

30 June 2005

BSX Announcements
Facsimile No. (03) 5444-0033
(1 page)



PROPERTY FUND MANAGERS

**PFA DIVERSIFIED PROPERTY TRUST - BSX CODE: PFD
6.76 CPU SPECIAL DISTRIBUTION TO UNITHOLDERS ON REGISTER ON 30 JUNE, 2005**

Property Funds Australia Limited ("PFA"), as responsible entity for The PFA Diversified Property Trust ("Trust") advises that consequent upon the recently announced potential sale of Post Office Square to the CFS Gandel Retail Trust pursuant to a Put and Call Option Agreement ("the Put and Call"), it is the intention of PFA to make a special distribution to unitholders on the following terms and conditions:-

1. **Amount of special distribution: 6.76 cents per unit;**
2. **Record date for distribution: 30 June, 2005;**
Investors who become unitholders on the register after 30 June, 2005 will not be entitled to this special distribution. Should a unitholder on the register as at 30 June, 2005 subsequently sell their units they will still receive the special distribution subject to the conditions below.
3. **Payment date: Fourteen (14) days after settlement** of the sale contract of Post Office Square. This settlement is currently projected by PFA to be between 1 September, 2005 and 1 December, 2005;
4. **Conditions: The special distribution is conditional** upon:-
 - (a) (i) the exercise by the Purchaser of its call option to purchase under the Put and Call; or
(ii) the exercise by the Trust of its put option to sell under the Put and Call; and
 - (b) the completion of the sale contract which comes about as a consequence of the exercise of either of the options referred to in paragraph (a) above.

Background

The special distribution is proposed to be made out of the capital profit which would arise from the Post Office Square sale. The Post Office Square property is currently carried in the financial statements of the Trust at a book value of \$55M. The base sale price under the Put and Call Option agreement is \$68.6M. The price is subject to variations depending on the Trust's ability to generate additional revenue streams by certain key milestone dates as well as final leasing negotiations on a lease renewal and two vacant tenancies. PFA estimates that the eventual moneys received by way of sale price will be in the vicinity of \$69M to \$70M.

Chris Morton
Managing Director