

Corporate Social Responsibility Report 2008/09



Our Commitment, Our Responsibility

To a Healthy and Sustainable Environment;
To Making a Positive Impact in the Communities in Which We Operate

Making a positive contribution to the communities in which we operate has always been fundamental to the way Brookfield Properties does business. It is why we use our human and financial resources to help enrich the lives of people in the cities where we have a presence.

We meet our commitment to corporate social responsibility in three direct ways:

First, we own, develop and manage premier office properties that are sustainable, environmentally friendly and technologically advanced.

Second, we encourage and support a culture of charity and volunteerism among our employees.

Third, we contribute to our communities by enlivening the public spaces at our flagship properties with top-quality concerts, exhibitions, fairs and festivals, which are held year-round and free of charge.





Bay Adelaide Centre, Toronto, under construction

BUILDING GREEN

We have pledged to build all future developments to a LEED® (Leadership in Energy and Environmental Design) Gold standard. The LEED® Green Building Rating System is the internationally accepted scorecard for sustainable sites, water efficiency, energy and atmosphere, materials and resources, and indoor environmental quality.

The new 1.2-million-square-foot Bay Adelaide Centre West tower in Toronto uses state-of-the-art design technologies and innovative conservation strategies that, relative to existing buildings, will deliver an estimated 40% energy savings to our tenants.

Our 1225 Connecticut Ave. property in Washington, DC is expected to achieve the LEED® Gold standard for Core and Shell (CS). In addition, we recently relocated our regional headquarters in Washington, DC and Los Angeles to offices that we built to the LEED® standard for Commercial Interiors (CI).



Republic Plaza, Denver, winner of BOMA's 2008 Earth Award for Environmental Friendliness

ENVIRONMENTALLY FRIENDLY OFFICE SPACE

At Brookfield Properties, we continue to expand and enhance the features, systems and programs that foster energy efficiency in our buildings, as well as the health and safety of all of our tenants, employees and the community.

We perform regular, comprehensive environmental reviews and upgrades at our properties, and ensure that we are maximizing energy efficiency at every building. Renovations are done with the most environmentally friendly products available. Our goal is to provide the highest-quality office space for our tenants while also reducing operating costs.

Six of our U.S. properties are registered in the LEED® Existing Buildings (EB) program, and five of our Canadian properties are involved in the Canadian Green Building Council's pilot program for LEED® certification of existing buildings.

Brookfield Properties is a member of both Canadian and U.S. Green Building Councils, and we also work with the Building Owners and Managers Association (BOMA) in Canada on the "Go Green" initiative.



LA's Best Mural Project, Los Angeles, California

ACTIVE CORPORATE CITIZENSHIP

Brookfield Properties is committed to being a valued corporate citizen and to making a positive contribution to the cities in which we operate. We encourage our employees to volunteer for worthwhile initiatives in their communities and also provide opportunities to donate both time and money at the workplace. From visiting children at local hospitals to helping build homes for the underprivileged, Brookfield Properties employees are able to participate in a variety of community outreach programs.

Our national charity partner in the U.S., Project Sunshine, is a non-profit organization that provides free social, educational and recreational programs in hospitals to children and families affected by medical challenges. Our employees come together for in-office activities — such as constructing crafts and greeting cards — which are presented in-person during hospital visits with the children.

Throughout the U.S. and Canada, Brookfield enjoys partnerships with many charitable organizations including Habitat for Humanity, Midnight Mission, Make-a-Wish Foundation, Starlight Starbright Children's Foundation and the Special Olympics.



Toronto colleagues volunteer with Habitat for Humanity

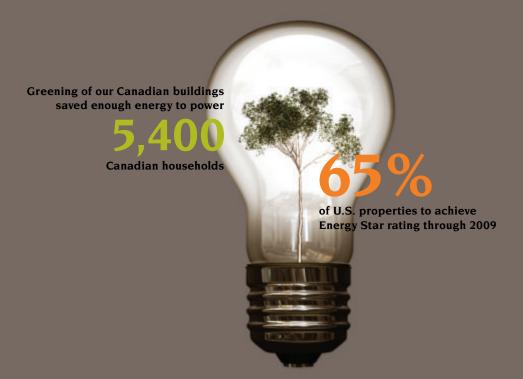
PHILANTHROPY

Our philosophy of strategic philanthropy focuses on supporting targeted causes in meaningful ways while at the same time heightening our employees' pride in our community outreach.

United Way — an incorporated non-profit charity focused on improving the long-term health of the community — is Brookfield Properties' national charity partner in Canada. United Way runs Canada's largest annual fundraising campaign in support of 200 community-focused, social service agencies. Over the last decade, we have raised over \$1,000,000 for the United Way through campaigns run by our Canadian employees.

Under Brookfield Properties' matching gifts program, we match our employees' individual contributions to qualified charitable organizations. Since the program's launch, we have matched hundreds of thousands of dollars in employee donations to scores of not-for-profit organizations across the U.S. and Canada.

ENERGY CONSERVATION



Operations improvements ranging from retrofitting base building lighting to upgrading HVAC automation systems are all part of Brookfield Properties' BEST (Bringing Energy Savings to our Tenants) program, which supports operating buildings with energy-efficient methods. Our BEST program is one of the reasons that all of our Canadian properties have achieved BOMA's "Go Green Plus" certification — which is given to buildings where environmental best practices have been implemented.

In 2007, our buildings in Canada reduced their overall energy consumption by 48.5 million kilowatt hours — that's comparable to the amount of energy used by 5,400 households in a year. Our properties also managed to collectively cut their carbon emissions by 15,800 tons — the equivalent of taking 4,800 vehicles off the road.

Brookfield Properties benchmarks its U.S. properties against the Environmental Protection Agency's Energy Star rating system, which promotes cost savings and environmental friendliness through the use of energy-efficient products and practices. By the end of 2009, 65% of our U.S. properties should be Energy Star certified. We intend to improve our current average Energy Star score of 72.5 to 80 in the near-term by running regular energy audits and identifying areas for major upgrades.

WASTE MANAGEMENT



In 2007, Brookfield Properties' North American buildings recycled more than 22,000 tons of waste. Our Canadian properties diverted 11,000 tons of material from landfill, and recycled enough paper to save 98,500 trees. Our five-year target is to divert 75% of our waste away from landfills, well above the industry standard.

In the U.S., Brookfield's recycling efforts saved:

- 32,000 cubic vards of landfill
- 182 500 trees
- 75 million gallons of water

- 900,000 gallons of oil
- 22,000 metric tons of carbon dioxide

Brookfield Properties' waste-management program in Canada is designed to make recycling second nature to our tenants, encompassing everything from recycling paper, bottles and cans, to the safe disposal of batteries, cell phones and computers. For example, "Think Green," our organics composting initiative, helps tenants to sort and dispose of organic food waste in the convenience of their office kitchen.

A STUDY IN SUSTAINABILITY: BROOKFIELD PLACE



Brookfield Place — the iconic office and retail complex in the heart of downtown Toronto — employs environmentally friendly materials and has established innovative programs to increase the property's sustainability while reducing its environmental impact.

Green Clean

We use eco-friendly procedures, materials and cleaning compounds to create a greener and healthier environment.

Energy-Efficient Chillers

By installing three new, 1200-ton Variable Frequency Drive chillers, we cut the electricity used for air conditioning by 48%.

Sustainable Floor Carpets

Carpeting contains recycled content and is therefore 100% sustainable.

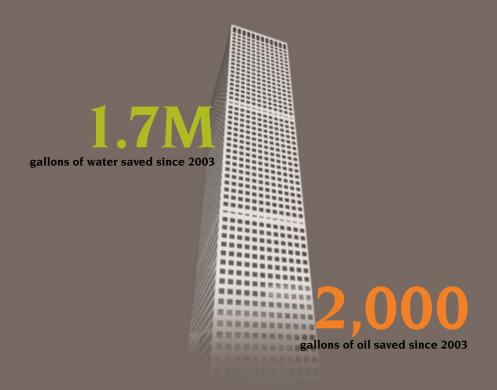
Daylight Harvesting

On bright, sunny days, the lighting level on the ground-floor lobbies is automatically reduced.

Window Coverings

Office spaces are equipped with window coverings known as "manual teleshades," which reduce sunload and heat transfer more efficiently than blinds.

BOMA "FARTH" AWARD WINNER: REPUBLIC PLAZA



Republic Plaza — the 1.2-million-square-foot landmark office tower in Denver — is the 2008 winner of BOMA's "Earth Award" for the Midwest region. A number of green practices at Republic Plaza helped earn the award.

Energy Conservation

Republic Plaza earned the U.S. EPA Energy Star Award in 2004 and was recertified in 2007 with a score of 85 and in 2008 with a score of 95 out of 100.

Indoor Air Quality

Periodic, extensive surveys are conducted by an independent testing firm to ensure optimal indoor air quality in the building.

Alternative Tenant Transportation

Ample parking is available free of charge for bikes, scooters and mopeds.

Recycling

Mercury-containing light bulbs have been recycled since 1996.

Water Conservation

To reduce the energy used to pump water, the building is equipped with a "night-owl" system to store pressure during high-water-use periods for use during low-flow periods, which allows pumps to shut down for hours at a time at night and on weekends.

Brookfield Properties, one of North America's largest commercial real estate corporations, owns, develops, and operates premier assets in the downtown cores of high-growth U.S. and Canadian cities. Our signature properties define the skylines of many major metropolises including New York, Boston, Washington, D.C., Los Angeles, Houston, Toronto, Ottawa and Calgary. Brookfield Properties is a publicly traded company, and is listed under the ticker symbol BPO on both the New York and Toronto Stock Exchanges.

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