

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

This prospectus supplement together with the short form base shelf prospectus to which it relates dated May 31, 2018, as amended or supplemented, and each document deemed to be incorporated by reference in the short form base shelf prospectus, as amended or supplemented, constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities.

The medium term notes to be issued hereunder have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”), or the securities laws of any state of the United States and may not be offered, sold or delivered, directly or indirectly, in the United States (as such term is defined in Regulation S under the U.S. Securities Act) (the “United States”) or to, or for the account or benefit of, U.S. Persons (as such term is defined in Regulation S under the U.S. Securities Act) (“U.S. Persons”), except in certain transactions exempt from registration under the U.S. Securities Act and applicable U.S. state securities laws. This prospectus supplement does not constitute an offer to sell or a solicitation of an offer to buy any of the medium term notes within the United States. See “Plan of Distribution”.

Information has been incorporated by reference in this prospectus supplement and the short form base shelf prospectus to which it relates, as amended or supplemented, from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the office of the Corporate Secretary of Brookfield Property Partners L.P. at 73 Front Street, 5th Floor, Hamilton HM 12, Bermuda (+1-441-294-3304), and are also available electronically at www.sedar.com.

**PROSPECTUS SUPPLEMENT
To a Short Form Base Shelf Prospectus dated May 31, 2018**

New Issue

June 28, 2018

Brookfield Property Partners

Brookfield Property Finance ULC

C\$300,000,000

4.346% Medium Term Notes (unsecured), Series 1, due July 3, 2023

Fully and unconditionally guaranteed by 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, BPY Bermuda Holdings V Limited and BPY Bermuda Holdings VI Limited.

This Prospectus Supplement, together with the accompanying base shelf prospectus, qualifies the issue (the “**Offering**”) by Brookfield Property Finance ULC (the “**Issuer**”) of C\$300,000,000 aggregate principal amount of 4.346% medium term notes, Series 1 (the “**Notes**”) due July 3, 2023 (the “**Maturity Date**”). Each Note will be subject to redemption at the option of the Issuer, in whole or in part, prior to the Maturity Date. See “Description of the Notes – Redemption and Repurchase”. The Notes will be unsecured obligations of the Issuer and will rank equally with all of the Issuer’s other unsecured and unsubordinated debt. The Notes will be fully and unconditionally guaranteed by Brookfield Property Partners L.P. (“**BPY**”), 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, BPY Bermuda Holdings V Limited and BPY Bermuda Holdings VI Limited (collectively, the “**Guarantors**”) as to the payment of principal, premium, if any, and interest, when and as such amounts will become due and payable. The Notes will be issued as the first series of debt securities under an indenture to be entered into between the Issuer and Computershare Trust Company of Canada, as trustee (the “**Trustee**”), as supplemented by a first supplemental indenture, and as further supplemented and amended from time to time (collectively, the “**Indenture**”).

The Notes will bear interest at a fixed annual rate of 4.346%, payable in equal semi-annual installments in arrears on January 3 and July 3 in each year commencing January 3, 2019. The first interest payment on the Notes will be C\$21.73 per C\$1,000 principal amount of Notes representing interest for the period from July 3, 2018 to but excluding January 3, 2019. If an interest payment date is not a Business Day, then the payment will be made on the next Business Day without adjustment. Unless the Notes are redeemed earlier, the Notes will mature on the Maturity Date. **The effective yield (if held to the Maturity Date) on the Notes will be 4.346% per annum.** The Issuer may redeem some or all of the Notes at any time pursuant to the terms set forth herein. The Issuer will be required to make an offer to purchase the Notes at a price equal to 101% of their principal amount, plus accrued and unpaid interest to the date of repurchase upon the occurrence of a Change of Control Triggering Event (as defined herein). See “Description of the Notes – Redemption and Repurchase” and “Description of the Notes – Change of Control”.

The Notes will not be listed on any securities or stock exchange, there is no market through which the Notes may be sold and purchasers may not be able to resell the Notes purchased hereunder. This may affect the pricing of the Notes in the secondary market, the transparency and availability of trading prices, the liquidity of the Notes and the extent of issuer regulation. See “Risk Factors”. The Issuer reserves the right to cancel or modify the offer made hereby without notice. The Issuer or any Agent (as defined below) may reject any offer to purchase Notes in whole or in part. See “Plan of Distribution”.

	<u>Per Note</u>	<u>Total</u>
Public Offering Price	100%	\$300,000,000
Agents’ Fees	0.35%	\$1,050,000
Proceeds to the Issuer (before expenses)	99.65%	\$298,950,000

Interest on the Notes will accrue from July 3, 2018.

CIBC World Markets Inc., RBC Dominion Securities Inc., TD Securities Inc., Scotia Capital Inc., BMO Nesbitt Burns Inc., HSBC Securities (Canada) Inc., and National Bank Financial Inc. (together the “Agents”), as agents, conditionally offer the Notes for sale on a best efforts basis subject to prior sale, if, as and when issued by the Issuer in accordance with the conditions contained in the agency agreement referred to under “Plan of Distribution”. In connection with the Offering, the Agents may over-allot or effect transactions which stabilize or maintain the market price of the Notes at levels other than those which otherwise might prevail on the open market. Such transactions, if commenced, may be discontinued at any time. See “Plan of Distribution”.

The Notes to be issued pursuant to this Prospectus Supplement have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered, sold or delivered, directly or indirectly, in the United States or to, or for the account or benefit of, U.S. Persons, except in certain transactions exempt from registration under the U.S. Securities Act and applicable U.S. state securities laws. This Prospectus Supplement does not constitute an offer to sell or a solicitation of an offer to buy any of the Notes within the United States.

Each Note will be issued in fully registered book-entry form (a “Book Entry Note”). Each Book Entry Note will be represented by one or more fully registered global certificates (the “Global Notes”) deposited with, or on behalf of, CDS Clearing and Depository Services Inc. (“CDS”) and registered in the name of CDS or its nominee. Interests in the Global Notes will be shown on, and transfers thereof will be effected only through, records maintained by CDS (with respect to its participants) and CDS’s participants (the “CDS Participants”) (with respect to beneficial owners). The CUSIP/ISIN for the Global Notes is 11286ZAA2/CA11286ZAA27.

The Issuer’s registered office is 335 - 8 Avenue SW, Suite 1700, Calgary, Alberta, T2P 1C9, and its head office is 181 Bay Street, Brookfield Place, Suite 300, Toronto, Ontario, Canada M5J 2T3.

The earnings coverage ratio of BPY for the 12 months ended December 31, 2017 after giving effect to the Adjustments and the Transaction (irrespective of whether the 100% BPR Class A Stock Assumption or the 100% BPY Units Assumption is assumed) (as such terms are defined below) is less than one-to-one. See “Earnings Coverage Ratios” on page S-9 of this Prospectus Supplement.

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You should only rely on the information contained in or incorporated by reference in this Prospectus Supplement and accompanying short form base shelf prospectus or to which the Issuer has referred you. The Issuer has not authorized anyone to provide you with any different or additional information. This document may only be used where it is legal to sell these securities. The information contained in this document is accurate as at the date of this document.

**IMPORTANT NOTICE ABOUT INFORMATION IN THIS PROSPECTUS SUPPLEMENT
AND THE ACCOMPANYING SHORT FORM BASE SHELF PROSPECTUS**

This document is in two parts. The first is the Prospectus Supplement, which describes certain terms of the Notes. The second part, the accompanying short form base shelf prospectus dated May 31, 2018 provides more general information, some of which may not apply to the Notes. The accompanying short form base shelf prospectus is referred to as the “Prospectus” in this Prospectus Supplement.

If the description of the Notes varies between this Prospectus Supplement and the Prospectus, you should rely on the information in this Prospectus Supplement.

In this Prospectus Supplement, unless the context suggests otherwise, references to:

- “**Bermuda Holdco**” are to BPY Bermuda Holdings Limited;
- “**Bermuda Holdco 2**” are to BPY Bermuda Holdings II Limited;
- “**Bermuda Holdco 4**” are to BPY Bermuda Holdings IV Limited;
- “**Bermuda Holdco 5**” are to BPY Bermuda Holdings V Limited;

- “**Bermuda Holdco 6**” are to BPY Bermuda Holdings VI Limited;
- “**BPY**” are to Brookfield Property Partners L.P.;
- “**Brookfield**” are to Brookfield Asset Management and any subsidiary of Brookfield Asset Management, other than us, the Issuer and Brookfield Property Preferred Equity Inc.;
- “**Brookfield Asset Management**” are to Brookfield Asset Management Inc.;
- “**CanHoldco**” are to Brookfield BPY Holdings Inc.;
- “**CanHoldco 2**” are to Brookfield BPY Retail Holdings II Inc.;
- “**General Partner**” refers to Brookfield Property Partners Limited, BPY’s general partner.
- “**GGP**” are to GGP Inc.;
- “**Guarantors**” are to BPY, the Property Partnership, CanHoldco, CanHoldco 2, Bermuda Holdco, Bermuda Holdco 2, Bermuda Holdco 4, Bermuda Holdco 5 and Bermuda Holdco 6;
- “**Holding Entities**” are to CanHoldco, CanHoldco 2, Bermuda Holdco, Bermuda Holdco 2, Bermuda Holdco 4, Bermuda Holdco 5 and Bermuda Holdco 6;
- “**Issuer**” are to Brookfield Property Finance ULC;
- “**operating entities**” are to the entities in which the Holding Entities hold direct or indirect interests and that directly or indirectly hold our real estate assets other than entities in which the Holding Entities hold interests for investment purposes only of less than 5% of the equity securities;
- “**our company**”, “**we**”, “**us**” and “**our**” are to, collectively, BPY, the Property Partnership and the subsidiaries of the Property Partnership, including the Holding Entities and the operating entities, but do not include the Issuer or Brookfield Property Preferred Equity Inc.;
- the “**Property Partnership**” are to Brookfield Property L.P.; and
- the “**Transaction**” are to the transaction announced through a press release dated March 26, 2018 whereby BPY and GGP (an entity that trades on the New York Stock Exchange under the symbol “GGP”) entered into a definitive agreement for BPY to acquire all of the outstanding shares of common stock of GGP other than those shares currently held by BPY and its affiliates.

CURRENCY

In this Prospectus Supplement, all references to “C\$” are to Canadian dollars and all references to “\$” are to U.S. dollars.

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This Prospectus Supplement, the Prospectus and the documents incorporated by reference in this Prospectus Supplement and in the Prospectus contain forward-looking information and other “forward-looking statements” within the meaning of Canadian and United States securities laws. 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 and achievements expressed or implied by the forward-looking statements and information are based upon reasonable assumptions and expectations, investors 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 achievements 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 favourable 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 Annual Report and other documents filed with the securities commissions or similar authorities in Canada and the United States, as applicable. In light of these factors, events underlying our forward-looking statements and information might not occur as anticipated or at all.

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. Please keep this cautionary note in mind as you read this Prospectus Supplement, the Prospectus and the documents incorporated by reference herein.

Except as required by law, we disclaim any and 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.

DOCUMENTS INCORPORATED BY REFERENCE

This Prospectus Supplement is deemed to be incorporated by reference into the accompanying Prospectus solely for the purpose of the Notes issued hereunder. Other documents are also incorporated, or are deemed to be incorporated, by reference into the Prospectus and reference should be made to the Prospectus for full particulars thereof.

The following documents, which have been filed with the securities commissions or similar authorities in Canada and filed with, or furnished to, the SEC are specifically incorporated by reference in, and form an integral part of, this Prospectus Supplement:

- (i) our annual report on Form 20-F for the fiscal year ended December 31, 2017 filed on SEDAR on March 9, 2018 (our “**Annual Report**”), which includes (i) BPY’s audited consolidated financial statements as at December 31, 2017 and 2016 and for each of the years in the three-year period ended December 31, 2017, together with the auditor’s report thereon and management’s discussion and analysis of BPY’s financial position as of December 31, 2017 and 2016 and results of operations for the years ended December 31, 2017, 2016, and 2015, and (ii) GGP’s audited consolidated financial statements as of December 31, 2017 and 2016 and for each of the years in the three-year period ended December 31, 2017, together with the auditor’s report thereon;

- (ii) our unaudited interim condensed and consolidated financial statements as of March 31, 2018 and December 31, 2017 and for the three months ended March 31, 2018 and 2017 and management’s discussion and analysis thereon filed on SEDAR on May 11, 2018;
- (iii) GGP’s unaudited consolidated financial statements as of March 31, 2018 and December 31, 2017 and for the three months ended March 31, 2018 and 2017 filed on SEDAR on May 31, 2018;
- (iv) our information sheet relating to the Transaction filed on SEDAR on May 7, 2018;
- (v) our unaudited pro forma consolidated financial statements for the year ended December 31, 2017 filed on SEDAR on May 7, 2018;
- (vi) our unaudited pro forma consolidated financial statements as of March 31, 2018 and for the three months ended March 31, 2018 and for the twelve months ended December 31, 2017 filed on SEDAR on June 13, 2018;
- (vii) the template version (as defined in National Instrument 41-101 — *General Prospectus Requirements* (“**NI 41-101**”)) of the preliminary term sheet for the Notes dated June 28, 2018 filed on SEDAR on June 28, 2018 in connection with the Offering (the “**Preliminary Term Sheet**”); and
- (viii) the template version of the final term sheet for the Notes dated June 28, 2018 filed on SEDAR on June 28, 2018 in connection with the Offering (together with the Preliminary Term Sheet, the “**Term Sheets**”).

The Term Sheets together with the template version of the investor presentation entitled “Brookfield Property Partners LP – Canadian Fixed Income Investor Presentation” dated June 15, 2018, filed on SEDAR on June 15, 2018 in connection with the Offering and included in Appendix “A” to this Prospectus Supplement are referred to as the “Marketing Materials”. The Marketing Materials are not part of this Prospectus Supplement or the Prospectus to the extent that the contents of the Marketing Materials have been modified or superseded by a statement contained or incorporated by reference in this Prospectus Supplement or the Prospectus.

Any documents (i) of the type described in Section 11.1 of Form 44-101F1 - *Short Form Prospectus* and any template version of marketing materials (as defined in NI 41-101) or (ii) that relate to the conditions of the Exemptive Relief described under the heading “Exemptive Relief from Certain Continuous Disclosure Requirements” in the Prospectus which are required to be filed by the Issuer or BPY with the securities regulatory authorities in Canada after the date of this Prospectus Supplement and prior to the termination of the Offering shall be deemed to be incorporated by reference in this Prospectus Supplement.

Any statement contained in this Prospectus Supplement, the Prospectus or in a document incorporated or deemed to be incorporated by reference in this Prospectus Supplement or the Prospectus shall be deemed to be modified or superseded, for the purposes of this Prospectus Supplement, to the extent that a statement contained in this Prospectus Supplement, or in the Prospectus or in any other subsequently filed document which also is or is deemed to be incorporated by reference in this Prospectus Supplement or the Prospectus, modifies or supersedes that statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed to be an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus Supplement.

SUMMARY

The following is a brief summary of the terms of this offering. For a more complete description of the terms of the notes, see “Description of the Notes” in this Prospectus Supplement and “Description of Debt Securities” in the accompanying base shelf prospectus.

Designation: 4.346% medium term notes, Series 1, due July 3, 2023

Issue Price: C\$1,000

Interest: The Notes will bear interest at a fixed annual rate of 4.346%, payable in equal semi-annual installments in arrears on January 3 and July 3 in each year commencing January 3, 2019.

Each Note will bear interest from, and including, the later of (i) its date of issue and (ii) the interest payment date to which interest shall have been paid or made available for payment on the outstanding Notes. Interest shall be payable on the Notes semi-annually in arrears in equal installments and at the Maturity Date or upon earlier redemption or repayment. Each payment of interest in respect of an interest payment date will include interest accrued to, but excluding, such interest payment date. Interest shall be computed on the basis of a year that is 365 days or 366 days, as applicable.

The first interest payment on the Notes will be C\$21.73 per C\$1,000 principal amount of Notes representing interest for the period from July 3, 2018 to but excluding January 3, 2019. If an interest payment date is not a Business Day, then the payment will be made on the next Business Day without adjustment. Unless the Notes are redeemed earlier, the Notes will mature on the Maturity Date. The effective yield (if held to the Maturity Date) on the Notes will be 4.346% per annum.

Offering Yield: **4.346% per annum if held to the Maturity Date.**

Issue and Delivery Date: July 3, 2018

Maturity Date: July 3, 2023

CUSIP/ISIN: 11286ZAA2/CA11286ZAA27

Redemption: The Notes are redeemable at the option of the Issuer, either in whole at any time or in part from time to time on payment of the applicable redemption price. The redemption price in respect of all or any portion of a Note being redeemed will equal (a) if the Redemption Date occurs prior to the date that is one month prior to the Maturity Date, an amount equal to the greater of (i) the Canada Yield Price, and (ii) par, or (b) if the Redemption Date occurs on or after the date that is one month prior to the Maturity Date, a price equal to par, together in each case with the accrued and unpaid interest thereon to, but excluding, the Redemption Date.

Purchase for Cancellation: The Issuer may purchase Notes in the open market or by tender or private contract at any price at any time if an Event of Default has not occurred and is continuing at such time. Notes purchased or redeemed by the Issuer will be cancelled and may not be reissued.

Use of Proceeds:

The Issuer will be the recipient of the net proceeds and is responsible for the payment of principal and interest on the Notes. The net proceeds will be used for general corporate purposes.

Expected Credit Ratings:

The Notes are expected to be assigned a rating of “BBB-” by S&P Global Ratings, acting through Standard & Poor’s Ratings Services (Canada), a business unit of S&P Global Canada Corp. (“**S&P**”) and “BBB (stable outlook)” by DBRS Limited (“**DBRS**” and together with S&P, the “**Rating Agencies**”).

S&P’s credit ratings are on a long-term debt rating scale that ranges from “AAA” to “D”, which represents the range from highest to lowest quality of such securities rated. The “BBB” rating category is the fourth highest used by S&P and is one of eleven rating categories used by S&P for long-term debt obligations. In addition, the “plus (+)” and “minus (-)” signs indicate relative strength within the major rating categories. According to the S&P rating system, an obligation rated “BBB” exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation.

DBRS’ credit ratings are on a long-term debt rating scale that ranges from AAA to D, which represents the range from highest to lowest quality of such securities rated. According to the DBRS rating system, an obligation rated “A” is good credit quality. The capacity for the payment of financial obligations is substantial, but of lesser credit quality than AA. The obligor may be vulnerable to future events, but qualifying negative factors are considered manageable. The ratings from AA to C contain subcategories (high) or (low) to show relative standing within the categories. The absence of either a (high) or (low) designation indicates the rating is in the middle of the category. DBRS uses “rating trends” for its ratings in, among other areas, the corporate finance sector. DBRS’ rating trends provide guidance in respect of DBRS’ opinion regarding the outlook for the rating in question, with rating trends falling into one of three categories: “Positive”, “Stable” or “Negative”. The rating trend indicates the direction in which DBRS considers the rating may move if present circumstances continue, or in certain cases as it relates to the corporate finance sector, unless challenges are addressed by the issuer. In general, DBRS assigns rating trends based primarily on an evaluation of the issuing entity or guarantor itself, but may also include consideration of the outlook for the industry or industries in which the issuing entity operates giving consideration to developments that could positively or negatively impact the sector or the issuer’s debt position within the sector. According to DBRS, it is often the rating trend that reflects the initial pressures or benefits of a changing environment rather than an immediate change in the rating. A “Positive” or “Negative” trend assigned by DBRS is not an indication that a rating change is imminent, but represents an indication that there is a greater likelihood that the rating could change in the future than would be the case if a “Stable” trend was assigned.

Credit ratings are intended to provide investors with an independent assessment of the credit quality of an issue or issuer of securities and do not speak to the suitability of particular securities for any particular investor. The credit rating assigned to the Notes may not reflect the potential impact of all risks on the value of the Notes. A rating is therefore not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time by S&P. Prospective investors should consult S&P with respect to

the interpretation and implications of the rating.

BPY has paid customary rating fees to S&P and DBRS in connection with the above-mentioned ratings and the Issuer will pay customary rating fees to S&P and DBRS in connection with the confirmation of such ratings for purposes of the offering of the Notes. In addition, BPY has made customary payments in respect of certain other services provided to BPY by S&P and DBRS during the last two years.

Participating Agents:

CIBC World Markets Inc., RBC Dominion Securities Inc., TD Securities Inc., Scotia Capital Inc., BMO Nesbitt Burns Inc., HSBC Securities (Canada) Inc., and National Bank Financial Inc.

THE ISSUER

The Issuer was established on April 18, 2018 under the Business Corporations Act (Alberta). The Issuer has no significant assets or liabilities, no subsidiaries and no ongoing business operations of its own. The Issuer’s registered and head office is Suite 1700, 335 – 8th Avenue SW, Calgary, Alberta, T2P 1C9. The Issuer is an indirect, wholly-owned subsidiary of BPY.

The Issuer’s capital structure consists of an unlimited number of authorized common shares. BPY indirectly owns 100% of the Issuer’s issued and outstanding common shares.

CONSOLIDATED CAPITALIZATION OF BPY

The following table sets forth the consolidated capitalization of BPY (i) as at March 31, 2018 on an actual basis, and (ii) as at March 31, 2018 as adjusted to give effect to the Offering. The table below does not reflect the Transaction. The table below should be read together with the detailed information and financial statements incorporated by reference in this Prospectus Supplement, including the unaudited interim condensed and consolidated financial statements of BPY as at and for the three month periods ended March 31, 2018 and March 31, 2017 incorporated by reference in this Prospectus Supplement.

	As at March 31, 2018	As at March 31, 2018 As adjusted for the Offering
	(\$Millions)	(\$Millions)
Debt obligations.....	38,678	38,904
Capital securities.....	4,241	4,241
Equity		
Non-controlling interests attributable to:		
Redemption-Exchange Units and special limited partnership units.....	14,725	14,725
Limited partnership units of Brookfield Office Properties Inc. BPR Class A Stock	290	290
Interests of others in operating subsidiaries and properties.....	13,717	13,717
Total non-controlling interests	28,732	28,732
Limited partners	7,528	7,528
General partner	6	6
Total equity.....	36,266	36,266
Total capitalization	79,185	79,411

The following table sets forth the consolidated capitalization of BPY (i) as at March 31, 2018 on an actual basis, (ii) as at March 31, 2018 as adjusted to give effect to the Offering and the Transaction (assuming 100% of the existing GGP common stockholders elect to receive shares of class A stock of Brookfield Property REIT Inc. (the renamed surviving target company following the Transaction) (the “**BPR Class A Stock**”) in lieu of non-voting limited partnership units of BPY (the “**BPY Units**”) in the Transaction, and following the Transaction, none of such shares are exchanged for BPY Units (the “**100% BPR Class A Stock Assumption**”)), including other pro forma related adjustments, and (iii) as at March 31, 2018 as adjusted to give effect to the Offering and Transaction (assuming 100% of the existing GGP common stockholders either (a) elect to receive or otherwise receive BPY Units in lieu of shares of BPR Class A Stock in the Transaction or (b) following the Transaction, all shares of BPR Class A Stock are exchanged for BPY Units (the “**100% BPY Units Assumption**”)), including other pro forma adjustments. The table below should be read together with the detailed information and financial statements incorporated by reference in this Prospectus Supplement, including the unaudited interim condensed and consolidated financial statements of BPY as at and for the three month periods ended March 31, 2018 and March 31, 2017 incorporated by reference in this Prospectus Supplement.

	As at March 31, 2018	As at March 31, 2018	As at March 31, 2018
	As adjusted for the Offering and the Transaction (100% BPR Class A Stock Assumption)	As adjusted for the Offering and the Transaction (100% BPY Units Assumption)	As adjusted for the Offering and the Transaction (100% BPY Units Assumption)
	As at March 31, 2018	As at March 31, 2018	As at March 31, 2018
	(\$Millions)	(\$Millions)	(\$Millions)
Debt obligations.....	38,678	53,587	53,587
Capital securities.....	4,241	3,741	3,741
Equity			
Non-controlling interests attributable to:			
Redemption-Exchange Units and special limited partnership units.....	14,725	14,809	14,809
Limited partnership units of Brookfield Office Properties Inc. BPR Class A Stock	290	293	293
Interests of others in operating subsidiaries and properties.....	-	5,963	-
Interests of others in operating subsidiaries and properties.....	13,717	14,031	14,031
Total non-controlling interests	28,732	35,096	29,133
Limited partners	7,528	8,077	14,040
General partner	6	6	6
Total equity.....	36,266	43,179	43,179
Total capitalization	79,185	100,507	100,507

CONSOLIDATED CAPITALIZATION OF THE ISSUER

The following table sets forth the consolidated capitalization of the Issuer as at (i) March 31, 2018 and (ii) March 31, 2018 after giving effect to the Offering.

	As at March 31, 2018	As at March 31, 2018 As adjusted for the Offering
	(C\$ Millions)	
Indebtedness	-	300
Shareholders' equity	-	-
(Common shares: authorized - unlimited; outstanding - one).....	-	-
Total capitalization	-	300

EARNINGS COVERAGE RATIOS OF BPY

BPY's borrowing cost requirements for the 12 months ended December 31, 2017 and March 31, 2018 amounted to \$2,063 million and \$2,105 million, respectively, after giving effect to (i) the Offering and (ii) the issuance, repayment, redemption or other retirement of all financial liabilities since the end of the period as if such event occurred at the beginning of the period (the "Adjustments").

BPY's profit or loss attributable to unitholders before borrowing costs and income tax for the 12 months ended December 31, 2017 and March 31, 2018 was \$2,544 million and \$3,072 million, respectively, which is approximately 1.1 times and 1.3 times BPY's borrowing cost requirements for the respective periods, after giving effect to the Adjustments.

BPY's borrowing cost requirements for the 12 months ended December 31, 2017 and the three months ended March 31, 2018 amounted to \$2,672 million and \$806 million, respectively, after giving effect to the Adjustments and the Transaction (irrespective of whether the 100% BPR Class A Stock Assumption or the 100% BPY Units Assumption is assumed).

BPY's profit or loss attributable to unitholders before borrowing costs and income tax for the 12 months ended December 31, 2017 and the three months ended March 31, 2018 was \$2,022 million and \$1,090 million, respectively, which is approximately 0.7 times and 1.2 times BPY's borrowing cost requirements for the respective periods, after giving effect to the Adjustments and the Transaction (irrespective of whether the 100% BPR Class A Stock Assumption or the 100% BPY Units Assumption is assumed).

BPY's earnings coverage ratio for the 12 months ended December 31, 2017 is after giving effect to the Adjustments and the Transaction (irrespective of whether the 100% BPR Class A Stock Assumption or the 100% BPY Units Assumption is assumed) is less than one-to-one. In order to achieve an earnings coverage ratio of one-to-one for the 12 months ended December 31, 2017 after giving effect to the Adjustments and the Transaction (irrespective of whether the 100% BPR Class A Stock Assumption or the 100% BPY Units Assumption is assumed), BPY would need to have earned an additional \$948 million.

CREDIT RATINGS

The Notes are expected to be assigned a rating of "BBB-" by S&P and "BBB (stable outlook)" by DBRS.

S&P's credit ratings are on a long-term debt rating scale that ranges from "AAA" to "D", which represents the range from highest to lowest quality of such securities rated. The "BBB" rating category is the fourth highest used by S&P and is one of eleven rating categories used by S&P for long-term debt obligations. In addition, the "plus (+)" and "minus (-)" signs indicate relative strength within the major rating categories. According to the S&P rating system, an obligation rated "BBB" exhibits adequate protection parameters. However, adverse economic

conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation.

DBRS' credit ratings are on a long-term debt rating scale that ranges from AAA to D, which represents the range from highest to lowest quality of such securities rated. According to the DBRS rating system, an obligation rated "A" is good credit quality. The capacity for the payment of financial obligations is substantial, but of lesser credit quality than AA. The obligor may be vulnerable to future events, but qualifying negative factors are considered manageable. The ratings from AA to C contain subcategories (high) or (low) to show relative standing within the categories. The absence of either a (high) or (low) designation indicates the rating is in the middle of the category. DBRS uses "rating trends" for its ratings in, among other areas, the corporate finance sector. DBRS' rating trends provide guidance in respect of DBRS' opinion regarding the outlook for the rating in question, with rating trends falling into one of three categories: "Positive", "Stable" or "Negative". The rating trend indicates the direction in which DBRS considers the rating may move if present circumstances continue, or in certain cases as it relates to the corporate finance sector, unless challenges are addressed by the issuer. In general, DBRS assigns rating trends based primarily on an evaluation of the issuing entity or guarantor itself, but may also include consideration of the outlook for the industry or industries in which the issuing entity operates giving consideration to developments that could positively or negatively impact the sector or the issuer's debt position within the sector. According to DBRS, it is often the rating trend that reflects the initial pressures or benefits of a changing environment rather than an immediate change in the rating. A "Positive" or "Negative" trend assigned by DBRS is not an indication that a rating change is imminent, but represents an indication that there is a greater likelihood that the rating could change in the future than would be the case if a "Stable" trend was assigned.

Credit ratings are intended to provide investors with an independent assessment of the credit quality of an issue or issuer of securities and do not speak to the suitability of particular securities for any particular investor. The credit rating assigned to the Notes may not reflect the potential impact of all risks on the value of the Notes. A rating is therefore not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time by S&P. Prospective investors should consult S&P with respect to the interpretation and implications of the rating.

BPY has paid customary rating fees to S&P and DBRS in connection with the above-mentioned ratings and the Issuer will pay customary rating fees to S&P and DBRS in connection with the confirmation of such ratings for purposes of the offering of the Notes. In addition, BPY has made customary payments in respect of certain other services provided to BPY by S&P and DBRS during the last two years.

RISK FACTORS

An investment in the Notes is subject to a number of risks. Before deciding to invest in the Notes, investors should consider carefully the risks set forth below, the risk factors in the accompanying Prospectus under "Risk Factors" and elsewhere in BPY's Annual Report and in the other documents incorporated by reference in this Prospectus Supplement and the Prospectus, as updated by our subsequent filings with securities regulatory authorities in Canada.

A reduction in Brookfield's interest in BPY, the General Partner or the Issuer will not necessarily result in a Change of Control under the terms of the Notes.

Pursuant to the terms of the Notes, the Issuer is obligated to make a Change of Control Offer (as defined below) to holders of Notes upon the occurrence of both a Change of Control and a Below Investment Grade Rating Event (each as defined below). A Change of Control includes the consummation of any transaction the result of which is that any person or group of persons acting jointly and in concert, other than Brookfield and/or one or more Affiliates (as defined in the Indenture) of Brookfield (or any of their respective successors), becomes the owner (directly or indirectly) of more than 50% of all issued and outstanding Voting Stock (as defined in the Indenture) of the Issuer or the General Partner, measured by voting power rather than number of shares. Accordingly, a future reduction in Brookfield's direct or indirect interests in BPY, the General Partner or the Issuer will not necessarily trigger a Change of Control. As a result, if a sale of Brookfield's Voting Stock, the General Partner or the Issuer results in a Below Investment Grade Rating, so long as no person or group of persons acting jointly and in concert, other than Brookfield and/or one or more Affiliates of Brookfield (or any of their respective successors), becomes

the owner (directly or indirectly) of more than 50% of all issued and outstanding Voting Stock of the Issuer or the General Partner, measured by voting power rather than number of shares, the Issuer would not have an obligation to make a Change of Control Offer to holders of Notes.

Incurrence of Additional Indebtedness.

The Issuer and the Guarantors may incur additional indebtedness that may adversely affect their ability to meet their financial obligations under or in respect of the Notes. Although some of the agreements governing their existing indebtedness contain restrictions on the Issuer's and the Guarantors' ability to incur additional indebtedness, these restrictions are subject to a number of important qualifications and exceptions and the indebtedness they incur in compliance with these restrictions could be substantial.

The Issuer's and the Guarantors' obligations under or in respect of the Notes rank equally with all of their other unsecured senior indebtedness. The Issuer and the Guarantors may incur additional indebtedness in the future, which could have important consequences to holders of the Notes, including the following:

- they could have insufficient cash to meet their financial obligations, including their obligations under or in respect of the Notes;
- their ability to obtain additional financing for working capital, capital expenditures or general corporate purposes may be impaired; and
- a significant degree of debt could make them more vulnerable to changes in general corporate and industry conditions.

Credit Ratings.

The credit rating accorded to the Notes by the Rating Agencies is not a recommendation to purchase, hold or sell the Notes inasmuch as such ratings do not comment as to market price or suitability for a particular investor. There is no assurance that the ratings will remain in effect for any given period of time or that the ratings will not be revised or withdrawn entirely by the applicable Rating Agency in the future if, in its judgment, circumstances so warrant, and if any such rating is so revised or withdrawn, the Issuer is under no obligation to update this Prospectus Supplement. The reduction or downgrade of the ratings of the Notes may negatively affect the quoted market price, if any, of the Notes.

Redemption of Notes.

The Issuer may choose to redeem the Notes from time to time, especially when prevailing interest rates are lower than the interest rate borne by the Notes. If prevailing interest rates are lower at the time of redemption, a purchaser may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate that is greater than or equal to the interest rate on the Notes being redeemed. The Issuer's redemption right may also adversely impact a purchaser's ability to sell Notes as the optional redemption date or period approaches.

Refinancing Risks.

Given the current credit and economic conditions, the Issuer and Guarantors may be exposed to additional risks such as interest rates and refinancing risk, capital market risk and industry risk. Details associated with these risks can be found in BPY's Annual Report incorporated by reference in this Prospectus Supplement.

USE OF PROCEEDS

The net proceeds to the Issuer from the Offering, after deducting the Agents' fees and the estimated expenses of the Offering of C\$250,000, will be C\$298,700,000, and will be used for general corporate purposes.

All expenses relating to the Offering, including any compensation to Agents or underwriters, will be paid out of the proceeds from the sale of Notes and/or out of the Issuer's general funds. The Issuer and the Guarantors may, from time to time, issue debt instruments and incur additional indebtedness otherwise than through the issue of Notes under this Prospectus Supplement.

DESCRIPTION OF THE NOTES

The following description of the particular terms and provisions of the Notes supplements and, to the extent inconsistent therewith, replaces, the description of the Notes set forth in the Prospectus under "Description of Debt Securities", to which reference is hereby made. Other capitalized terms used and not defined in this Prospectus Supplement have the meanings ascribed to them in the Prospectus or in the Indenture, as the case may be. The following description of the Notes will apply to each Note offered hereby.

A copy of the Indenture will be available on SEDAR once entered into, and at such time may be accessed electronically at www.sedar.com. The following statements relating to the Notes and the Indenture are summaries and should be read in conjunction with the statements under "Description of Debt Securities" in the Prospectus. Such information does not purport to be complete and is qualified in its entirety by reference to all of the provisions of the Notes and the Indenture, including the definition of certain terms therein.

General

The Notes will bear interest at a fixed annual rate of 4.346%, payable in equal semi-annual installments in arrears on January 3 and July 3 in each year commencing January 3, 2019.

Each Note will bear interest from, and including, the later of (i) its date of issue and (ii) the interest payment date to which interest shall have been paid or made available for payment on the outstanding Notes. Interest shall be payable on the Notes semi-annually in arrears in equal installments and at the Maturity Date or upon earlier redemption or repayment. Each payment of interest in respect of an interest payment date will include interest accrued to, but excluding, such interest payment date. Interest shall be computed on the basis of a year that is 365 days or 366 days, as applicable.

The first interest payment on the Notes will be C\$21.73 per C\$1,000 principal amount of Notes representing interest for the period from July 3, 2018 to but excluding January 3, 2019. If an interest payment date is not a Business Day, then the payment will be made on the next Business Day without adjustment. Unless the Notes are redeemed earlier, the Notes will mature on the Maturity Date. The effective yield (if held to the Maturity Date) on the Notes will be 4.346% per annum.

All Debt Securities, including the Notes, issued and to be issued under the Indenture will be direct unsecured obligations of the Issuer and will be guaranteed by the Guarantors. The Notes will rank equally and ratably with all other unsubordinated and unsecured indebtedness of the Issuer, from time to time issued and outstanding, except as to sinking fund provisions applicable to different series of Debt Securities. The Indenture will not limit the aggregate principal amount of Debt Securities which may be issued thereunder and Debt Securities may be issued thereunder from time to time in one or more series up to the aggregate principal amount from time to time authorized by the Issuer for each series. The Issuer may, from time to time, without the consent of the holders of the Notes, provide for the issuance of Notes or other Debt Securities under the Indenture in addition to the C\$300 million aggregate principal amount of Notes offered hereby and any other Debt Securities previously issued.

The principal of and interest on the Notes will be payable in lawful money of Canada.

The Indenture will be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

The Issuer may from time to time, without the consent of the holders of the Notes, create and issue further notes having the same terms and conditions in all respects as the Notes being offered hereby, except for the issue date, the issue price and the first payment of interest thereon.

Form and Denomination

The Notes will be issued in fully-registered form only, in denominations of C\$1,000.00 and integral multiples thereof. The CUSIP/ISIN for the Global Notes is 11286ZAA2/CA11286ZAA27.

Payment of Principal, Premium and Interest

As long as CDS or its nominee is the registered holder of a Global Note, CDS or its nominee, as the case may be, will be considered to be the sole owner of such Global Note for the purposes of receiving payments of interest on, premium, if any, on and principal of such Global Note. The Issuer expects that CDS or its nominee, upon receipt of any payment of principal, premium or interest in respect of a Global Note (less any taxes required by law to be deducted or withheld), will credit participants' accounts, on the date principal, premium, if any, or interest is payable, with payments in amounts proportionate to their respective interests in the principal amount of such Global Note as shown on the records of CDS or its nominee at the close of business on the second business day prior to the applicable interest payment date, with respect to the payment of interest, and at the Maturity Date, with respect to the payment of principal or premium, if any. The Issuer also expects that payments of principal, premium, if any, and interest (less any taxes required by law to be deducted or withheld) by participants to the owners of beneficial interests in such Global Note held through such participants will be governed by standing instructions and customary practices, and will be the responsibility of such participants. The responsibility and liability of the Issuer in respect of Notes represented by a Global Note is limited to making, or causing to be made, payment of any principal, premium, if any, and interest (less any taxes required by law to be deducted or withheld) due on such Global Note to the Trustee on behalf of the registered holder of the Global Note.

Redemption and Repurchase

The Notes will be redeemable at the option of the Issuer prior to the Maturity Date. The Notes will be subject to redemption at the option of the Issuer on the applicable redemption date in whole or, from time to time, in part in increments of C\$1,000.00, at the applicable Redemption Price, as defined below, on notice given not more than 60 days nor less than 30 days prior to the date of redemption and in accordance with the provisions of the Indenture.

“Applicable Spread” means 57.5 basis points.

“Canada Yield Price” means a price equal to the price of the Notes (or the portion thereof to be redeemed) calculated to provide a yield thereon to the date that is one month prior to the Maturity Date of such Notes equal to the sum of the Government of Canada Yield calculated at 10:00 a.m. (Toronto time) on the third Business Day preceding the redemption date plus the Applicable Spread.

“Government of Canada Yield” means, on any date and with respect to any Notes, the yield to maturity on such date, compounded semi-annually, which an assumed new issue of a non-callable Government of Canada bond denominated in Canadian dollars would carry if issued in Canada at 100% of its principal amount on such date, with a term to maturity as nearly as possible equal to the remaining term to the date that is one month prior to the Maturity Date of such Notes. The Government of Canada Yield will be the average (rounded to three decimal points) of the bid-side yields provided by the Investment Dealers in accordance with the terms of the Indenture.

“Investment Dealers” means two investment dealers selected by the Issuer who are independent of the Issuer and are each members of the Investment Industry Regulatory Organization of Canada (“**IIROC**”) (or if IIROC shall cease to exist, such other independent investment dealer as the Issuer may select, with the approval of the Trustee, acting reasonably), which Investment Dealers shall be retained by and at the cost of the Issuer to determine the Government of Canada Yield. The two investment dealers shall be any two Agents party to the Agency Agreement.

“Redemption Price” means, with respect to a Note being redeemed either in whole at any time or in part from time to time, (a) if the Redemption Date occurs prior to the date that is one month prior to the Maturity Date, an amount equal to the greater of (i) the Canada Yield Price, and (ii) par, or (b) if the Redemption Date occurs on or

after the date that is one month prior to the Maturity Date, a price equal to par, together in each case with the accrued and unpaid interest thereon to, but excluding, the Redemption Date.

If less than all of the Notes are to be redeemed, the Notes to be redeemed shall be selected by the Trustee on a *pro rata* basis or by such other method as the Trustee shall deem fair and reasonable.

The Issuer may purchase Notes in the open market or by tender or private contract at any price at any time and from time to time if an Event of Default has not occurred and is continuing at such time. Notes purchased or redeemed by the Issuer will be cancelled and may not be reissued.

Change of Control

If a Change of Control Triggering Event (as defined below) occurs, unless the Issuer has exercised its right to redeem any Notes as described above, the Issuer will be required to make an offer to repurchase all, or any part (equal to C\$1,000.00 or an integral multiple thereof), of each holder's Notes pursuant to the offer described below (the "**Change of Control Offer**") on the terms set forth in the Indenture. In the Change of Control Offer, the Issuer will be required to offer payment in cash equal to 101% of the aggregate principal amount of Notes repurchased plus accrued and unpaid interest, if any, on the Notes repurchased, to the date of repurchase (the "**Change of Control Payment**").

Within 30 days following any Change of Control Triggering Event, the Issuer will be required to mail a notice to holders of Notes, with a copy to the Trustee, describing the transaction or transactions that constitute the Change of Control Triggering Event and offering to repurchase the Notes on the date specified in the notice, which date will be no earlier than 30 days and no later than 60 days from the date such notice is mailed (the "**Change of Control Payment Date**"), pursuant to the procedures required by the Indenture and described in such notice. The Issuer must comply with any securities laws and regulations that are applicable in connection with the repurchase of the Notes as a result of a Change of Control Triggering Event. To the extent that the provisions of any securities laws or regulations conflict with the Change of Control provisions of the Indenture, the Issuer will be required to comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under the Change of Control (as defined below) provisions of the Indenture by virtue of such conflicts.

On the Change of Control Payment Date, the Issuer will be required, to the extent lawful, to:

- accept for payment all Notes or portions of Notes properly tendered pursuant to the Change of Control Offer;
- deposit with the Trustee an amount equal to the Change of Control Payment in respect of all Notes or portions of Notes properly tendered; and
- deliver or cause to be delivered to the Trustee the Notes properly accepted together with an officer's certificate stating the aggregate principal amount of Notes or portions of Notes being purchased by them.

The Trustee will be required to promptly send a wire transfer comprising, or mail, to each holder of Notes who properly tendered Notes, the purchase price for such Notes and the Trustee will be required to promptly authenticate and mail (or cause to be transferred by book entry) to each such holder a new Note equal in principal amount to any unpurchased portion of the Notes surrendered, if any; provided that each new Note will be in a principal amount of C\$1,000.00 or an integral multiple thereof.

The Issuer will not be required to make a Change of Control Offer upon a Change of Control Triggering Event if another party makes such an offer in the manner, at the times and otherwise in compliance with the requirements for an offer that would be required to be made by the Issuer in connection with a Change of Control Triggering Event, and such party purchases all Notes properly tendered and not withdrawn under its offer.

For purposes of the foregoing discussion of a repurchase at the option of holders of Notes, the following definitions are applicable:

“Below Investment Grade Rating Event” shall be deemed to have occurred on any day within the 60-day period (which shall be extended during an Extension Period) after the earlier of (1) the occurrence of a Change of Control and (2) public notice of the occurrence of a Change of Control or the intention by the Issuer or BPY to effect a Change of Control, if, in either case, the Notes are downgraded to below an Investment Grade Rating by more than half, and, if there are fewer than three Rating Agencies, all of the Rating Agencies that then rate the Notes. For the purpose of this definition, an **“Extension Period”** shall occur and continue for so long as the aggregate of (i) the number of Rating Agencies that have placed the Notes on publicly announced consideration for possible downgrade during the initial 60-day period and (ii) the number of Rating Agencies that have downgraded the Notes to below an Investment Grade Rating during either the initial 60-day period or the Extension Period is sufficient to result in a Change of Control Triggering Event, should one or more of the Rating Agencies that have placed the Notes on publicly announced consideration for possible downgrade subsequently downgrade the Notes to below an Investment Grade Rating. The Extension Period shall terminate when two of the Rating Agencies (if there are three Rating Agencies) or one of the Rating Agencies (if there are fewer than three Rating Agencies) have confirmed that the Notes are not undergoing consideration for a possible downgrade, and have not downgraded the Notes, to below an Investment Grade Rating.

“Change of Control” means (i) the sale of all or substantially all of the Issuer’s or the Guarantors’ assets, other than any such sale to any one or more of the Issuer, Guarantors or Brookfield Asset Management, and/or any Subsidiary (as defined in the Indenture) of any of the Issuer, Guarantors or Brookfield Asset Management, or any of their respective successors, or (ii) the consummation of any transaction including, without limitation, any merger, amalgamation, arrangement or consolidation the result of which is that any person or group of persons acting jointly and in concert, other than Brookfield Asset Management and/or one or more Affiliates (as defined in the Indenture) of Brookfield Asset Management (or any of their respective successors), becomes the owner (directly or indirectly) of more than 50% of all issued and outstanding Voting Stock (as defined in the Indenture) of the Issuer or the General Partner, measured by voting power rather than number of shares.

“Change of Control Triggering Event” means the occurrence of both a Change of Control and a Below Investment Grade Rating Event.

“Investment Grade Rating” means a rating equal to or higher than (i) “BBB-” (or the equivalent) by S&P, (ii) “BBB (stable outlook)” by DBRS and (iii) in respect of any Rating Agency other than S&P or DBRS, if applicable, a rating by such Rating Agency in one of its generic rating categories that signifies investment grade.

“Rating Agencies” means (1) S&P, DBRS and any other nationally recognized statistical rating organization selected by the Issuer that then rates the Notes, and (2) if any of the Rating Agencies cease to rate the Notes or fails to make a rating of the Notes publicly available for reasons outside the Issuer’s control, a nationally recognized statistical rating organization selected by the Issuer (as certified by a resolution of the Board of the Issuer) as a replacement agency for such Rating Agency, or some or all of them, as the case may be, and “Rating Agency” means any one of them.

Covenants

Limitation on Indebtedness

The Issuer and the Guarantors will not, and will not permit any of their Subsidiaries (as defined in the Indenture) to, directly or indirectly, issue, incur, assume or otherwise become liable for or in respect of any Funded Indebtedness unless, after giving effect thereto, the Funded Indebtedness of BPY, calculated on a consolidated basis, would not exceed 70% of Total Consolidated Capitalization determined as at the date such Funded Indebtedness is issued, incurred or assumed.

Limitation on Liens

Neither the Issuer nor any Guarantor will create, incur, assume or permit to exist any lien on any property or asset now owned or hereafter acquired by it, unless at the same time the Notes are secured equally and ratably with such lien, provided that this will not apply to Permitted Encumbrances. Upon being advised by the Issuer or any Guarantor in writing in an Officer's Certificate that security has been provided for the Notes on an equal and ratable basis in connection with the grant to a third party of security and subsequently such security to the third party is released, the Trustee will forthwith release the security granted for the Notes.

For the purposes of the foregoing discussion of covenants, the following definitions are applicable:

"Capital Lease Obligation" of any person means the obligation to pay rent or other payment amounts under a lease of (or other Indebtedness arrangements conveying the right to use) real or personal property of such person which is required to be classified and accounted for as a capital lease or a liability on the face of a balance sheet of such person in accordance with GAAP from time to time and which has a term to maturity of at least 18 months. The maturity of such obligation will be the date of the last payment of rent or any other amount due under such lease prior to the first date upon which such lease may be terminated by the lessee without payment of a penalty.

"Financial Instrument Obligations" of any person, means, at any time with respect to such person, obligations for transactions arising under:

- (a) any interest swap agreement, forward rate agreement, floor, cap or collar agreement, futures or options, insurance or other similar agreement or arrangement, or any combination thereof, entered into or guaranteed by such person where the subject matter of the same is interest rates or the price, value, or amount payable thereunder is dependent or based upon the interest rates or fluctuations in interest rates in effect from time to time (but, for certainty, shall exclude conventional floating rate debt);
- (b) any currency swap agreement, cross-currency agreement, forward agreement, floor, cap or collar agreement, futures or options, insurance or other similar agreement or arrangement, or any combination thereof, entered into or guaranteed by such person where the subject matter of the same is currency exchange rates or the price, value or amount payable thereunder is dependent or based upon currency exchange rates or fluctuations in currency exchange rates in effect from time to time; and
- (c) any agreement, whether financial or physical, for the purchase, sale, exchange, making or taking of any commodity (including natural gas, oil, electricity, coal, emission credits or other energy products), any commodity swap agreement, floor, cap or collar agreement or commodity future or option or other similar agreements or arrangements, or any combination thereof, entered into or guaranteed by such person where the subject matter of the same is any commodity or the price, value or amount payable thereunder is dependent or based upon the price of any commodity or fluctuations in the price of any commodity in effect from time to time,

to the extent of the net amount due or accruing due thereunder at such time (determined by marking-to-market the same in accordance with their terms).

"Funded Indebtedness" means, with respect to any person, the consolidated Indebtedness of such person determined in accordance with GAAP but excludes (a) any Indebtedness of such person that, on the date of issue or assumption of liability, has a term to maturity (including any right of extension or renewal) of 18 months or less, (b) Inter-Company Indebtedness of such person, and (c) Qualifying Subordinated Indebtedness of such person.

"Indebtedness" of any person means (without duplication), whether recourse is to all or a portion of the assets of such person and whether or not contingent, obligations treated in accordance with GAAP from time to time as indebtedness, including: (a) every obligation of such person for money borrowed, (b) every obligation of such

person evidenced by bonds, debentures, notes or other similar instruments, (c) every reimbursement obligation of such person with respect to letters of credit, bankers' acceptances or similar facilities issued for the account of such person, (d) every obligation of such person issued or assumed as the deferred purchase price of property or services (but excluding trade accounts payable or accrued liabilities arising in the ordinary course of business which are not overdue or which are being contested in good faith), (e) the Net Swap Exposure of such person (f) every Capital Lease Obligation of such person, (g) the maximum fixed redemption or repurchase price, as at the time of determination, of all Redeemable Stock of such person that is not Qualifying Redeemable Stock, and (h) every obligation of the type referred to in clauses (a) through (g) of another person and all dividends of another person the payment of which, in either case, such person has guaranteed or for which such person is responsible or liable, directly or indirectly, as obligor, guarantor or otherwise, excluding any obligation in respect of Qualifying Redeemable Stock and any obligation of another person in relation to Net Swap Exposure, the payment of which such person has guaranteed and which guarantee is included above as indebtedness in accordance with GAAP from time to time.

"Inter-Company Indebtedness" means, with respect to the Issuer, a Guarantor or any of their respective subsidiaries, Indebtedness owing to any one or more of the Issuer, a Guarantor and/or any subsidiary of the Issuer or any Guarantor.

"Limited Recourse Indebtedness" as applied to any Indebtedness of any person means any Indebtedness that is or was incurred to finance any property (including any real or personal property or interest therein, any financial asset and any intangible) or portfolio of properties, provided that if such Indebtedness is with recourse to any of the Issuer or a Guarantor, such recourse is on an unsecured basis to such Issuer or Guarantor (except as subsequently provided in the Indenture) and is limited to liabilities or obligations relating to such property or portfolio of properties, and provided further that such Indebtedness may be secured by a lien on only (a) such property or portfolio of properties, (b) the income from and proceeds of such property or portfolio of properties, (c) the Capital Stock (as defined in the Indenture) of any subsidiary of any of the Issuer or a Guarantor, or other person or entity that owns an interest in such property or portfolio of properties, or any interest that any such Subsidiary, person or other entity, holds of any other person owning any interest in such property or portfolio of properties, and (d) the contracts pertaining to such property or portfolio of properties.

"Net Swap Exposure" means the net position of Financial Instrument Obligations of any person that are: (a) in excess of 18 months from the time the relevant calculation is made; and (b) considered as indebtedness in accordance with GAAP from time to time.

"Net Worth" means an amount equal to the sum of (a) the equity or capital of BPY (including the partners' capital, retained earnings or deficits, accumulated other comprehensive income or loss, and contributed and revaluation surplus of BPY) and all preferred equity and equity components of capital securities of BPY, (b) the principal amount of all Qualifying Subordinated Indebtedness of BPY, and (c) the consolidated Qualifying Redeemable Stock of BPY, determined in each case on a consolidated basis in accordance with GAAP as at the date of the most recent financial statements of BPY.

"Non-Controlling Interests" means, at the time of any determination thereof, the amount that is shown on the most recent financial statements of BPY, prepared on a consolidated basis in accordance with GAAP, as the amount of non-controlling interests owned by minority stakeholders in BPY's consolidated entities (including in respect of any preferred shares, limited partnership interests and trust units owned by such minority stakeholders).

"Permitted Encumbrances" means any of the following, with respect to the Issuer or a Guarantor: (a) any encumbrance on the assets of any one or more of the Issuer and/or Guarantors to secure Indebtedness up to an aggregate principal amount outstanding at any time of the greater of 5% of Net Worth or \$100 million, (b) any encumbrance to secure Indebtedness in excess of the principal amount referred to in clause (a); provided that the obligations in respect of the Notes are secured equally and ratably with such Indebtedness and all other Indebtedness which is required to be secured equally and ratably, (c) any encumbrance for collateral pledged (including parental guarantees) for Financial Instrument Obligations and any encumbrance on or against cash or marketable debt securities pledged to secure Financial Instrument Obligations provided that such encumbrances are incurred in the ordinary course of business, (d) any encumbrance in existence as of the date of the issuance of Notes or arising thereafter pursuant to contractual commitments entered into prior to such issuance, (e) any encumbrance on property

of any person which exists at the time such person is merged into, or amalgamated or consolidated with the Issuer or any Guarantor in compliance with the Indenture, or any encumbrance on property that exists when such property is directly or indirectly acquired by the Issuer or any Guarantor, which encumbrance does not extend to any other property or assets of the Issuer or such Guarantor, other than an encumbrance incurred in contemplation of such merger, amalgamation, consolidation or acquisition, (f) any encumbrance or right of distress reserved in or exercisable under any lease for rent to which the Issuer or any Guarantor is a party and for compliance with the terms of the lease, (g) any encumbrance reserved in or exercisable under any subdivision, site plan control, development, reciprocal, servicing, facility, facility cost sharing or similar agreement with a governmental authority currently existing or hereafter entered into with a governmental authority, which does not or in aggregate do not materially interfere with the use of the property for the purposes for which it is held or materially detract from the value thereof, (h) encumbrances respecting encroachments by facilities on neighboring lands over any property owned by the Issuer or any Guarantor which do not materially interfere with the use thereof for the purposes for which the property is held or materially detract from the value thereof, (i) permits, licenses, agreements, easements (including, without limitation, heritage easements and agreements relating thereto), restrictions, restrictive covenants, reciprocal rights, rights-of-way, public ways, rights in the nature of an easement and other similar rights in land granted to or reserved by other persons (including, without in any way limiting the generality of the foregoing, permits, licenses, agreements, easements, rights-of-way, sidewalks, public ways, and rights in the nature of easements or servitudes for sewers, drains, steam, gas and water mains or electric light and power or telephone and telegraph conduits, poles, wires and cables), (j) liens incurred in the ordinary course of business, other than in connection with the incurrence of Indebtedness, that do not individually or in the aggregate with all other Permitted Encumbrances materially detract from the value of the assets encumbered or materially interfere with their use in the ordinary course of business, (k) cash deposited with any lender to cash collateralize (i) bankers acceptances or depository notes within the meaning of the Depository Bills and Notes Act (Canada), (ii) bills of exchange within the meaning of the Bills of Exchange Act (Canada) or (iii) letters of credit, in each case, pursuant to the terms of any credit facility permitted hereunder, (l) any encumbrance for any tax, duty, levy, import, assessment or other governmental charge, (i) secured by a bond or other reasonable security, (ii) not yet due or (iii) being contested in good faith and by appropriate proceedings so long as adequate reserves have been provided therefor in accordance with GAAP, (m) any encumbrance arising out of judgments or awards so long as enforcement of such encumbrance has been stayed and an appeal or proceeding for review is being prosecuted in good faith and for the payment of which adequate reserves, bonds or other reasonable security have been provided or are fully covered by insurance, (n) encumbrances, deposits or pledges to secure statutory obligations of the Issuer or any Guarantor arising in the ordinary course of business, (o) any encumbrance imposed by law which were incurred in the ordinary course of business, including carriers', warehousemen's and mechanics' liens and other similar liens arising in the ordinary course of business, and which (i) do not individually or in the aggregate materially detract from the value of the assets subject thereto or materially impair the use thereof in the operations of the business of such person or (ii) are being contested in good faith by appropriate proceedings, which proceedings have the effect of preventing the forfeiture or sale of the assets subject to such liens and for which adequate reserves have been provided in accordance with GAAP, (p) any encumbrance arising from leases or license agreements (other than Capital Lease Obligations) entered into by the Issuer or any Guarantor in the ordinary course of business, (q) any encumbrance created, incurred or assumed to secure any purchase money obligation, (r) any encumbrance created, incurred or assumed to secure any Limited Recourse Indebtedness, (s) any encumbrance on or against cash or marketable debt securities in a sinking fund account established in support of any series of Notes issued pursuant to the Indenture, and (t) any extension, renewal, alteration or replacement (or successive extensions, renewals, alterations or replacements) in whole or in part, of any encumbrance referred to in the foregoing clauses (a) through (s) inclusive, provided that the extension, renewal, alteration or replacement of such encumbrance is limited to all or any part of the same assets that secured the encumbrance extended, renewed, altered or replaced (plus improvements on such assets) and the principal amount of the Indebtedness secured thereby is not increased.

“Qualifying Redeemable Stock” of any person means any Redeemable Stock of such person that can be satisfied or acquired, in the sole discretion of the person who issued such Redeemable Stock, BPY or a subsidiary of BPY, with or in exchange for Capital Stock of such person, or a subsidiary of BPY that is not itself Redeemable Stock.

“Qualifying Subordinated Indebtedness” of any person means Indebtedness of such person (a) which by its terms provides that the payment of principal of (and premium, if any) and interest on and all other payment obligations in respect of such Indebtedness shall be subordinate to the prior payment in full of the Notes to at least

the extent that no payment of principal of (or premium, if any) or interest on or otherwise due in respect of such Indebtedness may be made for so long as there exists any default in the payment of principal (or Premium, if any) or interest on the Notes or any other default that with the passing of time or the giving of notice, or both, would constitute an Event of Default with respect to the Notes and (b) which expressly by its terms gives such person the right to make payments of principal (and premium, if any) and interest and all other payment obligations in respect of such Indebtedness in equity of the Issuer, a Guarantor or any of their respective subsidiaries.

“**Redeemable Stock**” of any person means any Capital Stock of such person which by its terms (or by the terms of any note into which it is convertible or for which it is exchangeable), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or is redeemable at the option of the holder thereof, in whole or in part, on or prior to the Maturity Date of the Notes.

“**Total Consolidated Capitalization**” means (without duplication), in accordance with GAAP as at any time, on a consolidated basis, the sum of (a) Net Worth, (b) the Non-Controlling Interests, and (c) all Funded Indebtedness of BPY at such time.

Transfer

Transfers of beneficial ownership in Notes represented by a Global Note must be effected through the records maintained by CDS or its nominee for such Global Note (with respect to interests of its participants) and the CDS Participants (with respect to the interests of beneficial owners). Beneficial owners who are not participants in the depository service of CDS, but who desire to purchase, sell or otherwise transfer ownership of or other interests in such Global Note, may do so only through participants in the depository service of CDS.

The ability of a beneficial owner of an interest in a Note represented by a Global Note to pledge the Note or otherwise take action with respect to such owner’s interest in a Note represented by a Global Note (other than through a participant) may be limited due to the lack of a physical certificate.

Holders’ Rights

Rights of a holder of a Note represented by a Global Note, including voting rights, must be exercised through a participant in accordance with the rules and procedures of CDS.

Trustee

Computershare Trust Company of Canada, at its principal office in the City of Toronto, Ontario will be the Trustee for the holders of all Notes issued under the Indenture.

PLAN OF DISTRIBUTION

Under an agreement (the “**Agency Agreement**”) dated June 28, 2018 among the Agents, the Issuer and the Guarantors, the Agents have agreed to offer the Notes for sale, as agents of the Issuer, on a best efforts basis, if, as and when issued by the Issuer in accordance with the terms of the Agency Agreement and subject to compliance with all necessary legal requirements. It is expected that the closing date will be on or about July 3, 2018 or such later date as the Issuer, the Guarantors and the Agents may agree.

Under the Agency Agreement, Agents who participate in the Offering may be entitled to indemnification by the Issuer and the Guarantors against certain liabilities, including liabilities under appropriate securities legislation or arising out of any misrepresentation in the Prospectus or this Prospectus Supplement and any documents incorporated by reference therein, or to contribution with respect to payments which the Agents may be required to make in respect thereof.

The Agents will be acting on a best efforts basis for the period of their appointment and may be deemed to be an “underwriter”, as that term is defined in the securities legislation in each of the provinces and territories of Canada, of the Notes offered and sold pursuant to the Offering.

The terms for the Notes were established by negotiation between the Agents, the Guarantors and the Issuer. The Agents will receive a fee equal to \$3.50 per C\$1,000 principal amount of Notes and will be reimbursed for reasonable out-of-pocket expenses incurred by them. The Agents may form a sub-agency group including other qualified investment dealers and determine the fees payable to the members of such group, which fee will be paid by the Agents out of their fees. While the Agents have agreed to use their best efforts to sell the Notes offered hereby, the Agents will not be obligated to purchase Notes that are not sold.

Subscriptions for Notes will be received by the Agents subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice.

The Notes will not be listed on any securities or stock exchange and consequently, there is no market through which the Notes may be sold and purchasers may not be able to resell the Notes purchased hereunder. This may affect the pricing of the Notes in the secondary market, the transparency and availability of trading prices, the liquidity of the Notes and the extent of issuer regulation. See "Risk Factors". Any Agents to or through whom Notes are sold by the Issuer for public offering and sale may make a market in the Notes, but such Agents will not be obligated to do so and may discontinue any market making at any time without notice. No assurance can be given that a trading market in the Notes will develop or as to the liquidity of any trading market for the Notes.

The distribution of this Prospectus Supplement and the offering and sale of the Notes are subject to certain restrictions under the laws of certain jurisdictions outside of Canada. Each Agent has agreed that it will not offer for sale or sell or deliver the Notes in any such jurisdiction except in accordance with the laws thereof.

Pursuant to policy statements of certain Canadian securities regulators, the Agents may not, throughout the period of distribution under this Prospectus Supplement, bid for or purchase Notes. The foregoing restriction is subject to certain exceptions, on the conditions that the bid or purchase not be engaged in for the purpose of creating actual or apparent active trading in or raising the price of the Notes. Such exceptions include a bid or purchase permitted under applicable by-laws and rules of the relevant self-regulatory authorities relating to market stabilization and passive market making activities and a bid or purchase made for and on behalf of a customer where the order was not solicited during the period of distribution. Pursuant to the first mentioned exception, in connection with the Offering, the Agents may over-allot or effect transactions which stabilize or maintain the market price of the Notes at levels other than those that might otherwise prevail on the open market. Such transactions, if commenced, may be discontinued at any time.

The Notes to be issued pursuant to this Prospectus Supplement have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered, sold or delivered, directly or indirectly, in the United States or to, or for the account or benefit of, U.S. Persons, except in certain transactions exempt from registration under the U.S. Securities Act and applicable U.S. state securities laws. This Prospectus Supplement does not constitute an offer to sell or a solicitation of an offer to buy any of the Notes within the United States. In addition, until 40 days after the commencement of the Offering, an offer or sale of the Notes within the United States or to, or for the account or benefit of, U.S. Persons may violate the registration requirements of the U.S. Securities Act if such offer or sale is made otherwise than in reliance on an exemption from the registration requirements of the U.S. Securities Act.

ELIGIBILITY FOR INVESTMENT

In the opinion of Torys LLP and Goodmans LLP, the Notes, if acquired on the date hereof, would at that time be qualified investments under the Tax Act for a trust governed by a registered retirement savings plan ("RRSP"), registered retirement income fund ("RRIF"), registered education savings plan ("RESP"), registered disability savings plan ("RDSP"), tax-free savings account ("TFSA") or deferred profit sharing plan (other than a deferred profit sharing plan to which contributions are made by the Issuer or by an employer with which the Issuer does not deal at arm's length for purposes of the Tax Act) if they have an investment grade rating with a prescribed credit rating agency for purposes of the Tax Act and either (A) they are issued as part of a single issue of debt of at least C\$25,000,000 or (B) they are issued on a continuous basis under a debt issuance program and the Issuer has issued and outstanding debt under the program of at least C\$25,000,000.

Notwithstanding the foregoing, if the Notes are a “prohibited investment” (as defined in the Tax Act) for a TFSA, RDSP, RRSP, RRIF or RESP, the holder of the TFSA or RDSP, the annuitant of the RRSP or RRIF or the subscriber of the RESP, as the case may be, will be subject to a penalty tax as set out in the Tax Act. The Notes will not be “prohibited investments” for a trust governed by a TFSA, RDSP, RRSP, RRIF or RESP on the date hereof provided that the holder of the TFSA or RDSP, the annuitant of the RRSP or RRIF or the subscriber of the RESP, as the case may be, deals at arm’s length for the purposes of the Tax Act with the Issuer and does not have a “significant interest” (as defined for the purposes of the prohibited investment rules in the Tax Act) in the Issuer. Investors should consult their own tax advisors to ensure that the Notes would not be a prohibited investment for a TFSA, RDSP, RRSP, RRIF or RESP in their particular circumstances.

PRIOR SALES

No debt securities have been issued by the Issuer during the 12 months preceding the date of this Prospectus Supplement.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Torys LLP, counsel to the Issuer and the Guarantors, and Goodmans LLP, counsel to the Agents, the following is, at the date hereof, a summary of the principal Canadian federal income tax considerations generally applicable to a holder of the Notes who acquires Notes pursuant to this Prospectus Supplement and who, at all relevant times, for purposes of the *Income Tax Act* (Canada) (the “**Tax Act**”), is or is deemed to be a resident of Canada, holds the Notes as capital property, deals at arm’s length with the Issuer and the Guarantors and is not affiliated with the Issuer or the Guarantors (a “**Holder**”). Generally, the Notes will be considered to be capital property to a Holder provided that the Holder does not hold the Notes in the course of carrying on a business of buying and selling securities and has not acquired them in one or more transactions considered to be an adventure or concern in the nature of trade. Certain Holders whose notes might not otherwise qualify as capital property may be entitled to have the Notes, and all other “Canadian securities” owned by the Holder in the year and in each subsequent taxation year, deemed to be capital property by making an irrevocable election permitted by subsection 39(4) of the Tax Act. Such Holders should consult their own tax advisors as to whether this election is available and advisable, having regard to their own particular circumstances.

This summary is not applicable to a Holder (i) that is a “financial institution” (as defined in the Tax Act for purposes of the mark-to-market rules), (ii) an interest in which is a “tax shelter investment” (as defined in the Tax Act), (iii) that has elected to report its “Canadian tax results” in a functional currency in accordance with the provisions of the Tax Act or (iv) a Holder that has entered into or will enter into a “derivative forward agreement” (as defined in the Tax Act) in respect of the Notes. Such Holders should consult their own tax advisors having regard to their particular circumstances. This summary does not address the split income rules in Section 120.4 of the Tax Act. Holders should consult their own tax advisors in that regard.

This summary is based upon the facts set out in the Prospectus and this Prospectus Supplement, the current provisions of the Tax Act and the regulations thereunder in force at the date of this Prospectus Supplement, all specific proposals to amend the Tax Act and the regulations thereunder publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof and counsel’s understanding of the current administrative policies or assessment practices published in writing by the Canada Revenue Agency (the “**CRA**”). There can be no assurance that the proposed amendments will be implemented in their current form or at all. This summary does not otherwise take into account or anticipate any changes of law or practice, whether by judicial, governmental or legislative decision or action or changes in the administrative policies or assessment practices of the CRA, nor does it take into account tax legislation or considerations of any province, territory or foreign jurisdiction, which may differ significantly from those discussed herein.

This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular Holder, and no representations with respect to the income tax consequences to any particular Holder are made. Accordingly, prospective purchasers should consult their own tax advisors for advice with respect to the tax consequences to them of acquiring, holding and disposing of the Notes, including the application and effect of the income and other tax laws of any country, province, territory, state or local tax authority.

Interest

A Holder that is a corporation, partnership, unit trust or any trust of which a corporation or a partnership is a beneficiary will be required to include in computing its income for a taxation year any interest on a Note that accrues (or is deemed to accrue) to the Holder to the end of the particular taxation year or that becomes receivable by or is received by the Holder before the end of that taxation year, except to the extent that such interest was otherwise included in the Holder's income for a preceding taxation year.

Any other Holder will be required to include in income for a taxation year any interest on a Note received or receivable by such Holder in that taxation year (depending upon the method regularly followed by the Holder in computing income), except to the extent that the interest was included in the Holder's income for a preceding taxation year.

Any amount paid by the Issuer to a Holder as a penalty or bonus because of the repayment by the Issuer of all or a part of the principal amount of a Note before its Maturity Date generally will be deemed to be interest received at that time by the Holder to the extent that such premium can reasonably be considered to relate to, and does not exceed the value at that time of, the interest that would have been paid or payable by the Issuer on the Note for a taxation year ending after the date of such repayment.

A Holder that is a "Canadian-controlled private corporation" (as defined in the Tax Act) throughout a taxation year may be liable to pay an additional refundable tax on its "aggregate investment income" for such year (as defined in the Tax Act), including amounts of interest.

Disposition

On a disposition or deemed disposition of a Note, whether on redemption, purchase for cancellation or otherwise, a Holder generally will be required to include in its income the amount of interest accrued (or deemed to accrue) to the Holder on the Note from the date of the last interest payment to the date of disposition, except to the extent that such amount has otherwise been included in the Holder's income for the taxation year or a previous taxation year. In general, a disposition or deemed disposition of a Note will give rise to a capital gain (or capital loss) to the extent that the proceeds of disposition, net of any accrued interest and any other amount included in computing income and any reasonable costs of disposition, exceed (or are exceeded by) the adjusted cost base of the Note to the Holder immediately before the disposition.

One-half of the amount of any capital gain (a "**taxable capital gain**") realized by a Holder in a taxation year generally must be included in the Holder's income for that year, and one-half of the amount of any capital loss (an "**allowable capital loss**") realized by a Holder in a taxation year must generally be deducted from taxable capital gains realized by the Holder in that year. Allowable capital losses in excess of taxable capital gains may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains realized in such years to the extent and under the circumstances described in the Tax Act.

A Holder that is a "Canadian-controlled private corporation" (as defined in the Tax Act) throughout a taxation year may be liable to pay an additional refundable tax on its "aggregate investment income" for such year (as defined in the Tax Act), including amounts in respect of net taxable capital gains.

Individuals or trusts (other than certain trusts) may be subject to an alternative minimum tax under the Tax Act in respect of net capital gains realized by them.

INTERESTS OF EXPERTS

The financial statements of BPY and its subsidiaries incorporated by reference in this Prospectus Supplement from BPY's Annual Report, have been audited by Deloitte LLP, an independent registered public accounting firm, as stated in their report which is incorporated herein by reference. Deloitte LLP is independent of BPY within rules of professional conduct of the Chartered Professional Accountants of Ontario and the meaning of

the Act and the applicable rules and regulations thereunder adopted by the Securities and Exchange Commission and the Public Company Accounting Oversight Board (United States). The address of Deloitte LLP is 8 Adelaide Street West, Suite 200, Toronto, Ontario M5H 0A9.

The financial statements of GGP and its subsidiaries incorporated by reference in this Prospectus Supplement from BPY's Annual Report, have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report which is incorporated herein by reference (which report expresses an unqualified opinion on the financial statements and includes an explanatory paragraph relating to GGP's adoption of a new accounting standard). Deloitte & Touche LLP is independent of GGP within the meaning of the Act and the applicable rules and regulations thereunder adopted by the Securities and Exchange Commission (SEC) and the Public Company Accounting Oversight Board (United States) (PCAOB).

LEGAL MATTERS

Legal matters in connection with the Offering will be passed upon for the Issuer by Torys LLP and for the Agents by Goodmans LLP. As at the date hereof, the partners and associates of Torys LLP, as a group, and Goodmans LLP, as a group, beneficially own, directly or indirectly, less than 1% of the outstanding securities of the Issuer.

STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in certain of the provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces and territories, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for the particulars of these rights or consult with a legal adviser.

CERTIFICATE OF THE AGENTS

Dated: June 28, 2018

To the best of our knowledge, information and belief, the short form prospectus, together with the documents incorporated in the prospectus by reference, as supplemented by the foregoing, constitutes full, true and plain disclosure of all material facts relating to the securities offered by the prospectus and this supplement as required by the securities legislation of each of the provinces of Canada.

**CIBC WORLD MARKETS
INC.**

By: (Signed) SEAN GILBERT

**RBC DOMINION SECURITIES
INC.**

By: (Signed) PETER HAWKRIGG

TD SECURITIES INC.

By: (Signed) ANDREW BECKER

SCOTIA CAPITAL INC.

By: (Signed) GREG
LAWRENCE

BMO NESBITT BURNS INC.

By: (Signed) RICHARD
SIBTHORPE

**HSBC SECURITIES
(CANADA) INC.**

By: (Signed) DAVID W. LOH

NATIONAL BANK FINANCIAL INC.

By: (Signed) JOHN CARRIQUE

APPENDIX A
INVESTOR PRESENTATION
(SEE ATTACHED)

Brookfield Property Partners LP

CANADIAN FIXED INCOME INVESTOR PRESENTATION

JUNE 15, 2018

A final base shelf prospectus containing important information relating to the securities described in this document has been filed with the securities regulatory authorities in each of the provinces and territories of Canada. A copy of the final base shelf prospectus, any amendment to the final base shelf prospectus and any applicable shelf prospectus supplement that has been filed, is required to be delivered with this document.

This document does not provide full disclosure of all material facts relating to the securities offered. Investors should read the final base shelf prospectus, any amendment and any applicable shelf prospectus supplement for disclosure of those facts, especially risk factors relating to the securities offered, before making an investment decision.

This presentation has been prepared for informational purposes only from information supplied by Brookfield Property Partners LP and from third-party sources indicated herein. Such third-party information has not been independently verified. Brookfield Property Partners makes no representation or warranty, expressed or implied, as to the accuracy or completeness of such information.

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This presentation contains “forward-looking information” within the meaning of applicable U.S. and Canadian securities laws. 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”.

Forward-looking statements include, without limitation, statements about target earnings and distribution growth, the growth potential of our existing and new investments, return on invested capital, gains on mark-to-market releasing and occupancy, targeted same-store growth and returns on redevelopment and development projects, the availability of suitable investment opportunities, the acquisition of GGP Inc. (“GGP”) and the availability of financing and our financing strategy.

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.

This presentation makes reference to net operating

income (“NOI”), funds from operations (“FFO”), and Company funds from operations (“CFFO”). NOI, FFO and CFFO do not have any standardized meaning prescribed by International Financial Reporting Standards (“IFRS”) and therefore may not be comparable to similar measures presented by other companies. The Partnership uses NOI, FFO and CFFO to assess its operating results. These measures should not be used as alternatives to Net Income and other operating measures determined in accordance with IFRS but rather to provide supplemental insights into performance. Further, these measures do not represent liquidity measures or cash flow from operations and are not intended to be representative of the funds available for distribution to unitholders either in aggregate or on a per unit basis, where presented.

For further reference, specific definitions of NOI, FFO, and CFFO are available in the Partnership’s press releases announcing its financial results each quarter.

All amounts are in U.S. dollars unless otherwise specified. Unless otherwise indicated, the statistical and financial data in this document is presented as of March 31, 2018.



Bryan Davis

Managing Partner and Chief Financial Officer



Bradley Weismiller

Managing Director and Head of Capital Markets

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Brookfield Property Partners (“BPY”) Overview

- BPY is Brookfield Asset Management’s (“Brookfield”) primary vehicle to make investments across all strategies in real estate
- We are one of the largest owners and operators of high-quality real estate in the world

MARKET SYMBOL	SCALE ¹	BROOKFIELD PARTICIPATION ¹
NASDAQ: BPY TSX: BPY-U	Unitholder Equity: ~\$29B NOI: ~\$3.9B FFO: ~\$1.6B	~52% Equity Interest; GP and Manager

CAPITALIZATION		CREDIT HIGHLIGHTS ¹	
Credit Rating	<u>S&P</u> ² : BBB(corporate) BBB- (sr unsec)	Consolidated LTV:	~54%
	<u>DBRS</u> : BBB	Senior Unsecured Deconsolidated ICR:	~20x
Average Debt Term To Maturity:	5+ YEARS	Consolidated ICR³:	~1.8x

1) All figures on a proportionate, annualized basis. Reflects the issuance of 255 million shares (either BPY units or new BPR shares) as consideration for acquisition of remaining interest of GGP at a price of \$23.50, as well as acquisition financing of \$5.5B and \$4B of liquidity from asset sales concurrent with Closing. For purposes of these numbers, Closing is assumed as June 30th, 2018

2) S&P senior unsecured rating is based off an assumed 1 notch adjustment from the published Corporate Rating. This has not yet been confirmed by S&P.

3) Calculated as Adjusted NOI divided by consolidated TTM interest expense using the same GGP adjustment as #1 above

1

Diversity and Scale across real estate sectors and geographies provides downside protection through various real estate cycles

2

Disciplined non-recourse funding model accrues to the benefit of corporate creditors

3

Low deconsolidated leverage metrics based on both cashflows and valuation provide for substantial coverage

4

In progress development deliveries and opportunistic investments create a clear **path to deleveraging** via embedded earnings growth

5

Brookfield sponsorship, unmatched scale, and investment grade rating gives **access to substantial liquidity** to fund investments or repay corporate debt



Overview of Brookfield Property Partners

\$90B¹

TOTAL ASSETS

\$46B

ASSET LEVEL BORROWINGS

\$2.3B

SENIOR UNSECURED DEBT

\$3.9B

NET OPERATING INCOME

\$1.6B

FUNDS FROM OPERATIONS

Diversified, Irreplaceable Real Estate

Stable, Diversified Long Term Cashflows

Core Office

- 148 premier office properties totaling 99 million square feet (msf) in gateway markets around the world as well as 10 msf of core office and multifamily development projects currently underway

Core Retail

- 125 best-in-class retail properties totaling 123 msf throughout the United States

Path to Deleveraging

Opportunistic Investments

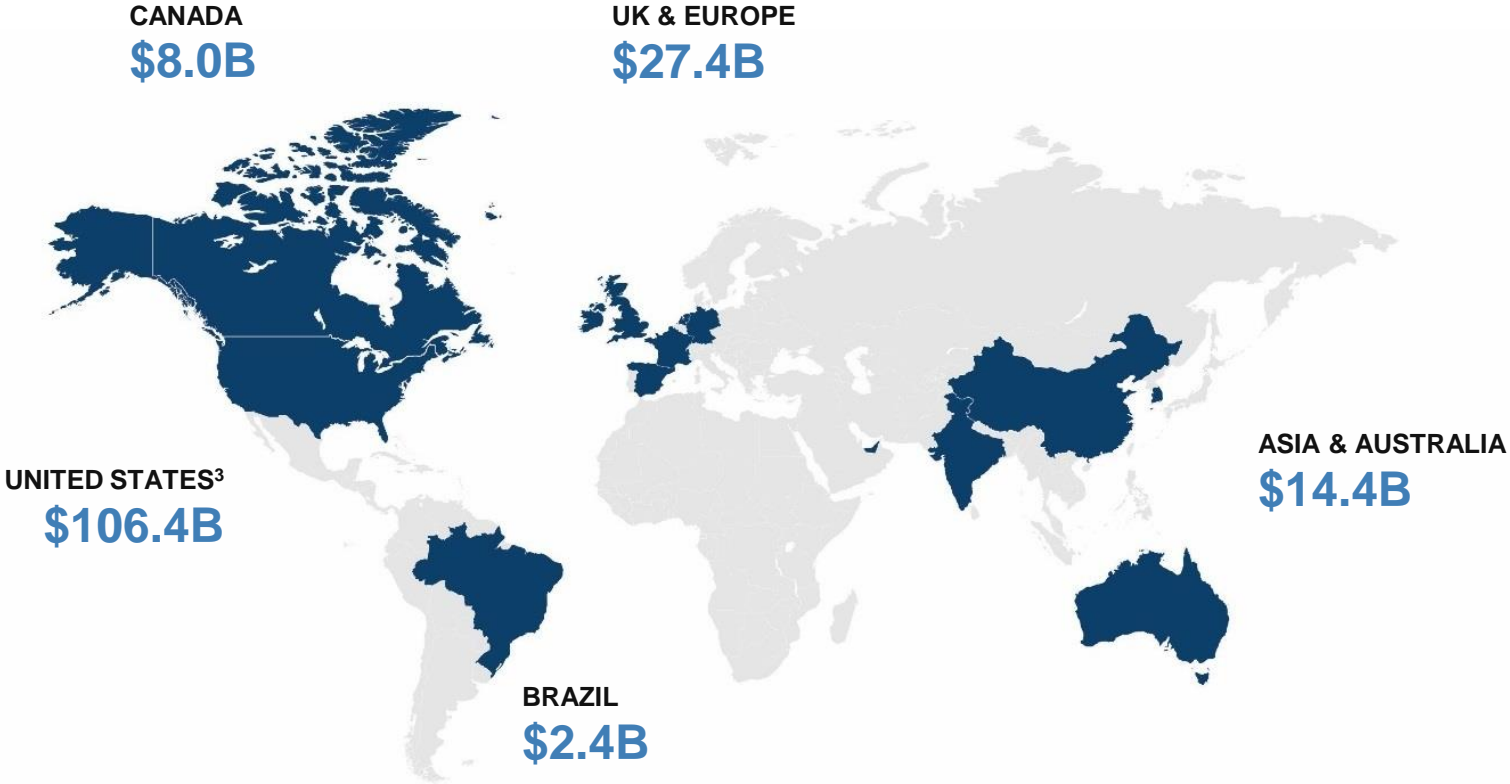
- High-quality assets with operational upside across multifamily, industrial, hospitality, triple net lease, self storage, student housing and manufactured housing sectors

Development Deliveries

- 10 msf of development, 55% pre-leased, scheduled for completion over the next 2-3 years will drive deleveraging

1) All figures on a proportionate, annualized basis. Reflects the issuance of 255 million shares (either BPY units or new BPR shares) as consideration for acquisition of remaining interest of GGP at a price of \$23.50, as well as acquisition financing of \$5.5B and \$4B of liquidity from asset sales concurrent with Closing. For purposes of these numbers, Closing is assumed as June 30th, 2018

~\$159B Total RE AUM¹ | 30 Offices | ~285 Investment Professionals | ~17K Operating Employees²



1) At the Brookfield Property Group level which includes assets of BPY and Brookfield-managed funds.
2) Employee figures are as of December 31, 2017.
3) AUM in the Bahamas are included within our US AUM figure.

Stable cash flows on core portfolios, with earnings growth coming from investment in opportunistic and development strategies

Core Office and Core Retail



Brookfield Place, New York



Fashion Show Mall, Las Vegas

Opportunistic



Conrad Hotel, Seoul



Targeting 10% to 12% Total Returns

- Approximately 80% of BPY's balance sheet
- Invested in high-quality, well-located trophy assets and development projects



Targeting 20% Total Returns

- Approximately 20% of BPY's balance sheet
- Invested in mispriced portfolios and/or properties with significant value-add

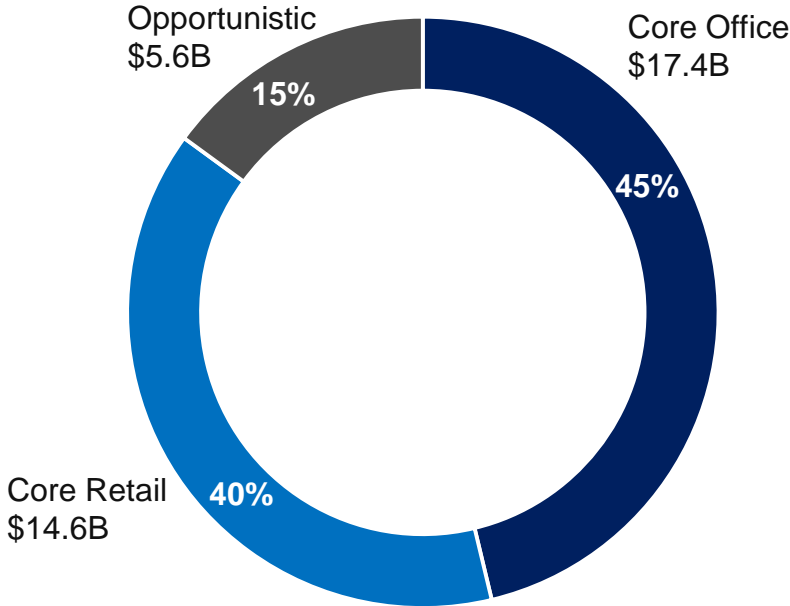
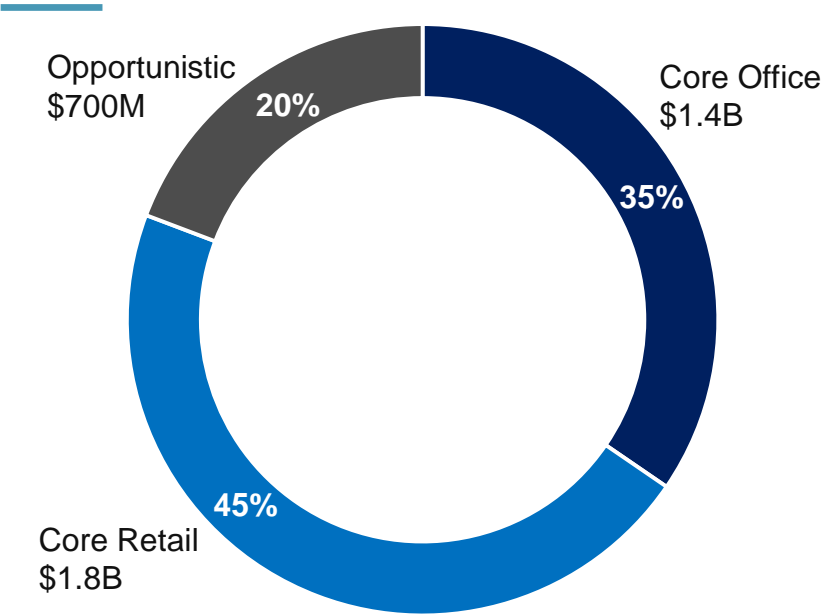
BPY's balance sheet and income is diversified across segments



\$3.9B NOI



\$37.6B Net Equity



1) Pro forma to reflect the acquisition of the remaining interest in GGP not already owned

✓ **Value-oriented, counter-cyclical** investors

✓ Specialize in **executing multi-faceted transactions** that allow us to acquire high-quality assets at a **discount to replacement cost**

✓ **Leverage our business units and operational expertise** to enhance the value of our investments

✓ **Flexibility to allocate capital** to the sectors and geographies with the **best risk-adjusted returns** at various points in the real estate cycle

✓ Continually **recycle capital from stabilized assets to higher-yielding opportunities** in order to drive deleveraging for creditors



Operating Segments

High-Quality Core Office Assets...



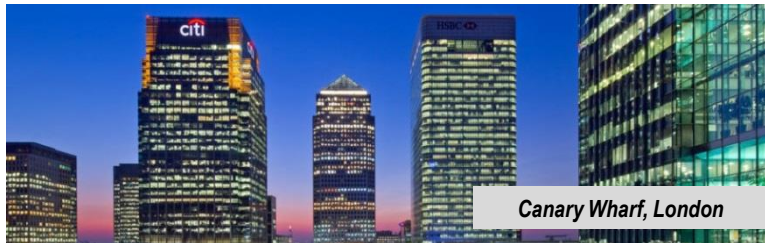
Grace Building, New York



Amex House, Sydney



First Canadian Place, Toronto



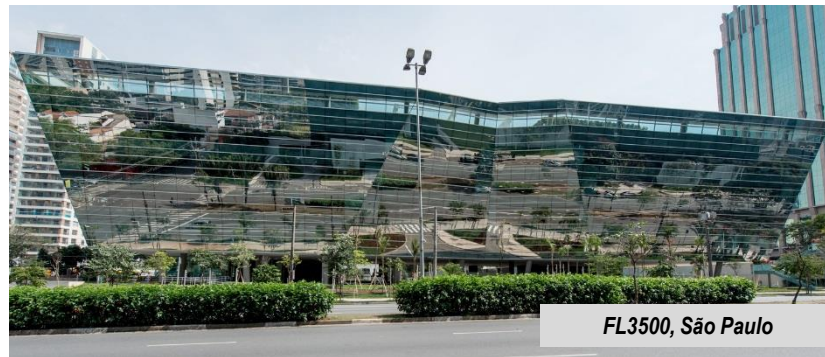
Canary Wharf, London



Brookfield Place, New York



Eichhornstraße 3, Berlin



FL3500, São Paulo

46M

Proportionate Office Sq.Ft.
Greater than any U.S. office REIT

\$1.4B

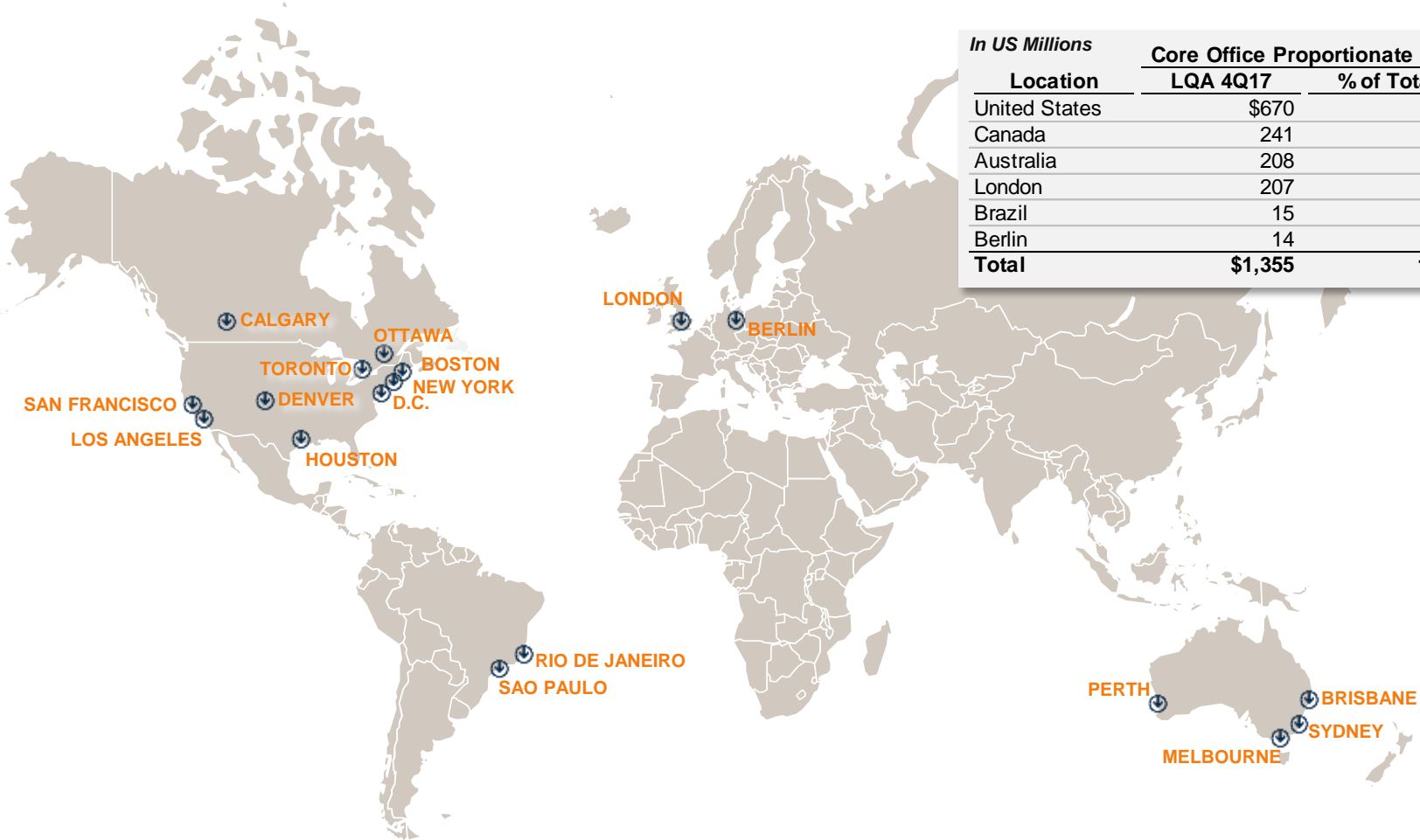
Proportionate NOI¹
12% potential
mark-to-market opportunity

92.6%

Occupancy
Driven by best-in-class
asset management

1) For the 12 months ended December 31, 2017

...That Are Located in Top Markets Around the Globe



Location	Core Office Proportionate NOI	
	LQA 4Q17	% of Total
United States	\$670	50%
Canada	241	18%
Australia	208	15%
London	207	15%
Brazil	15	1%
Berlin	14	1%
Total	\$1,355	100%

Highly Productive Best-in-Class Malls and Urban Retail



123M

*Same-Property Sq.Ft.
125 well-located malls*

\$611

*Average Tenant Sales per Sq.Ft.
Strong Class A retail
performance*

94.3%

*Same-Property Occupancy
Continued strength in leasing*



Note: BPY's core retail portfolio is derived through its investment in GGP

- Our class A+ mall portfolio represents approximately **20% of the top 500 malls in the United States, including 3 of the top 5.**¹ Although total retail space in the U.S. is likely to contract in the coming years, high-quality malls continue to demonstrate meaningful outperformance and serve as the **centerpiece of all retail activity in the U.S.**
- The declining performance of traditional department stores has **created opportunities** to recapture square footage within our existing centers and **improve their productivity** by introducing more dining, entertainment and fitness venues as well as e-retailer ‘pop-up’ and permanent stores.
- **Development and redevelopment initiatives in our core retail portfolio** total \$1.5B (~\$512M at BPY’s share), of which \$1.4B is currently under construction with a further \$100M in the pipeline. The projects are earning an average 8% yield on cost.

Inserting new technology into our malls has been a major driver to elevate the shopping experience – from retail and dining to entertainment and leisure

1) Source: CNBC.com article from 1/29/18.

Mispriced Opportunistic Assets with Upside to Earn Outsized Returns Brookfield



1,237

Number of Property Interests
Globally diversified in more than
10 countries

\$5.6B

Invested Capital in BAM Funds
Ability to deploy capital into the
most attractive opportunities

\$731M

Proportionate FY 2017 NOI¹
Scale comparable to some of the
largest U.S. real estate companies

1) As of December 31, 2017



Developments

- We **opportunistically pursue developments** to:
 - Earn premium risk-adjusted returns compared to acquisitions (~200-250 bps spread)
 - Upgrade our portfolio with new, trophy assets in key strategic markets
- Development strategy seeks to **limit risk**:
 - Typically secure anchor leases for 40% – 50% of space before launching project
 - Execute guaranteed maximum price contracts to reduce construction risk
 - Bring in JV partners once project is substantially de-risked
 - Limit developments to less than 10% of total assets
- **Prominent, large-scale projects** primarily in the high-growth markets of London and New York City
- Active office and multifamily projects typically earn a 7% yield on cost and as a result will **contribute meaningfully to earnings and value creation** upon completion

Delivery of our 6.1 msf of active office developments will contribute meaningfully to NOI

Project	City	Pre-Leased	Date of Completion	Cost ¹ (US\$ millions)	Funded to Date	Yield
655 New York Avenue	Washington, DC	70%	Q3 2018	\$ 285	\$ 186	7%
100 Bishopsgate	London	63%	Q1 2019	1,226	903	7%
ICD Brookfield Place	Dubai	0%	Q3 2019	342	199	11%
1 Bank Street	London	40%	Q3 2019	360	202	7%
One Manhattan West	New York	84%	Q4 2019	1,063	572	6%
New District - Office	London	33%	Q2 2021	175	13	8%
Total		55%		\$ 3,451	\$ 2,075²	7%



1) Represents BPY's proportionate share of investment
 2) \$1.2B of committed and available construction financing

Supplemented by our growing urban multifamily development program, currently with nearly 4 msf underway

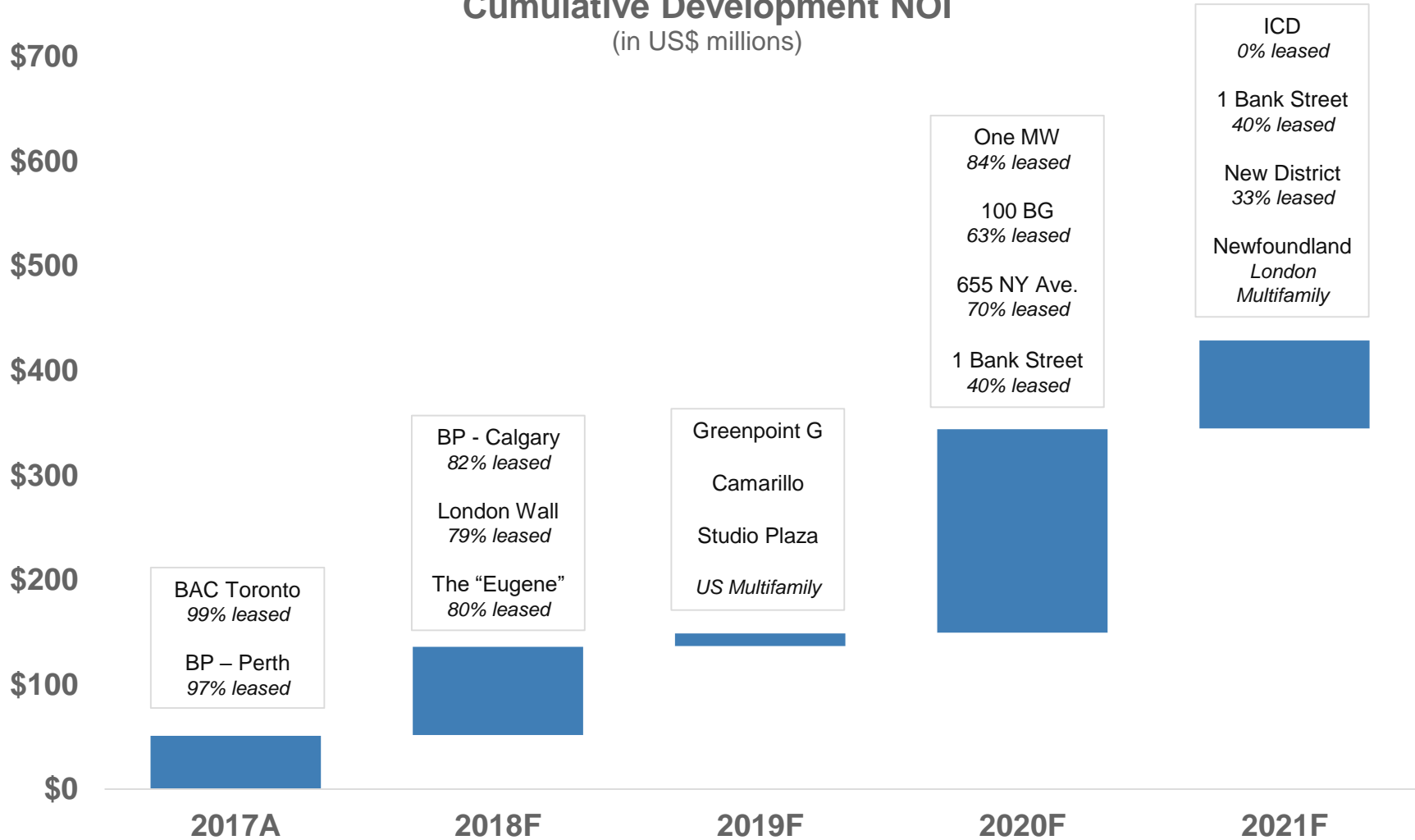
Project	City	Date of Completion	Cost ¹ (US\$ millions)	Funded to Date	Yield
Rentals:					
Village Gateway	Camarillo, CA	Q4 2018	\$ 127	\$ 104	7%
Studio Plaza	Silver Spring, MD	Q1 2019	106	62	7%
Greenpoint Landing – Building G	Brooklyn, NY	Q1 2019	273	174	6%
New District – 8 Water St. / 2 George St.	London	Q4 2019	212	175	5%
Newfoundland	London	Q1 2020	349	202	4%
Greenpoint Landing – Building F	Brooklyn, NY	Q3 2020	358	102	6%
Condos for Sale:					Margin
Principal Place	London	Q1 2019	266	177	17%
Southbank Place	London	Q4 2019	314	167	20%
New District – 10 Park Drive	London	Q4 2019	165	147	31%
New District – One Park Drive	London	Q2 2021	310	101	30%
Total			\$ 2,480	\$ 1,411²	

1) Represents BPY's proportionate share of investment

2) \$950 million of committed and available construction financing

Over \$400 million of Development NOI coming in the next five years

Cumulative Development NOI (in US\$ millions)



- Plan has BPY achieving **CFFO of \$2.1B by 2021** from \$1.6B¹ in 2018 and representing a 9% CAGR

- Incremental ~\$500M of CFFO driven by:
 - 1 Achieving same store growth of between 2-3%

 - 2 Completing active developments on time and budget

 - 3 Continuing to recycle \$1B+ of capital into higher-return opportunities

1) Annualized CFFO run rate based on GGP acquisition. Reflects the issuance of 255 million shares (either BPY units or new BPR shares) as consideration for acquisition of remaining interest of GGP at a price of \$23.50,



Financial Highlights

(US\$ millions)

Total Assets	\$ 90,008
Property Level Borrowings	(45,876)
Subsidiary Liabilities	(6,560)
Total BPY Net Equity	37,572
Senior Unsecured Borrowings	(2,260)
Capital Securities, Preferred Equity, Deferred Taxes, Other	(6,300)
Net Unitholder Equity	29,012

SENIOR UNSECURED CREDIT HIGHLIGHTS

- Diversity and Scale** across sectors and geographies provides downside protection through various real estate cycles
- Disciplined non-recourse funding model**
- Low deconsolidated leverage metrics**
- Clear path to deleveraging** via pre-leased development deliveries
- Access to substantial liquidity** via large balance sheet and strategic Brookfield sponsorship

- We finance our investments predominantly with **asset-level, non-recourse debt**
- We raise debt in **local currency** with primarily **fixed interest rates**
- We source the **lowest-cost capital** to fund growth
 - Recycle capital from stabilized assets
 - Consider issuing equity if expected returns exceed our cost of capital
- We target a **conservative payout ratio**, which combined with realized gains from our opportunistic investing allows us to retain sufficient cash flow for tenant improvements, leasing costs and organic growth
- Our **investment-grade corporate credit rating** provides financing flexibility and access to multiple sources of liquidity at the corporate level

The **quality and diversification of our assets** support our target of achieving long-term proportionate **leverage target of 50%**

Low deconsolidated leverage metrics

(US\$ millions, except per unit amount)	March 31, 2018			GGP ¹	Pro Forma
	Assets	Liabilities	Equity		
Office	\$ 37,936	\$ (20,558)	\$ 17,378		\$ 17,378
Retail	15,375	(6,765)	8,610	5,963	14,573
Opportunistic	15,435	(9,814)	5,621		5,621
Assets			31,609	5,963	37,572
Senior Unsecured Borrowings			(2,260)		(2,260)
Fund Subscription Facilities			(264)		(264)
Capital securities			(1,324)	500	(824)
Mandatorily convertible capital securities ²			(1,602)		(1,602)
Deferred tax and other liabilities			(1,402)		(1,402)
Perpetual preferred shares ³			(2,208)		(2,208)
Unitholder equity			\$ 22,549	\$ 6,463	\$ 29,012

- FFO / Senior Unsecured Debt: 71%
- FFO to Senior Unsecured Debt Service: ~20x
- Deconsolidated Debt / Capitalization: 6%

1) Reflects the issuance of 255 million shares (either BPY units or new BPR shares) as consideration for acquisition of remaining interest of GGP at a price of \$23.50

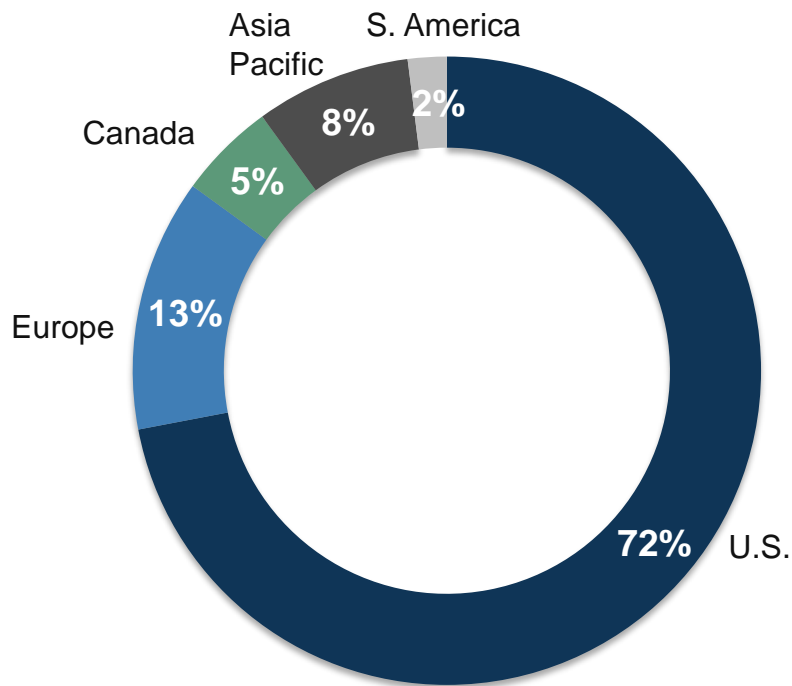
2) Preferred shares that are mandatorily convertible into equity

3) Includes perpetual preferred shares issued by Brookfield Office Properties that are guaranteed by BPY

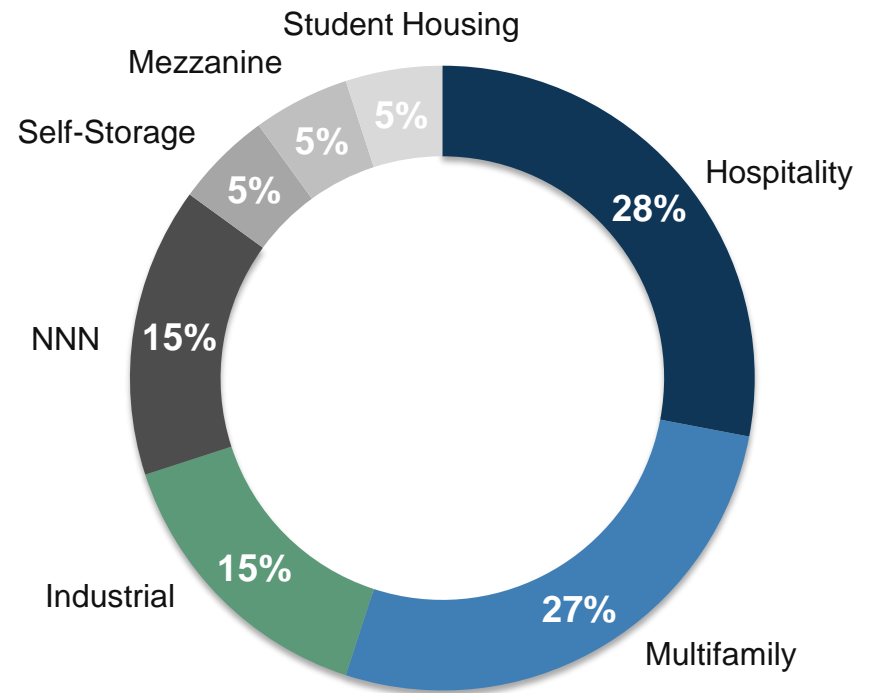
Diversification gives us the flexibility to allocate capital and the confidence for continued earnings and distribution growth



\$25B in assets outside of U.S.¹



\$10B invested in other sectors



1) Pro forma to reflect the acquisition of the remaining interest in GGP not already owned

There are four primary sources of liquidity to service and repay Senior Unsecured Indebtedness

1 – Cash from Operations

- Currently generate CFFO of \$1.6B annually and target to generate over \$2.0B by 2021
- Strong cashflow creates the ability to quickly repay corporate indebtedness if required

2 – Asset Level Embedded Equity

- Excluding corporate borrowings, assets are leveraged at 51% LTV
- While not part of the business plan, BPY could upfinance its asset base to generate liquidity at the corporate level

3 – Access to Capital Markets

- IG credit rating and scale allow access to:
 - Canadian corporate bond market
 - Preferred share market: \$2.2B currently trading in public markets
 - Public equity markets: Nasdaq and TSX listing with \$11.0B¹ float

4 – Strong Corporate Sponsorship and LP Relationships

- BAM's 52%¹ investment represents \$17.0B of capital invested in BPY
- BPY has significant institutional relationships with over 320 partners globally to participate in JV equity or other partnerships

1) Reflects the issuance of 255 million shares (either BPY units or new BPR shares) as consideration for acquisition of remaining interest of GGP at a price of \$23.50.

Looking forward, we are positioned to **deliver stable and growing cashflow from leasing and development activities** in our core office and retail businesses...

and to **drive deleveraging via earnings growth from the capital we have invested** in our active development pipeline and our opportunistic strategy

Issuer

Brookfield Property Finance ULC (“Debt Issuer”)

Guarantors

Full and unconditional guarantees by:

- BPY
- Brookfield Property L.P. (the “Property Partnership”)
- Brookfield BPY Holdings Inc. (“CanHoldco”)
- Brookfield BPY Retail Holdings II Inc. (“CanHoldco 2”)
- BPY Bermuda Holdings Limited (“Bermuda Holdco”)
- BPY Bermuda Holdings II Limited (“Bermuda Holdco 2”)
- BPY Bermuda Holdings IV Limited (“Bermuda Holdco 4”)
- BPY Bermuda Holdings V Limited (“Bermuda Holdco 5”)
- BPY Bermuda Holdings VI Limited (“Bermuda Holdco 6”)

Issuer Rating¹

S&P Corporate: BBB
S&P Senior Unsecured: BBB-

DBRS: BBB

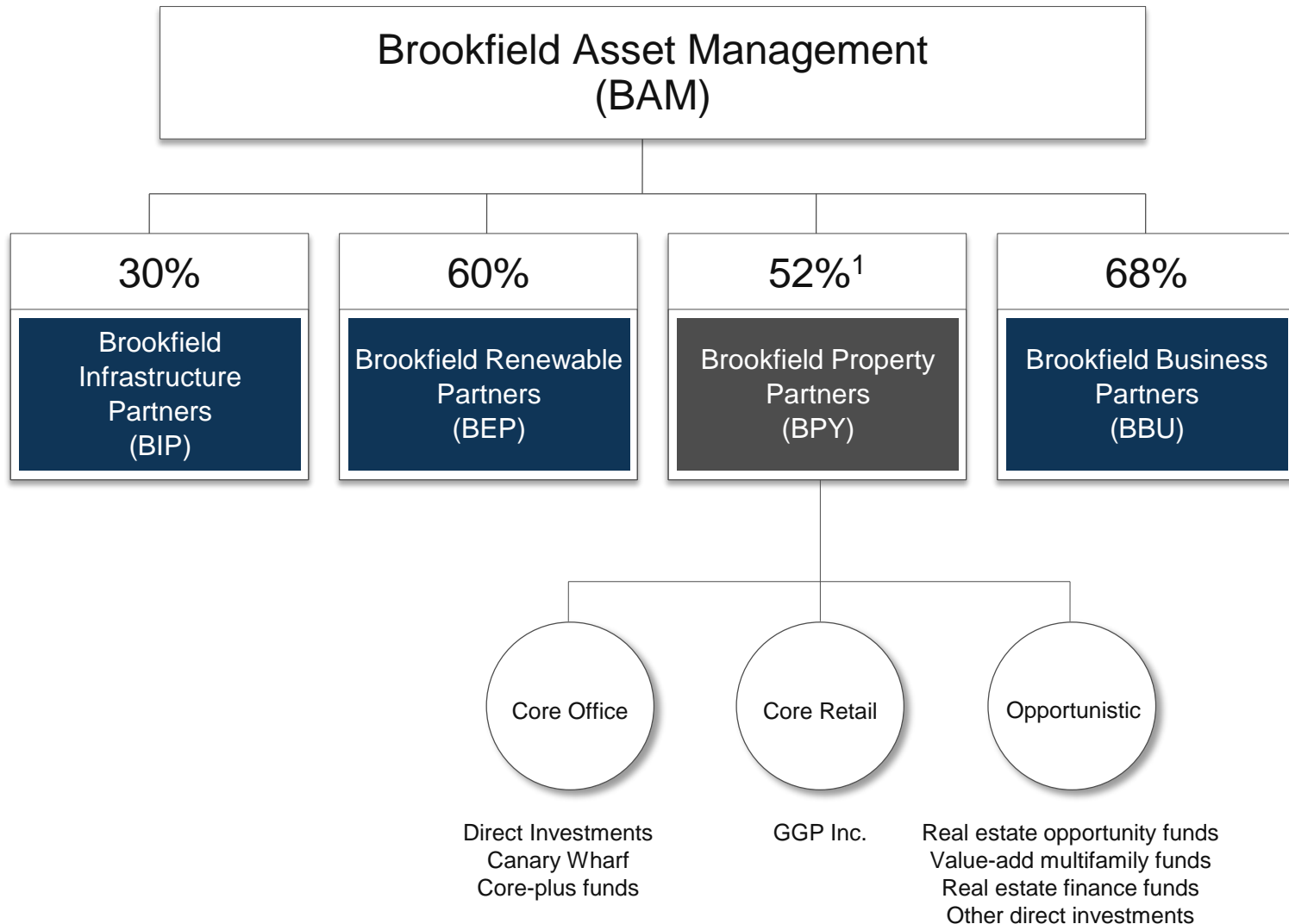
Key Potential Covenants

- Limitation on Liens
- Limitation on incurrence of funded indebtedness (consolidated Funded Indebtedness may not exceed 70% of Total Consolidated Capitalization)
- Change of Control (101% put right upon the incurrence of a Change of Control Triggering Event)

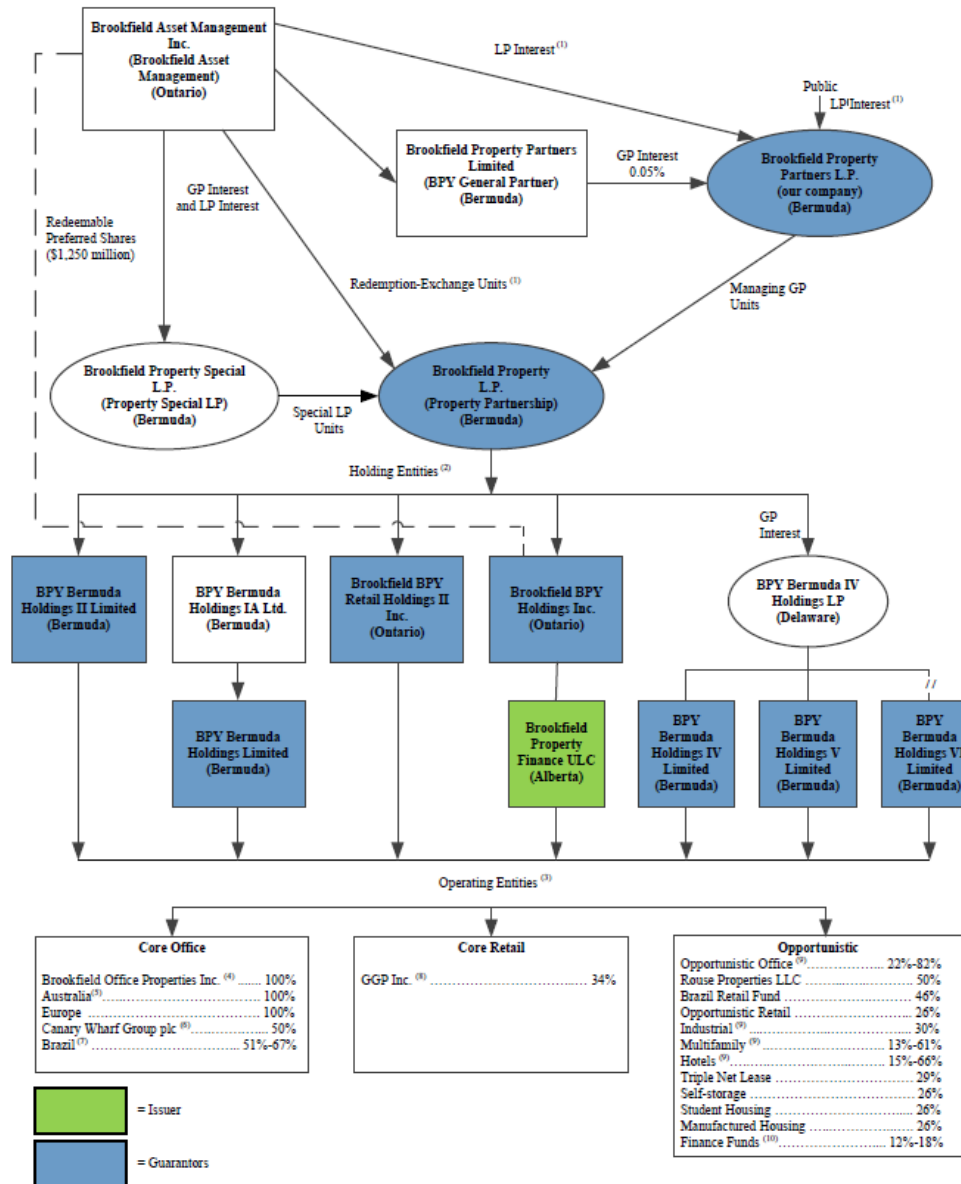
1) S&P senior unsecured rating is based off an assumed 1 notch adjustment from the published Corporate Rating. This has not yet been confirmed by S&P.



Appendix A – Structure and Governance



1) Reflects the issuance of 255 million shares (either BPY units or new BPR shares) as consideration for acquisition of remaining interest of GGP at a price of \$23.50 and acquisition financing of \$5.5B based on raising \$4B of capital at close from asset sales



1) Footnote details are available in BPY's 20-F for the year ended December 31, 2017

- BPY's governance is structured to provide alignment of interests with unitholders
- BPY has an established Master Services Agreement with Brookfield
 - Brookfield provides executive oversight of BPY and services relating to the origination of acquisitions, financings, business planning and supervision of day-to-day management and administration activities
 - Management fee, on an annualized basis, equal to 0.5% of the total capitalization of BPY, subject to a minimum fee of \$50 million
 - Equity enhancement distributions, on an annualized basis, equal to 1.25% of the increase in BPY's market capitalization over the initial capitalization of approximately \$11.5B
 - Credit applied for management fees paid on investment in Brookfield-sponsored funds
- Incentive distributions based upon increases in distributions paid to unitholders over pre-defined thresholds
 - 15% participation by Brookfield in distributions over \$1.10 per unit
 - 25% participation by Brookfield in distributions over \$1.20 per unit
 - Credit applied for incentive fees paid on investments in Brookfield-sponsored funds
- BPY's general partner has a majority of independent directors

BAM's \$17B¹ investment in BPY is more than 400x the fees paid by third parties in 2017

1) Based on IFRS reporting.



Appendix B – Proportionate Balance Sheet

Proportionate Balance Sheet

(US\$ Millions)	Q1 2018	Pro Forma GGP ¹	Pro Forma
Commercial Properties	\$ 59,611	\$ 19,492	\$ 79,103
Cash and Cash Equivalents	1,665	177	1,842
Other Assets	7,718	1,345	9,063
Assets	68,994	21,014	90,008
Senior Unsecured Borrowings	(2,260)	-	(2,260)
Fund Subscription Facilities	(264)	-	(264)
Asset Level Debt	(31,372)	(14,504)	(45,876)
Capital Securities	(1,532)	500	(1,032)
Mandatorily Convertible Capital Securities ²	(1,602)	-	(1,602)
Deferred Tax and Other Liabilities	(6,718)	(65)	(6,783)
Perpetual Preferred Shares and NCI	(2,697)	(482)	(3,179)
Unitholder equity	\$ 22,549	\$ 6,463	\$ 29,012

1) Reflects the issuance of 255 million shares (either BPY units or new BPR shares) as consideration for acquisition of remaining interest of GGP at a price of \$23.50, as well as acquisition financing of \$5.5B and \$4B of liquidity from asset sales concurrent with Closing. For purposes of these numbers, Closing is assumed as June 30th, 2018

2) Preferred shares that are mandatorily convertible into equity