

BROOKFIELD OFFICE PROPERTIES INC.

Cumulative Rate Reset Class AAA Preference Shares, Series EE

Term Sheet

February 9, 2017

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 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.

Prospective investors should be aware that the acquisition of the Series EE Preferred Shares and the Series FF Preferred Shares (each as defined below) may have tax consequences. Such tax consequences may not be described fully in the final base shelf prospectus, any amendment and any applicable shelf prospectus supplement. Prospective investors should consult their own tax advisors with respect to their particular circumstances.

The following is a summary of certain of the material attributes and characteristics of the Series EE Preferred Shares and the Series FF Preferred Shares but does not purport to be complete.

ISSUER:	Brookfield Office Properties Inc. ("Brookfield" or the "Company").
ISSUE:	8,000,000 Cumulative Minimum Rate Reset Class AAA Preference Shares, Series EE (the "Series EE Preferred Shares") 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 and BPY Bermuda Holdings V Limited (collectively the "Guarantors").
AMOUNT:	C\$200,000,000
ISSUE PRICE:	C\$25.00 per Series EE Preferred Share.
UNDERWRITERS' OPTION:	The Company has granted the Underwriters an option exercisable at the Issue Price, in whole or in part, up to two (2) business days prior to Closing, to purchase up to 2,000,000 (C\$50,000,000) Series EE Preferred Shares.
USE OF PROCEEDS:	The net proceeds of the issue will be used for general corporate purposes which may include the redemption of existing preferred shares.
INITIAL DIVIDEND RATE:	5.10% per annum, payable quarterly for the Initial Fixed Rate Period (as defined below).
DIVIDENDS:	<i>Initial Fixed Rate Period:</i> - Fixed, cumulative, preferential cash dividends payable quarterly on the last day of March, June, September, and December at an annual rate of C\$1.275 per Series EE Preferred Share, for the initial period ending on March 31, 2022 (the "Initial Fixed Rate Period"). The first of such dividends, if declared, will be payable on March 31, 2017 and will be C\$0.1467 per Series EE Preferred Share, based on the anticipated closing of the offering on February 17, 2017. <i>Subsequent Fixed Rate Periods:</i> - For every five-year period after the Initial Fixed Rate Period (a "Subsequent Fixed Rate Period"), the Company will determine on the 30th day prior to the first day of a Subsequent Fixed Rate Period, the annual

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fixed dividend rate applicable to that Subsequent Fixed Rate Period (the "Annual Fixed Dividend Rate").

- Notice of Annual Fixed Rate Dividend for the upcoming Subsequent Fixed Rate Period will be provided by Brookfield on the 30th day prior to the first day of a Subsequent Fixed Rate Period.
- The Annual Fixed Dividend Rate will be equal to the greater of: (i) the 5-Year Government of Canada Bond Yield ("GCAN5YR") plus 3.96% as quoted on Bloomberg (see quote for "GCAN5YR <INDEX>") or comparable sources at 10:00 a.m. (Toronto time) on the 30th day prior to the first day of a Subsequent Fixed Rate Period and (ii) 5.10%.
- Fixed, cumulative, preferential cash dividends payable quarterly on the last business day of March, June, September and December, based on the Annual Fixed Dividend Rate.

CONVERSION:

Election to Convert:

- On March 31, 2022 and on March 31 every five years thereafter (each a "Series EE Conversion Date"), the holders of Series EE Preferred Shares will have the right to elect to convert (subject to the Automatic Conversion provision described below) any or all of their Series EE Preferred Shares into an equal number of Cumulative Floating Rate Class AAA Preference Shares, Series FF (the "Series FF Preferred Shares"). Should any such March 31 not be a business day, the Series EE Conversion Date will be the next business day.

Election Notice:

- Holders of Series EE Preferred Shares who elect to convert their shares into Series FF Preferred Shares are required to provide the Company with written notice (an "Election Notice") on a date not earlier than the 30th day and not later than 5:00 p.m. (Toronto time) on the 15th day preceding the applicable Series EE Conversion Date. Once received by the Company, an Election Notice is irrevocable.

Notice of Series EE Conversion Date and Dividend Rates:

- Notice of a Series EE Conversion Date and a form of Election Notice will be given by the Company at least 30 days and not more than 60 days prior to the Series EE Conversion Date.
- Notice of the Annual Fixed Dividend Rate for the upcoming Subsequent Fixed Rate Period will be provided by the Company on the 30th day prior to each Series EE Conversion Date.

Not Electing to Convert and Continuing to Hold Series EE Preferred Shares:

- If the Company does not receive an Election Notice from a holder of Series EE Preferred Shares during the time fixed therefor, then the Series EE Preferred Shares shall be deemed not to have been converted (except in the case of an Automatic Conversion).

Automatic Conversion and Restrictions on Conversion:

- Series FF Preferred Shares may, on certain dates after March 31, 2022,

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be converted into Series EE Preferred Shares at the option of the holders thereof (see Term Sheet for Series FF Preferred Shares attached).

- If the Company determines that, after taking into account all Election Notices, including all Election Notices in respect of the Series FF Preferred Shares, received by the Company during the time fixed therefor, there would be less than 1,000,000 Series EE Preferred Shares outstanding on the applicable Series EE Conversion Date, then all outstanding Series EE Preferred Shares will automatically be converted on such Series EE Conversion Date into Series FF Preferred Shares.
- If (I) the Company determines that, after taking into account all Election Notices, including all Election Notices in respect of the Series EE Preferred Shares, received by the Company during the time fixed therefor, there would be less than 1,000,000 Series FF Preferred Shares outstanding on a Series EE Conversion Date, or (II) the Company gives notice of redemption of all outstanding Series EE Preferred Shares, then holders of Series EE Preferred Shares will not be entitled to convert their shares into Series FF Preferred Shares.

REDEMPTION:

The Series EE Preferred Shares will not be redeemable prior to March 31, 2022. On March 31, 2022 and on each Series EE Conversion Date thereafter, on not more than 60 nor less than 30 days' notice, the Company may, at its option, redeem all or any number of the then outstanding Series EE Preferred Shares upon payment of C\$25.00 in cash for each Series EE Preferred Share so redeemed together with all accrued and unpaid dividends to the date fixed for redemption. Should any such Series EE Conversion Date not be a business day, the redemption date in that year will be the next succeeding business day.

THE COMPANY'S OPTION TO EXCHANGE:

At any time without approval of the holders of Series EE Preferred Shares, the Company may, at its option, exchange all of the then outstanding Series EE Preferred Shares into the same number of freely tradable preference shares (the "New Series EE Preferred Shares") of a newly formed Canadian subsidiary ("Successor") of the Company's parent, BPY, provided that: (i) the New Series EE Preferred Shares have the same terms as the Series EE Preferred Shares, (ii) any applicable regulatory approvals are obtained, (iii) the New Series EE Preferred Shares are fully and unconditionally guaranteed by BPY, (iv) the New Series EE Preferred Shares are assigned ratings which are the same or higher than the then prevailing ratings of the Series EE Preferred Shares and (v) the tax considerations generally applicable to a holder of the New Series EE Preferred Shares are the same as for the Series EE Preferred Shares and no tax shall be payable by a holder of Series EE Preferred Shares as a result of such exchange. In such case, the New Series EE Preferred Shares would then be convertible into preference shares (the "New Series FF Preferred Shares") of the Successor with the same terms as the Series FF Preferred Shares. Like the New Series EE Preferred Shares, the New Series FF Preferred Shares would be required to be fully and unconditionally guaranteed by BPY (including as to the tax election of the Successor in respect of Part VI.1 tax).

PURCHASE FOR CANCELLATION:

The Company may at any time purchase for cancellation any Series EE Preferred Shares at the lowest price or prices at which in the opinion of the Board of Directors of the Company such shares are obtainable.

RIGHTS ON

In the event of the liquidation, dissolution or winding-up of the Company, the holders of the Series EE Preferred Shares will be entitled to receive C\$25.00 per

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LIQUIDATION:	share together with all dividends accrued and unpaid to the date of payment before any amount will be paid or any assets of the Company distributed to the holders of any shares ranking junior to the Series EE Preferred Shares. The holders of the Series EE Preferred Shares will not be entitled to share in any further distribution of the assets of the Company.
GUARANTEE:	The Series EE Preferred Shares will be fully and unconditionally guaranteed, jointly and severally, as to: (i) the payment of dividends, as and when declared, (ii) the payment of amounts due on redemption, and (iii) the payment of amounts due on the liquidation, dissolution or winding-up of the Company, by the Guarantors.
VOTING RIGHTS:	The holders of the Series EE Preferred Shares will not be entitled to receive notice of, attend, or vote at, any meeting of shareholders of the Company unless and until the Company shall have failed to pay eight quarterly dividends on the Series EE Preferred Shares, whether or not consecutive. In the event of such non-payment, and for only so long as any such dividends remain in arrears, the holders of the Series EE Preferred Shares will be entitled to receive notice of and to attend each meeting of the Company's shareholders, other than meetings at which only holders of another specified class or series are entitled to vote, and to one vote for each Series EE Preferred Share held.
RANK:	The Series EE Preferred Shares will rank on parity with each other Class AAA preference share and junior to the Class A and Class AA preference shares and will rank prior to the Common Shares of the Company as to the payment of dividends and the distribution of assets on dissolution, liquidation or winding-up of the Company.
LISTING:	Application will be made to list the Series EE Preferred Shares on the Toronto Stock Exchange.
RATINGS:	DBRS : Pfd-3 S&P : P-3 (high)
TAX STATUS ON SERIES EE PREFERRED SHARES:	The Company will elect to pay tax under Part VI.1 of the Income Tax Act (Canada) such that holders of Series EE Preferred Shares will not be required to pay tax on dividends received on such shares under Part IV.1.
ELIGIBILITY FOR INVESTMENT:	Eligible under the usual statutes as well as for RRSPs, RRIFs, RESPs, RDSPs, DPSPs and TFSAs.
FORM OF OFFERING:	Public offering in all provinces of Canada by way of supplement to the Company's short form base shelf prospectus dated August 29, 2016.
FORM OF UNDERWRITING:	"Bought deal" subject to due diligence, and conventional bought deal termination provisions to be included in a definitive underwriting agreement.
UNDERWRITING FEE:	1% of sales to certain institutions; 3% of all other sales.
CLOSING:	February 17, 2017

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ISSUER:	Brookfield Office Properties Inc. ("Brookfield" or the "Company").
ISSUE:	Cumulative Floating Rate Class AAA Preference Shares, Series FF (the "Series FF Preferred Shares") guaranteed by the Guarantors.
DIVIDENDS:	<i>Quarterly Dividend Payments:</i> - Cumulative, preferential cash dividends payable quarterly on the last business day of March, June, September, and December (the "Quarterly Dividend Payment Date") at the Floating Quarterly Dividend Rate (as defined below). <i>Floating Quarterly Dividend Rate:</i> - The Floating Quarterly Dividend Rate for a quarter will be equal to the 90-day Canadian Treasury Bill Rate ("T-Bill Rate") plus 3.96%, on an actual/365 day count basis. The T-Bill Rate will be calculated using the 3-month average results, as reported by the Bank of Canada, for the most recent auction preceding the date on which the Floating Quarterly Dividend Rate for such quarter is determined. Auction results are posted on the Bloomberg page "CA3MAY <INDEX>". - The Floating Quarterly Dividend Rate for such quarter will be determined 30 days prior to the first day of the quarter by the Company.
CONVERSION:	<i>Election to Convert:</i> - On March 31, 2027 and on each March 31 every five years thereafter (the "Series FF Conversion Date"), the holders of Series FF Preferred Shares will have the right to elect to convert (subject to Automatic Conversion and Restrictions on Conversion described below) any or all of their Series FF Preferred Shares into an equal number of Cumulative Minimum Rate Reset Class AAA Preference Shares, Series EE (the "Series EE Preferred Shares"). Should any such March 31 not be a business day, the Series FF Conversion Date will be the next business day. <i>Election Notice:</i> - Holders of Series FF Preferred Shares who elect to convert their Series FF Preferred Shares into Series EE Preferred Shares on a Series FF Conversion Date are required to provide the Company with written notice (an "Election Notice") on a date not earlier than the 30th day and not later than 5:00 p.m. (Toronto time) on the 15th day preceding the applicable Series FF Conversion Date. Once received by the Company, an Election Notice is irrevocable. <i>Notice of Series FF Conversion Date and Dividend Rates:</i> - Notice of a Series FF Conversion Date and a form of Election Notice will be given by the Company at least 30 days and not more than 60 days prior to the Series FF Conversion Date. - Notice of the Annual Fixed Dividend Rate to the Series EE Preferred Shares for the upcoming period after the initial period ending on March 31, 2022 (a "Subsequent Fixed Rate Period") will be provided by the Company on the 30th day prior to each Series FF Conversion Date.

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Not Electing to Convert and Continuing to Hold Series FF Preferred Shares:

- If the Company does not receive an Election Notice from a holder of Series FF Preferred Shares during the time fixed therefor, then the Series FF Preferred Shares shall be deemed not to have been converted (except in the case of an Automatic Conversion).

Automatic Conversion and Restrictions on Conversion:

- Series EE Preferred Shares may, on certain dates after March 31, 2022, be converted into Series FF Preferred Shares at the option of the holders thereof (see Term Sheet for Series EE Preferred Shares attached).
- If the Company determines that, after taking into account all Election Notices received, there would be less than 1,000,000 Series FF Preferred Shares outstanding on the applicable Series FF Conversion Date, then all outstanding Series FF Preferred Shares will automatically be converted on such Series FF Conversion Date into an equal number of Series EE Preferred Shares.
- If (I) the Company determines that, after taking into account all Election Notices received by the Company during the time fixed therefor, there would be less than 1,000,000 Series EE Preferred Shares outstanding on the applicable Series FF Conversion Date, or (II) the Company gives notice of redemption of all outstanding Series FF Preferred Shares, then holders of Series FF Preferred Shares will not be entitled to convert their shares into Series EE Preferred Shares.

REDEMPTION:

On March 31, 2027 and on each Series FF Conversion Date thereafter, on not more than 60 nor less than 30 days' notice, the Company may, at its option, redeem all or any number of the then outstanding Series FF Preferred Shares upon payment in cash for each Series FF Preferred Share so redeemed of an amount equal to C\$25.00 together with all accrued and unpaid dividends to the date fixed for redemption. On any other date after March 31, 2022 that is not a Series FF Conversion Date, on not more than 60 nor less than 30 days' notice, the Company may, at its option, redeem all or any part of the then outstanding Series FF Preferred Shares upon payment in cash for each Series FF Preferred Share so redeemed for an amount equal to C\$25.50 together with all accrued and unpaid dividends to the date fixed for redemption. Should any such March 31 not be a business day, the redemption date in that year will be the next business day.

THE COMPANY'S OPTION TO EXCHANGE:

At any time without approval of the holders of Series FF Preferred Shares, the Company may, at its option, exchange all of the then outstanding Series FF Preferred Shares into the same number of freely tradable preference shares (the "New Series FF Preferred Shares") of a newly formed Canadian subsidiary ("Successor") of the Company's parent, BPY, provided that: (i) the New Series FF Preferred Shares have the same terms as the Series FF Preferred Shares, (ii) any applicable regulatory approvals are obtained, (iii) the New Series FF Preferred Shares are fully and unconditionally guaranteed by BPY, (iv) the New Series FF Preferred Shares are assigned ratings which are the same or higher than the then prevailing ratings of the Series FF Preferred Shares and (v) the tax considerations generally applicable to a holder of the New Series FF Preferred Shares are the same as for the Series FF Preferred Shares and no tax shall be payable by a holder of Series FF Preferred Shares as a result of such exchange. In such case, the New Series FF Preferred Shares would then be convertible into preference shares (the "New Series EE Preferred Shares") of the Successor with the same

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	terms as the Series EE Preferred Shares. Like the New Series FF Preferred Shares, the New Series EE Preferred Shares would be required to be fully and unconditionally guaranteed by BPY (including as to the tax election of the Successor in respect of Part VI.1 tax).
PURCHASE FOR CANCELLATION:	The Company may at any time purchase for cancellation any Series FF Preferred Shares at the lowest price or prices at which in the opinion of the Board of Directors of the Company such shares are obtainable.
RIGHTS ON LIQUIDATION:	In the event of the liquidation, dissolution or winding-up of the Company, the holders of the Series FF Preferred Shares will be entitled to receive C\$25.00 per share together with all dividends accrued and unpaid to the date of payment before any amount will be paid or any assets of the Company are distributed to the holders of any shares ranking junior to the Series FF Preferred Shares. The holders of the Series FF Preferred Shares will not be entitled to share in any further distribution of the assets of the Company.
GUARANTEE:	The Series FF Shares will be fully and unconditionally guaranteed, jointly and severally, as to: (i) the payment of dividends, as and when declared, (ii) the payment of amounts due on redemption, and (iii) the payment of amounts due on the liquidation, dissolution or winding-up of the Company, by the Guarantors.
VOTING RIGHTS:	The holders of the Series FF Preferred Shares will not be entitled to receive notice of, attend, or vote at, any meeting of shareholders of the Company unless and until the Company shall have failed to pay eight quarterly dividends on the Series FF Preferred Shares, whether or not consecutive. In the event of such non-payment, and for only so long as any such dividends remain in arrears, the holders of the Series FF Preferred Shares will be entitled to receive notice of and to attend each meeting of the Company's shareholders, other than meetings at which only holders of another specified class or series are entitled to vote, and to one vote for each Series FF Preferred Share held.
RANK:	The Series FF Preferred Shares will rank on parity with each other Class AAA preference share and junior to the Class A and Class AA preference shares and will rank prior to the Common Shares of the Company as to the payment of dividends and the distribution of assets on dissolution, liquidation or winding-up of the Company.
LISTING:	Application will be made to list the Series FF Preferred Shares on the Toronto Stock Exchange.
TAX STATUS ON SERIES FF PREFERRED SHARES:	The Company will elect to pay tax under Part VI.1 of the Income Tax Act (Canada) such that holders of Series FF Preferred Shares will not be required to pay tax on dividends received on such shares under Part IV.1.
ELIGIBILITY FOR INVESTMENT:	Eligible under the usual statutes as well as for RRSPs, RRIFs, RESPs, RDSPs, DPSPs and TFSA's.