

FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Bridgemarq Real Estate Services Inc. (the “Company”)
39 Wynford Drive
Toronto, Ontario M3C 3K5

Item 2 Date of Material Change

March 27, 2020

Item 3 News Release

A news release was issued by the Company on March 27, 2020 and disseminated via Cision. The new release is available on SEDAR at www.sedar.com.

Item 4 Summary of Material Change

On March 27, 2020, the Company announced a temporary franchise fee structure beginning April 1, 2020 through and including December 31, 2020. The change was in response to the uncertain and challenging conditions emerging from the spread of COVID-19.

Item 5 Full Description of Material Change

A full description of the material change is set forth in Schedule “A”.

Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not Applicable.

Item 7 Omitted Information

None.

Item 8 Executive Officer

The name and business telephone number of the Officer who is knowledgeable about the material change and this report is:

Name: Glen McMillan,
Position: Chief Financial Officer
Tel: (416) 510 – 5605

Item 9 Date of Report

March 30, 2020

SCHEDULE “A”



Bridgemark Real Estate Services Announces Interim Royalty Fee Structures to Network

(TORONTO, ON) March 27, 2020 – Bridgemark Real Estate Services Inc. (“Bridgemark” or the “Company”) (TSX: BRE) a leading provider of services to residential real estate brokers and their REALTORS®, today announced temporary changes to the franchise fees it charges its network of real estate brokerages across Canada. These actions were taken to support the business operations and maintain the network strength of both the Royal LePage and Via Capitale brokerage networks during the uncertain challenging conditions emerging from the spread of COVID-19 as well as position both brands for growth.

Currently, Royal LePage franchisees pay fixed franchise fees of \$128-\$133 per month, per REALTOR® plus a variable franchise fee of 1% of each REALTORS® annual gross commission income (“GCI”) up to a maximum variable franchise fee of \$1,400 per year. For those REALTORS® in the Royal LePage network that operate in teams, total fees for the team are calculated as fixed franchise fees of \$128-\$133 per month, per team member plus a variable franchise fee of 1% of the annual GCI generated by the team, up to a maximum variable franchise fee of \$1,400 per year. REALTORS® who participate in the Royal LePage commercial program pay an additional monthly fixed franchise fee of \$100.

For the period from April 1, 2020 through December 31, 2020, Royal LePage franchisees will be permitted to participate in a temporary franchise fee structure which has been designed in response to the challenging economic situation created by the COVID-19 pandemic. Under the temporary plan, franchisees will pay franchise fees to the Company calculated as follows:

- Fixed franchise fees will be temporarily suspended.
- Variable franchise fees for individual REALTORS® who do not participate in the commercial program will be calculated as 3% of GCI up to a maximum variable franchise fee of \$2,295 for the nine-month period.
- Variable franchise fees for individual REALTORS® who participate in the commercial program will be calculated as 4.2% of GCI up to a maximum variable franchise fee of \$3,213 for the nine-month period.
- Variable franchise fees for teams of REALTORS will be calculated as 3% of average GCI per team member up to a maximum variable franchise fee of \$1,275 per team member.

Currently, Via Capitale franchisees pay fixed franchise fees of \$170 per month, per REALTOR®. In order to provide support for its franchisees and REALTORS® in the Via Capitale network, the Company has reduced the monthly fixed franchise fee to \$20 for the month of April.

The Company continues to provide its full suite of services to all franchisees and REALTORS® and has increased those services in response to the pandemic. In recent weeks the company has provided numerous communications, seminars and webinars to help franchisees to manage their businesses, upgraded its on-line training tools, provided improved products and services to support and promote distant communications with REALTORS® and customers and provided numerous resources to help

franchisees understand the various government communications and financial incentives that have been introduced over the past few weeks.

COVID-19 has dramatically affected the Canadian and global economies. The extent to which COVID-19 will impact the Company's business and financial results will depend on future developments which are highly uncertain and cannot be predicted at this time. However, it is possible that these events could have a material adverse impact on the Company's business, results of operations and financial condition. The Company will continue to navigate through these challenging times and look for additional ways to protect its shareholders and the Company.

FORWARD-LOOKING STATEMENTS

This news release contains forward-looking information and other "forward-looking statements". Words such as "will" "continues", 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: the duration and effects of COVID-19, including the impact of COVID-19 on the economy and the Company's business, changes in the supply or demand of houses for sale in Canada or in any particular region within Canada, changes in the selling price for houses in Canada or any particular region within Canada, changes in the Company's strategy with respect to dividends, changes in the productivity of the Company's REALTORS® or the commissions they charge their customers, changes in government policy, laws or regulations which could reasonably affect the housing markets in Canada, consumer response to any changes in the housing markets in Canada or any changes in government policy, laws or regulations, 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, 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, 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. Forward-looking information is based on various material factors or assumptions, which are based on information currently available to management. Material factors or assumptions that were applied in drawing conclusions or making estimates set out in the forward-looking statements include, but are not limited to: the economic and social impact, and management and duration, of COVID-19; anticipated economic conditions, anticipated impact of government policies, anticipated financial performance, anticipated market conditions, business prospects, the successful execution of the Company's business strategies and recent regulatory developments. The factors underlying current expectations are dynamic and subject to change. Although the forward-looking statements contained in this news release are based upon what management believes are reasonable assumptions, the Company cannot assure readers that actual results will be consistent with these forward-looking statements. 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 Bridgemark Real Estate Services

Bridgemark is a leading provider of services to residential real estate brokers and a network of over 19,000 REALTORS®. We operate in Canada under the Royal LePage, Via Capitale and Johnston & Daniel brands. For more information, go to bridgemark.com.

Bridgemarq is an affiliate of Brookfield Business Partners, a business services and industrials company focused on owning and operating high-quality businesses that benefit from barriers to entry and/or low production costs. Brookfield Business Partners is listed on the New York and Toronto stock exchanges. Further information is available at bbu.brookfield.com.

For more information, please contact:

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