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Brookfield Real Estate Services Inc. Announces Acquisitions

(TORONTO, ON) December 6, 2013 – Brookfield Real Estate Services Inc. (the “Company”) (TSX – BRE) announced today that it has approved the acquisition from Brookfield Real Estate Services Manager Limited (“the Manager”) of franchise agreements representing 20 real estate offices and 493 REALTORS^{®1} operating under the Royal LePage brand across Canada and the Via Capitale brand in the province of Quebec. The acquisitions will be effective January 1, 2014.

Acquisition of Franchise Agreements

Royal LePage Agreements

Under the Royal LePage brand, the Company will acquire franchise agreements representing 19 real estate brokerage offices and 484 REALTORS[®] for approximately \$6.1 million. These agreements are estimated to generate an annual royalty stream of \$0.9 million

As outlined in the Company’s Management Services Agreement (“MSA”), 80% of the 2014 acquisition price will be paid in January 2014. The purchase price will be finalized and the balance paid at the end of 2014, in accordance with the MSA between the Company and the Manager.

Via Capitale Agreements

Under the Via Capitale brand, the Company will acquire franchise agreements representing one real estate brokerage office and nine REALTORS[®] for approximately \$0.2 million. These agreements are estimated to generate an annual royalty stream of \$0.03 million

As agreed with the independent directors, 80% of the 2014 acquisition price is to be paid in January 2014. Under terms negotiated with the Company’s Directors, the balance of the purchase price will be finalized over the next three years and is to be paid in annual installments over the same period.

Funding Through Internal Cash

The combined payment due January 1, 2014 of approximately \$5.6 million, which includes applicable taxes, will be funded internally.

About Brookfield Real Estate Services Inc.

The Company is a leading provider of services to residential real estate brokers and their REALTORS[®]. 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 September 30, 2013, the Company network consisted of 15,451 REALTORS[®]. 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[®], 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.

Forward-Looking Statements

This news release contains forward-looking information and other “forward-looking statements”. The words such as “should”, “will”, “continue”, “plan”, “believe”, “expect”, “anticipate”, “intend”, “estimate”, “approximate”, “expected” and other expressions that are predictions of or 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 set forward in the forward looking statements include a change in general economic conditions, interest rates, consumer confidence, the level of residential real estate resale transactions, the average rate of commissions charged, competition from other traditional real estate brokers or from discount and/or Internet-based real estate alternatives, the availability of acquisition opportunities and/or

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](#)

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 and/or royalty revenue from the Company's network of 15,451 REALTORS[®], our ability to maintain brand equity through the use of trademarks, the availability of equity and debt financing, a change in tax provisions, and other risks detailed in the Company's annual information form, which is filed with securities commissions and posted on SEDAR at www.sedar.com. The 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.

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

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