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SUCCESS FOR STOCKLAND'S FIRST UNLISTED PROPERTY FUND OFFER

Stockland today announced it had closed the Stockland Direct Office Trust No.1 offer ahead of schedule following an overwhelming response from retail investors.

SDOT1 – the offer of $66.5 million units in the single asset trust – was launched on 14 September and provided investors with exposure to Waterfront Place, a high quality premium grade office building in the Brisbane CBD.

Stockland Unlisted Property Funds CEO Robb Macnicol said the extraordinary response to the offer reflected the strong demand in the market for high quality unlisted property products.

"The take-up of the fund endorses Stockland's philosophy of combining strong funds management, corporate governance, manager alignment through fund co-investment and proven property management capabilities," said Mr Macnicol.

Stockland and Westpac, through a wholly owned subsidiary, acquired Waterfront Place in February this year with the intention to syndicate Westpac's 50% share. Westpac also participated as underwriter, distributor and financier to the new fund.

Westpac Institutional Bank (WIB) Group Executive Phil Coffey said he was delighted with the response to the SDOT1 offer.

"WIB has worked closely with Stockland to develop and distribute the fund, and we've had strong support for the offer from Westpac's distribution network and from existing Stockland security holders," said Mr Coffey.

"The Brisbane leasing market continues to see solid tenant demand and Stockland has recorded strong levels of leasing activity at Waterfront Place since the SDOT1 offer was launched, confirming the high quality of the property."

Terms have been agreed on approximately 2,300m^2 of existing and upcoming lease expiries, extending the building's average lease expiry profile to 4.5 years, with an occupancy rate of circa 99%.

"Following the success of SDOT1, Stockland is now considering the launch of further direct property investment opportunities tailored for both retail and wholesale investors," said Mr Macnicol.

Product Issuer: Stockland Funds Management Limited
ACN 078 081 722
AFSL No. 241188
As Responsible Entity for Stockland Direct Office Trust No. 1
ARSN 110 688 009

The Stockland Direct Office Trust No.1 (ASRN 110 688 009) offer closed on 28 October 2004, and applicants will be notified in writing during the week commencing 22 November 2004 about the success of their application. The offer information line 1300 653 941 remains available to existing applicants.

For further information contact:

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Stockland (ASX: SGP) is one of the largest and most diversified property groups in Australia with interests in retail, commercial, industrial and residential property investment and development, as well as hotel management. Stockland currently has total assets in Australia and New Zealand of over $7.2 billion, market capitalisation in excess of $7 billion, and reported a net profit of $456 million for the year ended 30 June 2004. Additional information can be found on our website www.stockland.com.au