

***CAPTURING VALUE BY DEVELOPING LAND  
AND BUILDING HOMES IN PREMIER  
NORTH AMERICAN MARKETS***

**JMP Securities Research Conference  
May 14, 2013**

**Brookfield**  
Residential

# FORWARD LOOKING STATEMENTS

This presentation contains, and the responses to any questions regarding this presentation may contain, “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 presentation include, among others, statements with respect to the current business environment and outlook, including statements regarding economic and market conditions such as market recovery, constrained lot supply, increasing demand, and pricing trends; single family lot count and geographic distribution; possible or assumed future results; the continued strength of our Canadian operations; the improving profitability of our U.S. operations; our ability to replenish our land supply and to pursue homebuilding or land investments; business goals, strategy and growth plans; effect of challenging conditions on us, including general economic conditions; and factors affecting our competitive position within the homebuilding industry. Reliance should not be placed on forward-looking statements because they involve known and unknown risks, uncertainties and other factors, which may cause the actual results to differ materially from the anticipated future results expressed or implied by such forward-looking statements. Factors that could cause actual results to differ materially from those set forth in the forward-looking statements include, but are not limited to changes in general economic, real estate and other conditions; changes in interest rates; mortgage rate and availability changes; availability of suitable undeveloped land and lots at acceptable prices and having sufficient liquidity to acquire all such properties; adverse legislation or regulation, including changes to tax laws; ability to obtain necessary permits and approvals for the development of our land; availability of labour or materials or increases in their costs; ability to develop and market our master-planned communities successfully; laws and regulations related to property development and to the environment that could lead to additional costs and delays, including laws and regulations that may limit municipality growth in the areas in which we operate; ability to obtain regulatory approvals; confidence levels of consumers; ability to raise capital on favourable terms; our debt and leverage; adverse weather conditions and natural disasters; relations with the residents of our communities; risks associated with increased insurance costs or unavailability of adequate coverage; ability to obtain surety bonds; competitive conditions in the homebuilding industry, including product and pricing pressures; ability to retain our executive officers; relationships with our affiliates; the seasonal nature of our business and its impact on operating results; operational risks including, but not limited to home warranty claims, liabilities resulting from our role as a general contractor, workers’ compensation claims and other health and safety liabilities, and civil enforcement of liabilities and judgments against our assets; changes to foreign currency exchange rates; and additional risks and uncertainties, many of which are beyond our control, referred to in this presentation and our other public filings with the applicable Canadian regulatory authorities and the United States Securities and Exchange Commission. 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

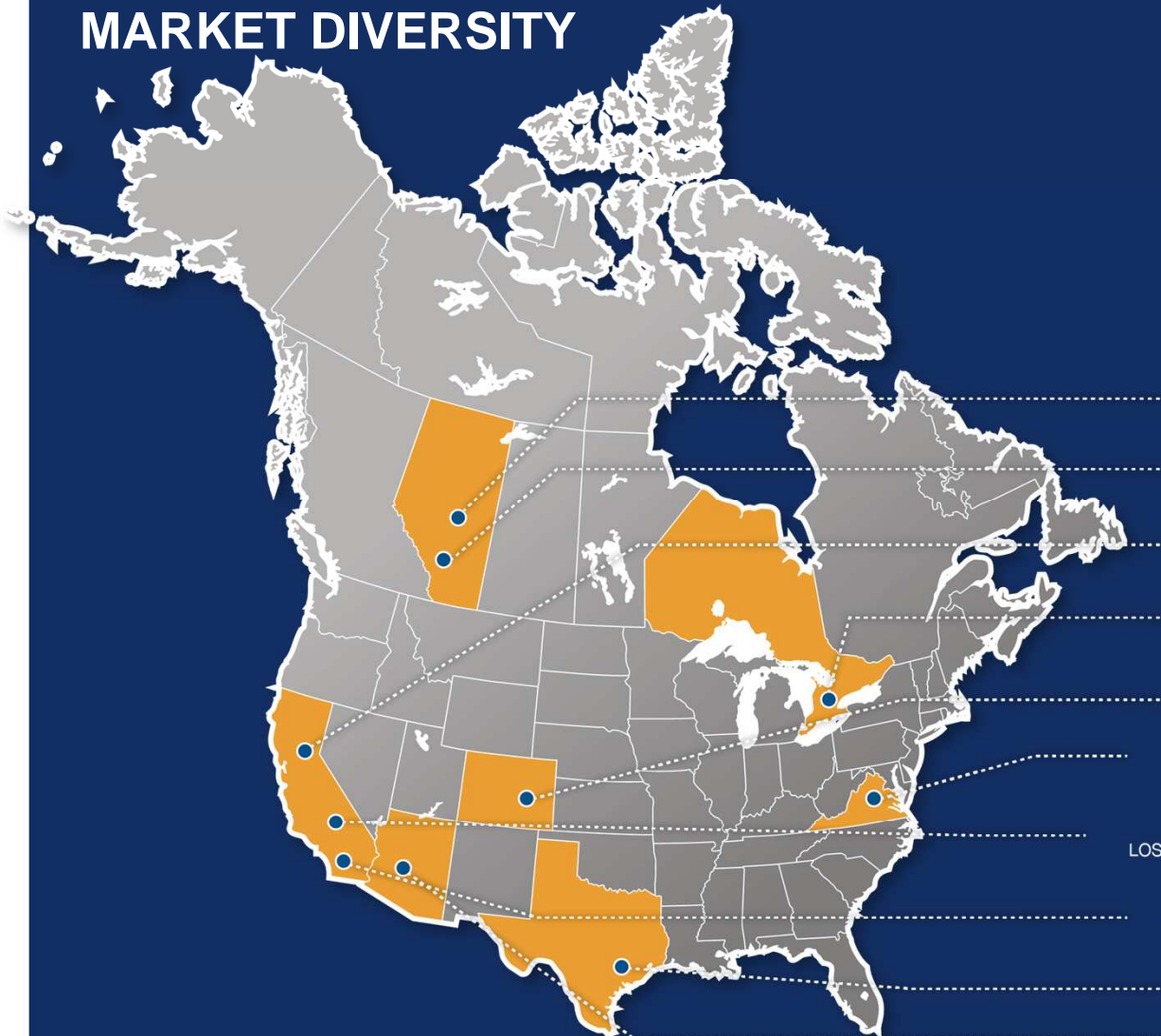
Brookfield Residential (BRP: NYSE/TSX) launched on March 31, 2011 with the merger of Brookfield Office Properties' Residential Division and Brookfield Homes Corporation

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**BRP is uniquely positioned as a land developer and homebuilder with operations in 11 markets in Canada and the U.S.**

- 5<sup>th</sup> largest North American residential platform by land and housing assets with over \$2.8 billion in assets split almost equally between Canada and the U.S. by lot count and value
- Large and well located land supply with over 100,000 lots controlled
- Local management teams with an average of 20 years experience are focused on enhancing market positions and have strong operating expertise

# MARKET DIVERSITY

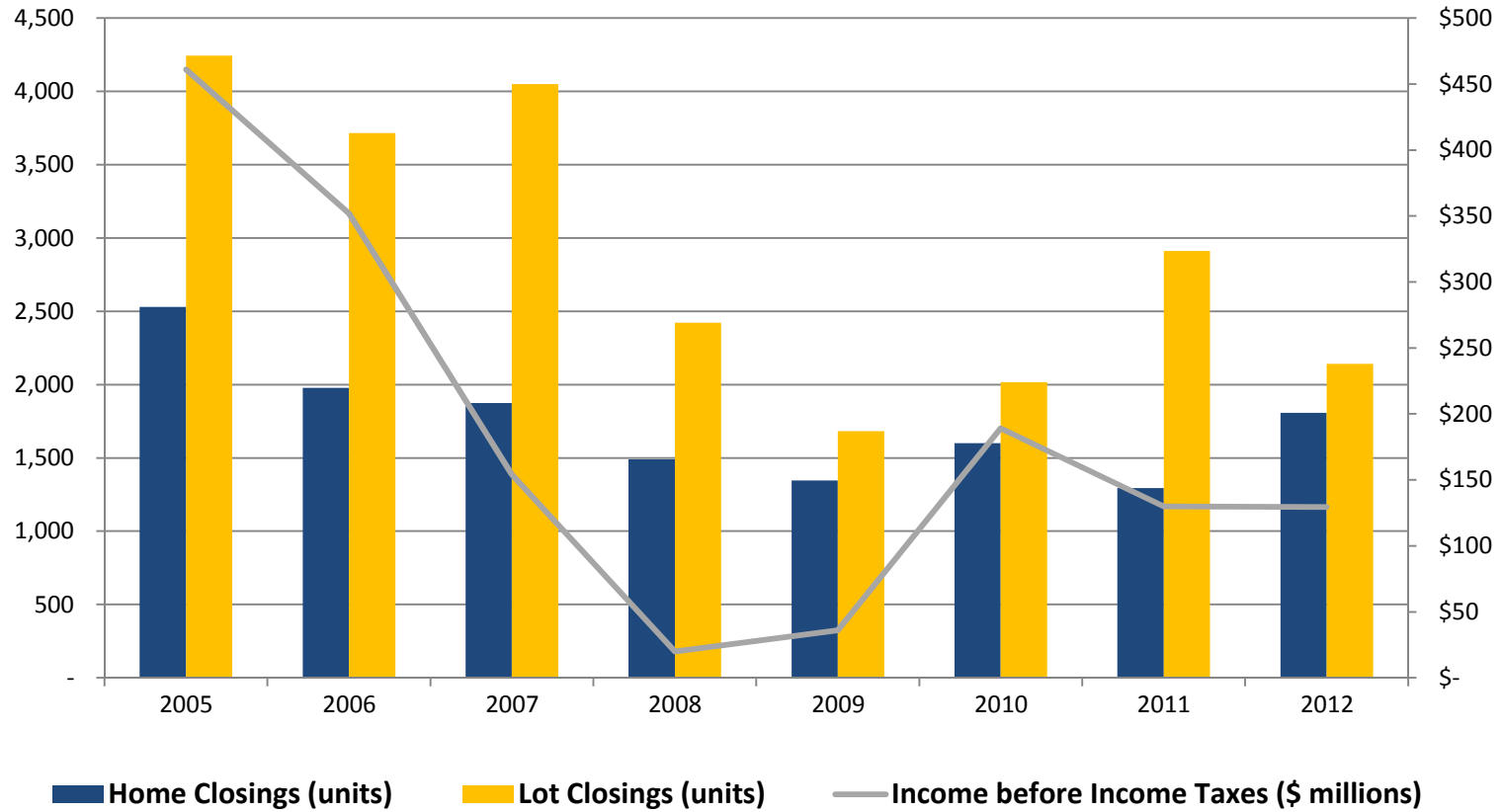


## Total Single Family Lots as at March 31, 2013



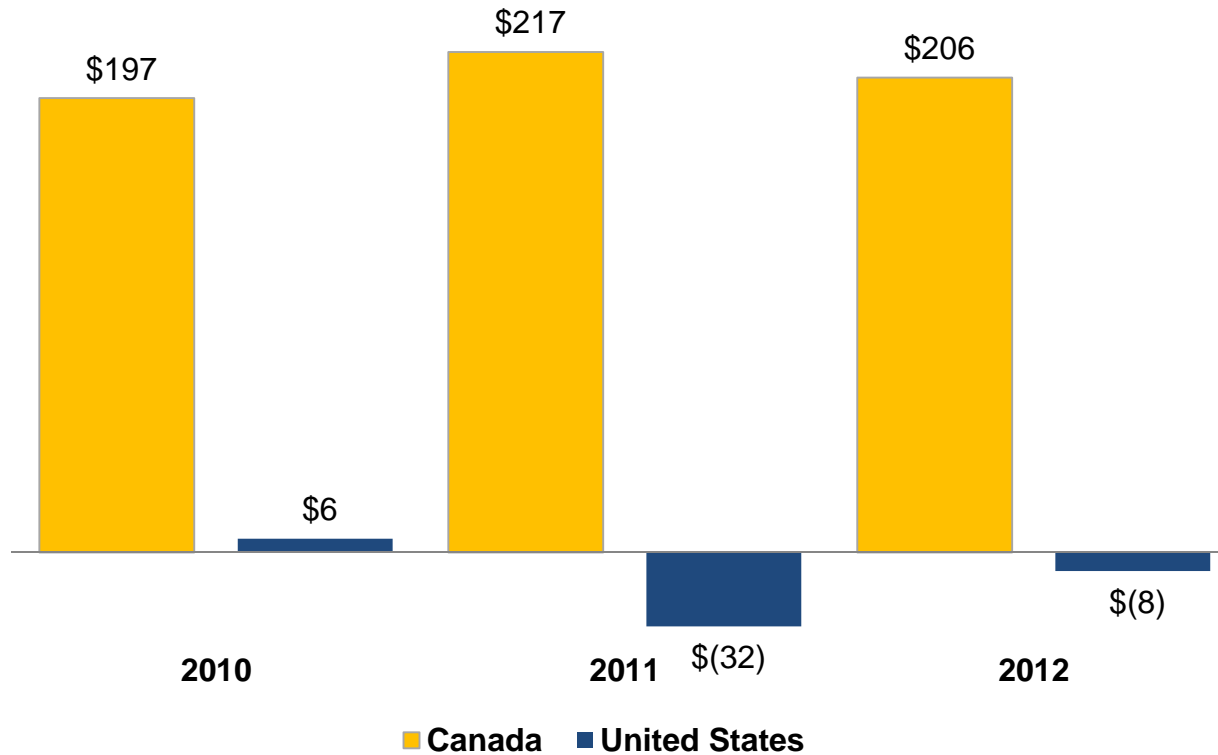
**Brookfield**  
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## 8 YEAR HISTORICAL DATA



## SEGMENTED INCOME BEFORE INCOME TAXES\*

Income before Income Taxes (\$ millions)



\* Source: Company's segmented information in notes to Consolidated Financial Statements

## 2012 HIGHLIGHTS

Brookfield Residential delivered strong performance in 2012 and materially exceeded guidance targets. Highlights include:

- Income before income taxes of \$129 million
- Capital plan execution improved liquidity and enhanced ability to further take advantage of opportunities in the recovering marketplace. Capital raised in the fourth quarter included:
  - Issue of common shares for \$233 million
  - \$600 million of 8 year unsecured notes at 6.5%
- \$504 million of asset acquisitions including:
  - Canada - \$136 million including a joint venture with CalSTRS
  - Central & Eastern U.S. - \$16 million
  - California - \$352 million of which \$258 million was attributed to the acquisition of Playa Capital Company LLC

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## FIRST QUARTER HIGHLIGHTS

Results for the first quarter of 2013 were strong and improved over the same period last year

Highlights for the first quarter included:

- Net income attributable to shareholders of \$4 million or \$0.04 per share
- Strong revenue growth of 29% over the first quarter of 2012
- 36% increase in backlog units and 43% increase in backlog value over the first quarter of 2012

Completed \$117 million of land acquisitions split almost equally between Canada and the U.S. Since the merger, total acquisitions of approximately \$760 million with a target unlevered return on investment of 20%

Subsequent to quarter end, we expanded operations into Phoenix, Arizona through a joint venture with an affiliate of DMB Associates Inc. for the community of Eastmark



*“The Land Market is on Fire”*

John Burns 1Q13 Residential Land Survey  
Published May 8, 2013

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## BRP ADVANTAGE

With our portfolio of assets and sizable land position, we can selectively replenish land

With demand increasing and supply remaining constrained in many U.S. markets we are seeing increased price pressure and anticipate that the remainder of the year will continue to be strong

Based on our current land holdings and recent price increases, we are optimistic about our increasing profitability continuing in 2014 and beyond

By 2015, we hope to see results in the U.S. approach profitability levels currently seen in Canada, assuming the ongoing market recovery

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