



7 November 2008

BSX ANNOUNCEMENT

MIRVAC PFA DIVERSIFIED PROPERTY TRUST SEPTEMBER QUARTERLY UPDATE

Mirvac PFA Limited, as responsible entity of the Mirvac PFA Diversified Property Trust (**Trust**), today announced the following September quarterly update.

New debt facility secured

Mirvac PFA Limited is pleased to announce the successful refinancing of the Trust's debt facility with all documentation and conditions precedent completed.

The new \$355.0 million debt facility has been refinanced with a syndicate of lenders comprising CBA, ING and NAB and is in place for a three year term.

Ben Hindmarsh, Trust Manager said, "We are very pleased to have completed our negotiations on the Trust's debt facility in what is a very challenging credit environment. We have also secured an extremely competitive margin due to the combination of a soundly performing portfolio and strong relationship with our lenders."

"The debt facility was a critical milestone for the Trust's stated strategic plan and we can now increase our focus on the other stated objectives that are aimed at maximising value for our Investors," Mr Hindmarsh said.

Delisting from Bendigo Stock Exchange (BSX)

As a result of the listing on the BSX, the price the Trust has traded at does not reflect its value and has failed to provide the liquidity efficiencies that best serve the interests of Investors. This can be demonstrated by:

- > In the 12 months to 30 June 2008, 2.28 per cent of the weighted average units on issue were traded, and
- > In the six months to 30 June 2008 the volume weighted average price (VWAP) of transactions were undertaken at a 38 per cent discount to the Trust's 31 December 2007 stated Net Tangible Assets (**NTA**), and
- > The last recorded transaction on the BSX (31 October 2008) was undertaken at a price of \$0.50 representing a 61 per cent discount to the Trust's 30 June 2008 stated NTA.

As mentioned in previous correspondence, management and the Board have been conducting ongoing investigations into an alternative to the BSX.

As a consequence of these investigations, also taking into account the future strategy for the Trust and management's objectives to provide sustainable returns to Investors and reduce volatility, the Trust will

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Mirvac Funds Limited
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Mirvac REIT Management Limited
ABN 70 002 060 228
AFSL 233787

Mirvac Capital Investments
Pty Limited
ABN 86 093 644 252

Mirvac Wholesale Funds Management
Limited
ABN 36 076 204 727
AFSL 226441

Mirvac Domaine Property Funds
Limited
ABN 96 085 616 824
AFSL 225131

Mirvac PFA Limited
ABN 58 078 199 569
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be delisted from the BSX. A formal notice to commence this process was submitted to the BSX today. When the BSX confirms the date on which the Trust will be removed from BSX's official list, a further announcement to the BSX will be made and details posted to the Trust's website.

This will mean that from the date of delisting no further trading of the Trust's units on the BSX will be available to Investors. The value of units after the removal of the Trust from the BSX will be the Net Tangible Assets as defined in the Trust's constitution and will be calculated and reported monthly.

Distribution increased

Following the delisting from the BSX, the Trust's annualised distribution will be increased from 6.9 cents per unit to 7.25 cents per unit¹, an increase of 5.1 per cent. The increase in distribution will be relevant for the next distribution accrual period post delisting² and will mean that the Trust will pay 0.600 cents per unit each month, up from 0.575 cents per unit.

As we advised in our correspondence in April 2008, management fees were decreased in line with the cut in distributions and that they would only increase in line with any distribution increases to Investors. From the date of delisting and increase in distributions, the management fee³ will accordingly increase by 5.1 per cent from 0.40 per cent to 0.42 per cent of funds under management in line with the distribution increase.

Liquidity alternative

With the removal of the Trust from the BSX, management will work to implement a structured liquidity facility from 1 January 2010. The liquidity facility generally will allow for a maximum of 5.0 per cent per annum of total units on issue to be redeemed on a pro-rata basis to all Investors with redemptions expected to occur quarterly. The price at which units may be redeemed will be a price relevant to the Trust's NTA.

The period between delisting and 1 January 2010 provides time to raise the capital that may be used to both provide liquidity and fund the three to five year strategy for the Trust. Further details of the overall strategy will be reported to Investors by the middle of 2009.

We will continue to update Investors on new details surrounding the implementation of the structured liquidity facility with the terms and conditions relating to this facility expected to be sent to Investors closer to its implementation.

Distribution Reinvestment Plan

We are pleased to announce that the Trust will implement a Distribution Reinvestment Plan (**DRP**) following the Trust's removal from the BSX.

The **DRP** will enable Investors to reinvest their distribution entitlement into additional Trust Units. Participation in the **DRP** is voluntary, and may be in respect of all or part of an eligible Investor's Units.

The terms and conditions relating to the **DRP** and the required application forms will be sent to Investors once confirmation of the Trust's delisting from the BSX is confirmed.

¹ This excludes the 1.1 cent per unit special distribution paid on 19 September 2008

² For example if BSX approve delisting in December the next accrual period for the Trust will be January and the distribution increase will be effective for the January payment

³ Management fees are capped at 0.6 per cent of funds under management

For further information:

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Mirvac Funds Management manages approximately \$7.2 billion on behalf of more than 36,000 institutional and retail investors across listed, unlisted and wholesale funds and joint ventures.

Mirvac Funds Management is part of Mirvac, a leading ASX-listed, integrated real estate group with approximately \$27.2 billion of activities under control across the real estate, investment and development spectrum.