

# Brookfield to Invest in Shanghai Property Portfolio

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- **Brookfield and institutional partners commit US\$750 million to China Xintiandi (“CXTD”)**
- **Brookfield to become 22% cornerstone partner of CXTD, owner of premier portfolio of Shanghai office and retail assets, including iconic Shanghai Xintiandi**

**October 31, 2013** – Brookfield Property Partners L.P. (NYSE: BPY, TSX: BPY.UN) has reached an agreement under which BPY along with its institutional partners will invest up to US\$750 million of preferred equity in China Xintiandi, a wholly owned entity of Hong Kong listed developer Shui On Land (HK:272).

China Xintiandi (CXTD) owns Shui On Land’s premier portfolio of office and retail assets in Shanghai. It is anticipated that CXTD will expand through further acquisitions and growth of the portfolio in Shanghai and other major cities in China.

CXTD was established by Shui On Land in 2012 as its owner of prime commercial and retail properties in China. Shui On Land is a flagship property developer which has established a solid foundation in China and has a proven track record in developing large-scale, mixed-use, city-core redevelopment projects and integrated residential development projects.

In addition to the commitment to invest in the preferred equity of CXTD, Brookfield intends to secure up to a further US\$500 million of capital for additional investments in the commercial property sector in China.

The initial portfolio includes the iconic Xintiandi retail property in Shanghai and the immediately surrounding commercial office properties: Shui On Plaza and Corporate Avenue 1 and 2. Also included is Shui On Land’s 200,000 square meter mixed-use development, “The Hub,” located at the center of Hongqiao Transportation market.

“The cornerstone investment in China Xintiandi provides Brookfield exposure to high quality assets in Shanghai while allowing an opportunity for future growth through asset purchases and strategic partnerships,” said Bill Powell, Australasian Chief Executive Officer of Brookfield. “China is an important market in Brookfield’s long term growth. The partnership with Shui On Land to invest into China Xintiandi is an ideal way for us to enter this market.”

Mr Vincent Lo, Chairman of Shui On Land and China Xintiandi, says he is delighted to enter into the investment and cooperation agreement with Brookfield: “Brookfield is a leading global asset investor and manager. We share a common vision on the tremendous prospects of China’s commercial property sector because of the massive urbanization program and the continuous rise in personal income in China. We also strongly believe in China Xintiandi’s potential to create sustainable value from its quality portfolio. Our common goal is to forge a long term, successful partnership.”

The transaction is expected to close in the first quarter of 2014.

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## About Brookfield Property Partners

*Brookfield Property Partners is a commercial real estate owner, operator and investor operating globally. Our diversified portfolio includes interests in over 300 office and retail properties encompassing approximately 250 million square feet. In addition, we have interests in over 20,000 multi-family units, 64 million square feet of industrial space and an 18 million square foot office development pipeline. Our goal is to be the leading global investor in best in class commercial property assets. For more information, please visit [www.brookfieldpropertypartners.com](http://www.brookfieldpropertypartners.com)*

## Forward-Looking Statements

*This news release contains “forward-looking information” within the meaning of Canadian provincial securities laws and applicable regulations and “forward-looking statements” within the meaning of “safe harbor” provisions of the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, include statements regarding our operations, business, financial condition, expected financial results, performance, prospects, opportunities, priorities, targets, goals, ongoing objectives, strategies and outlook, as well as the outlook for North American and international economies for the current fiscal year and subsequent periods, and include words such as “expects”, “anticipates”, “plans”, “believes”, “estimates”, “seeks”, “intends”, “targets”, “projects”, “forecasts”, “likely”, or negative versions thereof and other similar*

expressions, or future or conditional verbs such as “may”, “will”, “should”, “would” and “could”.

*Although we believe that our anticipated future results, performance or achievements expressed or implied by the forward-looking statements and information are based upon reasonable assumptions and expectations, the reader should not place undue reliance on forward-looking statements and information because they involve known and unknown risks, uncertainties and other factors, many of which are beyond our control, which may cause our actual results, performance or achievements to differ materially from anticipated future results, performance or achievement expressed or implied by such forward-looking statements and information.*

*Factors that could cause actual results to differ materially from those contemplated or implied by forward-looking statements include, but are not limited to: risks incidental to the ownership and operation of real estate properties including local real estate conditions; the impact or unanticipated impact of general economic, political and market factors in the countries in which we do business; the ability to enter into new leases or renew leases on favorable terms; business competition; dependence on tenants' financial condition; the use of debt to finance our business; the behavior of financial markets, including fluctuations in interest and foreign exchanges rates; uncertainties of real estate development or redevelopment; global equity and capital markets and the availability of equity and debt financing and refinancing within these markets; risks relating to our insurance coverage; the possible impact of international conflicts and other developments including terrorist acts; potential environmental liabilities; changes in tax laws and other tax related risks; dependence on management personnel; illiquidity of investments; the ability to complete and effectively integrate acquisitions into existing operations and the ability to attain expected benefits therefrom; operational and reputational risks; catastrophic events, such as earthquakes and hurricanes; and other risks and factors detailed from time to time in our documents filed with the securities regulators in Canada and the United States.*

*We caution that the foregoing list of important factors that may affect future results is not exhaustive. When relying on our forward-looking statements or information, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. Except as required by law, we undertake no obligation to publicly update or revise any forward-looking statements or information, whether written or oral, that may be as a result of new information, future events or otherwise.*

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