

**ANNUAL TAXATION STATEMENT
& DISTRIBUTION SUMMARY
FOR THE YEAR ENDED 30 JUNE, 2006**

Please retain this notice for taxation purposes

MR J CITIZEN & MRS M CITIZEN
ATF J & M CITIZEN SUPERANNUATION FUND
123 ABC STREET
BRISBANE QLD 4000

Property Fund Managers

Holder Number: PFD999999

Units Held as at 30 June 2006: 6,248

TAX RETURN DETAILS

TAXABLE AUSTRALIAN INCOME (To be included in Income Tax Return)	\$152.65
This figure is to be included in your tax return. Please refer to Note 1 overleaf.	
CREDIT FOR TFN AMOUNT WITHHELD (To be included in Income Tax Return)	\$0.16
This figure is to be included in your tax return. Please refer to Note 1 overleaf.	
NON-TAXABLE INCOME (Do not include in Income Tax Return)	\$425.27
This figure does not need to be included in your income tax return. Please refer to Note 2 overleaf.	
TAX DEFERRED %	73.5861%
This is the percentage of the total regular monthly distributions (not including the special distribution) during the year ended 30 June, 2006 that is non-taxable.	
DISCOUNT CAPITAL GAIN (To be included in Income Tax Return after discount (if eligible))	\$691.86
This is your portion of the capital gain derived by the trust before any discount percentage is applied. Please refer to Note 3 overleaf for information regarding your eligibility for a CGT discount and the discount percentage that may apply to you.	

DISTRIBUTION PAYMENT DATES AND AMOUNTS

Payment Dates	Amount
21 July 2006	\$49.36
21 June 2006	\$49.36
19 May 2006	\$49.36
21 April 2006	\$49.36
21 March 2006	\$49.36
21 February 2006	\$49.36
20 January 2006	\$49.36
21 December 2005	\$46.48
8 December 2005 (Special Distribution)	DRP
21 November 2005	\$46.48
21 October 2005	\$46.48
21 September 2005	\$46.48
19 August 2005	\$46.48
TOTAL DISTRIBUTIONS FOR THE YEAR 1 JULY, 2005 – 30 JUNE, 2006	\$577.92

DISTRIBUTION REINVESTMENT PLAN (DRP) – Please refer to Note 4 overleaf

Special Distribution Reinvested	\$397.69
Market Value Per Unit Reinvested	\$1.09
No. of Reinvested Units in Lieu of Cash	365

Please see over for further information & notes

NOTES TO ANNUAL TAXATION STATEMENT & DISTRIBUTION SUMMARY

Disclaimer: Information contained below is not taxation advice. The comments are made only by way of general assistance and should not be considered a substitute for obtaining detailed and considered taxation advice. They only relate to your investment in The PFA Diversified Property Trust and are not a complete guide to completing your tax return. The comments below are intended only as a guide for Australian resident taxpayers who hold their units as investments. They are not intended to be fully comprehensive on taxation issues. The comments do not apply to non-resident unitholders, or those who carry on activities as share and unit traders. The comments are based on current taxation law. Australian taxation laws are complex and are constantly changing. We strongly recommend that you seek professional assistance when completing your tax return and if you have any questions please consult your tax adviser or the ATO.

Note 1 – Taxable Australia Income

This amount generally would appear in the following items on the 2006 Income Tax Return although this is dependent on your accountant/tax agent's method of completion.

Entity	Return Form	Taxable Australian Income Item	TFN Credits Item
Individual	I	Item 12 Label U Tax Pack Supplement	Item 12 Label R Tax Pack Supplement
Partnership	P	Item 8 Label R	Item 8 Label E
Trust	T	Item 8 Label R	Item 8 Label E
Company	C	Item 6 Income Label E	Calculation Statement Label Y
Super Fund	F	Item 9A Income Label X	Item 8 Label M

Note 2 – Non-Taxable Income

This income reflects the balance of your distributions received after deductions of amounts allowable for tax purposes including decline in value of depreciating assets and capital works or building allowances. The tax consequences for you as a unitholder of receiving this component in distributions can be summarised as follows:-

- ▲ It is not assessable to you upon receipt;
- ▲ The cost base of your unitholding will be reduced by the amount of this income for the purposes of determining either the capital gain or capital loss realised upon disposal of the unitholding or the termination of the Trust.

Note 3 – Discount Capital Gain

This amount represents your share of part of the Trust's net capital gain which resulted as a consequence of the disposal of the Trust's Post Office Square property during the year. The Trust's net capital gain has been allocated in the same proportion and to the same unitholders who received the special distribution derived from that net capital gain. Certain types of Unitholders will be entitled to a CGT discount on the share of the capital gain. Unitholders who are individuals or trustees of trusts (other than superannuation funds) are entitled to a 50% discount. Unitholders who are the trustees of complying superannuation funds are entitled to a one third discount. Other classes of Unitholders will not be entitled to any discount.

The taxable gain after any applicable discounting, generally would appear in the following items on the 2006 Income Tax Return although this is dependent on your accountant/tax agent's method of completion.

Entity	Return Form	Item
Individual	I	Item 17 Label U Tax Pack Supplement
Partnership	P	Insert in the relevant partner's individual tax return
Trust	T	Item 18 Label A
Company	C	Item 7 Label A
Super Fund	F	Item 9A Label A

The receipt of the non-taxable CGT component will not affect a Unitholder's cost base in their existing Units. The CGT discount amount is specifically excluded from the terms of CGT Event E4.

Note 4 - Receipt of Units pursuant to the Distribution Reinvestment Plan (DRP)

For those Unitholders who elected to participate in the DRP offered during the year, it is important to note that the receipt of Units pursuant to the DRP has the same taxation consequence as the receipt of a cash distribution. Australian taxation laws provide that where property is received in lieu of cash, the market value of the property received is deemed to be the consideration received for the transaction.

In the particular instance of this DRP, the value of each unit received will be \$1.09. This represents the market value of the units at the relevant time of acquisition/allotment.

Cost base of Units acquired pursuant to the DRP

For the purposes of calculating future capital gains/losses in relation to the Units received under the DRP, a Unitholder will be deemed to have paid an amount equivalent to the market value of the Units received pursuant to the DRP.

In practice, in relation to the Special Distribution, this means that the Unitholder's cost base per Unit acquired under the DRP will be equal to the amount of the Special Distribution deemed to have been received by the Unitholder, divided by the number of Units issued to the Unitholder. This will be an amount of \$1.09 per Unit received pursuant to the DRP.

Unitholders will be deemed to have acquired the Units under the DRP on the day that the Units were allotted to them.

Unitholders should duly record the acquisition date of the Units and their value in their capital gains tax records.

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BRISBANE QLD 4000

Property Fund Managers

Holder Number: PFD999999

Units Held as at 30 June 2006: 9,589

TAX RETURN DETAILS

TAXABLE AUSTRALIAN INCOME (To be included in Income Tax Return)	\$240.10
This figure is to be included in your tax return. Please refer to Note 1 overleaf.	
CREDIT FOR TFN AMOUNT WITHHELD (To be included in Income Tax Return)	\$0.24
This figure is to be included in your tax return. Please refer to Note 1 overleaf.	
NON-TAXABLE INCOME (Do not include in Income Tax Return)	\$668.90
This figure does not need to be included in your income tax return. Please refer to Note 2 overleaf.	
TAX DEFERRED %	73.5861%
This is the percentage of the total regular monthly distributions (not including the special distribution) during the year ended 30 June, 2006 that is non-taxable.	
DISCOUNT CAPITAL GAIN (To be included in Income Tax Return after discount (if eligible))	\$1,127.71
This is your portion of the capital gain derived by the trust before any discount percentage is applied. Please refer to Note 3 overleaf for information regarding your eligibility for a CGT discount and the discount percentage that may apply to you.	

DISTRIBUTION PAYMENT DATES AND AMOUNTS

Payment Dates	Amount
21 July 2006	\$75.75
21 June 2006	\$75.75
19 May 2006	\$75.75
21 April 2006	\$75.75
21 March 2006	\$75.75
21 February 2006	\$75.75
20 January 2006	\$75.75
21 December 2005	\$75.75
8 December 2005 (Special Distribution)	\$648.22
21 November 2005	\$75.75
21 October 2005	\$75.75
21 September 2005	\$75.75
19 August 2005	\$75.75
TOTAL DISTRIBUTIONS FOR THE YEAR 1 JULY, 2005 – 30 JUNE, 2006	\$1,557.22

DISTRIBUTION REINVESTMENT PLAN (DRP) – Please refer to Note 4 overleaf

Special Distribution Reinvested	-
Market Value Per Unit Reinvested	\$1.09
No. of Reinvested Units in Lieu of Cash	-

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Super Fund	F	Item 9A Income Label X	Item 8 Label M

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