



BROOKFIELD

H O M E S

**Supplemental Information
For The Nine Months Ended
September 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.

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 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

(All figures in US\$)

Selected Financial Information



<i>(Millions, except per unit activity and per share amounts)</i>	<i>Three Months Ended September 30,</i>		<i>Nine Months Ended September 30,</i>	
	2009	2008	2009	2008
Results of Operations				
Total revenue	\$ 99	\$ 110	\$ 231	\$ 299
Housing revenue	89	107	206	288
Impairments and write-offs of option deposits	10	32	18	55
Gross margin / (loss) - \$	5	(20)	10	(18)
Gross margin - %	5%	(18%)	4%	(6%)
Impairment of investments in housing and land joint ventures	1	9	13	19
Net loss attributable to Brookfield Homes Corporation	(1)	(26)	(11)	(47)
Basic loss per share	(0.22)	(0.95)	(0.73)	(1.75)
Diluted loss per share	(0.22)	(0.95)	(0.73)	(1.75)
Operating Data (including joint ventures)				
Net new orders (units)	208	163	627	631
Backlog (units at end of period)	326	266	326	266
Home closings (units)	192	184	435	520
Average selling price (per unit)	\$ 468,000	\$ 578,000	\$ 477,000	\$ 565,000

Condensed Balance Sheets



<i>(thousands)</i>	<u>As at September 30,</u> <u>2009</u>	<u>As at June 30,</u> <u>2009</u>	<u>As at December 31,</u> <u>2008</u>
Assets			
Housing and land inventory	\$ 911,870	\$ 938,685	\$ 946,875
Investments in housing and land joint ventures	104,863	103,839	105,261
Consolidated land inventory not owned	3,328	3,328	3,328
Receivables and other assets	33,564	29,035	92,333
Restricted cash	7,483	-	-
Cash and cash equivalents	-	464	-
Deferred income taxes	68,994	65,834	59,438
	\$ 1,130,102	\$ 1,141,185	\$ 1,207,235
Liabilities and Stockholders' Equity			
Project specific financings	\$ 315,304	\$ 353,192	\$ 433,580
Revolving and other financings	156,000	136,700	314,977
Total financings	\$ 471,304	\$ 489,892	\$ 748,557
Accounts payable and other liabilities	112,011	101,465	146,320
Total liabilities	\$ 583,315	\$ 591,357	\$ 894,877
Other interests in consolidated subsidiaries	48,861	50,705	49,839
Stockholders' equity	497,926	499,123	262,519
	\$ 1,130,102	\$ 1,141,185	\$ 1,207,235
Debt to Total Capitalization	46%	47%	71%

Condensed Statements of Operations



<i>(thousands, except per share amounts)</i>	<i>Three Months Ended September 30,</i>		<i>Nine Months Ended September 30,</i>	
	2009	2008	2009	2008
Revenue				
Housing	\$ 88,402	\$ 106,378	\$ 205,814	\$ 288,019
Land	10,141	3,312	25,009	11,123
	98,543	109,690	230,823	299,142
Direct cost of sales				
Housing	(75,767)	(94,965)	(182,657)	(252,511)
Land	(8,579)	(2,536)	(20,801)	(9,634)
Impairment of housing and land inventory and write-offs of option deposits	(9,580)	(31,787)	(17,738)	(54,588)
	4,617	(19,598)	9,627	(17,591)
Selling, general and administrative expense	(11,504)	(15,924)	(36,778)	(47,616)
Equity / (loss) in earnings from housing and land joint ventures	(535)	(41)	1,593	2,383
Impairment of investments in housing and land joint ventures	(1,268)	(8,525)	(12,886)	(18,525)
Other (expense) / income	(1,035)	(699)	9,915	(1,116)
Loss before income taxes	(9,725)	(44,787)	(28,529)	(82,465)
Income tax recovery	6,169	15,502	12,373	28,563
Net loss	(3,556)	(29,285)	(16,156)	(53,902)
Less net loss attributable to noncontrolling interest and other interests in consolidated subsidiaries	2,646	3,994	5,124	7,300
Net loss attributable to Brookfield Homes Corporation	\$ (910)	\$ (25,291)	\$ (11,032)	\$ (46,602)
Loss per share - basic	\$ (0.22)	\$ (0.95)	\$ (0.73)	\$ (1.75)
Loss per share - diluted	\$ (0.22)	\$ (0.95)	\$ (0.73)	\$ (1.75)

Condensed Statements of Cash Flow



(thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2009	2008	2009	2008
Cash flows from / (used in) operating activities:				
Net loss	\$ (3,556)	\$ (29,285)	\$ (16,156)	\$ (53,902)
Adjustments to reconcile net loss to net cash from operating activities:				
(Undistributed) / distributed income from housing and land joint ventures	859	41	(1,362)	(1,364)
Deferred income taxes	(3,160)	(10,238)	(9,556)	(5,180)
Impairment of housing and land inventory and write-offs of option deposits	9,580	31,787	17,738	54,588
Impairment of investments in housing and land joint ventures	1,268	8,525	12,886	18,525
Stock option compensation charges	76	-	468	-
Other changes in operating assets and liabilities:				
Decrease / (increase) in receivables and other assets	(4,529)	(8,684)	58,769	(10,244)
Decrease in housing and land inventory	17,235	17,085	17,267	36,317
Increase / (decrease) in accounts payable and other liabilities	10,136	3,145	(11,484)	(9,098)
Net cash provided by operating activities	<u>27,909</u>	<u>12,376</u>	<u>68,570</u>	<u>29,642</u>
Cash flows from / (used in) investing activities:				
Net investment in housing and land joint ventures	(2,693)	(4,394)	(3,848)	(16,535)
Restricted cash	(7,483)	-	(7,483)	-
Acquisition of additional interest in housing and land joint ventures	-	-	-	(6,844)
Net cash used in investing activities	<u>(10,176)</u>	<u>(4,394)</u>	<u>(11,331)</u>	<u>(23,197)</u>
Cash flows from / (used in) financing activities:				
Net repayments under revolving project specific financings	(37,888)	(37,542)	(118,276)	(193,978)
Net borrowings / (repayments) under revolving and other financings	19,300	29,000	(186,220)	182,000
Net contributions from non-controlling interest and other interests in consolidated subsidiaries	325	560	1,003	1,734
Exercise of stock options	66	-	66	-
Preferred stock issuance, net of issuance costs	-	-	249,688	-
Preferred stock dividends paid in cash	-	-	(3,500)	-
Common stock dividends paid in cash	-	-	-	(5,333)
Net cash used in financing activities	<u>(18,197)</u>	<u>(7,982)</u>	<u>(57,239)</u>	<u>(15,577)</u>
Decrease in cash and cash equivalents	(464)	-	-	(9,132)
Cash and cash equivalents at beginning of period	464	-	-	9,132
Cash and cash equivalents at end of period	\$ -	\$ -	\$ -	\$ -
Supplemental cash flow information:				
Interest paid	\$ 8,723	\$ 11,612	\$ 27,707	\$ 41,932
Income taxes recovered	\$ 323	\$ -	\$ 61,023	\$ 18,049
Non-cash decrease in consolidated land inventory not owned	\$ -	\$ (44)	\$ -	\$ (15,881)
Acquisitions of additional interest in joint venture:				
Increase in housing and land inventory	\$ -	\$ -	\$ -	\$ 97,828
Reduction in investment in housing and land joint ventures	\$ -	\$ -	\$ -	\$ 33,960
Liabilities assumed	\$ -	\$ -	\$ -	\$ 63,868

Selected Operating Information



<i>(in units, except average selling price)</i>	<i>Three Months Ended September 30,</i>		<i>Nine Months Ended September 30,</i>	
	2009	2008	2009	2008
Net New Orders				
Northern California	37	37	119	107
Southland/Los Angeles	57	48	180	207
San Diego/Riverside	41	27	119	116
Washington D.C. Area	71	49	207	194
Corporate and Other	-	2	-	6
	206	163	625	630
Joint Ventures	2	-	2	1
Total	208	163	627	631
Home closings				
Northern California	31	38	73	88
Southland/Los Angeles	44	31	115	162
San Diego/Riverside	34	33	80	94
Washington D.C. Area	80	81	159	166
Corporate and Other	1	1	6	5
	190	184	433	515
Joint Ventures	2	-	2	5
Consolidated total	192	184	435	520
Average selling price				
Northern California	\$ 746,000	\$ 925,000	\$ 811,000	\$ 931,000
Southland/Los Angeles	388,000	377,000	377,000	420,000
San Diego/Riverside	522,000	549,000	498,000	536,000
Washington D.C. Area	373,000	502,000	376,000	508,000
Corporate and Other	645,000	732,000	635,000	689,000
	465,000	578,000	475,000	559,000
Joint Ventures	891,000	-	891,000	1,236,000
Average selling price	\$ 468,000	\$ 578,000	\$ 477,000	\$ 565,000
Active communities / Backlog at end of period	Active Communities		Backlog	
Northern California	3	4	56	46
Southland/Los Angeles	7	7	120	90
San Diego/Riverside	7	7	47	30
Washington D.C. Area	10	13	88	80
Corporate and Other	1	1	14	20
	28	32	325	266
Joint Ventures	1	1	1	-
Total	29	33	326	266

Selected Operating Information (cont'd)



(\$ millions, except unit activity)	Three Months Ended September 30,				Nine Months Ended September 30,			
	2009		2008		2009		2008	
	Units		Units		Units		Units	
Housing Revenue								
Northern California	31	\$ 23	38	\$ 35	73	\$ 59	88	\$ 82
Southland/Los Angeles	44	17	31	12	115	43	162	68
San Diego/Riverside	34	18	33	18	80	40	94	50
Washington D.C. Area	80	30	81	41	159	60	166	84
Corporate and Other	1	1	1	1	6	4	5	4
Total	190	89	184	\$ 107	433	\$ 206	515	\$ 288
Land Revenue								
Northern California	-	\$ -	-	\$ -	-	\$ -	-	\$ -
Southland/Los Angeles	-	-	-	-	-	-	-	-
San Diego/Riverside	32	7	-	-	182	11	-	-
Washington D.C. Area	23	3	22	3	52	6	68	11
Corporate and Other	-	-	-	-	-	8	-	-
Total	55	\$ 10	22	\$ 3	234	\$ 25	68	\$ 11
Gross Margin / (Loss)								
Northern California		\$ 3		\$ (2)		\$ 5		\$ 1
Southland/Los Angeles		2		1		-		9
San Diego/Riverside		4		(17)		8		(9)
Washington D.C. Area		(2)		(1)		3		(17)
Corporate and Other		(2)		(1)		(6)		(2)
Total Gross Margin / (Loss)		\$ 5		\$ (20)		\$ 10		\$ (18)

Residential Building Lots



Ownership

<i>(lots)</i>	Owned	Joint	Under ⁽¹⁾	Total Lots	Total Lots
	Directly	Ventures	Option	9/30/2009	12/31/2008
Northern California	937	-	6,182	7,119	7,290
Southland/Los Angeles	1,065	254	2,032	3,351	3,460
San Diego/Riverside	9,617	1	1,500	11,118	8,105
Washington D.C. Area	2,271	1,394	1,305	4,970	4,981
Corporate and Other	204	61	-	265	273
Total September 30, 2009	14,094	1,710	11,019	26,823	
Total December 31, 2008	11,252	1,832	11,025		24,109

⁽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 9/30/2009		Total 12/31/2008	
	Directly	Ventures	Option	Lots	\$	Lots	\$
Housing inventory	\$428	\$10	-	2,239	\$438	2,309	\$449
Model homes	37	2	-	72	39	102	56
Land & land under development	382	95	-	13,493	477	10,673	484
Optioned lots	-	24	68	11,019	92	11,025	94
Joint venture debt	-	(26)	-	-	(26)	-	(28)
	\$847	\$105	\$68	26,823	\$1,020	24,109	\$1,055

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-Sep-09	30-Jun-09	31-Mar-09	31-Dec-08
Share Price				
High	\$ 8.46	\$ 5.48	\$ 4.54	\$ 13.90
Low	\$ 3.19	\$ 3.40	\$ 1.70	\$ 1.49
Close	\$ 6.68	\$ 4.00	\$ 3.45	\$ 4.32
Volume	3,633,499	3,717,694	7,524,092	11,822,923

Common Shares Outstanding

	30-Sep-09	30-Jun-09	31-Mar-09	31-Dec-08
Common shares issued and outstanding	26,793,732	26,768,732	26,768,732	26,768,732
Unexercised options	2,155,000	2,545,000	2,545,000	875,000
Total common shares outstanding	28,948,732	29,313,732	29,313,732	27,643,732

