

Brookfield Residential Properties Inc.

A LAND DEVELOPMENT AND HOMEBUILDING COMPANY
Active in Ten North American Markets

Supplemental Information
For the Nine Months Ended September 30, 2011

Table of Contents

Forward-Looking Statements	2
Corporate Profile	3
Selected Financial Information	4
Quarterly Financial Information	5
Condensed Consolidated Balance Sheets	6
Condensed Consolidated Statements of Operations	7
Condensed Consolidated Statements of Cash Flow	8
Selected Operating Information	9
Residential Building Lots	12
Investor Information	13

All amounts denominated in U.S. dollars

Forward-Looking Statements

This Supplemental Information contains forward-looking information within the meaning of Canadian provincial securities laws and “other forward-looking statements” within the meaning of Section 27A of the U.S. Securities Act of 1933, as amended, Section 21E of the U.S. Securities Exchange Act of 1934, as amended, “safe harbour” provisions of the United States Private Securities Litigation Reform Act of 1995 and in any applicable Canadian securities regulations. Certain statements in this supplemental information package that are not historical facts, including those statements preceded by, followed by, or that include the words “believe,” “planned,” “anticipate,” “should,” “goals,” “expected,” “potential,” “estimate,” “targeted,” “scheduled,” or similar expressions, constitute “forward-looking statements”. Undue 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 forward in the forward-looking statements include, but are not limited to: changes in general economic, real estate and other conditions; mortgage rate changes; availability of suitable undeveloped land at acceptable prices; adverse legislation or regulation; ability to obtain necessary permits and approvals for the development of our land; availability of labour or material or increases in their costs; ability to develop and market our master-planned communities successfully; confidence levels of consumers; ability to raise capital on favourable terms; adverse weather conditions and natural disasters; relations with the residents of our communities; risks associated with increased insurance costs or unavailability of adequate coverage and ability to obtain surety bonds; competitive conditions in the homebuilding industry, including product and pricing pressures; and additional risks and uncertainties referred to in our filings with the securities regulators in Canada and the United States, many of which are beyond our control. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Corporate Profile

Brookfield Residential Properties Inc. (“Brookfield Residential”) is a North American land developer and homebuilder, active in ten principal markets with over 100,000 lots controlled. We entitle and develop land and build homes for our own communities, as well as sell lots to third-party builders. The company is listed on the New York Stock Exchange and the Toronto Stock Exchange under the symbol BRP. For more information, please visit our website at www.brookfieldrp.com.

Selected Financial Information

<i>(millions, except per unit activity and per share amounts)</i>	Three Months Ended September 30		Nine Months Ended September 30	
	2011	2010	2011	2010
Results of Operations				
Total revenue	\$ 228	\$ 240	\$ 644	\$ 655
Land revenue	116	91	359	247
Housing revenue	112	149	285	408
Gross margin - \$	70	74	180	195
Gross margin - %	31%	31%	28%	30%
Income before income taxes	29	52	81	130
Income tax expense	(10)	(18)	(101)	(40)
Net income / (loss) attributable to Brookfield Residential	19	35	(19)	91
Basic earnings / (loss) per share	\$ 0.19	\$ 0.29	\$ (0.19)	\$ 0.75
Diluted earnings / (loss) per share	\$ 0.19	\$ 0.29	\$ (0.19)	\$ 0.75
Operating Data				
Lot closings (units)	738	726	2,339	1,931
Average land selling price (per lot equivalent)	\$ 157,000	\$ 125,000	\$ 153,000	\$ 128,000
Net new orders (units)	389	242	1,226	1,084
Backlog (units at end of period)	813	518	813	518
Home closings (units)	307	391	767	1,095
Average home selling price (per unit)	\$ 366,000	\$ 382,000	\$ 371,000	\$ 373,000

Quarterly Financial Information

	2011			2010			
	Q3	Q2	Q1	Q4	Q3	Q2	Q1
<i>(millions, except per share amounts)</i>							
Revenue	\$ 227.9	\$ 235.5	\$ 180.1	\$ 299.5	\$ 240.2	\$ 273.1	\$ 141.4
Direct cost of sales	(157.8)	(180.7)	(124.8)	(227.5)	(166.4)	(193.4)	(99.9)
Gross margin	70.1	54.8	55.3	72.0	73.8	79.7	41.5
Selling, general and administrative expense	(26.7)	(19.2)	(26.4)	(26.8)	(23.7)	(25.6)	(23.2)
Other income	(3.1)	1.5	0.3	14.3	2.2	3.1	2.1
Interest expense	(11.3)	(10.9)	(3.3)	-	-	-	-
Income before income taxes	29.0	26.2	25.9	59.5	52.3	57.2	20.4
Income tax expense	(10.3)	(7.4)	(83.7)	(18.7)	(17.9)	(17.9)	(4.0)
Net income / (loss)	18.7	18.8	(57.8)	40.8	34.4	39.3	16.4
Net (income) / loss attributable to non-controlling interest and other interests in consolidated subsidiaries	0.5	0.4	0.8	0.2	0.1	(0.1)	1.3
Net income / (loss) attributable to Brookfield Residential	\$ 19.2	\$ 19.2	\$ (57.0)	\$ 41.0	\$ 34.5	\$ 39.2	\$ 17.7
Earnings / (loss) per common share attributable to Brookfield Residential							
Basic	\$ 0.19	\$ 0.19	\$ (0.56)	\$ 0.36	\$ 0.29	\$ 0.34	\$ 0.13
Diluted	\$ 0.19	\$ 0.19	\$ (0.56)	\$ 0.35	\$ 0.29	\$ 0.34	\$ 0.13
Weighted average common shares outstanding (in thousands)							
Basic	99,343	101,187	101,343	101,343	101,343	101,343	101,343
Diluted	99,410	101,356	101,343	101,431	101,426	101,540	101,586

Condensed Consolidated Balance Sheets

<i>(thousands)</i>	As at September 30, 2011	As at June 30, 2011	As at March 31, 2011	As at December 31, 2010
Assets				
Land and housing inventory	\$ 2,129,333	\$ 2,192,157	\$ 2,186,416	\$ 2,193,947
Investments in unconsolidated entities	141,850	136,585	130,906	137,203
Receivables and other assets	262,389	233,963	204,844	217,972
Restricted cash	9,128	18,048	20,629	7,366
Cash	1,276	2,165	12,245	4,345
Deferred income tax assets	-	-	-	75,225
	\$ 2,543,976	\$ 2,582,918	\$ 2,555,040	\$ 2,636,058
Liabilities and Equity				
Project specific and other financings	\$ 842,490	873,797	\$ 845,503	\$ 1,025,339
Notes payable	457,152	498,235	494,539	-
Total financings	1,299,642	1,372,032	1,340,042	1,025,339
Accounts payable and other liabilities	254,211	234,210	244,407	288,456
Deferred income tax liabilities	9,371	13,609	7,108	-
Total liabilities	1,563,224	1,619,851	1,591,557	1,313,795
Other interests in consolidated subsidiaries	34,326	34,117	36,269	42,461
Total equity	946,426	928,950	927,214	1,279,802
	\$ 2,543,976	\$ 2,582,918	\$ 2,555,040	\$ 2,636,058

Condensed Consolidated Statements of Operations

<i>(thousands, except per share amounts)</i>	Three Months Ended September 30		Nine Months Ended September 30	
	2011	2010	2011	2010
Revenue				
Land	\$ 115,498	\$ 90,727	\$ 358,979	\$ 246,670
Housing	112,414	149,426	284,605	408,010
	227,912	240,153	643,584	654,680
Direct Cost of Sales				
Land	(62,919)	(43,113)	(220,229)	(124,669)
Housing	(94,919)	(123,324)	(243,172)	(335,077)
	70,074	73,716	180,183	194,934
Selling, general and administrative expense	(26,745)	(23,671)	(72,339)	(72,429)
Equity in (loss) / earnings from unconsolidated entities	(13)	(238)	3,928	(299)
Depreciation	(862)	(748)	(2,734)	(2,368)
Interest expense	(11,286)	-	(25,452)	-
Other (expense) / income	(2,127)	3,210	(2,403)	10,149
Income Before Income Taxes	29,041	52,269	81,183	129,987
Income tax expense	(10,303)	(17,854)	(101,374)	(39,755)
Net Income / (Loss)	18,738	34,415	(20,191)	90,232
Net loss attributable to noncontrolling interest and other interests in consolidated subsidiaries	463	120	1,676	1,266
Net Income / (Loss) Attributable to Brookfield Residential	\$ 19,201	\$ 34,535	\$ (18,515)	\$ 91,498
Other Comprehensive Income				
Foreign currency translation	(4,006)	25,971	9,645	16,950
Comprehensive Income / (Loss) Attributable to Brookfield Residential	\$ 15,195	\$ 60,506	\$ (8,870)	\$ 108,448
Earnings / (Loss) per Common Share Attributable to Brookfield Residential				
Basic	\$ 0.19	\$ 0.29	\$ (0.19)	\$ 0.75
Diluted	\$ 0.19	\$ 0.29	\$ (0.19)	\$ 0.75
Weighted Average Common Shares Outstanding (in thousands)				
Basic	99,343	101,343	100,255	101,343
Diluted	99,410	101,426	100,255	101,426

Condensed Consolidated Statements of Cash Flow

<i>(thousands)</i>	Nine Months Ended September 30	
	2011	2010
Cash Flows (Used in) / From Operating Activities		
Net (loss) / income	\$ (20,191)	\$ 90,232
Adjustments to reconcile net (loss) / income to net cash from operating activities:		
Undistributed income from unconsolidated entities	(3,771)	306
Deferred income taxes	83,780	10,103
Non-cash interest converted into equity	1,674	-
Share-based compensation costs	3,981	742
Depreciation	2,734	2,368
Changes in operating assets and liabilities:		
(Increase) / decrease in receivables and other assets	(76,928)	45,655
Decrease / (increase) in land and housing inventory	38,816	(17,849)
Decrease in accounts payable and other liabilities	(34,355)	(22,959)
Other	(4,290)	(40)
Net cash (used in) / from operating activities	<u>(8,550)</u>	<u>108,558</u>
Cash Flows (Used in) / From Investing Activities		
Investments in unconsolidated entities	(13,452)	(41,733)
Distributions from unconsolidated entities	10,808	1,320
Change in restricted cash	(1,762)	(4,073)
Net cash used in investing activities	<u>(4,406)</u>	<u>(44,486)</u>
Cash Flows From / (Used in) Financing Activities		
Net drawings / (repayments) under project specific and other financings	44,213	(54,801)
Net distributions to noncontrolling interest and other interests in consolidated subsidiaries	(3,898)	(4,207)
Exercise of stock options	107	93
Purchase of common shares for escrowed stock plan	(19,280)	-
Dividends paid to preferred shareholders	(9,992)	-
Distributions	(5,612)	(13,150)
Other	4,349	483
Net cash from / (used in) financing activities	<u>9,887</u>	<u>(71,582)</u>
Decrease in cash and cash equivalents	(3,069)	(7,510)
Cash and cash equivalents at beginning of period	4,345	8,015
Foreign exchange on cash	-	135
Cash and cash equivalents at end of period	<u>\$ 1,276</u>	<u>\$ 640</u>
Supplemental Cash Flow Information		
Interest paid	\$ 56,875	\$ 53,371
Income taxes recovered	\$ 2,729	\$ 43,722

Selected Operating Information

<i>(in units, except average selling price)</i>	Three Months Ended September 30		Nine Months Ended September 30	
	2011	2010	2011	2010
Lot Closings				
Canada	704	577	2,076	1,599
California	-	-	158	52
Central and Eastern U.S.	34	149	105	280
	738	726	2,339	1,931
Unconsolidated Entities	-	-	179	-
Total	738	726	2,518	1,931
Average Land Selling Price (per lot equivalent)				
Canada	\$ 157,000	\$ 135,000	\$ 147,000	\$ 139,000
California	-	-	272,000	35,000
Central and Eastern U.S.	150,000	86,000	112,000	83,000
	157,000	125,000	153,000	128,000
Unconsolidated Entities	-	-	63,000	-
Average selling price	\$ 157,000	\$ 125,000	\$ 147,000	\$ 128,000
Active Land Communities				
Canada			11	13
California			2	3
Central and Eastern U.S.			8	9
			21	25
Unconsolidated Entities			1	-
Total			22	25

Selected Operating Information cont'd

<i>(in units, except average selling price)</i>	Three Months Ended September 30		Nine Months Ended September 30	
	2011	2010	2011	2010
Net New Home Orders				
Canada	311	156	928	713
California	34	54	173	222
Central and Eastern U.S.	44	32	125	149
	389	242	1,226	1,084
Unconsolidated Entities	19	1	39	1
Total	408	243	1,265	1,085
Home Closings				
Canada	230	292	536	706
California	61	65	161	250
Central and Eastern U.S.	16	34	70	139
	307	391	767	1,095
Unconsolidated Entities	10	-	15	1
Total	317	391	782	1,096
Average Home Selling Price				
Canada	\$ 328,000	\$ 293,000	\$ 323,000	\$ 295,000
California	456,000	747,000	508,000	582,000
Central and Eastern U.S.	577,000	447,000	424,000	390,000
	366,000	382,000	371,000	373,000
Unconsolidated Entities	373,000	-	365,000	1,245,000
Average selling price	\$ 355,000	\$ 382,000	\$ 364,000	\$ 372,000
	Active Housing Communities		Backlog	
Active Housing Communities / Backlog at End of Period	9/30/2011	9/30/2010	9/30/2011	9/30/2010
Canada	15	13	681	349
California	8	12	41	88
Central and Eastern U.S.	8	7	91	81
	31	32	813	518
Unconsolidated Entities	3	1	14	1
Total	34	33	827	519

Selected Operating Information cont'd

(\$ millions, except unit activity)	Three Months Ended September 30				Nine Months Ended September 30			
	2011		2010		2011		2010	
	Units	\$	Units	\$	Units	\$	Units	\$
Land Revenue								
Canada	704	111	577	78	2,076	304	1,599	222
California	-	-	-	-	158	43	52	2
Central and Eastern U.S.	34	5	149	13	105	12	280	23
Total	738	116	726	91	2,339	359	1,931	247
Housing Revenue								
Canada	230	75	292	85	536	173	706	208
California	61	28	65	49	161	82	250	146
Central and Eastern U.S.	16	9	34	15	70	30	139	54
Total	307	112	391	149	767	285	1,095	408
Gross Margin								
Canada		68		63		173		164
California		2		9		5		25
Central and Eastern U.S.		-		2		2		6
Total		70		74		180		195

Land Sales	Three Months Ended September 30				Nine Months Ended September 30			
	2011	Non-Recurring Timing Difference	Adjusted 2011	2010	2011	Non-Recurring Timing Difference	Adjusted 2011	2010
Lot closings	738	276	462	726	2,339	950	1,389	1,931
Revenue	\$ 116	\$ 43	\$ 73	\$ 91	\$ 359	\$ 153	\$ 206	\$ 247
Direct cost of sales	\$ (63)	\$ (26)	\$ (37)	\$ (43)	\$ (220)	\$ (95)	\$ (125)	\$ (125)
Gross margin	\$ 53	\$ 17	\$ 36	\$ 48	\$ 139	\$ 58	\$ 81	\$ 122
	46%	40%	49%	53%	39%	38%	39%	49%

Residential Building Lots

Ownership

(lots)	Land & Housing		Unconsolidated Entities		Total Lots 30-Sep-11	Status of Lots 30-Sep-11		Total Lots 31-Dec-10
	Owned	Options	Owned	Options		Entitled	Unentitled	
Calgary	28,715	-	1,064	-	29,779	9,709	20,070	28,643
Edmonton	17,530	-	-	-	17,530	12,321	5,209	18,229
Toronto	9,366	-	-	-	9,366	863	8,503	9,320
Canada	55,611	-	1,064	-	56,675	22,893	33,782	56,192
Northern California	3,264	5,201	-	-	8,465	2,315	6,150	8,223
Southland/Los Angeles	876	-	1,543	2,206	4,625	1,980	2,645	4,734
San Diego/Riverside	8,471	-	40	-	8,511	5,711	2,800	8,761
Other	194	-	55	-	249	249	-	253
California	12,805	5,201	1,638	2,206	21,850	10,255	11,595	21,971
Denver	10,711	-	-	-	10,711	10,711	-	10,828
Austin	14,906	-	-	-	14,906	5,358	9,548	15,870
Washington D.C. Area	3,068	1,130	1,025	-	5,223	4,976	247	4,846
Central and Eastern U.S.	28,685	1,130	1,025	-	30,840	21,045	9,795	31,544
Total September 30, 2011	97,101	6,331	3,727	2,206	109,365	54,193	55,172	
Entitled lots September 30, 2011	50,587	1,381	1,702	523	54,193			
Unentitled lots September 30, 2011	46,514	4,950	2,025	1,683	55,172			
Total September 30, 2011	97,101	6,331	3,727	2,206	109,365			
Total December 31, 2010	97,381	6,435	3,132	2,759				109,707

(millions, except per unit activity)	Land & Housing ⁽¹⁾	Unconsolidated Entities	Total 09/30/2011		Total 12/31/2010	
			Lots	\$	Lots	\$
Land & land under development	\$ 1,782	\$ 128	99,423	\$ 1,910	99,500	\$ 2,026
Optioned lots	65	24	8,537	89	9,194	81
Housing inventory	254	6	1,303	260	899	204
Model homes	28	1	102	29	114	34
Unconsolidated entity debt	-	(17)	-	(17)	-	(14)
	\$ 2,129	\$ 142	109,365	\$ 2,271	109,707	\$ 2,331

⁽¹⁾ Includes consolidated options

Investor Information

Common Shares

Brookfield Residential is listed on the New York Stock Exchange and the Toronto Stock Exchange under the symbol “BRP”. Brookfield Residential commenced trading on April 1, 2011.

BRPI Trading Statistics

	NYSE	TSX
Share Price		
High for the quarter	\$ 10.27	\$ 9.86
Low for the quarter	\$ 6.42	\$ 6.59
Close price on September 30, 2011	\$ 6.65	\$ 6.97
Total Volume	6,609,696	873,547

Common Shares Outstanding

	30-Sep-11	1-Apr-11
Common shares issued and outstanding	99,342,718	101,342,718
Unexercised options	3,173,426	2,098,426
Total common shares outstanding	102,516,144	103,441,144

Convertible Preferred Shares Outstanding

	30-Sep-11	1-Apr-11
Convertible preferred shares outstanding	70,002	70,002
Common share equivalent at a conversion rate of 2.731787607	191,231	191,231

Announcement of Results

- 2011 quarterly results are expected to be announced as noted below:
 - Fourth Quarter February 2012
- Press releases and other investor information are available on the company's web site at:
www.brookfieldrp.com.

Inquiries

Brookfield Residential Properties Inc. welcomes inquiries from shareholders, analysts, media representatives and other interested parties. Questions relating to investor relations or media inquiries can be directed to Linda Northwood, Director, Investor Relations at (416) 359-8647 or via e-mail at linda.northwood@brookfieldrp.com. Inquiries regarding financial results should be directed to Craig Laurie, Executive Vice President and Chief Financial Officer at (212) 417-7040 or via e-mail at craig.laurie@brookfieldrp.com.