

BROOKFIELD REAL ESTATE SERVICES INC.

Management Information Circular

**Relating to the Annual Meeting
of Shareholders**

March 27, 2017

**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
AND AVAILABILITY OF INVESTOR MATERIALS**

NOTICE IS HEREBY GIVEN that the annual meeting (the “Meeting”) of holders of Restricted Voting Shares and Special Voting Shares (collectively, “Shareholders”) of BROOKFIELD REAL ESTATE SERVICES INC. (the “Company”) will be held at the Estates of Sunnybrook, Vaughan Estate, Courtyard Ballroom, 2075 Bayview Avenue, Toronto, Ontario, M4N 3M5 on Tuesday, the 9th day of May, 2017 at 10:00 a.m. (Toronto time) for the following purposes:

1. to receive the annual report of the Company and the consolidated financial statements of the Company for the fiscal year commencing January 1, 2016 and ending December 31, 2016, together with the auditors’ report thereon;
2. to appoint the auditors of the Company and to authorize the Directors to fix the remuneration of the auditors;
3. to elect directors of the Company; and
4. to transact such further and other business as may properly come before the Meeting or any adjournment thereof.

Under Ontario securities laws, the Company provides its annual meeting–related materials such as proxy circulars and annual financial statements in electronic form which is available for download at www.meetingdocuments.com/cst/BRE or on SEDAR at www.sedar.com. The Company believes providing these materials in electronic form results in a substantial reduction in both postage and material costs and also helps the environment through a decrease in paper documents that are ultimately discarded.

Only Shareholders of record as at March 27, 2017 are entitled to vote their Shares at the Meeting, or at any adjournment thereof, either in person or by proxy. Shareholders who are unable to attend the Meeting in person are requested to review the matters under discussion for the Meeting as described in our proxy circular at www.meetingdocuments.com/cst/BRE. Should you wish to receive paper copies of investor materials related to the Meeting, or have any questions, please contact CST Trust Company at 1-888-433-6443 or fulfilment@canstockta.com prior to April 25, 2017. Meeting materials will be sent within three business days, giving you sufficient time to vote your proxy. Following the Meeting, the documents will remain available at the websites listed above for a period of one year.

DATED this 27 day of March, 2017.

By Order of the Board of Directors

(signed) Spencer Enright
Chairman of the Board

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GLOSSARY OF TERMS

“**Agent**” means an individual who is licensed to buy or sell real estate and is actively doing so through an affiliation with a Broker.

“**Agent Network**” means, collectively, the network of Agents licensed under Franchise Agreements to carry on residential property brokerage operations using one or more of the Trademarks.

“**Annual Report**” means the Company’s 2016 annual report, including the MD&A and consolidated financial statements for the fiscal year ended December 31, 2016.

“**Board of Directors**” or the “**Board**” means the Board of Directors of the Company.

“**Broker**” means an individual licensed with the relevant regulatory body to manage a real estate brokerage office.

“**Brookfield**” means Brookfield BBP (Canada) LP, a limited partnership governed by the laws of Ontario and controlled by Brookfield Asset Management Inc. together with its affiliates, but excluding the Manager and the subsidiaries of the Manager.

“**Business**” means the business of providing residential property brokerage services to Agents and Brokers and acting as a franchisor to Brokers.

“**Committee**” means a committee of the Board.

“**Circular**” is defined as this management information circular, prepared and sent to the Shareholders in connection with the Meeting.

“**Designated Director**” means a Director who is appointed as a Director by Brookfield. Brookfield is entitled to appoint two-fifths of the Directors so long as Brookfield and its affiliated entities hold an aggregate of at least 10% of the Restricted Voting Shares (on a diluted basis).

“**Director**” means a director of the Company.

“**Executive Officer**” means a chief executive officer, chief financial officer or one of the three most highly compensated officers of the Company for the most recently completed financial year.

“**Elected Director**” means a Director who is not a Designated Director, but rather, is elected by the holders of Restricted Voting Shares.

“**Franchise Agreement**” means a franchise agreement pursuant to which brokerage offices offer residential brokerage services using the Trademarks.

“**Franchisees**” means the franchises operating under the Franchise Agreements.

“**Incremental Franchises**” means franchises established pursuant to Franchise Agreements entered into following March 31, 2003 (other than renewals or replacements of existing Franchise Agreements) and including any acquisition made by existing Franchisees of additional offices and/or Agents and any business combination entered into by any existing Franchisee that results in the addition of offices and/or Agents that meet the criteria established from time to time by the Directors.

“**Independent Director**” means a Director who is unrelated (as such term is defined in the Toronto Stock Exchange Company Manual as it exists as of the date hereof) to the Company, and the Manager and each of its affiliated entities.

“**Management Services Agreement**” or “**MSA**” means the third amended and restated management services agreement, made effective January 1, 2014 between the Company and the Manager, pursuant to which, among other things, the Manager provides management and administrative services to the Company, including management of the assets of the Company.

“Manager” means Brookfield Real Estate Services Manager Limited, a corporation incorporated under the laws of the Province of Ontario and a subsidiary of Brookfield. The Manager provides management and administrative services to the Company.

“MD&A” means management’s discussion and analysis of financial conditions and results of operations.

“Meeting” means the annual meeting of Shareholders (or any adjournment thereof) to be held to consider and, if deemed advisable, to approve the matters as set forth in this Circular.

“Notice of Meeting” means the Notice of Annual Meeting of Shareholders and Availability of Investor Materials.

“Record Date” means March 27, 2017.

“Restricted Voting Shares” means the Restricted Voting Shares in the capital of the Company.

“Shareholders” means the holders of Shares.

“Shares” means the Restricted Voting Shares and Special Voting Shares.

“Special Voting Shares” means the Special Voting Shares in the capital of the Company issued to represent voting rights in the Company that accompany securities convertible into or exchangeable for Restricted Voting Shares, including the Subordinated LP Units held by Brookfield.

“Subordinated LP Units” means the Class B subordinated limited partnership units of Residential Income Fund L.P., a limited partnership established under the laws of the Province of Ontario, and a subsidiary of the Company. All of the outstanding Subordinated LP Units are held by Brookfield.

“Trademarks” means the trademark rights related to the Business held by or licensed to Brookfield, or the Manager, including, without limitation, those which allow the Company to operate the Business under the Royal LePage, Johnston & Daniel and Via Capitale brands.

“Transfer Agent” means CST Trust Company.

PART I – VOTING INFORMATION

Solicitation of Proxies

The information in this Management Information Circular (“Circular”) is furnished in connection with the solicitation of proxies to be used at the annual meeting of Shareholders of Brookfield Real Estate Services Inc. (together with its subsidiaries, the “Company”) to be held at the Estates of Sunnybrook, Vaughan Estate, Courtyard Ballroom, 2075 Bayview Avenue, Toronto, Ontario, M4N 3M5 on Tuesday, the 9th day of May, 2017 at 10:00 a.m. (Toronto time), and at all adjournments thereof, for the purposes set forth in the accompanying Notice of Meeting. It is expected that the solicitation will be made by mail, by e-mail and by posting materials at www.meetingdocuments.com/cst/BRE and on SEDAR at www.sedar.com. Proxies may also be solicited personally by officers or regular employees of the Company at a nominal cost. **The solicitation of proxies is being made by or on behalf of the management of the Company, and the total cost of the solicitation will be borne by the Company.** The information herein is given as at March 27, 2017, except where otherwise noted.

Appointment of Proxies

The persons named in the enclosed form of proxy are directors of the Company. **Each Shareholder has the right to appoint a person or company other than the persons or company named in the enclosed form of proxy to represent such Shareholder at the Meeting or any adjournment thereof. Such appointee need not be a Shareholder of the Company.** This right may be exercised by inserting the appointee’s name in the blank space provided in the form of proxy. The completed form(s) of proxy must be deposited with the Transfer Agent by mail at CST Trust Company, Proxy Department, P.O. Box 721, Agincourt, Ontario M1S 0A1, by fax at 416-368-2502 or 1-866-781-3111 or by e-mail at proxy@canadastockta.com, so as to arrive not later than 10:00 a.m. (Toronto time) on Monday, May 8, 2017 or, if the Meeting is adjourned, 24 hours (excluding Saturdays, Sundays and holidays) before the commencement of any adjourned meeting.

Access to Meeting Materials

The Company is hereby providing notice that access to all Meeting materials is available at www.meetingdocuments.com/cst/BRE and on SEDAR at www.sedar.com. The Company provides access to the Meeting materials electronically because it allows for the reduction of printed paper materials, is consistent with the Company’s philosophy toward sustainable growth and will reduce costs associated with Shareholder meetings. The Company has sent the Notice of Meeting, which is located on the cover to the Circular, to all Shareholders, informing them that the Circular is available online and explaining how the Circular may be accessed.

Registered and non-registered Shareholders who requested a paper copy of the Annual Report will receive a copy of the Annual Report. Neither registered nor non-registered Shareholders will receive a paper copy of the Circular unless they contact the Transfer Agent after it is posted, in which case the Transfer Agent will mail the Circular within three business days of any request provided the request is made *prior to* April 4, 2017.

Non-Registered Shareholders

Only registered holders of Shares, or persons they appoint as their proxyholder(s), are permitted to attend and vote at the Meeting. However, in many cases, Shares of the Company that are beneficially owned by a holder (a “Non-Registered Shareholder”) are registered either:

- a) in the name of an intermediary (an “Intermediary”) that the Non-Registered Shareholder deals with in respect of the Shares, such as, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered Registered Retirement Savings Plans, Registered Retirement Income Funds, Registered Education Savings Plans and similar plans; or
- b) in the name of a depository (such as CDS Clearing and Depository Services Inc.) of which the Intermediary is a participant.

As required by Canadian securities legislation, you will have received from your Intermediary a voting instruction form for the number of Shares you beneficially own.

Since the Company has limited access to the names of its Non-Registered Shareholders, if you attend the Meeting, the Company may have no record of your shareholdings or of your entitlement to vote unless your Intermediary has appointed you as proxyholder. Therefore, if you wish to vote in person at the Meeting, insert your name in the space provided on the voting instruction form and return it by following the instructions provided. Do not otherwise complete the form as your vote will be taken at the Meeting. Please register with CST Trust Company upon arrival at the Meeting.

In accordance with the requirements of NI 54-101, the Company has distributed copies of the accompanying Notice of Meeting, this Circular and the Annual Report (collectively, the "Meeting Materials") to non-objecting beneficial owners and, for those Non-Registered Shareholders who have requested it, to the depositary and Intermediaries for onward distribution to Non-Registered Shareholders. The Company does not intend to pay for Intermediaries to forward proxy-related materials and Form 54-101F7 to objecting beneficial owners, and objecting beneficial owners will receive the materials only if the Intermediary assumes the cost of delivery.

Non-Registered Shareholders who have not waived the right to receive Meeting Materials will receive a voting instruction form. The purpose of this form is to permit Non-Registered Shareholders to direct the voting of the Shares they beneficially own. Non-Registered Shareholders should follow the instructions on the form they receive and contact their Intermediaries promptly if they need assistance.

If a Non-Registered Shareholder does not wish to attend and vote at the Meeting in person (or have another person attend and vote on his or her behalf), the voting instruction form must be completed, signed and returned in accordance with the directions on the form. Voting instruction forms in some cases permit the completion of the voting instruction form by telephone or through the Internet. If a Non-Registered Shareholder wishes to attend and vote at the Meeting in person (or have another person attend and vote on his or her behalf), the Non-Registered Shareholder must complete, sign and return the voting instruction form in accordance with the directions provided.

Revocation

A Shareholder who has given a proxy has the power to revoke it as to any matter on which a vote has not already been cast pursuant to the authority conferred by such proxy and may do so:

- a) by delivering another properly executed form of proxy bearing a later date and depositing it as set out above;
- b) by depositing an instrument in writing revoking the proxy executed by the Shareholder or by the Shareholder's attorney authorized in writing (i) at the registered office of the Company at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, at which the proxy is to be used, or (ii) with the Chair of the Meeting, prior to its commencement, on the day of the Meeting or any adjournment thereof; or
- c) in any other manner permitted by law.

A Non-Registered Shareholder may revoke a voting instruction form or a waiver of the right to receive the Meeting Materials and to vote given to an Intermediary at any time by written notice to the Intermediary, except that an Intermediary is not required to act on a revocation of a voting instruction form or of a waiver of the right to receive materials and to vote that is not received by the Intermediary at least seven days prior to the Meeting.

Voting of Shares Represented by Management Proxies

The management representatives designated in the enclosed form of proxy will vote or withhold from voting the Shares in respect of which they are appointed by proxy on any ballot that may be called for in accordance with the instructions of the Shareholder as indicated on the proxy, and if the Shareholder specifies a choice with respect to any matter to be acted upon, the Shares will be voted accordingly. In the absence of such direction, the Shares will be voted by the management representatives FOR the election of Directors and FOR the appointment of the external auditor.

The enclosed form of proxy confers discretionary authority upon the management representatives designated therein with respect to amendments to or variations of matters identified in the Notice of Meeting and with respect to other

matters that may properly come before the Meeting. As at the date of this Circular, management of the Company knows of no such amendments, variations or other matters to come before the Meeting.

Principal Holders of Voting Securities

An unlimited number of Restricted Voting Shares are issuable by the Company. Each Restricted Voting Share is transferable. All Restricted Voting Shares are of the same class, with equal rights and privileges. The Restricted Voting Shares are not to be subject to future calls or assessments, and they entitle the holder thereof to one vote for each Restricted Voting Share held at all meetings of Shareholders (except that the holders of Restricted Voting Shares will not be entitled to vote for the election of the Designated Directors appointed by the holder of the Special Voting Share). The Restricted Voting Shares carry approximately 74% of the voting rights attached to all voting securities of the Company.

The Company is authorized to issue one Special Voting Share and has issued one such Special Voting Share to Brookfield that will be used for providing voting rights in the Company in respect of its holdings of Subordinated LP Units. The Special Voting Share was issued in conjunction with, and can not be transferred separately from, the Subordinated LP Units. The Special Voting Share entitles the holder to that number of votes equal to the number of Restricted Voting Shares that may be obtained upon the exchange of the Subordinated LP Units but will not otherwise entitle the holder to any rights with respect to the Company's property or income. The Special Voting Share carries approximately 26% of the voting rights attached to all voting securities of the Company. The holder of the Special Voting Share will not be entitled to vote for the election of the Elected Directors.

The Company is also authorized to issue an unlimited number of preferred shares. There are currently no preferred shares in the capital of the Company outstanding.

As at March 27, 2017, the Company had outstanding 9,483,850 Restricted Voting Shares and one Special Voting Share. Each holder of Shares at the close of business on the Record Date will be entitled to vote at the Meeting or any adjournment thereof on all matters to come before the Meeting, subject to the limitations described above.

To the knowledge of the directors and officers of the Company, the only persons or corporations that beneficially own, control or direct, directly or indirectly, voting securities of the Company carrying 10% or more of the voting rights attached to any class of outstanding voting securities of the Company are as follows:

Name	Number of Shares	Percentage of Class
Brookfield*	1 Special Voting Share	100.0%
1832 Asset Management, L.P.	1,223,300 Restricted Shares	Voting 12.9%
Fiera Capital Inc.	995,800 Restricted Shares	Voting 10.5%

*This entity also holds 100% of 3,327,667 Subordinated LP Units and 315,000 Restricted Voting Shares.

PART II – BUSINESS OF THE MEETING

Receipt of Financial Statements

The annual financial statements of the Company for the fiscal year ended December 31, 2016 are included in the Annual Report, which is available on SEDAR at www.sedar.com. The Annual Report will be placed before the Shareholders at the Meeting.

Election of Directors

The Articles of Incorporation of the Company provide for a minimum of three and a maximum of ten Directors. The Board considers that five Directors are appropriate given the size of the Company and the scope of its operations. Pursuant to the terms of the Special Voting Shares, Brookfield is entitled to appoint two-fifths of the Directors so long as it holds an aggregate of at least 10% of the Restricted Voting Shares (on a diluted basis). Brookfield has appointed Mr. Spencer Enright as the sole Designated Director. The number of directors of the Company will be reduced to the extent that any Designated Director is no longer entitled to serve as a Director due to a reduction in the ownership of Restricted Voting Shares held by Brookfield below the aforementioned threshold, subject to the provisions of the *Business Corporations Act* (Ontario). Brookfield can require the removal or replacement of the Designated Directors at any time at its sole discretion. The balance of the Directors that are not Designated Directors are to be elected by Shareholders at every annual Shareholders meeting. It is proposed that the Company's existing four Elected Directors be re-elected at the Meeting.

All Directors elected at the Meeting will hold office until the next annual meeting of Shareholders of the Company or until their successors are elected or appointed. **On any ballot that may be called for in relation to the election of Directors, the management representatives designated in the enclosed form of proxy intend to vote the Shares represented by such proxy in favour of the election of the nominees whose names are set forth below, unless the Shareholder who has given such proxy has directed that the Shares be withheld from voting in relation to the election of Directors.**

The following table sets out the name of each of the persons proposed to be nominated for election as a Director, all major positions and offices held in the Company or any of its significant affiliates by them, their principal occupation or employment, the year they were first elected as a director of the Company and the approximate number of securities of each class of Shares of the Company that such person has advised the Company are beneficially owned or subject to control or direction by them as at the date of this Circular.

Name and Municipality of Residence	Position and/or Office with Company	Present Principal Occupation If Different from Office Held	Period During Which Served as Director/Trustee	Restricted Voting Shares Beneficially Owned or Controlled as at March 27, 2017 ³
Lorraine Bell ^{1, 2, 3, 4} New York, NY, USA <i>Independent Director</i>	Director, Chair of the Audit Committee	Corporate Director	Since Jan. 3, 2003	10,000
Simon Dean ^{1, 2, 3, 5} Oakville, ON, Canada <i>Independent Director</i>	Director	Corporate Director and Consultant	Since Jan. 3, 2003	10,000
Gail Kilgour ^{1, 2, 3, 6} Toronto, ON, Canada <i>Independent Director</i>	Director, Chair of the Governance Committee	Corporate Director	Since Jan. 3, 2003	5,000
Honourable Trevor J. Eyton OC ^{2, 7} Caledon, ON, Canada <i>Independent Director</i>	Director	Corporate Director	Since May 6, 2014	Nil
Spencer Enright ^{3, 8} Oakville, ON, Canada <i>Related Director</i>	Chairman and Director	Chief Executive Officer, Brookfield Real Estate Services Manager Limited	Since May 6, 2014	1,300

¹ Member of the Audit Committee.

² Member of the Governance Committee.

³ As of March 27, 2017, the current directors of the Company owned beneficially, directly and indirectly, an aggregate of 26,300 Restricted Voting Shares representing approximately 0.3% of the issued and outstanding Restricted Voting Shares. Brookfield holds one Special Voting Share.

⁴ **Lorraine Bell – Director and Chair of the Audit Committee.** Ms. Bell is a Corporate Director and a Chartered Professional Accountant with over 30 years of experience in the financial sector. Ms. Bell is a member of the Board of Directors and the Audit, Risk Management, and the Human Resources and Governance Committees of the Ontario Financing Authority, the agency that oversees the Province of Ontario's debt management program. She is a Director and Chair of the Audit Committee of IBI Group Inc., a services and software company. She is also a member of the Board of Directors of University of Toronto Associates in New York as well as a Trustee of the New York Genealogical and Biographical Society.

⁵ **Simon Dean – Director.** Mr. Dean is a Corporate Director and self-employed consultant. Mr. Dean sits on the Board of the Royal LePage Shelter Foundation, a charitable organization. Prior to becoming a Corporate Director, Mr. Dean had significant senior leadership experience in the Real Estate and Communication industry.

⁶ **Gail Kilgour – Director.** Ms. Kilgour, is a Corporate Director with over 25 years of experience in the financial services industry. She is a past Vice-Chair of the Board of Directors for the Ontario Realty Corporation, a Crown Corporation, and Chair of its Governance Committee, a past director of Ontario Infrastructure and Lands Corporation, a Crown Corporation and a past Trustee of the University of Guelph, where she chaired its Audit Committee. She is past Chair of the Board of St. George's Golf and Country Club and currently Vice-Chair of its Nominating Committee.

⁷ **The Honourable Trevor J. Eyton OC – Director.** Mr. Eyton is a retired lawyer, a Corporate Director and a respected businessman. Prior to becoming a full time Corporate Director, Mr. Eyton was a Senator in the Canadian Senate and has been appointed an Officer of the Order of Canada and Queen's Counsel for Ontario. Mr. Eyton has served as a director on numerous boards including most recently Altus Group Limited, a consultancy firm (2011-2014), and currently serves as Chairman of Cancana Resources Corp., a resource company, as a director of LeadFX, a resource company, as a director of Magna International Inc., an auto manufacturing company, and as a director of Silver Bear Resources Inc., a resource company.

⁸ **Spencer Enright – Director and Chairman.** Mr. Enright is a Chartered Professional Accountant and has been Chief Executive Officer of the Manager since December 2012. Mr. Enright acted as a Senior Vice-President and Chief Operating Officer of an affiliate of the Manager from 2010-2012. Mr. Enright sits on the Board of the Brookfield Real Estate Services Charitable Foundation, a charitable organization. Prior to joining Brookfield Real Estate Services, he worked as Senior Vice President and General Manager for The Minute Maid Company Canada Inc. and Chief Financial Officer for Coca-Cola Ltd., a food manufacturing company.

Compensation of Directors

The following table describes compensation for Directors for the fiscal year ended December 31, 2016. As a management Director, Mr. Spencer Enright received no compensation from the Company.¹

Name	Board Retainer Fee	Attendance Fees ⁽¹⁾	Committee Chair Retainer Fee ⁽²⁾	All Other Compensation ⁽³⁾	Total Compensation
Lorraine Bell	\$40,000	\$19,250	\$12,500	\$8,271	\$80,021
Simon Dean	\$40,000	\$19,250	Nil	nil	\$59,250
Gail Kilgour	\$40,000	\$19,250	\$7,500	nil	\$66,750
Honourable Trevor J. Eyton OC	\$40,000	\$14,750	Nil	nil	\$54,750
Spencer Enright	Nil	Nil	Nil	Nil	Nil

Notes:

⁽¹⁾ Independent Directors are paid \$1,750 per meeting per Director for attending meetings of the Board, \$1,500 per meeting of a Committee and \$1,500 for attending the annual meeting of Shareholders.

⁽²⁾ The Chair of the Audit Committee is paid an additional annual retainer of \$12,500, and the Chair of the Governance Committee is paid an additional annual retainer of \$7,500.

⁽³⁾ The Company reimburses Directors for out-of-pocket expenses incurred in attending meetings of the Board of Directors or its Committees, and Directors participate in the Company's insurance and indemnification arrangements.

Appointment of External Auditors

It is proposed that Deloitte LLP be reappointed as the external auditor of the Company.

On any ballot that may be called for in relation to the appointment of the external auditor, the management representatives designated in the enclosed form of proxy intend to vote the Shares represented by such proxy in favour of reappointing Deloitte LLP, Chartered Accountants, to serve as the external auditor of the Company until the next annual meeting of Shareholders, and authorizing the Directors to fix their remuneration, unless the Shareholder who has given such proxy has directed that such Shares be withheld from voting in relation to the appointment of the external auditor.

Additional information on the external auditor is provided in the Company's Annual Information Form in the section entitled "Auditors, Transfer Agent and Registrar", which is incorporated by reference in this Circular. The Company's Annual Information Form is available on SEDAR at www.sedar.com and is available free of charge upon request to the Chief Financial Officer of the Company. See "Availability of Disclosure Documents".

PART III – STATEMENT OF CORPORATE GOVERNANCE PRACTICES

The Board of Directors is of the view that the Company's corporate governance policies and practices, outlined below, are appropriate and consistent with the corporate governance guidelines established by Canadian securities regulators.

Mandate of the Board

The Board assumes explicit responsibility for the stewardship of the Company directly and through its Committees. The responsibilities of the Board and each Committee of the Board are set out in written charters, which are reviewed and approved periodically. The Board's charter and the charter for each of its Committees are reproduced in full as Schedule A to this Circular. In fulfilling its mandate, the Board is, among other matters, responsible for the following:

- **Strategic Planning** – overseeing the strategic planning process for the Company together with the Manager and reviewing, approving and monitoring the strategic plan for the Company, including fundamental financial and business strategies and objectives;
- **Risk Management** – assessing the major risks facing the Company and reviewing, approving and monitoring the manner of managing those risks;
- **Manager** – monitoring the performance of the Manager on behalf of the Company, with reference to the Management Services Agreement;
- **Incremental Franchises** – reviewing and evaluating the purchase of Incremental Franchises by the Company, including determining or amending appropriate criteria to be used as a basis for selecting Incremental Franchises; and
- **Maintaining Integrity** – reviewing and monitoring the controls and procedures within the Company to maintain its integrity, including its disclosure controls and procedures, its internal controls and procedures for financial reporting and compliance with Brookfield's Code of Business Conduct.

The Board reviews major strategic initiatives to ensure that the proposed actions are consistent with Shareholder interests. Prior to the beginning of each fiscal year, the Manager presents its business plan and its objectives for the current year in the context of the approved strategic plan. The Manager reports to the Board on a quarterly basis with respect to progress against the Company's annual goals and analyzes financial results against the business plan. The Manager also provides the Board with regular operational reports and industry performance updates.

The Board ensures that the Manager has considered the principal risks of the Company's businesses and monitors those risks based on regular business reports prepared by the Manager. In addition, the Audit Committee reviews the findings of the Company's internal and external auditors, and thereby provides additional awareness of the principal risks to the Company's businesses, and then reports thereon to the Board on a regular basis. The Audit Committee receives a copy of the results of each Franchise audit conducted by the Manager's internal audit department. The Board considers and approves plans recommended by the Manager to manage the principal risks facing the Company.

Ethical Business Conduct

The Company has no employees. The Manager is responsible for managing the affairs of the Company pursuant to the terms of the Management Services Agreement. As such, the Manager and all of its officers, directors and employees are subject to Brookfield's Code of Business Conduct and Ethics. The Board has reviewed and accepted Brookfield's Code of Business Conduct and Ethics, which is available on SEDAR at www.sedar.com.

Disclosure Policy

The Company has adopted a Disclosure Policy that summarizes its policies and practices regarding disclosure of material information to investors, analysts and the media. The purpose of this policy is to ensure that the Company's communications with the investment community are timely, consistent and in compliance with all applicable securities legislation. The Disclosure Policy extends to all employees and directors of the Company and the Manager.

Meetings of the Board

The Board meets at least once in each quarter, with additional meetings held when appropriate. Meetings of the Board may be held by teleconference or other electronic means, as needed to discharge its responsibilities, but in most

instances these meetings are held in person. The Board also meets annually to review and approve the annual business plan and long-term strategic plan.

Time is allocated at each Board meeting for the Independent Directors to meet without management present. The Audit Committee follows a similar practice and also meets with the external auditors without management present at each of its meetings. The Governance Committee meets not less than once each year.

Director Attendance Report

During 2016, five Board meetings, four meetings of the Audit Committees and two meetings of the Governance Committee were held, and at each such meeting, time was allocated for the Independent Directors to meet without management present. The following table summarizes the Director attendance at these meetings.

	Board of Directors	Audit Committee	Governance Committee
Lorraine Bell	5 of 5	4 of 4	2 of 2
Simon Dean	5 of 5	4 of 4	2 of 2
Gail Kilgour	5 of 5	4 of 4	2 of 2
Hon. Trevor J. Eyton OC	5 of 5	N/A	2 of 2
Spencer Enright	5 of 5	N/A	N/A

Composition and Size of Board of Directors

The Board is currently comprised of five Directors. The four Elected Directors are standing for election as Directors at the Meeting. The Board of Directors considers that its size and composition are appropriate to ensure its effective and efficient operation.

The Company believes that a majority of its Directors should be independent of the Company. A Director is independent if that Director is free from any direct or indirect relationships that could, or could be reasonably expected to, interfere with the exercise of a Director's independent judgment. Four of the Company's five current Directors – namely, Ms. Bell, Mr. Dean, Ms. Kilgour and the Honourable Trevor J. Eyton OC – are Independent Directors. Mr. Spencer Enright is not an Independent Director as he is a director and CEO of the Manager.

Nomination of Elected Directors

The Governance Committee is responsible for identifying and proposing new nominees for the Board in a manner that is responsive to the Company's needs and the interests of its Shareholders. The Governance Committee annually reviews the performance of the Board, including the individual contributions of Board members, along with their respective skill sets. Three of the four Elected Directors have been on the Board of the Company and its predecessor since 2003, with Mr. Eyton joining the Board in 2015. The Company does not have any term limits or other mechanisms of Board renewal, as the Board believes that the imposition of term limits for its Directors may lead to the exclusion of potentially valuable members of the Board. While there is a benefit to adding new perspectives to the Board from time to time, there are also benefits to having continuity and Directors having in-depth knowledge of each facet of the Company's business, which necessarily takes time to develop.

Independence of Board of Directors

The Board Chair, Mr. Enright, is an officer of the Manager and is not an Independent Director. The Chair of the Governance Committee, who is not a member of management and is an Independent Director, often acts as a liaison between management and the Board and is consulted by management between meetings of the Board. The Chair of the Governance Committee also provides feedback to the Chief Executive Officer and observations made by the Independent Directors as to how communication and relationships between the Board and its Committees and management can be improved. The Governance Committee Chair ensures that the Board is able to function independently of management.

Board Diversity

The Company is committed to ensuring the diversity of the Board. This includes such factors as diversity of business expertise and gender diversity. To achieve the Board's diversity goals, it has adopted the following policy:

- Board appointments will be based on merit, having due regard for the benefits of diversity on the Board, so that each nominee possesses the necessary skills, knowledge and experience to serve effectively as a Director;
- In the Director identification and selection process, diversity on the Board, including gender diversity, will be a key criterion in recommending new members to the Board; and
- The Board has a gender diversity target of ensuring at least 30% of Directors are women.

The Governance Committee's identification and selection process is based on a variety of criteria, including diversity of background and opinion, skills, experience and other relevant factors. As such, consideration of the level of women on the Board is one factor among many that plays a role in the Governance Committee's decision-making process.

Currently, two of the five directors of the Company are women. This represents 40% of Directors, 50% of Elected Directors and 50% of Independent Directors. In addition, Ms. Bell is Chair of the Audit Committee and a member of the Governance Committee, while Ms. Kilgour is Chair of the Governance Committee and a member of the Audit Committee. As such, 100% of Board Committee Chairs, 67% of members of the Audit Committee and 50% of members of the Governance Committee are women.

The Governance Committee is responsible for implementing the Board diversity policy, monitoring progress towards the achievement of its objectives, and recommending to the Board any necessary changes that should be made to the policy.

While members of the Board may meet with candidates prior to their appointment by the Manager, the Company is not involved in the identification and selection of Executive Officers. As such, the Company is not in a position to consider the representation of women in Executive Officer appointments or adopt a target for women in Executive Officer positions.

Position Descriptions

While the Board has not developed written position descriptions for each position, the Board delineates the roles and responsibilities for each such position through ongoing communications among Board members that occur with respect to such roles. In addition, the Board has developed written charters for the Board and each of its Committees. These charters (which are annexed in Schedule A) are updated periodically and govern responsibilities of the Board and the Committee Chairs.

Orientation and Education

The Manager provides orientation programs for new Directors and provides Directors with ongoing information with respect to the Business and the industry in general. Presentations on different aspects of the operations of the Business as well as financing matters are regularly made to the Board by the Manager.

Standing Committees

The Board has formally appointed two permanent Committees: the Audit Committee and the Governance Committee.

Audit Committee

The Audit Committee is currently comprised of three Directors, all of whom are Independent Directors. The Audit Committee has primary responsibility for ensuring the integrity of the Company's financial reporting, risk management and internal controls. The Committee has unrestricted access to the Company's personnel and documents and has direct communication channels with the Company's internal and external auditors in order to discuss audit and related matters whenever appropriate. Refer to Schedule A for the Audit Committee Charter.

In fulfilling the oversight responsibilities detailed in its charter, the Audit Committee reviews the audit efforts of the Company's independent auditors and provides an open avenue of communication between the independent

accountants, financial and senior management and the Board of Directors. In addition, the Audit Committee serves as an independent and objective party to monitor the Company's financial reporting process and internal controls regarding finance, accounting and the Company's auditing, accounting and financial reporting process generally. The Audit Committee approves the Company's policy on non-audit-related work by its external auditor, and pre-approves or rejects any proposed non-audit-related work to be conducted by the external auditor for the Company.

All members of the Audit Committee are financially literate, and the Chair of the Audit Committee is a Chartered Professional Accountant. The Audit Committee meets at least a quarterly with representatives of management and the Company's external auditors for the express purpose of reviewing the Company's quarterly and annual financial statements, the Company's financing plans, the adequacy of internal controls over financial and reporting systems and the effectiveness of the Company's management information systems. The Audit Committee meets directly with the Company's external auditors in the absence of management on a quarterly basis. The Audit Committee also reviews and recommends approval of the auditors' fees to the Board.

Governance Committee

The Governance Committee is currently comprised of four Directors, all of whom are Independent Directors. The Governance Committee is responsible for:

- a) considering, and providing a recommendation on, any conflict of interest involving Brookfield or any of its affiliated entities and the Company (including any matter involving the Shareholders' Agreement, the Management Services Agreement, the Company's assets or the Subordinated LP Units);
- b) annually reviewing:
 - i) the performance of the Manager as manager under the Management Services Agreement, including its business plans and prospects for the ensuing year;
 - ii) the performance of the management of the Manager; and
 - iii) adjustments to be considered pursuant to the Management Services Agreement;
- c) developing the Company's approach to governance issues;
- d) advising the Board in filling vacancies on the Board; and
- e) periodically reviewing the composition and effectiveness of the Board and the contribution of Directors.

Assessments

The Governance Committee conducts, on an annual basis, a review and assessment of the performance of the Board and its members. The Chair of the Governance Committee provides feedback to the Board Chair and the CEO with respect to the results of his or her review. During the review and assessment process, the Governance Committee specifically considers: (i) input from the Directors, where appropriate (including through annual performance surveys and self-assessments); (ii) attendance of the Directors at Board and committee meetings; (iii) compliance with the Board and committee mandates; and (iv) the competencies and skill sets of the individual Board and committee members.

PART IV – REPORT ON EXECUTIVE COMPENSATION

Statement of Executive Compensation

The Company has no employees as all management and administrative services necessary to operate the Company are performed by the Manager under the terms of the Management Services Agreement. As such, the Company paid no salary, bonus or other compensation to any officer or employee of the Company during the year ended December 31, 2016. All of the Executive Officers of the Company are employed by and remunerated by the Manager.

Compensation Elements

This Statement of Executive Compensation is a description of the compensation program of the Manager as it relates to the Executive Officers and their services provided to the Company. The Manager's compensation program consists of:

- a) base salary;
- b) a short-term incentive program to certain employees;
- c) a long-term incentive program for key members of senior management; and
- d) standard ancillary benefits including RRSP matches, medical and dental benefits, life insurance and long-term and short-term disability insurance.

The Manager's compensation program aims to provide its employees with base salaries consistent with industry and regional norms based on a review of comparable roles in similar companies on a regional basis. Base salaries are reviewed annually and approved by the CEO of the Manager. Salaries of the senior managers of the Manager are approved by Brookfield.

The short-term incentive plans of the Manager are generally determined as a pre-determined percentage of base salary and awarded on a discretionary basis as approved by the CEO. Short-term incentives for senior management of the Manager are approved by Brookfield. Short-term incentives are paid after considering company financial and operating performance as well as individual personal performance.

Long-term incentives are provided to certain key senior managers of the Manager at the discretion of Brookfield. The long-term incentives vest over a period of time and are determined with reference to increases in the estimated value of the Manager and the Company's Restricted Voting Shares. Under certain circumstances, long-term incentives may become fully vested on a change of control of the Manager.

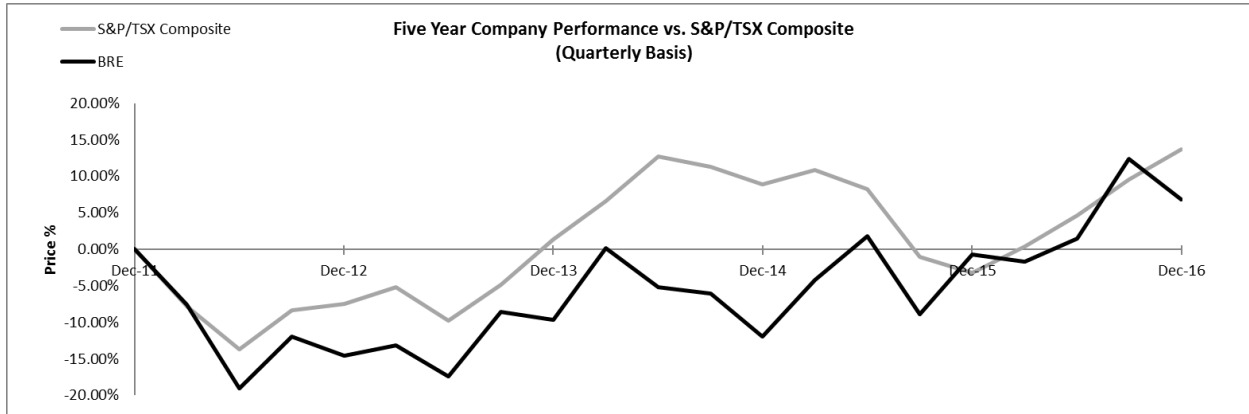
Employment and Severance Arrangements with Executive Officers

The Company does not have agreements in place with its Executive Officers in respect of employment, including termination or change of control benefits. Furthermore, other than as described in this Circular, employment agreements of the Executive Officers of the Manager do not contemplate termination or change of control benefits in respect of such person's service to and position with the Company.

Unit/Stock Options

No options to acquire securities of the Company have been issued to any person. The Company does not offer a share option plan to the Executive Officers or Directors. No securities of the Company have been acquired during the fiscal period commencing January 1, 2016 and ended December 31, 2016 pursuant to the exercise of options.

Performance Chart



As described in more detail below, only a portion of the total compensation paid to the Company's Executive Officers during the periods reported in the above performance graph related to their services to the Company for each such period. Compensation of the Company's Executive Officers is more closely aligned with the Manager's performance using earnings based measures, which are partly dependent upon the operational cash flows generated by the Company. These earnings based measures will often differ from the market price of the Company's Restricted Voting Shares.

Report on Executive Compensation

The Company does not maintain a Compensation Committee because it is the role of the Manager to provide the Executive Officers at no additional cost to the Company. The Manager has the responsibility to determine the level of compensation in respect of the Company's senior executives (including the Executive Officers) with a view to providing such executives with competitive compensation packages having regard to performance.

Summary Compensation Table

The following table provides a summary of the compensation paid by the Manager to each of the Company's Executive Officers for the portion of their compensation that is attributable to time spent on the Company's activities for each of the Company's three most recently completed financial years:

Name and Principal Position	Year	Annual Base Salary ⁽¹⁾	Annual Variable Incentive Plan Awards			All Other Compensation ^{(1) (3)}	Total Compensation
			Non-Equity Incentive Plan	Share-Based Awards ⁽¹⁾	Option-Based Awards ⁽¹⁾		
			Annual Cash Bonus ⁽¹⁾	DSUs ⁽⁴⁾	Options ⁽⁵⁾		
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
SPENCER ENRIGHT							
• Chair of the Board of the Company	2016	\$128,125	\$123,000	nil	nil	\$3,075	\$254,200
	2015	\$120,000	\$114,000	nil	nil	\$3,000	\$237,000
• Chief Executive Officer of the Manager	2014	\$114,000	\$110,000	nil	nil	\$1,053	\$225,053
PHILIP SOPER							
• President and Chief Executive Officer of the Company	2016	\$247,486	\$124,500	nil	nil	\$10,374	\$382,360
	2015	\$229,413	\$108,000	nil	nil ⁽⁵⁾	\$10,000	\$347,413
• President of the Manager	2014	\$219,394	\$107,590	nil	nil	\$10,000	\$336,984
GLEN MCMILLAN ⁽²⁾							
• Chief Financial Officer of the Company	2016	\$215,250	\$105,000	nil	nil	\$5,250	\$325,500
• Chief Financial Officer of the Manager	2015	\$129,769	nil	nil	nil ⁽⁵⁾	\$3,063	\$132,832
KEVIN CASH ⁽³⁾							
• Former Chief Financial Officer of the Company	2016	n/a	n/a	n/a	n/a	n/a	n/a
	2015	\$65,480	\$63,375	nil	nil	\$107,663	\$236,518
• Former Chief Financial Officer of the Manager	2014	\$152,126	\$67,143	nil	nil	\$8,750	\$228,019

Notes:

- (1) The figures reported in the table above represent the portion of each Executive Officer's annual base salary, annual cash bonus, share-based awards, option-based awards and all other compensation paid during the year by the Manager that is attributable to his services to the Company in 2014, 2015 and 2016. This proportionate compensation is reflective of the approximate time and effort each Executive Officer spent providing services to the Company as a portion of his overall efforts in providing services to the Manager. The responsibilities of each Executive Officer in respect of the Manager overlapped with his responsibilities to the Company during the years reported and, as a result, the Executive Officers were able to apply significant knowledge and skill acquired in their capacities with the Manager in providing services to the Company. All other compensation consists of the Manager's contribution to each Executive Officer's RRSP, except as noted in note (3) below.

- (2) Mr. McMillan was appointed Chief Financial Officer of the Company effective May 19, 2015.
- (3) Mr. Cash left the Company effective May 14, 2015. Mr. Cash continued to receive a portion of his annual base salary subsequent to May 14, 2015. Such payments are reflected in all other compensation in 2015.
- (4) On October 31, 2016, the Manager granted to Mr. Enright 6,000 deferred share units of the Manager, with an effective grant date of January 2, 2013. The deferred share units vested as to one half on the effective grant date and as to the other half on the third anniversary of the grant date. On redemption, each deferred share unit entitles the holder to a cash amount equal to the fair market value of one preferred share of the Manager as determined with reference to increases in the estimated value of the Manager and the Restricted Voting Shares. Based on the foregoing, the aggregate fair value on the effective grant date of Mr. Enright's deferred shares units was \$540,000. This amount is not necessarily reflective of actual amounts that may be realized on the redemption of the deferred share units. The Manager is a private company and the preferred shares are not publicly traded. As of December 31, 2016, Mr. Enright held 6,000 deferred share units granted in connection with his services to the Company, all of which had vested.

The Company does not have a plan pursuant to which share-based awards are granted; rather, these deferred share units were granted pursuant to the Manager's long-term incentive program in light of Mr. Enright's contributions to the Company.

- (5) On October 31, 2016, the Manager granted to Mr. Enright 14,000 options of the Manager, with an effective grant date of January 2, 2013. Also on October 31, 2016, the Manager granted to Mr. Soper and Mr. McMillan 16,000 and 10,500 options of the Manager, respectively, with an effective grant date of September 1, 2015. The options vest equally over a five-year period commencing on the first anniversary of the effective grant date. Each option is exercisable at a strike price equal to the fair value of one preferred share as of the effective grant date or, at the election of the holder, a payment equal to the difference between the fair market value of a preferred share for the quarter immediately preceding the applicable exercise date (as determined with reference to increases in the estimated value of the Manager and the Restricted Voting Shares) and the strike price of the option. The Manager is a private company and the preferred shares are not publicly traded. As of December 31, 2016, Mr. Enright held 14,000 options granted in connection with his services to the Company, of which 10,500 had vested, Mr. Soper held 16,000 options granted in connection with his services to the Company, of which 3,200 had vested and Mr. McMillan held 10,500 options granted in connection with his services to the Company, of which 2,100 had vested.

The Company does not have a plan pursuant to which option-based awards are granted; rather, these options were granted pursuant to the Manager's long-term incentive program in light of Mr. Enright, Mr. Soper and Mr. Millan's contributions to the Company.

PART V – INFORMATION CONCERNING THE COMPANY

Indebtedness of Directors and Officers

As of the date hereof, no individual who is, or at any time during the most recently completed financial year of the Company ended December 31, 2016 was, a director or senior officer of the Company or the Manager, an individual proposed as a nominee for election to any such position or any associates of any such director, senior officer or proposed nominee, has been indebted to the Company nor has any such individual's indebtedness to another entity at any time since the beginning of the most recently completed financial year been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company in connection with the purchase of securities of the Company.

Directors' and Officers' Liability Insurance and Indemnification

The directors and officers of the Company are covered under a directors' and officers' insurance policy that provides an aggregate limit of \$100 million inclusive of defense costs for claims where the Company is obligated and able to indemnify them, as well as those claims where indemnity is not available. There is an additional \$50 million of coverage for the directors and officers for claims where indemnity is not available. The total limits of \$150mm are part of a Brookfield Asset Management insurance program and accordingly, these limits are shared with other Brookfield companies.

The by-laws of the Company provide for the indemnification of its Directors and officers from and against liability and costs in respect of any action or suit against them in connection with the execution of their duties of office, subject to customary limitations.

Interest of Informed Persons in Material Transactions

The Company and the Manager are parties to the Management Services Agreement under which the Manager provides professional management services to the Company, as more fully described below under **Management of the Company**. Under the terms of the Management Services Agreement, the Company pays a management fee to the Manager equal to 20% of the cash operating income of the Company.

The Company and the Manager entered into an asset purchase agreement made effective the 1st day of January, 2015 with respect to the acquisition by the Company of 40 Incremental Franchises from the Manager. See "Development of the Business" contained in the Company's Annual Information Form dated March 27, 2017.

The Company and the Manager entered into an asset purchase agreement made effective the 1st day of July, 2015 with respect to the acquisition by the Company of 12 Incremental Franchises from the Manager. See "Development of the Business" contained in the Company's Annual Information Form dated March 27, 2017.

The Company and the Manager entered into an asset purchase agreement made effective the 1st day of January, 2016 with respect to the acquisition by the Company of 33 Incremental Franchises from the Manager. See "Development of the Business" contained in the Company's Annual Information Form dated March 27, 2017.

The Company and the Manager entered into asset purchase agreements made effective the 1st day of January, 2017 with respect to the acquisition by the Company of 43 Incremental Franchises from the Manager. See "Development of the Business" contained in the Company's Annual Information Form dated March 27, 2017.

Except as disclosed in this Circular, no insider or proposed nominee for election as a Director and no associate or affiliate of the foregoing persons has or has had any material interest, direct or indirect, in any transaction of the Company or its affiliates since January 1, 2015 or in any proposed transaction that in either such case has materially affected or will materially affect the Company.

Auditors, Transfer Agent and Registrar

The auditors of the Company are Deloitte LLP, Suite 200, Bay Adelaide Centre, East Tower, 22 Adelaide Street West, Toronto, Ontario, Canada, M5H 0A9.

The Transfer Agent and registrar for the Company is CST Trust Company, 320 Bay Street, P.O. Box 1, Toronto, Ontario, M5H 4A6.

Management of the Company

The Company and the Manager are parties to the Management Services Agreement. Pursuant to the provisions of the Management Services Agreement, the Manager has agreed to provide certain management, administrative and support services to the Company. The duties of the Manager include the following: (i) ensuring compliance with continuous disclosure obligations under all applicable securities legislation and stock exchange requirements; (ii) providing accounting and financial services; (iii) ensuring prompt collections under the Franchise Agreements and otherwise ensuring compliance by Franchisees with their respective obligations under the Franchise Agreements; (iv) pursuing the growth of the Agent Network through the addition of Incremental Franchises; (v) negotiating and communicating with third parties with respect to contractual and other matters; (vi) providing investor relations services; (vii) providing or causing to be provided to Shareholders all information to which Shareholders are entitled; (viii) calling, holding and distributing materials (including notices of meetings and information circulars) in respect of all meetings of Shareholders; (ix) communicating with Franchisees on questions of interpretation of the Franchise Agreements; and (x) attending to all administrative and other matters arising in connection with any redemption of Restricted Voting Shares. The principal and head office of the Manager is located at 39 Wynford Drive, Don Mills, Ontario, M3C 3K5.

In exercising its powers and discharging its duties under the Management Services Agreement, the Manager is required to exercise the degree of care, diligence and skill that a reasonably prudent manager having responsibilities of a similar nature would exercise in comparable circumstances. As a result of the services provided by the Manager under the Management Services Agreement, the Manager is “a person or company in a special relationship with a reporting issuer” with respect to the Company for the purposes of the *Securities Act* (Ontario).

Under the Management Services Agreement, the Manager is eligible to receive a management fee, a Net Organic Agent Growth Fee and an Incremental Franchise Contract Fee, the details of which follow.

The Manager is entitled to a management fee, payable by the Company on a monthly basis in arrears, equal to 20% of the Distributable Cash of the Company (as defined in the Management Services Agreement). During the fiscal year ended December 31, 2016, the Company paid to the Manager a management fee of \$7.8 million.

The Manager is also eligible to receive a fee for the cumulative net organic growth in the number of Agents in the Agent Network since December 31, 2013 (the “Net Organic Agent Growth Fee”). Since the Company experienced a net organic loss of Agents for the three-year period ended December 31, 2016, a Net Organic Agent Growth Fee has not been earned.

The Manager is also eligible to compensation for the sale of Incremental Franchise contracts to the Company (the “Incremental Franchise Contract Fee”). The Incremental Franchise Contract Fee is calculated using a prescribed formula as outlined in the Management Services Agreement. The amounts received as Incremental Franchise Contract Fees under the MSA are further described in the Company’s Annual Information Form dated March 27, 2017.

The Management Services Agreement has a term of five years expiring on December 31, 2018 and is automatically renewable for successive five-year terms unless notice of termination is given by either the Company or the Manager at least six months prior to the expiry of the initial or renewal term. The Management Services Agreement may be terminated earlier on behalf of the Company by the Independent Directors if a substantial deterioration in the business of the Company occurs that is not caused by force majeure, provided that such termination is approved at a meeting of Shareholders by a resolution approved by holders representing at least 50% of the aggregate number of issued and outstanding Restricted Voting Shares and the Special Voting Share and at least 66²/₃% of the aggregate number of Shares voted at the Meeting, in each case excluding any Restricted Voting Shares and the Special Voting Share held

by the Manager or any of its affiliated entities. In the event of such termination, and provided that the Manager is not then in default, the Company will pay to the Manager a fee equal to the aggregate of all fees paid to the Manager under the Management Services Agreement in the previous calendar year.

The Management Services Agreement may be terminated by the Company or the Manager in the event of the insolvency or receivership of the other party or in the case of default by the other party in the performance of a material obligation under the Management Services Agreement, subject to certain limitations and cure periods.

The Management Services Agreement contains provisions to regulate any conflicts of interest that may arise between the Manager and the Company and provides for indemnification by the Manager of the Company, or by the Company of the Manager, as the case may be, in certain circumstances. The Management Services Agreement may be assigned by any party with the prior written consent of the other party.

The following individuals are the directors and senior officers of the Manager:

Name and Municipality of Residence	Position and/or Office with Manager
Spencer Enright Oakville, Ontario, Canada	Chief Executive Officer and Director
Philip Soper Toronto, Ontario, Canada	President and Chief Executive Officer, Royal LePage (“RLP”)
David Martin Montreal, Quebec, Canada	President, Via Capitale
Glen McMillan Toronto, Ontario, Canada	Chief Financial Officer and Director
Carolyn Cheng Toronto, Ontario, Canada	Chief Operating Officer, RLP
George Heos Newmarket, Ontario, Canada	Senior Vice President, RLP – Business Development
Sandra Webb Toronto, Ontario, Canada	Senior Vice President, RLP – Marketing & Communications
Neghan Alim Markham, Ontario, Canada	Controller
Penny Egan Toronto, Ontario, Canada	Assistant Vice-President - Franchising

Shareholder Proposals

The *Business Corporations Act* (Ontario) permits eligible Shareholders to submit proposals to the Company, which proposals may be included in a management information circular relating to an annual meeting of Shareholders. We did not receive any proposals for the upcoming Meeting. The final date by which we must receive proposals for the annual meeting of Shareholders to be held in 2018 is Wednesday, February 28, 2018.

Availability of Disclosure Documents

We will provide any person or corporation, upon request to the Chief Financial Officer of the Company, with a copy of:

- a) our most recent Annual Information Form, together with a copy of any document or the pertinent pages of any document incorporated therein by reference;
- b) our comparative financial statements for the fiscal year ended December 31, 2016, together with the report of the auditors thereon;

- c) our most recent Annual Report, which includes our MD&A;
- d) our interim financial statements for the periods subsequent to the end of the Company's fiscal year and the MD&A thereon; and
- e) this Circular.

Financial information for the fiscal year ended December 31, 2016 is provided in our comparative financial statements and MD&A, which are included in our Annual Report.

Requests for the above-mentioned disclosure documents can be made to the Chief Financial Officer of the Company by mail at 39 Wynford Drive, Don Mills, Ontario, M3C 3K5. These documents and additional information relating to the Company are also available on SEDAR at www.sedar.com.

Other Business

The Company knows of no other matter to come before the Meeting other than the matters referred to in the accompanying Notice of Meeting.

DIRECTORS' APPROVAL

The contents of this Circular and the delivery thereof to the Shareholders of the Company has been approved by the Board of Directors. Information contained in this Circular is given as of March 27, 2017, unless otherwise stated.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) Spencer Enright
Chairman of the Board
Toronto, Ontario

March 27, 2017

SCHEDULE A

BROOKFIELD REAL ESTATE SERVICES INC.

BOARD OF DIRECTORS CHARTER

1. ROLE OF BOARD

The role of the Brookfield Real Estate Services Inc. (the “Company”) Board of Directors is to oversee, directly and through its committees, the Business and affairs of the Company, which are conducted by the officers and employees of the Company’s manager, Brookfield Real Estate Services Manager Limited (the “Manager”). In doing so, the Board acts at all times with a view to the best interests of the Company.

The Board is elected by the Shareholders to oversee management to ensure that shareholder value is advanced in a manner that recognizes the concerns of other stakeholders in the Company, including its Agents, Brokers, Franchisees, suppliers, customers and the communities in which they operate.

2. AUTHORITY AND RESPONSIBILITIES

The Board of Directors meets regularly to review reports by the Manager on the performance of the Company and the Residential Income Fund L.P. (the “Partnership”), which owns the assets from which the Company currently derives its sole source of revenue. In addition to the general supervision of the Manager, the Board performs the following functions:

- a) **Strategic Planning** – overseeing the strategic planning process for the Company together with the Manager and reviewing, approving and monitoring the strategic plan for the Company and the Partnership, including fundamental financial and business strategies and objectives;
- b) **Risk Management** – assessing the major risks facing the Company and reviewing, approving and monitoring the manner of managing those risks;
- c) **Manager** – monitoring the performance of the Manager on behalf of the Company and the Partnership with reference to the Management Services Agreement among the Company, the Manager, the Partnership, its general partner and others;
- d) **Incremental Franchises** – reviewing and evaluating the purchase of Incremental Franchises by the Partnership, as contemplated in the Company’s prospectus, including determining or amending appropriate criteria to be used as a basis for selecting Incremental Franchises; and
- e) **Maintaining Integrity** – reviewing and monitoring the controls and procedures within the Company to maintain its integrity, including its disclosure controls and procedures, its internal controls and procedures for financial reporting and compliance with its code of ethics.

3. COMPOSITION AND PROCEDURES

- a) **Size of Board and Selection Process** – At least three-fifths of the directors of the Company are elected each year by the Shareholders at the annual meeting of Shareholders, while a maximum of two-fifths of the directors of the Company are appointed by Brookfield BBP (Canada) Holdings LP in its capacity as the sole holder of the Company’s Special Voting Shares. Any Shareholder may propose a nominee for election to the Board at the annual meeting. The Board also recommends the number of directors on the Board to Shareholders for approval. Between annual meetings, the Board may appoint directors to fill vacancies until the next annual meeting.
- b) **Qualifications** – Directors should have the highest personal and professional ethics and values and be committed to advancing the best interests of the Shareholders of the Company. They should possess skills and competencies in areas that are relevant to the Company’s and Partnership’s activities. A majority of the directors will be “Independent” Directors. “Independent” has the meaning based on the rules and guidelines of the Toronto Stock Exchange and applicable securities regulatory authorities.

- c) **Meetings** – The Board of Directors has at least four scheduled meetings each year. The Manager will be responsible for presenting an agenda to the Board for consideration. Prior to each Board meeting, the Manager will present agenda items for the meeting to the Directors for consideration. Materials for each meeting will be distributed to the directors in advance of the meetings.
- d) **Committees** – The Board has established the following standing committees to assist the Board in discharging its responsibilities: Audit and Governance. Special committees may be established from time to time to assist the Board in connection with specific matters. The chair of each committee reports to the Board following meetings of the committee. The charter of each standing committee will be reviewed annually by the Board.
- e) **Access to Independent Advisors** – The Board and any committee may at any time retain financial, legal or other advisors at the expense of the Company.

BROOKFIELD REAL ESTATE SERVICES INC.

AUDIT COMMITTEE CHARTER

A committee of the Board of Directors of the Company to be known as the Audit Committee (the “Committee”) shall have the terms of reference set out below.

1. MEMBERSHIP AND CHAIRPERSON

- a) Following each annual meeting of Shareholders, the Board of Directors of the Company (the “Board”) shall appoint from its number three or more directors (the “members”) to serve on the Committee until the close of the next annual meeting of Shareholders of the Company or until a member ceases to be a director, resigns or is replaced, whichever first occurs.
- b) All of the members of the Committee shall be Independent Directors within the meaning of the rules and guidelines of the Toronto Stock Exchange and applicable securities regulatory authorities. No member of the Committee shall be an officer or employee of the Company or Brookfield Real Estate Services Manager Limited (the “Manager”) who manages the Company pursuant to a Management Services Agreement. A majority of the members of the Committee shall be directors who are resident Canadians.
- c) No director who receives any compensation from the Company, its affiliates or the Manager, other than director’s fees, shall be eligible for membership on the Audit Committee. Disallowed compensation for a Committee member includes fees paid directly or indirectly for services as a consultant or a legal or financial advisor, regardless of the amount. Disallowed compensation also includes compensation paid to such director’s firm for such consulting or advisory services, even if the director is not the actual service provider.
- d) Each member of the Committee shall, in the judgment of the Board, be financially literate. In addition, at least one member of the Committee shall, in the judgment of the Board, have accounting or related financial management expertise.
- e) The Board shall appoint one of the directors as the chairperson of the Committee. If the chairperson is absent from a meeting, the members shall select a chairperson from those in attendance to act as chairperson of the meeting.

2. RESPONSIBILITIES

- a) The Committee shall generally assume responsibility for developing the approach of the Company to the following matters: publicly disclosed financial information, financial accounting and reporting, internal control, risk management and insurance, and external and internal audit, and it shall review and make recommendations to the Board on all such matters.
- b) The Committee shall review and, where appropriate, recommend for approval by or report to the Board on the following:
 - i) interim financial statements;
 - iv) audited annual financial statements, in conjunction with the report of the external auditor;
 - v) public disclosure documents containing audited or unaudited financial information, including management’s discussion and analysis of financial condition and results of operations;
 - vi) the effectiveness of management’s policies and practices concerning financial reporting and any proposed changes in major accounting policies; and
 - vii) any report that accompanies published financial statements (to the extent that such a report discusses financial condition or operating results) for consistency of disclosure with the financial statements themselves.

- c) The Audit Committee shall have the following responsibilities in its relations with the external and internal auditors of the Company:
 - i) to have the sole responsibility to retain or terminate the external auditor, subject to ratification by the Shareholders, and to approve the fees and expenses of such auditor;
 - ii) to receive, at least annually, a report from the external auditor on its independence and to review any relationship between the auditor and the Company and the Manager or any other relationship that may adversely affect the independence of the auditor and, based on such review, to assess the independence of the auditor;
 - iii) to determine, through discussion with the external and internal auditors, that no restrictions were placed by the Manager on the scope of their examination or on its implementation;
 - iv) to approve the Company's policy on non-audit-related work by its external auditor and pre-approve or reject any proposed non-audit-related work to be conducted by the external auditor for the Company;
 - v) to meet with the external and internal auditors in private sessions, at least annually, to review any matters arising from the annual external audit and internal audits conducted throughout the year; and
 - vi) to review and approve the annual Internal Audit Plan and Budget.
- d) In addition, the Committee shall:
 - i) review such litigation, claims, tax assessments, transactions or other contingencies as the external auditor or any officer of the Company may bring to its attention and that may have a material impact on financial results or that may otherwise adversely affect the financial well-being of the Company; and
 - ii) consider other matters of a financial nature as directed by the Board.

3. MEETINGS

- a) Meetings of the Committee may be called by the chairperson of the Committee, the Chairman of the Board of the Company or the Manager. Meetings will normally be held each quarter and shall be called not less than once annually.
- b) The powers of the Committee shall be exercisable by a meeting at which a quorum is present. A quorum shall be not less than a majority of the members of the Committee from time to time. Subject to the foregoing and unless otherwise determined by the Board, the Committee shall have the power to fix its quorum and to regulate its procedure.
- c) Notice of each meeting shall be given to each member and to the Chairman and the Manager. Notice of a meeting may be given verbally or by letter, e-mail, telephone facsimile transmission or telephone not less than 24 hours before the time fixed for the meeting. Members may waive notice of any meeting. The notice need not state the purpose or purposes for which the meeting is being held.
- d) Matters decided by the Committee shall be decided by majority vote.
- e) The Committee may invite from time to time such persons as it may see fit to attend its meetings and to take part in discussion and consideration of the affairs of the Committee.
- f) The Committee shall report to the Board on its proceedings, any review undertaken and any associated recommendations.

BROOKFIELD REAL ESTATE SERVICES INC.

GOVERNANCE COMMITTEE CHARTER

A committee of the Board of Directors of the Company to be known as the Governance Committee (the “Committee”) shall have the terms of reference set out below.

1. MEMBERSHIP AND CHAIRPERSON

- a) Following each annual meeting of Shareholders, the Board of Directors of the Company (the “Board”) shall appoint from its number three or more directors (the “members”) to serve on the Committee until the close of the next annual meeting of Shareholders of the Company or until a member ceases to be a director, resigns or is replaced, whichever first occurs.
- b) A majority of the members of the Committee shall be Independent Directors within the meaning of the rules and guidelines of the Toronto Stock Exchange and applicable securities regulatory authorities.
- c) The Board shall appoint one of the directors as the chairperson of the Committee. If the chairperson is absent from a meeting, the members shall select a chairperson from those in attendance to act as chairperson of the meeting.

2. RESPONSIBILITIES

- a) The Committee shall generally assume responsibility for developing the approach of the Company to the following matters: Board nominations, size and composition of the Board, Board member effectiveness, Board member orientation and directors’ compensation.
- b) The Committee will perform an annual evaluation of the effectiveness of the Board as a whole, the committees of the Board and the contributions of individual directors.
- c) The Committee will recommend to the Board the compensation and benefits for non-management directors. In reviewing the adequacy and form of compensation and benefits, the committee seeks to ensure that the compensation and benefits reflect the responsibilities and risks involved in being a director of the Company and align the interests of the directors with the best interests of the Shareholders.
- d) The Committee shall consider other matters as directed by the Board.

3. MEETINGS

- a) Meetings of the Committee may be called by the chairperson of the Committee, the Chairman of the Board of the Company or the Manager. Meetings will be called not less than once annually.
- b) The powers of the Committee shall be exercisable by a meeting at which a quorum is present. A quorum shall be not less than a majority of the members of the Committee from time to time. Subject to the foregoing, and unless otherwise determined by the Board, the Committee shall have the power to fix its quorum and regulate its procedure.
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- e) The Committee may invite from time to time such persons as it may see fit to attend its meetings and to take part in discussion and consideration of the affairs of the Committee.
- f) The Committee shall report to the Board on its proceedings, any review undertaken and any associated recommendations.