



Dear Shareholder:

I am pleased to take this opportunity to introduce you to our Dividend Reinvestment Plan, which has been designed to provide shareholders with a convenient and cost-effective way to increase their investment in Brookfield Properties Corporation.

The Plan gives you the option of either receiving cash dividends or automatically reinvesting all or a portion of your cash dividends in common shares. Regardless of which option you choose, you will not pay any brokerage commissions or service charges. These costs are paid by us.

The accompanying information package provides you with a full description of the Plan and enrollment procedures. You should read this material carefully before making any enrollment decision. You should also consult your tax advisers about the tax consequences which will result from your participation in the Plan. If you wish to enroll in the Plan, simply complete the enclosed enrollment form and return it in the envelope provided.

The administrator of the Plan, CIBC Mellon Trust Company, is happy to answer any questions you may have about the Plan and can be reached at (416) 643-5500 in Toronto, or toll free at 1-800-387-0825 from elsewhere in Canada or the United States.

We appreciate your investment and confidence in Brookfield Properties.

A handwritten signature in black ink, appearing to read 'Rick Clark', written over a light-colored rectangular background.

Richard B. Clark  
Chief Executive Officer  
May 12, 2009