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Property Fund Managers

BSX Announcement
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PFA DIVERSIFIED PROPERTY TRUST – BSX CODE: PFD
SUNCORP METWAY EXERCISES 5 YEAR OPTION AT 388 QUEEN STREET, BRISBANE

Property Funds Australia Limited ("PFA"), the responsible entity of the PFA Diversified Property Trust ("the Trust"), announced today that Suncorp Metway has exercised their 5 year lease option over 9 floors at 388 Queen Street, Brisbane. Suncorp Metway's lease was due to expire in December 2007. The new lease will expire in December 2012.

Suncorp Metway occupy 4,420m² at 388 Queen Street and account for approximately 70% of the property's income. The 388 Queen Street property is fully leased

Property Funds Australia Managing Director, Mr Chris Morton, said "We are pleased with Suncorp Metway's exercise of their 5 year lease option at 388 Queen Street. They continue to provide a strong lease covenant for this property. We continue to actively manage the Trust's property portfolio and have been focussed on resolving Suncorp Metway's tenancy intentions as early as possible. The Brisbane CBD commercial leasing market continues to experience very low vacancy rates and 388 Queen Street is well positioned within the Brisbane CBD."

The rent to be paid during the new option term has not yet been determined and will be resolved by negotiation over the forthcoming months and failing that by expert determination.

388 Queen Street is an asset of the PFA Diversified Property Trust and represents approximately 4.5% of the Trust's property portfolio value.

For further information, please contact Chris Morton (Managing Director of PFA) on (07) 3221 7170 or cmorton@pfaltd.com.au.

A handwritten signature in black ink, appearing to read 'Chris Morton', with a long horizontal line extending from the end of the signature.

Chris Morton
Managing Director

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