



LEX PROPERTY MANAGEMENT LIMITED

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20 October 2006

Dear Investor,

LEX Retail Property Trust

The Directors of LEX Property Management Limited, the responsible entity of the LEX Retail Property Trust ("Trust"), are pleased to provide the following update :

SEPTEMBER 2006 QUARTER PAYMENT TO UNITHOLDERS

Enclosed is your payment advice for the quarter ended 30 September 2006 which covers a cash distribution of the Trust's net income for the quarter ended 30 September 2006. Your total cash payment of **2.375** cents per unit represents an income distribution which is in line with the amount forecast in the Product Disclosure Statement ("PDS") dated 9 September 2005.

ANNUAL FINANCIAL STATEMENTS – 30 JUNE 2006

Enclosed is a copy of the Trust's Financial Statements for the year ended 30 June 2006 for your records.

I look forward to updating you in due course with details of the Trust's December 2006 quarter distributions. In the meantime, if you have any questions regarding your investment in the Trust, please do not hesitate to contact Investor Services on 1800 502 464.

Yours sincerely,
LEX Property Management Limited

A handwritten signature in black ink, appearing to read 'Nick Wyatt', written over a horizontal line.

Nick Wyatt
Managing Director