

Form 603

Corporations Act 2001
Section 671B

Notice of initial substantial holder

To Company Name/Scheme **BABCOCK & BROWN COMMUNITIES GROUP**
ACN/ARSN

1. Details of substantial holder (1)

Name **Lend Lease Corporation Limited**
ACN/ARSN (if applicable) **000 226 228**The holder became a substantial holder on 23 June 2008

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Persons' votes (5)	Voting power (6)
Ordinary Fully Paid Stapled Securities	40,282,729	40,282,729	6.18%

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
Lend Lease Corporation Limited	Beneficial Holder	40,282,729 ordinary fully paid stapled securities

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
Lend Lease Corporation Limited	Lend Lease Corporation Limited	Lend Lease Corporation Limited	40,282,729 ordinary fully paid stapled securities

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
Lend Lease Corporation Limited	23 June 2008	\$0.4498	-	40,282,729 ordinary fully paid stapled securities

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
N/A	

7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Lend Lease Corporation Limited	Level 4, 30 The Bond, 30 Hickson Road Millers Point NSW 2000

Signature

print name **S J Sharpe** capacity **Company Secretary**sign here *S. Sharpe*date **25 June 2008**