

**Brookfield Residential Properties Inc.**

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

**Supplemental Information**  
**For the Three Months Ended March 31, 2012**

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*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 “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 harbor” 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](http://www.brookfieldrp.com).

## Selected Financial Information

<i>(millions, except per unit activity and per share amounts)</i>	Three Months Ended March 31	
	2012	2011
<b>Results of Operations</b>		
Total revenue	\$ 132	\$ 180
Land revenue - total	44	97
Land revenue - non-recurring	-	61
Land revenue - normalized	44	36
Housing revenue	88	83
Gross margin - total (\$)	39	55
Gross margin - non-recurring (\$)	-	26
Gross margin - normalized (\$)	39	29
Gross margin - total (%)	29%	31%
Gross margin - non-recurring (%)	-	43%
Gross margin - normalized (%)	29%	24%
Income before income taxes	4	26
Income tax expense	(4)	(84)
Net income / (loss) attributable to Brookfield Residential	1	(57)
Basic earnings / (loss) per share	\$ 0.01	\$ (0.56)
Diluted earnings / (loss) per share	\$ 0.01	\$ (0.56)
<b>Operating Data</b>		
Lot closings - normalized (units)	281	233
Lot closings - non-recurring (units)	-	360
Average land selling price - normalized (per lot equivalent)	\$ 157,000	\$ 155,000
Average land selling price - non-recurring (per lot equivalent)	\$ -	\$ 169,000
Home closings for Brookfield Residential (units)	251	220
Home closings for unconsolidated entities (units)	10	3
Average home selling price (per unit)	\$ 351,000	\$ 380,000
Net new orders for Brookfield Residential (units)	474	382
Net new orders for unconsolidated entities (units)	18	-
Backlog for Brookfield Residential (units at end of period)	868	537
Backlog for unconsolidated entities (units at end of period)	22	-

## Quarterly Financial Information

	2012		2011			2010		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
<i>(millions, except per share amounts)</i>								
Revenue	\$ 132.1	\$ 364.5	\$ 227.9	\$ 235.5	\$ 180.1	\$ 299.5	\$ 240.2	\$ 273.1
Direct cost of sales	(93.4)	(276.7)	(157.8)	(180.7)	(124.8)	(227.5)	(166.4)	(193.4)
Gross margin	38.7	87.8	70.1	54.8	55.3	72.0	73.8	79.7
Selling, general and administrative expense	(26.1)	(28.7)	(26.7)	(19.2)	(26.4)	(26.8)	(23.7)	(25.6)
Other income	1.5	1.5	(3.1)	1.5	0.3	14.3	2.2	3.1
Interest expense	(10.2)	(11.6)	(11.3)	(10.9)	(3.3)	-	-	-
<b>Income before income taxes</b>	<b>3.9</b>	<b>49.0</b>	<b>29.0</b>	<b>26.2</b>	<b>25.9</b>	<b>59.5</b>	<b>52.3</b>	<b>57.2</b>
Income tax expense	(3.7)	(24.0)	(10.3)	(7.4)	(83.7)	(18.7)	(17.9)	(17.9)
<b>Net income / (loss)</b>	<b>0.2</b>	<b>25.0</b>	<b>18.7</b>	<b>18.8</b>	<b>(57.8)</b>	<b>40.8</b>	<b>34.4</b>	<b>39.3</b>
Net (income) / loss attributable to non-controlling interest and other interests in consolidated subsidiaries	0.4	0.8	0.5	0.4	0.8	0.2	0.1	(0.1)
<b>Net income / (loss) attributable to Brookfield Residential</b>	<b>\$ 0.6</b>	<b>\$ 25.8</b>	<b>\$ 19.2</b>	<b>\$ 19.2</b>	<b>\$ (57.0)</b>	<b>\$ 41.0</b>	<b>\$ 34.5</b>	<b>\$ 39.2</b>
<b>Earnings / (loss) per common share attributable to Brookfield Residential</b>								
Basic	\$ 0.01	\$ 0.25	\$ 0.19	\$ 0.19	\$ (0.56)	\$ 0.36	\$ 0.29	\$ 0.34
Diluted	\$ 0.01	\$ 0.25	\$ 0.19	\$ 0.19	\$ (0.56)	\$ 0.35	\$ 0.29	\$ 0.34
<b>Weighted average common shares outstanding (in thousands)</b>								
Basic	99,606	99,343	99,343	101,187	101,343	101,343	101,343	101,343
Diluted	99,945	99,611	99,410	101,356	101,343	101,431	101,426	101,540
<b>Non-Recurring:</b>								
Land revenue	\$ -	\$ 36.0	\$ 43.0	\$ 49.0	\$ 61.0	\$ -	\$ -	\$ -
Direct cost of sales	-	(44.0)	(26.0)	(34.0)	(35.0)	-	-	-
Gross margin	\$ -	\$ (8.0)	\$ 17.0	\$ 15.0	\$ 26.0	\$ -	\$ -	\$ -

## Condensed Consolidated Balance Sheets

<i>(thousands)</i>	<b>As at March 31, 2012</b>	As at December 31, 2011	As at September 30, 2011	As at June 30, 2011	As at March 31, 2011
<b>Assets</b>					
Land and housing inventory	\$ 2,194,447	\$ 2,113,245	\$ 2,129,333	\$ 2,192,157	\$ 2,186,416
Investments in unconsolidated entities	150,746	143,821	141,850	136,585	130,906
Receivables and other assets	303,921	310,443	262,389	233,963	204,844
Restricted cash	8,578	9,128	9,128	18,048	20,629
Cash and cash equivalents	12,667	2,162	1,276	2,165	12,245
	<b>\$ 2,670,359</b>	<b>\$ 2,578,799</b>	<b>\$ 2,543,976</b>	<b>\$ 2,582,918</b>	<b>\$ 2,555,040</b>
<b>Liabilities and Equity</b>					
Project specific and other financings	\$ 928,993	\$ 825,687	\$ 842,490	\$ 873,797	\$ 845,503
Notes payable	481,248	469,776	457,152	498,235	494,539
Total financings	1,410,241	1,295,463	1,299,642	1,372,032	1,340,042
Accounts payable and other liabilities	216,259	247,420	254,211	234,210	244,407
Deferred income tax liabilities	24,948	27,773	9,371	13,609	7,108
Total liabilities	1,651,448	1,570,656	1,563,224	1,619,851	1,591,557
Other interests in consolidated subsidiaries	31,235	32,434	34,326	34,117	36,269
Total equity	987,676	975,709	946,426	928,950	927,214
	<b>\$ 2,670,359</b>	<b>\$ 2,578,799</b>	<b>\$ 2,543,976</b>	<b>\$ 2,582,918</b>	<b>\$ 2,555,040</b>
Debt to Total Capitalization	58%	56%	57%	59%	58%

# Condensed Consolidated Statements of Operations

<i>(thousands, except per share amounts)</i>	Three Months Ended March 31	
	2012	2011
<b>Revenue</b>		
Land	\$ 43,995	\$ 96,579
Housing	88,154	83,551
	<b>132,149</b>	<b>180,130</b>
<b>Direct Cost of Sales</b>		
Land	(19,999)	(53,106)
Housing	(73,361)	(71,711)
	<b>38,789</b>	<b>55,313</b>
Selling, general and administrative expense	(26,092)	(26,358)
Equity in earnings from unconsolidated entities	1,623	919
Depreciation	(774)	(985)
Interest expense	(10,153)	(3,323)
Other income	516	374
<b>Income Before Income Taxes</b>	<b>3,909</b>	<b>25,940</b>
Current income tax expense	(6,291)	(4,898)
Deferred income tax recovery / (expense)	2,597	(78,807)
<b>Net Income</b>	<b>215</b>	<b>(57,765)</b>
Net loss attributable to noncontrolling interests and other interests in consolidated subsidiaries	400	783
<b>Net Income / (Loss) Attributable to Brookfield Residential</b>	<b>\$ 615</b>	<b>\$ (56,982)</b>
<b>Other Comprehensive Income</b>		
Unrealized foreign exchange gain / (loss) on translation of:		
The net investment in Canadian subsidiaries	14,573	13,977
The Canadian dollar denominated debt designated as a hedge of the net investment in Canadian subsidiaries	(11,472)	(610)
<b>Comprehensive Income / (Loss) Attributable to Brookfield Residential</b>	<b>\$ 3,716</b>	<b>\$ (43,615)</b>
<b>Earnings / (Loss) per Common Share Attributable to Brookfield Residential</b>		
Basic	\$ 0.01	\$ (0.56)
Diluted	\$ 0.01	\$ (0.56)
<b>Weighted Average Common Shares Outstanding (in thousands)</b>		
Basic	99,606	101,343
Diluted	99,945	101,343



# Condensed Consolidated Statements of Cash Flow

<i>(thousands)</i>	Three Months Ended March 31	
	2012	2011
<b>Cash Flows From / (Used in) Operating Activities</b>		
Net income / (loss)	\$ 215	\$ (57,765)
<b>Adjustments to reconcile net income / (loss) to net cash from operating activities:</b>		
Undistributed income from unconsolidated entities	(1,623)	(1,133)
Deferred income taxes	(2,597)	78,807
Non-cash interest converted into equity	-	1,674
Share-based compensation costs	1,686	513
Depreciation	774	985
<b>Changes in operating assets and liabilities:</b>		
Decrease / (increase) in receivables and other assets	7,252	(6,329)
(Increase) / decrease in land and housing inventory	(49,936)	32,077
Change in restricted cash	-	(4,261)
Decrease in accounts payable and other liabilities	(36,276)	(31,545)
Other / foreign exchange	(65)	311
Net cash (used in) / from operating activities	<u>(80,570)</u>	<u>13,334</u>
<b>Cash Flows (Used in) / From Investing Activities</b>		
Investments in unconsolidated entities	(6,252)	(1,884)
Distributions from unconsolidated entities	146	8,453
Change in restricted cash	550	(8,937)
Net cash used in investing activities	<u>(5,556)</u>	<u>(2,368)</u>
<b>Cash Flows (Used in) / From Financing Activities</b>		
Drawings under project specific and other financings	52,052	21,508
Repayments under project specific and other financings	(26,006)	(30,693)
Drawings on bank indebtedness	31,603	8,266
Repayments on bank indebtedness	(1,899)	(17,316)
Drawings from affiliate	53,000	42,000
Repayments to affiliate	(15,000)	(12,000)
Net distributions from / (contributions to) non-controlling interest and other interests in consolidated subsidiaries	927	(4,866)
Exercise of stock options	1,623	107
Dividends paid to preferred shareholders	-	(9,922)
Other / foreign exchange	330	(150)
Net cash provided by / (used in) financing activities	<u>96,630</u>	<u>(3,066)</u>
Change in cash and cash equivalents	10,504	7,900
Cash and cash equivalents at beginning of period	2,162	4,345
Foreign exchange on cash	1	-
Cash and cash equivalents at end of period	<u>\$ 12,667</u>	<u>\$ 12,245</u>
<b>Supplemental Cash Flow Information</b>		
Interest paid	\$ 19,067	\$ 12,939
Income taxes paid / (recovered)	\$ 21,505	\$ (3,280)

## Selected Operating Information - Land

<i>(in units, except average selling price)</i>	Three Months Ended March 31			
	2012		2011	
	Units	\$	Units	\$
<b>Lot Closings</b>				
Canada - normalized	250	\$ 41	211	\$ 34
Canada - non-recurring	-	-	360	61
California	-	-	-	-
Central and Eastern U.S.	31	3	22	2
	<b>281</b>	<b>44</b>	593	97
Unconsolidated Entities	-	-	162	8
<b>Total</b>	<b>281</b>	<b>\$ 44</b>	<b>755</b>	<b>\$ 105</b>

<b>Average Land Selling Price (per lot equivalent)</b>	Three Months Ended March 31	
	2012	2011
Canada - normalized	\$ 165,000	\$ 161,000
Canada - non-recurring	-	169,000
California	-	-
Central and Eastern U.S.	84,000	81,000
	<b>157,000</b>	163,000
Unconsolidated Entities	-	53,000
<b>Average selling price</b>	<b>\$ 157,000</b>	<b>\$ 138,000</b>

<b>Active Land Communities</b>		
Canada	11	12
California	1	3
Central and Eastern U.S.	10	8
	<b>22</b>	23
Unconsolidated Entities	1	1
<b>Total</b>	<b>23</b>	<b>24</b>

## Selected Operating Information - Housing

<i>(in units, except average selling price)</i>	Three Months Ended March 31			
	2012		2011	
	Units	\$	Units	\$
<b>Home Closings</b>				
Canada	187	\$ 62	154	\$ 49
California	30	13	43	25
Central and Eastern U.S.	34	13	23	9
	<b>251</b>	<b>88</b>	<b>220</b>	<b>83</b>
Unconsolidated Entities	10	3	3	1
<b>Total</b>	<b>261</b>	<b>\$ 91</b>	<b>223</b>	<b>\$ 84</b>

	Three Months Ended March 31	
	2012	2011
<b>Average Home Selling Price</b>		
Canada	\$ 335,000	\$ 318,000
California	416,000	590,000
Central and Eastern U.S.	383,000	399,000
	<b>351,000</b>	<b>380,000</b>
Unconsolidated Entities	325,000	464,000
<b>Average selling price</b>	<b>\$ 338,000</b>	<b>\$ 381,000</b>

<b>Net New Home Orders (units)</b>		
Canada	335	275
California	55	67
Central and Eastern U.S.	84	40
	<b>474</b>	<b>382</b>
Unconsolidated Entities	18	-
<b>Total</b>	<b>492</b>	<b>382</b>

Active Housing Communities / Backlog at End of Period	Active Housing Communities			Backlog		
	3/31/2012	12/31/2011	3/31/2011	3/31/2012	12/31/2011	3/31/2011
Canada	14	14	16	702	554	412
California	9	8	9	49	24	71
Central and Eastern U.S.	8	8	7	117	67	54
	<b>31</b>	<b>30</b>	<b>32</b>	<b>868</b>	<b>645</b>	<b>537</b>
Unconsolidated Entities	3	3	2	22	14	-
<b>Total</b>	<b>34</b>	<b>33</b>	<b>34</b>	<b>890</b>	<b>659</b>	<b>537</b>

## Selected Operating Information - Gross Margin

(\$ millions)	Three Months Ended March 31			
	2012		2011	
	\$	%	\$	%
<b>Land Gross Margin</b>				
Canada - normalized	\$ 25	61%	\$ 19	56%
Canada - non-recurring	-	-	26	43%
California	-	-	-	-
Central and Eastern U.S.	(1)	-33%	(1)	-50%
<b>Total</b>	<b>\$ 24</b>	<b>55%</b>	<b>\$ 44</b>	<b>45%</b>
<b>Housing Gross Margin</b>				
Canada	\$ 12	19%	\$ 7	14%
California	1	8%	3	12%
Central and Eastern U.S.	2	15%	1	11%
<b>Total</b>	<b>\$ 15</b>	<b>17%</b>	<b>\$ 11</b>	<b>13%</b>
<b>Total Gross Margin</b>				
Canada - normalized	\$ 37	36%	\$ 26	31%
Canada - non-recurring	-	-	26	43%
California	1	8%	3	12%
Central and Eastern U.S.	1	6%	-	-
<b>Total</b>	<b>\$ 39</b>	<b>29%</b>	<b>\$ 55</b>	<b>31%</b>

# Land and Housing Inventory

## Portfolio

(lots)	Land & Housing		Unconsolidated Entities		Total Lots 31-Mar-12	Status of Lots 31-Mar-12		Total Lots 31-Dec-11
	Owned	Options	Owned	Options		Entitled	Unentitled	
Calgary	27,780	-	1,064	-	28,844	8,677	20,167	29,027
Edmonton	18,210	-	-	-	18,210	11,198	7,012	17,331
Toronto	9,903	-	-	-	9,903	1,167	8,736	9,461
<b>Canada</b>	<b>55,893</b>	<b>-</b>	<b>1,064</b>	<b>-</b>	<b>56,957</b>	<b>21,042</b>	<b>35,915</b>	<b>55,819</b>
Northern California	3,338	4,950	-	-	8,288	2,138	6,150	8,288
Southland/Los Angeles	831	-	1,572	1,842	4,245	1,905	2,340	4,216
San Diego/Riverside	8,941	-	25	-	8,966	6,166	2,800	8,999
Other	194	-	55	-	249	249	-	249
<b>California</b>	<b>13,304</b>	<b>4,950</b>	<b>1,652</b>	<b>1,842</b>	<b>21,748</b>	<b>10,458</b>	<b>11,290</b>	<b>21,752</b>
Denver	10,645	-	-	-	10,645	10,645	-	10,620
Austin	13,633	-	-	-	13,633	5,375	8,258	14,921
Washington D.C. Area	2,947	1,066	1,025	-	5,038	4,791	247	5,085
<b>Central and Eastern U.S.</b>	<b>27,225</b>	<b>1,066</b>	<b>1,025</b>	<b>-</b>	<b>29,316</b>	<b>20,811</b>	<b>8,505</b>	<b>30,626</b>
<b>Total</b>	<b>96,422</b>	<b>6,016</b>	<b>3,741</b>	<b>1,842</b>	<b>108,021</b>	<b>52,311</b>	<b>55,710</b>	
Entitled lots	49,066	1,066	1,716	463	52,311			
Unentitled lots	47,356	4,950	2,025	1,379	55,710			
<b>Total March 31, 2012</b>	<b>96,422</b>	<b>6,016</b>	<b>3,741</b>	<b>1,842</b>	<b>108,021</b>			
Total December 31, 2011	96,636	6,016	3,703	1,842				108,197

## Book Value

(millions, except per unit activity)	Land & Housing <sup>(1)</sup>	Unconsolidated Entities	Total 3/31/2012		Total 12/31/2011	
			Lots	\$	Lots	\$
Land & land under development	\$ 1,933	\$ 130	99,205	\$ 2,063	99,542	\$ 2,008
Optioned lots	67	30	7,858	97	7,858	94
Housing inventory	167	7	860	174	702	144
Model homes	27	1	98	28	95	27
Unconsolidated entity debt	-	(17)	-	(17)	-	(16)
	<b>\$ 2,194</b>	<b>\$ 151</b>	<b>108,021</b>	<b>\$ 2,345</b>	<b>108,197</b>	<b>\$ 2,257</b>

<sup>(1)</sup> Includes consolidated options

# Share 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.

Brookfield Residential Trading Statistics - New York Stock Exchange <i>Source: NYSE</i>	For The Three Months Ended			
	31-Mar-12	31-Dec-11	30-Sep-11	30-Jun-11
<b>Share Price</b>				
High	\$ 11.72	\$ 8.10	\$ 10.27	\$ 14.32
Low	\$ 7.99	\$ 6.27	\$ 6.42	\$ 9.70
Close	\$ 10.58	\$ 7.81	\$ 6.65	\$ 9.92
<b>Total Volume</b>	<b>6,505,354</b>	4,777,623	6,609,696	11,310,665

Brookfield Residential Trading Statistics - Toronto Stock Exchange <i>Source: TSX</i>	For The Three Months Ended			
	31-Mar-12	31-Dec-11	30-Sep-11	30-Jun-11
<b>Share Price</b>				
High	\$ 11.66	\$ 8.28	\$ 9.86	\$ 13.75
Low	\$ 7.98	\$ 6.44	\$ 6.59	\$ 9.50
Close	\$ 10.67	\$ 8.08	\$ 6.97	\$ 9.50
<b>Total Volume</b>	<b>528,957</b>	549,343	873,547	718,316

Common Shares Issued	As at				
	31-Mar-12	31-Dec-11	30-Sep-11	30-Jun-11	1-Apr-11
Common shares issued	101,811,659	101,342,718	101,342,718	101,342,718	101,342,718
Unexercised options	3,814,485	3,173,426	3,173,426	3,173,426	2,098,426
<b>Total common shares issued</b>	<b>105,626,144</b>	104,516,144	104,516,144	104,516,144	103,441,144

Convertible Preferred Shares Issued and Outstanding	As at				
	31-Mar-12	31-Dec-11	30-Sep-11	30-Jun-11	1-Apr-11
Convertible preferred shares outstanding	70,002	70,002	70,002	70,002	70,002
Common share equivalent at a conversion rate of 2.731787607	191,231	191,231	191,231	191,231	191,231

## Investor Information

### Announcement of Results

- 2012 quarterly results are expected to be announced as noted below:
  - Second Quarter August 2012
  - Third Quarter November 2012
  - Fourth Quarter February 2013
- Press releases and other investor information are available on the company's web site at:  
[www.brookfieldrp.com](http://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](mailto: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](mailto:craig.laurie@brookfieldrp.com).