BBX PROPERTY INVESTMENT FUND LTD

ACN 118 847 108

MARKET UPDATE
CASHING CHALLENGER HOWARD MORTGAGE FUND & DEBT REDUCTION

The Directors of BBX Property Investment Fund Ltd. wish to advise the market that as a result of the vote taken at the recent special meeting of unit holders of the Challenger Howard Mortgage Fund the company will be receiving $117,300 by way of redemption of 51% of it's investment on Friday this week.

The company has recently given St. George Bank $50,000 by way of debt reduction and anticipates further debt reduction as funds become available.

TIM CREASY
Secretary

10/12/2010