

Brookfield Properties

Supplemental Information
for the three months ended March 31, 2007





Introduction

- This supplemental information package is intended to provide interested parties with additional financial and other information on Brookfield Properties Corporation.
- The information herein should be read in conjunction with the company's interim and annual reports, including management's discussion and analysis.
- This information is available on the company's Web site and is updated quarterly.

Inquiries

- Brookfield Properties welcomes inquiries from shareholders, analysts, media representatives and other interested parties. Questions relating to investor relations or media inquiries can be directed to Melissa Coley, Vice President, Investor Relations at (212) 417-7215 or via e-mail at mcoley@brookfieldproperties.com. Inquiries regarding financial results should be directed to Bryan Davis, Senior Vice President and Chief Financial Officer, at (212) 417-7166 or via e-mail at bdavis@brookfieldproperties.com.



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Corporate Profile

Brookfield Properties Corporation owns, develops and manages premier North American office properties. At March 31, 2007 the Brookfield Properties commercial property portfolio is comprised of 113 properties totaling 74 million square feet, including 10 million square feet of parking. The company's development portfolio is comprised of 15 development sites totaling over 17 million square feet. The company's portfolio includes landmark properties such as the World Financial Center in Manhattan, BCE Place in Toronto, Bank of America Plaza in Los Angeles and Bankers Hall in Calgary.

Brookfield Properties is inter-listed on the New York and Toronto Stock Exchanges under the symbol "BPO."

This accompanying financial information makes reference to net operating income and funds from operations ("FFO") on a total and per share basis. Net operating income is defined as income from property operations after operating expenses have been deducted, but prior to deducting financing, administrative and income tax expenses. Brookfield Properties defines FFO as net income prior to extraordinary items, one-time transaction costs, future income taxes, non-cash items and depreciation and amortization. The company uses net operating income and FFO to assess its operating results. Net operating income is important in assessing operating performance and FFO is a relevant measure to analyze real estate, as commercial properties generally appreciate rather than depreciate. The company provides the components of net operating income on pages 19 and 45 and a full reconciliation from net income to FFO on page 14. The company reconciles FFO to net income as opposed to cashflow from operating activities as it believes net income is the most comparable measure. Net operating income and FFO are both non-GAAP measures which do not have any standard meaning prescribed by GAAP and therefore may not be comparable to similar measures presented by other companies.

Refer to page 63 for disclaimer on Forward-Looking Statements



Earnings and Dividend Announcements

Timing of Announcements

Brookfield Properties' financial results are scheduled to be announced on the following dates:

- Second Quarter 2007 Results on July 27, 2007
- Third Quarter 2007 Results on November 1, 2007

Common Share Dividends

- Current policy as of March 31, 2007- quarterly dividend of US\$0.19 per share (US\$0.76 per share annualized)
- Record Date - first day of March, June, September and December
- Payment Date - last day of March, June, September and December

Press releases and other financial information are available at www.brookfieldproperties.com



Research Coverage

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Canaccord Capital	Shant Poladian	(416) 869-6595
CIBC World Markets	Rossa O'Reilly, Alex Avery	(416) 594-7296
Citigroup	Jonathan Litt, Michael Bilerman	(212) 816-0231
Credit Suisse First Boston	John Stewart	(212) 538-3183
Deutsche Banc	Louis Taylor, Rob Hansen	(212) 250-4912
Genuity Capital Markets	Mark Rothschild, Jenny Ma	(416) 687-5428
Goldman Sachs & Co.	Jay Habermann, Sloan Bohlen	(917) 343-4260
Green Street Advisors Inc.	Cedrik Lachance	(949) 640-8780
Merrill Lynch & Co.	Steve Sakwa, Ian Weissman	(212) 449-0335
Morgan Stanley	David Cohen	(212) 761-8564
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Common Share Trading

Common Shares

Brookfield Properties is an inter-listed company; its shares trade on both the New York Stock Exchange and the Toronto Stock Exchange under the symbol “BPO.”

BPO Trading Statistics - New York Stock Exchange

(all amounts in US Dollars)

Source: NYSEnet

	31-Mar-07	31-Dec-06	30-Sep-06	30-Jun-06	31-Mar-06
High	\$48.74	\$41.46	\$37.46	\$34.05	\$34.15
Low	\$38.81	\$35.07	\$32.00	\$29.27	\$28.80
Close	\$40.30	\$39.33	\$35.32	\$32.17	\$34.15
Volume	34,693,800	23,639,900	14,293,800	16,581,500	20,652,400
Dividends paid per share	\$0.19	\$0.19	\$0.19	\$0.19	\$0.18

BPO Trading Statistics - Toronto Stock Exchange

(all amounts in Cdn Dollars)

Source: Bloomberg

	31-Mar-07	31-Dec-06	30-Sep-06	30-Jun-06	31-Mar-06
High	\$57.96	\$47.60	\$41.87	\$40.00	\$39.90
Low	\$44.99	\$39.11	\$35.11	\$31.20	\$33.11
Close	\$46.95	\$45.95	\$39.33	\$35.42	\$39.62
Volume	14,765,433	7,361,696	3,943,679	5,711,644	10,434,564
Dividends paid per share	\$0.22	\$0.22	\$0.21	\$0.20	\$0.21



Common Shares Outstanding & Repurchases

Common Shares Outstanding

	31-Mar-07	31-Dec-06	30-Sep-06	30-Jun-06	31-Mar-06
Common shares outstanding	264,783,876	264,578,971	231,424,947	231,373,839	231,373,841
Unexercised options	5,600,457	4,786,305	4,987,417	5,038,527	5,031,917
Common shares outstanding – fully diluted	270,384,333	269,365,276	236,412,364	236,412,366	236,405,758

Share Repurchases

Year	No. of Shares Repurchased ⁽¹⁾	Average Price Per Share (US\$)	Total Cost (US\$ millions)
1999	583,800	\$ 6.97	\$ 4.1
2000	2,379,450	8.33	19.8
2001	3,604,050	11.53	41.6
2002	2,078,850	12.33	25.6
2003	7,510,050	14.07	105.7
2004	2,114,850	20.36	43.1
2005	2,693,500	27.50	74.0
	20,964,550	\$ 14.97	\$ 313.9

⁽¹⁾ Share information restated to reflect stock splits



Selected Financial Information

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Financial Overview

(Millions)	Three months ended March 31	
	2007	2006
Commercial property net operating income before the following:	\$ 261	\$ 157
Straight-line rental income	15	4
Intangible amortization	33	3
Recurring fee income	8	6
Commercial property net operating income - continuing operations	317	170
Commercial property net operating income - discontinued operations	1	3
Commercial property net operating income - total	318	173
Funds from continuing operations	128	102
Funds from discontinued operations	1	1
Funds from operations total	129	103
Interest expense	168	72
Deferred financing	5	—
Preferred share dividends classified as interest expense	15	15
Total interest expense	188	87
Net income	53	49
Preferred share dividends	1	1
Common share dividends	50	42
Common shares outstanding		
Basic - weighted average	264.6	231.3
Diluted - weighted average	267.2	233.2
	Mar. 31	Dec. 31
(Millions)	2007	2006
Total assets - book value	\$ 19,228	\$ 19,314
Commercial property book value	15,195	15,287
Commercial property debt	11,142	11,185
Capital securities - corporate	1,095	1,093
Shareholders' equity	3,132	3,112
Common equity market capitalization	10,671	10,406



Balance Sheet

(Millions)	Mar. 31 2007	Dec. 31 2006
Assets		
Commercial properties	\$15,195	\$15,287
Commercial developments	841	735
Residential developments	792	706
Receivables and other	878	974
Intangible assets	860	853
Restricted cash and deposits	429	507
Cash and cash equivalents	226	188
Assets held for sale ⁽¹⁾	7	64
	\$19,228	\$19,314
Liabilities		
Commercial property debt	\$11,142	\$11,185
Accounts payable and other liabilities	934	923
Intangible liabilities	884	919
Future income tax liability	591	584
Liabilities related to assets held for sale ⁽²⁾	7	36
Capital securities - corporate	1,095	1,093
Capital securities - fund subsidiaries	786	803
Non-controlling interests - fund subsidiaries	256	266
Non-controlling interests - other subsidiaries	70	67
Preferred equity - subsidiaries	331	326
Shareholders' equity		
Preferred equity- corporate	45	45
Common equity	3,087	3,067
	\$19,228	\$19,314

⁽¹⁾ Includes \$5 million of commercial properties and \$2 million of other assets related to assets held for sale at March 31, 2007 (December 31, 2006 - \$61 million and \$3 million, respectively)

⁽²⁾ Includes \$4 million of commercial property debt and \$3 million of other liabilities associated with liabilities related to assets held for sale at March 31, 2007 (December 31, 2006 - \$34 million and \$2 million, respectively)



Income Statement

(Millions, except per share amounts)	Three months ended March 31	
	2007	2006
Total revenue	\$641	\$394
Net operating income		
Commercial property operations	317	170
Residential development operations	42	25
Interest and other	9	13
	368	208
Expenses		
Interest	188	87
General and administrative	29	15
Transaction costs	4	—
Fund interests	(19)	—
Non-controlling interests	9	4
Depreciation and amortization	126	44
Future income taxes	18	27
Net income from continuing operations	13	31
Discontinued operations	40	18
Net income	\$53	\$49
Net income per share - diluted		
Continuing operations	\$0.05	\$0.13
Discontinued operations	0.15	0.08
	\$0.20	\$0.21
Funds from operations per share - diluted		
Prior to property disposition gains	\$0.48	\$0.44
Property disposition gains	0.16	0.13
	\$0.64	\$0.57



Funds from Operations - Per Share Calculations

Reconciliation of Net Income to Funds from Operations:

(Millions)	Three months ended March 31	
	2007	2006
Net income	\$53	\$49
Depreciation and amortization ⁽¹⁾	126	45
Future income taxes ⁽²⁾	26	39
Non-cash items included in fund interests	(36)	—
Transaction costs ⁽³⁾	2	—
Property disposition gain ⁽⁴⁾	(42)	(30)
Funds from operations	\$129	\$103

⁽¹⁾ Includes depreciation and amortization from discontinued operations of nil and \$1 million for the three months ended March 31, 2007 and March 31, 2006, respectively

⁽²⁾ Includes future income taxes from discontinued operations of \$8 million and \$12 million for the three months ended March 31, 2007 and March 31, 2006, respectively

⁽³⁾ Represents transaction costs of \$4 million net of non-controlling interests of \$2 million for the three months ended March 31, 2007

⁽⁴⁾ Net of non-controlling interests of \$5 million and nil for the three months ended March 31, 2007 and March 31, 2006, respectively

After providing for preferred share dividends, Brookfield's funds from operations per share is calculated as follows:

(Millions, except per share information)	Three months ended March 31	
	2007	2006
Funds from operations	\$129	\$103
Preferred share dividends	(1)	(1)
Funds available to common shareholders	\$128	\$102
Weighted average common shares outstanding	267.2	233.2
Funds from operations per share	\$0.48	\$0.44

The accompanying financial information makes reference to funds from operations ("FFO") on a total and per share basis. Brookfield Properties defines FFO as net income prior to extraordinary items, one-time transaction costs, future income taxes, non-cash items and depreciation and amortization. The company uses FFO to assess its operating results. FFO is a relevant measure to analyze real estate, as commercial properties generally appreciate rather than depreciate. The company reconciles FFO to net income as opposed to cashflow from operating activities as it believes net income is the most comparable measure. FFO is a non-GAAP measure which does not have any standard meaning prescribed by GAAP and therefore may not be comparable to similar measures presented by other companies.



Discontinued Operations

The Company adopted the provisions of CICA Handbook Section 3475. The company's application of this section results in the presentation of the net operating results of qualifying properties sold or held for sale during the three months ended March 31, 2007 and 2006 as income from discontinued operations for all periods presented. The following table summarizes income from discontinued operations:

(Millions, except per share amounts)	Three months ended March 31	
	2007	2006
Revenue from discontinued operations	\$3	\$5
Operating expenses	(2)	(2)
Interest expense	1	3
Funds from discontinued operations	—	(2)
Funds from discontinued operations	1	1
Gain on sale of discontinued operations	47	30
Depreciation and amortization	—	(1)
Future income taxes related to discontinued operations	(8)	(12)
Discontinued operations	\$40	\$18
Net income per share - discontinued operations	\$0.15	\$0.08
Funds from operations and gains per share - discontinued operations	\$0.16	\$0.13



Income Statement by Quarter

(Millions, except per share amounts)	2007	2006			
	Q1	Q4	Q3	Q2	Q1
Total revenue	\$641	\$680	\$428	\$421	\$394
Net operating income					
Commercial property operations	\$317	\$313	\$180	\$177	\$170
Residential development operations	42	51	37	31	25
Interest and other	9	14	9	8	13
	368	378	226	216	208
Expenses					
Interest	188	207	96	93	87
General and administrative	29	23	15	14	15
Transaction costs	4	15	—	—	—
Fund interests	(19)	(33)	—	—	—
Non-controlling interests	9	4	7	6	4
Depreciation and amortization	126	136	50	51	44
Future income taxes	18	4	23	37	27
Net income from continuing operations	\$13	\$22	\$35	\$15	\$31
Discontinued operations	40	(1)	—	15	18
Net income	\$53	\$21	\$35	\$30	\$49
Net income per share - diluted					
Continuing operations	\$0.05	\$0.08	\$0.14	\$0.07	\$0.13
Discontinued operations	0.15	—	—	0.06	0.08
	\$0.20	\$0.08	\$0.14	\$0.13	\$0.21
Funds from operations per share - diluted					
Prior to discontinued operations and property disposition gains	\$0.48	\$0.51	\$0.46	\$0.43	\$0.44
Discontinued operations	—	0.01	—	0.02	—
Property disposition gains	0.16	—	—	0.06	0.13
	\$0.64	\$0.52	\$0.46	\$0.51	\$0.57



Cashflow Statement

(Millions)	Three months ended March 31	
	2007	2006
Operating activities		
Net income	\$53	\$49
Depreciation and amortization	126	45
Future income taxes	26	39
Property disposition gains	(47)	(30)
Amortization of value of acquired operating leases to rental revenue, net	(33)	(3)
Amortization of straight-line rent, net	(15)	(4)
Stock option and DSU grant expense	3	1
Non-controlling interests - fund and other subsidiaries	(10)	4
Non-cash component of capital securities - fund subsidiaries	(14)	—
Distributions received equity-accounting investments	—	2
Deferred leasing costs	(7)	(2)
Increase in housing and land inventory and related working capital	(42)	(20)
Working capital and other	(37)	(62)
	3	19
Financing activities and capital distributions		
Commercial property debt arranged	316	120
Commercial property debt repayments	(377)	(29)
Corporate credit facilities arranged	47	—
Land development debt arranged	9	21
Land development debt repaid	(12)	—
Distributions to non-controlling interests	(4)	(3)
Common shares issued	3	2
Preferred share dividends	(1)	(1)
Common share dividends	(50)	(42)
	(69)	68
Investment activities		
Marketable securities	—	58
Loans receivable and other	65	5
Acquisitions of real estate, net	—	(90)
Dispositions of real estate, net	75	65
Restricted cash and deposits	78	(30)
Development and redevelopment investments	(75)	(7)
Commercial property tenant improvements	(33)	(20)
Capital expenditures	(6)	(3)
	104	(22)
Increase in cash resources	38	65
Opening cash and cash equivalents	188	64
Closing cash and cash equivalents	\$226	\$129



Total Revenue

The components of revenue are as follows:

(Millions)	Three months ended March 31	
	2007	2006
Commercial property operations		
Revenue from continuing operations	\$513	\$286
Recurring fee income	8	6
Total commercial property revenue	\$521	\$292
Residential development operations	111	89
Interest and other	9	13
Total revenue	\$641	\$394

Fee income includes property management fees, leasing fees and project management fees. Brookfield Properties also earns fees through Brookfield Residential Services Ltd. and Brookfield LePage Johnson Controls. The components of recurring fee income are as follows:

(Millions)	Three months ended March 31	
	2007	2006
Property management, leasing, project management and other fees ⁽¹⁾	\$4	\$3
Brookfield Residential Services Ltd.	4	3
Brookfield LePage Johnson Controls	—	—
Total recurring fee income	\$8	\$6

(1) Excludes fees paid by the outside investors in the US Office Fund of 3 million to Brookfield, which are eliminated on consolidation of the Fund.



Commercial Net Operating Income

The components of commercial net operating income are as follows:

(Millions)	Three months ended		
	Mar. 31, 2007	Dec. 31, 2006	Mar. 31, 2006
Commercial property operations			
Revenue from continuing operations	\$513	\$496	\$286
Recurring fee income	8	12	6
Operating expenses	(204)	(195)	(122)
Net operating income	\$317	\$313	\$170

(Millions)	Three months ended		
	Mar. 31, 2007	Dec. 31, 2006	Mar. 31, 2006
Commercial property operations			
Same property	\$169	\$161	\$163
Properties acquired	5	5	1
Properties acquired - U.S. Fund	135	135	—
Recurring fee income	8	12	6
Net operating income	\$317	\$313	\$170

(Millions)	Three months ended		
	Mar. 31, 2007	Dec. 31, 2006	Mar. 31, 2006
Intangible lease amortization	\$33	\$33	\$3
Straight-line rental income	15	13	4

This supplemental financial information makes reference to net operating income. Net operating income is defined as income from property operations after operating expenses have been deducted, but prior to deducting financing, administrative and income tax expenses. The company uses net operating income to assess its operating results. Net operating income is important in assessing operating performance. Net operating income is a non-GAAP measure which does not have any standard meaning prescribed by GAAP and therefore may not be comparable to similar measures presented by other companies.



Net Operating Income by Region

Commercial Properties - Geographic Distribution

Brookfield Properties' net operating income by region is as follows:

(Millions)	Net Operating Income			Total	% Contribution
	Direct	U.S. Fund	Canadian Fund		
Continuing operations					
New York, New York	\$ 85.5	\$ 46.9	—	\$ 132.4	42%
Boston, Massachusetts	7.6	—	—	7.6	2%
Washington, D.C.	14.1	25.5	—	39.6	12%
Los Angeles, California	—	42.6	—	42.6	13%
Houston, Texas	—	20.1	—	20.1	6%
Toronto, Ontario	29.0	—	5.1	34.1	11%
Calgary, Alberta	15.5	—	1.9	17.4	6%
Ottawa, Ontario	—	—	1.7	1.7	1%
Denver, Colorado	5.8	—	—	5.8	2%
Minneapolis, Minnesota	4.9	—	—	4.9	2%
Vancouver, British Columbia	2.2	—	—	2.2	1%
Edmonton, Alberta	—	—	0.5	0.5	—
Recurring Fee Income					
Leasing, management and other	1.8	—	2.0	3.8	1%
Brookfield Residential Services	3.9	—	—	3.9	1%
Brookfield LePage Johnson Controls	0.4	—	—	0.4	—
	170.7	135.1	11.2	317.0	100%
Discontinued operations					
Toronto, Ontario	1.1	—	0.3	1.4	—
	1.1	—	0.3	1.4	—
Total	\$ 171.8	\$ 135.1	\$ 11.5	\$ 318.4	100%
Intangible lease amortization	(1.5)	(29.8)	(1.6)	(32.9)	(10%)
Straight-line rent amortization	(1.6)	(13.5)	(0.3)	(15.4)	(5%)
Total Cash NOI	\$ 168.7	\$ 91.8	\$ 9.6	\$ 270.1	85%



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Summary of Properties

Commercial Properties

At March 31, 2007 commercial property assets consisted of office properties in 12 markets containing approximately 74 million square feet of space in which Brookfield Properties has proportionate ownership interests in approximately 57 million square feet.

Region	Total Area (000's Sq.Ft.)	Brookfield Properties' Owned Interest (000's Sq.Ft.) ⁽¹⁾	Book Value (Millions)	Debt (Millions)	Net Book Equity (Millions)
Direct					
New York, New York ⁽²⁾	12,447	10,735	\$3,891	\$2,917	\$ 974
Boston, Massachusetts	2,163	1,103	358	228	130
Washington, D.C.	2,266	2,266	690	503	187
Toronto, Ontario	6,646	5,253	1,193	633	560
Calgary, Alberta	6,326	3,164	441	328	113
Denver, Colorado	1,795	1,795	290	168	122
Minneapolis, Minnesota	3,008	3,008	422	176	246
Other	926	926	93	—	93
	35,577	28,250	7,378	4,953	2,425
U.S. Fund					
New York, New York	7,069	5,617	2,554	713	1,841
Washington, D.C.	4,505	4,328	1,241	208	1,033
Los Angeles, California	10,672	10,438	2,659	430	2,229
Houston, Texas	6,958	6,307	934	—	934
Corporate Fund Debt	—	—	—	4,174	(4,174)
	29,204	26,690	7,388	5,525	1,863
Canadian Fund					
Toronto, Ontario	4,145	1,036	246	92	154
Calgary, Alberta	1,519	380	76	48	28
Ottawa, Ontario	2,780	695	89	46	43
Other	919	229	18	9	9
	9,363	2,340	429	195	234
Continuing operations	74,144	57,280	\$15,195	\$10,673	\$ 4,522
Discontinued operations	251	63	5	4	1
	74,395	57,343	\$15,200	\$10,677	\$4,523
Commercial developments	17,219	15,456	841	511	330
Total before deferred financing costs	91,614	72,799	\$16,041	\$11,188	\$4,853
Deferred financing costs	—	—	—	(42)	42
Total	91,614	72,799	\$16,041	\$11,146	\$4,895

⁽¹⁾ Before non-controlling interests

⁽²⁾ Includes corporate debt of \$347 million



Portfolio by City – United States

March 31, 2007	Number of Properties	Leased %	Office 000's Sq. Ft.	Retail 000's Sq. Ft.	Parking 000's Sq. Ft.	Total Area 000's Sq. Ft.	Owned Interest %	Brookfield Properties' Owned Interest 000's Sq. Ft.	Other Shareholder's Interest 000's Sq. Ft.	Brookfield Properties' Net Owned Interest 000's Sq. Ft.
NEW YORK										
World Financial Center										
One	1	97.9%	1,520	50	58	1,628	100	1,628	(10)	1,618
Two	1	100.0%	2,455	36	-	2,491	100	2,491	(15)	2,476
Three	1	98.9%	1,179	-	53	1,232	100	1,232	(8)	1,224
Four	1	100.0%	1,712	43	48	1,803	51	920	(6)	914
Retail		80.7%	-	171	122	293	100	293	(2)	291
One Liberty Plaza	1	98.0%	2,194	20	-	2,214	100	2,214	(14)	2,200
245 Park Avenue	1	99.7%	1,630	62	-	1,692	51	863	(5)	858
300 Madison Avenue	1	100.0%	1,089	5	-	1,094	100	1,094	(6)	1,088
The Grace Building	1	97.7%	1,499	20	-	1,519	49.9	758	(415)	343
One New York Plaza	1	98.7%	2,426	33	-	2,459	100	2,459	(1,347)	1,112
Newport Tower	1	74.2%	1,028	34	-	1,062	100	1,062	(582)	480
1065 Ave of the Americas	1	87.6%	625	40	-	665	99	658	(360)	298
1411 Broadway	1	90.8%	1,074	39	36	1,149	49.9	573	(314)	259
1460 Broadway	1	92.1%	206	9	-	215	49.9	107	(58)	49
	13	96.5%	18,637	562	317	19,516		16,352	(3,142)	13,210
BOSTON										
53 State Street	1	90.3%	1,090	30	41	1,161	51	592	(4)	588
75 State Street	1	100.0%	742	25	235	1,002	51	511	(3)	508
	2	94.3%	1,832	55	276	2,163		1,103	(7)	1,096
WASHINGTON, D.C.										
1625 Eye Street	1	96.3%	374	12	185	571	100	571	(4)	567
701 9th Street	1	100.0%	340	24	183	547	100	547	(3)	544
Potomac Tower	1	100.0%	237	-	203	440	100	440	(3)	437
601 South 12th Street	1	100.0%	243	-	-	243	100	243	-	243
701 South 12th Street	1	100.0%	297	-	-	297	100	297	-	297
One Bethesda Center	1	100.0%	151	17	-	168	100	168	-	168
1225 Connecticut Ave	1	98.0%	195	22	52	269	100	269	(147)	122
1200K Street	1	100.0%	366	24	44	434	100	434	(238)	196
1250 23rd Street	1	100.0%	116	-	16	132	100	132	(72)	60
1250 Connecticut	1	99.5%	152	20	26	198	100	198	(108)	90
1400 K Street	1	97.7%	178	12	34	224	100	224	(123)	101
2000 L Street	1	99.4%	308	75	-	383	100	383	(210)	173
2001 M Street	1	99.6%	190	39	35	264	98	259	(142)	117
2401 Pennsylvania Ave	1	93.6%	58	19	16	93	100	93	(51)	42
Bethesda Crescent	3	99.9%	241	27	68	336	100	336	(184)	152
One Reston Crecent	1	100.0%	185	-	-	185	100	185	(101)	84
Silver Springs Metro Plaza	3	96.6%	640	47	84	771	100	771	(422)	349
Sunrise Tech Park	4	93.2%	315	1	-	316	100	316	(173)	143
Two Ballston Plaza	1	95.2%	204	19	-	223	100	223	(122)	101
Victor Building	1	47.6%	298	45	-	343	49.99	171	(93)	78
1550&1560 Wilson Blvd	2	83.9%	226	32	76	334	100	334	(183)	151
	29	94.6%	5,314	435	1,022	6,771		6,594	(2,379)	4,215



Portfolio by City – United States (Cont'd)

March 31, 2007	Number of Properties	Leased %	Office 000's Sq. Ft.	Retail 000's Sq. Ft.	Parking 000's Sq. Ft.	Total Area 000's Sq. Ft.	Owned Interest %	Brookfield Properties' Owned Interest 000's Sq. Ft.	Other Shareholder's Interest 000's Sq. Ft.	Brookfield Properties' Net Owned Interest 000's Sq. Ft.
HOUSTON										
500 Jefferson	1	96.0%	351	39	44	434	100	434	(237)	197
One Allen Centre	1	97.2%	913	79	-	992	100	992	(544)	448
Two Allen Centre	1	96.8%	987	9	-	996	100	996	(546)	450
Three Allen Centre	1	93.7%	1,173	22	-	1,195	100	1,195	(655)	540
Kellogg Brown & Root Tower	1	87.3%	985	63	254	1,302	50	651	(357)	294
Continental Center 1	1	97.0%	1,048	50	411	1,509	100	1,509	(826)	683
Continental Center 2	1	82.1%	428	21	81	530	100	530	(290)	240
	7	93.6%	5,885	283	790	6,958		6,307	(3,455)	2,852
LOS ANGELES										
601 Figueroa	1	55.7%	1,037	2	123	1,162	100	1,162	(636)	526
Bank of America Plaza	1	94.0%	1,383	39	343	1,765	100	1,765	(967)	798
Eanst&Young Tower	1	87.5%	910	335	391	1,636	100	1,636	(896)	740
Landmark Square	1	91.3%	420	23	212	655	100	655	(359)	296
Marina Towers	2	95.2%	356	25	87	468	50	234	(128)	106
5670 Wishire Blvd	1	91.2%	390	19	-	409	100	409	(224)	185
6060 Center Drive	1	88.7%	242	15	113	370	100	370	(203)	167
6080 Center Drive	1	89.6%	288	-	163	451	100	451	(247)	204
6100 Center Drive	1	96.6%	286	-	168	454	100	454	(249)	205
701B Street	1	80.7%	529	37	-	566	100	566	(310)	256
707 Broadway (Wash. Mutual)	1	79.8%	181	-	128	309	100	309	(169)	140
9665 Wilshire Blvd	1	100.0%	162	-	64	226	100	226	(124)	102
Howard Hughes Spectrum	1	100.0%	37	-	-	37	100	37	(20)	17
Howard Hughes Tower	1	99.8%	316	2	141	459	100	459	(251)	208
NorthPoint	1	99.6%	103	-	45	148	100	148	(81)	67
Arden Towers at Sorrento	4	80.2%	548	54	-	602	100	602	(330)	272
Westwood Center	1	100.0%	291	25	-	316	100	316	(173)	143
World Savings Center	1	99.1%	464	14	161	639	100	639	(350)	289
	22	86.7%	7,943	590	2139	10,672		10,438	(5,717)	4,721
DENVER										
Republic Plaza										
Office	1	97.0%	1,247	45	503	1,795	100	1,795	-	1,795
	1	97.0%	1,247	45	503	1,795		1,795	-	1,795
MINNEAPOLIS										
33 South Sixth Street	2	88.9%	1,082	370	325	1,777	100	1,777	-	1,777
Dain Plaza	2	91.2%	593	442	196	1,231	100	1,231	-	1,231
	4	89.9%	1,675	812	521	3,008		3,008	-	3,008
Subtotal United States	78	93.6%	42,533	2,782	5,568	50,883		45,597	(14,700)	30,897



Portfolio by City – Canada

March 31, 2007	Number of Properties	Leased %	Office 000's Sq. Ft.	Retail 000's Sq. Ft.	Parking 000's Sq. Ft.	Total Area 000's Sq. Ft.	Owned Interest %	Brookfield Properties' Owned Interest 000's Sq. Ft.	Other Shareholder's Interest 000's Sq. Ft.	Brookfield Properties' Net Owned Interest 000's Sq. Ft.
TORONTO										
BCE Place										
Bay Wellington Tower	1	96.7%	1,299	41	-	1,340	100	1,340	-	1,340
TD Canada Trust Tower	1	100.0%	1,127	17	-	1,144	50	572	-	572
Retail and Parking	1	98.2%	-	115	690	805	70	564	-	564
First Canadian Place	1	97.3%	2,379	232	170	2,781	25	695	(76)	619
Exchange Tower	1	96.2%	963	66	131	1,160	50	580	(64)	516
105 Adelaide	1	100.0%	176	7	49	232	100	232	(25)	207
Hudson Bay Centre	1	94.0%	536	261	295	1,092	100	1,092	(121)	971
2 Queen St. E	1	98.6%	448	16	81	545	25	136	(15)	121
Queens Quay Terminal	1	99.3%	429	75	-	504	100	504	(56)	448
151 Yonge St.	1	96.8%	289	10	72	371	25	93	(10)	83
2 St. Clair Ave. W.	1	95.6%	219	12	68	299	25	75	(8)	67
18 King St. E	1	95.8%	219	9	23	251	25	63	(7)	56
HSBC Building	1	100.0%	188	6	31	225	100	225	(25)	200
40 St. Clair Ave. W.	1	97.3%	117	4	28	149	25	37	(4)	33
22 Front Street	1	99.2%	136	8	-	144	100	144	(15)	129
	15	97.4%	8,525	879	1,638	11,042		6,352	(426)	5,926
CALGARY										
Bankers Hall	3	99.7%	1,944	224	525	2,693	50	1,347	(149)	1,198
Petro Canada Centre	2	100.0%	1,708	24	220	1,952	50	976	(107)	869
5th Avenue Place	2	100.0%	1,430	45	206	1,681	50	841	(93)	748
Gulf Canada Square	1	99.8%	1,047	73	21	1,141	25	285	(31)	254
Altius Centre	1	100.0%	303	3	72	378	25	95	(11)	84
	9	99.9%	6,432	369	1,044	7,845		3,544	(391)	3,153
OTTAWA										
Place de Ville I	2	99.0%	569	18	502	1,089	25	272	(30)	242
Place de Ville II	2	98.5%	591	19	433	1,043	25	261	(29)	232
Jean Edmonds Towers	2	99.7%	540	13	95	648	25	162	(18)	144
	6	99.0%	1,700	50	1,030	2,780		695	(77)	618
Other										
Royal Centre, Vancouver	1	96.7%	494	95	264	853	100	853	(94)	759
Canadian Western Bank, Edmonton	1	96.8%	375	31	91	497	25	124	(14)	110
Enbridge Tower, Edmonton	1	100.0%	179	4	30	213	25	53	(6)	47
4342 Queen Street, Niagara Falls	1	68.6%	149	-	60	209	25	52	(5)	47
Other	1	96.2%	70	3	-	73	100	73	-	73
	5	94.1%	1,267	133	445	1,845		1,155	(119)	1,036
Subtotal Canada	35	98.2%	17,924	1,431	4,157	23,512		11,746	(1,013)	10,733
Total Portfolio	113	95.0%	60,457	4,213	9,725	74,395		57,343	(15,713)	41,630



Historical Occupancy Analysis

The occupancy in Brookfield Properties' portfolio, excluding development properties, is as follows:

(000's Sq.Ft.)	Mar. 31, 2007		Dec. 31, 2006		Sept. 30, 2006		Jun. 30, 2006		Mar. 31, 2006	
	Total Sq.Ft.	% Leased	Total Sq.Ft.	% Leased	Total Sq.Ft.	% Leased	Total Sq.Ft.	% Leased	Total Sq.Ft.	% Leased
New York, New York	19,516	96.5%	19,516	96.5%	12,446	96.7%	12,446	94.9%	12,453	94.2%
Boston, Massachusetts	2,163	94.3%	2,163	92.5%	2,163	92.2%	2,163	92.2%	2,163	91.9%
Washington, D.C.	6,771	94.6%	6,771	97.6%	2,265	99.2%	2,265	98.0%	1,725	97.0%
Los Angeles, California	10,672	86.7%	10,672	87.4%	—	—	—	—	—	—
Houston, Texas	6,958	93.6%	6,958	94.6%	—	—	—	—	—	—
Toronto, Ontario	11,042	97.4%	12,283	95.8%	12,283	95.1%	12,283	93.4%	12,283	93.7%
Calgary, Alberta	7,845	99.9%	7,845	99.8%	7,850	99.5%	7,850	99.7%	8,936	99.0%
Ottawa, Ontario	2,780	99.0%	2,939	99.2%	2,939	99.2%	2,937	99.4%	2,937	99.7%
Denver, Colorado	1,795	97.0%	1,795	95.7%	1,795	89.5%	1,795	88.1%	1,795	88.1%
Minneapolis, Minnesota	3,008	89.9%	3,008	89.3%	3,008	88.8%	3,008	87.6%	3,008	88.8%
Other	1,845	94.1%	1,845	95.6%	1,844	95.1%	1,844	94.3%	2,095	91.7%
Total	74,395	95.0%	75,795	95.1%	46,593	96.0%	46,591	94.9%	47,395	94.6%

The occupancy in Brookfield Properties' portfolio, before giving effect to the Trizec acquisition and excluding development properties, is as follows:

(000's Sq.Ft.)	Mar. 31, 2007		Dec. 31, 2006		Sept. 30, 2006		Jun. 30, 2006		Mar. 31, 2006	
	Total Sq.Ft.	% Leased	Total Sq.Ft.	% Leased	Total Sq.Ft.	% Leased	Total Sq.Ft.	% Leased	Total Sq.Ft.	% Leased
New York, New York	12,447	98.9%	12,447	98.8%	12,446	96.7%	12,446	94.9%	12,453	94.2%
Boston, Massachusetts	2,163	94.3%	2,163	92.5%	2,163	92.2%	2,163	92.2%	2,163	91.9%
Washington, D.C.	2,266	99.2%	2,266	99.2%	2,265	99.2%	2,265	98.0%	1,725	97.0%
Toronto, Ontario	11,042	97.4%	12,283	95.8%	12,283	95.1%	12,283	93.4%	12,283	93.7%
Calgary, Alberta	7,845	99.9%	7,845	99.8%	7,850	99.5%	7,850	99.7%	8,936	99.0%
Ottawa, Ontario	2,780	99.0%	2,939	99.2%	2,939	99.2%	2,937	99.4%	2,937	99.7%
Denver, Colorado	1,795	97.0%	1,795	95.7%	1,795	89.5%	1,795	88.1%	1,795	88.1%
Minneapolis, Minnesota	3,008	89.9%	3,008	89.3%	3,008	88.8%	3,008	87.6%	3,008	88.8%
Other	1,845	94.1%	1,845	95.6%	1,844	95.1%	1,844	94.3%	2,095	91.7%
Total	45,191	97.7%	46,591	97.1%	46,593	96.0%	46,591	94.9%	47,395	94.6%



Largest Tenants

Tenant	Primary Location	Year of Expiry ⁽¹⁾	000's Sq.Ft. ⁽²⁾	% of Sq.Ft. ⁽²⁾	Credit Rating ⁽³⁾
Rated					
Merrill Lynch	New York / Toronto	2013	4,583	7.1%	AA-
Government of Canada	Ottawa/Edmonton/Toronto	2010	1,847	2.9%	AAA
Chevron U.S.A. ⁽⁴⁾	Houston	2018	1,725	2.7%	AA
CIBC	New York / Toronto / Calgary	2031	1,702	2.6%	A+
Wachovia	New York	2015	1,365	2.1%	AA-
RBC Financial Group	Five Major Markets	2018	1,183	1.8%	AA-
JPMorgan Chase Bank	New York/Denver	2020	1,171	1.8%	AA-
Bank of Montreal	Toronto/Calgary	2020	1,128	1.8%	AA-
Petro-Canada	Calgary	2013	895	1.4%	BBB
Target Corporation	Minneapolis	2014	865	1.3%	A+
Goldman Sachs	New York	2011	865	1.3%	AA-
Continental Airlines	Houston	2009	695	1.1%	B
EnCana Corporation	Calgary	2017	694	1.1%	A-
Imperial Oil	Calgary	2011	633	1.0%	AAA
Devon Energy Production Company	Houston	2012	544	0.8%	BBB
Transportation Security Administration	Washington D.C.	2014	540	0.8%	AAA
Talisman Energy	Calgary	2015	527	0.8%	BBB+
CP Rail	Calgary	2014	459	0.7%	BBB
ConocoPhillips	Calgary	2010	445	0.7%	A-
American Express	New York	2022	412	0.6%	A+
Enbridge Inc.	Calgary/Edmonton	2015	392	0.6%	A-
Pension Benefit Guaranty Corporation	Washington D.C.	2018	386	0.6%	AAA
Fidelity Investments	New York/Boston	2009	381	0.6%	AA
Exxon Mobil Corporation	Houston	2007	374	0.6%	AAA
Amerada Hess Corporation	Houston	2011	371	0.6%	BBB-
Home Box Office, Inc.	New York	2019	371	0.6%	BBB+
Pepco Holdings Inc.	Washington D.C.	2028	364	0.6%	BBB
United States Government	Washington D.C. / Los Angeles / Houston	2010	362	0.6%	AAA
Canadian Natural Resources	Calgary	2011	298	0.5%	BBB
Bank of Nova Scotia	New York	2014	255	0.4%	AA-
Kinder Morgan, Inc.	Houston	2020	226	0.3%	BB-
Anadarko Canada	Calgary	2011	212	0.3%	BBB-
Marsh Mercer	Toronto	2015	207	0.3%	BB+
Willis of New York	New York	2026	202	0.3%	BBB
Bank of America	Boston	2011	200	0.3%	AA+
Government and related services	Various	Various	1,209	1.9%	BBB- or higher
Other investment grade	Various	Various	4,102	6.3%	BBB- or higher
			32,190	49.8%	
Unrated					
Kellogg, Brown & Root	Washington D.C. / Houston	2016	964	1.5%	—
Cadwalader, Wickersham & Taft	New York	2024	519	0.8%	—
Cleary Gottlieb Steen & Hamilton	New York	2012	446	0.7%	—
Ernst & Young	Washington D.C. / Los Angeles	2010	417	0.7%	—
Goodwin Procter	Boston	2016	411	0.6%	—
Fried, Frank, Harris	New York	2024	392	0.6%	—
Wellington Management Co.	Boston	2011	358	0.6%	—
The Capital Group Companies	Los Angeles	2018	326	0.5%	—
National Association of Securities Dealers (NASD)	New York	2020	277	0.4%	—
Osler, Hoskin & Harcourt	Toronto	2015	270	0.4%	—
Bennett Jones	Calgary/Toronto	2010	237	0.4%	—
CI Investments Inc.	Toronto	2011	212	0.3%	—
KPMG	Toronto	2011	210	0.3%	—
The Boston Consulting Group	Boston / Washington D.C. / Toronto	2009	203	0.3%	—
Total			37,432	57.9%	

⁽¹⁾ Weighted average based on square feet.

⁽²⁾ Prior to considering partnership interests in partially-owned properties.

⁽³⁾ From Standard and Poor's, Moody's or DBRS.

⁽⁴⁾ Includes 1,267,000 square feet of space leased at Four Allen Center, which is currently under re-development



Leasing Activity

During the three months ended March 31, 2007, Brookfield Properties leased 1.6 million square feet of space. Brookfield Properties' leasing activity, excluding leasing for developments, is as follows:

	December 31, 2006			Activity during the three months ended March 31, 2007						March 31, 2007			
	Total Area ⁽¹⁾ (000's Sq. Ft.)	Leased (000's Sq. Ft.)	Avg. In-Place Net Rent (\$ per Sq.Ft.)	Expiring Expiries (000's Sq. Ft.)	Expiring Net Rent (\$ per Sq.Ft.)	Leasing (000's Sq. Ft.)	Year One ⁽²⁾	Average ^{(3), (4)}	Acq.	Total Area ⁽¹⁾ (000's Sq. Ft.)	Leased (000's Sq. Ft.)	Avg. In-Place Net Rent (\$ per Sq.Ft.)	Avg. Mkt. Net Rent (\$ per Sq.Ft.)
							Leasing Net Rent (\$ per Sq.Ft.)	Leasing Net Rent (000's Sq. Ft.)	(Disp.) Additions (000's Sq. Ft.)				
New York, New York													
- Midtown	6,334	6,228	\$34	(164)	\$25	27	\$56	\$57	—	6,333	6,091	\$34	\$84
- Lower Manhattan	13,182	12,623	26	(82)	13	213	26	26	—	13,183	12,754	27	40
Boston, Massachusetts	2,163	2,021	28	(88)	34	122	25	28	—	2,163	2,055	28	33
Washington, D.C.	6,771	6,632	24	(267)	14	96	19	21	—	6,771	6,461	24	35
Los Angeles, California	10,672	9,597	19	(196)	15	138	16	17	—	10,672	9,539	19	25
Houston, Texas	6,958	6,622	11	(326)	8	265	11	11	—	6,958	6,561	11	18
Toronto, Ontario	12,283	11,840	20	(343)	18	388	19	20	(1,090)	11,042	10,795	21	23
Calgary, Alberta	7,845	7,830	19	(267)	22	274	33	33	—	7,845	7,837	19	29
Ottawa, Ontario	2,939	2,924	12	(1)	8	—	—	—	(160)	2,780	2,763	15	14
Denver, Colorado	1,795	1,739	17	(2)	13	19	18	18	—	1,795	1,756	17	21
Minneapolis, Minnesota	3,008	2,741	9	(6)	12	21	17	17	—	3,008	2,756	9	15
Other	1,845	1,783	10	(66)	14	46	20	21	—	1,845	1,763	10	17
Total	75,795	72,580	\$21	(1,808)	\$17	1,609	\$22	\$23	(1,250)	74,395	71,131	\$22	\$33

⁽¹⁾ Excludes developments

⁽²⁾ Represents net rent in the first year

⁽³⁾ Represents average net rent over lease term.

⁽⁴⁾ Washington and Los Angeles leasing includes leasing completed outside of the city, whereas the market net rent presented is representative of rates within the city



Leasing Profile

Brookfield Properties' portfolio has a weighted average lease life of seven years. The expiry profile of Brookfield Properties' portfolio, excluding development properties, is as follows:

March 31, 2007 (000's Sq. Ft.)	Currently Available	Remainder 2007	2008	2009	2010	2011	2012	2013	2014& Beyond	Subtotal	Parking	Total
New York, New York	671	205	490	1,046	989	364	842	5,142	9,450	19,199	317	19,516
Boston, Massachusetts	108	61	310	40	175	394	36	30	733	1,887	276	2,163
Washington, D.C.	310	528	446	576	271	192	529	188	2,709	5,749	1,022	6,771
Los Angeles, California	1,133	441	758	563	982	976	1,223	587	1,870	8,533	2,139	10,672
Houston, Texas	397	281	668	151	923	587	1,294	523	1,344	6,168	790	6,958
Toronto, Ontario	247	214	427	852	1,002	667	891	1,431	3,673	9,404	1,638	11,042
Calgary, Alberta	8	46	210	295	915	1,653	500	1,303	1,871	6,801	1,044	7,845
Ottawa, Ontario	17	140	52	34	2	—	4	952	549	1,750	1,030	2,780
Denver, Colorado	39	53	50	9	100	89	78	128	746	1,292	503	1,795
Minneapolis, Minnesota	252	28	32	223	61	35	132	648	1,076	2,487	521	3,008
Other	82	85	49	83	176	143	93	85	604	1,400	445	1,845
	3,264	2,082	3,492	3,872	5,596	5,100	5,622	11,017	24,625	64,670	9,725	74,395
	5.0%	3.2%	5.4%	6.0%	8.7%	7.9%	8.7%	17.0%	38.1%	100.0%		100.0%



Lease Expiry Analysis

An analysis of Brookfield Properties' expiring net rents for our total portfolio is as follows:

Year of Expiry	Total Portfolio		Net
	000's Sq.Ft.	%	Rate per Sq.Ft.
Currently Available	3,264	5.0%	
2007	2,082	3.2%	\$21
2008	3,492	5.4%	22
2009	3,872	6.0%	20
2010	5,596	8.7%	24
2011	5,100	7.9%	23
2012	5,622	8.7%	24
2013	11,017	17.0%	29
2014 & Beyond	24,625	38.1%	29
Parking	9,725	—	—
	74,395	100.0%	\$26
Weighted average market net rent			\$33



Lease Expiry Analysis (Cont'd)

An analysis of Brookfield Properties' expiring net rents for New York, Boston and Washington, D.C. is as follows:

Year of Expiry	New York			Boston			Washington, D.C.		
	000's Sq.Ft.	%	Net Rate per Sq.Ft.	000's Sq.Ft.	%	Net Rate per Sq.Ft.	000's Sq.Ft.	%	Net Rate per Sq.Ft.
Currently Available	671	3.5%		108	5.7%		310	5.4%	
2007	205	1.1%	\$23	61	3.2%	\$22	528	9.2%	\$27
2008	490	2.6%	26	310	16.4%	21	446	7.8%	27
2009	1,046	5.4%	19	40	2.1%	31	576	10.0%	27
2010	989	5.2%	35	175	9.3%	33	271	4.7%	26
2011	364	1.9%	37	394	20.9%	46	192	3.3%	31
2012	842	4.4%	24	36	1.9%	23	529	9.2%	31
2013	5,142	26.8%	39	30	1.6%	29	188	3.3%	30
2014 & Beyond	9,450	49.1%	36	733	38.9%	29	2,709	47.1%	37
Parking	317	—	—	276	—	—	1,022	—	—
	19,516	100.0%	\$35	2,163	100.0%	\$31	6,771	100.0%	\$33
Weighted average market net rent			\$54			\$33			\$35



Lease Expiry Analysis (Cont'd)

An analysis of Brookfield Properties' expiring net rents for Los Angeles, Houston, Denver and Minneapolis is as follows:

Year of Expiry	Los Angeles			Houston			Denver			Minneapolis		
	000's Sq.Ft.	%	Net Rate per Sq.Ft.	000's Sq.Ft.	%	Net Rate per Sq.Ft.	000's Sq.Ft.	%	Net Rate per Sq.Ft.	000's Sq.Ft.	%	Net Rate per Sq.Ft.
Currently Available	1,133	13.3%		397	6.4%		39	3.0%		252	10.1%	
2007	441	5.2%	\$19	281	4.6%	\$17	53	4.1%	\$17	28	1.1%	\$8
2008	758	8.9%	25	668	10.8%	18	50	3.9%	17	32	1.3%	13
2009	563	6.6%	21	151	2.4%	20	9	0.7%	20	223	9.0%	6
2010	982	11.5%	24	923	15.0%	15	100	7.7%	22	61	2.5%	11
2011	976	11.4%	23	587	9.5%	17	89	6.9%	20	35	1.4%	11
2012	1,223	14.3%	31	1,294	21.0%	17	78	6.0%	20	132	5.3%	17
2013	587	6.9%	25	523	8.5%	16	128	9.9%	23	648	26.1%	10
2014 & Beyond	1,870	21.9%	33	1,344	21.8%	20	746	57.8%	22	1,076	43.2%	13
Parking	2,139	—	—	790	—	—	503	—	—	521	—	—
	10,672	100.0%	\$27	6,958	100.0%	\$17	1,795	100.0%	\$21	3,008	100.0%	\$11
Weighted average market net rent			\$25			\$18			\$21			\$15



Lease Expiry Analysis (Cont'd)

An analysis of Brookfield Properties' expiring net rents for Toronto, Calgary, Ottawa and Other is as follows:

Year of Expiry	Toronto			Calgary			Ottawa			Other		
	000's Sq.Ft.	%	Net Rate per Sq.Ft.	000's Sq.Ft.	%	Net Rate per Sq.Ft.	000's Sq.Ft.	%	Net Rate per Sq.Ft.	000's Sq.Ft.	%	Net Rate per Sq.Ft.
Currently Available	247	2.6%		8	0.1%		17	1.0%		82	5.9%	
2007	214	2.3%	\$20	46	0.7%	\$19	140	8.0%	\$12	85	6.1%	\$11
2008	427	4.5%	21	210	3.1%	19	52	3.0%	11	49	3.5%	10
2009	852	9.1%	17	295	4.3%	19	34	1.9%	13	83	5.9%	9
2010	1,002	10.7%	23	915	13.5%	21	2	0.1%	33	176	12.6%	9
2011	667	7.1%	23	1,653	24.3%	18	—	—	—	143	10.2%	12
2012	891	9.5%	21	500	7.4%	25	4	0.2%	29	93	6.6%	13
2013	1,431	15.2%	25	1,303	19.2%	20	952	54.4%	16	85	6.1%	18
2014 & Beyond	3,673	39.0%	21	1,871	27.4%	20	549	31.4%	12	604	43.1%	10
Parking	1,638	—	—	1,044	—	—	1,030	—	—	445	—	—
	11,042	100.0%	\$22	7,845	100.0%	\$20	2,780	100.0%	\$14	1,845	100.0%	\$11
Weighted average market net rent			\$23			\$29			\$14			\$17



Development Properties

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Commercial Development Property - Detail

The details of commercial development properties as at March 31, 2007 are as follows:

March 31, 2007	Region	Location	Number of Sites	Total Sq. Ft.	Owned Interest ⁽¹⁾	Brookfield Properties' Ownership	Other Shareholders' Interest	Brookfield Properties' Net Ownership
Direct								
Ninth Avenue	New York	31st through 33rd Street across from Moynihan train station	1	4,700,000	100%	4,700,000	—	4,700,000
77 K Street	Washington, D.C.	Adjacent to Union Station	1	322,000	50%	161,000	(966)	160,034
Bay Adelaide Centre	Toronto	Bay and Adelaide Streets	1	2,600,000	100%	2,600,000	(286,000)	2,314,000
BCE Place III	Toronto	Third tower of current BCE project	1	800,000	65%	520,000	(57,200)	462,800
Bankers Court	Calgary	Parkades adjacent to Bankers Hall	1	500,000	50%	250,000	(27,500)	222,500
Herald Site	Calgary	Within one block of the company's existing assets	1	1,100,000	100%	1,100,000	(121,000)	979,000
425 15th Street	Denver	One block from Republic Plaza	1	800,000	100%	800,000	—	800,000
Tremont Garage	Denver	One block from Republic Plaza	1	500,000	100%	500,000	—	500,000
			8	11,322,000		10,631,000	(492,666)	10,138,334
U.S. Fund								
Waterview	Washington, D.C.	Located at the foot of the Key Bridge in Rosslyn, Virginia	1	930,000	25%	232,500	(127,340)	105,160
Reston Crescent	Washington, D.C.	3.6 acre landscaped campus in to Reston, Virginia	1	1,000,000	100%	1,000,000	(547,700)	452,300
Four Allen Center	Houston	1400 Smith Street, currently under redevelopment	1	1,267,000	100%	1,267,000	(693,936)	573,064
1500 Smith Street	Houston	Between Continental Center I and Four Allen Center	1	800,000	100%	800,000	(438,160)	361,840
Allen Center Gateway	Houston	Adjacent to the Allen Center	1	700,000	100%	700,000	(383,390)	316,610
Allen Center Garage	Houston	Adjacent to the Allen Center	1	700,000	100%	700,000	(383,390)	316,610
			6	5,397,000		4,699,500	(2,573,916)	2,125,584
Canadian Fund								
300 Queen Street	Ottawa	Third phase of current Place de Ville project	1	500,000	25%	125,000	(13,750)	111,250
			1	500,000		125,000	(13,750)	111,250
Total			15	17,219,000		15,455,500	(3,080,332)	12,375,168

⁽¹⁾ Represents the company's consolidated interest before non-controlling interests



Commercial Development Property – Book Value

The book value of commercial development properties as at March 31, 2007 are as follows:

(Millions)	Buildable Square Feet	Square Feet Currently Under Construction	Mar. 31 2007	Dec. 31 2006
Active developments and properties under redevelopment				
Bay-Adelaide Centre, Toronto	2,600,000	1,100,000	\$ 267	\$ 251
Four Allen Center, Houston	1,267,000	1,267,000	181	139
Reston Crescent, Washington, D.C.	1,000,000	185,000	38	6
Waterview, Washington, D.C.	930,000	930,000	51	44
77 K Street, Washington, D.C.	322,000	322,000	17	16
Bankers Court, Calgary	500,000	265,000	10	7
Planning				
Ninth Avenue, New York	4,700,000		188	184
Herald Site, Calgary	1,100,000		40	38
<i>Other:</i>				
1500 Smith Street, Houston	800,000			
Allen Gateway, Houston	700,000			
Allen Center Garage, Houston	700,000			
425 15th Street, Denver	800,000			
Tremont Garage, Denver	500,000			
BCE Place III, Toronto	800,000			
300 Queen Street, Ottawa	500,000			
	4,800,000		49	50
Total	17,219,000	4,069,000	\$ 841	\$ 735



Residential Developments - Detail

The details of residential developments as at March 31, 2007 are as follows:

(Millions)	Mar. 31 2007	Dec. 31 2006
Residential development land and infrastructure		
Under development	\$ 261	\$ 249
Housing inventory	56	58
Held for development	475	399
Total	\$ 792	\$ 706



Residential Development - Land Under Development

Brookfield Properties' land development operations are focused in five markets: Alberta; Ontario; Colorado; Texas; and Kansas City. The details of the residential land under development are as follows:

	<i>Under Development</i>			
	Number of Lots		Book Value (Millions)	
	Mar. 31, 2007	Dec. 31, 2006	Mar. 31, 2007	Dec. 31, 2006
Alberta	3,188	3,753	\$216	\$212
Ontario	564	350	11	4
Colorado	802	806	30	29
Texas	102	102	3	3
Kansas City	28	64	1	1
Total	4,684	5,075	\$261	\$249



Residential Development – Land Under Development

The details of the residential land under development by project are as follows:

<i>Land Under Development</i>	Number of Lots (Units)	
	Mar.31, 2007	Dec. 31, 2006
Alberta		
Cranston	386	485
McKenzie Towne	439	509
New Brighton	267	379
Auburn Bay	770	894
Tuscany	167	237
Cascades	48	57
Aspen Hills	125	132
Valley View	78	78
Parkland/Grange	225	248
Summerside	407	406
Terwillegar Towne	276	328
	3,188	3,753
Ontario		
Bradford, Grand Central	350	350
Brantford, Grand Valley Trails	214	—
	564	350
Denver		
Tallyn's Reach	124	128
Brighton Crossing	427	427
Bayshore	251	251
	802	806
Austin		
Blanco Vista	102	102
	102	102
Kansas City		
Shoal Creek	28	64
	28	64
Total	4,684	5,075



Residential Development - Housing Inventory

Brookfield Properties' housing inventory is currently in two markets, Alberta and Ontario. The details of the company's housing inventory is as follows:

	<i>Housing Inventory</i>			
	Number of Units		Book Value (Millions)	
	Mar. 31, 2007	Dec 31, 2006	Mar. 31, 2007	Dec 31, 2006
Alberta	610	566	\$32	\$35
Ontario	172	186	24	23
Total	782	752	\$56	\$58



Residential Development - Housing Inventory

The details of the company's housing inventory by project is as follows:

<i>Housing Inventory</i>	Number of Houses (Units)	
	Mar.31, 2007	Dec. 31, 2006
Alberta		
McKenzie Towne	142	121
New Brighton	123	141
Auburn Bay	83	106
Aspen Hills	28	7
Parkland/Grange	106	95
Summerside	39	40
Terwillegar Towne	89	56
	610	566
Ontario		
Pickering	19	29
Oshawa North	105	108
Oshawa South	48	49
	172	186
Total	782	752



Residential Development – Land Held for Development

The details of the residential land held for development are as follows:

	<i>Held for Development</i>					
	Estimated Number of Lots		Number of Acres		Book Value (Millions)	
	Mar. 31, 2007	Dec 31, 2006	Mar. 31, 2007	Dec 31, 2006	Mar. 31, 2007	Dec 31, 2006
Alberta	34,631	32,007	5,271	4,913	\$263	\$223
Ontario	9,068	8,185	1,598	1,637	59	52
Colorado	8,352	7,686	1,715	1,531	88	79
Texas	11,151	7,178	2,733	1,860	59	40
Kansas City	492	498	82	83	6	5
Total	63,694	55,554	11,399	10,024	\$475	\$399



Residential Development – Land Held for Development

The details of the residential land held for development by project are as follows:

<i>Held for Development</i>	Estimated Number of Lots		Number of Acres	
	Mar.31, 2007	Dec. 31, 2006	Mar.31, 2007	Dec. 31, 2006
Alberta				
Cranston			581	581
McKenzie Towne			69	69
East Suotzo			206	206
New Brighton			263	263
Auburn Bay			463	463
North Stony Assembly			1,189	1,112
Seton (Commercial)			195	195
Tuscany			16	16
Aspen Hills			11	11
Springbluff			17	17
Valley View			3	3
Other - Calgary Land			315	163
Sage Hills			31	31
Heritage Hills			100	36
The Orchards (Elderslie)			357	357
Gateway (Industrial)			207	207
Parkland Grange			76	76
Summerside			307	322
Terwillegar Towne			17	17
Heritage Valley			314	314
Central McDougall (Hi-Rise)			5	5
Northeast Infill			22	22
Elderslie - Far East			507	427
<i>Unit equiv of approx 6-7 units/acre</i>	34,631	32,007	5,271	4,913
Ontario				
Newcastle, North Village			88	88
Georgetown, Silver Creek Estates			6	6
Bradford, Grand Central			130	130
Paris, Brant County			39	39
Oshawa North, Manor Heights			26	26
Niagara Falls, Grand Niagara			43	43
Brantford, Grand Valley Trails			40	103
Aurora North			20	20
Whitby Harbour			22	22
Lucerne			151	151
Fernbank			570	570
Peterborough - Sherbrooke			360	360
Belcourt			1	1
Peterborough - Cavan			78	78
Niagara-on-the-lake, The Village			24	
<i>Unit equiv of approx 3 units/acre</i>	9,068	8,185	1,598	1,637
Denver				
Tallyn's Reach			32	32
Brighton Crossing			481	481
Tallyn's Reach South			34	34
Bayshore			894	736
Solterra			274	248
<i>Unit equiv of approx 5.5 units/acre</i>	8,352	7,686	1,715	1,531
Austin				
Southeast Austin			1,647	1,319
Paso Robles			676	—
Blanco Vista			410	541
<i>Unit equiv of approx 4 units/acre</i>	11,151	7,178	2,733	1,860
Kansas City				
Shoal Creek Valley			82	83
<i>Unit equiv of approx 6 units/acre</i>	492	498	82	83
Total	63,694	55,554	11,399	10,024



Residential Development - Lot and Home Sales

Details of lot sales during the three months ended March 31 of the past two years, including lots sold to third-party homebuilders, are as follows:

<i>Lot Sales</i>	<i>(Units)</i>		<i>(Revenue - Millions)</i>		<i>(Average Selling Price - Thousands)</i>	
	2007	2006	2007	2006	2007	2006
Three months ended March 31						
Alberta	549	678	\$75	\$59	\$137	\$87
Colorado	4	31	—	2	—	65
Kansas City	1	—	—	—	—	—
Total	554	709	\$75	\$61	\$136	\$86

Details of home sales during the three months ended March 31 of the past two years are as follows:

<i>Home Sales</i>	<i>(Units)</i>		<i>(Revenue - Millions)</i>		<i>(Average Selling Price - Thousands)</i>	
	2007	2006	2007	2006	2007	2006
Three months ended March 31						
Alberta	141	113	\$32	\$19	\$227	\$168
Ontario	14	35	4	9	286	257
Total	155	148	\$36	\$28	\$232	\$189



Residential Development – Net Operating Income

The components of residential development net operating income are as follows:

Three months ended March 31 (Millions)	<i>Housing</i>		<i>Land</i>		<i>Total</i>	
	2007	2006	2007	2006	2007	2006
Revenue	\$36	\$28	\$75	\$61	\$111	\$89
Expenses	(31)	(24)	(38)	(40)	(69)	(64)
Net operating income	\$5	\$4	\$37	\$21	\$42	\$25

This supplemental financial information makes reference to net operating income. Net operating income is defined as income from development operations after operating expenses have been deducted, but prior to deducting financing, corporate, administrative and income tax expenses. The company uses net operating income to assess its operating results. Net operating income is important in assessing operating performance. Net operating income is a non-GAAP measure which does not have any standard meaning prescribed by GAAP and therefore may not be comparable to similar measures presented by other companies.



Tenant Installation Costs and Capital Expenditures

A detailed analysis of commercial property tenant installation costs, development and redevelopment investments, and capital expenditures is as follows:

<i>(Millions)</i>	Three Month Ended March 31, 2007				Three Month Ended March 31, 2006			
	Direct	Canadian Fund	U.S Fund	Total	Direct	Canadian Fund	U.S Fund	Total
Commercial property tenant installation costs								
Leasing commissions	\$3	—	\$4	\$7	\$2	—	—	\$2
Tenant improvements	9	—	24	33	20	—	—	20
	\$12	—	\$28	\$40	\$22	—	—	\$22
Development and redevelopment investments								
Construction costs	\$15	—	\$11	\$26	\$2	—	—	\$2
Interest capitalized	6	—	4	10	4	—	—	4
Property taxes and other	—	—	—	—	1	—	—	1
Tenant improvements	—	—	39	39	—	—	—	—
	\$21	—	\$54	\$75	\$7	—	—	\$7
Capital expenditures								
Revenue enhancing	\$2	—	—	\$2	\$1	—	—	\$1
Non-revenue enhancing	1	—	3	4	2	—	—	2
	\$3	—	\$3	\$6	\$3	—	—	\$3



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Receivables and Other Assets

The components of the company's receivables and other assets are as follows:

(Millions)	Mar. 31 2007	Dec. 31 2006
Receivables	\$ 439	\$ 432
Real estate mortgages	53	86
Land and housing receivables and other assets	224	245
Prepaid expenses and other assets	162	211
Total	\$ 878	\$ 974



Intangible Assets

The components of the company's intangible assets are as follows:

(Millions)	Mar. 31 2007	Dec. 31 2006
Intangible Assets		
Lease origination costs	\$ 320	\$ 263
Tenant relationships	563	573
Above-market leases and below market ground leases	78	79
	961	915
Less accumulated amortization		
Lease origination costs	(55)	(32)
Tenant relationships	(39)	(26)
Above-market leases and below market ground leases	(7)	(4)
Total Net	\$ 860	\$ 853



Accounts Payable and Other Liabilities

Accounts payable and other liabilities consist of trade payables, debt attributable to the residential land development business and intangible liabilities. A breakdown of accounts payable and other liabilities is as follows:

	Mar. 31	Dec. 31
(Millions)	2007	2006
Accounts payable and accrued liabilities	\$ 542	\$ 549
Land and housing payables and accrued liabilities	154	138
Land development debt	238	236
Total	\$ 934	\$ 923



Intangible Liabilities

The components of the company's intangible liabilities are as follows:

	Mar. 31	Dec. 31
(Millions)	2007	2006
Intangible Liabilities		
Below-market leases	\$ 903	\$ 902
Above-market ground lease obligations	70	70
	973	972
Less accumulated amortization		
Below-market leases	(82)	(46)
Above-market ground lease obligations	(7)	(7)
Total Net	\$ 884	\$ 919



Commercial Property Debt

Commercial property debt at March 31, 2007 is as follows:

Commercial Property	Location	Interest Rate %	Maturity Date	Brookfield Properties' Proportionate Share (Millions)	Mortgage Details
Direct					
One Liberty Plaza	New York	6.98%	2007	\$ 240	Non-recourse, fixed rate
TD Canada Trust Tower	Toronto	6.86%	2007	104	Non-recourse, fixed rate
Hudson's Bay Centre	Toronto	5.85%	2008	87	Non-recourse, floating rate
Petro-Canada Centre	Calgary	6.43%	2008	110	Non-recourse, fixed rate
245 Park Avenue	New York	6.65%	2011	237	Non-recourse, fixed rate
One Liberty Plaza	New York	6.75%	2011	399	Non-recourse, fixed rate
Fifth Avenue Place	Calgary	7.59%	2011	65	Non-recourse, fixed rate
Potomac Tower	Washington, D.C.	4.72%	2011	75	Non-recourse, fixed rate
Exchange Tower	Toronto	6.83%	2012	56	Non-recourse, fixed rate
Two World Financial Center	New York	6.91%	2013	594	Non-recourse, fixed rate
Four World Financial Center	New York	6.95%	2013	297	Non-recourse, fixed rate
Bay Wellington Tower	Toronto	6.49%	2013	302	Non-recourse, fixed rate
Bankers Hall	Calgary	7.20%	2013	153	Non-recourse, fixed rate
601 South 12th Street	Washington, D.C.	5.42%	2013	52	Non-recourse, fixed rate
701 South 12th Street	Washington, D.C.	5.42%	2013	43	Non-recourse, fixed rate
Republic Plaza	Denver	5.13%	2014	168	Non-recourse, fixed rate
1625 Eye Street	Washington, D.C.	6.00%	2014	127	Non-recourse, fixed rate
53 State Street	Boston	5.96%	2016	143	Non-recourse, fixed rate
One Bethesda	Washington, D.C.	5.66%	2016	53	Non-recourse, fixed rate
One World Financial Center	New York	5.83%	2017	310	Non-recourse, fixed rate
33 South Sixth Street	Minneapolis	6.72%	2027	95	Non-recourse, fixed rate
Dain Plaza	Minneapolis	7.37%	2027	82	Non-recourse, fixed rate
701 9th Street	Washington, D.C.	6.73%	2028	153	Non-recourse, fixed rate
75 State Street	Boston	7.00%	2028	85	Non-recourse, fixed rate
300 Madison Avenue	New York	7.26%	2032	400	Non-recourse, fixed rate
300 Madison Avenue	New York	5.57%	2012	92	Non-recourse, floating rate
Total Direct				4,522	



Commercial Property Debt (Cont'd)

Commercial property debt at March 31, 2007 is as follows:

Commercial Property	Location	Interest Rate %	Maturity Date	Brookfield Properties' Proportionate Share (Millions)	Mortgage Details
U.S. Fund					
2000 L Street	Washington, D.C.	6.26%	2007	56	Non-recourse, fixed rate
Bethesda Crescent	Washington, D.C.	7.07%	2008	34	Non-recourse, fixed rate
Two Ballston Plaza	Washington, D.C.	6.91%	2008	26	Non-recourse, fixed rate
5670 Wilshire	Los Angeles	6.47%	2008	58	Non-recourse, floating rate
Waterview ⁽¹⁾	Washington, D.C.	6.99%	2009	37	Non-recourse, floating rate
1460 Broadway	New York	5.11%	2012	12	Non-recourse, fixed rate
Four Allen Center ⁽¹⁾	Houston	5.77%	2013	240	Non-recourse, fixed rate
Grace Building	New York	5.54%	2014	194	Non-recourse, fixed rate
1411 Broadway	New York	5.50%	2014	111	Non-recourse, fixed rate
2001 M Street	Washington, D.C.	5.25%	2014	45	Non-recourse, fixed rate
Bank of America Building	Los Angeles	5.31%	2014	237	Non-recourse, fixed rate
Ernst & Young Plaza	Los Angeles	5.07%	2014	114	Non-recourse, fixed rate
One New York Plaza	New York	5.50%	2016	396	Non-recourse, fixed rate
Victor Building	Washington, D.C.	5.39%	2016	47	Non-recourse, fixed rate
Marina Towers	Los Angeles	5.84%	2016	21	Non-recourse, fixed rate
Mezzanine debt	—	7.85%	2011	3,102	Non-recourse, floating rate
CMBS Pool debt	—	Various	Various	1,072	Various
				5,802	
Canadian Fund					
First Canadian Place	Toronto	8.06%	2009	60	Non-recourse, fixed rate
O&Y acquisition debt ⁽²⁾	—	Various	2007	139	Various terms
				199	
Corporate and Other					
Corporate credit facilities	—	6.82%	2008	347	Recourse, floating rate
Development and other debt	—	Various	Various	318	Various terms
Total Commercial Property Debt⁽²⁾		6.80%		\$ 11,188	
Deferred financing costs⁽³⁾				(42)	
Total				\$ 11,146	

⁽¹⁾ Development debt

⁽²⁾ Includes \$4 million of commercial property debt associated with liabilities related to assets held for sale

⁽³⁾ Reclassified from other assets as a result of changes in accounting policies



Commercial Property Debt (Cont'd)

Predominantly all of the commercial property debt is recourse-only to specific properties and has an average life of eight years. The repayment schedule is as follows:

(Millions) Year	Scheduled Amortization	Maturities	Total	Weighted Average Interest Rate
Remainder 2007	\$138	\$599	\$737	6.6%
2008	179	783	962	6.6%
2009	187	175	362	6.8%
2010	203	4	207	6.5%
2011 ⁽¹⁾	195	4,770	4,965	7.2%
2012 and thereafter	377	3,578	3,955	6.1%
Total Commercial Property Debt	\$1,279	\$9,909	\$11,188	6.8%
Deferred financing costs ⁽²⁾			(\$42)	
Total			\$11,146	

⁽¹⁾ Corporate mezzanine debt of \$3,102 million within the U.S. Fund 2011 maturity reflects the company's option to extend

⁽²⁾ Reclassed from other assets as a result of changes in accounting policies



Capital Securities - Corporate

In accordance with CICA Handbook Section 3861, the company's Class AAA preferred shares are classified as liabilities under the caption Capital Securities - Corporate.

(Millions except share information)			Cumulative	Mar. 31	Dec. 31
Authorized	Outstanding		Dividend Rate	2006	2006
8,000,000	8,000,000	Class AAA Series E	70% of bank prime	\$ 173	\$ 171
8,000,000	8,000,000	Class AAA Series F	6.00%	173	171
6,000,000	4,400,000	Class AAA Series G	5.25%	110	110
8,000,000	8,000,000	Class AAA Series H	5.75%	174	171
8,000,000	8,000,000	Class AAA Series I	5.20%	173	171
8,000,000	8,000,000	Class AAA Series J	5.00%	173	171
6,000,000	6,000,000	Class AAA Series K	5.20%	131	128
Total before share issue costs				\$ 1,107	\$ 1,093
Less share issue costs ⁽¹⁾				(12)	—
Total				\$ 1,095	\$ 1,093

⁽¹⁾ Reclassed from other assets as a result of changes in accounting policies



Fund Interests

The company has the following capital securities within its U.S. Office Fund:

(Millions)	Mar. 31 2007	Dec. 31 2006
Debt securities	\$ 257	\$ 257
Redeemable equity interests	529	546
Total	\$ 786	\$ 803

The company has the following non-controlling interests within its U.S. Office Fund:

(Millions)	Mar. 31 2007	Dec. 31 2006
Non-controlling interests - fund subsidiaries	\$ 256	\$ 266
	\$ 256	\$ 266

The income statement effect of the aforementioned is as follows:

(Millions)	Three months ended March 31	
	2007	2006
Interest on debt securities	\$ 7	—
Interest on redeemable equity interests	6	—
Non-controlling interests	4	—
	17	—
Non-cash component of fund interests	(36)	—
Total fund interests expense	\$ (19)	—



Preferred Equity - Subsidiaries

The company's subsidiaries have issued the following preferred shares:

(Millions except share information)	Outstanding	Series	Cumulative Dividend Rate	Mar. 31 2007	Dec. 31 2006
BPO Properties Ltd.					
	1,805,489	Series G	70% of bank prime	\$ 39	\$ 39
	3,816,527	Series J	70% of bank prime	83	82
	300	Series K	30-day BA + 0.4%	130	127
	2,847,711	Series M	70% of bank prime	62	61
	800,000	Series N	30-day BA + 0.4%	17	17
Total				\$ 331	\$ 326



Preferred Equity - Corporate

The company has the following corporate preferred shares:

(Millions except share information)			Cumulative	Mar. 31	Dec. 31
Authorized	Outstanding		Dividend Rate	2007	2006
6,312,000	6,312,000	Class A redeemable voting	7.50%	\$ 11	\$ 11
2,000,000	2,000,000	Class AA Series E	70% of bank prime	34	34
Total				\$ 45	\$ 45



Ratio Analysis

	Mar. 31	Dec. 31
	2007	2006
Industry Benchmarks		
Debt to total market capitalization (total debt minus cash / market capitalization - fully diluted)	40%	41%
Debt to total book capitalization (total debt minus cash / total book capitalization)	57%	57%
% of Non-recourse mortgage debt	93%	94%

	Mar. 31	Mar. 31
	2007	2006
Operating Ratios		
Interest coverage ratio (funds from operations + interest expense / interest expense)	1.8x	2.5x
Debt service coverage ratio (funds from operations + interest expense / interest + principal amortization)	1.5x	1.8x
Fixed charge coverage ratio (funds from operations + interest expense / interest expense + preferred dividends + principal amortization)	1.4x	1.7x
Cashflow payout (common share dividends / funds from operations - preferred dividends)	41%	41%

Preferred dividends restated as interest expense has been reclassified as preferred dividends for purposes of coverage ratio calculations.



U.S. and Canadian Fund Information

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U.S. Fund – Net Investment

At March 31, 2007, the impact of our investment in the U.S. Office Fund is as follows:

(Millions, except sq. ft.)	Total Area (000's Sq.Ft.)	Assets Under Management	Balance Sheet	Funds from Operations
New York, New York	7,069	2,554	\$ 2,554	\$ 47
Washington, D.C.	4,505	1,241	1,241	25
Los Angeles, California	10,672	2,659	2,659	43
Houston, Texas	6,958	934	934	20
	29,204	7,388	7,388	135
Development properties	5,397	294	294	—
Total properties	34,601	7,682	7,682	135
Receivables and other			103	—
Intangible assets			722	—
Restricted cash and deposits			121	—
Cash and cash equivalents			83	2
Total Assets			8,711	137
Property specific and subsidiary debt / interest expense			(5,802)	(96)
Gross fees paid to Brookfield Properties ⁽¹⁾			—	(7)
Accounts payable and other liabilities			(181)	—
Intangible liabilities			(750)	—
Future tax liability			(158)	—
Total Fund Net Equity / funds from operations			1,820	34
Partner capital / Minority share of FFO (Table 1)			(1,040)	(19)
Gross fee received by Brookfield Properties ⁽¹⁾			—	7
Brookfield Properties Net Investment / funds from operations before unallocated costs			\$ 780	\$ 22

(1) Represents fees paid by the Fund to Brookfield that are eliminated on consolidation of the Fund.

Table 1

Minority share of FFO	\$ 19
Minority share of one time transaction costs	(2)
Cash component of fund interests (refer to slide 56)	\$ 17



Canadian Fund – Net Investment

At March 31, 2007, the impact of our investment in the Canadian Office Fund is as follows:

(Millions, except sq. ft.)	Total Area (000's Sq.Ft.)	Assets Under Management	Balance Sheet	Funds from Operations Three months ended March 31	
				2007	2006
Toronto, Ontario	4,145	\$ 984	\$ 246	\$ 5	\$ 5
Calgary, Alberta	1,519	304	76	2	2
Ottawa, Ontario	2,780	356	89	2	2
Edmonton, Alberta and other	919	72	18	—	—
	9,363	1,716	429	9	9
Development properties	500	12	3	—	—
Total properties	9,863	1,728	432	9	9
Receivables and other			7	—	—
Intangible assets			42	—	—
Cash and cash equivalents			4	—	—
Total Assets			485		
Property specific and subsidiary debt / interest			(195)	(2)	(2)
Accounts payable and other liabilities			(10)	—	—
Intangible liabilities			(76)	—	—
Future tax liability			(20)	—	—
Total			184	7	7
Properties held for sale ⁽¹⁾	251	20	—	1	1
Net Investment / funds from operations			184	8	8
Property, asset management and leasing fees			—	2	1
Net Investment / funds from operations before unallocated costs			\$ 184	\$ 10	\$ 9

⁽¹⁾ Includes assets classified as discontinued operations. Operating cash flow includes property disposition gains.



Forward-Looking Statements

This supplemental information package contains forward-looking statements and information within the meaning of applicable securities legislation. Although Brookfield Properties believes that the 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 which may cause the actual results, performance or achievements of the company to differ materially from anticipated future results, performance or achievement expressed or implied by such forward-looking statements and information. Accordingly, the company cannot give any assurance that its expectations will in fact occur and cautions that actual results may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those set forth in the forward-looking statements and information include general economic conditions; local real estate conditions, including the development of properties in close proximity to the company's properties; timely leasing of newly-developed properties and re-leasing of occupied square footage upon expiration; dependence on tenants' financial condition; the uncertainties of real estate development and acquisition activity; the ability to effectively integrate acquisitions; including the acquisition of Trizec Properties, Inc. and Trizec Canada Inc.; interest rates; availability of equity and debt financing; the impact of newly-adopted accounting principles on the company's accounting policies and on period-to-period comparisons of financial results; and other risks and factors described from time to time in the documents filed by the company with the securities regulators in Canada and the United States, including in the Annual Information Form under the heading "Business of Brookfield Properties – Company and Real Estate Industry Risks," in the company's annual report under the heading "Management's Discussion and Analysis." The company undertakes no obligation to publicly update or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise.