

Corporate Profile

May 2021

Brookfield
Residential



Addison
Austin

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 the duration and impact of the novel coronavirus (“COVID-19”) on our financial positions and homebuilding operations, including the impacts of government actions taken to date; 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 or privacy laws; ability to obtain necessary permits and approvals for the development of our land; availability of labour or materials or increases in their costs and the imposition of any tariffs; 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 as well as pandemics/epidemics such as COVID-19; 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 and key personnel; 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; cyber-security risks including technology failures and data security breaches; 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.

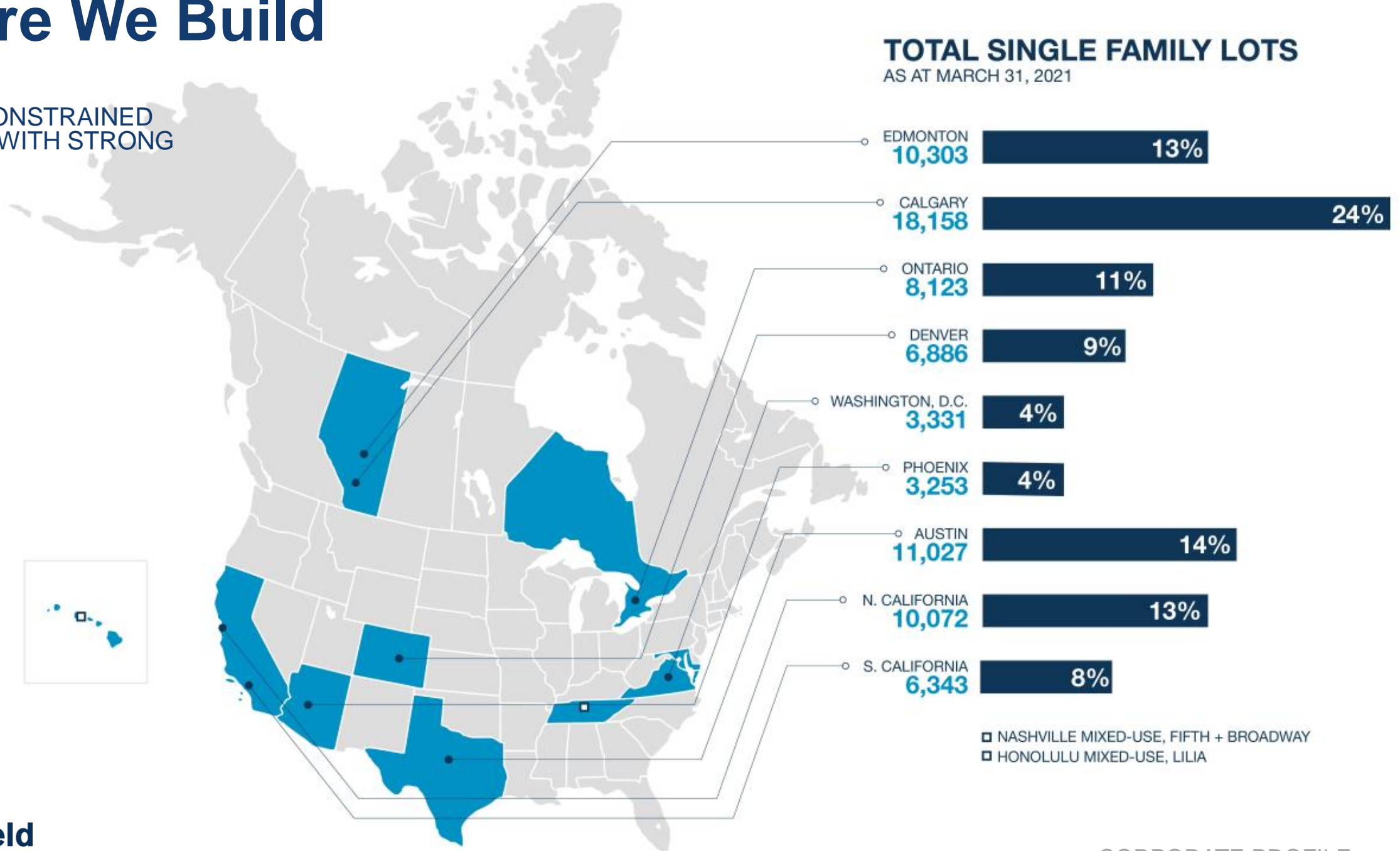
Unless otherwise noted, all references to “\$” or “Dollars” are to U.S. Dollars.

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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 \$600 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

CENTRAL AND EASTERN U.S.

Austin, Denver, Phoenix, Washington D.C. Area

We also develop mixed-use projects with Multi-family Residential, Retail and Office components, with active developments including Fifth + Broadway in Nashville, Tennessee and Lilia in Honolulu, Hawaii.

Creating Value

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

- We've reimagined the role of collaboration in real estate — working with government, key stakeholders and our communities as true partners to create shared value
- In addition to building homes and community amenities, as part of the planning process, we look at every development with a long-term view. That means customizing developments to meet a neighborhoods' needs and factors that enhance quality of life throughout a community's lifecycle, including opportunities for mixed-use and commercial space
- 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



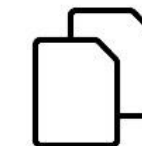
Area Structure / Community / Specific Plan

More detailed look at sequence of development, population density, transportation routes, public utilities and other items the jurisdiction would like to have studied



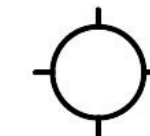
Land Use / Zoning / Tentative Map Plan

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 nine markets (Calgary, Edmonton, Greater Toronto Area, San Francisco Bay Area, Greater Los Angeles Area, San Diego, 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

Land & Housing Inventory

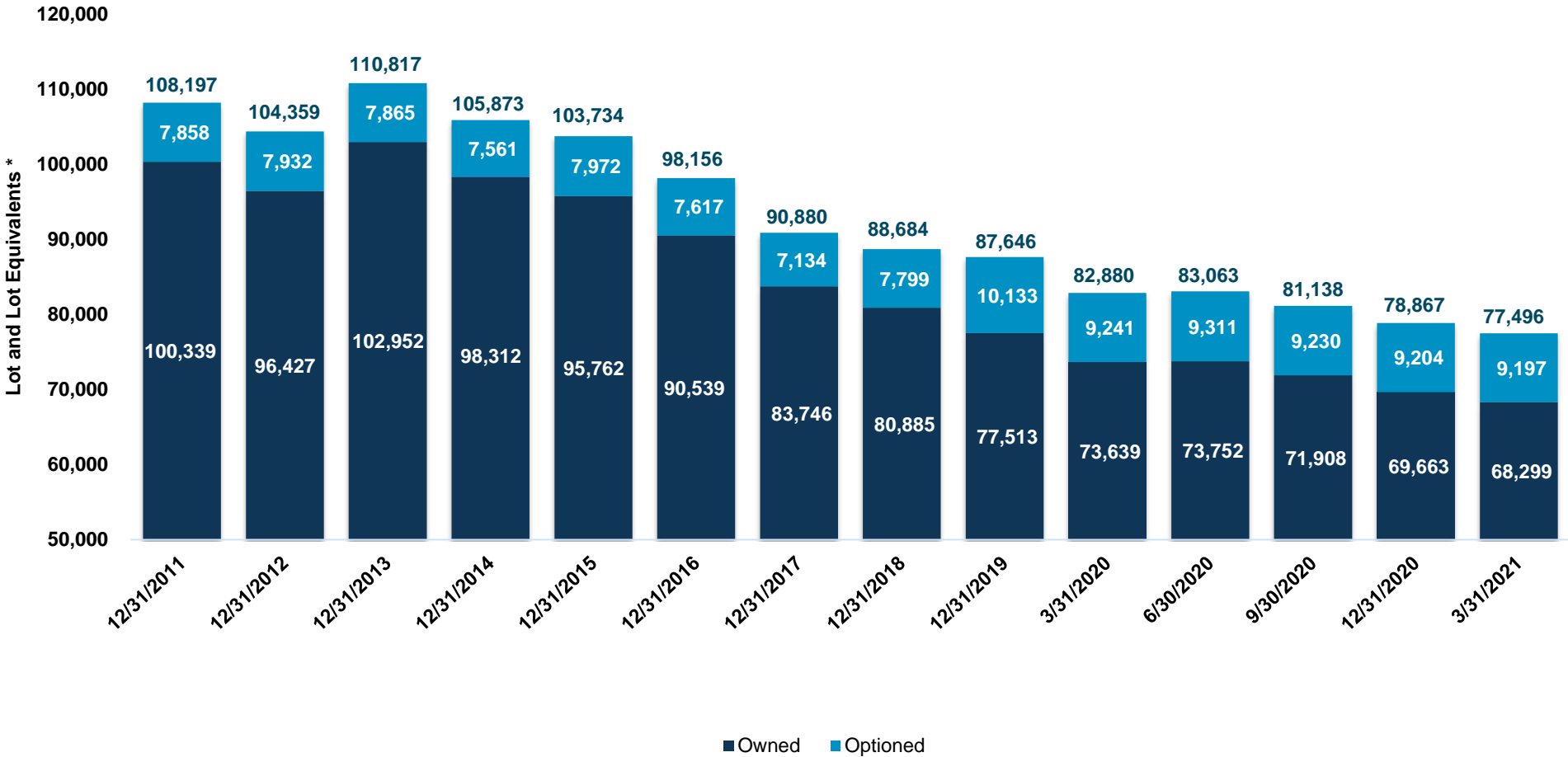
	Single Family Housing & Land Under and Land Held for Development ⁽¹⁾								Multi-Family, Industrial & Commercial Parcels Under Development	
	Housing & Land		Unconsolidated Entities		Total Lots		Status of Lots 31-Mar-21		Total Acres	
	Owned	Options	Owned	Options	31-Mar-21	31-Dec-20	Entitled	Unentitled	31-Mar-21	31-Dec-20
Calgary	15,887	-	2,271	-	18,158	18,306	9,643	8,515	53	56
Edmonton	10,303	-	-	-	10,303	10,479	5,093	5,210	15	15
Ontario	7,093	-	1,030	-	8,123	8,147	2,569	5,554	1	1
Canada	33,283	-	3,301	-	36,584	36,932	17,305	19,279	69	72
Northern California	2,593	7,255	224	-	10,072	10,095	2,817	7,255	-	-
Southern California	4,877	-	465	1,001	6,343	6,901	5,337	1,006	-	-
Hawaii	-	-	-	-	-	3	-	-	-	-
California	7,470	7,255	689	1,001	16,415	16,999	8,154	8,261	-	-
Denver	6,886	-	-	-	6,886	6,927	6,886	-	10	10
Austin	11,027	-	-	-	11,027	11,092	11,027	-	37	37
Phoenix	1,563	-	1,690	-	3,253	3,431	3,253	-	40	55
Washington D.C. Area	2,390	941	-	-	3,331	3,486	3,294	37	-	-
Central and Eastern U.S.	21,866	941	1,690	-	24,497	24,936	24,460	37	87	102
Total	62,619	8,196	5,680	1,001	77,496	78,867	49,919	27,577	156	174
Entitled lots	44,294	941	4,684	-	49,919	51,070				
Unentitled lots	18,325	7,255	996	1,001	27,577	27,797				
Total March 31, 2021	62,619	8,196	5,680	1,001	77,496					
Total December 31, 2020	63,556	8,203	6,107	1,001		78,867				

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

	Housing & Land	Unconsol. Entities	Total 31-Mar-21		Total 31-Dec-20	
			Units	\$	Units	\$
<i>(millions, except per unit activity)</i>						
Land Held For Development (lots)	1,286	75	59,680	1,361	60,811	1,387
Land Under Development - Single Family (lots)	600	191	6,372	791	7,036	923
Optioned (lots)	27	17	9,197	44	9,204	43
Housing inventory (units)	568	2	2,039	570	1,596	477
Model homes (units)	88	-	208	88	220	98
Unconsolidated entities net liabilities	-	(50)	-	(50)	-	(32)
Sub total	2,569	235	77,496	2,804	78,867	2,896
Multi Family, Commercial & Industrial Parcels (acres)	48	44	156	92	174	68
Total	2,617	279		2,896		2,964

Land & Housing Inventory

CONSISTENT REDUCTION OF LOT INVENTORY DEMONSTRATES OUR CAPITAL DISCIPLINE



Financial Profile

Select Financial Information

<i>(millions, except percentages, unit activity and average selling price)</i>	Three months ended Mar 31	
	2021	2020
Results from Operations		
Total revenue	\$ 444	\$ 312
Housing revenue	371	294
Land revenue	73	18
Housing gross margin (\$)	72	49
Housing gross margin (%)	19%	17%
Land gross margin (\$)	21	6
Land gross margin (%)	29%	33%
Total gross margin (\$)	93	55
Total gross margin (%)	21%	18%
Income / (loss) before income taxes	81	(27)
Income tax recovery	-	4
Consolidated net income / (loss)	81	(23)
Net income / (loss) attributable to Brookfield Residential	61	(15)
Operating Data		
Home closings for Brookfield Residential (units)	698	544
Average home selling price for Brookfield Residential (per unit)	\$ 532,000	\$ 540,000
Net new home orders for Brookfield Residential (units)	985	921
Backlog for Brookfield Residential (units)	2,194	1,650
Backlog value for Brookfield Residential	\$ 1,200	\$ 750
Active housing communities for Brookfield Residential	79	90
Lot closings for Brookfield Residential (single family units)	588	167
Lot closings for unconsolidated entities (single family units)	299	65
Acre closings for Brookfield Residential (multi-family, industrial and commercial)	4	3
Acre closings for unconsolidated entities (multi-family, industrial and commercial)	-	1
Average lot selling price for Brookfield Residential (single family units)	\$ 117,000	\$ 92,000
Average lot selling price for unconsolidated entities (single family units)	\$ 136,000	\$ 130,000
Average per acre selling price for Brookfield Residential (multi-family, industrial and commercial)	\$ 948,000	\$ 819,000
Average per acre selling price for unconsolidated entities (multi-family, industrial and commercial)	\$ -	\$ 297,000
Active land communities for Brookfield Residential	18	26
Active land communities for unconsolidated entities	6	6

Condensed Consolidated Balance Sheets

	Mar 31	Dec 31	Sept 30	Jun 30
<i>(thousands, except percentages)</i>	2021	2020	2020	2020
ASSETS				
Cash and cash equivalents	\$ 325,536	\$ 350,306	\$ 92,189	\$ 92,048
Restricted cash	13,396	17,849	16,705	19,460
Receivables and other assets	856,641	767,592	726,105	690,351
Land and housing inventory	2,616,624	2,656,627	2,812,559	2,889,726
Investments in unconsolidated entities - land and housing	278,671	307,250	343,755	342,382
Investment in unconsolidated entities - affiliate	644,775	605,615	602,429	611,402
Held-to-maturity investment	300,000	300,000	300,000	300,000
Commercial properties	759,518	709,947	679,034	627,671
Operating and financing lease right-of-use asset	80,890	82,109	82,726	85,302
Deferred income tax assets	56,641	54,967	53,353	54,509
Goodwill	16,479	16,479	16,479	16,479
	\$ 5,949,171	\$ 5,868,741	\$ 5,725,334	\$ 5,729,330
LIABILITIES				
Notes payable	\$ 1,625,243	\$ 1,621,500	\$ 1,611,901	\$ 1,607,372
Bank indebtedness and other financings	729,116	409,638	414,450	476,908
Total financings	2,354,359	2,031,138	2,026,351	2,084,280
Accounts payable and other liabilities	654,941	608,040	557,680	553,238
Operating and financing lease liability	87,701	88,559	89,652	90,140
Total liabilities	3,097,001	2,727,737	2,673,683	2,727,658
EQUITY	2,852,170	3,141,004	3,051,651	3,001,672
	\$ 5,949,171	\$ 5,868,741	\$ 5,725,334	\$ 5,729,330
Net debt to total capitalization	42%	35%	39%	40%

Condensed Consolidated Statements of Operations

<i>(thousands)</i>	Three months ended Mar 31	
	2021	2020
Revenue		
Housing	\$ 371,524	\$ 293,921
Land	72,841	17,740
	444,365	311,661
Direct cost of sales		
Housing	(299,129)	(245,485)
Land	(52,626)	(11,599)
Gross margin	92,610	54,577
Selling, general and administrative expense	(61,253)	(57,789)
Interest expense	(11,716)	(2,131)
Earnings from unconsolidated entities - land and housing	8,928	2,087
Earnings / (loss) from unconsolidated entities - affiliate	39,463	(24,480)
Other income	20,672	5,530
Lease expense	(3,528)	(3,232)
Depreciation	(3,903)	(1,062)
Income / (loss) before income taxes	81,273	(26,500)
Current income tax expense	(795)	(367)
Deferred income tax recovery	873	4,744
Consolidated net income / (loss)	81,351	(22,123)
Net income attributable to non-controlling interest - land and housing	4,026	3,260
Net income / (loss) attributable to non-controlling interest - affiliate	16,769	(10,073)
Net income / (loss) attributable to Brookfield Residential	\$ 60,556	\$ (15,310)
Other comprehensive income / (loss)		
Unrealized foreign exchange gain / (loss) on:		
Translation of the net investment in Canadian subsidiaries and unconsolidated entities - affiliate	12,069	(75,066)
Translation of the Canadian dollar denominated debt designated as a hedge of the net investment in Canadian subsidiaries	(2,700)	14,675
Comprehensive income / (loss) attributable to Brookfield Residential	\$ 69,925	\$ (75,701)

Condensed Consolidated Statements of Cash Flows

<i>(thousands)</i>	Three months ended Mar 31	
	2021	2020
Cash Flows Provided by / (Used in) Operating Activities:		
Net income / (loss)	\$ 81,351	\$ (22,123)
Adjustments to reconcile net income to net cash provided by / (used in) operating activities:		
Earnings from unconsolidated entities - land and housing	(8,928)	(2,087)
(Earnings) / loss from unconsolidated entities - affiliate	(39,463)	24,480
Deferred income tax recovery	(873)	(4,744)
Share-based compensation expense	535	2,888
Depreciation	3,903	1,062
Right-of-use asset depreciation	1,379	2,321
Amortization of non-cash interest	1,997	1,899
Loss on extinguishment of debt	-	15,030
Dividend income on held-to-maturity investment	(5,918)	(5,984)
Distributions of earnings from unconsolidated entities	28,607	643
Changes in operating assets and liabilities	2,848	(179,557)
Net cash provided by / (used) in operating activities	65,438	(166,172)
Cash Flows Used in Investing Activities:		
Investments in unconsolidated entities	(4,983)	(11,679)
Distributions from unconsolidated entities	16,040	4,025
Increase in loan receivable	(43,638)	(29,355)
Net cash used in investing activities	(32,581)	(37,009)
Cash Flows (Used in) / Provided by Financing Activities:		
Drawings under project-specific and other financings	47,654	61,901
Repayments under project-specific and other financings	(16,857)	(16,656)
Net drawings on bank indebtedness	286,338	195,500
Drawings under unsecured senior notes payable	-	500,000
Repayments under unsecured senior notes payable	-	(500,000)
Payments of debt issuance costs	-	(8,983)
Payments of debt extinguishment costs	-	(8,930)
Net (distributions) / contributions to non-controlling interest	(29,554)	16,270
Dividends to Brookfield Asset Management	(350,000)	-
Payments made on the principal of financing leases	(50)	(64)
Net cash (used in) / provided by financing activities	(62,469)	239,038
Effect of foreign exchange rates on cash and cash equivalents	389	(3,694)
Change in cash, cash equivalents and restricted cash	(29,223)	32,163
Cash, cash equivalents and restricted cash at beginning of period	368,155	123,741
Cash, cash equivalents and restricted cash at end of period	\$ 338,932	\$ 155,904

Quarterly Operating and Financial Information

<i>(millions, except per unit activity)</i>	2021		2020			2019		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Home closings (units)	698	845	850	634	544	882	674	763
Lots closings (single family units)	588	1,454	726	164	167	1,578	578	756
Acre closings (multi-family, industrial and commercial)	4	39	-	-	3	20	10	3
Acre closings (raw and partially finished)	-	-	-	-	-	18	134	-
Net new home orders (units)	985	817	1,144	622	921	671	768	867
Backlog (units)	2,194	1,907	1,935	1,638	1,650	1,273	1,484	1,390
Backlog value	\$ 1,200	\$ 1,013	\$ 973	\$ 771	\$ 750	\$ 603	\$ 744	\$ 730
Revenue	\$ 444	\$ 650	\$ 453	\$ 323	\$ 312	\$ 656	\$ 461	\$ 476
Direct cost of sales	(351)	(515)	(361)	(268)	(257)	(520)	(356)	(397)
Gross margin	93	135	92	55	55	136	105	79
Selling, general and administrative expense	(62)	(88)	(61)	(53)	(58)	(53)	(60)	(65)
Interest expense	(12)	(5)	(2)	-	(3)	(10)	(9)	(8)
Earnings from unconsolidated entities - land and housing	9	3	9	2	2	10	9	11
Earnings / (Loss) from unconsolidated entities - affiliate	39	2	(9)	2	(24)	24	-	-
Other income	17	9	19	19	4	15	12	9
Lease expense	(3)	(4)	(4)	(3)	(3)	(3)	(3)	(3)
Income / (Loss) before income taxes	81	52	44	22	(27)	119	54	23
Income tax (expense) / recovery	-	(2)	-	(5)	4	2	(5)	(6)
Consolidated net income / (loss)	81	50	44	17	(23)	121	49	17
Net income attributable to non-controlling interest - land and housing	4	5	3	3	3	5	1	1
Net income / (loss) attributable to non-controlling interest - affiliate	16	42	27	2	(11)	36	-	-
Net income / (loss) attributable to Brookfield Residential	\$ 61	\$ 3	\$ 14	\$ 12	\$ (15)	\$ 80	\$ 48	\$ 16
Foreign currency translation	9	37	15	27	(60)	15	(8)	14
Comprehensive income / (loss)	\$ 70	\$ 40	\$ 29	\$ 39	\$ (75)	\$ 95	\$ 40	\$ 30

Select Operating Information – Housing

	Three months ended Mar 31			
	2021		2020	
<i>(millions, except per unit activity and average selling price)</i>	Units	\$	Units	\$
Home closings				
Canada	144	\$ 60	158	\$ 56
California	293	179	173	139
Central and Eastern U.S.	261	132	213	99
Total	698	\$ 371	544	\$ 294

	Three months ended Mar 31	
	2021	2020
Average home selling price		
Canada	\$ 420,000	\$ 356,000
California	611,000	801,000
Central and Eastern U.S.	506,000	465,000
Average selling price	\$ 532,000	\$ 540,000

	Three months ended Mar 31	
	2021	2020
Net new home orders (units)		
Canada	302	286
California	245	305
Central and Eastern U.S.	438	330
Total	985	921

Select Operating Information – Housing

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

	As at Mar 31	
Active housing communities	2021	2020
Canada	38	36
California	13	21
Central and Eastern U.S.	28	33
Total	79	90

	As at Mar 31			
Backlog	2021		2020	
	Units	Value	Units	Value
Canada	733	\$ 349	684	\$ 260
California	584	400	351	222
Central and Eastern U.S.	877	451	615	268
Total	2,194	\$ 1,200	1,650	\$ 750

Select Operating Information – Land

<i>(millions, except per unit activity)</i>	Three months ended Mar 31			
	2021		2020	
	Units	\$	Units	\$
Lot closings (single family units)				
Canada	340	\$ 43	123	\$ 12
California	115	16	-	-
Central and Eastern U.S.	133	10	44	3
	588	69	167	15
Unconsolidated entities	299	41	65	9
Total	887	\$ 110	232	\$ 24
Acre closings (multi-family, industrial and commercial)				
Canada	4	\$ 4	3	\$ 3
California	-	-	-	-
Central and Eastern U.S.	-	-	-	-
	4	4	3	3
Unconsolidated entities	-	-	1	-
Total	4	\$ 4	4	\$ 3

Select Operating Information – Land

	Three months ended Mar 31	
	2021	2020
Average lot selling price (single family units)		
Canada	\$ 125,000	\$ 98,000
California	139,000	-
Central and Eastern U.S.	76,000	74,000
	117,000	92,000
Unconsolidated entities	136,000	130,000
Average selling price	\$ 123,000	\$ 102,000
Average per acre selling price (multi-family, industrial and commercial)		
Canada	\$ 948,000	\$ 819,000
California	-	-
Central and Eastern U.S.	-	-
	948,000	819,000
Unconsolidated entities	-	297,000
Average selling price	\$ 948,000	\$ 688,000
Active land communities		
	As at Mar 31	
	2021	2020
Canada	8	11
California	1	4
Central and Eastern U.S.	9	11
	18	26
Unconsolidated entities	6	6
Total	24	32

Select Operating Information – Gross Margin

<i>(millions, except percentages)</i>	Three Months Ended Mar 31			
	2021		2020	
	\$	%	\$	%
Housing gross margin				
Canada	\$ 10	17%	\$ 9	16%
California	39	22%	26	19%
Central and Eastern U.S.	23	17%	14	14%
Total	\$ 72	19%	\$ 49	17%
Land gross margin				
Canada	\$ 15	32%	\$ 5	33%
California	5	31%	1	-
Central and Eastern U.S.	1	10%	-	-
Total	\$ 21	29%	\$ 6	33%
Total gross margin				
Canada	\$ 25	22%	\$ 14	20%
California	44	23%	27	19%
Central and Eastern U.S.	24	17%	14	14%
Total	\$ 93	21%	\$ 55	18%

Historical Pro Forma Financial Information

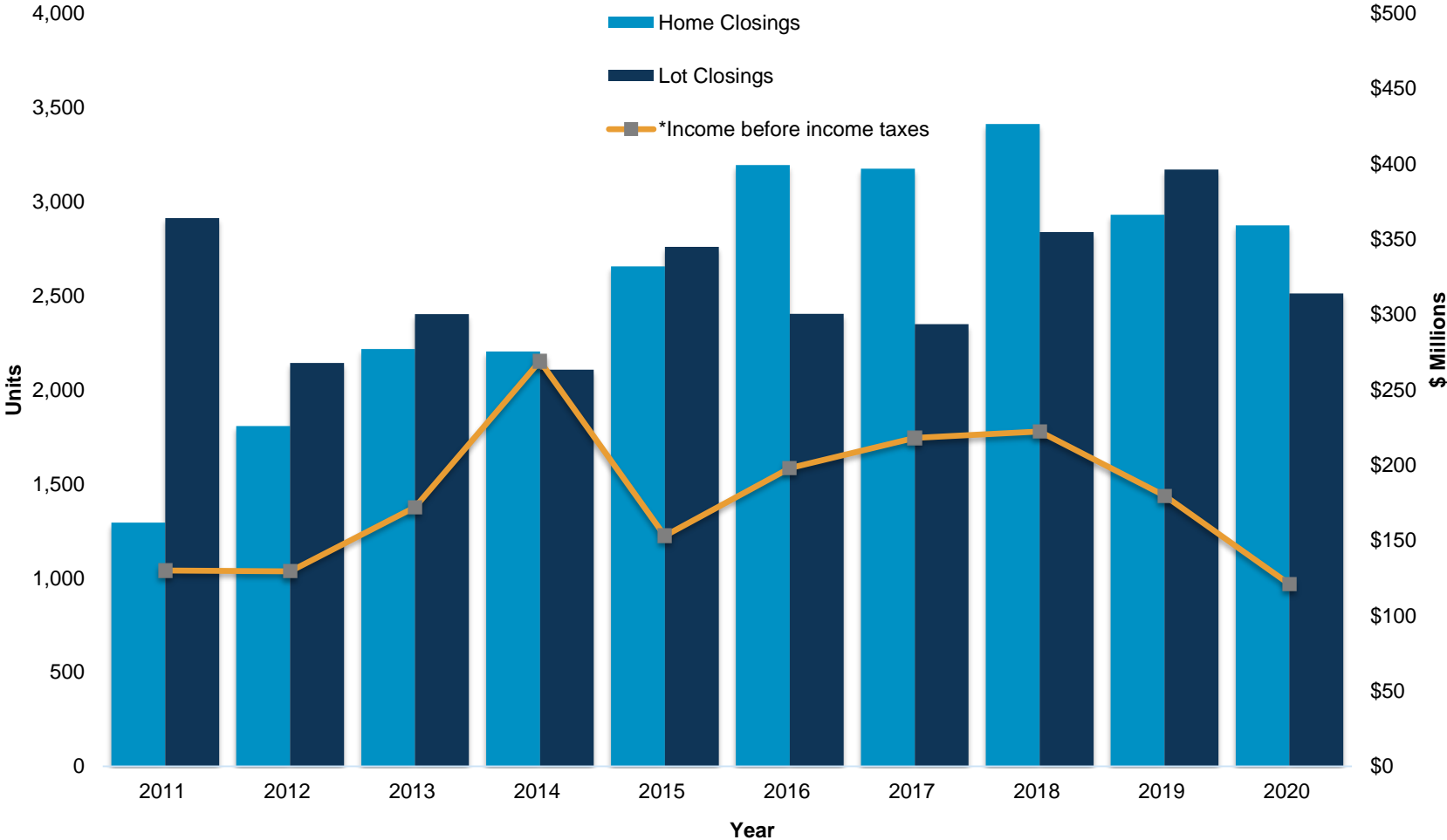
BROOKFIELD RESIDENTIAL PROPERTIES

(millions, except unit activity)

	Year ended December 31									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Home Closings (units)	2,873	2,930	3,411	3,174	3,193	2,656	2,204	2,216	1,808	1,295
Lot Closings (single family units)	2,511	3,170	2,838	2,349	2,403	2,760	2,107	2,402	2,142	2,912
Acre Closings	42	195	98	712	2,108	66	34	247	543	94
Revenue										
Housing	\$ 1,446	\$ 1,550	\$ 1,794	\$ 1,733	\$ 1,604	\$ 1,249	\$ 1,136	\$ 983	\$ 718	\$ 484
Land	293	388	368	318	299	342	340	373	622	524
Total Revenues	1,739	1,938	2,162	2,051	1,903	1,591	1,476	1,356	1,340	1,008
Direct cost of sales	(1,403)	(1,551)	(1,689)	(1,578)	(1,474)	(1,174)	(1,031)	(981)	(1,048)	(740)
Gross margin	336	387	473	473	429	417	445	375	292	268
Selling, general and administrative	(260)	(244)	(296)	(237)	(207)	(218)	(192)	(170)	(128)	(101)
Equity in earnings of unconsolidated entities	(13)	58	18	15	9	12	26	9	10	4
Other income / (expense)	28	2	27	(33)	(33)	(58)	(10)	(42)	(45)	(41)
Income before income taxes	\$ 91	\$ 203	\$ 222	\$ 218	\$ 198	\$ 153	\$ 269	\$ 172	\$ 129	\$ 130

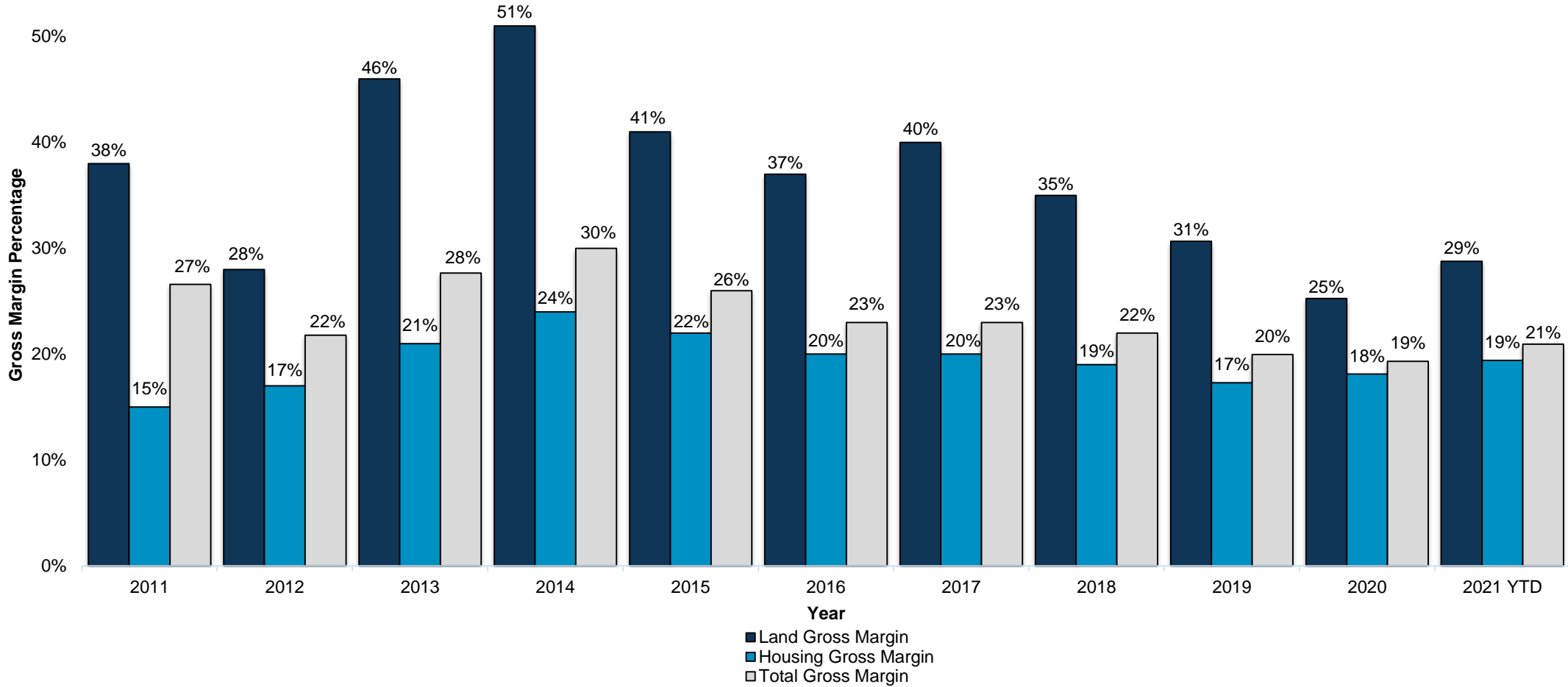
* Prior to January 1, 2011, the Company's business practice in Alberta was to not transfer title on its lots sold to the homebuilder who built the home and ultimately sold the home to the consumer, but to wait and transfer title of the lot to the ultimate homebuyer at the time of the home closing. As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

Consistent Profitability



*Income before income taxes does not include earnings or losses from unconsolidated entities - affiliate

Historical Gross Margin



Our Markets

Calgary, Alberta

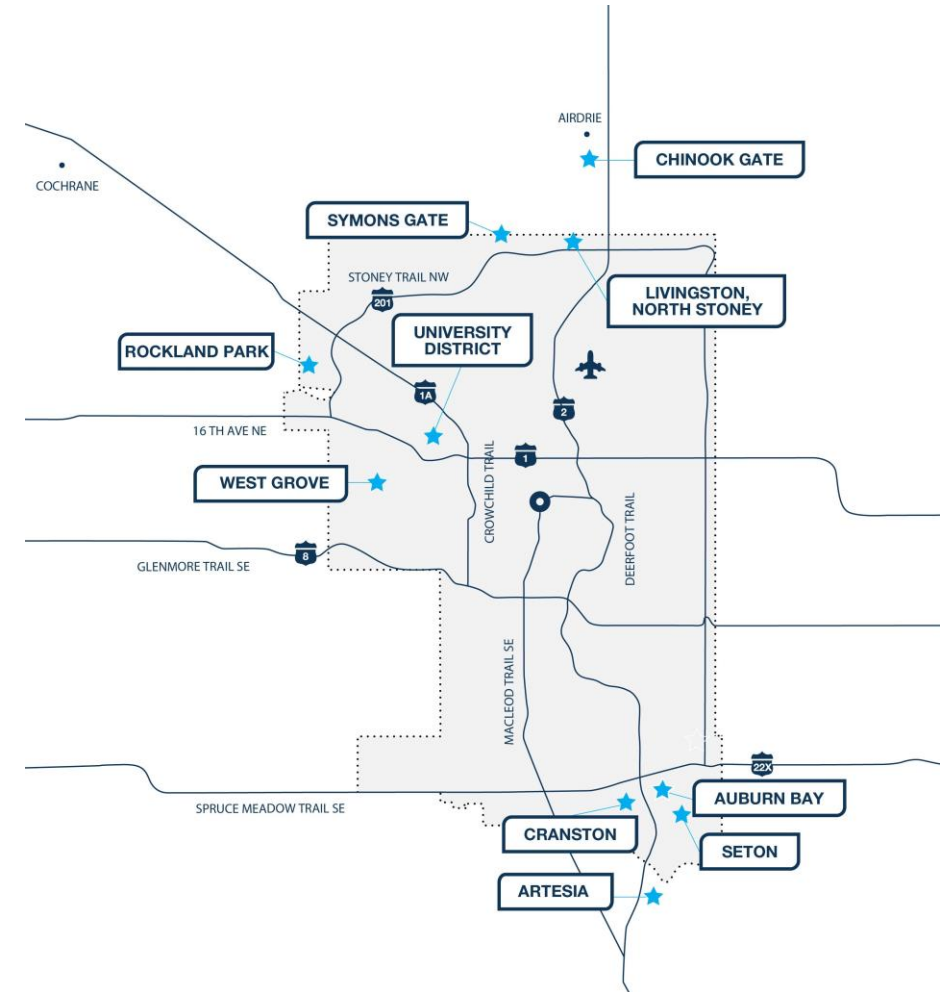
LOTS
18,158

ENTITLED LOTS
9,643

UNENTITLED LOTS
8,515

PROJECTS	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS	DEVELOPED ACRES*
Artesia	58	58	-	-
Auburn Bay	21	21	-	-
Chinook Gate (Airdrie)	132	132	-	-
Cranston	388	388	-	6
Livingston	6,909	2,822	4,087	10
North Stoney	2,895	-	2,895	-
Rockland Park	1,180	1,180	-	5
Seton	5,730	4,197	1,533	30
Symons Gate	16	16	-	1
University District	126	126	-	1
West Grove	14	14	-	-
Other	689	689	-	-
Total:	18,158	9,643	8,515	53

* Multi-family, industrial and commercial parcels



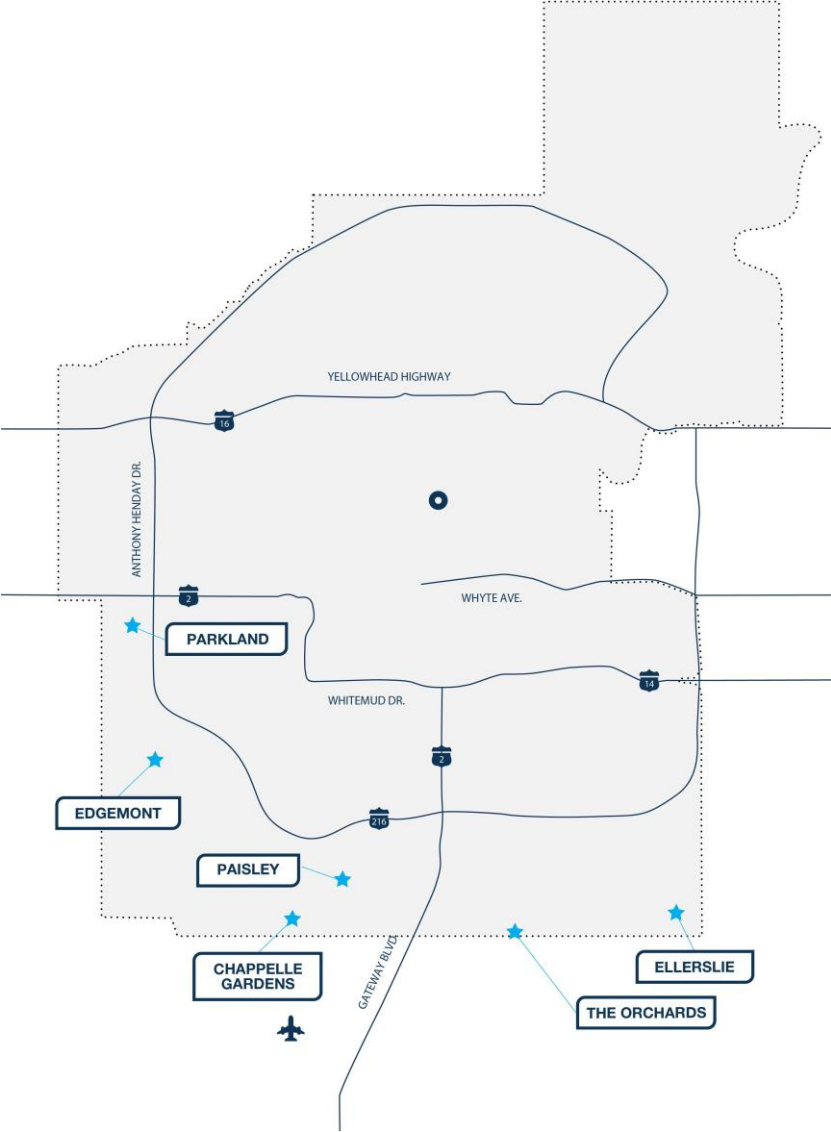
Edmonton, Alberta

LOTS
ENTITLED LOTS
UNENTITLED LOTS

10,303
5,093
5,210

PROJECTS	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS	DEVELOPED ACRES*
Chappelle Gardens	1,289	1,289	-	4
Edgemont	664	664	-	-
Ellerslie	5,210	-	5,210	-
The Orchards	2,709	2,709	-	6
Paisley	315	315	-	4
Parkland	49	49	-	-
Other	67	67	-	1
Total:	10,303	5,093	5,210	15

* Multi-family, industrial and commercial parcels



Ontario

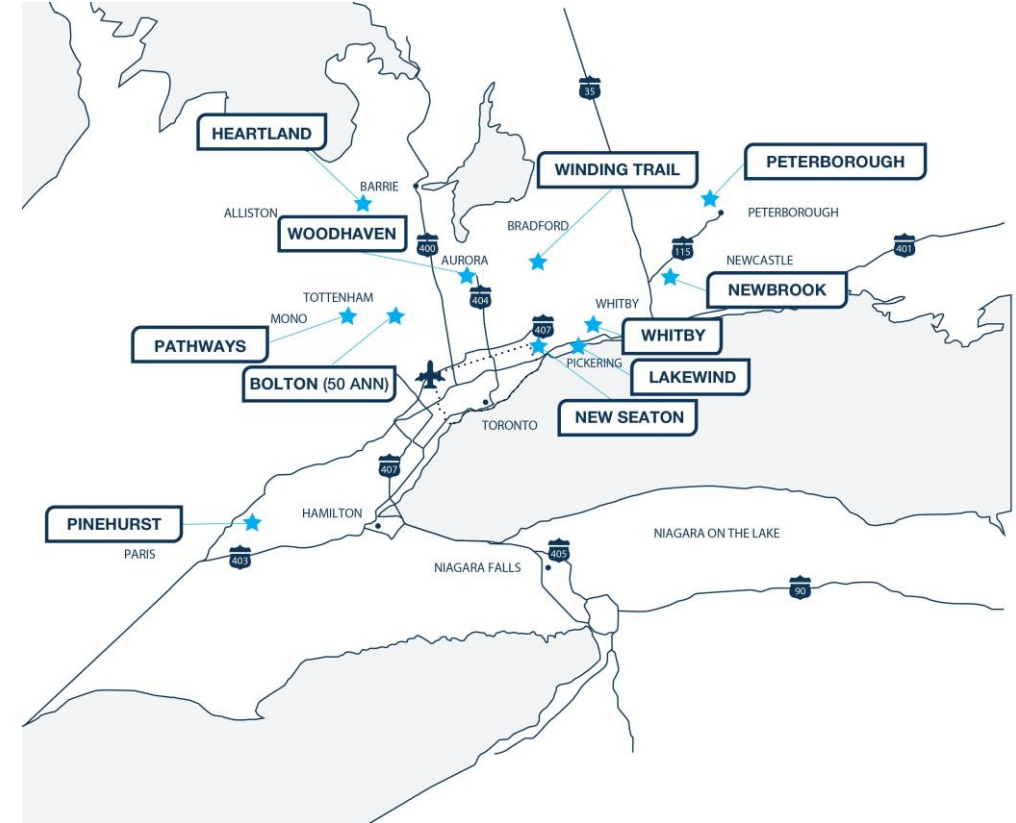
LOTS
8,123

ENTITLED LOTS
2,569

UNENTITLED LOTS
5,554

PROJECTS	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS	DEVELOPED ACRES*
Bolton (50 ANN)	73	73	-	-
Heartland	253	253	-	-
Lakewind	51	51	-	-
Newbrook	540	270	270	-
New Seaton	990	990	-	-
Pathways	59	59	-	-
Peterborough	5,278	-	5,278	-
Pinehurst	93	93	-	-
Whitby	511	505	6	1
Winding Trail	39	39	-	-
Woodhaven	114	114	-	-
Other	122	122	-	-
Total:	8,123	2,569	5,554	1

* Multi-family, industrial and commercial parcels



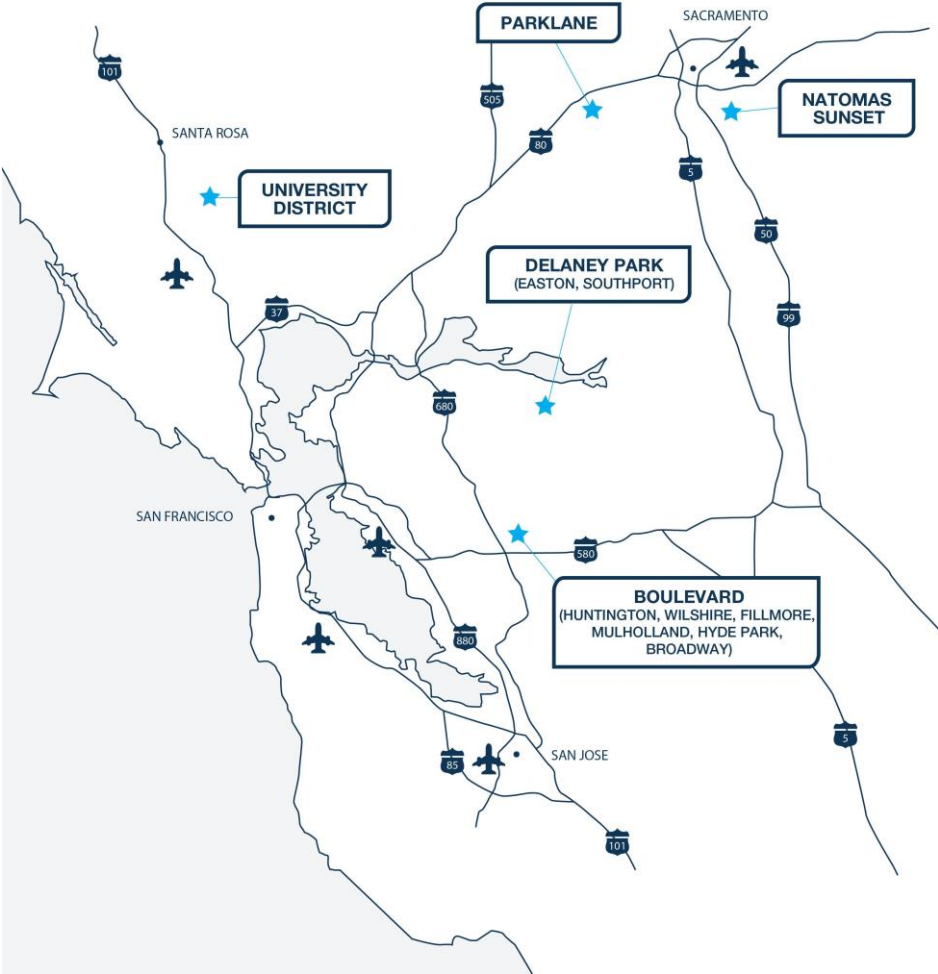
Northern California

LOTS
10,072

ENTITLED LOTS
2,817

UNENTITLED LOTS
7,255

PROJECTS	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS
Boulevard (Huntington, Wilshire, Fillmore, Mulholland, Hyde Park, Broadway)	493	493	-
Natomas, Sunset	8,520	1,715	6,805
Parklane	450	-	450
University District	331	331	-
Delaney Park (Easton, Southport)	118	118	-
Other	160	160	-
Total:	10,072	2,817	7,255



Denver, Colorado

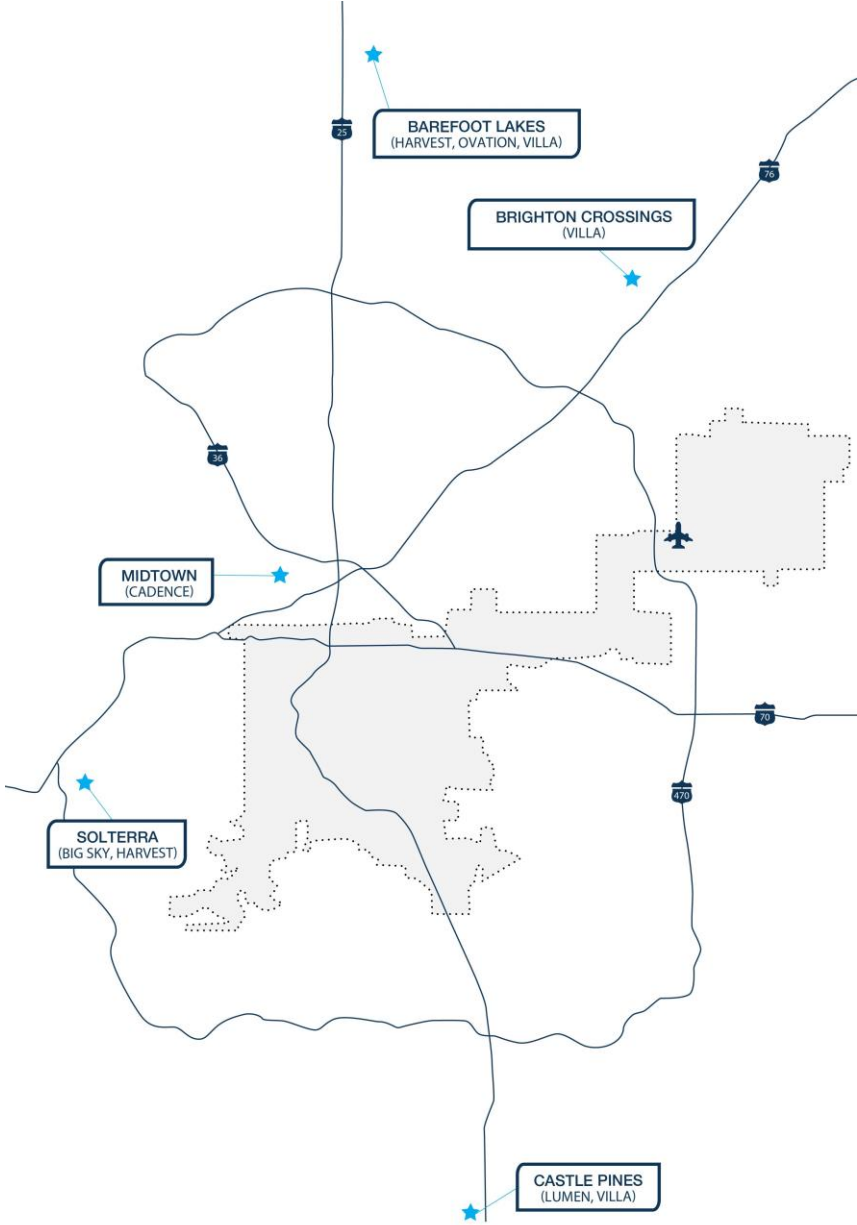
LOTS
6,886

ENTITLED LOTS
6,886

UNENTITLED LOTS
-

PROJECTS	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS	DEVELOPED ACRES*
Barefoot Lakes (Harvest, Ovation, Villa)	3,173	3,173	-	-
Brighton Crossings (Villa)	1,304	1,304	-	10
Castle Pines (Lumen, Villa)	43	43	-	-
Midtown (Cadence)	109	109	-	-
Solterra (Big Sky, Harvest)	176	176	-	-
Other	2,081	2,081	-	-
Total:	6,886	6,886	-	10

* Multi-family, industrial and commercial parcels



Austin, Texas

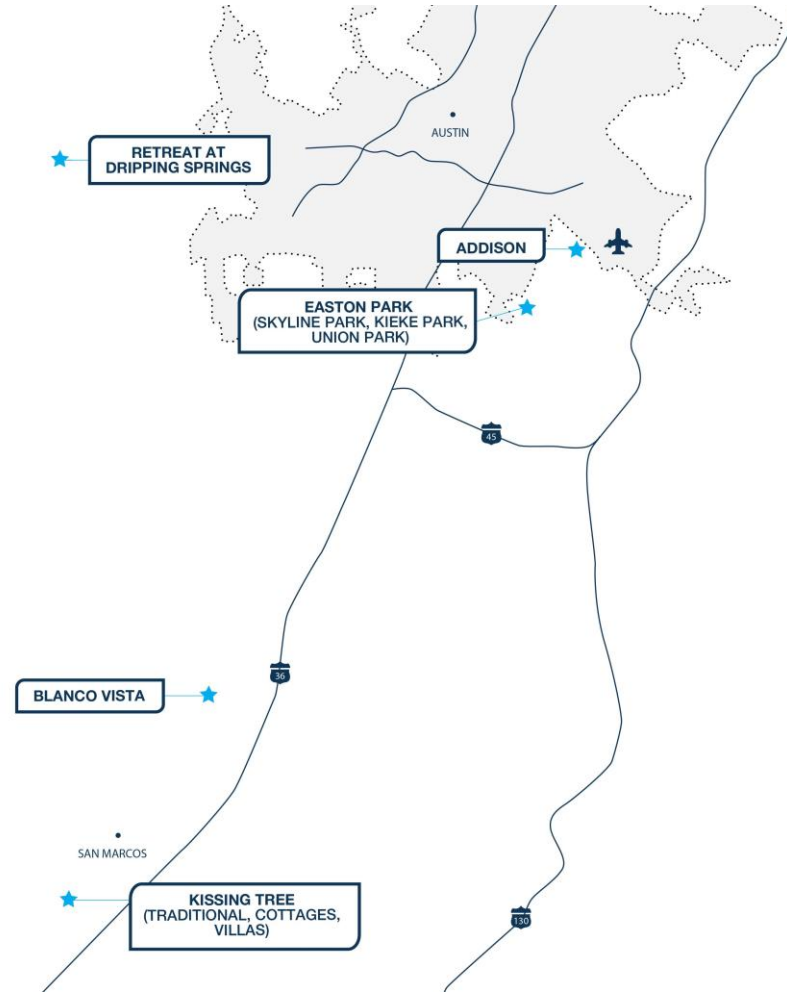
LOTS
11,027

ENTITLED LOTS
11,027

UNENTITLED LOTS
-

PROJECTS	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS	DEVELOPED ACRES*
Addison	190	190	-	-
Blanco Vista	287	287	-	-
Easton Park (Skyline Park, Kieke Park, Union Park)	7,805	7,805	-	37
Kissing Tree (Traditional, Cottages, Villas)	2,689	2,689	-	-
Retreat at Dripping Springs	25	25	-	-
Other	31	31	-	-
Total:	11,027	11,027	-	37

* Multi-family, industrial and commercial parcels

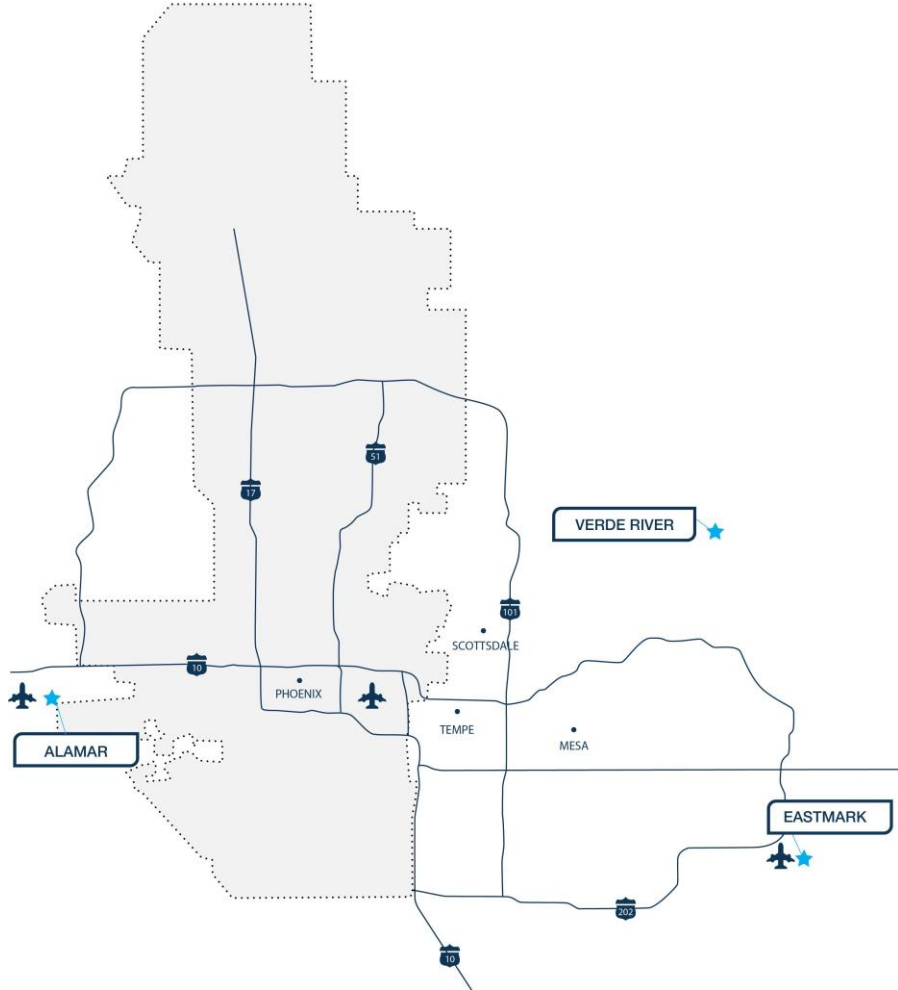


Phoenix, Arizona

LOTS
ENTITLED LOTS
UNENTITLED LOTS
3,253
3,253
-

PROJECTS	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS	DEVELOPED ACRES*
Alamar	1,563	1,563	-	-
Eastmark	1,679	1,679	-	40
Verde River	11	11	-	-
Total:	3,253	3,253	-	40

* Multi-family, industrial and commercial parcels



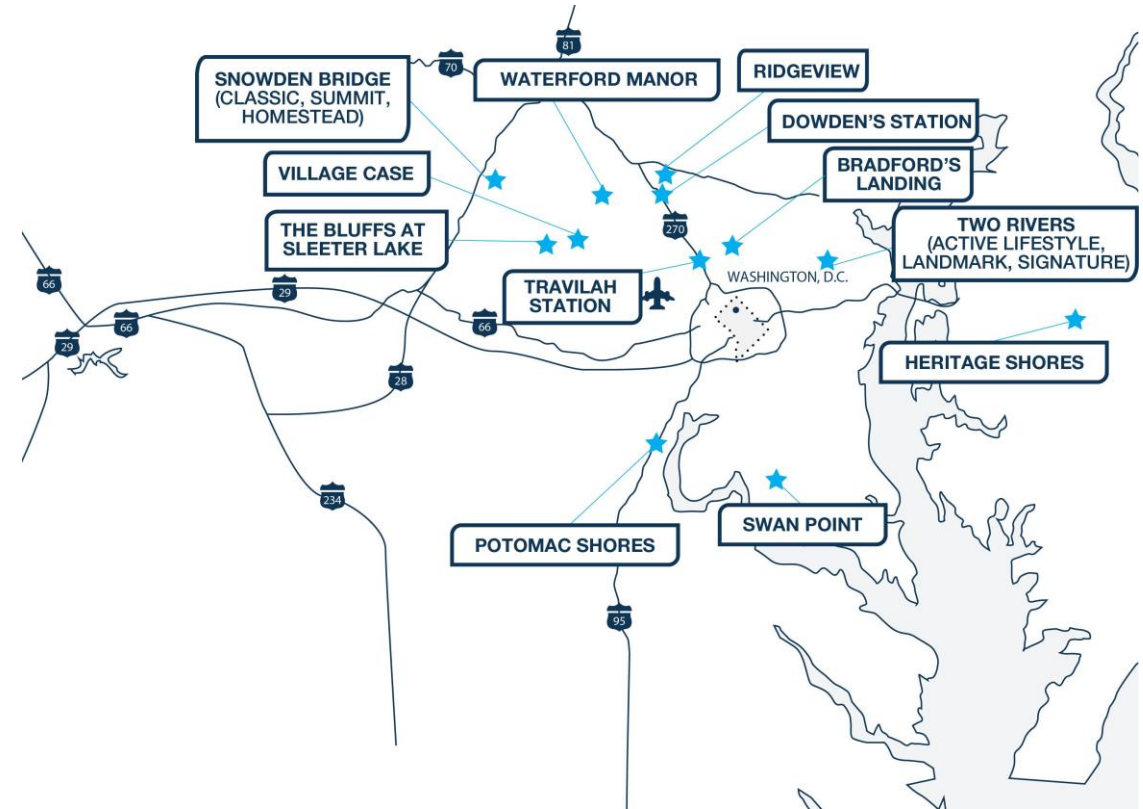
Washington, D.C. Area

LOTS
3,331

ENTITLED LOTS
3,294

UNENTITLED LOTS
37

PROJECTS	TOTAL LOTS	ENTITLED LOTS	UNENTITLED LOTS
The Bluffs at Sleeter Lake	2	2	-
Bradford's Landing	76	76	-
Dowden's Station	100	100	-
Heritage Shores	1,126	1,126	-
Potomac Shores	11	11	-
Ridgeview	13	13	-
Snowden Bridge (Classic, Summit, Homestead)	290	290	-
Swan Point	1,372	1,372	-
Travilah Station	11	11	-
Two Rivers (Active Lifestyle, Landmark Collection, Signature Collection)	37	37	-
Village Case	6	6	-
Waterford Manor	29	29	-
Other	258	221	37
Total:	3,331	3,294	37



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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: <https://www.brookfieldresidential.com/about/investor-media-relations>.

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

Thank you

