

Brookfield
Residential

CORPORATE PROFILE

OCTOBER | 2017

NOTICE TO RECIPIENT

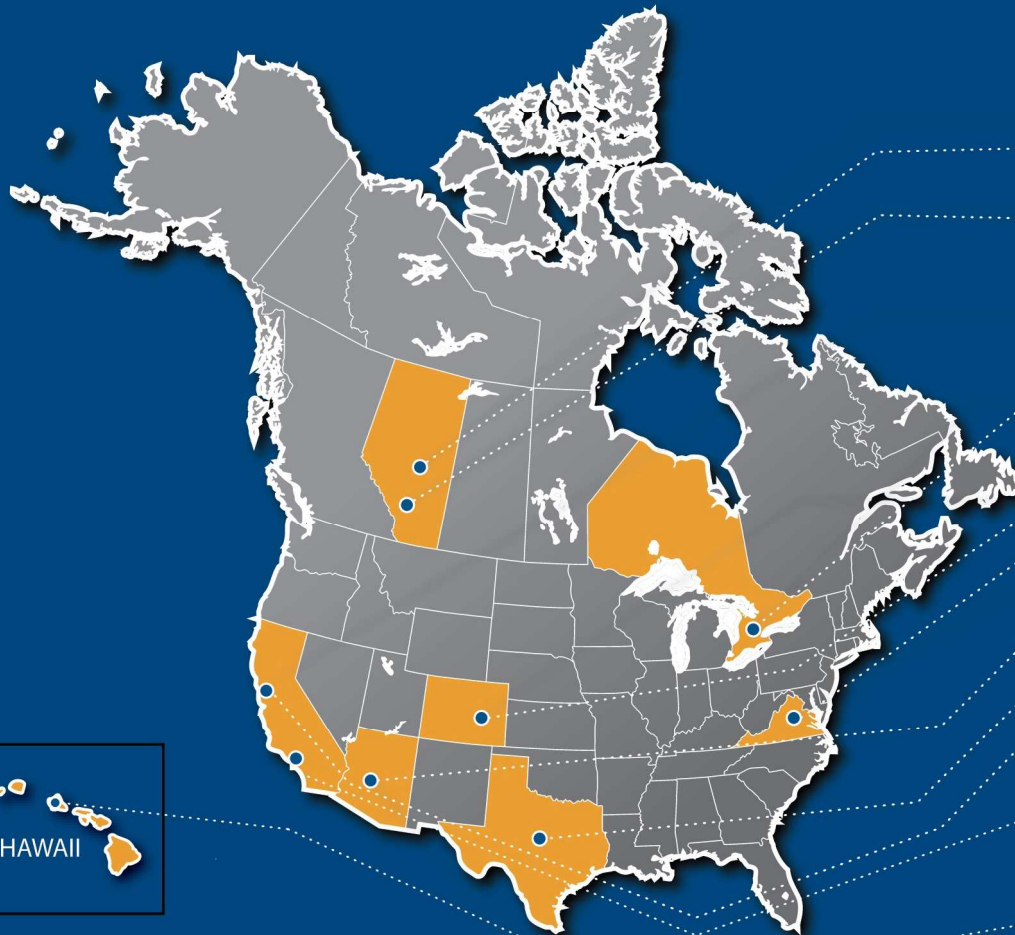
This corporate profile contains “forward-looking statements” within the meaning of applicable Canadian securities laws and United States federal securities laws. The words “may,” “believe,” “will,” “anticipate,” “expect,” “planned,” “estimate,” “project,” “future,” and other expressions that are predictions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



EDMONTON	12,674	14%
CALGARY	23,016	25%
ONTARIO	8,389	9%
DENVER	8,371	9%
WASHINGTON D.C.	4,634	5%
PHOENIX	4,195	4%
AUSTIN	12,537	13%
NORTHERN CALIFORNIA	8,186	9%
SOUTHERN CALIFORNIA	10,293	11%
HAWAII	203	1%

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

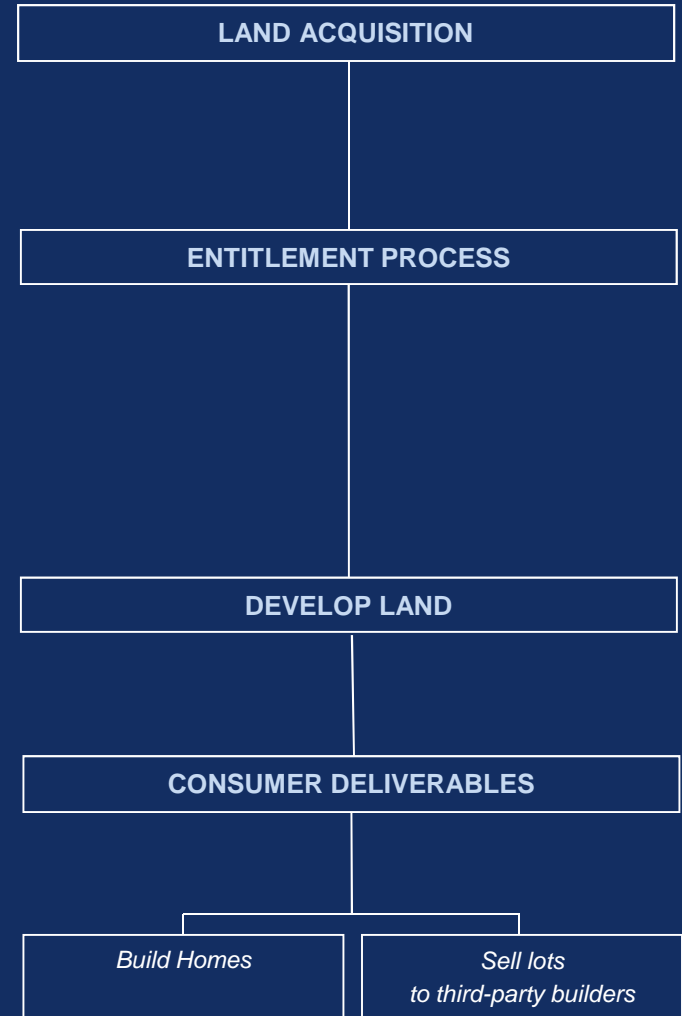
- Obtain approvals necessary to develop land for specific purposes. This process typically includes:
 - General Plan
 - Land Use Plan
 - Tentative Map
 - Legal Survey Plan
 - Area Structure Plan
 - Zoning
 - Construction Approvals
 - Final Map

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

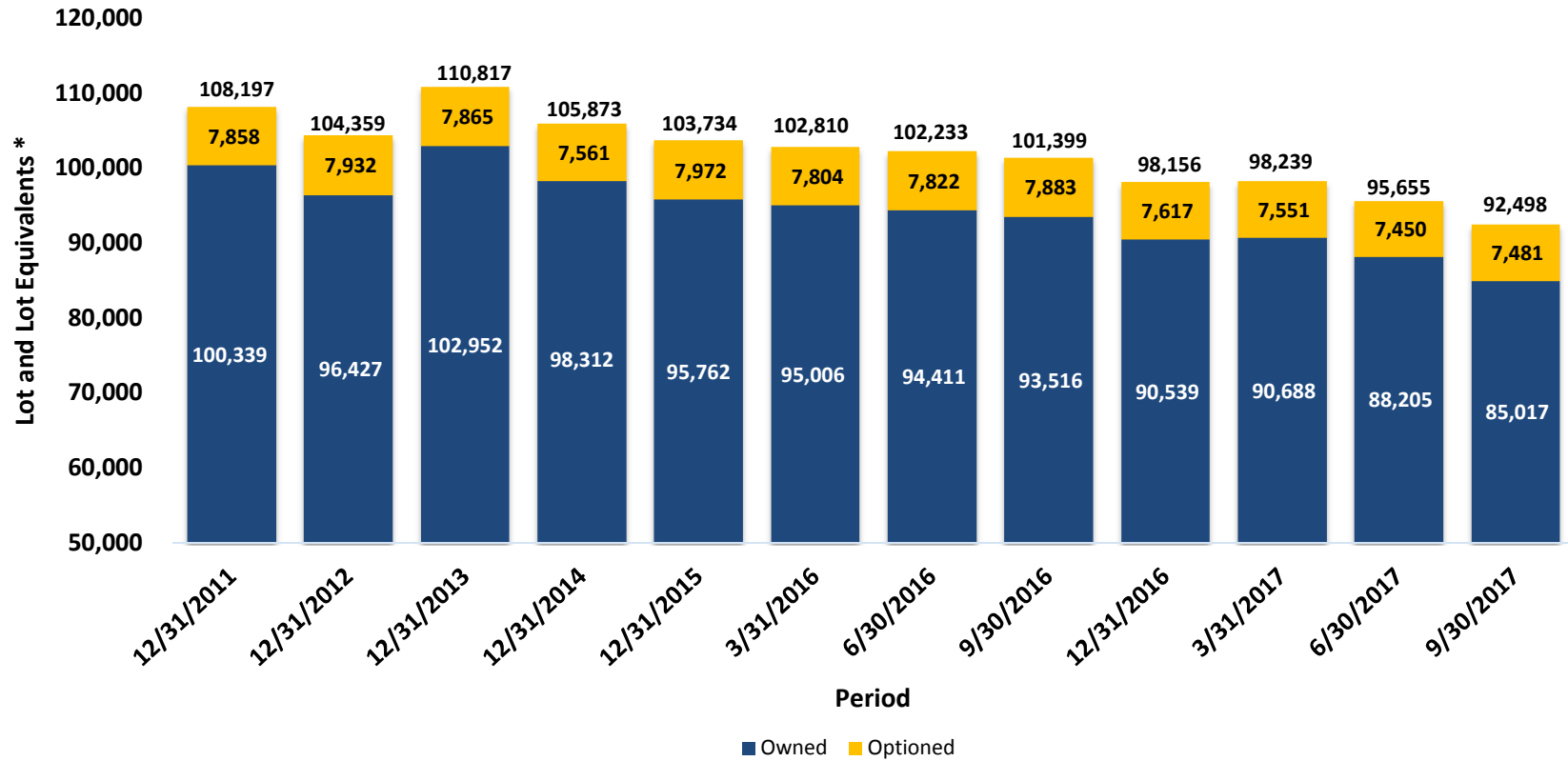
LAND & HOUSING INVENTORY

	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-Sep-17		Total Acres	
	Owned	Options	Owned	Options	30-Sep-17	31-Dec-16	Entitled	Unentitled	30-Sep-17	31-Dec-16
Calgary	20,515	-	2,501	-	23,016	25,486	6,411	16,605	98	62
Edmonton	12,674	-	-	-	12,674	13,565	7,464	5,210	40	25
Ontario	7,289	-	1,100	-	8,389	10,106	2,496	5,893	-	-
Canada	40,478	-	3,601	-	44,079	49,157	16,371	27,708	138	87
Northern California	2,796	4,950	440	-	8,186	8,575	3,236	4,950	-	-
Southern California	7,692	-	1,273	1,328	10,293	10,174	8,083	2,210	-	-
Hawaii	182	-	21	-	203	192	203	-	-	-
California	10,670	4,950	1,734	1,328	18,682	18,941	11,522	7,160	-	-
Denver	8,371	-	-	-	8,371	8,674	8,371	-	10	10
Austin	12,338	199	-	-	12,537	12,729	12,537	-	-	-
Phoenix	284	-	3,911	-	4,195	4,725	4,195	-	1	2
Washington D.C. Area	3,630	1,004	-	-	4,634	3,930	4,597	37	18	23
Central and Eastern U.S.	24,623	1,203	3,911	-	29,737	30,058	29,700	37	29	35
Total	75,771	6,153	9,246	1,328	92,498	98,156	57,593	34,905	167	122
Entitled lots	50,369	1,203	6,021	-	57,593					
Unentitled lots	25,402	4,950	3,225	1,328	34,905					
Total September 30, 2017	75,771	6,153	9,246	1,328	92,498					
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-Sep-17		Total 31-Dec-16	
			Units	\$	Units	\$
Land Held For Development (lots)	1,347	194	74,106	1,541	80,559	1,533
Land Under Development - Single Family (lots)	863	142	8,495	1,005	8,114	956
Optioned (lots)	96	29	7,481	125	7,617	118
Housing inventory (units)	674	5	2,219	679	1,665	472
Model homes (units)	103	1	197	104	201	114
Unconsolidated entity net debt	-	(33)	-	(33)	-	(54)
Sub total	3,083	338	92,498	3,421	98,156	3,139
Multi Family, Commercial & Industrial Parcels (Acres)	99	-	167	99	122	53
Total	3,182	338		3,520		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 SEPT 30		NINE MONTHS ENDED SEPT 30	
	2017	2016	2017	2016
RESULTS FROM OPERATIONS				
Total revenue	\$ 451	\$ 421	\$ 1,233	\$ 1,050
Housing revenue	384	384	1,074	929
Land revenue	67	37	159	121
Gross margin (\$)	102	91	265	223
Gross margin (%)	23%	22%	21%	21%
Income before income taxes	43	31	82	44
Income tax expense	(8)	(6)	(9)	(6)
Net income attributable to Brookfield Residential	\$ 35	\$ 25	\$ 73	\$ 38
OPERATING DATA				
Home closings for Brookfield Residential (units)	692	788	2,006	1,979
Home closings for unconsolidated entities (units)	2	3	5	5
Average home selling price for Brookfield Residential (per unit)	\$ 555,000	\$ 487,000	\$ 535,000	\$ 470,000
Average home selling price for unconsolidated entities (per unit)	\$ 1,058,000	\$ 1,583,000	\$ 1,216,000	\$ 1,464,000
Net new home orders for Brookfield Residential (units)	716	816	2,647	2,539
Net new home orders for unconsolidated entities (units)	3	2	7	5
Backlog for Brookfield Residential (units)	2,182	1,900	2,182	1,900
Backlog for unconsolidated entities (units)	3	1	3	1
Backlog value for Brookfield Residential	\$ 1,198	\$ 977	\$ 1,198	\$ 977
Backlog value for unconsolidated entities	\$ 3	\$ 1	\$ 3	\$ 1
Lot closings for Brookfield Residential (single family units)	467	325	1,273	1,056
Lot closings for unconsolidated entities (single family units)	91	105	275	314
Acre closings for Brookfield Residential (multi-family, industrial and commercial parcels)	15	6	24	10
Acre closings for unconsolidated entities (multi-family, industrial and commercial parcels)	33	-	34	-
Acre closings for Brookfield Residential (raw and partially finished parcels)	313	-	567	88
Average lot selling price for Brookfield Residential (single family units)	\$ 99,000	\$ 93,000	\$ 101,000	\$ 96,000
Average lot selling price for unconsolidated entities (single family units)	\$ 43,000	\$ 94,000	\$ 90,000	\$ 81,000
Average per acre selling price for Brookfield Residential (multi-family, industrial and commercial parcels)	\$ 1,269,000	\$ 925,000	\$ 921,000	\$ 941,000
Average per acre selling price for unconsolidated entities (multi-family, industrial and commercial parcels)	\$ 257,000	\$ -	\$ 257,000	\$ -
Average per acre selling price for Brookfield Residential (raw and partially finished parcels)	\$ 4,000	\$ -	\$ 12,000	\$ 86,000

CONDENSED CONSOLIDATED BALANCE SHEETS

	SEPT 30	JUN 30	MAR 31	DEC 31
<i>(thousands, except percentages)</i>	2017	2017	2017	2016
ASSETS				
Land and housing inventory	\$ 3,182,196	\$ 3,037,233	\$ 2,959,666	\$ 2,848,230
Investments in unconsolidated entities	337,807	328,204	321,080	343,543
Commercial properties	36,327	35,211	33,588	32,880
Receivables and other assets	299,552	288,420	251,256	253,283
Held-to-maturity investment	300,000	300,000	300,000	300,000
Restricted cash	2,665	1,448	3,135	4,932
Cash and cash equivalents	31,683	43,493	37,271	94,187
Deferred income tax assets	82,095	80,470	81,192	79,580
	\$ 4,272,325	\$ 4,114,479	\$ 3,987,188	\$ 3,956,635
LIABILITIES				
Notes payable	\$ 1,632,281	\$ 1,623,880	\$ 1,617,828	\$ 1,615,205
Bank indebtedness and other financings	179,274	137,331	75,335	57,442
Total financings	1,811,555	1,761,211	1,693,163	1,672,647
Accounts payable and other liabilities	530,272	492,020	479,682	499,538
Total liabilities	2,341,827	2,253,231	2,172,845	2,172,185
EQUITY				
	1,930,498	1,861,248	1,814,343	1,784,450
	\$ 4,272,325	\$ 4,114,479	\$ 3,987,188	\$ 3,956,635
Net debt to total capitalization	48%	48%	48%	47%

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

<i>(thousands)</i>	THREE MONTHS ENDED SEPT 30		NINE MONTHS ENDED SEPT 30	
	2017	2016	2017	2016
REVENUE				
Housing	\$ 384,130	\$ 383,824	\$ 1,074,067	\$ 929,492
Land	66,946	36,845	158,498	120,537
	451,076	420,669	1,232,565	1,050,029
DIRECT COST OF SALES				
Housing	(310,176)	(312,810)	(875,489)	(766,166)
Land	(39,079)	(16,731)	(92,179)	(60,748)
Gross margin	101,821	91,128	264,897	223,115
Selling, general and administrative expense	(55,904)	(52,374)	(163,133)	(149,729)
Interest expense	(15,103)	(13,374)	(44,014)	(41,687)
Equity in earnings from unconsolidated entities	5,299	4,794	8,032	9,958
Other income	7,674	1,886	18,959	5,026
Depreciation	(1,066)	(872)	(3,035)	(2,565)
Income before incomes taxes	42,721	31,188	81,706	44,118
Current income tax expense	(6,600)	(6,129)	(6,244)	(8,456)
Deferred income tax (expense) / recovery	(1,296)	(60)	(3,159)	2,152
NET INCOME	34,825	24,999	72,303	37,814
Net income / (loss) attributable to non-controlling interest and other interests in consolidated subsidiaries	17	(84)	(165)	(241)
NET INCOME ATTRIBUTABLE TO BROOKFIELD RESIDENTIAL	\$ 34,808	\$ 25,083	\$ 72,468	\$ 38,055
OTHER COMPREHENSIVE INCOME / (LOSS)				
Unrealized foreign exchange gain / (loss) on:				
Translation of the net investment in Canadian subsidiaries	39,545	(14,618)	75,340	46,194
Translation of the Canadian dollar denominated debt designated as a hedge of the net investment in Canadian subsidiaries	(7,575)	3,000	(14,500)	(9,750)
COMPREHENSIVE INCOME ATTRIBUTABLE TO BROOKFIELD RESIDENTIAL	\$ 66,778	\$ 13,465	\$ 133,308	\$ 74,499

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

<i>(thousands)</i>	NINE MONTHS ENDED SEPT 30	
	2017	2016
Cash Flows Provided by / (Used in) Operating Activities:		
Net income	\$ 72,303	\$ 37,814
Adjustments to reconcile net income to net cash used in operating activities:		
Undistributed earnings from unconsolidated entities	(6,550)	(2,451)
Deferred income tax expense / (recovery)	3,159	(2,152)
Share-based compensation costs	8,276	13,006
Depreciation	3,035	2,565
Amortization of non-cash interest	2,645	2,372
Dividend income on held-to-maturity investment	(12,757)	-
Changes in operating assets and liabilities:		
(Increase) / decrease in receivables and other assets	(41,791)	33,071
Increase in land and housing inventory	(214,896)	(356,611)
Increase / (decrease) in accounts payable and other liabilities	2,599	(2,353)
Net cash used in operating activities	(183,977)	(274,739)
Cash Flows Provided by / (Used in) Investing Activities:		
Investments in unconsolidated entities	(21,679)	(31,600)
Distributions from unconsolidated entities	3,229	27,750
Increase in commercial properties	(1,717)	(1,464)
Increase in commercial assets held for sale	-	(3,955)
Change in restricted cash	2,267	1,015
Dividend income on held-to-maturity investment	12,757	-
Net cash used in investing activities	(5,143)	(8,254)
Cash Flows Provided by / (Used in) Financing Activities:		
Drawings from affiliates	-	170,000
Drawings under project-specific and other financings	11,330	21,192
Repayments under project-specific and other financings	(25,506)	(10,814)
Drawings on bank indebtedness	138,936	26,579
Repayments on bank indebtedness	(5,105)	-
Contributions from non-controlling interest and other interests in consolidated subsidiaries	5,318	-
Net cash provided by financing activities	124,973	206,957
Effect of foreign exchange rates on cash and cash equivalents	1,643	(703)
Change in cash and cash equivalents	(62,504)	(76,739)
Cash and cash equivalents at beginning of year	94,187	100,329
Cash and cash equivalents at end of year	\$ 31,683	\$ 23,590

QUARTERLY FINANCIAL INFORMATION

<i>(millions, except per unit activity)</i>	2017			2016			2015	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Home closings (units)	692	733	581	1,214	788	675	516	991
Lots closings (single family units)	467	597	209	1,347	325	454	277	1,316
Acre closings (multi-family, industrial and commercial parcels)	15	8	1	16	6	-	4	12
Acre closings (raw and partially finished parcels)	313	230	24	1,994	-	8	80	23
Net new home orders (units)	716	998	933	855	816	922	801	703
Backlog (units at end of period)	2,182	2,158	1,893	1,541	1,900	1,872	1,625	1,340
Backlog value	\$ 1,198	\$ 1,166	\$ 969	\$ 783	\$ 977	\$ 930	\$ 751	\$ 573
Revenue	\$ 451	\$ 443	\$ 338	\$ 853	\$ 421	\$ 363	\$ 267	\$ 609
Direct cost of sales	(349)	(354)	(264)	(646)	(330)	(284)	(214)	(446)
Gross margin	102	89	74	207	91	79	53	163
Gain on commercial assets held for sale	-	-	-	14	-	-	-	-
Selling, general and administrative expense	(56)	(56)	(51)	(57)	(52)	(52)	(45)	(55)
Interest expense	(15)	(14)	(15)	(12)	(14)	(14)	(14)	(13)
Equity in earnings from unconsolidated entities	5	1	2	(1)	5	3	2	4
Other income	7	5	4	3	1	-	1	3
Income / (loss) before income taxes	43	25	14	154	31	16	(3)	102
Income tax (expense) / recovery	(8)	(3)	2	(46)	(6)	(3)	3	(31)
Net income	35	22	16	108	25	13	-	71
Net income / (loss) attributable to non-controlling interest and other interests in consolidated subsidiaries	-	-	-	-	-	-	-	-
Net income attributable to Brookfield Residential	\$ 35	\$ 22	\$ 16	\$ 108	\$ 25	\$ 13	\$ -	\$ 71
Foreign currency translation	32	22	7	(18)	(12)	5	43	(27)
Comprehensive income	\$ 67	\$ 44	\$ 23	\$ 90	\$ 13	\$ 18	\$ 43	\$ 44

SELECT OPERATING INFORMATION – HOUSING

<i>(millions, except per unit activity and average selling price)</i>	THREE MONTHS ENDED SEPT 30				NINE MONTHS ENDED SEPT 30			
	2017		2016		2017		2016	
	UNITS	\$	UNITS	\$	UNITS	\$	UNITS	\$
HOME CLOSINGS								
Canada	269	\$ 100	387	\$ 128	875	\$ 335	949	\$ 321
California	247	200	222	173	651	517	545	382
Central and Eastern U.S.	176	84	179	83	480	222	485	226
	692	384	788	384	2,006	1,074	1,979	929
Unconsolidated Entities	2	2	3	5	5	6	5	7
Total	694	\$ 386	791	\$ 389	2,011	\$ 1,080	1,984	\$ 936

AVERAGE HOME SELLING PRICE	THREE MONTHS ENDED SEPT 30		NINE MONTHS ENDED SEPT 30	
	2017	2016	2017	2016
Canada	\$ 372,000	\$ 332,000	\$ 383,000	\$ 338,000
California	808,000	777,000	793,000	701,000
Central and Eastern U.S.	480,000	462,000	463,000	467,000
	555,000	487,000	535,000	470,000
Unconsolidated Entities	1,058,000	1,583,000	1,216,000	1,464,000
Average selling price	\$ 557,000	\$ 491,000	\$ 537,000	\$ 472,000

NET NEW HOME ORDERS (UNITS)	THREE MONTHS ENDED SEPT 30		NINE MONTHS ENDED SEPT 30	
	2017	2016	2017	2016
Canada	239	416	1,095	1,230
California	297	220	899	742
Central and Eastern U.S.	180	180	653	567
	716	816	2,647	2,539
Unconsolidated Entities	3	2	7	5
Total	719	818	2,654	2,544

SELECT OPERATING INFORMATION – HOUSING (CONTINUED)

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

	AS AT SEPT 30	
ACTIVE HOUSING COMMUNITIES	2017	2016
Canada	27	27
California	26	30
Central and Eastern U.S.	27	23
	80	80
Unconsolidated Entities	1	1
Total	81	81

	AS AT SEPT 30			
BACKLOG AT END OF PERIOD	2017		2016	
	Units	Value	Units	Value
Canada	1,266	\$ 616	1,194	\$ 531
California	502	382	395	306
Central and Eastern U.S.	414	200	311	140
	2,182	1,198	1,900	977
Unconsolidated Entities	3	3	1	1
Total	2,185	\$ 1,201	1,901	\$ 978

SELECT OPERATING INFORMATION – LAND

	THREE MONTHS ENDED SEPT 30				NINE MONTHS ENDED SEPT 30			
	2017		2016		2017		2016	
<i>(millions, except per unit activity)</i>	UNITS	\$	UNITS	\$	UNITS	\$	UNITS	\$
LOT CLOSINGS (SINGLE FAMILY UNITS)								
Canada	163	\$ 25	134	\$ 16	506	\$ 72	338	\$ 42
California	29	4	-	1	49	8	349	35
Central and Eastern U.S.	275	18	191	14	718	48	369	27
	467	47	325	31	1,273	128	1,056	104
Unconsolidated Entities	91	4	105	10	275	25	314	25
Total	558	\$ 51	430	\$ 41	1,548	\$ 153	1,370	\$ 129
ACRE CLOSINGS (MULTI-FAMILY, INDUSTRIAL AND COMMERCIAL PARCELS)								
Canada	15	\$ 19	5	\$ 5	18	\$ 21	9	\$ 9
California	-	-	-	-	-	-	-	-
Central and Eastern U.S.	-	-	1	1	6	2	1	1
	15	19	6	6	24	23	10	10
Unconsolidated Entities	33	8	-	-	34	8	-	-
Total	48	\$ 27	6	\$ 6	58	\$ 31	10	\$ 10
ACRE CLOSINGS (RAW AND PARTIALLY FINISHED PARCELS)								
Canada	313	\$ 1	-	\$ -	543	\$ 2	80	\$ -
California	-	-	-	-	16	5	8	7
Central and Eastern U.S.	-	-	-	-	8	1	-	-
	313	1	-	-	567	8	88	7
Unconsolidated Entities	-	-	-	-	-	-	-	-
Total	313	\$ 1	-	\$ -	567	\$ 8	88	\$ 7

SELECT OPERATING INFORMATION – LAND (CONTINUED)

	THREE MONTHS ENDED SEPT 30		NINE MONTHS ENDED SEPT 30	
	2017	2016	2017	2016
AVERAGE LOT SELLING PRICE (SINGLE FAMILY UNITS)				
Canada	\$ 153,000	\$ 117,000	\$ 143,000	\$ 125,000
California	103,000	-	150,000	93,000
Central and Eastern U.S.	67,000	75,000	68,000	73,000
Unconsolidated Entities	99,000	93,000	101,000	96,000
Average selling price	\$ 43,000	\$ 94,000	\$ 90,000	\$ 81,000
AVERAGE PER ACRE SELLING PRICE (MULTI-FAMILY, INDUSTRIAL AND COMMERCIAL PARCELS)				
Canada	\$ 1,269,000	\$ 999,000	\$ 1,132,000	\$ 985,000
California	-	-	-	-
Central and Eastern U.S.	-	541,000	281,000	541,000
Unconsolidated Entities	1,269,000	925,000	921,000	941,000
Average selling price	\$ 257,000	\$ -	\$ 257,000	\$ -
AVERAGE PER ACRE SELLING PRICE (RAW AND PARTIALLY FINISHED PARCELS)				
Canada	\$ 4,000	\$ -	\$ 4,000	\$ 3,000
California	-	-	254,000	967,000
Central and Eastern U.S.	-	-	95,000	-
Unconsolidated Entities	4,000	-	12,000	86,000
Average selling price	\$ -	\$ -	\$ -	\$ -
AS AT SEPT 30				
ACTIVE LAND COMMUNITIES				
Canada	2017	2016		
California	11	10		
Central and Eastern U.S.	6	5		
Unconsolidated Entities	10	12		
Total	27	27		
	5	2		
	32	29		

SELECT OPERATING INFORMATION – GROSS MARGIN

<i>(millions, except percentages)</i>	THREE MONTHS ENDED SEPT 30				NINE MONTHS ENDED SEPT 30				
	2017		2016		2017		2016		
	\$	%	\$	%	\$	%	\$	%	
HOUSING GROSS MARGIN									
Canada	\$ 18	18%	\$ 25	20%	\$ 64	19%	\$ 57	18%	
California	40	20%	32	18%	99	19%	70	18%	
Central and Eastern U.S.	16	19%	14	17%	36	16%	36	16%	
Total	\$ 74	19%	\$ 71	18%	\$ 199	19%	\$ 163	18%	
LAND GROSS MARGIN									
Canada	\$ 22	49%	\$ 12	57%	\$ 50	53%	\$ 32	63%	
California	3	75%	1	100%	8	62%	21	50%	
Central and Eastern U.S.	3	17%	7	47%	8	16%	7	25%	
Total	\$ 28	42%	\$ 20	54%	\$ 66	42%	\$ 60	50%	
TOTAL GROSS MARGIN									
Canada	\$ 40	28%	\$ 37	25%	\$ 114	27%	\$ 89	24%	
California	43	21%	33	19%	107	20%	91	22%	
Central and Eastern U.S.	19	19%	21	21%	44	16%	43	17%	
Total	\$ 102	23%	\$ 91	22%	\$ 265	21%	\$ 223	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

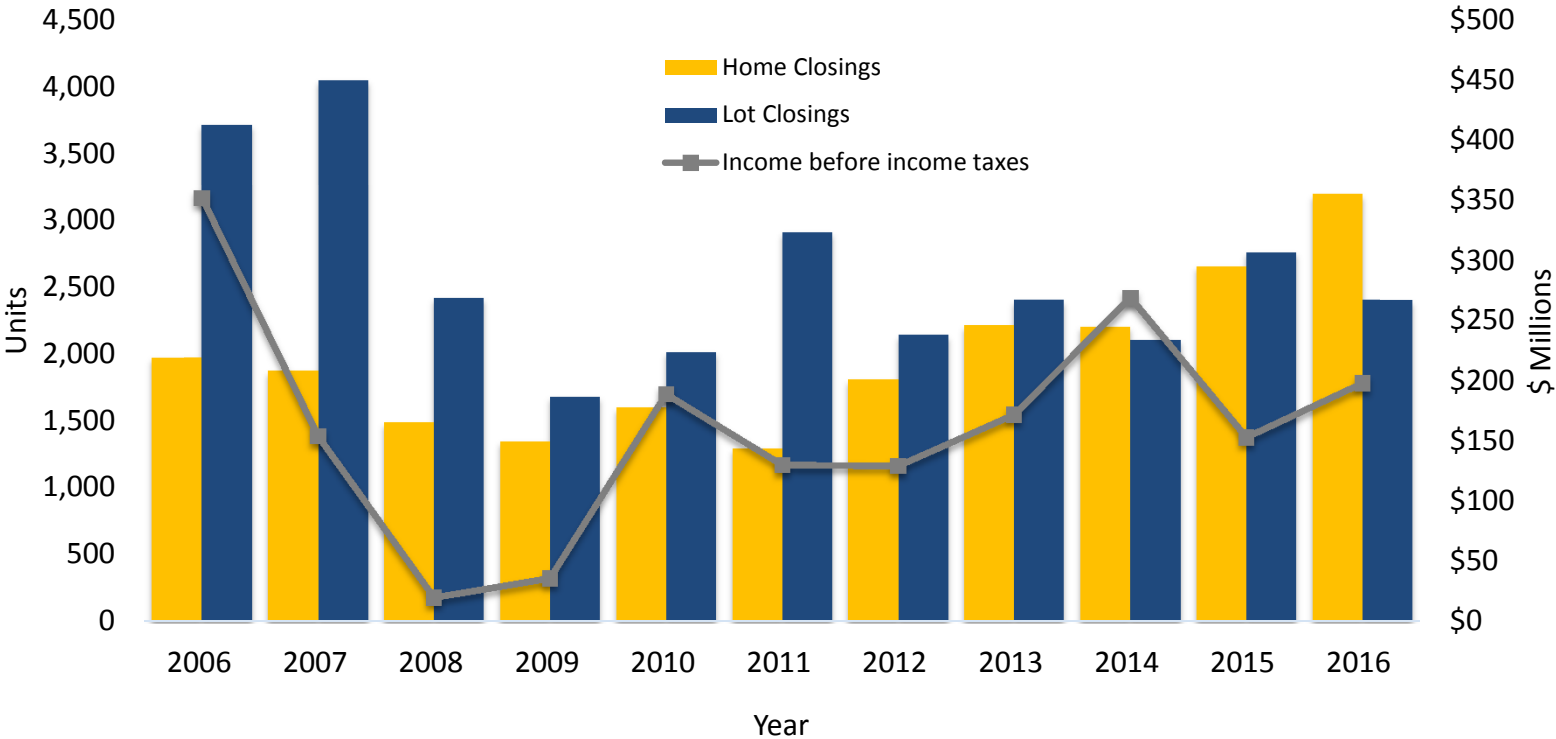
Prior to January 1, 2011, the Company's business practice in Alberta was to not transfer title on its lots sold to the homebuilder who built the home and ultimately sold the home to the consumer, but to wait and transfer title of the lot to the ultimate homebuyer at the time of the home closing. As a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

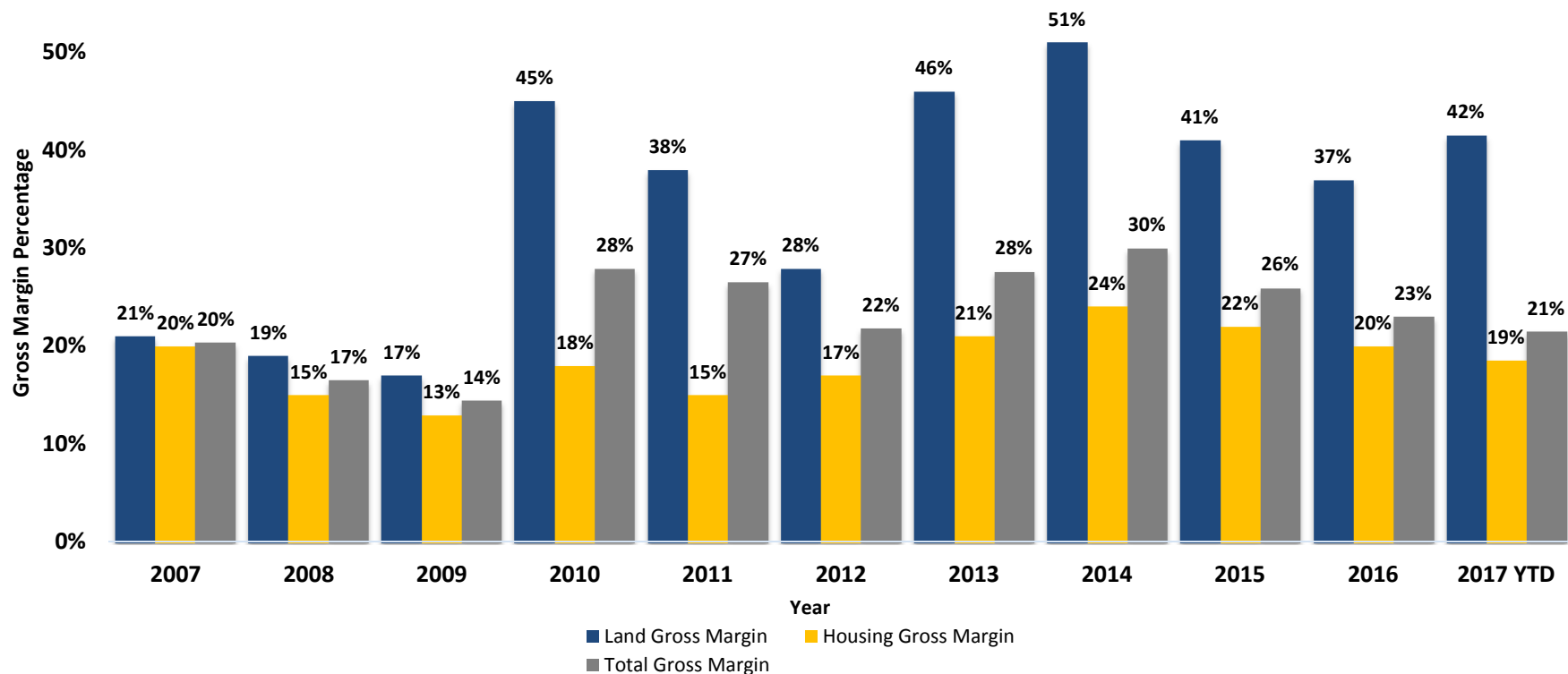
<i>(millions, except unit activity)</i>	YEAR ENDED DECEMBER 31			
	2009	2008	2007	2006
<u>BPO RESIDENTIAL</u>				
Home Closings (units)	648	745	1,050	818
Lot Closings (single family units)	1,213	1,806	2,722	2,882
Acre Closings	412	342	85	63
Revenue				
Housing	\$ 151	\$ 223	\$ 296	\$ 173
Land	227	355	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

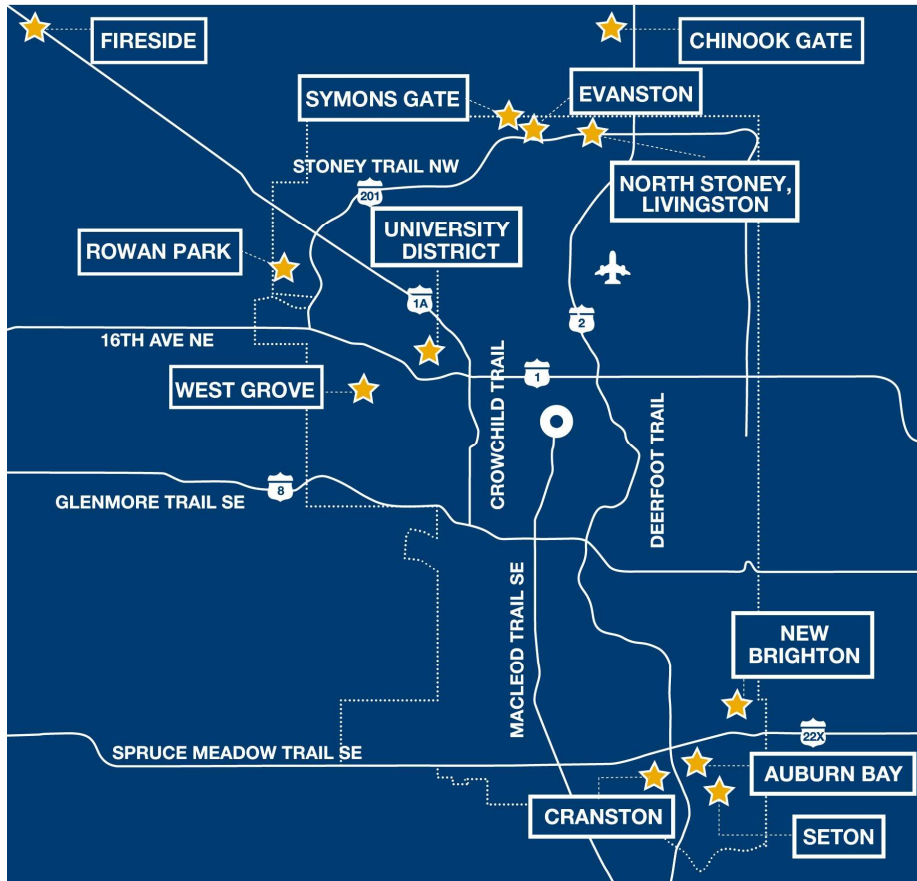


Note: 2007-2010 comparative results shown are pro forma of Brookfield Residential and combined the results of Brookfield Homes Corporation and Brookfield Office Properties' residential land and housing division as the merger transaction occurred on March 31, 2011.

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

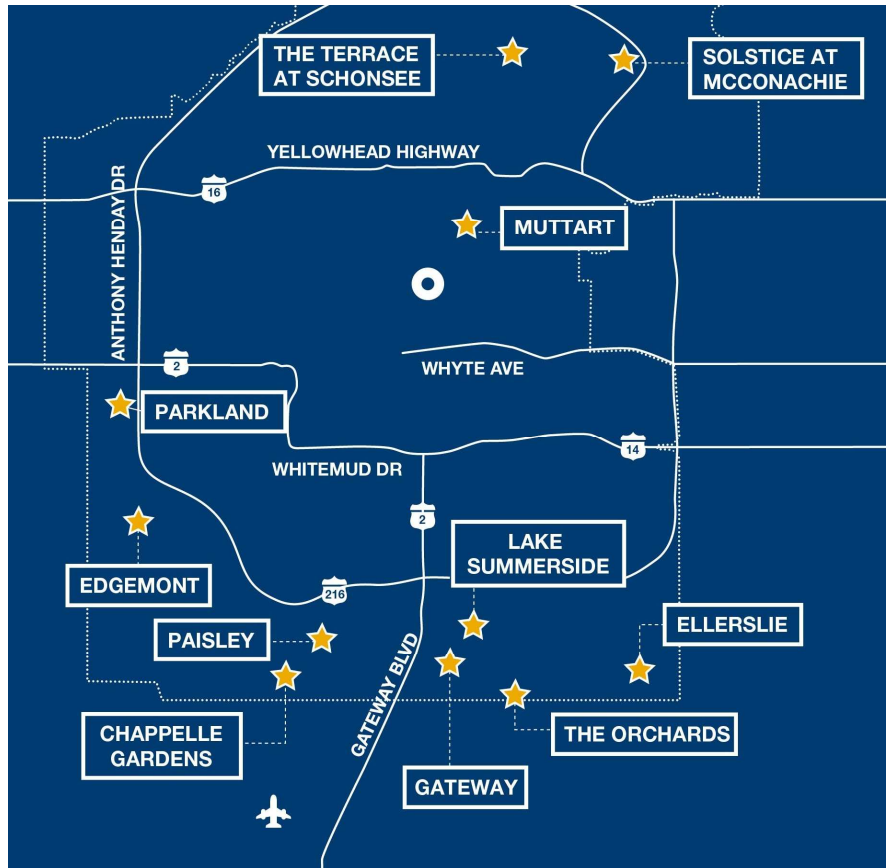


23,016 LOTS
98 ACRES (MULTI-FAMILY,
INDUSTRIAL AND
COMMERCIAL PARCELS)

- 6,411 entitled
- 16,605 unentitled

PROJECT NAME	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS	DEVELOPED ACRES
ALBI Homes (Various Communities)	49	49	-	-
Auburn Bay	89	89	-	4
Chinook Gate (Airdrie)	191	191	-	-
Cranston	903	903	-	14
Evanston	23	23	-	-
Fireside (Cochrane)	35	35	-	-
Livingston	8,334	2,869	5,465	11
New Brighton	-	-	-	11
North Stoney	3,826	-	3,826	-
Rowan Park	1,290	-	1,290	-
Seton	6,819	1,221	5,598	49
Symons Gate	343	343	-	4
University District	10	10	-	5
West Grove	87	87	-	-
Other	1,017	591	426	-

EDMONTON, ALBERTA



12,674 LOTS
 40 ACRES (MULTI-FAMILY,
 INDUSTRIAL AND
 COMMERCIAL PARCELS)

- 7,464 entitled
- 5,210 unentitled

PROJECT NAME	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS	DEVELOPED ACRES
Chappelle Gardens	1,642	1,642	-	11
Edgemont	965	965	-	-
Ellerslie	5,210	-	5,210	-
Gateway	134	134	-	-
Lake Summerside	210	210	-	-
Muttart (Infill)	-	-	-	14
The Orchards	3,418	3,418	-	15
Paisley	615	615	-	-
Parkland	49	49	-	-
Solstice at McConachie	311	311	-	-
The Terrace at Schonsee	57	57	-	-
Other	63	63	-	-

ONTARIO

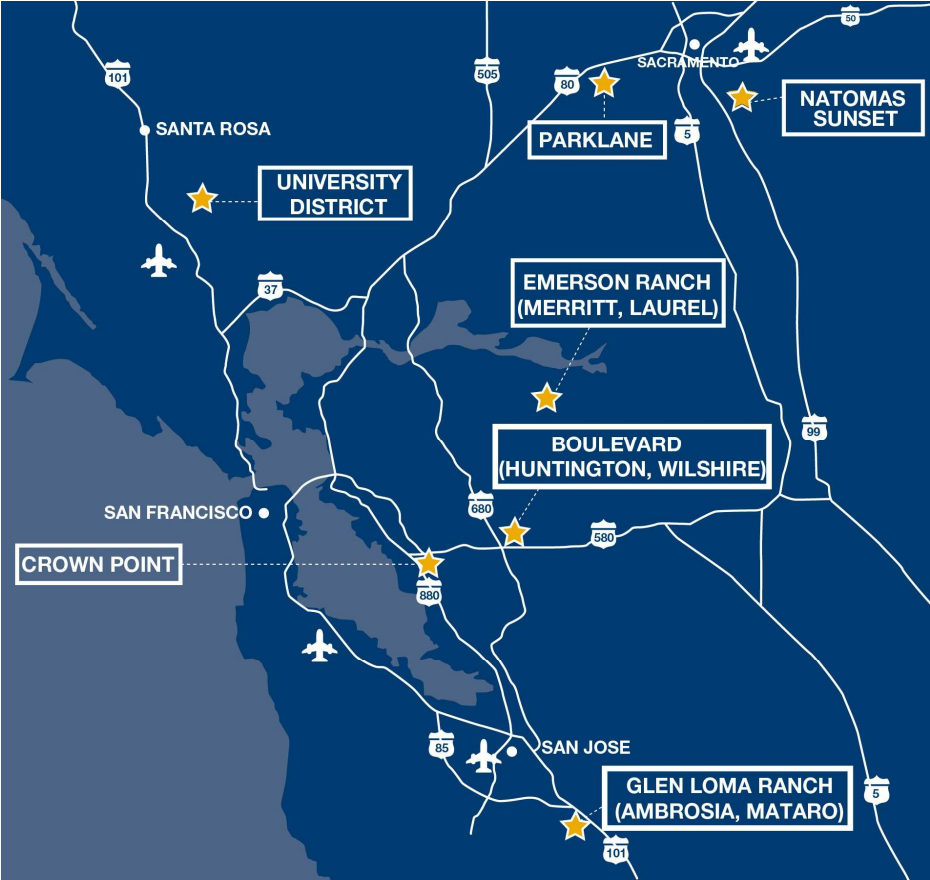


8,389 LOTS

- 2,496 entitled
- 5,893 unentitled

PROJECT NAME	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS
Aurora (The Arbors, Timberlane, Woodhaven)	449	449	-
Fieldstone	29	29	-
Grand Central	28	28	-
Newbrook	540	270	270
New Seaton	1,100	811	289
Pinehurst	413	413	-
Peterborough	5,278	-	5,278
Treetops	79	79	-
Whitby Harbour	132	132	-
Willow Glen	122	122	-
Other	219	163	56

NORTHERN CALIFORNIA



8,186 LOTS

- 3,236 entitled
- 4,950 unentitled

PROJECT NAME	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS
Boulevard (Huntington, Wilshire)	640	640	-
Crown Point	48	48	-
Emerson Ranch (Merritt, Laurel)	179	179	-
Glen Loma Ranch (Ambrosia, Mataro)	41	41	-
Natomas, Sunset	5,700	1,200	4,500
Parklane	654	204	450
University District	924	924	-

SOUTHERN CALIFORNIA



10,293 LOTS

- 8,083 entitled
- 2,210 unentitled

PROJECT NAME	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS
Audie Murphy Ranch (Province)	1,137	1,137	-
Cameo	26	26	-
Escaya (Flora, Haciendas, Prado)	313	313	-
Eastwood Village (Delano, Beverly)	42	42	-
Five Knolls (Brighton, Highglen)	319	273	46
Legado at Portola Springs	16	16	-
New Haven (Summerset, Holiday, Waverly, Poppy, Arborel)	2,489	545	1,944
Playa Vista (Cleo, Mason, Jewel, The Collection)	118	118	-
Rancho Tesoro (Candela, Terracina, Vientos)	495	275	220
Rosedale (Aster Heights)	36	36	-
Shutters at Edenglen	153	153	-
Spencer's Crossing (Juniper, Nectar)	842	842	-
Other	4,307	4,307	-

HAWAII

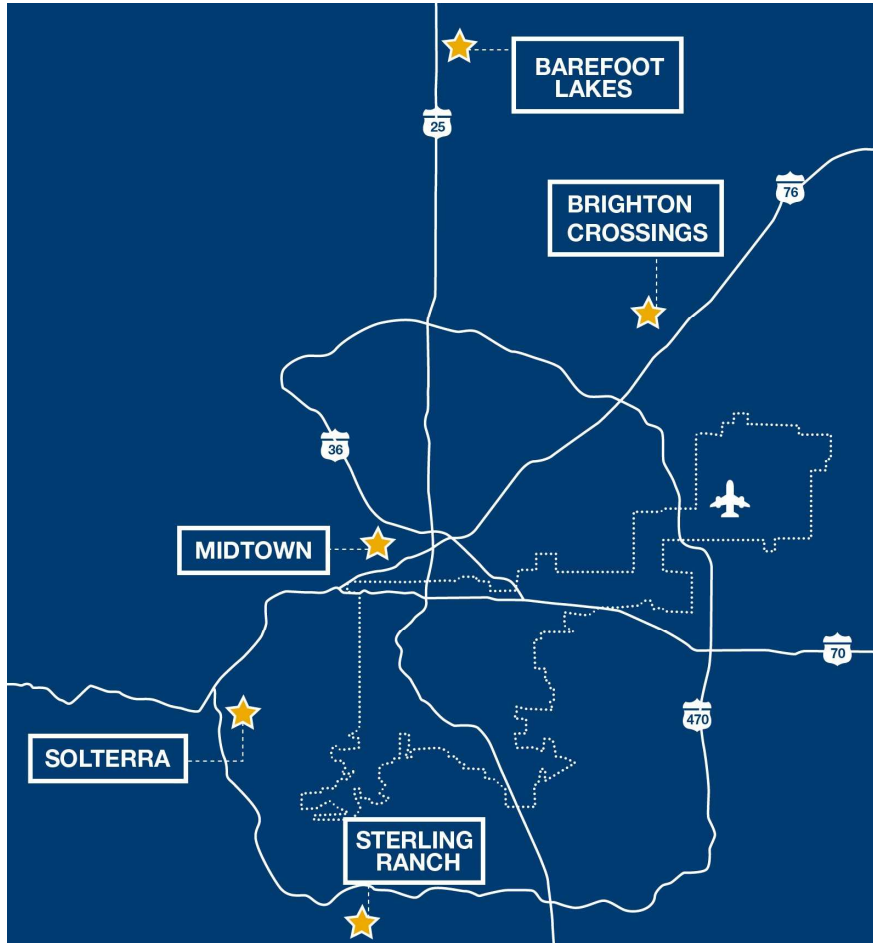


203 LOTS

- 203 entitled

PROJECT NAME	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS
Holua Kai	37	37	–
KaMilo	21	21	–
Pili Mai	145	145	–

DENVER, COLORADO



8,371 LOTS
 10 ACRES (MULTI-FAMILY,
 INDUSTRIAL AND COMMERCIAL
 PARCELS)

- 8,371 entitled

PROJECT NAME	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS	DEVELOPED ACRES
Barefoot Lakes	3,677	3,677	–	–
Brighton Crossings	1,834	1,834	–	10
Midtown	335	335	–	–
Solterra	239	239	–	–
Sterling Ranch	71	71	–	–
Other	2,215	2,215	–	–

AUSTIN, TEXAS

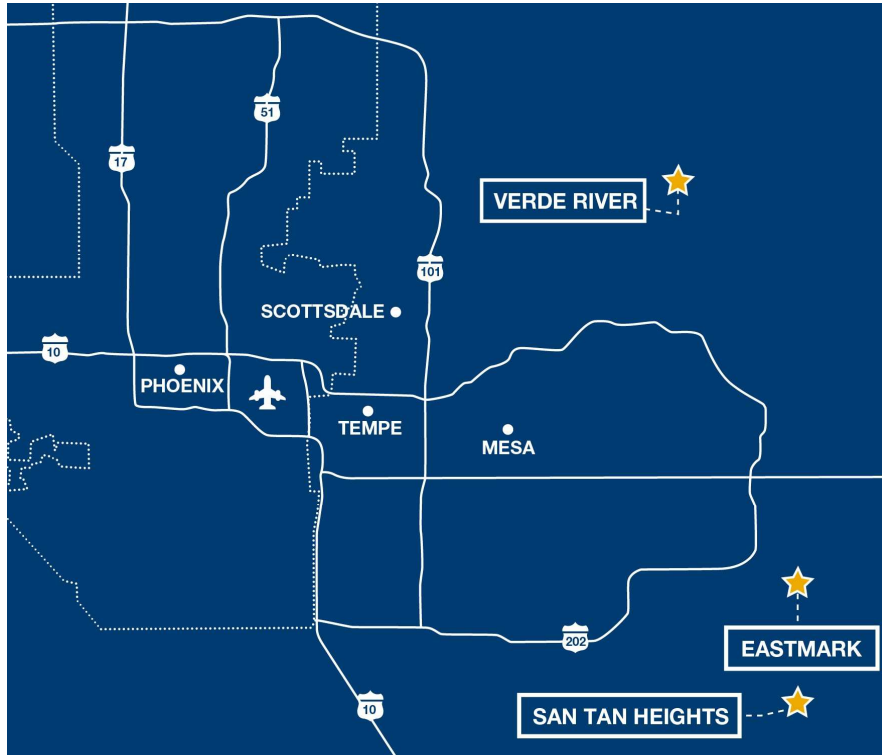


12,537 LOTS

- 12,537 entitled

PROJECT NAME	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS
Addison	471	471	-
Blanco Vista	831	831	-
Easton Park	5,460	5,460	-
Easton South	2,097	2,097	-
Grand Haven Homes (various communities)	587	587	-
Kissing Tree	3,024	3,024	-
Retreat at Dripping Springs	67	67	-

PHOENIX, ARIZONA



4,195 LOTS
 1 ACRE (MULTI-FAMILY,
 INDUSTRIAL AND
 COMMERCIAL PARCELS)

- 4,195 entitled

PROJECT NAME	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS	DEVELOPED ACRES
Eastmark	3,857	3,857	-	1
San Tan Heights	284	284	-	-
Verde River	54	54	-	-

WASHINGTON, D.C. AREA



4,634 LOTS
 18 ACRES (MULTI-FAMILY,
 INDUSTRIAL AND
 COMMERCIAL PARCELS)

- 4,597 entitled
- 37 unentitled

PROJECT NAME	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS	DEVELOPED ACRES
Admirals Square	68	68	-	-
Avendale	139	139	-	-
Heritage Shores	1,259	1,259	-	-
Mayfair	139	139	-	7
Oakview Village	70	70	-	-
Potomac Shores	162	162	-	-
Snowden Bridge	702	702	-	-
Swan Point	1,372	1,372	-	-
Travilah Station	125	125	-	-
Wilson's Grove	53	53	-	-
Waterford Manor	57	57	-	-
Other	488	451	37	11

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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.

Brookfield | *The Best Places*
Residential | *to Call Home*