



BROOKFIELD

H O M E S

**Supplemental Information
For The Six Months Ended
June 30, 2005**

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All amounts denominated in U.S. dollars

Forward-Looking Statements



Certain statements in this supplemental information package that are not historical facts, including information concerning financial statistic targets, projected future home closings and deliveries (and the timing thereof), 2005 earnings targets, expected dividend payments, possible or assumed results of operations of the company and those statements preceded by, followed by, or that include the words “estimate”, “target”, “planned”, “expected,” “future”, 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.

Corporate Profile



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 entitle and develop land for our own communities and sell lots to other homebuilders. Our portfolio includes 30,000 lots owned and controlled in the San Francisco Bay Area; Southland / Los Angeles; San Diego / Riverside; Sacramento; and Washington D.C. Area. For more information, visit the Brookfield Homes website at www.brookfieldhomes.com.

(All figures in US\$)

Investor Information



Common Shares

Brookfield Homes trades on the New York Stock Exchange under the symbol "BHS".

Brookfield Homes currently pays a semi-annual dividend of \$0.16 per share. The next semi-annual dividend is expected to be paid December 30, 2005 to stockholders of record on December 15, 2005.

BHS Trading Statistics - New York Stock Exchange

Source: NYSE net

	<i>For The Three Months Ended</i>			
	30-Jun-05	31-Mar-05	31-Dec-04	30-Sep-04
Share Price				
High	\$ 49.25	\$ 45.00	\$ 34.66	\$ 29.01
Low	\$ 39.60	\$ 31.70	\$ 24.81	\$ 24.87
Close	\$ 45.60	\$ 42.21	\$ 33.90	\$ 26.35
Volume	10,627,400	5,534,300	4,583,900	5,193,700

Common Shares Outstanding

	30-Jun-05	31-Mar-05	31-Dec-04	30-Sep-04
Common shares issued and outstanding	30,951,081	30,860,932	30,889,632	30,909,632
Unexercised options	678,576	874,625	756,625	756,625
Total common shares outstanding	31,629,657	31,735,557	31,646,257	31,666,257

Selected Financial Information



<i>(Millions, except per unit activity and per share amounts)</i>	<i>Three Months Ended June 30,</i>		<i>Six Months Ended June 30,</i>	
	2005	2004	2005	2004
Results of Operations				
Housing revenue	\$ 238	\$ 212	\$ 381	\$ 351
Total revenue	253	229	405	372
Gross margin	76	48	124	81
Contribution from bulk land sales to net income	-	-	3	-
Net income	32	18	51	28
Basic earnings per share	1.05	0.58	1.66	0.89
Diluted earnings per share	1.03	0.56	1.63	0.87
Financial Position - Period End				
Total assets	\$ 1,140	\$ 969	\$ 1,140	\$ 969
Total debt	536	621	536	621
Operating Data				
Net new orders (units)	502	642	1,019	1,209
Backlog (units at end of period)	1,058	1,282	1,058	1,282
Home closings (units)	355	332	577	576
Average selling price (per unit)	\$ 669,000	\$ 639,000	\$ 659,000	\$ 609,000

Condensed Balance Sheets



<i>(thousands)</i>	<i>As at June 30</i>		<i>As at December 31</i>
	<u>2005</u>	<u>2004</u>	<u>2004</u>
Assets			
Housing and land inventory	\$ 819,024	\$ 680,548	\$ 679,930
Investments in housing and land joint ventures	40,344	76,590	59,810
Consolidated land inventory not owned	39,731	20,925	47,240
Receivables and other assets	31,074	64,258	73,986
Cash and cash equivalents	175,250	81,177	186,731
Deferred income taxes	34,885	45,915	33,924
	\$ 1,140,308	\$ 969,413	\$ 1,081,621
Liabilities and Stockholders' Equity			
Project specific and other financings	\$ 535,552	\$ 484,066	\$ 512,098
Accounts payable and other liabilities	246,509	157,834	256,985
Subordinated debt	-	137,294	-
Minority interest	63,361	58,533	66,422
Stockholders' equity	294,886	131,686	246,116
	\$ 1,140,308	\$ 969,413	\$ 1,081,621

Consolidated Statements of Income



<i>(thousands, except per share amounts)</i>	<i>Three Months Ended June 30,</i>		<i>Six Months Ended June 30,</i>	
	2005	2004	2005	2004
Revenue				
Housing	\$ 237,424	\$ 212,080	\$ 380,507	\$ 351,038
Land and other revenues	15,006	16,367	24,078	20,598
	252,430	228,447	404,585	371,636
Direct cost of sales	(176,557)	(180,927)	(280,535)	(290,978)
	75,873	47,520	124,050	80,658
Equity in earnings from housing and land joint ventures	2,279	3,142	9,591	3,993
Selling, general and administrative expense	(19,763)	(17,200)	(40,987)	(33,371)
Minority interest	(5,780)	(4,661)	(8,989)	(6,807)
Net income before taxes	52,609	28,801	83,665	44,473
Income tax expense	(20,254)	(10,945)	(32,366)	(16,900)
Net income	\$ 32,355	\$ 17,856	\$ 51,299	\$ 27,573
Earnings per share - basic	\$ 1.05	\$ 0.58	\$ 1.66	\$ 0.89
Earnings per share - diluted	\$ 1.03	\$ 0.56	\$ 1.63	\$ 0.87

Consolidated Statements of Cash Flow



<i>(thousands)</i>	<i>Three Months Ended June 30,</i>		<i>Six Months Ended June 30,</i>	
	2005	2004	2005	2004
Cash flows from operating activities:				
Net income	\$ 32,355	\$ 17,856	\$ 51,299	\$ 27,573
Adjustments to reconcile net income to net cash used in operating activities:				
Distribution of joint venture earnings in excess of equity income	209	-	238	-
Minority interest	5,780	4,661	8,989	6,807
Deferred income taxes	(369)	(5,872)	(961)	(2,469)
Changes in operating assets and liabilities:				
Decrease/(increase) in receivables and other assets	(1,275)	(45)	42,912	16,088
Increase in housing and land inventory	(35,552)	(46,301)	(144,890)	(113,542)
Increase in accounts payable and other	50,229	6,903	10,064	14,914
Net cash (used in)/provided from operating activities	<u>51,377</u>	<u>(22,798)</u>	<u>(32,349)</u>	<u>(50,629)</u>
Cash flows from investing activities:				
Net recovery from/(investment in) housing and land joint ventures	9,094	(1,436)	19,228	1,608
Net cash provided by/(used in) investing activities	<u>9,094</u>	<u>(1,436)</u>	<u>19,228</u>	<u>1,608</u>
Cash flows from financing activities:				
Net borrowings under revolving project specific and other financings	5,654	27,492	23,454	57,755
Net distributions to minority interest	(6,223)	(119)	(11,540)	(3,142)
Repurchase of common shares	(4,594)	-	(5,550)	-
Exercise of stock options	244	85	244	85
Dividends paid in cash	(4,968)	(143,106)	(4,968)	(143,106)
Net cash provided by/(used in) financing activities	<u>(9,887)</u>	<u>(115,648)</u>	<u>1,640</u>	<u>(88,408)</u>
(Decrease)/increase in cash and cash equivalents	50,584	(139,882)	(11,481)	(137,429)
Cash and cash equivalents at beginning of period	124,666	221,059	186,731	218,606
Cash and cash equivalents at end of period	<u>\$ 175,250</u>	<u>\$ 81,177</u>	<u>\$ 175,250</u>	<u>\$ 81,177</u>
Supplemental cash flow information:				
Interest paid	\$ 10,841	\$ 7,032	\$ 16,612	\$ 11,452
Income taxes paid	\$ 4,584	\$ 22,000	\$ 43,995	\$ 29,010
Non-cash decrease in consolidated land inventory not owned	\$ (6,703)	\$ (11,298)	\$ (13,305)	\$ (4,913)
Dividends paid through issuance of subordinated debt	\$ -	\$ 137,294	\$ -	\$ 137,294

Statistical Information



	Long Term Targets	2004A	2003A	2002A
Return on Average Net Assets (Net income before interest expense, income taxes and minority interest expense / average total assets less cash, deferred taxes and payables)	20%	49%	31%	16%
Inventory Turnover (Total revenue / average housing and land inventory)	1.5x	1.9x	1.7x	1.3x
Net Debt to Total Book Capitalization (Total debt minus cash / net debt plus minority interest plus stockholders' equity)	40%	51%	32%	53%
Interest Coverage Ratio (Net income before interest expense, income taxes and minority interest expense / interest incurred)	6x	9.3x	10.4x	4.5x
Return on Opening Stockholders' Equity	20%	38%	28%	15%
EPS Growth	10% - 15%	69%	104%	10%

A = Actual

Selected Operating Information



<i>(in units, except average selling price)</i>	<i>Three Months Ended June 30,</i>		<i>Six Months Ended June 30,</i>	
	2005	2004	2005	2004
Net New Orders				
San Francisco Bay Area	54	140	117	271
Southland/Los Angeles	61	136	155	276
San Diego/Riverside	183	243	342	404
Washington D.C. Area	204	123	405	258
Total	502	642	1,019	1,209
Home closings				
San Francisco Bay Area	25	75	59	129
Southland/Los Angeles	53	115	77	173
San Diego/Riverside	182	46	265	97
Washington D.C. Area	95	96	176	177
Consolidated total	355	332	577	576
Average selling price				
San Francisco Bay Area	\$ 794,000	\$ 695,000	\$ 823,000	\$ 715,000
Southland/Los Angeles	1,277,000	802,000	1,225,000	778,000
San Diego/Riverside	568,000	433,000	573,000	365,000
Washington D.C. Area	489,000	498,000	487,000	502,000
Average selling price	\$ 669,000	\$ 639,000	\$ 659,000	\$ 609,000
Backlog at End of Period				
San Francisco Bay Area			112	255
Southland/Los Angeles			164	288
San Diego/Riverside			358	421
Washington D.C. Area			424	318
Total			1,058	1,282

Residential Building Lots



Ownership

<i>(lots)</i>	Owned	Joint	Under	Total Lots	Total Lots
	Directly	Ventures	Option	6/30/2005	12/31/2004
San Francisco Bay Area	615	726	3,551	4,892	3,538
Southland/Los Angeles	423	152	2,313	2,888	3,223
San Diego/Riverside	4,600	1,653	2,322	8,575	8,825
Sacramento	-	310	4,510	4,820	4,520
Washington D.C. Area	3,107	931	5,105	9,143	7,860
Total June 30, 2005	8,745	3,772	17,801	30,318	
Total December 31, 2004	9,081	3,966	14,919		27,966

Book Value

<i>(millions, except per lot activity)</i>	Owned	Joint	Under	Total 6/30/2005	
	Directly	Ventures	Option	Lots	\$
Housing inventory	\$441	\$9	-	1,986	\$450
Model homes	28	-	-	46	28
Entitled lots under development / held	277	99	42	11,042	418
Unentitled lots	18	24	53	17,244	95
Joint venture debt	-	(92)	-	-	(92)
	\$764	\$40	\$95	30,318	\$899

Visibility on Home Closings



Ownership in larger master-planned communities provides strong visibility on future home deliveries.

	Targeted Last Closing	Lots at June 30/05	Targeted Annual Closings
Windemere, San Francisco Bay Area	2008	905	250
University District, San Francisco Bay Area	2012	1,419	200
Morningstar Ranch, San Diego/Riverside	2008	633	200
Audie Murphy, San Diego/Riverside	2010	1,069	200
Calavera Hills, San Diego/Riverside	2008	440	150
Sycamore Canyon, San Diego/Riverside	2009	365	90
Winding Walk, Otay Ranch, San Diego/Riverside	2007	647	250
Braemar / Morris, Washington D.C. Area	2008	929	250
Dunbarton at Braemar, Washington D.C. Area	2007	153	90
		6,560	1,680

2005 Earnings Target



<i>(millions, except per share amounts)</i>	2005 Current Estimate		Previous	2004
	Low Target	High Target	5/12/2005	Actual
Net income before taxes				
Core operations	\$ 295	\$ 295	\$ 265	\$ 224
Bulk lot sales	40	65	5	16
	\$ 335	\$ 360	\$ 270	\$ 240
Taxes	(130)	(140)	(101)	(94)
Net income	\$ 205	\$ 220	\$ 169	\$ 146
Shares outstanding weighted average - millions	31.5	31.5	31.6	31.6
Earnings per share (diluted)	\$ 6.50	\$ 7.00	\$ 5.35	\$ 4.64