



CAPTURING VALUE BY DEVELOPING LAND & BUILDING HOMES IN PREMIER NORTH AMERICAN MARKETS

FEBRUARY | 2014

CORPORATE PROFILE

NOTICE TO RECIPIENT

This corporate profile contains “forward-looking statements” within the meaning of applicable Canadian securities laws and United States federal securities laws. The words “may,” “believe,” “will,” “anticipate,” “expect,” “planned,” “estimate,” “project,” “future,” and other expressions that are predictions of or indicate future events and trends and that do not relate to historical matters identify forward-looking statements. Such statements reflect management’s current beliefs and are based on information currently available to management. The forward-looking statements in this corporate profile include, among others, statements with respect to the current business environment and outlook including statements regarding economic and market conditions in the U.S. and Canadian housing markets; possible or assumed future results; ability to create shareholder value and pursue homebuilding or land investments, including the timing of projects; business goals, strategy and growth plans; strategies and capabilities for shareholder value creation; the stability of home prices; effect of challenging conditions on us, including general economic conditions; factors affecting our competitive position within the homebuilding industry; the visibility of our future cash flow; economic and demographic fundamentals in Alberta and the Greater Toronto Area; and sufficiency of our access to capital resources. Reliance should not be placed on forward-looking statements because they involve known and unknown risks, uncertainties and other factors, which may cause the actual results to differ materially from the anticipated future results expressed or implied by such forward-looking statements. Factors that could cause actual results to differ materially from those set forth in the forward-looking statements include, but are not limited to changes in general economic, real estate and other conditions; changes in interest rates; mortgage rate and availability changes; availability of suitable undeveloped land and lots at acceptable prices and having sufficient liquidity to acquire all such properties; adverse legislation or regulation, including changes to tax laws; ability to obtain necessary permits and approvals for the development of our land; availability of labour or materials or increases in their costs; ability to develop and market our master-planned communities successfully; laws and regulations related to property development and to the environment that could lead to additional costs and delays, including laws and regulations that may limit municipality growth in the areas in which we operate; ability to obtain regulatory approvals; confidence levels of consumers; ability to raise capital on favourable terms; our debt and leverage; adverse weather conditions and natural disasters; relations with the residents of our communities; risks associated with increased insurance costs or unavailability of adequate coverage; ability to obtain surety bonds; competitive conditions in the homebuilding industry, including product and pricing pressures; ability to retain our executive officers; relationships with our affiliates; the seasonal nature of our business and its impact on operating results; operational risks including, but not limited to home warranty claims, liabilities resulting from our role as a general contractor, workers’ compensation claims and other health and safety liabilities, and civil enforcement of liabilities and judgments against our assets; changes to foreign currency exchange rates; and additional risks and uncertainties, many of which are beyond our control, referred to in this corporate profile and our other public filings with the applicable Canadian regulatory authorities and the United States Securities and Exchange Commission. Except as required by law, we undertake no obligation to publicly update any forward-looking statements whether as a result of new information, future events or otherwise. However, any further disclosures made on related subjects in subsequent reports should be consulted.

Unless otherwise noted, all references to “\$” or “Dollars” are to U.S. Dollars.

COMPANY OVERVIEW

COMPANY OVERVIEW

Brookfield Residential Properties Inc. is a leading North American land developer and homebuilder with operations in 11 major markets. We entitle and develop land to create master-planned communities and build and sell lots to third-party builders, as well as to our own homebuilding division. We also participate in select, strategic real estate opportunities, including infill projects, mixed-use developments, infrastructure projects and joint ventures.

- 5th largest North American residential platform by land and housing assets with strong and unique geographical diversification in three active operating segments and 11 major markets including:

Canada - Calgary, Edmonton, Greater Toronto Area

Central and Eastern U.S. - Austin, Denver, Phoenix, Washington D.C.

California - Los Angeles/Southland, Sacramento, San Diego/Riverside, San Francisco Bay Area

- Owning developed or entitled lots in a geographically diverse portfolio provides the benefit of a stable Canadian market, while positioning the Company for a continued housing recovery in the U.S.
- Our disciplined land entitlement process, synergistic operations and capital flexibility allow us to pursue homebuilding or land investments.

WHERE WE BUILD



Total Single Family Lots as at December 31, 2013

| | | |
|---------------------|--------|-----|
| EDMONTON | 16,720 | 16% |
| CALGARY | 28,228 | 26% |
| ONTARIO | 10,403 | 9% |
| DENVER | 9,904 | 9% |
| WASHINGTON D.C. | 4,398 | 4% |
| PHOENIX | 6,007 | 5% |
| AUSTIN | 13,458 | 12% |
| NORTHERN CALIFORNIA | 8,887 | 8% |
| SOUTHERN CALIFORNIA | 12,573 | 11% |

WELL POSITIONED IN GROWTH MARKETS WITH POSITIVE FUNDAMENTALS

U.S.

- Housing market recovery continues to progress well
- National and regional builders working to source lot supply to meet increased housing demand
- Land sales in the U.S. continue to improve, driven by increased activity in all of our markets
- Based on our current land holdings and recent price increases, we are optimistic about our increasing profitability continuing in 2014 and beyond
- By 2015, we hope to see results in the U.S. approach profitability levels currently seen in Canada, assuming ongoing market recovery

CANADA

- Alberta and Ontario continue to perform at levels consistent with previous years
- Anticipate the Canadian market will remain stable over the coming year
 - Our operations should benefit from our strong market share within the energy-focused Alberta market
 - Strong population growth and green belt limitation in Greater Toronto Area continue to support strong demand for new home sales
- “Soft landing” that many discuss refers to decline in the highrise business in Toronto and Vancouver, where Brookfield Residential does not participate

RECENT HIGHLIGHTS

2013 HIGHLIGHTS

Results for 2013 were strong and improved over the same period last year

- \$172 million of income before income taxes
- Net income of \$142 million, or \$1.21 per diluted share
- Issued \$500 million unsecured senior notes due 2022 with an interest rate of 6.125% per annum
- Closed a new U.S. revolving credit facility in the amount of \$250 million with six major financial institutions
- Completed \$358 million of strategic land acquisitions:
 - Canada - \$176 million
 - California - \$128 million
 - Central & Eastern U.S. - \$54 million

2012 HIGHLIGHTS

Delivered strong performance in 2012 and materially exceeded guidance targets

- \$129 million of income before income taxes
- Net income of \$93 million, or \$0.91 per diluted share
- Capital plan execution improved liquidity and enhanced ability to further take advantage of opportunities in the recovering marketplace:
 - \$233 million equity issuance
 - \$600 million unsecured senior notes due 2020 at 6.5% per annum
- \$504 million of asset acquisitions:
 - Canada - \$136 million including a joint venture with CalSTRS
 - California - \$352 million of which \$258 million related to the acquisition of Playa Capital Company LLC
 - Central & Eastern U.S. - \$16 million

OUR PROCESS

BUSINESS MODEL

LAND ACQUISITION

- Land developer in all of our markets
- Acquisition of raw land ideally during the low point of the cycle or when investment opportunities arise

ENTITLEMENT PROCESS

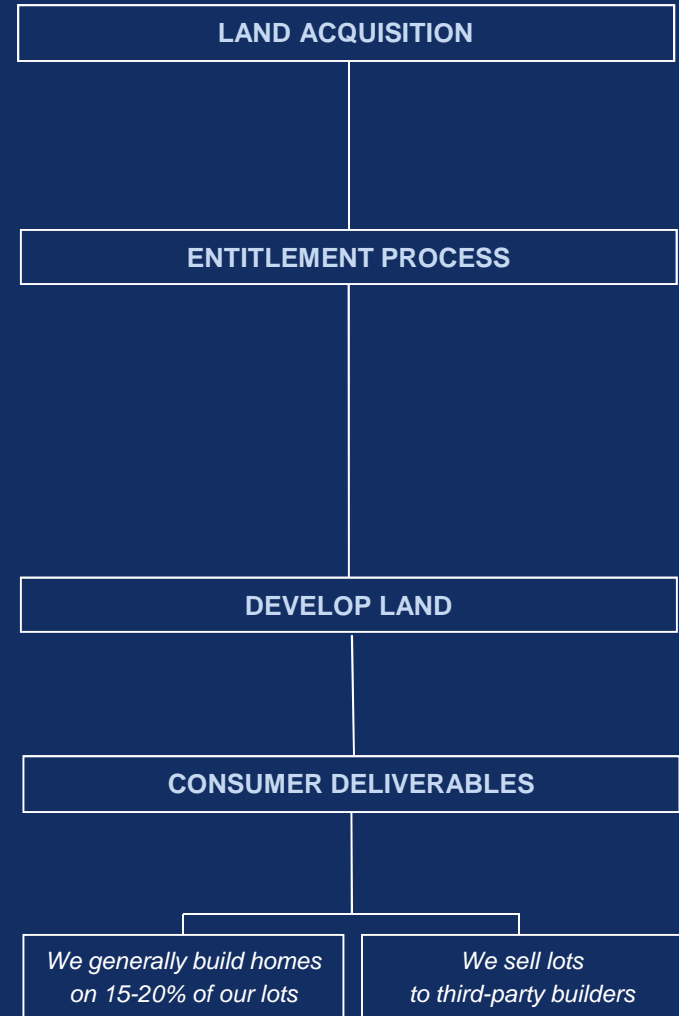
- Obtain approvals necessary to develop land for specific purposes. This process typically includes:
 - General Plan
 - Land Use Plan
 - Tentative Map
 - Legal Survey Plan
 - Area Structure Plan
 - Zoning
 - Construction Approvals
 - Final Map

DEVELOP LAND

- Install utilities, construct roads, sidewalks, parks etc.
- Create fully serviced lots (Canada and U.S.) and “graded” lots (U.S. only)

CONSUMER DELIVERABLES

- We will build homes on a portion of our land
- The balance of lots are sold to and built on by third party builders



OUR PROCESS

STEP 1. LAND ACQUISITION: **Land Held for Development**

- Land developer in all of our markets
- Acquisition of raw land ideally during the low point of the cycle or when investment opportunities arise
- Strategic land study conducted to review growth patterns in the market in order to determine where future acquisitions should take place

STEP 2 & 3. ENTITLEMENT PROCESS & DEVELOP LAND: **Land Under Development**

- Obtaining entitlements can be a difficult and lengthy process involving many studies and public engagement, taking years to complete. But once entitlements are achieved, the developer installs infrastructure and either fully services the lots and sells them to homebuilders (Canada/U.S.) or simply grades the lots (U.S.) and sells them to third-party homebuilders
- Entitlement is the process of taking raw land to the finished lot stage by obtaining regulatory legal approval for the right to develop land for a particular use. The process varies by jurisdiction but essentially follows a similar sequence:
 - General Plan: designates land use (residential, commercial, office, etc.), school sites and significant roads
 - Area Structure / Community / Specific Plan: more detailed look at sequence of development, population density, transportation routes, public utilities, other items the jurisdiction would like to have studied
 - Land Use / Zoning / Tentative Map Plan: designates what is allowed on a specific piece of land and once zoning is in place, no other use of the land will be allowed unless it is re-zoned
 - Construction / Engineering Approvals: detailed drawings outline the location and size of sewers, water and storm pipes, size and location of roads and storm water ponds
 - Final Map / Legal Survey Plan: prepared by a land surveyor so that an individual titled lot is created
- All underlying costs attributable to each phase of development including costs of the underlying land, consulting costs and backbone infrastructure of major roads, parks and sewers and other associated costs are transferred from Land Held for Development to Land Under Development when on-site servicing commences

OUR PROCESS (CONTINUED)

STEP 4. CONSUMER DELIVERABLES: **Housing Inventory**

- In markets where we have significant land holdings, homebuilding may be carried out on a portion of our land (typically 15% to 20%) and the balance of lots are sold to and built on by third-party builders. Having a homebuilding operation allows us the opportunity to monetize our land and provides us with market knowledge through direct contact with the homebuyers to understand customer desires and product choices
- We are a homebuilder in eight markets (Calgary, Edmonton, Greater Toronto Area, San Francisco Bay Area, Los Angeles/Southland, San Diego/Riverside, Denver, Washington D.C.). Housing Inventory is defined as completed housing or in the process of being constructed
- Included in Housing Inventory is associated land as well as construction costs and cost to complete. Cost to complete is defined as the costs required to bring partially finished homes to a completed stage

LAND ENTITLEMENT AND DEVELOPMENT

Examples of Land Development Stages in Alberta:

Value is created at each stage of land entitlement and development

- Lots are entitled in markets that have barriers to entry whereby entitlement includes municipal approval of a master planned community
- Development plans are prepared with final engineering, and includes completion of grading, sewers, utilities, parks, roads and sidewalks

The following are generic examples of the metrics we have experienced in the past in Alberta. Note that results will vary project by project depending on parcel size, location and other market variables:

| TWO YEAR HOLD PERIOD | | DOLLARS PER FRONT FOOT | DOLLARS PER ACRE | DOLLARS PER LOT |
|---------------------------------|---------------|-----------------------------------|-----------------------------|----------------------------|
| 0 | Purchase Land | (1,545) | (340,000) | (49,455) |
| 1 | - | - | - | - |
| 2 | Entitle Land | (40) | (8,800) | (1,280) |
| 3 | Develop Land | (1,800) | (396,000) | (57,600) |
| 4 | Sell Lots | 4,800 | 1,056,000 | 153,600 |
| | Margin \$ | 1,415 | 311,200 | 45,265 |
| | Margin % | 29% | 29% | 29% |

| SEVEN YEAR HOLD PERIOD | | DOLLARS PER FRONT FOOT | DOLLARS PER ACRE | DOLLARS PER LOT |
|-----------------------------------|---------------|-----------------------------------|-----------------------------|----------------------------|
| 0 | Purchase Land | (591) | (130,000) | (18,909) |
| 1 | - | - | - | - |
| 2 | - | - | - | - |
| 3 | - | - | - | - |
| 4 | - | (10) | (2,200) | (320) |
| 5 | - | (10) | (2,200) | (320) |
| 6 | - | (10) | (2,200) | (320) |
| 7 | Entitle Land | (10) | (2,200) | (320) |
| 8 | Develop Land | (1,800) | (396,000) | (57,600) |
| 9 | Sell Lots | 4,800 | 1,056,000 | 153,600 |
| | Margin \$ | 2,369 | 521,200 | 75,811 |
| | Margin % | 49% | 49% | 49% |

INVENTORY PROFILE

LAND & HOUSING INVENTORY

| Single Family Housing and Land Held for Development ⁽¹⁾ | | | | | | | | | Multi Family, Commercial & Industrial Parcels | |
|--|----------------|--------------|-------------------------|--------------|----------------|---------------|----------------|---------------|---|-------------|
| | Land & Housing | | Unconsolidated Entities | | Total Lots | Total Lots | Status of Lots | | Total Acres | Total Acres |
| | Owned | Options | Owned | Options | 31-Dec-13 | 31-Dec-12 | Entitled | Unentitled | 31-Dec-13 | 31-Dec-12 |
| Calgary | 25,869 | - | 2,359 | - | 28,228 | 27,792 | 4,978 | 23,250 | 70 | 73 |
| Edmonton | 16,720 | - | - | - | 16,720 | 17,083 | 9,708 | 7,012 | 53 | 63 |
| Ontario | 10,403 | - | - | - | 10,403 | 9,592 | 1,833 | 8,570 | 7 | 3 |
| Canada | 52,992 | - | 2,359 | - | 55,351 | 54,467 | 16,519 | 38,832 | 130 | 139 |
| Northern California | 3,937 | 4,950 | - | - | 8,887 | 8,411 | 2,170 | 6,717 | - | - |
| Southern California | 9,458 | - | 1,266 | 1,849 | 12,573 | 12,623 | 7,068 | 5,505 | - | - |
| Other | 194 | - | 45 | - | 239 | 245 | 239 | - | - | - |
| California | 13,589 | 4,950 | 1,311 | 1,849 | 21,699 | 21,279 | 9,477 | 12,222 | - | - |
| Denver | 9,904 | - | - | - | 9,904 | 10,349 | 9,904 | - | 10 | 10 |
| Austin | 13,458 | - | - | - | 13,458 | 13,551 | 5,161 | 8,297 | - | - |
| Phoenix | 690 | - | 5,317 | - | 6,007 | - | 5,721 | 286 | 105 | - |
| Washington D.C. Area | 2,391 | 1,066 | 941 | - | 4,398 | 4,713 | 4,364 | 34 | 18 | 18 |
| Central and Eastern U.S. | 26,443 | 1,066 | 6,258 | - | 33,767 | 28,613 | 25,150 | 8,617 | 133 | 28 |
| Total December 31, 2013 | 93,024 | 6,016 | 9,928 | 1,849 | 110,817 | | 51,146 | 59,671 | 263 | 167 |
| Entitled lots December 31, 2013 | 43,274 | 1,066 | 6,410 | 396 | 51,146 | | | | | |
| Unentitled lots December 31, 2013 | 49,750 | 4,950 | 3,518 | 1,453 | 59,671 | | | | | |
| Total December 31, 2013 | 93,024 | 6,016 | 9,928 | 1,849 | 110,817 | | | | | |
| Total December 31, 2012 | 91,673 | 6,016 | 4,754 | 1,916 | | 104,359 | | | | |

(1) Land held for development will include some multi-family, industrial & commercial parcels once entitled

| | Land & Housing | Unconsolidated Entities | Total 12/31/2013 | | Total 12/31/2012 | |
|---|----------------|-------------------------|------------------|--------------|------------------|--------------|
| <i>(millions, except per unit activity)</i> | | | Units | \$ | Units | \$ |
| Land Held For Development (lots) | 1,452 | 201 | 95,800 | 1,653 | 89,855 | 1,492 |
| Land Under Development - Single Family (lots) | 554 | 44 | 6,251 | 598 | 5,785 | 573 |
| Optioned (lots) | 73 | 35 | 7,865 | 108 | 7,932 | 102 |
| Housing inventory (units) | 213 | 9 | 790 | 222 | 677 | 164 |
| Model homes (units) | 38 | - | 111 | 38 | 110 | 32 |
| Unconsolidated entity debt | - | (90) | - | (90) | - | (29) |
| Sub total | 2,330 | 199 | 110,817 | 2,529 | 104,359 | 2,334 |
| Multi Family, Commercial & Industrial Parcels (Acres) | 69 | 7 | 263 | 76 | 167 | 72 |
| Total | 2,399 | 206 | | 2,605 | | 2,406 |

HOUSING INVENTORY

Our Housing Inventory at December 31, 2013 consisted of the following:

| | MODEL HOMES UNITS | HOUSING INVENTORY UNITS |
|--------------------------------------|----------------------|----------------------------|
| Calgary | 30 | 193 |
| Edmonton | 26 | 192 |
| Ontario | 11 | 130 |
| Northern California | 12 | 54 |
| Southern California | 19 | 122 |
| Denver | 3 | 36 |
| Washington D.C. Area | 10 | 57 |
| Other | - | 6 |
| Total | 111 | 790 |
| Book Value - Brookfield Residential | \$38 million | \$213 million |
| Book Value - Unconsolidated Entities | Nil | \$9 million |

Housing Inventory is defined as completed housing or in the process of being constructed and included in Housing Inventory is associated land as well as construction costs.

As at December 31, 2013, the cost to complete for Housing Inventory was approximately \$115 million. Cost to complete is defined as the cost required to bring partially finished homes to a completed stage.

LAND UNDER DEVELOPMENT

Our Land Under Development Inventory at December 31, 2013 consisted of the following:

| | SINGLE FAMILY LOTS | MULTI-FAMILY, INDUSTRIAL & COMMERCIAL PARCEL ACRES |
|--------------------------------------|-----------------------|---|
| Calgary | 694 | 70 |
| Edmonton | 773 | 53 |
| Ontario | 388 | 7 |
| Northern California | 200 | - |
| Southern California | 1,941 | - |
| Austin | 109 | - |
| Denver | 901 | 10 |
| Phoenix | 825 | 105 |
| Washington D.C. Area | 403 | 18 |
| Other | 17 | - |
| Total | 6,251 | 263 |
| Book Value - Brookfield Residential | \$554 million | \$69 million |
| Book Value – Unconsolidated Entities | \$15 million | \$7 million |

Once development of a phase begins, the associated costs with that phase are transferred from Land Held for Development to Land Under Development, which includes all underlying costs that are attributable to the phase of saleable lots, including costs of underlying land, consulting costs and backbone infrastructure of major roads, parks and sewers.

As at December 31, 2013, the cost to complete for single family and multi-family Land Under Development was approximately \$211 million and \$11 million, respectively. Cost to complete is defined as the costs required to bring partially finished lots and parcels to a completed stage.

LAND HELD FOR DEVELOPMENT

Our Land Held for Development Inventory at December 31, 2013 consisted of the following:

| | ACRES | LOT UNIT EQUIVALENTS* |
|--------------------------------------|-----------------|--------------------------|
| Calgary | 3,902 | 27,311 |
| Edmonton | 2,247 | 15,729 |
| Ontario | 1,664 | 9,874 |
| Northern California | 748 | 3,671 |
| Southern California | 4,576 | 8,642 |
| Austin | 3,337 | 13,349 |
| Denver | 2,241 | 8,964 |
| Phoenix | 1,387 | 5,182 |
| Washington D.C. Area | 977 | 2,862 |
| Other | 22 | 216 |
| Total | 21,101 | 95,800 |
| Book Value - Brookfield Residential | \$1,452 million | |
| Book Value - Unconsolidated Entities | \$140 million | |

* Lot unit equivalents for most regions have been calculated using an assumed conversion rate of 4-7 units per acre. Final plan may change through the entitlement process.

OPTIONED LAND

Our inventory of optioned land at December 31, 2013 consisted of the following:

| | LAND AND HOUSING | UNCONSOLIDATED ENTITIES |
|----------------------|------------------|----------------------------|
| Northern California | 4,950 | - |
| Southern California | - | 1,849 |
| Washington D.C. Area | 1,066 | - |
| Total | 6,016 | 1,849 |
| Book Value | \$73 million | \$35 million |

In the ordinary course of business, and where market conditions permit, we may use land and lot option contracts as well as unconsolidated entities to acquire control of land to mitigate the risk of not obtaining entitlements.

Option contracts for the purchase of land permit us to control the land for an extended period of time until options expire; this reduces our financial risk associated with these land holdings.

LAND HELD FOR DEVELOPMENT

Our projections for cash flow from our Land Held for Development and Optioned Land totals approximately \$5.5 billion. These cash flow projections represent the net cash flow through the development and monetization processes.

Cash flows are based on the calendar year 2014 Business Plan projections taking into account many variables and assumptions and as a result are subject to change. Cash flows from joint ventures are shown at Brookfield's proportionate share. Inflation has not been built into the Canadian or U.S. cash flow projections. In certain longer term land assets, a return to stabilized market conditions had previously been assumed with these assumptions now being met.

This number will fluctuate with the composition of the company's inventory as land moves into development or is monetized through sale or joint venture structures.

The Canadian cash flow projections comprise approximately 60% of the total future cash flows. The Canadian cash flow projections increased approximately 5% on a year over year basis. Over 70% of the future cash flows in Canada are projected within the next 10 years; with approximately 30% in the next 5 years.

The U.S. cash flow projections comprise approximately 40% of the total future cash flows. U.S. cash flow projections increased approximately 15% on a year over year basis. In addition, we are advancing development at a number of projects with approximately 85% of future U.S. cash flows projected within the next 10 years, with approximately 45% in the next 5 years.

FINANCIAL PROFILE

SELECTED FINANCIAL INFORMATION

| | THREE MONTHS ENDED DECEMBER 31 | | TWELVE MONTHS ENDED DECEMBER 31 | |
|---|--------------------------------|---------|---------------------------------|----------|
| | 2013 | 2012 | 2013 | 2012 |
| <i>(millions, except per unit activity, average selling price, percentages and per share amounts)</i> | | | | |
| RESULTS FROM OPERATIONS | | | | |
| Total revenue | \$ 555 | \$ 715 | \$ 1,356 | \$ 1,340 |
| Land revenue - total | 146 | 407 | 373 | 622 |
| Land revenue - normalized w/o Playa Vista | 146 | 143 | 373 | 358 |
| Housing revenue | 409 | 308 | 983 | 718 |
| Gross margin (\$) | 148 | 112 | 375 | 293 |
| Gross margin - normalized w/o Playa Vista (\$) | 148 | 111 | 375 | 292 |
| Gross margin (%) | 27% | 16% | 28% | 22% |
| Gross margin - normalized w/o Playa Vista (%) | 27% | 25% | 28% | 27% |
| Income before income taxes | 90 | 65 | 172 | 129 |
| Income tax expense | (7) | (9) | (23) | (36) |
| Net income attributable to Brookfield Residential | 79 | 56 | 142 | 93 |
| Basic income per share | \$ 0.67 | \$ 0.52 | \$ 1.22 | \$ 0.92 |
| Diluted income per share | \$ 0.67 | \$ 0.52 | \$ 1.21 | \$ 0.91 |

SELECTED FINANCIAL INFORMATION (CONTINUED)

| | Three Months Ended December 31 | | Twelve Months Ended December 31 | |
|---|--------------------------------|--------------|---------------------------------|--------------|
| | 2013 | 2012 | 2013 | 2012 |
| <i>(Millions, except unit activity and average selling price)</i> | | | | |
| OPERATING DATA | | | | |
| Lot closings for Brookfield Residential (single family units) | 1,177 | 1,019 | 2,402 | 2,142 |
| Lot closings - normalized w/o Playa Vista (single family units) | 1,177 | 824 | 2,402 | 1,947 |
| Lot closings for unconsolidated entities (single family units) | 223 | 140 | 239 | 140 |
| Acres closings for Brookfield Residential (multi-family, industrial and commercial parcels) | 8 | 79 | 28 | 104 |
| Acres closings - normalized w/o Playa Vista (multi-family, industrial and commercial parcels) | 8 | 57 | 28 | 82 |
| Acres closings for unconsolidated entities (multi-family, industrial and commercial parcels) | 3 | - | 3 | - |
| Acres closings for Brookfield Residential (raw and partially finished parcels) | 2 | 1 | 219 | 439 |
| Average lot selling price for Brookfield Residential (single family units) | \$ 116,000 | \$ 159,000 | \$ 127,000 | \$ 155,000 |
| Average land selling price - normalized w/o Playa Vista (single family units) | \$ 116,000 | \$ 123,000 | \$ 127,000 | \$ 139,000 |
| Average lot selling price for unconsolidated entities (single family units) | \$ 77,000 | \$ 131,000 | \$ 88,000 | \$ 131,000 |
| Average per acre selling price for Brookfield Residential (multi-family, industrial and commercial parcels) | \$ 1,004,000 | \$ 3,110,000 | \$ 1,017,000 | \$ 2,619,000 |
| Average per acre selling price - normalized w/o Playa Vista (multi-family, industrial and commercial parcels) | \$ 1,004,000 | \$ 711,000 | \$ 1,017,000 | \$ 828,000 |
| Average per acre selling price for unconsolidated entities (multi-family, industrial and commercial parcels) | \$ 188,000 | \$ - | \$ 188,000 | \$ - |
| Average per acre selling price for Brookfield Residential (raw and partially finished parcels) | \$ 115,000 | \$ 533,000 | \$ 182,000 | \$ 42,000 |
| Home closings for Brookfield Residential (units) | 856 | 725 | 2,216 | 1,808 |
| Home closings for unconsolidated entities (units) | 19 | 30 | 59 | 74 |
| Average home selling price for Brookfield Residential (per unit) | \$ 478,000 | \$ 425,000 | \$ 444,000 | \$ 397,000 |
| Average home selling price for unconsolidated entities (per unit) | \$ 479,000 | \$ 412,000 | \$ 491,000 | \$ 415,000 |
| Net new home orders for Brookfield Residential (units) | 445 | 447 | 2,301 | 1,980 |
| Net new home orders for unconsolidated entities (units) | 15 | 19 | 55 | 77 |
| Backlog for Brookfield Residential (units at end of period) | 902 | 817 | 902 | 817 |
| Backlog for unconsolidated entities (units at end of period) | 13 | 17 | 13 | 17 |
| Backlog value for Brookfield Residential | \$ 442 | \$ 358 | \$ 442 | \$ 358 |
| Backlog value for unconsolidated entities | \$ 6 | \$ 7 | \$ 6 | \$ 7 |

QUARTERLY FINANCIAL INFORMATION

| | 2013 | | | | 2012 | | | |
|---|---------|---------|---------|---------|---------|---------|---------|---------|
| | Q4 | Q3 | Q2 | Q1 | Q4 | Q3 | Q2 | Q1 |
| <i>(millions, except per unit activity and per share amounts)</i> | | | | | | | | |
| Lots closings - (single family units) | 1,177 | 463 | 408 | 354 | 1,019 | 386 | 463 | 274 |
| Acre closings - (multi-family, industrial and commercial parcels) | 8 | 13 | 6 | - | 79 | 2 | 22 | 1 |
| Acre closings (raw and partially finished parcels) | 2 | 1 | 216 | - | 1 | - | 438 | - |
| Home closings | 856 | 606 | 460 | 294 | 725 | 477 | 355 | 251 |
| Revenue | \$ 555 | \$ 333 | \$ 298 | \$ 171 | \$ 715 | \$ 245 | \$ 248 | \$ 132 |
| Direct cost of sales | (407) | (234) | (221) | (120) | (603) | (176) | (175) | (93) |
| Gross margin | 148 | 99 | 77 | 51 | 112 | 69 | 73 | 39 |
| Selling, general and administrative expense | (52) | (42) | (40) | (36) | (41) | (32) | (30) | (26) |
| Other income / (expense) | 9 | 2 | 4 | 3 | 4 | (1) | 1 | 1 |
| Interest expense | (15) | (15) | (11) | (11) | (10) | (11) | (10) | (10) |
| Income before income taxes | 90 | 44 | 30 | 7 | 65 | 25 | 34 | 4 |
| Income tax expense | (7) | (8) | (5) | (3) | (9) | (11) | (12) | (4) |
| Net income | 83 | 36 | 25 | 4 | 56 | 14 | 22 | - |
| Net (income) / loss attributable to non-controlling interest and other interests in consolidated subsidiaries | (4) | (1) | (1) | - | - | 1 | - | 1 |
| Net income attributable to Brookfield Residential | \$ 79 | \$ 35 | \$ 24 | \$ 4 | \$ 56 | \$ 15 | \$ 22 | \$ 1 |
| Foreign currency translation | (23) | 14 | (23) | (19) | (4) | 6 | (3) | 3 |
| Comprehensive income / (loss) attributable to Brookfield Residential | \$ 56 | \$ 49 | \$ 1 | \$ (15) | \$ 52 | \$ 21 | \$ 19 | \$ 4 |
| Earnings per common share attributable to Brookfield Residential | | | | | | | | |
| Basic | \$ 0.67 | \$ 0.30 | \$ 0.21 | \$ 0.04 | \$ 0.52 | \$ 0.15 | \$ 0.22 | \$ 0.01 |
| Diluted | \$ 0.67 | \$ 0.29 | \$ 0.21 | \$ 0.04 | \$ 0.52 | \$ 0.15 | \$ 0.22 | \$ 0.01 |
| Weighted average common shares outstanding (in thousands) | | | | | | | | |
| Basic | 117,026 | 116,856 | 116,455 | 116,316 | 107,160 | 99,819 | 99,812 | 99,606 |
| Diluted | 118,009 | 117,784 | 117,556 | 117,269 | 107,759 | 100,335 | 100,200 | 99,945 |

CONDENSED CONSOLIDATED BALANCE SHEETS

| | DEC 31 | SEPT 30 | JUNE 30 | MAR 31 | DEC 31 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| <i>(thousands, except percentages)</i> | 2013 | 2013 | 2013 | 2013 | 2012 |
| ASSETS | | | | | |
| Land and housing inventory | \$ 2,399,242 | \$ 2,529,686 | \$ 2,465,187 | \$ 2,351,835 | \$ 2,250,256 |
| Investments in unconsolidated entities | 206,198 | 200,468 | 187,803 | 162,425 | 155,352 |
| Commercial properties | - | 14,712 | 14,863 | 15,013 | 15,363 |
| Commercial assets held for sale | 47,733 | 31,389 | - | - | - |
| Receivables and other assets | 341,090 | 342,705 | 309,348 | 317,170 | 331,244 |
| Restricted cash | 8,169 | 25,230 | 19,550 | 12,140 | 13,596 |
| Cash and cash equivalents | 319,735 | 250,060 | 274,438 | 30,270 | 49,826 |
| Deferred income tax assets | 21,594 | - | - | 6,604 | 10,552 |
| | \$ 3,343,761 | \$ 3,394,250 | \$ 3,271,189 | \$ 2,895,457 | \$ 2,826,189 |
| LIABILITIES | | | | | |
| Notes payable | \$ 1,100,000 | \$ 1,100,000 | \$ 1,100,000 | \$ 600,000 | \$ 600,000 |
| Bank indebtedness and other financings | 348,853 | 460,829 | 444,272 | 602,559 | 459,329 |
| Total financings | 1,448,853 | 1,560,829 | 1,544,272 | 1,202,559 | 1,059,329 |
| Accounts payable and other liabilities | 418,410 | 413,199 | 371,016 | 364,805 | 427,020 |
| Deferred income tax liabilities | - | 5,973 | 11 | - | - |
| Total liabilities | 1,867,263 | 1,980,001 | 1,915,299 | 1,567,364 | 1,486,349 |
| Other interests in consolidated subsidiaries | 36,641 | 32,017 | 30,412 | 33,515 | 32,445 |
| EQUITY | 1,439,857 | 1,382,232 | 1,325,478 | 1,294,578 | 1,307,395 |
| | \$ 3,343,761 | \$ 3,394,250 | \$ 3,271,189 | \$ 2,895,457 | \$ 2,826,189 |
| Net Debt to Total Capitalization | 43% | 48% | 48% | 47% | 43% |

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

| | THREE MONTHS ENDED DECEMBER 31 | | TWELVE MONTHS ENDED DECEMBER 31 | |
|--|--------------------------------|------------|---------------------------------|------------|
| | 2013 | 2012 | 2013 | 2012 |
| <i>(thousands, except per share amounts)</i> | | | | |
| REVENUE | | | | |
| Land | \$ 145,863 | \$ 406,746 | \$ 373,323 | \$ 621,905 |
| Housing | 408,837 | 308,303 | 982,822 | 718,465 |
| | 554,700 | 715,049 | 1,356,145 | 1,340,370 |
| DIRECT COSTS OF SALES | | | | |
| Land | (82,944) | (345,464) | (199,976) | (449,313) |
| Housing | (323,916) | (257,844) | (781,234) | (598,340) |
| | 147,840 | 111,741 | 374,935 | 292,717 |
| Selling, general and administrative expense | (51,997) | (40,681) | (170,062) | (128,377) |
| Equity in earnings from unconsolidated entities | 5,061 | 6,383 | 8,820 | 9,882 |
| Depreciation | (1,448) | (912) | (4,621) | (3,386) |
| Interest expense | (15,412) | (10,405) | (51,127) | (41,406) |
| Other income / (expense) | 6,415 | (1,007) | 13,893 | (800) |
| | 90,459 | 65,119 | 171,838 | 128,630 |
| Current income tax (expense) / recovery | 421 | (14,149) | (1,953) | (45,879) |
| Deferred income tax (expense) / recovery | (7,370) | 5,345 | (21,272) | 9,788 |
| NET INCOME | 83,510 | 56,315 | 148,613 | 92,539 |
| Net (income) / loss attributable to noncontrolling interest and other interests in consolidated subsidiaries | (4,479) | (414) | (6,453) | 622 |
| NET INCOME ATTRIBUTABLE TO BROOKFIELD RESIDENTIAL | \$ 79,031 | \$ 55,901 | \$ 142,160 | \$ 93,161 |
| OTHER COMPREHENSIVE INCOME | | | | |
| Unrealized foreign exchange (loss) / gain on: | | | | |
| Translation of the net investment in Canadian subsidiaries | (23,288) | (4,200) | (51,222) | 20,369 |
| Translation on the Canadian dollar denominated debt designated as a hedge of the net investment in Canadian subsidiaries | - | - | - | (18,240) |
| COMPREHENSIVE INCOME ATTRIBUTABLE TO BROOKFIELD RESIDENTIAL | \$ 55,743 | \$ 51,701 | \$ 90,938 | \$ 95,290 |
| EARNINGS PER COMMON SHARE ATTRIBUTABLE TO BROOKFIELD RESIDENTIAL | | | | |
| Basic | \$ 0.67 | \$ 0.52 | \$ 1.22 | \$ 0.92 |
| Diluted | \$ 0.67 | \$ 0.52 | \$ 1.21 | \$ 0.91 |
| WEIGHTED AVERAGE COMMON SHARES OUTSTANDING <i>(in thousands)</i> | | | | |
| Basic | 117,026 | 107,160 | 116,670 | 101,609 |
| Diluted | 118,009 | 107,759 | 117,645 | 102,054 |

SELECTED OPERATING INFORMATION – LAND

| | THREE MONTHS ENDED DECEMBER 31 | | | | TWELVE MONTHS ENDED DECEMBER 31 | | | |
|--|--------------------------------|---------------|--------------|---------------|---------------------------------|---------------|--------------|---------------|
| | 2013 | | 2012 | | 2013 | | 2012 | |
| (millions, except per unit activity) | UNITS | \$ | UNITS | \$ | UNITS | \$ | UNITS | \$ |
| LOT CLOSINGS (SINGLE FAMILY UNITS) | | | | | | | | |
| Canada | 506 | \$ 83 | 453 | \$ 73 | 1,393 | \$ 231 | 1,381 | \$ 228 |
| California | 358 | 32 | 345 | 70 | 358 | 32 | 345 | 71 |
| Central and Eastern U.S. | 313 | 22 | 221 | 19 | 651 | 41 | 416 | 33 |
| Subtotal | 1,177 | 137 | 1,019 | 162 | 2,402 | 304 | 2,142 | 332 |
| Unconsolidated Entities | 223 | 17 | 140 | 18 | 239 | 21 | 140 | 18 |
| Total | 1,400 | \$ 154 | 1,159 | \$ 180 | 2,641 | \$ 325 | 2,282 | \$ 350 |
| ACRE CLOSINGS (MULTI-FAMILY, INDUSTRIAL AND COMMERCIAL PARCELS) | | | | | | | | |
| Canada | 8 | \$ 8 | 57 | \$ 40 | 28 | \$ 28 | 82 | \$ 67 |
| California | - | - | 22 | 204 | - | - | 22 | 204 |
| Central and Eastern U.S. | - | - | - | - | - | - | - | - |
| Subtotal | 8 | 8 | 79 | 244 | 28 | 28 | 104 | 271 |
| Unconsolidated Entities | 3 | 1 | - | - | 3 | 1 | - | - |
| Total | 11 | \$ 9 | 79 | \$ 244 | 31 | \$ 29 | 104 | \$ 271 |
| ACRE CLOSINGS (RAW AND PARTIALLY FINISHED PARCELS) | | | | | | | | |
| Canada | 2 | \$ 1 | 1 | \$ 1 | 219 | \$ 40 | 1 | \$ 1 |
| California | - | - | - | - | - | 1 | 438 | 18 |
| Central and Eastern U.S. | - | - | - | - | - | - | - | - |
| Subtotal | 2 | 1 | 1 | 1 | 219 | 41 | 439 | 19 |
| Unconsolidated Entities | - | - | - | - | - | - | - | - |
| Total | 2 | \$ 1 | 1 | \$ 1 | 219 | \$ 41 | 439 | \$ 19 |

SELECTED OPERATING INFORMATION – LAND (CONTINUED)

| | THREE MONTHS ENDED DECEMBER 31 | | TWELVE MONTHS ENDED DECEMBER 31 | |
|---|----------------------------------|--------------|---------------------------------|--------------|
| | 2013 | 2012 | 2013 | 2012 |
| AVERAGE LOT SELLING PRICE (SINGLE FAMILY UNITS) | | | | |
| Canada | \$ 164,000 | \$ 160,000 | \$ 166,000 | \$ 165,000 |
| California | 91,000 | 205,000 | 91,000 | 207,000 |
| Central and Eastern U.S. | 70,000 | 85,000 | 63,000 | 78,000 |
| | 116,000 | 159,000 | 127,000 | 155,000 |
| Unconsolidated Entities | 77,000 | 131,000 | 88,000 | 131,000 |
| Average selling price | \$ 110,000 | \$ 140,000 | \$ 123,000 | \$ 145,000 |
| AVERAGE PER ACRE SELLING PRICE (MULTI-FAMILY, INDUSTRIAL AND COMMERCIAL PARCELS) | | | | |
| Canada | \$ 1,004,000 | \$ 711,000 | \$ 1,017,000 | \$ 828,000 |
| California | - | 9,273,000 | - | 9,273,000 |
| Central and Eastern U.S. | - | - | - | - |
| | 1,004,000 | 3,110,000 | 1,017,000 | 2,619,000 |
| Unconsolidated Entities | 188,000 | - | 188,000 | - |
| Average selling price | \$ 798,000 | \$ 3,110,000 | \$ 939,000 | \$ 2,619,000 |
| AVERAGE PER ACRE SELLING PRICE (RAW AND PARTIALLY FINISHED PARCELS) | | | | |
| Canada | \$ 115,000 | \$ 533,000 | \$ 182,000 | \$ 533,000 |
| California | - | - | - | 41,000 |
| Central and Eastern U.S. | - | - | - | - |
| | 115,000 | 533,000 | 182,000 | 42,000 |
| Unconsolidated Entities | - | - | - | - |
| Average selling price | \$ 115,000 | \$ 533,000 | \$ 182,000 | \$ 42,000 |
| ACTIVE LAND COMMUNITIES | | | | |
| | FOR THE PERIOD ENDED DECEMBER 31 | | 2013 | 2012 |
| Canada | | | 11 | 11 |
| California | | | 2 | 2 |
| Central and Eastern U.S. | | | 7 | 7 |
| | | | 20 | 20 |
| Unconsolidated Entities | | | 1 | 1 |
| Total | | | 21 | 21 |

SELECTED OPERATING INFORMATION – HOUSING

| | THREE MONTHS ENDED DECEMBER 31 | | | | TWELVE MONTHS ENDED DECEMBER 31 | | | |
|---|--------------------------------|---------|-------|---------|---------------------------------|----------|-------|---------|
| | 2013 | | 2012 | | 2013 | | 2012 | |
| | UNITS | \$ | UNITS | \$ | UNITS | \$ | UNITS | \$ |
| <i>(millions, except per unit activity and average selling price)</i> | | | | | | | | |
| HOME CLOSINGS | | | | | | | | |
| Canada | 524 | \$ 194 | 484 | \$ 177 | 1,361 | \$ 472 | 1,275 | \$ 450 |
| California | 186 | 152 | 152 | 95 | 526 | 370 | 285 | 161 |
| Central and Eastern U.S. | 146 | 63 | 89 | 36 | 329 | 141 | 248 | 107 |
| | 856 | 409 | 725 | 308 | 2,216 | 983 | 1,808 | 718 |
| Unconsolidated Entities | 19 | 9 | 30 | 12 | 59 | 29 | 74 | 31 |
| Total | 875 | \$ 418 | 755 | \$ 320 | 2,275 | \$ 1,012 | 1,882 | \$ 749 |
| | | | | | | | | |
| | THREE MONTHS ENDED DECEMBER 31 | | | | TWELVE MONTHS ENDED DECEMBER 31 | | | |
| | 2013 | | 2012 | | 2013 | | 2012 | |
| | | | | | | | | |
| AVERAGE HOME SELLING PRICE | | | | | | | | |
| Canada | \$ | 371,000 | \$ | 366,000 | \$ | 347,000 | \$ | 353,000 |
| California | | 814,000 | | 624,000 | | 703,000 | | 565,000 |
| Central and Eastern U.S. | | 433,000 | | 408,000 | | 430,000 | | 432,000 |
| | | 478,000 | | 425,000 | | 444,000 | | 397,000 |
| Unconsolidated Entities | | 479,000 | | 412,000 | | 491,000 | | 415,000 |
| Average selling price | \$ | 478,000 | \$ | 425,000 | \$ | 445,000 | \$ | 398,000 |
| | | | | | | | | |
| NET NEW HOME ORDERS (UNITS) | | | | | | | | |
| Canada | | 283 | | 289 | | 1,404 | | 1,340 |
| California | | 103 | | 110 | | 534 | | 379 |
| Central and Eastern U.S. | | 59 | | 48 | | 363 | | 261 |
| | | 445 | | 447 | | 2,301 | | 1,980 |
| Unconsolidated Entities | | 15 | | 19 | | 55 | | 77 |
| Total | | 460 | | 466 | | 2,356 | | 2,057 |

SELECTED OPERATING INFORMATION – HOUSING (CONTINUED)

(millions, except active housing communities and per unit activity)

FOR THE PERIOD ENDED DECEMBER 31

| ACTIVE HOUSING COMMUNITIES | 2013 | 2012 |
|----------------------------|------|------|
| Canada | 18 | 14 |
| California | 15 | 8 |
| Central and Eastern U.S. | 12 | 9 |
| | 45 | 31 |
| Unconsolidated Entities | 2 | 2 |
| Total | 47 | 33 |

FOR THE PERIOD ENDED DECEMBER 31

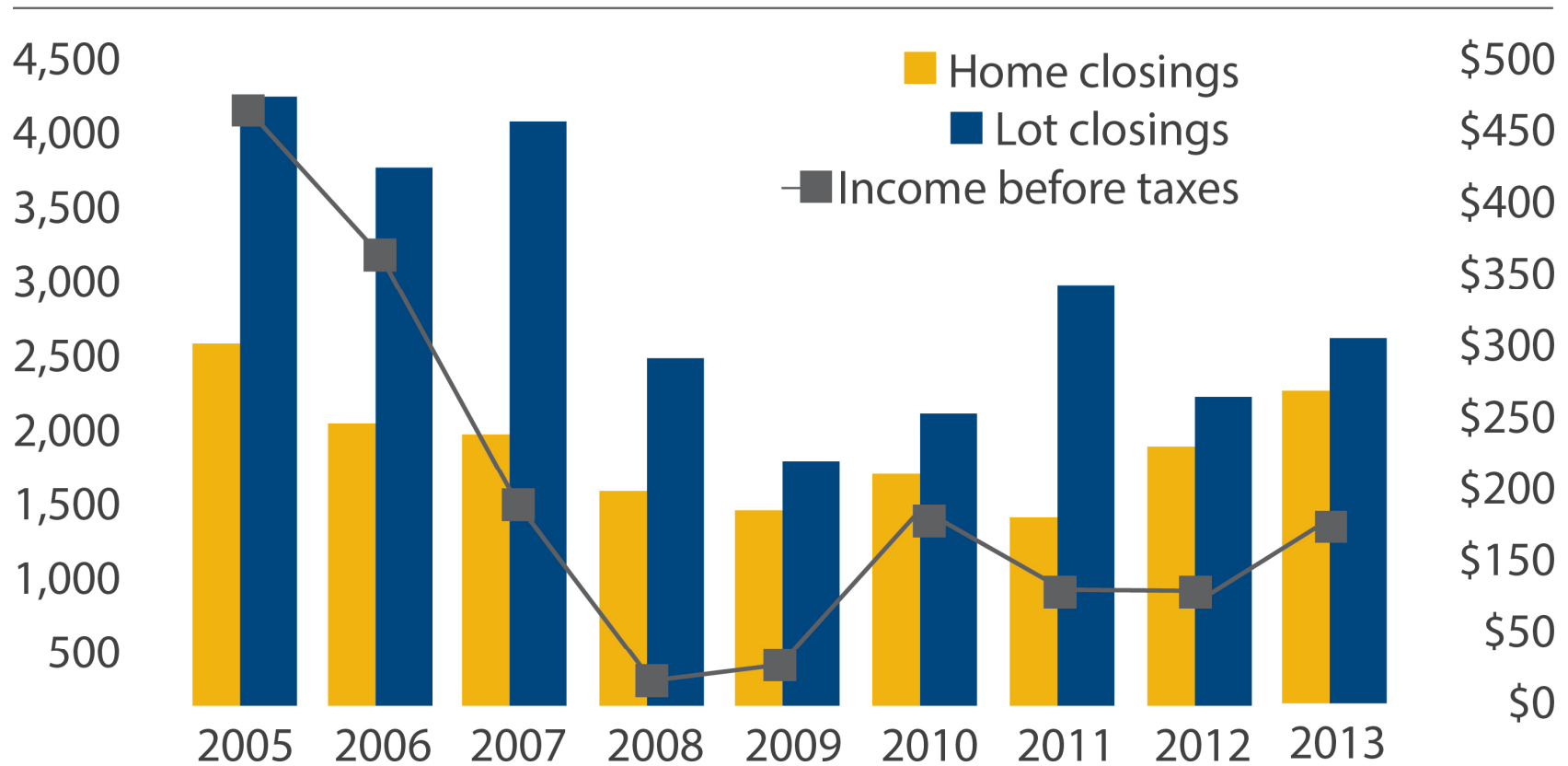
| BACKLOG AT END OF PERIOD | 2013 | | 2012 | |
|--------------------------|-------|--------|-------|--------|
| | Units | Value | Units | Value |
| Canada | 662 | \$ 263 | 619 | \$ 246 |
| California | 126 | 115 | 118 | 68 |
| Central and Eastern U.S. | 114 | 64 | 80 | 44 |
| | 902 | 442 | 817 | 358 |
| Unconsolidated Entities | 13 | 6 | 17 | 7 |
| Total | 915 | \$ 448 | 834 | \$ 365 |

SELECTED OPERATING INFORMATION – GROSS MARGIN

| | THREE MONTHS ENDED DECEMBER 31 | | | | TWELVE MONTHS ENDED DECEMBER 31 | | | |
|---------------------------------------|--------------------------------|-----|--------|-----|---------------------------------|-----|--------|-----|
| | 2013 | | 2012 | | 2013 | | 2012 | |
| | \$ | % | \$ | % | \$ | % | \$ | % |
| <i>(millions, except percentages)</i> | | | | | | | | |
| LAND GROSS MARGIN | | | | | | | | |
| Canada | \$ 50 | 54% | \$ 60 | 53% | \$ 158 | 53% | \$ 170 | 57% |
| California | 11 | 34% | 1 | 0% | 12 | 36% | 6 | 2% |
| Central and Eastern U.S. | 2 | 9% | 1 | 5% | 3 | 7% | (3) | -9% |
| Total | \$ 63 | 43% | \$ 62 | 15% | \$ 173 | 46% | \$ 173 | 28% |
| HOUSING GROSS MARGIN | | | | | | | | |
| Canada | \$ 39 | 20% | \$ 33 | 19% | \$ 98 | 21% | \$ 85 | 19% |
| California | 36 | 24% | 11 | 12% | 81 | 22% | 18 | 11% |
| Central and Eastern U.S. | 10 | 16% | 6 | 17% | 23 | 16% | 17 | 16% |
| Total | \$ 85 | 21% | \$ 50 | 16% | \$ 202 | 21% | \$ 120 | 17% |
| TOTAL GROSS MARGIN | | | | | | | | |
| Canada | \$ 89 | 31% | \$ 93 | 32% | \$ 256 | 33% | \$ 255 | 34% |
| California | 47 | 26% | 12 | 3% | 93 | 23% | 24 | 5% |
| Central and Eastern U.S. | 12 | 14% | 7 | 13% | 26 | 14% | 14 | 10% |
| Total | \$ 148 | 27% | \$ 112 | 16% | \$ 375 | 28% | \$ 293 | 22% |

CONSISTENT PROFITABILITY

Profitable throughout downturn



HISTORICAL PROFORMA FINANCIAL INFORMATION

BROOKFIELD RESIDENTIAL PROPERTIES

(millions, except unit activity)

| | YEAR ENDED DECEMBER 31 | | | | | | | |
|---|------------------------|---------------|---------------|--------------|--------------|---------------|---------------|---------------|
| | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 |
| Home Closings (units) | 1,808 | 1,295 | 1,600 | 1,347 | 1,490 | 1,875 | 1,977 | 2,529 |
| Lot Closings (single family units) | 2,142 | 2,912 | 2,017 | 1,682 | 2,422 | 4,050 | 3,716 | 4,243 |
| Acre Closings | 543 | 94 | 68 | 412 | 342 | 85 | 63 | 44 |
| Revenue | | | | | | | | |
| Land | \$ 622 | \$ 524 | \$ 355 | \$ 263 | \$ 389 | \$ 420 | \$ 318 | \$ 284 |
| Housing | 718 | 484 | 599 | 491 | 638 | 837 | 957 | 1,251 |
| Total Revenues | 1,340 | 1,008 | 954 | 754 | 1,027 | 1,257 | 1,275 | 1,535 |
| Direct cost of sales | (1,048) | (740) | (687) | (604) | (739) | (913) | (909) | (1,059) |
| Impairment of land inventory | - | - | - | (41) | (118) | (88) | (10) | - |
| Gross margin | 292 | 268 | 267 | 109 | 170 | 256 | 356 | 476 |
| Selling, general and administrative | (128) | (101) | (99) | (79) | (106) | (106) | (83) | (107) |
| Equity in earnings of unconsolidated entities | 10 | 4 | - | 3 | 4 | 15 | 61 | 66 |
| Impairment of unconsolidated entities | - | - | - | (13) | (38) | (15) | - | - |
| Other income / (expense) | (45) | (41) | 21 | 16 | (10) | 4 | 18 | 26 |
| Income before income taxes | \$ 129 | \$ 130 | \$ 189 | \$ 36 | \$ 20 | \$ 154 | \$ 352 | \$ 461 |

* Prior to January 1, 2011, the Company's business practice in Alberta was to not transfer title on its lots sold to the homebuilder who built the home and ultimately sold the home to the consumer, but to wait and transfer title of the lot to the ultimate homebuyer at the time of the home closing. As a result of the change in business practice, 2011 revenue was higher when compared to previous and future periods. In 2011, there were non-recurring revenues and direct costs of sales due to the change in business practice. Single-family lots of 1,043 and Multi-family acres of 19 were non-recurring. This equates to \$189 million of revenues, \$140 million of direct costs of sales and \$49 million of gross margin.

HISTORICAL PROFORMA FINANCIAL INFORMATION

BPO RESIDENTIAL

(millions, except unit activity)

| | YEAR ENDED DECEMBER 31 | | | | |
|---|------------------------|---------------|---------------|--------------|--------------|
| | 2009 | 2008 | 2007 | 2006 | 2005 |
| Home Closings (units) | 648 | 745 | 1,050 | 818 | 947 |
| Lot Closings (single family units) | 1,213 | 1,806 | 2,722 | 2,882 | 3,001 |
| Acre Closings | 412 | 342 | 85 | 63 | 44 |
| Revenue | | | | | |
| Land | \$ 227 | \$ 355 | \$ 378 | \$ 230 | \$ 144 |
| Housing | 151 | 223 | 296 | 173 | 177 |
| Total Revenues | 378 | 578 | 674 | 403 | 321 |
| Direct cost of sales | (250) | (323) | (432) | (292) | (244) |
| Impairment of land inventory | (17) | (3) | - | - | - |
| Gross margin | 111 | 252 | 242 | 111 | 77 |
| Selling, general and administrative | (27) | (37) | (37) | (24) | (17) |
| Equity in earnings of unconsolidated entities | 2 | 1 | 2 | 3 | 1 |
| Impairment of unconsolidated entities | - | - | - | - | - |
| Other income / (expense) | 3 | 8 | 10 | 9 | 9 |
| Income before income taxes | \$ 89 | \$ 224 | \$ 217 | \$ 99 | \$ 70 |

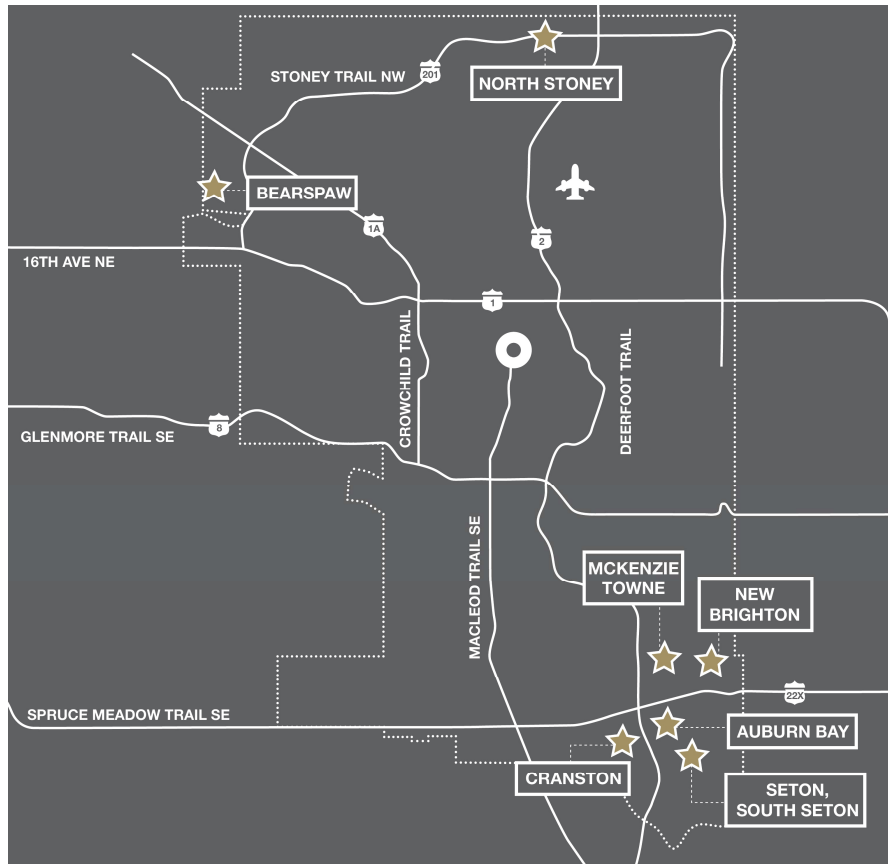
BROOKFIELD HOMES CORPORATION

| | | | | | |
|---|----------------|-----------------|----------------|---------------|---------------|
| Home Closings (units) | 699 | 745 | 825 | 1,159 | 1,582 |
| Lot Closings (single family units) | 469 | 616 | 1,328 | 834 | 1,242 |
| Acre Closings | - | - | - | - | - |
| Revenue | | | | | |
| Land | \$ 36 | \$ 34 | \$ 42 | \$ 88 | \$ 140 |
| Housing | 340 | 415 | 541 | 784 | 1,074 |
| Total Revenues | 376 | 449 | 583 | 872 | 1,214 |
| Direct cost of sales | (354) | (416) | (481) | (617) | (815) |
| Impairment of land inventory | (24) | (115) | (88) | (10) | - |
| Gross margin | (2) | (82) | 14 | 245 | 399 |
| Selling, general and administrative | (52) | (69) | (69) | (59) | (90) |
| Equity in earnings of unconsolidated entities | 1 | 3 | 13 | 58 | 65 |
| Impairment of unconsolidated entities | (13) | (38) | (15) | - | - |
| Other income / (expense) | 13 | (18) | (6) | 9 | 17 |
| Income / (Loss) before income taxes | \$ (53) | \$ (204) | \$ (63) | \$ 253 | \$ 391 |

OUR MARKETS

NOTE: Multi-family, industrial and commercial parcels under development have been disclosed using acres. Single family units and land held for development remain classified as lots and lot equivalents.

CALGARY, ALBERTA

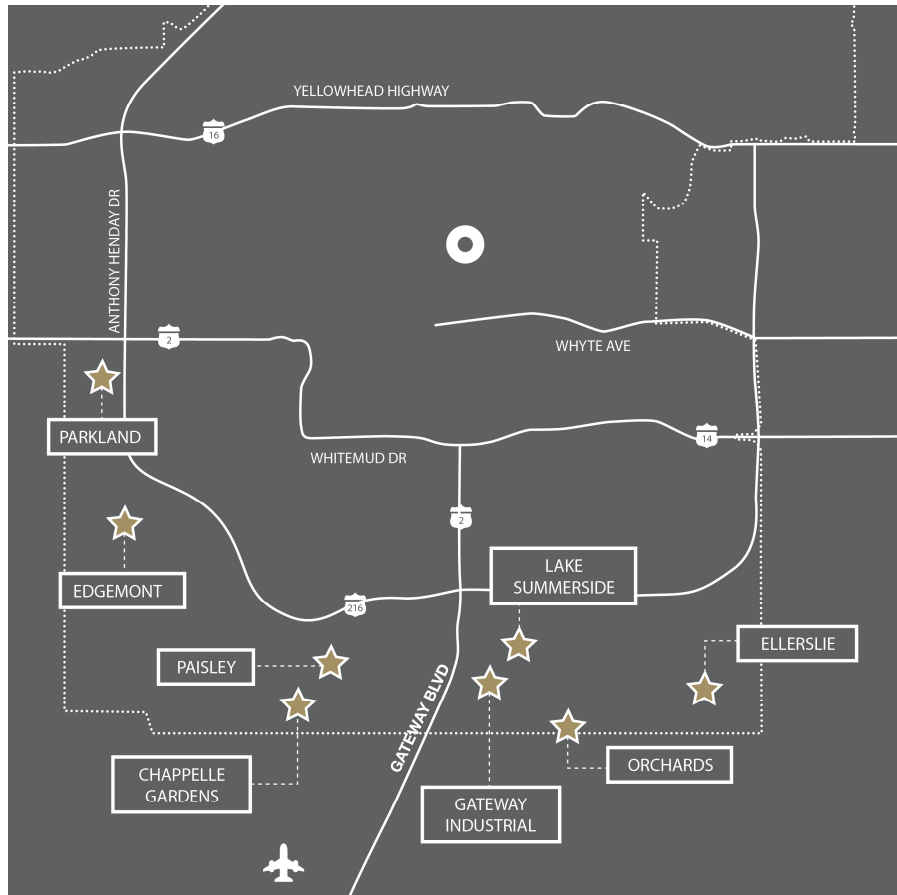


28,228 LOTS
70 ACRES (MULTI-FAMILY,
INDUSTRIAL AND
COMMERCIAL PARCELS)

- 4,978 entitled
- 23,250 unentitled

| PROJECT NAME | TOTAL LOTS | ENTITLED LOTS | UNENTITLED LOTS | DEVELOPED ACRES |
|----------------|------------|---------------|-----------------|-----------------|
| Auburn Bay | 1,216 | 1,216 | – | 8 |
| Bearspaw | 1,295 | – | 1,295 | – |
| Cranston | 1,927 | 1,927 | – | 3 |
| McKenzie Towne | 37 | 37 | – | – |
| New Brighton | 255 | 255 | – | – |
| North Stoney | 12,926 | – | 12,926 | – |
| Seton | 1,090 | 1,090 | – | 47 |
| South Seton | 1,521 | – | 1,521 | – |
| South Seton LP | 4,874 | – | 4,874 | – |
| Other | 3,087 | 453 | 2,634 | 12 |

EDMONTON, ALBERTA

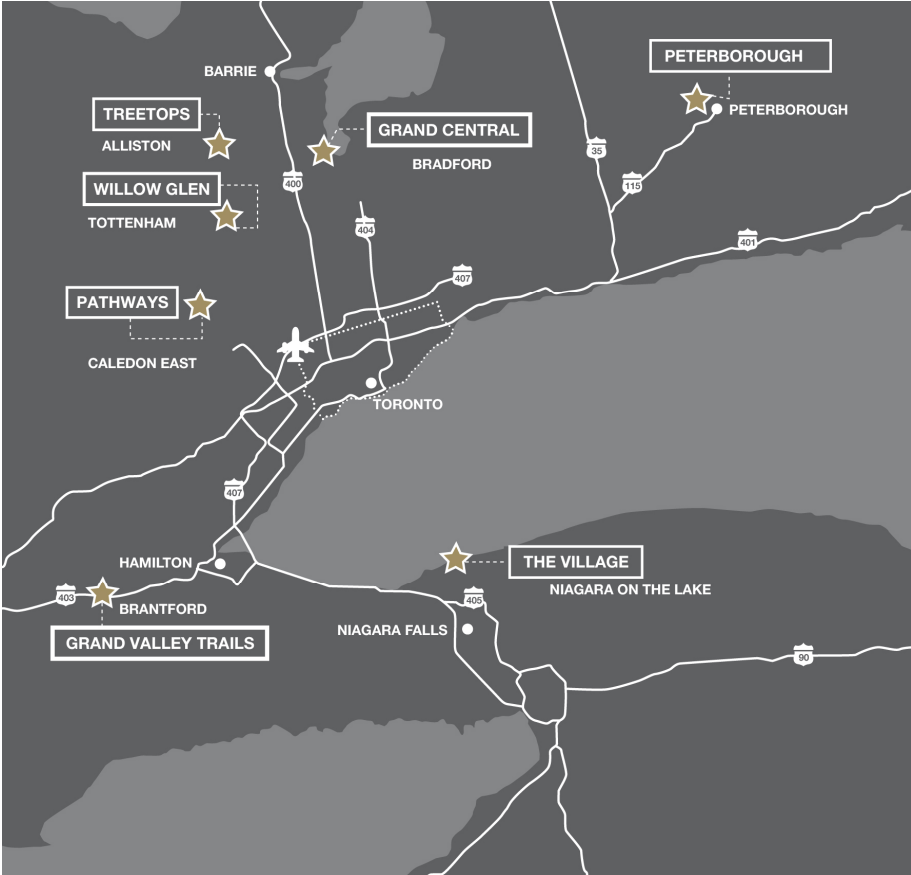


16,720 LOTS
**53 ACRES (MULTI-FAMILY,
 INDUSTRIAL AND
 COMMERCIAL PARCELS)**

- 9,708 entitled
- 7,012 unentitled

| PROJECT NAME | TOTAL LOTS | ENTITLED LOTS | UNENTITLED LOTS | DEVELOPED ACRES |
|--------------------|------------|---------------|-----------------|-----------------|
| Chappelle Gardens | 2,643 | 2,643 | – | 9 |
| Edgemont | 707 | 707 | – | – |
| Ellerslie | 7,012 | – | 7,012 | – |
| Gateway Industrial | 134 | 134 | – | 24 |
| Lake Summerside | 1,002 | 1,002 | – | 4 |
| Orchards | 2,731 | 2,731 | – | – |
| Paisley | 1,005 | 1,005 | – | – |
| Parkland | 58 | 58 | – | – |
| Other | 1,428 | 1,428 | – | 16 |

ONTARIO

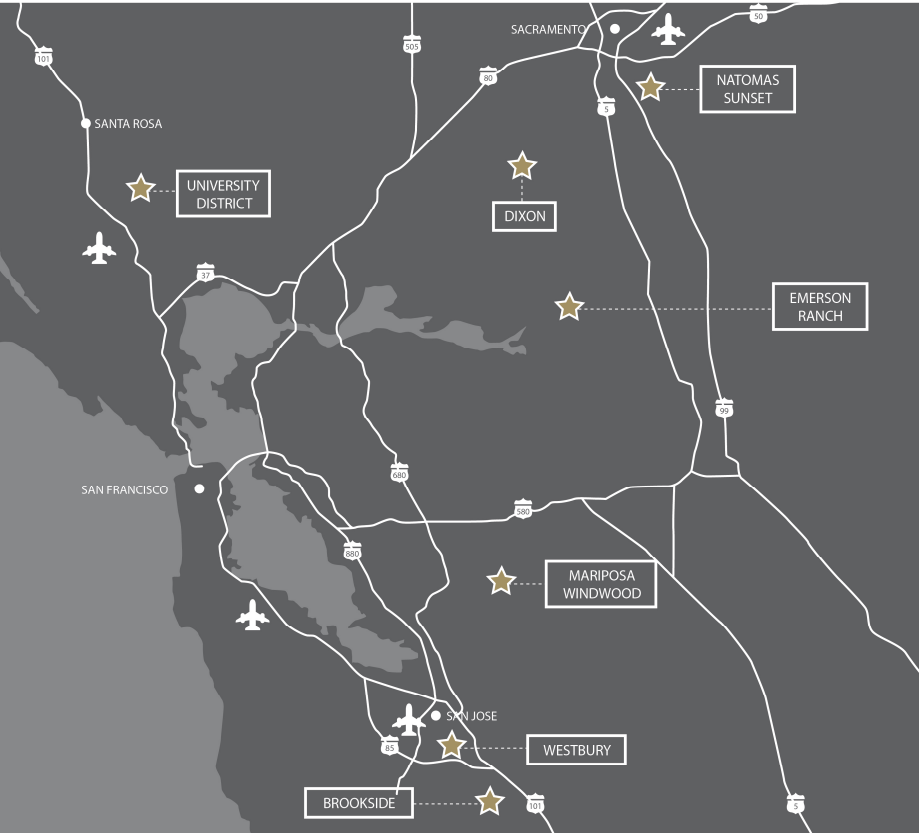


10,403 LOTS
7 ACRES (MULTI-FAMILY,
INDUSTRIAL AND
COMMERCIAL PARCELS)

- 1,833 entitled
- 8,570 unentitled

| PROJECT NAME | TOTAL LOTS | ENTITLED LOTS | UNENTITLED LOTS | DEVELOPED ACRES |
|---------------------|------------|---------------|-----------------|-----------------|
| Grand Central | 195 | 195 | – | 1 |
| Grand Valley Trails | 8 | 8 | – | – |
| Pathways | 23 | 23 | – | 5 |
| Peterborough | 7,768 | – | 7,768 | – |
| The Village | 94 | 48 | 46 | 1 |
| Treetops | 98 | 98 | – | – |
| Willow Glen | 494 | 494 | – | – |
| Other | 1,723 | 967 | 756 | – |

NORTHERN CALIFORNIA



8,887 LOTS

- 2,170 entitled
- 6,717 unentitled

| PROJECT NAME | TOTAL LOTS | ENTITLED LOTS | UNENTITLED LOTS |
|---------------------|------------|---------------|-----------------|
| Brookside | 66 | 66 | – |
| Dixon | 900 | 450 | 450 |
| Emerson Ranch | 567 | – | 567 |
| Mariposa Windwood | 81 | 81 | – |
| Westbury | 13 | 13 | – |
| Natomas, Sunset | 5,700 | – | 5,700 |
| University District | 1,454 | 1,454 | – |
| Other | 106 | 106 | – |

SOUTHERN CALIFORNIA

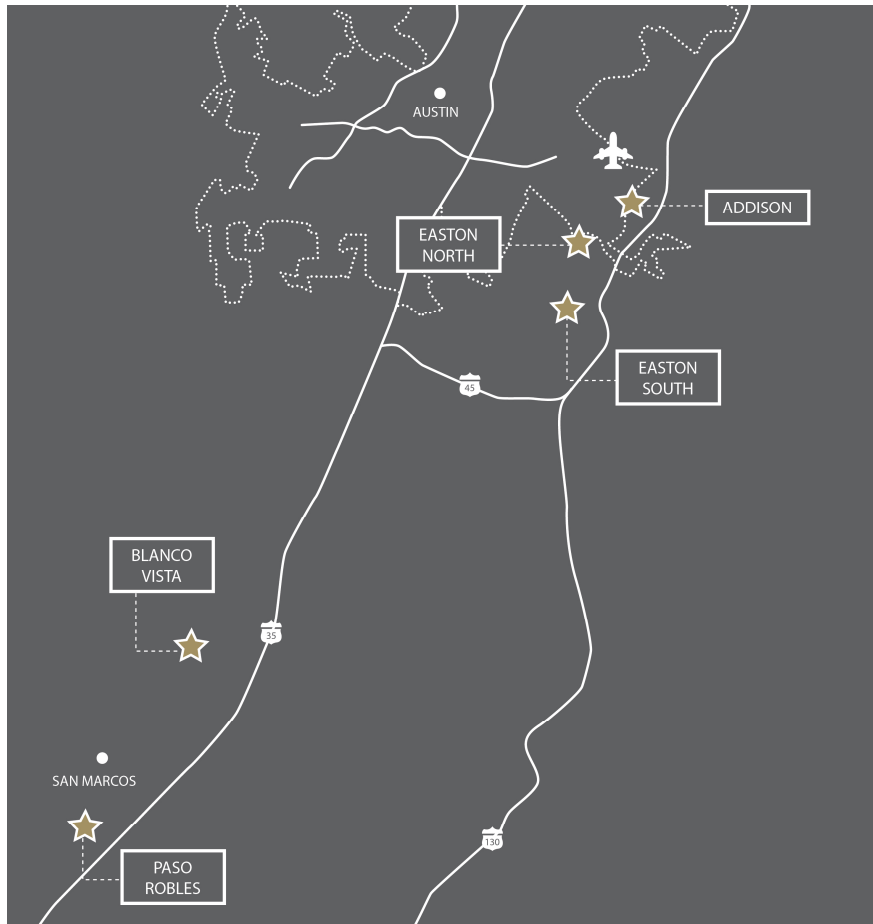


12,573 LOTS

- 7,068 entitled
- 5,505 unentitled

| PROJECT NAME | TOTAL LOTS | ENTITLED LOTS | UNENTITLED LOTS |
|----------------------------------|------------|---------------|-----------------|
| Audie Murphy, Spencer's Crossing | 2,631 | 2,631 | – |
| Colony Park | 13 | 13 | – |
| Edenglen | 166 | 166 | – |
| Lake Forest | 147 | 147 | – |
| New Model Colony | 2,762 | 396 | 2,366 |
| Palo Verde | 107 | 107 | – |
| Playa Vista | 488 | 488 | – |
| Rosedale | 122 | 122 | – |
| Seaside Ridge | 11 | 11 | – |
| Sentinels | 27 | 27 | – |
| Other | 6,099 | 2,960 | 3,139 |

AUSTIN, TEXAS



13,458 LOTS

- 5,161 entitled
- 8,297 unentitled

| PROJECT NAME | TOTAL LOTS | ENTITLED LOTS | UNENTITLED LOTS |
|--------------|------------|---------------|-----------------|
| Addison | 786 | – | 786 |
| Blanco Vista | 1,503 | 1,503 | – |
| Easton North | 5,298 | – | 5,298 |
| Easton South | 2,213 | – | 2,213 |
| Paso Robles | 3,658 | 3,658 | – |

DENVER, COLORADO



9,904 LOTS

10 ACRES (MULTI-FAMILY,
INDUSTRIAL AND COMMERCIAL
PARCELS)

- 9,904 entitled

| PROJECT NAME | TOTAL LOTS | ENTITLED LOTS | UNENTITLED LOTS | DEVELOPED ACRES |
|-------------------|------------|---------------|-----------------|-----------------|
| Barefoot Lakes | 4,053 | 4,053 | — | — |
| Brighton Crossing | 2,376 | 2,376 | — | 10 |
| Midtown | 559 | 559 | — | — |
| Solterra | 508 | 508 | — | — |
| Tallyn's Reach | 46 | 46 | — | — |
| Other | 2,362 | 2,362 | — | — |

WASHINGTON, D.C. AREA

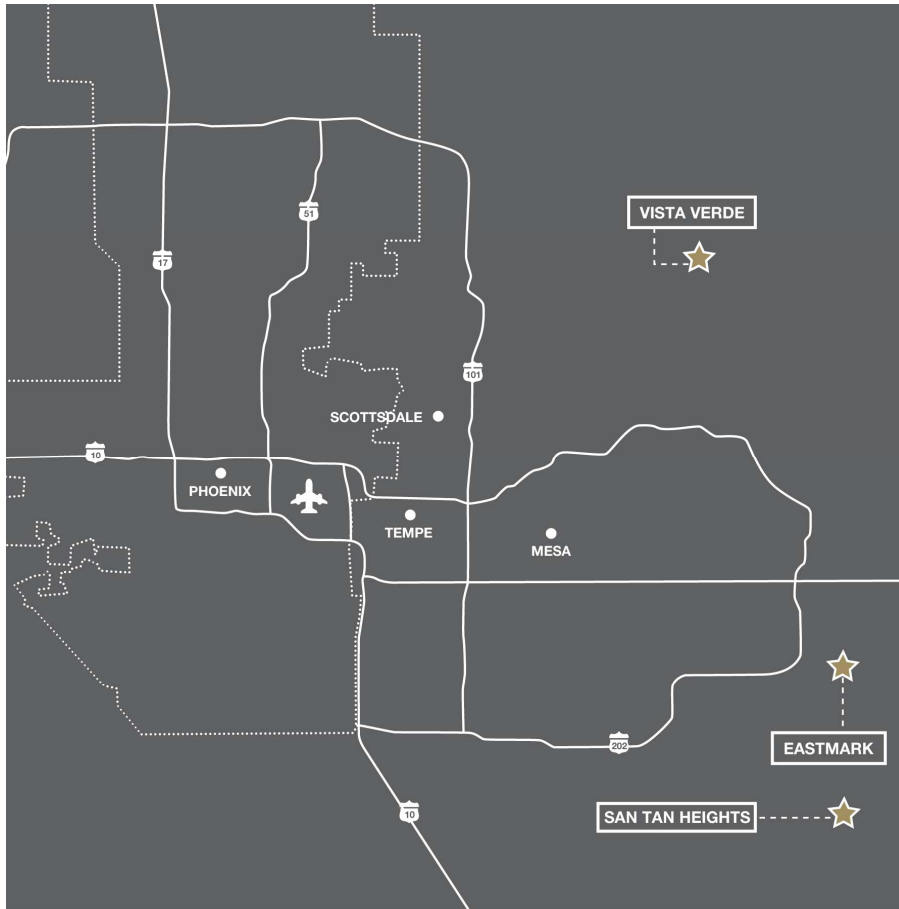


4,398 LOTS
18 ACRES (MULTI-FAMILY,
INDUSTRIAL AND
COMMERCIAL PARCELS)

- 4,364 entitled
- 34 unentitled

| PROJECT NAME | TOTAL LOTS | ENTITLED LOTS | UNENTITLED LOTS | DEVELOPED ACRES |
|----------------------|------------|---------------|-----------------|-----------------|
| Avendale | 282 | 282 | — | — |
| Brookside, Saranac | 26 | 26 | — | — |
| Heritage Shores | 1,418 | 1,418 | — | — |
| Goose Creek Preserve | 188 | 188 | — | — |
| Snowden Bridge | 1,015 | 1,015 | — | — |
| Swan Point | 765 | 765 | — | — |
| Waterford Manor | 32 | 32 | — | — |
| Woodstream | 112 | 112 | — | — |
| Other | 560 | 526 | 34 | 18 |

PHOENIX, ARIZONA



6,007 LOTS

105 ACRES (MULTI-FAMILY,
INDUSTRIAL AND
COMMERCIAL PARCELS)

- 5,721 entitled
- 286 unentitled

| PROJECT NAME | TOTAL LOTS | ENTITLED LOTS | UNENTITLED LOTS | DEVELOPED ACRES |
|-----------------|------------|---------------|-----------------|-----------------|
| Eastmark | 4,912 | 4,912 | — | 105 |
| San Tan Heights | 690 | 404 | 286 | — |
| Viste Verde | 405 | 405 | — | — |

BROOKFIELD RESIDENTIAL – SHARE INFORMATION

| BROOKFIELD RESIDENTIAL TRADING STATISTICS - NEW YORK STOCK EXCHANGE | | | | FOR THE THREE MONTHS ENDED | | | | | | | | | |
|---|--|--|--|----------------------------|-------|------------|-------|------------|-------|------------|-------|------------|-------|
| Source: NYSE | | | | 31-DEC-13 | | 30-SEP-13 | | 30-JUN-13 | | 31-MAR-13 | | 31-DEC-12 | |
| Share Price | | | | | | | | | | | | | |
| High | | | | \$ | 24.50 | \$ | 24.34 | \$ | 26.10 | \$ | 24.48 | \$ | 18.90 |
| Low | | | | \$ | 19.29 | \$ | 18.99 | \$ | 20.00 | \$ | 18.03 | \$ | 14.02 |
| Close | | | | \$ | 24.19 | \$ | 23.02 | \$ | 22.06 | \$ | 24.34 | \$ | 17.94 |
| Total Volume | | | | 8,335,066 | | 11,012,504 | | 16,737,738 | | 12,742,927 | | 15,726,478 | |

| BROOKFIELD RESIDENTIAL TRADING STATISTICS - TORONTO STOCK EXCHANGE | | | | FOR THE THREE MONTHS ENDED | | | | | | | | | |
|--|--|----|-------|----------------------------|-------|-----------|-------|-----------|-------|-----------|-------|-----------|--|
| Source: TSX | | | | 31-DEC-13 | | 30-SEP-13 | | 30-JUN-13 | | 31-MAR-13 | | 31-DEC-12 | |
| Share Price | | | | | | | | | | | | | |
| High | | \$ | 26.06 | \$ | 24.74 | \$ | 26.23 | \$ | 24.93 | \$ | 19.04 | | |
| Low | | \$ | 20.22 | \$ | 19.63 | \$ | 21.16 | \$ | 17.75 | \$ | 14.14 | | |
| Close | | \$ | 25.72 | \$ | 23.85 | \$ | 23.35 | \$ | 24.73 | \$ | 17.69 | | |
| Total Volume | | | | 773,965 | | 929,254 | | 1,703,446 | | 1,406,462 | | 1,358,298 | |

| COMMON SHARES ISSUED | | AS AT | | | | |
|----------------------------|--|-------------|-------------|-------------|-------------|-------------|
| | | 31-DEC-13 | 30-SEP-13 | 30-JUN-13 | 31-MAR-13 | 31-DEC-12 |
| Common shares issued | | 119,026,076 | 119,026,076 | 118,825,803 | 118,374,703 | 118,279,534 |
| Unexercised options | | 3,720,988 | 3,720,988 | 3,920,988 | 4,369,127 | 3,284,187 |
| Total common shares issued | | 122,747,064 | 122,747,064 | 122,746,791 | 122,743,830 | 121,563,721 |

| CONVERTIBLE PREFERRED SHARES ISSUED AND OUTSTANDING | | AS AT | | | | |
|---|--|-----------|-----------|-----------|-----------|-----------|
| | | 31-DEC-13 | 30-SEP-13 | 30-JUN-13 | 31-MAR-13 | 31-DEC-12 |
| Convertible preferred shares outstanding | | 64,061 | 64,061 | 64,161 | 65,246 | 65,286 |
| Common share equivalent at a conversion rate of 2.731787607 | | 175,001 | 175,001 | 175,274 | 178,238 | 178,347 |

BROOKFIELD RESIDENTIAL – BY THE NUMBERS

ANNOUNCEMENT OF RESULTS

2014 quarterly results are expected to be announced as noted below:

First Quarter: May 2014

Second Quarter: August 2014

Third Quarter: November 2014

Fourth Quarter: February 2015

Brookfield Residential's press releases, unaudited interim reports and audited annual report are filed on EDGAR and SEDAR and can also be found on the Company's website at: www.brookfieldrp.com. Hard copies of the interim and annual reports can be obtained free of charge upon request.

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