

19 July 2006

The Manager
Australian Stock Exchange Limited
20 Bridge Street
Sydney NSW 2000

DB RREEF Funds Management Limited
ABN 24 060 920 783
Australian Financial Services Licence Holder
Level 9 343 George Street
Sydney NSW 2000
PO Box R1822
Royal Exchange NSW 1225
Telephone 61 2 9017 1100
Direct 61 2 9017 1136
Facsimile 61 2 9017 1132

Email: tony.dixon@dbreef.com

Dear Sir/Madam

DB RREEF Trust (ASX: DRT)
Acquisition and Development Update

DB RREEF Funds Management Limited, as responsible entity for DB RREEF Trust (DRT), provides the following Market Update in relation to its Acquisition and Development activity.

For further information, please contact

DRT Fund Manager	Tony Dixon	(02) 9017 1136
Investor Relations	Karol O'Reilly	(03) 8611 2930

Yours sincerely



Tanya Cox
Company Secretary

19 July 2006

DB RREEF Trust (ASX:DRT) Acquisition and Development Update

DB RREEF Funds Management Limited ("DRFM"), as responsible entity of DB RREEF Trust ("DRT"), provides the following acquisition and development update across its portfolio.

ACQUISITION UPDATE - INDUSTRIAL SECTOR (AUSTRALIA)

Land purchase - 440 Doherty's Road, Laverton North, VIC

- DRT has exchanged contracts to acquire a 65.4 hectare site at Laverton North for \$32 million, with settlement due in November 2006. This site is adjacent to DRT's existing holdings, and provides a strategic extension to this development, in which several recent and pending pre-commitments having utilised a number of major lots.

Victor Hoog Antink, CEO of DRFM, said "This purchase complements the objectives of DRT for its domestic portfolio, with an increased focus on delivering value to unitholders through an enhanced development pipeline."

DEVELOPMENT UPDATE - INDUSTRIAL SECTOR (AUSTRALIA)

The industrial portfolio currently has over 68,000sqm of development activity under way with an estimated cost of \$136.1 million and a forecast yield on completion of approximately 8%.

DB RREEF Industrial Estate, Laverton, VIC

- Pre-commitment by Wrightson Seeds Australia Pty Limited: Construction has commenced on a 7,850sqm warehouse and distribution facility costing approximately \$3.0 million which is due for completion in the last quarter of 2006.
- Pre-commitment by Coles Myer Limited: Construction of a \$96 million, 43,705sqm chilled distribution centre currently underway for Coles Myer Limited is on schedule for completion in the first half of 2007.

Axxess Corporate Park, Mt Waverley, VIC

- Pre-commitment by Omron Electronics Pty Limited: An office/warehouse development of approximately 1,200sqm costing approximately \$2.5 million was completed in March 2006 and has been leased for 8 years.
- Pre-commitment by Fonterra Group: The development of a 6,700sqm office facility, leased for 10 years and costing approximately \$19.4 million, is due for completion in July 2006.

Pound Road West Dandenong, VIC

- Extension of L'Oréal Australia Pty Limited tenancy: An additional 7,000sqm is being added to the existing L'Oréal tenancy costing approximately \$7.1 million. The development is programmed for completion in September 2006.

Kings Park Industrial Estate, NSW

- Construction of a 5,680sqm warehouse costing approximately \$5.0 million on the remaining development land at 1 Coronation Avenue has achieved practical completion.
- Geoff Penney Australia Pty Limited has entered into an agreement to lease a 2,900sqm expansion of their tenancy, costing approximately \$3.1 million. Construction has commenced and is scheduled for completion in August 2006.

DEVELOPMENT UPDATE - INDUSTRIAL SECTOR (US)

Turnpike Distribution Centre, Medley, Florida

- This US\$17.5 million industrial development of 268,119sqf commenced in September 2005 and is due for completion in December 2006. Tenants representing 35% of the lettable area have been secured by Heads of Agreement.

Dulles Town Crossing, Sterling, Virginia

- DRT is developing approximately 220,000sqft of suburban office space which is due for completion in the first half of 2008. Total cost of the development is forecast at approximately US\$52 million.

DEVELOPMENT UPDATE - COMMERCIAL SECTOR (AUSTRALIA)

Refurbishments on 44,400sqm have been completed since December 2005. A 20,370sqm development is currently underway and a further 79,000sqm are in the pipeline.

Refurbishments

130 George Street, Parramatta

- Practical completion was achieved ahead of schedule in March 2006, with a development cost of \$21.2 million. Office accommodation is now 100% occupied following finalisation of leases to Child Support Agency and Medicare totalling 11,867sqm.

343 George Street, Sydney

- The refurbishment was completed as scheduled in April 2006 and a Development Application (DA) to strata title the building was lodged in June 2006 with Sydney City Council.



Developments

105 Phillip Street, Parramatta

- A DA for a 19,400sqm office building has been granted. Substantial commencement of this project has been achieved through completion of the basement car park levels. Commencement of the development of the tower is subject to achieving substantial tenant pre-commitment.

Bent Street, Sydney

- The Stage 1 DA was approved in March 2006 for the construction of an office tower with Net Lettable Area (NLA) of approximately 37,500sqm. A design competition in respect of the Stage 2 DA will commence shortly with the resultant DA expected to be granted by June 2007.

Charlotte Street, Brisbane

- Development options are being reviewed in respect of a proposed office tower and car park development, to be developed on DRT's existing site on the corner of Charlotte and Albert Streets, Brisbane.

DEVELOPMENT UPDATE - RETAIL SECTOR (AUSTRALIA)

Plenty Valley, Victoria

- A development adding approximately 40,000sqm of incremental area to Plenty Valley is due to commence this financial year and complete in early 2008. New majors will include Target, Kmart, Safeway and Aldi, in addition to over 80 specialty retailers.

Northlakes, Queensland

- Also planned to commence this financial year is a 25,000sqm expansion of Northlakes. This expansion will include new majors Woolworths, Big W, and over 70 specialty stores.

DB RREEF is one of Australia's largest property fund managers, with total funds under management as at 31 December 2005 in excess of \$11.3 billion. The listed property portfolio comprises approximately \$7.6 billion of direct property assets, in Australia, New Zealand, the United States and France, and the unlisted property portfolio comprises approximately \$3.8 billion of domestic assets.

