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## Brookfield Real Estate Services Inc. Announces New Management Services Agreement

**Toronto, Ontario, June 28, 2013** – Brookfield Real Estate Services Inc. (the Company) (TSX: BRE), a leading provider of services to residential real estate brokers and their REALTORS<sup>®</sup>, today announced that it will be continuing its relationship with Brookfield Real Estate Services Manager Limited (the Manager), a subsidiary of Brookfield Asset Management Inc. (Brookfield) under an amended and restated Management Services Agreement effective January 1, 2014 (MSA). The agreement provides new growth opportunities for the Company and enhances the value of Canada's premier real estate services brands, including Royal LePage, Johnston & Daniel and Via Capitale Real Estate Network,

"The changes to the agreement all provide significant benefit to shareholders," said Spencer Enright, President and Chief Executive Officer of Brookfield Real Estate Services Manager Limited. "With the new MSA in place, we will see a close alignment of the Manager and Company goals, reduced management fees, a new incentive arrangement emphasizing organic agent growth, and the ability to grow market share while safeguarding the existing return on investment."

While the majority of the provisions under the MSA remain intact from the existing agreement, management fees have been streamlined to 20% across all branded franchise networks and the existing Royal LePage formula used to calculate the value of incremental franchises assigned by the Manager has now been adopted across all branded franchises. Additionally, the MSA provides for an incentive fee to the Manager based on organic growth within the franchise networks and provides the Manager the ability to sell other Canadian branded franchises to the Company in addition to Royal LePage and Via Capitale. The initial term of the MSA is five years, with a provision for automatic renewal of successive five year terms.

Since 2003, the Company has been managed pursuant to a ten-year agreement with the Manager. This agreement had recently been extended to December 31, 2013, allowing a Special Committee of the Board of Directors of the Company along with external advisors to conduct a thorough review and assessment of alternatives in advance the expiry of the term of the current agreement. Entering into the MSA with the Manager was determined to be the best possible option at this time, as it builds upon the strong existing relationship between the Company and Brookfield and maintains consistency in a vital part of the infrastructure to the Company.

### Brookfield Real Estate Services Inc. Profile

The Company is a leading provider of services to residential real estate brokers and their REALTORS<sup>®</sup>. The Company generates cash flow from franchise royalties and service fees derived from a national network of real estate brokers and agents in Canada operating under the Royal LePage, Via Capitale Real Estate Network and Johnston & Daniel brand names. At March 31, 2013, the Company network consisted of 15,558 REALTORS<sup>®</sup>. The Company network has an approximate 24% share of the Canadian residential resale real estate market based on 2012 transactional dollar volume. The Company generates both fixed and variable fee components. Variable fees are primarily driven by the total transactional dollar volume from the sales commissions of REALTORS<sup>®</sup>, while fixed fees are based on the number of agents and sales representatives in the network. Approximately 73% of the Company's revenue is based on fees that are fixed in nature; this provides revenue stability and helps insulate the Company's cash flows from market fluctuations. The Company is listed on the TSX and trades under the symbol "BRE". For further information about the Company, please visit [www.brookfieldresinc.com](http://www.brookfieldresinc.com).

### 2013 Press Releases

[Brookfield Real Estate Services Inc. Announces Acquisitions](#)

[Brookfield Real Estate Services Inc. Announces Increase in Targeted Annual Cash Dividend](#)

[Brookfield Real Estate Services Inc. Reports Third Quarter 2013 Results and Monthly Dividend](#)

[Brookfield Real Estate Services Inc. To Host Conference Call Wednesday, November 6, 2013 At 10:00 A.M.](#)

[Brookfield Real Estate Services Inc. Declares Monthly Dividend](#)

[Brookfield Real Estate Services Inc. Declares Monthly Dividend](#)

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