



Corporate Profile

JULY 2018

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.

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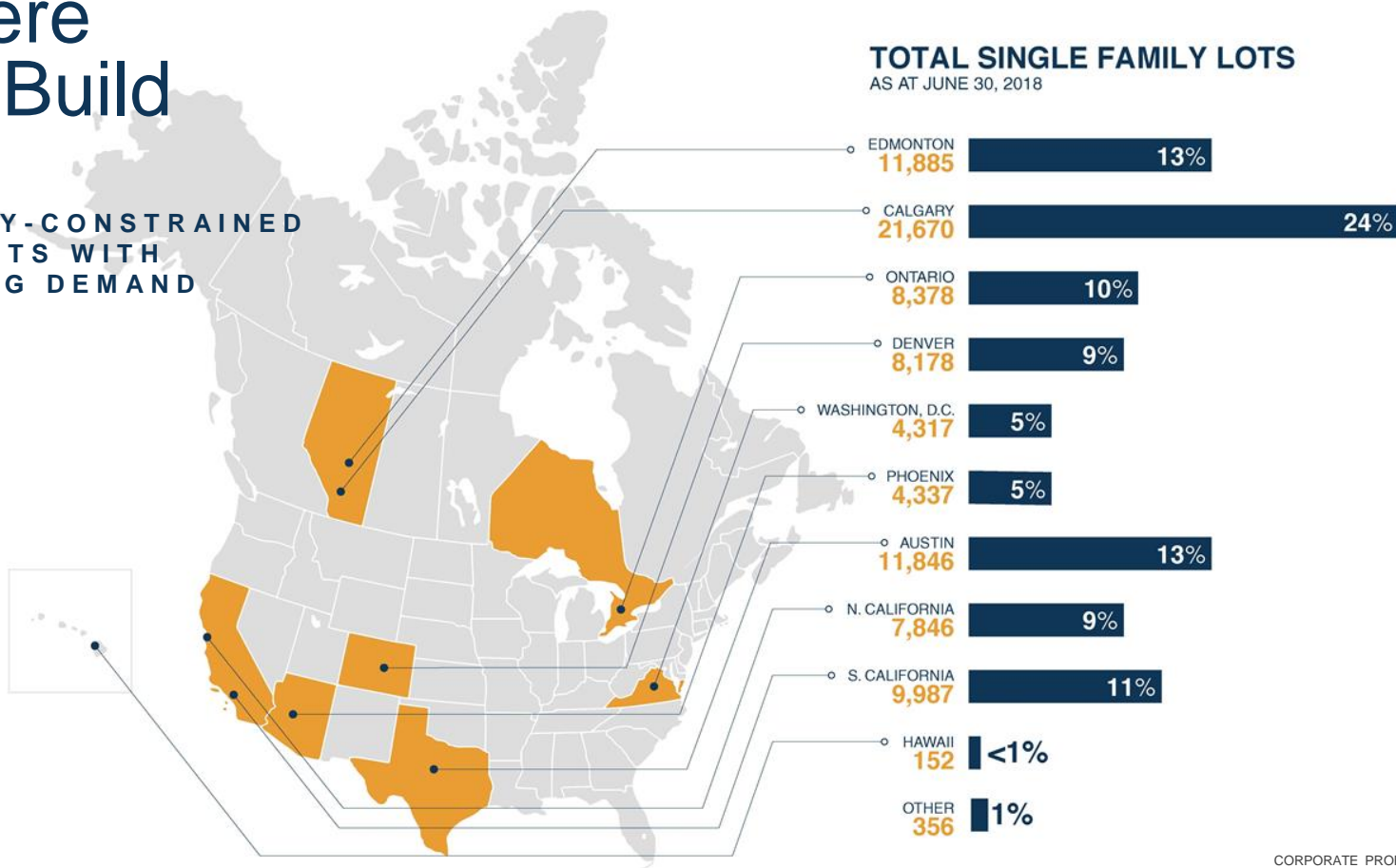
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Where We Build

SUPPLY-CONSTRAINED
MARKETS WITH
STRONG DEMAND



Company Overview

Our disciplined land entitlement process, synergistic operations and capital flexibility allow us to pursue homebuilding, land, or mixed-use investments.

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 \$285 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

Creating Value

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Business Model

LAND ACQUISITION

- Acquisition of raw land ideally during the low point of the cycle
- Acquisition of underutilized land or brownfield development opportunities when investment opportunities arise



ENTITLEMENT PROCESS

- Obtain approvals necessary to develop land for specific purposes and bring raw land to the finished lot stage by obtaining regulatory approval for a particular use



DEVELOP LAND

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

MONETIZE CONSUMER & COMMERCIAL DELIVERABLES



BUILD HOMES

We will build homes on a portion of our land.



SELL LOTS

The balance of lots are sold to and built on by third-party builders.



COMMERCIAL ZONES

We build commercial areas in select developments.



Land Acquisition

LAND HELD FOR DEVELOPMENT

- Land developer in all of our markets
- Investing diligently in supply-constrained markets with strong underlying economic fundamentals
- Strategic land study conducted to review growth patterns in the market in order to determine where future acquisitions should take place
- Acquisition of raw land ideally during the low point of the cycle or when investment opportunities arise
- Acquisition of underutilized land or brownfield development opportunities when investment opportunities arise





Entitlement Process and Develop Land

LAND UNDER DEVELOPMENT

- Through strong relationships with the jurisdictions and key stakeholders where we operate, we create shared value and infrastructure that supports great places. In addition to building homes and community amenities, as part of the planning process, we also consider the opportunity for mixed use and commercial space within the community to cultivate the live, work and play experience many customers desire today
- Obtaining entitlements can be a difficult and lengthy process involving many studies and public engagement, taking years to complete. Once entitlements are achieved, we install infrastructure and either fully service the lots and sell them to homebuilders (Canada/U.S.) or simply grade the lots (U.S.) and sell them to third-party homebuilders
- 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



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 and 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

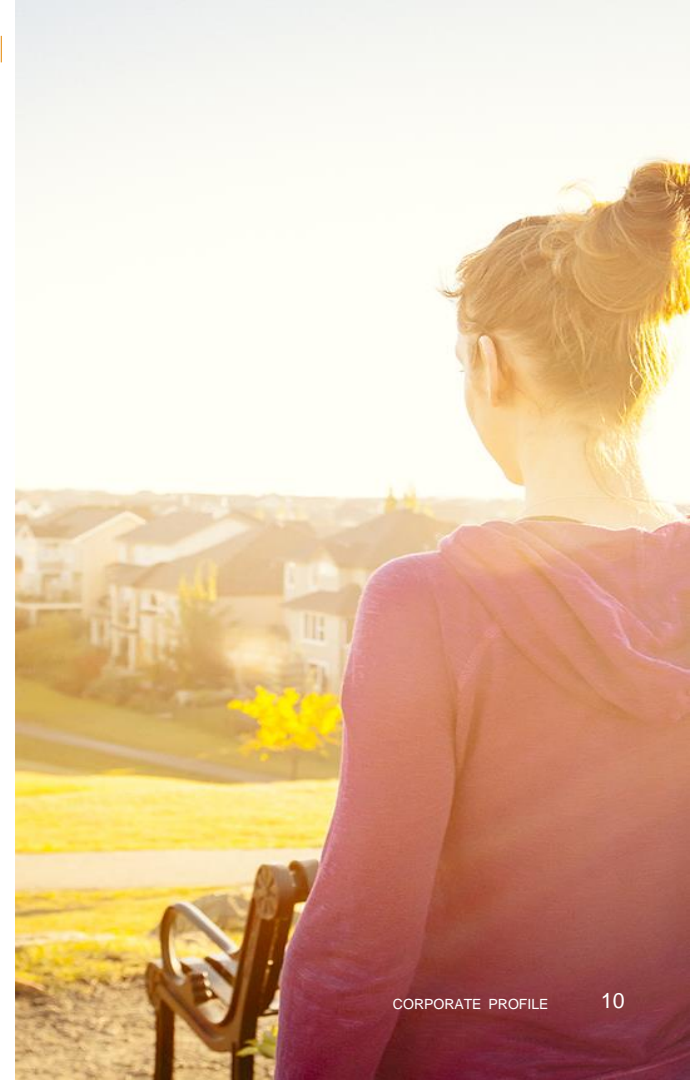
- Prepared by a land surveyor so that an individual titled lot is created



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). Our homebuilding operations are distinctively positioned to provide a variety of housing products, ranging from entry-level to luxury homes, depending on the community and consumer demands
- Certain master-planned communities will also include the development of mixed-use space, consisting of retail or commercial assets, which we will build and add value through leasing, before selling to a third-party operator



Inventory Profile

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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-18		Total Acres	
	Owned	Options	Owned	Options	30-Jun-18	31-Dec-17	Entitled	Unentitled	30-Jun-18	31-Dec-17
Calgary	19,220	-	2,450	-	21,670	22,311	11,329	10,341	77	79
Edmonton	11,885	-	-	-	11,885	12,344	6,675	5,210	28	31
Ontario	7,278	-	1,100	-	8,378	8,230	1,862	6,516	-	-
Canada	38,383	-	3,550	-	41,933	42,885	19,866	22,067	105	110
Northern California	2,558	4,950	338	-	7,846	8,038	2,896	4,950	-	-
Southern California	7,495	-	1,491	1,001	9,987	9,460	7,887	2,100	-	-
Hawaii	136	-	16	-	152	175	152	-	3	-
California	10,189	4,950	1,845	1,001	17,985	17,673	10,935	7,050	3	-
Denver	8,178	-	-	-	8,178	8,274	8,178	-	15	10
Austin	11,639	207	-	-	11,846	12,143	11,846	-	30	-
Phoenix	689	-	3,648	-	4,337	5,450	3,717	620	14	1
Washington D.C. Area	3,313	1,004	-	-	4,317	4,455	4,280	37	18	18
Other	356	-	-	-	356	-	356	-	9	-
Central and Eastern U.S.	24,175	1,211	3,648	-	29,034	30,322	28,377	657	86	29
Total	72,747	6,161	9,043	1,001	88,952	90,880	59,178	29,774	194	139
Entitled lots	53,456	1,211	4,511	-	59,178	57,223				
Unentitled lots	19,291	4,950	4,532	1,001	29,774	33,657				
Total June 30, 2018	72,747	6,161	9,043	1,001	88,952					
Total December 31, 2017	73,420	6,133	10,326	1,001		90,880				

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

(millions, except per unit activity)	Housing & Land	Unconsol. Entities	Total 30-Jun-18		Total 31-Dec-17	
			Units	\$	Units	\$
Land Held For Development (lots)	1,364	187	69,623	1,551	73,213	1,542
Land Under Development - Single Family (lots)	775	176	9,465	951	8,553	958
Optioned (lots)	100	17	7,162	117	7,134	128
Housing inventory (units)	649	6	2,461	655	1,764	533
Model homes (units)	105	1	241	106	216	103
Unconsolidated entity net debt	-	(29)	-	(29)	-	(39)
Sub total	2,993	358	88,952	3,351	90,880	3,225
Multi Family, Commercial & Industrial Parcels (acres)	101	36	194	137	139	86
Total	3,094	394	3,488	3,311		

Land & Housing Inventory

CONSISTENT REDUCTION OF LOT INVENTORY DEMONSTRATES OUR CAPITAL DISCIPLINE



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

Financial Profile

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Select Financial Information

	Three months ended Jun 30		Six months ended Jun 30	
	2018	2017	2018	2017
<i>(millions, except percentages, unit activity and average selling price)</i>				
Results from Operations				
Total revenue	\$ 589	\$ 443	\$ 864	\$ 782
Housing revenue	535	383	769	690
Land revenue	54	60	95	92
Gross margin (\$)	126	89	182	163
Gross margin (%)	21%	20%	21%	21%
Income before income taxes	64	25	65	39
Income tax expense	(12)	(3)	(10)	(2)
Net income attributable to Brookfield Residential	\$ 50	\$ 22	\$ 53	\$ 37
Operating Data				
Home closings for Brookfield Residential (units)	1,019	733	1,477	1,314
Home closings for unconsolidated entities (units)	2	2	3	3
Average home selling price for Brookfield Residential (per unit)	\$ 525,000	\$ 523,000	\$ 521,000	\$ 525,000
Average home selling price for unconsolidated entities (per unit)	\$ 1,229,000	\$ 1,484,000	\$ 1,403,000	\$ 1,321,000
Net new home orders for Brookfield Residential (units)	782	998	1,705	1,931
Net new home orders for unconsolidated entities (units)	3	3	4	4
Backlog for Brookfield Residential (units)	1,921	2,158	1,921	2,158
Backlog for unconsolidated entities (units)	2	2	2	2
Backlog value for Brookfield Residential	\$ 1,038	\$ 1,166	\$ 1,038	\$ 1,166
Backlog value for unconsolidated entities	\$ 2	\$ 2	\$ 2	\$ 2
Lot closings for Brookfield Residential (single family units)	367	597	631	806
Lot closings for unconsolidated entities (single family units)	96	84	122	183
Acre closings for Brookfield Residential (multi-family, industrial and commercial)	1	8	10	9
Acre closings for unconsolidated entities (multi-family, industrial and commercial)	-	-	16	1
Acre closings for Brookfield Residential (raw and partially finished)	19	230	19	254
Average lot selling price for Brookfield Residential (single family units)	\$ 141,000	\$ 94,000	\$ 136,000	\$ 102,000
Average lot selling price for unconsolidated entities (single family units)	\$ 137,000	\$ 139,000	\$ 143,000	\$ 114,000
Average per acre selling price for Brookfield Residential (multi-family, industrial and commercial)	\$ 775,000	\$ 371,000	\$ 769,000	\$ 383,000
Average per acre selling price for unconsolidated entities (multi-family, industrial and commercial)	\$ -	\$ -	\$ 350,000	\$ 258,000
Average per acre selling price for Brookfield Residential (raw and partially finished)	\$ 94,000	\$ 3,000	\$ 94,000	\$ 22,000

Condensed Consolidated Balance Sheets

	Jun 30	Mar 31	Dec 31	Sept 30
<i>(thousands, except percentages)</i>	2018	2018	2017	2017
ASSETS				
Land and housing inventory	\$ 3,093,911	\$ 3,119,712	\$ 2,998,024	\$ 3,182,196
Investments in unconsolidated entities	393,440	349,440	312,857	337,807
Commercial properties	37,058	37,147	37,958	36,327
Held-to-maturity investment	300,000	300,000	300,000	300,000
Receivables and other assets	430,129	427,582	413,228	299,552
Restricted cash	6,690	7,703	3,351	2,665
Cash and cash equivalents	121,192	69,086	104,504	31,683
Deferred income tax assets	64,373	70,808	68,363	82,095
Goodw ill	16,479	16,479	-	-
	\$ 4,463,272	\$ 4,397,957	\$ 4,238,285	\$ 4,272,325
LIABILITIES				
Notes payable	\$ 1,625,044	\$ 1,627,551	\$ 1,631,584	\$ 1,632,281
Bank indebtedness and other financings	229,493	184,865	31,407	179,274
Total financings	1,854,537	1,812,416	1,662,991	1,811,555
Accounts payable and other liabilities	575,718	588,177	560,821	530,272
Total liabilities	2,430,255	2,400,593	2,223,812	2,341,827
EQUITY	2,033,017	1,997,364	2,014,473	1,930,498
	\$ 4,463,272	\$ 4,397,957	\$ 4,238,285	\$ 4,272,325

Condensed Consolidated Statements of Operations

	Three months ended Jun 30		Six months ended Jun 30	
(thousands)	2018	2017	2018	2017
Revenue				
Housing	\$ 535,373	\$ 383,242	\$ 769,055	\$ 689,937
Land	54,209	59,932	94,974	91,551
	589,582	443,174	864,029	781,488
Direct Cost of Sales				
Housing	(431,208)	(315,597)	(625,882)	(565,313)
Land	(32,212)	(38,461)	(56,030)	(53,100)
Gross margin	126,162	89,116	182,117	163,075
Selling, general and administrative expense	(71,242)	(56,223)	(131,025)	(107,229)
Interest expense	(9,134)	(14,347)	(21,112)	(28,910)
Equity in earnings from unconsolidated entities	3,447	1,203	8,657	2,733
Other income	15,757	6,421	28,623	11,285
Depreciation	(1,073)	(987)	(2,112)	(1,969)
Income before income taxes	63,917	25,183	65,148	38,985
Current income tax (expense) / recovery	(6,998)	(418)	(8,321)	356
Deferred income tax expense	(5,195)	(2,771)	(1,728)	(1,863)
Net Income	51,724	21,994	55,099	37,478
Net income / (loss) attributable to non-controlling interest and other interests in consolidated subsidiaries	1,787	(93)	2,167	(182)
Net income attributable to Brookfield Residential	\$ 49,937	\$ 22,087	\$ 52,932	\$ 37,660
Other comprehensive (loss) / income				
Unrealized foreign exchange (loss) / gain on:				
Translation of the net investment in Canadian subsidiaries	(18,609)	27,248	(44,767)	35,795
Translation of the Canadian dollar denominated debt designated as a hedge of the net investment in Canadian subsidiaries	3,475	(5,200)	8,500	(6,925)
Comprehensive income attributable to Brookfield Residential	\$ 34,803	\$ 44,135	\$ 16,665	\$ 66,530

Condensed Consolidated Statements of Cash Flows

(thousands)	Six months ended Jun 30	
	2018	2017
Cash Flows Provided by / (Used in) Operating Activities:		
Net income	\$ 55,099	\$ 37,478
Adjustments to reconcile net income to net cash used in operating activities:		
Undistributed earnings from unconsolidated entities	(7,975)	(2,113)
Deferred income tax expense	1,728	1,863
Share-based compensation costs	7,583	5,507
Depreciation	2,112	1,969
Amortization of non-cash interest	2,342	1,796
Dividend income on held-to-maturity investment	(8,460)	(8,456)
Changes in operating assets and liabilities:		
Increase in receivables and other assets	(48,798)	(34,281)
Increase in land and housing inventory	(126,207)	(116,367)
Increase / (decrease) in accounts payable and other liabilities	4,469	(17,238)
Net cash used in operating activities	(118,107)	(129,842)
Cash Flows Provided by / (Used in) Investing Activities:		
Investments in unconsolidated entities	(74,758)	(16,241)
Distributions from unconsolidated entities	2,415	868
Increase in commercial properties	(927)	(1,112)
Dividend income on held-to-maturity investments	8,460	8,456
Decrease in loan receivable	1,082	-
Net cash used in investing activities	(63,728)	(8,029)
Cash Flows Provided by / (Used in) Financing Activities:		
Drawings under project-specific and other financings	29,577	14,966
Repayments under project-specific and other financings	(18,567)	(37,570)
Drawings on bank indebtedness	192,000	100,943
Net contributions from non-controlling interest	1,645	2,863
Net cash provided by financing activities	204,655	81,202
Effect of foreign exchange rates on cash and cash equivalents	(2,793)	2,491
Change in cash and cash equivalents	20,027	(54,178)
Cash and cash equivalents at beginning of period	107,855	99,119
Cash and cash equivalents at end of period	\$ 127,882	\$ 44,941

Quarterly Financial Information

	2018		2017				2016	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
<i>(millions, except per unit activity)</i>								
Home closings (units)	1,019	458	1,168	692	733	581	1,214	788
Lots closings (single family units)	367	264	1,076	467	597	209	1,347	325
Acre closings (multi-family, industrial and commercial)	1	9	59	15	8	1	16	6
Acre closings (raw and partially finished)	19	-	61	313	230	24	1,994	-
Net new home orders (units)	782	923	679	716	998	933	855	816
Backlog (units at end of period)	1,921	2,158	1,693	2,182	2,158	1,893	1,541	1,900
Backlog value	\$ 1,038	\$ 1,182	\$ 928	\$ 1,198	\$ 1,166	\$ 969	\$ 783	\$ 977
Revenue	\$ 589	\$ 274	\$ 818	\$ 451	\$ 443	\$ 338	\$ 853	\$ 421
Direct cost of sales	(463)	(218)	(610)	(349)	(354)	(264)	(646)	(330)
Gross margin	126	56	208	102	89	74	207	91
Gain on commercial assets held for sale	-	-	-	-	-	-	14	-
Selling, general and administrative expense	(71)	(60)	(74)	(56)	(56)	(51)	(57)	(52)
Interest expense	(9)	(12)	(13)	(15)	(14)	(15)	(12)	(14)
Equity in earnings / (loss) from unconsolidated entities	4	5	7	5	1	2	(1)	5
Other income	14	12	8	7	5	4	3	1
Income before income taxes	64	1	136	43	25	14	154	31
Income tax (expense) / recovery	(12)	2	(42)	(8)	(3)	2	(46)	(6)
Net income	52	3	94	35	22	16	108	25
Net income attributable to non-controlling interest and other interests in consolidated subsidiaries	2	-	-	-	-	-	-	-
Net income attributable to Brookfield Residential	\$ 50	\$ 3	\$ 94	\$ 35	\$ 22	\$ 16	\$ 108	\$ 25
Foreign currency translation	(15)	(21)	(8)	32	22	7	(18)	(12)
Comprehensive income / (loss) attributable to Brookfield Residential	\$ 35	\$ (18)	\$ 86	\$ 67	\$ 44	\$ 23	\$ 90	\$ 13

Select Operating Information - Housing

(millions, except per unit activity and average selling price)	Three months ended Jun 30				Six months ended Jun 30			
	2018		2017		2018		2017	
	Units	\$	Units	\$	Units	\$	Units	\$
Home Closings								
Canada	379	\$ 137	309	\$ 122	573	\$ 207	606	\$ 235
California	377	278	240	177	515	378	404	317
Central and Eastern U.S.	263	120	184	84	389	184	304	138
	1,019	535	733	383	1,477	769	1,314	690
Unconsolidated Entities	2	2	2	3	3	4	3	4
Total	1,021	\$ 537	735	\$ 386	1,480	\$ 773	1,317	\$ 694

Average Home Selling Price	Three months ended Jun 30		Six months ended Jun 30	
	2018	2017	2018	2017
Canada	\$ 362,000	\$ 395,000	\$ 361,000	\$ 388,000
California	737,000	739,000	735,000	784,000
Central and Eastern U.S.	458,000	457,000	472,000	454,000
	525,000	523,000	521,000	525,000
Unconsolidated Entities	1,229,000	1,484,000	1,403,000	1,321,000
Average selling price	\$ 527,000	\$ 525,000	\$ 522,000	\$ 527,000

Net New Home Orders (Units)				
Canada	190	479	344	856
California	312	301	652	602
Central and Eastern U.S.	280	218	709	473
	782	998	1,705	1,931
Unconsolidated Entities	3	3	4	4
Total	785	1,001	1,709	1,935

Select Operating Information - Housing

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

	As at Jun 30	
Active Housing Communities	2018	2017
Canada	31	27
California	29	26
Central and Eastern U.S.	29	26
	89	79
Unconsolidated Entities	1	1
Total	90	80

	As at Jun 30			
Backlog	2018		2017	
	Units	Value	Units	Value
Canada	720	\$ 331	1,296	\$ 609
California	552	400	452	358
Central and Eastern U.S.	649	307	410	199
	1,921	1,038	2,158	1,166
Unconsolidated Entities	2	2	2	2
Total	1,923	\$ 1,040	2,160	\$ 1,168

Select Operating Information - Land

	Three months ended Jun 30				Six months ended Jun 30			
	2018		2017		2018		2017	
	Units	\$	Units	\$	Units	\$	Units	\$
<i>(millions, except per unit activity)</i>								
Lot Closings (Single Family Units)								
Canada	166	\$ 23	212	\$ 27	325	\$ 44	343	\$ 47
California	129	22	20	4	176	31	20	4
Central and Eastern U.S.	72	6	365	25	130	10	443	30
	367	51	597	56	631	85	806	81
Unconsolidated Entities	96	13	84	12	122	17	183	21
Total	463	\$ 64	681	\$ 68	753	\$ 102	989	\$ 102
Acre Closings (Multi-family, Industrial and Commercial)								
Canada	1	\$ 1	3	\$ 2	10	\$ 8	3	\$ 2
California	-	-	-	-	-	-	-	-
Central and Eastern U.S.	-	-	5	1	-	-	6	2
	1	1	8	3	10	8	9	4
Unconsolidated Entities	-	1	-	-	16	6	1	-
Total	1	\$ 2	8	\$ 3	26	\$ 14	10	\$ 4
Acre Closings (Raw and Partially Finished)								
Canada	19	\$ 2	230	\$ 1	19	\$ 2	230	\$ 1
California	-	-	-	-	-	-	16	5
Central and Eastern U.S.	-	-	-	-	-	-	8	1
Total	19	\$ 2	230	\$ 1	19	\$ 2	254	\$ 7

Select Operating Information - Land

	Three months ended Jun 30		Six months ended Jun 30	
	2018	2017	2018	2017
Average Lot Selling Price (Single Family Units)				
Canada	\$ 144,000	\$ 131,000	\$ 137,000	\$ 138,000
California	172,000	212,000	177,000	217,000
Central and Eastern U.S.	78,000	66,000	78,000	69,000
	141,000	94,000	136,000	102,000
Unconsolidated Entities	137,000	139,000	143,000	114,000
Average selling price	\$ 140,000	\$ 100,000	\$ 137,000	\$ 104,000
Average Per Acre Selling Price (Multi-Family, Industrial and Commercial)				
Canada	\$ 775,000	\$ 559,000	\$ 769,000	\$ 559,000
California	-	-	-	-
Central and Eastern U.S.	-	240,000	-	281,000
	775,000	371,000	769,000	383,000
Unconsolidated Entities	-	-	350,000	258,000
Average selling price	\$ 775,000	\$ 371,000	\$ 508,000	\$ 373,000
Average Per Acre Selling Price (Raw and Partially Finished)				
Canada	\$ 94,000	\$ 3,000	\$ 94,000	\$ 3,000
California	-	-	-	254,000
Central and Eastern U.S.	-	-	-	95,000
Average selling price	\$ 94,000	\$ 3,000	\$ 94,000	\$ 22,000
Active Land Communities				
	As as Jun 30			
	2018	2017		
Canada	12	11		
California	6	6		
Central and Eastern U.S.	11	10		
	29	27		
Unconsolidated Entities	7	4		
Total	36	31		

Select Operating Information – Gross Margin

(millions, except percentages)	Three Months Ended Jun 30				Six Months Ended Jun 30			
	2018		2017		2018		2017	
	\$	%	\$	%	\$	%	\$	%
Housing Gross Margin								
Canada	\$ 29	21%	\$ 23	19%	\$ 42	20%	\$ 46	20%
California	55	20%	32	18%	71	19%	59	19%
Central and Eastern U.S.	20	17%	13	15%	30	16%	20	14%
Total	\$ 104	19%	\$ 68	18%	\$ 143	19%	\$ 125	18%
Land Gross Margin								
Canada	\$ 15	58%	\$ 15	50%	\$ 26	48%	\$ 29	58%
California	7	32%	2	50%	12	39%	4	44%
Central and Eastern U.S.	-	-	4	15%	1	10%	5	15%
Total	\$ 22	41%	\$ 21	35%	\$ 39	41%	\$ 38	41%
Total Gross Margin								
Canada	\$ 44	27%	\$ 38	25%	\$ 68	26%	\$ 75	26%
California	62	21%	34	19%	83	20%	63	19%
Central and Eastern U.S.	20	16%	17	15%	31	16%	25	15%
Total	\$ 126	21%	\$ 89	20%	\$ 182	21%	\$ 163	21%

Historical Pro Forma Financial Information

BROOKFIELD RESIDENTIAL PROPERTIES

(millions, except unit activity)

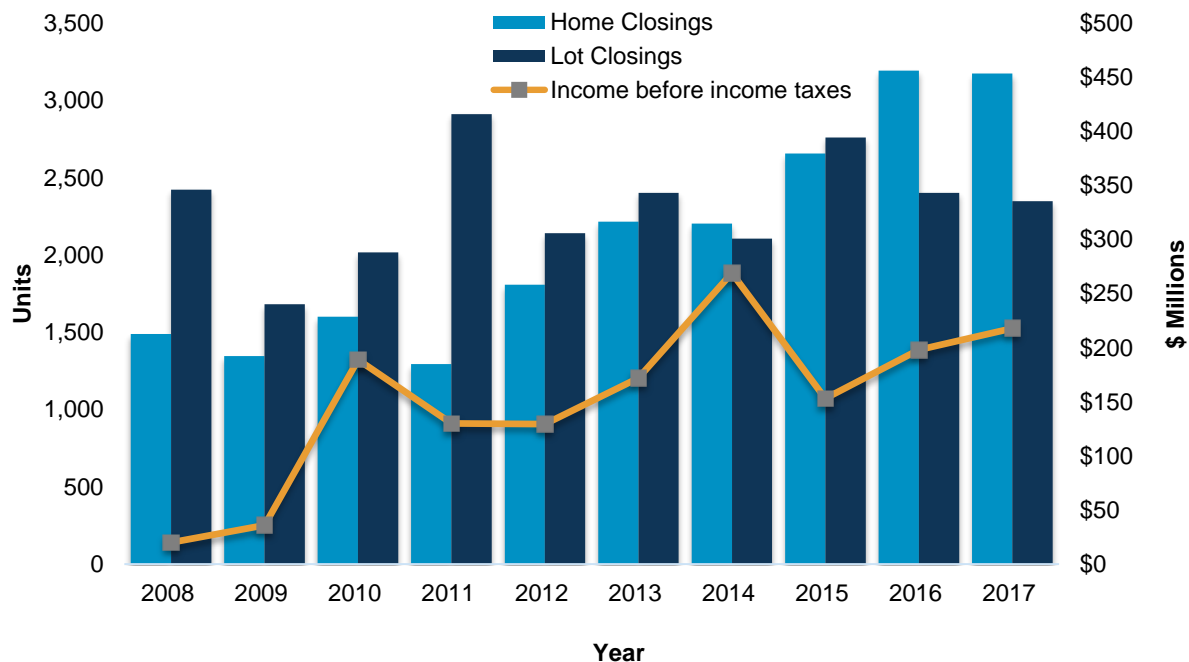
	Year ended December 31									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Home Closings (units)	3,174	3,193	2,656	2,204	2,216	1,808	1,295	1,600	1,347	1,490
Lot Closings (single family units)	2,349	2,403	2,760	2,107	2,402	2,142	2,912	2,017	1,682	2,422
Acre Closings	84	2,108	66	34	247	543	94	68	412	342
Revenue										
Housing	\$ 1,733	\$ 1,604	\$ 1,249	\$ 1,136	\$ 983	\$ 718	\$ 484	\$ 599	\$ 491	\$ 638
Land	318	299	342	340	373	622	524	355	263	389
Total Revenues	2,051	1,903	1,591	1,476	1,356	1,340	1,008	954	754	1,027
Direct cost of sales	(1,578)	(1,474)	(1,174)	(1,031)	(981)	(1,048)	(740)	(687)	(604)	(739)
Impairment of land inventory	-	-	-	-	-	-	-	-	(41)	(118)
Gross margin	473	429	417	445	375	292	268	267	109	170
Selling, general and administrative	(237)	(207)	(218)	(192)	(170)	(128)	(101)	(99)	(79)	(106)
Equity in earnings of unconsolidated entities	15	9	12	26	9	10	4	-	3	4
Impairment of unconsolidated entities	-	-	-	-	-	-	-	-	(13)	(38)
Other (expense) / income	(33)	(33)	(58)	(10)	(42)	(45)	(41)	21	16	(10)
Income before income taxes	\$ 218	\$ 198	\$ 153	\$ 269	\$ 172	\$ 129	\$ 130	\$ 189	\$ 36	\$ 20

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

Historical Pro Forma Financial Information

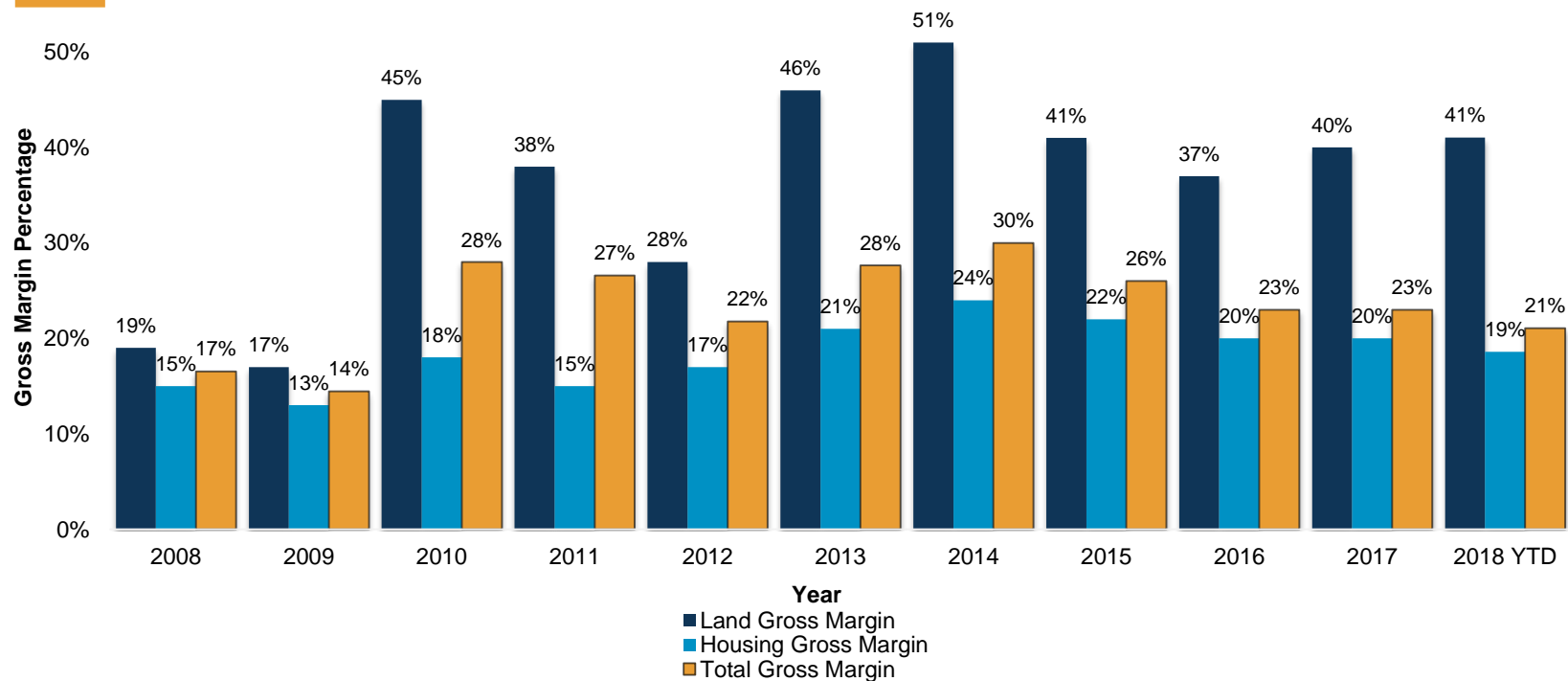
(millions, except unit activity)	Year ended December 31	
	2009	2008
<u>BPO RESIDENTIAL</u>		
Home Closings (units)	648	745
Lot Closings (single family units)	1,213	1,806
Acre Closings	412	342
Revenue		
Housing	\$ 151	\$ 223
Land	227	355
Total Revenues	378	578
Direct cost of sales	(250)	(323)
Impairment of land inventory	(17)	(3)
Gross margin	111	252
Selling, general and administrative	(27)	(37)
Equity in earnings of unconsolidated entities	2	1
Impairment of unconsolidated entities	-	-
Other income / (expense)	3	8
Income before income taxes	\$ 89	\$ 224
<u>BROOKFIELD HOMES CORPORATION</u>		
Home Closings (units)	699	745
Lot Closings (single family units)	469	616
Acre Closings	-	-
Revenue		
Housing	\$ 340	\$ 415
Land	36	34
Total Revenues	376	449
Direct cost of sales	(354)	(416)
Impairment of land inventory	(24)	(115)
Gross margin	(2)	(82)
Selling, general and administrative	(52)	(69)
Equity in earnings of unconsolidated entities	1	3
Impairment of unconsolidated entities	(13)	(38)
Other income / (expense)	13	(18)
Income / (Loss) before income taxes	\$ (53)	\$ (204)

Consistent Profitability



Note: 2008-2010 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: 2008-2010 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

29

Calgary, Alberta

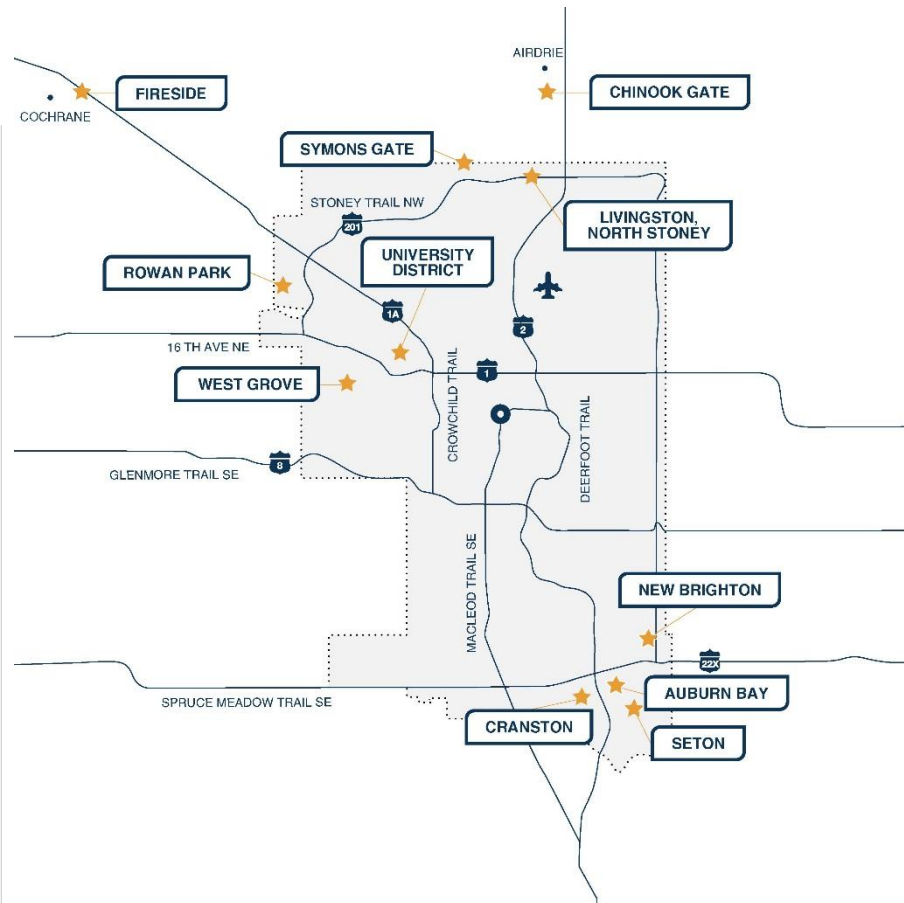
LOTS
21,670

ENTITLED LOTS
11,329

UNENTITLED LOTS
10,341

PROJECTS	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS	DEVELOPED ACRES*
Auburn Bay	130	130	–	2
Chinook Gate (Airdrie)	190	190	–	–
Cranston	755	755	–	13
Fireside (Cochrane)	19	19	–	–
Livingston	7,550	3,846	3,704	9
New Brighton	–	–	–	11
North Stoney	3,826	–	3,826	–
Rowan Park	1,290	–	1,290	–
Seton	6,912	5,391	1,521	38
Symons Gate	237	237	–	2
University District	70	70	–	2
West Grove	73	73	–	–
Other	618	618	–	–
Total:	21,670	11,329	10,341	77

* Multi-family, industrial and commercial parcels



Edmonton, Alberta

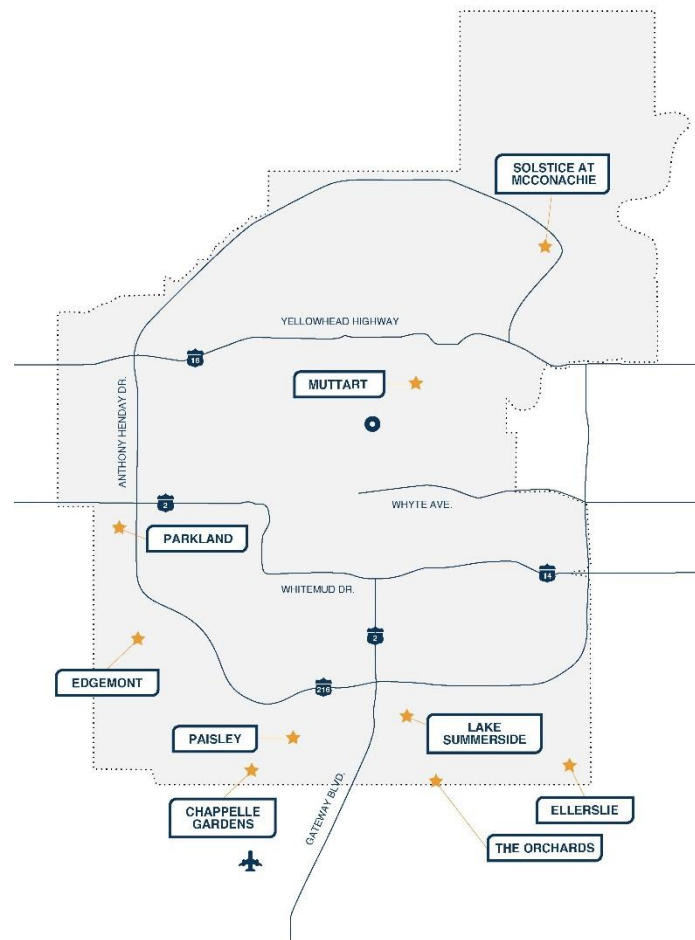
LOTS
11,885

ENTITLED LOTS
6,675

UNENTITLED LOTS
5,210

PROJECTS	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS	DEVELOPED ACRES*
Chappelle Gardens	1,549	1,549	–	10
Edgemont	871	871	–	–
Ellerslie	5,210	–	5,210	–
Lake Summerside	111	111	–	–
Muttart	–	–	–	7
The Orchards	3,271	3,271	–	10
Paisley	550	550	–	1
Parkland	49	49	–	–
Solstice at McConachie	211	211	–	–
Other	63	63	–	–
Total:	11,885	6,675	5,210	28

* Multi-family, industrial and commercial parcels



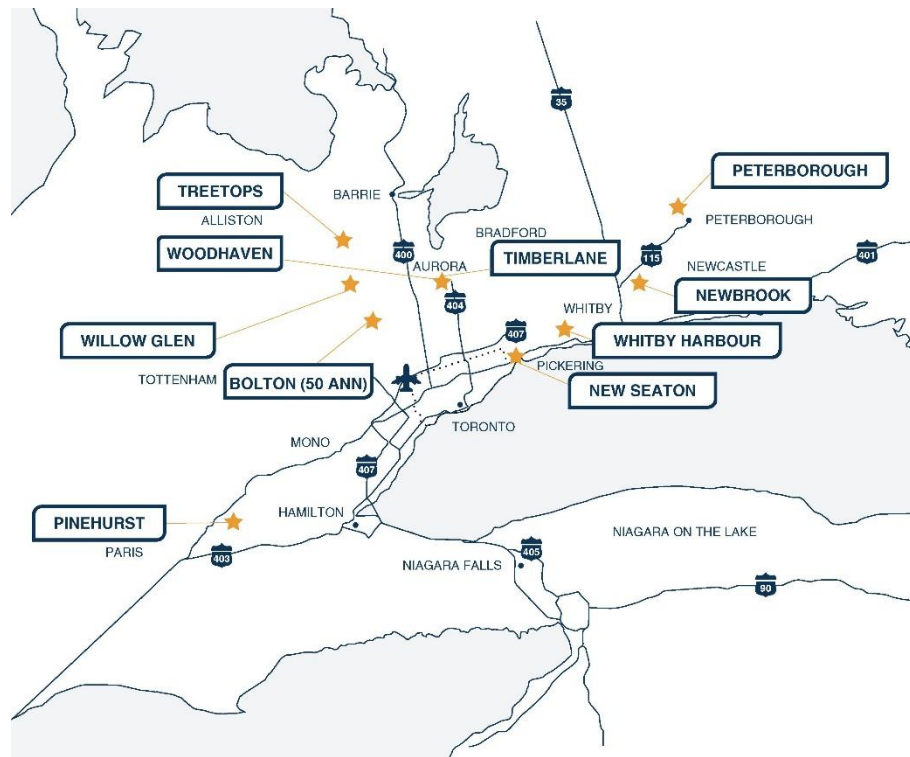
Ontario

LOTS
8,378

ENTITLED LOTS
1,862

UNENTITLED LOTS
6,516

PROJECTS	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS
Bolton (50 ANN)	72	72	–
Newbrook	540	270	270
New Seaton	1,100	138	962
Pinehurst	393	393	–
Peterborough	5,278	–	5,278
Timberlane	15	15	–
Treetops	33	33	–
Whitby Harbour	132	132	–
Willow Glen	60	60	–
Woodhaven	195	195	–
Other	560	554	6
Total:	8,378	1,862	6,516



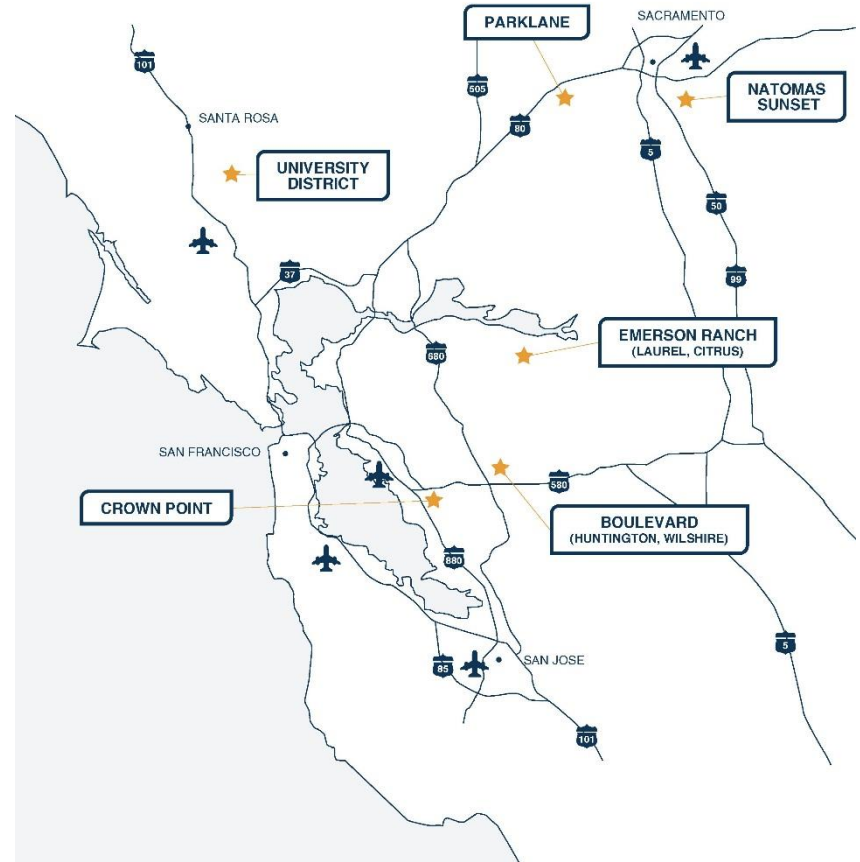
Northern California

LOTS
7,846

ENTITLED LOTS
2,896

UNENTITLED LOTS
4,950

PROJECTS	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS
Boulevard (Huntington, Wilshire)	680	680	–
Crown Point	7	7	–
Emerson Ranch (Laurel, Citrus)	142	142	–
Natomas, Sunset	5,700	1,200	4,500
Parklane	654	204	450
University District	663	663	–
Total:	7,846	2,896	4,950



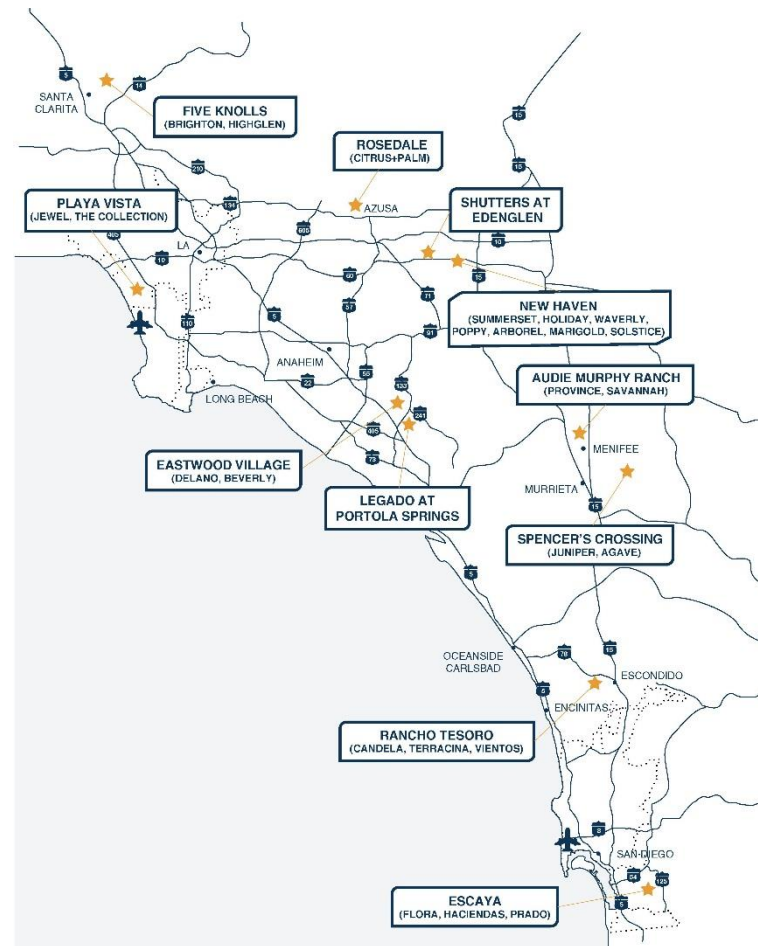
Southern California

LOTS
9,987

ENTITLED LOTS
7,887

UNENTITLED LOTS
2,100

PROJECTS	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS
Audie Murphy Ranch (Province, Savannah)	962	962	–
Escaya (Flora, Haciendas, Prado)	255	255	–
Eastwood Village (Delano, Beverly)	47	47	–
Five Knolls (Brighton, Highglen)	282	236	46
Legado at Portola Springs	35	35	–
New Haven (Summerset, Holiday, Waverly, Poppy, Arborel, Marigold, Solstice)	2,051	420	1,631
Playa Vista (Jewel, The Collection)	74	74	–
Rancho Tesoro (Candela, Terracina, Vientos)	423	423	–
Rosedale (Citrus+Palm)	74	74	–
Shutters at Edenglen	124	124	–
Spencer's Crossing (Juniper, Agave)	555	555	–
Other	5,105	4,682	423
Total:	9,987	7,887	2,100



Hawaii

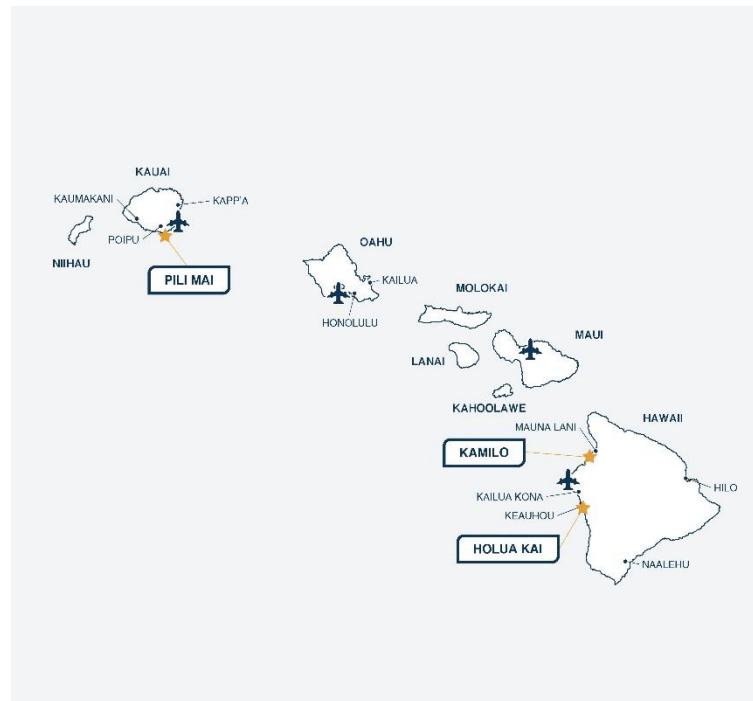
LOTS
152

ENTITLED LOTS
152

UNENTITLED LOTS
-

PROJECTS	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS	DEVELOPED ACRES*
Holua Kai	34	34	-	-
KaMilo	16	16	-	-
Pili Mai	102	102	-	-
Other	-	-	-	3
Total:	152	152	-	3

* Multi-family, industrial and commercial parcels



Denver, Colorado

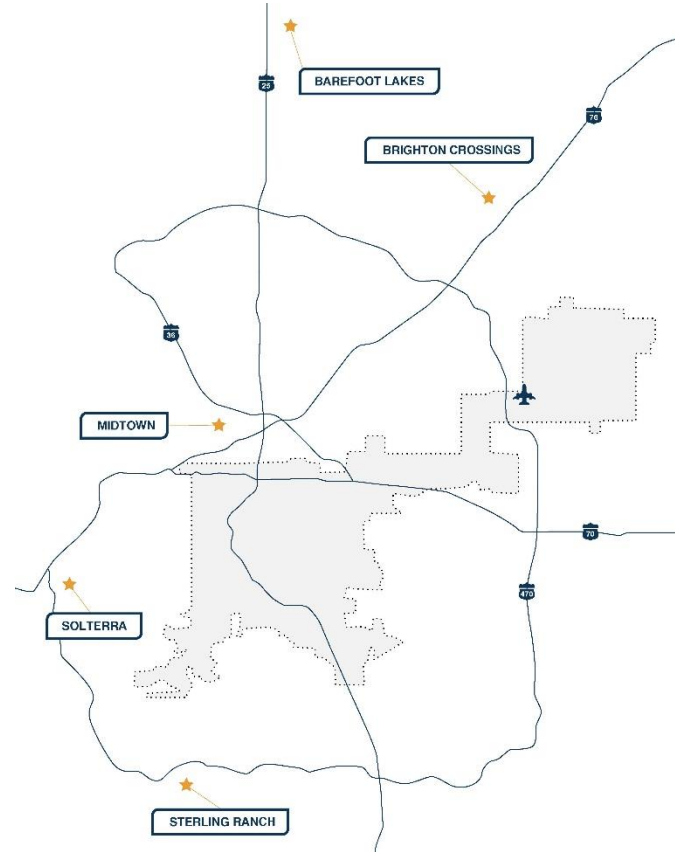
LOTS
8,178

ENTITLED LOTS
8,178

UNENTITLED LOTS
-

PROJECTS	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS	DEVELOPED ACRES*
Barefoot Lakes	3,650	3,650	-	-
Brighton Crossings	1,746	1,746	-	10
Midtown	277	277	-	-
Solterra	199	199	-	-
Sterling Ranch	62	62	-	-
Other	2,244	2,244	-	5
Total:	8,178	8,178	-	15

* Multi-family, industrial and commercial parcels



Austin, Texas

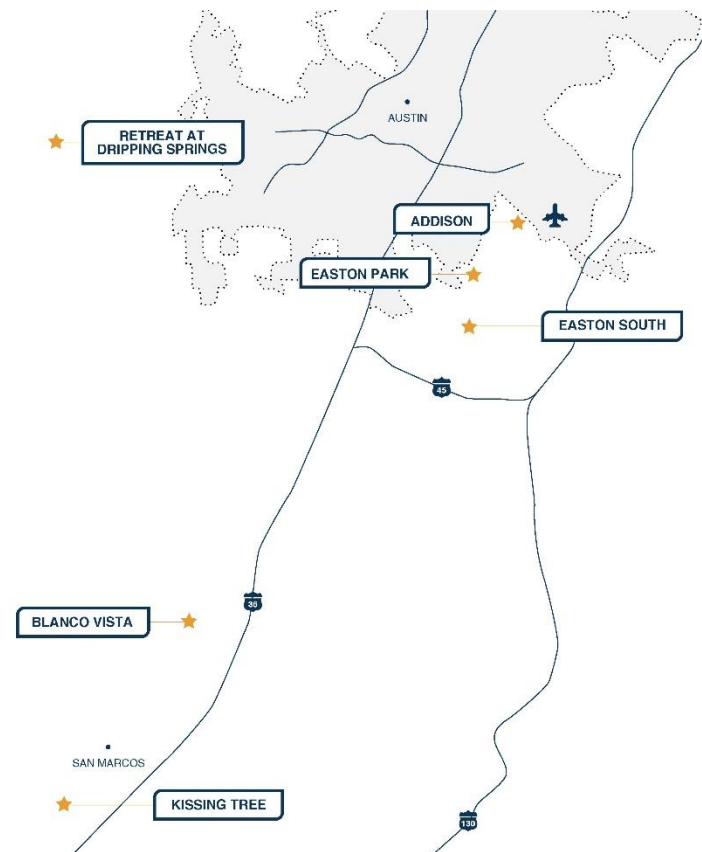
LOTS
11,846

ENTITLED LOTS
11,846

UNENTITLED LOTS
-

PROJECTS	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS	DEVELOPED ACRES*
Addison	402	402	-	-
Blanco Vista	617	617	-	-
Easton Park	5,161	5,161	-	30
Easton South	2,097	2,097	-	-
Grand Haven Homes (various communities)	538	538	-	-
Kissing Tree	2,969	2,969	-	-
Retreat at Dripping Springs	62	62	-	-
Total:	11,846	11,846	-	30

* Multi-family, industrial and commercial parcels



Phoenix, Arizona

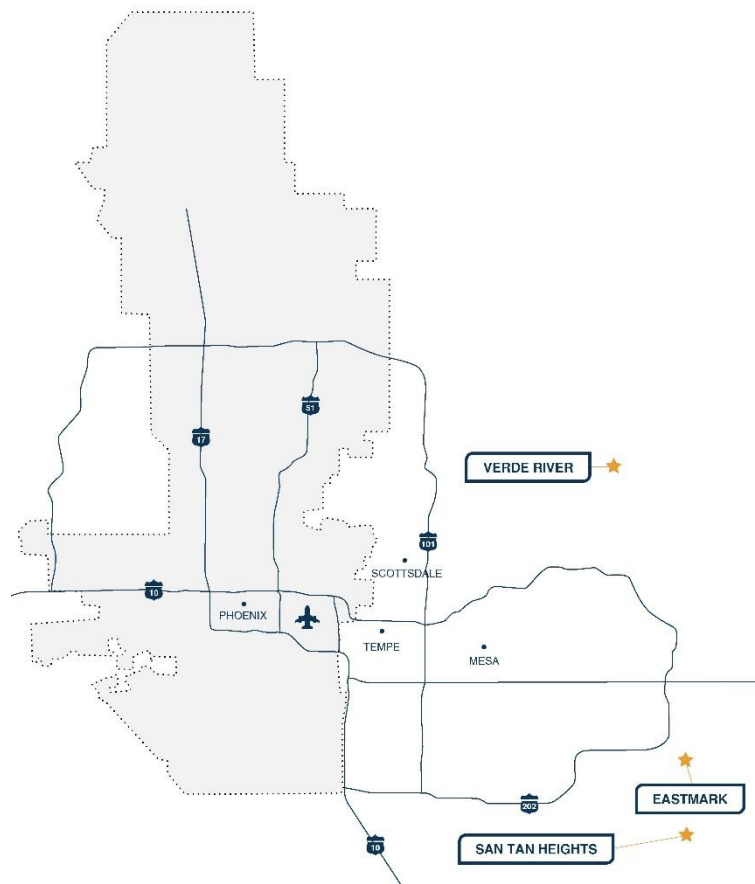
LOTS
4,337

ENTITLED LOTS
3,717

UNENTITLED LOTS
620

PROJECTS	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS	DEVELOPED ACRES*
Eastmark	2,981	2,981	–	14
San Tan Heights	689	689	–	–
Verde River	47	47	–	–
Other	620	–	620	–
Total:	4,337	3,717	620	14

* Multi-family, industrial and commercial parcels



Washington, D.C. Area

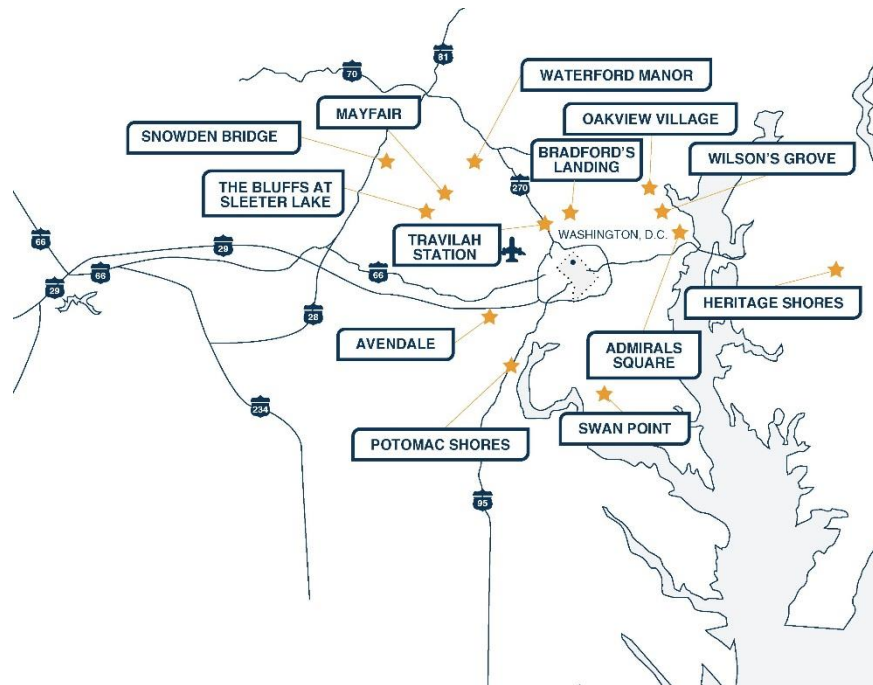
LOTS
4,317

ENTITLED LOTS
4,280

UNENTITLED LOTS
37

PROJECTS	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS	DEVELOPED ACRES*
Admirals Square	39	39	–	–
Avendale	92	92	–	–
Bradford's Landing	244	244	–	–
The Bluffs at Sleeter Lake	116	116	–	–
Heritage Shores	1,250	1,250	–	–
Mayfair	81	81	–	7
Oakview Village	51	51	–	–
Potomac Shores	140	140	–	–
Snowden Bridge	623	623	–	–
Swan Point	1,372	1,372	–	–
Travilah Station	106	106	–	–
Wilson's Grove	15	15	–	–
Waterford Manor	48	48	–	–
Other	140	103	37	11
Total:	4,317	4,280	37	18

* Multi-family, industrial and commercial parcels



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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.



Thank you.

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