

Brookfield Real Estate Services Inc. Reports Third Quarter Results and Monthly Dividend.

(TORONTO, ON) November 10, 2017 – Brookfield Real Estate Services Inc. (TSX: BRE), a leading provider of services to residential real estate brokers and their REALTORS®¹ today announced its third quarter financial results (including its cash flow from operations (“CFFO”)), and the approval of a monthly dividend to holders of the Company’s restricted voting shares.

HIGHLIGHTS

- Cash Flow from Operations (“CFFO”) on a rolling twelve-month basis increased by 5.4% compared to the same period in 2016 to \$2.55 per Share, driven by an increase in royalties due to a higher number of REALTORS® in the Company Network.
- The Company’s network of REALTORS® (the “Network”) increased to 18,117, up from 17,580 as at December 31, 2016.
- The Board of Directors of the Company approved a dividend of \$0.1125 per restricted voting share, payable December 29, 2017 to shareholders of record on November 30, 2017, representing an increase in the targeted annualized dividend to \$1.35.

THIRD QUARTER OPERATING RESULTS

CFFO for the third quarter of 2017 was \$9.2 million or \$0.71 per share on a diluted basis (“Share”), a slight decrease as compared to \$9.3 million or \$0.73 per Share for the same period in 2016. For the rolling twelve-month period ended September 30, 2017, CFFO was \$2.55 per Share as compared to \$2.42 per Share for the rolling twelve-month period ended September 30, 2016.

Royalties for the three months ended September 30, 2017 were \$12.2 million, compared to \$12.6 million for the same period in 2016. For the nine months ended September 30, 2017, royalties were \$34.8 million, compared to \$32.8 million for the same period in 2016.

“Despite modest quarter-over-quarter home price appreciation in the Greater Toronto Area, a significant decrease in the region’s sales volume weakened the Canadian Market resulting in a slight decrease in royalty revenue this quarter,” said Phil Soper, President and Chief Executive Officer, Brookfield Real Estate Services Inc. “The market impact on our revenues was limited to 3% as the majority of our fees are fixed in nature.”

The increased royalties and improvement in CFFO for the nine months ended September 30, 2017 were driven primarily by an increase in the number of REALTORS® in the Network and a strong Canadian Market in the first six months of the year.

Net earnings for the three months ended September 30, 2017 were \$5.0 million, or \$0.52 per Share, compared to a net loss of \$1.0 million or \$0.11 per Share, for the same period in 2016. For the nine months ended September 30, 2017, net earnings were \$9.6 million, or \$1.01 per Share, compared to net earnings of \$1.1 million or \$0.11 per Share, for the same period in 2016.

THE COMPANY NETWORK

As at September 30, 2017, the Network was comprised of 18,117 REALTORS®, operating under 294 franchise agreements providing services from 662 locations, with approximately a one fifth share of the Canadian residential real estate market (“Canadian Market”) based on 2016 transactional dollar volume.

CASH DIVIDEND

The Company declared a cash dividend of \$0.1125 per restricted voting share payable on December 29, 2017, to shareholders of record on November 30, 2017. This represents a targeted annualized dividend of \$1.35 per restricted voting share.

CONFERENCE CALL

Brookfield Real Estate Services Inc. will host a conference call on Friday, November 10, 2017 at 9:30 a.m. ET to discuss its third quarter results.

To access the call by telephone, please dial (888) 231-8191 or (647) 427-7450. Please connect approximately ten minutes prior to the beginning of the call to ensure participation. Participants are also able to listen online via webcast at: <http://event.on24.com/r.htm?e=1528779&s=1&k=79E511F5D8A8F92494B4B7F1176681D0>

A recording of the conference call will be available in the Investor Centre section of the Company's website by Wednesday, November 15, 2017.

CFFO

This news release and accompanying financial highlights make reference to CFFO on a total and per Share basis. CFFO is defined as operating income prior to deducting impairment and amortization of intangible assets. CFFO is used by the Company to measure the amount of cash generated from operations which is available to the Company's shareholders on a diluted basis where such dilution represents the total number of Shares of the Company that would be outstanding if Exchangeable Unitholders converted Class B LP units into Shares of the Company. The Company uses CFFO to assess its operating results and the financial position of its business and believes that many of its shareholders and analysts also find this measure useful. CFFO does not have any standard meaning prescribed by International Financial Reporting Standards and therefore may not be comparable to similar measures presented by other companies.

FORWARD-LOOKING STATEMENTS

This news release contains forward-looking information and other "forward-looking statements". Words such as "continue", "growth" and other expressions that are predictions of or could 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 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 indicated in the forward looking statements include: changes in the Company's strategy with respect to dividends, changes in the supply of houses for sale in Canada or in any particular region within Canada, changes in the demand for houses in Canada or any particular region within Canada, changes in general economic conditions (including interest rates, consumer confidence and other general economic factors or indicators), changes in global and regional economic growth, the demand for and prices of natural resources on local and international markets, the level of residential real estate transactions, the availability of attractive investment opportunities, the average rate of commissions charged, competition from other real estate brokers or from discount and/or Internet-based real estate alternatives, the closing of existing real estate brokerage offices, other developments in the residential real estate brokerage industry or the Company that reduce the number of REALTORS® in the Company's Network or royalty revenue from the Company's Network, our ability to maintain brand equity through the use of trademarks, the methods used by shareholders or analysts to evaluate the value of the Company and its publicly traded securities, the availability of equity and debt financing, changes in tax laws or regulations, 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.

About Brookfield Real Estate Services Inc.

Brookfield Real Estate Services Inc. is a leading provider of services to residential real estate brokers and a network of over 18,000 REALTORS®. We operate in Canada under the Royal LePage, Via Capitale and Johnston & Daniel brands. For more information, go to www.Brookfieldresinc.com.

Brookfield Real Estate Services Inc. is an affiliate of Brookfield Asset Management, a leading global alternative asset manager with over \$250 billion of assets under management. For more information, go to www.Brookfield.com.

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

Brookfield Real Estate Services Inc.

Interim Balance Sheet Highlights

As at (Unaudited, in thousands of Canadian dollars)	September 30, 2017	December 31, 2016
Cash	\$ 2,644	\$ 3,102
Other current assets	4,935	4,114
Total current assets	7,579	7,216
Non-current assets	87,419	85,187
Total assets	\$ 94,998	\$ 92,403

Accounts payable and accrued liabilities	\$ 867	\$ 893
Current portion of purchase obligation	1,611	3,559
Interest payable on Exchangeable Units	484	476
Dividends payable	1,067	1,027
Other current liabilities	525	435
Total current liabilities	4,554	6,390
Debt facilities	66,163	63,720
Other non-current liabilities	98	1,114
Exchangeable Units	55,239	52,477
Total Liabilities	126,054	123,701
Shareholders' deficit	(31,056)	(31,298)
Total Liabilities and Shareholders' deficit	\$ 94,998	\$ 92,403

Interim Earnings (Loss) Highlights

(Unaudited, in thousands of Canadian dollars)	Three months ended September 30, 2017	Three months ended September 30, 2016	Nine months ended September 30, 2017	Nine months ended September 30, 2016
Royalties	\$ 12,235	\$ 12,567	\$ 34,772	\$ 32,833
Administration Expense	(163)	(252)	(706)	(750)
Management Fee	(2,288)	(2,331)	(6,428)	(6,021)
Interest Expense	(626)	(662)	(1,923)	(1,980)
Cash Flow from Operations	9,158	9,322	25,715	24,082
Impairment, write-off and amortization of intangible assets, net	(1,280)	(2,395)	(5,573)	(7,539)
Interest on Exchangeable Units	(1,444)	(1,428)	(4,299)	(4,283)
Loss on fair value of Exchangeable Units	(333)	(5,391)	(2,762)	(6,456)
Gain on interest rate swap	547	177	1,017	201
Gain / (loss) on fair value of purchase obligation	213	311	35	(1,401)
Income tax expense	(1,904)	(1,634)	(4,567)	(3,538)
Net and comprehensive earnings / (loss)	\$ 4,957	\$ (1,038)	\$ 9,566	\$ 1,066
Basic earnings / (loss) per Restricted Voting Share	\$ 0.52	\$ (0.11)	\$ 1.01	\$ 0.11
Diluted earnings / (loss) per Share	\$ 0.52	\$ (0.11)	\$ 1.01	\$ 0.11
Cash Flow from Operations per Share on a diluted basis	\$ 0.71	\$ 0.73	\$ 2.01	\$ 1.88
Cash Flow from Operations per Share on a diluted basis - rolling twelve-month period ended September 30,			\$ 2.55	\$ 2.42

Interim Cash Flow Highlights

(Unaudited, in thousands of Canadian dollars)	Three months ended September 30, 2017	Three months ended September 30, 2016	Nine months ended September 30, 2017	Nine months ended September 30, 2016
Cash provided by Operating activities:	\$ 6,695	\$ 7,077	\$ 16,645	\$ 15,416
Cash provided used for Investing activities:	(12)	(7)	(10,179)	(8,018)
Cash provided / (used) by/for Financing activities:	(6,661)	(6,081)	(6,924)	(8,244)
Change in cash for the period	22	989	(458)	(846)
Cash, beginning of the period	2,622	3,810	3,102	5,645
Cash, end of the period	\$ 2,644	\$ 4,799	\$ 2,644	\$ 4,799