

7 August 2006



Property Fund Managers

BSX Announcements

By Email: announcements@bsx.com.au

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

Property Funds Australia Limited ("PFA"), the responsible entity of the PFA Diversified Property Trust ("the Trust") is pleased to advise that the one (1) for seven (7) entitlement under the Rights Issue offered to Current Unitholders was successfully completed on 25 July 2006 with Current Unitholders subscribing \$11.9M (approx.) at the discounted offer price of \$1.09 per unit. Current Unitholders have also subscribed to date an additional \$2.6M (approx.) under the General Offer at \$1.11 per unit.

Under this most recent product disclosure statement (PDS No. 4) dated 5 June 2006 a further \$5.0M (approx.) has been accepted under the General Offer at 25 July 2006.

PFA's Managing Director, Mr Chris Morton, said "We are pleased with the strong response to PDS No. 4 and in particular the level of acceptance to the rights issue and the take up of additional units by our current unitholders. This high level of response by current unitholders has again demonstrated the level of confidence and satisfaction by unitholders with the performance of their investment."

"The Trust continues to offer a strong competitive return to our unitholders. This has been further enhanced by the recently announced increase in the forecast distribution rate to 9.80 cents per unit for the 2006/07 financial year. We expect to announce encouraging performance results for the Trust early next month," Mr Morton said.

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

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