

SUMMARY OF THE OFFERING

This summary is qualified by the more detailed information appearing elsewhere in this short form prospectus. Unless otherwise noted or the context otherwise indicates, the term "Corporation" refers to Brookfield Properties Corporation and the term "Brookfield" refers to Brookfield Properties Corporation and its direct and indirect subsidiaries.

Issue:	8,000,000 Class AAA Preference Shares, Series I.
Amount:	\$200,000,000.
Price:	\$25.00 per Series I Preference Share.
Dividends:	The holders of the Series I Preference Shares will be entitled to receive fixed cumulative preferential cash dividends, if, as and when declared by the board of directors of the Corporation, in an amount equal to \$1.30 per share per annum, payable quarterly on the last day of March, June, September and December of each year. Assuming an issue date of December 31, 2003, the first such dividend will be payable on March 31, 2004 in the amount of \$0.3250 per share.
Redemption:	The Series I Preference Shares are not redeemable before December 31, 2008. On and after that date, the Series I Preference Shares are redeemable by the Corporation on at least 30 and not more than 60 days prior notice, at \$25.75 per share if redeemed before December 31, 2009, at \$25.50 per share if redeemed on or after December 31, 2009 but before December 31, 2010, and at \$25.00 per share thereafter, plus, in each case, all accrued and unpaid dividends up to but excluding the date fixed for redemption.
Purchase for Cancellation:	The Corporation will be entitled to purchase Series I Preference Shares for cancellation at the lowest price or prices at which, in the opinion of the board of directors of the Corporation, such shares are obtainable.
Conversion by the Corporation:	On and after December 31, 2008, the Series I Preference Shares are convertible at the option of the Corporation on at least 30 days and not more than 60 days prior notice into that number of freely tradeable Common Shares determined by dividing the then applicable redemption price per share, together with all accrued and unpaid dividends up to but excluding the date fixed for conversion, by the greater of \$2.00 and 95% of the weighted average trading price of the Common Shares on the TSX for a period of 20 consecutive trading days ending on the fourth day prior to the date specified for conversion, or, if that fourth day is not a trading day, on the immediately preceding trading day (the "Current Market Price").
Conversion by the Holder:	On and after December 31, 2010, the Series I Preference Shares are convertible at the option of the holder on at least 30 days notice on the last day of March, June, September and December of each year into that number of freely tradeable Common Shares determined by dividing \$25.00, together with all accrued and unpaid dividends up to but excluding the date fixed for conversion, by the greater of \$2.00 and 95% of the then Current Market Price. If a holder of Series I Preference Shares elects to convert any of such shares into Common Shares, the Corporation may, on not less than 20 days' notice prior to the conversion date, elect to redeem such Series I Preference Shares for cash or arrange for the sale of those shares to substitute purchasers.

Priority:	The Series I Preference Shares will rank junior to the Class A preference shares and the Class AA preference shares of the Corporation, senior to the Common Shares and pari passu with each other series of Class AAA preference shares of the Corporation with respect to priority in the payment of dividends and the distribution of assets on the dissolution, liquidation or winding up of the Corporation.
Voting Rights:	The Series I Preference Shares are non-voting unless the Corporation fails to pay eight quarterly dividends on the Series I Preference Shares, whether or not consecutive, in which case, for only so long as any such dividends remain in arrears, the holders of the Series I Preference Shares will be entitled to receive notice of and to attend all shareholders' meetings, other than meetings at which only holders of another specified class or series are entitled to vote, and to one vote for each Series I Preference Shares held.
Ratings:	Dominion Bond Rating Service Limited: Pfd-3 (high) Standard & Poor's Ratings Service: P-3 (high)
Tax on Preference: Share Dividends:	The Corporation will elect, in the manner and within the time provided under subsection 191.2(1) of the <i>Income Tax Act</i> (Canada) (the "Tax Act"), to pay or cause payment of the tax under Part VI.1 of the Tax Act at a rate such that the corporate holders of Series I Preference Shares will not be required to pay tax under Part IV.1 of the Tax Act on dividends received on such shares. See "Details of the Offering" and "Canadian Federal Income Tax Considerations".
Earnings Coverage:	Earnings coverage information is provided in this prospectus under the heading "Earnings Coverage Ratio".

Book Entry Only System

Registration of interests in and transfers of the Series I Preference Shares will be made only through the book entry only system of CDS. Series I Preference Shares must be purchased, transferred and surrendered for conversion or redemption through a participant in the CDS book entry only system. Beneficial owners of Series I Preference Shares will not have the right to receive physical certificates evidencing their ownership of such shares.