



NEWS RELEASE

NOTICE OF YEAR END CONFERENCE CALL AND WEBCAST AND PRELIMINARY INFORMATION ON THE TAX TREATMENT OF 2004 DIVIDENDS

Del Mar, California, January 14, 2005 — (BHS: NYSE)

Webcast and Conference Call for Investors and Analysts

You are invited to participate in Brookfield Homes' Year End Conference Call on **Wednesday, February 16, 2005 at 11:00 a.m. (ET)** to discuss our results and current business initiatives with members of senior management.

Brookfield Homes will release its 2004 year end financial results on Tuesday, February 15th at approximately 5:00 p.m. (EST), and they will be available on our website at www.brookfieldhomes.com under "Investor Relations – Press Releases." Our supplemental information package will also be available under "Investor Relations – Financial Reports and Investor Presentations." *The Conference Call will also be Webcast live on our website, where it will be archived for future reference.*

To participate in the Conference Call, please dial 1-877-667-7774, toll free in North America, or for international dial 416-695-9753, at approximately 10 minutes prior to the start time. For those unable to participate in the Conference Call, a taped rebroadcast will also be available until midnight Wednesday, March 2, 2005. To access this rebroadcast, please call 1-866-365-2020, toll free in North America, or for international dial 416-695-9677 and enter the pin code 1384.

Updated Information on the Tax Treatment of the 2004 Dividends for United States Residents

A portion of the company's 2004 dividends paid to shareholders will be required to be included in taxable income as dividend income for United States Federal income tax purposes. Based on our current earnings guidance, the estimate of the earnings and profits to be included as dividend income in your 2004 income tax return is \$8.12 per share for the special dividend of \$9.00 and \$0.14 per share for the regular dividends totaling \$0.16. The respective excess of \$0.88 (special dividend) and \$0.02 (regular dividends) is treated first as a return of capital and thereafter as a gain from the sale of stock. We have provided the estimated tax characteristics of the dividends as guidance for our shareholders in determining the tax treatment of the Distribution. If these estimates change, we will provide further guidance.

Brookfield Homes Corporation

Brookfield Homes Corporation is a residential homebuilder and land developer, building homes and developing land in master-planned communities and infill locations. We design, construct and market single-family and multi-family homes primarily to move-up and luxury homebuyers. We also develop land for our own communities and sell lots to other homebuilders. Our portfolio includes over 25,000 lots owned and controlled in the San Francisco Bay Area; Southland / Los Angeles; San Diego / Riverside; Sacramento and Northern Virginia markets. For more information, visit the Brookfield Homes website at www.brookfieldhomes.com.

Contact Information:**Linda Northwood**

Director, Investor Relations

Tel: 858-481-2567

Email: lnorthwood@brookfieldhomes.com

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Note: Certain statements in this press release that are not historical facts, including information concerning projected 2005 home closings and year-end backlog, 2004 earnings guidance and 2005 earnings per share growth and those statements preceded by, followed by, or that include the words "planned", "projected", "goals", "expected", "targeted," "scheduled" or similar expressions, constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. 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 labor or materials or increases in their costs; ability to develop and market our master-planned communities successfully; confidence levels of consumers; ability to raise capital on favorable 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 Form 10-K and other SEC filings, 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.