

**Brookfield Multiplex Capital Management Limited
(ACN 094 936 866)**

**Multiplex Prime Property Fund
(ARSN 110 096 663)**

ASX Announcement

7 October 2009

The Manager
Company Announcements Office
Australian Securities Exchange
20 Bridge Street
SYDNEY
NSW 2000

Dear Madam

Multiplex Prime Property Fund (ASX: MAFCA) -Chairman's Address

Please find attached for release to the market the Chairman's address to be made at this morning's Unitholder Meeting of Multiplex Prime Property Fund ("the Meeting").

The address will be presented to the Meeting by Peter Morris, Chairman.

Yours faithfully

Neil Olofsson
Company Secretary
Brookfield Multiplex Capital Management Limited

For more information please contact:

Investors:

Meeting information line
ph: 1800 643 604 (within Australia)
ph: (61 2) 8256 3385 (overseas)

Media:

Kerrie Muskens
Ph: (02) 9256 5753 or 0410 53 52 50

Unitholder Meeting
of
Multiplex Prime Property Fund
at
Museum of Sydney
AGL Theatre
Corner Phillip and Bridge Streets
Sydney
on
Wednesday, 7 October 2009
at
9:30am

WELCOME

PETER: Good morning Ladies and Gentlemen.

It is now 9:30 am. A quorum is present, and I declare the Unitholder Meeting of Multiplex Prime Property Fund open.

Out of respect for your fellow unitholders, may I ask that all mobile phones be turned off? Thank you.

Before we begin, I would like to advise you that this meeting is being recorded.

My name is Peter Morris and I am the Chairman of Brookfield Multiplex Capital Management Limited, the responsible entity of the Fund.

(INTRODUCTIONS)

I would like to take this opportunity to introduce you to those on stage for the meeting.

From the left we have:

- Neil Olofsson - the Company Secretary
- Brian Motteram - an independent director
- Robert McCuaig - an independent director
- Brian Kingston - an executive director of Brookfield Multiplex
- Mark Wilson – CEO, Funds Management, Brookfield Multiplex
- David Eliakim – Mallesons Stephen Jaques

In the front row we have:

Lawrence Wong, Fund Manager, who is available to answer questions on the Fund.

And representatives from Macquarie Capital Advisers – the financial advisers to the Independent Directors.

INTRODUCTION

I wish we were meeting in happier times. I am very aware of the disappointing recent unit price performance of the Fund. Many of you have lost a significant amount of your investment in the Fund, especially those of you that subscribed for units in the original IPO in 2006.

Recent economic headwinds have not been kind to the commercial property sector in Australia. The global financial crisis has resulted in changing views on the value of commercial properties around the world. Weaker prospects for rental growth and the limited availability of debt to potential purchasers have resulted in the expectations from property investors changing. The Fund has not escaped the effects of these deteriorating circumstances.

But we are not here today to explain the performance of the Fund on the ASX. We are here today to determine the future of the Fund.

The Fund is currently in a critical situation and is in breach of its banking covenants. Unless this breach is addressed by November 16, then the Fund's financiers possess the right to sell the Fund's assets and such a sale would in all likelihood result in not only all the equity currently existing in the Fund and owned by the unitholders being wiped out but also unitholders being required to make early payment of the 40 cents per unit Final Instalment to help repay the debt. Your directors' principal objective in all that they have done over the past few months has been to eliminate this risk and to eliminate it with certainty.

Urgent action is required to recapitalise the Fund's balance sheet. Faced with this prospect, the Independent Directors have worked to develop a proposal to restructure the Fund's finances, eliminate with certainty the risks created by the covenant breach and best position the Fund for a sustainable, profitable future.

This has entailed reviewing a number of proposals. In doing this, it was of course recognised that as two of your directors are

employees of Brookfield Multiplex Limited, part of Brookfield Multiplex Group, and many of the alternatives had a financial impact on Brookfield Multiplex Group, steps needed to be taken to ensure that decisions and recommendations are made independently.

These include:

- A sub-committee comprising only the three Independent Directors was established to assess the various alternatives and make a recommendation to your board as to the preferred course of action
- The sub-committee retained Macquarie Capital Advisers Limited as Independent Financial Adviser to the Independent Directors and Mallesons Stephen Jaques as legal advisor
- Within management, two teams were established, one acting on behalf of the Fund and the other on behalf of Brookfield Multiplex Group
- An Information Sharing Protocol forming a framework for the management of information was set up and signed off by all involved persons.

The Independent Directors have been extremely mindful of the need to develop a proposal that is in the best interests of unitholders as a whole. Individual unitholders are free to act in their own interests, but the Independent Directors have a responsibility to act in the interests of unitholders as a whole. That is the basis of the Independent Director's recommendations on the resolutions you will be voting on today.

I must also advise you that at approximately 5pm last Friday, October 2, a further conditional recapitalisation proposal was received from a consortium comprised of Oaktree Capital Management and Grocon Investment Management. Despite considerable activity analysing this proposal plus an exchange of correspondence with the consortium over the weekend, yesterday

and last night, it has not been possible to form a final view of the proposal in the relatively short time available. The Independent Directors continue to evaluate the proposal as expeditiously as possible but I note that it is conditional on a number of matters including due diligence, consortium approvals, the consent of the Brookfield Multiplex Group and the consent and support of the Fund's financiers. By contrast, the Entitlement Offer, if approved by unitholders today, is the only proposal which delivers financial certainty and therefore, the Independent Directors' recommendations as set out in the Notice of Meeting still stand and the meeting will proceed in accordance with that Notice of Meeting. Should your directors at some time in the future determine that some additional or alternative action is appropriate consequent to this new proposal then they will of course take such action at that time.

The Independent Directors continue to believe the Entitlement Offer is in the best interests of unitholders because it recapitalises the Fund and importantly, provides certainty to unitholders in relation to the Fund's current financial position within the timeframe provided by the Fund's financiers. The structure of the Entitlement Offer provides flexibility to unitholders in that each investor has the option to participate in the rights issue and maintain their interest in the Fund, or retain a smaller interest in the fund (and a significantly smaller instalment liability) or exit the Fund altogether. The Entitlement Offer also has the support of the Fund's lenders and other key stakeholders allowing certainty of execution in a short time frame which has been a critical factor throughout the process undertaken by the Independent Directors. For these reasons, the Independent Directors are recommending the Entitlement Offer to unitholders.

And now, can we please turn to the formal agenda of the meeting.

MEETING AGENDA

The order of business for this morning is that I will first provide a brief outline on the events that have led to this unitholder meeting. I will then open the floor to questions and answers before proceeding to the formal business of the meeting.

(BACKGROUND)

As outlined in the Notice of Meeting and Explanatory Memorandum that was sent to unitholders on 14 September 2009, (and which I propose be taken as read) Brookfield Multiplex Capital Management Limited as responsible entity of Multiplex Prime Property Fund announced to the Australian Securities Exchange on 24 August 2009 that it intends to conduct an underwritten Entitlement Offer to raise \$50 million by way of a rights offering of ordinary partly paid units to all unitholders. The \$50 million capital raising is required to stabilise the Fund's balance sheet and address a breach of the loan to value covenants under its Debt Facility which occurred following the 30 June 2009 revaluation of the Fund's properties. The net proceeds of the Entitlement Offer will be used to lower the gearing of the Fund so that the Fund is no longer in breach of its debt covenants. The approval of the Entitlement Offer is put forward as Resolution 5 and the Independent Directors recommend you VOTE IN FAVOUR of the Entitlement Offer.

After announcing the Entitlement Offer, Brookfield Multiplex Capital Management Limited received a request from Australian Style Investments Pty Limited, a substantial unitholder, to call a meeting of unitholders to consider resolutions to remove Brookfield Multiplex Capital Management Limited as responsible entity of the Fund, to replace it with an entity to be nominated by ASI before this meeting and to wind up the Fund.

ASI failed to nominate a replacement responsible entity prior to this meeting. Consequently Resolution 2 is not capable of being put to the meeting.

The independent directors consider that the remaining resolutions proposed by ASI, being Resolutions 1 and 4, are not in the best interests of unitholders and we recommend that you vote against them. Nevertheless, Brookfield Multiplex Capital Management Limited is obliged under the Corporations Act to put these resolutions before you.

QUESTIONS AND ANSWERS TIME

I would now like to open the floor to questions.

If Unitholders holding a green or purple card wish to make comments or ask questions, they should raise their admission card and an attendant will direct them to a microphone located on the aisle.

If you are a Unitholder or a Proxyholder and have not been issued a green or purple card, please see our registry representatives at the registration table located directly outside the entrance to the room.

Please state your name, or who you represent, prior to making a comment or asking a question and please confine your comments and questions relevant to the meeting.

In the interests of all those present and in order to give everyone an opportunity to speak, please keep your comments brief and to the point.

Comments or questions will **not be taken** from **visitors** during the meeting.

As Chairman, I reserve the right to rule “out of order” any questions which are beyond the scope of the meeting.

Where appropriate, I may direct questions to the relevant company officer or adviser for their response.

Does anyone have any questions in relation to the resolutions being put forward today, or the events leading to today’s meeting?

DISCUSSION TIME / Q&A

VOTING PROCEDURE

I will ask the Company Secretary, Neil Olofsson, to explain the protocol for voting.