

BRASCAN RESIDENTIAL PROPERTIES S.A.

CNPJ/MF No. 07.700.557/0001-84

NIRE 33.300.277.153

Publicly-Traded Company

MATERIAL FACT

BRASCAN RESIDENTIAL PROPERTIES S.A., a publicly-traded company, with its principal place of business in the City and State of Rio de Janeiro, at Avenida Prefeito Dulcídio Cardoso, No. 4225, suite A, part, Barra da Tijuca, registered with the Legal Entities Taxpayers' Registry of the Ministry of Finance ("CNPJ/MF") under No. 07.700.557/0001-84 ("Company"), jointly with **BRASCAN REAL ESTATE S.A.**, a company registered with CNPJ/MF under No. 07.563.628/0001-44, with its principal place of business in the City and State of Rio de Janeiro, at Avenida Prefeito Dulcídio Cardoso, No. 4225, suite A, part, Barra da Tijuca ("BRE") and **BRASCAN BRASIL LTDA.**, a limited liability company, with its principal place of business in the City and State of Rio de Janeiro, at Rua Lauro Muller, No. 116, 21st floor, room 2101 to 2108, Botafogo, registered with CNPJ/MF under No. 34.268.326/0001-16 ("BRB"), hereby inform that on September 9, 2008, the merger of BRE's equity into BRB was approved, with the further extinguishment of BRE and the succession by BRB of all BRE's rights and obligations.

In view of the aforementioned transaction, the 110,778,465 (one hundred and ten million seven hundred and seventy-eight thousand and four hundred and sixty-five) ordinary shares issued by the Company, representing 59.87% (fifty-nine point eighty-seven percent) of its total and voting capital, which were held by BRE in the past, were transferred to BRB.

Taking into account that the social capital of BRE was held indirectly by the same controlling shareholder that indirectly holds BRB's social capital, Brookfield Asset Management Inc., a company organized under the laws of Canada, with its principal place of business in Toronto, Ontario, Canada, the transaction mentioned herein does not characterize the transfer of the Company's control, and consequently, it does not trigger the obligation of completion of a tender offer to the Company's minority shareholders.

The transaction informed herein will not trigger any change neither in the Company's management structure nor in the conduction of its businesses, being a pure corporate reorganization within the group to which BRE and BRB are part.

The Company further informs that, today, BRB executed the "Statement of Consent from Controlling Shareholder" to the São Paulo Stock Exchange's "Novo Mercado" Listing Rules, by means of which BRB personally assumes the responsibility for complying with the rules of the relevant listing segment.

Rio de Janeiro, September 9, 2008.

Cristiano Gaspar Machado
Brascan Residential Properties S.A.
Finance and Investor Relations Director