

25 February 2009

Dear Valued Investor

Re: Multiplex Property Income Fund (ARSN 117 674 049)

Brookfield Multiplex Capital Management Limited (BMCML) as responsible entity for Multiplex Property Income Fund (Fund) provides the following Fund update to investors.

The global financial crisis and the impact on the Fund

The six months to December 2008 has been an unprecedented period in world financial and property markets which has resulted in the Fund's underlying investments recording lower values and reducing distribution payments in order to build their cash reserves.

The Fund relies solely on its investments for income to distribute to its investors. For the six month period to December 2008, the average reduction in income from each of the Fund's investments was 51%. For this period, income received by the Fund was \$2.3 million, which was 39.3% below the \$3.8 million in income received for the six month period to June 2008.

Distributions

The distribution for the month of December 2008 was 0.52 cents per unit (which equates to 6.19% on an annualised basis on the \$1.00 issue price). The distribution for the month of January 2009 was 0.45 cents per unit (which equates to 5.35% on an annualised basis on the \$1.00 issue price) and was paid to unitholders on 20 February 2009.

As distributions for December 2008 and January 2009 were below the Priority Distribution Payment (PDP) level, the Distribution Stopper may come into effect in Multiplex Acumen Property Fund (MPF). This would mean MPF would be unable to pay cash distributions to its unitholders after 28 February 2009 until such time as the Distribution Stopper was lifted where an amount equivalent to the PDP for the preceding 12 months was, or had been, paid in full to Income unitholders.

Portfolio values

Valuation of the portfolio as at 31 December 2008 is now complete. The Fund has valued its investments in each of the underlying unlisted property securities funds based on the net asset value provided as at 31 December 2008, or where this has not been provided the latest available net asset value. In circumstances where the latest available net asset value has not been obtained, an assessment of the appropriateness of the value has been made based on knowledge of valuation and transactional movements in the underlying investment's structure as compared to similar portfolios.

During the half year, the overall value of the unlisted property securities and A-REIT portfolio decreased by 24.5% from June 2008 values to \$55.7 million as a result of lower revaluations. No new investments were made by the Fund. On a like-for-like basis, the weighted average NTA for unlisted property securities decreased by 19.5%.

NTA and Capital Buffer

As at 31 December 2008, the capital value of Income units remained at \$1.00 per unit. However, as a reflection of poor market conditions, the capital value of Ordinary units has fallen to \$0.12 per unit. This means that the capital buffer of \$30.1 million at the Fund's launch has reduced to \$3.5 million as at 31 December 2008. If there are any further reductions in the value of the Fund's investments the capital value of Ordinary units may fall to zero. If this occurs, the capital value of Income units may begin to reflect the reduction in portfolio values and there is therefore a risk of a fall in the capital value of Income units below \$1.00 per unit.

Financial Results as at 31 December 2008

The financial statements for the six month period to 31 December 2008 have been reviewed by KPMG and provide further information with regard to the Fund's activities. This report is now available on our website www.brookfieldmultiplexcapital.com.

Future Direction

The Fund remains closed to applications based on current market uncertainty.

BMCML is proactively managing the challenges facing the Fund. However, there remains a risk that further deterioration in financial and property markets may result in additional reductions in distribution income from investments and in the value of the Fund's investments.

BMCML's short term focus is to underpin the Fund's capital value and reconsider the Fund's redemption policy in light of its \$10.7 million in cash reserves. If there is to be a change in the Fund's policies or practices, BMCML will advise investors as soon as possible.

If you have any questions or wish to discuss this matter, please don't hesitate to contact Brookfield Multiplex Capital Customer Service on 1800 570 000, or email clientservices@brookfieldmultiplex.com. For regular Fund updates, please refer to our bi-annual *Capital* magazine, or our website www.brookfieldmultiplexcapital.com.

Yours sincerely

A handwritten signature in cursive script that reads 'Tim Spencer'.

Tim Spencer
Fund Manager
Multiplex Property Income Fund