



**BROOKFIELD**  

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**H O M E S**

**Supplemental Information  
For The Six Months Ended  
June 30, 2009**

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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 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.

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 27,000 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](http://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>	
	<b>2009</b>	2008	<b>2009</b>	2008
<b>Results of Operations</b>				
Total revenue	\$ 95	\$ 120	\$ 132	\$ 189
Housing revenue	82	115	117	181
Impairments and write-offs of option deposits	4	17	8	23
Gross margin - \$	5	(2)	5	2
Gross margin - %	5%	(2%)	4%	1%
Impairments of investments in housing and land joint ventures	-	10	12	10
Net income / (loss) attributable to Brookfield Homes Corporation	-	(9)	(10)	(21)
Basic loss per share	(0.12)	(0.33)	(0.51)	(0.80)
Diluted loss per share	(0.12)	(0.33)	(0.51)	(0.80)
<b>Operating Data (including joint ventures)</b>				
Net new orders (units)	266	237	419	468
Backlog (units at end of period)	310	287	310	287
Home closings (units)	169	216	243	336
Average selling price (per unit)	\$ 486,000	\$ 548,000	\$ 485,000	\$ 558,000

# Condensed Balance Sheets



<i>(thousands)</i>	<u>As at June 30,</u> 2009	<u>As at March 31,</u> 2009	<u>As at December 31,</u> 2008
<b>Assets</b>			
Housing and land inventory	\$ 938,685	\$ 954,374	\$ 946,875
Investments in housing and land joint ventures	103,839	103,732	105,261
Consolidated land inventory not owned	3,328	3,328	3,328
Receivables and other assets	29,035	29,540	92,333
Cash and cash equivalents	464	-	-
Deferred income taxes	65,834	65,757	59,438
	<b>\$ 1,141,185</b>	<b>\$ 1,156,731</b>	<b>\$ 1,207,235</b>
<b>Liabilities and Stockholders' Equity</b>			
Project specific financings	\$ 353,192	\$ 406,522	\$ 433,580
Revolving and other financings	136,700	318,003	314,977
Total financings	\$ 489,892	\$ 724,525	\$ 748,557
Accounts payable and other liabilities	101,465	129,526	146,320
Total liabilities	\$ 591,357	\$ 854,051	\$ 894,877
Other interests in consolidated subsidiaries	50,705	50,136	49,839
Stockholders' equity	499,123	252,544	262,519
	<b>\$ 1,141,185</b>	<b>\$ 1,156,731</b>	<b>\$ 1,207,235</b>
Debt to Total Capitalization	47%	71%	71%

# 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>	
	<b>2009</b>	2008	<b>2009</b>	2008
<b>Revenue</b>				
Housing	\$ 82,051	\$ 115,235	\$ 117,412	\$ 181,641
Land	13,050	4,525	14,868	7,811
	<b>95,101</b>	119,760	<b>132,280</b>	189,452
<b>Direct cost of sales</b>				
Housing	(75,250)	(101,679)	(106,890)	(157,546)
Land	(10,570)	(3,609)	(12,222)	(7,098)
Impairment of housing and land inventory and write-offs of option deposits	(4,258)	(16,651)	(8,158)	(22,801)
	<b>5,023</b>	(2,179)	<b>5,010</b>	2,007
Selling, general and administrative expense	(13,545)	(15,087)	(25,274)	(31,692)
(Loss) / equity in earnings from housing and land joint ventures	(231)	2,385	2,128	2,424
Impairment of investments in housing and land joint ventures	-	(10,000)	(11,618)	(10,000)
Other income / (expense)	8,505	8,613	10,950	(417)
<b>Loss before income taxes</b>	<b>(248)</b>	(16,268)	<b>(18,804)</b>	(37,678)
Income tax (expense) / recovery	(115)	5,413	6,204	13,061
<b>Net loss</b>	<b>(363)</b>	(10,855)	<b>(12,600)</b>	(24,617)
Less net loss attributable to noncontrolling interest and other interests in consolidated subsidiaries	550	2,020	2,478	3,306
<b>Net income / (loss) attributable to Brookfield Homes Corporation</b>	<b>\$ 187</b>	\$ (8,835)	<b>\$ (10,122)</b>	\$ (21,311)
<b>Loss per share - basic</b>	<b>\$ (0.12)</b>	\$ (0.33)	<b>\$ (0.51)</b>	\$ (0.80)
<b>Loss per share - diluted</b>	<b>\$ (0.12)</b>	\$ (0.33)	<b>\$ (0.51)</b>	\$ (0.80)

# Condensed Statements of Cash Flow



(thousands)	<i>Three Months Ended June 30,</i>		<i>Six Months Ended June 30,</i>	
	<b>2009</b>	2008	<b>2009</b>	2008
<b>Cash flows from / (used in) operating activities:</b>				
Net loss	\$ (363)	\$ (10,855)	\$ (12,600)	\$ (24,617)
Adjustments to reconcile net income / (loss) to net cash from operating activities:				
Undistributed income from housing and land joint ventures	129	(1,366)	(2,221)	(1,405)
Deferred income taxes	(77)	7,263	(6,396)	5,058
Impairment of housing and land inventory and write-offs of option deposits	4,258	16,651	8,158	22,801
Impairment of investments in housing and land joint ventures	-	10,000	11,618	10,000
Stock option compensation charges	201	-	392	-
Other changes in operating assets and liabilities:				
Decrease / (increase) in receivables and other assets	505	2,375	63,298	(1,560)
Decrease in housing and land inventory	11,431	30,167	32	19,232
Decrease in accounts payable and other liabilities	(99)	(5,165)	(21,620)	(12,243)
Net cash provided by operating activities	<b>15,985</b>	49,070	<b>40,661</b>	17,266
<b>Cash flows from / (used in) investing activities:</b>				
Net investment in housing and land joint ventures	(236)	(4,701)	(1,155)	(11,959)
Acquisition of additional interest in housing and land joint ventures	-	(1,444)	-	(6,844)
Net cash used in investing activities	<b>(236)</b>	(6,145)	<b>(1,155)</b>	(18,803)
<b>Cash flows from / (used in) financing activities:</b>				
Net repayments under revolving project specific financings	(53,330)	(89,900)	(80,388)	(156,436)
Net borrowings / (repayments) under revolving and other financings	(208,546)	41,000	(205,520)	153,000
Net contributions from non-controlling interest and other interests in consolidated subsidiaries	403	546	678	1,174
Preferred stock issuance, net of issuance costs	249,688	-	249,688	-
Preferred stock dividends paid in cash	(3,500)	-	(3,500)	-
Common stock dividends paid in cash	-	(5,333)	-	(5,333)
Net cash used in financing activities	<b>(15,285)</b>	(53,687)	<b>(39,042)</b>	(7,595)
Increase / (decrease) in cash and cash equivalents	464	(10,762)	464	(9,132)
Cash and cash equivalents at beginning of period	-	10,762	-	9,132
Cash and cash equivalents at end of period	\$ 464	\$ -	\$ 464	\$ -
<b>Supplemental cash flow information:</b>				
Interest paid	\$ 8,995	\$ 15,338	\$ 18,984	\$ 30,320
Income taxes recovered	\$ 1,883	\$ 18,049	\$ 60,700	\$ 18,049
Non-cash decrease in consolidated land inventory not owned	\$ -	\$ (15,636)	\$ -	\$ (15,837)
<b>Acquisitions of additional interest in joint venture:</b>				
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

# 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>	
	<b>2009</b>	2008	<b>2009</b>	2008
<b>Net New Orders</b>				
Northern California	49	38	82	70
Southland/Los Angeles	82	80	123	159
San Diego/Riverside	49	41	78	89
Washington D.C. Area	85	74	136	145
Corporate and Other	1	3	-	4
	<b>266</b>	236	<b>419</b>	467
Joint Ventures	-	1	-	1
<b>Total</b>	<b>266</b>	<b>237</b>	<b>419</b>	<b>468</b>
<b>Home closings</b>				
Northern California	33	40	42	50
Southland/Los Angeles	40	77	71	131
San Diego/Riverside	29	39	46	61
Washington D.C. Area	63	54	79	85
Corporate and Other	4	4	5	4
	<b>169</b>	214	<b>243</b>	331
Joint Ventures	-	2	-	5
<b>Consolidated total</b>	<b>169</b>	<b>216</b>	<b>243</b>	<b>336</b>
<b>Average selling price</b>				
Northern California	\$ 838,000	\$ 939,000	\$ 859,000	\$ 935,000
Southland/Los Angeles	373,000	410,000	369,000	430,000
San Diego/Riverside	481,000	497,000	480,000	528,000
Washington D.C. Area	364,000	445,000	378,000	513,000
Corporate and Other	641,000	679,000	633,000	679,000
	<b>486,000</b>	538,000	<b>483,000</b>	549,000
Joint Ventures	-	1,378,000	750,000	1,236,000
<b>Average selling price</b>	<b>\$ 486,000</b>	<b>\$ 548,000</b>	<b>\$ 485,000</b>	<b>\$ 558,000</b>
<b>Active communities / Backlog at end of period</b>				
	<b>Active Communities</b>		<b>Backlog</b>	
Northern California	4	4	50	47
Southland/Los Angeles	7	7	107	73
San Diego/Riverside	7	7	40	36
Washington D.C. Area	10	13	97	112
Corporate and Other	1	1	15	19
	<b>29</b>	32	<b>309</b>	287
Joint Ventures	1	1	1	-
<b>Total</b>	<b>30</b>	<b>33</b>	<b>310</b>	<b>287</b>

# Selected Operating Information (cont'd)



(\$ millions, except unit activity)	Three Months Ended June 30,				Six Months Ended June 30,			
	2009		2008		2009		2008	
	Units		Units		Units		Units	
<b>Housing Revenue</b>								
Northern California	33	\$ 28	40	\$ 38	42	\$ 36	50	\$ 47
Southland/Los Angeles	40	15	77	31	71	26	131	56
San Diego/Riverside	29	14	39	19	46	22	61	32
Washington D.C. Area	63	23	54	24	79	30	85	43
Corporate and Other	4	2	4	3	5	3	4	3
<b>Total</b>	<b>169</b>	<b>82</b>	<b>214</b>	<b>\$ 115</b>	<b>243</b>	<b>\$ 117</b>	<b>331</b>	<b>\$ 181</b>
<b>Land Revenue</b>								
Northern California	-	\$ -	-	\$ -	-	\$ -	-	\$ -
Southland/Los Angeles	-	-	-	-	-	-	-	-
San Diego/Riverside	-	3	-	-	150	4	-	-
Washington D.C. Area	22	2	28	5	29	3	46	8
Corporate and Other	-	8	-	-	-	8	-	-
<b>Total</b>	<b>22</b>	<b>\$ 13</b>	<b>28</b>	<b>\$ 5</b>	<b>179</b>	<b>\$ 15</b>	<b>46</b>	<b>\$ 8</b>
<b>Gross Margin / (Loss)</b>								
Northern California		\$ 1		\$ 2		\$ 2		\$ 3
Southland/Los Angeles		(3)		5		(2)		8
San Diego/Riverside		3		4		4		8
Washington D.C. Area		3		(12)		5		(16)
Corporate and Other		1		(1)		(4)		(1)
<b>Total Gross Margin / (Loss)</b>		<b>\$ 5</b>		<b>\$ (2)</b>		<b>\$ 5</b>		<b>\$ 2</b>

# Residential Building Lots



## Ownership

<i>(lots)</i>	Owned	Joint	Under <sup>(1)</sup>	Total Lots	Total Lots
	Directly	Ventures	Option	6/30/2009	12/31/2008
Northern California	968	-	6,182	7,150	7,290
Southland/Los Angeles	1,102	254	2,039	3,395	3,460
San Diego/Riverside	9,683	1	1,500	11,184	8,105
Washington D.C. Area	2,345	1,410	1,300	5,055	4,981
Corporate and Other	205	63	-	268	273
<b>Total June 30, 2009</b>	<b>14,303</b>	<b>1,728</b>	<b>11,021</b>	<b>27,052</b>	
<b>Total December 31, 2008</b>	<b>11,252</b>	<b>1,832</b>	<b>11,025</b>		<b>24,109</b>

<sup>(1)</sup> Includes proportionate share of lots under option related to joint ventures.

## Book Value

<i>(millions, except per lot activity)</i>	Owned	Joint	Under	Total 6/30/2009		Total 12/31/2008	
	Directly	Ventures	Option	Lots	\$	Lots	\$
Housing inventory	\$443	\$11	-	2,402	\$454	2,309	\$449
Model homes	44	2	-	86	46	102	56
Land & land under development	381	95	-	13,543	476	10,673	484
Optioned lots	-	24	74	11,021	98	11,025	94
Joint venture debt	-	(28)	-	-	(28)	-	(28)
	<b>\$868</b>	<b>\$104</b>	<b>\$74</b>	<b>27,052</b>	<b>\$1,046</b>	<b>24,109</b>	<b>\$1,055</b>

## 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-09	31-Mar-09	31-Dec-08	30-Sep-08
<b>Share Price</b>				
High	\$ 5.48	\$ 4.54	\$ 13.90	\$ 16.75
Low	\$ 3.40	\$ 1.70	\$ 1.49	\$ 9.26
Close	\$ 4.00	\$ 3.45	\$ 4.32	\$ 14.36
<b>Volume</b>	<b>3,717,694</b>	7,524,092	11,822,923	11,974,200

## Common Shares Outstanding

	30-Jun-09	31-Mar-09	31-Dec-08	30-Sep-08
Common shares issued and outstanding	26,768,732	26,768,732	26,768,732	26,663,413
Unexercised options	2,545,000	2,545,000	875,000	980,319
<b>Total common shares outstanding</b>	<b>29,313,732</b>	29,313,732	27,643,732	27,643,732

