

SHAREHOLDERS' AGREEMENT OF BRASCAN RESIDENTIAL PROPERTIES S.A.

By this present private instrument, the Parties, on the one hand,

(a) Brascan Brasil Ltda., a limited liability company headquartered in the City and State of Rio de Janeiro, at Rua Lauro Muller, 116, 21^o andar, salas 2101 a 2108, Corporate Taxpayer's ID (CNPJ/MF) no. 34.268.326/0001-16, herein represented by its Bylaws, hereinafter referred to as "Brascan Brasil";

and, on the other hand,

(b) Company Administração e Participações Ltda., a limited liability company headquartered in the City and State of São Paulo, at Rua Funchal, n^o 418, 28^o andar, conjunto 2.801, CEP 04551-060, Corporate Taxpayer's ID (CNPJ/MF) no. 52.133.717/0001-05, herein represented by its Bylaws, hereinafter referred to as "Company Participações";

(c) Walter Francisco Lafemina, a Brazilian citizen, divorced, civil engineer, resident and domiciled in the City and State of São Paulo, at Rua Professor Alexandre Correia, n^o 503, apto. 81, Identity Card (RG) no. 3.555.561 - SSP/SP and Individual Taxpayer ID (CPF/MF) no. 287.724.908-53, hereinafter referred to as "Walter";

(d) Gilberto Bernardo Benevides, a Brazilian citizen, legally separated, civil engineer, resident and domiciled in the City and State of São Paulo, at Rua Pio IV, n^o 271, Identity Card (RG) no. 4.808.197 - SSP/SP and Individual Taxpayer ID (CPF/MF) no. 756.749.718-20, hereinafter referred to as "Gilberto";

(e) Luiz Rogelio Rodrigues Tolosa, a Brazilian citizen, divorced, business administrator, resident and domiciled in the City and State of São Paulo, at Rua Professor Alexandre Correia, nº 481, apto. 12, Identity Card (RG) no. 5.058.573 - SSP/SP and Individual Taxpayer ID (CPF/MF) no. 952.788.008- 44, hereinafter referred to as “Luiz Rogelio”;

(f) Elias Calil Jorge, a Brazilian citizen, married, civil engineer, resident and domiciled in the City and State of São Paulo, at Rua Flórida, nº 1.133, apto. 181, Identity Card (RG) no. 4.518.500 - SSP/SP and Individual Taxpayer ID (CPF/MF) no. 872.690.908-15, hereinafter referred to as “Elias”; and

(g) Luiz Ângelo de Andrade Zanforlin, a Brazilian citizen, married, civil engineer, resident and domiciled in the City and State of São Paulo, at Rua Professor Alexandre Correia, nº 330, apto. 31, Identity Card (RG) no. 6.360.793 (SSP/SP) and Individual Taxpayer’s ID (CPF/MF) no. 890.900.988-87, hereinafter referred to as “Luiz Ângelo”;

Company Participações, Walter, Gilberto, Luiz Rogelio, Elias and Luiz Ângelo shall be hereinafter referred to, individually, as “Company Shareholder”, and, jointly, as “Company’s Shareholders”, and, jointly with Brascan Brasil, as “Parties” or “Binding Shareholders”;

and, as intervening-consenting parties,

(h) Brascan Residential Properties S.A., a publicly-held company headquartered in the City and State of Rio de Janeiro, at Avenida Prefeito Dulcídio Cardoso, 4225, Corporate Taxpayer’s ID (CNPJ) no. 077.700.557/0001-84, herein represented by its Bylaws and by its Officers, Nicholas Vincent Reade and Alessandro Olzon Vedrossi, hereinafter referred to as “BRP” or “Company”; and

(i) Brascan Brazil Ltd., a company incorporated in accordance with the laws of the Cayman Islands, headquartered at Clifton Housem, 75 Fort Street, PO Box

190, Grand Cayman KY1-1104, Cayman Islands, Corporate Taxpayer ID (CNPJ/MF) no. 05.590.133/0001-89, herein represented by its attorneys-in-fact **Luiz Ildelfonso Simões Lopes**, a Brazilian citizen, married, business administrator, Identity Card no. 2.286.311-2, issued by IFP/RJ, and Individual Taxpayer's ID (CPF/MF) no. 042.852.127-49, and **Sergio Leal Campos**, a Brazilian citizen, married, economist, Identity Card no. 2.329.353, issued by IFP/RJ, and Individual Taxpayer's ID (CPF/MF) no. 174.159.187-20, both with business address in the City and State of Rio de Janeiro, at Rua Lauro Muller n° 116, 21° andar, salas 2101 a 2108, hereinafter referred to as "BBL";

The Parties, with BRP's and BBL's full consent and agreement, whereas:

(a) aiming to integrate the activities of BRP and **Company S.A.**, a corporation headquartered in the City and State of São Paulo, at Rua Funchal, 418 - 28° andar, Corporate Taxpayer ID (CNPJ) no. 58.877.812/0001-08, hereafter referred to as "Company", the Boards of Directors of both companies have resolved, on this date, to submit a proposal to BRP's and Company's respective General Meetings for a corporate restructuring ("Corporate Restructuring") to be carried out, in summary, by means of the following stages: (i) the merger of all the shares issued by Company into the equity of BRSCAN SPE SP-3 S.A., a private corporation headquartered in the City and State of São Paulo, at Rua Joaquim Floriano, n° 466, 1st andar - parte, Corporate Taxpayer's ID (CNPJ) no. 09.600.613/0001-34, of which BRP holds 99.99% ("Subsidiary"), with the consequent conversion of Company into a wholly-owned subsidiary of the Subsidiary ("Share Merger"); (ii) the redemption of redeemable preferred shares issued by the Subsidiary and assigned to Company's former shareholders at the time of the Share Merger; and (iii) the merger of the Subsidiary into BRP's equity, with the consequent liquidation of the Subsidiary and assignment of new common shares issued by BRP to Company's former shareholders ("Subsidiary Merger");

(b) BRP's, Company's and the Subsidiary's managements have also executed, on this date, the instruments of Protocol and Justification of Share Merger and of Subsidiary Merger ("Protocols"), which set forth the terms and conditions that shall govern the Corporate Restructuring mentioned in Whereas (s) above;

(c) the Protocols set forth that, between September 15, 2008 and October 15, 2008, BRP's management shall conduct a legal and accounting audit of Company, whose management, in turn, shall conduct, during the same period, a legal and accounting audit of BRP (jointly, the "Audits"), and the effectiveness of the Share Merger and the Subsidiary Merger, as well as that of all acts related to the Corporate Restructuring, depend upon the Audits not identifying: (a) Company's contingent liabilities not reflected in its Financial Statements of June 30, 2008, in an amount greater than thirty-nine million, five hundred and eleven thousand, seven hundred and fifty reais (R\$39,511,750.00), corresponding to five percent (5%) of the total value of its assets; and (b) BRP's contingent liabilities not reflected in its Financial Statements of June 30, 2008, in an amount higher than one hundred and forty-five million, thirty-five thousand, five hundred and fifty reais (R\$145,035,550.00), corresponding to five percent (5%) of the total value of its assets;

(d) after the implementation of the Corporate Restructuring, BRP shall have the following shareholding structure: (i) Brascan Brasil shall be the holder of one hundred and ten million, seven hundred and seventy-eight thousand, four hundred and sixty-six (110,778,466) common shares issued by BRP, representing 42.28% of its voting and total capital; (ii) Company's Shareholders shall hold, jointly, thirty-nine million, three hundred and thirty-nine thousand and twenty-four (39,339,024) common shares issued by BRP, representing 15.01% of its voting and total capital; and (iii) the remaining shares issued by BRP shall be outstanding;

(e) Brascan Brasil is indirectly controlled by BBL, which, in turn, is controlled by Brookfield Asset Management Inc., a company incorporated in

accordance with Canadian laws, headquartered in Toronto, Ontario, Canada (hereinafter referred to as “Brookfield”), and BBL is the holding company used by Brookfield to concentrate its investments in Brazil; and

(f) the Parties wish to regulate their relationship as BRP shareholders forthwith, especially as regards: (i) the exercise of voting rights at General Meetings and controlling power over BRP; (ii) the exercise of management authority assigned to members of BRP’s Board of Directors and other joint deliberation bodies appointed, directly or indirectly, as a result of the present Agreement; and (iii) the exercise of preemptive rights, tag-along rights and the tag-along obligation in operations that imply the transfer of shares issued by BRP owned by the Binding Shareholders;

Resolve to execute, for the purposes of article 118 of Law no. 6,404, as of 12.15.1976, as amended (“Law no. 6,404/1976”), the present **SHAREHOLDERS’ AGREEMENT**, which shall be governed by the following clauses and conditions:

CLAUSE 1

SHARES BOUND TO THE PRESENT AGREEMENT

1.1. Once the present Agreement becomes effective, pursuant to Clause 6.1 below, the shares issued by BRP (“Shares”) shall be fully subscribed and paid up and shall be apportioned among the Binding Shareholders as follows:

a) Brascan Brasil shall hold one hundred and ten million, seven hundred and seventy-eight thousand, four hundred and sixty-six (110,778,466) common shares, representing 42.28% of the voting and total capital; and

b) Company’s Shareholders shall hold thirty-nine million, three hundred and thirty-nine thousand and twenty-four (39,339,024) common shares, representing 15.01% of the voting and total capital.

1.2. The present Agreement binds all the Shares held by the Binding Shareholders, as well as all the Shares the Binding Shareholders may acquire in the future, by any means, including, but not limiting to, the purchase, subscription, split or distribution of bonuses, or any other form of acquisition or corporate interest, including those in other companies that may replace, succeed or acquire BRP.

1.3. The term Shares also encompasses any securities that ensure the right to the purchase or subscription of Shares or that are convertible into said Shares.

CLAUSE 2

BOARD OF DIRECTORS AND BOARD OF EXECUTIVE OFFICERS

2.1. The Binding Shareholders undertake to vote and ensure that their representatives vote, at BRP's General Meetings, in order to elect the highest possible number of members of the Board of Directors, who shall be previously appointed by Brascan Brasil and by Company's Shareholders, as provided for in this Clause 2.

2.2. BRP's Board of Directors shall be composed of ten (10) sitting members and their respective deputies, three (3) of whom shall be independent board members, with due regard for the requirements provided for in the Listing Rules of the *Novo Mercado* segment of the São Paulo Stock Exchange (BOVESPA).

2.3. While the interest of Binding Shareholders in BRP's capital stock is divided according to the ratio set forth in Clause 1.1 above, the appointment of members of BRP's Board of Directors shall be made by the Binding Shareholders as follows: (i) Brascan Brasil shall be entitled to appoint a total of five (5) members for BRP's Board of Directors; (ii) Company's Shareholders shall be entitled to appoint a total of two (2) members for BRP's Board of Directors; and (iii) Brascan Brasil and Company's Shareholders shall mutually agree to appoint the three (3) independent members for BRP's Board of Directors.

2.3.1. The number of members of BRP's Board of Directors that Brascan Brasil and Company's Shareholders will be entitled to appoint shall be altered whenever the percentage interest of each of these groups of Binding Shareholders in BRP's capital stock are changed to proportionally reflect the new interest of Brascan Brasil and Company's Shareholders in BRP's capital stock, it being understood that: (i) should Company's Shareholders become holders of less than ten percent (10%) and more than five percent (5%) of BRP's voting and total capital stock, they shall be entitled to appoint only one (1) member for BRP's Board of Directors, and Brascan Brasil shall be entitled, in this case, to appoint six (6) members for BRP's Board of Directors; and (ii) should Company's Shareholders become holders of less than five percent (5%) of BRP's voting and total capital stock, they shall not be entitled to appoint any member for BRP's Board of Directors, and Brascan Brasil shall be entitled, in this case, to appoint seven (7) members for BRP's Board of Directors.

2.3.2. Should BRP's minority shareholders exercise, by means of multiple vote and/or separate voting provided for in Law no. 6,404/1976, the right to appoint members for BRP's Board of Directors, the members appointed by minority shareholders shall be considered independent Board members, and, therefore, the number of members that Brascan Brasil and Company's Shareholders will be entitled to appoint shall remain unchanged.

2.3.3. Should BRP's minority shareholders appoint more than three (3) members for BRP's Board of Directors, by means of multiple vote provided for in Law no. 6,404/1976, the number of Board members that Company's Shareholders are entitled to appoint shall remain unchanged, pursuant to Clause 2.3 or 2.3.1 above, as applicable.

2.4. The Chairman of BRP's Board of Directors shall always be appointed by Brascan Brasil.

2.5. The Binding Shareholders may only appoint independent members to the Board

of Directors persons who, in addition to the legal and regulatory requirement, must comply cumulatively with the requirement provided for in the Listing Rules for Independent Board Members of BOVESPA's *Novo Mercado*.

2.6. Any group of Binding Shareholders shall be entitled to request, at any time, the removal of a member of the Company's Board of Directors appointed thereby, in which case the other group of Binding Shareholders shall be obliged to, jointly with the group requesting the replacement, promptly adopt all necessary measures for the removal of said Board member and for his or her replacement with the person appointed by the group of Binding Shareholders that appointed said Board member.

2.7. Company's Shareholders agree that, pursuant to the Shareholders' Agreement already executed on 04.17.2008 within the scope of BRP between Brascan Real Estate S.A., subsequently succeeded by Brascan Brasil, and Messrs. Antônio Fernando de Oliveira Maia ("Fernando") and Marcelo Martins Borba ("Marcelo"), each of them holder of one (1) common share issued by BRP, Brascan Brasil shall be obliged, as of 04.30.2011, to exercise its voting right at the Company's general meetings to elect a member of the Board of Directors to be appointed by Fernando and Marcelo. As a result, starting from that date and while the Shareholders' Agreement referred to in this Clause is effective, one (1) of the members of BRP's Board of Directors to be appointed by Brascan Brasil shall be appointed by Fernando and Marcelo.

2.8. The Binding Shareholders shall assign, in a fiduciary capacity, one (1) Share of which they are holders to each Board member they appoint pursuant to this Shareholders' Agreement. The Shares assigned to Board members shall be deemed, for all intents and purposes hereof, as a property of the Binding Shareholder assigning them. Each Binding Shareholder undertakes to obtain from each Board member he or she appointed the necessary authority to exercise the voting rights of assigned Shares at the Company's general meetings and to transfer said Shares back to him or herself

in case the assignee ceases to occupy the position of Board member for any reason.

2.9. The members of BRP's Board of Executive Officers shall be elected by the Board of Directors based on the appointment made by the Company's Chief Executive Officer, except as provided for in Clause 2.10 below.

2.10. Notwithstanding the provision in Clause 2.9 above, Company's Shareholders shall be entitled to jointly appoint, within the period of two (2) years as of the date when the present Shareholders' Agreement becomes effective, three (3) of BRP's Executive Officers, who shall occupy to positions of (i) Chief Operating Officer, (ii) Institutional Relations and Investor Relations Officer, and (iii) Officer responsible for the São Paulo business unit.

2.11. The members of the Board of Directors elected by the Binding Shareholders (other than the independent members) shall, within the period mentioned in Clause 2.10 above, elect the persons appointed by Company's Shareholders to occupy the aforementioned positions in the Company's Board of Executive Officers.

2.12. Notwithstanding the provisions in Clauses 2.9 to 2.11 above, a majority of the Board of Directors' members may request the removal of any BRP executive officer for good cause, in which case his or her replacement shall be appointed in the manner set forth in Clauses 2.9 or 2.10 above, as applicable.

CLAUSE 3

EXERCISE OF VOTING RIGHTS AT THE COMPANY'S GENERAL MEETINGS AND BOARD OF DIRECTORS MEETINGS

3.1. The Binding Shareholders shall meet previously in order to resolve on the votes to be cast uniformly by the Binding Shareholders or by their representatives at BRP's General Meetings or Board of Directors Meetings ("Previous Meetings") in the following cases: (i) at any of BRP's General Meetings; (ii) at Meetings of BRP's Board of Directors in which the Board members must resolve on any of the matters

described in Clause 3.5 below and the on election of the members of the Board of Executive Officers, while the right of Company's Shareholders provided for in Clause 2.10 above is effective; and (iii) any of BRP's Board of Directors Meetings, should Brascan Brasil, as a result of the scenarios provided for in Clauses 2.3.3 or 2.7 above, appoint less than five (5) members for BRP's Board of Directors.

3.2. The Previous Meetings shall be held at BRP's headquarters, on the business day immediately prior to the date of BRP's General Meeting or Board of Directors Meeting, as applicable. The call notice shall be made pursuant to Clause 8.12 below by any Binding Shareholders to the other Binding Shareholders, who may appoint in writing representatives to attend the Meetings. Receipt of the call notice by the Binding Shareholders must be confirmed at least two (2) days prior to the Meeting. In case all Binding Shareholders agree, the Previous Meetings may be held via conference call or video conference.

3.3. At Previous Meetings, each common Share issued by BRP shall correspond to a vote, and the resolutions shall be taken upon the affirmative vote of more than half the common Shares held by Binding Shareholders, except for (i) the matters expressly listed in Clause 3.5 below, regarding which the qualified quorum set forth therein shall prevail; (ii) the election of members of the Board of Directors, regarding which the provisions in Clause 2 above shall be observed; and (iii) the election of members of the Board of Executive Officers, regarding which the provisions in Clauses 2.10 and 2.11 above shall be observed.

3.4. The resolutions taken at the Previous Meetings shall be documented in minutes signed by all attending members, and said minutes shall be submitted to the Chairman of BRP's General Meetings or Board of Directors Meetings, in order to produce the effects provided for in Clauses 3.9 through 3.12 herein. In the case of Previous Meetings held by conference call or video conference, the minutes may be signed via fax.

3.5. The resolutions taken by BRP's General Meeting or Board of Directors on the following matters shall depend on the approval of all the Binding Shareholders attending the Previous Meeting:

(a) a change in the Company's corporate purpose;

(b) any capital increase conducted by means of public or private subscription of shares, except for the capital increase mentioned in Clause 3.5.1 below, in an amount higher than two hundred and fifty million reais (R\$ 250,000,000.00), duly restated according to the General Market Price Index (IGP-M), calculated by Fundação Getulio Vargas – FGV, levied from the date of execution of the present Agreement up to the date of the resolution regarding said capital increase;

(c) a change in the rights, preferences and advantages granted to the shares issued by the Company;

(d) the creation of one or more classes of preferred shares and the increase in the classes of preferred shares without due respect for the proportion to the other classes of preferred shares;

(e) merger, spin-off, or share merger involving the Company, whether the latter is the merging or spun-off company or the merged company;

(f) the acquisition, sales or burden of interest in other companies, or the execution of any agreements, whenever the amount involved in a certain operation exceeds two hundred million reais (R\$200,000,000.00), duly restated according the IGP-M/FGV levied from the date of execution of this Agreement to the date of release related to the operation of acquisition of interest in other companies, or the date of execution of the agreement;

(g) the acquisition of interest in other companies that do not operate in the real estate industry, regardless of the amount involved in the operation;

(h) the delisting of the Company as a publicly-held company;

(i) the delisting of the shares issued by the Company from the *Novo Mercado* segment of the São Paulo Stock Exchange;

(j) a reduction in compulsory dividends;

(k) the issue of securities convertible into the Company's shares;

(l) the interest in a group of companies and the Company's transformation into another type of company;

(m) the approval of the execution of agreements between the Company, or companies in whose capital the Company holds interest, and any of their managers and shareholders or Affiliated Companies thereof;

(n) the winding-up, liquidation, or lifting of the Company's liquidation; and

(o) the approval of matters listed in items (a) through (n) above concerning entities controlled by the Company.

3.5.1. The Binding Shareholders are bound to approve the increase in the Company's capital by the amount necessary to ensure full compliance with the obligations undertaken by the Company and by Brascan Real Estate S.A., subsequently succeeded by Brascan Brasil, in the Agreement for Share Purchase and Other Covenants, executed with Marcelo e Fernando on 04.17.2008.

3.5.2. The Binding Shareholders undertake, irrevocably and irreversibly, to assign

free of charge to Marcelo and Fernando the preemptive right in the subscription of the new shares to be issued by the Company as a result of the capital increase referred to in Clause 3.5.1 above.

3.5.3. The approval of all the Binding Shareholders provided for in Clause 3.5 above shall only be mandatory while Company's Shareholders hold, jointly, Shares representing at least ten percent (10%) of BRP's voting and total capital.

3.5.4. For the purposes of this Agreement: (a) the term "Affiliated" means, in relation to a certain person, any other individual or legal entity, as applicable, over whom the former holds direct or indirect Control, by whom it is individually Controlled, or is under common Control with said legal entity, it being understood that, in the case of Company's Shareholders, the term "Affiliated" also includes any legal entity under direct or indirect Control of the referred group of shareholders; and (b) the term "Control" and its variables have the meaning provided for in Article 116 of Law no. 6,404/1976.

3.6. The Binding Shareholders undertake to attend BRP's General Meetings, in person or through their representatives, and to vote as a block, as determined at the Previous Meetings.

3.7. In the cases foreseen in items (ii) and (iii) of Clause 3.1 above, the members of BRP's Board of Directors who have been appointed by the Binding Shareholders, pursuant to Clause 2 herein, are also obliged to attend the Board of Directors Meetings and to vote as a block, as determined by the Binding Shareholders at the Previous Meetings.

3.7.1. The provisions in Clause 3.7 above do not apply to the independent members of BRP's Board of Directors.

3.8. The Binding Shareholders agree to implement all necessary measures to

promptly replace the members of BRP's Board of Directors who are appointed as a result hereof and who do not comply with the block-voting system, as provided for in Clause 3.7 above.

3.9. Should any of the Binding Shareholders not attend the Previous Meeting, they must vote at BRP's General Meeting, as well as to ensure that their representatives at the Board of Directors Meeting vote as determined by the Binding Shareholders who attended the Previous Meeting.

3.10. The Chairman of BRP's General Meetings or Board of Directors Meetings shall not compute the votes cast in a manner that infringes the provisions herein, pursuant to article 118, paragraph 8, of Law no. 6,404/1976.

3.11. In the cases foreseen in items (i) through (iii) of Clause 3.1 above, the failure of any Binding Shareholder or its representative to attend BRP's General Meetings of the Board of Directors Meetings, as well as their abstention from voting, shall ensure the other Binding Shareholders and their representatives the right to vote with the shares held by the Binding Shareholder who is absent or remiss, and, in the case of a member of the Board of Directors, by the Board Member who is absent or remiss and who has been elected by the votes of the Binding Shareholders, pursuant to the provisions in article 118, paragraph 9, of Law no. 6,404/1976.

3.12. In the cases foreseen in items (i) through (iii) of Clause 3.1 above, and in case any of the Binding Shareholders or their representatives at BRP's General Meetings or Board of Directors Meetings should cast a dissenting vote to the provisions herein and the Chairman of the General Meeting or the Board of Directors Meeting decides not to count it, as provided for in Clause 3.1 above, said vote shall be considered not cast, and, consequently, the other Binding Shareholders, or their representatives in the Board of Directors, shall be entitled to vote with the shares held by the Binding Shareholder or in lieu of the member of the Board of Directors who is failing to comply with the obligation to vote as determined hereby, pursuant to Clause 3.1 above.

CLAUSE 4
PREEMPTIVE RIGHT OF SALE OF SHARES ISSUED BY BRP

4.1. The Shares bound by the present Agreement shall not, directly or indirectly, be sold, assigned or transferred, with or without charge, nor shall they be assigned to another company's capital, given as usufruct or trust, or otherwise disposed of or promised to be disposed of (all the aforementioned operations shall hereinafter be referred to as "sell") without strict regard for the rules provided for in this Clause 4.

4.2. Company's Shareholders undertake to, as of the date of execution of the present Agreement, not sell the Shares held thereby during a period of five (5) years, except with Brascan Brasil's previous written consent, or as provided for in Clause 4.2.1 below.

4.2.1. At the end of the second year of effectiveness of the present Agreement, Company's Shareholders may sell their Shares, providing that (i) the provisions set forth in this Clause 4 are observed; and (ii) the Shares still held by Company's Shareholders represent more than ten percent (10%) of BRP's total and voting capital.

4.3. Taking into consideration the Binding Shareholders' interest in not allowing the entrance of any third parties into BRP's corporate structure without due regard for the provisions herein, as well as the fact that the sole material asset of Company Participações are the shares issued by BRP, Company's Shareholders undertake, except with Brascan Brasil's consent, to (i) not sell to third parties, directly or indirectly, any corporate interest in Company Participações or in any companies whose capital is wholly owned thereby and that holds or may come to hold interest in BRP, and (ii) not carry out any corporate operation involving Company Participações or any company whose capital is wholly owned thereby, the result of which would be the entrance of any third party into BRP's direct or indirect corporate structure.

4.4. With due regard for the provisions in Clauses 4.2, 4.2.1, and 4.3 above, and 4.23

below, the sale of Shares issued by the Company shall be subject to preemptive right to be exercised according to the provisions in this Clause 4.

Sale of Shares held by Binding Shareholders on a stock exchange:

4.5. Should any of the Binding Shareholders decide to sell part of or all their Shares on a stock exchange (hereinafter referred to as “Offering Shareholder”), said Binding Shareholder shall communicate this fact to the other Binding Shareholders (hereinafter referred to as “Offered Shareholders”), by means of correspondence delivered pursuant to Clause 8.12 below, announcing the maximum number of Shares they intend to sell within the thirty (30) subsequent days (“Offered Shares”).

4.6. The Offered Shareholders shall have a non-deferrable period of fifteen (15) days after receiving the communication referred to in Clause 4.5 above to express, by means of a written note submitted to the Offering Shareholder and the other Binding Shareholders, their irrevocable and irreversible decision to exercise their preemptive right to acquire the Offered Shares, announcing the maximum number of Offered Shares they intend to acquire (“Preemptive Right”).

4.6.1. The Preemptive Right provided for in this Clause 4.6 shall be exercised at the price corresponding to the average price of common shares issued by BRP on the São Paulo Stock Exchange (BOVESPA) in the sixty (60) trading sessions prior to the date when the Offering Shareholder submitted the communication referred to in Clause 4.5 above.

4.6.2. In case the Offering Shareholder is Brascan Brasil and the Offered Shares are underlying a Block-Trade Operation, Company’s Shareholders may, within the period provided for in Clause 4.6 above, choose to:

- (a) exercise the Preemptive Right provided for in Clause 4.6 above; or

(b) exercise the right to sell the Shares held thereby along with Brascan Brasil, under the same conditions, in replacement of part of the Shares offered and in proportion to the interest of each Binding Shareholder in the capital stock (“Tag-along Right”).

4.6.3. The Offered Shareholders’ failure to manifest themselves within the period referred to in Clause 4.6 above shall be considered a waiver of the Preemptive Right provided for therein and of the Tag-along Right provided for in Clause 4.6.2 above.

4.6.4. For the purposes hereof, the expression “Block-Trade Operation” means an operation on a stock exchange to sell Shares representing more than one percent (1%) of BRP’s total and voting capital in a period of less than five (5) days.

4.7. Should the Offering Shareholder be one or some of Company’s Shareholders, the sale of Offered Shares as a result of the exercise of the Preemptive Right shall be made first to the remaining Company’s Shareholders, and only if the latter do not manifest their interest in acquiring all the Offered Shares may these Offered Shares be sold to Brascan Brasil, in case the latter has manifested its intention to acquire them in the communication referred to in Clause 4.6 above.

4.7.1. In case one or more of Company’s Offered Shareholders have manifested their interest in exercising the Preemptive Right for the acquisition of the Offered Shares and these should prove to be insufficient to meet the total number requested by each of Company’s Offered Shareholders, said Shares shall be apportioned among Company’s Offered Shareholders who have exercised the Preemptive Right based on the interest each of them holds in BRP’s capital stock.

4.7.2. In case Company’s Offered Shareholders have not exercised the Preemptive Right to acquire the Offered Shares, the remaining Shares shall be sold to Brascan Brasil, in case the latter has manifested its intention to exercise the Preemptive Right, with due regard for the maximum number announced thereby in the communication provided for in Clause 4.6 above.

4.7.3. The acquisitions of the Offered Shares by the Offered Shareholder(s) shall be concluded within fifteen (15) days from the end of the period referred to in Clause 4.6 above.

4.8. In case any Offered Shares still remain over which the Preemptive Right has not been exercised after it is granted to all Offered Shareholders, the Offering Shareholder shall be free to sell the remaining Offered Shares, up to the limit of the maximum number of Shares announced in the communication referred to in Clause 4.5 above, in sales operations carried out on a stock market, at any time and at any trading floor price, within thirty (30) days from the end of the period referred to in Clause 4.6 above.

4.9. At the end of the period mentioned in Clause 4.8 above, in case the Offering Shareholder has not sold their Shares on the stock exchange, they shall not be allowed to proceed with the sale, and shall once more notify the Offered Shareholders, repeating the procedure provided for in the previous Clauses.

Sale of Shares held by Company's Shareholders in operations off the stock market:

4.10. Company's Shareholders who wish to sell, directly or indirectly, part of or all their Shares to third parties or to Brascan Brasil off the stock market (hereinafter referred to as "Company's Offering Shareholder") shall communicate this fact to the other Binding Shareholders (hereinafter referred to as "Offered Shareholders"), by means of correspondence delivered pursuant to Clause 8.12 below, accompanied by a copy of the proposal made by the interested third party, which must include, (i) the name and qualification of the potential acquirer and their controlling shareholder(s), (ii) the number of Shares to be sold ("Offered Shares"), (iii) the price and payment conditions, with due regard for the requirement that price be expressed in cash, (iv) all the other conditions to which the proposal is subject, and the inclusion of payment in

goods or assets shall not be permitted; and (v) the manifestation of Company's Offering Shareholder's intention to accept the proposal ("Company Proposal").

4.11. The Offered Shareholders shall have a non-deferrable period of thirty (30) days from the moment they receive the communication referred to in Clause 4.10 above to manifest, irrevocably and irreversibly, by means of a written notice delivered to Company's Offering Shareholder and to the other Binding Shareholders, their intention to, alternatively:

a) exercise their preemptive right to acquire the Offered Shares at the same price and under the same conditions as those in the Company Proposal ("Preemptive Right"); or

b) exercise the option of: (i) should the Company Proposal be based on part of the Shares held by Company's Offering Shareholder, selling their Shares along with the latter, under the same conditions, in replacement of part of the offered Shares, in proportion to the interest of each Binding Shareholder in the capital stock; or (ii) should the Company Proposal be based on all the Shares held by Company's Offering Shareholder, selling all their Shares to the acquiring third party, under the same conditions as those of Company's Offering Shareholder, in addition to the Offered Shares ("Tag-along Right").

4.11.1. The Offered Shareholders' failure to manifest themselves within the period referred to in Clause 4.11 above shall be considered a waiver to the Preemptive Right and to the Tag-along Right provided for in items "a" and "b" above.

4.12. At the end of the period referred to in Clause 4.11 above, the Binding Shareholders who have manifested their interest in exercising the Preemptive Right, pursuant to item "a" of Clause 4.11 above, shall, within the fifteen (15) subsequent days, inform Company's Offering Shareholder and the other Binding Shareholders the maximum number of Offered Shares they intend to acquire (including the Shares in

relation to which the Tag-along Right provided for in item “b” of clause 4.11 has been exercised – “Shares Underlying the Tag-along Right”).

4.13. The sale of the Offered Shares and of the Shares Underlying the Tag-along Right as a result of the exercise of the Preemptive Right provided for in Clause 4.11, item “a” above shall be made first to Company’s Shareholders, and, only if these Shareholders do not manifest their interest in acquiring all the Offered Shares and the Shares Underlying the Tag-along Right may said Shares be sold to Brascan Brasil, in case the latter has manifested its intention to acquire said Shares by means of the communication referred to in Clause 4.11 above.

4.13.1. In case one or more of Company’s Shareholders have manifested their interest in exercising the Preemptive Right to acquire the Offered Shares and the Shares Underlying the Tag-along Right and should these prove to be insufficient to meet the total number of Shares requested by each of Company’s Shareholders, said Shares shall be apportioned among Company’s Shareholders who have exercised the Preemptive Right based on the interest each of them holds in BRP’s capital stock.

4.13.2. In case Company’s Shareholders have not exercised the Preemptive Right in relation to all the Offered Shares and Shares Underlying the Tag-along Right, the remaining Shares shall be sold to Brascan Brasil, in case the latter has manifested its intention to exercise the Preemptive Right, with due regard for the maximum number announced thereby in the communication provided for in Clause 4.12 above.

4.13.3. The acquisitions of the Offered Shares and Shares Underlying the Tag-along Right by the Offered Shareholder(s) shall be concluded within thirty (30) days from the end of the period referred to in Clause 4.12 above.

4.14. Should Company’s Shareholders and/or Brascan Brasil not manifest their intention to exercise the Preemptive Right in relation to all the Offered Shares and

Shares Underlying the Tag-along Right, Company's Offering Shareholder and the Offered Shareholders who have exercised the Tag-along Right shall be free to proceed with the sale of all the Shares underlying the Company Proposal increased by or replaced with the Shares Underlying the Tag-along Right, under the exact terms and conditions as those of the Company Proposal, within the thirty (30) days immediately following the end of the period referred to, as applicable, in Clauses 4.11, 4.12 or 4.13.3 above.

4.15. At the end of the period mentioned in Clause 4.14 above, or in case any of the conditions provided for in the Company Proposal are altered, Company's Offering Shareholder and the Binding Shareholders who have exercised the Tag-along Right shall be prevented from selling their Shares, and shall once more notify the other Binding Shareholders, repeating the entire procedure provided for in the previous Clauses.

Sale of Shares held by Brascan Brasil in operations off the stock market:

4.16. Should Brascan Brasil wish to sell, directly or indirectly, part of or all its Shares to third parties or to any of Company's Shareholders in operations off the stock market, it shall communicate this fact to Company's Shareholders by means of correspondence delivered pursuant to Clause 8.12 below, accompanied by a copy of the proposal made by the interested third party, which must contain, (i) the name and qualification of the potential acquirer and their controlling shareholder(s), (ii) the number of Shares to be sold ("Offered Shares"), (iii) the price and payment conditions, with due regard for the requirement that the price be always expressed in cash, (iv) all the other conditions to which the proposal is subject, and the inclusion of payment in goods or assets shall not be permitted; and (v) the manifestation of Brascan Brasil's intention to accept the proposal ("Brascan Proposal").

4.17. Company's Shareholders shall have a non-deferrable period of thirty (30) days from the moment they receive the communication referred to in Clause 4.16 above to

manifest, irrevocably and irreversibly, by means of a written notice delivered to Brascan Brasil and to the other Binding Shareholders, their intention to, alternatively:

a) exercise their preemptive right to acquire the Offered Shares at the same price and under the same conditions as those in the Brascan Proposal (“Preemptive Right”); or

b) exercise the option of: (i) should the Brascan Proposal be based on part of the Shares held by Brascan Brasil, selling their Shares along with the latter, under the same conditions, in replacement of part of the offered Shares, in proportion to the interest of each Binding Shareholder in the capital stock; or (ii) should the Brascan Proposal be based on all the Shares held by Brascan Brasil, selling all their Shares to the acquiring third party, under the same conditions as those of Brascan Brasil, in addition to the Offered Shares (“Tag-along Right”).

4.17.1. Company’s Shareholders’ failure to manifest themselves within the period referred to in Clause 4.17 above shall be considered a waiver of the Preemptive Right and of the Tag-along Right provided for in items “a” and “b” above.

4.18. At the end of the period referred to in Clause 4.17 above, Company’s Shareholders who have manifested their interest in exercising the Preemptive Right, pursuant to item “a” of Clause 4.17 above, shall, within the fifteen (15) subsequent days, inform Brascan Brasil and Company’s other Offered Shareholders the maximum number of Offered Shares they wish to acquire (including the Shares in relation to which the Tag-along Right provided for in item “b” of clause 4.17 has been exercised – “Shares Underlying the Tag-along Right”).

4.18.1. In case one or more of Company’s Shareholders have manifested their interest in exercising the Preemptive Right to acquire the Offered Shares and the Shares Underlying the Tag-along Right, and should these prove to be insufficient to meet the total number of Shares requested by each of Company’s Shareholders, said

Shares shall be apportioned among Company's Shareholders who have exercised the Preemptive Right based on the interest each of them holds in BRP's capital stock.

4.18.2. The acquisitions of the Offered Shares and Shares Underlying the Tag-along Right by Company's Offered Shareholder(s) shall be concluded within thirty (30) days from the end of the period referred to in Clause 4.18 above.

4.19. Should Company's Shareholders not manifest their intention to exercise the Preemptive Right in relation to all the Offered Shares and Shares Underlying the Tag-along Right, Brascan Brasil and Company's Offered Shareholders who have exercised the Tag-along Right shall be free to proceed with the sale of all the Shares underlying the Brascan Proposal increased by or replaced with the Shares in relation to which the Tag-along Right has been exercised, under the exact terms and conditions as those of the Brascan Proposal, within the thirty (30) days immediately following the end of the period referred to, as applicable, in Clauses 4.17, 4.18 or 4.18.2 above.

4.20. At the end of the period mentioned in Clause 4.19 above, or in case any of the conditions provided for in the Brascan Proposal are altered, Brascan Brasil and Company's Offered Shareholders who have exercised the Tag-along Right shall be prevented from selling their Shares, and shall once more notify the other Binding Shareholders, repeating the entire procedure provided for in the previous Clauses.

4.20.1. In the case of (i) direct or indirect sale, to third parties, of BBL's Control, or that of any company whose capital is wholly owned by Brookfield, and which holds or may come to hold interest in BRP, as well as of (ii) conduction of any corporate operation involving BBL or any company whose capital is wholly owned by Brookfield, resulting in the transfer of BRP's indirect Control, currently held by Brookfield, to a third party other than a Brookfield Affiliate, Company's Shareholders shall be granted the right, within the undeferrable period of thirty (30) days from the date of the written

communication to be delivered to Company's Shareholders with the description of the operation of sale of BRP's indirect Control ("Notice of Indirect Transfer of Control"), to manifest, irrevocably and irreversibly, their intention to, alternatively:

a) exercise their preemptive right and acquire BRP's Shares held by Brascan Brasil, at the rate with which said shares are indirectly transferred to third parties, at the price assigned to BRP's shares in the operation described at the Notice of Indirect Transfer of Control ("Preemptive Right"); or

b) exercise the option of selling all the Shares they hold in BRP to the third party acquirer, at the price assigned to BRP's shares in the operation described at the Notice of Indirect Transfer of Control ("Tag-along Right").

4.20.2. In order to allow the exercise of the Preemptive Right or the Tag-along Right by Company's Shareholders, provided for in Clause 4.20.1 above, the Notice of Indirect Transfer of Control shall provide for the value assigned to the shares issued by BRP held by Brascan Brasil by the parties that have negotiated the transfer of BRP's indirect control ("Price of BRP's Shares").

4.20.3. In the cases foreseen in Clause 4.20.1 above, should CVM and/or BOVESPA understand that the price to be determined at a possible public offer for acquisition of shares held by BRP' minority shareholders, resulting from the sale of the Company's control, shall be different from the "Price of BRP's Shares", Company's Shareholders shall be entitled to exercise the Preemptive Right of the Tag-along Right provided for in Clause 4.20.1 above, based on the price determined by the Brazilian Securities and Exchange Commission (CVM) and/or by BOVESPA to conduct the aforementioned public offer.

4.20.4. Should Company's Shareholders manifest their intention to exercise the Preemptive Right or the Tag-along Right, the provisions in Clauses 4.16 through 4.20 above shall apply, whenever possible.

4.20.5. For the purposes of the provisions in Clause 4.20.1 above, the term “Control” and its variables have the meaning provided for in Article 116 of Law no. 6,404/1976.

Provisions indistinctly applicable to sales of Shares held by Company’s or Brascan Brasil’s Shareholders:

4.21. The provisions provided for in this Clause 4 also apply fully to cases of sale, to third parties and by any of the Binding Shareholders, directly or indirectly, of the right to subscribe Shares in capital increases, of securities that ensure the right to acquire or subscribe Shares or that are convertible into Shares.

4.21.1. In the cases foreseen in Clause 4.21 above, the periods set forth in Clauses 4.11, 4.12, 4.13.3, 4.17, 4.18 and 4.18.2 above shall be reduced to ten (10) days.

4.22. The Shares held by any Binding Shareholder may be burdened or given as collateral, pledge, conditional sale, or any other form of guarantee (“Burdened Shares”), as long as (i) the guarantee creditor agrees previously and expressly that the foreclosure of the guarantee is subject to the terms and conditions provided for in this Clause 4 for the sale of the Company’s Shares by the Binding Shareholders, except in relation to the shares issued by BRP pledged pursuant to the “Private Instrument of Constitution of Pledge on Shares Issued by Brascan Residential Properties S.A.”, executed on 01.24.2008 between Brascan Real Estate S.A., subsequently succeeded by Brascan Brasil, Brascan Brasil and Banco Itaú BBA S.A., while the referred pledge is effective; e (ii) in case the Burdened Shares are sold as a result of the foreclosure of any of the forms of guarantee mentioned in this Clause, the acquirer or assignee agrees previously and expressly to adhere, in writing and without reservations, to the terms herein, assuming all the obligations of the Binding Shareholder holding the Burdened Shares, including those provided for in this Clause 4.

4.23. The following sales are not subject to the obligations set forth in this Clause 4,

including, without limitations, the provisions in Clause 4.2: (i) the sale of Shares held by Brascan Brasil to companies or other entities controlling or controlled by Brascan Brasil itself, or to companies or other entities controlled by Brascan Brasil's controlling shareholders, as well as to investment clubs or funds managed by companies or other entities controlling or controlled by Brascan Brasil itself or by companies or other entities controlled by Brascan Brasil's controlling shareholders, as long as Brascan Brasil sends a previous written notice to the other Binding Shareholders informing them of the referred sale; (ii) the sale of Shares held by any of Company's Shareholders to any other of Company's Shareholders, to their respective spouses or direct descendents, or to any company whose capital is wholly owned by Company's Shareholders or by their respective spouses or direct descendents, as long as Company's Shareholder(s) send a previous written notice to the other Binding Shareholders informing them of the referred sale; and (iii) the sale of one (1) Share to the persons who are elected by the Binding Shareholders to the position of member of the Board of Directors, it being understood that said persons shall undertake to return to the Binding Shareholder the Share they received in case they cease to occupy, for any reason, the position of member of the Board of Directors.

4.23.1. Should there be any sales pursuant to items (i) and (ii) of Clause 4.23 above, and should these sales be deemed, by CVM and/or by BOVESPA, as transfer of BRP's control, for the purposes of the provisions in article 254-A of Law no. 6,404/1976 or in BOVESPA's Novo Mercado Listing Rules, said sales shall be fully subject to the obligations set forth in this Clause 4.

4.24. The acquirer's or assignee's previous and express agreement to adhere, in writing and without reservations, to the terms hereof, assuming all the selling Binding Shareholder's obligations, constitutes a previous and necessary condition to any sale of Shares governed by this Clause 4, including those established by Clause 4.23 (i) and (ii) above.

4.24.1. The provisions in Clause 4.24 above do not apply to the case of a public offering of Shares held by Company's Shareholders made on stock exchanges, governed by Clauses 4.4 through 4.8 above.

4.24.2. Company's Shareholders agree that Brascan Brasil may, at its exclusive discretion and without prejudice to the possibility of exercising the Preemptive Right provided for in this Clause 4, not agree with the acquirer's or assignee's adherence to the terms of the present Agreement provided for in Clause 4.24 above. In this case, the sale of Shares to this acquirer or assignee may be made, although they shall not be a party herein. The provisions in this Clause 4.24.2 do not apply to the cases of transfer of shares by part of Company's Shareholders pursuant to Clause 4.23 above, in which case Brascan Brasil shall not be entitled to veto the adherence of the respective acquirer or assignee to the terms hereof.

4.25. The instrument of sale of Shares, in any of the cases foreseen in this Clause 4, shall be filed by the Company and the Brazilian Securities and Exchange Commission (CVM) shall be informed pursuant to applicable regulations.

4.26. The sale of Shares or the constitution of any burden in disagreement with the provisions of this Clause shall not be valid or effective, and the Company is bound to not record them in its books, and to ensure that the book-keeping agent of the shares issued by the Company does not record said acts.

4.27. Brascan Brasil's decision to sell, directly or indirectly, part of or all its Shares to third parties or to any of Company's Shareholders during the five (5) years in which Company's Shareholders cannot sell certain numbers of their Shares, pursuant to Clauses 4.2 and 4.2.1 above, does not prevent Company's Shareholders from exercising the Tag-along Right provided for in Clauses 4.5.2 (b) and 4.17 (b) above.

**CLAUSE 5
TAG-ALONG OBLIGATION**

5.1. In case Brascan Brasil intends to sell all its Shares held to third parties, Company's Shareholders, if required, shall be bound to participate in the operation by transferring all the Shares held by them under the same condition agreed upon between the acquiring third party and Brascan Brasil, with due regard for the requirement that (i) the price be fully paid in cash, in Brazil, on the date of the transfer of Shares by Company's Shareholders; and (ii) Company's Shareholders do not have any indemnification obligation in relation to the referred sale, except in relation to representations as to the ownership of the Shares, burden thereon, and the ability to sell, which shall be made individually and not jointly.

5.2. The obligation set forth in Clause 5.1 above does not exclude Brascan Brasil's obligation to grant to Company's Shareholders preemptive rights in the acquisition of the Shares held by them, pursuant to Clause 4 above.

5.3. Brascan Brasil shall inform Company's Shareholders of their intention to exercise the right provided for in this Clause 5 in the same document in which it offers Company's Shareholders preemptive rights in the acquisition of the Shares held by them mentioned in Clause 4.4 above.

5.3.1 Brascan Brasil's right provided for in Clause 5 shall only be exercised for the sale of all the Shares held by Company's Shareholders.

**CLAUSE 6
EFFECTIVENESS**

6.1. With due regard for the provisions in Clause 6.2.2 below, this Agreement shall become effective, automatically and regardless of any other formality, on the date when the Share Merger and the Subsidiary Merger are approved at the General

Meetings of Company, the Subsidiary and BRP, and shall be effective until the earliest of the following events: (i) twenty-five (25) years as of the beginning of this Agreement's effectiveness; or (ii) Brascan Brasil, individually, or Company's Shareholders, jointly, becoming holders of interest exceeding fifty percent (50%) of the Company's voting and total capital; or (iii) Brascan Brasil, Marcelo, Fernando, and Company's Shareholders, jointly, become direct or indirect holders of interest less than fifty percent (50%) of the Company's voting and total capital plus one (1) registered common share.

6.2. The Binding Shareholders undertake immediately to implement all the necessary acts to ensure that all matters related to the Corporate Restructuring, including the Share Merger and the Share Merger, are approved at the General Meetings of Company, the Subsidiary and BRP, including, but not limited to, attending the General Meetings and voting for the approval of all matters on the agenda, including those regarding the election of the Board of Directors, with due regard for the provisions in Clause 2 above.

6.2.1. The Binding Shareholders undertake immediately, in case the Corporate Restructuring is approved, to implement all necessary acts to ensure that a Meeting of Company's Board of Directors is called on the same date as the General Meetings referred to in Clause 6.2 above to approve the election of the new members of BRP's Executive Officers, as per Clause 2.10 above, setting forth their respective authorities according to market practices.

6.2.2 The Binding Shareholders shall only be released from complying with the obligations undertaken in Clauses 6.2 and 6.2.1 above in case one of the Audit results in the identification of (a) Company's contingent liabilities that are not reflected in its Financial Statements of June 30, 2008, in an amount greater than thirty-nine million, five hundred and eleven thousand, seven hundred and fifty reais (R\$39,511,750.00), corresponding to five percent (5%) of the total value of its assets; and (b) BRP's

contingent liabilities not reflected in its Financial Statements of June 30, 2008, in an amount greater than one hundred and forty-five million, thirty-five thousand, five hundred and fifty reais (R\$145,035,550.00), corresponding to five percent (5%) of the total value of its assets.

6.2.3. The obligations undertaken in Clauses 6.2 and 6.2.1 above are effective immediately, on the date of execution of the present Agreement.

6.3. Should for any reason the Share Merger and the Subsidiary Merger not be approved by the General Meetings of Company, the Subsidiary and BRP by the date provided for in the Protocols, the present Agreement shall become null and void.

CLAUSE 7

COMPANY'S REGISTRATION AND OBLIGATIONS

7.1. The Company executes the present Agreement as intervening and consenting party, recognizing and agreeing with its terms and conditions.

7.2. The present Agreement shall be filed at the Company's headquarters, and the Company shall ensure full compliance with its provisions, committing itself to immediately announcing to the Binding Shareholders any act or omission that may imply non-compliance with the obligations set forth in the present Agreement.

7.3. The obligations resulting from this Agreement shall be annotated in the Company's Registered Share Registrar, beside the registration of shares held by the Binding Shareholders, as well as in the respective share certificates or multiple share certificates, if applicable, or on the books of the Share book-keeping institution, if applicable; said annotations shall prevent the exercise of any act infringing what has been agreed upon herein.

7.4. The Company shall not record in its corporate books any operation that implies

the transfer of Shares held by the Binding Shareholders in a manner that infringes what has been agreed upon herein, and shall ensure that the book-keeping agent of the shares issued by the Company does not record said acts.

CLAUSE 8

GENERAL PROVISIONS

8.1. The present Agreement binds the Company, BBL and the Parties and their respective heirs and successors of any kind.

8.2. The present Agreement, as well as all the obligations undertaken pursuant to its terms, are irrevocable and irreversible, and cannot be amended, except by means of a written instrument signed by all Binding Shareholders.

8.3. Any of the Parties may require, pursuant to article 118 of Law no. 6,404/1976, specific performance of the obligations undertaken by the other Parties pursuant to this Agreement, especially with the aim to (a) annul the general meeting that accepts as valid a vote cast against the provisions herein; (b) cancel the registration of transfer of shares that infringes upon the provisions herein; and (c) the judicial supply of the Binding Shareholder's will, or that of their representative at the Company's general meeting or board of directors meetings in the event of refusal to exercise the right to vote under the conditions agreed on herein or to comply with any other provision set forth herein.

8.4. The Parties undertake to ensure the delivery of this Agreement and any possible addenda hereto to the Company's headquarters, for the purposes of article 118 of Law no. 6,404/1976. Once the Agreement is filed at its headquarters, the Company (i) shall arrange its annotation, for purposes of article 118 of article 118 of Law no. 6,404/1976; and (ii) shall be bound by itself and its successors, irrevocably and irreversibly, to respect it rigorously, in all its terms and conditions.

8.5. The Parties recognize and agree that specific performance hereof may not be sufficient and/or effective to fully undo the damage caused by the non-compliance with the obligation, for which reason the Party (Parties) harmed by this non-compliance may claim the due indemnification, including loss of profits. Any possible indemnification shall be claimed and ascertained in an arbitration procedure pursuant to Clause 9.

8.6. The rights and obligations resulting herefrom shall not be transferred or assigned, in full or in part, except by means of a previous and express written consent from the other Binding Shareholders.

8.7. The non-exercise of any right or faculty granted hereby shall not imply novation or waiver, nor shall it exclude the exercise of said right or faculty at any time.

8.8. Should any provisions herein be considered void, the other contract provisions shall continue to bind the Binding Shareholders, who shall, in good faith, agree on the replacement of the voided provisions in order to achieve, as far as possible, the objectives thereof.

8.9. This Agreement shall be ruled and construed in accordance with the Laws of the Federative Republic of Brazil.

8.10. Company's Shareholders declare they are aware of the Shareholders' Agreement executed between Brascan Real Estate S.A., subsequently succeeded by Brascan Brasil, Marcelo and Fernando on 04.17.2008, and undertake to not practice any acts that result in a violation of the provisions agreed therein.

8.11. Except for the Shareholders' Agreement referred to in Clause 8.10 above, the Binding Shareholders declare that they did not execute and undertake not to execute any other shareholders' agreement or any other instrument that regulates the exercise

of the voting rights at BRP or the proprietary rights over the Shares.

8.12. All notices, announcements or communications regarding the present Agreement, as well as communications involving the Binding Shareholders and/or BRL, including for purposes of giving or receiving information, shall be sent by registered mail, via courier or fax to their respective representatives at the following addresses:

(a) To Brascan Brasil:

Rua Lauro Muller, 116, 21º andar, salas 2101 a 2108

Rio de Janeiro – RJ

22290-260

Fax.: (21) 3527-7799

Att.: Paulo Garcia

(b) To Company's Shareholders:

Company Administração e Participações Ltda.

Rua Funchal, 418, 28º andar

São Paulo - SP

04551-060

Fax: (11) 3704-6543

Att.: Luiz Rogelio Rodrigues Tolosa e Walter F. Lafemina

(c) To the Company:

Avenida Prefeito Dulcídio Cardoso, 4225

Rio de Janeiro – RJ

22793-011

Fax: (21) 3823-7549

Att.: Denise Goulart de Freitas

(d) To BBL:

Clifton Housem, 75 Fort Street, PO Box 190

Grand Cayman KY1-1104, Cayman Islands

Fax.: (21) 3527-7799

Att.: Paulo Garcia

8.12.1 The notices sent pursuant to this Clause shall be considered delivered: (i) at nine o'clock (9:00 a.m.) of the Business Day immediately following the day when they were sent, in case they are sent via fax, within the addressee's business hours or outside them; (ii) at nine o'clock (9:00 a.m.) of the third Business Day following the day when they were sent if via registered mail or courier.

8.12.2 The signatories hereof may change their respective addresses, as indicated above, by means of a notice sent to the other signatories hereof.

CLAUSE 9

DISPUTE SOLUTIONS AND ARBITRATION

9.1. The Parties shall exert their best efforts to, in good faith, amicably solve any litigation, question or disagreement that may arise between them, directly or indirectly related hereto.

9.2. Once the disagreement is characterized, the Parties shall seek a consensual solution within a reasonable period, which shall not exceed sixty (60) days from the receipt of the disagreement notice sent from one Party to the other.

9.3. Should the period set forth in Clause 9.2 lapse without the Parties reaching a consensual solution, or should any of the Parties send a notice before this period ends announcing the closing of negotiations to reach a consensual solution, the litigation,

doubt or disagreement between the Parties, resulting from and/or related hereto, shall submit the matter to arbitration ("Arbitration"), as provided for in Law no. 9,307/96.

9.4. The Arbitration shall be established and processed in accordance with the Market Arbitration Panel Rules, connected with BOVESPA ("Rules"). The management and correct development of the arbitration procedure shall be conducted by the Market Arbitration Panel, connected with BOVESPA ("Panel").

9.4.1. Should the Panel understand, by means of an express written decision, that one given Arbitration is not subsumed within the matters in its jurisdiction, said Arbitration shall be managed by the Arbitration and Mediation Center of the Brazil-Canada Chamber of Commerce ("CCBC"), and shall be constituted and processed in accordance with CCBC's Arbitration Regulation.

9.5. The Arbitration Court shall be comprised of three arbitrators, and Brascan Brasil shall be responsible for choosing a sitting arbitrator and his or her respective alternate, according to the periods provided for in the Regulation. The arbitrators appointed by the Parties shall jointly choose the name of the third arbitrator, who shall be the chairman of the Arbitration Court. Should any of the Parties fail to appoint an arbitrator and/or alternate, or should the several Parties who must appoint one sole arbitrator and their alternate not reach a consensus, the Chairman of the Chamber shall make this appointment.

9.6. The Arbitration shall be headquartered in the City and State of São Paulo, and the Arbitration Court may determine, with good reason, the conduction of procedural acts in other locations.

9.7. Portuguese shall be the official arbitration language, the Brazilian law shall be the applicable law, and the arbitration shall be subject to the Parties' and arbitrators' strict confidentiality. The only exception to this confidentiality is the disclosure of information expressly imposed by law.

9.8. Once the Arbitration Court is instated, it shall be responsible for solving all the matters resulting from or related to the subject matter, including those that are incidental, preventive or coercive.

9.9. Notwithstanding the provisions above, each Party retains the right to require the following legal measures, without it being construed as a renouncement of the arbitration procedure:

(a) measures related to controversies referring to the obligation to pay admitting, forthwith, a legal execution process, and those that may require specific performance, it being understood that the Arbitration decisions shall be deemed harmful to the matter conducted by motion;

(b) measures aiming to obtain a preventive measure for protection of rights prior to the instatement of the Arbitration Court and/or aiming to ensure the useful outcome of the arbitration process; and

(c) measures to execute any arbitration decision, including the final report.

9.10. For this purpose, the Parties elect the court of the judicial district of São Paulo, expressly waiving any other court, however more privileged.

9.11. The Parties recognize that any possible preliminary injunction obtained by the Judicial Branch shall necessarily be reviewed by the Arbitration Court, which shall then decide to uphold it, review it or reverse it.

9.12. The Parties also recognize that any arbitration order, decision or resolution shall be final and binding, and the arbitration report shall constitute a judicial enforcement instrument.

9.13. The Arbitration shall be concluded within the period of six months, which may be extended, with good reason, by the Arbitration Court.

In witness whereof, the Parties execute this present instrument in eight (8) counterparts of equal form and content, for one single effect, along with the witnesses below.

Rio de Janeiro, September 10, 2008

Brascan Brasil Ltda.

Name: Luiz Ildfonso Simões Lopes

Position:

Name: Sergio Leal Campos

Position:

Company Administração e Participações Ltda.

Name:

Position:

Name:

Position:

Walter Francisco Lafemina

Gilberto Bernardo Benevide

Luiz Rogelio Rodrigues Tolosa

Elias Calil Jorge

(Continuation of the signature page of the Shareholders' Agreement of Brascan Residential Properties, dated September 10, 2008)

Luiz Ângelo de Andrade Zanforlin

Intervening/Consenting Parties:

Brascan Residential Properties S.A.

Name: Nicholas Vincent Reade
Position: Chief Executive Officer

Name: Alessandro Olzon Vedrossi
Position:

Brascan Brazil Ltd.

Name: Luiz Ildfonso Simões Lopes
Position:

Name: Sergio Leal Campos
Position:

Witnesses:

Name:
Identity Card (RG):
Individual Taxpayer's
ID (CPF/MF):

Name:
Identity Card (RG):
Individual Taxpayer's
ID (CPF/MF):