

1 December, 2005



Property Fund Managers

BSX Announcements

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**PFA DIVERSIFIED PROPERTY TRUST – BSX CODE: PFD
SETTLEMENT OF SALE OF POST OFFICE SQUARE**

Property Funds Australia Limited ("PFA"), the responsible entity of the PFA Diversified Property Trust ("the Trust") has announced the completion of the sale of Post Office Square on 1 December, 2005 to the CFS Gandel Retail Trust.

The sale price was \$70.5M (approx.) which is above the originally agreed base purchase price of \$68.6M. The price was subject to variations depending on the Trust's ability to generate additional revenue streams by certain key milestone dates which new income streams have been achieved. The price was also subject to variation depending on final lease negotiations over a lease renewal and two vacant tenancies. Those further adjustments (if any) are likely to occur in the next 12 months.

At the time of contracting, the market was advised that with the addition of the variable component of the price that the end purchase price would be between \$69M-\$70M. More recently, in the current product disclosure statement, an assumption of a total price of \$69.4M was assumed.

There are still possible adjustments to occur to the purchase price depending on the leasing of a few shops which are subject to rental guarantee pending letting. At this point in time, PFA executives believe that the most probable net sale price will be in the vicinity of \$69.5M i.e. after final price adjustments and after the deduction of the costs of putting certain leasing obligations in place in the property.

The timing of the settlement was in accordance with assumptions in the current product disclosure statement.

With settlement having now occurred, those unitholders as at 30 June, 2005 (who have not elected to participate in the distribution reinvestment plan) should expect to receive their special distribution of 6.76 cents per unit around 8 December, 2005.

For further information, please contact Chris Morton (Managing Director of PFA) on (07) 3221 7170.