

11 May 2009

Dear Unitholder

**Investa Diversified Office Fund (IDOF) – Suspension of distributions**

You may recall from the December 2008 Quarterly Report and the detailed letter to investors on 9 February 2009, IDOF is in the process of attempting to sell some of its properties to allow it to reduce debt levels, provide flexibility to meet future capital expenditure and assist with the refinancing obligation in just under two years time.

Two of IDOF's properties (369 Royal Parade, Parkville, Victoria and 115 Grenfell Street, Adelaide) are now in due diligence. Due diligence is the period before entering into a binding contract of sale when a potential purchaser conducts a detailed assessment of the property and the sales contract. We are optimistic that a favourable outcome can be negotiated if the purchasers can satisfy their own due diligence and funding requirements.

As these properties are in due diligence and as IDOF has not yet signed an unconditional binding contract for any of its properties, IDOF has suspended distributions in order to preserve capital for future funding requirements. This was foreshadowed in the last Quarterly Report and the detailed letter to investors on 9 February 2009.

Whilst disappointing, we believe that such action is prudent in the current economic climate, and that the current preservation of capital is in the best interests of investors as it ensures that IDOF is better placed to meet future funding and refinancing obligations.

We will assess IDOF's capacity to reinstate distributions at 30 June 2009 taking into account matters such as:

- IDOF's future capital expenditure financing requirements;
- IDOF's changed funding capacity from any property sales and the terms of those sales; and
- possible changes to debt costs when IDOF refinances its debt facility (due to mature in March 2011).

As always, we will keep you informed of any material developments, particularly the progress of IDOF's property sales, by posting updates on IDOF's website at [www.investa.com.au/IDOF](http://www.investa.com.au/IDOF) and in our next Quarterly Report.

Please contact our Client Services team on (02) 8226 9342 or [clientservices@investa.com.au](mailto:clientservices@investa.com.au) if you have any further questions.

Yours sincerely



Grant Nichols  
**Fund Manager – Investa Diversified Office Fund**  
**Investa Funds Management Limited**