

Brookfield Real Estate Services Inc. Announces Acquisition of Franchise Agreements

(TORONTO, ON) December 8, 2017 – Brookfield Real Estate Services Inc. (the “Company”) (TSX: BRE) announced today that it has approved the acquisition of certain franchise agreements from Brookfield Real Estate Services Manager Limited (“the Manager”).

Acquisition of Franchise Agreements

Under the Royal LePage and Via Capitale brands, the Company will acquire franchise agreements representing 38 real estate operations and 563 REALTORS^{®1} across Canada for approximately \$8.8 million. These agreements are estimated to generate an annual royalty stream of \$1.2 million and will be effective January 1, 2018.

As outlined in the Company’s Management Services Agreement (“MSA”) with the Manager, 80 per cent of the acquisition price will be paid in January 2018 and the balance will be paid later in the year when the purchase price is finalized, based on the actual performance of the acquired agreements.

The payment due January 1, 2018 of approximately \$7.0 million, plus applicable HST, will be funded through a combination of cash on hand and a draw down on the Company’s debt facilities.

“We are very pleased with the strong and consistent growth of our Company’s Network,” said Phil Soper, president and chief executive officer, Brookfield Real Estate Services Inc. “Our high quality brands enjoy nationwide appeal and geographical diversification, which has certainly helped the business successfully navigate market slumps in Alberta in 2015, British Columbia in 2016 and Ontario this year. The tools, services and support our Brands offer brokerages and REALTORS[®] position them for success in a highly competitive industry.”

Forward-Looking Statements

This news release contains forward-looking information and other “forward-looking statements”. Words such as “will”, “estimated”, “later”, “growth” and other expressions that are predictions of or could indicate future events and trends and that do not relate to historical matters identify forward-looking statements. Reliance should not be placed on forward-looking statements because they involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Company to differ materially from anticipated future results, performance or achievement expressed or implied by such forward-looking statements. Factors that could cause actual results to differ materially from those indicated in the forward looking statements include: increases or decreases in the number of

REALTORS® prior to the acquisition date, availability of financial resources to the Company, changes in the Company's strategy, changes in the supply of houses for sale in Canada or in any particular region within Canada, changes in the demand for houses in Canada or any particular region within Canada, changes in general economic conditions (including interest rates, consumer confidence and other general economic factors or indicators), changes in global and regional economic growth, the demand for and prices of natural resources on local and international markets, the level of residential real estate transactions, the average rate of commissions charged, competition from other real estate brokers or from discount and/or Internet-based real estate alternatives, the closing of existing real estate brokerage offices, other developments in the residential real estate brokerage industry or the Company that reduce the number of REALTORS® in the Company's Network or royalty revenue from the Company's Network, our ability to maintain brand equity through the use of trademarks, changes in tax laws or regulations, and other risks detailed in the Company's annual information form, which is filed with securities commissions and posted on SEDAR at www.sedar.com. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

About Brookfield Real Estate Services Inc.

Brookfield Real Estate Services Inc. is a leading provider of services to residential real estate brokers and a network of over 18,000 REALTORS®. We operate in Canada under the Royal LePage, Via Capitale and Johnston & Daniel brands. For more information, go to www.Brookfieldresinc.com.

Brookfield Real Estate Services Inc. is an affiliate of Brookfield Asset Management, a leading global alternative asset manager with over \$250 billion of assets under management. For more information, go to www.Brookfield.com.

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1 REALTORS® is a trademark identifying real estate licensees in Canada who are members of the Canadian Real Estate Association.