

February 11, 2020

Brookfield Residential Properties Inc. (“BRPI”) and Brookfield Residential US LLC (“BRUS LLC”) provided the information set forth below today to certain investors in their securities (*all dollar references are in U.S. dollars*):

Preliminary Unaudited Summary Results for the Quarter Ended December 31, 2019

We are currently in the process of finalizing our financial results for the quarter and year ended December 31, 2019. The preliminary financial results below have been prepared by, and are the responsibility of, our management. Neither our company’s independent auditors nor any other independent accountants have audited, reviewed, compiled, examined, or performed any procedures with respect to the preliminary financial information as of and for the three months and full year ended December 31, 2019 results contained herein, nor have such persons expressed any opinion or any other form of assurance on such information or its achievability, and, as such, such persons assume no responsibility for, and disclaim any association with, such information. The following summary is not a comprehensive statement of our financial results for this period, and our actual results may differ materially from these estimates due to the completion of our financial closing procedures, final adjustments, completion of the audit of our financial statements for the year ended December 31, 2019 and other developments that may arise between now and the time the audit of our financial statements is completed. There can be no assurance that these estimates will be realized, and estimates are subject to risks and uncertainties, many of which are not within our control. See “Forward-Looking Statements.”

On a preliminary basis, we report the following unaudited results:

During the three months ended December 31, 2019, we had 882 home closings and an average home selling price of approximately \$543,000, as compared to 1,107 home closings and an average home selling price of approximately \$539,000 during the three months ended December 31, 2018. During the three months ended December 31, 2019, we had 1,578 lot closings and an average lot selling price of approximately \$99,000, as compared to 1,655 lot closings and an average lot selling price of approximately \$105,000 during the three months ended December 31, 2018. We expect to report total revenue of \$656 million for the three months ended December 31, 2019, as compared to total revenue of \$796 million for the three months ended December 31, 2018.

For the three months ended December 31, 2019, we expect to report total gross margin percentage of 21%, compared to 22% for the three months ended December 31, 2018. We expect to report housing gross margin percentage and land gross margin percentage of 19% and 27%, respectively, for the three months ended December 31, 2019, compared to 19% and 32%, respectively, for the three months ended December 31, 2018.

We expect to report selling, general and administrative expense of \$53 million for the three months ended December 31, 2019, as compared to \$93 million for the three months ended December 31, 2018.

During the three months ended December 31, 2019, we had 671 net new home orders as compared to 506 net new home orders during the three months ended December 31, 2018. We were selling from 93 active housing communities as at December 31, 2019, compared to 88 active housing communities as at December 31, 2018. As of December 31, 2019, we had a consolidated backlog of 1,273 sold but unclosed homes, with an associated sales value of \$603 million, compared to a consolidated backlog of 1,137 sold but unclosed homes, with an associated sales value of \$612 million as of December 31, 2018.

As of December 31, 2019, we had a total interest-bearing debt balance of \$1,845 million and a cash and cash equivalents balance of \$110 million. We believe that as of December 31, 2019, our net debt to total capitalization ratio will be lower than 40%.

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 \$500 billion of assets under management.

* * * * *

Forward-Looking Statements

This news release includes statements that express the Company's opinions, expectations, beliefs, plans or objectives regarding future events or future results, and therefore are, or may be deemed to be, "forward-looking statements." These forward-looking statements include all matters that are not historical facts. Although forward-looking statements are based on information and assumptions that the Company believes are current, reasonable and complete, they are subject to a number of factors that could cause actual results to vary materially from those expressed or implied by such forward-looking information. Such factors may include the failure to successfully market the notes or failure to satisfy certain conditions in connection with the issuance of the notes. These statements reflect management's current beliefs with respect to future events and are based on information currently available to management. Although we base our forward-looking statements on assumptions that we believe were reasonable when made, we caution you that forward-looking statements are not guarantees. See "Cautionary Statement Regarding Forward-Looking Statements" in BRPI's Annual Report for the year ended December 31, 2018 and Quarterly Report for the nine months ended September 30, 2019, available at <https://www.brookfieldresidential.com/about/investor-media-relations>.