

Dear Investor,

MAB Diversified Property Trust (MDPT) – Update and Outlook

Market Conditions

As previously reported, 2009 has generally presented challenging conditions as the Global Financial Crisis (GFC) continued to impact world economies, capital markets and property markets.

However, there are now signs of further improvement in the domestic economy which appears to have weathered the worst of the downturn in global demand. There are also some early signs that this has resulted in increased interest in property investment although lack of liquidity and pricing in the debt markets remain a constraining factor.

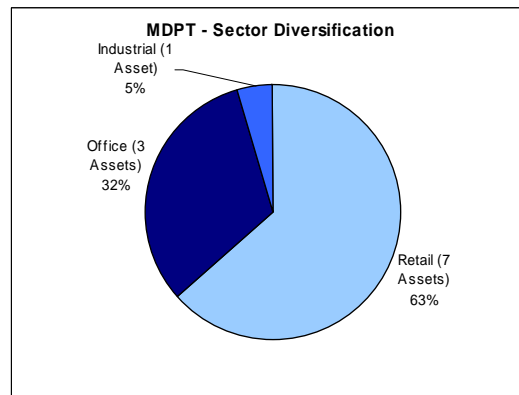
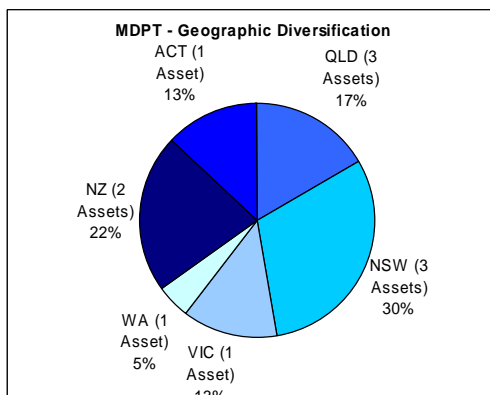
Portfolio Update

Key Statistics as at 30 September 2009:

The portfolio vacancy rate has reduced to stand at 3.68% at 30 September, as compared to a rate of 4.66% in June 2009.

The weighted average lease expiry (WALE) for the MDPT portfolio now stands at 4.10 years.

The diversification of the MDPT portfolio by geography and sector is shown in the charts below:



The portfolio gearing level stands at 56% and the current NTA at \$0.94

Property News

Village Central Shopping Centre, Wyong NSW

Village Central Shopping Centre has remained a principal focus at a property level. We are pleased to again report that this has resulted in good progress on the leasing front with the property vacancy at been cut from some 9.5% at June to a current 6.5%.

Trafalgar Square Shopping Centre, Wanganui, NZ

Countdown Supermarket, one of the anchor tenants, has renewed its lease at Trafalgar Square for the lease option period of 5 years. Countdown has also expressed its interest in securing a long term lease which is currently being discussed.

Mornington Village Shopping Centre, Mornington VIC

The tenancy mix at Mornington Village has recently been strengthened with the opening of new Telstra T-life and Nando's tenancies. We are also working with Aldi to create a 1,300m² Aldi supermarket in the upper level of the Centre adjacent to Safeway.

3 Horwood Place, Parramatta, NSW

Strong leasing activity in a difficult leasing market has seen 2 new tenants secured and resulting in the vacancy rate for the Building reducing to 7.3%. We also have interest in the remaining vacancy with negotiations underway.

1 Eyre Street, Rivervale, WA

We have recently successfully negotiated a 5 year renewal with effect from 1 April 2010 with Tyco Australia Pty Ltd who is the sole tenant of this property.

Distributions

MDPT has made a distribution of 0.75 cents per unit for the quarter ending 30 September 2009. At this time, the Directors are of the opinion that there are reasonable prospects of being able to make quarterly distribution payments at the same level beyond September and also some prospect for increasing the rate in 2010.

MAB Funds remains committed to best managing your investment and will continue to keep you informed on the outlook for the Trust.

In the meantime, please do not hesitate to contact MAB Funds Investor Services on 1800 760 012 or fm@mabcorp.com.au with any queries or if you require further clarification on the above.

Yours faithfully,



Nicholas Gray
General Manager
MAB Funds Management Limited