Brookfield Office Properties To Issue C$250 Million of Preferred Shares

NOV 29, 2017

Brookfield News, November 29, 2017 - Brookfield Office Properties Inc. ("Brookfield Office Properties"), a subsidiary of Brookfield Property Partners L.P., announced today that it has agreed to issue to a syndicate of underwriters led by Scotiabank, CIBC Capital Markets, RBC Capital Markets and TD Securities Inc., for distribution to the public, ten million Cumulative Minimum Rate Reset Class AAA Preference Shares, Series II (the "Preferred Shares, Series II"). The Preferred Shares, Series II will be issued at a price of C$25.00 per share, for aggregate proceeds of C$250 million. Holders of the Preferred Shares, Series II will be entitled to receive a cumulative quarterly fixed dividend yielding 4.85% annually for the initial period ending December 31, 2022. Thereafter, the dividend rate will be reset every five years at a rate equal to the greater of (i) the five-year Government of Canada bond yield plus 3.23% and (ii) 4.85%.

Holders of Preferred Shares, Series II will have the right, at their option, to convert their shares into Cumulative Floating Rate Class AAA Preference Shares, Series JJ (the "Preferred Shares, Series JJ"), subject to certain conditions, on December 31, 2022 and on December 31 every five years thereafter. Holders of Preferred Shares, Series JJ will be entitled to receive cumulative quarterly floating dividends at a rate equal to the 90-day Government of Canada Treasury Bill yield plus 3.23%.

The Series II Shares and Series JJ Shares will be fully and unconditionally guaranteed, jointly and severally, as to: (i) the payment of dividends, as and when declared, (ii) the payment of amounts due on redemption, and (iii) the payment of amounts due on the liquidation, dissolution or winding-up of Brookfield Office Properties, by the following entities: Brookfield Property Partners L.P., Brookfield Property L.P., Brookfield BPY Holdings Inc., Brookfield BPY Retail Holdings II Inc., BPY Bermuda Holdings Limited, BPY Bermuda Holdings II Limited, BPY Bermuda Holdings IV Limited and BPY Bermuda Holdings V Limited.

Brookfield Office Properties has granted the underwriters an option, exercisable in whole or in part anytime up to two business days prior to closing, to purchase an additional 2,000,000 Preferred Shares, Series II at the same offering price. Should the option be fully exercised, the total gross proceeds of the financing will be C$300 million.

The Preferred Shares, Series II will be offered in all provinces of Canada by way of a supplement to Brookfield Office Properties' existing Canadian short form base shelf prospectus dated August 29, 2016.

The net proceeds of the issue will be used by Brookfield Office Properties for general corporate purposes. The offering is expected to close on or about December 7, 2017. The Preferred Shares, Series II may not be offered or sold in the United States or to U.S. persons absent registration or an applicable exemption from the registration requirements under the U.S. Securities Act.

About Brookfield Office Properties

Brookfield Office Properties Inc. is a subsidiary of Brookfield Property Partners L.P., one of the world's largest commercial real estate companies, with approximately $68 billion in total assets. Brookfield Office Properties owns, develops and manages premier office properties in the United States, Canada, Australia and Europe. Its portfolio is comprised of interests in 122 properties totaling 89 million square feet in the downtown cores of New York, Washington, D.C., Houston, Los Angeles, Toronto, Calgary, Ottawa, London, Berlin, Sydney, Melbourne and Perth, making Brookfield Office Properties the global leader in the ownership and management of office assets. Landmark properties include Brookfield Places in New York City, Toronto and Perth, Bank of America Plaza in Los Angeles, Bankers Hall in Calgary and Darling Park in Sydney. For more information, please visit **www.bpy.brookfield.com/bpo**.

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Forward-Looking Statements

This press release contains "forward-looking information" within the meaning of Canadian provincial securities laws and applicable regulations. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, include statements regarding the closing, the terms and the use of proceeds of the offering, and include words such as "expects," "anticipates," "plans," "believes," 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.

Our future performance and prospects are subject to a number of known and unknown risks and uncertainties. Factors that could cause actual results to differ materially from those contemplated or implied by forward-looking statements include, but are not limited to, the other risks and factors detailed from time to time in our documents filed with the securities regulators in Canada.

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.

Associated Files