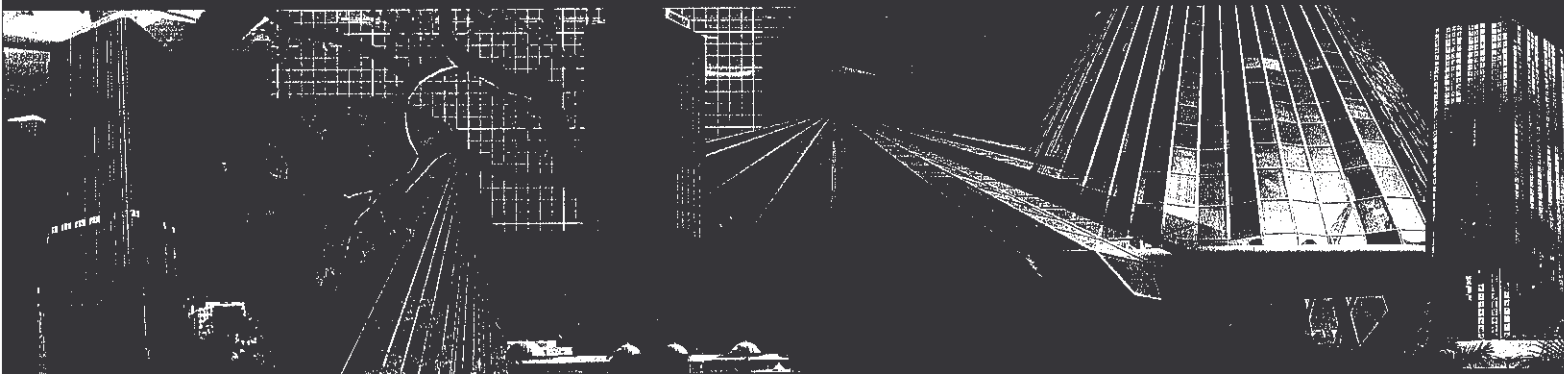


Blue Tower Trust Investors' Report

Quarter ending
30 June 2006





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1. Balance Sheet as at 30 June 2006
2. Income Statement for the year ended 30 June 2006



1. Overview

This Blue Tower Trust ("Trust") Investors' Report is for the year ended 30 June 2006.

The Trust continues to operate extremely well.

2. Extraordinary General Meeting

On 19 July 2006, a Notice of Extraordinary General Meeting ('EGM') and Explanatory Memorandum was despatched to the unitholders of the Trust. The EGM was held on 4 September 2006 and approved the acquisition of units in the Trust by an existing unitholder which will result in that unitholder owning in excess of 20% of the units of the Trust.

3. Australian Property Growth Fund Takeover

On 19 July 2006, Australian Property Growth Fund (formerly known as Leyshon Property Fund No. 3) ("APGF/Fund") announced a Takeover Bid for all of the issued units in Blue Tower Trust. The Fund offered 2.1846 Stapled Securities for every unit in Blue Tower Trust whereby the total value of the stapled securities issued for the Takeover of Blue Tower Trust was equal to the total value of the units in Blue Tower Trust.

Full details of the Takeover bid were contained in the Bidder's Statement dated 19 July 2006 and Target's Statement dated 26 July 2006.

On 14 September 2006, the Trust made a \$2 million capital repayment to each Unitholder in proportion to their current unitholding in accordance with the Target's Statement. These funds may be utilised to fund the payment of any capital gains tax ("CGT") that may arise for the Trust's Unitholders as a result of the Takeover. To allow Unitholders to finalise their tax position, Unitholders will be advised details in relation to the CGT implications of the Takeover e.g. the eligible and ineligible proportions of the consideration and split of the values of the consideration (i.e. value per Australian Property Growth Limited share and Australian Property Growth Trust unit).

On 18 September 2006, the Fund declared its Takeover of the Trust unconditional.

All of the Trust's Unitholders will receive their new APGF Stapled Security Certificates in the next fortnight.

This is the final quarterly Investors' Report for Blue Tower Trust as the Fund now owns 99.99% of the Trust. Future reports regarding the Trust will be included in the investor reports issued by the Fund. In accordance with the Constitutions of APGF future investor reports will be provided half yearly with the first report due in March 2007 for the half year ended 31 December 2006.

4. Leasing

The building was fully leased as at 30 June 2006.

5. Financial Results

Attached at Appendices 1 and 2 is the Balance Sheet as at 30 June 2006 and Income Statement to 30 June 2006. These financial statements have been audited. The 2005/6 Annual Report containing the signed audited statutory accounts will be despatched to all Unitholders in October 2006.



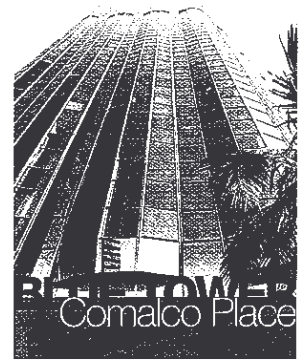
These financial statements have been prepared under International Financial Reporting Standards ("IFRS") that became effective for the Trust on 1 July 2005.

For the period up to 30 June 2005, issued units are classified as equity. From 1 July 2005, as required under IFRS, issued units, where there is an obligation under the Trust Deed to repay the unit capital at the end of the Trust's life, are recognised as a liability.

The Trust's net profit for the year ended 30 June 2006 is \$17,469,881 which includes property revaluation increments of \$14,699,803. These figures do not include an asset management fee of \$17,663,229 which is payable to the Trust's Asset Managers (Leyshon Operations Pty Ltd and Australian and Asia/Pacific Institute of Property Auditors Pty Ltd) upon the Fund's Takeover bid for all of the units in BTT becoming unconditional. As the Takeover became unconditional on 18 September 2006 the Asset Managers will be paid this fee during September 2006. In accordance with IFRS this amount has not been reflected in the Trust's liabilities or expenses for the year ended 30 June 2006. The property is shown in the accounts at \$184 million less the present value of the outstanding lease incentives of \$3,123,069 in accordance with the latest independent valuation dated 1 June 2006.

The Income Statement is presented in the format of actual current year figures compared to prior year figures which is standard practice for a listed property trust. The prior year figures have been restated in accordance with IFRS which replaced AGAAP from 1 July 2005.

The 6% per annum distributions for the June 2006 quarter were paid to the Trust's Investors on 31 July 2006. For tax purposes these payments are non-taxable as they represent a repayment of equity invested. In accordance with the Bidder's Statement, Unitholders who accepted the Takeover will be entitled to the full APGF distribution for the September 2006 quarter and there will not be a Blue Tower Trust distribution for the September 2006 quarter.



6. Building Refurbishment

All of the building services are operating efficiently.

There is unlikely to be any major capital expenditure works during the remainder of 2006.

G McMahon
22 September 2006

M O'Reilly
22 September 2006

Appendix 1

Balance Sheet as at 30 June 2006

Blue Tower Trust

Balance Sheet

As At 30 June 2006

	\$
<u>ASSETS</u>	
CURRENT ASSETS	
CASH	
Cash at Bank	10,793
Monies held in Trust - Property Manager	33,497
Monies held in Trust - Custodian	1,419,411
TOTAL CASH	1,463,701
RECEIVABLES	
Trade Debtors	108,129
Income Receivable	2,700,122
TOTAL RECEIVABLES	2,808,251
OTHER CURRENT ASSETS	
Prepayments	236,315
TOTAL OTHER CURRENT ASSETS	236,315
TOTAL CURRENT ASSETS	4,508,267
NON CURRENT ASSETS	
PROPERTY PLANT AND EQUIPMENT	
Property Investments held directly	180,035,829
Lease incentives - Fitout Contribution	980,000
Accumulated Depn - Fitout Contribution	(138,898)
TOTAL PROPERTY PLANT AND EQUIPMENT	180,876,931
OTHER NON CURRENT ASSETS	
Prepayments	888,299
SWAP Loan	95,427
TOTAL OTHER NON CURRENT ASSETS	983,726
TOTAL NON CURRENT ASSETS	181,860,657
TOTAL ASSETS	186,368,924
<u>LIABILITIES</u>	
CURRENT LIABILITIES	
ACCOUNTS PAYABLE	
Trade Creditors	18,963
Accrued Expenses	1,583,854
Prepaid Income	410,023
Other Creditors	48,813
TOTAL ACCOUNTS PAYABLE	2,061,653
TOTAL CURRENT LIABILITIES	2,061,653
NON CURRENT LIABILITIES	
LOANS	
Bank Loan	96,000,499
Less: Net borrowing costs	(939,283)
TOTAL LOANS	95,061,216
TOTAL NON CURRENT LIABILITIES	95,061,216
TOTAL LIABILITIES (excluding unitholder interests)	97,122,869
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	89,246,055
<u>REPRESENTED BY</u>	
Units on Issue	25,217,904
Undistributed income	64,028,151
TOTAL UNITHOLDERS' INTERESTS	89,246,055

Appendix 2

Income Statement for the year ended 30 June 2006

Blue Tower Trust

Income Statement

For the year ended 30 June 2006

	<u>JUNE 2006</u>	<u>JUNE 2005</u>	<u>Variance Notes</u>
INCOME			
INTEREST INCOME	27,696	61,653	
RENTAL INCOME	15,187,768	13,939,640	
OTHER INCOME	14,699,803	45,125,901	Refer Section 5
TOTAL INCOME	<u>29,915,267</u>	<u>59,127,194</u>	
EXPENSES			
OPERATING EXPENSES	12,445,386	11,811,716	Refer Expense Analysis
TOTAL EXPENSES	<u>12,445,386</u>	<u>11,811,716</u>	
NET PROFIT	<u>17,469,881</u>	<u>47,315,478</u>	

Blue Tower Trust

Expense Analysis

For the year ended 30 June 2006

	JUNE 2006	JUNE 2005	Variance Notes
EXPENSES			
OPERATING EXPENSES			
Accounting Fees	16,970	1,820	
Airconditioning Expenses	480,332	358,484	
Amortisation of Borrowing Costs	365,815	353,957	
Asset Management Fees	802,170	600,000	New agreement signed with contractor which includes regular maintenance - prior year only covered repairs
Audit Fees	69,335	40,200	Increased in line with the property's independent valuation
Bank Charges	184	203	Some 2005 audit fees are included in 2006
Cleaning	62,206	34,629	
Consultancy Fees	55,654	88,436	
Custodian Fees	36,663	26,743	
Electricity	95,217	101,905	
Fees & Licences	7,224	1,081	
Finance Charges - Loans	341,500	91,500	Includes an accrued fee of \$250,000
Fire Protection	53,578	78,393	
Gardening	5,340	4,253	
Guarantee Fees	41,767	100,000	
Insurance	200,785	162,410	
Interest Paid - Bank	7,025,470	7,068,391	
Interest Paid - Other	19,405	14,378	
Land Tax	197,282	224,678	
Leasing Expenses	148,714	43,795	Significantly more leasing activity in 2006
Legal Costs	69,084	32,590	
Lift Expenses	292,865	295,011	
Miscellaneous Expenses	23,018	8,767	
Pest Control	930	7,203	
Printing & Stationery	2,632	7,082	
Property Management Fees	219,553	153,911	
Public Relations	0	933	
Rates	630,692	623,342	
Recoverable Outgoings	851,677	803,879	
Repairs and Maintenance	178,001	352,508	More repairs and maintenance undertaken in 2005
Security	151,323	123,352	
Telephone & Fax	0	7,882	
TOTAL OPERATING EXPENSES	12,445,386	11,811,716	