

Rubicon rises above sub-prime undertow

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Results

GORDON Fell's Rubicon America Trust, which yesterday reported a 6 per cent increase in distributions a unit, said it had no exposure to the US sub-prime residential sector.

RAT's commercial real estate loan portfolio of 48 loans, valued at \$US308.9 million (\$360.4 million), is secured against 176 commercial properties valued at \$US3.3 billion.

The properties are located throughout the US and include office, industrial, retail and multi-family properties.

Rubicon general manager Gordon Fell said a review of the portfolio had been conducted in the course of preparing half-yearly accounts, released yester-

day. Mr Fell said it had been determined there was no impairment in the value of the portfolio.

"Each loan in the portfolio continues to perform and the key debt and real estate parameters remain robust," he said.

RAT reported distribution per unit increased from 5.38c to 5.69c for the half-year with a 37 per cent profit lift from \$16.9 million to \$23.1 million.

With the fund fully hedged against currency movements, net tangible assets a unit lifted 4 per cent from \$1.11 to \$1.15.

Income was up 143 per cent from \$US22.9 million to \$US55.8, while the value of assets increased an impressive 220 per cent, from \$US1.75 billion to \$US2.1 billion.

RAT closed up 3.5c to \$1.04.