

Brookfield Real Estate Services Fund Completes C\$38 Million Debt Financing

Toronto, Feb 18, 2005 - (*TSX:RSF.un*) Brookfield Real Estate Services Fund (The "Fund") today announced the completion of the issuance of a C\$38 million private debt placement with a number of Canadian institutional investors for a five-year term with interest fixed at 5.882%, payable quarterly in arrears.

The net proceeds of the placement are to be used to repay the Fund's C\$30.6 million term loan, with the balance to be utilized for payment of the Fund's franchise contract acquisition obligations announced earlier in the year and for general corporate purposes.

"We are extremely pleased with the completion of this re-financing initiative and the raising of additional funds to support our continued growth. Fixing our debt at an attractive rate for five years is one additional way to ensure we remain a reliable, income producing investment. This financing package demonstrates a high level of confidence in our business and our ability to deliver on our commitment to increase unitholder value," commented Philip Soper, President and Chief Executive Officer.

In addition to the private placement, the Fund's C\$2 million operating line will be terminated and replaced with a C\$2 million operating line provided by the Royal Bank of Canada. The Fund, since inception has not drawn on its operating line.

CIBC World Markets acted as the sole agent for this placement.