



## CORPORATE PROFILE

FEBRUARY | 2016

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## NOTICE TO RECIPIENT

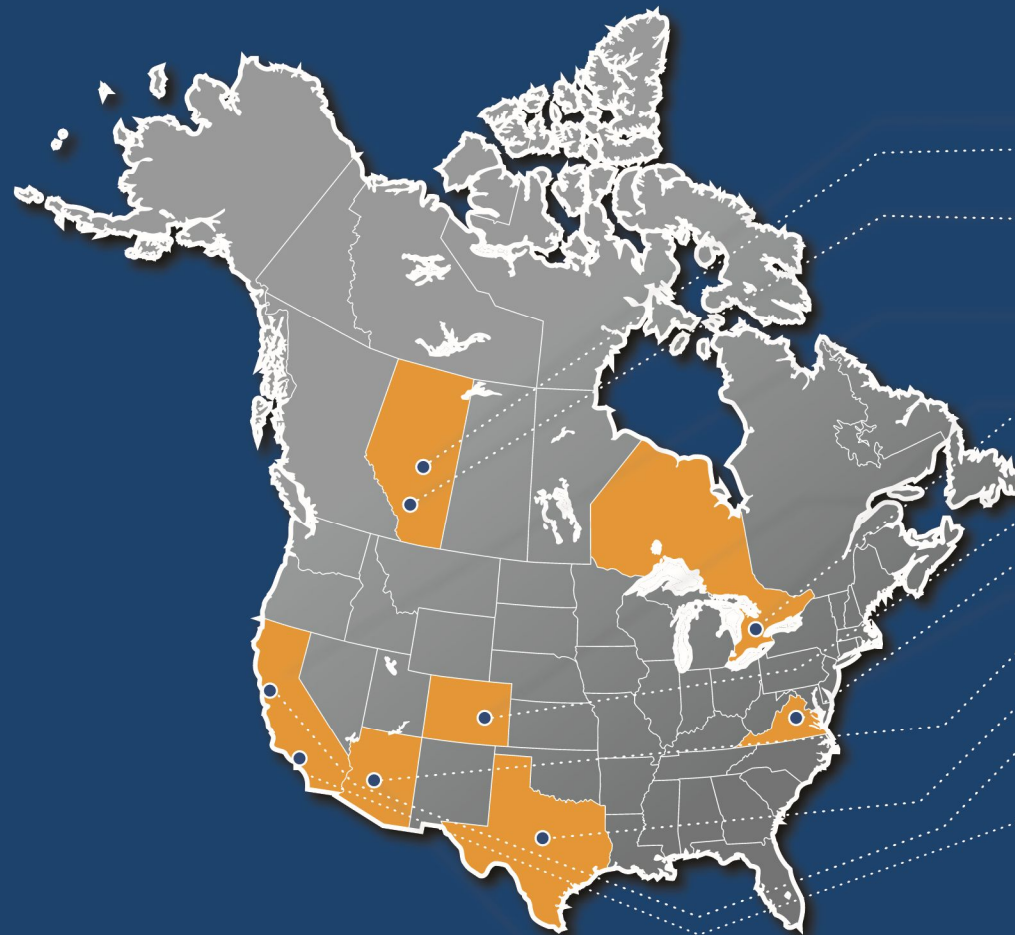
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This corporate profile contains “forward-looking statements” within the meaning of applicable Canadian securities laws and United States federal securities laws. The words “may,” “believe,” “will,” “anticipate,” “expect,” “planned,” “estimate,” “project,” “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 December 31, 2015

EDMONTON	14,180	14%
CALGARY	26,242	25%
ONTARIO	10,329	10%
DENVER	9,108	9%
WASHINGTON D.C.	4,083	4%
PHOENIX	4,995	5%
AUSTIN	13,501	13%
NORTHERN CALIFORNIA	9,023	8%
SOUTHERN CALIFORNIA	12,052	12%

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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 homebuilding division. We also participate in select, 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 \$225 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

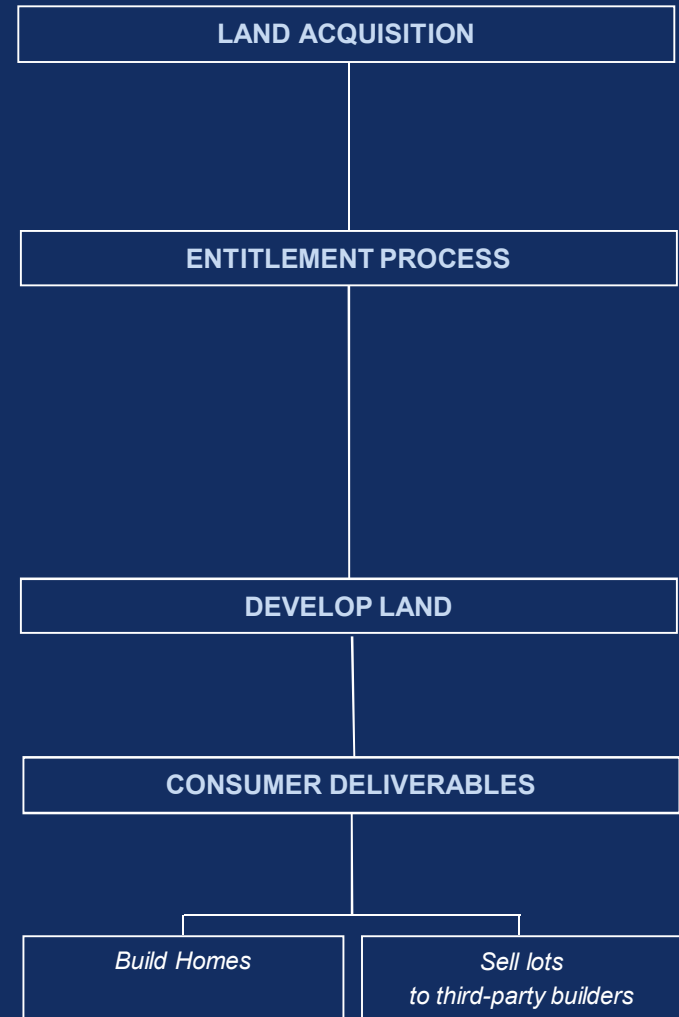
- Obtain approvals necessary to develop land for specific purposes. This process typically includes:
  - General Plan
  - Land Use Plan
  - Tentative Map
  - Legal Survey Plan
  - Area Structure Plan
  - Zoning
  - Construction Approvals
  - Final Map

## 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

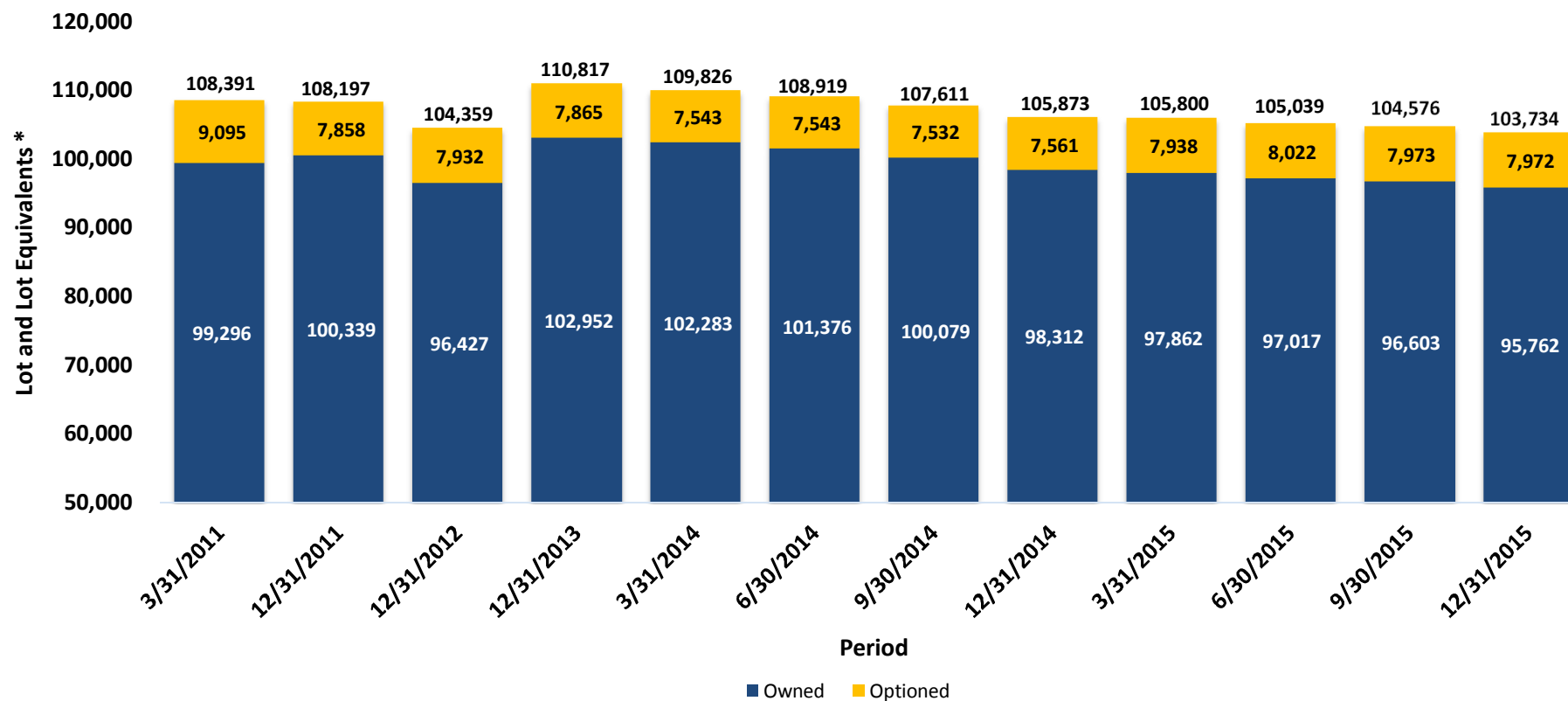
## LAND & HOUSING INVENTORY

	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 31-Dec-15		Total Acres	
	Owned	Options	Owned	Options	31-Dec-15	31-Dec-14	Entitled	Unentitled	31-Dec-15	31-Dec-14
Calgary	23,607	-	2,635	-	26,242	27,112	4,397	21,845	79	68
Edmonton	14,180	-	-	-	14,180	15,222	7,168	7,012	30	50
Ontario	10,329	-	-	-	10,329	10,041	1,830	8,499	-	-
<b>Canada</b>	<b>48,116</b>	<b>-</b>	<b>2,635</b>	<b>-</b>	<b>50,751</b>	<b>52,375</b>	<b>13,395</b>	<b>37,356</b>	<b>109</b>	<b>118</b>
Northern California	3,504	4,950	569	-	9,023	8,996	3,504	5,519	-	-
Southern California	8,997	-	1,533	1,522	12,052	12,512	8,942	3,110	-	-
Hawaii	190	-	31	-	221	230	221	-	-	-
<b>California</b>	<b>12,691</b>	<b>4,950</b>	<b>2,133</b>	<b>1,522</b>	<b>21,296</b>	<b>21,738</b>	<b>12,667</b>	<b>8,629</b>	<b>-</b>	<b>-</b>
Denver	9,108	-	-	-	9,108	9,605	9,108	-	10	10
Austin	13,067	434	-	-	13,501	13,235	13,501	-	-	-
Phoenix	689	-	4,306	-	4,995	4,585	4,711	284	3	103
Washington D.C. Area	2,218	1,066	799	-	4,083	4,335	4,046	37	17	5
<b>Central and Eastern U.S.</b>	<b>25,082</b>	<b>1,500</b>	<b>5,105</b>	<b>-</b>	<b>31,687</b>	<b>31,760</b>	<b>31,366</b>	<b>321</b>	<b>30</b>	<b>118</b>
<b>Total</b>	<b>85,889</b>	<b>6,450</b>	<b>9,873</b>	<b>1,522</b>	<b>103,734</b>	<b>105,873</b>	<b>57,428</b>	<b>46,306</b>	<b>139</b>	<b>236</b>
Entitled lots	49,777	1,500	6,151	-	57,428					
Unentitled lots	36,112	4,950	3,722	1,522	46,306					
<b>Total December 31, 2015</b>	<b>85,889</b>	<b>6,450</b>	<b>9,873</b>	<b>1,522</b>	<b>103,734</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 31-Dec-15		Total 31-Dec-14	
			Units	\$	Units	\$
Land Held For Development (lots)	1,298	247	85,695	1,545	89,797	1,567
Land Under Development - Single Family (lots)	652	108	8,142	760	7,212	721
Optioned (lots)	87	29	7,972	116	7,561	105
Housing inventory (units)	546	2	1,754	548	1,169	319
Model homes (units)	87	1	171	88	134	55
Unconsolidated entity debt	-	(48)	-	(48)	-	(69)
Sub total	2,670	339	103,734	3,009	105,873	2,698
Multi Family, Commercial & Industrial Parcels (Acres)	69	-	139	69	236	62
<b>Total</b>	<b>2,739</b>	<b>339</b>		<b>3,078</b>		<b>2,760</b>

## LAND & HOUSING INVENTORY



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

## FINANCIAL PROFILE

## SELECT FINANCIAL INFORMATION

	THREE MONTHS ENDED DEC 31		TWELVE MONTHS ENDED DEC 31	
	2015	2014	2015	2014
<i>(millions, except percentages)</i>				
<b>RESULTS FROM OPERATIONS</b>				
Total revenue	\$ 609	\$ 591	\$ 1,591	\$ 1,476
Housing revenue	449	442	1,249	1,136
Land revenue	160	149	342	340
Gross margin (\$)	163	182	417	445
Gross margin (%)	27%	31%	26%	30%
Income before income taxes	102	138	153	269
Income tax (expense) / recovery	(31)	(18)	(41)	7
Net income attributable to Brookfield Residential	\$ 71	\$ 120	\$ 112	\$ 274

## SELECT FINANCIAL INFORMATION (CONTINUED)

(millions, except unit activity and average selling price)	THREE MONTHS ENDED DEC 31		TWELVE MONTHS ENDED DEC 31	
	2015	2014	2015	2014
<b>OPERATING DATA</b>				
Home closings for Brookfield Residential (units)	991	859	2,656	2,204
Home closings for unconsolidated entities (units)	22	35	73	89
Average home selling price for Brookfield Residential (per unit)	\$ 453,000	\$ 514,000	\$ 470,000	\$ 516,000
Average home selling price for unconsolidated entities (per unit)	\$ 565,000	\$ 482,000	\$ 563,000	\$ 484,000
Net new home orders for Brookfield Residential (units)	703	482	2,890	2,274
Net new home orders for unconsolidated entities (units)	-	15	40	108
Backlog for Brookfield Residential (units at end of period)	1,340	972	1,340	972
Backlog for unconsolidated entities (units at end of period)	-	33	-	33
Backlog value for Brookfield Residential	\$ 573	\$ 483	\$ 573	\$ 483
Backlog value for unconsolidated entities	\$ -	\$ 14	\$ -	\$ 14
Lot closings for Brookfield Residential (single family units)	1,316	906	2,760	2,107
Lot closings for unconsolidated entities (single family units)	26	79	176	335
Acre closings for Brookfield Residential (multi-family, industrial and commercial parcels)	12	7	35	31
Acre closings for unconsolidated entities (multi-family, industrial and commercial parcels)	-	-	-	2
Acre closings for Brookfield Residential (raw and partially finished parcels)	23	-	31	3
Acre closings for unconsolidated entities (raw and partially finished parcels)	-	188	-	188
Average lot selling price for Brookfield Residential (single family units)	\$ 112,000	\$ 152,000	\$ 115,000	\$ 145,000
Average lot selling price for unconsolidated entities (single family units)	\$ 136,000	\$ 59,000	\$ 96,000	\$ 79,000
Average per acre selling price for Brookfield Residential (multi-family, industrial and commercial parcels)	\$ 942,000	\$ 746,000	\$ 667,000	\$ 781,000
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)	\$ 33,000	\$ -	\$ 66,000	\$ 263,000
Average per acre selling price for unconsolidated entities (raw and partially finished parcels)	\$ -	\$ 158,000	\$ -	\$ 158,000

## CONDENSED CONSOLIDATED BALANCE SHEETS

	DEC 31	SEPT 30	JUN 30	MAR 31
<i>(thousands, except percentages)</i>	2015	2015	2015	2015
<b>ASSETS</b>				
Land and housing inventory	\$ 2,738,504	\$ 2,745,004	\$ 2,723,319	\$ 2,591,418
Investments in unconsolidated entities	339,182	327,996	264,142	251,909
Receivables and other assets	326,913	311,139	323,299	297,665
Restricted cash	4,266	3,511	2,053	3,872
Cash and cash equivalents	100,329	68,806	141,717	51,521
Deferred income tax assets	81,940	113,400	129,406	123,520
	\$ 3,591,134	\$ 3,569,856	\$ 3,583,936	\$ 3,319,905
<b>LIABILITIES</b>				
Notes payable	\$ 1,630,675	\$ 1,637,825	\$ 1,650,100	\$ 1,100,000
Bank indebtedness and other financings	144,265	166,254	191,573	537,161
Total financings	1,774,940	1,804,079	1,841,673	1,637,161
Accounts payable and other liabilities	464,782	462,076	433,200	402,393
Total liabilities	2,239,722	2,266,155	2,274,873	2,039,554
<b>EQUITY</b>	1,351,412	1,303,701	1,309,063	1,280,351
	\$ 3,591,134	\$ 3,569,856	\$ 3,583,936	\$ 3,319,905
Net Debt to Total Capitalization	55%	57%	56%	55%



## CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(thousands)	THREE MONTHS ENDED DEC 31		TWELVE MONTHS ENDED DEC 31	
	2015	2014	2015	2014
<b>REVENUE</b>				
Housing	\$ 449,406	\$ 441,686	\$ 1,248,562	\$ 1,136,268
Land	159,965	149,434	342,270	339,588
	609,371	591,120	1,590,832	1,475,856
<b>DIRECT COST OF SALES</b>				
Housing	(355,999)	(332,572)	(972,697)	(863,210)
Land	(90,451)	(77,026)	(201,327)	(167,464)
	162,921	181,522	416,808	445,182
Gain on commercial assets held for sale	-	-	-	32,927
Selling, general and administrative expense	(55,262)	(57,656)	(217,901)	(192,272)
Interest expense	(12,625)	(15,233)	(62,270)	(62,379)
Equity in earnings from unconsolidated entities	3,496	15,371	12,470	26,409
Other income	4,234	14,742	7,916	23,644
Depreciation	(1,006)	(1,093)	(3,986)	(4,509)
Income before incomes taxes	101,758	137,653	153,037	269,002
Current income tax expense	(3,376)	(9,293)	(9,843)	(12,532)
Deferred income tax (expense) / recovery	(27,147)	(8,141)	(31,401)	19,542
<b>NET INCOME</b>	71,235	120,219	111,793	276,012
Net loss / (income) attributable to non-controlling interest and other interests in consolidated subsidiaries	92	152	414	(2,354)
<b>NET INCOME ATTRIBUTABLE TO BROOKFIELD RESIDENTIAL</b>	\$ 71,327	\$ 120,371	\$ 112,207	\$ 273,658
<b>OTHER COMPREHENSIVE (LOSS) / INCOME</b>				
Unrealized foreign exchange (loss) / gain on:				
Translation of the net investment in Canadian subsidiaries	(34,008)	(30,206)	(155,977)	(70,923)
Translation of the Canadian dollar denominated debt designated as a hedge of the net investment in Canadian subsidiaries	7,150	-	27,875	-
<b>COMPREHENSIVE INCOME / (LOSS) ATTRIBUTABLE TO BROOKFIELD RESIDENTIAL</b>	\$ 44,469	\$ 90,165	\$ (15,895)	\$ 202,735

## QUARTERLY FINANCIAL INFORMATION

(millions, except per unit activity)	2015				2014			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Home closings (units)	991	684	543	438	859	564	435	346
Lots closings (single family units)	1,316	441	568	435	906	368	515	324
Acre closings (multi-family, industrial and commercial parcels)	12	-	3	20	7	15	6	4
Acre closings (raw and partially finished parcels)	23	-	8	-	-	-	1	2
Net new home orders (units)	703	612	857	718	482	495	642	655
Backlog (units at end of period)	1,340	1,581	1,654	1,339	972	1,349	1,418	1,211
Backlog value	\$ 573	\$ 682	\$ 776	\$ 629	\$ 483	\$ 693	\$ 742	\$ 609
Revenue	\$ 609	\$ 394	\$ 311	\$ 277	\$ 591	\$ 355	\$ 321	\$ 208
Direct cost of sales	(446)	(288)	(237)	(203)	(409)	(248)	(223)	(149)
Gross margin	163	106	74	74	182	107	98	59
Gain on commercial assets held for sale	-	-	-	-	-	-	-	33
Selling, general and administrative expense	(55)	(48)	(47)	(68)	(58)	(45)	(44)	(45)
Interest expense	(13)	(17)	(18)	(15)	(15)	(16)	(15)	(16)
Equity in earnings from unconsolidated entities	4	3	3	3	15	3	6	3
Other income / (expense)	3	2	1	(2)	14	(1)	4	1
<b>Income / (loss) before income taxes</b>	102	46	13	(8)	138	48	49	35
Income tax (expense) / recovery	(31)	(11)	5	(5)	(18)	38	(6)	(8)
<b>Net income / (loss)</b>	71	35	18	(13)	120	86	43	27
Net income attributable to non-controlling interest and other interests in consolidated subsidiaries	-	-	-	-	-	-	(1)	(2)
<b>Net income / (loss) attributable to Brookfield Residential</b>	\$ 71	\$ 35	\$ 18	\$ (13)	\$ 120	\$ 86	\$ 42	\$ 25
Foreign currency translation	(27)	(40)	9	(69)	(30)	(39)	28	(29)
<b>Comprehensive income / (loss)</b>	\$ 44	\$ (5)	\$ 27	\$ (82)	\$ 90	\$ 47	\$ 70	\$ (4)

## SELECT OPERATING INFORMATION – HOUSING

	THREE MONTHS ENDED DEC 31				TWELVE MONTHS ENDED DEC 31			
	2015		2014		2015		2014	
	UNITS	\$	UNITS	\$	UNITS	\$	UNITS	\$
<i>(millions, except per unit activity and average selling price)</i>								
<b>HOME CLOSINGS</b>								
Canada	605	\$ 213	576	\$ 213	1,513	\$ 497	1,419	\$ 499
California	207	157	147	162	602	505	470	488
Central and Eastern U.S.	179	79	136	67	541	247	315	149
	991	449	859	442	2,656	1,249	2,204	1,136
Unconsolidated Entities	22	12	35	17	73	41	89	43
Total	1,013	\$ 461	894	\$ 459	2,729	\$ 1,290	2,293	\$ 1,179

	THREE MONTHS ENDED DEC 31		TWELVE MONTHS ENDED DEC 31	
	2015	2014	2015	2014
<b>AVERAGE HOME SELLING PRICE</b>				
Canada	\$ 352,000	\$ 370,000	\$ 328,000	\$ 352,000
California	762,000	1,099,000	839,000	1,039,000
Central and Eastern U.S.	440,000	491,000	457,000	473,000
	453,000	514,000	470,000	516,000
Unconsolidated Entities	565,000	482,000	563,000	484,000
Average selling price	\$ 456,000	\$ 513,000	\$ 473,000	\$ 514,000

<b>NET NEW HOME ORDERS (UNITS)</b>				
Canada	399	309	1,655	1,481
California	185	109	655	489
Central and Eastern U.S.	119	64	580	304
	703	482	2,890	2,274
Unconsolidated Entities	-	15	40	108
Total	703	497	2,930	2,382

## SELECT OPERATING INFORMATION – HOUSING (CONTINUED)

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

	AS AT DEC 31	
ACTIVE HOUSING COMMUNITIES	2015	2014
Canada	19	20
California	29	23
Central and Eastern U.S.	20	16
	68	59
Unconsolidated Entities	-	2
Total	68	61

	AS AT DEC 31			
BACKLOG AT END OF PERIOD	2015		2014	
	Units	Value	Units	Value
Canada	913	\$ 338	724	\$ 286
California	198	127	145	143
Central and Eastern U.S.	229	108	103	54
	1,340	573	972	483
Unconsolidated Entities	-	-	33	14
Total	1,340	\$ 573	1,005	\$ 497

## SELECT OPERATING INFORMATION – LAND

	THREE MONTHS ENDED DEC 31				TWELVE MONTHS ENDED DEC 31			
	2015		2014		2015		2014	
	UNITS	\$	UNITS	\$	UNITS	\$	UNITS	\$
<i>(millions, except per unit activity)</i>								
<b>LOT CLOSINGS (SINGLE FAMILY UNITS)</b>								
Canada	375	\$ 54	626	\$ 104	800	\$ 109	1,477	\$ 245
California	741	76	-	4	1,197	155	94	13
Central and Eastern U.S.	200	18	280	36	763	53	536	57
	1,316	148	906	144	2,760	317	2,107	315
Unconsolidated Entities	26	4	79	5	176	17	335	26
Total	1,342	\$ 152	985	\$ 149	2,936	\$ 334	2,442	\$ 341
<b>ACRE CLOSINGS (MULTI-FAMILY, INDUSTRIAL AND COMMERCIAL PARCELS)</b>								
Canada	10	\$ 10	7	\$ 5	33	\$ 22	31	\$ 24
California	-	-	-	-	-	-	-	-
Central and Eastern U.S.	2	1	-	-	2	1	-	-
	12	11	7	5	35	23	31	24
Unconsolidated Entities	-	-	-	-	-	-	2	1
Total	12	\$ 11	7	\$ 5	35	\$ 23	33	\$ 25
<b>ACRE CLOSINGS (RAW AND PARTIALLY FINISHED PARCELS)</b>								
Canada	-	\$ -	-	\$ -	-	\$ -	3	\$ 1
California	-	-	-	-	-	-	-	-
Central and Eastern U.S.	23	1	-	-	31	2	-	-
	23	1	-	-	31	2	3	1
Unconsolidated Entities	-	-	188	30	-	-	188	30
Total	23	\$ 1	188	\$ 30	31	\$ 2	191	\$ 31

## SELECT OPERATING INFORMATION – LAND (CONTINUED)

	THREE MONTHS ENDED DEC 31		TWELVE MONTHS ENDED DEC 31	
	2015	2014	2015	2014
<b>AVERAGE LOT SELLING PRICE (SINGLE FAMILY UNITS)</b>				
Canada	\$ 143,000	\$ 167,000	\$ 136,000	\$ 166,000
California	103,000	-	130,000	141,000
Central and Eastern U.S.	92,000	128,000	69,000	105,000
	112,000	152,000	115,000	145,000
Unconsolidated Entities	136,000	59,000	96,000	79,000
Average selling price	\$ 113,000	\$ 144,000	\$ 114,000	\$ 136,000
<b>AVERAGE PER ACRE SELLING PRICE (MULTI-FAMILY, INDUSTRIAL AND COMMERCIAL PARCELS)</b>				
Canada	\$ 1,031,000	\$ 746,000	\$ 677,000	\$ 781,000
California	-	-	-	-
Central and Eastern U.S.	503,000	-	503,000	-
	942,000	746,000	667,000	781,000
Unconsolidated Entities	-	-	-	188,000
Average selling price	\$ 942,000	\$ 746,000	\$ 667,000	\$ 158,000
<b>AVERAGE PER ACRE SELLING PRICE (RAW AND PARTIALLY FINISHED PARCELS)</b>				
Canada	\$ -	\$ -	\$ -	\$ 263,000
California	-	-	-	-
Central and Eastern U.S.	33,000	-	66,000	-
	33,000	-	66,000	263,000
Unconsolidated Entities	-	158,000	-	158,000
Average selling price	\$ 33,000	\$ 158,000	\$ 66,000	\$ 160,000
<b>ACTIVE LAND COMMUNITIES</b>				
	AS AT ENDED DEC 31			
	2015	2014		
Canada	10	14		
California	6	6		
Central and Eastern U.S.	12	8		
	28	28		
Unconsolidated Entities	3	1		
Total	31	29		

## SELECT OPERATING INFORMATION – GROSS MARGIN

(millions, except percentages)	THREE MONTHS ENDED DEC 31				TWELVE MONTHS ENDED DEC 31			
	2015		2014		2015		2014	
	\$	%	\$	%	\$	%	\$	%
<b>HOUSING GROSS MARGIN</b>								
Canada	\$ 48	23%	\$ 48	23%	\$ 116	23%	\$ 113	23%
California	35	22%	51	31%	127	25%	137	28%
Central and Eastern U.S.	10	13%	10	15%	33	13%	23	15%
Total	\$ 93	21%	\$ 109	25%	\$ 276	22%	\$ 273	24%
<b>LAND GROSS MARGIN</b>								
Canada	\$ 41	64%	\$ 61	56%	\$ 91	69%	\$ 154	57%
California	22	29%	4	100%	36	23%	9	69%
Central and Eastern U.S.	7	35%	8	22%	14	25%	9	16%
Total	\$ 70	44%	\$ 73	49%	\$ 141	41%	\$ 172	51%
<b>TOTAL GROSS MARGIN</b>								
Canada	\$ 89	32%	\$ 109	34%	\$ 207	33%	\$ 267	35%
California	57	24%	55	33%	163	25%	146	29%
Central and Eastern U.S.	17	17%	18	17%	47	16%	32	16%
Total	\$ 163	27%	\$ 182	31%	\$ 417	26%	\$ 445	30%

## HISTORICAL PRO FORMA FINANCIAL INFORMATION

### **BROOKFIELD RESIDENTIAL PROPERTIES**

(millions, except unit activity)

	YEAR ENDED DECEMBER 31									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Home Closings (units)	2,656	2,204	2,216	1,808	1,295	1,600	1,347	1,490	1,875	1,977
Lot Closings (single family units)	2,760	2,107	2,402	2,142	2,912	2,017	1,682	2,422	4,050	3,716
Acre Closings	66	34	247	543	94	68	412	342	85	63
Revenue										
Housing	\$ 1,249	\$ 1,136	\$ 983	\$ 718	\$ 484	\$ 599	\$ 491	\$ 638	\$ 837	\$ 957
Land	342	340	373	622	524	355	263	389	420	318
Total Revenues	1,591	1,476	1,356	1,340	1,008	954	754	1,027	1,257	1,275
Direct cost of sales	(1,174)	(1,031)	(981)	(1,048)	(740)	(687)	(604)	(739)	(913)	(909)
Impairment of land inventory	-	-	-	-	-	-	(41)	(118)	(88)	(10)
Gross margin	417	445	375	292	268	267	109	170	256	356
Selling, general and administrative	(218)	(192)	(170)	(128)	(101)	(99)	(79)	(106)	(106)	(83)
Equity in earnings of unconsolidated entities	12	26	9	10	4	-	3	4	15	61
Impairment of unconsolidated entities	-	-	-	-	-	-	(13)	(38)	(15)	-
Other income / (expense)	(58)	(10)	(42)	(45)	(41)	21	16	(10)	4	18
<b>Income before income taxes</b>	<b>\$ 153</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>

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.

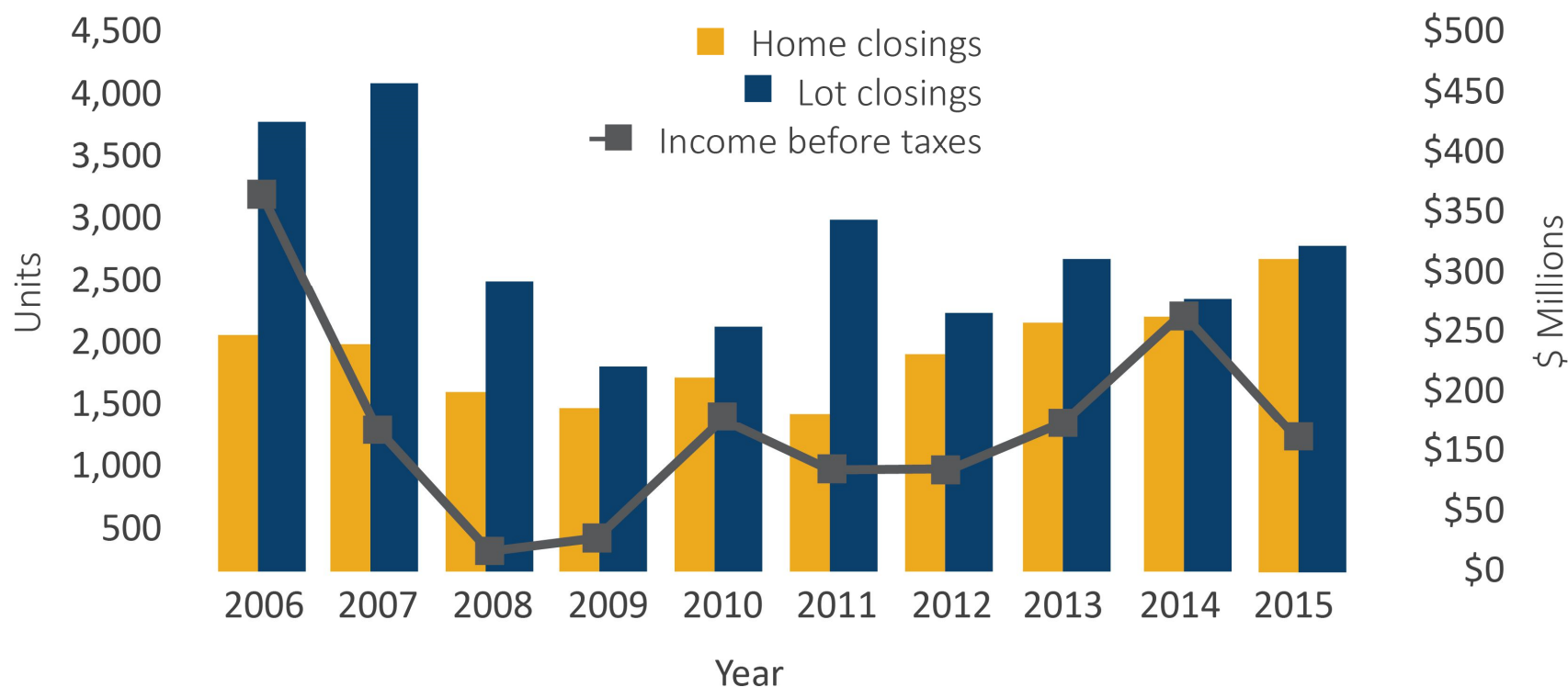
Note: 2006-2010 comparative results shown are pro-forma of Brookfield Residential and combined the results of Brookfield Homes Corporation and Brookfield Office Properties' residential land and housing division as the merger transaction occurred on March 31, 2011.



## HISTORICAL PRO FORMA FINANCIAL INFORMATION

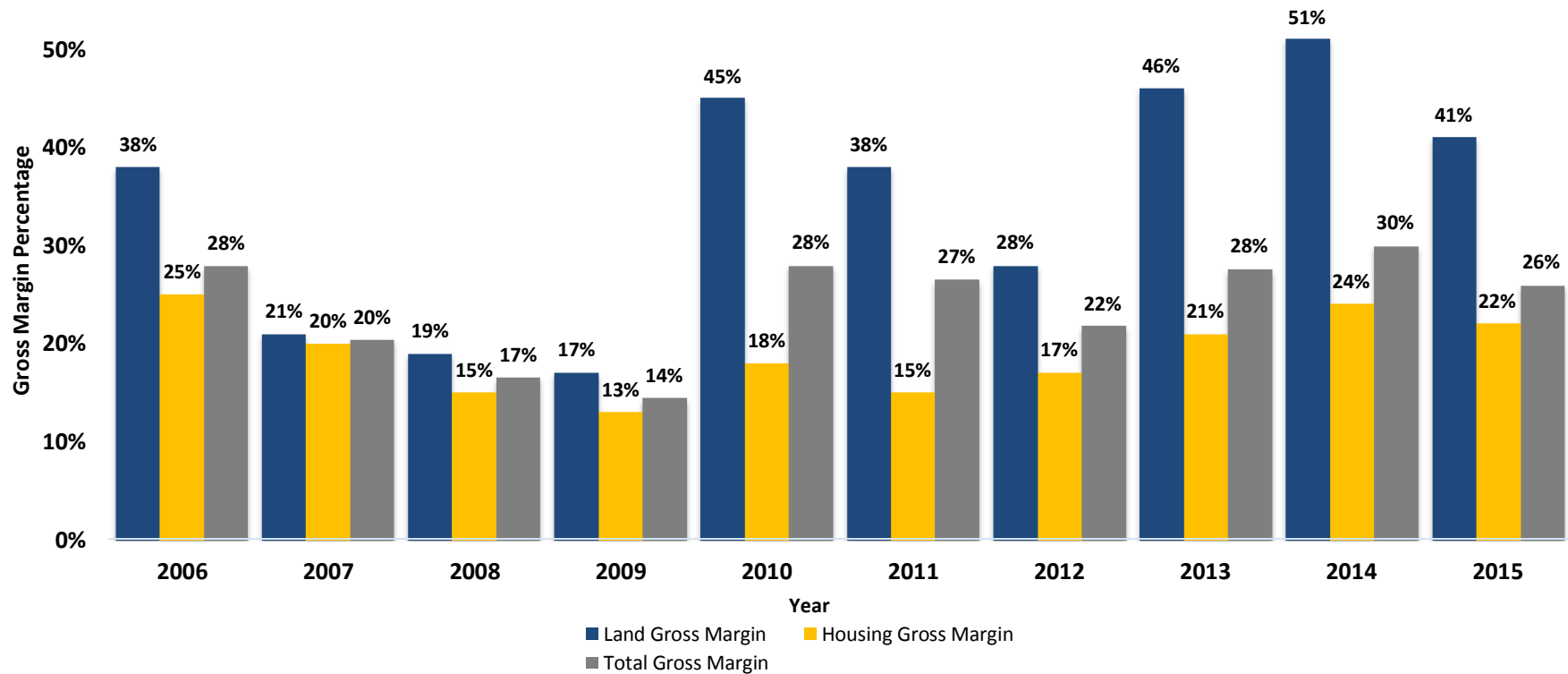
(millions, except unit activity)	YEAR ENDED DECEMBER 31			
	2009	2008	2007	2006
<b><u>BPO RESIDENTIAL</u></b>				
Home Closings (units)	648	745	1,050	818
Lot Closings (single family units)	1,213	1,806	2,722	2,882
Acre Closings	412	342	85	63
Revenue				
Housing	\$ 151	\$ 223	\$ 296	\$ 173
Land	227	355	378	230
Total Revenues	378	578	674	403
Direct cost of sales	(250)	(323)	(432)	(292)
Impairment of land inventory	(17)	(3)	-	-
Gross margin	111	252	242	111
Selling, general and administrative	(27)	(37)	(37)	(24)
Equity in earnings of unconsolidated entities	2	1	2	3
Impairment of unconsolidated entities	-	-	-	-
Other income / (expense)	3	8	10	9
<b>Income before income taxes</b>	<b>\$ 89</b>	<b>\$ 224</b>	<b>\$ 217</b>	<b>\$ 99</b>
<b><u>BROOKFIELD HOMES CORPORATION</u></b>				
Home Closings (units)	699	745	825	1,159
Lot Closings (single family units)	469	616	1,328	834
Acre Closings	-	-	-	-
Revenue				
Housing	\$ 340	\$ 415	\$ 541	\$ 784
Land	36	34	42	88
Total Revenues	376	449	583	872
Direct cost of sales	(354)	(416)	(481)	(617)
Impairment of land inventory	(24)	(115)	(88)	(10)
Gross margin	(2)	(82)	14	245
Selling, general and administrative	(52)	(69)	(69)	(59)
Equity in earnings of unconsolidated entities	1	3	13	58
Impairment of unconsolidated entities	(13)	(38)	(15)	-
Other income / (expense)	13	(18)	(6)	9
<b>Income / (Loss) before income taxes</b>	<b>\$ (53)</b>	<b>\$ (204)</b>	<b>\$ (63)</b>	<b>\$ 253</b>

## CONSISTENT PROFITABILITY



Note: 2006-2010 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

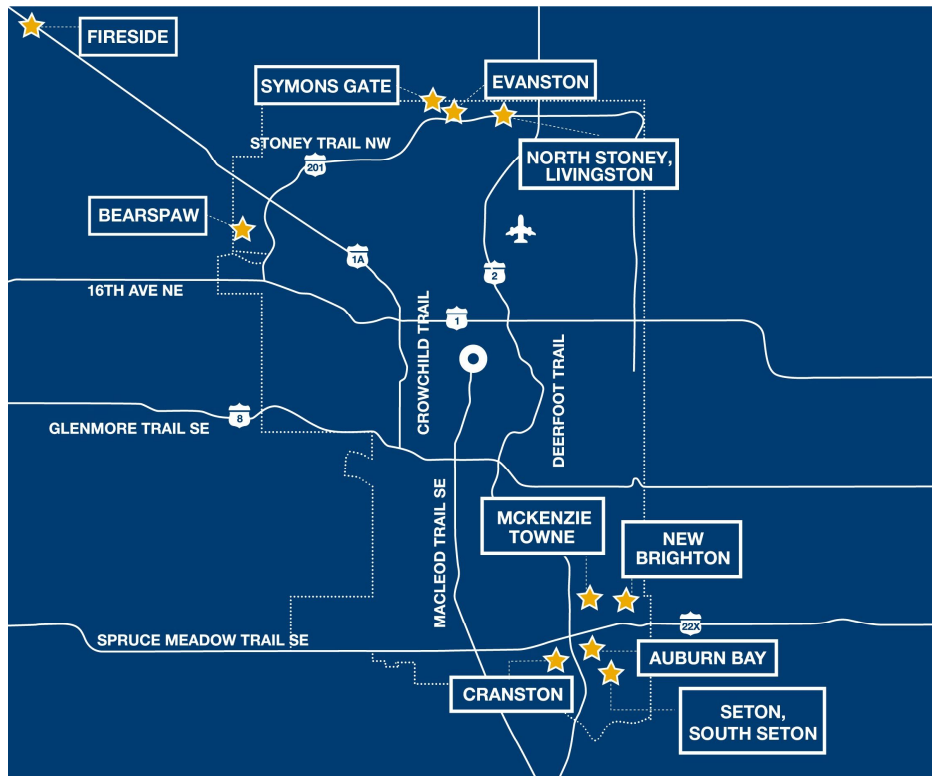


Note: 2006-2010 comparative results shown are pro forma of Brookfield Residential and combined the results of Brookfield Homes Corporation and Brookfield Office Properties' residential land and housing division as the merger transaction occurred on March 31, 2011.

## 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



### 26,242 LOTS

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

- 4,397 entitled
- 21,845 unentitled

PROJECT NAME	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS	DEVELOPED ACRES
Auburn Bay	392	392	–	18
Cranston	1,290	1,290	–	8
Evanston	32	32	–	4
Fireside	87	87	–	–
Livingston	8,707	1,210	7,497	–
McKenzie Towne	3	3	–	–
New Brighton	111	111	–	–
North Stoney	3,935	–	3,935	–
Seton	658	658	–	49
South Seton	6,302	–	6,302	–
Symons Gate	408	408	–	–
Bearspaw	1,295	–	1,295	–
Other	3,022	206	2,816	–

## EDMONTON, ALBERTA



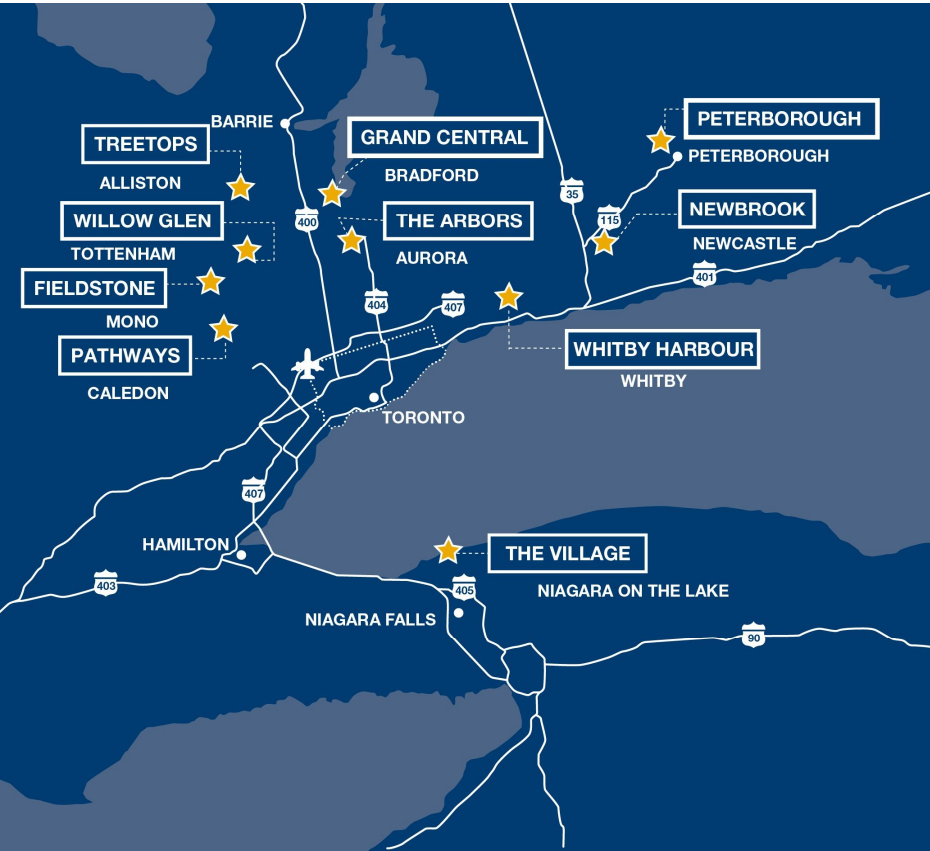
### 14,180 LOTS

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

- 7,168 entitled
- 7,012 unentitled

PROJECT NAME	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS	DEVELOPED ACRES
Chappelle Gardens	1,868	1,868	–	17
Edgemont	1,273	1,273	–	4
Ellerslie	7,012	–	7,012	–
Gateway	134	134	–	–
Lake Summerside	474	474	–	–
The Orchards	2,150	2,150	–	5
Paisley	693	693	–	4
Parkland	59	59	–	–
Solstice at McConachie	307	307	–	–
The Terrace at Schonsee	76	76	–	–
Other	134	134	–	–

# ONTARIO

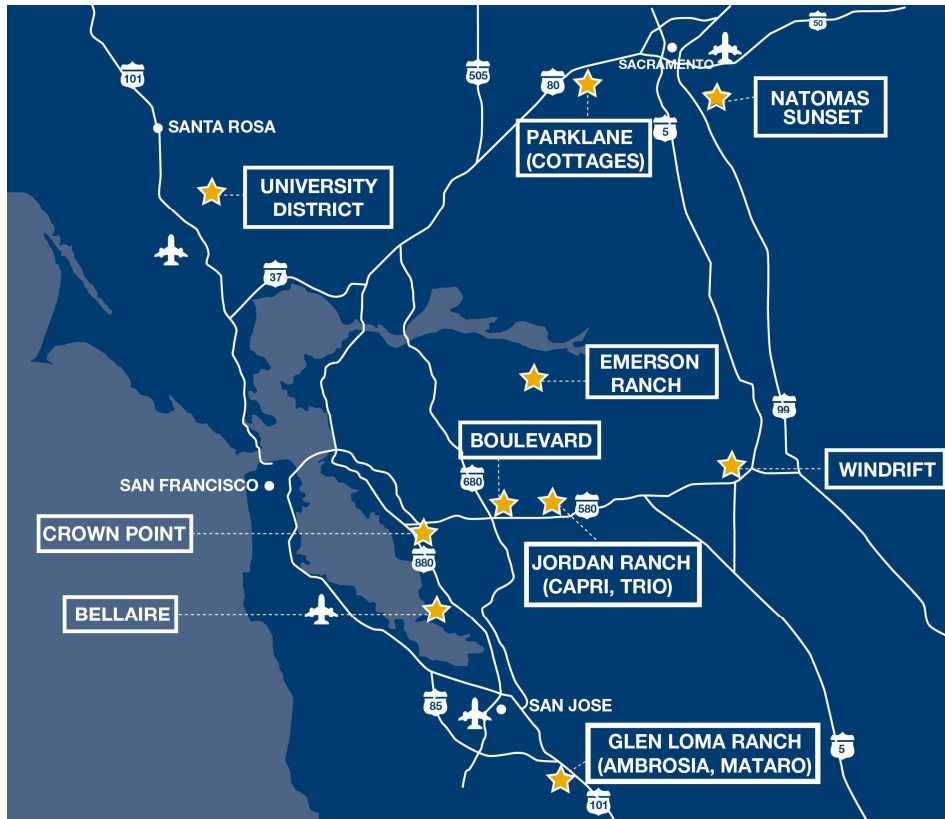


## 10,329 LOTS

- 1,830 entitled
- 8,499 unentitled

PROJECT NAME	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS
Grand Central	20	20	–
Fieldstone	187	187	–
Newbrook	602	338	264
Pathways	14	14	–
Peterborough	7,768	–	7,768
The Arbors	599	599	–
The Village	48	48	–
Treetops	47	47	–
Whitby Harbour	132	132	–
Willow Glen	391	391	–
Other	521	54	467

## NORTHERN CALIFORNIA



### 9,023 LOTS

- 3,504 entitled
- 5,519 unentitled

PROJECT NAME	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS
Bellaire	48	48	–
Boulevard	569	–	569
Crown Point	23	23	–
Emerson Ranch	371	371	–
Jordan Ranch (Capri, Trio)	160	160	–
Parklane (Cottages)	692	242	450
Natomas, Sunset	5,700	1,200	4,500
University District	1,279	1,279	–
Windrift	53	53	–
Glen Loma Ranch (Ambrosia, Mataro)	128	128	–



## SOUTHERN CALIFORNIA



### 12,052 LOTS

- 8,942 entitled
- 3,110 unentitled

PROJECT NAME	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS
Audie Murphy Ranch	1,265	1,265	—
Big Sky at Audie Murphy Ranch	5	5	—
Rosedale (Camelia, Aster Heights)	78	78	—
Edenglen	165	165	—
Five Knolls (Brighten, Highglen)	142	142	—
La Vita at Orchard Hills	12	12	—
Liberty at Morningstar Ranch	240	240	—
New Haven (Summerset, Holiday, Waverly)	2,741	667	2,074
Playa Vista (Camden, Everly, Marlowe)	275	275	—
Spencer's Crossing	808	808	—
El Paseo at the Village of Foothills Ranch	62	62	—
Huntley at Greenwood	23	23	—
Other	6,236	5,200	1,036

# HAWAII

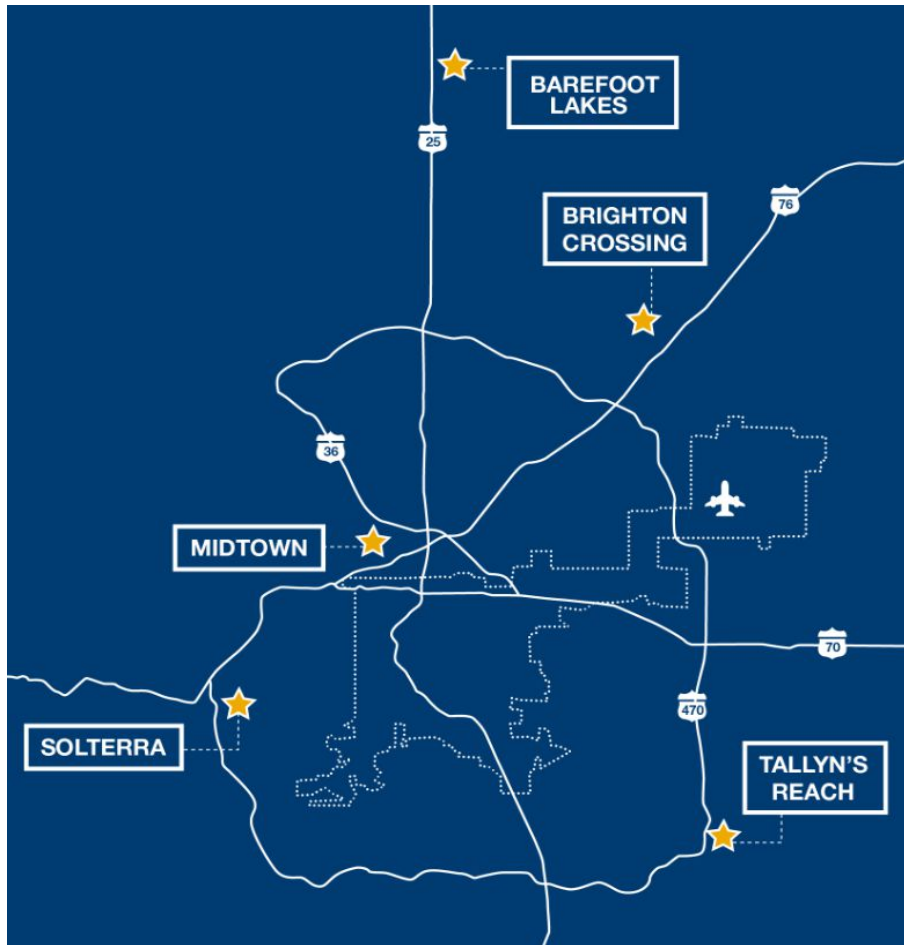


## 221 LOTS

- 221 entitled

PROJECT NAME	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS
Pili Mai	186	186	—
KaMilo	31	31	—
Holua Kai	4	4	—

## DENVER, COLORADO



### 9,108 LOTS

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

- 9,108 entitled

PROJECT NAME	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS	DEVELOPED ACRES
Barefoot Lakes	3,800	3,800	–	–
Brighton Crossing	2,247	2,247	–	10
Midtown	358	358	–	–
Solterra	368	368	–	–
Tallyn's Reach	30	30	–	–
Other	2,305	2,305	–	–

## AUSTIN, TEXAS

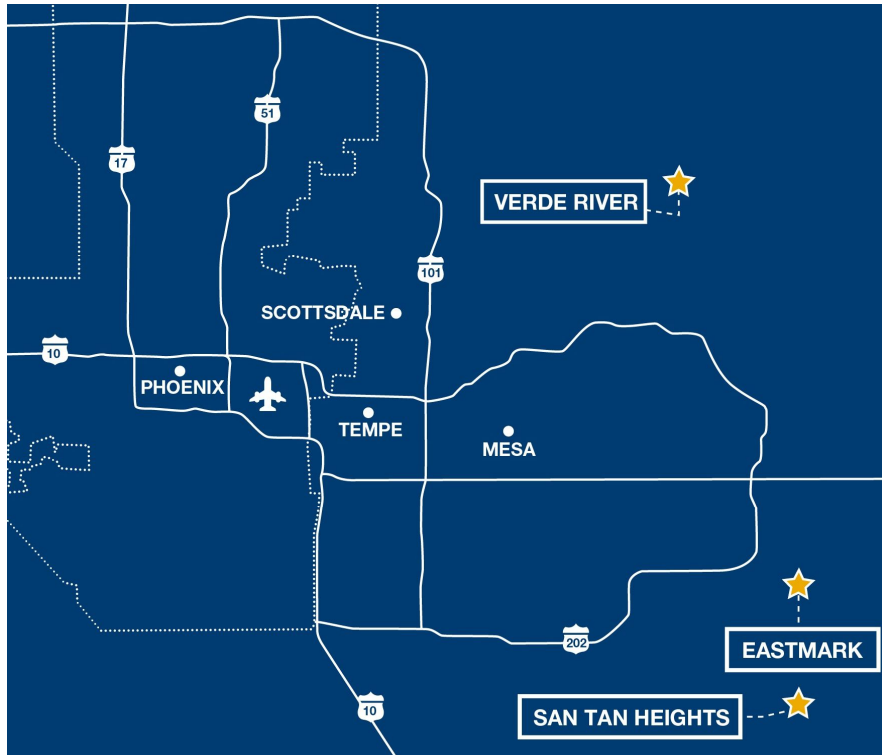


### 13,501 LOTS

- 13,501 entitled

PROJECT NAME	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS
Addison	565	565	–
Blanco Vista	1,129	1,129	–
Easton Park	5,904	5,904	–
Easton South	2,097	2,097	–
Kissing Tree	2,983	2,983	–
Grand Haven Homes (various communities)	752	752	–
Other	71	71	–

## PHOENIX, ARIZONA



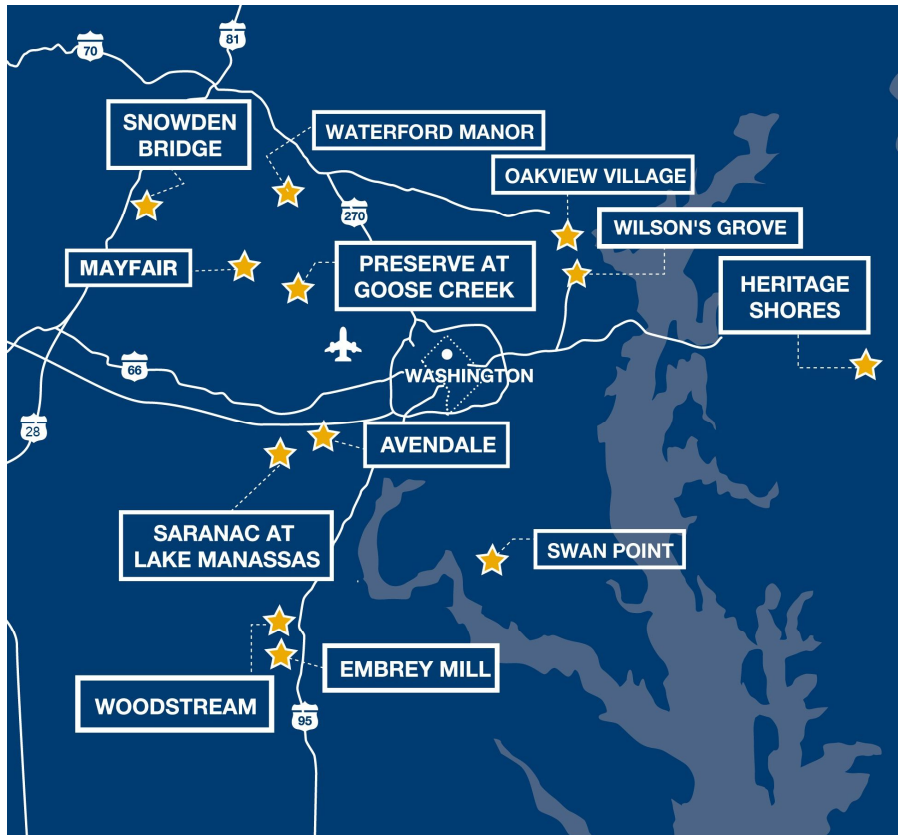
### 4,995 LOTS

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

- 4,711 entitled
- 284 unentitled

PROJECT NAME	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS	DEVELOPED ACRES
Eastmark	4,239	4,239	–	3
San Tan Heights	689	405	284	–
Verde River	67	67	–	–

## WASHINGTON, D.C. AREA



### 4,083 LOTS

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

- 4,046 entitled
- 37 unentitled

PROJECT NAME	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS	DEVELOPED ACRES
Avendale	218	218	—	—
Embrey Mill	11	11	—	—
Heritage Shores	1,324	1,324	—	—
Mayfair	262	262	—	12
Oakview Village	112	112	—	—
Preserve at Goose Creek	47	47	—	—
Saranac at Lake Manassas	5	5	—	—
Snowden Bridge	873	873	—	—
Swan Point	765	765	—	—
Wilson's Grove	81	81	—	—
Waterford Manor	64	64	—	—
Woodstream	33	33	—	—
Other	288	251	37	5

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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).

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