

**Brookfield**  
Residential

## CORPORATE PROFILE

NOVEMBER | 2015

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## NOTICE TO RECIPIENT

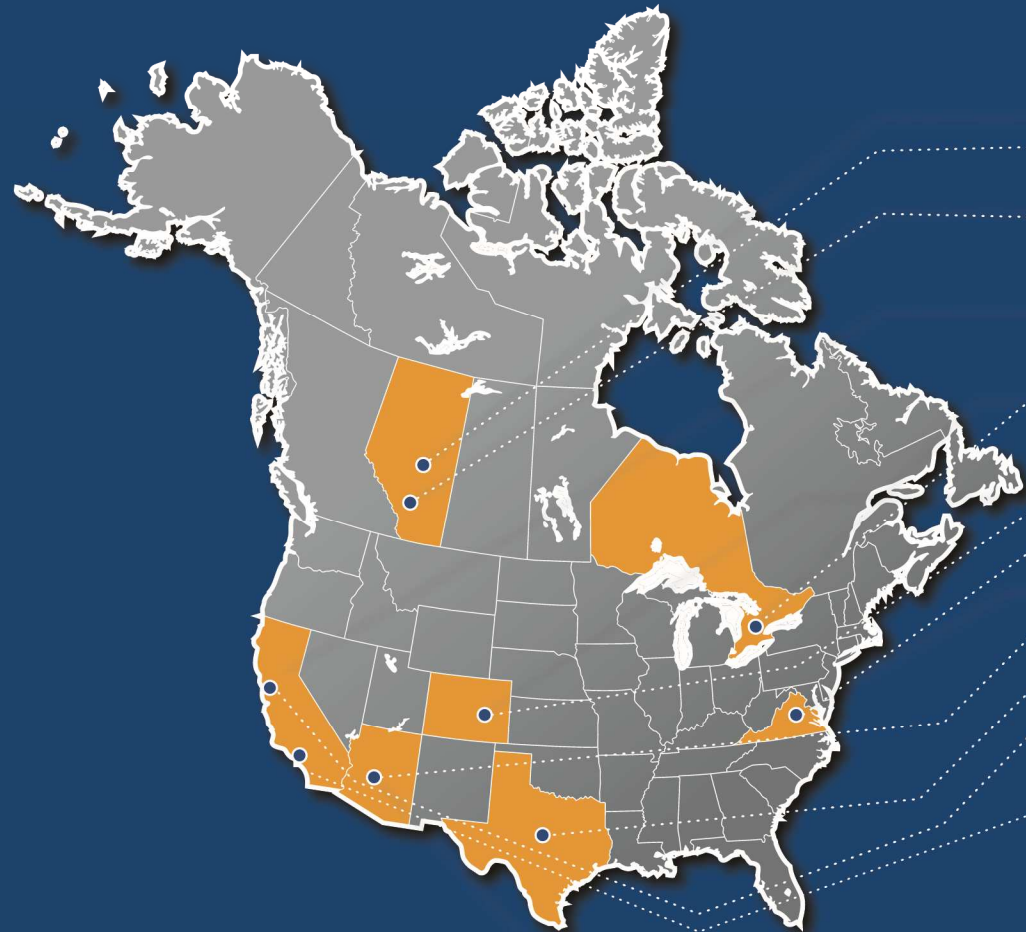
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This corporate profile contains “forward-looking statements” within the meaning of applicable Canadian securities laws and United States federal securities laws. The words “may,” “believe,” “will,” “anticipate,” “expect,” “planned,” “estimate,” “project,” “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 and possible or assumed future results; our ability to pursue homebuilding or land investments, including the timing of projects; business goals, strategy and growth plans; the impact 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 our markets; 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. 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

# WHERE WE BUILD



## Total Single Family Lots as at September 30, 2015

EDMONTON	14,430	14%
CALGARY	26,643	25%
ONTARIO	10,496	10%
DENVER	9,071	9%
WASHINGTON D.C.	4,148	4%
PHOENIX	4,566	4%
AUSTIN	13,563	14%
NORTHERN CALIFORNIA	9,468	9%
SOUTHERN CALIFORNIA	11,964	11%

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## COMPANY OVERVIEW

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Brookfield Residential Properties is a leading land developer and homebuilder in North America. We entitle and develop land to create master-planned communities, build and sell lots to third-party builders, and operate our own home building division. We also participate in selected, strategic real estate opportunities, including infill projects, mixed-use developments, and joint ventures. We are the flagship North American residential property company of Brookfield Asset Management, a leading global alternative asset manager with over \$200 billion of assets under management. Further information is available at [BrookfieldResidential.com](http://BrookfieldResidential.com) or [Brookfield.com](http://Brookfield.com)

- Large North American residential platform with land and housing assets and a strong and unique geographical diversification in three active operating segments and the following major markets:
  - Canada** - Calgary, Edmonton, Greater Toronto Area
  - California** - Greater Los Angeles Area, Sacramento, San Diego, San Francisco Bay Area, Hawaii
  - Central and Eastern U.S.** - Austin, Denver, Phoenix, Washington D.C. Area
- Our disciplined land entitlement process, synergistic operations and capital flexibility allow us to pursue homebuilding or land investments.

## 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

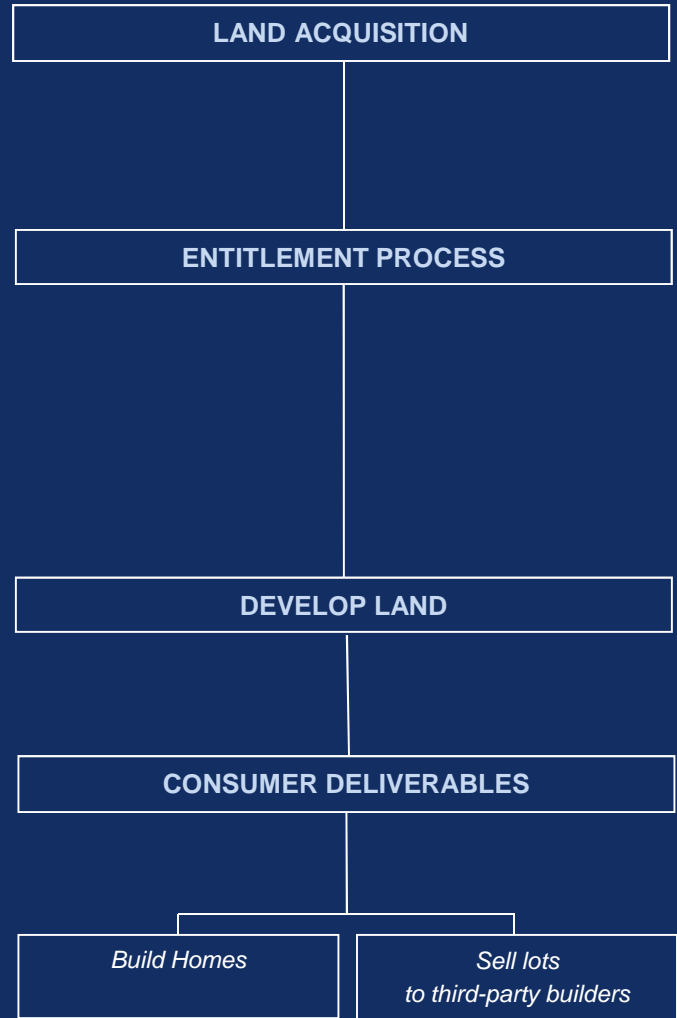
- Obtain approvals necessary to develop land for specific purposes. This process typically includes:
  - General Plan
  - Land Use Plan
  - Tentative Map
  - Legal Survey Plan
  - Area Structure Plan
  - Zoning
  - Construction Approvals
  - Final Map

## 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



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## OUR PROCESS

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### 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



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## OUR PROCESS (CONTINUED)

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

- Homebuilding may be carried out on a portion of our land 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 ten markets (Calgary, Edmonton, Greater Toronto Area, San Francisco Bay Area, Greater Los Angeles Area, San Diego, Hawaii, Denver, Austin and the Washington D.C. Area). 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

# INVENTORY PROFILE

# LAND & HOUSING INVENTORY

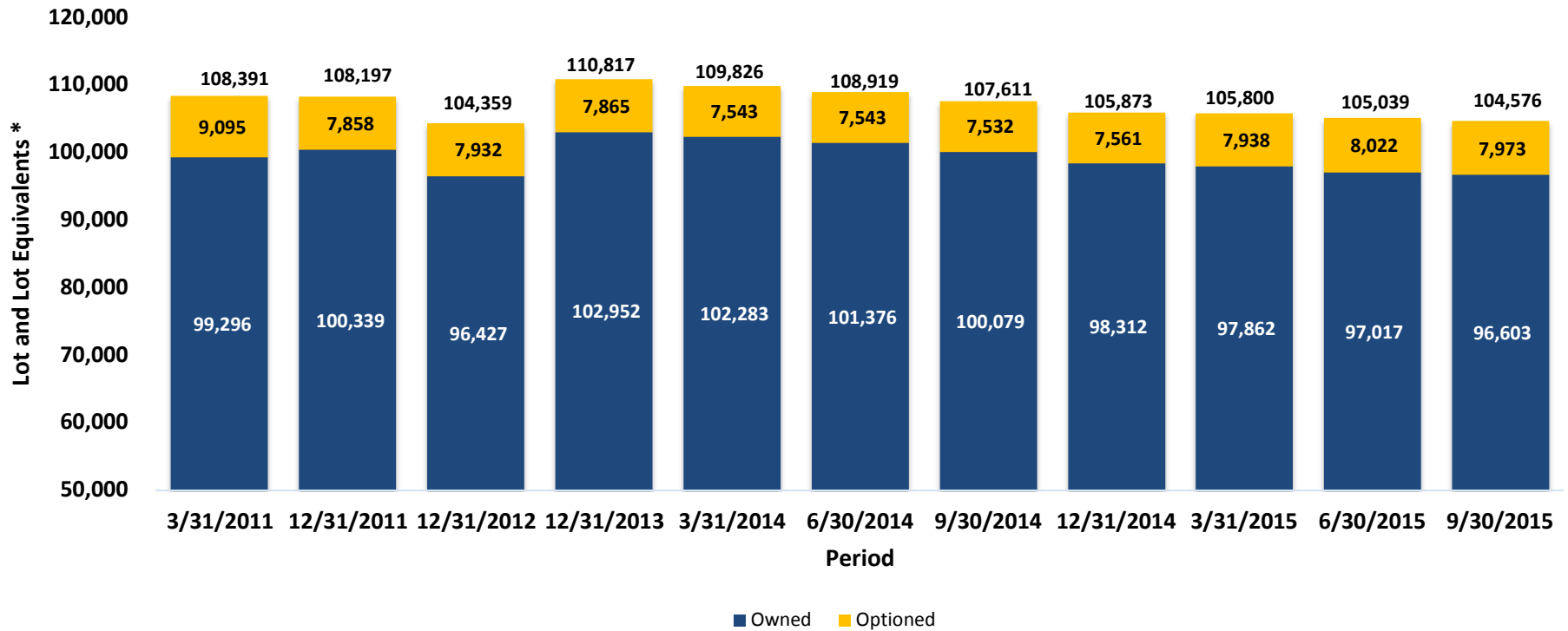
## Multi-Family, Industrial & Commercial Parcels Under Development

	Single Family Housing & Land Under and Land Held for Development <sup>(1)</sup>								Multi-Family, Industrial & Commercial Parcels Under Development	
	Land & Housing		Unconsolidated Entities		Total Lots		Status of Lots 30-Sept-15		Total Acres	
	Owned	Options	Owned	Options	30-Sep-15	31-Dec-14	Entitled	Unentitled	30-Sep-15	31-Dec-14
Calgary	24,088	-	2,555	-	26,643	27,112	4,681	21,962	79	68
Edmonton	14,430	-	-	-	14,430	15,222	7,418	7,012	35	50
Ontario	10,496	-	-	-	10,496	10,041	2,004	8,492	-	-
<b>Canada</b>	<b>49,014</b>	<b>-</b>	<b>2,555</b>	<b>-</b>	<b>51,569</b>	<b>52,375</b>	<b>14,103</b>	<b>37,466</b>	<b>114</b>	<b>118</b>
Northern California	3,949	4,950	569	-	9,468	8,996	3,949	5,519	-	-
Southern California	8,907	-	1,574	1,483	11,964	12,512	9,083	2,881	-	-
Hawaii	195	-	32	-	227	230	227	-	-	-
<b>California</b>	<b>13,051</b>	<b>4,950</b>	<b>2,175</b>	<b>1,483</b>	<b>21,659</b>	<b>21,738</b>	<b>13,259</b>	<b>8,400</b>	<b>-</b>	<b>-</b>
Denver	9,071	-	-	-	9,071	9,605	9,071	-	10	10
Austin	13,089	474	-	-	13,563	13,235	5,972	7,591	-	-
Phoenix	689	-	3,877	-	4,566	4,585	4,282	284	108	103
Washington D.C. Area	2,265	1,066	817	-	4,148	4,335	4,111	37	19	5
<b>Central and Eastern U.S.</b>	<b>25,114</b>	<b>1,540</b>	<b>4,694</b>	<b>-</b>	<b>31,348</b>	<b>31,760</b>	<b>23,436</b>	<b>7,912</b>	<b>137</b>	<b>118</b>
<b>Total</b>	<b>87,179</b>	<b>6,490</b>	<b>9,424</b>	<b>1,483</b>	<b>104,576</b>	<b>105,873</b>	<b>50,798</b>	<b>53,778</b>	<b>251</b>	<b>236</b>
Entitled lots	43,556	1,540	5,702	-	50,798					
Unentitled lots	43,623	4,950	3,722	1,483	53,778					
<b>Total September 30, 2015</b>	<b>87,179</b>	<b>6,490</b>	<b>9,424</b>	<b>1,483</b>	<b>104,576</b>					
Total December 31, 2014	89,602	6,016	8,710	1,545		105,873				

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

<i>(millions, except per unit activity)</i>	Land & Housing		Unconsol. Entities		Total 30-Sept-15		Total 31-Dec-14	
	\$		\$		Units	\$	Units	\$
Land Held For Development (lots)	\$ 1,282	\$ 239	85,903	\$ 1,521	89,797	\$ 1,567		
Land Under Development - Single Family (lots)	744	104	8,579	848	7,212	721		
Optioned (lots)	86	28	7,973	114	7,561	105		
Housing inventory (units)	487	7	1,960	494	1,169	319		
Model homes (units)	81	1	161	82	134	55		
Unconsolidated entity debt	-	(58)	-	(58)	-	(69)		
<b>Sub total</b>	<b>\$ 2,680</b>	<b>\$ 321</b>	<b>104,576</b>	<b>\$ 3,001</b>	<b>105,873</b>	<b>\$ 2,698</b>		
Multi Family, Commercial & Industrial Parcels (Acres)	65	7	251	72	236	62		
<b>Total</b>	<b>\$ 2,745</b>	<b>\$ 328</b>		<b>\$ 3,073</b>		<b>\$ 2,760</b>		

# LAND & HOUSING INVENTORY



\* Includes Single Family Housing & Land Under and Held for Development

# FINANCIAL PROFILE

## SELECTED FINANCIAL INFORMATION

<i>(millions, except percentages)</i>	THREE MONTHS ENDED SEPT 30		NINE MONTHS ENDED SEPT 30	
	2015	2014	2015	2014
<b>RESULTS FROM OPERATIONS</b>				
Total revenue	\$ 394	\$ 355	\$ 981	\$ 885
Housing revenue	342	291	799	695
Land revenue	52	64	182	190
Gross margin (\$)	106	107	254	264
Gross margin (%)	27%	30%	26%	30%
Income before income taxes	46	48	51	131
Income tax (expense) / recovery	(11)	38	(11)	24
Net income attributable to Brookfield Residential	\$ 35	\$ 86	\$ 41	\$ 153

## SELECTED FINANCIAL INFORMATION (CONTINUED)

<i>(millions, except unit activity and average selling price)</i>	THREE MONTHS ENDED SEPT 30		NINE MONTHS ENDED SEPT 30	
	2015	2014	2015	2014
<b>OPERATING DATA</b>				
Home closings for Brookfield Residential (units)	684	564	1,665	1,345
Home closings for unconsolidated entities (units)	15	29	52	54
Average home selling price for Brookfield Residential (per unit)	\$ 500,000	\$ 516,000	\$ 480,000	\$ 516,000
Average home selling price for unconsolidated entities (per unit)	\$ 695,000	\$ 470,000	\$ 562,000	\$ 484,000
Net new home orders for Brookfield Residential (units)	612	495	2,187	1,792
Net new home orders for unconsolidated entities (units)	2	27	40	93
Backlog for Brookfield Residential (units at end of period)	1,581	1,349	1,581	1,349
Backlog for unconsolidated entities (units at end of period)	21	52	21	52
Backlog value for Brookfield Residential	\$ 682	\$ 693	\$ 682	\$ 693
Backlog value for unconsolidated entities	\$ 12	\$ 22	\$ 12	\$ 22
Lot closings for Brookfield Residential (single family units)	441	368	1,444	1,207
Lot closings for unconsolidated entities (single family units)	32	52	151	256
Acre closings for Brookfield Residential (multi-family, industrial and commercial parcels)	-	15	23	25
Acre closings for unconsolidated entities (multi-family, industrial and commercial parcels)	-	-	-	2
Acre closings for Brookfield Residential (raw and partially finished parcels)	-	-	8	3
Average lot selling price for Brookfield Residential (single family units)	\$ 114,000	\$ 148,000	\$ 113,000	\$ 141,000
Average lot selling price for unconsolidated entities (single family units)	\$ 109,000	\$ 65,000	\$ 89,000	\$ 85,000
Average per acre selling price for Brookfield Residential (multi-family, industrial and commercial parcels)	\$ -	\$ 667,000	\$ 524,000	\$ 791,000
Average per acre selling price for unconsolidated entities (multi-family, industrial and commercial parcels)	\$ -	\$ -	\$ -	\$ 188,000
Average per acre selling price for Brookfield Residential (raw and partially finished parcels)	\$ -	\$ -	\$ 164,000	\$ 263,000

## CONDENSED CONSOLIDATED BALANCE SHEETS

	SEPT 30	JUN 30	MAR 31	DEC 31
<i>(thousands, except percentages)</i>	2015	2015	2015	2014
<b>ASSETS</b>				
Land and housing inventory	\$ 2,745,004	\$ 2,723,319	\$ 2,591,418	\$ 2,521,628
Investments in unconsolidated entities	327,996	264,142	251,909	238,402
Receivables and other assets	311,139	323,299	297,665	362,791
Restricted cash	3,511	2,053	3,872	5,339
Cash and cash equivalents	68,806	141,717	51,521	190,479
Deferred income tax assets	113,400	129,406	123,520	71,261
	<b>\$ 3,569,856</b>	<b>\$ 3,583,936</b>	<b>\$3,319,905</b>	<b>\$3,389,900</b>
<b>LIABILITIES</b>				
Notes payable	\$ 1,637,825	\$ 1,650,100	\$ 1,100,000	\$ 1,100,000
Bank indebtedness and other financings	166,254	191,573	537,161	208,257
Total financings	1,804,079	1,841,673	1,637,161	1,308,257
Accounts payable and other liabilities	462,076	433,200	402,393	462,585
Total liabilities	2,266,155	2,274,873	2,039,554	1,770,842
<b>EQUITY</b>				
	<b>\$ 1,303,701</b>	<b>\$ 1,309,063</b>	<b>\$ 1,280,351</b>	<b>\$ 1,619,058</b>
	<b>\$ 3,569,856</b>	<b>\$ 3,583,936</b>	<b>\$ 3,319,905</b>	<b>\$ 3,389,900</b>
Net Debt to Total Capitalization	57%	56%	55%	41%



# CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

<i>(thousands)</i>	THREE MONTHS ENDED SEPT 30		NINE MONTHS ENDED SEPT 30	
	2015	2014	2015	2014
<b>REVENUE</b>				
Housing	\$ 341,764	\$ 290,908	\$ 799,157	\$ 694,582
Land	51,984	64,408	182,304	190,154
	393,748	355,316	981,461	884,736
<b>DIRECT COST OF SALES</b>				
Housing	(256,856)	(220,474)	(616,698)	(530,638)
Land	(30,622)	(28,198)	(110,876)	(90,438)
	106,270	106,644	253,887	263,660
Gain on commercial assets held for sale	-	-	-	32,927
Selling, general and administrative expense	(47,580)	(45,318)	(162,638)	(134,616)
Interest expense	(16,833)	(15,898)	(49,645)	(47,147)
Equity in earnings from unconsolidated entities	3,080	2,624	8,974	11,038
Other income	1,737	709	3,681	8,903
Depreciation	(958)	(1,145)	(2,980)	(3,416)
Income before incomes taxes	45,716	47,616	51,279	131,349
Current income tax (expense) / recovery	(1,334)	(2,363)	(6,467)	(3,239)
Deferred income tax (expense) / recovery	(9,102)	40,770	(4,254)	27,683
<b>NET INCOME</b>	35,280	86,023	40,558	155,793
Net loss / (income) attributable to non-controlling interest and other interests in consolidated subsidiaries	96	36	322	(2,505)
<b>NET INCOME ATTRIBUTABLE TO BROOKFIELD RESIDENTIAL</b>	\$ 35,376	\$ 86,059	\$ 40,880	\$ 153,288
<b>OTHER COMPREHENSIVE INCOME / (LOSS)</b>				
Unrealized foreign exchange gain / (loss) on:				
Translation of the net investment in Canadian subsidiaries	(52,916)	(38,880)	(121,970)	(40,716)
Translation of the Canadian dollar denominated debt designated as a hedge of the net investment in Canadian subsidiaries	12,275	-	20,725	-
<b>COMPREHENSIVE (LOSS) / INCOME ATTRIBUTABLE TO BROOKFIELD RESIDENTIAL</b>	\$ (5,265)	\$ 47,179	\$ (60,365)	\$ 112,572

## QUARTERLY FINANCIAL INFORMATION

<i>(millions, except per unit activity)</i>	2015			2014			2013	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Home closings (units)	684	543	438	859	564	435	346	856
Lots closings (single family units)	441	568	435	906	368	515	324	1,177
Acre closings (multi-family, industrial and commercial parcels)	-	3	20	7	15	6	4	8
Acre closings (raw and partially finished parcels)	-	8	-	-	-	1	2	2
Revenue	\$ 394	\$ 311	\$ 277	\$ 591	\$ 355	\$ 321	\$ 208	\$ 555
Direct cost of sales	(288)	(237)	(203)	(409)	(248)	(223)	(149)	(407)
Gross margin	106	74	74	182	107	98	59	148
Gain on commercial assets held for sale	-	-	-	-	-	-	33	-
Selling, general and administrative expense	(48)	(47)	(68)	(58)	(45)	(44)	(45)	(52)
Interest expense	(17)	(18)	(15)	(15)	(16)	(15)	(16)	(15)
Equity in earnings from unconsolidated entities	3	3	3	26	3	6	3	9
Other income / (expense)	2	1	(2)	3	(1)	4	1	-
<b>Income / (loss) before income taxes</b>	46	13	(8)	138	48	49	35	90
Income tax (expense) / recovery	(11)	5	(5)	(18)	38	(6)	(8)	(7)
<b>Net income / (loss)</b>	35	18	(13)	120	86	43	27	83
Net income attributable to non-controlling interest and other interests in consolidated subsidiaries	-	-	-	-	-	(1)	(2)	(4)
<b>Net income / (loss) attributable to Brookfield Residential</b>	\$ 35	\$ 18	\$ (13)	\$ 120	\$ 86	\$ 42	\$ 25	\$ 79
Foreign currency translation	(40)	9	(69)	(30)	(39)	28	(29)	(23)
<b>Comprehensive (loss) / income</b>	\$ (5)	\$ 27	\$ (82)	\$ 90	\$ 47	\$ 70	\$ (4)	\$ 56

## SELECTED OPERATING INFORMATION – HOUSING

<i>(millions, except per unit activity and average selling price)</i>	THREE MONTHS ENDED SEPT 30				NINE MONTHS ENDED SEPT 30			
	2015		2014		2015		2014	
	UNITS	\$	UNITS	\$	UNITS	\$	UNITS	\$
<b>HOME CLOSINGS</b>								
Canada	369	\$ 121	381	\$ 127	908	\$ 284	843	\$ 286
California	170	153	127	141	395	347	323	327
Central and Eastern U.S.	145	68	56	23	362	168	179	82
	684	342	564	291	1,665	799	1,345	695
Unconsolidated Entities	15	10	29	14	52	29	54	26
<b>Total</b>	<b>699</b>	<b>\$ 352</b>	<b>593</b>	<b>\$ 305</b>	<b>1,717</b>	<b>\$ 828</b>	<b>1,399</b>	<b>\$ 721</b>
<b>AVERAGE HOME SELLING PRICE</b>								
Canada			\$ 326,000	\$ 333,000	\$ 312,000	\$ 339,000		
California			901,000	1,108,000	879,000	1,011,000		
Central and Eastern U.S.			470,000	419,000	465,000	460,000		
			500,000	516,000	480,000	516,000		
Unconsolidated Entities			695,000	470,000	562,000	484,000		
<b>Average selling price</b>			<b>\$ 504,000</b>	<b>\$ 514,000</b>	<b>\$ 482,000</b>	<b>\$ 516,000</b>		
<b>NET NEW HOME ORDERS (UNITS)</b>								
Canada			392	289	1,256	1,172		
California			89	124	470	380		
Central and Eastern U.S.			131	82	461	240		
			612	495	2,187	1,792		
Unconsolidated Entities			2	27	40	93		
<b>Total</b>			<b>614</b>	<b>522</b>	<b>2,227</b>	<b>1,885</b>		

## SELECTED OPERATING INFORMATION – HOUSING (CONTINUED)

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

	AS AT SEPT 30	
	2015	2014
<b>ACTIVE HOUSING COMMUNITIES</b>		
Canada	18	20
California	22	20
Central and Eastern U.S.	19	15
	59	55
Unconsolidated Entities	4	3
<b>Total</b>	<b>63</b>	<b>58</b>

BACKLOG AT END OF PERIOD	AS AT SEPT 30			
	2015		2014	
	Units	Value	Units	Value
Canada	1,072	\$ 390	991	\$ 406
California	220	158	183	193
Central and Eastern U.S.	289	134	175	94
	1,581	682	1,349	693
Unconsolidated Entities	21	12	52	22
<b>Total</b>	<b>1,602</b>	<b>\$ 694</b>	<b>1,401</b>	<b>\$ 715</b>

## SELECTED OPERATING INFORMATION – LAND

<i>(millions, except per unit activity)</i>	THREE MONTHS ENDED SEPT 30				NINE MONTHS ENDED SEPT 30			
	2015		2014		2015		2014	
	UNITS	\$	UNITS	\$	UNITS	\$	UNITS	\$
<b>LOT CLOSINGS (SINGLE FAMILY UNITS)</b>								
Canada	181	\$ 23	305	\$ 48	425	\$ 55	851	\$ 140
California	115	19	-	-	456	79	94	9
Central and Eastern U.S.	145	10	63	6	563	35	262	21
Subtotal	441	52	368	54	1,444	169	1,207	170
Unconsolidated Entities	32	3	52	3	151	13	256	22
<b>Total</b>	<b>473</b>	<b>\$ 55</b>	<b>420</b>	<b>\$ 57</b>	<b>1,595</b>	<b>\$ 182</b>	<b>1,463</b>	<b>\$ 192</b>
<b>ACRE CLOSINGS (MULTI-FAMILY, INDUSTRIAL AND COMMERCIAL PARCELS)</b>								
Canada	-	\$ -	15	\$ 10	23	\$ 12	25	\$ 19
California	-	-	-	-	-	-	-	-
Central and Eastern U.S.	-	-	-	-	-	-	-	-
Subtotal	-	-	15	10	23	12	25	19
Unconsolidated Entities	-	-	-	-	-	-	2	1
<b>Total</b>	<b>-</b>	<b>\$ -</b>	<b>15</b>	<b>\$ 10</b>	<b>23</b>	<b>\$ 12</b>	<b>27</b>	<b>\$ 20</b>
<b>ACRE CLOSINGS (RAW AND PARTIALLY FINISHED PARCELS)</b>								
Canada	-	\$ -	-	\$ -	-	\$ -	3	\$ 1
California	-	-	-	-	-	-	-	-
Central and Eastern U.S.	-	-	-	-	8	1	-	-
Subtotal	-	-	-	-	8	1	3	1
Unconsolidated Entities	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>\$ -</b>	<b>-</b>	<b>\$ -</b>	<b>8</b>	<b>\$ 1</b>	<b>3</b>	<b>\$ 1</b>

## SELECTED OPERATING INFORMATION – LAND (CONTINUED)

	THREE MONTHS ENDED SEPT 30		NINE MONTHS ENDED SEPT 30	
	2015	2014	2015	2014
<b>AVERAGE LOT SELLING PRICE (SINGLE FAMILY UNITS)</b>				
Canada	\$ 128,000	\$ 158,000	\$ 130,000	\$ 165,000
California	152,000	-	162,000	97,000
Central and Eastern U.S.	66,000	99,000	61,000	79,000
	114,000	148,000	113,000	141,000
Unconsolidated Entities	109,000	65,000	89,000	85,000
Average selling price	\$ 113,000	\$ 138,000	\$ 111,000	\$ 131,000
<b>AVERAGE PER ACRE SELLING PRICE (MULTI-FAMILY, INDUSTRIAL AND COMMERCIAL PARCELS)</b>				
Canada	\$ -	\$ 667,000	\$ 524,000	\$ 791,000
California	-	-	-	-
Central and Eastern U.S.	-	-	-	-
	-	667,000	524,000	791,000
Unconsolidated Entities	-	-	-	188,000
Average selling price	\$ -	\$ 667,000	\$ 524,000	\$ 733,000
<b>AVERAGE PER ACRE SELLING PRICE (RAW AND PARTIALLY FINISHED PARCELS)</b>				
Canada	\$ -	\$ -	\$ -	\$ 263,000
California	-	-	-	-
Central and Eastern U.S.	-	-	164,000	-
	-	-	164,000	263,000
Unconsolidated Entities	-	-	-	-
Average selling price	\$ -	\$ -	\$ 164,000	\$ 263,000
<b>ACTIVE LAND COMMUNITIES</b>				
	AS AT ENDED SEPT 30			
	2015	2014		
Canada	12	12		
California	6	5		
Central and Eastern U.S.	10	8		
	28	25		
Unconsolidated Entities	2	1		
Total	30	26		

## SELECTED OPERATING INFORMATION – GROSS MARGIN

<i>(millions, except percentages)</i>	THREE MONTHS ENDED SEPT 30				NINE MONTHS ENDED SEPT 30				
	2015		2014		2015		2014		
	\$	%	\$	%	\$	%	\$	%	
<b>HOUSING GROSS MARGIN</b>									
Canada	\$ 33	27%	\$ 28	22%	\$ 68	24%	\$ 65	23%	
California	43	28%	39	28%	92	27%	87	27%	
Central and Eastern U.S.	9	13%	4	17%	23	14%	12	15%	
Total	\$ 85	25%	\$ 71	24%	\$ 183	23%	\$ 164	24%	
<b>LAND GROSS MARGIN</b>									
Canada	\$ 17	74%	\$ 35	60%	\$ 50	75%	\$ 93	58%	
California	2	11%	-	-	14	18%	5	56%	
Central and Eastern U.S.	2	20%	1	17%	7	20%	2	10%	
Total	\$ 21	41%	\$ 36	56%	\$ 71	39%	\$ 100	53%	
<b>TOTAL GROSS MARGIN</b>									
Canada	\$ 50	35%	\$ 63	34%	\$ 118	34%	\$ 158	35%	
California	45	26%	39	28%	106	25%	92	27%	
Central and Eastern U.S.	11	14%	5	17%	30	15%	14	14%	
Total	\$ 106	27%	\$ 107	30%	\$ 254	26%	\$ 264	30%	

## HISTORICAL PRO FORMA FINANCIAL INFORMATION

### **BROOKFIELD RESIDENTIAL PROPERTIES**

(millions, except unit activity)

	YEAR ENDED DECEMBER 31									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Home Closings (units)	2,204	2,216	1,808	1,295	1,600	1,347	1,490	1,875	1,977	2,529
Lot Closings (single family units)	2,107	2,402	2,142	2,912	2,017	1,682	2,422	4,050	3,716	4,243
Acre Closings	34	247	543	94	68	412	342	85	63	44
Revenue										
Housing	\$ 1,136	\$ 983	\$ 718	\$ 484	\$ 599	\$ 491	\$ 638	\$ 837	\$ 957	\$ 1,251
Land	340	373	622	524	355	263	389	420	318	284
Total Revenues	1,476	1,356	1,340	1,008	954	754	1,027	1,257	1,275	1,535
Direct cost of sales	(1,031)	(981)	(1,048)	(740)	(687)	(604)	(739)	(913)	(909)	(1,059)
Impairment of land inventory	-	-	-	-	-	(41)	(118)	(88)	(10)	-
Gross margin	445	375	292	268	267	109	170	256	356	476
Selling, general and administrative	(192)	(170)	(128)	(101)	(99)	(79)	(106)	(106)	(83)	(107)
Equity in earnings of unconsolidated entities	26	9	10	4	-	3	4	15	61	66
Impairment of unconsolidated entities	-	-	-	-	-	(13)	(38)	(15)	-	-
Other income / (expense)	(10)	(42)	(45)	(41)	21	16	(10)	4	18	26
<b>Income before income taxes</b>	<b>\$ 269</b>	<b>\$ 172</b>	<b>\$ 129</b>	<b>\$ 130</b>	<b>\$ 189</b>	<b>\$ 36</b>	<b>\$ 20</b>	<b>\$ 154</b>	<b>\$ 352</b>	<b>\$ 461</b>

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.

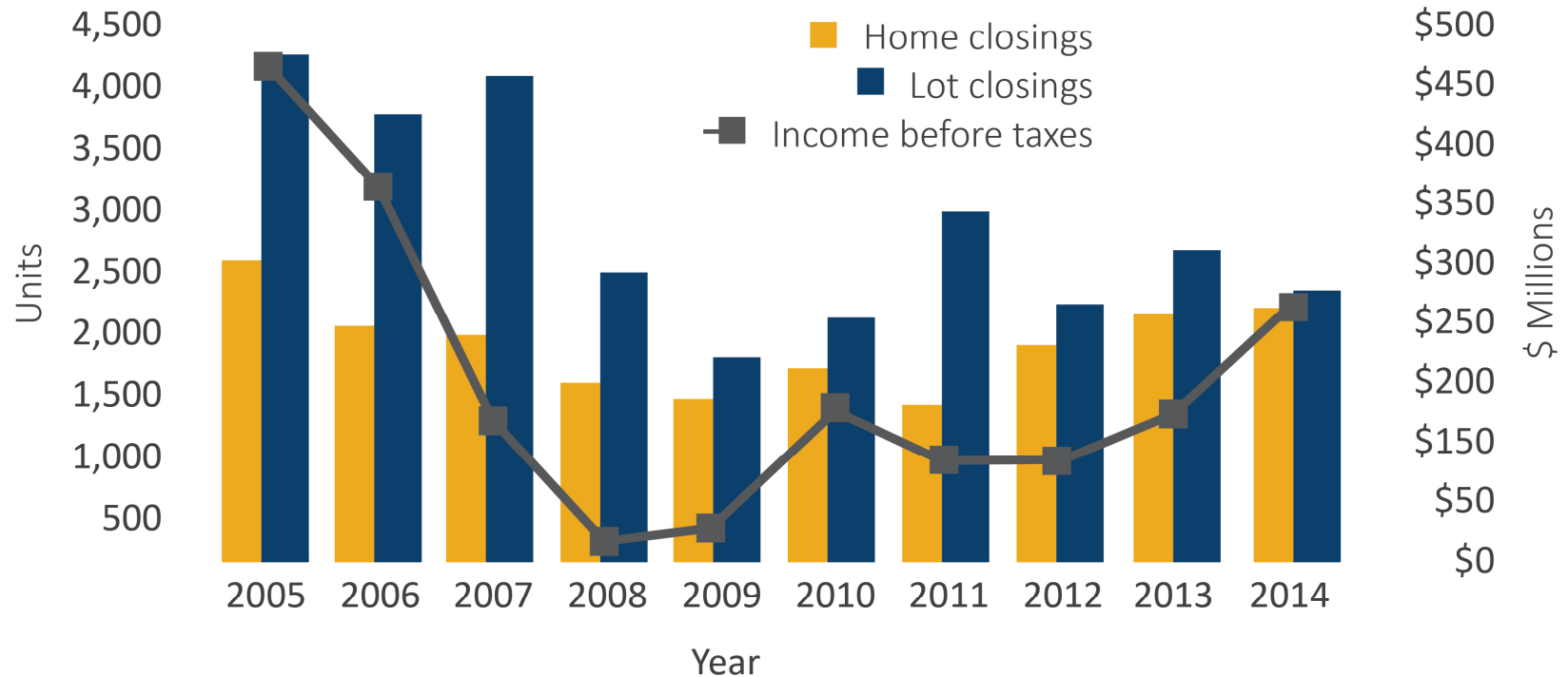
Note: 2005-2010 comparative results shown are pro-forma of Brookfield Residential and combined the results of Brookfield Homes Corporation and Brookfield Office Properties' residential land and housing division as the merger transaction occurred on March 31, 2011.



## HISTORICAL PRO FORMA FINANCIAL INFORMATION

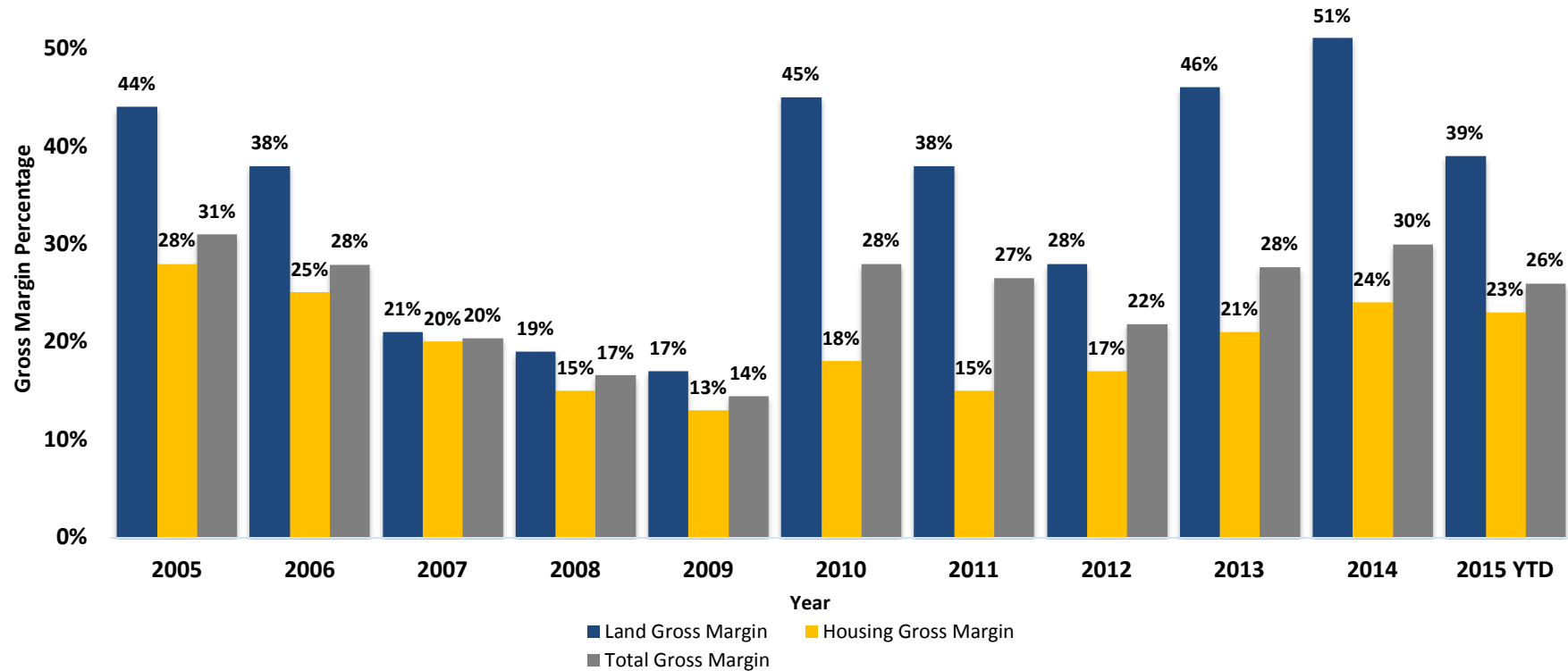
<i>(millions, except unit activity)</i>	YEAR ENDED DECEMBER 31				
	2009	2008	2007	2006	2005
<b><u>BPO RESIDENTIAL</u></b>					
Home Closings (units)	648	745	1,050	818	947
Lot Closings (single family units)	1,213	1,806	2,722	2,882	3,001
Acre Closings	412	342	85	63	44
Revenue					
Housing	\$ 151	\$ 223	\$ 296	\$ 173	\$ 177
Land	227	355	378	230	144
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
<b>Income before income taxes</b>	<b>\$ 89</b>	<b>\$ 224</b>	<b>\$ 217</b>	<b>\$ 99</b>	<b>\$ 70</b>
<b><u>BROOKFIELD HOMES CORPORATION</u></b>					
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					
Housing	\$ 340	\$ 415	\$ 541	\$ 784	\$ 1,074
Land	36	34	42	88	140
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
<b>Income / (Loss) before income taxes</b>	<b>\$ (53)</b>	<b>\$ (204)</b>	<b>\$ (63)</b>	<b>\$ 253</b>	<b>\$ 391</b>

## CONSISTENT PROFITABILITY



Note: 2005-2010 comparative results shown are pro forma of Brookfield Residential and combined the results of Brookfield Homes Corporation and Brookfield Office Properties' residential land and housing division as the merger transaction occurred on March 31, 2011.

## HISTORICAL GROSS MARGIN

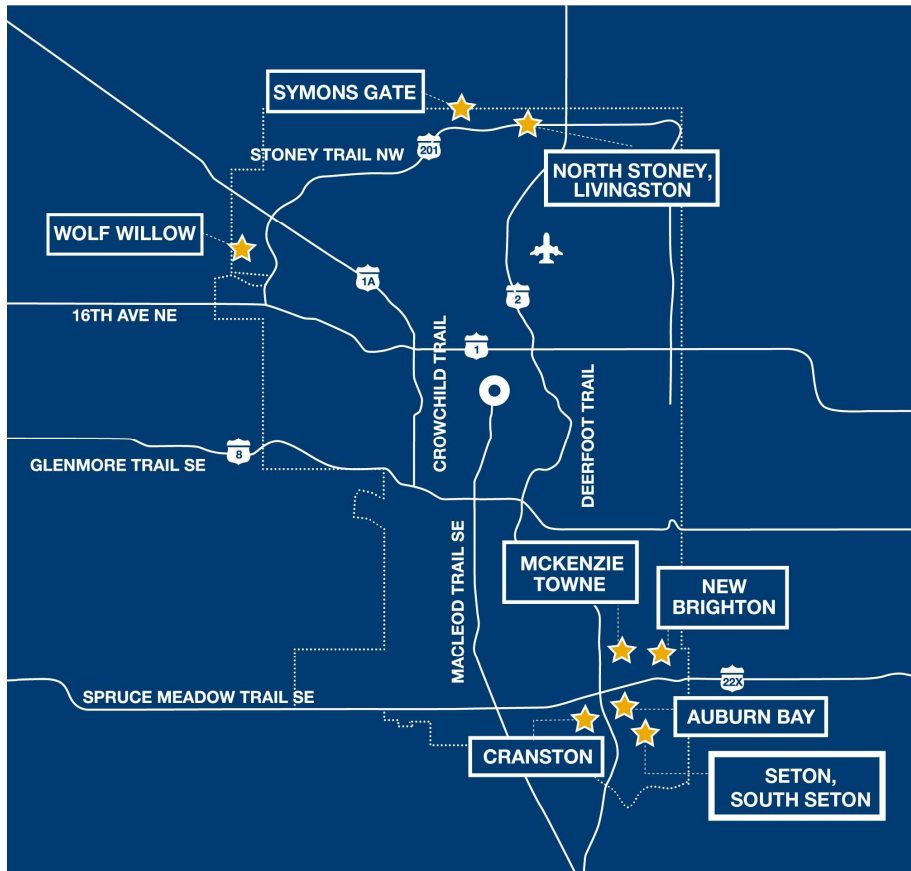


Note: 2005-2010 comparative results shown are pro forma of Brookfield Residential and combined the results of Brookfield Homes Corporation and Brookfield Office Properties' residential land and housing division as the merger transaction occurred on March 31, 2011.

## 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 lot and lot equivalents.

# CALGARY, ALBERTA

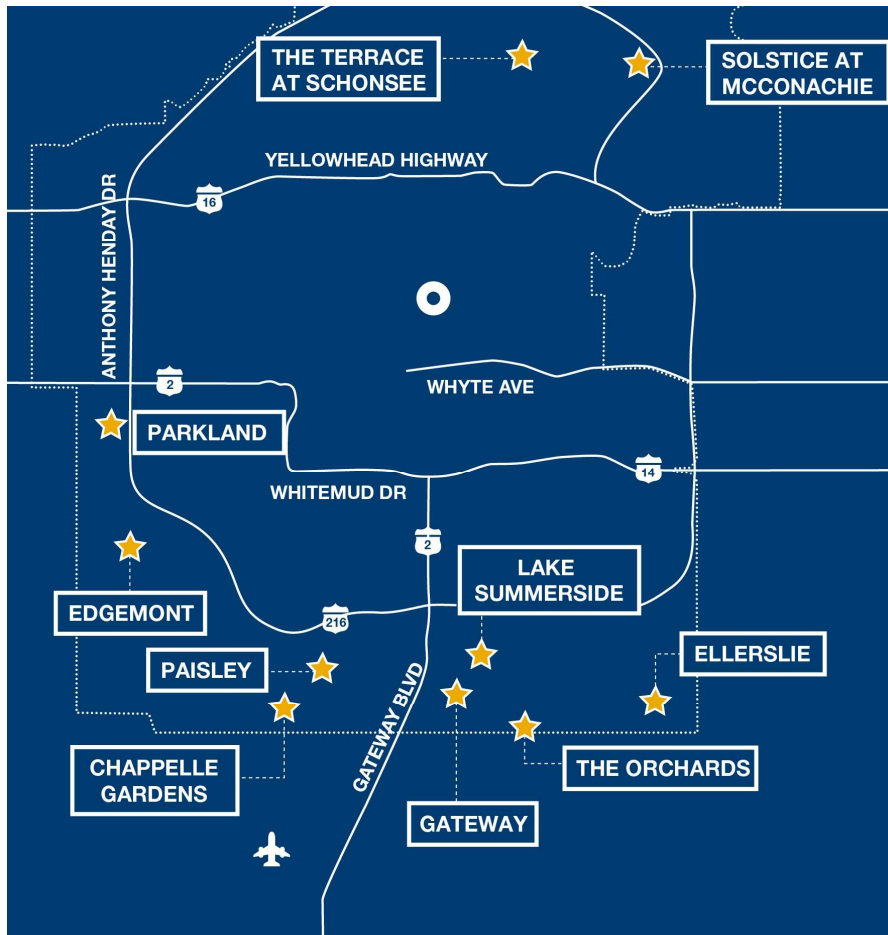


**26,643 LOTS**  
79 ACRES (MULTI-FAMILY,  
INDUSTRIAL AND  
COMMERCIAL PARCELS)

- 4,681 entitled
- 21,962 unentitled

PROJECT NAME	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS	DEVELOPED ACRES
Auburn Bay	678	678	–	13
Wolf Willow	1,295	–	1,295	–
Cranston	1,481	1,481	–	8
Livingston	8,715	1,210	7,505	–
McKenzie Towne	9	9	–	–
New Brighton	121	121	–	–
North Stoney	3,956	–	3,956	–
Seton	658	658	–	53
South Seton	6,397	–	6,397	–
Symons Gate	498	498	–	–
Other	2,835	26	2,809	5

# EDMONTON, ALBERTA

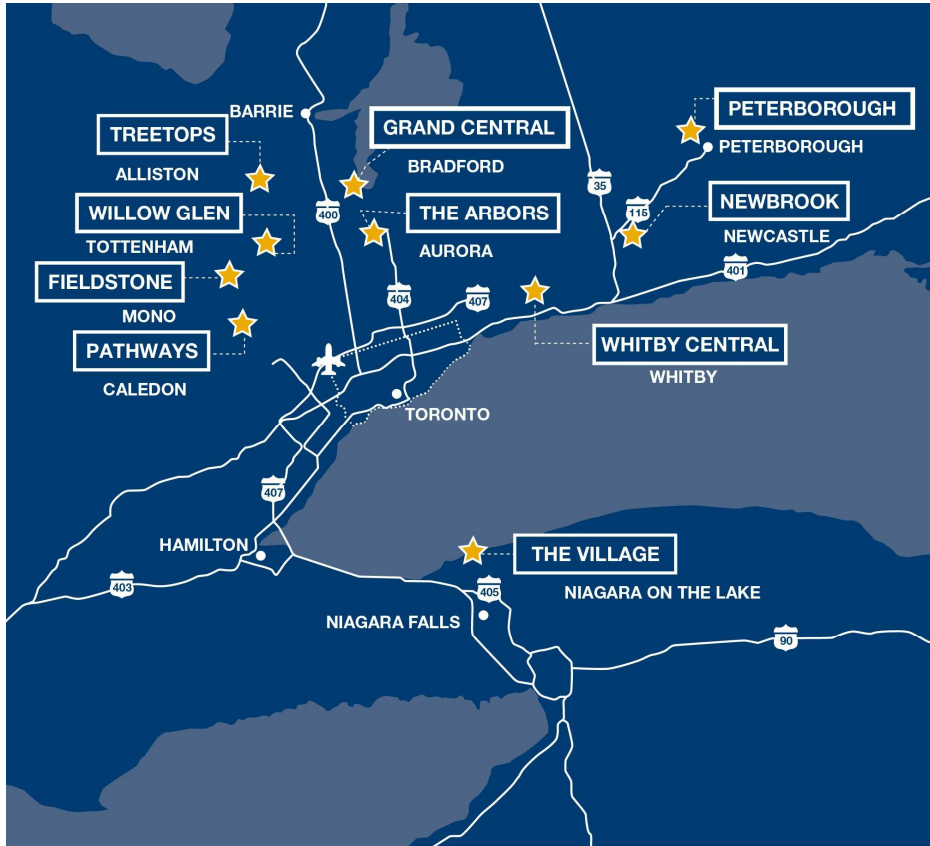


**14,430 LOTS**  
35 ACRES (MULTI-FAMILY,  
INDUSTRIAL AND  
COMMERCIAL PARCELS)

- 7,418 entitled
- 7,012 unentitled

PROJECT NAME	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS	DEVELOPED ACRES
Chappelle Gardens	1,903	1,903	–	18
Edgemont	1,278	1,278	–	4
Ellerslie	7,012	–	7,012	–
Gateway	134	134	–	–
Lake Summerside	586	586	–	1
The Orchards	2,194	2,194	–	5
Paisley	719	719	–	4
Parkland	75	75	–	–
Solstice at McConachie	307	307	–	3
The Terrace at Schonsee	89	89	–	–
Other	133	133	–	–

# ONTARIO

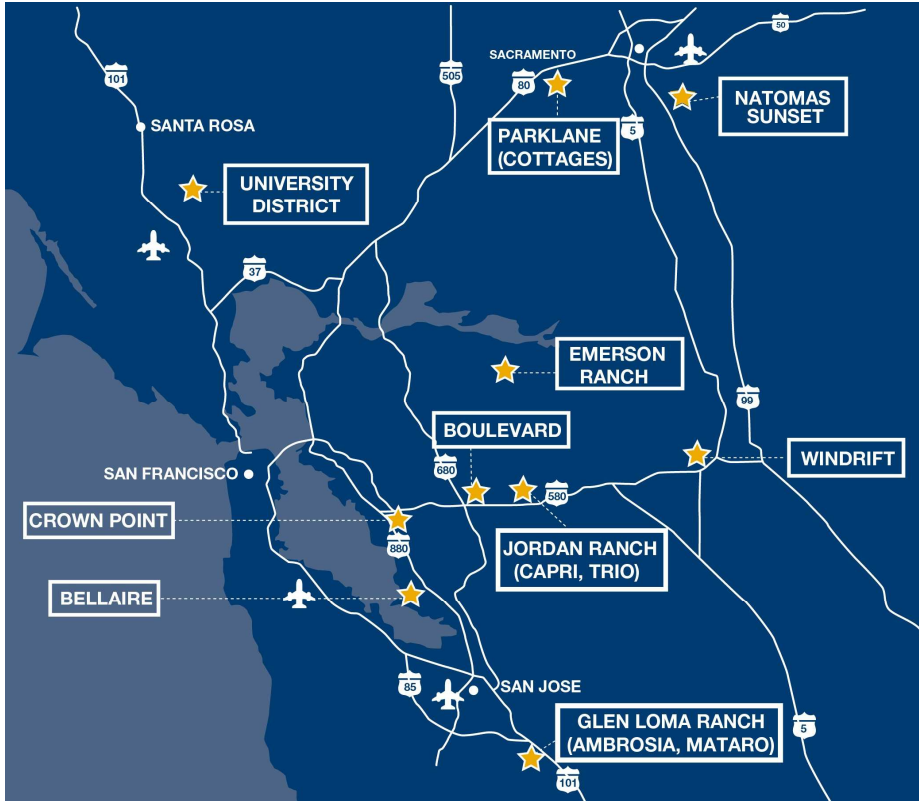


## 10,496 LOTS

- 2,004 entitled
- 8,492 unentitled

PROJECT NAME	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS
Grand Central	23	23	–
Fieldstone	232	232	–
Newbrook	528	264	264
Pathways	37	37	–
Peterborough	7,768	–	7,768
The Arbors	743	743	–
The Village	54	11	43
Treetops	53	53	–
Whitby Central	132	132	–
Willow Glen	460	460	–
Other	466	49	417

# NORTHERN CALIFORNIA



## 9,468 LOTS

- 3,949 entitled
- 5,519 unentitled

PROJECT NAME	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS
Bellaire	48	48	–
Boulevard	569	–	569
Crown Point	23	23	–
Emerson Ranch	463	463	–
Jordan Ranch (Capri, Trio)	191	191	–
Parklane (Cottages)	811	361	450
Natomas, Sunset	5,700	1,200	4,500
University District	1,454	1,454	–
Windrift	81	81	–
Glen Loma Ranch (Ambrosia, Mataro)	128	128	–



# SOUTHERN CALIFORNIA



## 11,964 LOTS

- 9,083 entitled
- 2,881 unentitled

PROJECT NAME	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS
Big Sky at Audie Murphy Ranch	1,481	1,481	–
Brookfield Sentinels at Del Sur	1	1	–
Camellia at Rosedale	76	76	–
Colony Park (Casita, Cortile)	3	3	–
Descano at Del Sur	1	1	–
Edenglen	165	165	–
Five Knolls (Brighten, Highglen)	142	142	–
La Vita at Orchard Hills	26	26	–
Liberty at Morningstar Ranch	248	248	–
New Haven (Summerset, Holiday, Waverly)	2,679	644	2,035
Palo Verde at the Foothills	4	4	–
Playa Vista (Camden)	416	416	–
Spencer's Crossing	1,037	1,037	–
The Domain	17	17	–
El Paseo at the Village of Foothills Ranch	100	100	–
Huntley at Greenwood	44	44	–
Other	5,524	4,678	846

# HAWAII

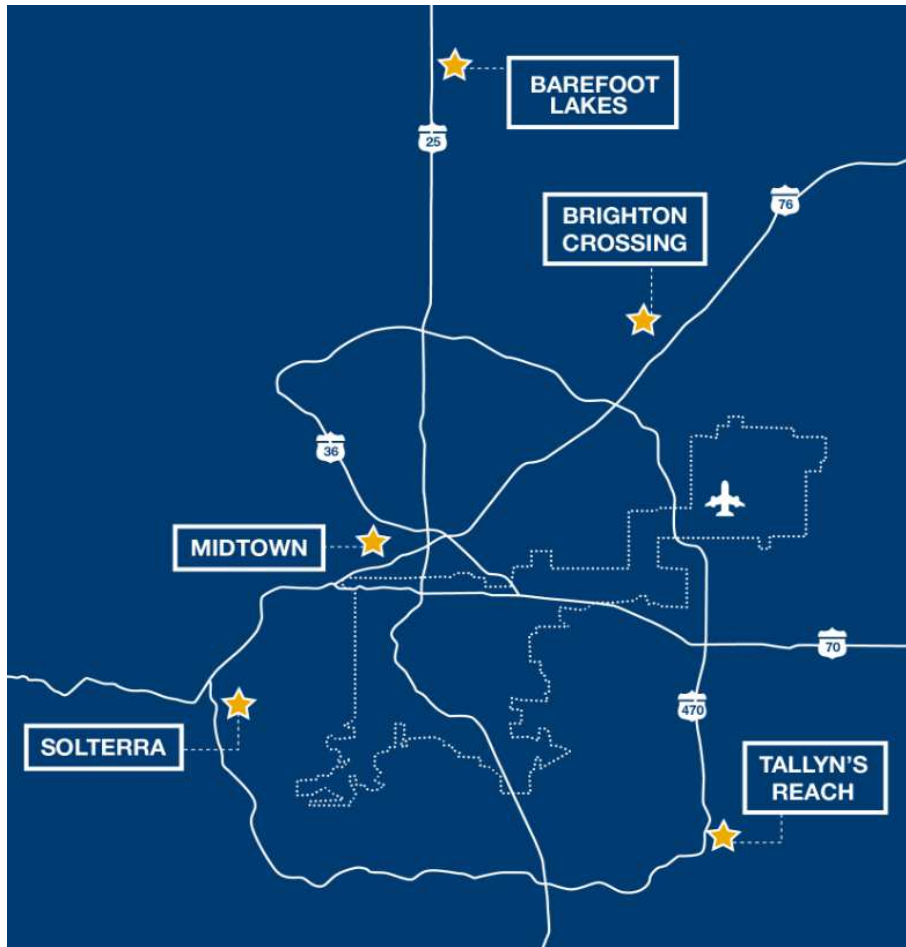


## 227 LOTS

- 227 entitled

PROJECT NAME	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS
Pili Mai	191	191	–
KaMilo	32	32	–
Holua Kai	4	4	–

# DENVER, COLORADO



**9,071 LOTS**  
 10 ACRES (MULTI-FAMILY,  
 INDUSTRIAL AND COMMERCIAL  
 PARCELS)

- 9,071 entitled

PROJECT NAME	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS	DEVELOPED ACRES
Barefoot Lakes	3,800	3,800	–	–
Brighton Crossing	2,226	2,226	–	10
Midtown	393	393	–	–
Solterra	287	287	–	–
Tallyn's Reach	34	34	–	–
Other	2,331	2,331	–	–

# AUSTIN, TEXAS

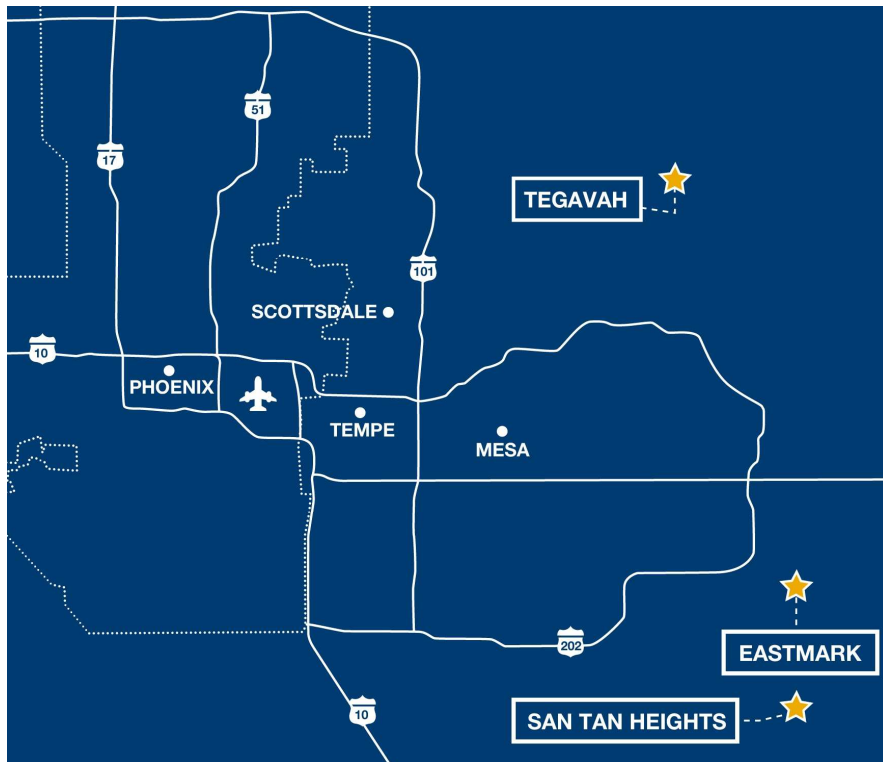


## 13,563 LOTS

- 5,972 entitled
- 7,591 unentitled

PROJECT NAME	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS
Addison	591	591	–
Blanco Vista	1,188	1,188	–
Easton Park	5,821	327	5,494
Easton South	2,097	–	2,097
Kissing Tree	3,000	3,000	–
Grand Haven Homes (various communities)	794	794	–
Other	72	72	–

# PHOENIX, ARIZONA

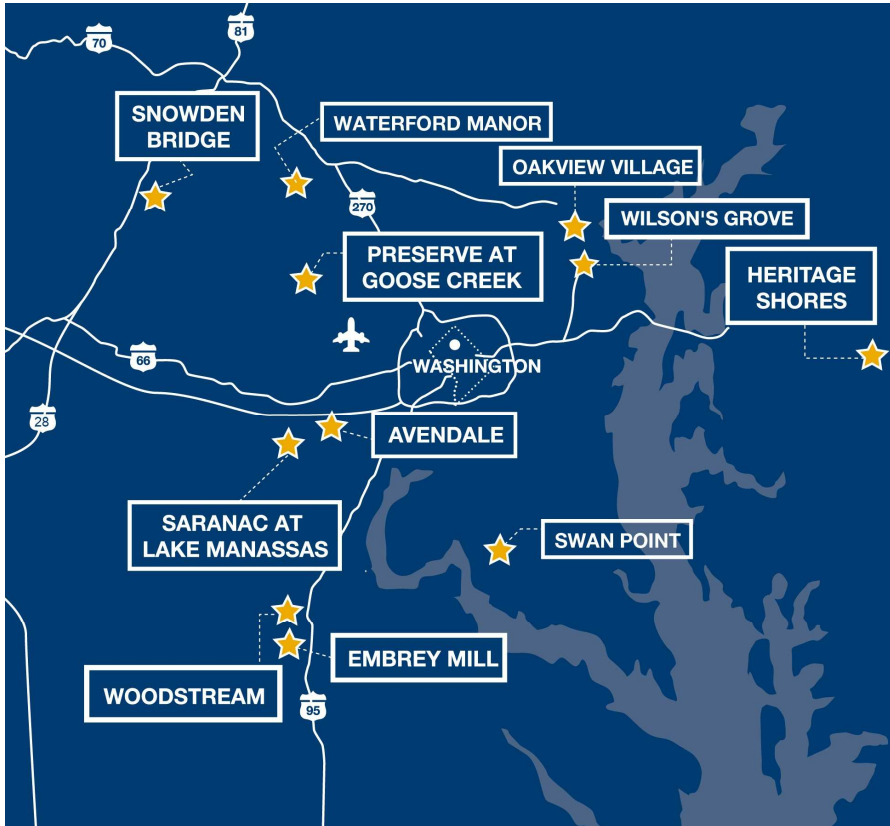


**4,566 LOTS**  
 108 ACRES (MULTI-FAMILY,  
 INDUSTRIAL AND  
 COMMERCIAL PARCELS)

- 4,282 entitled
- 284 unentitled

PROJECT NAME	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS	DEVELOPED ACRES
Eastmark	3,808	3,808	–	108
San Tan Heights	689	405	284	–
Tegavah	69	69	–	–

# WASHINGTON, D.C. AREA



**4,148 LOTS**  
 19 ACRES (MULTI-FAMILY,  
 INDUSTRIAL AND  
 COMMERCIAL PARCELS)

- 4,111 entitled
- 37 unentitled

PROJECT NAME	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS	DEVELOPED ACRES
Avendale	228	228	-	-
Embrey Mill	16	16	-	-
Heritage Shores	1,335	1,335	-	-
Oakview Village	116	116	-	-
Preserve at Goose Creek	85	85	-	-
Saranac at Lake Manassas	7	7	-	-
Snowden Bridge	889	889	-	-
Swan Point	765	765	-	-
Wilson's Grove	152	152	-	-
Waterford Manor	64	64	-	-
Woodstream	49	49	-	-
Other	442	405	37	19

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## BROOKFIELD RESIDENTIAL CONTACTS

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Brookfield Residential's press releases, unaudited interim reports and audited annual reports can also be found on the Company's website at: [www.BrookfieldResidential.com](http://www.BrookfieldResidential.com). Hard copies of the interim and annual reports can be obtained free of charge upon request.

For all Brookfield Residential bondholder inquiries, please call 1.855.235.8362 or email [investor.relations@brookfieldrp.com](mailto:investor.relations@brookfieldrp.com).