



(Constituted in the Republic of Singapore pursuant to a trust deed dated 19 January 2006)

NOTICE OF BOOKS CLOSURE AND DISTRIBUTION PAYMENT DATE

NOTICE IS HEREBY GIVEN THAT the Transfer Books and Register of Unitholders of Ascott Residence Trust (“**ART**”) will be closed on **1 August 2006 at 5.00 p.m.** (the “**Books Closure Date**”) to determine Unitholders’ entitlements to ART’s distributable income of 1.71 cents per unit in ART (“**Unit**”) for the period ended 30 June 2006 (the “**Distribution**”), comprising the following components:

- (a) taxable income component of 0.49 cents;
- (b) tax-exempt income component of 0.62 cents; and
- (c) capital component of 0.60 cents.

Unitholders whose securities accounts with The Central Depository (Pte) Limited are credited with Units as at the Books Closure Date will be entitled to the distribution to be paid on 28 August 2006.

ART is committed to distribute 100% of its taxable income and Net Overseas Income available for distribution to Unitholders for the period from its listing date, i.e. 31 March 2006, to 30 June 2006. The annualised DPU for the said period is 6.8 cents.

DECLARATION FOR SINGAPORE TAX PURPOSES

The tax-exempt component of the distribution is exempt from tax in the hands of all Unitholders. No tax will be deducted at source from this component.

The capital component of the distribution is treated as a return of capital for tax purposes.

The following section describes the circumstances in which tax will or will not be deducted from the taxable income component of the distribution and the term “distribution” used therein refers to this component.

Individuals

Unitholders who are individuals and who hold Units in their sole names or jointly with other individuals are not required to submit any forms and will receive the taxable income component without tax deduction at source, i.e. a gross distribution. The distribution received by individuals (whether Singapore tax resident or not) is exempt from tax if it is not derived through a partnership in Singapore or from the carrying on of a trade, business or profession.

In relation to the preferential offering by The Ascott Group Limited of units in Ascott Residence Trust, J.P. Morgan (S.E.A.) Limited acted as the Joint Financial Advisor, Sole Global Coordinator and Sole Lead Underwriter.

Qualifying Unitholders

Qualifying Unitholders (which term, for the avoidance of doubt, does not include individuals) will receive a gross distribution, but will have to pay income tax subsequently at their own applicable tax rates. Such Unitholders must complete a prescribed form to declare their Singapore tax residence status - the "Declaration for Singapore Tax Purposes Form" ("**Form A**"). They will receive Form A from ART's Unit Registrar, Lim Associates (Pte) Ltd, and will have to complete and return Form A to Lim Associates (Pte) Ltd. If a Qualifying Unitholder fails to return Form A or fails to properly complete the Form, ART's trustee and manager will be obliged to deduct tax at the rate of 20% from the distribution to such Qualifying Unitholder.

Qualifying Unitholders include Singapore incorporated and tax-resident companies. The complete list of Qualifying Unitholders will be shown on Form A.

CPF/SRS Funds

Unitholders who have purchased their Units using moneys from their Central Provident Fund accounts or Supplementary Retirement Scheme accounts will receive a gross distribution which is tax-exempt. There is no need for such Unitholders to fill up any forms.

Foreign (non-individual) Unitholders

Foreign (non-individual) Unitholders who meet certain conditions will receive their Distribution net of 10% tax. Such Unitholders must complete Form A to declare their status in relation to these conditions. They will receive Form A from Lim Associates (Pte) Ltd and will have to complete and return Form A to Lim Associates (Pte) Ltd. ART's trustee and manager will be obliged to deduct tax at the rate of 20% from the distribution if Form A is not returned within the stipulated time limit or is not properly completed.

Nominee Unitholders

Nominees who hold their Units for the benefit of individuals and Qualifying Unitholders will receive a gross distribution. Nominees who hold their Units for the benefit of qualifying foreign (non-individual) investors will receive a distribution net of 10% tax. This is provided the nominees furnish certain particulars of the beneficiaries to the trustee and manager. These particulars are to be provided together with a declaration by the nominees of the status of the beneficiaries.

Nominees will receive the Declaration by Depository Agents for Singapore Tax Purposes Form ("**Form B**") from Lim Associates (Pte) Ltd and will have to complete and return the Form to Lim Associates (Pte) Ltd. ART's trustee and manager will be obliged to deduct tax at the rate of 20% from the distribution if the Form is not returned within the stipulated time limit or is not properly completed.

Joint Unitholders and All Other Unitholders

Unitholders who hold their Units jointly (other than those held jointly by individuals) as well as Unitholders who do not fall within the categories described above will receive their distribution net of 20% tax. These Unitholders do not need to return any forms.

Last Date and Time for Return of the Forms

Lim Associates (Pte) Ltd will despatch the relevant forms to Unitholders on or around 4 August 2006.

Unitholders must complete and return the applicable form to Lim Associates (Pte) Ltd's office by 15 August 2006 at 5.00 p.m. in order to receive a gross distribution or a distribution net of 10% tax, as the case may be.

DECLARATION IN INCOME TAX RETURN

The distribution is considered as income for the year 2006. Beneficial owners of the distribution, other than those who are exempt from tax on the distribution or who are entitled to the reduced tax rate of 10%, are required to declare the gross amount of the distribution as taxable income in their income tax return for the year of assessment 2007.

IMPORTANT DATES AND TIMES

Date / Deadline	Event
1 August 2006 at 5.00 p.m.	Closing of the Transfer Books and Register of Unitholders of ART
By 15 August 2006 at 5.00 p.m.	Unitholders including depository agents must complete and return Form A or Form B, as applicable
28 August 2006	Payment of Distribution

BY ORDER OF THE BOARD

Ascott Residence Trust Management Limited
(Company registration no. 200516209Z)
As manager of Ascott Residence Trust

Doreen Nah
Company Secretary
Singapore
24 July 2006

Important Notice

The value of Units and the income from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, Ascott Residence Trust Management Limited (the manager of ART) (the "**Manager**") or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors have no right to request the Manager to redeem their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

The past performance of ART is not necessarily indicative of the future performance of ART.