

26 May 2006



Property Fund Managers

BSX Announcements

By Email: announcements@bsx.com.au

(1 page)

**PROPERTY FUNDS AUSTRALIA LIMITED
PFA DIVERSIFIED PROPERTY TRUST (ARSN 097 860 690)
BSX CODE – PFD**

FORECAST INCREASE IN TRUST DISTRIBUTION

Property Funds Australia Limited ("PFA"), the responsible entity of the PFA Diversified Property Trust ("the Trust") today announced that as a consequence of its due diligence associated with the new product disclosure statement (PDS No. 4) that PFA forecasts that **the Trust's distribution will increase to 9.80 cents per unit per annum for the 2006/07 financial year** up from that previously paid of 9.48 cents per unit per annum.

As previously announced, PDS No. 4 is due to be released approximately mid-June 2006 and will be available from PFA from that date. The PDS should be considered by investors in deciding whether to apply for units under the Offer, details of which will be announced soon.

A handwritten signature in black ink, appearing to read 'Chris Morton', with a stylized flourish at the end.

**Chris Morton
Managing Director**

cmorton@pfaltd.com.au

f:\michael\bendigo sx\distribution26052006.doc