

Form 62-103F1

REQUIRED DISCLOSURE UNDER THE EARLY WARNING REQUIREMENTS

Item 1 – Security and Reporting Issuer

1.1 State the designation of securities to which this report relates and the name and address of the head office of the issuer of the securities.

Restricted voting shares in the capital of Bridgemarq Real Estate Services Inc. (“**BRESI**”) (the “**Restricted Voting Shares**”). All figures stated in this report are in Canadian dollars.

Bridgemarq Real Estate Services Inc.
39 Wynford Drive, Suite 200
Toronto, Ontario, Canada
M3C 3K5

1.2 State the name of the market in which the transaction or other occurrence that triggered the requirement to file this report took place.

Not applicable. The transaction that triggered the requirement to file this report was the entering into of a share purchase agreement, pursuant to which Residential Income Fund L.P. (the “**Partnership**”), a wholly-owned subsidiary of BRESI, agreed to issue to Brookfield BBP (Canada) Sub L.P. (the “**Vendor**”), approximately 2,902,854 Class B limited partnership units, subject to certain customary purchase price adjustments (the “**Consideration Units**”), which are exchangeable on a one-for-one basis into an equivalent number of Restricted Voting Shares pursuant to the Exchange Agreement (as defined below) (collectively, “**Exchangeable Units**”). See Item 2.2 below.

Item 2 – Identity of the Acquiror

2.1 State the name and address of the acquiror.

Brookfield BBP (Canada) Sub L.P.
181 Bay Street, Unit 100
Toronto, Ontario
M5J 2T3

2.2 State the date of the transaction or other occurrence that triggered the requirement to file this report and briefly describe the transaction or other occurrence.

On December 14, 2023, BRESI entered into a share purchase agreement (the “**Purchase Agreement**”) with, among others, the Vendor and Vendor Holdings (as defined below), pursuant to which the Partnership, a wholly-owned subsidiary of BRESI, agreed to issue to the Vendor the Consideration Units, subject to certain customary purchase price adjustments, in consideration for (1) the acquisition of 30 residential real estate brokerages across Canada and Bridgemarq Real Estate Services Manager Limited (the “**Manager**”), and (2) the settlement of certain management fees and distributions owing by the Partnership totaling approximately \$6.6 million in the aggregate, the payment of which was deferred pursuant to the Letter Agreement (as defined below). A copy of the Purchase Agreement will be made available on SEDAR+ (www.sedarplus.ca) under BRESI’s issuer profile.

2.3 State the names of any joint actors.

Brookfield BBP (Canada) L.P. (“**Vendor Holdings**”), a wholly-owned subsidiary of Brookfield and the direct holder of all of the equity interests in the Vendor, is a party to the Purchase Agreement and is currently the holder of 315,000 Restricted Voting Shares and 3,327,667 Exchangeable Units discussed further in Item 3.1.

Item 3 – Interest in Securities of the Reporting Issuer

3.1 State the designation and number or principal amount of securities acquired or disposed of that triggered the requirement to file this report and the change in the acquirer’s securityholding percentage in the class of securities.

Vendor Holdings, together with the persons and entities which are directly or indirectly controlled by it, beneficially owns or exercises control or direction over 315,000 Restricted Voting Shares (representing approximately 3.32% of the Restricted Voting Shares on a non-diluted basis and 2.46% of the Restricted Voting Shares on a fully-diluted basis, assuming the exchange of all outstanding Exchangeable Units) and 3,327,667 Exchangeable Units (representing approximately 25.97% of the Restricted Voting Shares on a fully-diluted basis, assuming the exchange of all Exchangeable Units). Such securities, in the aggregate represent approximately 28.43% of the Restricted Voting Shares on a fully-diluted basis, assuming the exchange of all Exchangeable Units.

Subject to the satisfaction or waiver of all conditions to closing set forth in the Purchase Agreement, the Vendor will receive the Consideration Units, totaling approximately 2,902,854 Exchangeable Units (representing approximately 22.66% of the Restricted Voting Shares on a fully-diluted basis, assuming the exchange of all Exchangeable Units). Following the issuance of the Consideration Units to the Vendor, the Vendor and Vendor Holdings will, together with the persons and entities which are directly or indirectly controlled by them, beneficially own or exercise control or direction over, 315,000 Restricted Voting Shares (representing approximately 3.32% of the Restricted Voting Shares on a non-diluted basis and 2.00% of the Restricted Voting Shares on a fully-diluted basis, assuming the exchange of all outstanding Exchangeable Units) and approximately 6,230,521 Exchangeable Units (representing approximately 39.65% of the Restricted Voting Shares on a fully-diluted basis, assuming the exchange of all Exchangeable Units). Such securities, in the aggregate, would represent approximately 41.65% of the Restricted Voting Shares on a fully-diluted basis, assuming the exchange of all Exchangeable Units.

The above calculations are based on 9,483,850 Restricted Voting Shares and 3,327,667 Exchangeable Units being issued and outstanding (calculated on a non-diluted basis) immediately prior to the issuance of the Consideration Units and 9,483,850 Restricted Voting Shares and 6,230,521 Exchangeable Units being issued and outstanding (calculated on a non-diluted basis) following the issuance of the Consideration Units.

3.2 State whether the acquiror acquired or disposed ownership of, or acquired or ceased to have control over, the securities that triggered the requirement to file this report.

See Item 2.2 and 3.1 above.

3.3 If the transaction involved a securities lending arrangement, state that fact.

Not applicable.

3.4 State the designation and number or principal amount of securities and the acquirer’s securityholding percentage in the class of securities, immediately before and after the transaction or other occurrence that triggered the requirement to file this report.

See Item 3.1 above.

3.5 State the designation and number or principal amount of securities and the acquiror's securityholding percentage in the class of securities referred to in Item 3.4 over which

- (a) **the acquiror, either alone or together with any joint actors, has ownership and control,**

See Item 3.1 above.

- (b) **the acquiror, either alone or together with any joint actors, has ownership but control is held by persons or companies other than the acquiror or any joint actor, and**

Not applicable.

- (c) **the acquiror, either alone or together with any joint actors, has exclusive or shared control but does not have ownership.**

Not applicable.

3.6 If the acquiror or any of its joint actors has an interest in, or right or obligation associated with, a related financial instrument involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the related financial instrument and its impact on the acquiror's securityholdings.

Not applicable.

3.7 If the acquiror or any of its joint actors is a party to a securities lending arrangement involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the arrangement including the duration of the arrangement, the number or principal amount of securities involved and any right to recall the securities or identical securities that have been transferred or lent under the arrangement.

Not applicable.

State if the securities lending arrangement is subject to the exception provided in section 5.7 of NI 62-104.

Not applicable.

3.8 If the acquiror or any of its joint actors is a party to an agreement, arrangement or understanding that has the effect of altering, directly or indirectly, the acquiror's economic exposure to the security of the class of securities to which this report relates, describe the material terms of the agreement, arrangement or understanding.

Pursuant to an amended and restated exchange agreement dated December 31, 2012, among, *inter alia*, Vendor Holdings and BRESI (the "**Exchange Agreement**"), Vendor Holdings and other holders from time to time of Exchangeable Units (which would include the Vendor following the issuance of the Consideration Units) have the right to indirectly exchange such Exchangeable Units for Restricted Voting Shares on the basis of one Restricted Voting Share for each Exchangeable Unit exchanged,

subject to certain adjustments. The material terms of the Exchange Agreement are described in BRESI's annual information form dated March 27, 2023 (the "AIF"), and copies of the Exchange Agreement and the AIF are available on SEDAR+ (www.sedarplus.ca) under BRESI's issuer profile.

Item 4 – Consideration Paid

4.1 State the value, in Canadian dollars, of any consideration paid or received per security and in total.

Subject to the satisfaction or waiver of all conditions to closing set forth in the Purchase Agreement, the Vendor will receive the Consideration Units which have a market value of \$11.74, for aggregate consideration of \$34.0 million. See Item 2.2.

4.2 In the case of a transaction or other occurrence that did not take place on a stock exchange or other market that represents a published market for the securities, including an issuance from treasury, disclose the nature and value, in Canadian dollars, of the consideration paid or received by the acquiror.

See Item 4.1 above.

4.3 If the securities were acquired or disposed of other than by purchase or sale, describe the method of acquisition or disposition.

Subject to the satisfaction or waiver of all conditions to closing set forth in the Purchase Agreement, the Consideration Units will be issued from treasury. See Item 2.2.

Item 5 – Purpose of the Transaction

State the purpose or purposes of the acquiror and any joint actors for the acquisition or disposition of securities of the reporting issuer. Describe any plans or future intentions which the acquiror and any joint actors may have which relate to or would result in any of the following:

- (a) the acquisition of additional securities of the reporting issuer, or the disposition of securities of the reporting issuer;**
- (b) a corporate transaction, such as a merger, reorganization or liquidation, involving the reporting issuer or any of its subsidiaries;**
- (c) a sale or transfer of a material amount of the assets of the reporting issuer or any of its subsidiaries;**
- (d) a change in the board of directors or management of the reporting issuer, including any plans or intentions to change the number or term of directors or to fill any existing vacancy on the board;**
- (e) a material change in the present capitalization or dividend policy of the reporting issuer;**
- (f) a material change in the reporting issuer's business or corporate structure;**
- (g) a change in the reporting issuer's charter, bylaws or similar instruments or another action which might impede the acquisition of control of the reporting issuer by any**

- person or company;**
- (h) a class of securities of the reporting issuer being delisted from, or ceasing to be authorized to be quoted on, a marketplace;**
 - (i) the issuer ceasing to be a reporting issuer in any jurisdiction of Canada;**
 - (j) a solicitation of proxies from securityholders;**
 - (k) an action similar to any of those enumerated above.**

Vendor has agreed to acquire the Consideration Units as consideration for (1) the acquisition of 30 residential real estate brokerages across Canada and the Manager, and (2) the settlement of certain management fees and distributions owing by the Partnership totaling approximately \$6.6 million in the aggregate, the payment of which was deferred pursuant to the Letter Agreement. This transaction consolidates Vendor Holdings' existing investments in the Canadian residential real estate sector into a full-service, market-leading national business with multiple growth levers.

Vendor Holdings' direct and indirect holdings of Restricted Voting Shares and Exchangeable Units are being held for investment purposes and such holdings may be increased or decreased as considered appropriate in light of investment criteria, market conditions and other factors and in accordance with the provisions of applicable securities legislation.

Item 6– Agreements, Arrangements, Commitments or Understandings With Respect to Securities of the Reporting Issuer

Describe the material terms of any agreements, arrangements, commitments or understandings between the acquiror and a joint actor and among those persons and any person with respect to securities of the class of securities to which this report relates, including but not limited to the transfer or the voting of any of the securities, finder's fees, joint ventures, loan or option arrangements, guarantees of profits, division of profits or loss, or the giving or withholding of proxies. Include such information for any of the securities that are pledged or otherwise subject to a contingency, the occurrence of which would give another person voting power or investment power over such securities, except that disclosure of standard default and similar provisions contained in loan agreements need not be included.

See Items 2.2 and 3.8 above.

Pursuant to a letter agreement, among, *inter alia*, BRESI, the Manager and Vendor Holdings dated May 13, 2020 (the "**Letter Agreement**"), BRESI deferred certain payments of the monthly management fee payable to the Manager under the fourth amended and restated management services agreement dated as of November 6, 2018 totaling approximately \$5.6 million as well as the payment of distributions on the Exchangeable Units payable to Vendor Holdings totaling approximately \$1.0 million. Amounts deferred under the Letter Agreement are non-interest bearing and are due sixty months after the date of the deferral. Amounts owing under the Letter Agreement can be repaid in cash or through the issuance of Exchangeable Units, at the option of BRESI. A copy of the Letter Agreement is available on SEDAR+ (www.sedarplus.ca) under BRESI's issuer profile.

Item 7– Change in Material Fact

If applicable, describe any change in a material fact set out in a previous report filed by the acquiror under the early warning requirements or Part 4 in respect of the reporting issuer's

securities.

Not applicable.

Item 8 – Exemption

If the acquiror relies on an exemption from requirements in securities legislation applicable to formal bids for the transaction, state the exemption being relied on and describe the facts supporting that reliance.

Not applicable.

Item 9 – Certification

I, as the acquiror, certify, or I, as the agent filing this report on behalf of an acquiror, certify to the best of my knowledge, information and belief, that the statements made in this report are true and complete in every respect.

Date: December 15, 2023

BROOKFIELD BBP (CANADA) SUB L.P., by its
general partner, **BROOKFIELD BBP CANADIAN GP**
L.P., by its general partner, **BROOKFIELD CANGP**
LIMITED

Per: A.J. Silber

Name: A.J. Silber

Title: Managing Director and Secretary