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NEWS RELEASE

Royal LePage Franchise Services Fund Announces Q4 2003 and Year End Results and Declares Monthly Cash Distribution

Toronto, ON – March 10th, 2004 – (TSX – RSF.UN) Royal LePage Franchise Services Fund (the 'Fund') today announced its fourth quarter and year end financial results for the period ended December 31, 2003.

Revenue during the fourth quarter totalled $5.2 million and distributable cash generated by the Fund totalled $3.7 million. From August 7, 2003, the inception of the Fund, to December 31, 2003, the Fund generated revenue of $8.8 million and distributable cash of $6.4 million.

"Our solid fourth quarter and year-end results were driven primarily by a significant increase in agent count coupled with solid productivity, which are key metrics in the Fund's performance," commented Philip Soper, president and chief executive officer. "The number of agents in our network grew by 10 per cent in calendar 2003, which was 43 per cent greater than the growth of the overall Canadian agent population while our agents were 67 per cent more productive than those working in competitive operations."

Fourth Quarter and 2003 Financial and Operating Results:

	Three months ended December 31 2003 (thousands except per unit data)	147 days ended December 31 2003 (thousands except per unit data)
Royalties	$ 5,202	$ 8,802
Less:		
Administrative expenses	161	231
Interest expense	376	620
Management fee	955	1,550
	3,710	6,401
Amortization of intangibles	2,350	3,752
Non-controlling interest	380	702
Net earnings	$ 980	$ 1,947
Basic and diluted earnings per unit (9,983,000 units)	$ 0.10	$ 0.20

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Highlights and Achievements

The Canadian residential resale real estate market experienced record transactional dollar volume for the 12 months ended December 31, 2003, in an environment of low mortgage interest rates, high consumer confidence and overall increased housing affordability. The Fund took advantage of these positive trends to introduce new initiatives which enhance unitholder value, advance growth objectives and position the Fund to take advantage of future opportunities. Achievements and highlights, include:

Performance

- The Fund Network grew by 10 per cent in calendar 2003 to more than 9,450 agents and sales representatives operating from 509 brokerage locations represented by more than 200 franchisees across Canada, far surpassing the Fund's annual growth target of 200 to 400 net new agents.

- The Fund Network achieved a renewal rate of 100 per cent of the franchise contracts which were up for renewal in 2003, with only one franchise termination. In addition, nine contracts representing over 200 agents were renegotiated far in advance of their original renewal date. The Fund pursues an active strategy of renewing contracts ahead of their expiry, which extends the maturity profile of the Fund's franchise contracts and strengthens the stability of the Fund.

- During the period of August 7, 2003, to December 31, 2003, distributions to unitholders totalled $4.5 million or $0.454 per unit, reinforcing the Fund's commitment to delivering consistent and reliable distributions and slightly exceeding its targeted monthly distribution of $0.0917 per unit or $1.10 per unit on an annual basis.

Growth Pipeline

In September 2003, Centract Residential Property Services, the Fund manager, acquired Le Groupe Trans-Action, a prominent Montreal-based real estate franchisor with over 300 agents operating in 80 locations. As of December 31, 2003, a number of Trans-Action franchisees have already converted to the Royal LePage brand and conversions are expected to continue into 2004.

This acquisition is a strategic growth initiative for the Fund, which will acquire the franchise agreements once the franchisees meet the Fund's eligibility and quality control criteria. The Fund's ability to access capital for acquisitions in the public marketplace is a significant competitive advantage over privately held competitors in completing acquisitions.

Monthly Cash Distribution

The Royal LePage Franchise Services Fund today declared a cash distribution of $0.0917 per unit for the month of March 2004, payable April 30, 2004, to unitholders of record on March 31, 2004.

Senior Management Change

The Fund's Board of Trustees have approved the appointment of Philip Soper to president and chief executive officer. Mr. Soper joined Royal LePage Real Estate Services as president in October 2002 and was named president of the Fund in 2003. Simon P. Dean, managing partner of the Business Services Division of Brascan Financial Corporation, will continue to serve as a member of the Board of Trustees and as the chief executive officer of Centract Residential Property Services, the Fund manager.

Outlook

"We are confident that 2004 will be a successful year for the Fund. Our commitment to developing new products and services positions us well to attract new agents and franchisees, increase our overall agent count and broaden the foundation supporting the fee streams of the Fund,'' said Soper. "Our primary objective is to provide unitholders with a dependable return and excellent potential for increased distributions. We are focused and on track to achieve that goal, backed by the quality and productivity of our network, our industry-leading platforms and our highly dedicated management team."

Fourth Quarter Results Conference Call

A conference call for investors, analysts and media to review the fourth quarter 2003 results will be held on Thursday, March 11, 2004 at 11:00 a.m. (EST). To participate in the Conference Call, please dial 1-800-967-7134 toll free, at approximately 10:50 a.m. The reservation number for this call is 102748. For those unable to participate in the Conference Call, a taped re-broadcast will be available until midnight March 25, 2004. To access this re-broadcast, please call 1-888-203-1112 toll free. Beginning March 15th, the re-broadcast will also be available online at www.rsfund.ca under "Financial Reports" which can be found under "Investment Info."

About the Royal LePage Franchise Services Fund

The Royal LePage Franchise Services Fund is a leading provider of services to residential real estate brokers and their agents. The Fund 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, Johnston and Daniel and Realty World brand names.

The Royal LePage Franchise Services Fund is a TSX listed income trust which pays monthly distributions and trades under the symbol "RSF.UN".

The Management's Discussion and Analysis may be found on SEAR at www.sedar.com or on the Fund's website at www.rsfund.ca under "financial reports".

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ROYAL LEPAGE FRANCHISE SERVICES FUND

Consolidated Balance Sheet

As at December 31, 2003

(in thousands of dollars)

Assets		
Current assets		
Cash and cash equivalents	$	1,439
Accounts receivable		1,970
Prepaid expenses		241
		3,650
Intangible assets (note 4)		150,765
	$	154,415
Liabilities and Unitholders' Equity		
Current liabilities		
Accounts payable and accrued liabilities	$	2,378
Distribution payable to unitholders		915
		3,293
Term loan (note 6)		30,600
Non-controlling interest (note 7)		30,170
		64,063
Unitholders' equity		90,352
	$	154,415

See accompanying notes to the consolidated financial statements

ROYAL LEPAGE FRANCHISE SERVICES FUND

Consolidated Statement of Earnings

For the period from August 7, 2003 to December 31, 2003

(in thousands of dollars, except per unit amounts)

Royalties		
Fixed franchise fees	$	3,971
Variable franchise fees		2,176
Premium franchise fees		1,668
Other fees and services		987
		8,802
Expenses		
Administration		231
Management fee (note 9)		1,550
Interest expense		620
Amortization of intangible assets		3,752
		6,153
Earnings before undernoted		2,649
Non-controlling interest (note 7)		(702)
Net earnings for the period	$	1,947
Basic and diluted earnings per unit (9,983,000 units)	$	0.20

ROYAL LEPAGE FRANCHISE SERVICES FUND

Consolidated Statement of Unitholders' Equity

For the period from August 7, 2003 to December 31, 2003

(in thousands of dollars)

Balance, beginning of period	$	-
Issue of units, net of issue costs (note 8)		92,938
Net earnings for the period		1,947
Distributions		(4,533)
Balance, end of period	$	90,352

See accompanying notes to the consolidated financial statements

ROYAL LEPAGE FRANCHISE SERVICES FUND
Consolidated Statement of Cash Flows
For the period from August 7, 2003 to December 31, 2003

(in thousands of dollars)		
Cash provided by (used for):		
Operating activities		
Net earnings for the period	$	1,947
Items not affecting cash		
Non-controlling interest		702
Amortization of intangible assets		3,752
		6,401
Changes in non-cash working capital (note 11)		(945)
		5,456
Investing activities		
Purchase of intangible assets (note 3)		(121,240)
Financing activities		
Initial public offering of units		99,830
Issue costs paid		(8,993)
Proceeds from term loan		30,600
Distributions paid to unitholders		(3,618)
Distributions paid to non-controlling interest		(596)
		117,223
Increase in cash and cash equivalents during the period		1,439
Cash and cash equivalents, beginning of period		-
Cash and cash equivalents, end of period	$	1,439

See accompanying notes to the consolidated financial statements

1. ORGANIZATION

Royal LePage Franchise Services Fund (the "Fund") is a limited purpose trust established under the laws of the Province of Ontario and pursuant to an Amended and Restated Declaration of Trust. On August 7, 2003, the Fund raised $99,830 (before issue costs) by issuing units on the Toronto Stock Exchange. These proceeds together with the proceeds of a term loan were utilized to acquire franchise agreements, relationships and trademark rights.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

These consolidated financial statements include the accounts of Royal LePage Franchise Services Fund, its wholly-owned subsidiary RL RES Holding Trust ("RLHT"), and its 75% owned subsidiaries Residential Income Fund General Partner Limited ("RIFGP") and Residential Income Fund L.P. (the "Partnership"). RIFGP is the managing general partner of the Partnership. Trilon Bancorp Inc. (the "non-controlling interest") owns the remaining 25% interest in the Partnership and RIFGP.

The consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). The Fund's significant accounting policies are as follows:

Revenue recognition

Franchise fees are generally based on a percentage of an agent's gross revenue ("Variable Franchise Fees") to a specified maximum plus a dollar amount per agent ("Fixed Franchise Fees"). Gross revenue is the gross commission income (net of outside broker payments) paid in respect of the closings of residential resale real estate transactions. Variable Franchise Fees are recognized in income at the time a residential resale real estate transaction closes or lease is signed by the vendor or lessor. Fixed Franchise Fees are recognized in income as earned.

Premium franchise fees are calculated as a percentage ranging from 1% to 5% of an agent's gross commission income for a select number of franchise locations. These fees are recognized in income at the time a residential resale real estate transaction closes or lease is signed by the vendor or lessor.

Other fee-based revenues are generally recognized in income when the related services have been provided.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Intangible assets

Intangible assets, consisting of franchise agreements, relationships and trademark rights are recorded at cost less accumulated amortization. The franchise agreements are being amortized over the term of the agreements using the effective rate method. Relationships are being amortized over one renewal period, at the commencement of that period, using the effective rate method. The trademarks are being amortized on a straight-line basis over the term of the agreement plus one renewal period. The Fund reviews the carrying value of the intangible assets for impairment whenever events or circumstances indicate the carrying value may not be recoverable. If an impairment is determined to exist, the intangible assets are written down to their fair value.

Earnings per unit

The earnings per unit are based on the weighted average number of units outstanding during the period. Diluted earnings per unit are calculated to reflect the dilutive effect, if any, of the non-controlling interest exercising its right to exchange its Subordinated LP Units of the Partnership into units of the Fund after August 7, 2008.

Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant areas requiring the use of management estimates relate to the determination of impairment in the value of intangible assets, useful lives for amortization and provisions for contingencies. Actual results could differ from those estimates.

Income taxes

Pursuant to the terms of the Amended and Restated Declaration of Trust, the trustees of the Fund are required to make distributions or designate all taxable income earned by the Fund to its unitholders, including the taxable part of net realized capital gains, and will deduct such distributions and designations for income tax purposes. Therefore, no provision for income taxes is required on income earned by the Fund. Income tax obligations related to distributions by the Fund are the obligations of the unitholders. In respect of the assets and unit issuance costs of the Fund, the carrying value of the Fund's net assets at December 31, 2003 exceeds the amortizable tax basis by approximately $54,100.

3. ASSET ACQUISITION

On August 7, 2003, the Partnership acquired franchise agreements, relationships and trademark rights from the non-controlling interest for $154,517, of which $121,240 was paid in cash and $33,277 was satisfied by the issuance of 25 common shares in RIFGP and 3,327,667 Class B subordinated limited partnership units of the Partnership ("Subordinated LP Units"), which reflects an effective 25% interest in the Partnership. An equivalent amount of Special Fund Units, which represent voting rights in the Fund, also accompanied the Subordinated LP Units. The Fund indirectly holds the remaining 75% interest in the Partnership through Class A limited partnership units of the Partnership ("Ordinary LP Units").

The net assets acquired by the Partnership are as follows:

Assets acquired		
Franchise agreements	$	115,346
Relationships and trademarks		39,171
		154,517
Non-controlling interest		(33,277)
Cash consideration paid	$	121,240

4. INTANGIBLE ASSETS

	Cost	Accumulated Amortization	Net Book Value
Franchise agreements	$ 115,346	$ 3,675	$ 111,671
Relationships and trademarks	39,171	77	39,094
	$ 154,517	$ 3,752	$ 150,765

5. OPERATING CREDIT FACILITY

The Partnership has a revolving operating credit facility of up to $2,000 to provide working capital to the Partnership from time to time. The terms and conditions of the operating credit facility are the same as the term loan (see note 6). As at December 31, 2003, the credit facility has not been drawn upon.

6. TERM LOAN

The Partnership has a term loan in the amount of $30,600. The term loan and the operating credit facility are due August 4, 2006 and interest is payable at the lender's prime rate plus 1% to l.5% or the bankers acceptance rate plus 2% to 2.5% based on the ratio of the total debt to the Adjusted EBITDA of the Partnership as defined in the credit agreement. The term loan and the operating facility are guaranteed by the Fund, its subsidiaries and the non-controlling interest (with recourse limited, in the case of the non-controlling interest, to Partnership units and common shares of RIFGP held by the non-controlling interest), and are secured by a first ranking security interest in all the assets of the Fund and its subsidiaries.

7. NON-CONTROLLING INTEREST

A summary of the non-controlling interest for the period ended December 31, 2003 is as follows:

Subordinated LP Units	$	33,277
Share of closing costs (note 8)		(2,298)
Non-controlling interest at inception of Fund		30,979
Non-controlling interest in earnings for the period		702
Distributions		(1,511)
	$	30,170

The holders of the Ordinary LP Units and Subordinated LP Units are entitled to proportionately receive all distributions of the Partnership, in accordance with the aggregate number of Ordinary LP Units and Subordinated LP Units issued and outstanding as at the record date for such distribution and in accordance with the provisions of the Partnership Agreement. Distributions to the holder of the Subordinated LP Units are subordinated to the distributions to the holder of Ordinary LP Units until August 7, 2008 (the "Conversion Date"). The non-controlling interest is entitled to indirectly exchange, on a one-for-one basis, subject to adjustment, the Subordinated LP Units for Units of the Fund on or after the Conversion Date.

8. FUND UNITS

The Fund is authorized to issue an unlimited number of units, each of which represents an equal undivided beneficial interest in any distributions from the Fund. All units are of the same class with equal rights and privileges.

Pursuant to the Amended and Restated Declaration of Trust, the holder of the Special Fund Units, which accompanied the Subordinated LP Units (note 3), will be entitled to vote in all votes of Fund unitholders, as if they were holders of the number of units of the Fund they would receive if Subordinated LP Units were exchanged into units of the Fund as of the record date of such votes, and will be treated in all respects as unitholders of the Fund for the purpose of any such votes. The Special Fund Units are not entitled to receive distributions.

Units are redeemable at the option of the holder at a price based on the market value as defined in the Declaration of Trust, subject to a maximum of $50,000 in cash redemptions by the Fund in any one month. The limitation may be waived at the discretion of the Trustees of the Fund.

On August 7, 2003, the Fund issued 9,983,000 units at $10.00 per unit pursuant to a public underwriting. Costs related to the offering were $9,190 and have been charged proportionately to unitholders' equity and the non-controlling interest in the amount of $6,892 and $2,298, respectively. A summary of the unitholders' contribution, net of expenses of the offering, is as follows:

Issue of units (9,983,000)	$	99,830
Expenses of the offering		(6,892)
	$	92,938

9. MANAGEMENT SERVICES AGREEMENT

The Fund has entered into a management services agreement (the "Management Services Agreement") with Residential Income Fund Manager Limited ("RIFML"), a related party to the non-controlling interest, to provide certain management, administrative and support services to the Fund and its subsidiaries. The Management Services Agreement has an initial term of 10 years and is automatically renewable for successive 10-year periods subject to approval of the Fund and RIFML. The Management Services Agreement provides for the payment of a monthly fee equal to 20% of the cash of the Partnership otherwise available for distribution. For the period from August 7, 2003 to December 31, 2003 RIFML earned $1,550 for these services.

10. RELATED PARTY TRANSACTIONS

During the period ended December 31, 2003, the Fund had the following transactions with parties related to the non-controlling interest. These transactions have been recorded at the exchange amount agreed to between the parties:

a) Royalties		
Fixed, variable and other franchise fees	$	687
Premium franchise fees	$	1,384
b) Expenses		
Management fees	$	1,550
Insurance and other	$	42
c) Distributions		
Distribution paid to non-controlling interest	$	596

As at December 31, 2003, the following amounts due to/from related parties are included in the account balance as described:

d) Accounts receivable		
Franchise fees receivable and other	$	375

e) Accounts payable and accrued liabilities

Distributions payable to non-controlling interest	$	915
Management fees	$	663
Due to non-controlling interest	$	100

11. SUPPLEMENTAL CASH FLOW INFORMATION

a) Changes in non-cash working capital

Accounts receivable	$	(1,970)
Prepaid expenses		(241)
Accounts payable and accrued liabilities		1,266
	$	(945)

b) Supplementary information

Interest paid	$	784

12. FINANCIAL INSTRUMENTS

In the normal course of business the Fund is exposed to a number of financial risks that can affect its operating performance. These risks are outlined below:

(a) Interest rate risk

The Fund's debt is at floating rates and, as a result, it is exposed to changes in interest rates. Accordingly, an increase or decrease in these rates would decrease or increase earnings, respectively.

(b) Credit risk

Credit risk arises from the possibility that the franchisees may experience financial difficulty and be unable to pay outstanding franchise fees. The Fund's credit risk is limited to the recorded amount of accounts receivable.

(c) Fair value

The fair value of the Fund's financial instruments, which consist of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities, distributions payable to unitholders and the term loan, are estimated by management to approximate their carrying values.

13. SUBSEQUENT EVENTS

On January 1, 2004, the Fund acquired three franchises from RIFML for cash consideration of $146.

Forward-Looking Statements

Certain statements in the News Release may include statements that are "forward-looking statements". These forward-looking statements may reflect the current internal projections, expectations or beliefs, future growth, performance and business prospects and opportunities of the Fund and are based on information currently available to the Fund. Actual results and developments may differ materially from results and developments discussed in the forward-looking statements as they are subject to a number of risks and uncertainties. Management cannot provide assurance that the actual results or developments will be realized or, even if substantially realized, that they would have the expected consequences to, or effects on, the Fund. These forward-looking statements are made as of the date of this report and the Fund assumes no obligation to update or revise them.