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Brookfield Real Estate Services Inc. Announces Acquisitions

Toronto, ON – December 21, 2011 – Brookfield Real Estate Services Inc. (the “Company”) (TSX – BRE) announced today that it has approved the acquisition from the Company Manager, Brookfield Real Estate Services Limited (“the Manager”) of franchise agreements representing 17 real estate offices and 219 REALTORS® operating under the Royal LePage brand across Canada and the Via Capitale brand in the province of Quebec. The acquisitions are to be effective January 1, 2012.

“Our collective brands continue to enjoy enviable reputations in the industry, attracting the best new agents interested in superior business tools, technologies and training to help them grow their practices. Our aim is to continually evolve and enhance the client experience with innovative services and products,” said Phil Soper, President and Chief Executive. “Looking ahead to 2012, we believe the momentum from a strong market finish to the previous year, coupled with a continued low-interest rate environment, will sustain a healthy market for real estate brokerage services,” added Soper.

Acquisition of Franchise Agreements

Royal LePage Agreements

Under the Royal LePage brand, the Company will acquire franchise agreements representing 12 real estate brokerage offices and 147 REALTORS® for approximately \$1.9 million. These agreements generated an estimated annual royalty stream of \$0.3 million during the past year.

As outlined in the Company’s MSA, 80% of the 2012 acquisition price will be paid in January 2012. The purchase price will be finalized and the balance paid at the end of 2012, in accordance with the Management Services Agreement (“MSA”) between the Company and the Manager.

Via Capitale Agreements

Under the Via Capitale brand, the Company will acquire franchise agreements representing five real estate brokerage offices and 72 REALTORS® for approximately \$1.0 million. These agreements generated an estimated annual royalty stream of \$0.2 million during the past year.

As agreed with the independent directors, 80% of the 2012 acquisition price is to be paid in January 2012. 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, 2012 of approximately \$2.6 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, 2011, the Company network consisted of 15,295 REALTORS®. The Company network has an approximate 23% share of the Canadian residential resale real estate market based on 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 68% 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” and other expressions which are predictions of or indicate future events and trends and which do not relate to historical matters identify forward-looking statements. Reliance should not be placed on forward-looking

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statements because they involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of the Company 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 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 offices, other developments in the residential real estate brokerage industry or the Company that reduce the number of and/or royalty revenue from the Company's 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 Company 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.

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

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