real estate acquisition tax is due on the purchase or reimbursement of shares in real estate funds. The taxation basis represents the distributed or distribution-equivalent profits. If a dividend is not paid, the real estate fund must at least pay out the capital gains tax.

If the double taxation agreement (DBA) between the Republic of Austria and the country in which the real estate is located applies the tax law to the country of the real estate, profits from foreign real estate are excluded from taxation in Austria. If the DBA applies the credit method, the profits from foreign real estate are subject to taxation in Austria, however, the foreign taxes can be credited to the Austrian tax.

Therefore, this may result in tax liabilities in the foreign country. In exceptional cases, if the applicable taxes accrued by the shareholder cannot be cleared by the real estate capital investment company to the account of the fund value, these accrued taxes must be paid by the respective shareholder. The capital investment company will inform of this if applicable.

In the event of death, there is an inheritance tax liability for the domestic real estate held in the fund. With regard to foreign real estate held by the fund, the double taxation agreement completed by Austria is applied for purposes of income tax and inheritance.

Specific details on the taxation of the earnings of the real estate fund are published in the annual Statement of Earnings.

For a detailed illustration of the tax treatment for private and commercial investors, see the complete sales brochure.

However, there is no guarantee that the tax assessment will not change due to a change in law, jurisdiction, or financial administration decrees. Investors and shareholders should clarify their particular tax situation with their tax advisor.

3.2. Costs incurred by the shareholder

The issue and redemption of shares by the depositary bank with the calculation of an issue premium for the issue of share certificates.

The issue premium to cover the issue costs incurred by the company is up to 4%. The current issue premium is 3.5%.

The redemption takes place without charging additional costs based on the share value.

If additional charges are due to individual investors for the acquisition and return of share certificates, this is dependent on the individual agreements of the investors with the respective account-holding credit institute and cannot be influenced by the real estate capital investment company.

The real estate capital investment company receives an annual remuneration for the administration activities of up to 2% of the fund value. This is calculated proportionally using the month end value. This is currently 1.5%.

The administration charges also cover sales costs and manager services.

In addition to the aforementioned payments, real estate funds can also charge separately for costs that arise in connection with the administration of the fund and its assets as well as their purchase, sales, and financing. For a detailed illustration, see the comprehensive sales brochure.

3.3. Total Expense Ratio (TER)

Since the first share value for Real Invest Europe was calculated on 30.03.2007, there is currently no base to calculate the TER.

The Total Expense Ratio includes all costs charged to the real estate fund with exception of the transaction costs and comparable costs and is calculated using the figures from the last verified Statement of Earnings.

For more detailed information on the future calculation of the TER, see the Appendix.

4. Information pertaining to trading

4.1. Type and method for purchasing shares

The number of shares issues and the corresponding share certificates is, in principle, unrestricted. The investor is not entitled to the issue of individual share certificates. The shares can be purchased at the appointed payment and remit offices listed in point 1.5. The real estate capital investment company reserves the right to discontinue the share issue either temporarily or completely.

Real Invest Europe can also be purchased in a security plan.

4.2. Type and method for selling shares

The shareholders can request the redemption of the shares at any time by submitting a redemption request. The real estate investment fund is obliged to return the shares to the funds account at the current valid redemption price based on the value of a share.

The payment of the redemption price and the calculation and publishing of the redemption price can be temporarily suspended and linked to the sale of the assets of the real estate fund and the receipt of the proceeds of sale if the Austrian Financial Markets Supervisory Agency is notified at the same time. This is only possible in exceptional circumstances if it appears necessary for the legitimate interests of the shareholder.

4.3. Publishing the share price

The issue and redemption price is calculated daily by the depositary bank and published in the „Investmentbeilage zum Kursblatt der Wiener Zeitung“ (*Investment Supplement to the Quotation List for the Viennese Stock Exchange*) and can also be found on the Homepage under www.realinvest.at.

5. Additional Information

5.1. Requesting the complete sales brochure and Annual and Half-Year Reports

The complete sales brochure, the fund conditions, the Statement of Earnings, and the Half-Year Report can be obtained from the Bank Austria Creditanstalt Real Invest Immobilien- Kapitalanlage GmbH. It is made available free of charge to investors on request, and can also be downloaded from the Homepage under www.realinvest.at. These documents are also available at the Bank Austria Creditanstalt AG.

5.2. Appropriate Supervisory Authority

Finanzmarktaufsicht (*Austrian Financial Markets Supervisory Agency*), Praterstraße 23, 1020 Vienna.

5.3. Information on a contact point where additional information can be obtained if required

Bank Austria Creditanstalt Real Invest Immobilien-Kapitalanlage GmbH, Vordere Zollamtsstraße 13, 1030 Vienna; Tel.: ++43/1/331 71-0; Homepage: www.realinvest.at, e-mail: service@realinvest.at

5.4. Publication date for complete sales brochure

The first announcement on 20.02.2007 will be published in the Wiener Zeitung and will also be available on the homepage of the Bank Austria Creditanstalt Real Invest Immobilien-Kapitalanlage GmbH under www.realinvest.at.

Vienna, 20th February 2007

Bank Austria Creditanstalt Real Invest Immobilien-Kapitalanlage GmbH

The Management

Dr. Kurt Buchmann

Harald Kopertz

Appendix for Total Expense Ratio (TER)

TER formula (different from security funds in accordance with BVI method)

$$\frac{\text{Total costs} * 100}{\text{Average fund value}}$$

1. Included / excluded cost items

1.1. The total costs include all costs that relate to fund-specific administration and which are deducted from the value of the real estate fund. They are taken from the Statement of Earnings on a pre-tax basis (gross cost amount):

1.2. They include all statutory expenses for the real estate fund irrespective of the calculation basis (for example, where permitted, flat fees, asset-based, transaction-based...), for example:

- Administration charges including portfolio provision and external management
- Depositary bank charges
- Auditing costs

1.2.1. The following are not included:

- Transaction costs, for example, real estate agent charges and related taxes and fees, as well as the influence of the transaction on the market under consideration of the fees to the estate agent and the liquidity of the investment in question
- Credit interest
- Payments for derivative instruments
- Issue/redemption premiums or other fees paid directly by the investor
- Soft Commissions
- Property-specific costs and costs relating to the property companies.

2. Calculation methods:

The TER must be calculated on the basis of the NAV. The calculation of the net capital is based on the calculated net asset values, for example, the daily net asset values for the daily calculation: Situations or events that could lead to misleading figures are taken into account. Tax breaks are not taken into account.

3. Fee-Sharing Agreements and Soft Commissions:

Fees relating to Fee-Sharing Agreements that are not included in the TER mean that the real estate capital investment company (or a third party) receives costs either partly or fully paid that should usually be included in the TER. These costs should therefore be included in the calculation of the TER by adding any payments to the administration company (or a third party) that are based on such Fee Sharing Agreements to the total costs.

Costs relating to Fee Sharing Agreements that have already been included in the TER are not further considered. Soft Commissions are also not considered.

4. Performance Fees:

Performance Fees must be included in the TER and also listed separately as a percentage of the average NAV.