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## Brookfield Homes Corporation Q1 2009 Earnings Call Transcript

### Question-and-Answer Session

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#### Operator

(Operator Instructions). Our first question today comes from Alex Barron of the Agency Trading Group.

#### Alex Barron - Agency Trading Group

I was wondering, if you could talk a little bit more about the 1800 lots purchase you made. Can you be a little bit more specific what part of Riverside county that was and also were those lots, what stage of development are they in? Are they undeveloped or entitled or finished?

#### Ian Cockwell

The lots are actually adjacent to Canyon Lake, a project called Audie Murphy, 800 of the lots, you could say are near Blue-top condition and 1,000 of the lots in fact, yes, they would be rolled.

#### Alex Barron - Agency Trading Group

Okay and I guess you did your pro forma and looked at this purchase, how are you guys kind of thinking about it in terms of what margin you think you'll get and what kind of sales pace. In other words like, how long is this project going to last? Is it going to be like one big project or several communities?

#### Ian Cockwell

It will be separate communities and if you are referring that the communities that is, let say 100 units and it's a separate planning areas of approximately 100 units each.

#### Alex Barron - Agency Trading Group

Okay. So, you'll just going to roll it out over a number of years?

#### Ian Cockwell

And that's when the demand returns to the market.

#### Alex Barron - Agency Trading Group

Okay.

**Ian Cockwell**

Yes, we know Riverside County at the moment. The number of active projects have declined, which is increased the number of sales of the projects, but there are a number of larger projects that have Blue-top, we have finished lots in them.

**Alex Barron - Agency Trading Group**

So, I mean roughly like how much extra money is going to take to convert these lots into finished lots eventually?

**Ian Cockwell**

The 800 lots?

**Alex Barron - Agency Trading Group**

Yes.

**Ian Cockwell**

That's nominal amount. Did you take it to a finish lots, let just take it to a Blue-top lot, right? The finished lot also includes peace and sidewalk, et cetera, right?

**Alex Barron - Agency Trading Group**

Okay, but you don't have an estimate that you can share with us?

**Ian Cockwell**

Normally you can say that to take it from a Blue-top lot to finished lot could be \$30,000 including fees.

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