



## ***Brascan announces R\$200 million rights offering***

**Rio de Janeiro, January 15, 2009** – Brascan Residential Properties S.A. (“Brascan” – Bovespa: BISA3), one of the largest integrated developers in Brazil, announced today that its Board of Directors has approved a rights issue of 100 million new common shares, within the limits of the authorized capital established by the EGM of November 24<sup>th</sup>, 2008, providing a capital increase of R\$ 200 million.

“In addition to strengthening Brascan’s capital structure, the transaction will allow us to further consolidate our position as a market leader. This capitalization confirms our standing as one of the most solid companies in the industry, with a strong balance sheet, and the ability to support our project growth pipeline. The transaction should also increase the liquidity of the stock,” commented Luiz Rogélio Tolosa, Brascan’s Head of Institutional Relations.

The issue price of the offering, R\$2.00 per share, was established with reference to the market price. In view of the high volatility currently prevailing in the Brazilian stock market, and in order to provide an incentive for minority shareholders to subscribe their rights, Brascan decided to issue the shares at a discount to market. Relative to the volume weighted average closing price of BISA3 in the last thirty business days (from Nov. 28, 2008 to Jan. 14, 2009), the price of R\$2,00 represents a discount of approximately 12%.

The newly issued shares will be entitled to all dividends, interest on equity, bonuses and any capital remuneration distributed by Brascan after the conclusion of the transaction.

Any existing shareholders are entitled to subscribe their pro rata rights. The controlling shareholders have undertaken to subscribe their respective rights (58.5% of the Company’s capital). In addition, one of the controlling shareholders, Brookfield Asset Management, an international asset management firm with approximately US\$90 billion under management (of which around US\$38 billion is in real estate assets), has committed to subscribe, through Brascan Brasil Ltda, any rights not taken up by the minority shareholders, thereby ensuring full subscription of the R\$200 million offering.

“This underlines the controlling shareholders’ commitment to the Brazilian real estate business, and their determination to strengthen Brascan’s position as one of the leading companies in the industry,” declared Nicholas Reade, Brascan’s CEO.

Shareholders will have 30 days to exercise their subscription rights, from January 16 to February 16, 2009. As of January 16, Brascan shares will be traded ex rights.

“The real estate market will continue to offer opportunities, but the recent international crisis has resulted in a shortening of loan maturities, which is not compatible with the company’s strategy to have long-term financing with staggered maturities over the entire business cycle. In response, we are raising capital to strengthen our financial position and provide us with a competitive advantage in the market,” concluded Reade.

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## About Brascan Residential Properties S.A.

Brascan Residential Properties S.A. ("Brascan") is one of the largest developers in Brazil, operating in the residential and office development businesses. Brascan is a fully integrated developer, covering everything from the land acquisitions through planning, building, sales and customer service. Brascan is part of Bovespa's Novo Mercado and is traded under the ticker BISA3. For more details, please visit our website: [www.brascanresidential.com.br/ri](http://www.brascanresidential.com.br/ri).

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*This release contains forward-looking statements relating to the prospects of the business, as well as estimates of Brascan Residential Properties' operating and financial results and growth prospects. These are merely projections and, as such, are based exclusively on the expectations of Brascan Residential Properties' management concerning the future of the business and its continuous access to capital to finance BRP's business plan. Such forward-looking statements depend, substantially, on changes in market conditions, government regulations, competitive pressures, the performance of the Brazilian economy and the industry, among other factors, in addition to those listed in the documents filed by Brascan Residential Properties and are, therefore, subject to change without prior notice.*

