



CORPORATE PROFILE

JULY | 2017

NOTICE TO RECIPIENT

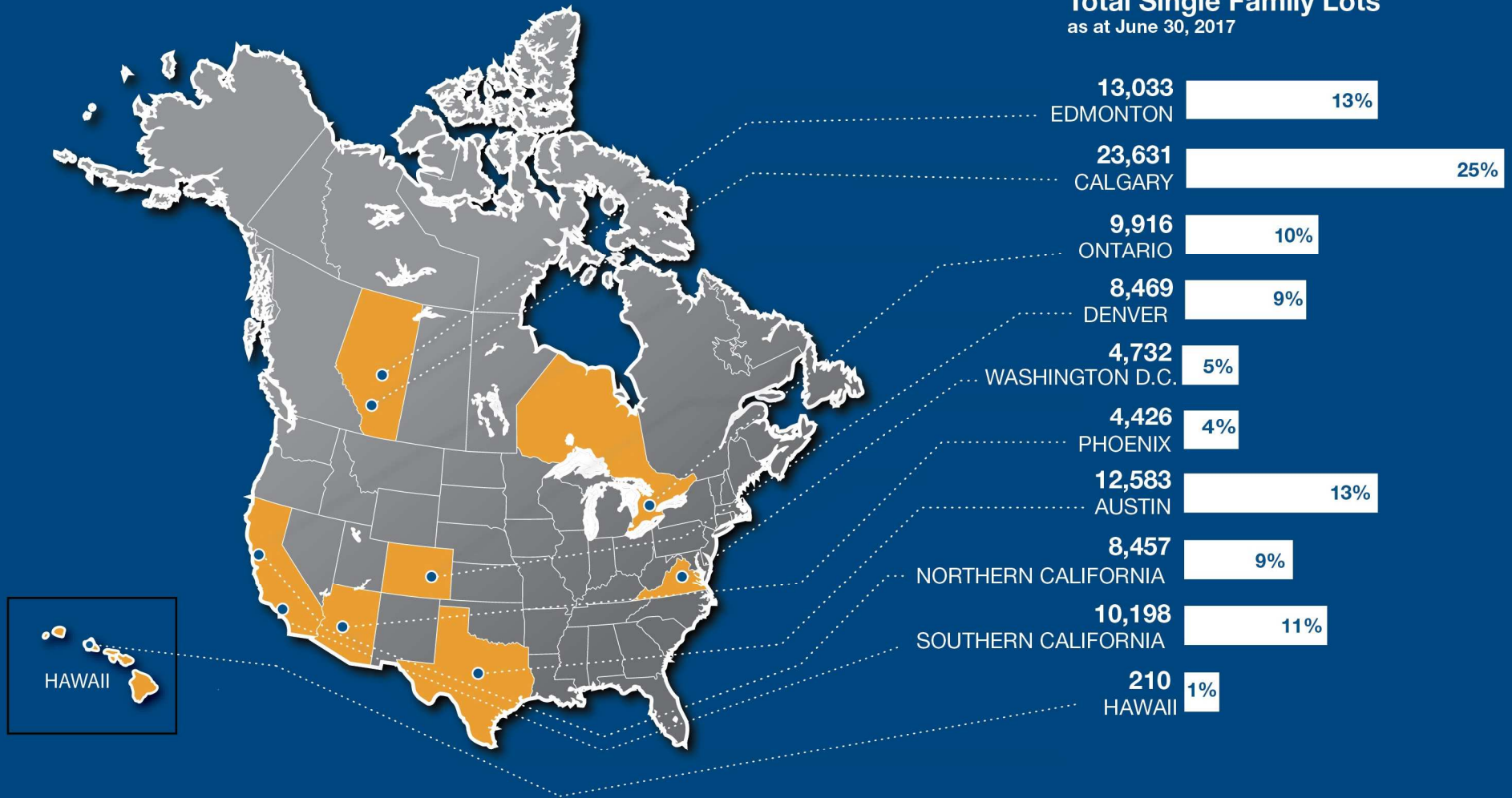
This corporate profile contains “forward-looking statements” within the meaning of applicable Canadian securities laws and United States federal securities laws. The words “may,” “believe,” “will,” “anticipate,” “expect,” “planned,” “estimate,” “project,” “future,” and other expressions that are predictions 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 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 and foreign exchange; 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 June 30, 2017



COMPANY OVERVIEW

Brookfield Residential Properties Inc. 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 conduct our own homebuilding operations. 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 approximately \$250 billion of assets under management.

- 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

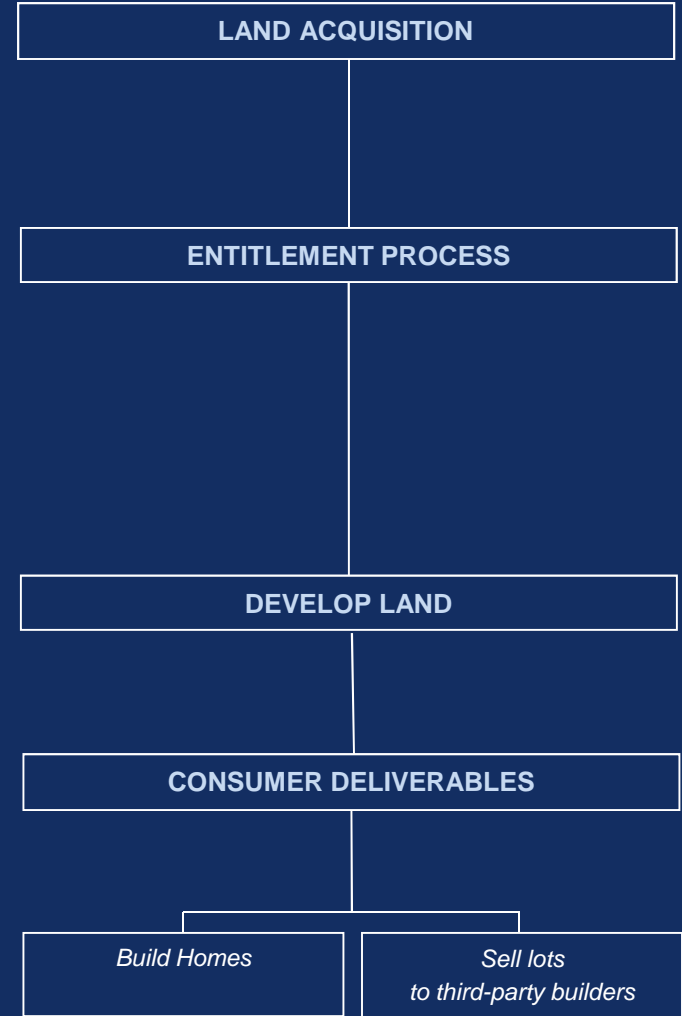
- Obtain approvals necessary to develop land for specific purposes. This process typically includes:
 - General Plan
 - Land Use Plan
 - Tentative Map
 - Legal Survey Plan
 - Area Structure Plan
 - Zoning
 - Construction Approvals
 - Final Map

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



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**

- 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

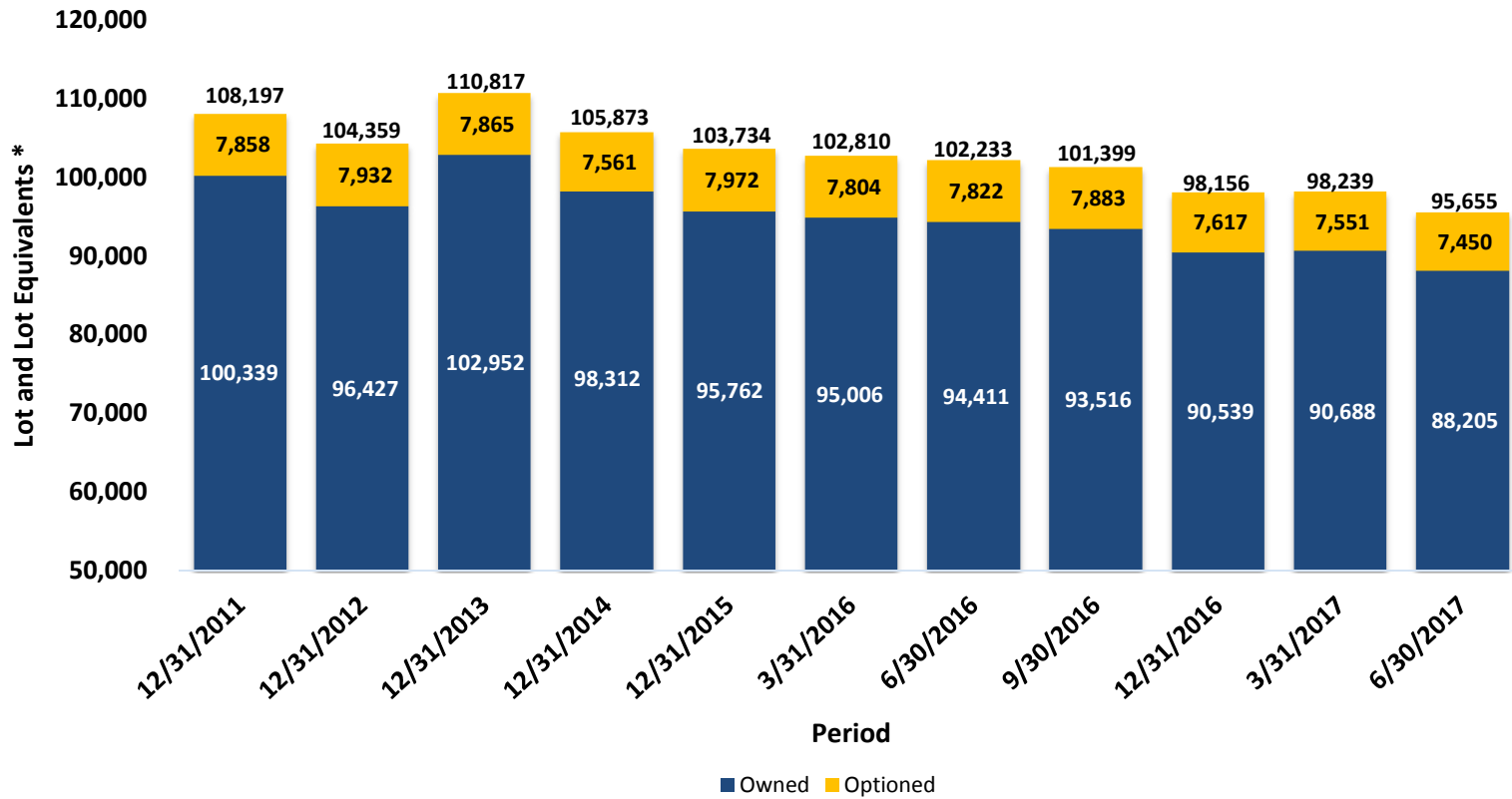
LAND & HOUSING INVENTORY

	Single Family Housing & Land Under and Land Held for Development ⁽¹⁾								Multi-Family, Industrial & Commercial Parcels Under Development	
	Housing & Land		Unconsolidated Entities		Total Lots		Status of Lots 30-Jun-17		Total Acres	
	Owned	Options	Owned	Options	30-Jun-17	31-Dec-16	Entitled	Unentitled	30-Jun-17	31-Dec-16
Calgary	21,123	-	2,508	-	23,631	25,486	6,703	16,928	60	62
Edmonton	13,033	-	-	-	13,033	13,565	7,823	5,210	19	25
Ontario	8,816	-	1,100	-	9,916	10,106	2,438	7,478	-	-
Canada	42,972	-	3,608	-	46,580	49,157	16,964	29,616	79	87
Northern California	3,067	4,950	440	-	8,457	8,575	3,507	4,950	-	-
Southern California	7,641	-	1,229	1,328	10,198	10,174	8,078	2,120	-	-
Hawaii	187	-	23	-	210	192	210	-	-	-
California	10,895	4,950	1,692	1,328	18,865	18,941	11,795	7,070	-	-
Denver	8,469	-	-	-	8,469	8,674	8,469	-	10	10
Austin	12,415	168	-	-	12,583	12,729	12,583	-	-	-
Phoenix	439	-	3,987	-	4,426	4,725	4,426	-	1	2
Washington D.C. Area	3,728	1,004	-	-	4,732	3,930	4,695	37	17	23
Central and Eastern U.S.	25,051	1,172	3,987	-	30,210	30,058	30,173	37	28	35
Total	78,918	6,122	9,287	1,328	95,655	98,156	58,932	36,723	107	122
Entitled lots	51,608	1,172	6,152	-	58,932					
Unentitled lots	27,310	4,950	3,135	1,328	36,723					
Total June 30, 2017	78,918	6,122	9,287	1,328	95,655					
Total December 31, 2016	80,152	6,289	10,387	1,328	98,156					

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

<i>(millions, except per unit activity)</i>	Housing & Land	Unconsol. Entities	Total 30-Jun-17		Total 31-Dec-16	
			Units	\$	Units	\$
Land Held For Development (lots)	1,356	196	77,869	1,552	80,559	1,533
Land Under Development - Single Family (lots)	799	142	8,049	941	8,114	956
Optioned (lots)	95	28	7,450	123	7,617	118
Housing inventory (units)	626	5	2,069	631	1,665	472
Model homes (units)	114	-	218	114	201	114
Unconsolidated entity net debt	-	(43)	-	(43)	-	(54)
Sub total	2,990	328	95,655	3,318	98,156	3,139
Multi Family, Commercial & Industrial Parcels (Acres)	47	-	107	47	122	53
Total	3,037	328		3,365		3,192

LAND & HOUSING INVENTORY



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

FINANCIAL PROFILE

SELECT FINANCIAL INFORMATION

<i>(millions, except percentages, unit activity and average selling price)</i>	THREE MONTHS ENDED JUN 30		SIX MONTHS ENDED JUN 30	
	2017	2016	2017	2016
RESULTS FROM OPERATIONS				
Total revenue	\$ 443	\$ 363	\$ 782	\$ 629
Housing revenue	383	307	690	545
Land revenue	60	56	92	84
Gross margin (\$)	89	79	163	132
Gross margin (%)	20%	22%	21%	21%
Income before income taxes	25	16	39	13
Income tax expense	(3)	(3)	(2)	-
Net income attributable to Brookfield Residential	\$ 22	\$ 13	\$ 37	\$ 13
OPERATING DATA				
Home closings for Brookfield Residential (units)	733	675	1,314	1,191
Home closings for unconsolidated entities (units)	2	2	3	2
Average home selling price for Brookfield Residential (per unit)	\$ 523,000	\$ 455,000	\$ 525,000	\$ 458,000
Average home selling price for unconsolidated entities (per unit)	\$ 1,484,000	\$ 1,227,000	\$ 1,321,000	\$ 1,227,000
Net new home orders for Brookfield Residential (units)	998	922	1,931	1,723
Net new home orders for unconsolidated entities (units)	3	2	4	3
Backlog for Brookfield Residential (units at end of period)	2,158	1,872	2,158	1,872
Backlog for unconsolidated entities (units at end of period)	2	2	2	2
Backlog value for Brookfield Residential	\$ 1,166	\$ 930	\$ 1,166	\$ 930
Backlog value for unconsolidated entities	\$ 2	\$ 3	\$ 2	\$ 3
Lot closings for Brookfield Residential (single family units)	597	454	806	731
Lot closings for unconsolidated entities (single family units)	84	98	183	208
Acre closings for Brookfield Residential (multi-family, industrial and commercial parcels)	8	-	9	4
Acre closings for unconsolidated entities (multi-family, industrial and commercial parcels)	-	-	1	-
Acre closings for Brookfield Residential (raw and partially finished parcels)	230	8	254	88
Average lot selling price for Brookfield Residential (single family units)	\$ 94,000	\$ 107,000	\$ 102,000	\$ 97,000
Average lot selling price for unconsolidated entities (single family units)	\$ 139,000	\$ 85,000	\$ 114,000	\$ 75,000
Average per acre selling price for Brookfield Residential (multi-family, industrial and commercial parcels)	\$ 371,000	\$ -	\$ 383,000	\$ 966,000
Average per acre selling price for unconsolidated entities (multi-family, industrial and commercial parcels)	\$ -	\$ -	\$ 258,000	\$ -
Average per acre selling price for Brookfield Residential (raw and partially finished parcels)	\$ 3,000	\$ 967,000	\$ 22,000	\$ 86,000

CONDENSED CONSOLIDATED BALANCE SHEETS

	JUN 30	MAR 31	DEC 31	SEPT 30
<i>(thousands, except percentages)</i>	2017	2017	2016	2016
ASSETS				
Land and housing inventory	\$ 3,037,233	\$ 2,959,666	\$ 2,848,230	\$ 3,091,247
Investments in unconsolidated entities	328,204	321,080	343,543	347,886
Commercial properties	35,211	33,588	32,880	32,830
Commercial assets held for sale	-	-	-	18,850
Receivables and other assets	288,420	251,256	253,283	272,651
Held-to-maturity investment	300,000	300,000	300,000	-
Restricted cash	1,448	3,135	4,932	3,251
Cash and cash equivalents	43,493	37,271	94,187	23,590
Deferred income tax assets	80,470	81,192	79,580	88,478
	\$ 4,114,479	\$ 3,987,188	\$ 3,956,635	\$ 3,878,783
LIABILITIES				
Notes payable	\$ 1,623,880	\$ 1,617,828	\$ 1,615,205	\$ 1,618,662
Bank indebtedness and other financings	137,331	75,335	57,442	357,583
Total financings	1,761,211	1,693,163	1,672,647	1,976,245
Accounts payable and other liabilities	492,020	479,682	499,538	476,868
Total liabilities	2,253,231	2,172,845	2,172,185	2,453,113
EQUITY				
	\$ 1,861,248	\$ 1,814,343	\$ 1,784,450	\$ 1,425,670
	\$ 4,114,479	\$ 3,987,188	\$ 3,956,635	\$ 3,878,783
Net debt to total capitalization	48%	48%	47%	58%

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

<i>(thousands)</i>	THREE MONTHS ENDED JUN 30		SIX MONTHS ENDED JUN 30	
	2017	2016	2017	2016
REVENUE				
Housing	\$ 383,242	\$ 306,812	\$ 689,937	\$ 545,669
Land	59,932	56,061	91,551	83,692
	443,174	362,873	781,488	629,361
DIRECT COST OF SALES				
Housing	(315,597)	(257,691)	(565,313)	(453,356)
Land	(38,461)	(25,800)	(53,100)	(44,017)
Gross margin	89,116	79,382	163,075	131,988
Selling, general and administrative expense	(56,223)	(52,356)	(107,229)	(97,355)
Interest expense	(14,347)	(13,994)	(28,910)	(28,314)
Equity in earnings from unconsolidated entities	1,203	3,244	2,733	5,163
Other income	6,421	117	11,285	3,140
Depreciation	(987)	(865)	(1,969)	(1,693)
Income before incomes taxes	25,183	15,528	38,985	12,929
Current income tax (expense) / recovery	(418)	(1,957)	356	(2,327)
Deferred income tax (expense) / recovery	(2,771)	(655)	(1,863)	2,212
NET INCOME	21,994	12,916	37,478	12,814
Net loss attributable to non-controlling interest and other interests in consolidated subsidiaries	(93)	(81)	(182)	(157)
NET INCOME ATTRIBUTABLE TO BROOKFIELD RESIDENTIAL	\$ 22,087	\$ 12,997	\$ 37,660	\$ 12,971
OTHER COMPREHENSIVE INCOME / (LOSS)				
Unrealized foreign exchange gain / (loss) on:				
Translation of the net investment in Canadian subsidiaries	27,248	5,764	35,795	60,797
Translation of the Canadian dollar denominated debt designated as a hedge of the net investment in Canadian subsidiaries	(5,200)	(1,175)	(6,925)	(12,750)
COMPREHENSIVE INCOME ATTRIBUTABLE TO BROOKFIELD RESIDENTIAL	\$ 44,135	\$ 17,586	\$ 66,530	\$ 61,018

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

<i>(thousands)</i>	SIX MONTHS ENDED JUN 30	
	2017	2016
Cash Flows Provided by / (Used in) Operating Activities:		
Net income	\$ 37,478	\$ 12,814
Adjustments to reconcile net income to net cash used in operating activities:		
Undistributed earnings from unconsolidated entities	(2,113)	(4,674)
Deferred income tax expense / (recovery)	1,863	(2,212)
Share-based compensation costs	5,507	8,855
Depreciation	1,969	1,693
Amortization of non-cash interest	1,796	1,310
Dividend income on held-to-maturity investment	(8,456)	-
Changes in operating assets and liabilities:		
(Increase) / decrease in receivables and other assets	(34,281)	10,960
Increase in land and housing inventory	(116,367)	(224,224)
Decrease in accounts payable and other liabilities	(17,238)	(17,632)
Net cash used in operating activities	(129,842)	(213,110)
Cash Flows Provided by / (Used in) Investing Activities:		
Investments in unconsolidated entities	(16,241)	(25,756)
Distributions from unconsolidated entities	868	4,419
Increase in commercial properties	(1,112)	-
Change in restricted cash	3,484	2,244
Dividend income on held-to-maturity investment	8,456	-
Net cash used in investing activities	(4,545)	(19,093)
Cash Flows Provided by / (Used in) Financing Activities:		
Drawings from affiliates	-	170,000
Drawings under project-specific and other financings	14,966	20,831
Repayments under project-specific and other financings	(37,570)	(7,550)
Drawings on bank indebtedness	100,943	15,096
Contributions from non-controlling interest and other interests in consolidated subsidiaries	2,863	-
Net cash provided by financing activities	81,202	198,377
Effect of foreign exchange rates on cash and cash equivalents	2,491	(158)
Change in cash and cash equivalents	(50,694)	(33,984)
Cash and cash equivalents at beginning of year	94,187	100,329
Cash and cash equivalents at end of year	\$ 43,493	\$ 66,345

QUARTERLY FINANCIAL INFORMATION

<i>(millions, except per unit activity)</i>	2017		2016				2015	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Home closings (units)	733	581	1,214	788	675	516	991	684
Lots closings (single family units)	597	209	1,347	325	454	277	1,316	441
Acre closings (multi-family, industrial and commercial parcels)	8	1	16	6	-	4	12	-
Acre closings (raw and partially finished parcels)	230	24	1,994	-	8	80	23	-
Net new home orders (units)	998	933	855	816	922	801	703	612
Backlog (units at end of period)	2,158	1,893	1,541	1,900	1,872	1,625	1,340	1,581
Backlog value	\$ 1,166	\$ 969	\$ 783	\$ 977	\$ 930	\$ 751	\$ 573	\$ 682
Revenue	\$ 443	\$ 338	\$ 853	\$ 421	\$ 363	\$ 267	\$ 609	\$ 394
Direct cost of sales	(354)	(264)	(646)	(330)	(284)	(214)	(446)	(288)
Gross margin	89	74	207	91	79	53	163	106
Gain on commercial assets held for sale	-	-	14	-	-	-	-	-
Selling, general and administrative expense	(56)	(51)	(57)	(52)	(52)	(45)	(55)	(48)
Interest expense	(14)	(15)	(12)	(14)	(14)	(14)	(13)	(17)
Equity in earnings from unconsolidated entities	1	2	(1)	5	3	2	4	3
Other income	5	4	3	1	-	1	3	2
Income / (loss) before income taxes	25	14	154	31	16	(3)	102	46
Income tax (expense) / recovery	(3)	2	(46)	(6)	(3)	3	(31)	(11)
Net income	22	16	108	25	13	-	71	35
Net income attributable to non-controlling interest and other interests in consolidated subsidiaries	-	-	-	-	-	-	-	-
Net income attributable to Brookfield Residential	\$ 22	\$ 16	\$ 108	\$ 25	\$ 13	\$ -	\$ 71	\$ 35
Foreign currency translation	22	7	(18)	(12)	5	43	(27)	(40)
Comprehensive income / (loss)	\$ 44	\$ 23	\$ 90	\$ 13	\$ 18	\$ 43	\$ 44	\$ (5)

SELECT OPERATING INFORMATION – HOUSING

<i>(millions, except per unit activity and average selling price)</i>	THREE MONTHS ENDED JUN 30				SIX MONTHS ENDED JUN 30			
	2017		2016		2017		2016	
	UNITS	\$	UNITS	\$	UNITS	\$	UNITS	\$
HOME CLOSINGS								
Canada	309	\$ 122	298	\$ 101	606	\$ 235	562	\$ 192
California	240	177	186	119	404	317	323	209
Central and Eastern U.S.	184	84	191	87	304	138	306	144
	733	383	675	307	1,314	690	1,191	545
Unconsolidated Entities	2	3	2	2	3	4	2	2
Total	735	\$ 386	677	\$ 309	1,317	\$ 694	1,193	\$ 547

AVERAGE HOME SELLING PRICE	THREE MONTHS ENDED JUN 30		SIX MONTHS ENDED JUN 30	
	2017	2016	2017	2016
Canada	\$ 395,000	\$ 338,000	\$ 388,000	\$ 343,000
California	739,000	642,000	784,000	648,000
Central and Eastern U.S.	457,000	453,000	454,000	470,000
	523,000	455,000	525,000	458,000
Unconsolidated Entities	1,484,000	1,227,000	1,321,000	1,227,000
Average selling price	\$ 525,000	\$ 456,000	\$ 527,000	\$ 459,000

NET NEW HOME ORDERS (UNITS)	THREE MONTHS ENDED JUN 30		SIX MONTHS ENDED JUN 30	
	2017	2016	2017	2016
Canada	479	443	856	814
California	301	290	602	522
Central and Eastern U.S.	218	189	473	387
	998	922	1,931	1,723
Unconsolidated Entities	3	2	4	3
Total	1,001	924	1,935	1,726

SELECT OPERATING INFORMATION – HOUSING (CONTINUED)

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

	AS AT JUN 30	
ACTIVE HOUSING COMMUNITIES	2017	2016
Canada	27	26
California	26	30
Central and Eastern U.S.	26	23
	79	79
Unconsolidated Entities	1	1
Total	80	80

	AS AT JUN 30			
BACKLOG AT END OF PERIOD	2017		2016	
	Units	Value	Units	Value
Canada	1,296	\$ 609	1,165	\$ 501
California	452	358	397	286
Central and Eastern U.S.	410	199	310	143
	2,158	1,166	1,872	930
Unconsolidated Entities	2	2	2	3
Total	2,160	\$ 1,168	1,874	\$ 933

SELECT OPERATING INFORMATION – LAND

<i>(millions, except per unit activity)</i>	THREE MONTHS ENDED JUN 30				SIX MONTHS ENDED JUN 30			
	2017		2016		2017		2016	
	UNITS	\$	UNITS	\$	UNITS	\$	UNITS	\$
LOT CLOSINGS (SINGLE FAMILY UNITS)								
Canada	212	\$ 27	128	\$ 19	343	\$ 47	204	\$ 26
California	20	4	246	24	20	4	349	34
Central and Eastern U.S.	365	25	80	6	443	30	178	13
	597	56	454	49	806	81	731	73
Unconsolidated Entities	84	12	98	8	183	21	208	15
Total	681	\$ 68	552	\$ 57	989	\$ 102	939	\$ 88
ACRE CLOSINGS (MULTI-FAMILY, INDUSTRIAL AND COMMERCIAL PARCELS)								
Canada	3	\$ 2	-	\$ -	3	\$ 2	4	\$ 4
California	-	-	-	-	-	-	-	-
Central and Eastern U.S.	5	1	-	-	6	2	-	-
	8	3	-	-	9	4	4	4
Unconsolidated Entities	-	-	-	-	1	-	-	-
Total	8	\$ 3	-	\$ -	10	\$ 4	4	\$ 4
ACRE CLOSINGS (RAW AND PARTIALLY FINISHED PARCELS)								
Canada	230	\$ 1	-	\$ -	230	\$ 1	80	\$ -
California	-	-	8	7	16	5	8	7
Central and Eastern U.S.	-	-	-	-	8	1	-	-
	230	1	8	7	254	7	88	7
Unconsolidated Entities	-	-	-	-	-	-	-	-
Total	230	\$ 1	8	\$ 7	254	\$ 7	88	\$ 7

SELECT OPERATING INFORMATION – LAND (CONTINUED)

	THREE MONTHS ENDED JUN 30		SIX MONTHS ENDED JUN 30	
	2017	2016	2017	2016
AVERAGE LOT SELLING PRICE (SINGLE FAMILY UNITS)				
Canada	\$ 131,000	\$ 150,000	\$ 138,000	\$ 130,000
California	212,000	93,000	217,000	92,000
Central and Eastern U.S.	66,000	81,000	69,000	71,000
	94,000	107,000	102,000	97,000
Unconsolidated Entities	139,000	85,000	114,000	75,000
Average selling price	\$ 100,000	\$ 103,000	\$ 104,000	\$ 92,000
AVERAGE PER ACRE SELLING PRICE (MULTI-FAMILY, INDUSTRIAL AND COMMERCIAL PARCELS)				
Canada	\$ 559,000	\$ -	\$ 559,000	\$ 966,000
California	-	-	-	-
Central and Eastern U.S.	240,000	-	281,000	-
	371,000	-	383,000	966,000
Unconsolidated Entities	-	-	258,000	-
Average selling price	\$ 371,000	\$ -	\$ 373,000	\$ 966,000
AVERAGE PER ACRE SELLING PRICE (RAW AND PARTIALLY FINISHED PARCELS)				
Canada	\$ 3,000	\$ -	\$ 3,000	\$ 3,000
California	-	967,000	254,000	967,000
Central and Eastern U.S.	-	-	95,000	-
	3,000	967,000	22,000	86,000
Unconsolidated Entities	-	-	-	-
Average selling price	\$ 3,000	\$ 967,000	\$ 22,000	\$ 86,000
ACTIVE LAND COMMUNITIES				
	AS AT JUN 30			
	2017	2016		
Canada	11	10		
California	6	5		
Central and Eastern U.S.	10	12		
	27	27		
Unconsolidated Entities	4	3		
Total	31	30		

SELECT OPERATING INFORMATION – GROSS MARGIN

<i>(millions, except percentages)</i>	THREE MONTHS ENDED JUN 30				SIX MONTHS ENDED JUN 30				
	2017		2016		2017		2016		
	\$	%	\$	%	\$	%	\$	%	
HOUSING GROSS MARGIN									
Canada	\$ 23	19%	\$ 16	16%	\$ 46	20%	\$ 32	17%	
California	32	18%	19	16%	59	19%	38	18%	
Central and Eastern U.S.	13	15%	14	16%	20	14%	22	15%	
Total	\$ 68	18%	\$ 49	16%	\$ 125	18%	\$ 92	17%	
LAND GROSS MARGIN									
Canada	\$ 15	50%	\$ 12	63%	\$ 29	58%	\$ 20	67%	
California	2	50%	18	58%	4	44%	19	46%	
Central and Eastern U.S.	4	15%	-	-	5	15%	1	8%	
Total	\$ 21	35%	\$ 30	54%	\$ 38	41%	\$ 40	48%	
TOTAL GROSS MARGIN									
Canada	\$ 38	25%	\$ 28	23%	\$ 75	26%	\$ 52	23%	
California	34	19%	37	25%	63	19%	57	23%	
Central and Eastern U.S.	17	15%	14	15%	25	15%	23	15%	
Total	\$ 89	20%	\$ 79	22%	\$ 163	21%	\$ 132	21%	

HISTORICAL PRO FORMA FINANCIAL INFORMATION

BROOKFIELD RESIDENTIAL PROPERTIES

(millions, except unit activity)

	YEAR ENDED DECEMBER 31										
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Home Closings (units)	3,193	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)	2,403	2,760	2,107	2,402	2,142	2,912	2,017	1,682	2,422	4,050	3,716
Acre Closings	2,108	66	34	247	543	94	68	412	342	85	63
Revenue											
Housing	\$ 1,604	\$ 1,249	\$ 1,136	\$ 983	\$ 718	\$ 484	\$ 599	\$ 491	\$ 638	\$ 837	\$ 957
Land	299	342	340	373	622	524	355	263	389	420	318
Total Revenues	1,903	1,591	1,476	1,356	1,340	1,008	954	754	1,027	1,257	1,275
Direct cost of sales	(1,474)	(1,174)	(1,031)	(981)	(1,048)	(740)	(687)	(604)	(739)	(913)	(909)
Impairment of land inventory	-	-	-	-	-	-	-	(41)	(118)	(88)	(10)
Gross margin	429	417	445	375	292	268	267	109	170	256	356
Selling, general and administrative	(207)	(218)	(192)	(170)	(128)	(101)	(99)	(79)	(106)	(106)	(83)
Equity in earnings of unconsolidated entities	9	12	26	9	10	4	-	3	4	15	61
Impairment of unconsolidated entities	-	-	-	-	-	-	-	(13)	(38)	(15)	-
Other (expense) / income	(33)	(58)	(10)	(42)	(45)	(41)	21	16	(10)	4	18
Income before income taxes	\$ 198	\$ 153	\$ 269	\$ 172	\$ 129	\$ 130	\$ 189	\$ 36	\$ 20	\$ 154	\$ 352

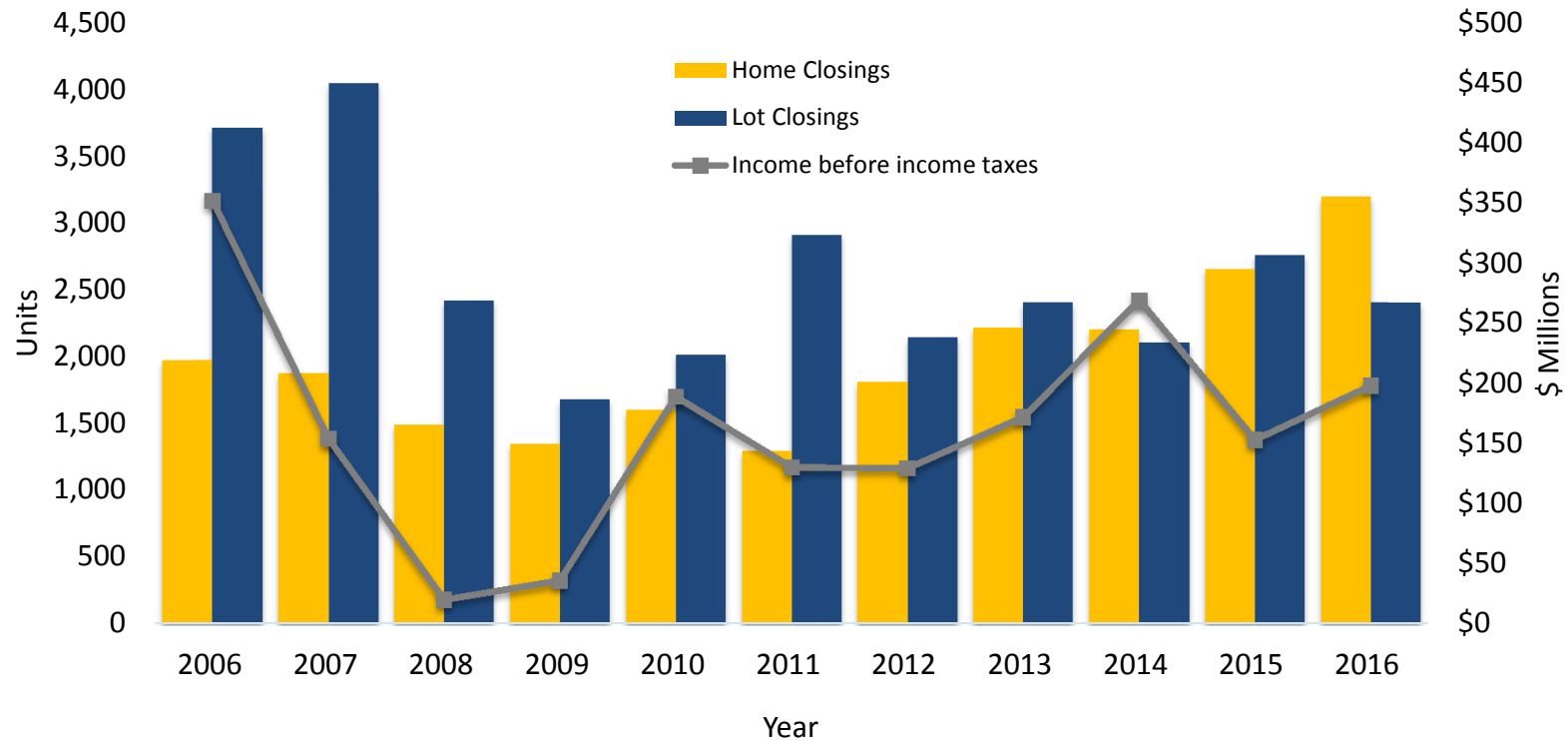
Prior to January 1, 2011, the Company's business practice in Alberta was to not transfer title on its lots sold to the homebuilder who built the home and ultimately sold the home to the consumer, but to wait and transfer title of the lot to the ultimate homebuyer at the time of the home closing. As a 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

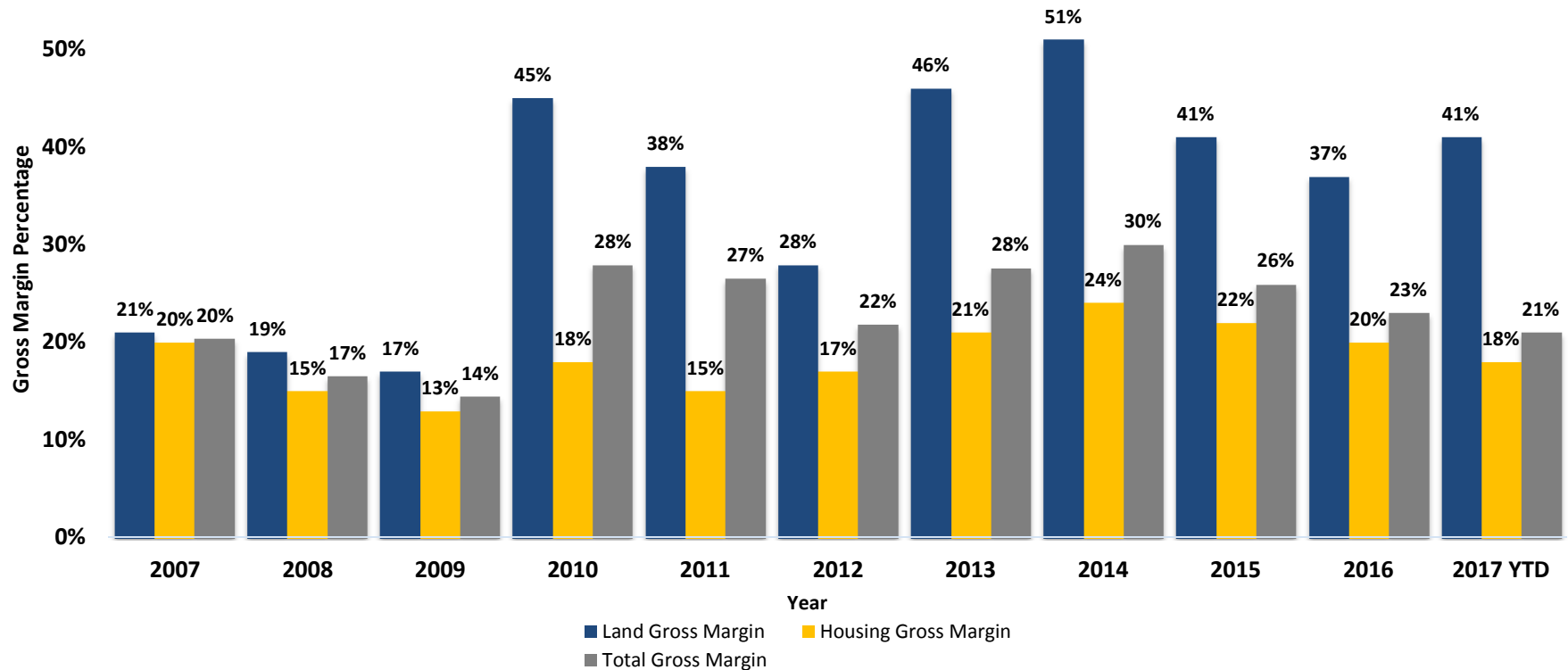
<i>(millions, except unit activity)</i>	YEAR ENDED DECEMBER 31			
	2009	2008	2007	2006
<u>BPO RESIDENTIAL</u>				
Home Closings (units)	648	745	1,050	818
Lot Closings (single family units)	1,213	1,806	2,722	2,882
Acre Closings	412	342	85	63
Revenue				
Housing	\$ 151	\$ 223	\$ 296	\$ 173
Land	227	355	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
Income before income taxes	\$ 89	\$ 224	\$ 217	\$ 99
<u>BROOKFIELD HOMES CORPORATION</u>				
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
Income / (Loss) before income taxes	\$ (53)	\$ (204)	\$ (63)	\$ 253

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

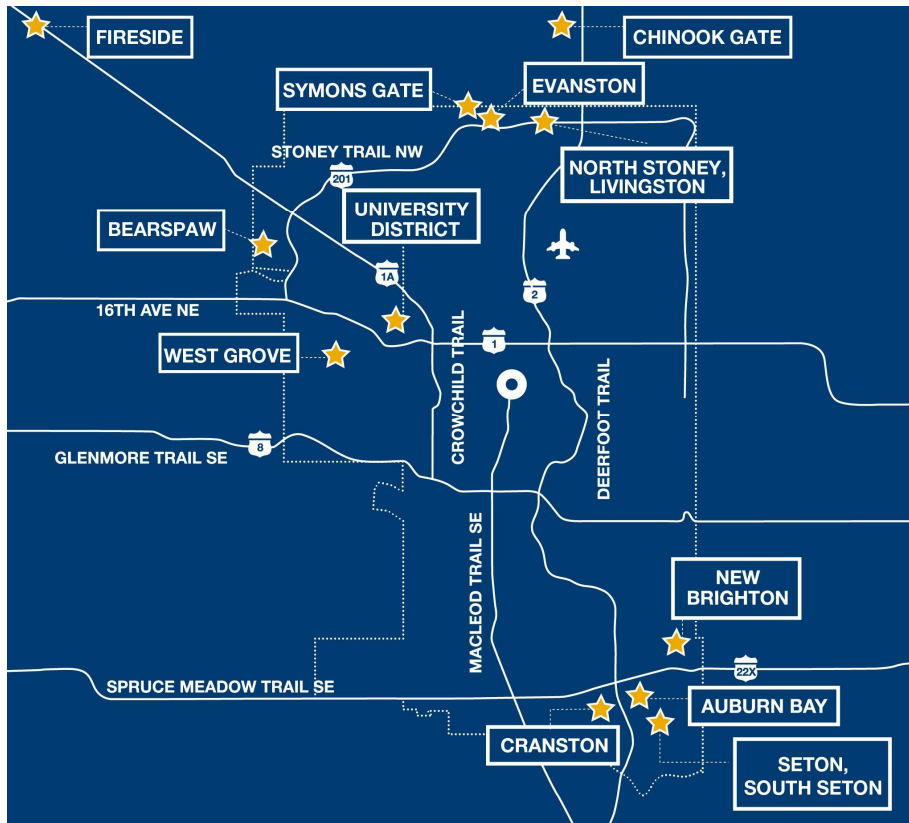


Note: 2007-2010 comparative results shown are pro forma of Brookfield Residential and combined the results of Brookfield Homes Corporation and Brookfield Office Properties' residential land and housing division as the merger transaction occurred on March 31, 2011.

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

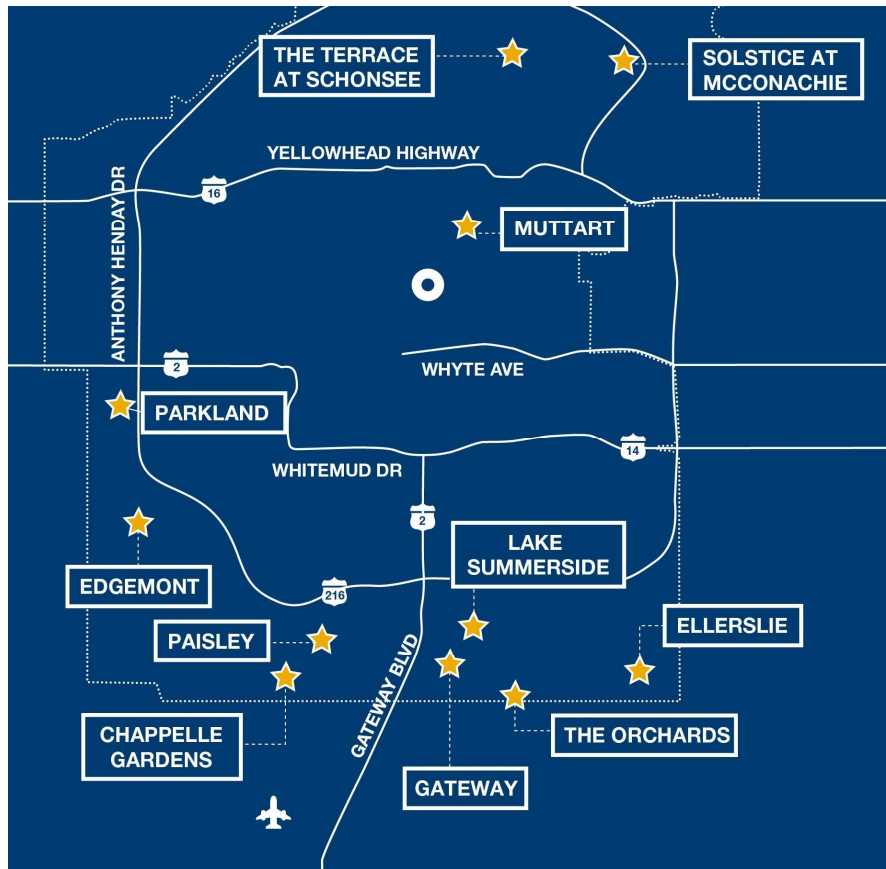


23,631 LOTS
 60 ACRES (MULTI-FAMILY,
 INDUSTRIAL AND
 COMMERCIAL PARCELS)

- 6,703 entitled
- 16,928 unentitled

PROJECT NAME	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS	DEVELOPED ACRES
ALBI Homes (Various Communities)	68	68	-	-
Auburn Bay	98	98	-	4
Bearspaw	1,290	-	1,290	-
Chinook Gate (Airdrie)	198	198	-	-
Cranston	1,046	1,046	-	8
Evanston	38	38	-	-
Fireside (Cochrane)	40	40	-	-
New Brighton	111	111	-	-
Livingston	8,421	2,888	5,533	-
North Stoney	3,826	-	3,826	-
Seton	663	663	-	43
South Seton	6,303	450	5,853	-
Symons Gate	372	372	-	5
University District	38	38	-	-
West Grove	91	91	-	-
Other	1,028	602	426	-

EDMONTON, ALBERTA

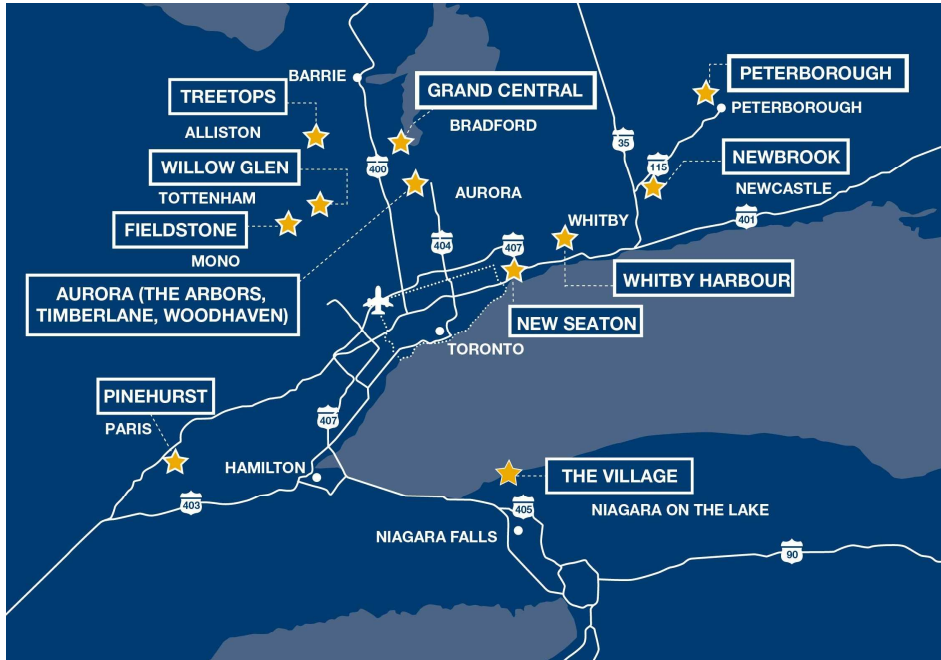


13,033 LOTS
 19 ACRES (MULTI-FAMILY,
 INDUSTRIAL AND
 COMMERCIAL PARCELS)

- 7,823 entitled
- 5,210 unentitled

PROJECT NAME	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS	DEVELOPED ACRES
Chappelle Gardens	1,673	1,673	-	14
Edgemont	993	993	-	-
Ellerslie	5,210	-	5,210	-
Gateway	134	134	-	-
Lake Summerside	253	253	-	-
Muttart (Infill)	63	63	-	-
The Orchards	3,593	3,593	-	3
Paisley	634	634	-	2
Parkland	49	49	-	-
Solstice at McConachie	311	311	-	-
The Terrace at Schonsee	57	57	-	-
Other	63	63	-	-

ONTARIO

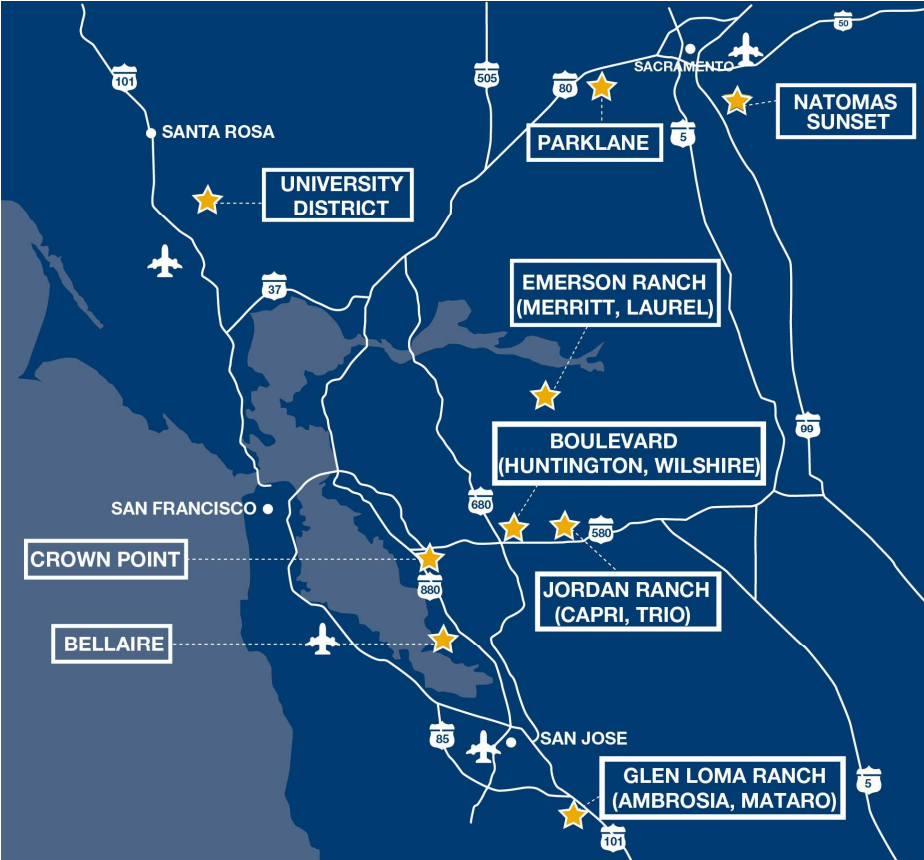


9,916 LOTS

- 2,438 entitled
- 7,478 unentitled

PROJECT NAME	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS
Aurora (The Arbors, Timberlane, Woodhaven)	459	459	-
Fieldstone	43	43	-
Grand Central	29	29	-
Newbrook	540	270	270
New Seaton	1,100	811	289
Pinehurst	413	413	-
Peterborough	6,863	-	6,863
The Village	1	1	-
Treetops	36	36	-
Whitby Harbour	132	132	-
Willow Glen	127	127	-
Other	173	117	56

NORTHERN CALIFORNIA



8,457 LOTS

- 3,507 entitled
- 4,950 unentitled

PROJECT NAME	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS
Bellaire	5	5	-
Boulevard (Huntington, Wilshire)	640	640	-
Crown Point	54	54	-
Emerson Ranch (Merritt, Laurel)	186	186	-
Glen Loma Ranch (Ambrosia, Mataro)	62	62	-
Jordan Ranch (Capri, Trio)	14	14	-
Natomas, Sunset	5,700	1,200	4,500
Parklane	654	204	450
University District	1,142	1,142	-

SOUTHERN CALIFORNIA



10,198 LOTS

- 8,078 entitled
- 2,120 unentitled

PROJECT NAME	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS
Audie Murphy Ranch (Province)	1,172	1,172	-
Cameo	44	44	-
Escaya (Flora, Haciendas, Prado)	313	313	-
Eastwood Village (Delano, Beverly)	60	60	-
Five Knolls (Brighton, Highglen)	334	288	46
Legado at Portola Springs	29	29	-
New Haven (Summerset, Holiday, Waverly, Poppy, Arborel)	2,417	563	1,854
Playa Vista (Everly, Cleo, Mason, Jewel, The Collection)	135	135	-
Rancho Tesoro (Candela, Terracina, Vientos)	495	275	220
Rosedale (Aster Heights)	36	36	-
Shutters at Edenglen	153	153	-
Spencer's Crossing (Juniper, Nectar)	703	703	-
Other	4,307	4,307	-

HAWAII

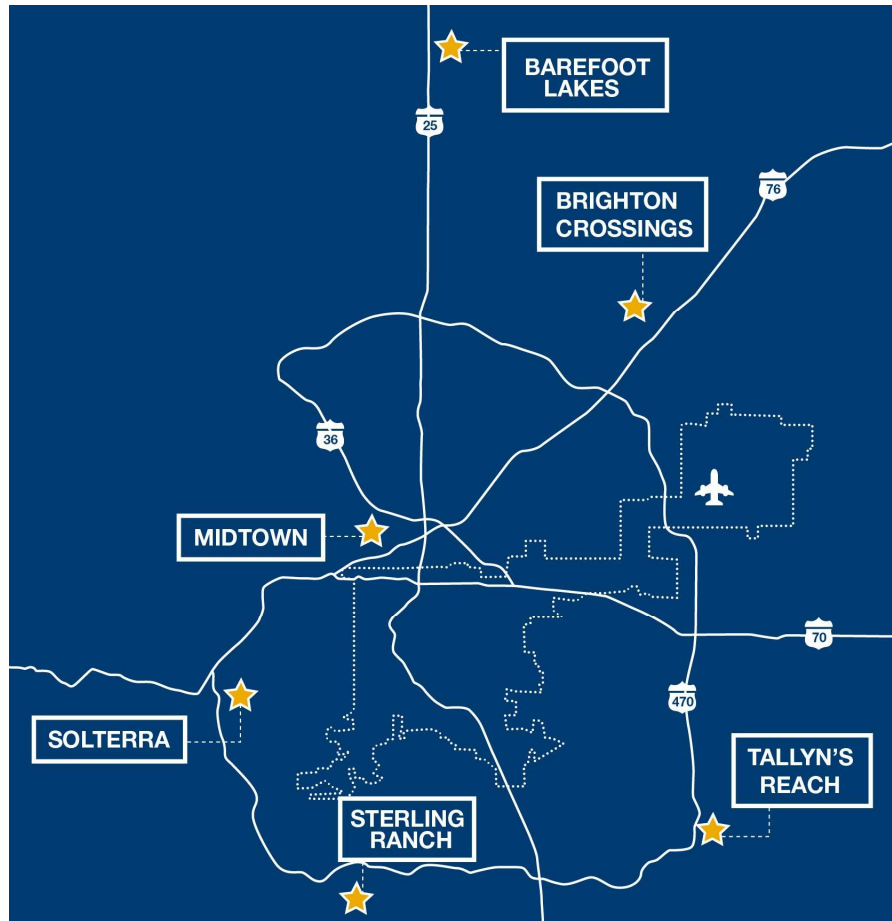


210 LOTS

- 210 entitled

PROJECT NAME	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS
Holua Kai	37	37	–
KaMilo	23	23	–
Pili Mai	150	150	–

DENVER, COLORADO



8,469 LOTS
 10 ACRES (MULTI-FAMILY,
 INDUSTRIAL AND COMMERCIAL
 PARCELS)

- 8,469 entitled

PROJECT NAME	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS	DEVELOPED ACRES
Barefoot Lakes	3,704	3,704	–	–
Brighton Crossings	1,882	1,882	–	10
Midtown	344	344	–	–
Solterra	246	246	–	–
Sterling Ranch	69	69	–	–
Tallyn's Reach	6	6	–	–
Other	2,218	2,218	–	–

AUSTIN, TEXAS

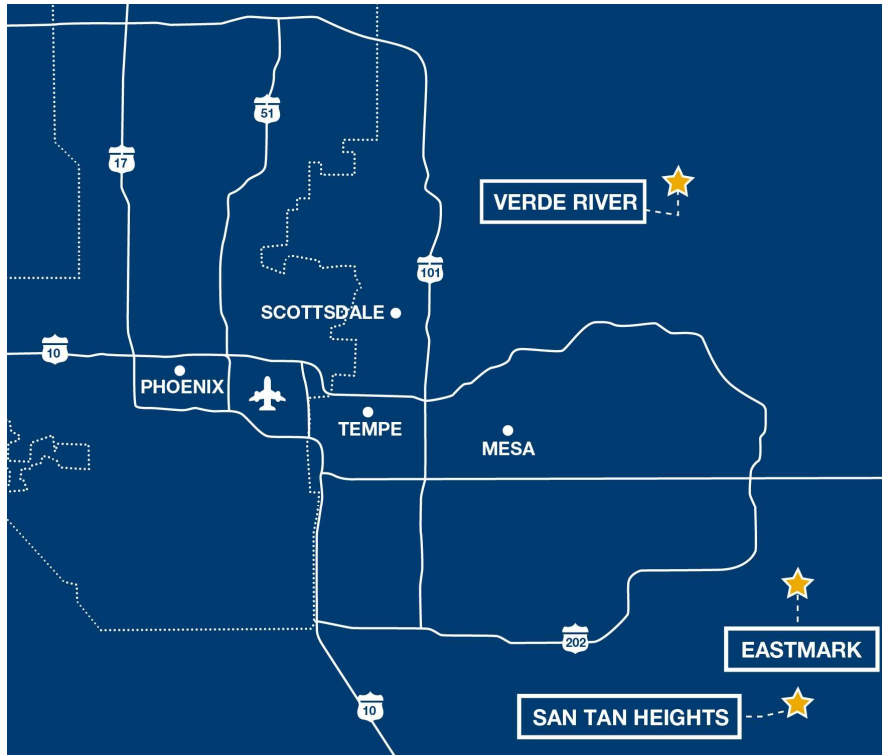


12,583 LOTS

- 12,583 entitled

PROJECT NAME	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS
Addison	491	491	–
Blanco Vista	839	839	–
Easton Park	5,467	5,467	–
Easton South	2,097	2,097	–
Grand Haven Homes (various communities)	596	596	–
Kissing Tree	3,025	3,025	–
Retreat at Dripping Springs	68	68	–

PHOENIX, ARIZONA



4,426 LOTS
 1 ACRE (MULTI-FAMILY,
 INDUSTRIAL AND
 COMMERCIAL PARCELS)

- 4,426 entitled

PROJECT NAME	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS	DEVELOPED ACRES
Eastmark	3,932	3,932	–	1
San Tan Heights	439	439	–	–
Verde River	55	55	–	–

WASHINGTON, D.C. AREA



4,732 LOTS
 17 ACRES (MULTI-FAMILY,
 INDUSTRIAL AND
 COMMERCIAL PARCELS)

- 4,695 entitled
- 37 unentitled

PROJECT NAME	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS	DEVELOPED ACRES
Admirals Square	76	76	-	-
Avendale	154	154	-	-
Heritage Shores	1,272	1,272	-	-
Mayfair	173	173	-	7
Oakview Village	71	71	-	-
Potomac Shores	162	162	-	-
Snowden Bridge	717	717	-	-
Swan Point	1,541	1,541	-	-
Travilah Station	127	127	-	-
Wilson's Grove	47	47	-	-
Waterford Manor	59	59	-	-
Other	333	296	37	10

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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. Hard copies of the interim and annual reports can be obtained free of charge upon request.

For all Brookfield Residential bondholder inquiries, please call 1.855.234.8362 or email investor.relations@brookfieldrp.com.

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Residential | *to Call Home*