

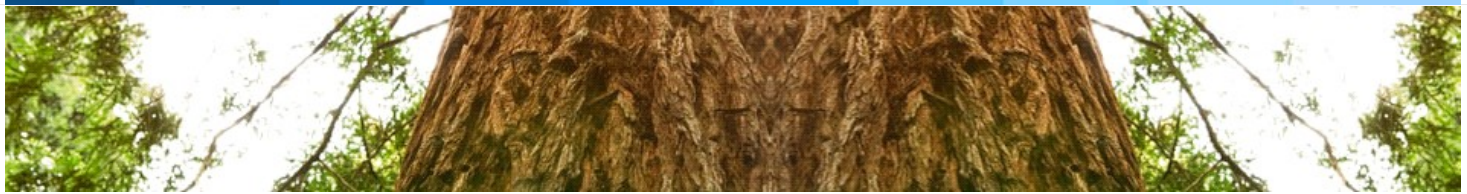
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## Brookfield Real Estate Services Inc. Reports Third Quarter Results and Monthly Dividend

(TORONTO, ON) November 11, 2015 – Brookfield Real Estate Services Inc. (the Company) (TSX: BRE), a leading provider of services to residential real estate brokers and their REALTORS<sup>®1</sup> today announced its third quarter financial results (including its cash flow from operations ("CFFO")), and the approval of a monthly dividend to holders of the Company's restricted voting shares.

### HIGHLIGHTS

- 1 CFFO for the quarter increased by 12.3% to \$8.5 million (\$0.66 per Share), compared to the third quarter of 2014.
- 1 Year-to-date CFFO increased by 9.1% to \$22.0 million (\$1.72 per Share) compared to 2014.
- 1 The Company acquired 12 Franchise Agreements in July, 2015 representing an annual royalty stream of \$1.4 million.
- 1 The Company's network of REALTORS<sup>®</sup> (the "Network") increased to 16,826, up from 15,377 at December 31, 2014.
- 1 Canadian housing market transactional dollar volume and national average house price continued to increase driven primarily by strong markets in the greater Toronto and greater Vancouver areas.
- 1 The Board of Directors of the Company approved a dividend to shareholders of \$0.1042 per restricted voting share payable December 31, 2015.

### THIRD QUARTER OPERATING RESULTS

CFFO for the third quarter of 2015 improved to \$8.5 million or \$0.66 per share on a diluted basis ("Share"), an increase of 12.3% as compared to \$7.5 million or \$0.59 per Share in the third quarter of 2014. For the nine months ended September 30, 2015, CFFO was \$22.0 million or \$1.72 per Share compared to \$20.2 million or \$1.57 per Share in 2014. CFFO for the rolling 12 month period ended September 30, 2015 was \$2.16 per Share as compared to \$2.04 per Share for the rolling 12 months ended September 30, 2014.

Royalties for the three and nine months ended September 30, 2015 were \$11.6 million and \$30.3 million, respectively, compared to \$10.8 million and \$28.8 million, respectively, for the same periods in 2014. Net earnings for the three months ended September 30, 2015 were \$7.8 million, or \$0.31 per Share as compared to \$2.2 million, or \$0.23 per share in 2014. For the nine months ended September 30, 2015, the Company generated net earnings of \$4.3 million, or \$0.46 per Share as compared to \$1.4 million, or \$0.15 per Share in 2014.

The increased royalties and improvement in CFFO were driven primarily by an increase in the number of REALTORS<sup>®</sup> in the Network. CFFO also benefited from lower cash operating expenses as compared to the third quarter of 2014 due to reduced interest costs and lower bad debt expenses.

"We are very pleased with our financial and operational success this quarter, as we continue to build on the strong results achieved year-to-date," said Phil Soper, President and Chief Executive Officer of Brookfield Real Estate Services Inc. "Our royalties and cash flow from operations were both up year-over-year as we continue to increase the number of agents in our network."

"With the successful acquisition of 12 new real estate brokerage franchise agreements in July, our growth objectives remain on track," added Soper. "We are particularly excited to have the largest independent brokerage firm on Vancouver Island, Coast Capital Realty Group join our Royal LePage family. The acquisition continues our strategy to materially increase our market share in British Columbia."

### THE COMPANY NETWORK

As at September 30, 2015, the Network was comprised of 16,826 REALTORS<sup>®</sup>, operating under 322 franchise agreements (together with any addendums, "Franchise Agreements") providing services

### 2015 Press Releases

Brookfield Real Estate Services Inc. Announces Increase in Targeted Annual Distribution and Declares Monthly Dividend

Brookfield Real Estate Services Inc. Announces Acquisition of Franchise Agreements

Brookfield Real Estate Services Inc. Reports Third Quarter Results and Monthly Dividend

Brookfield Real Estate Services Inc. to Host Quarterly Conference Call Wednesday, November 11, 2015 at 10:00 A.M.

Brookfield Real Estate Services Inc. Declares Monthly Dividend

Brookfield Real Estate Services Inc. Declares Monthly Dividend

from 670 locations, with approximately one fifth share of the Canadian residential real estate market ("Canadian Market") based on 2014 transactional dollar volume. On July 1, 2015, The Company purchased 12 Franchise Agreements representing an annual revenue stream of approximately \$1.4

million from 719 REALTORS®. On a year-to-date basis, the Company has purchased 52 Franchise Agreements representing an annual revenue stream of approximately \$2.9 million from 1,577 REALTORS®. This increase was partly offset by net attrition of 128 agents for the nine months ended September 30, 2015. During the nine months ended September 30, 2014, the Company added 493 REALTORS® through the acquisition of Franchise Agreements which was partly offset by net attrition of 210 REALTORS®.

## REAL ESTATE MARKETS

According to the Canadian Real Estate Association ("CREA")<sup>2</sup>, for the rolling 12 month period ended September 30, 2015, the Canadian Market, as defined by total transactional dollar volume, closed up 13.3%, at \$217.5 billion, compared to the same period in 2014, driven by an increase of 7.7% in national average selling price and a 5.1% increase in units sold. For the three month period ended September 30, 2015, the Canadian Market was up 10.9%, at \$58.7 billion, over the same period in 2014, driven by a 7.6% increase in national average selling price and a 3.1% increase in units sold.

The most marked increases were in the Greater Toronto Area and in Greater Vancouver, according to the Toronto Real Estate Board ("TREB")<sup>3</sup> and CREA. On a rolling twelve-month basis, the housing market in the Greater Toronto Area ("GTA") experienced a year-over-year transactional dollar volume increase of 19.3% driven by a 9.8% increase in average selling price, and an 8.7% increase in number of units sold. For the three months ended September 30, 2015, the GTA market experienced a 15.5% transactional dollar volume increase based on a 10.1% increase in average selling price and a 4.9% increase in number of units sold over the same period in 2014. The Greater Vancouver market experienced larger increases with transactional dollar volumes increasing by 34.4% on a rolling twelve month basis and 31.4% for the quarter over 2014.

## OUTLOOK

"Economic slowdowns in energy-dependent markets, particularly in western Canada, have in part been offset by both renewed industrial activity in other parts of the country and the Bank of Canada's recent interest rate cuts. As a result, the Canadian housing market remained healthy, with home prices showing moderate to strong year-over-year growth in most markets in the country," said Soper. "As witnessed so far this year, strong national home price increases are largely being driven by continued double-digit percentage increases in the Greater Toronto Area and Greater Vancouver. We expect price appreciation in these two regions to remain strong for the balance of 2015, while markets in the rest of the country maintain more modest levels, in many cases below the long-term average."

## CASH DIVIDEND

The Company declared a cash dividend of \$0.1042 per restricted voting share payable on December 31, 2015, to shareholders of record on November 30, 2015. This represents a targeted annual dividend of \$1.25 per restricted voting share.

## CONFERENCE CALL

Brookfield Real Estate Services Inc. will host a conference call on Wednesday, November 11, 2015 at 10a.m. ET to discuss its financial results for the third quarter of 2015.

To access the call by telephone, please dial (888) 231-8191 or (647) 427-7450. Please connect approximately ten minutes prior to the beginning of the call to ensure participation. A recording of the conference call will be available in the Investor Centre on the Company's website by Thursday November 12, 2015.

## REGULATORY FILINGS

The Company expects to file its interim report to shareholders (including its financial statements and management's discussion and analysis ("MD&A")) for the third quarter ended September 30, 2015 on SEDAR on or about November 13, 2015. The MD&A is expected to include certain disclosures related to Canadian Securities Administrators Multilateral Staff Notice 58-307 regarding Compliance with National Instrument 58-101 Disclosure of Corporate Governance Practices.

## CFFO

This news release and accompanying financial statements make reference to CFFO on a total and per Share basis. CFFO is defined as operating income prior to deducting impairment and amortization of intangible assets. CFFO is used by the Company to measure the amount of cash generated from operations which is available to the Company's shareholders on a diluted basis where such dilution represents the total number of Shares of the Company that would be outstanding if Exchangeable Unitholders converted Class B LP units into Shares of the Company. The Company uses CFFO to assess its operating results and the value of its business and believes that many of its shareholders and analysts also find this measure useful. CFFO does not have any standard meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other companies.

## FORWARD LOOKING STATEMENTS.

This news release contains forward-looking information and other "forward-looking statements". Words such as "outlook", "believe", "continues", "grow", "will", "remain", "expects" 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 Corporation 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: a change in general economic conditions (including interest rates, consumer confidence and other generaleconomic factors or indicators), changes in the Company's corporate strategy, the level of residential real estate resale transactions, the availability of attractive investment opportunities, 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 Corporation that reduce the number of REALTORS<sup>®</sup> in the Company's Network or royalty revenue from the Company's Network, our ability to maintain brand equity through the use of trademarks, the methods used by shareholders or analysts to evaluate the value of the Company and its publicly traded securities, the availability of equity and debt financing, a change in tax law 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](http://www.sedar.com). The Corporation 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.

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

<sup>2</sup> Source: National MLS<sup>®</sup> Report: The Canadian Real Estate Association News Release as of October 15, 2015, July 15, 2015, October 15, 2014 and July 15, 2014.

<sup>3</sup> Source: Toronto Real Estate Board Market Watch as of September 2015, July 2015, September 2014, and July 2014.

#### **ABOUT BROOKFIELD REAL ESTATE SERVICES**

Brookfield Real Estate Services Inc. is a leading provider of services to residential real estate brokers and a network of more than 16,000 REALTORS<sup>®</sup>. We operate in Canada under the Royal LePage, Via Capitale and Johnston & Daniel brands. Brookfield Real Estate Services Inc. is an affiliate of Brookfield Asset Management, a leading global alternative asset manager with over \$200 billion of assets under management.

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