

GEO Property Group

Comprising:

GEO Property Trust ("Trust")

ARSN 104 482 206

(Responsible Entity: GEO Management Limited)

ABN 77 116 506 882, AFSL 304866

GEO Property Group Limited ("Company")

ABN 38 117 546 326

ASX Code: GPM



ASX ANNOUNCEMENT/MEDIA RELEASE

SECURITYHOLDER COMMUNICATION

The following letter from the Board Chairman, Richard Anderson, will be circulated to all securityholders tomorrow with their distribution payment for the quarter ended 31 March 2008.

Guy Farrands
Managing Director and CEO
GEO Property Group

Date: 14 April 2008

Sydney	Gold Coast	Melbourne	SHARE REGISTRY
Level 13 167 Macquarie St Sydney NSW 2000	Ground Level 9 Ouyan Street Bundall Qld 4217	Level 2 600 Victoria Street Richmond Vic 3121	Computershare Investor Services Pty Ltd Level 19, 307 Queen Street Brisbane QLD 4000
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Computershare Investor Services Pty Limited
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Telephone: 1300 651 684

Securityholder Queries:

Email: securityholder@geopg.com.au

Telephone: 1300 552 434

11 April 2008

Dear Securityholder

GEO Property Group – Update

I am writing to let you know that GEO Property Group (GEO) and its banking syndicate have reached agreement (including credit committee approvals) on outline terms for revised banking arrangements subject to formal documentation.

The outline terms of the agreement include:

- There will be significant changes to the definitions within the facility documents. These will address the ambiguity that existed in the previous documents.
- Debt repayment requirements, resulting in a reduction in Facility Limit (inclusive of working capital facility) from \$450,000,000 to \$375,000,000 by 31 December 2008 and to \$325,000,000 by 30 June 2009.

To remain within these various facility limits the Group must execute a program to sell certain assets and is also seeking to enter into joint venture arrangements over some of its communities development projects. GEO has already entered into contracts to sell approximately \$40 million of assets.

- The maximum permitted leverage ratio is to be reduced to 50% from 55% by 31 December 2008.
- A revised debt pricing structure
 - Margin increases from 1.00% to 1.25%
 - Non usage fee of 0.50% removed
 - Line Fee of 0.50% introduced
 - Variation Fee of \$675,000

As the revised arrangements are conditional upon documentation, GEO believes it is appropriate that its securities remain suspended until such time as this agreement is fully documented. GEO and the banking syndicate have agreed that these revised arrangements should be documented by 14 April 2008.

This is a summary of the arrangements. For more details, please go to <http://www.geopg.com.au/asx.asp?year=2008> and see our announcement dated 1 April 2008 entitled “Update on Banking Arrangements”

Business after de-levering

Upon successful execution of the process to de-lever the business, GEO expects the business to have the following characteristics:

- Gearing levels to reduce to c30% on a net debt to total assets basis
- Stabilised investment portfolio of c\$200m – inclusive of completed new developments approximating \$120m
- Development inventory in the order of \$300m

The de-levering process is anticipated to be completed by 30 June 2009.

Profit for Year Ending 30 June 2008

GEO's forecast earnings of 8.1 cents per stapled security (after fair value adjustments) is currently under review. Revised guidance will be provided as soon as practically possible, and after there is certainty about the terms of the banking facility at completion of documentation.

Distribution Policy

GEO currently expects to maintain its distribution of 2.225 cents per security for the quarter ending June 2008, totalling 8.9 cents per stapled security for the full year. This distribution rate will be confirmed in due course. The distribution rate and payout ratio for following quarters is under review. Revised guidance will be provided as soon as practically possible.

ASX Code

You will now note that the Group's ASX code has changed to GPM following the name change.

Yours faithfully



Richard Anderson OAM
Chairman