

29 October 2008

Dear Valued Investor

RE: Multiplex Development Opportunity Fund (Fund) Update

As foreshadowed in our letter of 8 August 2008 regarding the closure of the Fund to new applications, the Board and Management have reviewed a number of options for the future of the Fund. This review has been conducted against a backdrop of significant market volatility and uncertainty.

Having reviewed the alternatives available, the Board has determined that capital and any profits released upon the conclusion of each investment will be, as far as possible, returned to investors at that time. It is expected this strategy will maximise returns to investors, albeit over a period of years.

The Fund's investment profile as at 30 June 2008 is as follows:

Investments	Investment type *	Status of Investment	Location	Current realisation date ⁽²⁾	Capital Invested (A\$m) ⁽³⁾	Capital invested as a % of total capital
King Street Wharf Site 1	Mezzanine Loans	100% pre-leased /construction	New South Wales	April 2009	10.0	6.7
Bluewater, Stages 1 to 4 ⁽¹⁾	Closed out	Closed out	Queensland	June 2009	11.3	7.5
East Quarter ⁽¹⁾	Closed Out	Closed out	New South Wales	June 2009	5.0	3.3
Rhodes ⁽¹⁾	Closed out	Closed out	New South Wales	June 2009	4.9	3.3
Claremont Residences	Mezzanine Loans	100% pre-sold residential/construction	Western Australia	July 2009	8.5	5.7
Dee Why Town Centre	Mezzanine Loans	Planning phase	New South Wales	July 2009	3.8	2.5
Pegasus Town	Mezzanine Loans	Pre-selling/ settlement/construction	New Zealand	Staged to April 2010	15.3	10.2
Multiplex Acumen Vale Syndicate	Equity Investment	Pre-selling/ settlement/construction	Western Australia	Staged to June 2010	11.9	7.9
Little Bay South	Equity Investment	Planning phase	New South Wales	December 2011	14.8	9.9
Vales Stages 7 to 11	Equity Investment	Planning phase with approvals	Western Australia	March 2012	27.7	18.5
Henley Brook	Equity Investment	Planning Phase	Western Australia	December 2014	36.8	24.5
Total					150.0	100

* Definitions of investment types overleaf.

A graphical timeline of projected return of capital is shown overleaf.

Mezzanine Loans

Based on the realisation dates for the mezzanine loans, investors can expect a return of capital from the majority of those investments when the various loans mature in the second half of 2009.

Equity Investments

The Board and Management will continue to evaluate alternative realisation strategies for the equity investments given the nature of these investments and their longer realisation dates. For example, once the markets settle down, it may be possible to establish a syndicate to acquire these assets.

Redemptions

As previously advised, the \$20.0 million liquidity facility limit was reached on 30 June 2008. As a result, the Fund is closed to redemptions. As noted above investors will receive returns of capital where it is possible to do so, on the completion of investments.

Future Distributions

As you will be aware from previous correspondence, the income guarantee with Brookfield Multiplex Limited that ensured the Fund was in a position to pay at least 8% per annum distribution expired on 30 June 2008. Therefore the timing and quantum of future distributions will be linked solely to the realisation of investments.

Net Asset Value (NAV)

The Board is pleased to advise that the Fund's unit price is relatively on par with the Fund's audited NAV per unit as at 30 June 2008.

The Board and Management will continue to monitor the prevailing market conditions and their impact on the Fund, and will keep you informed on any future developments.

If you have any further questions, please contact Brookfield Multiplex Capital Customer Service on 1800 570 000 or refer to our website www.brookfieldmultiplexcapital.com for regular updates.

Yours sincerely



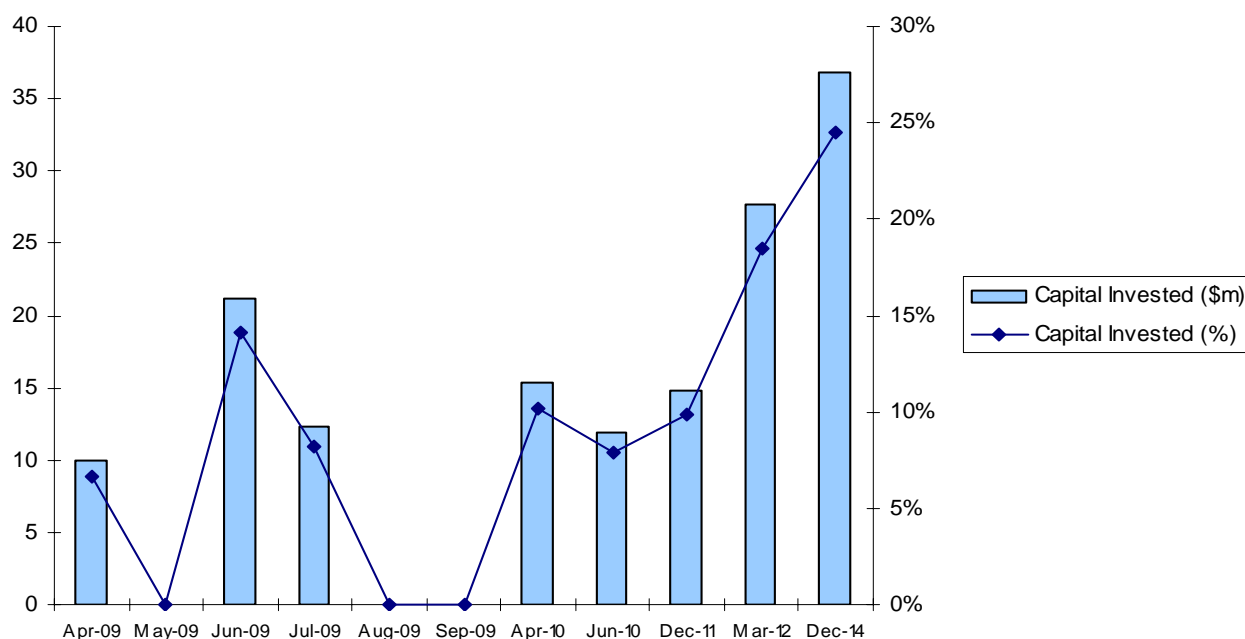
Mark Wilson
CEO – Funds Management

⁽¹⁾ As at 30 June 2008, these investments were closed out with deferred settlements terms. Refer to 30 June 2008 Financial Statements for further information

⁽²⁾ Important Notice: The realisation dates on this letter are based on current project feasibilities as provided by the Development Manager. Should underlying market conditions alter or underlying assumptions change from current expectations the realisation dates are subject to movement.

⁽³⁾ Capital Invested is as per 30 June 2008 financial statements.

Graphical timeline of projected return of capital⁽²⁾:



⁽²⁾ Important Notice: The realisation dates on this letter are based on current project feasibilities as provided by the Development Manager. Should underlying market conditions alter or underlying assumptions change from current expectations the realisation dates are subject to movement.

Definition of investment terms:

Mezzanine Loan

A loan facility that is subordinated to another financier's facility. It usually bears interest at a higher rate than prior ranking loans.

Closed Out

The investment (or Fund's level of participation) is now complete.

Equity Investment

Investment in the ownership of asset, in which the investor shares in gains or losses on the relevant asset.