GPT

GENERAL PROPERTY TRUST

General Property Trust
ASX Announcement & Media Release

GPT and Lend Lease agree transitional arrangements

2 June 2005

The independent directors of General Property Trust ("GPT") today announced an agreement with Lend Lease Corporation ("Lend Lease") to provide for a smooth and orderly transition of business should GPT unitholders approve the internalisation of management proposed at the meeting of GPT unitholders today.

The agreement covers operational and logistical matters for the transition of responsible entity of GPT from GPT Management Limited to the new responsible entity to be known as GPT RE Limited ("New RE"). As GPT's Explanatory Memorandum dated 2 May 2005 foreshadowed, the issues covered by the agreement include:

- the acquisition, licence or making available to GPT of facilities, intellectual property and other assets owned within the Lend Lease group of companies that are desirable for the efficient operation of GPT;
- the termination, retirement, replacement and/or rollover of property management arrangements, trustee positions in relation to GPT sub-trusts and joint venture projects;
- the methodology by which relevant employees will be offered positions with New RE, and facilitation of the transfer of those employees, should they accept the employment offers;
- confirmation that Lend Lease will not exercise pre-emptive rights over the Twin Waters and Rouse Hill residential developments, and an increase in GPT's investment in these projects to 50%;
- the regulation of certain contractual rights in relation to GPT's operations and assets arising from the change in responsible entity; and

- the delegation to New RE of the principal administrative functions of GPT Management Limited in respect of the GPT Split Trust.

In return for the co-operation, services and assets under the agreement, GPT has agreed to pay Lend Lease the amount of $16.5 million. That amount is considered by GPT to be roughly equivalent to the costs and management expense likely to have been incurred by GPT in acquiring, procuring and/or establishing the services and assets provided under the agreement.

GPT's CEO, Nic Lyons, said the agreement represented a sensible business outcome.

"This is more than a co-operation agreement between GPT and Lend Lease, as it will ensure an orderly transition of management of GPT", Mr Lyons said.

"It reassures GPT Unitholders that, should they vote in favour of the internalisation today as the Independent Directors have recommended, the new responsible entity will be able to commence its duties immediately, with a complete alignment of interests between the Board, management and unitholders.

"The agreement means that GPT can commission the new responsible entity efficiently and basically without any nett cost to GPT. The agreement also eliminates the potential for confusion and dispute should the internalisation proceed", Mr Lyons said.

ENDS

Enquiries

For further information please contact

Nic Lyons	Martin Debelle
CEO, GPT	Cannings
0401 719 899	(02) 9252 0622 / 0409 911 189

A prospectus for GPT Management Holdings Limited (***GPTCo***) shares was lodged with the Australian Securities and Investments Commission on 2 May 2005. The offers of the GPTCo shares will be made in, or accompanied by, a copy of the prospectus. Anyone wishing to acquire the GPTCo shares must be a member of General Property Trust (ARSN 090 110 357) on the record date specified in the prospectus.