

14 June 2005

BSX Announcements

Facsimile No. (03) 5444-0033

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PFA DIVERSIFIED PROPERTY TRUST - BSX CODE: PFD

Possible Sale of Post Office Square

Property Funds Australia Limited ("PFA"), as responsible entity for The PFA Diversified Property Trust ("Trust") announces that PFA have on behalf of the Trust allowed a third party (who has purchase intentions) to carry out due diligence on the Post Office Square property pursuant to a short form non-binding heads of agreement. The intention is that should this party's final price be acceptable that a put and call option would be entered into with settlement (assuming the options are exercised) likely to occur towards the end of this calendar year. No contract or option agreement would be entered into unless an appropriate and updated independent valuation was received by PFA.

Due to the potential for variability of the sale price, it is not appropriate at this stage to state as to what the expected price might be as a result of the discussions to date. It is expected that due diligence of Post Office Square by the third party would be concluded by the end of this month with a put/call option being executed by that time.

Should an agreement be executed between the parties relating to a sale of this property, we shall advise the market accordingly.

**Chris Morton
Managing Director**