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22 MAY 2006

Company Announcements Office
Australian Stock Exchange

ABACUS PROPERTY GROUP (ABP)
$20m Security Purchase Plan

Following the $70m institutional placement undertaken by the Abacus Property Group in February 2006, we are pleased to offer all security holders the opportunity to participate in a $20m Security Purchase Plan.

All eligible security holders will be able to apply for up to 3,500 new stapled securities in the group at a purchase price of $1.41, which is the same price as that offered to institutional investors in February 2006.

Full details of the Security Purchase Plan are included in the attached letter.

For further information, please contact Abacus Property Group on (02) 9253 8600.

Yours faithfully

David J Bastian
Managing Director

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Dear Investor

SECURITY PURCHASE PLAN

The Abacus Property Group (Abacus) is pleased to offer you the opportunity to participate in a Security Purchase Plan to increase your holding in Abacus.

You will have the opportunity to acquire up to 3500 new Abacus stapled securities at a price of $1.41. This price is the same as that offered to institutional investors that participated in the $70 million placement during February 2006.

Other key provisions of the Security Purchase Plan include:

- Security holders who were on the register as at the close of business on Friday 19 May 2006 are eligible to participate.
- No brokerage or other transaction costs apply.
- The offer is non-renounceable.
- The securities will rank equally with existing Abacus Property Group securities, including participation in distributions, from 1 July 2006.
- The right to accept over-subscriptions if applications for more than $20 million are received.

Before deciding to invest under the Security Purchase Plan, we encourage you to review the attached terms and conditions and, if necessary, obtain your own independent advice from a broker, professional adviser or financial intermediary.

To apply for securities under the terms of the Security Purchase Plan, please complete the attached Application Form and return it in the enclosed envelope to Computershare **by 5pm (Sydney time) on Wednesday 21 June 2006.**

If you do not wish to purchase additional securities, there is no need to take any action.

If you have any queries in relation to the offer, please contact the Abacus Property Group directly on (02) 9253 8600.

Yours faithfully

David J Bastian
Managing Director

ABACUS PROPERTY GROUP
SECURITY PURCHASE PLAN MAY 2006

The terms of the Security Purchase Plan (SPP) are set out in this document together with the accompanying letter from the Managing Director and the application form. All of these documents comprise the offer made in relation to the SPP. Please read all of this information carefully. If you are in any doubt as to the effect of the SPP, please consult your financial adviser.

THE OFFER

Abacus Property Group is offering eligible security holders (see below) the opportunity to participate in a SPP, under which security holders may apply for up to 3500 stapled securities in the group at an issue price of $1.41.

The amount to be raised under the SPP is $20 million. Abacus Property Group may accept over-subscriptions.

The funds raised pursuant to the SPP will be used to lower gearing and provide the Abacus Property Group with the ability to pursue further property acquisition opportunities.

ELIGIBILITY TO PARTICIPATE

All holders of Abacus Property Group securities resident in Australia who are registered as at 5.00 pm on 19 May 2006 may participate in the offer.

Participation is voluntary.

INVITATION TO APPLY

Eligible holders may apply for up to 3,500 securities at an issue price of $1.41. (This price is less than the market price of Abacus Property Group securities during the five trading days ended on 17 May 2006.)

The offer closes at 5pm (Sydney time) on Wednesday 21 June 2006 – all applications must be received by Computershare's Sydney office by this time.

If a trustee or nominee is expressly noted on the register as holding securities on account of another person (a beneficiary), the beneficiary is taken to be the registered holder of the securities for the purpose of this SPP and any application by the trustee or nominee is taken to be an application and certification by the beneficiary. Otherwise, trustees and nominees that are registered holders may apply only once.

Abacus Property Group reserves the right to reject an application where it believes the application may result in a person receiving more than 3,500 securities under the SPP, such as an application from a person who has more than one holding, or where it believes that the application does not comply with these terms and conditions.

The SPP is non-renounceable, meaning that eligible holders cannot transfer their entitlement to purchase securities under the SPP to another person.

ISSUE PRICE

The issue price for all securities offered under the SPP is $1.41 per security.

The market price of Abacus Property Group securities may rise or fall between the date of this offer to purchase securities and the date when the securities are allocated. This means that the issue price you pay for securities under the SPP may be greater or less than the market price at the time of allotment. Accordingly, you should obtain your own financial advice in relation to this offer.

No brokerage or other transaction costs will apply to any purchases under the SPP.

DISTRIBUTION ENTITLEMENT	Securities issued under the SPP will rank for distributions from 1 July 2006. That is, these securities will receive the full distribution for the quarter ending 30 September 2006.
ALLOCATION POLICY	If applications for more than $20 million are received, Abacus Property Group reserves the right to scale back applications to $20 million (or to a greater amount). If applications are scaled back, this will be done on a proportionate basis. Any necessary refund will be paid after the close of the offer. No interest will be paid on money refunded. Allotment of securities is anticipated to be completed on 29 June 2006, with ASX quotation shortly after that.
PAYMENT INSTRUCTIONS	Payment of application money must be made by cheque. Detailed instructions are provided on the application form.
SUBMITTING PAYMENTS	Applications comprising the completed application form and the applicant's cheque for the full amount must be received by Computershare at the address set out on the application form no later than 5pm on Wednesday 21 June 2006. Applicants should allow sufficient time for this to occur. A reply paid envelope is enclosed.
DECLARATION AND ACKNOWLEDGMENTS	By forwarding a payment, the applicant acknowledges that they have read and understood the terms of the SPP and certifies that the total cost of all securities purchased by them in the SPP or any similar arrangement in the 12 months prior to this application (including through joint and beneficial holdings) does not exceed $5,000. The applicant acknowledges that an application on these terms is unconditional and cannot be withdrawn. The applicant authorises Abacus Funds Management Limited ACN 007 415 590 (and its officers and agents) to correct any error or omission in their application by correcting the error or inserting the correct missing details. Abacus Property Group may determine that an application is valid even if it contains errors or omissions.
AMENDMENTS TO THE OFFER	Abacus Property Group reserves the right to change the timetable, including the closing date.
RIGHT TO WITHDRAW OFFER	Abacus Property Group may withdraw the SPP at any time prior to allotment. If the SPP is withdrawn, all application money will be refunded. No interest will be paid on any application money refunded.
QUERIES	If you have any queries concerning the SPP, please contact Abacus Property Group on (02) 9253 8600 or email enquiries@abacusproperty.com.au. Alternatively, please contact your financial adviser.

This document has been prepared by Abacus Funds Management Limited (ACN 007 415 590) (AFSL 227819) as Responsible Entity for the Abacus Trust and the Abacus Income Trust. The details in this document provide general information only – it is not intended as investment or financial advice and must not be relied upon as such. You should obtain independent professional advice prior to making any decision to invest. All personal information supplied in your Application Form will be treated in accordance with the privacy policy of the Abacus Property Group, a copy of which is available on the Abacus Property Group website at www.abacusproperty.com.au. All values are expressed in Australian currency unless otherwise stated.