



Brookfield Real Estate Services Fund Announces Acquisitions and December 2009 Cash Distribution

Toronto, ON – December 14, 2009 – Brookfield Real Estate Services Fund (the “Fund”) (TSX – BRE.UN) announced today that it has approved the acquisition from the Fund Manager, Brookfield Real Estate Services Limited (“the Manager”), of franchise agreements representing 17 real estate offices operating with an estimated 417 REALTORS®¹ under the Royal LePage and La Capitale brands. The acquisitions are to be effective January 1, 2010.

Based on the network at October 31, 2009, the acquisition would increase the Fund’s network to 15,037 at January 1, 2010.

“Our company began the year facing a real estate market struggling with the impact of a global recession. As 2009 concludes, Canadian real estate markets are enjoying a strong recovery and appear poised for healthy growth in 2010. We are very satisfied with how the business performed during the economic downturn. In particular, the ability of the Fund’s leading brands to continue to grow during the recession and acquire 17 high quality brokerage contracts was gratifying.

“The Fund network did suffer some minor agent attrition during the 2008-2009 winter season as less productive practitioners exited the industry or left to low-cost competitors. That said, our growth initiatives more than compensated for these small setbacks and succeeded in taking the network over the 15,000 agent mark for the first time.

“As we had predicted, the recovery was initially evident in the entry-level property segment, driven by first time home buyers who were not burdened by an existing home and who were attracted by historically low mortgage rates. By the third quarter, sales activity in the more expensive property categories began to catch up to the lower priced markets.

“While the most obvious indication of the real estate market’s recovery is found in significantly stronger unit sales figures, home prices began to rise again in the third quarter. Paradoxically, a tepid recovery from a difficult recession has contributed to the unusual year-end increase in home prices: fewer Canadians are listing their homes for sale causing a supply shortage. We believe that this difficulty with supply will ease and with it will come less upward pressure on home prices, as the economy shows broader signs of recovery and consumer confidence improves,” said Phil Soper, President and Chief Executive.

Acquisition of Franchise Agreements

Royal LePage Agreements

Under the Royal LePage brand, the Fund will acquire franchise agreements representing 14 real estate brokerage offices and an estimated 343 REALTORS® for an estimated \$4.2 million. These agreements generate an estimated annual royalty stream of \$0.7 million.

As outlined in the Management Services Agreement (“MSA”) between the Fund and the Manager, 80% of the 2009 acquisition price will be paid in January 2010. The purchase price will be finalized at the end of 2010 in accordance with the MSA.

La Capitale Agreements

Under the La Capitale brand, the Fund will acquire franchise agreements representing three real estate brokerage offices and an estimated 74 REALTORS® for an estimated \$1.0 million. These agreements generate an estimated annual royalty stream of \$0.2 million.

As outlined in the MSA, 80% of the 2009 acquisition price is to be paid in early January 2010. Under terms negotiated with the Fund’s Trustees, the balance of the purchase price is to be paid in annual installments over the next three years. In addition, consistent with the Fund’s historical approach to acquisition, some of the La Capital agreements still retained by the Manager for further development may be presented to the Fund’s Trustees for acquisition in the future.

Funding Through Internal Cash

The total amount due in January 2010 of approximately \$4.5 million which includes applicable taxes, will be settled with cash on hand. The balance will be settled based on the installments highlighted above upon meeting certain terms and conditions of the MSA.

December 2009 Distribution

The Brookfield Real Estate Services Fund today declared a cash distribution of \$0.117 per unit for the month of December 2009, payable January 29, 2010, to unitholders of record on December 31, 2009.

About the Brookfield Real Estate Services Fund

The Fund is a leading provider of services to residential real estate REALTORS®. 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, La Capitale Real Estate Network and Johnston & Daniel brand names. At October 31, 2009, the Fund Network was comprised of 14,620 REALTORS®. The Fund Network has an approximate 22% share of the Canadian residential resale real estate market based on transactional dollar volume. The Fund is a TSX-listed income trust that pays monthly distributions and trades under the symbol “BRE.UN”. The Fund’s website address is www.brookfieldres.com

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

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 statements because they involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of the Fund 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 Fund that reduce the number of and/or royalty revenue from the Fund'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 Fund's annual information form which is filed with securities commissions and posted on SEDAR at www.sedar.com. The Fund 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.

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