



Brookfield Real Estate Services Fund Announces Acquisitions

Toronto, ON – January 8, 2008 – (TSX – BRE.UN) Brookfield Real Estate Services Fund (the “Fund”) today announced that it has approved the acquisition from the Fund Manager, Brookfield Real Estate Services Limited, of franchise agreements representing 60 real estate brokerage offices serviced by 1,272 REALTORS®¹ effective January 1, 2008.

These acquisitions together with net organic growth totaling 546 REALTORS® as at September 30, 2007, have added an estimated 1,818 REALTORS® to the Fund network since January 1, 2007, far exceeding the Fund’s objective for 2007 of increasing the net REALTOR® count by 300 to 500 through recruitment, franchise conversions and acquisitions.

“We have not only further expanded the national franchise network under the Royal LePage brand, but we have also added La Capitale Real Estate Network, a strong brand which will continue to operate independently in the province of Quebec,” said Philip Soper, Chief Executive. “Both brands are leaders in their markets, with a strong customer focus and innovative services which position them to achieve continuing solid growth.”

Acquisition of Royal LePage Franchise Agreements

The Fund has approved the acquisition of Royal LePage franchise agreements from the Fund Manager for approximately \$3.6 million. These agreements represent 16 real estate brokerage offices serviced by 212 REALTORS® generating an estimated annual royalty stream of \$0.5 million. The final purchase price will be finalized at the end of 2008 in accordance with the Management Services Agreement (“MSA”) between the Fund and the Fund Manager.

As outlined in the Fund’s MSA, 80% of the 2008 acquisition price, and the final 20% balance owing from the 2007 acquisitions, amounting to \$2.3million, will be paid in January 2008.

Acquisition of La Capitale Real Estate Franchise Agreements

The Fund has also approved the acquisition of franchise agreements operating under the La Capitale Real Estate Network (“La Capitale”; www.lacapitalevendu.com) brand in Quebec from the Fund Manager for approximately \$17.5 million. These contracts are represented by 1,060 agents operating from 44 locations, generating an estimated annual royalty stream of \$2.6 million with an approximate 77% fixed, 23% variable fee mix.

The fixed element of the royalties is comprised primarily of a fixed fee of \$170 per agent per month while the variable fee is driven primarily from a program called “APEC” which provides a warranty on such items as appliances, plumbing, electrical and heating systems. Consistent with the Fund’s historical approach to acquisitions made by the Fund Manager, after evaluation, some of the La Capitale contracts will be acquired by the Fund immediately, and the remainder will be retained by the Manager for further development during 2008 and potential acquisition by the Fund in January of 2009.

As outlined in the Fund’s MSA, 80% of the 2008 acquisition price is to be paid in early January 2008. 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, the management fee attributed to revenue generated from these contracts will be increased from 20% to 30% and the accretive factor applied to these contracts on vend-in is increased from 7.5% to 10%.

“The acquisition of La Capitale aligns with our long-term growth strategy to purchase high-quality real estate franchise systems in markets where we have identified opportunities for long-term growth,” said Mr. Soper. “With this acquisition, the Brookfield Real Estate Services family will include approximately 14,400 REALTORS® nationally of which 2,900 operate in the province of Quebec.”

Financing of the Acquisitions

The combined January payment obligation of \$19.5 million, which includes applicable taxes, is expected to be satisfied through a combination of cash balances on hand and external debt.

About the Fund

The Fund is a leading provider of services to residential real estate brokers and their 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 January 1, 2008, the Fund Network was comprised of approximately 14,400 REALTORS®. The Fund Network has an approximate 20% share of the Canadian residential resale real estate market based on transactional dollar volume. The Fund is a TSX listed income trust, which 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 general economic conditions, interest rates, availability of equity and debt financing and other risks detailed in the Fund’s 2006 annual information form and from time to time in other reports of the Fund filed with securities commissions. 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.

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