



NEWS RELEASE

BPO PROPERTIES LTD. RENEWS NORMAL COURSE ISSUER BID

TORONTO, September 18, 2006 — BPO Properties Ltd. (BPP: TSX) announced today that the Toronto Stock Exchange accepted a notice filed by BPO of its intention to renew its prior normal course issuer bid for a further one-year period in order to provide liquidity to its shareholders.

The notice provides that BPO may, during the twelve month period commencing September 20, 2006 and ending September 19, 2007, purchase on the Toronto Stock Exchange up to 342,373 common shares, representing approximately 5% of the issued and outstanding common shares of the company. At September 18, 2006, there were 6,847,453 common shares issued and outstanding and 3,113,806 common shares in the public float. In addition, BPO has 21,678,532 non-voting equity shares outstanding. The price to be paid for the shares will be the market price at that time of purchase. The actual number of shares to be purchased and the timing of such purchases will be determined by BPO, and all shares will be purchased on the open market or such other means as approved by the Toronto Stock Exchange. All shares purchased by BPO under this bid will be promptly cancelled.

As at September 14, 2006, BPO acquired 600 common shares at an average price of \$37.50 per share under its prior normal course issuer bid which commenced September 15, 2005 and ended on September 14, 2006.

* * *

BPO Properties Ltd., 89% owned by Brookfield Properties Corp., is a Canadian company that invests in real estate, focusing on the ownership and value enhancement of premier office properties. The current property portfolio is comprised of interests in 35 commercial properties totaling 22 million square feet and four development projects totaling four million square feet. Landmark properties include First Canadian Place in Toronto and Bankers Hall in Calgary. BPO Properties' common shares trade on the TSX under the symbol BPP. For more information, visit www.bpoproperties.com.

Contact: Melissa Coley, Vice President, Investor Relations and Communications at (416) 359-8593.

This press release contains forward-looking statements and information within the meaning of applicable securities legislation. Although BPO Properties believes that the anticipated future results, performance or achievements expressed or implied by the forward-looking statements and information are based upon

reasonable assumptions and expectations, the reader should not place undue reliance on forward-looking statements and information because they involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the company to differ materially from anticipated future results, performance or achievement expressed or implied by such forward-looking statements and information. Factors that could cause actual results to differ materially from those set forth in the forward-looking statements and information include general economic conditions; local real estate conditions, including the development of properties in close proximity to the company's properties; timely leasing of newly-developed properties and re-leasing of occupied square footage upon expiration; dependence on tenants' financial condition; the uncertainties of real estate development and acquisition activity; the ability to effectively integrate acquisitions; interest rates; availability of equity and debt financing; the impact of newly-adopted accounting principles on the company's accounting policies and on period-to-period comparisons of financial results; and other risks and factors described from time to time in the documents filed by the company with the securities regulators in Canada including in the Annual Information Form under the heading "Business of BPO Properties – Company and Real Estate Industry Risks." The company undertakes no obligation to publicly update or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise.