

# Mirvac PFA Diversified Property Trust

## Notice of Meeting and Explanatory Memorandum



### Meeting details

Date	27 March 2009
Time	11.30am
Place	Templeton and Holdway Rooms, Tattersall's Club, 215 Queen Street, Brisbane

Issued by Mirvac PFA Limited ABN 58 078 199 569 AFSL 224106 as responsible entity for the Mirvac PFA Diversified Property Trust ARSN 097 860 690

This is an important document.

Please read the information in this document carefully. If you are in any doubt about the Resolutions or the action to be taken, you should seek your own professional financial advice without delay.

# What is this document?

## What is this document?

This document dated 4 March 2009 provides important information for a meeting of Investors of the Mirvac PFA Diversified Property Trust (Trust) which will be held in the Templeton and Holdway Rooms, Tattersall's Club, 215 Queen Street, Brisbane, 11.30am (AEST) 27 March 2009.

All information in this document forms part of the Notice of Meeting. Mirvac PFA does not anticipate that there will be material changes in that information before the Investors' Meeting occurs. However, Mirvac PFA may release further information which will be made available from Mirvac PFA's website at [www.mirvac.com/mpfa](http://www.mirvac.com/mpfa).

The meeting of Investors in the Trust (Investors' Meeting) is being called for Investors to consider the implementation of a new three to five year strategic plan for the Trust (New Strategy).

## Any questions?

If you have any questions about your holding of Units, please contact the Trust's registrar, Link Market Services on 1800 687 170. If you are in any doubt on how to vote on the Resolutions or the action to be taken, you should seek your own professional financial advice without delay.

## Key dates

<b>11.30am AEST 25 March 2009</b>	Deadline for receipt of proxies
<b>11.30am AEST 27 March 2009</b>	Investors' Meeting

## Contents

Letter to Unitholders	1
Notice of Meeting	3
Explanatory Memorandum	4
Notes about the Meeting and How to Vote	10
Glossary	12
Corporate Directory	

# Letter to Unitholders

4 March 2009

Dear Unitholder

## Mirvac PFA Diversified Property Trust

### Proposed new strategy

On 21 April 2008, we wrote to all Investors outlining the outcomes of a strategic review and the future direction of the Trust.

This review identified some short-term initiatives that needed to be implemented such as the sale of non-core assets to reduce debt levels, the removal of risks associated with the Trust's expiring debt facility, and revised distribution and Responsible Entity fee policies to ensure that Trust cashflows are not diminished.

The short-term initiatives have all been successfully implemented with benefits to Investors including:

- › **Sale of non-core assets** – Centro on James was sold for \$19.2 million, an increase of 7.3 per cent on book value and 100 per cent on the original acquisition price. The Trust's debt was subsequently reduced by approximately \$15.5 million and a special distribution of 1.1 cents per Unit was distributed to Investors in September 2008.
- › **Removal of risk associated with the Trust's expiring debt facility** – The Trust's debt facility was successfully refinanced, with the execution of all documentation on 7 November 2008. The debt is held with major banks – Commonwealth Bank of Australia, the NAB and ING. The new facility runs for three years until November 2011 and totals \$355.0 million which is \$10.0 million less than the facility it replaced.
- › **Distribution policy** – although we initially cut distributions to protect the Trust's cashflows, we have subsequently been able to announce the increase of annualised distributions from 6.9 cents per Unit to 7.25 cents per Unit, an increase of 5.1 per cent, effective 1 April 2009. This action is a direct consequence of the implementation of the short-term initiatives and maintenance of the sound fundamentals in the Trust portfolio.
- › **Responsible Entity fee policy** – the Responsible Entity fee was cut from 0.60 per cent to 0.40 of gross assets per annum from 1 July 2008 to protect the Trust's cashflows. The only way for this fee to grow into the future is with a commensurate increase in distributions but not to exceed 0.60 per cent of gross assets per annum. As a result of the 5.1 per cent growth in distribution from 1 April 2009, the Responsible Entity fee will also increase by 5.1 per cent to 0.42 per cent of gross assets.

The successful implementation of these short-term initiatives has strengthened the Trust's balance sheet, cashflow position and will provide a solid platform for future growth.

The review also identified the need to address the long-term sustainability of the Trust, including the liquidity issues and capital constraints arising from the Trust's listing on the Bendigo Stock Exchange (BSX).

Whilst the fundamentals of the Trust remain sound, we are continuing to monitor the current deterioration in the financial and property investment markets and we have been refining the Trust's strategic plan to ensure that the strategy is flexible enough to move with changes that may arise.

We are now in a position to present the Trust's three to five year strategy to Investors. The New Strategy will encompass:

- › the delisting of the Trust from the Bendigo Stock Exchange (Delisting);
- › capital raising initiatives including a discounted capital raising towards the end of the year, to enhance the Trust's cashflow and allow the Trust to consider making investments over time;
- › staged reduction of the Trust's debt;

# Letter to Unitholders

(continued)

- › an asset allocation strategy which will provide greater flexibility in acquiring property investment assets on a continuous basis; and
- › a structured redemption facility providing more transparent pricing and liquidity.

Together with the initiatives, application of Mirvac's valuation policy has seen 93 per cent of the Trust's portfolio being independently revalued between 1 April 2008 and 31 December 2008. This has resulted in a softening of the capitalisation rates and a reduction of the portfolio value overall, however, we believe our pro-active approach provides the Trust with less valuation pressure and risk into the future.

We are optimistic about the New Strategy and believe that it will allow us to ultimately develop a sustainable growth path for the Trust. Further details on the New Strategy are set out in this document.

## Your vote is important

The New Strategy requires Investors' approval for some components. A meeting of Investors to consider the Resolutions required to enable the New Strategy to be implemented will be held at 11.30am (AEST) on Friday, 27 March 2009 in the Templeton and Holdway Rooms, Tattersall's Club, 215 Queen Street, Brisbane.

The dress code for the venue requires that guests DO NOT wear denim, sneakers or shorts.

Investors are encouraged to attend the meeting and vote in favour of the Resolutions. You may also vote by returning the enclosed proxy form in the reply paid envelope provided. Your proxy form must be received by no later than 11.30am (AEST) on Wednesday, 25 March 2009.

## Recommendation by MPFA Directors

The MPFA directors have considered the advantages and disadvantages of the New Strategy and believe that the implementation of the New Strategy is in the best interests of Investors.


MPFA directors unanimously recommend Investors vote in favour of the Resolutions for all of the New Strategy to be implemented.

## Further information

If you have any questions in relation to the meeting, please contact the MPFA Investor information line on 1800 687 170 or visit the Trust's website at [www.mirvac.com/mpfa](http://www.mirvac.com/mpfa).

My fellow directors and the Trust's management team, are enthusiastic about the potential rewards that the New Strategy provides Investors and we look forward to your support.

Yours sincerely  
Mircac PFA Limited



**Paul Barker**  
Chairman

# Notice of Meeting

Mirvac PFA Limited ABN 58 078 199 569 (Mirvac PFA) as responsible entity for the Mirvac PFA Diversified Property Trust ARSN 097 860 690 (Trust) gives notice that a meeting of Investors will be held in the Templeton and Holdway Rooms, Tattersall's Club, 215 Queen Street, Brisbane, at 11.30am (AEST) Friday, 27 March 2009.

## **Business**

### **1. Delisting of the Trust from the Bendigo Stock Exchange**

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That the Trust be delisted from the Bendigo Stock Exchange (BSX)."

### **2. Changes to the Trust Constitution to facilitate the new strategy**

To consider and, if thought fit, to pass the following resolution as a special resolution:

"That, in accordance with Section 601GC(1)(a) of the Corporations Act 2001 (Cth) the constitution of Mirvac PFA Diversified Property Trust ARSN 097 860 690 be modified as set out in the instrument tabled at the meeting and substantially in the form explained in Section 3 of the Explanatory Memorandum accompanying this Notice of Meeting."

By order of the Board of Mirvac PFA Limited



**Juan Rodriguez**  
**Company Secretary**

4 March 2009

# Explanatory Memorandum

## 1. Introduction

Mirvac PFA Diversified Property Trust (Trust) first began trading in its current form on the Bendigo Stock Exchange (BSX) on 1 July 2003. The strategy of the Trust is to invest in a growing portfolio of quality Australian properties diversified by property sector, geographic location, tenant profile and lease expiry. Direct property sectors include commercial, retail, industrial and hotels.

Mirvac PFA Limited, the responsible entity of the Trust, (Mirvac PFA) considers that it is in the best interests of Investors that a New Strategy be adopted. The New Strategy will comprise:

- > the delisting of the Trust from the Bendigo Stock Exchange (Delisting);
- > capital raising initiatives including a discounted capital raising towards the end of the year, to enhance the Trust's cashflow and allow the Trust to consider making investments over time;
- > staged reductions of the Trust debt;
- > an asset allocation strategy which will provide greater flexibility in acquiring property investment assets on a continuous basis; and
- > a structured redemption facility providing more transparent pricing and liquidity.

Mirvac PFA wishes to provide Investors the opportunity to consider and vote on two Resolutions required to implement the New Strategy.

- > Resolution 1 concerns the proposed Delisting of the Trust from the BSX; and
- > Resolution 2 concerns the proposed amendments to the Constitution of the Trust to enable the implementation of the remaining elements of the New Strategy after Delisting.

**The Resolutions are interdependent and therefore your approval of both Resolution 1 and Resolution 2 will allow us to implement the New Strategy. The New Strategy and the two Resolutions are discussed in greater detail in Sections 2 and 3 of this Explanatory Memorandum.**

## 2. Resolution 1: Delisting of the Trust from the BSX

### 2.1 What is proposed?

Investors are being asked to approve the proposed Delisting of the Trust from the BSX. Delisting the Trust is an important element of the New Strategy. Mirvac PFA considers that with the challenging conditions in the current market it is better that the Trust not be listed on the BSX due to the following key reasons:

- > the Trust is trading at a significant discount to net asset value and Delisting the Trust may provide scope for Investors to realise value nearer to NTA from their investment in the Trust over time;
- > one of the reasons for having the Trust listed was to provide liquidity for Investors however in the current market there is limited liquidity in the Units traded on the BSX; and
- > if the Trust is not listed, Mirvac PFA will have broader scope to consider strategic initiatives for the Trust in a challenging market environment, including elements of the New Strategy.



## 2.2 What are the key advantages and disadvantages of Delisting?

Advantages	Disadvantages
The Trust is trading at a significant discount to net asset value and Delisting the Trust may provide scope for Investors to realise value nearer to NTA from their investment in the Trust over time.	Market conditions may improve such that traded Unit prices increase.
In the current market there is limited trading liquidity and this negates one of the primary reasons for having the Trust listed on the BSX.  If the Trust is Delisted and the New Strategy is approved, Investors will have access to a level of liquidity through the proposed Redemption Facility.	If market conditions improve and BSX trading volumes and, in particular, trading in Units increase, liquidity in traded Units may increase accordingly.
If the Trust is not listed, Mirvac PFA will have broader scope to consider strategic initiatives for the Trust, whereas remaining on the BSX imposes regulatory restrictions and quantitative limitations which may delay or prevent Mirvac PFA from implementing aspects of a new Trust strategy.	Market conditions may improve such that strategic opportunities in the listed environment may improve.

## 2.3 What happens if Resolution 1 is approved?

If Resolution 1 is approved by the required majority, the Delisting of the Trust is anticipated to occur 90 days after the Investors' Meeting (ie approximately 30 June 2009). If this happens, the Trust will continue to operate as an unlisted managed investment scheme and Mirvac PFA will continue to act as responsible entity for the Trust.

Please note that the vote on Resolution 1 is conditional on Resolution 2 being approved by the required majority and vice versa. If Resolution 1 is approved and Resolution 2 is not approved the Trust will not be delisted and will continue operating in its current form.

## 2.4 What happens if Resolution 1 is not approved?

If Resolution 1 is not approved by the required majority, the Delisting of the Trust will not proceed. If this happens, the Trust will continue to trade on the BSX and Mirvac PFA will continue to act as responsible entity for the Trust.

As mentioned above, Resolution 1 and Resolution 2 are interdependent. If Resolution 1 is not approved it will not be possible to implement the New Strategy for the Trust and the Trust will remain listed on BSX and continue to operate in its current form.

If Resolution 1 is not approved by the required majority and the Delisting of the Trust from the BSX does not proceed, then this would indefinitely delay the practical implementation of an alternate Trust strategy, as the Unit price is currently trading on the BSX at a significant

discount to NTA. Mirvac PFA believes that remaining listed on the BSX will stall growth in the Trust and the realisation of value for Investors.

## 2.5 Resolution 1: Mirvac PFA's recommendation

Each of the directors of Mirvac PFA believe that the Delisting is in the best interest of all Investors and recommend that you vote in favour of Resolution 1.

## 3. Resolution 2: Changes to the Trust Constitution to facilitate the remaining elements of the new strategy after delisting

### 3.1 What is the New Strategy?

Following a strategic review, Mirvac PFA considers that it is in Investors' best interests to implement the New Strategy. The key elements of the New Strategy are set out below.

**Delisting:** Mirvac PFA considers that with the challenging conditions in the current market and for the reasons discussed in Section 2.2, it is preferable that the Trust not be listed on the BSX. Delisting the Trust from the BSX is an important element of the New Strategy.

**Capital raising initiatives:** Mirvac PFA is proposing to implement the following discounted capital raising initiatives which are intended to provide a sustainable growth path for the Trust, allow for the staged reduction of the Trust's debt facility, provide the Trust with working and investment capital and support the Redemption Facility where required:

# Explanatory Memorandum

(continued)

- (a) the introduction of a distribution reinvestment plan (DRP) where Units may be issued at a discount to NTA;
- (b) rights issuances at a discount to NTA; and
- (c) the issue of Units to the public at a discount to NTA (existing Investors may participate in any such public offer).

The constitutional amendments will allow Units to be issued at a discount of up to 30 per cent to the prevailing NTA. Mirvac PFA believes that the introduction of this pricing flexibility will benefit Investors as it will enable the Trust to attract capital inflows in the current economic climate. Mirvac PFA considers that raising of capital in this manner to be in the best interests of members as it will:

- > provide the Trust with investment capital to make investments over time;
- > enable the Trust to reduce debt over time;
- > provide the Trust with working capital; and
- > enable the Trust to support the Redemption Facility.

Where practical, Mirvac PFA currently intends to provide all existing Investors the opportunity to participate in the majority of future capital raising initiatives. By participating in the proposed discounted capital raisings, Investors will be able to maintain their proportionate share in the Trust and thereby avoid any dilution which would otherwise result from a discounted issue price. The current issue price requirements are set out in Section 3.2.

**Staged reduction of the Trust's debt:** As part of the New Strategy, Mirvac PFA intends to reduce Look Through Gearing to below 50 per cent where the combination of cashflow surplus and/or asset sales allow.

As at 31 December 2008, the Look Through Gearing of the Trust (measured by dividing total debt by total tangible assets) is 53.5 per cent.

**Asset allocation strategy:** Mirvac PFA proposes to institute an asset allocation strategy which will provide greater flexibility in acquiring property investment assets on a continuous basis. The portfolio objective is to have a minimum of 75 per cent held in direct property assets and no greater than 25 per cent held in liquid assets. The Trust's liquid assets will be made up of select Australian Real Estate Investment Trusts (A-REIT's), unlisted property funds, cash, bonds and fixed interest products – professionally outsourced. The Trust will not invest in financial investment derivative instruments.

The Trust's target allocations will be 90 per cent towards direct property and 10 per cent towards liquid assets and differs from the existing 100 per cent direct property

allocation strategy that had been previously set while the Trust is listed on the BSX.

Mirvac PFA considers that the increase in the liquid asset allocation will be in the best interest of Investors as it will assist in funding accretive opportunities and the Trust's proposed new Redemption Facility.

**Implementation of Redemption Facility:** After the Trust is Delisted, Mirvac PFA proposes to make available to Investors a redemption facility of up to 0.42 per cent of the net asset value of the Trust on a monthly basis (up to a maximum 5 per cent of the net asset value of the Trust per annum) (**Redemption Facility**). Key details of the Redemption Facility are as follows:

- (a) it is expected to commence in January 2010;
- (b) it is expected it will operate on a monthly basis (with applications to be made before the record date with payment to occur by the end of the following month);
- (c) to the extent the Redemption Facility is oversubscribed for any period, it is expected Investors' redemption applications will be scaled back on a pro-rata basis according to the number of Units held;
- (d) it is expected the redemption price will be:
  - (i) for the first two years of the operation of the Redemption Facility, the lesser of 80 cents and a 10 per cent discount to NTA per Unit; and
  - (ii) after the first two years of the operation of the Redemption Facility, up to a 30 per cent discount to NTA per Unit, as determined by Mirvac PFA;
- (e) as an alternative to redeeming Units out of the Trust, a nominee of Mirvac PFA may acquire Units directly from Investors who would have otherwise had their Units redeemed from the Trust. Rather than a redemption of units, any transaction under this method will result in the nominee becoming a Unitholder in the Trust. If and when such a transaction occurs, the acquisition price will equal the Redemption Price. The number of units offered under the Redemption Facility for the relevant period will be reduced by the number of Units acquired by the nominee so that the maximum 5 per cent per annum (0.42 per cent per month) redemption capacity is not exceeded;
- (f) it is intended to fund the Redemption Facility through the Trust's liquid assets and reserves. However, if Mirvac PFA considers it is in the best interests of Investors, it may fund the Facility through other means such as short term borrowings; and
- (g) Mirvac PFA may withdraw the Redemption Facility at any time in its discretion.



Mirvac PFA believes that the introduction of the Redemption Facility is in the best interests of Investors for the following reasons:

- This new Redemption Facility will provide transparent pricing and an increase in liquidity (0.42 per cent on a monthly basis (to a maximum 5 per cent per annum) compared to the existing BSX market traded option.
- Setting the redemption prices at a discount to the NTA per Unit has a stabilising effect on the ongoing Trust NTA per Unit.

- In these uncertain and volatile times, the discounted redemption price is designed to strike an appropriate balance between the interests of Investors wishing to withdraw from the Trust and those remaining.

**Fee arrangements:** Mirvac PFA does not propose that there will be any changes to the fee structure currently applicable to the Trust. The following table provides a summary of the fees which will apply to the Trust after implementation of the New Strategy.

Type of Fee	Fee Schedule
<b>Contribution Fee:</b> The fee on each amount contributed to your investment	0–4 per cent of the amount invested. This may be negotiated with your adviser.
<b>Withdrawal Fee:</b> The fee on each amount you take out of your investment in addition to the applicable discount	2 per cent of the withdrawal amount.
<b>Investment Management Fee:</b> The fee for managing your investment	0.4 per cent per annum of the Trust value up to maximum 0.6 per cent but only increasing in line with distribution increases.
<b>Performance Fee:</b> Sale of assets	2.5 per cent of the gross sale price of a Trust property where the gross sale price exceeds the gross purchase price by more than 50 per cent.  1.5 per cent of the gross sale price of a Trust property where the gross sale price exceeds the gross purchase price by more than 30 per cent but less than 50 per cent.
<b>Capital Raising Fee:</b> The fee charged on capital raised by the Trust	3 per cent of the capital raised (of which 2 per cent is paid to advisers and brokers).  No capital raising fee will be charged in connection with the operation of the DRP.  Any other fees charged by external parties for general capital raisings.
<b>Acquisition Fee:</b> The fee charged upon the acquisition of Trust property	2 per cent of the gross purchase price of any property acquired by the Trust or any sub-trust.
<b>Disposal Fee:</b> The fee charged upon the disposal of Trust property	2 per cent of the gross sale price of any property sold by the Trust or any sub-trust.
<b>Removal Fee:</b> The fee paid to Mirvac PFA if it is removed as responsible entity of the Trust (other than for its gross negligence or a material fiduciary breach)	2 per cent of the total Trust value.
<b>Financial analysis, due diligence and documentation services fee</b>	Documentation services fee relevant to capital raising cost.
<b>Other manager services and fees</b>	Certain other fees charged at competitive market rates for additional services provided by Mirvac PFA which are outside of the usual responsibilities of a responsible entity.

# Explanatory Memorandum

(continued)

## 3.2 What are the proposed changes to the Constitution?

In order to implement the New Strategy, changes to the Constitution of the Trust are required. The proposed new Constitution provisions and the material differences to the existing provisions are summarised in the table below. If you would like to inspect a copy of the existing Constitution or the proposed new Constitution, please do not hesitate to contact Link Market Services on 1800 687 170.

New Strategy item	New Constitution provision	Existing Constitution provision
Capital Raising initiatives	Constitution will be amended to enable Units to be issued at up to a 30 per cent discount to NTA in any circumstances.	<p>Subject to the following, the current Constitution permits capital to be raised at a price of NTA per Unit plus transaction costs (<b>Issue Price</b>).</p> <p>The current Constitution allows Units to be issued pursuant to a DRP at a discount of up to 10 per cent of the Issue Price.</p> <p>In circumstances where capital is being raised pursuant to a pro-rata rights offer, the price per Unit may be at a discount of up to 40 per cent of the Issue Price.</p>
Implementation of Redemption Facility	Constitution will be amended to facilitate the discounted Redemption Facility as set out in Section 3.1.	The current Constitution facilitates redemptions from the fund at a redemption price of NTA per Unit less transaction costs.

## 3.3 What are the key advantages and disadvantages of the New Strategy, including the changes to the Constitution?

New Strategy item	Advantages	Disadvantages
Delisting	See Section 2.2.	See Section 2.2.
Capital raising initiatives	<p>Enable the Trust to attract capital inflows in the current economic climate and provide the Trust with investment capital to make investments over time.</p> <p>Enable the Trust to reduce debt over time and provide working capital.</p> <p>Enable the Trust to support the Redemption Facility.</p> <p>The application of set discounts to NTA per Unit creates a transparent pricing of Units in the Trust.</p>	<p>The discounted issue prices which are proposed as part of the capital raising initiatives will be NTA and EPU dilutive to existing Investors who do not participate in future capital raisings.</p> <p>It is currently intended that all existing Investors will be offered the opportunity to participate in the majority of future discounted capital raising initiatives.</p>
Staged reduction of the Trust debt	The reduction of gearing will make the Trust more appealing to new Investors and provide greater comfort to finance providers in banking arrangements.	<p>To the extent that the Trust's gearing is reduced through the application of equity raised through discounted offers, Investors who do not participate in the offers will be diluted.</p> <p>It is intended that all existing Investors will be offered the opportunity to participate in the majority of future discounted capital raising initiatives.</p>

New Strategy item	Advantages	Disadvantages
Asset allocation strategy	<p>Provides flexibility in acquiring accretive property investment assets, thereby allowing the Trust to continuously grow.</p> <p>Increased liquid asset allocation provides support for the proposed Redemption Facility.</p>	A potential increase in volatility for liquid assets held indirectly. Maximum 25 per cent allocation only with a target allocation of 10 per cent.
Implementation of Redemption Facility	<p>Provides liquidity on an equitable basis at a price which is transparent and referable to the underlying value of the Trust.</p> <p>Units will be redeemed at a discount to the prevailing NTA per Unit. The discount applicable will always be more than that of new equity, creating a stabilising effect on the Trust's ongoing NTA for Investors remaining in the Trust.</p> <p>The discounted redemption price is designed to strike an appropriate balance between the interests of Investors wishing to withdraw from the Trust and those remaining.</p>	<p>Redemptions will occur at a discount to the prevailing NTA per Unit.</p> <p>The level of monthly redemptions will be capped so as not to disadvantage remaining Investors of the Trust. This may mean that Investors may not be able to redeem their entire holding in any one redemption period.</p>

### 3.4 What happens if Resolution 2 is approved?

If Resolution 2 is approved by the required majority, the Constitution will be amended in accordance with Section 3.2. Mirvac PFA will then be able to implement the New Strategy as contemplated by Section 3.1.

**Please note that the vote on Resolution 2 is conditional on Resolution 1. If Resolution 1 is not approved and Resolution 2 is approved the Trust will not be delisted and will continue to operate in its current form.**

### 3.5 What happens if Resolution 2 is not approved?

As noted in Section 2.4, the vote on Resolution 2 is conditional on Resolution 1 being approved by the required majority and vice versa. If Resolution 1 is approved and Resolution 2 is not approved the Trust will not be delisted as Investor liquidity will cease to operate and the Trust will continue to operate in its current form.

### 3.6 Resolution 2: Mirvac PFA's recommendation

Each of the directors of Mirvac PFA believe that the proposed changes to the Constitution to facilitate the implementation of the New Strategy are in the best interests of all Investors and recommend that you vote in favour of Resolution 2.

### 4. What are the costs of the Investors' Meeting?

The costs incurred in connection with this Investors' Meeting are approximately \$100,000 (excl GST). These costs will be paid out of the Trust.

### 5. What do I have to do?

Please read this Notice of Meeting and Explanatory Memorandum carefully. If you are in any doubt about the Resolutions or the action to be taken, you should seek your own professional financial advice.

To vote on the Resolutions, you may either:

- (a) attend the Investors' Meeting to be held in the Templeton and Holdway Rooms, Tattersall's Club, 215 Queen Street, Brisbane at 11.30am (AEST) Friday, 27 March 2009; or
- (b) complete the enclosed proxy form and return it in the reply paid envelope to reach us no later than 11.30am (AEST) Wednesday, 25 March 2009. Details of how to complete the proxy form are provided on the form itself.

# Notes about the Meeting and How to Vote

These Notes form part of the Notice of Meeting.

## 1. What do the Resolutions do?

- (a) Passing Resolution 1 would approve the Delisting of the Trust from the BSX.
- (b) Passing Resolution 2 would approve of changes to the Constitution to enable the implementation of the remaining elements of the New Strategy after the Delisting.

## 2. Advantages and disadvantages of the Resolutions

See Sections 2.2 and 3.3 above in relation to Resolutions 1 and 2, respectively.

## 3. Recommendation of directors of Mirvac PFA

- (a) The directors of Mirvac PFA recommend that you vote in favour of Resolution 1.
- (b) The directors of Mirvac PFA recommend that you vote in favour of Resolution 2.

Mirvac PFA believes that the implementation of the New Strategy will be in the best interests of Investors.

## 4. Quorum

The quorum for the Investors' Meeting is at least two Investors present in person or by proxy.

## 5. Chair

Mirvac PFA will appoint a person to chair the Investors' Meeting.

## 6. Voting intentions of the Chair

The chair intends to vote any undirected proxies appointing the chair as proxy in favour of the Resolutions.

## 7. Voting by Mirvac PFA and its associates

Mirvac PFA and its associates are not entitled to vote their interest on a resolution at the Investors' Meeting if they have an interest in the resolution or matter other than as a Unitholder. Mirvac PFA intends to abstain from voting on the Resolutions. Mirvac PFA may, however, vote as a proxy for another Investor who can vote in circumstances where the proxy specifies the way Mirvac PFA is to vote on a resolution.

## 8. The Resolutions

- (a) Resolution 1 is proposed as an ordinary resolution and will be passed if at least 50 per cent of the total votes cast by Investors entitled to vote on the Resolution are cast in favour of the Resolution.
- (b) Resolution 2 is proposed as a special resolution and will be passed if at least 75 per cent of the total votes cast by Investors entitled to vote on the Resolution are cast in favour of the Resolution.

Resolution 1 and Resolution 2 are interdependent. Therefore, if Resolution 1 is approved and Resolution 2 is not approved, neither Resolution will be implemented and similarly, if Resolution 2 is approved and Resolution 1 is not approved, neither Resolution will be implemented.

## 9. Entitlement to vote

Mirvac PFA has determined that for the purposes of the Investors' Meeting all Units are taken to be held by the Investors appearing on the Trust's register at 7.00pm AEST on Wednesday, 25 March 2009. Those Investors are therefore the persons entitled to attend and to vote at the Investors' Meeting.

## 10. Bodies corporate

A body corporate may appoint an individual as its representative to exercise any of the powers the body corporate may exercise at meetings of Investors of the Trust. The appointment may be a standing one. Unless the appointment states otherwise, the representative may exercise all of the powers that the appointing body corporate could exercise at a meeting or in voting on a resolution.

The representative should bring to the Investors' Meeting evidence of his or her appointment, including any authority under which the appointment is signed, unless it has previously been given to the Trust.

## 11. Jointly held interests

If an interest in the Trust is held jointly, and more than one Investor votes in respect of that interest, only the vote of the Investor whose name appears first in the register of Investors counts.

## **12. Appointment of proxy**

If you are entitled to vote at the Investors' Meeting you have a right to appoint a proxy and may use the proxy form with this notice. The proxy does not need to be an Investor of the Trust.

If you wish to appoint someone other than the chairperson of the Investors' Meeting as your proxy, please write the name of that person in the appropriate box. Investors cannot appoint themselves. If you do not name a proxy, or your named proxy does not attend the Investors' Meeting, the chairperson of the Investors' Meeting will be your proxy and vote on your behalf.

Your proxy has the same rights as you to speak at the Investors' Meeting and to vote to the extent you allow in the proxy form. Your proxy has authority to speak and vote for you at the Investors' Meeting (to the extent allowed by the appointment) even if you are present at the Investors' Meeting (but only so long as you do not speak or vote, as the case may be).

## **13. Voting directions to your proxy**

You may direct your proxy how to vote. Your proxy does not have to vote, but if your proxy does vote, your proxy must vote as directed. However, if you appoint the chairperson as your proxy, he or she should cast your votes on a poll and then should vote as you directed. All your votes will be cast in accordance with your direction, unless you indicate only a portion of votes are to be cast on any item.

If you do not direct your proxy how to vote, your proxy will vote as he or she chooses (and if you appoint the chairperson, the chairperson will vote in favour of the Resolutions). If you mark more than one box relating to a Resolution any vote by your proxy on that item may be invalid.

## **14. Appointing a second proxy**

If you are entitled to cast two or more votes you may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

If you appoint two proxies and the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes (ignoring fractions).

## **15. Signing instructions**

A proxy form must be signed by the Unitholder or the Unitholder's attorney. Instructions for signing are on the proxy form.

If a proxy form is signed by an attorney and you have not previously lodged the power of attorney with the Trust's registrar, Link Market Services Limited, for notation, please attach a certified copy of the power of attorney to the form when you return it.

## **16. Lodgement of Proxy Form**

Proxy forms must be received in any of the following ways:

### **By post**

Please use the reply paid envelope enclosed or address your letter to either:

Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235

or

Mirvac PFA Limited  
Level 26, 60 Margaret Street  
Sydney NSW 2000

### **By facsimile**

Link Market Services Limited  
+61 2 9287 0309

or

Mirvac PFA Limited  
+61 2 9080 8174

### **By hand**

Link Market Services Limited  
Level 12, 680 George Street  
Sydney NSW 2000

or

Mirvac PFA Limited  
Level 26, 60 Margaret Street  
Sydney NSW 2000

**no later than 11.30am AEST on Wednesday,  
25 March 2009.**

Documents received after that time will not be valid for the scheduled Investors' Meeting.

# Glossary

<b>AEST</b>	Australian Eastern Standard Time
<b>AREIT</b>	An Australian Real Estate Investment Trust is a property investment trust that owns and manages a pool of real estate assets. They are generally listed on a prescribed stock exchange. In Australia, AREIT's are also known as Listed Property Trusts
<b>BSX</b>	Bendigo Stock Exchange Limited ACN 087 708 898
<b>Constitution</b>	The constitution of the Trust established by deed made on 14 August 2001, as amended from time to time
<b>Delisting</b>	The proposed delisting of the Trust from trading on the BSX
<b>EPU</b>	Earnings per Unit
<b>Explanatory Memorandum</b>	The information contained in this document
<b>Look Through Gearing</b>	Look through gearing is defined as the Trust's pro-rata share of assets and liabilities of joint ventures and other entities in which the Trust has an interest, added to the Trust's direct assets and liabilities
<b>Investor</b>	A registered holder of a Unit
<b>Mirvac PFA</b>	Mirvac PFA Limited ABN 58 078 199 569 AFSL 224106 in its capacity as responsible entity of the Trust
<b>New Strategy</b>	The new three to five year strategic plan for the Trust as discussed in Sections 2 and 3 of this Explanatory Memorandum
<b>Notice of Meeting</b>	This notice of meeting sent to Investors calling the Investors' Meeting
<b>NTA</b>	Net Tangible Assets per Unit
<b>Redemption Facility</b>	The proposed redemption facility discussed in Section 3.1 of the Explanatory Memorandum
<b>Required Majority</b>	Resolution 1 is an ordinary resolution and will be passed if at least 50 per cent of the total votes cast by Investors entitled to vote on the Resolution are cast in favour. Resolution 2 is a special resolution and will be passed if at least 75 per cent of the total votes cast by Investors entitled to vote on the Resolution are cast in favour
<b>Resolution 1</b>	The first resolution set out in the Notice of Meeting, being an ordinary resolution to Delist the Trust from the BSX, as discussed in Section 2.1 of the Explanatory Memorandum
<b>Resolution 2</b>	The second resolution set out in the Notice of Meeting, being a special resolution to approve various changes to the Constitution to enable the implementation of the remaining elements of the New Strategy after Delisting, as discussed in Section 3.2 of the Explanatory Memorandum
<b>Resolutions</b>	Resolution 1 and Resolution 2
<b>Trust</b>	Mirvac PFA Diversified Property Trust ARSN 097 860 690
<b>Unit</b>	A fully paid ordinary Unit in the Trust
<b>Investors' Meeting</b>	The meeting of Investors to be held in the Templeton and Holdway Rooms, Tattersall's Club, 215 Queen Street, Brisbane, 11.30am (AEST) Friday, 27 March 2009



# Corporate Directory

## **Responsible Entity**

Mirvac PFA Limited  
ABN 58 078 199 569 AFSL 224106  
as Responsible Entity of  
Mirvac PFA Diversified Property Trust  
ARSN 097 860 690

Level 26, 60 Margaret Street  
Sydney NSW 2000  
Telephone: +61 2 9080 8000  
Facsimile: +61 2 9080 8174  
Email: [enquiries\\_mfml@mirvac.com.au](mailto:enquiries_mfml@mirvac.com.au)  
Web: [www.mirvac.com/mpfa](http://www.mirvac.com/mpfa)

## **Unit Registrar**

Link Market Services  
Level 12, 680 George Street  
Sydney NSW 2000  
Investor correspondence:  
Locked Bag A14  
Sydney South NSW 1235  
Investor enquiries: 1800 687 170



**MIRVAC PFA DIVERSIFIED PROPERTY TRUST**

ARSN 097 860 690  
Responsible entity: Mirvac PFA Limited  
ABN 58 078 199 569 AFSL 224106  
www.mirvac.com/mpfa

**Please return your Proxy forms to:**

Link Market Services Limited  
Level 12, 680 George Street, Sydney NSW 2000  
Locked Bag A14, Sydney South NSW 1235 Australia  
Telephone: 1800 687 170  
From outside Australia: +61 2 8280 7026  
Facsimile: (02) 9287 0309  
BSX Code: PFD  
Website: www.linkmarketservices.com.au

**APPOINTMENT OF PROXY**

If you would like to attend and vote at the General Meeting, please bring this form with you. This will assist in registering your attendance.

**X999999999999**

I/We being a member(s) of Mirvac PFA Diversified Property Trust and entitled to attend and vote hereby appoint

**A** the **Chairman of the Meeting** (mark box)

☐

**OR** if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered Unitholder) you are appointing as your proxy

or failing the person/body corporate named, or if no person/body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following instructions (or if no directions have been given, as the proxy sees fit) at the General Meeting of the Trust to be held at 11:30am (AEST) on Friday, 27 March 2009, at Templeton and Holdway Rooms, Tattersall's Club, 215 Queen Street, Brisbane QLD 4001 and at any adjournment of that meeting.

Where more than one proxy is to be appointed or where voting intentions cannot be adequately expressed using this form an additional form of proxy is available on request from the unit registry. Proxies will only be valid and accepted by the Trust if they are signed and received no later than 48 hours before the meeting, being 11:30am (AEST) on the 25 March 2009. The Chairman of the Meeting intends to vote undirected proxies in favour of all items of business.

**B** To direct your proxy how to vote on any resolution please insert **X** in the appropriate box below.

**Resolution 1**

Delisting the Trust from the Bendigo Stock Exchange

For Against Abstain\*

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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**Resolution 2**

Changes to the Trust's constitution to facilitate New Strategy

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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\* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

**C SIGNATURE OF UNITHOLDERS – THIS MUST BE COMPLETED**

Unitholder 1 (Individual)

Sole Director and Sole Company Secretary

Joint Unitholder 2 (Individual)

Director/Company Secretary (Delete one)

Joint Unitholder 3 (Individual)

Director

This form should be signed by the Unitholder. If a joint holding, either Unitholder may sign. If signed by the Unitholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the Corporations Act 2001 (Cwlth).

**PFD PRX841**

# How to complete this Proxy Form

## 1 Your Name and Address

This is your name and address as it appears on the Trust's unit register. If this information is incorrect, please make the correction on the form. Unitholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your units using this form.**

## 2 Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in section A. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person in section A. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a unitholder of the Trust. A proxy may be an individual or a body corporate.

## 3 Votes on Items of Business

You should direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your units will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of units you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

## 4 Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Trust's unit registry or you may copy this form.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of units applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together.

## 5 Signing Instructions

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either Unitholder may sign.

Power of Attorney: to sign under Power of Attorney, you must have already lodged the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the Trust's unit registry.

## Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by 11:30am (AEST) on Wednesday, 25 March 2009, being not later than 48 hours before the commencement of the meeting. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the reply paid envelope or:

- by posting or facsimile to Mirvac PFA Diversified Property Trust's unit registry as follows:  
Mircac PFA Diversified Property Trust  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235  
Facsimile: (02) 9287 0309
- delivering it to Level 12, 680 George Street, Sydney NSW 2000.