

**ANNUAL TAXATION STATEMENT
& DISTRIBUTION SUMMARY**
FOR THE YEAR ENDED 30 JUNE 2007
Please retain this notice for taxation purposes

Property Fund Managers

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

UNITHOLDER DETAILS

Unitholder Name:	JOHN CITIZEN & MARY CITIZEN ATF J & M CITIZEN SUPERANNUATION FUND
Unitholder Number:	PFD999999
Units Held as at 30 June 2007:	10,000
Unit Price on BSX as at 30 June 2007:	\$1.17 (Please refer Note 5 overleaf.)

TAX RETURN DETAILS

TAXABLE AUSTRALIAN INCOME (To be included in Income Tax Return)	\$377.51
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)	\$0.00
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)	\$602.53
This figure does not need to be included in your Income Tax Return. Please refer to Note 2 overleaf.	
TAX DEFERRED %	61.48%
This is the percentage of the total regular monthly distributions (not including the special distribution) during the year ended 30 June 2007 that is non-taxable.	
DISCOUNT CAPITAL GAIN (To be included in Income Tax Return after discount if eligible)	\$3,181.24
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.	

MONTHLY DISTRIBUTION PAYMENT DATES AND AMOUNTS

Payment Dates	Amount
20 July 2007	\$81.67
21 June 2007	\$81.67
21 May 2007	\$81.67
20 April 2007	\$81.67
21 March 2007	\$81.67
21 February 2007	\$81.67
20 January 2007	\$81.67
21 December 2006	\$81.67
21 November 2006	\$81.67
20 October 2006	\$81.67
21 September 2006	\$81.67
21 August 2006	\$81.67
TOTAL DISTRIBUTIONS FOR THE YEAR 1 JULY 2006 – 30 JUNE 2007	\$980.04

SPECIAL DISTRIBUTION (Do not include in Income Tax Return)

This figure does not need to be included in your Income Tax Return. Please refer to Note 4 overleaf.

Date Paid:	14 March 2007
Amount Paid:	\$526.00

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 to 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 2007 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 the 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. If the amount exceeds the remaining cost base of your units, the excess will be a taxable capital gain. The CGT discount may apply if the units have been held by you for at least 12 months.

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 two of the Trust's properties during the year. The Trust's net capital gain from the sale of the Garden Square Office Park property has been allocated to each unitholder in the same proportion as their respective entitlement to the special distribution. The Trust's net capital gain from the sale of the property at 388 Queen Street has been apportioned to each unitholder based on their respective unitholdings in the Trust in accordance with the unitholder register as at 30 June 2007. Certain types of unitholders will be entitled to the 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 2007 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 H 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 definition of "non-assessable amount" under CGT Event E4.

Note 4 – Special Distribution

A special distribution of 5.26 cents per unit was paid on 14 March 2007 to all unitholders on the unitholder register on 1 March 2007. The special distribution was paid as a consequence of the sale of the Garden Square Office Park on 28 February 2007. Importantly, the amount of the distribution does not represent your share of the capital gain for taxation purposes. The amount of this capital gain is included in your Discount Capital Gain amount. The special distribution amount is not to be included in your Income Tax Return.

From an accounting perspective, the difference between the taxable capital gain and the special distribution could be treated as a Profit & Loss amount in the unitholders' accounts, which will be excluded in the Income Tax Return of the unitholder by way of a tax reconciliation item.

A special distribution of 2.88 cents per unit will be paid on or about 14 September 2007 to all unitholders on the unitholder register on 31 July 2007. This special distribution will be paid as a consequence of the sale of the 388 Queen Street, Brisbane which occurred 28 June 2007. Importantly, the amount of the special distribution does not represent your share of the net capital gain for taxation purposes. The amount of this net capital gain is included in your Discount Capital Gain amount (please refer to Note 3).

Note 5 – Unit Price on BSX

The Trust is listed on the Bendigo Stock Exchange (BSX). The unit price quoted on this statement is the last unit trade price on or prior to 30 June 2007. Brokerage fees are generally payable by unitholders on the sale and purchase of units on the BSX and are not included in the price quoted on this statement.