

BABCOCK & BROWN RESIDENTIAL LAND PARTNERS



Babcock & Brown Residential Land Partners Limited · ABN 49 119 517 985
Babcock & Brown Residential Land Partners Services Limited · ABN 40 118 364 499
as responsible entity of the Babcock & Brown Residential Land Partners Trust · ARSN 119 613 848
Level 23 The Chifley Tower · 2 Chifley Square · Sydney NSW 2000 Australia
T +61 2 9229 1800 · F +61 2 9216 1752 · www.bbresidentiallandpartners.com

ASX Release

25 June 2008

BLP DISTRIBUTION REINVESTMENT PLAN

Attached are the following documents which were despatched to Babcock & Brown Residential Land Partners (ASX: BLP) Securityholders in relation to the implementation of a Distribution Reinvestment Plan:

- Chairman's Letter
- Distribution Reinvestment Plan Rules
- Distribution Reinvestment Plan Application Form

ENDS

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About Babcock & Brown Residential Land Partners

Babcock & Brown Residential Land Partners (BLP) is a listed vehicle managed by Babcock & Brown which invests in a diversified portfolio of quality residential land projects which are developed by a range of leading private developers.

BLP offers Securityholders liquidity, geographic, project and product diversity, access to quality private developers, long term potential for growth and, importantly, the benefit of access to Babcock & Brown's considerable experience in the real estate sector.

For further details please see our website: www.bbresidentiallandpartners.com

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24 June 2008

Dear Securityholder

Distribution Reinvestment Plan

Babcock & Brown Residential Land Partners (ASX: BLP), is pleased to announce the implementation of a Distribution Reinvestment Plan (DRP) for BLP Securityholders. The DRP will commence in time for BLP's distribution for the six months ending 30 June 2008. The DRP enables Securityholders residing in Australia and New Zealand (and, at the discretion of the Board, any other jurisdiction where the laws of that jurisdiction permit participation) to reinvest their distribution in additional fully paid BLP Securities.

The DRP is a convenient and cost-effective way for you to increase your holding in BLP.

Terms and Conditions of the DRP

Participation in the DRP is voluntary, and may be in respect of either some or all of your BLP Securities. A booklet outlining the rules of the DRP and an Application Form are enclosed. Securityholders may alter or cancel their participation in the DRP at any time by providing a DRP Variation/Termination Notice to BLP's Security Registry, Link Market Services Limited (Link).

Return Date for Application Form

In order to participate in the DRP for the distribution for the six months ending 30 June 2008, your DRP Application Form must be returned to Link, in the enclosed reply paid envelope, by 5pm on 31 July 2008. Your DRP election will remain in place for future distributions until a Variation/Termination Notice is received by Link or the DRP is otherwise terminated or suspended. To participate in the DRP for the distribution for the six months ending 30 June 2008, you need to hold participating stapled securities on 30 June 2008.

If you have any questions in relation to your participation in the DRP, including any financial or taxation implications, you should review the enclosed DRP booklet and consult your stockbroker, accountant or other financial adviser.

If you have any other queries regarding your investment in BLP, please contact Link Market Services on 1800 645 238 (within Australia) or +61 2 8280 7586 (outside Australia) or via email at babcockbrown@linkmarketservices.com.au.

Thank you for your ongoing support of BLP.

Yours faithfully

Robert Wright
Chairman
Babcock & Brown Residential Land Partners

Distribution Reinvestment Plan Rules



BABCOCK & BROWN
RESIDENTIAL LAND PARTNERS

This is a Distribution Reinvestment Plan adopted jointly by Babcock & Brown Residential Land Partners Limited ABN 49 119 517 985 and Babcock & Brown Residential Land Partners Services Limited ABN 40 118 364 499 AFSL 298788 in its capacity as responsible entity of the Babcock & Brown Residential Land Partners Trust ARSN 119 613 848. The detailed terms and conditions of the Distribution Reinvestment Plan are contained in this booklet. Please read them before deciding whether or not to participate.

1 HIGHLIGHTS

1.1 Distribution Reinvestment Plan

Under the Babcock & Brown Residential Land Partners Distribution Reinvestment Plan (DRP), your dividend and trust distribution (**Distribution**) may be reinvested in Babcock & Brown Residential Land Partners fully paid stapled securities.

1.2 Increase your holding

The DRP is a cost effective and convenient way of increasing your securityholding in Babcock & Brown Residential Land Partners.

1.3 Entitlement to Securities

Each Distribution paid in respect of securities participating in the DRP is automatically reinvested in securities, which may be newly issued by BLP or purchased on-market (or a combination of both options) at the discretion of the Boards.

1.4 Discount on ex-Distribution price

Securities can be allotted under the DRP at a discount from the weighted average "ex-Distribution" market price and will be allotted to you free of brokerage, commission and stamp duty costs. The DRP gives the Boards discretion as to the amount of the discount up to the maximum permitted under the constitutions of the Company and the Trust.

1.5 Entitlement rounded up

Where the issue formula results in a fraction of a security, your entitlement will be rounded up to the next whole number.

1.6 Securities rank equally

Securities allotted under the DRP rank equally with existing Securities.

1.7 Optional participation

Participation is entirely optional. You may at any time join the DRP, vary your participation or withdraw from the DRP by completing an Application Form, Variation Notice or Termination Notice and sending it to Babcock & Brown Residential Land Partners' Registry. Applications received after the DRP Record Date for a distribution will not be effective until the next date for distribution.

1.8 Statement

A statement will be sent to you following each Distribution payment date, detailing your participation in the DRP.

1.9 Amendment, Suspension and Termination

The Boards may in their absolute discretion resolve to amend, suspend or terminate the DRP, but in so doing cannot vary any entitlement you have received or accrued up to that point.

1.10 Terms and Conditions

The detailed terms and conditions of the DRP are contained in this booklet. Please read them before deciding whether or not to participate in the DRP.

Please note that the defined terms used in this booklet are detailed on page 6.

1.11 Enquiries

If you wish to enquire about the DRP (other than in relation to taxation), please contact Babcock & Brown Residential Land Partners' Registry, Link Market Services Limited at the following address:

Link Market Services Limited

Locked Bag A14

Sydney South NSW 1235

Telephone: 1800 645 238 (within Australia)

+61 2 8280 7586 (from outside Australia)

Email: babcockbrown@linkmarketservices.com.au

Web: www.linkmarketservices.com.au

2 FREQUENTLY ASKED QUESTIONS

2.1 Who can participate?

All registered holders of Babcock & Brown Residential Land Partners Securities can participate in the DRP to the limit of their Securityholdings subject to the Boards having determined a Minimum Participating Holding. However, any Securityholder who has a registered address, or is resident, in a country other than Australia may not be eligible to participate in the DRP because of legal requirements applying in that country. The Boards have the discretion to determine whether any such Securityholder is excluded from the DRP and may require a Securityholder to provide proof, in the form of a statutory declaration or other document, of the legality of their participation.

2.2 What if I reside outside Australia?

You may participate but only in accordance with the laws of your country of residence and at the discretion of the Boards.

2.3 Is participation optional?

Yes. The decision is entirely yours.

2.4 Can I participate fully in the DRP?

Yes. The limit of your participation for a given Distribution entitlement is determined by the number of Securities registered in your name on the Record Date for the relevant Distribution or such other date advised by the Boards.

2.5 Can I participate partially in the DRP?

Yes. In this case your participation in the DRP will depend on the number of your Securities you have nominated to participate in the DRP. Your entitlement to Distribution payments in respect of Securities not participating in the DRP will be paid in the normal way.

2.6 How do I join the DRP?

Complete the Application Form enclosed and return it to:

The Registrar

Link Market Services Limited

Locked Bag A14

Sydney South NSW 1235

A copy of the DRP Terms and Conditions and an Application Form can be obtained from the Babcock & Brown Residential Land Partners' website.

2.7 When will my participation begin?

It will begin with the first Distribution after receipt of your Application Form. This is subject to the Application being received prior to the DRP Record Date in respect of that Distribution, so as to allow sufficient time for Applications to be processed before the payment of the Distribution.

2.8 What happens if I have more than one Securityholding?

You will need to lodge a separate Application Form for each separate Securityholding (those registered under different names or joint names) and you must correctly identify the Securityholding on each Application Form.

2.9 Can I change my participation at any time?

Yes. Simply complete the Variation Notice enclosed with this booklet or request a form from The Registrar, Link Market Services Limited, Locked Bag A14, Sydney South NSW 1235. The Variation Notice will be effective from the next Distribution payment, subject to the Variation Notice being received on or before the relevant DRP Record Date.

2.10 At what price will the Securities be issued?

Securities will be issued under the DRP at the average of the daily volume weighted average price for all Babcock & Brown Residential Land Partners Securities sales (including sales that are special crossings) on the ASX during the 15 Trading Days ending on the Trading Day which is 3 Trading Days prior to the date of issue of the Securities. A discount may apply to the price and will be determined by the Boards.

2.11 How is the discount determined?

The amount of the discount, up to a maximum permitted under the constitutions of the Company and the Trust, is decided from time to time by the Boards but cannot be changed once declared for a particular distribution period. Details of the discount applicable to each Distribution will be posted on our website.

2.12 Do the Securities allotted under the DRP participate in the DRP?

Where a Securityholder has elected full participation, Securities allotted under the DRP automatically participate in the DRP unless and until a Variation Notice is received from you.

2.13 What will it cost me to participate?

There is no cost for participation. You will not be charged brokerage fees, commission, stamp duty or administrative costs for any issue of Securities under the DRP.

2.14 Can I sell my Securities when I choose?

Securities participating in the DRP or acquired under the DRP may be sold at any time. When a Securityholder with partial participation in the DRP sells Securities the number of Securities sold will be deducted first from their holding of Securities which are not Participating Securities and then from their Participating Securities unless Babcock & Brown Residential Land Partners receives notice to the contrary from the Securityholder.

Babcock & Brown Residential Land Partners takes no responsibility for the taxation liabilities of Securityholders and recommends that you obtain professional taxation advice. Securityholders resident overseas are advised to make enquiries about their tax liabilities in their country of residence as well as in Australia.

2.15 When will I receive a statement?

After each Distribution, statements will be issued to each Securityholder and will include the following information:

- the number of your Securities participating in the DRP;
- the Distribution entitlement on such Securities;
- the number and price of Securities allotted under the DRP;
- the extent to which a Distribution under the DRP is franked;
- the amount and extent to which any Distribution which is a Trust distribution is taxable, tax-free or tax-deferred (if known at that time); and
- the amount of any tax that has been withheld from the Distribution.

2.16 Can the DRP be amended?

The DRP may be amended by the Boards at their absolute discretion. If this occurs, the Group will make a public announcement and information will be available at www.bbresidentiallandpartners.com.

2.17 Can the DRP be suspended or terminated?

The DRP may be suspended or terminated by the Boards at their absolute discretion.

2.18 What happens if I do not participate in the DRP?

If you elect not to participate in the DRP, you will continue to receive any Distribution payments in the normal manner. Non-participation in the DRP will result in a dilution of your holding of Babcock & Brown Residential Land Partners Securities relative to other Securityholders who participate in the DRP.

2.19 Can the DRP be underwritten?

Yes. The Boards in their discretion may seek underwriting of all or part of the DRP from time to time. Any underwriting may result in additional Securities that are available for issue under the DRP, but which are not taken up by Securityholders being allotted to other persons through the underwriting. Those persons may or may not be existing Securityholders.

2.20 Enquiries

If you have any enquiries (other than taxation) about how the DRP operates and how you can participate, write or telephone:

The Registrar

Link Market Services Limited

Locked Bag A14

Sydney South NSW 1235

Telephone: 1800 645 238 (within Australia)

+61 2 8280 7586 (from outside Australia)

Email: babcockbrown@linkmarketservices.com.au

Web: www.linkmarketservices.com.au

Please note that Babcock & Brown Residential Land Partners is not in a position to answer enquiries concerning the taxation implications for Securityholders. Such enquiries should be addressed to your taxation adviser.

TERMS AND CONDITIONS

1 INTERPRETATION

1.1 In these Terms and Conditions unless the contrary intention appears:

Application and Application Form means a written application to participate in the DRP signed by a Securityholder, or a person entitled to be registered as a Securityholder (or each Securityholder or person in the case of joint holdings) and in the form prescribed or approved by the Company Directors and the RE Directors from time to time which form may be combined with or form part of any other form or notice;

ASX means Australian Securities Exchange operated by ASX Limited ABN 98 008 624 691;

Boards means the Company Directors and the RE Directors;

Company means Babcock & Brown Residential Land Partners Limited ABN 49 119 517 985;

Company Directors means the directors of the Company;

DRP means the Distribution Reinvestment Plan constituted and incorporating the Terms and Conditions;

DRP Record Date means:

(a) the Record Date for determining entitlements to a Distribution; or

(b) such other date determined by the Boards in relation to a particular Distribution and announced on the ASX in relation to participation in the DRP for that Distribution provided that such date is before the start of the period over which M is calculated in accordance with clause 6.2 for that Distribution.

Distribution includes a dividend from the Company, a distribution from the Trust, or any combination of both;

Distribution Securities means Securities (including Participating Securities) upon which a Distribution is payable;

Group means the Company and the Trust;

Listing Rules means the official listing rules of the ASX;

Minimum Participating Holding means the number of Securities (if any) determined by the Boards from time to time under clause 5.2;

Participant means a Securityholder participating in the DRP;

Participating Securities means Securities participating in the DRP;

Record Date is as defined in the Listing Rules;

RE Directors means the directors of the Responsible Entity;

Register means the register of holders of Securities maintained by the Company and the Trust;

Registry means Link Market Services Limited, Locked Bag A14, Sydney South, NSW 1235;

Responsible Entity means Babcock & Brown Residential Land Partners Services Limited ABN 40 118 364 499 while it remains the trustee of the Trust, but if it is replaced, any replacement trustee;

Rules means the rules of the DRP as varied from time to time;

Security means one ordinary share in the capital of the Company stapled to one unit in the capital of the Trust on a one for one basis;

Securityholder means a person (including a corporation) entered in the Register as the holder of Securities;

Stapling means where each share in the capital of the Company is stapled to a unit in the capital of the Trust to form a stapled security, with each

security being quoted together on ASX so that one security may not be dealt with without the other being dealt with in an identical manner and at the same time and with such restriction on dealing being denoted on the register of each security;

Termination Notice means a notice to terminate participation in the DRP in a form approved by the Boards;

Terms and Conditions means the terms, provisions and conditions of the DRP set out herein as amended from time to time pursuant to clause 14;

Trading Day has the same meaning as in the Listing Rules;

Trust means the Babcock & Brown Residential Land Partners Trust ARSN 119 613 848 established under the Trust Deed dated 9 May 2006 as amended from time to time;

Variation Notice means a notice to vary participation in the DRP in a form approved by the Boards; and

Withholding Tax means any tax or withholding amount that the Company or the Trust is required to withhold from a Distribution payable to a Securityholder.

- 1.2 Words importing the masculine gender include the feminine and neuter genders and words importing the singular include the plural and vice versa.
- 1.3 Securityholders who, in respect of distinct numbers of Securities held by them have separate holder numbers, shall, for the purposes of the Terms and Conditions, be deemed to be separate and distinct Securityholders in relation to each such holder number and the Securities from time to time allocated to that holder number.

2 PARTICIPATION IN THE DRP

- 2.1 Under the DRP a Securityholder may elect to receive Securities instead of cash for Distributions declared by the Boards in respect of all or part of their holdings of Securities.
- 2.2 Participation in the DRP:
 - (a) is subject to these Terms and Conditions;
 - (b) is optional;
 - (c) is not transferable; and
 - (d) may be varied or terminated at any time in accordance with clause 10.

- 2.3 Except as stated in clauses 2.4 and 2.8, all Securityholders are eligible to participate in the DRP.
- 2.4 A Securityholder who is subject to the laws of a country or place other than Australia may not be eligible to participate in the DRP because of legal requirements that apply in that country or place. The issue of Securities to Securityholders who are not resident in Australia at the time of issue will be subject to all necessary government approvals. It is the responsibility of each Securityholder to obtain any such approvals. Before electing to participate in the DRP, Securityholders should seek professional advice to ascertain if any restrictions apply.
- 2.5 If, in the opinion of the Boards, the law of Australia or another country (or any other matter or thing) makes a Securityholder's participation illegal, impossible or impracticable, the Boards may determine that the Securityholder is not able to participate in the DRP.
- 2.6 The Boards may, at their discretion, require from a Securityholder a statutory declaration or other proof that the Securityholder is not in breach of any law by participating in the DRP.
- 2.7 Participation may, subject to the Terms and Conditions, be varied or terminated by a Securityholder at any time in accordance with clause 10.
- 2.8 The Boards are entitled (but not obliged) to refuse a Securityholder participation in the DRP where the Securityholder has, in the opinion of the Boards, split a Securityholding or acquired Securities of such a split, in order to increase the number of participating Securities that may be allotted to the Securityholder or another person under the DRP.

3 APPLICATION TO PARTICIPATE

- 3.1 An application to participate in the DRP is to be made on an Application Form.
- 3.2 Upon receipt and acceptance of a duly completed and executed Application Form, participation will commence from the next DRP Record Date for determining entitlements for Distributions.
- 3.3 If the Boards decide to reject an application for participation they will inform the relevant Securityholder of their decision in writing within a reasonable time of receipt of the application.

4 DEGREE OF PARTICIPATION

4.1 Securityholders may elect one of two levels of participation in the DRP.

Full Participation

This means all the Participant's Securities at any time, however acquired (including Securities allotted under the DRP), will be subject to the DRP.

Partial Participation

This means only the number of Securities specified by the Participant will be subject to the DRP. Distributions payable in respect of the balance of the Securities held by the Participant will be paid in the normal manner.

4.2 Securityholders must specify on the Application Form the degree to which they wish to participate in the DRP by:

- (a) indicating full participation; or
- (b) indicating the number of the Securities to participate in the DRP for partial participation.

4.3 Application Forms received by the Group which do not indicate either the degree of participation or a specific number of Securities to participate, will be deemed by the Boards to be Applications for Full Participation. The Boards shall not be liable to the Securityholder for any loss, damage or claim in respect of either the Securityholder's participation or non-participation as the case may be pursuant to the exercise by the Boards of their discretion.

4.4 Application Forms received by the Group which indicate a number of Participating Securities in excess of the number of Securities held by the Securityholder making the Application will be deemed to be Applications for Full Participation.

5 MINIMUM PARTICIPATING HOLDING

5.1 The Boards may determine a minimum permitted number of Participating Securities per Participant (whether in respect of a particular Distribution or Distributions generally) from time to time by notification on the Group's website and by notice to the ASX.

5.2 To the extent that an Application has specified a number of Participating Securities less than a prevailing Minimum Participating Holding (including an election of Full participation where the number of Participating Securities would otherwise be less than that limit), for so long as that limit applies:

(a) the number of Participating Securities for that Participant for the purposes of these Rules is deemed to be zero; and

(b) any securities specified in the Application as Participating Securities less than that limit (including an election of Full Participation where the number of Participating Securities would otherwise be less than that limit) are deemed not to be Participating Securities, and any Distribution payable in respect of them will be paid by the Group in accordance with its usual arrangements for the payment of Distributions.

6 OPERATION OF DRP

6.1 The DRP allows Participants to acquire Securities at a discount (if any) determined by the Boards which must not exceed the discount permitted by the constitutions of the Company and the Trust. The Group will publish the amount of the discount (if any) for each Distribution on the Babcock & Brown Residential Land Partners website. The Boards may, at their discretion, either issue new Securities or cause existing Securities to be acquired in the market for transfer to Participants (or undertake a combination of both options) to satisfy their obligations under the DRP. The number of Securities to be allotted to each Participant is calculated as set out in clause 6.2.

6.2 Each Distribution which is payable to a Participant in respect of Securities subject to the DRP will, upon payment, be applied by the Group on the Participant's behalf in subscribing for the whole number of Securities, or when not a whole number the nearest whole number above the number, calculated by the following formula:

$$S = \frac{100 \times P \times D}{V \times M}$$

Where:

S is the number of Securities to be allotted to the Participant;

P is the number of Participating Securities registered in the name of the Participant to which the issue relates;

D is the amount of the Distribution per Security in cents determined or declared by the Boards on Distribution Securities, less the amount of any Withholding Tax applicable to that Distribution;

M is the average of the daily volume weighted average price for all Securities sales (including sales that are special crossings) on the ASX during the 15 Trading Days ending on the Trading Day which is 3 Trading Days prior to the date of issue of the Securities; and

V is a number less than or equal to 100 as determined by the Boards in accordance with the constitutions of the Company and the Trust from time to time.

6.3 Securities will be issued as soon as practicable following subscription pursuant to clause 6.2.

6.4 Distributions applied to acquire Securities under the DRP shall be allocated between shares in the Company and units in the Trust as determined by the Boards.

7 SECURITIES ALLOTTED UNDER THE DRP

7.1 Securities allotted under the DRP will be allotted in accordance with the Listing Rules.

7.2 All Securities allotted under the DRP will rank equally in all respects with existing Securities.

8 COSTS TO PARTICIPANTS

No brokerage, commission, stamp duty, or other transaction costs will be payable by Participants in respect of any issue of Securities under the DRP.

9 STATEMENTS TO PARTICIPANTS

After each issue made pursuant to clause 6.3, the Group will forward to each Participant a statement detailing, as at the relevant issue date:

- (a) the number of the Participant's Participating Securities as at the close of the Register for determination of entitlements to Distributions;
- (b) the amount of Distribution payable on all of the Participant's Participating Securities, the amount of any Withholding Tax and the extent to which the Distribution is franked;

- (c) if the Distribution is a distribution from the Trust, the amount of any Withholding Tax, the amount of the Distribution and the extent to which it is taxable, tax-free, or tax deferred (if known at that time);
- (d) the number of Securities allotted to the Participant under the DRP under the issue to which the statement relates;
- (e) the price at which these Securities were allotted and any discount reflected in the price;
- (f) the amount applied in settlement of all the Securities allotted, at the price determined in accordance with the terms and conditions of the DRP;
- (g) any balance payable in respect of part participation in the DRP;
- (h) the allocation of the Distribution between the acquisition cost of shares in the Company and units in the Trust; and
- (i) the Participant's total holding of Participating Securities after such allotment.

10 VARIATION TO OR TERMINATION OF PARTICIPATION

10.1 Subject to clause 11, a Participant may at any time give a Variation Notice or Termination Notice to the Group at the Registry to:

- (a) increase or decrease participation in the DRP; or
 - (b) terminate participation in the DRP.
- The variation or termination takes effect from the Record Date for the next Distribution.

10.2 Unless notified to the contrary by the Participant, sales of Securities will be treated in the following manner:

Part participation

- (a) In the first instance, as a reduction of the number of Securities not participating in the DRP;
- (b) Thereafter, as a reduction of the number of participating in the DRP; and
- (c) Where all Securities have been sold, as a cancellation of participation in the DRP.

Full Participation

- (a) As a reduction of the number of Securities participating in the DRP; and
- (b) Where all Securities have been sold, as a cancellation of participation in the DRP.

10.3 If a Participant transfers all of the Participant's holding of Securities, without giving notice of termination of participation in the DRP, the Participant will be deemed to have given notice to terminate participation in the DRP on the last date when the Group registered a transfer or instrument of disposal of the Participant's Securities.

10.4 If a Participant dies, participation by that Participant and any other Participants with whom the deceased was a joint Participant will be terminated, subject to Clause 11, upon receipt by the Company of notice of the death of the Participant.

10.5 When a Participant transfers Participating Securities, the Participating Securities shall upon registration of such transfer or instrument of disposal cease to be Participating Securities.

11 APPLICATIONS AND NOTICES

11.1 Notices must be in writing and in such form as the Boards may from time to time require.

11.2 Applications must be made and notices must be given by the Participant separately in respect of each holding of Securities identified by a separate holder number in the Register.

11.3 Applications and notices will be effective on receipt by the Group at its Registry subject to:

- (a) the Terms and Conditions;
- (b) in the case of Applications, acceptance by the Boards;
- (c) subject to sub-clause (d), being received on or before the relevant DRP Record Date; and
- (d) such other determinations or restrictions as to the period of notice required as the Boards may from time to time impose including any substituted time for the time set out in sub-clause (c).

11.4 Applications and notices received after the due date will be effective from the date following the re-opening of the Register.

12 ADMINISTRATION OF DRP

12.1 The Boards will administer the DRP and the Boards have power to:

- (a) determine appropriate procedures for administration of the DRP consistent with the provisions of the Terms and Conditions;
- (b) waive strict compliance with any of the provisions of the Terms and Conditions;
- (c) delegate the exercise of their powers or discretions under the DRP; and
- (d) settle in such manner as they think expedient any difficulties, anomalies or disputes which may arise in connection with, or by reason of, the operation of the DRP, whether generally or in relation to any Participant or any Securities and the determination of the Boards shall be conclusive and binding on all Participants and other persons to whom the determination relates.

12.2 The Group and its officers and employees will not be liable to any Securityholder for any loss, damage or claim in respect of either the Securityholder's participation or non-participation, as the case may be, in the DRP by reason of the administration or lack of administration of the DRP or the exercise by the Boards of any discretion under the DRP.

12.3 Unless the Boards shall otherwise decide, entries made in the Register will be conclusive in determining whether or not any Stapled Security is a Participating Security.

13 STOCK EXCHANGE LISTING

If the Participating Securities are quoted on the official list of ASX, the Group will apply promptly for the Securities allotted under the DRP to be listed for quotation on the official list of ASX.

14 AMENDMENT, SUSPENSION AND TERMINATION OF THE DRP

14.1 The Boards may in their absolute discretion from time to time modify, vary, supplement or substitute ("Amendment") all or any of the Terms and Conditions and the Boards will not be required to have any such Amendment approved by the Securityholders in general meeting but any amendment must be consistent with the Listing

Rules. Notice of any Amendment must be given to the Securityholders as soon as practicable after the effective date of the Amendment.

- 14.2** The Boards may in their absolute discretion from time to time suspend the operation of the DRP in respect of any particular parcel of Participating Securities in respect of which the Boards wish to exercise a lien, right of forfeiture or right of deduction either relating to such Participating Securities or any Distribution which would have been payable in respect thereto.
- 14.3** The Boards may in their absolute discretion at any time suspend the operation of the DRP including (but not limited to) when in the opinion of the Boards the continued operation of the DRP is impractical or may be prejudicial to the Group or to the Securityholders participating in the DRP or to the Securityholders not participating in the DRP. On and from the time when the Boards suspend the DRP until the time when the Boards recommence the DRP no Participant will participate in the DRP.
- 14.4** A suspension of the DRP pursuant to this clause 14 will take effect on and from such time as the Boards determine and will continue until such time as the Boards determine that the DRP will recommence or be terminated.
- 14.5** Notice of any suspension and of the recommencement or termination of the DRP following a suspension will be given to the Securityholders as soon as practicable after the Boards have so resolved.
- 14.6** The Boards may in their absolute discretion at any time terminate the DRP.
- 14.7** Notice of termination will be given to the Securityholders as soon as practical after the Boards have so resolved.
- 14.8** The non-receipt of any notice under the DRP by the holder of any Securities or the accidental omission to give notice of the amendment, suspension or termination of the DRP will not invalidate such modifications or terminations.

15 STAPLING

- 15.1** If Stapling ceases to apply, this DRP will terminate automatically.
- 15.2** To the extent this DRP or the publication of this DRP may be an offer of securities, this DRP is a contemporaneous offer of identical number of shares and units which will be Stapled together.
- 15.3** An Application and any Variation Notice or Termination Notice under this DRP is deemed contemporaneously to be in relation to shares and units to be allotted or transferred hereunder.

16 GOVERNING LAW AND JURISDICTION

The DRP shall be governed by and shall be construed in accordance with the laws of the State of Victoria and each Participant submits to the non-exclusive jurisdiction of the Courts of that State.

17 TERMS AND CONDITIONS TO BIND SECURITYHOLDERS

The Terms and Conditions shall be binding upon each Securityholder.

ENQUIRIES

If you have any enquiries (other than taxation) about how the DRP operates and how you can participate, please contact Babcock & Brown Residential Land Partners' Registry:

The Registrar
Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Telephone: 1800 645 238 (within Australia)
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www.bbresidentiallandpartners.com



X9999999999

A DISTRIBUTION REINVESTMENT PLAN APPLICATION OR VARIATION

Please use a BLACK pen. Print CAPITAL letters inside the shaded areas.

A B C

1 2 3

Where a choice is required, mark the box with an 'X'

X

This form is to be completed where the securityholder wishes to have their payments reinvested under the rules of the Distribution Reinvestment Plan (DRP).

I/We being the above named holder of registered securities wish to participate in the DRP as indicated below.

I/We authorise the application of the payment to me/us with respect to the number of securities participating in the DRP at the price and subject to the rules of the DRP.

I/We hereby agree to be bound by the rules of the DRP in subscribing for additional securities.

I/We acknowledge that I/we may vary or cancel my/our participation in the DRP, in accordance with the rules of the DRP. This will cancel any earlier DRP instructions and take priority over any direct credit instructions.

Degree of Participation (cross appropriate box):

FULL PARTICIPATION – Including any further acquisitions.

or

PARTIAL PARTICIPATION – Please specify the number of securities to participate in the DRP

B SIGNATURE(S) OF SECURITYHOLDER(S) – THIS MUST BE COMPLETED

Securityholder 1 (Individual)

Sole Director and Sole Company Secretary/Director (delete one)

Joint Securityholder 2 (Individual)

Director/Company Secretary (delete one)

Joint Securityholder 3 (Individual)

Date ___/___/___

Signing Instructions: This form should be signed by the securityholder. If a joint holding, all securityholders should sign. If signed by the securityholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the securityholder's constitution and the *Corporations Act 2001* (Cwlth) (or for New Zealand companies, the *Companies Act 1993*).

Privacy Clause: Link Market Services Limited advises that Chapter 2C of the *Corporations Act 2001* requires information about you as a securityholder (including your name, address and details of the securities you hold) to be included in the public register of the entity in which you hold securities. Information is collected to administer your securityholding and if some or all of the information is not collected then it might not be possible to administer your securityholding. Your personal information may be disclosed to the entity in which you hold securities. You can obtain access to your personal information by contacting us at the address or telephone number shown on this form. Our privacy policy is available on our website (www.linkmarketservices.com.au).

