



BROOKFIELD

H O M E S

**Supplemental Information
For The Six Months Ended
June 30, 2008**

Table of Contents



Forward-Looking Statements	2
Corporate Profile	3
Selected Financial Information	4
Condensed Balance Sheets	5
Condensed Statements of Income	6
Condensed Statements of Cash Flow	7
Statistical Information	8
Selected Operating Information	9
Residential Building Lots	11
Investor Information	12

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), 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 land developer and homebuilder. We entitle and develop land for our own communities and sell lots to third parties. We also design, construct and market single-family and multi-family homes primarily to move-up and luxury homebuyers. Our portfolio includes 26,000 lots owned and controlled in the Northern California; Southland / Los Angeles; San Diego / Riverside; and Washington D.C. Area markets. For more information, visit the Brookfield Homes website at www.brookfieldhomes.com.

(All figures in US\$)

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>	
	2008	2007	2008	2007
Results of Operations				
Total revenue	\$ 120	\$ 157	\$ 189	\$ 265
Total gross margin / (loss)	(2)	28	2	49
Housing revenue	115	155	181	259
Housing gross margin - \$	13	28	24	48
Housing gross margin - %	12%	18%	13%	19%
Impairments and write-offs of option deposits	17	-	23	-
Impairments of investments in housing and land joint ventures	10	-	10	-
Net income / (loss)	(9)	9	(21)	38
Basic earnings / (loss) per share	(0.33)	0.36	(0.80)	1.43
Diluted earnings / (loss) per share	(0.33)	0.35	(0.80)	1.42
Financial Position - Period End - June 30				
Total assets			\$ 1,354	\$ 1,386
Total debt and other liabilities			932	874
Operating Data (including joint ventures)				
Net new orders (units)	237	212	468	501
Backlog (units at end of period)	287	372	287	372
Home closings (units)	216	237	336	388
Average selling price (per unit)	\$ 548,000	\$ 657,000	\$ 558,000	\$ 676,000

Condensed Balance Sheets



<i>(thousands)</i>	<i>As at June 30,</i>	<i>As at December 31,</i>
	2008	2007
Assets		
Housing and land inventory	\$ 1,142,331	\$ 1,078,229
Investments in housing and land joint ventures	99,950	130,546
Consolidated land inventory not owned	9,448	26,748
Receivables and other assets	51,626	50,066
Cash and cash equivalents	-	9,132
Deferred income taxes	50,885	55,943
	\$ 1,354,240	\$ 1,350,664
Liabilities and Stockholders' Equity		
Project specific and other financings	\$ 791,863	\$ 734,572
Accounts payable and other liabilities	140,017	159,956
Minority interest	69,354	76,486
Stockholders' equity	353,006	379,650
	\$ 1,354,240	\$ 1,350,664

Condensed Statements of Income



<i>(thousands, except per share amounts)</i>	<i>Three Months Ended June 30,</i>		<i>Six Months Ended June 30,</i>	
	2008	2007	2008	2007
Revenue				
Housing	\$ 115,235	\$ 154,632	\$ 181,641	\$ 258,672
Land	4,525	2,720	7,811	6,239
	119,760	157,352	189,452	264,911
Direct cost of sales	(105,288)	(129,062)	(164,644)	(215,643)
Impairments and write-offs of option deposits	(16,651)	-	(22,801)	-
	(2,179)	28,290	2,007	49,268
Equity in earnings from housing and land joint ventures	2,385	56	2,424	380
Impairments of investments in housing and land joint ventures	(10,000)	-	(10,000)	-
Other income / (expense)	8,613	5,306	(417)	5,693
Selling, general and administrative expense	(15,087)	(17,518)	(31,692)	(34,030)
Operating (loss) / income	(16,268)	16,134	(37,678)	21,311
Minority interest	2,020	(763)	3,306	(928)
(Loss) / income before taxes	(14,248)	15,371	(34,372)	20,383
Income tax recovery / (expense)	5,413	(5,841)	13,061	17,807
Net (loss) / income	\$ (8,835)	\$ 9,530	\$ (21,311)	\$ 38,190
Earnings/ (loss) per share - basic	\$ (0.33)	\$ 0.36	\$ (0.80)	\$ 1.43
Earnings / (loss) per share - diluted	\$ (0.33)	\$ 0.35	\$ (0.80)	\$ 1.42

Condensed Statements of Cash Flow



(thousands)	Three Months Ended June 30,		Six Months Ended June 30,	
	2008	2007	2008	2007
Cash flows from / (used in) operating activities:				
Net (loss) / income	\$ (8,835)	\$ 9,530	\$ (21,311)	\$ 38,190
Adjustments to reconcile net (loss) / income to net cash from operating activities:				
Income from housing and land joint ventures	(1,366)	-	(1,405)	266
Minority interest	(2,020)	763	(3,306)	928
Deferred income taxes	7,263	5,240	5,058	6,456
Impairments and write-offs of option deposits	16,651	-	22,801	-
Impairments on investments in housing and land joint ventures	10,000	-	10,000	-
Other changes in operating assets and liabilities:				
(Increase) / decrease in receivables and other assets	2,375	(11,421)	(1,560)	(1,012)
Decrease / (increase) in housing and land inventory	30,167	(19,476)	19,232	(50,547)
(Decrease) / increase in accounts payable and other liabilities	(5,165)	6,838	(12,243)	(93,499)
Net cash provided by / (used in) operating activities	<u>49,070</u>	<u>(8,526)</u>	<u>17,266</u>	<u>(99,218)</u>
Cash flows from / (used in) investing activities:				
Investment in housing and land joint ventures	(4,701)	(10,808)	(11,959)	(17,378)
Acquisition of additional interest in joint venture	(1,444)	-	(6,844)	-
Net cash used in investing activities	<u>(6,145)</u>	<u>(10,808)</u>	<u>(18,803)</u>	<u>(17,378)</u>
Cash flows from / (used in) financing activities:				
Net borrowings / (repayments) under revolving project specific and other financings	(48,900)	12,583	(3,436)	37,531
Net contributions from minority interest	546	1,492	1,174	1,216
Exercise of stock options	-	-	-	73
Dividends paid in cash	(5,333)	(5,326)	(5,333)	(5,326)
Net cash (used in) / provided by financing activities	<u>(53,687)</u>	<u>8,749</u>	<u>(7,595)</u>	<u>33,494</u>
Increase / (decrease) in cash and cash equivalents	(10,762)	(10,585)	(9,132)	(83,102)
Cash and cash equivalents at beginning of period	10,762	14,292	9,132	86,809
Cash and cash equivalents at end of period	\$ -	\$ 3,707	\$ -	\$ 3,707
Supplemental cash flow information:				
Interest paid	\$ 15,338	\$ 16,743	\$ 30,320	\$ 32,145
Income taxes recovered / (paid)	\$ 18,049	\$ (605)	\$ 18,049	\$ (22,154)
Non-cash (decrease) / increase in consolidated land inventory not owned	\$ (15,636)	\$ (4,247)	\$ (15,837)	\$ 5,817
Acquisitions of additional interest in joint venture:				
Increase in housing and land inventory	\$ 68,597	\$ -	\$ 97,828	\$ -
Reduction in investment in housing and land joint ventures	\$ 22,729	\$ -	\$ 33,960	\$ -
Liabilities assumed	\$ 45,868	\$ -	\$ 63,868	\$ -

Statistical Information



	Long Term Targets	3-Year Average	2007A	2006A	2005A
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%	30%	-3%	32%	61%
Inventory Turnover (Total revenue / average housing and land inventory)	1.5x	1.0x	0.5x	0.9x	1.5x
Net Debt to Total Book Capitalization (Total debt minus cash / net debt plus minority interest plus stockholders' equity)	40%	58%	61%	53%	58%
Interest Coverage Ratio (Net income before impairments and write-offs, interest expense, income taxes and minority interest expense / interest incurred)	6x	5.7x	1.3x	4.9x	11.0x
Return on Opening Stockholders' Equity	20%	50%	4%	56%	89%
EPS Growth	10% - 15%	20% ⁽¹⁾	-	-	-

⁽¹⁾ Represents compounded annual growth since 2003.

Selected Operating Information



<i>(in units, except average selling price)</i>	<u>Three Months Ended June 30,</u>		<u>Six Months Ended June 30,</u>	
	2008	2007	2008	2007
Net New Orders				
Northern California	38	34	70	63
Southland/Los Angeles	80	53	159	134
San Diego/Riverside	41	25	89	89
Washington D.C. Area	74	79	145	187
Corporate and Other	3	6	4	10
	236	197	467	483
Joint Ventures	1	15	1	18
Total	237	212	468	501
Home closings				
Northern California	40	31	50	43
Southland/Los Angeles	77	70	131	142
San Diego/Riverside	39	61	61	84
Washington D.C. Area	54	72	85	102
Corporate and Other	4	2	4	13
	214	236	331	384
Joint Ventures	2	1	5	4
Consolidated total	216	237	336	388
Average selling price				
Northern California	\$ 939,000	\$ 975,000	\$ 935,000	\$ 931,000
Southland/Los Angeles	410,000	761,000	430,000	739,000
San Diego/Riverside	497,000	566,000	528,000	593,000
Washington D.C. Area	445,000	488,000	513,000	520,000
Corporate and Other	679,000	718,000	679,000	837,000
	538,000	655,000	549,000	674,000
Joint Ventures	1,378,000	1,025,000	1,236,000	948,000
Average selling price	\$ 548,000	657,000	\$ 558,000	\$ 676,000
Active communities / Backlog at end of period	Active Communities		Backlog	
Northern California	4	4	47	37
Southland/Los Angeles	7	5	73	92
San Diego/Riverside	7	7	36	40
Washington D.C. Area	13	14	112	160
Corporate and Other	1	1	19	17
	32	31	287	346
Joint Ventures	1	2	-	26
Total	33	33	287	372

Selected Operating Information (cont'd)



	<i>Three Months Ended June 30,</i>				<i>Six Months Ended June 30,</i>			
	<u>2008</u>		<u>2007</u>		<u>2008</u>		<u>2007</u>	
<i>(\$ millions, except unit activity)</i>	Units		Units		Units		Units	
Housing Revenue								
Northern California	40	\$ 38	31	\$ 30	50	\$ 47	43	\$ 40
Southland/Los Angeles	77	31	70	53	131	56	142	105
San Diego/Riverside	39	19	61	35	61	32	84	50
Washington D.C. Area	54	24	72	35	85	43	102	53
Corporate and Other	4	3	2	2	4	3	13	11
Total	214	\$ 115	236	\$ 155	331	\$ 181	384	\$ 259
Land Revenue								
Northern California	-	\$ -	-	\$ -	-	\$ -	-	\$ -
Southland/Los Angeles	-	-	-	-	-	-	-	-
San Diego/Riverside	-	-	-	-	-	-	-	-
Washington D.C. Area	28	5	21	2	46	8	42	6
Corporate and Other	-	-	-	-	-	-	-	-
Total	28	\$ 5	21	\$ 2	46	\$ 8	42	\$ 6
Gross Margin / (Loss)								
Northern California		\$ 2		\$ 6		\$ 3		\$ 7
Southland/Los Angeles		5		9		8		20
San Diego/Riverside		4		8		8		12
Washington D.C. Area		(12)		4		(16)		8
Corporate and Other		(1)		1		(1)		2
Total Gross Margin / (Loss)		\$ (2)		\$ 28		\$ 2		\$ 49

Residential Building Lots



Ownership

<i>(lots)</i>	Owned	Joint	Under ⁽¹⁾	Total Lots	Total Lots
	Directly	Ventures	Option	6/30/08	12/31/07
Northern California	1,177	98	6,788	8,063	8,203
Southland/Los Angeles	1,411	54	1,510	2,975	3,228
San Diego/Riverside	7,122	908	1,500	9,530	8,356
Washington D.C. Area	2,444	1,337	1,333	5,114	5,302
Corporate and Other	212	63	-	275	282
Total June 30, 2008	12,366	2,460	11,131	25,957	
Total December 31, 2007	9,620	3,458	12,293		25,371

⁽¹⁾ Includes proportionate share of lots under option related to joint ventures.

Book Value

<i>(millions, except per lot activity)</i>	Owned	Joint	Under	Total 6/30/2008		Total 12/31/2007	
	Directly	Ventures	Option	Lots	\$	Lots	\$
Housing inventory	\$631	\$24	-	3,470	\$655	3,309	\$630
Model homes	59	2	-	104	61	107	60
Land & land under development	389	116	-	11,252	505	9,662	526
Optioned lots	-	22	73	11,131	95	12,293	104
Joint venture debt	-	(64)	-	-	(64)	-	(84)
	\$1,079	\$100	\$73	25,957	\$1,252	25,371	\$1,236

Investor Information



Common Shares

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

BHS Trading Statistics - New York Stock Exchange

Source: NYSE net

	For The Three Months Ended			
	30-Jun-08	31-Mar-08	31-Dec-07	30-Sep-07
Share Price				
High	\$ 17.30	\$ 17.52	\$ 22.21	\$ 32.07
Low	\$ 12.28	\$ 10.51	\$ 13.50	\$ 17.04
Close	\$ 12.28	\$ 16.80	\$ 15.80	\$ 18.55
Volume	7,492,734	10,658,909	13,517,352	19,293,500

Common Shares Outstanding

	30-Jun-08	31-Mar-08	31-Dec-07	30-Sep-07
Common shares issued and outstanding	26,663,413	26,663,413	26,663,413	26,628,207
Unexercised options	992,319	992,319	782,319	817,525
Total common shares outstanding	27,655,732	27,655,732	27,445,732	27,445,732

