

28 August 2017

Dear Investor

RE: Multiplex Property Income Fund (Fund) - Investor Update

Brookfield Capital Management Limited (BCML), as Responsible Entity of the Fund, provides an update to investors for the year ended 30 June 2017.

Financial Results

As at 30 June 2017, the Fund's net assets were \$1.2 million or 2.2 cents per unit compared to \$1.5 million or 2.8 cents per unit for the 30 June 2016 period. The decrease reflects distributions and capital returns made during the period.

A summary of the Fund's performance is as follows:

	As at 30 June 2017	As at 31 June 2016
Total assets (\$'000)	1,202	2,572
Total liabilities (\$'000)	32	1,073
Net assets (\$'000)	1,170	1,499
Number of Income Units ('000)	52,791	52,791
Number of Ordinary Units ('000)	30,076	30,076
NAV Income Units (cents per unit)	2.2	2.8
NAV Ordinary Units (\$)	Nil	Nil
	For the full year ended 30 June 2017	For the full year ended 30 June 2016
Total revenue (\$'000)	834	570
Total expenses (\$'000)	171	178
Net profit / (loss) for the period (\$'000)	662	392
Distributions and return of capital (cents per unit)	0.3837	5.6228

Investment Portfolio Update

As at 30 June 2017, the Fund held units in two ASX listed securities and six unlisted investments including two investments which are in wind up and one in receivership. An update of the status of specific investments follows:

Investments Update

APN Regional Property Fund (NSX code: APR)

MPIF successfully traded 60,000 APR units via the National Stock Exchange (NSX) for \$1.00 per unit (11.9% discount to APR's audited December 2016 NAV of \$1.1346 per unit) during June and July 2017. APR is minimally traded on the NSX and \$1.00 is the maximum price that the stock has traded at since listing.

Post trade, MPIF holds 486,377 APR units. The leasing status of both assets in the APR property portfolio improved during the period, resulting in the weighted average lease expiry of the fund increasing from 2.4 years to 2.7 years. APR continues to pay a quarterly distribution of 9.5 cents per unit per annum.

BGP Holdings (BGP)

BGP will pay a final distribution in October 2017 and the Fund will receive approximately \$7,691. BGP will then commence liquidation which is expected to take approximately two years to complete.

BlackWall Property Trust (ASX:BWR)

BlackWall announced in July 2017 that BWR's NTA is expected to increase by 10% from \$1.27 per unit to \$1.40 per unit due to a combination of an asset revaluation uplift and receipt of option fee. During the 30 June 2017 quarter 95,254 BWR units were sold for an average \$1.24 per unit. The Fund retains 20,231 BWR units, which will be disposed of in due course.

Multiplex New Zealand Property Fund (MNZPF)

Wind up of the MNZPF continues and completion is conditional on the satisfactory rectification of roof defects identified at HP House and the release of escrow amounts from the sale of the properties. MNZPF declared a distribution of 2.0 cents per unit to be paid on or around 8 September 2017. MPIF will receive \$22,508.

National Storage (ASX:NSR)

The Fund received distributions of \$6,922 for the twelve-month period to 30 June 2017. The Fund retains a small holding in NSR and this will be disposed of in due course.

Pelathon Pub Group (PPF)

During June 2017, PPF investors approved the stapling of a second company (Pelathon Hotels No 2 Limited) to the Pub Fund Group, and a 1 for 10 consolidation of the Group's securities to facilitate PPF in making new acquisitions. As a consequence of the consolidation, MPIF now holds 65,713 PPF units. The consolidation did not impact on the Net Asset Value of the fund.

Rubicon Europe Trust (REU)

The Receivers and Managers of REU have advised that the receivership is expected to complete by December 2017.

Further information and half year financial results

The Fund's financial report for the full year ended 30 June 2017 is available at www.au.brookfield.com and we recommend that investors review this document.

BCML will continue to provide investor updates via the website regarding Fund earnings as well as timing and quantum of distributions.

Yours sincerely



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APPENDIX: FUND'S INVESTMENT SUMMARY

The Fund's investment portfolio as at 30 June 2017 (excluding investments in wind up and for which no value is expected) is as follows:

Listed Property Securities	Investment Value (\$m)	Percentage of total investment (%)
BlackWall Property Trust	0.15	17
National Storage REIT	0.11	12
Total Listed Property Securities	0.26	29
Unlisted Property Securities		
APN Regional Property Fund	0.53	60
BGP Holdings Beneficial Interest Share	0.00	0
Multiplex New Zealand Property Fund	0.05	6
Pelathon Pub Group	0.04	5
Total Unlisted Property Securities	0.62	71
Total Investment Value	0.88	100