

[CORPORATE INFORMATION](#) ▾[BRANDS](#) ▾[INVESTOR CENTRE](#) ▾[MEDIA CENTRE](#) ▾[MANAGEMENT COMPANY](#)[Home](#) > [Media Centre](#) > [Press Releases](#) > [2014 Press Releases](#) > [Brookfield Real Estate Services Inc. Ann ...](#)

Brookfield Real Estate Services Inc. Announces Acquisitions

(TORONTO, ON) December 12, 2014 – 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 40 real estate operations and 858 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, 2015.

“This year has been one of exceptional growth for our firm,” said Phil Soper, President and Chief Executive of Brookfield Real Estate Services Inc. “The business had considerable momentum coming into 2014, as brokers and agents across Canada continue to affiliate with Royal LePage before any other national real estate brand. In Quebec, where our francophone brand, Via Capitale complements Royal LePage, we have added capacity to a number of brokerages with these acquisitions. In the increasingly important luxury brokerage segment, we expanded the geographic footprint of our Johnston & Daniel brand with a competitive win-back from an international luxury real estate firm.”

Mr. Soper concluded, “We enter the new year with a strong pipeline and the prospect of adding significant new depth and quality to the Brookfield Real Estate Services family of companies in 2015.”

Acquisition of Franchise Agreements

Royal LePage Agreements

Under the Royal LePage brand, the Company will acquire franchise agreements representing 35 real estate operations and 811 REALTORS® for approximately \$9.5 million. These agreements are estimated to generate an annual royalty stream of \$1.4 million.

Via Capitale Agreements

Under the Via Capitale brand, the Company will acquire franchise agreements representing five real estate brokerage offices and 47 REALTORS® for approximately \$0.7 million. These agreements are estimated to generate an annual royalty stream of \$0.1 million.

Funding through Internal Cash and \$10 Million Acquisition Line

As outlined in the Company’s Management Services Agreement (“MSA”), 80 per cent of the acquisition price will be paid in January 2015. The purchase price will be finalized and the balance paid at the end of 2015, in accordance with the MSA between the Company and the Manager.

The combined payment due January 1, 2015 of approximately \$11.5 million, which includes applicable taxes, will be funded through a combination of cash on hand and a draw down on the Company’s \$10 million acquisition line.

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, 2014, the Company network consisted of 15,593 REALTORS®. The Company network has approximately one fifth share of the Canadian residential resale real estate market based on 2013 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 71 per cent 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”,

2014 Press Releases

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“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 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 15,593 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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