AMENDED AND RESTATED OFFERING MEMORANDUM

EQUITON RESIDENTIAL GROWTH FUND I TRUST

EQUITON RESIDENTIAL GROWTH FUND I LP

March 30, 2026

This Confidential Offering Memorandum constitutes an offering of the securities described herein only in Canada and to those persons to whom they may be lawfully offered for sale and only by persons permitted to sell these securities. This Confidential Offering Memorandum is not, and under no circumstances is it to be construed as, a prospectus or advertisement or a public offering of securities. No securities commission or similar authority in Canada or in any other jurisdiction has reviewed this Confidential Offering Memorandum or in any way passed upon the merits of the securities offered hereunder and any representation to the contrary is an offence. Persons who will be acquiring securities pursuant to this Confidential Offering Memorandum will not have the benefit of the review of this material by a securities commission or similar authority.

This Confidential Offering Memorandum is intended for use by investors solely in connection with the consideration of the purchase of these securities. No person is authorized to give any information or to make any representation not contained in this Confidential Offering Memorandum in connection with the offering of these securities and, if given or made, no such information or representation may be relied upon. This Confidential Offering Memorandum is confidential. By their acceptance hereof prospective investors agree that they will not transmit, reproduce or make available to anyone this Confidential Offering Memorandum or any information contained herein.

AMENDED AND RESTATED OFFERING MEMORANDUM

EQUITON RESIDENTIAL GROWTH FUND I TRUST

- and -

EQUITON RESIDENTIAL GROWTH FUND I LP

EQUITON®

Continuous Private Placement Offering

Date:	**March 30, 2026**
The Issuers:	**EQUITON RESIDENTIAL GROWTH FUND I TRUST** (the "**Trust**") **EQUITON RESIDENTIAL GROWTH FUND I LP** (the "**Partnership**" and, together with the Trust, the "**Issuers**")
Head office:	1111 International Blvd, Suite 500, Burlington, ON, L7L 6W1
Phone #:	905-635-1381
E-mail address:	inquiries@equiton.com
Website	equiton.com
Currently listed or quoted?	**No. These securities do not and are not expected to trade on any exchange or market.**
Reporting issuer?	No.
SEDAR+ filer?	Yes, but only as required pursuant to section 2.9 of National Instrument 45-106 – *Prospectus Exemptions*. Neither the Trust nor the Partnership is a reporting issuer and neither file continuous disclosure documents on SEDAR+ that are required to be filed by reporting issuers.

The Offering

Securities Offered:	An unlimited number of: (i) Class A trust units of the Trust, of the following series: Series A-FL, Series A-LL, Series C, Series E, Series F, and Series I (collectively, the "**Class A Trust Units**"), and (ii) Class A limited partnership units of the Partnership, of the following series: Series A-FL, Series A-LL, Series C, Series E, Series F, and Series I (collectively, the "**Class A LP Units**" and, together with the Class A Trust Units, the "**Units**")
Price Per Security:	$10.00 per Unit or such other amount determined by the Trustees or the General Partner, as applicable, from time to time and set forth in the subscription agreement(s) entered into between the Subscribers and the applicable Issuer (the "**Subscription Price**").
Minimum/Maximum Offering:	**There is no minimum or maximum amount for the Offering (as defined herein). The Issuers will offer an unlimited number of Units on a continuous basis. You may be the only purchaser. Funds available under the Offering may not be sufficient to accomplish our proposed objectives.**
Minimum Subscription Amount:	$25,000 in respect of the Series A-FL Units, Series A-LL Units, Series E Units and Series F Units, Series C Minimum Investment Amount (as defined herein) in respect of the Series C Units and the Series I Minimum Subscription Amount (as defined herein) in respect of the Series I Units, or such lower amount as determined by the Issuers in their sole discretion. See "*Purchase Options*" and "*Subscription Procedures*".
Payment Terms:	Payment in full by certified cheque, bank draft or direct deposit of the Subscription Price is to be made with the delivery of a duly executed and completed subscription agreement to the applicable Issuer. See "*Subscription Procedures*".
Proposed Closing Date(s):	Closings will take place periodically as agreed upon by the applicable Issuer, the Equiton Agent (as defined herein) and the Subscriber.
Income Tax Consequences:	There are important tax consequences to acquiring, holding and disposing of these securities. See "*Certain Canadian Federal Income Tax Considerations for the Trust*" and "*Certain Canadian Federal Income Tax Considerations for the Partnership*".
Eligibility for Investment by Registered Plans:	Provided that the Trust qualifies at all relevant times as a "mutual fund trust" under the Tax Act, the Class A Trust Units will be qualified investments for Registered Plans. **Class A LP Units will not be qualified investments for Registered Plans.**
Selling Agents:	A person has received or will receive compensation for the sale of securities under the Offering. Equiton Capital Inc. (the "**Equiton Agent**") acts as lead selling agent in connection with the Offering. The Equiton Agent may, at its

	discretion, engage one or more sub-agents as selling agents. In addition, from time to time, the Issuers may separately engage additional selling agents in connection with the Offering (collectively, the "**Selling Agents**"). **In connection with the Offering, the Issuers are "connected" or "related" issuers of the Equiton Agent under applicable Canadian securities laws. Jason Roque, a director and President of the General Partner (as defined herein), indirectly, through wholly owned subsidiaries, controls the Equiton Agent and is a Director and the Chief Executive Officer of the Equiton Agent. In addition, Helen Hurlbut, a trustee of the Trust, is the President & Chief Financial Officer of the Equiton Agent. In addition, the Equiton Agent acts exclusively for certain companies that are either directly or indirectly controlled and/or beneficially owned by Jason Roque, or which hold securities in companies that are either directly or indirectly controlled and/or beneficially owned by Jason Roque.** **The decision to distribute the Units and the determination of the terms of the distribution were not negotiated at arm's length between the Equiton Agent and the Issuers. The determination by the Issuers to proceed with the Offering was not made at the request or suggestion of the Equiton Agent. The Equiton Agent will not receive any benefit in connection with the Offering other than its portion of the Equiton Agent's Fees payable by the Issuers to the Equiton Agent described under "*Compensation Paid to Sellers and Finders*". The proceeds of the Offering will not be applied for the benefit of the Equiton Agent. However, the proceeds of the Offering will be used by the Trust to invest in the Partnership and by the Partnership to invest in the Properties. The General Partner and the Equiton Agent are Related Parties (as defined herein) to the Issuers.** **See "*Compensation Paid to Sellers and Finders*" and "*Relationship Between the Issuers, the Equiton Agent and Other Related Parties*" and "*Purchase Options*".**
Resale Restrictions:	You will be restricted from selling your Units for an indefinite period. See "*Resale Restrictions*".
Payments to Related Party:	Some of your investment will be paid to a related party of the Issuers. See "*Use of Available Funds*".
Redemption Rights:	**You will have a right to require the Issuers to redeem your Units, but this right is qualified by restrictions and the redemption price payable may be subject to set-off against certain fees. As a result, you might not receive the amount of proceeds that you want. See "*Purchase Options*".** The Units are redeemable upon demand of the Unitholder. However, these redemption rights are subject to limitations, including a calendar quarter cash redemption limit of $150,000 in

	respect of all Class A Trust Units or Class A LP Units, as applicable, tendered for redemption in a calendar quarter, provided that the Partnership shall prioritize redemptions of Class A LP Units made by the Trust to enable the Trust to satisfy cash redemptions of $150,000 in the calendar quarter, which may decrease the amount available to redeem Class A LP Units held by LP Unitholders other than the Trust. The applicable Issuer, in its sole discretion, may waive all or part of the quarterly cash redemption limit. If the redemptions of Class A Trust Units tendered in a calendar quarter exceed the foregoing limit, then the Trust may satisfy the payment of the Redemption Amount (as defined herein), in part, by the issuance of Redemption Notes (as defined herein), subject to the Class A Trust Unitholder's right to withdraw such redemption request. Any Redemption Notice in respect of Class A LP Units tendered for redemption by a Class A LP Unitholder but not so redeemed as a result of the quarterly cash redemption limitation shall be automatically withdrawn. Any Redemption Notes which may be received as a result of a redemption of Class A Trust Units will likely not be qualified investments for a Registered Plan and may have adverse tax consequences if held by a Registered Plan. See "*Material Contracts – Declaration of Trust – Redemption of Class A Trust Units"*, "*LP Agreement – Redemption of Class A LP Units"* and "*Eligibility for Investment by Registered Plans."*
Subscriber's Rights:	You have two (2) Business Days to cancel your agreement to purchase these securities. If there is a misrepresentation in this Offering Memorandum, you have a right to damages or to cancel the agreement. See "*Subscriber's Rights of Action*".

No securities regulatory authority or regulator has assessed the merits of these securities or reviewed this Offering Memorandum. Any representation to the contrary is an offence. The information disclosed on this page is a summary only. Subscribers should read the entire Offering Memorandum for full details about the Offering. This is a risky investment. See "*Risk Factors*".

Any OM Marketing Materials (as defined herein) prepared by the Issuers are deemed to be incorporated by reference into this Offering Memorandum.

TABLE OF CONTENTS

FORWARD LOOKING INFORMATION

This Offering Memorandum and any OM Marketing Materials incorporated by reference may contain forward-looking statements. These statements relate to future events or the Issuers' future performance. All statements, other than statements of historical fact, are forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "may", "will", "should", "expect", "plan", "anticipate", "believe", "estimate", "predict", "potential", "targeting", "intend", "could", "might", "continue", or the negative of these terms or other comparable terminology. Forward-looking statements are necessarily based upon management's perceptions of historical trends, current conditions and expected future developments, as well as a number of specific factors and assumptions that, while considered reasonable by management of the Issuers as of the date on which the statements are made in this Offering Memorandum or any OM Marketing Materials, are inherently subject to significant business, economic and competitive uncertainties and contingencies which could result in the forward-looking statements ultimately being incorrect. In addition, this Offering Memorandum and any OM Marketing Materials may contain forward-looking statements attributed to third-party industry sources. None of the Issuers, the Trustees (as defined herein) or the General Partner have independently verified the accuracy or completeness of such information. Undue reliance should not be placed on these forward-looking statements as there can be no assurance that the plans, intentions or expectations upon which they are based will occur.

Forward-looking information contained in this Offering Memorandum includes, but is not limited to, statements with respect to: price of the Units; size of the Offering; use of proceeds of the Offering; the structure of the Issuers; the business to be conducted by the Issuers; expected or anticipated acquisitions; the expected return on investment for Subscribers (as defined herein); the expected debt levels of the Issuers, including assumptions related to debt, interest rates, and repayment terms associated with mortgages for recently acquired properties; expected lease rates; expected average monthly rents; the long term and short term objectives of the Issuers; the ability of the Partnership to obtain financing, including the availability of Equiton Loans or issuance of Redeemable LP Units; the availability of funds for distributions; the timing and payment of distributions; the Issuers' investment objectives and strategy; treatment under government regulatory regimes and tax laws; the qualification of the Trust as a mutual fund trust; and the methods of funding.

Although the forward-looking statements contained in this Offering Memorandum and any OM Marketing Materials are based upon assumptions that management of the Issuers believes are reasonable based on information currently available to management, there can be no assurance that actual results will be consistent with these forward-looking statements. By its nature, forward-looking information involves numerous assumptions, known and unknown risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and other forward-looking statements will not occur and may cause actual results or events to differ materially from those anticipated in such forward-looking statements. These risks and uncertainties include, among other things: risks related to the Offering, risks related to the Issuers and their business, general economic conditions, governmental regulations, tax and risks related to public health crises. See "*Risk Factors*".

The forward-looking statements contained in this Offering Memorandum or in any OM Marketing Materials are expressly qualified by this cautionary statement. These forward-looking statements speak only as of the date of this Offering Memorandum. The Issuers are not under any duty to update any of the forward-looking statements after the date of this Offering Memorandum or in any OM Marketing Materials, to conform such statements to actual results or to changes in the

Issuers' expectations except as otherwise required by applicable legislation. The risks and uncertainties attributable to these forward-looking statements may adversely affect the distributions to be made on the Units. Certain of these risk factors are discussed in the section "*Risk Factors*". You should carefully consider the risk factors in addition to the other information provided herein or in any OM Marketing Materials.

OM MARKETING MATERIALS

Any OM Marketing Materials prepared and distributed to investors in connection with the Offering, including any OM Marketing Materials that are effective after the date of this Offering Memorandum and before the termination of the Offering, are deemed to be incorporated by reference in this Offering Memorandum.

Copies of any of the OM Marketing Materials incorporated by reference herein may be obtained on request without charge from the Issuers at investors@equiton.com and are publicly available on SEDAR+ or on the Issuers' website at www.equiton.com.

Any statement contained in this Offering Memorandum or in a document incorporated or deemed to be incorporated by reference herein is deemed to be modified or superseded for the purposes of this Offering Memorandum to the extent that a statement contained herein or in any other subsequently filed document which also is, or is deemed to be, incorporated by reference herein, modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement is not deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded is not deemed, except as so modified or superseded, to constitute a part of this Offering Memorandum.

Information contained or otherwise accessed through Equiton Partners' website or any third-party website does not form part of this Offering Memorandum or the Offering.

MARKET AND INDUSTRY DATA

This Offering Memorandum includes market and industry data that was obtained from third-party sources, industry publications and publicly available information. Management believes that the industry data is accurate but there can be no assurance as to the accuracy or completeness of such data. Third-party sources generally state that the information contained therein has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of included information. Although management believes it to be reliable, the Issuers have not independently verified any of the data or third-party sources referred to in this Offering Memorandum, or analyzed or verified the underlying studies or surveys relied upon or referred to by such sources, or ascertained the underlying economic assumptions relied upon by such sources.

GLOSSARY

"**Additional Committee**" means any additional committee of the Trustees, other than the Finance Committee, which may be established pursuant to the Declaration of Trust.

"**Affiliate**" means a Person considered to be an affiliated entity of another Person within the meaning of NI 45-106.

"**Agency Agreement**" means the amended and restated agency agreement to be entered into between the Trust and the Equiton Agent, as may be amended or amended and restated from time to time.

"**Applicable Laws**" means in respect of any Person, property, transaction or event, all present and future laws, statutes, regulations, treaties, judgments and decrees applicable to that Person, property, transaction or event and, whether or not having the force of law, all applicable requirements, requests, official directives, rules, consents, approvals, authorizations, guidelines, orders and policies of any Governmental Authority having or purporting to have authority over that Person, property, transaction or event.

"**Asset Management Agreement**" means the asset management agreement between the Asset Manager and the Partnership dated February 4, 2026, as may be amended, supplemented or amended and restated from time to time.

"**Asset Manager**" means a Person that is engaged for the purpose of providing asset management services to the Partnership and, currently, means Equiton Partners.

"**Associate**" has the meaning given thereto in the *Securities Act* (Ontario), as amended or supplemented from time to time.

"**ATR Rule**" has the meaning set out in "*Certain Canadian Federal Income Tax Considerations for the Trust*".

"**Auditors**" means the firm of Chartered Professional Accountants appointed as the auditors of the Trust and the Partnership, respectively, from time to time and, currently, means Ernst & Young LLP.

"**Business Day**" means a day, other than a Saturday or Sunday, on which Schedule I chartered banks are open for business in Toronto, Ontario.

"**Capital Contribution**" means the capital contributed by a Partner to the Partnership pursuant to the LP Agreement.

"**CMHC**" means the Canada Mortgage Housing Corporation.

"**Class**" means any class of Units designated by the Trustees or the General Partner, as applicable, from time to time.

"**Class A LP Unitholder**" means at any time a Person whose name appears on the Register as a holder of one or more Class A LP Units.

"**Class A LP Units**" means the voting limited partnership units of the Partnership, issuable in one or more series and designated as "Class A LP Units".

"**Class A Trust Unitholder**" means at any time a Person whose name appears on the Register as a holder of one or more Class A Trust Units.

"**Class A Trust Units**" means the units of beneficial interest in the Trust, issuable in one or more Series and designated as "Class A Trust Units".

"**CRA**" means the Canada Revenue Agency.

"**Declaration of Trust**" means the declaration of trust of the Trust dated February 4, 2026, as it may be amended, supplemented or amended and restated from time to time.

"**Directors**" means the directors of the General Partner as appointed or elected from time to time and "**Director**" means any one of them.

"**Dissenting Offeree**" means, where a Take-Over Bid is made for all of the Trust Units or LP Units, as applicable, other than those held by the Offeror, a Trust Unitholder or LP Unitholder, as applicable, who does not accept the Take-Over Bid.

"**Distribution Date**" means, in respect of each Distribution Period, a Business Day on or about the 15th day following such Distribution Period or such other distribution date as may be determined by the Trustees or the General Partner, as applicable, in their sole discretion.

"**Distribution Period**" means each calendar month in each fiscal year of the Trust or the Partnership, as applicable, or such other distribution period as may be determined by the Trustees or the General Partner, as applicable, in their sole discretion.

"**Distribution Record Date**" means, unless otherwise determined by the Trustees or the General Partner, as applicable, the last Business Day of each Distribution Period, except for the final Distribution Period in the fiscal year of the Trust or the Partnership, as applicable, where the Distribution Record Date shall be December 31.

"**Early Investor Bonus Program**" has the meaning set out in "*Summary – Purchase Options – Early Investor Bonus Program*".

"**Equiton Agent**" means Equiton Capital Inc., a corporation governed by the laws of the Province of Ontario and registered as an exempt market dealer in certain jurisdictions of Canada.

"**Equiton Loans**" means loans (if any) made to the Partnership by Equiton Partners, its Affiliates or by other investment trusts managed by Equiton Partners.

"**Equiton Partners**" means Equiton Partners Inc., a corporation governed by the laws of the Province of Ontario.

"**Equiton Partners Appointees**" has the meaning set out in "*The Issuers – Structure – The Trust – Trustees*".

"**Fee Based Account**" means an account in which the Subscriber would hold Series F Trust Units or Series F LP Units, as applicable, and which already has fees attached to the assets in such

account and/or where the advisor or portfolio manager is already being paid fees for service such that, if commissions or trailers would be paid to the advisor or portfolio manager, the Subscriber would in effect be paying duplicate fees.

"**Finance Committee**" means the finance committee of the Trustees which may be established pursuant to the Declaration of Trust.

"**Financing Fee**" has the meaning set out in "*Material Contracts – Asset Management Agreement – Asset Manager's Fees".*

"**Focus Activities**" has the meaning set out in "*Material Contracts – Declaration of Trust – Investment Guidelines and Operating Policies*".

"**General Partner**" means Equiton Residential Growth Fund I GP Inc., a corporation incorporated under the laws of the Province of Ontario to be the general partner of the Partnership, or any successor general partner of the Partnership.

"**generally accepted accounting principles**" or "**GAAP**" means Canadian generally accepted accounting principles, as amended from time to time. Except as otherwise specified, all accounting terms used in this Offering Memorandum shall be construed in accordance with GAAP.

"**Governing Documents**" means, together, the Declaration of Trust and the LP Agreement.

"**Governmental Authority**" means any domestic or foreign government, including, without limitation, any federal, provincial, state, territorial or municipal government, and any government agency, tribunal, commission or other authority exercising or purporting to exercise executive, legislative, judicial, regulatory or administrative functions of, or pertaining to, government.

"**Gross Asset Value of the Partnership**" means, at any time,

(a) the greater of:

(i) the book value of the assets of the Partnership (including the Properties), as shown on its then most recent statement of financial position, plus the amount of accumulated depreciation and amortization thereon, determined in accordance with GAAP; and

(ii) the historical cost of Properties, plus (A) the carrying value of cash and cash equivalents, (B) the carrying value of mortgages receivable, and (C) the historical cost of other assets and investments used in operations, determined in accordance with GAAP; or

(b) if approved by the Partnership, the aggregate appraised value of the Properties as determined internally by the Partnership or externally by way of third-party appraisals.

"**Gross Book Value**" means, at any time,

(a) the greater of:

(i) the book value of the assets of the Trust, as shown on its then most recent consolidated statement of financial position, plus the amount of accumulated depreciation and amortization thereon; and

(ii) the historical cost of the investment properties, plus (A) the carrying value of cash and cash equivalents, (B) the carrying value of mortgages receivable, and (C) the historical cost of other assets and investments used in operations; or

(b) if approved by a majority of the Trustees, the appraised value of the assets of the Trust.

"**HST**" means the goods and services tax and harmonized sales tax imposed under Part IX of the *Excise Tax Act* (Canada) and its regulations made thereunder.

"**Independent Director**" means a Director who is independent within the meaning of NI 81-107.

"**Independent Trustee**" means a Trustee who is independent within the meaning of NI 81-107.

"**Ineligible LP Unitholder**" has the meaning set out in "*Material Contracts – LP Agreement – Limitation on Ownership*".

"**Initial Closing Date**" means the date of the initial subscription for Class A Trust Unit(s) by a Trust Unitholder, other than the Initial Trust Unitholder.

"**Initial Trust Unitholder**" means Kelly Margaritis, a resident in the Province of Ontario.

"**Limited Partner**" means any Person who is from time to time admitted to the Partnership as a limited partner of the Partnership in accordance with the provisions of the LP Agreement.

"**Listed Units**" has the meaning set out in "*Material Contracts – Declaration of Trust – Trust Units*".

"**LP Agreement**" means the second amended and restated limited partnership agreement to be dated the Initial Closing Date between the General Partner and the Limited Partners, as it may be amended, supplemented or amended and restated from time to time.

"**LP Unitholder**" means at any time a Person whose name appears on the Register as a holder of one or more LP Units.

"**LP Units**" means, together, the Class A LP Units and the Redeemable LP Units.

"**Management Fee**" has the meaning set out in "*Material Contracts – Asset Management Agreement – Asset Manager's Fees".*

"**Market Value**" means the market value of the Class A Trust Units or Class A LP Units, as applicable, which shall be determined by the Trustees or the General Partner, as applicable, in their sole discretion, at least annually, or more frequently as the Trustees or the General Partner, as applicable, may determine, using the methods of determining the Market Value under "*Valuation Policy*".

"**MI 61-101**" means Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*, as amended from time to time (including any successor rule or policy thereto).

"**Mortgage Insurance Fees**" means fees charged by the CMHC or a similar mortgage insurer.

"**Net Realized Capital Gains of the Trust**" for any taxation year means the amount, if any, by which the aggregate of the capital gains of the Trust realized in such taxation year, calculated in accordance with the provisions of the Tax Act (but without reference to subsection 104(6) thereof), exceeds the aggregate of (i) the aggregate of the capital losses of the Trust realized for such taxation year, calculated in accordance with the provisions of the Tax Act; and (ii) each amount determined by the Trustees in respect of any net capital loss of the Trust for a prior taxation year that the Trust is permitted by the Tax Act to deduct in computing the taxable income of the Trust for such taxation year.

"**NI 45-106**" means National Instrument 45-106 – *Prospectus Exemptions*, as amended from time to time (including any successor rule or policy thereto).

"**NI 81-107**" means National Instrument 81-107 – *Independent Review Committee for Investment Funds*, as amended from time to time (including any successor rule or policy thereto).

"**Non-Resident**" means "non-resident" within the meaning of the Tax Act.

"**Offering**" means the offering of Units pursuant to this Offering Memorandum.

"**Offering Memorandum**" means this confidential offering memorandum, as it may be amended, supplemented or amended and restated from time to time.

"**Offeror**" means a Person, or two or more Persons acting jointly or in concert, that makes a Take-Over Bid.

"**OM Marketing Materials**" means any marketing materials or other written communication, other than an OM standard term sheet (as such term is defined in NI 45-106), intended for prospective Subscribers regarding the Offering that contains material facts relating to the Issuers, the Units or the Offering.

"**Ordinary Resolution**" means a resolution of the Trust Unitholders or LP Unitholders, as applicable, approved by not less than 50% of the votes cast by those persons who vote in person or by proxy at a duly convened meeting of the Trust or the Partnership, as applicable, or by way of a written resolution.

"**Partners**" means, collectively, the General Partner and the Limited Partners, and "**Partner**" means any of them.

"**Partnership**" means Equiton Residential Growth Fund I LP, a limited partnership governed by the laws of the Province of Ontario.

"**Partnership Distributable Income**" means for or in respect of any period the consolidated net income of the Partnership and its Subsidiaries for the period computed in accordance with GAAP, subject to certain adjustments, including: (i) adding or adding back the following items, as the case may be: depreciation, amortization, deferred tax expense, losses on dispositions of assets

and amortization of any net discount on long-term debt assumed from Vendors at rates of interest less than fair value incurred after the date of acquisition; (ii) deducting the following items: future income tax credits, maintenance capital expenditures, interest on convertible debentures or other debt to the extent not already deducted in computing net income, gains on dispositions of assets and amortization of any net premium on long-term debt assumed from Vendors at rates of interest greater than fair value incurred after the date of acquisition; (iii) and other reserves or adjustments as determined by the General Partner in its discretion. Partnership Distributable Income may be estimated by the General Partner whenever the actual amount has not been fully determined. Such estimates shall be adjusted as of a subsequent distribution date of the Partnership when the amount of Partnership Distributable Income has been determined by the General Partner. Partnership Distributable Income shall be calculated for each Partnership Distribution Period or other calendar period selected by the General Partner.

"**Partnership Property**" means, at any particular time, any and all assets of the Partnership, including, without limitation, all proceeds therefrom.

"**Person**" means an individual, partnership, limited partnership, corporation, unlimited liability company, trust, unincorporated organization, association, government, or any department or agency thereof and the successors and assigns thereof or the heirs, executors, administrators or other legal representatives of an individual, or any other entity recognized by law.

"**Preferred Units**" means the preferred units of the Trust or the Partnership, as applicable, issuable in series from time to time, with such designation, rights, privileges, restrictions and conditions attached to each series as determined by the Trustees or the General Partner, as applicable, up to such maximum number of Preferred Units with an aggregate Preferred Unit redemption price equal to 30% of the net asset value of the Trust or the Partnership, as applicable, after giving effect to the offering of such Preferred Units.

"**Properties**" means the real estate properties to be acquired and owned by the Partnership from time to time.

"**Property Management Agreement**" means the property management agreement dated February 4, 2026 between the Property Manager and the Partnership, as it may be amended, supplemented or amended and restated from time to time.

"**Property Manager**" means a Person that is engaged for the purpose of providing property management services to the Partnership and, currently, means Equiton Partners.

"**Quarterly Limit**" means $150,000.

"**Realization Event**" means (a) a sale or other disposition of a Property, (b) a financing or refinancing of a Property, or (c) an issuance of additional LP Units by the Partnership (including, for greater certainty, an issuance of additional LP Units to the Trust following a sale of Trust Units by the Trust).

"**Realization Value**" means the value of the Properties as at the effective time of a Realization Event, as determined by the General Partner, provided that, in respect of a Realization Event that is the issuance of additional LP Units by the Partnership to the Trust following a sale of Trust Units by the Trust, the applicable Realization Value may be determined by reference to the issue price of such Trust Units.

"**Redeemable LP Units**" means voting limited partnership units of the Partnership designated as "Redeemable LP Units" redeemable at the option of the Partnership, which limited partnership units may only be held by Equiton Partners and its Affiliates. Holders of Redeemable LP Units will receive Special Voting Units that will entitle the holder thereof to one (1) vote at meetings of Trust Unitholders.

"**Redemption Amount**" means an amount equal to the Redemption Price times the number of Units of a Series that a Unitholder tenders for redemption, less the costs of implementing the redemption and in the case of the redemption of an LP Unit, less (i) the Short Term Redemption Amount, if applicable, and (ii) the amount of taxes imposed on a non-redeeming Class A LP Unitholder as a result of such redemption as the General Partner determines is applicable and appropriate in the circumstances.

"**Redemption Date**" means the 15th day following the last day of each and every calendar quarter. If the 15th day following the last day of the calendar quarter is not a Business Day, the Redemption Date for that calendar quarter will be the next succeeding Business Day.

"**Redemption Notes**" means promissory notes issued by the Trust to redeeming Class A Trust Unitholders in principal amounts equal to all or a portion of the Redemption Price of the Class A Trust Units to be redeemed, and having the following terms and conditions;

(a) unsecured and bearing interest at a market rate, as determined by the Trustees, at the time of issuance, such interest to be payable in cash to the holder of the Redemption Notes in the same manner as distributions under the Declaration of Trust;

(b) may be tendered for payment in the same manner as Class A Trust Units are tendered for redemption; and

(c) having a maturity date determined by the Trustees in their sole discretion, but in any event, not exceeding five (5) years from the date of issuance;

all as more particularly described in *"Material Contracts – Declaration of Trust – Redemption of Class A Trust Units"*.

"**Redemption Notice**" means a notice to the Trustees or the General Partner, as applicable, of the redeeming Unitholder, in a form approved by the Trustees or the General Partner, as applicable, specifying the Series of Units and the number of Units to be so redeemed.

"**Redemption Price**" means the most recent Market Value per Unit of a Series to be redeemed.

"**Registered Plan**" has the meaning set out in "*Certain Canadian Income Tax Considerations for the Trust – Eligibility for Investment*".

"**Related Fund**" has the meaning set out in "*Risk Factors – Trust Risk – Potential Conflicts of Interest*".

"**Related Party**" means, with respect to any Person, a Person who is a "related party" as that term is defined in MI 61-101 and, in respect of an Issuer, shall include all Subsidiaries and all nominee corporations of such Issuer.

"**Resident Canadian**" means a Person who is not a non-resident of Canada for purposes of the Tax Act, or a partnership that is a "Canadian partnership" for purposes of the Tax Act.

"**Securities Act**" means the *Securities Act* (Ontario), R.S.O. 1986, c. S.5, as amended.

"**Series**" means any series of a Class designated by the Trustees or the General Partner, as applicable, from time to time.

"**Series A-FL LP Unit**" means the series of Class A LP Units designated as "Series A-FL".

"**Series A-FL Trust Unit**" means the Series of Class A Trust Units designated as "Series A-FL".

"**Series A-FL Units**" means, together, the Series A-FL Trust Units and the Series A-FL LP Units.

"**Series A-LL LP Unit**" means the series of Class A LP Units designated as "Series A-LL".

"**Series A-LL Trust Unit**" means the Series of Class A Trust Units designated as "Series A-LL".

"**Series A-LL Units**" means, together, the Series A-LL Trust Units and the Series A-LL LP Units.

"**Series C LP Unit**" means the series of Class A LP Units designated as "Series C".

"**Series C Trust Unit**" means the Series of Class A Trust Units designated as "Series C".

"**Series C Units**" means, together, the Series C Trust Units and the Series C LP Units.

"**Series E LP Unit**" means the series of Class A LP Units designated as "Series E".

"**Series E Trust Unit**" means the Series of Class A Trust Units designated as "Series E".

"**Series E Units**" means, together, the Series E Trust Units and the Series E LP Units.

"**Series F LP Unit**" means the series of Class A LP Units designated as "Series F".

"**Series F Trust Unit**" means the Series of Class A Trust Units designated as "Series F".

"**Series F Units**" means, together, the Series F Trust Units and the Series F LP Units.

"**Series I LP Unit**" means the series of Class A LP Units designated as "Series I".

"**Series I Trust Unit**" means the Series of Class A Trust Units designated as "Series I".

"**Series I Units**" means, together, the Series I Trust Units and the Series I LP Units.

"**Series C Minimum Investment Amount**" means an aggregate initial purchase cost not less than an amount determined by the Trustees or the General Partner, as applicable, unless waived by the Trustees or the General Partner, as applicable.

"**Series I Minimum Investment Amount**" means an aggregate initial purchase cost not less than $5,000,000, unless waived by the Trustees or the General Partner, as applicable.

"**Short Term Redemption Amount**" means the following:

(a) in the case of a Series A-FL LP Unit or a Series F LP Unit, if redeemed within the first six (6) months, 4.0%, and if redeemed thereafter, nil;

(b) in the case of a Series A-LL LP Unit, if redeemed: (i) within the first year, 10.0%; (ii) within the second year, 8.0%, (iii) within the third year, 6.0%; and (iv) thereafter, nil; and

(c) in the case of a Series C LP Unit, if redeemed: (i) within the first year, 6.0%; (ii) within the second year, 4.0%, and (iii) thereafter, nil.

"**Short Term Trading Fee**" means the fee (if any) payable by a Trust Unitholder for an early redemption of Trust Units (other than Series E Trust Units), which fee is set out in the subscription agreement(s) entered into between the Subscribers and the Trust in respect of the subject Trust Units.

"**Special Resolution**" means a resolution of the Trust Unitholders or LP Unitholders, as applicable, approved by not less than 66⅔% of the votes cast by those persons who vote in person or by proxy at a duly convened meeting of the Trust or the Partnership, as applicable, or by way of a written resolution.

"**Special Voting Units**" means the units of beneficial interest in the Trust designated as "Special Voting Units", which shall entitle the holder to one (1) vote per Special Voting Unit and are issued in connection with or in relation to Redeemable LP Units, for the purpose of providing voting rights with respect to the Trust to the holders of the Redeemable LP Units.

"**Subscriber**" means a Subscriber of Units in connection with the Offering.

"**Subsidiary**" means, with respect to any Person (other than an individual), any other Person (other than an individual) the financial results of which would be required to be consolidated with those of the first Person's in the preparation of the first Person's consolidated financial statements if prepared in accordance with generally accepted accounting principles in Canada.

"**Take-Over Bid**" has the meaning given to such term in the Securities Act.

"**Tax Act**" means the *Income Tax* Act, R.S.C. 1985 (5th Supp.), c.1, as amended.

"**Transaction Fee**" has the meaning set out in "*Material Contracts – Asset Management Agreement – Asset Manager's Fees".*

"**Trust**" means Equiton Residential Growth Fund I Trust.

"**Trust Distributable Income**" means the Trust Income plus the Net Realized Capital Gains of the Trust, subject to any other adjustments as determined by the Trustees.

"**Trust Income**" means, for any taxation year of the Trust, the amount by which the income of the Trust for such taxation year, computed in accordance with the provisions of the Tax Act (but without reference to paragraph 82(1)(b) and subsection 104(6) thereof) and taking into account such other amounts and adjustments as are determined in the discretion of the Trustees regarding the calculation of income for the purposes of determining the "taxable income" of the Trust, exceeds each amount determined by the Trustees in respect of any non-capital loss for a prior taxation year that the Trust is permitted by the Tax Act to deduct in computing the taxable income

of the Trust for such year; provided, however, that capital gains and capital losses will be excluded from the computation of the Trust Income.

"**Trust Property**" means, at any particular time, any and all assets of the Trust, including, without limitation, all proceeds therefrom.

"**Trust Unitholder**" means at any time a Person whose name appears on the Register as a holder of one or more Trust Units.

"**Trust Units**" means, together, the Class A Trust Units and the Special Voting Units.

"**Trustees**" means the trustees of the Trust as appointed from time to time in accordance with the Declaration of Trust and "**Trustee**" means any one of them.

"**Unitholder**" means a holder of one or more Units.

"**Units**" means, together, the Class A Trust Units and the Class A LP Units.

"**Vendor**" means the vendor of the Properties as applicable.

"**Wholesale Costs**" has the meaning set out in "*Compensation Paid to Sellers and Finders*".

SUMMARY

The following is a summary only and is qualified by the more detailed information and financial statements, including the notes thereto, appearing elsewhere in this Offering Memorandum. Certain terms used in this Offering Memorandum are defined in the Glossary. All dollar amounts in this Offering Memorandum are in Canadian dollars unless otherwise indicated.

The Offering

Issuers:	Equiton Residential Growth Fund I Trust Equiton Residential Growth Fund I LP
Issue:	An unlimited number of: (i) Class A Trust Units, of the following series: Series A-FL, Series A-LL, Series C, Series E, Series F and Series I; and (ii) Class A LP Units, of the following series: Series A-FL, Series A-LL, Series C, Series E, Series F and Series I.
Price:	$10.00 per Unit or such other amount determined by the Trustees or the General Partner, as applicable, from time to time and set forth in the subscription agreement(s) entered into between the Subscribers and the applicable Issuer.
Eligible Subscribers for Units:	Investors who are eligible to purchase Units on an exempt basis under, and subject to compliance with, applicable securities laws. See "*Subscription Procedure*", "*Material Contracts – Declaration of Trust – Limitation on Non- Resident Ownership"* and *"LP Agreement – Limitation on Ownership"*.
Closings:	Closings will take place periodically as agreed upon by the Issuers, the Equiton Agent and the Subscriber.
Attributes of Class A Trust Units:	The Class A Trust Units represent the beneficial ownership interest of the holders thereof in the Trust. Each Class A Trust Unit carries one (1) vote at meetings of Trust Unitholders and a holder thereof is entitled to distributions as described herein. See "*Material Contracts – Declaration of Trust*" and "*Terms of Trust Units*".
Attributes of Class A LP Units:	The Class A LP Units represent the beneficial ownership interest of the holders thereof in the Partnership. Each Class A LP Unit carries one (1) vote at meetings of LP Unitholders and a holder thereof is entitled to distributions as described herein. See "*Material Contracts – LP Agreement*" and "*Terms of LP Units*".
Use of Proceeds:	Proceeds of the Offering of Class A Trust Units are to be used to purchase Series A-FL LP Units, Series A-LL LP Units, Series C LP Units, Series E LP Units, Series F LP Units and Series I LP Units, as applicable. Net proceeds of the Offering of Class A LP Units are to be used (i) for acquisitions of Properties and expenses related

	thereto; (ii) to pay the Transaction Fee and the Financing Fee to the Asset Manager; (iii) to repay debt; and (iv) for working capital purposes See "*Use of Available Funds*".

Any OM Marketing Materials prepared by the Issuers and made available to a prospective investor are deemed to be incorporated by reference into this Offering Memorandum.

The Trust

Equiton Residential Growth Fund I Trust is an unincorporated open-ended real estate investment trust existing pursuant to the Declaration of Trust, governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein. The Trust intends to qualify as a "mutual fund trust" for purposes of the Tax Act.

The Trust was established with the objective of investing indirectly in the business of the Partnership through its acquisition of Class A LP Units. All or substantially all of the proceeds of the Offering of Class A Trust Units will be invested in the Partnership through the purchase of Series A-FL LP Units, Series A-LL LP Units, Series C LP Units, Series E LP Units, Series F LP Units and Series I LP Units, in equal proportion to the number of Series A-FL Trust Units, Series A-LL Trust Units, Series C Trust Units, Series E Trust Units, Series F Trust Units, and Series I Trust Units, respectively, sold pursuant to the Offering.

See "*The Issuers – Structure – The Trust*", "*Material Contracts – Declaration of Trust*" and "*Terms of Trust Units*".

The Partnership

Equiton Residential Growth Fund I LP is a limited partnership formed under the laws of the Province of Ontario pursuant to a declaration of limited partnership filed under the *Limited Partnerships Act* (Ontario) to carry on the business of (i) acquiring, developing, holding, maintaining, improving, repositioning, leasing and/or managing of multi-unit residential revenue-producing properties (including apartment buildings and townhouses and ancillary commercial and other real estate ventures) for investment purposes through one or more nominee corporations beneficially owned by the Partnership, (ii) participating in joint venture arrangements with other investors in multi-unit residential properties (including apartment buildings and townhouses and ancillary commercial and other real estate ventures) for investment purposes, and (iii) engaging in any other business or undertaking whatsoever approved by the General Partner and not inconsistent with the provisions of the LP Agreement. "*The Issuers – Structure – The Partnership*".

The general partner of the Partnership is Equiton Residential Growth Fund I GP Inc., a corporation established under the laws of the Province of Ontario. The General Partner has full power and the exclusive authority to administer, manage, control and operate the business of the Partnership. The General Partner is indirectly owned and controlled by Jason Roque, who is also a Director and President of the General Partner. Helen Hurlbut is Chief Financial Officer of the General Partner. See "*The Issuers – Structure – The General Partner*" and "*Material Contracts – LP Agreement – The General Partner – Function and Duties of the General Partner*".

The Asset Manager

Equiton Partners has been engaged by the Partnership to act as the Asset Manager. The Asset Manager is responsible for managing the assets of the Partnership and providing advice with respect to the Partnership's real property investment portfolio and is entitled to receive fees pursuant to the Asset Management Agreement. See "*The Issuers – Structure – The Asset Manage*r" and "*Material Contracts – Asset Management Agreement*".

The Property Manager

Equiton Partners has been engaged by the Partnership to act as the Property Manager. The Property Manager is responsible for managing the Properties and is entitled to receive fees pursuant to the Property Management Agreement. See "*The Issuers – Structure – The Property Manage*r" and "*Material Contracts – Property Management Agreement*".

Management and Investment Strategy

The personnel of the Asset Manager have significant experience in all aspects of the rental housing business, including acquisitions and dispositions, finance and administration, property management, construction and renovation, and marketing and sales. See the principal occupation and related experience of Jason Roque and Helen Hurlbut in "*Interests of Trustees, General Partner, Management, Promoters and Principal Holders – Management Experience*". These skills will permit the Partnership to capitalize upon many multi-unit residential revenue-producing real estate opportunities which may be unavailable to other real estate investors who lack the requisite diversity of real estate experience.

The Asset Manager seeks to enhance the value of the Properties through a number of distinct and well executed strategies, including: a commitment to customer satisfaction; maintenance and repair programs; quality on-site building staff; detailed financial reporting; strategic debt management; enhancement of the Partnership's portfolio; and timely communications and disclosure. The Asset Manager is focused on undervalued and undermanaged properties in the highly fragmented apartment market in prime urban and major economic hubs, as well as economically desirable small/medium-sized centres (often within urban sprawl areas of larger hubs), and in regions with growing demographics (population and job growth) in Canada. The Asset Manager aims to acquire properties below their intrinsic value and implement both strategic capital investment and active management strategies in order to preserve invested capital, increase income, maximize efficiencies, reduce operating expenses (or expense ratios), and improve marketability over time. Once improved, the Asset Manager will look to strategically monetize asset equity and seek to deploy available capital toward the acquisition of new assets and/or fund improvements throughout the Partnership's portfolio as needed. See "*Management and Investment Strategies*".

Investment Guidelines and Operating Policies

The Governing Documents contain investment guidelines and operating policies. The investment guidelines set out generally the parameters under which the Trust, the Partnership and its Subsidiaries will be permitted to invest and include, among other things, criteria with respect to the types of properties which the Trust, the Partnership and its Subsidiaries may directly or indirectly acquire and the maximum amount of mortgage loans in which the Trust, the Partnership and its Subsidiaries may invest.

The investment guidelines in the Declaration of Trust relating to the status of the Trust as a "mutual fund trust" for the purposes of the Tax Act may be amended by a Special Resolution at a meeting of the Trust Unitholders called for the purpose of amending such investment guideline. The investment guideline in the Governing Documents relating to the Focus Activities may be amended by a Special Resolution at a meeting of each of the Trust Unitholders and the LP Unitholders called for the purpose of amending such investment guideline. All of the other investment guidelines may be amended by the Trustees or the General Partner, as applicable. An investment guideline will only be amended in the Declaration of Trust if the corresponding investment guideline is also amended in the LP Agreement and vice versa.

The operating policies address, among other things, the level of the Issuers' debt and the requirements for insurance coverage and environmental audits. The operating policies may be amended by the Trustees or the General Partner, as applicable. An operating policy will only be amended in the Declaration of Trust if the corresponding operating policy is also amended in the LP Agreement and vice versa.

See "*Material Contracts – Declaration of Trust – Investment Guidelines and Operating Policies*" and "*Material Contracts – LP Agreement – Investment Guidelines and Operating Policies*".

Equiton Loans and Redeemable LP Units

In the event that the available funds invested in the Partnership are not sufficient to complete future acquisitions of Properties or other activities of the Partnership, including funding its expenses, the Partnership may arrange the following forms of financing:

(a) Equiton Loans to the Partnership from Equiton Partners, its Affiliates or by other investment trusts managed by Equiton Partners, in order to fund the completion of future acquisitions or other activities of the Partnership. The terms and conditions of such Equiton Loans will be determined at the time of making such loans, however, the Trust anticipates such Equiton Loans will be interest only payable loans, with no fixed term, and will bear interest at a market rate, as determined by the Trustees at the time of issuance, payable monthly. Additionally, the Trust anticipates the Equiton Loans will be repayable to Equiton Partners, its Affiliates or by other investment trusts managed by Equiton Partners, as applicable, in cash or Redeemable LP Units (at the discretion of the applicable lender) and will be assignable by Equiton Partners, its Affiliates or by other investment trusts managed by Equiton Partners, as applicable; and

(b) the issuance of Redeemable LP Units to Equiton Partners. For each Redeemable LP Unit issued, the Trust shall issue to such recipient one (1) Special Voting Unit entitling such holder to one (1) vote per Special Voting Unit at a meeting of Trust Unitholders.

As at the date of this Offering Memorandum, no Redeemable LP Units are issued and outstanding.

Equiton Partners, as the Asset Manager, receives a Financing Fee in respect of any financing transaction involving any of the Properties, equal to: (i) 1.0% of the loan amount for each senior or first ranking financing transaction, (ii) 0.5% of the loan amount for each refinancing transaction with an existing lender, and (iii) up to 1.5% of the loan amount for each mezzanine or non-first ranking financing transaction. See "*Material Contracts – Asset Management Agreement – Asset*

Manager's Fees" and "*Relationship Between the Issuers, the Equiton Agent, and Other Related Parties*".

Distribution Policy

The Trust

The Declaration of Trust provides that the Trust may distribute to the Class A Trust Unitholders on or about each Distribution Date such percentage of the Trust Distributable Income (other than capital gains on which the tax may be recoverable by the Trust) for the Distribution Period then ended, and such other amounts, as the Trustees may determine in their discretion.

In addition to the foregoing, the total amount of distributions made payable by the Trust on or before December 31 of any calendar year or the end of any other taxation year calculated in accordance with the provisions of the Tax Act, shall not be less than the amount necessary to ensure that the Trust will not be liable to pay non-refundable income tax under Part I of the Tax Act for such year (determined without reference to any bonus distributions in the year automatically reinvested in Trust Units which may be paid pursuant to a distribution reinvestment plan or issued as part of an early investor bonus program). The amount, if any, which is required to be distributed to comply with the preceding sentence for a particular year shall be deemed to be declared by the Trustees as a distribution, and shall be due and payable on the earlier of the last Distribution Date in respect of such year, December 31 of such year, or the end of such other taxation year, to persons who are Class A Trust Unitholders of record on that date, such amount to be payable in cash unless the Trustees determine in their absolute discretion to pay such amount in Trust Units in any particular year, in which case such amount shall be payable in Trust Units. For greater certainty, a Class A Trust Unitholder shall have the legal right to enforce payment at the time a distribution is made payable (which shall not be later than the end of the relevant taxation year of the Trust in the case of distributions described in this paragraph).

The Trustees, in their discretion, may allocate distributions among the Series of Class A Trust Units to adjust for the commissions, trailers and other costs attributable to the sales channels relating to each Series of Class A Trust Unit. Distributions per Class A Trust Unit of the same Series shall generally be identical. See "*Material Contracts – Declaration of Trust – Distribution Policy*".

In reporting income for income tax purposes, the Trust shall claim the maximum amount available to it as deductions under Applicable Laws, unless the Trustees determine otherwise.

The Partnership

For any Partnership Distribution Period, the Partnership will distribute its Partnership Distributable Income as follows:

(i) to the General Partner an amount equal to 20% of Partnership Distributable Income less any portion of such amount that was distributed to the General Partner in a prior period or distributable to the General Partner in the current period pursuant to (ii) below;

(ii) to the General Partner an amount equal to 20% of any increase in the value of the Partnership's properties recognized in connection with a Realization Event from the value of such properties on the date of the LP Agreement or the time of acquisition,

whichever is later (an "**Accretion Distribution**"), provided that the General Partner shall only be entitled to an Accretion Distribution to the extent that the Realization Value in respect of a particular Realization Event was not taken into account in the calculation of a prior Accretion Distribution;

(iii) to the Limited Partners any Partnership Distributable Income not distributed to the General Partner.

In determining Partnership Distributable Income for a particular Partnership Distribution Period, the General Partner may, in its discretion, deduct reserves or otherwise make adjustments as necessary to permit the Partnership to retain cash for its operations rather than paying cash distributions in such period.

The General Partner may, in its discretion, elect to defer payment of any distribution to which it is entitled pursuant to (i) or (ii) above, provided that the amount distributed to the General Partner for any Partnership Distribution Period shall not be less than 0.001% of Partnership Distributable Income for such period. Any distribution so deferred shall be added to the distributions payable to the General Partner in subsequent Partnership Distribution Periods until such deferred distributions have been paid in full.

The Partnership may, in addition, make a distribution at any other time.

The General Partner, in its discretion, may allocate distributions among the Series of Class A LP Units to adjust for the commissions, trailers and other costs attributable to the sales channels relating to each Series of Class A LP Unit by the Partnership. Distributions per Class A LP Unit of the same Series, other than distributions for purposes of paying Trust expenses, shall otherwise generally be identical. The General Partner may elect to receive any distribution payable to it in the form of Class A LP Units having a fair market value equal to the amount of such distribution.

Distribution Reinvestment Plan

The Trust

The Trustees may implement a distribution reinvestment plan whereby Class A Trust Unitholders are entitled to elect to have all or some of the cash distributions of the Trust automatically reinvested in additional Class A Trust Units. See "*Material Contracts – Declaration of Trust – Distribution Policy – Distribution Reinvestment Plan"*.

The Partnership

The General Partner may implement a distribution reinvestment plan whereby Class A LP Unitholders are entitled to elect to have all or some of the cash distributions of the Partnership automatically reinvested in additional Class A LP Units. See "*Material Contracts – LP Agreement – Distribution Policy – Distribution Reinvestment Plan"*.

Certain Canadian Federal Income Tax Considerations

There are important tax consequences to acquiring, holding and disposing of these securities. See *"Certain Canadian Federal Income Tax Considerations for the Trust*", "*Certain Canadian Federal Income Tax Considerations for the Partnership*" and "*Risk Factors – Tax Related Risks*".

Risk Factors

There are certain risk factors inherent in an investment in the Units and in the activities of the Issuers, including, but not limited to, risks related to a blind pool offering, availability of distributable income, liquidity and potential price fluctuations of the Units, redemption risk, tax related risks, litigation risks, real estate investment and ownership, development risks, mortgage refinancing, availability of cash flow, changes in government regulation, environmental matters, Class A Trust Unitholder liability, dependence on key personnel, potential conflicts of interest, changes in legislation, investment eligibility and dilution arising from the issue of additional Units. See "*Risk Factors*".

Tax Related Risks

There can be no assurance that Canadian federal or provincial income tax laws and the administrative policies and assessing practices of the CRA respecting the treatment of mutual fund trusts or partnerships will not be changed in a manner which adversely affects the Trust, the Partnership or the Unitholders.

If the Trust does not qualify, or ceases to qualify, as a "mutual fund trust" for the purposes of the Tax Act, the income tax consequences described under "*Certain Canadian Federal Income Tax Considerations for the Trust*" would in some respects be materially and adversely different.

The Trust may be reassessed for taxes from time to time and the Partnership may be reassessed for taxes or additional income, which could result in additional taxes to Unitholders of the Partnership (including the Trust). Such reassessments together with associated interest and penalties could adversely affect the Trust, the Partnership and the Unitholders.

At no time may any LP Units then outstanding be held by or for the benefit of a Person who is an Ineligible LP Unitholder. While the Partnership will obtain representations from each investor with respect to these issues, and intends to reject subscriptions from potential investors who are, or hold LP Units on behalf of, Ineligible LP Unitholders, in the event that any of those representations is or becomes inaccurate, there could be significant adverse tax consequences to the Partnership and all LP Unitholders, which could materially decrease the after tax return of an investment in LP Units or Trust Units.

The acquisition of a beneficial interest in land may give rise to Ontario and Toronto land transfer tax, including as a result of the acquisition of LP Units or the redemption of LP Units by other LP Unitholders, subject to the availability of the *de minimis* exemption. As the Trust does not benefit from the *de minimis* exemption, changes in its interest in the Partnership may adversely affect the return to Unitholders. Further, if the *de minimis* threshold is surpassed by a LP Unitholder, the exemption is not available and all acquisitions or increases in the fiscal year become taxable. Therefore, it may not be possible for the Partnership to finally determine the amount of land transfer taxes owing by an LP Unitholder at the time of issuance or redemption of LP Units as in some cases this can only be determined after the end of the Partnership's fiscal year.

See "*Risk Factors – Tax Related Risks*".

Subscription Procedures

Subscribers wishing to subscribe for Units will be required to enter into a Subscription Agreement with the applicable Issuer which will contain, among other things, representations, warranties and covenants by the Subscriber in favour of the applicable Issuer. See "*Subscription Procedure".*

Purchase Options

Class A Trust Units

Under the Offering, the Trust is offering Class A Trust Units in the following series: Series A-FL, Series A-LL, Series C, Series E, Series F and Series I. The difference between each Series is that they have different fees (charged directly or indirectly) and expenses allocated to them and a different redemption deduction upon redemption, which are summarized as follows:

Series	**Min. Subscription[(1)]**	**Investor Type / Sales Channel**	**Selling Commission**	**Ongoing Annual Trailing Commission**	**Short Term Trading Fee[(2)] (within 6 months, year 1, 2, 3 and thereafter)**
A-FL	$25,000	Equiton Agent or registered dealer acting as sub-agent	Equiton Agent or sub-agent negotiate a commission (if any) which the Subscriber pays directly	1.0% of subscription price (for as long as the Subscriber remains a holder of Series A-FL LP Units)[(3)]	4.0% / Nil / Nil / Nil / Nil
A-LL	$25,000	Equiton Agent or registered dealer acting as sub-agent	Up to 8.0% of subscription price[(3)] [(4)]	0.75% of subscription price (for as long as the Subscriber remains a holder of Series A-LL LP Units)[(3)]	N/A / 10.0% / 8.0% / 6.0% / Nil
C	The Series C Minimum Investment Amount	Equiton Agent or registered dealer acting as sub-agent	Up to 4.0% of subscription price[(3)]	Nil	N/A / 6.0% / 4.0% / Nil / Nil
E	$25,000	Issued to funds, products or entities managed by the Manager or its Affiliates	Nil	Nil	Nil
F	$25,000 [(5)]	Fee Based Accounts [(6)]	Nil	Nil	4.0% / Nil / Nil / Nil / Nil

I	The Series I Minimum Investment Amount	Institutional Investors	Determined based on negotiation and agreement between a Subscriber and the Trustees

Notes:

(1) May be waived by the Trustees in their sole discretion.
(2) Set-off against the Redemption Amount payable.
(3) The proceeds of the Offering of Series A-FL Trust Units, Series A-LL Trust Units and Series C Trust Units will be used by the Trust to acquire the corresponding Series of LP Units, in respect of which the Partnership pays selling commissions and/or ongoing annual trailing commissions to the Equiton Agent or the sub-agent in the amounts set out under "*Purchase Options – Class A LP Units"* below. These selling commissions and ongoing annual trailing commissions will be borne indirectly by Subscribers in Series A-FL Trust Units, Series A-LL Trust Units and Series C Trust Units, as applicable.
(4) May be changed by the General Partner from time to time.
(5) The Trust permits investments from portfolio managers that are below the stated minimum subscription amount for reasons related to client portfolio allocations.
(6) Certain investors may be eligible to purchase Series F Trust Units directly from the Trust.

Series F Trust Units

Investment advisors and/or Subscribers that purchase or purchased Series F Trust Units in an aggregate amount equal to $5,000,000, or such other amount as may be determined by the Trustees from time to time, will have the option, subject to the consent of the Trustees, to re-designate all or a portion of such Series F Trust Units for Series I Trust Units at a ratio of one Series F Trust Unit to one Series I Trust Unit. In the event investments in Series I Trust Units fall below certain thresholds, as determined by the Trust in its sole discretion, then re-designated Series I Trust Units will revert back to Series F Trust Units. Series F Trust Unitholders should consult with their own tax advisors before re-designating their Series F Trust Units for Series I Trust Units.

Class A LP Units

Under the Offering, the Partnership is offering Class A LP Units in the following series: Series A-FL, Series A-LL, Series C, Series E, Series F and Series I. The difference between each Series is that they have different fees and expenses allocated to them and a different redemption deduction upon redemption, which are summarized as follows:

Series	**Min. Subscription(1)**	**Investor Type / Sales Channel**	**Selling Commission**	**Ongoing Annual Trailing Commission**	**Short Term Redemption Amount(2) (within 6 months, year 1, 2, 3 and thereafter)**
A-FL	$25,000	Equiton Agent or registered dealer acting as sub-agent	Equiton Agent or sub-agent negotiate a commission (if any) which the Subscriber pays directly	1.0% of subscription price (for as long as the Subscriber remains a holder of Series A-FL LP Units)	4.0% / nil / nil / nil / nil

A-LL	$25,000	Equiton Agent or registered dealer acting as sub-agent	Up to 8.0% of subscription price[3]	0.75% of subscription price (for as long as the Subscriber remains a holder of Series A-LL LP Units)	N/A / 10.0% / 8.0% / 6.0% / Nil [4]
C	The Series C Minimum Investment Amount	Equiton Agent or registered dealer acting as sub-agent	Up to 4.0% of subscription price	Nil	N/A / 6.0% / 4.0% / Nil / Nil
E	$25,000	Issued to funds, products or entities managed by the Manager or its Affiliates	Nil	Nil	Nil
F	$25,000 [5]	Fee Based Accounts [5]	Nil	Nil	4.0% / Nil / Nil / Nil / Nil
I	The Series I Minimum Investment Amount	Institutional Investors	Determined based on negotiation and agreement between a Subscriber and the General Partner		

Notes:

(1) May be waived by the General Partner in its sole discretion.
(2) Redemption proceeds reduced by equivalent amount indicated in chart. See *"Material Contracts – LP Agreement – Redemption of Class A LP Units"*.
(3) May be changed by the General Partner from time to time.
(4) The Partnership permits investments from portfolio managers that are below the stated minimum subscription amount for reasons related to client portfolio allocations.
(5) Certain investors may be eligible to purchase Series F LP Units directly from the Partnership.

See "*Purchase Options*".

Early Investor Bonus Program

The Trustees and the General Partner may each establish and implement an Early Investor Bonus Program pursuant to which certain investors may be issued (by way of distribution or otherwise) additional Units in connection with their initial subscription. Such program may include conditions relating to minimum hold periods, fees in the event of early redemption, and other applicable restrictions. The terms and conditions of any bonus program, including eligibility criteria, timing, and related restrictions, will be set out in the subscription agreement(s) entered into between the Subscribers and the applicable Issuer. Participants in such Early Investor Bonus Program should consult their own tax advisors to determine the tax consequences to them of such participation, including with regard to whether they are required to include any amount in income as a result of such participation.

Redemption Rights

The Units are redeemable upon demand of a Unitholder. However, these redemption rights are subject to limitations, including a calendar quarter cash redemption limit of $150,000 in respect of all Class A Trust Units or Class A LP Units, as applicable, tendered for redemption, provided that the Partnership shall prioritize redemptions of Class A LP Units made by the Trust to enable the Trust to satisfy cash redemptions of $150,000 in the calendar quarter which may decrease the amount available to redeem Class A LP Units held by LP Unitholders other than the Trust. The Trustees or the General Partner, as applicable, in its sole discretion, may waive all or part of the quarterly cash redemption limit such that redemptions in a calendar quarter may exceed $150,000.

If the redemptions of Class A Trust Units tendered in a calendar month exceed the foregoing limit, then the Trust may satisfy the payment of the Redemption Amount, in part, by the issuance of Redemption Notes. Any Redemption Notes which may be received as a result of a redemption of Class A Trust Units will likely not be qualified investments for a Registered Plan and may give rise to adverse tax consequences if held by a Registered Plan. See "*Material Contracts – Declaration of Trust – Redemption of Class A Trust Units", "Material Contracts – LP Agreement – Redemption of Class A LP Units"* and "*Eligibility for Investment by Registered Plans".*

Resale Restrictions

The Units are not listed on an exchange. There is currently no secondary market through which the Units may be sold, there can be no assurance that any such market will develop, and the Issuers have no current plans to develop such a market. Accordingly, the only methods of liquidation of an investment in Units is by way of a transfer or redemption of such Units in accordance with applicable securities laws and the Declaration of Trust or the Partnership Agreement, as applicable. Aggregate redemptions are generally limited to $150,000 per quarter in cash unless otherwise approved by the Trustees or the General Partner, as applicable. Any redemptions for Class A Trust Units in excess of $150,000 may be satisfied by the issuance of Redemption Notes. Subscribers of Units are advised to seek legal advice prior to any resale of Units. See "*Material Contracts – Declaration of Trust – Redemption of Class A Trust Units*", "*Material Contracts – LP Agreement – Redemption of Class A LP Units"* and "*Resale Restrictions*".

Subscribers' Rights of Action

Each Subscriber has two (2) Business Days to cancel their subscription to purchase Units. Subscribers of Units pursuant to this Offering Memorandum have a remedy for damages or rescission, or both, in addition to any other rights they may have at law, where this Offering Memorandum and any amendment to it contains an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make any statement not misleading in light of the circumstances in which it was made. These remedies, or notice with respect to these remedies, must be exercised or delivered, as the case may be, by the Subscriber within the time limits prescribed by applicable Canadian securities laws. See "*Subscribers' Rights of Action*".

USE OF AVAILABLE FUNDS

Funds

The following table discloses the net proceeds of the Offering:

		Assuming Minimum Offering[(1)]	**Assuming Maximum Offering**[(1)]
A	Amount to be raised pursuant to the Offering	N/A	N/A
B	Selling commissions and fees (2)	N/A	N/A
C	Estimated offering costs (including printing, legal, accounting and audit) (3)	N/A	N/A
D	Available funds: D = A – (B+C)	N/A	N/A
E	Additional sources of funding required (4)	N/A	N/A
F	Working capital deficiency	N/A	N/A
G	Total: G = (D+E) – F	N/A	N/A

Notes:

(1) There is no minimum or maximum Offering. The Issuers will offer an unlimited number of Units on a continuous basis. The minimum subscription amount in respect of the Series A-FL Units, Series A-LL Units, Series E Units and Series F Units per subscription is $25,000, the minimum subscription amount in respect of the Series C Units per subscription is the Series C Minimum Investment Amount and the minimum subscription amount in respect of the Series I Units per subscription is the Series I Minimum Subscription Amount, or such lower amount as the Trustees or the General Partner, as applicable, may determine from time to time and set forth in the subscription agreement(s) entered into between the Subscribers and the applicable Issuer.

(2) Units are sold through the Equiton Agent and sub-agents or other Selling Agents (the "**securities dealers**"). It is expected that the Issuers will pay compensation to the Equiton Agent and/or other securities dealers, up to a maximum of 8.0% of the subscription proceeds. The Issuers may also pay trailing commissions to the Equiton Agent and/or other securities dealers in respect of Units sold by them or held in the client accounts of such securities dealers. The trailing commission varies based on the Series of Units purchased. In addition, the Partnership will pay: wholesale costs of 1.25% of the gross proceeds of the Offering to the Equiton Agent; a dealer fee of 1.5% of the gross proceeds of the Offering to the securities dealer based on sales made by that securities dealer, and a lead agent fee of up to 0.5% of the gross proceeds of the Offering to the Equiton Agent and any co-lead agent appointed by the Equiton Agent. To the extent that the Issuers are responsible for the payment of compensation to the Equiton Agent and/or other securities dealers, the funds available to the Issuers will be reduced. See "*Compensation Paid to Sellers and Finders"* and "*Purchase Options*". The Issuers are considered a "connected" or "related" issuer to the Equiton Agent. See "*Relationship between the Issuers, the Equiton Agent and Other Related Parties*".

(3) The estimated costs include legal, consulting, accounting and printing costs associated with the Offering are approximately $150,000 annually.

(4) If additional funding is required by the Partnership, the Partnership may arrange for access to the Equiton Loans and issuance of Redeemable LP Units. See "*The Issuers – Equity Loans and Redeemable LP Units*". Equiton Partners is a Related Party of the Issuers. See "*Relationship between the Issuers, the Equiton Agent and Other Related Parties*".

Use of Available Funds

The following table provides a detailed breakdown of how the Issuers will use the available funds of the Offering in the 12 months following the date of this Offering Memorandum:

	Description of Intended Use of Available Funds Listed in Order of Priority	**Assuming Minimum Offering[(1)]**	**Assuming Maximum Offering[(1)]**
Trust	Investment by the Trust in Class A LP Units [(1) (2)]	N/A	N/A
Partnership [(2)]	(i) for acquisitions of Properties and expenses related thereto; (ii) to pay the Transaction Fee and the Financing Fee to the Asset Manager; (iii) to repay debt; and (iv) for working capital purposes	N/A	N/A

Notes:

(1) There is no minimum or maximum Offering. The Issuers are offering an unlimited number of Units on a continuous basis.

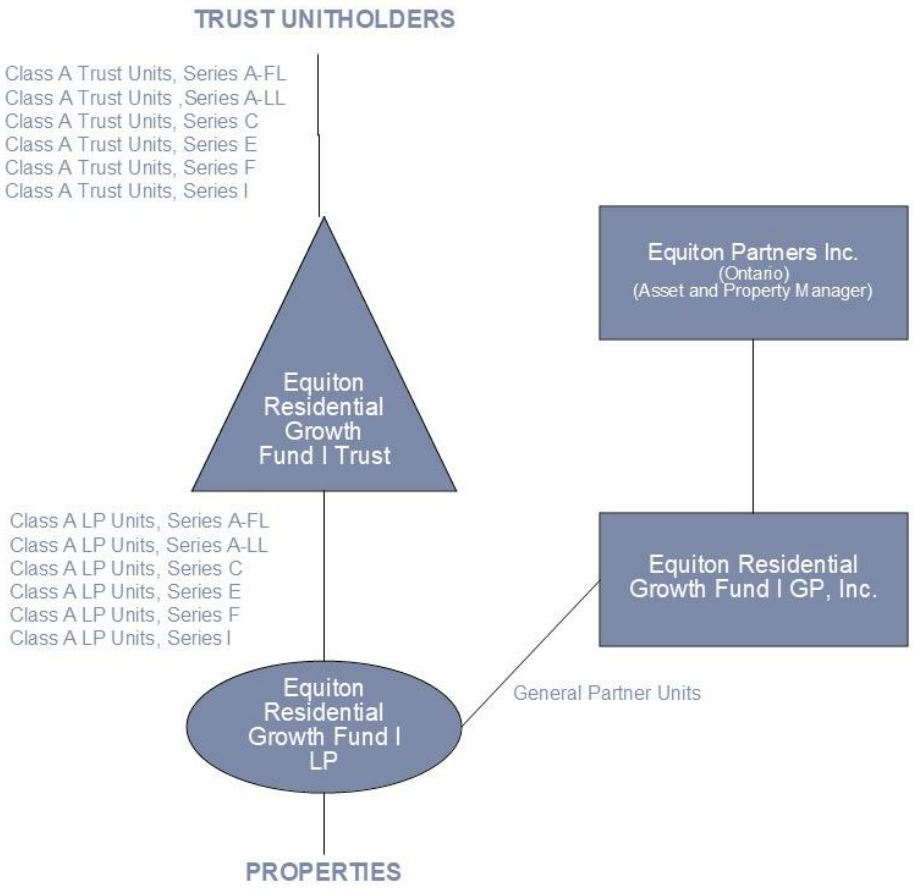
(2) Includes the proceeds of the sale of Class A LP Units the Partnership receives from the investment by the Trust.

All of the proceeds raised by the Trust from the sale of Class A Trust Units pursuant to the Offering will be invested in the Partnership through the purchase of Class A LP Units, in equal proportion to the number of Class A Trust Units sold pursuant to the Offering. The proceeds of the sale of Class A LP Units, including the purchase of Class A LP Units by the Trust, will be utilized by the Partnership to carry out its investment objectives and strategy. See "*The Partnership*'s *Business*".

THE ISSUERS

Structure

The following diagram sets out the principal operating structure of the Issuers:



The Trust

The Trust is an unincorporated open-ended real estate investment trust existing pursuant to the Declaration of Trust, governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein. The Trust intends to qualify as a "mutual fund trust" for purposes of the Tax Act.

The Trust was established with the objective of investing indirectly in the business of the Partnership through its acquisition of Class A LP Units. All or substantially all of the proceeds of the Offering of Class A Trust Units are invested in the Partnership through the purchase of Series A-FL LP Units, Series A-LL LP Units, Series C LP Units, Series E LP Units, Series F LP Units and Series I LP Units, in equal proportion to the number of Series A-FL Trust Units, Series A-LL Trust Units, Series C Trust Units, Series E Trust Units, Series F Trust Units, and Series I Trust Units, respectively, sold pursuant to the Offering.

The only business of the Trust will be to own Class A LP Units. The Partnership will in turn own all of the Properties, and the shares of all of the nominee corporations which will hold legal title to the Properties.

See "*Material Contracts – Declaration of Trust*" and "*Terms of Trust Units*".

Trustees

The Declaration of Trust provides that the assets and operations of the Trust will be subject to the control and authority of a minimum of two (2) and a maximum of nine (9) Trustees. Each Trustee holds office until their successor is appointed at a meeting of the Trust Unitholders or otherwise in accordance with the Declaration of Trust. Any Trustee may resign upon written notice to the Trust, which resignation shall become effective on the later of 30 days from the date of the notice or at the time specified in the resignation, unless waived by the remaining Trustees in their discretion. An Independent Trustee may be removed at any time with or without cause by a majority of the remaining Trustees. Equiton Partners is entitled to appoint up to four (4) Trustees (the "**Equiton Partners Appointees**"), provided that following such appointments, a majority of the Trustees are Independent Trustees. The board of Trustees is currently comprised of Helen Hurlbut and two (2) Independent Trustees: Richard Austin and Jonathan Pinto. Helen Hurlbut is not an Independent Trustee. See "*Interests of Trustees, General Partner, Management, Promoters and Principal Holders – Management Experience*" and "*Relationship between the Issuers, the Equiton Agent and Other Related Parties"*.

The Declaration of Trust provides that the Trustees may appoint a Finance Committee and any Additional Committees. No committees of the board of Trustees have been formed at this time.

Pursuant to the Declaration of Trust, each Trustee is required to exercise the powers and duties of their office honestly, in good faith with a view to the best interests of the Trust and the Trust Unitholders and, in connection therewith, to exercise that degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

The Partnership

The Partnership is a limited partnership formed on January 23, 2026 under the laws of the Province of Ontario pursuant to a declaration of limited partnership filed under the *Limited Partnerships Act* (Ontario) to carry on the business of (i) acquiring, developing, holding, maintaining, improving, repositioning, leasing and/or managing of multi-unit residential revenue-producing properties (including apartment buildings and townhouses and ancillary commercial and other real estate ventures) for investment purposes through one or more nominee corporations beneficially owned by the Partnership, (ii) participating in joint venture arrangements with other investors in multi-unit residential properties (including apartment buildings and townhouses and ancillary commercial and other real estate ventures) for investment purposes, and (iii) engaging in any other business or undertaking whatsoever approved by the General Partner and not inconsistent with the provisions of the LP Agreement.

The Trust intends to use all or substantially all of the available funds from the Offering of Class A Trust Units to purchase Class A LP Units. **The Trust is a Limited Partner of the Partnership through its ownership of Class A LP Units.** See "*Material Contracts – LP Agreement*".

Acquisitions of Properties will be subject to specific investment guidelines and the Issuers will be subject to specific operating policies. See "*Material Contracts – Declaration of Trust – Investment*

Guidelines and Operating Policies" and "*Material Contracts – LP Agreement – Investment Guidelines and Operating Policies*".

The General Partner

The General Partner was incorporated under the *Business Corporations Act* (Ontario) on January 23, 2026. The General Partner has full power and the exclusive authority to administer, manage, control and operate the business of the Partnership. See "*Material Contracts – LP Agreement – The General Partner – Function and Duties of the General Partner*".

The General Partner has, to the exclusion of the Limited Partners, the full and exclusive right, power and authority to manage, control, administer and operate the business and affairs of the Partnership and to make all decisions regarding the undertaking and business of the Partnership and to represent the Partnership. The General Partner is to exercise its powers and discharge its duties honestly, in good faith, and in the best interests of the Partnership, and that it will exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Certain restrictions are imposed on the General Partner and certain actions may not be taken by it without the approval of the Limited Partners by Special Resolution. The General Partner cannot dissolve the Partnership or wind up its affairs except in accordance with the provisions of the LP Agreement.

Pursuant to the General Partner's constating documents, bylaws and the *Business Corporations Act* (Ontario), as amended from time to time, any resolution of the directors of the General Partner must be passed: (i) at a meeting of the directors of the General Partner, by a majority of the directors entitled to vote on that resolution at such meeting; or (ii) in writing by all the directors entitled to vote on that resolution at a meeting. Currently, the board of Directors of the General Partner is comprised of Jason Roque and two (2) Independent Directors: Richard Austin and Sam Barbieri. Jason Roque is not an Independent Director.

The General Partner is indirectly owned and controlled by Jason Roque, who is also a Director and President of the General Partner. Helen Hurlbut is Chief Financial Officer of the General Partner. See "*Interests of Trustees, General Partner, Management, Promoters and Principal Holders – Management Experience*" and "*Relationship between the Issuers, the Equiton Agent and Other Related Parties"*.

The Asset Manager

The Asset Manager is responsible for managing the day-to-day operations of the Partnership and providing advice with respect to the Partnership's real property investment portfolio and is entitled to receive fees pursuant to the Asset Management Agreement. Equiton Partners has been engaged by the Partnership to act as Asset Manager.

All of the directors and senior officers of the Asset Manager have been involved in a broad range of real estate activities over at least the past five (5) years.

The Asset Manager is responsible for: providing ongoing analysis of the market in Canada and elsewhere for multi-unit residential revenue-producing rental properties; providing acquisition, disposition and asset management advice to the Partnership; performing due diligence on any properties being considered for acquisition by the Partnership; hiring and managing specialists, consultants, advisors or other like persons reasonably required from time to time in furtherance and support of its services, provided that the fees and out-of-pocket costs of each such specialist,

consultant and advisor will be for the account of the Partnership and not for the account of the Asset Manager; preparing and distributing annual estimates on a property-by-property basis of the amount to be reserved from the revenues of the Properties for any necessary capital repairs; establishing and maintaining a commercial bank overdraft line of credit to protect the Partnership and any Subsidiary against overdraft charges; using cash reserves from the Properties to manage the cash flow requirements of the Partnership and any Subsidiaries, including the invoice and collection of interest on any short term loans made to individual Subsidiaries from such cash reserves; considering and implementing, in its discretion, as aforesaid, interest rate, currency, commodity and other financial hedges and other policies to manage (increasing, maintaining or decreasing) risk exposure for the Partnership and its Subsidiaries on a consolidated basis; opening and managing any investment, banking, trading or brokerage account required for it to manage the aforementioned financial hedges; and using commercially reasonable efforts to arrange with third-party lenders short and long term financing or refinancing for one or more Properties or for the Partnership, provided the foregoing shall in no circumstances constitute an undertaking by the Asset Manager to make any loan to the Partnership or any Subsidiary at any time in any amount. See "*Material Contracts – Asset Management Agreement*".

The Asset Manager, Equiton Partners, is a Related Party to the Issuers because Jason Roque, a Director and President of the General Partner, and Helen Hurlbut, a Trustee, are the Chief Executive Officer and the President & Chief Financial Officer, respectively, of Equiton Partners and Mr. Roque is the sole director of Equiton Partners. In addition, Mr. Roque indirectly, through wholly owned subsidiaries, controls Equiton Partners. See "*Interests of Trustees, General Partner, Management, Promoters and Principal Holders – Management Experience*" and "*Relationship between the Issuers, the Equiton Agent and Other Related Parties*". The Asset Manager may also be deemed a Related Party to the Trust or the Partnership at any time, from time to time, that it holds 10% or more of the Trust Units or the LP Units, respectively.

The Property Manager

The Property Manager is responsible for managing all aspects of the operation of the Properties and is entitled to receive fees pursuant to the Property Management Agreement. Equiton Partners has been engaged by the Partnership to act as Property Manager. See "*Material Contracts – Property Management Agreement*".

All of the directors and senior officers of the Property Manager have been involved in a broad range of real estate activities over at least the past five (5) years.

The Property Manager, Equiton Partners, is a Related Party to the Issuers because Jason Roque, a Director and President of the General Partner, and Helen Hurlbut, a Trustee, are the Chief Executive Officer and the President & Chief Financial Officer, respectively, of Equiton Partners and Mr. Roque is the sole director of Equiton Partners. In addition, Mr. Roque indirectly, through wholly owned subsidiaries, controls Equiton Partners. See "*Interests of Trustees, General Partner, Management, Promoters and Principal Holders – Management Experience*" and "*Relationship between the Issuers, the Equiton Agent and Other Related Parties*".

Business

The Trust's Business

The Trust intends to qualify as a "mutual fund trust" for the purposes of the Tax Act. The Trust as been established to invest indirectly in the Properties and other investments held by the

Partnership from time to time through its acquisition of Class A LP Units. All or substantially all of the proceeds of the Offering of Class A Trust Units will be invested in the Partnership through the purchase of Class A LP Units in equal proportion to the number of Class A Trust Units issued in connection with the Offering.

The objectives of the Trust are (i) to maximize Trust Unitholders' value through strategic asset repositioning programs, and (ii) through the holding of Class A LP Units to maximize Trust Unit value through the ongoing management of the Partnership's assets and through the Partnership's future acquisitions of additional Properties.

In order to achieve its objectives, the Trust must successfully raise capital through the Offering for acquisitions of Class A LP Units to fund the Partnership's acquisitions of Properties.

Distributions will be determined by the Trustees in their sole discretion. Pursuant to the Declaration of Trust, the Trustees have full discretion respecting the timing and amounts of distributions, including the adoption, amendment or revocation of any distribution policy. It is the Trust's current intention to make distributions to Class A Trust Unitholders at least equal to the amount of Trust Income and Net Realized Capital Gains of the Trust as is necessary to ensure that the Trust will not be liable for non-refundable income taxes on such income under Part I of the Tax Act, although all or substantially all of such distributions may be paid in additional Class A Trust Units and may not be paid in cash.

The Partnership's Business

The Partnership is engaged in the acquisition, ownership and management of strategically located, multi-unit residential revenue-producing properties, including student housing.

The objectives of the Partnership are (i) to provide LP Unitholders growing investment returns from investments in a diversified portfolio of Properties; and (ii) to maximize LP Unit value through the ongoing management of the Partnership's assets and through the future acquisition of additional Properties.

In order to achieve its objectives, the Partnership must successfully raise capital through the sale of Class A LP Units (including sales of Class A LP Units to the Trust funded through the Offering of Class A Trust Units) for acquisitions of Properties.

Distributions will be determined by the General Partner in its sole discretion. Pursuant to the LP Agreement, the General Partner has full discretion respecting the timing and amounts of distributions, including the adoption, amendment or revocation of any distribution policy. In this regard, the Partnership generally intends to retain cash in order to further the operations of the Partnership and does not intend to pay regular distributions.

Management and Investment Strategies

The Partnership has engaged the Asset Manager to manage the assets of the Partnership and provide advice with respect to the Properties, including market analysis, acquisition, disposition and asset management advice.

The Asset Manager seeks to create mass for the Partnership's portfolio through acquisition and consolidation of markets where the opportunity exists for underperforming, value add and select developable properties. Acquisitions may include the development and construction of multi-unit

residential real estate properties. The personnel of the Asset Manager have significant experience in all aspects of the rental housing business, including acquisitions and dispositions, finance and administration, property management, project development, construction and renovation, and marketing and sales. The Asset Manager believes that these skills will permit the Partnership to capitalize upon many multi-unit residential real estate opportunities which may be unavailable to other real estate investors who lack the requisite diversity of real estate experience. The Asset Manager seeks to enhance the value of the Properties through a number of distinct and well executed strategies, including:

- **Customer Satisfaction**. The Asset Manager strives to keep all customers satisfied and as long-term tenants by creating an environment that is clean and comfortable. By developing a sense of community within the Properties through various programs, the Asset Manager seeks to reduce turnover and vacancy which will create demand for people wanting to live in the Partnership's buildings. Through the reduction in costs associated with turnover and through higher demand allowing increasing rents, net income will grow accordingly.

- **Maintenance and Repair Programs**. The Asset Manager is fundamentally driven by efficiencies and cost-effective programs that are accretive to the Partnership's short-term and long-term value. The Asset Manager believes that it has positioned the Partnership to take full advantage of efficiency programs and capital investments that will attract customers and enhance the value of the Partnership's portfolio.

- **Quality On-Site Building Staff**. The Asset Manager believes that the success of each Property from both a financial and customer satisfaction standpoint starts with the attitudes and work ethic of the on-site building staff. From being the first point of contact, to the ongoing attention to the customer's needs, the building staff represent the Partnership. As well as being attentive and dedicated, the Asset Manager will seek on-site staff that is skilled in many areas in order to reduce the requirement for outside trades to be required for ordinary day-to-day repairs and maintenance.

- **Detailed Financial Reporting**. The Asset Manager utilizes sophisticated financial tools to maximize the Partnership's income and measure the effectiveness of cost control and efficiency programs. The Property Manager and the Asset Manager disclose financial reporting to those involved who have a direct impact on the financial success and control of those particular incomes and expenses.

- **Strategic Debt Management**. The Asset Manager works diligently to seek out financing opportunities to optimize the Partnership's leveraged returns. The Asset Manager believes that attention to staggered maturities and terms, at leverage amounts set out under the Declaration of Trust, will ensure the Partnership's exposure to fluctuating interest rates over the short and long term are both minimized and utilized to benefit the Partnership. The Asset Manager makes use of operating lines of credit for capital expenditures and acquisitions to improve the returns of the Partnership.

- **Enhancement of the Partnership's Portfolio**. The Asset Manager is always looking at opportunities to maximize the Partnership's portfolio. The Asset Manager may consider opportunities including but not limited to condominium

conversion, utility retrofits, sub-metering and strategic upgrades as part of this strategy. Properties that are "mature" and are no longer adding value to the Partnership may be sold or repositioned if there is a market for an enhanced property. The Asset Manager will continue to diversify the Partnership's portfolio by purchasing properties in thriving communities that will seek to strengthen and insulate the Partnership from concerns that may arise in any one community.

- **Communications**. The Asset Manager will deliver concise and current information to existing LP Unit holders with respect to the activities within the Partnership's portfolio.

- ***Environmental, Social and Governance ("ESG") Strategy Integration***. The Asset Manager is committed to embedding its multi-year ESG road map into the Partnership's overall growth strategy. Supported by the Trustees and the Asset Manager's ESG Committee, the Asset Manager is dedicated to the advancement of a comprehensive ESG strategy to ensure continual improvement as a steward of the environment, real estate investor, community developer and employer, and to make progress as an ethically responsible forward-thinking organization. The integration of ESG into the Asset Manager's investment process sits primarily with the Asset Manager's Investment Committee and the Asset Manager's Operations Team. The Asset Manager's Investment Committee utilizes a proprietary ESG scorecard to formalize its approach to assessing and evaluating new acquisitions. This approach undertakes a fulsome analysis of ESG factors that, when combined with other non-ESG factors, aids in the understanding of the Partnership's investments including their risk profile. The Asset Manager's Operations Team supports the Partnership's ongoing commitment to providing and maintaining a working environment based on respect, dignity and the rights of everyone in the organization and, further, incorporating relevant ESG issues into the decision-making processes results in better risk assessment, better buildings for the communities served, increased transparency, and measured investment decisions for investors.

The Asset Manager believes that multi-unit residential properties offer an attractive investment opportunity with stability of yield, inflation protection characteristics and growth potential.

The Asset Manager believes that focusing on predominantly one asset class will enable the Partnership to acquire a critical mass of residential units and will also enable the Partnership to bolster its economies of scale, thereby enhancing the Partnership's opportunities for future multi-unit residential property acquisitions at attractive prices. As well, as the Partnership grows through the acquisition of new properties and the issuance of additional LP Units or other securities, the Partnership expects to increase the stability of its income stream and provide LP Unitholders with increased capital growth.

The Asset Manager expects to focus on multi-residential properties in the value-add, opportunistic, and repositioning categories for the purposes of driving capital appreciation through investment, as well as the strategic use of leverage and recycling of capital from accretive dispositions.

Given current market conditions, the Asset Manager will continue to concentrate on communities that have low vacancy levels, attractive economic prospects and strong population demographics that align with the class of multi-residential properties that are acquired by the Partnership. The

Asset Manager will also pursue opportunities in both secondary economic hubs and major metropolitan areas when it believes that the acquisitions are accretive to the Partnership and/or provide further opportunities for diversification.

Multi-Unit Residential Real Estate Market

The real estate industry is divided into two segments: (i) residential – where people live, and (ii) commercial. The Partnership's focus is on multi-residential properties where large numbers of individuals live in either apartment buildings or townhouses. This offers the Partnership the ability to diversify the income generated by its portfolio, and, in addition, allows the Partnership the opportunity to acquire properties that are primarily residential but may have a commercial component (mixed use).

With the portfolio consisting primarily of multi-residential real estate, rental revenue from each property is generated from a large and diverse mix of individual tenants. This large and diverse group minimizes the impact of losing any single tenant as compared to other real estate classes that are more reliant on key anchor tenants. This characteristic helps mitigate cyclical swings in the multi-residential real estate market, but the market is not immune to supply and demand imbalances. For this reason, and because the Asset Manager believes the three main drivers of rental demand are population growth, the higher cost of home ownership and changing demographics, the Asset Manager looks to acquire properties which may have one or more of the following characteristics: (i) located in economic hubs and metropolitan areas where population growth, lifestyle changes and the increasing cost of home ownership have been increasing the demand for rental units, which has helped to create lower vacancy rates and higher market rental rates, (ii) have in-place revenues that are below market levels and can be increased to market level through operational efficiencies and capital improvements, which in turn can create an increase in both operating income and property value, (iii) are in the value-add, opportunistic, and repositioning categories and substantially improve and/or reposition such assets to increase rental rates to market level, and (iv) located in areas that have an acquisition cost per unit that are below the cost to build new units, which the Asset Manager believes helps reduce the likelihood of new competitive construction and thereby restricts supply. In areas where there is new construction, the Asset Manager views such construction as an indicator that there is a market for more expensive units, which may translate into rental rate increases in the Partnership's buildings within that community and opportunities to improve value, reposition, develop or acquire newly-built properties that will be accretive to the portfolio.

Overall demand for residential rental accommodation has historically been high and the Asset Manager expects that such demand will continue into the foreseeable future. According to the CMHC 2025 Rental Market Survey, the national vacancy rate was 3.1%. Provincial vacancy rates reached 3.2% in Ontario, 4.3% in Alberta, and 3.5% in British Columbia. The Asset Manager monitors CMHC statistical data and forecasts as a benchmark tool when developing its investment objectives for the Partnership.[3] Even with recent changes to immigration policy, Canada's population is expected to grow. Population growth continues to underscore demand for rental accommodation. Home affordability remains a barrier for many Canadians, which supports the propensity to rent across most age groups for longer periods of time. Despite near-term improvements in affordability, these are expected to erode over time as income growth slows and the effects of interest rate cuts fade. Due to the importance of age on housing decisions, demographic shifts can have a profound impact on demand for different types of housing. The Asset Manager believes one prime renter demographic is the under-35 age group, an age group demographic in which the Asset Manager believes there is a prevailing trend for delaying major life decisions such as getting married, having children and purchasing a home in

favour of putting greater emphasis on career development and a more carefree lifestyle. Additionally, the Asset Manager believes the aging baby boomer generation is looking toward rental living in order to unlock the equity in their homes to fund retirement and to remove many of the burdens associated with home ownership.

The Asset Manager believes that there are significant barriers to the creation of multi-residential rental supply in many of the Asset Manager's target markets given the challenging economics of building new rental buildings, including but not limited to high development and construction costs. This barrier further limits the supply of more affordable rental suites as newly-built suites are often only economically feasible at the high-end segment of the market. In addition, the multi-residential rental sector is generally more management intensive relative to other real estate sectors, primarily due to short-term leases coupled with higher tenant turnover, large numbers of individual tenants, a heavily regulated rent and development environment, as well as the large number of capital projects required throughout the life of an asset. The foregoing factors contribute to making an institutional management platform a critical component for achieving income maximization, while also acting as a further barrier to entry for smaller market participants. There has been limited new purpose-built rental supply in the country and the Asset Manager believes that the growing demand coupled with a supply-constrained market creates a compelling investment opportunity for investors.

Development of the Business

The Trust was formed on February 4, 2026 pursuant to the Declaration of Trust and has not carried on any activities since its inception.

The Partnership was formed under the laws of the Province of Ontario on January 23, 2026 pursuant to the filing of a declaration of limited partnership and the entry into the LP Agreement, and has not carried on any active business since its inception other than entering into the material contracts set out in "*Material Contracts*" and the transactions described in this Offering Memorandum.

Equiton Loans and Redeemable LP Units

In the event that the available funds invested in the Partnership are not sufficient to complete future acquisitions or other activities of the Partnership, including funding its expenses, the Partnership may arrange the following forms of financing:

(a) Equiton Loans to the Partnership from Equiton Partners, its Affiliates or by other investment trusts managed by Equiton Partners, in order to fund the completion of future acquisitions or other activities of the Partnership. The terms and conditions of such Equiton Loans will be determined at the time of making such loans, however, the Trust anticipates such Equiton Loans will be interest only payable loans, with no fixed term, and will bear interest at a market rate, as determined by the Trustees at the time of issuance, payable monthly. Additionally, the Trust anticipates the Equiton Loans will be repayable to Equiton Partners, its Affiliates or by other investment trusts managed by Equiton Partners, as applicable, in cash or Redeemable LP Units (at the discretion of the applicable lender) and will be assignable by Equiton Partners, its Affiliates or by other investment trusts managed by Equiton Partners, as applicable; and

(b) the issuance of Redeemable LP Units to Equiton Partners. The Redeemable LP Units will have a subscription price per Redeemable LP Unit that is determined by the Trustees from time to time and set forth in the subscription agreement(s) entered into between Equiton Partners and the Partnership and will be redeemable, in whole or in part, at any time at the option of the Partnership at a price equal to the market value of such Redeemable LP Units, as determined by the General Partner from time to time. A holder of Redeemable LP Units will have the right to one (1) vote for each Redeemable LP Unit held in respect of all matters to be decided by the Limited Partners. Holders of Redeemable LP Units shall be entitled to receive distributions per Redeemable LP Unit equal to the distributions per Series F LP Unit. The Redeemable LP Units will rank equal with the Series F LP Unit in the event of liquidation of the Partnership. For each Redeemable LP Unit issued by the Partnership, the Trust shall issue to such recipient one (1) Special Voting Unit entitling such holder to one (1) vote per Special Voting Unit at a meeting of Trust Unitholders.

As at the date of this Offering Memorandum, no Redeemable LP Units are issued and outstanding.

Equiton Partners, as the Asset Manager, receives a Financing Fee in respect of any financing transaction involving any of the Properties, equal to: (i) 1.0% of the loan amount for each senior or first ranking financing transaction, (ii) 0.5% of the loan amount for each refinancing transaction with an existing lender, and (iii) up to 1.5% of the loan amount for each mezzanine or non-first ranking financing transaction. See "*Material Contracts – Asset Management Agreement – Asset Manager Fees*" and "*Relationship Between the Issuers, the Equiton Agent, and Other Related Parties*".

Long-Term Objectives

The Trust

The long-term objectives of the Trust are (i) to maximize Trust Unitholders' value through strategic asset repositioning programs, and (ii) through the holding of LP Units to maximize Trust Unit value through the ongoing management of the Partnership's assets and through the Partnership's future acquisitions of additional Properties. Distributions will be determined by the Trustees in their sole discretion. See "*The Issuers – The Trust's Business*".

In order to achieve its objectives, the Trust must successfully raise capital through the Offering for acquisitions of Class A LP Units to fund the Partnership's acquisitions of Properties.

The Partnership

The long-term objectives of the Partnership are (i) to provide LP Unitholders growing investment returns from investments in a diversified portfolio of Properties; and (ii) to maximize LP Unit value through the ongoing management of the Partnership's assets and through the future acquisition of additional Properties. Distributions will be determined by the General Partner in its sole discretion. See "*The Issuers – The Partnership's Business*".

In order to achieve its objectives, the Partnership must successfully raise capital through the sale of Class A LP Units (including sales of Class A LP Units to the Trust funded through the Offering of Class A Trust Units) for acquisitions of Properties.

Short-Term Objectives

The primary objective of the Issuers in the ensuing 12 months is to seek out Subscribers and close one or more Offerings. The Trust will invest funds raised by the Offering of Class A Trust Units in the Partnership by way of purchase of Class A LP Units. The Partnership will invest funds raised through sales of Class A LP Units to the Trust funded through offerings of Class A Trust Units and by the Offering of Class A LP Units in multi-unit residential revenue-producing properties.

The following table discloses how the Issuers intends to meet these objectives:

What we must do and how we will do it	Target completion date or, if not known, number of months to complete	Our cost to complete
1. Complete additional offerings of Units.	Periodically throughout the next 12 months	See "*Use of Available Funds*"

Insufficient Funds

If the available funds raised by the Issuers and, in respect of the Trust, invested in the Partnership are not sufficient to complete acquisitions or other activities of the Partnership, including funding its expenses, the Trust may arrange for Equiton Loans to the Partnership from Equiton Partners, its Affiliates or by other investment trusts managed by Equiton Partners and/or the issuance of Redeemable LP Units.

The terms and conditions of such Equiton Loans will be determined at the time of making such loans. However, the Trust anticipates such Equiton Loans will be interest only payable loans, with no fixed term, and will bear interest at a market rate, as determined by the Trustees at the time of issuance, payable monthly. Additionally, the Trust anticipates that the Equiton Loans will be repayable to Equiton Partners, its Affiliates or by other investment trusts managed by Equiton Partners, as applicable, in cash or Redeemable LP Units (at the discretion of the applicable lender) and will be assignable by Equiton Partners, its Affiliates or by other investment trusts managed by Equiton Partners, as applicable. See "*The Issuers – Equiton Loans and Redeemable LP Units*".

Term and Termination of the Issuers

The Trust

Unless the Trust is terminated earlier pursuant to the terms of the Declaration of Trust, the Trust will continue in full force and effect so long as any Trust Property is held by the Trustees, and the Trustees will have all the powers and discretions, expressed and implied, conferred upon them by Applicable Law or by the Declaration of Trust.

The Trust may be terminated by the vote of at least two-thirds of the votes cast at a special meeting of Trust Unitholders called for that purpose.

In addition, the Trustees may at any time, if, in their opinion, it is no longer economically feasible to continue the Trust and/or it would otherwise be in the best interests of Trust Unitholders to terminate the Trust, terminate and dissolve the Trust by giving to each then Trust Unitholder written notice of its intention to terminate the Trust at least 90 days before the date on which the Trust is to be terminated.

Upon the termination of the Trust, the liabilities of the Trust shall be discharged with due speed, the net Trust Property shall be liquidated and the proceeds distributed to the Trust Unitholders in accordance with their entitlements as provided in the Declaration of Trust. Such distribution may be made in cash or in kind or partly in each, all as the Trustees in their sole discretion may determine.

The Partnership

Subject to the LP Agreement, unless otherwise agreed by the parties to the LP Agreement, the Partnership will terminate on the occurrence of any of the following events:

(a) the removal or deemed removal of a sole general partner unless such general partner is replaced as provided for in the LP Agreement;

(b) the sale, exchange or other disposition of all or substantially all of the assets of the Partnership, if approved by a Special Resolution in accordance with the LP Agreement;

(c) the passage of a Special Resolution approving the dissolution of the Partnership; and

(d) the date of dissolution caused by operation of law.

MATERIAL CONTRACTS

Declaration of Trust

The following is a summary only of certain of the provisions of the Declaration of Trust and the Trust Units. This summary is qualified in its entirety by reference to the provisions of the Declaration of Trust, a copy of which can be obtained by contacting investors@equiton.com. Capitalized terms used in this section but not defined have the meaning given to them in the Declaration of Trust.

General

The Trust is a limited purpose unincorporated, open-ended investment trust. The Trust is governed by the general law of trusts, except as such general law of trusts has been or is from time to time modified, altered or abridged for the Trust by:

(a) Applicable Laws; and

(b) the terms, conditions and trusts set forth in the Declaration of Trust.

The Trust was established for the purpose of qualifying as a “mutual fund trust” pursuant to the Tax Act and to establish and carry on activities in order to produce income for the exclusive benefit

of the Trust Unitholders and to distribute the property of the Trust upon termination of those activities by the Trust.

Trustees

The Declaration of Trust provides for a minimum of two (2) and a maximum of nine (9) Trustees. Equiton Partners is entitled to appoint up to four (4) Equiton Partners Appointees as Trustees, provided that following such appointments, a majority of the Trustees are Independent Trustees. The Trustees (other than the Equiton Partners Appointees) shall be elected at a meeting of Trust Unitholders or in the absence of a meeting of Trust Unitholders, shall be appointed by the remaining Trustees. An Independent Trustee may be removed at any time with or without cause by a majority of the remaining Trustees. Certain decisions respecting the affairs of the Trust must be made by the Independent Trustees. The board of Trustees is currently comprised of Helen Hurlbut, Richard Austin and Jonathan Pinto. Helen Hurlbut is an Equiton Partners Appointee and is not an Independent Trustee. Richard Austin and Jonathan Pinto are Independent Trustees.

Conflict of Interest Restrictions and Provisions

The Declaration of Trust contains "**conflict of interest**" provisions. Given that the Trustees and senior officers of the Trust are engaged in a wide range of real estate and other activities, the Declaration of Trust contains provisions for a Trustee or officer of the Trust or any of their respective Affiliates or Associates that state:

A "**Conflict of Interest Matter**" shall mean a situation where a reasonable person would consider a Trustee or an officer of the Trust, or an entity related to a Trustee or an officer of the Trust, to have an interest that may conflict with such Trustee's or officer's ability to act in good faith and in the best interest of the Trust (or as the term "Conflict of Interest Matter" may be amended in Section 1.2(a) of NI 81-107 from time to time) and shall include, but not be limited to, situations where such officer or Trustee: (i) is a party to a material contract or transaction (as determined by the Trustees acting reasonably), whether made or proposed, with the Trust or any of its Subsidiaries or Affiliates (a "**Material Transaction**"); or (ii) is a director, trustee or officer of, or otherwise has a material interest in, any Person or any Affiliate, Related Party or Subsidiary of any Person who is a party to a Material Transaction. In connection with any Conflict of Interest Matter, the conflicted Trustee or officer shall disclose in writing to the Trustees or request to have entered into the minutes of a meeting of the Trustees, the nature and extent of the conflict as follows and as set out in Section 4.7 of the Declaration of Trust:

(a) the disclosure required in the case of a Trustee shall be made:

(i) at the meeting of Trustees or the applicable committee thereof, as the case may be, at which a Conflict of Interest Matter is first considered;

(ii) if such Trustee was not then interested in a Conflict of Interest Matter, at the first such meeting after he or she becomes so interested;

(iii) if such Trustee becomes interested after an agreement pertaining to the Conflict of Interest Matter is entered into, at the first such meeting after he or she becomes so interested; or

(iv) if an individual who is interested in a Material Transaction later becomes a Trustee, at the first such meeting after he or she becomes a Trustee;

(b) the disclosure required in the case of an officer of the Trust, who is not a Trustee, shall be made:

(i) forthwith after such officer becomes aware that the Conflict of Interest Matter is to be considered or has been considered at a meeting of the Trustees, or the applicable committee thereof, as the case may be;

(ii) if such officer becomes interested after an agreement pertaining to the Conflict of Interest Matter is entered into, forthwith after such officer becomes aware that he has become so interested; or

(iii) if an individual who is interested in a Conflict of Interest Matter later becomes an officer of the Trust, forthwith after such individual becomes an officer of the Trust;

(c) notwithstanding paragraphs (a) and (b) above, (i) the holding of Trust Units, LP Units or Preferred Units by Equiton Partners or any of its Affiliates shall not be deemed to be a Conflict of Interest Matter, and (ii) if a matter is one that, in the ordinary course of the affairs of the Trust, would not require approval by the Trustees or the Trust Unitholders, if such matter is a "Conflict of Interest Matter", the conflicted Trustee or officer of the Trust shall disclose, in writing to the Trustees or applicable committee thereof, as the case may be, the nature and extent of his or her interest immediately after he or she becomes aware of the Conflict of Interest Matter and such matter shall be put before the Independent Trustees for approval in accordance with unanimous approval requirements, as described in "– *Independent Trustee Matters*" below.

(d) a Trustee referred to in Section 4.7 of the Declaration of Trust shall not vote on any resolution to approve the Conflict of Interest Matter unless the Conflict of Interest Matter is:

(i) one relating primarily to his or her remuneration as a Trustee, officer, employee or agent of the Trust; or

(ii) one for indemnity under Section 14.1 of the Declaration of Trust or the purchase of liability insurance;

(e) for the purposes hereof, a general notice to the Trustees by a Trustee or an officer of the Trust disclosing the basis of a conflict, such as that he or she is a director, trustee or officer of, or has a material interest in, any Person or any Affiliate, Related Party or Subsidiary of any Person and is to be regarded as interested in any Conflict of Interest Matter entered into or which may be entered into, is a sufficient disclosure of interest in relation to any Conflict of Interest Matter so made or entered into or which may be made or entered into, provided that such general notice is delivered to the principal office and centre of administration of the Trust and to each Trustee personally. In the event that a meeting of the Trust Unitholders is called to confirm or approve a Conflict of Interest Matter which is the subject of a general notice to the Trustees, the nature and extent of the interest in the Conflict of Interest Matter of such Trustee or officer giving such general notice shall be disclosed in reasonable detail in the notice calling the said meeting of the Trust

Unitholders or in any information circular to be provided in accordance with the Declaration of Trust or Applicable Law;

(f) where a Conflict of Interest Matter is entered into between the Trust and a Trustee or an officer of the Trust, or between the Trust and another Person or any Affiliate, Related Party or Subsidiary of such other Person in which a Trustee or an officer of the Trust has a material interest:

(i) such Trustee or officer of the Trust is not accountable to the Trust or to the Trust Unitholders for any profit or gain realized from the Conflict of Interest Matter; and

(ii) the Conflict of Interest Matter is neither void nor voidable,

by reason only of that relationship or by reason only that such Trustee or officer is present at or is counted to determine the presence of a quorum at the meeting of the Trustees or a committee that authorized the Conflict of Interest Matter, if such Trustee or officer of the Trust disclosed his or her interest in accordance with Section 4.7 of the Declaration of Trust, and the Conflict of Interest Matter was reasonable and fair to the Trust at the time it was approved;

(g) notwithstanding anything in Section 4.7 of the Declaration of Trust, but without limiting the effect of paragraph (f) above, a Trustee or an officer of the Trust, acting honestly and in good faith, is not accountable to the Trust or to the Trust Unitholders for any profit or gain realized from any such Conflict of Interest Matter by reason only of the disclosed relationship, and the Conflict of Interest Matter, if it was reasonable and fair to the Trust at the time it was approved, is not by reason only of such Trustee's or officer's interest therein void or voidable, where:

(i) the Conflict of Interest Matter is confirmed or approved at a meeting of the Trust Unitholders duly called for that purpose; and

(ii) the nature and extent of such Trustee's or officer's interest in the Conflict of Interest Matter are disclosed in reasonable detail in the notice calling the meeting or in any information circular to be provided in accordance with the Declaration of Trust or Applicable Law; and

(h) subject to paragraphs (f) and (g) above, where a Trustee or an officer of the Trust fails to disclose his or her interest in a Conflict of Interest Matter in accordance with the Declaration of Trust or otherwise fails to comply with Section 4.7 of the Declaration of Trust, the Trustees or any Trust Unitholder, in addition to exercising any other rights or remedies in connection with such failure exercisable at law or in equity, may apply to a court for an order setting aside the Conflict of Interest Matter and directing that such Trustee or officer account to the Trust for any profit or gain realized.

Independent Trustee Matters

Notwithstanding anything herein to the contrary, in addition to requiring the approval of a majority of the Trustees, the unanimous approval of the Independent Trustees holding office at such time who have no interest in the matter (given by vote at a meeting of Trustees or by written consent)

shall be required with respect to any decision to approve a Conflict of Interest Matter, including, but not limited to:

(a) entering into any agreement or transaction in which any Related Party has a material interest or making a material change to any such agreement or transaction;

(b) relating to a claim by or against any Related Party;

(c) relating to a claim in which the interests of a Related Party differ from the interests of the Trust;

(d) to permit the Partnership to acquire any real or other property in which a Related Party has an interest or to sell any interest in any real or other property to a Related Party;

(e) granting Trust Units under any unit incentive or unit compensation plan approved by the Trustees and, if required, by the Trust Unitholders, or awarding any right to acquire or other right or interest in the Trust Units or securities convertible into or exchangeable for Trust Units under any plan approved by the Trustees and, if required, by the Trust Unitholders;

(f) to approve or enforce any agreement entered into by the Trust or its Subsidiaries or Related Parties with a Trustee who is not an Independent Trustee or an Associate thereof, with another Subsidiary or Related Party;

(g) authorizing the Trustees to change the number of Trustees from time to time; and

(h) determining the compensation of any officer or employee of the Trust.

Notwithstanding the foregoing, no Conflict of Interest Matter may be approved unless there are at least two (2) Independent Trustees permitted to vote on such matter, and no Conflict of Interest Matter may be approved without unanimous consent of all Independent Trustees permitted to vote on such matter.

Additionally, pursuant to the Declaration of Trust, the Trust must deliver to Trust Unitholders a report of the Independent Trustees regarding their review and approval of any Conflict of Interest Matters during the prior fiscal year along with the audited financial statements delivered to Trust Unitholders.

Finance Committee

The Declaration of Trust provides that the Trustees may appoint a Finance Committee, consisting of at least three (3) Trustees, the majority of whom shall be Independent Trustees and Resident Canadians.

The Finance Committee shall:

(a) review the Trust's procedures for internal control with the Asset Manager and Chief Financial Officer of the Trust;

(b) review the engagement and approve the appointment of the Auditors;

(c) review and recommend to the Trustees for their approval annual and quarterly financial statements and management's discussion and analyses of financial condition and results of operation;

(d) assess the Trust's financial and accounting personnel; and

(e) review any significant transactions outside the Trust's ordinary activities and all pending litigation involving the Trust.

The Auditors are entitled to receive notice of every meeting of the Finance Committee and, at the expense of the Trust, to attend and be heard thereat and, if so requested by a member of the Finance Committee, shall attend any meeting of the Finance Committee held during the term of office of the Auditors. Questions arising at any meeting of the Finance Committee shall be decided by a majority of the votes cast. Decisions may be taken by written consent signed by all of the members of the Finance Committee. The Auditors or a member of the Finance Committee may call a meeting of the Finance Committee on not less than 48 hours' notice.

Additional Committees

The Declaration of Trust provides that the Trustees may create such Additional Committees as they, in their discretion, determine to be necessary or desirable for the purposes of properly governing the affairs of the Trust; provided that the majority of the members of any Additional Committee must be Resident Canadians. Further, the Trustees may not delegate to any such Additional Committees any powers or authority in respect of which a board of directors of a corporation governed by the *Business Corporations Act* (Ontario), as amended from time to time, may not delegate.

Remuneration of Trustees and Senior Officers

The Trustees are paid such compensation for their services as the Trustees may from time to time unanimously determine. Trustees who are employed by and receive a salary from the Trust will not receive any remuneration from the Trust for serving as a Trustee other than reimbursement of expenses. See "*Interests of Trustees, General Partner, Management, Promoters and Principal Holders – Compensation and Securities Held*".

Trust Units

The beneficial interests in the Trust, other than the Initial Unit, are divided into interests of multiple Classes, described as "Class A Trust Units", "Special Voting Units" and such other classes of units of the Trust as may be created by the Trustees, and issuable in an unlimited number of Series of each Class. The Class A Trust Units are divided into different Series, described as "Series A-FL Trust Units", "Series A-LL Trust Units", "Series C Trust Units", "Series E Trust Units", "Series F Trust Units" and "Series I Trust Units".

The Trust is authorized to create and issue Preferred Units; provided, however, that the Trustees shall not cause the Trust to issue Preferred Units without having first obtained either (a) a favourable (as determined in the sole discretion of the Trustees acting reasonably based on the advice of counsel) advance tax ruling from the Canada Revenue Agency, or (b) a favourable opinion of legal counsel acceptable to the Trustees.

The number of Trust Units, which the Trust may issue, is unlimited. Trust Units shall be issued only as fully paid and non-assessable. Each Trust Unit when issued shall vest indefeasibly in the holder thereof. The issued and outstanding Trust Units may be subdivided or consolidated from time to time by the Trustees with the approval of the majority of the Trust Unitholders, or as otherwise provided in Section 6.6 of the Declaration of Trust. The Trust Units are not "deposits" within the meaning of the *Canada Deposit Insurance Corporation Act* and are not insured under the provisions of such act or any other legislation.

The Trustees are authorized to, in their discretion, apply to list any or all of the Series of Class A Trust Units, including any newly created Series of Class A Trust Units, on a designated exchange (such listed Class A Trust Units, the "**Listed Units**") and provide Class A Trust Unitholders with a right to redesignate any non-listed Class A Trust Units at the option of the Class A Trust Unitholder into Listed Units.

The Special Voting Units are a Class of non-participating special voting units of the Trust that have no economic entitlement in the Trust or in distributions or assets of the Trust but entitle the holders thereof to one (1) vote per Special Voting Unit. Special Voting Units may only be issued in connection with or in relation to Redeemable LP Units, for the purpose of providing such voting rights with respect to the Trust to the holders of such securities. Special Voting Units will be issued in conjunction with the Redeemable LP Units to which they are related, and will be evidenced only by the certificates representing such Redeemable LP Units. Special Voting Units will not be transferable separately from the Redeemable LP Units to which they are attached and will be automatically transferred upon the transfer of such Redeemable LP Units. Upon redemption of a Redeemable LP Unit by the Partnership, the Special Voting Unit attached to such Redeemable LP Unit will automatically be redeemed and cancelled for no consideration without any further action of the Trustees, and the former holder of such Special Voting Unit will cease to have any rights with respect thereto. Special Voting Units will not be entitled to the redemption rights available to Class A Trust Units.

As of the date hereof, only the Initial Unit is issued and outstanding.

Purchase of Trust Units

The Trust shall be entitled to purchase for cancellation at any time the whole or from time to time any part of the outstanding Trust Units, at a price per Trust Unit and on a basis determined by the Trustees in compliance with all Applicable Laws.

Transfer of Trust Units

Pursuant to the Declaration of Trust, Class A Trust Unitholders may transfer their Class A Trust Units subject to compliance with applicable securities laws and the Declaration of Trust.

Special Voting Units will not be transferable separately from the Redeemable LP Units to which they are attached and will be automatically transferred upon the transfer of such Redeemable LP Units.

Redemption of Class A Trust Units

Pursuant to the Declaration of Trust, each Class A Trust Unitholder is entitled to require the Trust to redeem at any time or from time to time at the demand of the Class A Trust Unitholder all or

any part of the Class A Trust Units registered in the name of the Class A Trust Unitholder at the prices determined and payable in accordance with the following conditions:

(a) To exercise a Class A Trust Unitholder's right to require redemption, a duly completed and properly executed Redemption Notice shall be sent to the Trust at its head office. The Redemption Notice must be received no later than 90 days before the Redemption Date to be considered for that particular Redemption Date. If a minimum of 90 days' notice is not given, the Trustees will not be required to consider redeeming the Class A Trust Units until the next subsequent Redemption Date. No form or manner of completion or execution shall be sufficient unless the same is in all respects satisfactory to the Trustees and is accompanied by any further evidence that the Trustees may reasonably require with respect to the identity, capacity or authority of the Person giving the Redemption Notice.

(b) As of the Redemption Date, upon the payment of the Redemption Amount, plus the pro rata share of any unpaid distributions declared on the Class A Trust Units to be redeemed and paid prior to the Redemption Date, the Class A Trust Unitholder shall thereafter cease to have any rights with respect to the Class A Trust Units tendered for redemption (other than to receive the Redemption Amount therefor) including ceasing to have the right to receive any distributions thereon which are declared payable to the Class A Trust Unitholders of record on a date which is subsequent to the Redemption Date. Class A Trust Units shall be considered to be tendered for redemption on the Redemption Date, provided that the Trust has, to the satisfaction of the Trustees, received the Redemption Notice and other required documents or evidence as aforesaid.

(c) Upon receipt by the Trust of the Redemption Notice in accordance with Section 6.26 of the Declaration of Trust, the holder of the Class A Trust Units tendered for redemption shall be entitled to receive the Redemption Amount.

(d) Subject to Paragraph (e) below, the Redemption Amount payable in respect of the Class A Trust Units tendered for redemption during any calendar quarter shall be paid on the Redemption Date by cheque payable to or to the order of the Class A Trust Unitholder entitled to receive payment hereunder, by electronic funds transfer or by such other manner of payment approved by the Trustees from time to time. Payment of the Redemption Amount is conclusively deemed to have been made upon the mailing of a cheque in a postage prepaid envelope addressed to the Person who redeemed the Class A Trust Units, unless such cheque is dishonoured upon presentment. Upon such payment, the Trust shall be discharged from all liability to the Person who redeemed the Class A Trust Units in respect of the Class A Trust Units so redeemed.

(e) Paragraph (d) above shall not be applicable to Class A Trust Units tendered for redemption by a Class A Trust Unitholder, if the total amount payable by the Trust pursuant to Paragraph (c) above in respect of such Class A Trust Units and all other Class A Trust Units tendered for redemption prior thereto in the same calendar quarter exceeds the Quarterly Limit; provided that the Trustees may, in their sole discretion, increase such Quarterly Limit in respect of all Class A Trust Units tendered for redemption in any calendar quarter.

(f) If, pursuant to Paragraph (e) above, Paragraph (d) is not applicable to the Class A Trust Units tendered for redemption by a Class A Trust Unitholder, the Redemption Amount to which the Class A Trust Unitholder would otherwise be entitled shall be paid and satisfied as follows:

(i) a portion of the Redemption Amount equal to the Quarterly Limit divided by the total number of Class A Trust Units tendered by all Class A Trust Unitholders for redemption in the calendar quarter times the number of Class A Trust Units tendered for redemption by a Class A Trust Unitholder shall be paid and satisfied in cash, in accordance with Paragraph (d) applied *mutatis mutandis*; and

(ii) the remainder of the Redemption Amount shall be paid and satisfied by way of the issuance to the Class A Trust Unitholder of one or more Redemption Notes, in accordance with Paragraph (g) below.

Upon such payment or satisfaction of the Redemption Amount in accordance with Paragraph (f)(i) and (f)(ii) above, the Trust shall be discharged from all liability to the Class A Trust Unitholder or former Class A Trust Unitholder in respect of the Class A Trust Units so redeemed.

(g) The Redemption Price for Class A Trust Units paid by the Trust may not be paid in cash in certain circumstances but instead may be satisfied through the issuance of a Redemption Note by the Trust. If Paragraph (f) above is applicable to some or all of the Class A Trust Units tendered for redemption by a Class A Trust Unitholder, the Trust shall, subject to receipt of all necessary regulatory approvals, issue to the Class A Trust Unitholder a Redemption Note having a principal amount equal to the Redemption Amount minus the cash paid or payable to the Class A Trust Unitholder pursuant to Paragraph (f)(i) above. The Redemption Note shall bear interest at a market rate, as determined by the Trustees at the time of issuance, and such interest shall be payable in cash to the holder of the Redemption Note in the same manner as distributions under the Declaration of Trust, *mutatis mutandis*. Subject to Applicable Laws, the Redemption Note shall be issued to or to the order of the Class A Trust Unitholder on or before the last day of the calendar quarter following the quarter in which the Class A Trust Units were tendered for redemption. A Redemption Note may be tendered for payment in the same manner as Class A Trust Units are tendered for redemption, and Paragraphs (a), (d), (e) and (f) above shall apply thereto, *mutatis mutandis*.

(h) All Class A Trust Units which are redeemed in accordance with the foregoing paragraphs shall be cancelled and such Class A Trust Units shall no longer be outstanding and shall not be reissued.

Following the listing of the Listed Units, the Redemption Price that a holder of Class A Trust Units tendered for redemption shall be entitled to receive shall be amended, such that the Redemption Price will equal 95% of the volume-weighted average trading price per Listed Unit on the principal exchange or market on which the Listed Units are listed or quoted for trading during the period of 10 consecutive days ending on the Redemption Date.

The Declaration of Trust provides that all or a portion of any capital gains realized by the Trust in connection with redemptions of Class A Trust Units may, at the discretion of the Trustees, be

treated as having been paid or made payable to the redeeming Class A Trust Unitholder. The Trustees intend, to the extent possible, to administer the redemption of Class A Trust Units in such a manner that no deduction by the Trust should be denied under the ATR Rule. See "*Certain Canadian Federal Income Tax Consideration – Taxation of the Trust*".

Take-Over Bids

If there is a Take-Over Bid for all of the outstanding Trust Units and, within the time limited in a Take-Over Bid for its acceptance, or 120 days after the date of such Take-Over Bid, whichever period is the shorter, the Take-Over Bid is accepted by the holders of not less than 90% of the Trust Units (including Trust Units issuable upon the surrender or exchange of any securities for Trust Units but not including any such securities held at the date of the Take-Over Bid by or on behalf of the Offeror or Affiliates or Associates of the Offeror), other than Trust Units held at the date of the Take-Over Bid by or on behalf of the Offeror or an Affiliate or Associate of the Offeror, then the Offeror shall be entitled, on complying with Section 6.28 of the Declaration of Trust, to acquire the Trust Units held by the Dissenting Offerees.

An Offeror may acquire the Trust Units held by a Dissenting Offeree by sending to each Dissenting Offeree a notice within 60 days after the date of termination of the Take-Over Bid with the information prescribed in the Declaration of Trust. A Dissenting Offeree shall within 10 days after receiving such notice, transfer such Trust Units to the Trust. Within 10 days after the Offeror sends such notice, the Offeror shall pay to the Trust the consideration that would have had to be paid to such Dissenting Offeree if such Dissenting Offeree had accepted the Take-Over Bid.

Within 30 days after the Offeror's notice to Dissenting Offerees, if the consideration has been paid to the Trust, the Trust shall:

(a) issue to the Offeror a certificate in respect of the Trust Units that were held by Dissenting Offerees;

(b) give to each Dissenting Offeree who sends or delivers his or her Trust Units the money or other consideration to which the Offeree is entitled, disregarding fractional Trust Units, if any, which may be paid for in money; and

(c) send to each Dissenting Offeree who has not sent Trust Unit certificates a notice stating that:

  (i) the Dissenting Offeree's Trust Units have been cancelled,

  (ii) the Trust or some designated Person holds in trust for the Dissenting Offeree the money or other consideration to which the Dissenting Offeree is entitled as payment for or in exchange for the Trust Units, and

  (iii) the Trust will send that money or other consideration to that Offeree without delay after receiving the Trust Units.

Redesignation of Trust Units

At the option of the Trustees, a Series of Trust Units may be redesignated into another Series of the same Class. In the case of any redesignation of a Series, following the redesignation the Trust Unitholder will hold the number of Trust Units of the Series the aggregate net asset value of which

is equal to the aggregate net asset value of the Trust Units of the Series to be redesignated, both as determined at the time of redesignation. For certainty, Trust Units of a Series redesignated into Trust Units of another Series of the same Class are not thereby redeemed or cancelled and the person holding such redesignated Trust Units shall receive no proceeds of disposition.

Following the listing of the Listed Units, Class A Trust Unitholders will be provided a right to redesignate any non-listed Class A Trust Units at the option of the Class A Trust Unitholder into Listed Units.

Meetings of Trust Unitholders

Annual meetings of Trust Unitholders shall not be required. The Trustees shall have power at any time to call special meetings of the Trust Unitholders at such time and place in Canada as the Trustees may determine. The Trust Unitholders holding in the aggregate not less than 10% of the votes attaching to all outstanding Trust Units (on a fully-diluted basis) may requisition the Trustees in writing to call a special meeting of the Trust Unitholders for the purposes stated in the requisition. The requisition must state in reasonable detail the business proposed to be transacted at the meeting and shall be sent to each of the Trustees and to the principal office of the Trust. The Trust Unitholders have the right to obtain a list of the Trust Unitholders to the same extent and upon the same conditions as those which apply to shareholders of a corporation governed by the *Business Corporations Act* (Ontario). Trust Unitholders may attend and vote at all meetings of Trust Unitholders either in person or by proxy.

Issuance of Trust Units

The Trustees may allot and issue Trust Units at such time or times and in such manner (including pursuant to any plan from time to time in effect relating to reinvestment by the Class A Trust Unitholders of distributions of the Trust in Class A Trust Units) and to such Person, Persons or class of Persons as the Trustees in their sole discretion shall determine. The price or the value of the consideration for which Trust Units may be issued and the terms and conditions of issuance of the Trust Units shall be determined by the Trustees in their sole discretion, generally (but not necessarily) in consultation with investment dealers or brokers who may act as underwriters in connection with offerings of Trust Units. In the event that Trust Units are issued in whole or in part for a consideration other than money, the resolution of the Trustees allotting and issuing such Trust Units shall express the fair equivalent in money of the other consideration received.

Limitation on Non-Resident Ownership

The Trust was not established and is not maintained primarily for the benefit of one or more non-resident persons within the meaning in the Tax Act. At no time may any Trust Units then outstanding be held by or for the benefit of Persons who are not Resident Canadians (the "**Non-Resident Beneficiaries**"). The Trustees may require declarations as to the jurisdictions in which beneficial owners of Trust Units are resident or declarations from Trust Unitholders as to whether such Trust Units are held for the benefit of Non-Resident Beneficiaries. If the Trustees become aware that any Trust Units then outstanding are, or may be, held by or for the benefit of Non-Resident Beneficiaries or that such a situation is imminent, the Trustees may make a public announcement thereof and shall not accept a subscription for such Trust Units from or issue or register a transfer of such Trust Units to a Person unless the Person provides a declaration that the Person is not a non-resident of Canada (or, in the discretion of the Trustees, that the Person is not a Non-Resident Beneficiary) and does not hold his or her Trust Units for a Non-Resident Beneficiary.

If the Trustees determine that any Trust Units then outstanding are held by or for the benefit of Non-Resident Beneficiaries, the Trustees may send a notice to non-resident Trust Unitholders and holders of Trust Units for Non-Resident Beneficiaries requiring them to sell or redeem their Trust Units or a portion thereof within a specified period of not more than 30 days.

If the Trust Unitholders receiving such notice have not sold or redeemed the specified number of Trust Units or provided the Trustees with satisfactory evidence that they are not Non-Residents and do not hold their Trust Units for the benefit of Non-Resident Beneficiaries within such period, the Trustees may sell or redeem such Trust Units on behalf of such Trust Unitholders (and the Trustees shall have the power of attorney of such Trust Unitholders to do so) and, in the interim, the voting and distribution rights, if any, attached to such Trust Units shall be suspended. Upon such sale the affected Trust Unitholders shall cease to be Trust Unitholders and their rights shall be limited to receiving the net proceeds of sale upon surrender of such Trust Units. In any situation where it is unclear whether Trust Units are held for the benefit of Non-Resident Beneficiaries, the Trustees may exercise their discretion in determining whether such Trust Units are or are not so held, and any such exercise by them of their discretion shall be binding on the relevant Trust Unitholders.

Reporting to Trust Unitholders

The Trustees shall provide Trust Unitholder with annual audited financial statements for the Trust prepared in accordance with generally accepted accounting principles within 120 days of the Trust's fiscal year end.

On or before March 31 in each year, the Trust will provide to Trust Unitholders who received distributions from the Trust in the prior calendar year, such information regarding the Trust required by Canadian law to be submitted to Trust Unitholders for income tax purposes to enable Trust Unitholders to complete their tax returns in respect of the prior calendar year.

Amendments to Declaration of Trust by Trustees

A majority of all Trustees including a majority of the Independent Trustees may, without the approval of the Trust Unitholders, make certain amendments to the Declaration of Trust, including amendments:

(a) for the purpose of ensuring continuing compliance with Applicable Laws (including the Tax Act), regulations, requirements or policies of any Governmental Authority having jurisdiction over: (1) the Trustees or over the Trust; (2) the status of the Trust as a "mutual fund trust" under the Tax Act; or (3) the distribution of Trust Units;

(b) which, in the opinion of the Trustees, acting reasonably, are necessary to maintain the rights of the Trust Unitholders set out in the Declaration of Trust;

(c) to remove any conflicts or inconsistencies in the Declaration of Trust or to make minor corrections which are, in the opinion of the Trustees, necessary or desirable and not prejudicial to the Trust Unitholders;

(d) which, in the opinion of the Trustees, are necessary or desirable as a result of changes in taxation or other laws or the administration or enforcement thereof;

(e) for any purpose (except one in respect of which a Trust Unitholder vote is specifically otherwise required) which, in the opinion of the Trustees, is not prejudicial to the Trust Unitholders and are necessary or desirable;

(f) deemed necessary or advisable to ensure that the Trust has not been established nor maintained primarily for the benefit of persons who are not Resident Canadians;

(g) to include the terms of such other Classes or Series of Trust Units or series of Preferred Units which may be created by the Trustees in their discretion in accordance with the Declaration of Trust;

(h) to implement any distribution reinvestment plan or any amendments thereto; and

(i) which, in the opinion of the Trustees, acting reasonably, and notwithstanding any other provision of this Declaration of Trust, are necessary or desirable to list any or all of the Series of Class A Trust Units, including any newly created Series of Class A Trust Units, on a designated exchange.

In no event may the Trustees amend the Declaration of Trust without the approval of Trust Unitholders by Ordinary Resolution if such amendment would (i) amend Article 12 (Amendments to the Declaration of Trust) of the Declaration of Trust; (ii) amend the Trust Unitholders' voting rights; or (iii) cause the Trust to fail or cease to qualify as a "mutual fund trust" under the Tax Act or to be subject to tax under Part XII.2 of the Tax Act.

Amendments to Declaration of Trust by Trust Unitholders

Subject to the other provisions of the Declaration of Trust, the Declaration of Trust may be amended only by Ordinary Resolution of the Trust Unitholders. Without limiting the generality of the foregoing, the following amendments must be approved by Special Resolution of the Trust Unitholders:

(a) an exchange, reclassification or cancellation of all or part of the Trust Units;

(b) the addition, change or removal of the rights, privileges, restrictions or conditions attached to the Trust Units including, without limiting the generality of the foregoing;

  (i) the removal or change of rights to distributions; or

  (ii) the addition or removal of or change to conversion privileges, redemption privileges, voting, transfer or pre-emptive rights;

(c) the creation of new rights or privileges attaching to the Trust Units; and

(d) any change to the existing constraints on the issue, transfer or ownership of the Trust Units.

In addition, the Trustees will not agree to any amendment to the LP Agreement requiring either an Ordinary Resolution or a Special Resolution of the LP Unitholders without the corresponding approval of the Trust Unitholders.

Term and Termination

Unless the Trust is terminated earlier pursuant to the terms of the Declaration of Trust, the Trust will continue in full force and effect so long as any Trust Property is held by the Trustees, and the Trustees will have all the powers and discretions, expressed and implied, conferred upon them by Applicable Law or by the Declaration of Trust.

The Trust may be terminated by the vote of at least two-thirds of the votes cast at a special meeting of Trust Unitholders called for that purpose.

In addition, the Trustees may at any time, if, in their opinion, it is no longer economically feasible to continue the Trust and/or it would otherwise be in the best interests of Trust Unitholders to terminate the Trust, terminate and dissolve the Trust by giving to each then Trust Unitholder written notice of its intention to terminate the Trust at least 90 days before the date on which the Trust is to be terminated.

Upon the termination of the Trust, the liabilities of the Trust shall be discharged with due speed, the net Trust Property shall be liquidated and the proceeds distributed to the Trust Unitholders in accordance with their entitlements as provided in the Declaration of Trust. Such distribution may be made in cash or in kind or partly in each, all as the Trustees in their sole discretion may determine.

Distribution Policy

The Declaration of Trust provides that the Trust may distribute to the Class A Trust Unitholders on or about each Distribution Date such percentage of the Trust Distributable Income (other than capital gains, the tax on which may be recoverable by the Trust) for the Distribution Period then ended, and such other amounts (e.g., returns of capital), as the Trustees may determine in their discretion.

In addition to the foregoing, the total amount of distributions made payable by the Trust on or before December 31 of any calendar year or the end of any other taxation year calculated in accordance with the provisions of the Tax Act, shall not be less than the amount necessary to ensure that the Trust will not be liable to pay non-refundable income tax under Part I of the Tax Act for such year (determined without reference to any bonus distributions in the year automatically reinvested in Trust Units which may be paid pursuant to a distribution reinvestment plan or issued as part of an early investor bonus program). The amount, if any, which is required to be distributed to comply with the preceding sentence for a particular year shall be deemed to be declared by the Trustees as a distribution, and shall be due and payable on the earlier of the last Distribution Date in respect of such year, December 31 of such year, or the end of such other taxation year, to persons who are Class A Trust Unitholders of record on that date, such amount to be payable in cash unless the Trustees determine in their absolute discretion to pay such amount in Trust Units in any particular year, in which case such amount shall be payable in Trust Units. For greater certainty, a Class A Trust Unitholder shall have the legal right to enforce payment at the time a distribution is made payable (which shall not be later than the end of the relevant taxation year of the Trust in the case of distributions described in this paragraph).

The Trustees, in their discretion, may allocate distributions among the Series of Class A Trust Units to adjust for the commissions, trailers and other costs attributable to the sales channels relating to each Series of Class A Trust Unit, provided that the proportion of Trust Income, Net Realized Capital Gains of the Trust allocated or capital of the Trust distributed to Trust Unitholders

of each Series of Class A Trust Unit shall be equal to the proportion of the aggregate distribution received by such Series of Class A Trust Units (other than capital gains designated and allocated to redeeming Class A Unitholders in accordance with the Declaration of Trust and any bonus distributions which may be paid in accordance with the Declaration of Trust).

Distributions may be adjusted for amounts paid in prior Distribution Periods if the actual Trust Distributable Income for the prior Distribution Periods is greater than or less than the Trustees' estimates for such prior Distribution Periods. Subject to the Declaration of Trust, distributions shall be made in cash or additional Class A Trust Units in the discretion of the Trustees. At the option of each Class A Trust Unitholder, cash distributions may be invested in similar Class A Trust Units pursuant to any distribution reinvestment plan or unit purchase plan adopted by the Trustees. Any distribution shall be made proportionately to Persons who are the Class A Trust Unitholders as at the Distribution Record Date (other than any capital gains designated and allocated to redeeming Unitholders in accordance with the Declaration of Trust and any bonus distributions which may be paid in accordance with the Declaration of Trust).

Each year, the Trustees shall make such designations for income tax purposes in respect of amounts paid or payable or deemed to be paid to the Class A Trust Unitholders for such amounts that the Trustees consider to be reasonable in all the circumstances, including designations relating to taxable dividends received or deemed to be received by the Trust in the year on shares of taxable Canadian corporations (if any), the taxable portion of the Net Realized Capital Gains of the Trust in the year, and foreign source income of the Trust and foreign taxes in respect of such foreign source income for the year, if any, other than capital gains, the tax on which may be recoverable by the Trust. Where permitted by the Tax Act, the Trustees will make designations under the Tax Act so that the amount paid or payable to a Trust Unitholder but not deducted by the Trust would not be included in the Trust Unitholder's income for the purposes of the Tax Act. Any distributions of Net Realized Capital Gains of the Trust shall include the non-taxable portion of the capital gains of the Trust which are included in such distribution.

The Trustees may deduct or withhold from distributions payable to any Class A Trust Unitholder all amounts required by law to be withheld from such distributions, whether such distributions are in the form of cash, additional Class A Trust Units or otherwise. In the event of a distribution in the form of additional Class A Trust Units, the Trustees may sell Class A Trust Units of a Class A Trust Unitholder on behalf of such Class A Trust Unitholder to pay such withholding taxes and to pay all the Trustees' reasonable expenses with regard thereto and the Trustees shall have the power of attorney of such Class A Trust Unitholder to do so. Upon such sale, the affected Class A Trust Unitholder shall cease to be the holder of such Class A Trust Units.

Where the Trustees determine that the Trust does not have available cash in an amount sufficient to make payment of the full amount of any distribution which has been declared to be payable pursuant to the Declaration of Trust on the due date for such payment, the payment may, at the option of the Trustees, include the issuance of additional Class A Trust Units or fractions of such Trust Units, as the case may be, if necessary, having a fair market value as determined by the Trustees equal to the difference between the amount of such distribution and the amount of cash which has been determined by the Trustees to be available for the payment of such distribution in the case of Class A Trust Units. In this regard, the Trust has advised counsel that it generally intends to retain cash in order to further the operations of the Trust and accordingly, all or substantially all of the distributions of the Trust may be paid in Class A Trust Units. Immediately after a *pro rata* distribution of such Class A Trust Units to all Class A Trust Unitholders in satisfaction of any non-cash distribution, the number of outstanding Class A Trust Units will be consolidated so that each Class A Trust Unitholder will hold, after the consolidation, the same

number of Class A Trust Units as the Class A Trust Unitholder held before the non-cash distribution.

Distribution Reinvestment Plan

The Trustees may implement a distribution reinvestment plan whereby Class A Trust Unitholders who are Resident Canadians are entitled to elect to have all or some of the cash distributions of the Trust automatically reinvested in additional Class A Trust Units.

Investment Guidelines and Operating Policies

Investment Guidelines

The Declaration of Trust provides for certain guidelines on investments which may be made by the Trust. Additionally, the guidelines below are intended to set out generally the parameters under which any Subsidiary of the Trust will be permitted to invest. References to the Trust below shall be read as applying to any such Subsidiary. The guidelines are as follows:

(a) The Trust shall focus its activities primarily on the acquisition, development, holding, maintaining, improving, leasing or managing of multi-unit residential revenue producing properties (and ancillary commercial or other real estate ventures) for investment purposes and assets ancillary thereto necessary for the operation thereof and such other activities as are consistent with the other investment guidelines of the Trust (the "**Focus Activities**");

(b) notwithstanding anything contained in the Declaration of Trust to the contrary, the Trust will not, or permit a Subsidiary to, make or hold any investment, take any action or omit to take any action which would, at any time, result in the Trust:

(i) Trust Units being disqualified for any class of Registered Plan at any time after the date on which the Trust has over 150 Trust Unitholders each holding not less than 100 Trust Units of a particular Class; or

(ii) the Trust ceasing to qualify as a "mutual fund trust" for purposes of the Tax Act;

(c) the Trust will focus on multi-unit residential properties in the value-add, opportunistic and repositioning categories in Canada for the purpose of driving capital appreciation through investment, as well as the strategic use of leverage and recycling of capital from accretive dispositions;

(d) at such times the Partnership has a Gross Book Value of at least two hundred fifty million dollars ($250,000,000), no single asset (excluding any portfolio of properties) shall be acquired if the cost of such acquisition (net of the amount of debt secured by such asset) will exceed 20% of Gross Book Value, provided that where such asset is the securities of or an interest in an entity, the foregoing tests shall be applied individually to each asset of such entity;

(e) the Trust may make its investments and conduct its activities, directly or indirectly, through an investment in one or more Persons on such terms as the Trustees may

from time to time determine, including by way of joint ventures, partnerships (general or limited), unlimited liability companies and limited liability companies;

(f) except for temporary investments held in cash, deposits with a Canadian or U.S. chartered bank or trust company registered under the laws of a province of Canada, short-term government debt securities or money market instruments of, or guaranteed by, a Schedule I Canadian chartered bank maturing prior to one year from the date of issue and except as permitted pursuant to the investment guidelines and operating policies of the Trust, the Trust directly or indirectly, may not hold securities of a Person other than to the extent such securities would constitute an investment in real property (as determined by the Trustees) and provided further that, notwithstanding anything contained in the Declaration of Trust to the contrary, but in all events subject to (a) and (b) above, the Trust may hold securities of a Person:

(i) acquired in connection with the carrying on, directly or indirectly, of the Trust's activities or the holding of the Trust Property; or

(ii) which focuses its activities primarily on Focus Activities, provided that, in the case of any proposed investment or acquisition which would result in the beneficial ownership of more than 10% of the outstanding securities of an issuer (the "**Acquired Issuer**"), the investment is made for the purpose of pursuing the merger or combination of the business and assets of the Trust and the Acquired Issuer or for otherwise ensuring that the Trust will control the business and operations of the Acquired Issuer;

(g) no investment will be made, directly or indirectly, in operating businesses unless such investment is incidental to a transaction:

(i) where revenue will be derived, directly or indirectly, principally from a Focus Activity; or

(ii) which principally involves the development, ownership, maintenance, improvement, leasing or management, directly or indirectly, of real property held for investment purposes;

(h) notwithstanding any other provisions of these guidelines, the securities of a reporting issuer in Canada may be acquired provided that:

(i) the activities of the issuer are focused on the Focus Activities; and

(ii) in the case of any proposed investment or acquisition which would result in the beneficial ownership of more than 10% of the outstanding equity securities of the securities issuer, the investment or acquisition is of strategic interest to the Trust as determined by the Trustees in their discretion;

(i) no investments will be made in rights to or interests in mineral or other natural resources, including oil or gas, except as incidental to an investment in real property;

(j) no investments will be made in a mortgage, mortgage bonds, notes (except as provided for in the Declaration of Trust) or debentures ("**Debt Instruments**") (including participating or convertible) unless:

(i) the real property which is security thereof is real property which otherwise meets the provisions of Section 5.1 of the Declaration of Trust and Section 1 of Schedule A to the Declaration of Trust;

(ii) the security therefore includes a mortgage registered on title to the real property which is security thereof;

(iii) the amount of the investment (not including any Mortgage Insurance Fees incurred in connection therewith) does not exceed 85% of the market value of the real property which is the security thereof; and

(iv) the aggregate value of the investments of the Trust in Debt Instruments, after giving effect to the proposed investment, will not exceed 20% of the Gross Book Value;

(k) no investment shall be made in raw land except for the acquisition of properties adjacent to existing properties for the purpose of renovation or expansion of existing facilities where the total cost of all such investments does not exceed 10% of Gross Book Value; and

(l) notwithstanding any other provisions of the Declaration of Trust, investments may be made which do not comply with the provisions of Section 5.1(a) of the Declaration of Trust or Section 1 of Schedule A to the Declaration of Trust provided:

(i) the aggregate cost thereof (which, in the case of an amount invested to acquire real property, is the purchase price less the amount of any indebtedness assumed or incurred in connection with the acquisition and secured by a mortgage on such property) does not exceed 15% of the Gross Book Value; and

(ii) the making of such investment would not contravene the Declaration of Trust.

The Trust has complied with the guidelines set out above since its formation.

Operating Policies

The operations and affairs of the Trust shall be conducted in accordance with the following operating policies:

(a) the construction or development of real property may be engaged in order to maintain its real properties in good repair or to enhance the revenue-producing potential of real properties in which it has an interest;

(b) title to each real property shall be held by and registered in the name of (i) a corporation or other entity wholly-owned by the Partnership, (ii) the General

Partner, or (iii) a corporation or other entity wholly-owned indirectly by the Trust or jointly owned indirectly by the Trust with joint ventures;

(c) no indebtedness shall be incurred or assumed if, after giving effect to the incurring or assumption thereof of the indebtedness, the total indebtedness including amounts drawn under an acquisition and operating facility but not including Mortgage Insurance Fees incurred in connection with the incurrence or assumption of such indebtedness as a percentage of Gross Book Value, would be more than 85% at the time of acquisition (excluding the amount of any indebtedness attributable to capital improvement financing). For subsequent refinancing events the total indebtedness including amounts drawn under an acquisition and operating facility but not including Mortgage Insurance Fees incurred in connection with the incurrence or assumption of such indebtedness as a percentage of Gross Book Value, would be more than 75%.

(d) the Trust will not directly or indirectly guarantee any indebtedness or liabilities of any Person unless such guarantee is given in connection with or incidental to an investment that is otherwise permitted under Section 5.1 of the Declaration of Trust or Schedule A to the Declaration of Trust, or in circumstances where the guarantee would result in the Trust ceasing to qualify as a mutual fund trust pursuant to the Tax Act;

(e) at all times insurance coverage will be obtained and maintained in respect of potential liabilities of the Trust and the accidental loss of value of any of the Trust Property from risks, in amounts and with such insurers, in each case as the Trustees consider appropriate, taking into account all relevant factors including the practices of owners of comparable properties and, for clarity, the Trust is not required to title insure; and

(f) a Phase I environmental audit shall be conducted or obtained for each real property to be acquired and, if the Phase I environmental audit report recommends that further environmental audits be conducted or obtained, such further environmental audits shall be conducted or obtained, in each case by or from an independent and experienced environmental consultant.

For the purpose of the foregoing operating policies, the assets, indebtedness, liabilities and transactions of a corporation, trust, partnership or other entity in which the Trust has an interest, directly or indirectly, will be deemed to be those of the Trust on a proportionate consolidated basis, except in the case of Paragraph (d) to the extent that such treatment is inconsistent with the relevant requirements of the Tax Act. In addition, any references in the foregoing to investment in real property will be deemed to include an investment in a joint venture arrangement.

The term "**indebtedness**" means (without duplication):

(a) any obligation, directly or indirectly, of the Trust for borrowed money;

(b) any obligation, directly or indirectly, of the Trust incurred in connection with the acquisition of property, assets or business other than the amount of future income tax liability arising out of indirect acquisitions;

(c) any obligation, directly or indirectly, of the Trust issued or assumed as the deferred purchase price of property;

(d) any capital lease obligation, directly or indirectly, of the Trust;

(e) any obligation, directly or indirectly, of the type referred to in clauses (a) through (d) of another Person, the payment of which the Trust has, directly or indirectly, guaranteed or for which the Trust is responsible for or liable; and

(f) any amounts secured by any of the Trust Property;

provided that (i) for the purposes of (a) through (b), an obligation (other than convertible debentures) will constitute indebtedness only to the extent that it would appear as a liability on the consolidated statement of financial position of the Trust in accordance with generally accepted accounting principles in Canada, (ii) obligations referred to in clauses (a) through (c) exclude trade accounts payable, distributions payable and accrued liabilities arising in the ordinary course of business; and (iii) convertible debentures will constitute indebtedness to the extent of the principal amount outstanding.

The Trust has complied with the operating policies set out above since its formation.

Amendments to Investment Guidelines and Operating Policies

Subject to the Declaration of Trust, the investment guidelines of the Trust set forth in Paragraph (a) and (b) above may be amended by a Special Resolution at a meeting of the Trust Unitholders called for that purpose. Any of the remaining investment guidelines and the operating policies of the Trust set forth above may be amended from time to time by the Trustees.

Books and Records

The Trust shall prepare and maintain, at its principal office or at any other place in Canada designated by the Trustees, records containing: (i) the Declaration of Trust; and (ii) minutes of meetings and resolutions of the Trust Unitholders. The Trust shall also prepare and maintain adequate accounting records and records containing minutes of meetings and resolutions of the Trustees and any committee thereof. Such records shall be kept at the principal office of the Trust or at such other place as the Trustees think fit and shall at all reasonable times be open to inspection by the Trustees.

Right to Inspect Books and Records

A Trust Unitholder and any agent, consultant or creditor of the Trust shall have the right to examine the Declaration of Trust, the regulations of the Trustees, the minutes of meetings and resolutions of the Trust Unitholders, and any other documents or records which the Trustees determine should be available for inspection by such Person, during normal business hours at the principal office of the Trust. The Trust may provide copies of any of the foregoing to any of such Persons. The Trust Unitholders and creditors of the Trust shall have the right to obtain or make or cause to be made a list of all or any of the registered Trust Unitholders, to the same extent and upon the same conditions as those which apply to shareholders and creditors of a corporation governed by the *Business Corporations Act* (Ontario).

LP Agreement

The following is a summary only of certain of the provisions of the LP Agreement and the LP Units. This summary is qualified in its entirety by reference to the provisions of the LP Agreement, a copy of which can be obtained by contacting investors@equiton.com. Capitalized terms used in this section but not defined have the meaning given to them in the LP Agreement.

Limited Liability of Limited Partners

Under the terms of the LP Agreement, the liability of each Limited Partner is limited to such Limited Partner's Capital Contribution plus such Limited Partner's pro rata share of the undistributed income of the Partnership. Limited Partners generally will not be liable for any debt, obligation or default of the Partnership beyond their investment in the Partnership.

LP Units

The partnership interests of the Partnership are divided into interests of multiple Classes, described as Class A LP Units, Redeemable LP Units, general partnership interests and such other classes of units of the Partnership as may be created by the General Partner, and issuable in an unlimited number of Series of each Class. The Class A LP Units are divided into different Series, described as "Series A-FL LP Units", "Series A-LL LP Units", "Series C LP Units", "Series E LP Units", "Series F LP Units" and "Series I LP Units". A partnership interest is personal property. A Partner has no interest in specific Partnership property by way of its LP Units.

Except as otherwise provided in the LP Agreement, no Series A-FL LP Unit, Series A-LL LP Unit, Series C LP Unit, Series E LP Units, Series F LP Unit or Series I LP Unit shall have any preference or right in any circumstances over any other Series A-FL LP Unit, Series A-LL LP Unit, Series C LP Unit, Series E LP Units, Series F LP Unit or Series I LP Unit, respectively. The holders of the LP Units shall have the right to one (1) vote for each LP Unit held in respect of all matters to be decided by the Limited Partners. The LP Units each have the right to participate in the distributions of the Partnership as provided for in the LP Agreement.

The Redeemable LP Units will have a subscription price per Redeemable LP Unit that is determined by the General Partner from time to time and set forth in the subscription agreement(s) entered into between Equiton Partners and the Partnership, and will be redeemable, in whole or in part, at any time at the option of the Partnership at a price equal to the market value of such Redeemable LP Units, as determined by the General Partner from time to time. A holder of Redeemable LP Units will have the right to one (1) vote for each Redeemable LP Unit held in respect of all matters to be decided by the Limited Partners. Holders of Redeemable LP Units shall be entitled to receive distributions per Redeemable LP Unit equal to the distributions per Series F LP Unit. The Redeemable LP Units will rank equal with the LP Units in the event of liquidation of the Partnership. As of the date of this Offering Memorandum, there are no issued and outstanding Redeemable LP Units.

The General Partner

The General Partner is incorporated under the *Business Corporations Act* (Ontario). The General Partner, in its capacity as a general partner of the Partnership, holds a 0.001% undivided interest in the Partnership. The General Partner has the right to receive distributions in respect of its interest by way of cash or the issuance of LP Units. Currently, the board of Directors of the

General Partner is comprised of Jason Roque and two (2) Independent Directors: Richard Austin and Sam Barbieri. Jason Roque is not an Independent Director.

The General Partner is indirectly owned and controlled by Jason Roque, who is also a Director and President of the General Partner. Helen Hurlbut is Chief Financial Officer of the General Partner. See "*Interests of Trustees, General Partner, Management, Promoters and Principal Holders – Management Experience*" and "*Relationship between the Issuers, the Equiton Agent and Other Related Parties"*.

Conflict of Interest Restrictions and Provisions

The LP Agreement contains "**conflict of interest**" provisions. Given that the Directors and senior officers of the General Partner are engaged in a wide range of real estate and other activities, the LP Agreement contains provisions for a Director or officer of the Partnership or any of their respective Affiliates or Associates that state:

A "**Conflict of Interest Matter**" shall mean a situation where a reasonable person would consider a Director or an officer of the General Partner, or an entity related to a Director or an officer of the General Partner, to have an interest that may conflict with such Directors' or officer's ability to act in good faith and in the best interest of the Partnership (or as the term "Conflict of Interest Matter" may be amended in Section 1.2(a) of NI 81-107 from time to time) and shall include, but not be limited to, situations where such Director or officer: (i) is a party to a material contract or transaction (as determined by the Directors acting reasonably), whether made or proposed, with the Partnership or any of its Subsidiaries or Affiliates (a "**Material Transaction**"); or (ii) is a director, trustee or officer of, or otherwise has a material interest in, any Person or any Affiliate, Related Party or Subsidiary of any Person who is a party to a Material Transaction. In connection with any Conflict of Interest Matter, the conflicted Director or officer shall disclose in writing to the Directors or request to have entered into the minutes of a meeting of the Directors, the nature and extent of the conflict as follows and as set out in Section 7.9 of the LP Agreement:

(a) the disclosure required in the case of a Director shall be made:

  (i) at the meeting of Directors or the applicable committee thereof, as the case may be, at which a Conflict of Interest Matter is first considered;

  (ii) if such Director was not then interested in a Conflict of Interest Matter, at the first such meeting after he or she becomes so interested;

  (iii) if such Director becomes interested after an agreement pertaining to the Conflict of Interest Matter is entered into, at the first such meeting after he or she becomes so interested; or

  (iv) if an individual who is interested in a Material Transaction later becomes a Director, at the first such meeting after he or she becomes a Director;

(b) the disclosure required in the case of an officer of the General Partner, who is not a Director, shall be made:

  (i) forthwith after such officer becomes aware that the Conflict of Interest Matter is to be considered or has been considered at a meeting of the Directors, or the applicable committee thereof, as the case may be;

(ii) if such officer becomes interested after an agreement pertaining to the Conflict of Interest Matter is entered into, forthwith after such officer becomes aware that he has become so interested; or

(iii) if an individual who is interested in a Conflict of Interest Matter later becomes an officer of the General Partner, forthwith after such individual becomes an officer of the General Partner;

(c) notwithstanding paragraphs (a) and (b) above, (i) the holding of LP Units or Preferred Units by Equiton Partners or any of its Affiliates shall not be deemed to be a Conflict of Interest Matter, and (ii) if a matter is one that, in the ordinary course of the affairs of the Partnership, would not require approval by the Directors or the LP Unitholders, if such matter is a "Conflict of Interest Matter", the conflicted Director or officer of the General Partner shall disclose, in writing to the Directors or applicable committee thereof, as the case may be, the nature and extent of his or her interest immediately after he or she becomes aware of the Conflict of Interest Matter and such matter shall be put before the Independent Directors for approval in accordance with unanimous approval requirements, as described in "– *Independent Director Matters*" below.

(d) a Director referred to in Section 7.9 of the LP Agreement shall not vote on any resolution to approve the Conflict of Interest Matter unless the Conflict of Interest Matter is:

(i) one relating primarily to his or her remuneration as a Director, officer, employee or agent of the General Partner; or

(ii) one for indemnity under Section 7.7 of the LP Agreement or the purchase of liability insurance;

(e) for the purposes hereof, a general notice to the Directors by a Director or an officer of the General Partner disclosing the basis of a conflict, such as that he or she is a director, trustee or officer of, or has a material interest in, any Person or any Affiliate, Related Party or Subsidiary of any Person and is to be regarded as interested in any Conflict of Interest Matter entered into or which may be entered into, is a sufficient disclosure of interest in relation to any Conflict of Interest Matter so made or entered into or which may be made or entered into, provided that such general notice is delivered to the principal office and centre of administration of the General Partner and to each Director personally. In the event that a meeting of the LP Unitholders is called to confirm or approve a Conflict of Interest Matter which is the subject of a general notice to the Directors, the nature and extent of the interest in the Conflict of Interest Matter of such Director or officer giving such general notice shall be disclosed in reasonable detail in the notice calling the said meeting of the LP Unitholders or in any information circular to be provided in accordance with the LP Agreement or Applicable Law;

(f) where a Conflict of Interest Matter is entered into between the General Partner and a Director or an officer of the General Partner, or between the General Partner and another Person or any Affiliate, Related Party or Subsidiary of such other Person in which a Director or an officer of the General Partner has a material interest:

(i) such Director or officer of the General Partner is not accountable to the Partnership or to the LP Unitholders for any profit or gain realized from the Conflict of Interest Matter; and

(ii) the Conflict of Interest Matter is neither void nor voidable,

by reason only of that relationship or by reason only that such Director or officer is present at or is counted to determine the presence of a quorum at the meeting of the Directors or a committee that authorized the Conflict of Interest Matter, if such Director or officer of the General Partner disclosed his or her interest in accordance with Section 7.9 of the LP Agreement, and the Conflict of Interest Matter was reasonable and fair to the Partnership at the time it was approved;

(g) notwithstanding anything in Section 7.9 of the LP Agreement, but without limiting the effect of paragraph (f) above, a Director or an officer of the General Partner, acting honestly and in good faith, is not accountable to the Partnership or to the LP Unitholders for any profit or gain realized from any such Conflict of Interest Matter by reason only of the disclosed relationship, and the Conflict of Interest Matter, if it was reasonable and fair to the Partnership at the time it was approved, is not by reason only of such Director's or officer's interest therein void or voidable, where:

(i) the Conflict of Interest Matter is confirmed or approved at a meeting of the LP Unitholders duly called for that purpose; and

(ii) the nature and extent of such Director's or officer's interest in the Conflict of Interest Matter are disclosed in reasonable detail in the notice calling the meeting or in any information circular to be provided in accordance with the LP Agreement or Applicable Law; and

(h) subject to paragraphs (f) and (g) above, where a Director or an officer of the General Partner fails to disclose his or her interest in a Conflict of Interest Matter in accordance with the LP Agreement or otherwise fails to comply with Section 7.9 of the LP Agreements, the Directors or any LP Unitholder, in addition to exercising any other rights or remedies in connection with such failure exercisable at law or in equity, may apply to a court for an order setting aside the Conflict of Interest Matter and directing that such Director or officer account to the Partnership for any profit or gain realized.

Independent Director Matters

Notwithstanding anything herein to the contrary, in addition to requiring the approval of a majority of the Directors, the unanimous approval of the Independent Directors holding office at such time who have no interest in the matter (given by vote at a meeting of Directors or by written consent) shall be required with respect to any decision to approve a Conflict of Interest Matter, including, but not limited to:

(a) entering into any agreement or transaction in which any Related Party has a material interest or making a material change to any such agreement or transaction;

(b) relating to a claim by or against any Related Party;

(c) relating to a claim in which the interests of a Related Party differ from the interests of the Partnership;

(d) to permit the Partnership to acquire any real or other property in which a Related Party has an interest or to sell any interest in any real or other property to a Related Party;

(e) granting LP Units under any unit incentive or unit compensation plan approved by the Directors and, if required, by the LP Unitholders, or awarding any right to acquire or other right or interest in the LP Units or securities convertible into or exchangeable for LP Units under any plan approved by the Directors and, if required, by the LP Unitholders;

(f) to approve or enforce any agreement entered into by the General Partner, on behalf of the Partnership, or its Subsidiaries or Related Parties with a Director who is not an Independent Director or an Associate thereof, with another Subsidiary or Related Party;

(g) authorizing the Directors to change the number of Directors from time to time; and

(h) determining the compensation of any officer or employee of the General Partner.

Notwithstanding the foregoing, no Conflict of Interest Matter may be approved unless there are at least two (2) Independent Directors permitted to vote on such matter, and no Conflict of Interest Matter may be approved without unanimous consent of all Independent Directors permitted to vote on such matter.

Additionally, pursuant to the LP Agreement, the General Partner must deliver to LP Unitholders a report of the Independent Directors regarding their review and approval of any Conflict of Interest Matters during the prior fiscal year along with the audited financial statements delivered to LP Unitholders.

Distributions

For any Partnership Distribution Period, the Partnership will distribute its Partnership Distributable Income as follows:

(i) to the General Partner an amount equal to 20% of Partnership Distributable Income less any portion of such amount that was distributed to the General Partner in a prior period or distributable to the General Partner in the current period pursuant to (ii) below;

(ii) to the General Partner an Accretion Distribution, provided that the General Partner shall only be entitled to an Accretion Distribution to the extent that the Realization Value in respect of a particular Realization Event was not taken into account in the calculation of a prior Accretion Distribution;

(iii) to the Limited Partners any Partnership Distributable Income not distributed to the General Partner.

In determining Partnership Distributable Income for a particular Partnership Distribution Period, the General Partner may, in its discretion, deduct reserves or otherwise make adjustments as necessary to permit the Partnership to retain cash for its operations rather than paying cash distributions in such period.

The General Partner may, in its discretion, elect to defer payment of any distribution to which it is entitled pursuant to (i) or (ii) above, provided that the amount distributed to the General Partner for any Partnership Distribution Period shall not be less than 0.001% of Partnership Distributable Income for such period. Any distribution so deferred shall be added to the distributions payable to the General Partner in subsequent Partnership Distribution Periods until such deferred distributions have been paid in full.

The General Partner, in its discretion, may allocate distributions among the Series of Class A LP Units to adjust for the commissions, trailers and other costs attributable to the sales channels relating to each Series of Class A LP Unit by the Partnership. Distributions per Class A LP Unit of the same Series, other than distributions for purposes of paying Trust expenses, shall otherwise generally be identical.

The Partnership may, in addition, make a distribution at any other time, including returns of capital.

The General Partner may elect to receive any distribution payable to it in the form of Class A LP Units having a fair market value equal to the amount of such distribution.

Distribution Reinvestment Plan

The General Partner may implement a distribution reinvestment plan whereby Class A LP Unitholders are entitled to elect to have all or some of the cash distributions of the Partnership automatically reinvested in additional Class A LP Units.

Allocation of Net Income or Loss

The Income for Tax Purposes or Loss for Tax Purposes for a given taxation year shall be calculated in accordance with the provisions of the Tax Act and the maximum discretionary deductions available to the Partnership in computing its income shall be claimed to the extent such deductions reduce the taxable income of the Partnership, unless otherwise determined by the General Partner. Such income will be allocated as follows:

1) the General Partner shall be allocated 20% of the Adjusted Income for Tax Purposes or Adjusted Loss for Tax Purposes from each source for that taxation year, provided however that the Loss for Tax Purposes allocated to the General Partner for that taxation year shall not exceed an amount equal to the amount of Income for Tax Purposes allocated to the General Partner in all prior taxation years less the amount of any Loss for Tax Purposes allocated to the General Partner in all prior taxation years and, further provided, for greater certainty, that the amount of Income for Tax Purposes or Loss for Tax Purposes which may be allocated to the General Partner for any particular taxation year shall not exceed the aggregate Income for Tax Purposes or Loss for Tax Purposes for such taxation year; and

2) the balance of all Income for Tax Purposes or Loss for Tax Purposes for that taxation year that is not allocated to the General Partner, and all other items of income, gain, loss, deduction, recapture and credit of the Partnership which are allocable for

purposes of the Tax Act and other relevant taxing statutes, shall be allocated to the Limited Partners (including, for greater certainty, Limited Partners who become or cease to be Limited Partners during the taxation year) in an amount calculated by multiplying the Income for Tax Purposes or Loss for Tax Purposes to be allocated to the Limited Partners by a fraction, the numerator of which is the sum of the Partnership Distributable Income for such taxation year received or receivable by that Limited Partner, and the denominator of which is the aggregate amount of Partnership Distributable Income for such taxation year received or receivable by all Limited Partners.

Notwithstanding the foregoing, the General Partner may adjust the allocation of Income for Tax Purposes and Loss for Tax Purposes for any taxation year in order to reflect the Partners' mutual intention that deductions in computing Income for Tax Purposes resulting from capital cost allowance and other similar deductions are ultimately intended to reduce the income allocated to the Limited Partners, or otherwise as is determined by the General Partner to be fair and reasonable to the Partners, including to account for transfers or other acquisitions or dispositions of LP Units occurring during the applicable taxation year, and including having regard to any Adjusted Income for Tax Purposes arising in connection with a Realization Event that results in an Accretion Distribution.

The income or loss of the Partnership for accounting purposes for a given fiscal year shall be allocated among the Partners in a manner determined by the General Partner to be consistent with the foregoing.

If, with respect to a given taxation year, no cash distribution is made by the Partnership to its Limited Partners, the Income for Tax Purposes or Loss for Tax Purposes from each source for that taxation year required to be allocated to the Limited Parters will be calculated on an annual basis and allocated to the Limited Partners at the end of each month in that taxation year in proportion to the LP Units held by each of them at each of those dates.

Purchase of LP Units

The Partnership shall be entitled to purchase for cancellation at any time the whole or from time to time any part of the outstanding LP Units, at a price per LP Unit and on a basis determined by the General Partner in compliance with all Applicable Laws.

Transfer of LP Units

Pursuant to the LP Agreement, Class A LP Unitholders may transfer their Class A LP Units subject to compliance with applicable securities laws and the LP Agreement.

The Special Voting Units which are attached to the Redeemable LP Units will be automatically transferred upon the transfer of such Redeemable LP Units.

Redemption of Class A LP Units

Pursuant to the LP Agreement, each Class A LP Unitholder is entitled to require the Partnership to redeem at any time or from time to time at the demand of the Class A LP Unitholder all or any part of the Class A LP Units registered in the name of the Class A LP Unitholder at the prices determined and payable in accordance with the following conditions:

(a) To exercise a Class A LP Unitholder's right to require redemption, a duly completed and properly executed Redemption Notice shall be sent to the Partnership at its head office. The Redemption Notice must be received no later than 90 days before the Redemption Date to be considered for that particular Redemption Date. If a minimum of 90 days' notice is not given, the General Partner will not be required to consider redeeming the Class A LP Units until the next subsequent Redemption Date. No form or manner of completion or execution shall be sufficient unless the same is in all respects satisfactory to the General Partner and is accompanied by any further evidence that the General Partner may reasonably require with respect to the identity, capacity or authority of the Person giving the Redemption Notice.

(b) As of the Redemption Date, upon the payment of the Redemption Amount, plus the pro rata share of any unpaid distributions declared on the Class A LP Units to be redeemed and paid prior to the Redemption Date, the Class A LP Unitholder shall thereafter cease to have any rights with respect to the Class A LP Units tendered for redemption (other than to receive the Redemption Amount therefor) including ceasing to have the right to receive any distributions thereon which are declared payable to the Class A LP Unitholders of record on a date which is subsequent to the Redemption Date. Class A LP Units shall be considered to be tendered for redemption on the Redemption Date, provided that the Partnership has, to the satisfaction of the General Partner, received the Redemption Notice and other required documents or evidence as aforesaid.

(c) Upon receipt by the Partnership of the Redemption Notice in accordance with the LP Agreement, the holder of the Class A LP Units tendered for redemption shall be entitled to receive the Redemption Amount.

(d) Subject to Paragraph (e) below, the Redemption Amount payable in respect of the Class A LP Units tendered for redemption during any calendar quarter shall be paid on the Redemption Date by cheque payable to or to the order of the Class A LP Unitholder entitled to receive payment hereunder, by electronic funds transfer or by such other manner of payment approved by the General Partner from time to time. Payment of the Redemption Amount is conclusively deemed to have been made upon the mailing of a cheque in a postage prepaid envelope addressed to the Person who redeemed the Class A LP Units, unless such cheque is dishonoured upon presentment. Upon such payment, the Partnership shall be discharged from all liability to the Person who redeemed the Class A LP Units in respect of the Class A LP Units so redeemed.

(e) Paragraph (d) above shall not be applicable to Class A LP Units tendered for redemption by a Class A LP Unitholder, if the total amount payable by the Partnership pursuant to Paragraph (c) above in respect of such Class A LP Units and all other Class A LP Units tendered for redemption prior thereto in the same calendar quarter exceeds the Quarterly Limit; provided that the General Partner may, in their sole discretion, increase such Quarterly Limit in respect of all Class A LP Units tendered for redemption in any calendar quarter, provided that the Partnership shall prioritize redemptions of Class A LP Units made by the Trust to enable the Trust to satisfy cash redemptions of $150,000 in the calendar quarter.

(f) If, pursuant to Paragraph (e) above, Paragraph (d) is not applicable to the Class A LP Units tendered for redemption by a Class A LP Unitholder, the Class A LP Unitholder would be entitled to receive a portion of the Redemption Amount equal to the Quarterly Limit divided by the total number of Class A LP Units tendered by all Class A LP Unitholders for redemption in the calendar quarter times the number of Class A LP Units tendered for redemption by a Class A LP Unitholder which shall be paid and satisfied in cash, in accordance with Paragraph (d) applied *mutatis mutandis.* Any Redemption Notice in respect of Class A LP Units tendered for redemption by a Class A LP Unitholder but not so redeemed as a result of the limitation set out in Paragraph (e) above shall be automatically withdrawn.

Upon such payment or satisfaction of the Redemption Amount in accordance with Paragraph (f) above, the Partnership shall be discharged from all liability to the Class A LP Unitholder or former Class A LP Unitholder in respect of the Class A LP Units so redeemed.

(g) All Class A LP Units which are redeemed in accordance with the foregoing paragraphs shall be cancelled and such Class A LP Units shall no longer be outstanding and shall not be reissued.

Take-Over Bids

If there is a Take-Over Bid for all of the outstanding LP Units and, within the time limited in a Take-Over Bid for its acceptance, or 120 days after the date of such Take-Over Bid, whichever period is the shorter, the Take-Over Bid is accepted by the holders of not less than 90% of the LP Units (including LP Units issuable upon the surrender or exchange of any securities for LP Units but not including any such securities held at the date of the Take-Over Bid by or on behalf of the Offeror or Affiliates or Associates of the Offeror), other than LP Units held at the date of the Take-Over Bid by or on behalf of the Offeror or an Affiliate or Associate of the Offeror, then the Offeror shall be entitled, on complying with Section 3.19 of the LP Agreement, to acquire the LP Units held by the Dissenting Offerees.

An Offeror may acquire the LP Units held by a Dissenting Offeree by sending to each Dissenting Offeree a notice within 60 days after the date of termination of the Take-Over Bid with the information prescribed in the LP Agreement. A Dissenting Offeree shall within 10 days after receiving such notice, transfer such LP Units to the Partnership. Within 10 days after the Offeror sends such notice, the Offeror shall pay to the Partnership the consideration that would have had to be paid to such Dissenting Offeree if such Dissenting Offeree had accepted the Take-Over Bid.

Within 30 days after the Offeror's notice to Dissenting Offerees, if the consideration has been paid to the Partnership, the Partnership shall:

(a) issue to the Offeror a certificate in respect of the LP Units that were held by Dissenting Offerees;

(b) give to each Dissenting Offeree who sends or delivers his or her LP Units the money or other consideration to which the Offeree is entitled, disregarding fractional LP Units, if any, which may be paid for in money; and

(c) send to each Dissenting Offeree who has not sent LP Unit certificates a notice stating that:

(i) the Dissenting Offeree's LP Units have been cancelled,

(ii) the Partnership or some designated Person holds in trust for the Dissenting Offeree the money or other consideration to which the Dissenting Offeree is entitled as payment for or in exchange for the LP Units, and

(iii) the Partnership will send that money or other consideration to that Offeree without delay after receiving the LP Units.

Redesignation of LP Units

At the option of the General Partner, a Series of LP Units may be redesignated into another Series of the same Class. In the case of any redesignation of a Series, following the redesignation the LP Unitholder will hold the number of LP Units of the Series the aggregate net asset value of which is equal to the aggregate net asset value of the LP Units of the Series to be redesignated, both as determined at the time of redesignation. For certainty, LP Units of a Series redesignated into LP Units of another Series of the same Class are not thereby redeemed or cancelled and the person holding such redesignated LP Units shall receive no proceeds of disposition.

Power of Attorney

The LP Agreement contains an irrevocable power of attorney in respect of various enumerated matters, authorizing the General Partner, on behalf of the Limited Partners, to execute certain documents and instruments, including but not limited to any amendments to the LP Agreement (subject to any approvals required under the LP Agreement) and all instruments necessary to effect the dissolution of the Partnership (pursuant to the terms of the LP Agreement) as well as any registration, election, determination, designation, information return, objection, notice of objection or similar document or instrument, whether jointly with third parties or otherwise under the Tax Act or the taxation legislation of any province or territory with respect to the affairs of the Partnership or a Limited Partner's interest in the Partnership.

The LP Agreement provides that a permitted transferee of an LP Unit will, upon becoming the holder thereof, be conclusively deemed to have acknowledged and agreed to be bound by the provisions of the LP Agreement as a Limited Partner and shall be conclusively deemed to have provided the General Partner with the irrevocable power of attorney described above.

Reporting to Limited Partners

The Partnership maintains financial statements separate from the Partners. The Partnership shall provide to each of the Partners copies of its audited annual financial statements no later than 120 days following each fiscal year end, in each case prepared in accordance with generally accepted accounting principles.

The General Partner will send or cause to be sent to each Person who was a Limited Partner:

(a) on the last day of a Distribution Period in any fiscal year, or

(b) at the date of dissolution of the Partnership,

by the 90th day of the following year or within 60 days of dissolution, as the case may be, or within any other shorter period as may be required by applicable law, all information relating to the

Partnership necessary for a Person to prepare that Person's Canadian federal and provincial income tax returns. The General Partner will file, on behalf of itself and the Limited Partners, tax returns, annual information returns and any other information returns required to be filed under the Tax Act and any other applicable tax legislation in respect of the Partnership.

Meetings of Limited Partners

Annual meetings of Limited Partners shall not be required. The General Partner may at any time and shall, upon receipt of a written request from Limited Partners holding not less than 50.1% of all LP Units specifying the purpose of the meeting, call a meeting of Limited Partners. If the General Partner fails to call a meeting of Limited Partners within 21 days after receipt of such written request from the Limited Partners, in the case of a special meeting, any Limited Partner may call such meeting in accordance with the terms of the LP Agreement. Meetings shall be held at the time and in the place set out in the notice calling the meeting, provided that the meeting may be held by telephone conference call. The expenses of calling and holding all meetings shall be borne by the Partnership. At any such meeting, each Limited Partner (other than a defaulting Limited Partner) will be entitled to one (1) vote for each whole LP Unit registered in the Limited Partner's name.

Issuance of LP Units

The General Partner may allot and issue LP Units at such time or times and in such manner (including pursuant to any plan from time to time in effect relating to reinvestment by the Class A LP Unitholders of distributions of the Partnership in Class A LP Units) and to such Person, Persons or class of Persons as the General Partner in its sole discretion shall determine. The price or the value of the consideration for which LP Units may be issued and the terms and conditions of issuance of the LP Units shall be determined by the General Partner in its sole discretion, generally (but not necessarily) in consultation with investment dealers or brokers who may act as underwriters in connection with offerings of LP Units. In the event that LP Units are issued in whole or in part for a consideration other than money, the resolution of a Director of the General Partner allotting and issuing such LP Units shall express the fair equivalent in money of the other consideration received.

Limitation on Ownership

At no time may any LP Units then outstanding be held by or for the benefit of a Person who is a Non-Resident, a partnership which is not a "Canadian partnership", a "financial institution" for the purposes of the "mark-to-market property" rules, a person or partnership, an interest in which is a "tax shelter investment" or which would acquire LP Units as a "tax shelter investment", or a person or partnership that would cause the Partnership to be a "SIFT partnership", each within the meaning of the Tax Act. The Partnership may require potential subscribers to provide evidence reasonably satisfactory to it that such subscribers, or the persons who will have a beneficial interest in LP Units being subscribed for, are not within such categories (an "**Ineligible LP Unitholder**"). The General Partner will reject a subscription submitted by a subscriber who is, or who acts on behalf of a person who will have a beneficial interest in LP Units who is, an Ineligible LP Unitholder.

If at any time, any LP Unitholder is or becomes an Ineligible LP Unitholder or such a situation is imminent, each LP Unitholder is obligated to immediately notify the General Partner that it is an Ineligible LP Unitholder or that such a situation is imminent. Upon the General Partner becoming aware of, or determining that, any LP Units then outstanding are held by or for the benefit of an

Ineligible LP Unitholder or that such a situation is imminent, the General Partner may send a notice to such LP Unitholder requiring them to sell or redeem their LP Units or a portion thereof within a specified period of not more than 30 days (and if such a situation is imminent, in any case prior to their becoming an Ineligible LP Unitholder).

If the LP Unitholder receiving such notice has not sold or redeemed the specified number of LP Units or provided the General Partner with satisfactory evidence within such period that they are not and will not be an Ineligible LP Unitholder and do not and will not hold their LP Units for the benefit of an Ineligible LP Unitholder, the General Partner may sell or redeem such LP Units on behalf of such LP Unitholders on such terms and conditions as the General Partner considers to be reasonable (and the General Partner shall have the power of attorney of such LP Unitholders to do so) and, in the interim, the voting and distribution rights, if any, attached to such LP Units shall be suspended.

In addition, in the event that the General Partner determines that any LP Unitholder has become an Ineligible LP Unitholder, the holder of the subject LP Units shall be deemed to have ceased to be an LP Unitholder with effect immediately before the date of contravention and shall not be entitled to any distributions of Partnership Distributable Income from such time or to have any voting rights and such LP Units shall be deemed conclusively not to be outstanding unless they are acquired by a new LP Unitholder who does not contravene the foregoing restrictions; provided, however, that holders of other LP Units shall not be entitled to any portion of the Partnership Distributable Income paid or to have any voting rights in respect of LP Units that have been so deemed not to be outstanding. In the event of the sale or redemption of LP Units by the General Partner pursuant to these limitations on ownership provisions, such LP Unitholder shall have the right only to receive the net proceeds therefrom (subject to any applicable withholding taxes).

In any situation where it is unclear whether LP Units are held for the benefit of Ineligible LP Unitholders, the General Partner may exercise their discretion in determining whether such LP Units are or are not so held, and any such exercise by them of their discretion shall be binding on the relevant LP Unitholders.

Limited Partner Powers Exercisable by Special Resolution

Pursuant to the LP Agreement, the following matters require the approval of Limited Partners by Special Resolution:

(a) removing the General Partner where the General Partner has committed a material breach of the LP Agreement, which breach has continued for 30 days after notice is given, and, if such removal would result in the Partnership having no general partner, electing a new general partner as provided in Section 6.16(c) of the LP Agreement;

(b) upon voluntary withdrawal of the General Partner, electing a new general partner as provided in Section 6.18(a) of the LP Agreement;

(c) waiving any default, other than in respect of any insolvency, receivership or bankruptcy of the Partnership, on the part of the General Partner on those terms as the Limited Partners may determine and releasing the General Partner from any claims in respect thereof;

(d) amending, modifying or altering any Special Resolution previously passed by holders of LP Units;

(e) a merger or consolidation involving the Partnership, except for a merger or consolidation involving only the Partnership and one or more of its Affiliates;

(f) continuing the Partnership if the Partnership is terminated by operation of law;

(g) adding to, changing or removing any right, privilege, restriction or condition attaching to the LP Units which may reasonably be considered materially adverse to the holders of the LP Units;

(h) consenting to any judgment entered in a court of competent jurisdiction against the Partnership; and

(i) dissolving the Partnership pursuant to Section 10.1(c) of the LP Agreement.

Amendments to LP Agreement by General Partner

The General Partner may, without the approval of the LP Unitholders, make certain amendments or additions to the LP Agreement, if such amendment or addition is, in the opinion of the General Partner based on advice from legal counsel to the Partnership (who may be an employee of the General Partner or the Partnership), necessary or desirable for the protection or benefit of all the Limited Partners or the Partnership or necessary or desirable to cure an ambiguity in, or to correct or supplement, any provision contained in the LP Agreement which is defective or inconsistent with any other provision contained in the LP Agreement, provided that such cure, correction or supplemental provision does not and will not affect materially adversely the interests of any Limited Partner. For greater clarity and without limiting the foregoing, but subject to the provisions of the LP Agreement, the General Partner may make the following amendments to the LP Agreement:

(a) a change in the name of the Partnership or the location of the principal office or registered office of the Partnership;

(b) a change in the governing law of the Partnership to any other Province of Canada;

(c) the admission, substitution, withdrawal or removal of Limited Partners in accordance with the LP Agreement;

(d) a change that, as determined by the General Partner, is reasonable and necessary or appropriate to qualify or continue the qualification of the Partnership as a limited partnership in which the Limited Partners have limited liability under applicable law;

(e) for the purpose of ensuring continuing compliance with Applicable Laws (including the Tax Act), regulations, requirements or policies of any Governmental Authority having jurisdiction over: (1) the General Partner or over the Partnership; or (2) the distribution of LP Units;

(f) which, in the opinion of the General Partner, acting reasonably, are necessary to maintain the rights of the LP Unitholders set out in the LP Agreement;

(g) to remove any conflicts or inconsistencies in the LP Agreement or to make minor corrections which are, in the opinion of the General Partner, necessary or desirable and not prejudicial to the LP Unitholders;

(h) which, in the opinion of the General Partner, are necessary or desirable as a result of changes in taxation or other laws or the administration or enforcement thereof;

(i) for any purpose (except one in respect of which a LP Unitholder vote is specifically otherwise required) which, in the opinion of the General Partner, is not prejudicial to the LP Unitholders and are necessary or desirable;

(j) to include the terms of such other Classes or Series of LP Units or series of Preferred Units which may be created by the General Partner in its discretion in accordance with the LP Agreement; and;

(k) to implement any distribution reinvestment plan or any amendments thereto.

In no event may the General Partner amend the LP Agreement without LP Unitholder consent if such amendment would (i) amend Article 9.2 of the LP Agreement; or (ii) amend the LP Unitholders' voting rights.

Amendments to LP Agreement by LP Unitholders

Subject to the other provisions of the LP Agreement, the LP Agreement may be amended by Ordinary Resolution of LP Unitholders. Without limiting the generality of the foregoing, the following amendments must be approved by Special Resolution of the LP Unitholders:

(a) an exchange, reclassification or cancellation of all or part of the LP Units;

(b) the addition, change or removal of the rights, privileges, restrictions or conditions attached to the LP Units including, without limiting the generality of the foregoing;

  (i) the removal or change of rights to distributions; or

  (ii) the addition or removal of or change to conversion privileges, redemption privileges, voting, transfer or pre-emptive rights;

(c) the creation of new rights or privileges attaching to the LP Units; and

(d) any change to the existing constraints on the issue, transfer or ownership of the LP Units;

(e) any amendment that alters the ability of the Limited Partners to remove the General Partner involuntarily;

(f) any change to the liability of any Limited Partner;

(g) any change to the right of a Limited Partner to vote at any meeting of Limited Partners;

(h) any amendment to Section 9.1 of the LP Agreement;

(i) any change to the Partnership from a limited partnership to a general partnership;

(j) any amendment that alters the percentage of net income allocable or the amount of distributions payable to the Limited Partners; or

(k) any amendment that allows any Limited Partner or an agent thereof to take an active part in the Business or to exercise control over or manage the business of the Partnership.

Term and Termination

Subject to the procedures set out in Section 10.3 of the LP Agreement, unless otherwise agreed by the parties to the LP Agreement, the Partnership will terminate on the occurrence of any of the following events:

(a) the removal or deemed removal of a sole general partner unless such general partner is replaced as provided for in the LP Agreement;

(b) the passage of a Special Resolution approving the dissolution of the Partnership; and

(c) the date of dissolution caused by operation of law.

In addition, the General Partner may at any time, if, in its opinion, it is no longer economically feasible to continue the Partnership and/or it would otherwise be in the best interests of Limited Partners to terminate the Partnership, terminate and dissolve the Partnership by giving to each then Limited Partner written notice of its intention to terminate the Partnership at least 90 days before the date on which the Partnership is to be terminated.

Investment Guidelines and Operating Policies

Investment Guidelines

The LP Agreement provides for certain guidelines on investments which may be made by the Partnership. Additionally, the guidelines below are intended to set out generally the parameters under which any Subsidiary of the Partnership will be permitted to invest. References to the Partnership below shall be read as applying to any such Subsidiary. The guidelines are as follows:

(a) The Partnership shall focus its activities primarily on the acquisition, development, holding, maintaining, improving, leasing or managing of multi-unit residential revenue producing properties (and ancillary commercial or other real estate ventures) for investment purposes and assets ancillary thereto necessary for the operation thereof and such other activities as are consistent with the other investment guidelines of the Partnership (the "**Partnership Focus Activities**");

(b) the Partnership will focus on multi-unit residential properties in the value-add, opportunistic and repositioning categories in Canada for the purpose of driving capital appreciation through investment, as well as the strategic use of leverage and recycling of capital from accretive dispositions;

(c) at such times the Partnership has Gross Book Value of at least two hundred fifty million dollars ($250,000,000), no single asset (excluding any portfolio of properties) shall be acquired if the cost of such acquisition (net of the amount of debt secured by such asset) will exceed 20% of Gross Book Value, provided that where such asset is the securities of or an interest in an entity, the foregoing tests shall be applied individually to each asset of such entity;

(d) the Partnership may make its investments and conduct its activities, directly or indirectly, through an investment in one or more Persons on such terms as the General Partner may from time to time determine, including by way of joint ventures, partnerships (general or limited), unlimited liability companies and limited liability companies;

(e) except for temporary investments held in cash, deposits with a Canadian or U.S. chartered bank or trust company registered under the laws of a province of Canada, short-term government debt securities or money market instruments of, or guaranteed by, a Schedule I Canadian chartered bank maturing prior to one year from the date of issue and except as permitted pursuant to the investment guidelines and operating policies of the Partnership, the Partnership directly or indirectly, may not hold securities of a Person other than to the extent such securities would constitute an investment in real property (as determined by the General Partner) and provided further that, notwithstanding anything contained in the LP Agreement to the contrary, but in all events subject to (a) and (b) above, the Partnership may hold securities of a Person:

(i) acquired in connection with the carrying on, directly or indirectly, of the Partnership's activities or the holding of the Partnership Property; or

(ii) which focuses its activities primarily on Partnership Focus Activities, provided that, in the case of any proposed investment or acquisition which would result in the beneficial ownership of more than 10% of the outstanding securities of an Acquired Issuer, the investment is made for the purpose of pursuing the merger or combination of the business and assets of the Partnership and the Acquired Issuer or for otherwise ensuring that the Partnership will control the business and operations of the Acquired Issuer;

(f) no investment will be made, directly or indirectly, in operating businesses unless such investment is incidental to a transaction:

(i) where revenue will be derived, directly or indirectly, principally from a Partnership Focus Activity; or

(ii) which principally involves the development, ownership, maintenance, improvement, leasing or management, directly or indirectly, of real property held for investment purposes;

(g) notwithstanding any other provisions of these guidelines, the securities of a reporting issuer in Canada may be acquired provided that:

(i) the activities of the issuer are focused on the Partnership Focus Activities; and

(ii) in the case of any proposed investment or acquisition which would result in the beneficial ownership of more than 10% of the outstanding equity securities of the securities issuer, the investment or acquisition is of strategic interest to the Partnership as determined by the General Partner in its discretion;

(h) no investments will be made in rights to or interests in mineral or other natural resources, including oil or gas, except as incidental to an investment in real property;

(i) no investments will be made in a mortgage, mortgage bonds, notes (except as provided for in the LP Agreement) or debentures ("**Debt Instruments**") (including participating or convertible) unless:

(i) the real property which is security thereof is real property which otherwise meets the provisions of Section 6.1(a) of the LP Agreement and Section 1 of Schedule A to the LP Agreement;

(ii) the security therefore includes a mortgage registered on title to the real property which is security thereof;

(iii) the amount of the investment (not including any Mortgage Insurance Fees incurred in connection therewith) does not exceed 85% of the market value of the real property which is the security thereof; and

(iv) the aggregate value of the investments of the Partnership in Debt Instruments, after giving effect to the proposed investment, will not exceed 20% of the Gross Book Value;

(j) no investment shall be made in raw land except for the acquisition of properties adjacent to existing properties for the purpose of renovation or expansion of existing facilities where the total cost of all such investments does not exceed 10% of Gross Book Value; and

(k) notwithstanding any other provisions of the LP Agreement, investments may be made which do not comply with the provisions of Section 6.1(a) of the LP Agreement or Section 1 of Schedule A to the LP Agreement provided:

(i) the aggregate cost thereof (which, in the case of an amount invested to acquire real property, is the purchase price less the amount of any indebtedness assumed or incurred in connection with the acquisition and secured by a mortgage on such property) does not exceed 15% of the Gross Book Value; and

(ii) the making of such investment would not contravene the LP Agreement.

The Partnership has complied with the guidelines set out above since its formation.

Operating Policies

The operations and affairs of the Partnership shall be conducted in accordance with the following operating policies:

(a) the construction or development of real property may be engaged in order to maintain its real properties in good repair or to enhance the revenue-producing potential of real properties in which it has an interest;

(b) title to each real property shall be held by and registered in the name of (i) a corporation or other entity wholly-owned by the Partnership, (ii) the General Partner, or (iii) a corporation or other entity wholly-owned indirectly by the Trust or jointly owned indirectly by the Trust with joint ventures;

(c) no indebtedness shall be incurred or assumed if, after giving effect to the incurring or assumption thereof of the indebtedness, the total indebtedness including amounts drawn under an acquisition and operating facility but not including Mortgage Insurance Fees incurred in connection with the incurrence or assumption of such indebtedness as a percentage of Gross Book Value, would be more than 85% at the time of acquisition (excluding the amount of any indebtedness attributable to capital improvement financing). For subsequent refinancing events the total indebtedness including amounts drawn under an acquisition and operating facility but not including Mortgage Insurance Fees incurred in connection with the incurrence or assumption of such indebtedness as a percentage of Gross Book Value, would be more than 75%.

(d) the Partnership will not directly or indirectly guarantee any indebtedness or liabilities of any Person unless such guarantee is given in connection with or incidental to an investment that is otherwise permitted under Section 6.1(a) of the LP Agreement or Schedule A to the LP Agreement;

(e) at all times insurance coverage will be obtained and maintained in respect of potential liabilities of the Partnership and the accidental loss of value of any of the Partnership Property from risks, in amounts and with such insurers, in each case as the General Partner considers appropriate, taking into account all relevant factors including the practices of owners of comparable properties and, for clarity, the Partnership is not required to title insure; and

(f) a Phase I environmental audit shall be conducted or obtained for each real property to be acquired and, if the Phase I environmental audit report recommends that further environmental audits be conducted or obtained, such further environmental audits shall be conducted or obtained, in each case by or from an independent and experienced environmental consultant.

For the purpose of the foregoing operating policies, the assets, indebtedness, liabilities and transactions of a corporation, trust, partnership or other entity in which the Partnership has an interest, directly or indirectly, will be deemed to be those of the Partnership on a proportionate consolidated basis, except in the case of Paragraph (d) to the extent that such treatment is inconsistent with the relevant requirements of the Tax Act. In addition, any references in the foregoing to investment in real property will be deemed to include an investment in a joint venture arrangement.

The term "**indebtedness**" means (without duplication):

(g) any obligation, directly or indirectly, of the Partnership for borrowed money;

(h) any obligation, directly or indirectly, of the Partnership incurred in connection with the acquisition of property, assets or business other than the amount of future income tax liability arising out of indirect acquisitions;

(i) any obligation, directly or indirectly, of the Partnership issued or assumed as the deferred purchase price of property;

(j) any capital lease obligation, directly or indirectly, of the Partnership;

(k) any obligation, directly or indirectly, of the type referred to in clauses (a) through (d) of another Person, the payment of which the Partnership has, directly or indirectly, guaranteed or for which the Partnership is responsible for or liable; and

(l) any amounts secured by any of the Partnership Property;

provided that (i) for the purposes of (a) through (b), an obligation (other than convertible debentures) will constitute indebtedness only to the extent that it would appear as a liability on the consolidated statement of financial position of the Partnership in accordance with generally accepted accounting principles in Canada, (ii) obligations referred to in clauses (a) through (c) exclude trade accounts payable, distributions payable and accrued liabilities arising in the ordinary course of business; and (iii) convertible debentures will constitute indebtedness to the extent of the principal amount outstanding.

The Partnership has complied with the operating policies set out above since its formation.

Amendments to Investment Guidelines and Operating Policies

Subject to the LP Agreement, the investment guidelines of the Partnership set forth in Paragraph (a) above may be amended by a Special Resolution at a meeting of the LP Unitholders called for that purpose. Any of the remaining investment guidelines and the operating policies of the Partnership set forth above may be amended from time to time by the General Partner.

Indemnification of the General Partner

The General Partner and each of its directors, officers, employees and agents, among others, are indemnified by the Partnership to the fullest extent permitted by law out of the assets of the Partnership for all liabilities, claims, losses, costs and expenses incurred by them in the manner and to the extent provided by Section 6.8 of the LP Agreement.

Books and Records

The General Partner shall keep, or cause to be kept on behalf of the Partnership, at its principal office, appropriate books of proper and complete accounts, records, and registers of the operations and affairs of the Partnership, including the record of the names and addresses of all of the Partners.

The books of the Partnership are maintained for financial reporting purposes on an accrual basis in accordance with generally accepted accounting principles.

Right to Inspect Books and Records

The LP Agreement provides that a Limited Partner can, for a purpose reasonably related to such Limited Partner's interest as a Limited Partner, upon reasonable demand and at its own expense, have access to: copies of the LP Agreement, the declaration of limited partnership of the Partnership, the record of Partners and amendments to those documents; copies of all documents filed by the Partnership with a securities regulatory authority in Canada; copies of minutes of meetings of the Partners; and any other information regarding the affairs of the Partnership as is just and reasonable or to which a Limited Partner is entitled pursuant to the *Limited Partnerships Act* (Ontario).

Trust Unitholders are not Limited Partners and accordingly do not have the aforesaid rights afforded to Limited Partners. However, Trust Unitholders may, upon reasonable demand and at their own expense, review certain books and records of the Partnership available at the head office of the Trust during regular business hours.

The General Partner may keep confidential from the Limited Partners for any period of time as the General Partner deems reasonable any information (other than the books and records noted above), which in the reasonable opinion of the General Partner, should be kept confidential in the best interests of the Partnership or which the Partnership is required by law or agreements with third parties to keep confidential.

Functions and Powers of the General Partner

The General Partner is authorized to carry on the business of the Partnership and, subject to the terms of the LP Agreement, has full power and exclusive authority to administer, manage, control and operate the business of the Partnership. The General Partner's duties include, but are not limited to: negotiating, executing and performing all agreements on behalf of the Partnership; authorizing, creating and, subject to any regulatory approvals, issuing such additional Classes and Series of LP Units (including LP Units that rank in priority to existing LP Units) within its discretion for such consideration as it deems appropriate; opening and managing bank accounts in the name of the Partnership; borrowing funds or incurring indebtedness or liabilities in the name of the Partnership; issuing LP Units to Limited Partners; making distributions of Partnership Distributable Income; issuing debt and/or debt instruments of the Partnership; mortgaging, charging, assigning, hypothecating, pledging or otherwise creating a security interest in all or any property of the Partnership or any Affiliate of the Partnership; managing, controlling and developing all the activities of the Partnership; incurring and paying all costs and expenses in connection with the Partnership; employing, retaining, engaging or dismissing from employment, personnel, agents, representatives or professionals or other investment participants within its discretion; engaging agents, including any Affiliate or Associate to assist it to carry out its management obligations to the Partnership; investing cash assets in any investment approved in its sole discretion; acquiring, holding, transferring, voting or otherwise dealing with securities of entities engaged primarily in the business of the Partnership which are permitted businesses for the Partnership as provided in the LP Agreement; maintaining, improving or changing any assets of the Partnership; seeing to the sound management of the Partnership, and to manage, control and develop all the activities of the Partnership; acting as attorney-in-fact or agent of the Partnership in disbursing and collecting moneys for the Partnership, paying debts and fulfilling the obligations of the Partnership and handling and settling any claims of the Partnership;

commencing or defending any action or proceeding by, against or in connection with the Partnership; filing returns or other documents (including tax returns) required by any Governmental Authority or like authority; retaining legal counsel, experts, advisors or consultants as it considers appropriate; acquiring or, subject to Section 8.16 of the LP Agreement, disposing of assets of the Partnership; entering into hedge contracts or similar arrangements to permit the Partnership to mitigate or eliminate the Partnership's exposure to interest rate, foreign exchange or other risks associated with the business of the Partnership; doing anything that is in furtherance of or incidental to the business of the Partnership or that is provided for in the LP Agreement; executing, acknowledging and delivering the documents necessary to effectuate any or all of the foregoing or otherwise in connection with the business of the Partnership; filing any tax elections, forms, objections or notices of objection or similar documents on behalf of the Partnership and (to the extent necessary) on behalf of the Partners under the Tax Act or any other tax legislation; obtaining any insurance coverage; and carrying out the objects, purposes and business of the Partnership.

The General Partner may from time to time delegate its power and authority or procure assistance from other parties pursuant to the terms of the LP Agreement.

Reimbursement of the General Partner

The General Partner is entitled to recover from the Partnership all reasonable direct costs and expenses incurred by the General Partner in the performance of its duties under the LP Agreement on behalf of the Partnership.

Asset Management Agreement

The following is a summary only of certain material provisions of the Asset Management Agreement. This summary is qualified in its entirety by reference to the provisions of the Asset Management Agreement, a copy of which can be obtained by contacting investors@equiton.com. The Asset Manager is a Related Party to the Issuers and the Asset Management Agreement was not negotiated at arm's length between the parties.

Asset Manager's Duties

Pursuant to the terms of the Asset Management Agreement, Equiton Partners has been appointed as the Asset Manager and is responsible for managing the Partnership and providing advice with respect to the Partnership's Properties. The Asset Manager provides strategic, advisory, asset management, lending and financial management and administrative services necessary to manage the day-to-day operations of the Partnership and its assets. In carrying out its obligations under the Asset Management Agreement, Equiton Partners is required to exercise its powers and discharge its duties in good faith.

Among other duties, the Asset Manager is responsible for: providing ongoing analysis of the market in Canada and elsewhere for multi-unit residential rental properties; providing acquisition, disposition and asset management advice to the Partnership; performing due diligence on any properties being considered for acquisition by the Partnership; hiring and managing specialists, consultants, advisors or other like persons reasonably required from time to time in furtherance and support of the services set out in the Asset Management Agreement provided that the fees and out-of-pocket costs of each such specialist, consultant and advisor will be for the account of the Partnership and not to the account of the Asset Manager; preparing and distributing an annual estimate on a property-by-property basis of the amount to be reserved from the revenues of the

Properties for any necessary capital repairs; establishing and maintaining commercial bank overdraft line of credit to protect the Partnership and any Subsidiary against overdraft charges; using cash reserves from the Properties to manage the cash flow requirements of the Partnership and any Subsidiaries, including the invoice and collection of interest on any short term loans made to individual Subsidiaries from such cash reserves; considering, and implementing, in its discretion, as aforesaid, interest rate, currency, commodity and other financial risks hedges and other policies to manage (increasing, maintaining or decreasing) risk exposure for the Partnership and its Subsidiaries on a consolidated basis; opening and managing any investment, banking, trading or brokerage account required for it to manage the aforementioned financial risks hedges; and using commercially reasonable efforts to arrange with third-party lenders short and long term financing or refinancing for one or more Properties or for the Partnership provided the foregoing shall in no circumstances constitute an undertaking by the Asset Manager to make any loan to any of the Partnership or any Subsidiary at any time in any amount. The Asset Manager is subject to oversight by the General Partner and all acquisitions and dispositions of Properties shall be subject to approval by the General Partner.

Term and Termination

The Asset Management Agreement shall have an initial term commencing on the Initial Closing Date and ending on the fifth anniversary of such date. Upon expiry of the initial term, the Asset Management Agreement shall automatically continue in full force and effect until terminated in accordance with its terms.

The Asset Management Agreement may be terminated on the earliest of the following dates:

(a) by the Asset Manager or the Partnership, as applicable, if the other party is in material breach of any of the provisions of the Asset Management Agreement and such breach has not been cured within 30 days after notice thereof is given to the other party;

(b) by the Asset Manager, at any time, upon 180 days prior written notice by the Asset Manager to the Partnership;

(c) following the initial term of the Asset Management Agreement, by the Partnership, at any time, upon 180 days prior written notice by the Partnership to the Asset Manager; or

(d) by the Asset Manager or the Partnership, as applicable, if the other party becomes bankrupt or insolvent or makes a general assignment for the benefit of its creditors or a receiver is appointed for such party or in respect of a substantial portion of such party's assets.

Asset Manager's Fees

During the term of the Asset Management Agreement, the Partnership will pay the Asset Manager the following:

(a) a transaction fee ("**Transaction Fee**") equal to 1.0% of the purchase price of each Property acquired or sold by the Partnership (calculated without duplication), plus any applicable taxes;

(b) a management fee ("**Management Fee**") equal to 1.0% (on an annualized basis) of the Gross Asset Value of the Partnership, plus any applicable taxes; and

(c) a financing fee ("**Financing Fee**") in respect of any financing transaction involving any of the Properties, equal to: (i) 1.0% of the loan amount for each senior or first ranking financing transaction, (ii) 0.5% of the loan amount for each refinancing transaction with an existing lender, and (iii) up to 1.5% of the loan amount for each mezzanine or non-first ranking financing transaction, plus any applicable taxes.

In addition, the Partnership will pay directly, or reimburse the Asset Manager for, all out-of- pocket expenses incurred by it in respect of the management services rendered by the Asset Manager pursuant to the Asset Management Agreement. For greater clarity, the Partnership shall reimburse the Asset Manager for costs and expenses incurred by the Asset Manager in respect of software, payroll, human resource costs and expenses. The Partnership shall also reimburse the Asset Manager for all other standard costs that the Asset Manager may incur directly or indirectly associated with a property management business. The Partnership shall be liable for paying all applicable HST, value-added, provincial, sales, use and other similar taxes on any fees or reimbursements.

Property Management Agreement

The following is a summary only of certain material provisions of the Property Management Agreement. This summary is qualified in its entirety by reference to the provisions of the Property Management Agreement, a copy of which can be obtained by contacting investors@equiton.com. The Property Manager is a Related Party to the Issuers and the Property Management Agreement was not negotiated at arm's length between the parties.

Pursuant to the Property Management Agreement, Equiton Partners acts as the Property Manager. The Property Manager manages all aspects of the operation of the Properties, including property management services and project management services.

The Property Manager has the right to hire a subcontractor to sub-manage any of the Properties, if in the opinion of the Property Manager, this would be in the best interest of the Property in question.

During the term of the Property Management Agreement, the Partnership will pay to the Property Manager a fee of 4.0% of the gross income collected from the Properties as compensation for providing property management services, plus applicable taxes. The Partnership will pay the Property Manager a fee of 5.0% of the total cost to construct and/or co-ordinate the construction or material repairs of any tenant premises or any portion of the Properties, plus applicable taxes. The Partnership will also pay the Property Manager other fees customarily paid to a property manager in similar circumstances.

In addition, the Partnership will pay directly, or reimburse the Property Manager for, all out-of-pocket expenses incurred by it in respect of the management services rendered by the Property Manager pursuant to the Property Management Agreement. For greater clarity, the Partnership shall reimburse the Property Manager for costs and expenses incurred by the Property Manager in respect of software, payroll, human resource costs and expenses. The Partnership shall also reimburse the Property Manager for all other standard costs that the Property Manager may incur directly or indirectly associated with a property management business. The Partnership shall be

liable for paying all applicable HST, value-added, provincial, sales, use and other similar taxes on any fees or reimbursements.

Term and Termination

The Property Management Agreement shall have an initial term commencing on the Initial Closing Date and ending on the fifth anniversary of such date. Upon expiry of the initial term, the Property Management Agreement shall automatically continue in full force and effect until terminated in accordance with its terms.

The Property Management Agreement may be terminated:

(a) by the Partnership:

  (i) following the initial term of the Property Management Agreement, at any time, upon 180 days prior written notice by the Partnership to the Property Manager;

  (ii) upon failure of the Property Manager to materially perform the property management and project services as set out in the Property Management Agreement;

  (iii) if the Property Manager acts in a grossly negligent manner and not remedied within 30 days; or

  (iv) upon the occurrence of an insolvency event of the Property Manager; or

(b) by the Property Manager:

  (i) in the event the Partnership fails to pay any fees within 30 days of the presentation of an invoice and fails to remedy such default within 15 days; or

  (ii) upon the occurrence of an insolvency event of the Partnership.

The Property Manager, Equiton Partners, is a Related Party to the Issuers because Jason Roque, a Director, and Helen Hurlbut, a Trustee, are the Chief Executive Officer and the President & Chief Financial Officer, respectively, of Equiton Partners. In addition, Mr. Roque indirectly controls Equiton Partners. See "*Interests of Trustees, General Partner, Management, Promoters and Principal Holders – Management Experience*" and "*Relationship between the Issuers, the Equiton Agent and Other Related Parties*".

INTERESTS OF TRUSTEES OR DIRECTORS, MANAGEMENT, PROMOTERS AND PRINCIPAL HOLDERS OF THE ISSUERS

Compensation and Securities Held

Name and municipality of principal residence or, if not an individual, jurisdiction of organization	Positions held (e.g., trustee, officer, promoter and/or principal holder) and the date of obtaining that position	Compensation paid by the issuer in the most recently completed financial year and the compensation anticipated to be paid in the current financial year	Number, type and percentage of securities of the issuer held after completion of minimum Offering	Number, type and percentage of securities of the issuer held after completion of maximum Offering
Jason Roque *Hamilton, Ontario*	Trustee, February 4, 2026 to March 30, 2026 Chief Executive Officer, since February 4, 2026 Director, since March 30, 2026	$0[1]	Nil[5]	Nil[5]
Helen Hurlbut *Mississauga, Ontario*	Trustee, President & Chief Financial Officer, since February 4, 2026	$0[1]	Nil[5]	Nil[5]
Richard Austin *Ontario*	Trustee, since February 4, 2026 Director, since March 30, 2026	$12,000 [2][3] (anticipated 2026)	Nil[5]	Nil[5]
Sam Barbieri *Ontario*	Trustee, February 4, 2026 to March 30, 2026 Director, since March 30, 2026	$12,000 [2] (anticipated 2026)	Nil[5]	Nil[5]
Jonathan Pinto *Ontario*	Trustee, since February 4, 2026	$12,000 [2] (anticipated 2026)	Nil[5]	Nil[5]

Name and municipality of principal residence or, if not an individual, jurisdiction of organization	Positions held (e.g., trustee, officer, promoter and/or principal holder) and the date of obtaining that position	Compensation paid by the issuer in the most recently completed financial year and the compensation anticipated to be paid in the current financial year	Number, type and percentage of securities of the issuer held after completion of minimum Offering	Number, type and percentage of securities of the issuer held after completion of maximum Offering
Equiton Partners Inc. *Ontario*	Promoter, since February 4, 2026	$0[4]	1 unit[5]	Nil[5]

Notes:

(1) Mr. Roque and Ms. Hurlbut will not receive any compensation from the Trust or the General Partner, as applicable. Mr. Roque receives compensation from Equiton Partners as Chief Executive Officer of Equiton Partners. Ms. Hurlbut receives compensation from Equiton Partners as President & Chief Financial Officer of Equiton Partners.

(2) Each Independent Trustee is paid $3,000 plus applicable taxes per quarter, as adjusted/prorated where applicable.

(3) Mr. Austin is paid an aggregate amount of $3,000 plus applicable taxes per quarter, as adjusted/prorated where applicable, in respect of both his position as Trustee and as Director.

(4) Equiton Partners will not receive any compensation from the Trust. Equiton Partners will receive fees from the Partnership as manager of the Issuers. See "*Material Contracts – Asset Management Agreement – Asset Manager's Fees*", "*Material Contracts – Property Management Agreement – Asset Manager's Fees*" and "*Relationship between the Issuers, the Equiton Agent, and Other Related Parties*".

(5) There is no maximum or minimum Offering. The Issuers will offer an unlimited number of Units on a continuous basis. The Series of Units outstanding will depend on which Series of Units are subscribed for.

Management Experience

The following table discloses the principal occupations of each trustee, director, officer, promoter and principal holder of the Issuers over the past five (5) years:

Name	Principal occupation and description of experience associated with the occupation
Jason Roque	Jason Roque is the Chief Executive Officer of Equiton Partners, which he founded in 2014 with a focus on real estate investment. Prior to this role, Mr. Roque was the Chief Executive Officer of a private real estate development company from 2006 to 2014. Mr. Roque has more than 20 years of real estate and development experience. Previously, as Chief Executive Officer of LIV Communities (formerly Landmart Homes), he transformed the regionally based custom home builder into a full-scale real estate development company. While there, he oversaw all aspects of the development and construction business, carefully selecting properties and overseeing operations with a dedicated team to ensure profitability. Mr. Roque received his B.A. in Economics from the University of Toronto.
Helen Hurlbut	Helen Hurlbut is the President & Chief Financial Officer of Equiton Partners. Ms. Hurlbut is responsible for Equiton Partners' overall financial management growth, development and security. Prior to this role, Ms. Hurlbut was Chief Financial Officer with Cherishome Living (formerly McArthur Properties) from 2011 to 2014, Chief Financial Officer of Empire Communities from 2007 to 2010 and Vice President and Treasurer of Mattamy Homes from 1998 to 2007. In her over 30 years of experience in the commercial, industrial and residential real estate industries, she has held executive leadership roles at some leading real estate investment and development companies. She is a Certified Management Accountant and Chartered Professional Accountant and holds an Honours B.A. in Economics and Business from York University. She regularly volunteers her time and expertise on local boards and charities.
Richard Austin	Richard E. Austin brings over 30 years of experience in financial services, law, and asset management. He has advised investment firms, portfolio managers, and financial institutions on compliance, governance, and regulatory matters. He currently chairs the Investment Committee of the Credit Counselling Society and serves on multiple boards and committees, including the Condominium Authority of Ontario and the Facility Association. Richard has deep expertise in governance, financial product development, and risk management. His legal and executive experience spans banking, securities, fintech, and corporate compliance, giving him practical insight into organizational oversight. He holds an Honours B.A. in Economics from the University of Toronto, an LL.B. from the University of Windsor, an MBA in Finance and Accounting from York University, and is a graduate of the Institute of Corporate Directors (ICD) program at the Rotman School of Business.

Sam Barbieri	Sam Barbieri is an accomplished real estate executive with over 25 years of experience in portfolio management, asset development, and property management. He has held senior leadership roles at LaSalle Investment Management, including Managing Director of Portfolio Management and Development, overseeing national portfolios and leading large-scale development initiatives. Sam has significant expertise in acquisitions and dispositions, land-use planning, and creating value through strategic real estate development. He has managed multi-billion-dollar property portfolios, led cross-functional teams, and implemented ESG and climate initiatives. He also served as President of NAIOP GTA in 2019 and has deep knowledge of private equity and real estate investment strategies.
Jonathan Pinto	Jonathan Pinto has over 20 years of experience in capital markets, corporate finance, investor relations, and corporate governance. He has held senior leadership roles at organizations including the TMX Group, Odyssey Trust, Manulife Financial, Genworth MI Canada, and Citigroup, overseeing strategy, investor engagement, and business development. Jonathan currently serves on multiple boards and committees, including the Toronto Police Widows & Orphans Fund, University of Lethbridge Business Corp., and Oakville Senior Citizens Residence, where he has also chaired and sat on governance and audit committees. He has also advised public company boards (including REITs) and institutional investors on governance, ESG, and shareholder engagement. Jonathan holds an MBA from the University of Windsor and an LL.M in Business Law from Osgoode Hall Law School at York University.

Penalties, Sanctions, Bankruptcy, Insolvency and Criminal or Quasi-Criminal Matters

To the Issuers' knowledge, no trustee, director, officer, or control person of the Issuers (an "**Insider**") has, or any issuer of which an Insider was a trustee, director, officer or control person, has:

(a) during the last 10 years, been subject to any penalty or sanction, or any cease trade order that has been in effect for a period of more than 30 consecutive days;

(b) during the last 10 years, made a declaration of bankruptcy, voluntary assignment in bankruptcy, proposal under any bankruptcy or insolvency legislation, proceedings, arrangement or compromise with creditors, or appointed a receiver, receiver-manager or trustee to hold assets; or

(c) ever pled guilty to, or been found guilty of (i) a summary conviction or indictable offence under the *Criminal Code* (Canada); (ii) a quasi-criminal offence in any jurisdiction of Canada or a foreign jurisdiction; (iii) a misdemeanour or felony under the criminal legislation of the United States of America, or any state or territory of the United States of America; or (iv) an offence under the criminal legislation of any other foreign jurisdiction.

Certain Loans

As at the date of this Offering Memorandum, there are no debentures, bonds or loans between either of the Issuers and a Related Party. However, Equiton Partners or its Affiliates, may provide the Partnership with Equiton Loans to (a) form part of the payment of existing and future investments; (b) repay debt; or (c) redeem the Redeemable LP Units. The Trust anticipates the Equiton Loans will be interest only payable loans, with no fixed term, and will bear interest at a market rate, as determined by the Trustees at the time of issuance, payable monthly. Additionally, the Trust anticipates the Equiton Loans will be repayable to Equiton Partners, its Affiliates or by other investment trusts managed by Equiton Partners, as applicable, in cash or Redeemable LP Units (at the discretion of the applicable lender) and will be assignable by Equiton Partners or its Affiliates. See *"Capital Structure – Long-Term Debt"*.

CAPITAL STRUCTURE

Trust Unit Capital

Description of security	Number authorized to be issued	Price per security	Number outstanding as at the date hereof	Number outstanding after minimum Offering	Number outstanding after maximum Offering
Class A Trust Units, Series A-FL[(1)]	Unlimited	$10.00	Nil	N/A[(2)]	N/A[(2)]
Class A Trust Units, Series A-LL[(1)]	Unlimited	$10.00	Nil	N/A[(2)]	N/A[(2)]
Class A Trust Units, Series C[(1)]	Unlimited	$10.00	Nil	N/A[(2)]	N/A[(2)]
Class A Trust Units, Series E[(1)]	Unlimited	$10.00	Nil	N/A[(2)]	N/A[(2)]
Class A Trust Units, Series F[(1)]	Unlimited	$10.00	Nil	N/A[(2)]	N/A[(2)]
Class A Trust Units, Series I[(1)]	Unlimited	$10.00	Nil	N/A[(2)]	N/A[(2)]
Special Voting Units[(1)]	Unlimited	$0.00	Nil	N/A	N/A

Notes:

(1) See "*Material Contracts – Declaration of Trust – Trust Units*" and "*Terms of Trust Units*", for the terms of the Trust Units.

(2) There is no maximum or minimum offering. The Trust will offer an unlimited number of Class A Trust Units on a continuous basis. The Series of Class A Trust Units outstanding will depend on which Series of Class A Trust Units are subscribed for.

LP Unit Capital

Description of security	Number authorized to be issued	Price per security	Number outstanding as at the date hereof	Number outstanding after minimum Offering	Number outstanding after maximum Offering
Class A LP Units, Series A-FL[(1)]	Unlimited	$10.00	Nil	N/A[(2)]	N/A[(2)]
Class A LP Units, Series A-LL[(1)]	Unlimited	$10.00	Nil	N/A[(2)]	N/A[(2)]
Class A LP Units, Series C[(1)]	Unlimited	$10.00	Nil	N/A[(2)]	N/A[(2)]
Class A LP Units, Series E[(1)]	Unlimited	$10.00	Nil	N/A[(2)]	N/A[(2)]
Class A LP Units, Series F[(1)]	Unlimited	$10.00	Nil	N/A[(2)]	N/A[(2)]
Class A LP Units, Series I[(1)]	Unlimited	$10.00	Nil	N/A[(2)]	N/A[(2)]
Redeemable LP Units[(1)]	Unlimited	$0.00	Nil	N/A	N/A

Notes:

(1) See "*Material Contracts – LP Agreement – LP Units*" and "*Terms of LP Units*", for the terms of the LP Units.

(2) There is no maximum or minimum offering. The Partnership will offer an unlimited number of Class A LP Units on a continuous basis. The Series of Class A LP Units outstanding will depend on which Series of Class A LP Units are subscribed for.

Long-Term Debt

As at the date hereof, the Issuers have no long-term debt.

Prior Sales

The following table discloses the issuance of Units, or securities exchangeable for Units within the 12 months prior to the date hereof:

Date of Issuance	Series of Class A Trust Units	No. of Class A Trust Units Issued	Price per Class A Trust Unit	Total Funds Received
N/A	Series A-FL	Nil	$10.00	$0.00
N/A	Series A-LL	Nil	$10.00	$0.00
N/A	Series C	Nil	$10.00	$0.00
N/A	Series E	Nil	$10.00	$0.00
N/A	Series F	Nil	$10.00	$0.00
N/A	Series I	Nil	$10.00	$0.00

Date of Issuance	Series of Class A LP Units	No. of Class A LP Units Issued	Price per Class A LP Unit	Total Funds Received
N/A	Series A-FL	Nil	$10.00	$0.00
N/A	Series A-LL	Nil	$10.00	$0.00
N/A	Series C	Nil	$10.00	$0.00
N/A	Series E	Nil	$10.00	$0.00
N/A	Series F	Nil	$10.00	$0.00
N/A	Series I	Nil	$10.00	$0.00

TERMS OF TRUST UNITS

The Trust Units have those rights, privileges, restrictions and conditions ascribed thereto as set forth in the Declaration of Trust, including the following:

Voting Rights

Trust Unitholders may attend and vote at all meetings of the Trust Unitholders where all Classes of Trust Units are entitled to vote, and each Trust Unit shall entitle the holder thereof to one (1) vote at such meeting. Trust Unitholders of a Series may attend and vote at all meetings of the Trust Unitholders of that Series and each Trust Unit of a Series shall entitle the holder thereof to one (1) vote at such meeting. Holders of Special Voting Units will not have any rights to be notified of, attend or participate in meetings of another Class.

Redemption of Class A Trust Units

Each Class A Trust Unitholder is entitled to require the Trust to redeem at any time or from time to time at the demand of the Class A Trust Unitholder all or any part of the Class A Trust Units registered in the name of the Class A Trust Unitholder at the prices determined and payable in accordance with the Declaration of Trust. See "*Material Contracts – Declaration of Trust – Redemption of Class A Trust Units" and "Purchase Options – Class A Trust Units"*.

Distribution Policy

The Declaration of Trust provides that the Trust may distribute to the Class A Trust Unitholders on or about each Distribution Date such percentage of the Trust Distributable Income (other than capital gains, the tax on which may be recoverable by the Trust) for the Distribution Period then ended, and such other amounts, as the Trustees determine in their discretion. See "*Material Contracts – Declaration of Trust – Distribution Policy*".

TERMS OF LP UNITS

The LP Units have those rights, privileges, restrictions and conditions ascribed thereto as set forth in the LP Agreement, including the following:

Voting Rights

LP Unitholders may attend and vote at all meetings of the LP Unitholders where all Classes of LP Units are entitled to vote, and each LP Unit shall entitle the holder thereof to one (1) vote at such meeting. LP Unitholders of a Series may attend and vote at all meetings of the LP Unitholders of that Series and each LP Unit of a Series shall entitle the holder thereof to one (1) vote at such meeting.

Redemption of Class A LP Units

Each Class A LP Unitholder is entitled to require the Partnership to redeem at any time or from time to time at the demand of the Class A LP Unitholder all or any part of the Class A LP Units registered in the name of the Class A LP Unitholder at the prices determined and payable in accordance with the LP Agreement. See "*Material Contracts – LP Agreement – Redemption of Class A LP Units" and "Purchase Options – Class A LP Units"*.

Distribution Policy

The LP Agreement provides that the Partnership may distribute to the Class A LP Unitholders on or about each Distribution Date such percentage of the Partnership Distributable Income (other than capital gains, the tax on which may be recoverable by the Partnership) for the Distribution Period then ended, and such other amounts, as the General Partner determines in its discretion. See "*Material Contracts – LP Agreement – Distribution*".

VALUATION POLICY

The Governing Documents provide that Market Value shall be determined by the Trustees or the General Partner, as applicable, in their sole discretion, at least annually or more frequently as the Trustees or the General Partner, as applicable, may determine. The Trustees and the General Partner, as applicable, have each adopted a valuation policy which provides that Market Value shall be determined monthly in accordance with the valuation methodology set out below, which methodology the Trustees or the General Partner, as applicable, may, in their sole discretion and without notice or approval of applicable Unitholders, modify from time to time in a manner consistent with market practice.

Valuation of Investment Property

Market Value is largely determined by the value of the investment properties held by the Partnership. To value the investment properties, a fair value model will be used in accordance with IAS 40 – Investment Properties. An investment property in IAS 40 is defined as property held to earn rentals or for capital appreciation or both and are initially recorded at cost, including related transaction costs. Subsequent to initial valuation, investment properties are measured at fair value, which reflects market conditions at the reporting date. The Trustees or the General Partner, as applicable, apply judgment in determining if the acquisition of an individual property qualifies as a business combination in accordance with IFRS 3 or as an asset acquisition. Transaction costs (including commissions, land transfer tax, appraisals, legal fees and third-party inspection reports associated with a purchase) related to property acquisitions not considered business combinations are capitalized in accordance with IAS 40. Transaction costs are expensed in accordance with IFRS 3 where such acquisitions are considered business combinations.

The fair value of investment properties is determined using a valuation framework developed by arms-length external appraisers who hold certification with the Appraisal Institute of Canada together with Equiton's Internal Valuation Team and the Asset Manager (collectively, the "**Valuators**"). The Valuators perform an annual valuation of each investment property which is typically done on the anniversary date of acquisition. The Valuators use the following approaches in determining fair value: (a) the cost approach, which is based on estimating the cost of replacing or reproducing the improvements, minus the loss in value from all forms of depreciation, plus the estimated site value; (b) the sales comparison approach, which is based on estimating the value by comparing recent prices of similar properties within similar market areas; and (c) a direct capitalization method which is based on the conversion of current and future normalized earnings potential directly into an expression of market value.

The Valuators will provide the following: (a) a determination of the capitalization rates that would be used in valuing the properties; (b) charts of comparable sales and supporting relevant market information (c) a determination of the appropriate industry standard "set off" and normalization assumptions; used in the calculation of net operating income; and (d) a review of the valuation framework to determine whether any changes or updates are required. At year-end, where annual valuations do not coincide with the year-end period, the Valuators will provide the following for the purposes of marking properties to market: (a) a determination of the capitalization rates that would be used in valuing the properties; and (b) charts of comparable sales and supporting relevant market information.

The Auditors are appointed by the Trustees and the General Partner, respectively, to provide an audit opinion on the year-end financial statements of the Trust and the Partnership, respectively.

Equiton's Internal Valuation Team and the General Partner, are responsible, on a quarterly and annually basis to: (a) gather the property specific data used in the valuation process set forth; (b) review the valuation process to determine whether any changes or updates are required; (c) input the capitalization rates, set offs and normalization assumptions; (d) review the controls over the underlying data provided to the Valuators from the applicable Issuer's accounting system; (e) review the "Fair Value" Report prepared by the Valuators; and (f) deliver the completed valuation process to the Auditors at year-end for the completion of the audit on the financial statements.

Changes in fair value of the investment properties is recognized in the statement of income and comprehensive income.

Investment properties that have been disposed of or permanently withdrawn from the property portfolio will not be included in the fair value process. Any gains or losses on the disposition of investment properties are recognized in the statement of income and comprehensive income in the year of disposition.

Calculation of Market Value

Market Value is calculated monthly, based on the IFRS statement of financial position carrying values plus certain adjustments. The Market Value may change during a quarter or at quarter end if there are material changes or considerations that would impact the Market Value including, but not limited to, changes in capitalization rates, acquisitions, dispositions and profits or losses, whether realized or unrealized, within the investment portfolio.

The Market Value per Unit is calculated by adding IFRS statement of financial position assets, subtracting IFRS statement of financial position liabilities, adding or subtracting appropriate non-

IFRS adjustments and dividing by the total number of outstanding Units of such Class. The non-IFRS adjustments include, but are not limited to: (a) capitalization of certain expenses, whose benefits accrue over a long period of time and should be allocated between existing, remaining, and incoming Unitholders but may be written off or effectively written off under IFRS or where the value of such expense is not as yet reflected, in whole or in part in the investment portfolio valuation due to timing lags, if any; (b) portfolio premiums, if any; (c) portfolio inter-quarter timing adjustments, if any; and (d) discretionary adjustments, if any. The calculation of the Market Value involves critical estimates, assumptions and judgments as part of the process.

The Trustees or the General Partner, as applicable, in their discretion, may elect to calculate a Market Value per Unit of each Class or Series. The Market Value per Unit of a Class or Series is calculated by adding IFRS statement of financial position assets attributable to such Class or Series, as applicable, subtracting IFRS statement of financial position liabilities attributable to such Class or Series, as applicable, adding or subtracting appropriate non-IFRS adjustments attributable to such Class or Series, as applicable, and dividing by the total number of outstanding Trust Units of such Class or Series, as applicable. The non-IFRS adjustments include, but are not limited to: (a) capitalization of certain expenses of the applicable Class or Series, whose benefits accrue over a long period of time and should be allocated between existing, remaining, and incoming Unitholders but may be written off or effectively written off under IFRS or where the value of such expense is not as yet reflected, in whole or in part in the investment portfolio valuation due to timing lags, if any; (b) portfolio premiums attributable to the applicable Class or Series, if any; (c) portfolio inter-quarter timing adjustments attributable to the applicable Class or Series, if any; and (d) discretionary adjustments attributable to the applicable Class or Series, if any. The calculation of the Market Value involves critical estimates, assumptions and judgments as part of the process.

Market Value is currently determined monthly as per the above methodology and approved by the Trustees or the General Partner, as applicable. It is announced by the Issuers and is effective on the first day of each month for use in, but not limited to, processing redemptions, new subscriptions, financial statements of the Issuers, account statements for Unitholders and marketing materials including fund fact sheets. It is also posted on the website of the Asset Manager.

SUBSCRIPTION PROCEDURE

Subscribers wishing to subscribe for Units will be required to enter into a subscription agreement (the "**Subscription Agreement**") with the applicable Issuer which will contain, among other things, representations, warranties and covenants by the Subscriber that it is duly authorized to purchase the Units, that it is purchasing the Units as principal and for investment and not with a view to resale and as to its corporate or other status to purchase the Units and that the applicable Issuer is relying on an exemption from the requirements to provide the Subscriber with a prospectus and as a consequence of acquiring the securities pursuant to a prospectus exemption, certain protections, rights and remedies, provided by applicable securities laws, including statutory rights of rescission or damages, will not be available to the Subscriber.

The minimum subscription amount in respect of the Series A-FL Units, Series A-LL Units, Series E Units and Series F Units per subscription is $25,000, the minimum subscription amount in respect of the Series C Units per subscription is the Series C Minimum Investment Amount and the minimum subscription amount in respect of the Series I Units per subscription is the Series I Minimum Subscription Amount. However, the minimum subscription amount may be waived by

the Trustees or the General Partner, as applicable, from time to time and set forth in the subscription agreement(s) entered into between the Subscribers and the applicable Issuer.

Reference is made to the Subscription Agreement accompanying this Offering Memorandum for the terms of these representations, warranties and covenants.

In order to subscribe for Units, a subscriber must complete, execute and deliver the following documentation to the Equiton Agent, at Equiton Capital Inc., 1111 International Boulevard, Suite 500, Burlington, Ontario L7L 6W1:

(a) one (1) signed copy of the Subscription Agreement (including all applicable schedules thereto) accompanying this Offering Memorandum;

(b) a certified cheque, bank draft or direct deposit in an amount equal to the aggregate subscription price, plus any land transfer tax, payable to: "**Equiton Residential Growth Fund I Trust**" or as otherwise directed by the Trustees, or to: "**Equiton Residential Growth Fund I LP**" or as otherwise directed by the General Partner; and

(c) any other documents deemed necessary by the applicable Issuer, the Equiton Agent or the other Selling Agents to comply with applicable Canadian securities laws.

Subject to applicable securities laws and the Subscriber's two-day cancellation right, a subscription for Units, evidenced by a duly completed Subscription Agreement delivered to the applicable Issuer shall be irrevocable by the Subscriber. See "*Subscriber's Rights of Action*".

Subscribers will not receive physical certificates representing the Units. Unless expressly requested by a Subscriber and approved by the Trustees or the General Partner, as applicable, at its sole discretion, the registration of the Units takes place electronically through a book-based system. A purchaser of Units (subject to certain exceptions) will only receive a customer confirmation from the account service through which the Units are purchased.

You should carefully review the terms of the Subscription Agreement accompanying this Offering Memorandum for more detailed information concerning the rights and obligations of you and the applicable Issuer. Execution and delivery of the Subscription Agreement will bind you to the terms thereof, whether executed by you or by an agent on your behalf. You should consult with your own professional advisors. See "*Risk Factors*".

The consideration tendered by each Subscriber will be held in trust for a period of two (2) days during which period the Subscriber may request a return of the tendered consideration by delivering a notice to the applicable Issuer not later than midnight on the second Business Day after the day on which the Subscriber signed the Subscription Agreement.

Subscriptions for Units will be received, subject to rejection and allotment, in whole or in part, and subject to the right of the applicable Issuer and the Equiton Agent or other Selling Agents, as applicable, to close the subscription books at any time, without notice. The Issuers shall have the right, in their sole discretion, to refuse to accept a subscription. If a subscription for Units is not accepted, all subscription proceeds will be promptly returned to the Subscriber without interest.

The Trust will reject subscriptions submitted by a potential subscriber who is, or who acts on behalf of a person who will have a beneficial interest in Class A Trust Units being subscribed for and who is, a Non-Resident or a partnership which is not a "Canadian partnership" for purposes of the Tax Act and may reject subscriptions submitted by a potential subscriber who is, or who acts on behalf of a person who will have a beneficial interest in Class A Trust Units being subscribed for and who is a person or partnership, an interest in which is a "tax shelter investment" or which would acquire Trust Units as a "tax shelter investment" for purposes of the Tax Act, or a person or partnership that would cause the Partnership to be a "SIFT partnership" within the meaning of the Tax Act. The Trust may require potential subscribers to provide evidence reasonably satisfactory to it that such subscribers, or the persons who will have a beneficial interest in Class A Trust Units being subscribed for, are not within such categories.

The General Partner will reject subscriptions submitted by a potential subscriber who is, or who acts on behalf of a person who will have a beneficial interest in Class A LP Units being subscribed for and who is, an Ineligible LP Unitholder The Partnership may require potential subscribers to provide evidence reasonably satisfactory to it that such subscribers, or the persons who will have a beneficial interest in Class A LP Units being subscribed for, are not within such categories.

Closings of the Offering may take place periodically, as agreed upon by the Issuers, the Equiton Agent or other Selling Agents, as applicable, and the Subscriber.

PURCHASE OPTIONS

Class A Trust Units

Under the Offering, the Trust is offering Class A Trust Units in the following series: Series A-FL, Series A-LL, Series C, Series E, Series F and Series I. The difference between each Series is that they have different fees (charged directly and indirectly) and expenses allocated to them and a different redemption deduction upon redemption, which are summarized as follows:

Series	**Min. Subscription[(1)]**	**Investor Type / Sales Channel**	**Selling Commission**	**Ongoing Annual Trailing Commission**	**Short Term Trading Fee[(2)] (within 6 months, year 1, 2, 3 and thereafter)**
A-FL	$25,000	Equiton Agent or registered dealer acting as sub-agent	Equiton Agent or sub-agent negotiate a commission (if any) which the Subscriber pays directly	1.0% of subscription price (for as long as the Subscriber remains a holder of Series A-FL Trust Units)[(3)]	4.0% / Nil / Nil / Nil / Nil
A-LL	$25,000	Equiton Agent or registered dealer acting as sub-agent	Up to 8.0% of subscription price[(3) (4)]	0.75% of subscription price (for as long as the Subscriber remains a holder	N/A / 10.0% / 8.0% / 6.0% / Nil

				of Series A-LL LP Units)[3]	
C	The Series C Minimum Investment Amount	Equiton Agent or registered dealer acting as sub-agent	Up to 4.0% of subscription price[3]	Nil	N/A / 6.0% / 4.0% / Nil / Nil
E	$25,000	Issued to funds, products or entities managed by the Manager or its Affiliates	Nil	Nil	Nil
F	$25,000 [5]	Fee Based Accounts [6]	Nil	Nil	4.0% / Nil / Nil / Nil / Nil
I	The Series I Minimum Investment Amount	Institutional Investors	Determined based on negotiation and agreement between a Subscriber and the Trustees		

Notes:

(1) May be waived by the Trustees in their sole discretion.
(2) Set-off against the Redemption Amount payable.
(3) The proceeds of the Offering of Series A-FL Trust Units, Series A-LL Trust Units and Series C Trust Units will be used by the Trust to acquire the corresponding Series of LP Units, in respect of which the Partnership pays selling commissions and/or ongoing annual trailing commissions to the Equiton Agent or the sub-agent in the amounts set out under "*Purchase Options – Class A LP Units"* below. These selling commissions and ongoing annual trailing commissions will be borne indirectly by Subscribers in Series A-FL Trust Units, Series A-LL Trust Units and Series C Trust Units, as applicable.
(4) May be changed by the General Partner from time to time.
(5) The Trust permits investments from portfolio managers that are below the stated minimum subscription amount for reasons related to client portfolio allocations.
(6) Certain investors may be eligible to purchase Series F Trust Units directly from the Trust.

Series F Trust Units

Investment advisors and/or Subscribers that purchase or purchased Series F Trust Units in an aggregate amount equal to $5,000,000, or such other amount as may be determined by the Trustees from time to time, will have the option, subject to the consent of the Trustees, to re-designate all or a portion of such Series F Trust Units for Series I Trust Units at a ratio of one Series F Trust Unit to one Series I Trust Unit. In the event investments in Series I Trust Units fall below certain thresholds, as determined by the Trust in its sole discretion, then re-designated Series I Trust Units will revert back to Series F Trust Units. Series F Trust Unitholders should consult with their own tax advisors before re-designating their Series F Trust Units for Series I Trust Units.

Class A LP Units

Under the Offering, the Partnership is offering Class A LP Units in the following series: Series A-FL, Series A-LL, Series C, Series E, Series F and Series I. The difference between each Series

is that they have different fees and expenses allocated to them and a different redemption deduction upon redemption, which are summarized as follows:

Series	**Min. Subscription[1]**	**Investor Type / Sales Channel**	**Selling Commission**	**Ongoing Annual Trailing Commission**	**Short Term Redemption Amount [2] (within 6 months, year 1, 2, 3 and thereafter)**
A-FL	$25,000	Equiton Agent or registered dealer acting as sub-agent	Equiton Agent or sub-agent negotiate a commission (if any) which the Subscriber pays directly	1.0% of subscription price (for as long as the Subscriber remains a holder of Series A-FL LP Units)	4.0% / Nil / Nil / Nil / Nil
A-LL	$25,000	Equiton Agent or registered dealer acting as sub-agent	Up to 8.0% of subscription price[3]	0.75% of subscription price (for as long as the Subscriber remains a holder of Series A-LL LP Units)	N/A / 10.0% / 8.0% / 6.0% / Nil
C	The Series C Minimum Investment Amount	Equiton Agent or registered dealer acting as sub-agent	Up to 4.0% of subscription price	Nil	N/A / 6.0% / 4.0% / Nil / Nil
E	$25,000	Issued to funds, products or entities managed by the Manager or its Affiliates	Nil	Nil	Nil
F	$25,000 [4]	Fee Based Accounts [5]	Nil	Nil	4.0% / Nil / Nil / Nil / Nil
I	The Series I Minimum Investment Amount	Institutional Investors	Determined based on negotiation and agreement between a Subscriber and the General Partner		

Notes:

(1) May be waived by the General Partner in its sole discretion.
(2) Redemption proceeds reduced by equivalent amount indicated in chart. See *"Material Contracts – LP Agreement – Redemption of Class A LP Units"*.
(3) May be changed by the General Partner from time to time.
(4) The Partnership permits investments from portfolio managers that are below the stated minimum subscription amount for reasons related to client portfolio allocations.
(5) Certain investors may be eligible to purchase Series F LP Units directly from the Partnership.

Early Investor Bonus Program

The Trustees or the Directors, as applicable, may establish and implement an Early Investor Bonus Program pursuant to which certain investors may be issued (by way of distribution or otherwise) additional Units in connection with their initial subscription. Such program may include conditions relating to minimum hold periods, fees in the event of early redemption, and other applicable restrictions. The terms and conditions of any bonus program, including eligibility criteria, timing, and related restrictions, will be set out in the subscription agreement(s) entered into between the Subscribers and the applicable Issuer. Participants in such Early Investor Bonus Program should consult their own tax advisors to determine the tax consequences to them of such participation, including with regard to whether they are required to include any amount in income as a result of such participation.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS FOR THE TRUST

The following summary has been provided by Blake, Cassels & Graydon LLP, counsel to the Trust and describes, as of the date hereof, the principal Canadian federal income tax considerations generally applicable under the Tax Act to the acquisition, holding and disposition of Class A Trust Units (in this section, "**Trust Units**") acquired under the Offering by a Trust Unitholder who, at all relevant times, for purposes of the Tax Act is (or is deemed to be) resident in Canada, deals at arm's length with the Trust and its affiliates, is not affiliated with the Trust or any of its affiliates, and who holds the Trust Units as capital property. Generally, Trust Units will be considered to be capital property to a Trust Unitholder provided that the Trust Unitholder does not hold the Trust Units in the course of carrying on a business and has not acquired them in one or more transactions considered to be an adventure or concern in the nature of trade. Certain Trust Unitholders who might not otherwise be considered to hold their Trust Units as capital property may, in certain circumstances, be entitled to make the irrevocable election under subsection 39(4) of the Tax Act to have their Trust Units, and every other "Canadian security" (as defined in the Tax Act) owned in the taxation year of the election and each subsequent taxation year, deemed to be capital property. Such Trust Unitholders should consult their own tax advisors regarding whether such election is available and advisable in their particular circumstances.

This summary is not applicable to a Trust Unitholder: (i) that is a "financial institution" for purposes of the "mark-to-market" rules in the Tax Act, (ii) that is a "specified financial institution" as defined in the Tax Act, (iii) an interest in which is a "tax shelter investment" as defined in the Tax Act, (iv) that has entered or will enter into a "derivative forward agreement" (as defined in the Tax Act) in respect of Trust Units, (v) that reports its "Canadian tax results" (as defined in the Tax Act) in a currency other than Canadian dollars, (vi) that holds or will hold more than one series of Trust Units at any particular time or (vii) that is a partnership. Any such Trust Unitholder should consult its own tax advisor to determine the tax consequences of the acquisition, holding and disposition of Trust Units acquired pursuant to the Offering. In addition, this summary does not address the deductibility of interest by an investor who has borrowed money to acquire Trust Units under the Offering. This summary also does not address any tax consequences which may apply to a Trust Unitholder as a result of participation in the Early Investor Bonus Program.

This summary is based upon the facts set out in this Offering Memorandum, certain representations as to factual matters made in a certificate signed by an officer of the Trust and provided to counsel, the provisions of the Tax Act and the regulations thereunder (the "**Regulations**") in force at the date hereof, all specific proposals to amend the Tax Act and the Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Tax Proposals**") and counsel's understanding of the current administrative policies and assessing practices of the Canada Revenue Agency ("**CRA**") which have been made publicly available in writing prior to the date hereof. This summary assumes that the Tax Proposals will be enacted as proposed but no assurances can be given that the Tax Proposals will be enacted in their current form, or at all. This summary does not otherwise take into account or anticipate any changes in law or in the administrative policies and assessing practices of the CRA, whether by legislative, governmental or judicial decision or action, nor does it take into account any other federal or any provincial, territorial or foreign tax legislation or considerations, which may differ significantly from those discussed in this Offering Memorandum. Modification or amendment of the Tax Act or the Tax Proposals could significantly alter the tax status of the Trust or the tax consequences of investing in Trust Units.

This summary describes the principal Canadian federal income tax considerations generally applicable to an acquisition of Trust Units pursuant to the Offering and to the holding or disposition of Trust Units. However, the income and other tax consequences of acquiring, holding or disposing of Trust Units will vary depending on the Trust Unitholder's particular circumstances, including the province or territory or provinces or territories in which the Trust Unitholder resides or carries on business. Accordingly, this summary is of a general nature only and is not intended to be legal or tax advice to any prospective holder of Trust Units. Investors should consult their own tax advisors with respect to the tax consequences of the Offering and the acquisition, holding or disposition of Trust Units based on their particular circumstances.

Status of the Trust

Qualification as a Mutual Fund Trust

This summary is based on the assumption that the Trust will qualify or be deemed to qualify at all times as a "mutual fund trust" within the meaning of the Tax Act. To qualify as a mutual fund trust, the Trust, among other things, must be a "unit trust" as defined in the Tax Act which generally requires that the issued units of the Trust include units having conditions requiring the Trust to accept, at the demand of the holder thereof and at prices determined and payable in accordance with the conditions, the surrender of such units, and that the fair market value of such units not be less than 95% of the fair market value of all of the issued units, must not be established or maintained primarily for the benefit of non-residents of Canada, must restrict its undertaking to: (i) the investing of its funds in property (other than real property or an interest in real property or an immovable or a real right in an immovable), (ii) the acquiring, holding, maintaining, improving, repositioning, leasing and/or managing of any real property (or interest in real property) or of any immovable (or real right in immovables) that is capital property of the Trust, or (iii) any combination of the activities described in (i) and (ii), and must have at least 150 Trust Unitholders each holding not less than 100 Trust Units of a particular class which are qualified for distribution to the public and which have an aggregate fair market value of not less than $500 (the "**minimum distribution requirements**"). In this connection, an officer of the Trust has advised counsel that (i) the Trustees intend to cause the Trust to qualify as a mutual fund trust throughout the life of the Trust, (ii) the Trust's undertaking conforms and will continue to conform with the restrictions for mutual fund trusts, and (iii) there is no reason to believe that the Trust will not comply with the minimum

distribution requirements described above at all relevant times. In addition, an officer of the Trust has advised counsel that the Trustees intend to cause the Trust to file the necessary election so that the Trust will be deemed to qualify as a mutual fund trust from its inception in 2026 and that they have no reason to believe that the Trust will not comply with the minimum distribution requirements before the 91st day after the end of its first taxation year (determined without regard to any taxation year-end that may be deemed to occur for other purposes under the rules in the Tax Act relating to "loss restriction events") and at all times thereafter, thereby permitting the filing by the Trust of such election.

In the event that the Trust were not to qualify as a mutual fund trust at any particular time, the Canadian federal income tax considerations described herein would, in some respects, be materially and adversely different.

The SIFT Rules

This summary is based on the assumption that the Trust will not be subject to the tax applicable to SIFT Trusts as defined in the rules applicable to SIFT trusts and SIFT partnerships, each as defined in the Tax Act (the "**SIFT Rules**") and that the Partnership and any other Subsidiary of the Trust that is a trust or partnership in which the Trust has a direct or indirect interest will also not be subject to the SIFT Rules.

The SIFT Rules effectively tax certain income of a publicly-traded or listed trust that is distributed to its investors and certain income of a publicly-traded or listed partnership on the same basis as would have applied had the income been earned through a taxable Canadian corporation and distributed by way of dividend to its shareholders. These rules apply only to "SIFT trusts", "SIFT partnerships" and their investors.

The SIFT Rules apply to a trust or partnership the interests in which are listed or traded on a stock exchange or other "public market" (as defined for purposes of the SIFT Rules) if the trust or partnership holds one or more "non-portfolio properties" unless, in the case of a trust, such trust qualifies as a "real estate investment trust" for purposes of the Tax Act. Non-portfolio properties generally include certain investments in real properties situated in Canada, property that is used in the course of carrying on a business in Canada and certain investments in corporations and trusts resident in Canada, and in partnerships with specified connections to Canada. The Trust does not currently expect the Trust Units or any interest in the Trust, the Partnership or any other Subsidiary to be listed or traded on a stock exchange or other public market for purposes of the SIFT Rules. However, if investments in the Trust, the Partnership or any other Subsidiary were to become publicly listed or traded, there can be no assurance that the Trust, the Partnership or such other Subsidiary will not be subject to the SIFT Rules, in which case certain income tax considerations described below would, in some respects, be materially different.

Taxation of the Trust

The taxation year of the Trust is generally the calendar year. In each taxation year the Trust will generally be subject to tax under Part I of the Tax Act on its income for the year, including net realized taxable capital gains for that year and its allocated share of income of each source of the Partnership (or any other Subsidiary of the Trust that is a partnership) for its fiscal period ending in or coincidentally with such taxation year, less the portion thereof that the Trust deducts in respect of the amounts paid or payable, or deemed to be paid or payable, in the year to Trust Unitholders. An amount will be considered to be payable to a Trust Unitholder in a taxation year if the Trust Unitholder is entitled in that year to enforce payment of the amount.

On a disposition or deemed disposition of an LP Unit (including a redemption) by the Trust, the Trust will generally realize a capital gain (or a capital loss) equal to the amount by which the Trust's "proceeds of disposition" (as defined in the Tax Act) exceed (or are less than) the adjusted cost base of the Trust's interest in the Partnership that can reasonably be regarded as being attributable to that LP Unit and any reasonable costs of disposition.

The Trust will generally not be subject to tax on any amounts received as distributions from the Partnership. Generally, distributions to the Trust from the Partnership will result in a reduction of the adjusted cost base of the Trust's units of the Partnership by the amount of such distribution. Income allocated to the Trust from the Partnership for a fiscal period of the Partnership will generally increase the adjusted cost base of the Trust's interest in the Partnership, and losses allocated to the Trust from the Partnership which are not limited by the application of the "at-risk" rules in the Tax Act will generally reduce the adjusted cost base of the Trust's interest in the Partnership, at the beginning of the immediately following fiscal period. If the Trust's adjusted cost base of its interest in the Partnership at the end of a fiscal period of the Partnership would otherwise be a negative amount, the Trust will be deemed to realize a capital gain equal to such negative amount for its taxation year in which such fiscal period ends and the Trust's adjusted cost base of its interest of the Partnership will be increased to nil.

In computing its income for purposes of the Tax Act, the Trust may deduct reasonable administrative costs and other reasonable expenses incurred by it for the purpose of earning income to the extent they are not capital in nature. The Trust may also deduct from its income for a year a portion of any reasonable expenses incurred by the Trust in the course of issuing Trust Units. The portion of the issue expenses deductible by the Trust in a taxation year is 20% of the total issue expenses, pro-rated where the Trust's taxation year is less than 365 days. Any losses incurred by the Trust (including losses allocated to the Trust by the Partnership and capable of being deducted by the Trust) may not be allocated to Trust Unitholders, but may generally be carried forward and deducted in computing the taxable income of the Trust in future years in accordance with the detailed rules and limitations in the Tax Act.

Certain rules in the Tax Act (the "**EIFEL Rules**") are intended, where applicable, to limit the deductibility of interest and financing expenses in certain circumstances, including the computation of income or loss by a trust for purposes of the Tax Act. If the EIFEL Rules were to apply to the Trust, the amount of interest and financing expenses otherwise deductible by the Trust may be reduced and the taxable component of distributions by the Trust to Trust Unitholders may be increased accordingly. An officer of the Trust has advised counsel that the Trust does not expect the EIFEL Rules to have an adverse impact on the Trust or the Trust Unitholders (in respect of their investment in the Trust), but there can be no assurances in this regard.

The Declaration of Trust generally provides that the amount of the Trust's taxable income (including net taxable capital gains) necessary to ensure that the Trust will not be liable to pay any non-refundable income tax under Part I of the Tax Act for any year shall be made payable on the last day of such year to persons who are Trust Unitholders on that date. An officer of the Trust has advised counsel that the Trust intends to deduct for purposes of the Tax Act such amount of the Trust's income as is paid or payable by way of cash or Trust Units to Trust Unitholders (other than bonus distributions paid under a distribution reinvestment plan) for each taxation year to the extent necessary to comply with that requirement. Provided this is done, the Trust will generally not be subject to non-refundable income tax under Part I of the Tax Act in any year.

The Trust will be entitled for each taxation year to reduce (or receive a refund in respect of) its liability, if any, for tax on its net realized taxable capital gains by an amount determined under the

Tax Act based on the redemption of Trust Units during the year (the "**capital gains refund**"). In certain circumstances, the capital gains refund in a particular taxation year may not completely offset the Trust's tax liability for that taxation year arising in connection with the redemption of Trust Units. The Declaration of Trust provides that all or a portion of any capital gains realized by the Trust as a result of such redemptions may, at the discretion of the Trustees, be treated as having been paid or made payable to the redeeming Trust Unitholder and, subject to the ATR Rule discussed below, the taxable portion of such capital gain will be deductible by the Trust in computing its income. The taxable portion of any capital gain so designated must be included in the income of a redeeming Trust Unitholder. The Tax Act includes a specific anti-avoidance rule (referred to herein as the "**ATR Rule**") pursuant to which the Trust generally will not be entitled to a deduction in computing its income in respect of amounts allocated to redeeming Trust Unitholders in respect of taxable capital gains to the extent that the amount so allocated is greater than the taxable capital gain that would otherwise have been realized by the redeeming Trust Unitholder on the redemption (as determined by the trustees of the Trust using reasonable efforts to obtain the information required to determine the Trust Unitholder's cost amount of the redeemed Trust Units). As a result, the taxable component of distributions by the Trust to non-redeeming Trust Unitholders may be adversely affected. The Trustees intend, to the extent possible, to administer the redemption of Trust Units in such a manner that no deduction by the Trust should be denied under the ATR Rule.

Taxation of the Trust's Investment in the Partnership

Each member of the Partnership, or of another Subsidiary of the Trust that is a partnership (including the Trust as a member of the Partnership) will be required to include (or will be entitled to deduct, subject to the "at-risk rules") in computing its income, its share of the income (or loss) from each source of such partnership for such partnership's fiscal period ending in, or coincidentally with, the member's taxation year or fiscal period, as applicable, whether or not any such income is actually distributed to the member in the year. For this purpose, the income or loss of the Partnership (or any other Subsidiary of the Trust that is a partnership) from each source will be computed for each fiscal period as if such partnership were a separate person resident in Canada.

In computing the income or loss of the Partnership or another Subsidiary of the Trust that is a partnership, deductions may generally be claimed in respect of administrative and other expenses incurred for the purpose of earning income from business or property to the extent they are not capital in nature and do not exceed a reasonable amount, reasonable interest in respect of debt of such partnership incurred for the purpose of earning income (subject to the following paragraph) and available capital cost allowance.

If the EIFEL Rules were to apply to the Trust, the Trust may be required to include an amount in computing its income in respect of its allocated share of interest and financing expenses deducted by the Partnership (or another Subsidiary of the Trust that is a partnership), and the taxable component of distributions by the Trust to Trust Unitholders may be increased accordingly. See the discussion of the EIFEL Rules above under "Taxation of the Trust".

The income or loss of the Partnership or another Subsidiary of the Trust that is a partnership from each source for a fiscal period will be allocated to the members of such partnership (including the Trust as a member of the Partnership) on the basis of their respective shares of such income or loss as provided in the applicable partnership agreement, subject to the detailed rules in the Tax Act. Generally, distributions by a partnership to a partner in excess of the partner's share of the income of the partnership for a fiscal period will result in a reduction of the adjusted cost base of

the partner's interest in the partnership by the amount of such excess. In certain circumstances, distributions to a partner that would otherwise cause the partner's adjusted cost base of the partner's interest in the partnership to be negative may give rise to a deemed capital gain, as described in more detail above under "*Taxation of the Trust*".

If the Partnership (or any other Subsidiary of the Trust that is a partnership) were to incur losses for purposes of the Tax Act, the Trust's ability to deduct its allocated share of such losses may be limited by the "at risk" rules in the Tax Act.

Taxation of Trust Unitholders

Distributions

Subject to the application of the SIFT Rules discussed above, a Trust Unitholder will generally be required to include in income for a particular taxation year the portion of the Trust Income and the taxable portion of Net Realized Capital Gains of the Trust for the taxation year ending in or coincidentally with the particular taxation year of the Trust Unitholder, that is paid or payable, or deemed to be paid or payable, to the Trust Unitholder in the particular taxation year, whether such portion is received in cash, additional Trust Units or otherwise. In this regard, the Partnership has advised counsel that it generally intends to retain cash in order to further the operations of the Partnership and accordingly, all or substantially all of such distributions of Trust Income and Net Realized Capital Gains of the Trust may be paid in additional Trust Units. Any loss of the Trust for purposes of the Tax Act cannot be allocated by the Trust to, or be treated as a loss of, the Trust Unitholders.

The non-taxable portion of any Net Realized Capital Gains of the Trust, the taxable portion of which is designated by the Trust in respect of the Trust Unitholder, that is paid or payable, or deemed to be paid or payable, to a Trust Unitholder in a taxation year will not be included in computing the Trust Unitholder's income for the year. Any other amount in excess of the Trust Income and Net Realized Capital Gains of the Trust that is paid or payable, or deemed to be paid or payable, by the Trust to a Trust Unitholder in a taxation year, including any bonus distribution reinvested in Trust Units under a distribution reinvestment plan, generally will not be included in the Trust Unitholder's income for the year. A Trust Unitholder will be required to reduce the adjusted cost base of its Trust Units by the portion of any amount (other than proceeds of disposition in respect of the redemption of Trust Units and the non-taxable portion of Net Realized Capital Gains of the Trust for the year, the taxable portion of which was designated by the Trust in respect of the Trust Unitholder) paid or payable to such Trust Unitholder by the Trust that was not included in computing the Trust Unitholder's income. To the extent that the adjusted cost base of a Trust Unit would otherwise be less than zero, the negative amount will be deemed to be a capital gain realized by the Trust Unitholder from the disposition of the Trust Unit and will be added to the adjusted cost base of the Trust Unit so that the adjusted cost base will be reset to zero. The composition of distributions paid by the Trust, portions of which may be fully or partially taxable or non-taxable, may change over time, potentially affecting the after-tax return to Trust Unitholders.

Provided that appropriate designations are made by the Trust, the taxable portion of the Net Realized Capital Gains of the Trust as is paid or becomes payable to a Trust Unitholder will effectively retain its character and be treated as such in the hands of the Trust Unitholder for purposes of the Tax Act.

Dispositions of Trust Units

On a disposition or deemed disposition of a Trust Unit (including a redemption), a Trust Unitholder will generally realize a capital gain (or a capital loss) equal to the amount by which the Trust Unitholder's "proceeds of disposition" (as defined in the Tax Act) exceed (or are less than) the aggregate of the adjusted cost base of the Trust Unit and any reasonable costs of disposition. Proceeds of disposition will not include an amount payable by the Trust that is otherwise required to be included in the Unitholder's income or the non-taxable portion of any Net Realized Capital Gains of the Trust payable to the Trust Unitholder, the taxable portion of which is designated by the Trust in respect of the Trust Unitholder.

The adjusted cost base of a Trust Unit to a Trust Unitholder will generally include all amounts paid by the Trust Unitholder for the Trust Unit, subject to certain adjustments, and may be reduced by distributions made by the Trust to a Trust Unitholder as described above. The cost to a Trust Unitholder of Trust Units received as a distribution of income of the Trust will be equal to the amount of such distribution that is satisfied by the issuance of such Trust Units. The cost of Trust Units acquired on the reinvestment of distributions under a distribution reinvestment plan will be the amount of such reinvestment. For the purpose of determining the adjusted cost base of a Trust Unit to a Trust Unitholder, when a Trust Unit is acquired the cost of the newly-acquired Trust Unit will be averaged with the adjusted cost base of all identical Trust Units owned by the Trust Unitholder as capital property immediately before such acquisition.

A redemption of Trust Units in consideration for cash or Redemption Notes will be a disposition of such Trust Units for proceeds of disposition equal to the amount of such cash or fair market value of such Redemption Notes, as the case may be.

Trust Unitholders exercising the right of redemption will consequently realize a capital gain (or a capital loss) depending upon whether the proceeds of disposition received exceed (or are less than) the adjusted cost base of the Trust Units redeemed and any reasonable costs of disposition. The taxation of capital gains and capital losses is described below under "*Taxation of Capital Gains and Capital Losses*".

A consolidation of Trust Units following a distribution that is paid in Trust Units will not be considered to result in a disposition of Trust Units by Trust Unitholders. The aggregate adjusted cost base to a Trust Unitholder of all of the Trust Unitholder's Trust Units will not change as a result of a consolidation of Trust Units; however, the adjusted cost base per Trust Unit will increase.

Redesignation of Trust Units

A redesignation of Trust Units from one series of units to another should not, in and of itself, result in a Trust Unitholder being considered to dispose of his or her Trust Units. Generally, a Trust Unitholder's aggregate adjusted cost base in respect of his or her Trust Units will not be changed as a result of a redesignation.

Alternative Minimum Tax

In general terms, net income of the Trust paid or payable, or deemed to be paid or payable, to a Trust Unitholder who is an individual or trust (other than certain types of trusts specified in the Tax Act), that is designated as net taxable capital gains, and capital gains realized on the

disposition of Trust Units by such a Trust Unitholder, may increase the Trust Unitholder's liability for alternative minimum tax under the Tax Act.

Refundable Tax

A Trust Unitholder that is throughout a taxation year a "Canadian-controlled private corporation" or is at any time in the taxation year a "substantive CCPC" (each as defined in the Tax Act) may be liable to pay an additional tax (refundable in certain circumstances) in respect of its "aggregate investment income" (as defined in the Tax Act) for the year, which is generally defined to include interest, all or substantially all of the income and taxable capital gains paid or payable, or deemed to be paid or payable, to the Trust Unitholder by the Trust, and taxable capital gains realized on the disposition of Trust Units by such a Trust Unitholder. Trust Unitholders that are corporations are advised to consult their own tax advisors.

Taxation of Capital Gains and Capital Losses

One-half of any capital gain (a "taxable capital gain") realized by a Trust Unitholder on a disposition or deemed disposition of Trust Units and the taxable portion of any Net Realized Capital Gains of the Trust designated by the Trust in respect of a Trust Unitholder will be included in income as a taxable capital gain. One-half of any capital loss (an "allowable capital loss") realized by a Trust Unitholder on a disposition or deemed disposition of Trust Units must generally be deducted from taxable capital gains realized by the Trust Unitholder in the year of disposition. Allowable capital losses realized in excess of taxable capital gains in a particular taxation year may generally be deducted against taxable capital gains realized in the three (3) preceding taxation years or in any subsequent taxation year, subject to and in accordance with the provisions of the Tax Act.

Eligibility for Investment

Provided that the Trust qualifies at all relevant times as a "mutual fund trust" under the Tax Act, the Trust Units will be qualified investments for trusts governed by registered retirement savings plans ("**RRSPs**"), registered retirement income funds ("**RRIFs**"), registered disability savings plans ("**RDSPs**"), deferred profit sharing plans, registered education savings plans ("**RESPs**") , tax-free savings accounts ("**TFSAs**") and first home savings accounts ("**FHSAs**"), each as defined in the Tax Act (each a "**Registered Plan**").

Notwithstanding the foregoing, the holder of a TFSA, FHSA or RDSP, the annuitant of an RRSP or RRIF or the subscriber of an RESP, will be subject to a penalty tax if the Trust Units held in such TFSA, FHSA, RDSP, RRSP, RRIF or RESP are a "prohibited investment" as defined in the Tax Act for such Registered Plan. The Trust Units generally will not be a "prohibited investment" for a trust governed by such a Registered Plan provided that the holder of the TFSA, FHSA or RDSP, the annuitant of the RRSP or RRIF or the subscriber of the RESP, as applicable, (i) deals at arm's length with the Trust for the purposes of the Tax Act and (ii) does not have a "significant interest", as defined for purposes of the prohibited investment rules in the Tax Act, in the Trust. In addition, the Trust Units will generally not be a "prohibited investment" for a trust governed by a TFSA, FHSA, RDSP, RRSP, RRIF or RESP if the Trust Units are "excluded property" (as defined for purposes of the prohibited investment rules in the Tax Act) for such trust. Holders of a TFSA, FHSA or RDSP, annuitants of an RRSP or RRIF and subscribers of an RESP should consult their own tax advisors as to whether the Trust Units will be a "prohibited investment" in their particular circumstances.

A Redemption Note will likely not be a qualified investment for Registered Plans, and the receipt of such property on the redemption of a Trust Unit may give rise to adverse consequences to such Registered Plan or the holder, annuitant, subscriber or beneficiary in respect of that Registered Plan. Accordingly, holders, annuitants and subscribers of Registered Plans that own Trust Units should consult their own tax advisors before deciding to exercise the redemption rights attached to the Trust Units.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS FOR THE PARTNERSHIP

The following summary has been provided by Blake, Cassels & Graydon LLP, counsel to the Partnership and describes, as of the date hereof, the principal Canadian federal income tax considerations generally applicable under the Tax Act to the acquisition, holding and disposition of Class A LP Units (in this section, "**LP Units**") acquired under the Offering by a LP Unitholder (other than the Trust) who, at all relevant times, for purposes of the Tax Act is (or is deemed to be) resident in Canada, deals at arm's length with the General Partner, the Partnership and their affiliates, is not affiliated with the General Partner, the Partnership or any of their affiliates, and who holds the LP Units as capital property. Generally, LP Units will be considered to be capital property to a LP Unitholder provided that the LP Unitholder does not hold the LP Units in the course of carrying on a business and has not acquired them in one or more transactions considered to be an adventure or concern in the nature of trade.

A person or partnership who is a Non-Resident, a partnership which is not a "Canadian partnership", a "financial institution" for purposes of the "mark-to-market property" rules, a person or partnership, an interest in which is a "tax shelter investment" or which would acquire Class A LP Units as a "tax shelter investment", or that would cause the Partnership to be a "SIFT partnership", each within the meaning of the Tax Act, may not hold an interest in the Partnership, and this summary assumes that no such person or partnership will hold an interest in the Partnership. If such a person or partnership were to hold an interest in the Partnership there may be adverse tax consequences to the other LP Unitholders or the Partnership. This summary is not applicable to any such person or partnership. This summary further assumes that the Partnership is not a "tax shelter" or "tax shelter investment", each as defined in the Tax Act, although no assurances can be given in this regard.

Certain LP Unitholders that are corporations and have a "significant interest", as defined in subsection 34.2(1) of the Tax Act, in the Partnership will be required to accrue additional income from the Partnership where such corporations have a taxation year that differs from the Partnership's December 31 fiscal year end. In general, a corporation will have a "significant interest" in the Partnership where it (together with one or more persons or partnerships related to or affiliated with the corporation) is entitled to more than 10% of the income or loss of the Partnership or the assets (net of liabilities) of the Partnership on its dissolution. The summary below does not address the tax consequences to Limited Partners that are corporations that would have a significant interest in the Partnership as described above, and such Limited Partners should consult their own tax advisors with respect to this issue.

This summary is also not applicable to a LP Unitholder: (i) that is a "specified financial institution" as defined in the Tax Act, (ii) that has entered or will enter into a "derivative forward agreement" (as defined in the Tax Act) in respect of LP Units, (iii) that reports its "Canadian tax results" (as defined in the Tax Act) in a currency other than Canadian dollars, (iv) that holds or will hold more than one series of LP Units at any particular time or (v) that is a partnership. Any such LP Unitholder should consult its own tax advisor to determine the tax consequences of the

acquisition, holding and disposition of LP Units acquired pursuant to the Offering. In addition, this summary does not address the deductibility of interest by an investor who has borrowed money to acquire LP Units under the Offering. This summary also does not address any tax consequences which may apply to a LP Unitholder as a result of participation in the Early Investor Bonus Program.

This summary is based upon the facts set out in this Offering Memorandum, certain representations as to factual matters made in a certificate signed by an officer of the General Partner and provided to counsel, the provisions of the Tax Act and the Regulations in force at the date hereof, the Tax Proposals and counsel's understanding of the current administrative policies and assessing practices of the CRA which have been made publicly available in writing prior to the date hereof. This summary assumes that the Tax Proposals will be enacted as proposed but no assurances can be given that the Tax Proposals will be enacted in their current form, or at all. This summary does not otherwise take into account or anticipate any changes in law or in the administrative policies and assessing practices of the CRA, whether by legislative, governmental or judicial decision or action, nor does it take into account any other federal or any provincial, territorial or foreign tax legislation or considerations, which may differ significantly from those discussed in this Offering Memorandum. Modification or amendment of the Tax Act or the Tax Proposals could significantly alter the tax consequences of investing in LP Units.

This summary describes the principal Canadian federal income tax considerations generally applicable to an acquisition of LP Units pursuant to the Offering and to the holding or disposition of LP Units. However, the income and other tax consequences of acquiring, holding or disposing of LP Units will vary depending on the LP Unitholder's particular circumstances, including the province or territory or provinces or territories in which the LP Unitholder resides or carries on business. Accordingly, this summary is of a general nature only and is not intended to be legal or tax advice to any prospective holder of LP Units. Investors should consult their own tax advisors with respect to the tax consequences of the Offering and the acquisition, holding or disposition of LP Units based on their particular circumstances.

Status of the Partnership

This summary is based on the assumption that the Partnership will not be subject to the tax applicable to SIFT partnerships as defined in the SIFT Rules and any other Subsidiary of the Partnership that is a partnership in which the Partnership has a direct or indirect interest will also not be subject to the SIFT Rules.

The SIFT Rules effectively tax certain income of a publicly-traded or listed partnership on the same basis as would have applied had the income been earned through a taxable Canadian corporation and distributed by way of dividend to its shareholders. These rules apply to "SIFT partnerships" and their investors.

The SIFT Rules apply to a partnership the interests in which are listed or traded on a stock exchange or other "public market" (as defined for purposes of the SIFT Rules) if the partnership holds one or more "non-portfolio properties". Non-portfolio properties generally include certain investments in real properties situated in Canada, property that is used in the course of carrying on a business in Canada and certain investments in corporations and trusts resident in Canada, and in partnerships with specified connections to Canada. The General Partner does not currently expect the LP Units or any interest in any Subsidiary of the Partnership to be listed or traded on a stock exchange or other public market for purposes of the SIFT Rules. However, if investments

in the Partnership or any other Subsidiary were to become publicly listed or traded, there can be no assurance that the Partnership or such other Subsidiary will not be subject to the SIFT Rules, in which case certain income tax considerations described below would, in some respects, be materially different.

Computation of Income or Loss of the Partnership

The Partnership itself is generally not liable for tax under the Tax Act. However, the Partnership will be required to calculate its income or loss in accordance with the Tax Act for each fiscal period of the Partnership as if it were a separate person resident in Canada, subject to the detailed computational rules contained in the Tax Act. The Partnership's fiscal year end is December 31. All of the Partnership's revenues, deductible expenses, income, non-capital losses, capital gains and capital losses from any source in any particular place, and other items relevant to its tax position (including the tax attributes of all of its assets), will be taken into account in determining the net income or loss of the Partnership. The income or loss of the Partnership will be allocated to the partners of the Partnership on the basis of their respective shares of that income or loss as provided for in the LP Agreement.

In computing the income or loss of the Partnership, deductions may generally be claimed in respect of administrative and other expenses incurred for the purpose of earning income from business or property to the extent they are not capital in nature and do not exceed a reasonable amount, reasonable interest in respect of debt of the Partnership incurred for the purpose of earning income (subject to the discussion of the EIFEL Rules below) and available capital cost allowance.

Taxation of LP Unitholders

Allocations

Each LP Unitholder will be required to include (or will be entitled to deduct, subject to the "at risk rules") in computing its income, its share of the income (or loss) from each source of the Partnership for such partnership's fiscal period ending in, or coincidentally with, the LP Unitholder's taxation year or fiscal period, as applicable, whether or not any such income is actually distributed to the member in the year. Accordingly, the income or loss allocated to an LP Unitholder may exceed or be less than the amount of cash (if any) distributed to such LP Unitholder. In this regard, the Partnership generally intends to retain cash in order to further the operations of the Partnership and does not intend to pay regular distributions.

If the EIFEL Rules were to apply to a LP Unitholder, the LP Unitholder may be required to include an amount in computing its income in respect of its allocated share of interest and financing expenses deducted by the Partnership. The EIFEL Rules do not apply to natural persons. LP Unitholders to whom the EIFEL Rules may apply should consult their own advisors.

If the Partnership were to incur losses for purposes of the Tax Act, a LP Unitholder's ability to deduct its allocated share of such losses may be limited by the "at risk" rules in the Tax Act. The "at risk" rules generally prohibit a limited partner from deducting amounts in excess of the "at-risk amount". In general, the "at-risk amount" at the end of any fiscal period of a LP Unitholder in respect of an interest in the Partnership acquired from the Partnership will be the adjusted cost base of the LP Unitholder's interest at the end of the fiscal period, plus any income (including the full amount of any capital gain) allocated to the LP Unitholder for the fiscal period and minus any amounts owing to the Partnership by the LP Unitholder (or any person not dealing at arm's length

with the LP Unitholder) and the amount of any guarantee or indemnity provided to the LP Unitholder (or a person not dealing at arm's length) against the loss of the LP Unitholder's investment.

A LP Unitholder's share of any loss of a partnership that is not deductible by the LP Unitholder as a result of the application of the "at-risk" rules is considered to be a "limited partnership loss" in respect of the partnership for that year. A limited partnership loss of a LP Unitholder (other than a LP Unitholder that is itself a partnership) in respect of a limited partnership may generally be carried forward and deducted by the LP Unitholder in a subsequent taxation year against income for that year to the extent that the LP Unitholder's at-risk amount at the end of the partnership's last fiscal period ending in that year exceeds the LP Unitholder's share of any loss of the Partnership for that fiscal period, subject to and in accordance with the provisions of the Tax Act.

Subject to the comments above, a LP Unitholder may apply its share of non-capital losses allocated to it by the Partnership in computing taxable income for the relevant taxation year and, to the extent such non-capital losses exceed other income for the year, may be carried back and applied in the three preceding taxation years or in any of the 20 subsequent taxation years.

A LP Unitholder's allocated share of the allowable capital losses of the Partnership for any fiscal period may generally be applied against the LP Unitholder's taxable capital gains in the relevant taxation year and, to the extent such amount exceeds such taxable capital gains, may be carried back three years and carried forward indefinitely against taxable capital gains realized in such other years to the extent and under the circumstances described in the Tax Act.

Dispositions of LP Units

On a disposition or deemed disposition of a LP Unit (including a redemption), a LP Unitholder will generally realize a capital gain (or a capital loss) equal to the amount by which the LP Unitholder's "proceeds of disposition" (as defined in the Tax Act) exceed (or are less than) the aggregate of the adjusted cost base of the LP Unitholder's interest in the Partnership that can reasonably be regarded as being attributable to that LP Unit and any reasonable costs of disposition. A LP Unitholder should talk to their own tax advisor regarding determining the adjusted cost base of the LP Unitholder's interest in the Partnership that can reasonably be regarded as being attributable to such LP Unit.

In general, the adjusted cost base of a LP Unitholder's interest in the Partnership at a particular time will be equal to (i) the subscription price for the interest, plus (ii) income of the Partnership (including the full amount of any capital gain) that has been allocated to the LP Unitholder for fiscal periods ending before that time, plus (iii) the amount of any distribution reinvested before that time in the Partnership pursuant to a distribution reinvestment plan, minus (iv) losses of the Partnership (including the full amount of any capital loss) that have been allocated to the LP Unitholder for fiscal periods ending before that time (except to the extent the LP Unitholder was precluded from deducting such losses in computing taxable income due to the application of the at-risk rules), and minus (v) distributions received by the LP Unitholder from the Partnership before that time. Where a LP Unitholder disposes of all its LP Units in a fiscal period of the Partnership, any income or loss allocated to the LP Unitholder for such fiscal period will be taken into account in determining the adjusted cost base of the LP Unitholder's interest.

The taxation of capital gains and capital losses is described below under "*Taxation of Capital Gains and Capital Losses*".

Distributions on LP Units

As noted above, distributions received by a LP Unitholder from the Partnership will reduce the adjusted cost base of a LP Unitholder's interest in the Partnership.

If at the end of any fiscal period of the Partnership, the adjusted cost base of the interest in the Partnership held by a LP Unitholder would otherwise be a negative amount, the LP Unitholder will be deemed to have realized a capital gain equal to such negative amount and such amount will be added to the adjusted cost base of the LP Unitholder's interest so that the adjusted cost base will be reset to zero.

Redesignation of LP Units

A redesignation of Trust Units from one series of units to another should not, in and of itself, result in a LP Unitholder being considered to dispose of his or her LP Units. Generally, a LP Unitholder's aggregate adjusted cost base in respect of his or her LP Units will not be changed as a result of a redesignation.

Alternative Minimum Tax

A LP Unitholder who is an individual or trust (other than certain types of trusts specified in the Tax Act) may be subject to alternative minimum tax. In computing its liability (if any) for alternative minimum tax, a LP Unitholder may not be entitled to deduct the full amount of its allocated share of certain deductions claimed and losses allocated by the Partnership to the LP Unitholder or certain interest and financing costs related to the LP Unitholder's acquisition of LP Units. In addition, capital gains realized on the disposition of LP Units or that are allocated by the Partnership may increase the LP Unitholder's liability for alternative minimum tax. LP Unitholders to whom the alternative minimum tax rules may apply are advised to consult their own tax advisors.

Refundable Tax

A LP Unitholder that is throughout a taxation year a "Canadian-controlled private corporation" or is at any time in the taxation year a "substantive CCPC" (each as defined in the Tax Act) may be liable to pay an additional tax (refundable in certain circumstances) in respect of its "aggregate investment income" (as defined in the Tax Act) for the year, which is generally defined to include certain income from property and taxable capital gains realized on the disposition of LP Units by or that are allocated by the Partnership to the LP Unitholder. LP Unitholders that are corporations are advised to consult their own tax advisors.

Taxation of Capital Gains and Capital Losses

One-half of any capital gain (a "taxable capital gain") realized by a LP Unitholder on a disposition or deemed disposition of LP Units will be included in income as a taxable capital gain. One-half of any capital loss (an "allowable capital loss") realized by a LP Unitholder on a disposition or deemed disposition of Trust Units must generally be deducted from taxable capital gains realized by the Trust Unitholder in the year of disposition. Allowable capital losses realized in excess of taxable capital gains in a particular taxation year may generally be deducted against taxable

capital gains realized in the three (3) preceding taxation years or in any subsequent taxation year, subject to and in accordance with the provisions of the Tax Act.

Eligibility for Investment

LP Units are not qualified investments for Registered Plans.

CERTAIN LAND TRANSFER TAX CONSIDERATIONS

In accordance with the *Land Transfer Tax Act* (Ontario) and the administrative policy of the Ontario Ministry of Finance (and City of Toronto municipal land transfer tax rules where property is located in the City of Toronto), partnerships are looked through for land transfer tax purposes While Ontario normally looks through trusts to impose land transfer tax, the regulation specifically exempts acquisitions of mutual fund trust units, such as the Trust Units. Accordingly, an acquisition or increase in a direct or indirect interest in the Partnership, including by way of redemption of LP Units, may result in land transfer taxes being payable by the LP Unitholder (including by the Trust in respect of its holding of LP Units).

There is a *de minimis* exemption from Ontario and Toronto land transfer tax in respect of certain small acquisitions of, or increases in, partnership interests (generally, 5% or less of the partnership in any fiscal year of the partnership, determined by allocation to profits). However, this exemption is not available where the LP Unit is acquired by an entity that is a trust, such as the Trust, or partnership.

The Partnership shall be entitled to collect any land transfer tax owing by an LP Unitholder that is not otherwise paid by such LP Unitholder, including without limitation by way of set-off or other adjustment against distributions or proceeds of a redemption otherwise payable to the LP Unitholder. Where land transfer tax is owing by a LP Unitholder as a result of the redemption of another LP Unitholder, the Redemption Amount payable on such redemption may be reduced by the amount of taxes imposed on a non-redeeming LP Unitholder as a result of such redemption as the General Partner determines is applicable and appropriate in the circumstances.

INFORMATION EXCHANGE OBLIGATIONS

The Tax Act includes provisions which implement the OECD Common Reporting Standard (the "**CRS Provisions**") and the Canada-United States Enhanced Tax Information Exchange Agreement (the "**IGA**" and, together with the CRS Provisions, the "**Tax Information Exchange Legislation**"). Pursuant to the Tax Information Exchange Legislation, certain "Canadian financial institutions" (as defined in the Tax Information Exchange Legislation) are required to have procedures in place, in general terms, to identify accounts held by residents of foreign countries or by certain entities organized in, or the "controlling persons" of which are resident in, a foreign country (or, in the case of the United States, of which the holder or any such controlling person is a citizen) and to report required information to the CRA. Such information will be exchanged by the CRA on a reciprocal, bilateral basis with the countries in which the account holder or any such controlling person is resident (or of which such holder or person is a citizen, where applicable), where such countries have agreed to a bilateral information exchange with Canada to which the Tax Information Exchange Legislation applies. Under the Tax Information Exchange Legislation, Unitholders may be required to provide certain information regarding their tax status for the purpose of such information exchange, unless in case of Trust Unitholders, the Trust Units are held within a Registered Plan.

COMPENSATION PAID TO SELLERS AND FINDERS

Pursuant to the Agency Agreement, to assist with effecting sales of Units, the Issuers have retained the Equiton Agent to act as selling agent of the Units and the Equiton Agent may retain sub-agents and the Trust may, from time to time, retain other selling agents in addition to the Equiton Agent. For details of the compensation paid to sellers and finders, including to the Equiton Agent, see "*Purchase Options*". In addition to the sales commissions described under "*Purchase Options*", the Partnership shall:

(a) pay to the Equiton Agent and the other Selling Agents wholesale costs of up to 1.25% of the gross proceeds of the Offering (the "**Wholesale Costs**");

(b) pay to the Equiton Agent or the other Selling Agents a dealer fee of up to 1.5% of the gross proceeds of the Offering made through such dealer, respectively ("**Dealer Fee**");

(c) pay to the Equiton Agent or the other Selling Agents a fee of 0.5% of the gross proceeds of the Offering ("**Fee**"); and

(d) pay to the Equiton Agent and the other Selling Agents the costs and expenses incurred by the Selling Agents in connection with the Offering.

For example, assuming $10,000,000 of gross proceeds is realized on the sale of the Units, the aggregate sales commissions to be paid to the Equiton Agent or sub-agent or other Selling Agent will vary based on the number of Series A-FL Units, Series A-LL Units, Series C Units, Series E Units, Series F Units or Series I Units subscribed to, the Partnership will incur Wholesale Costs of up to $125,000, Dealer Fees of up to $150,000, and a Fee of $50,000. The Issuers have agreed, subject to certain exceptions, to indemnify the Equiton Agent and may indemnify the other Selling Agents and their directors, officers, employees and agents against certain liabilities, including, without restriction, civil liabilities under Canadian securities laws, and to contribute to any payments the lead agents may be required to make in respect thereof.

No sales commissions are payable in respect of any LP Units acquired by the Trust.

RELATIONSHIP BETWEEN THE ISSUERS, THE EQUITON AGENT AND OTHER RELATED PARTIES

The Equiton Agent, the Asset Manager, the Property Manager and the General Partner are all Affiliates of each other, as they are each controlled by Jason Roque and each entity is a Related Party to the Issuers. These entities may have significant influence over the Partnership and therefore, the financial results of the Issuers. You should review this section carefully. See *"Risk Factors – Significant Influence by Jason Roque, Equiton Partners and Other Related Parties"* and *"Risk Factors – Potential Conflicts of Interest*".

The Equiton Agent

Jason Roque, a Chief Executive of the Trust and a Director and President of the General Partner, an Affiliate of Equiton Agent, indirectly, through wholly owned Subsidiaries, controls the Equiton Agent and is a director and the Chief Executive Officer of the Equiton Agent. In addition, Helen Hurlbut, a Trustee and Chief Financial Officer of the Trust, is the President & Chief Financial Officer of the Equiton Agent. As a result, the Equiton Agent is a Related Party to the Issuers.

In addition, the Equiton Agent acts exclusively for certain companies that are either directly or indirectly controlled and/or beneficially owned by Jason Roque, or which hold securities in companies that are either directly or indirectly controlled and/or beneficially owned by Jason Roque.

In light of the foregoing, the Issuers are "connected issuers" and "related issuers" of the Equiton Agent under Canadian securities law. The decision to distribute the Units and the determination of the terms of the distribution were not negotiated at arm's length between the Equiton Agent and the Issuers. The determination by the Issuers to proceed with the Offering was not made at the request or suggestion of the Equiton Agent. The Equiton Agent will not receive any benefit in connection with the Offering other than the Equiton Agent's fees payable by the Issuers to the Equiton Agent described under "*Compensation Paid to Sellers and Finders*". The proceeds of the Offering will not be applied for the benefit of the Equiton Agent. However, the proceeds of the Offering of Class A Trust Units will be used by the Trust to invest in the Partnership, and Equiton Partners, an Affiliate of the Equiton Agent, will receive fees from the Partnership for its engagement as Asset Manager and Property Manager.

The Asset Manager and the Property Manager

Equiton Partners, as Asset Manager and Property Manager, is a Related Party to the Issuers because Jason Roque, a Director and President of the General Partner, and Helen Hurlbut, a Trustee and Chief Financial Officer of the General Partner, are the Chief Executive Officer and the President & Chief Financial Officer, respectively, of Equiton Partners. In addition, Mr. Roque is the sole director of Equiton Partners and indirectly, through wholly owned subsidiaries, controls Equiton Partners. In addition, pursuant to the Declaration of Trust, Equiton Partners is entitled to appoint up to four (4) Trustees.

The General Partner

The General Partner is indirectly, through wholly owned subsidiaries, owned and controlled by Jason Roque, who is also a Director and the President of the General Partner. Helen Hurlbut is the Chief Financial Officer of the General Partner.

As a result of the relationships noted above, the Equiton Agent, Equiton Partners and the General Partner are Related Parties of the Issuers. Jason Roque may have a significant influence over each of these entities and each of the entities may have a significant influence over the Issuers.

RISK FACTORS

There are certain risk factors inherent in an investment in the Units. Subscribers should carefully consider the following risks of the Issuers and the Units before subscribing for Units.

Investment Risk

Blind Pool Offering

This is a "blind pool" offering. The Issuers currently hold limited investments and have not entered into any binding agreements related to investments they will make post-closing; therefore you will not be able to evaluate future investments before purchasing Units. Although the Issuers expect that the available net proceeds of the Offering will be applied to carry out their investment strategies in accordance with their operating policies, Equiton Partners has not identified any

investment opportunities for potential investment by the Partnership with the net proceeds of the Offering.

As this is a "blind pool" offering, not all of the net proceeds from the Offering will be deployed immediately by the Issuers. Accordingly, the net proceeds from the Offering are not expected to have an immediate impact on Trust Distributable Income and Partnership Distributable Income and until such funds are deployed by the Issuers, the total returns per Unit can be expected to be less than the Issuers' targeted annual total returns.

Resale Restrictions

There is currently no market through which the Units may be sold. **Unless permitted under Canadian securities laws, no Unitholder can trade Units before the date that is four (4) months and a day after the date the applicable Issuer becomes a reporting issuer in any province or territory of Canada**. The Issuers are not, and currently have no intention of becoming, reporting issuers in any province or territory of Canada, and therefore all Units will be subject to an indefinite hold period. Units may only be transferred under limited exemptions under applicable Canadian securities laws. Consequently, Unitholders may not be able to sell the Units readily or at all, and they may not be accepted as collateral for a loan. Unitholders should be prepared to hold the Units indefinitely and, except through the redemption rights granted under the Governing Documents, should not expect to be able to liquidate their investment even in the case of an emergency.

Availability of Distributable Income

There are many factors that will affect the quantum and timing of distributions from the Partnership and the Trust, including working capital requirements of the portfolio of properties, any restrictive covenants in third-party debt financing and the impact of public health crises, such as the COVID-19 pandemic. Subscribers should consider the risk factors set forth herein which can affect the stability of distributions and recovery of a Subscriber's initial investment.

Partnership Distributable Income is calculated before deducting items such as principal repayments, capital expenditures and payments on the redemption of Redeemable LP Units and, accordingly, may exceed actual cash available to the Partnership from time to time. The Partnership may be required to use part of its debt capacity or raise additional equity in order to accommodate such items, and there can be no assurance that funds from such sources will be available on favourable terms or at all. In such circumstances, distributions may be reduced, which may therefore also have an adverse impact on the distributions of the Trust and the market price of the Units. In addition, the Trust or the Partnership may pay distributions in the form of additional Units or fractions of Units. Accordingly, cash distributions are not guaranteed and cannot be assured. See "*Material Contracts – Declaration of Trust – Distribution Policy*" and "*Material Contracts – LP Agreement – Distributions".*

Trust Distributable Income is calculated in accordance with the Declaration of Trust. Distributable income is not a measure recognized under generally accepted accounting principles and does not have a standardized meaning prescribed by GAAP. Trust Distributable Income is used because management of the Trust believes this non-GAAP measure is a relevant measure of the ability of Trust to earn and distribute cash returns to Class A Trust Unitholders. Distributable income as computed by the Trust may differ from similar computations as reported by other similar organizations and, accordingly, may not be comparable to distributable income as reported by such organizations. Distributable income is calculated by reference to the net income of the Trust,

as determined in accordance with GAAP, subject to certain adjustments as set out in the constating documents of the Trust.

Structural Subordination of Units

In the event of a bankruptcy, liquidation or reorganization of the Issuers or any of their Subsidiaries, holders of certain of their indebtedness and certain trade creditors will generally be entitled to payment of their claims from the assets of the Issuers and those Subsidiaries before any assets are made available for distribution to the Unitholders. The Units will be effectively subordinated to most of the indebtedness and other liabilities of the Issuers and their Subsidiaries.

Trust Unitholder Liability

The Declaration of Trust provides that no Trust Unitholder will be subject to any liability whatsoever to any person in connection with the holding of a Trust Unit. In addition, legislation has been enacted in the Province of Ontario and certain other provinces and territories of Canada that is intended to provide Trust Unitholders in those provinces and territories with limited liability. However, there remains a risk, which is considered by the Trust to be remote in the circumstances, that a Trust Unitholder could be held personally liable for the obligations of the Trust to the extent that claims are not satisfied out of the Trust Property. It is intended that the affairs of the Trust will be conducted to seek to minimize such risk wherever possible.

Potential Loss of Limited Liability

The provisions of the *Limited Partnerships Act* (Ontario), as amended from time to time, provide that the limited liability can be lost if a Limited Partner takes an active part in the business of the Partnership and the person with whom the Limited Partner is dealing on behalf of the Partnership does not know that the Limited Partner is a limited partner.

The legislation of a number of Canadian jurisdictions provides for the registration of the Partnership as an extra-jurisdictional limited partnership, thereby affording Limited Partners the limited liability provided by such legislation. The General Partner intends to register the Partnership as an extra-jurisdictional limited partnership in those jurisdictions where the Partnership is advised that it will be carrying on business by virtue of the Offering or otherwise and where there is provision for registration as an extra-jurisdictional limited partnership in order to preserve the limited liability of the Limited Partners. Limited Partners, as limited partners, may, however, lose the protection of such limited liability in certain circumstances, including as a result of taking part in the management or control of the business of the Partnership or as a result of non-compliance with applicable legislation governing limited partnerships. There is also a risk, in certain jurisdictions, that Limited Partners, as limited partners, may not be afforded limited liability to the extent that principles of conflicts of law recognizing the limitation of liability of limited partners have not been authoritatively established with respect to limited partnerships formed under the laws of one jurisdiction but which carry on business in another jurisdiction.

Nature of Investment

A Trust Unitholder will not hold a share of a body corporate. Trust Unitholders do not have statutory rights normally associated with ownership of shares of a corporation including, for example, the right to bring “oppression” or “derivative” actions. The rights of Trust Unitholders are based primarily on the Declaration of Trust. There is no statute governing the affairs of the Trust equivalent to the *Business Corporations Act* (Ontario) or the *Canada Business Corporations Act*

which sets out the rights and entitlements of shareholders of corporations in various circumstances.

Restrictions on Ownership of Units

The Declaration of Trust and LP Agreement impose various restrictions on Unitholders. At no time may any of the Trust Units then outstanding be held by or for the benefit of Persons who are not Resident Canadians. In addition, at no time may any LP Units then outstanding be held by or for the benefit of a Person who is an Ineligible LP Unitholder.

Liquidity of Units and Redemption Risk

Units are redeemable upon demand of a Unitholder. However, a Unitholder's right to receive cash on a redemption of Units is subject to limitations, including a calendar quarter limit of $150,000 in respect of all Trust Units or LP Units, as applicable, tendered for redemption, provided that the Partnership shall prioritize redemptions of Class A LP Units made by the Trust to enable the Trust to satisfy cash redemptions of $150,000 in the calendar quarter, which may decrease the amount available to redeem Class A LP Units held by LP Unitholders other than the Trust. The applicable Issuer, in its sole discretion, may waive all or part of the quarterly cash redemption limit. If the redemptions of Class A Trust Units tendered in a calendar quarter exceed the foregoing limit, then the Trust may satisfy the payment of the Redemption Amount, in part, by the issuance of Redemption Notes, which are promissory notes. In the event that the Issuers experience a large number of redemptions, the Issuers may not be able to satisfy all of the redemption requests in cash or at all. Any Redemption Notes which may be received as a result of a redemption of Trust Units will likely not be qualified investments for Registered Plans and may have adverse tax consequences if held by a Registered Plan. See "*Material Contracts – Declaration of Trust – Redemption of Class A Trust Units*", "*Material Contracts – LP Agreement – Redemption of Class A LP Units*" and *"Eligibility for Investment by Registered Plans."*

Risks Associated with Redemptions

Use of Available Cash

The payment by the Issuers of the Redemption Price of Units in cash (as opposed to payment of the Redemption Price through the issuance of Redemption Notes) will reduce the amount of cash available to the applicable Issuer for the payment of distributions to Unitholders, as cash payments of the amount due in respect of redemptions will take priority over the payment of cash distributions.

Redemption Price

Any amount received on a redemption of Units will be equal to the Redemption Price of a Unit times the number of Units that a Unitholder tenders for redemption, less the costs of implementing the redemption, if any, and any applicable Short Term Trading Fee or Short Term Redemption Amount. See *"Purchase Options*", *Material Contracts – Declaration of Trust – Redemption of Class A Trust Units*" and "*Material Contracts – LP Agreement – Redemption of Class A LP Units*".

Amendment to Redemption Price

The Trustees are authorized to, in their discretion, apply to list the Listed Units. Following the listing of the Listed Units, the Redemption Price that a holder of Class A Trust Units tendered for

redemption shall be entitled to receive shall be amended, such that the Redemption Price will equal 95% of the volume-weighted average trading price per Listed Unit on the principal exchange or market on which the Listed Units are listed or quoted for trading during the period of 10 consecutive days ending on the Redemption Date. See "*Material Contracts – Declaration of Trust – Redemption of Class A Trust Units*".

Redemption Price Determination

The amount received on a redemption of Units shall be equal to the Redemption Price and based upon the Market Value of the Units on the day of the Redemption Notice times the number of Units that a Unitholder tenders for redemption, less the costs of implementing the redemption, if any, and any applicable Short Term Trading Fee or Short Term Redemption Amount. There is a risk that the estimate of the Market Value of the Units determined by the Trustees or the General Partner, as applicable, may not accurately reflect the true fair market value of the Units and the Unitholders will have no recourse against the Issuers, the Trustees or the General Partner, as applicable, in this respect.

Payment of Redemption Notes

In the event that the Trust is unable to pay the amount owing under a Redemption Note on maturity, it may borrow funds from related or unrelated parties or seek to extend the terms of the Redemption Notes. Notwithstanding the aforesaid, circumstances may arise resulting in the Trust not having funds available to pay on maturity the principal balance and accrued unpaid interest under any Redemption Notes issued.

Redemption Notes will be unsecured

Redemption Notes will be unsecured debt obligations and may be subordinated to other financing obtained by the Issuers and their Subsidiaries.

Priority of Redemption Notes over Trust Units

Redemption Notes will likely have priority over Trust Units in the event of the liquidation of the assets of the Trust. There are various considerations with respect to creditor rights and bankruptcy law that will need to be considered both at the time Redemption Notes are issued and at the time of any liquidation of the assets of the applicable Issuer in order to determine if such a priority exists.

Class and Series Risk

The Units are offered in several Classes and Series. In addition to common fees and expenses, each Class and Series has its own fees and expenses, which are calculated separately. These expenses are deducted in the calculation of the Market Value for each Class or Series and reduce its security value.

If the applicable Issuer cannot pay the expenses of one Class or Series using that Class' or Series' share of such Issuer's assets, it will pay those expenses out of the other Classes' or Series' proportionate share of such Issuer's assets. This could lower the value of the other Classes or Series of such Issuer. The Issuers may issue additional Classes or Series without notice to or approval of Unitholders. The creation of additional Classes or Series could indirectly result in a mitigation of this risk by creating a larger pool of assets for the Issuers to draw from. Initially,

however, the small asset size of the additional Classes or Series may increase this risk temporarily.

Tax Related Risks

There can be no assurance that Canadian federal or provincial income tax laws and the administrative policies and assessing practices of the CRA respecting the treatment of mutual fund trusts and partnerships will not be changed in a manner which adversely affects the Trust, the Partnership or Unitholders.

The Trust may be reassessed for taxes from time to time and the Partnership may be reassessed for taxes or additional income, which could result in additional taxes to Unitholders of the Partnership (including the Trust). Such reassessments together with associated interest and penalties could adversely affect the Trust, the Partnership and the Unitholders.

It is anticipated that the Trust will qualify or be deemed to qualify at all times as a "mutual fund trust" for purposes of the Tax Act. To qualify as a "mutual fund trust", the Trust must be a "unit trust" as defined in the Tax Act, which generally requires that the issued units of the Trust include units having conditions requiring the Trust to accept, at the demand of the holder thereof and at prices determined and payable in accordance with the conditions, the surrender of such units, and that the fair market value of such units not be less than 95% of the fair market value of all of the issued units, and must restrict its undertaking to: (i) the investing of its funds in property (other than real property (or an interest in a real property) or immovables (or a real right in an immovable)), (ii) the acquiring, holding, maintaining, improving, leasing or managing of any real property (or interest in real property) or any immovable (or real right in immovables) that is capital property of the Trust or (iii) any combination of the activities described in (i) and (ii); and must comply with the minimum distribution requirements. The Trust must comply with these requirements on a continuous basis. If the Trust does not qualify or ceases to qualify as a "mutual fund trust" for the purposes of the Tax Act, the income tax consequences described under "*Certain Canadian Federal Income Tax Considerations for the Trust*" would in some respects be materially and adversely different. For instance, in such a case, the Trust Units will not be, or will cease to be, qualified investments for Registered Plans at that time. Furthermore, the Trust may become subject to alternative minimum tax under section 127.5 of the Tax Act and to tax under Part XII.2 of the Tax Act. In addition, Trust Unitholders may become subject to provincial taxes, such as land transfer tax, in respect of the Trust Units.

Even if the Trust complies with the above requirements, the Trust may be deemed not to be a mutual fund trust if at any time it can reasonably be considered that the Trust is established and maintained primarily for the benefit of Non-Residents. While the Trustees do not believe that the Trust is presently established or maintained primarily for the benefit of Non-Residents, and the Declaration of Trust includes transfer restrictions and limitations on non-resident ownership of Trust Units intended to ensure that this is the case, the Tax Act does not provide any means of rectifying a loss of mutual fund trust status if such deeming rule were to apply.

Pursuant to rules in the Tax Act, if the Trust experiences a "loss restriction event" (i) it will be deemed to have a year-end for tax purposes (which could result in an unscheduled distribution of Trust Income and Net Realized Capital Gains of the Trust, if any, at such time to Trust Unitholders so that the Trust is not liable for non-refundable income tax on such amounts under Part I of the Tax Act), and (ii) it will become subject to the loss restriction rules generally applicable to corporations that experience an acquisition of control, including a deemed realization of any unrealized capital losses and restrictions on its ability to carry forward losses. Generally, the Trust

will be subject to a loss restriction event if a Trust Unitholder becomes a "majority-interest beneficiary", or a group of persons becomes a "majority-interest group of beneficiaries", of the Trust, as those terms are defined in the affiliated persons rules contained in the Tax Act, with certain modifications. Generally, a majority-interest beneficiary of the Trust is a beneficiary in the income or capital, as the case may be, of the Trust whose beneficial interests, together with the beneficial interests of persons and partnerships with whom the beneficiary is affiliated, have a fair market value that is greater than 50% of the fair market value of all the interests in the income or capital, as the case may be, of the Trust. Please see "*Certain Canadian Federal Income Tax Considerations – Taxation of Trust Unitholders – Distributions*" for the tax consequences of an unscheduled or other distribution to Trust Unitholders.

If Trust Units, LP Units or other investments in the Trust or Partnership become publicly listed or traded, there can be no assurances that the Trust or Partnership, as applicable, will not become subject to entity-level tax under the SIFT Rules, as described under "*Certain Canadian Federal Income Tax Considerations for the Trust – Status of the Trust – the SIFT Rules*" and "*Certain Canadian Federal Income Tax Considerations for the Partnership – Status of the Partnership – the SIFT Rules*, at that time. If this were to occur, the application of the SIFT Rules may reduce the amount of cash available for distribution to Unitholders and may adversely affect the after-tax return to certain investors on their Units.

The Tax Act imposes penalties on Registered Plans or holders, annuitants and subscribers of certain Registered Plans for the acquisition or holding of non-qualified investments. While the Trust Units are expected to be a qualified investment for Registered Plans, LP Units are not qualified investments for Registered Plans and should not be acquired by such trusts. The holder, annuitant or subscriber of a trust governed by a TFSA, RDSP, FHSA, RRSP, RRIF or RESP will also be subject to a penalty tax in respect of Trust Units held in a trust governed by such a Registered Plan if such Trust Units are a "prohibited investment" for the purposes of the Tax Act. In addition, Redemption Notes of the Trust received as a result of a redemption of Trust Units will likely not be qualified investments for Registered Plans, which may give rise to adverse consequences to a Registered Plan or the holder, annuitant, subscriber or beneficiary thereunder.

Trust Unitholders may be required to include amounts in their taxable income even where they have not received a cash distribution in respect of such amounts. The Declaration of Trust generally provides that a sufficient amount of the Trust's income will be distributed or otherwise made payable each year to Trust Unitholders in order to ensure that the Trust is not liable for non-refundable income tax under Part I of the Tax Act. The Trustees have the discretion to determine whether to pay such amount in cash or in the form of additional Trust Units. Where such amount exceeds the cash available for distribution in the year, such excess may be distributed to Trust Unitholders in the form of additional Trust Units. In this regard, the Partnership generally intends to retain cash in order to further the operations of the Partnership and accordingly, all or substantially all of such distributions may be paid in additional Trust Units and not in cash.

The Partnership will be required to allocate any income to LP Unitholders each year. As a result, a LP Unitholder would be required to pay taxes on income that is allocated to the LP Unitholder, even if the LP Unitholder has not received a cash distribution in respect of such amounts. In this regard, the Partnership generally intends to retain cash in order to further the operations of the Partnership and does not intend to pay regular distributions.

At no time may any LP Units then outstanding be held by or for the benefit of a Person who is an Ineligible LP Unitholder. While the Partnership will obtain representations from each investor with respect to these issues, and intends to reject subscriptions from potential investors who are, or

hold LP Units on behalf of, Ineligible LP Unitholders, in the event that any of those representations is or becomes inaccurate, there could be significant adverse tax consequences to the Partnership and all LP Unitholders, which could materially decrease the after tax return of an investment in LP Units or Trust Units.

The designation or allocation of income or gains realized by the Trust or the Partnership to Unitholders, including the designation or allocation of gains realized on the disposition of investments of the Partnership as capital gains, will depend largely on factual considerations. Management will endeavour to make appropriate characterizations of income or gains realized by the Trust or Partnership for purposes of designating or allocating such income or gains to Unitholders based on information reasonably available to it. However, there is no certainty that the manner in which the Trust or the Partnership characterizes such income or gains will be accepted by the CRA. If it is subsequently determined that the Trust's or the Partnership's characterization of a particular amount was incorrect, Unitholders might suffer material adverse tax consequences as a result.

The EIFEL Rules are intended, where applicable, to limit the deductibility of interest and financing expenses in certain circumstances, including the computation of income or loss by a trust for purposes of the Tax Act. If the EIFEL Rules were to apply to the Trust, the amount of interest and financing expenses otherwise deductible by the Trust may be reduced and the taxable component of distributions by the Trust to Trust Unitholders may be increased accordingly. In addition, if the EIFEL Rules were to apply to a LP Unitholder, the LP Unitholder may be required to include an amount in computing its income in respect of its allocated share of interest and financing expenses deducted by the Partnership (or another Subsidiary of the Partnership that is a partnership). The EIFEL Rules do not apply to natural persons. LP Unitholders to whom the EIFEL Rules may apply should consult their own advisors.

The acquisition of a beneficial interest in land may give rise to Ontario and Toronto land transfer tax, including as a result of the acquisition of LP Units or the redemption of LP Units by other LP Unitholders, subject to the availability of the *de minimis* exemption. As the Trust does not benefit from the *de minimis* exemption, changes in its interest in the Partnership may adversely affect the return to Unitholders. Further, if the *de minimis* threshold is surpassed by a LP Unitholder (including because of the redemption of LP Units by a different LP Unitholder), the exemption is not available and all acquisitions or increases in the fiscal year become taxable. Therefore, it may not be possible for the Partnership to finally determine the amount of land transfer taxes owing by an LP Unitholder at the time of issuance or redemption of LP Units. For example, in some cases this can only be determined after the end of the Partnership's fiscal year.

Further, there is no guarantee that additional land transfer tax, together with interest and penalties, will not be (re) assessed on the Trust, General Partner, or an LP Unitholder, as an increase to the land transfer tax as calculated by the General Partner, LP Unitholder or the Trust. Any such (re)assessment could adversely affect investor returns.

Currently, there is generally no HST on residential rents (i.e., they are generally HST-exempt). As input tax credits can generally only be claimed for HST paid in respect of a commercial activity (which does not include earning HST-exempt income from renting residential properties and administering investments in such properties), the Partnership is generally not able to claim input tax credits for HST paid. Accordingly, an increase in the HST rate or the application of the HST to business input costs presently not subject to HST, including as a consequence of changes in the interpretation and administration of HST, may result in the Partnership having to absorb the additional tax costs on business inputs.

Dilution

The number of Trust Units the Trust is authorized to issue is unlimited. The Trustees have the discretion to issue Trust Units in circumstances other than the Offering, including pursuant to the Trust's various incentive plans, if any. The number of LP Units the Partnership is authorized to issue is unlimited. The General Partner has the discretion to cause the Partnership to issue LP Units other than in circumstances other than the Offering or to the Trust. Any such issuance of additional Units may have a dilutive effect on the Unitholders.

Trust Risk

Future Property Acquisitions

The Partnership's strategy includes growth through identifying suitable property acquisition opportunities, pursuing such opportunities and consummating acquisitions. If the Partnership is unable to manage its growth effectively, it could adversely impact the Partnership's financial condition and results of operations and decrease the amount of cash available for distribution. There can be no assurance as to the pace of growth through property acquisitions or that the Partnership will be able to acquire assets on an accretive basis, and as such there can be no assurance that distributions to Unitholders will increase in the future.

Development Risk

The Partnership may, directly or indirectly, invest in real estate development projects. Any existing or future development investments of the Partnership will entail certain risks, including the expenditure of funds and devotion of management's time to evaluating projects that may not come to fruition; the risk that development costs of a project may exceed original estimates, possibly making the project uneconomical; the risk of construction overrun or other unforeseeable delays, during which the interest rate and leasing risk may fluctuate; the risk that occupancy rates and rents at a completed project will be less than anticipated or that there will be vacant space at the project; the risk that expenses at a completed development will be higher than anticipated; and the risk that permits and other governmental approvals will not be obtained. In addition, the Partnership's future real estate development investments may require a significant investment of capital. The Partnership may be required to obtain funds for its capital expenditures and operating activities, if any, through cash flow from operations, property sales or financings. If the Partnership is unable to obtain such funds, it may have to defer or otherwise limit certain development activities.

Access to Capital

The real estate industry is highly capital intensive. The Partnership will require access to capital to fund its growth strategy and significant capital expenditures from time to time. There can be no assurance that the Partnership will have access to sufficient capital or access to capital (including mortgage loans) on commercially acceptable terms or on terms favourable to the Partnership for future property acquisitions, financing or refinancing of properties, adding value or repositioning of properties, funding operating expenses or other purposes.

In addition, global financial markets have experienced a sharp increase in volatility during recent years. This has been, in part, the result of the revaluation of assets on the balance sheets of international financial institutions and related securities. This has contributed to a reduction in liquidity among financial institutions and has reduced the availability of credit to those institutions

and to the issuers who borrow from them. It is possible that financing which the Partnership may require in order to grow and expand its operations, upon the expiry of the term of financing, on refinancing any particular Property owned by the Partnership or otherwise, may not be available or, if it is available, may not be available on favourable terms to the Partnership. Failure by the Partnership to access required capital could adversely impact the Partnership's financial condition and results of operations and decrease the amount of cash available for distribution. As well, the degree of leverage could affect the Partnership's ability to obtain additional financing in the future.

Dependence on the Partnership

The Trust is an unincorporated open-ended investment trust which will be entirely dependent on the operations and assets of the Partnership. Cash distributions to Class A Trust Unitholders will be dependent on, among other things, the ability of the Partnership to make cash distributions in respect of the Class A LP Units held by the Trust. The Partnership is a separate and distinct legal entity from the Trust. The ability of the Partnership to make cash distributions or other payments or advances will depend on the Partnership's results of operations and may be restricted by, among other things, applicable corporate, tax and other laws and regulations and contractual restrictions contained in the instruments governing any indebtedness of the Partnership.

Dependence on Key Personnel

The management of the Issuers depends on the services of certain key personnel. The termination of employment by Equiton Partners of any of these key personnel could have a material adverse effect on the Issuers.

Dependence on Equiton Partners

The Partnership is dependent upon Equiton Partners for operational and administrative services relating to the Partnership's business. Should Equiton Partners terminate the Asset Management Agreement or Property Management Agreement, the Partnership may be required to engage the services of another external asset manager and/or property manager. The Partnership may be unable to engage an asset manager and/or property manager on acceptable terms, in which case the Partnership's operations and cash available for distribution may be adversely affected.

Potential Conflicts of Interest

Generally, the Issuers may be subject to various conflicts of interest because of the fact that the Trustees and officers of the Trust, Directors and officers of the General Partner and officers of Equiton Partners are engaged in a wide range of real estate and other business activities. The Issuers may become involved in transactions which conflict with the interests of the foregoing.

The Trustees and Directors may from time to time deal with persons, firms, institutions or corporations with which the Trust or the General Partner, respectively, may be dealing, or which may be seeking investments similar to those desired by the Trust or the Partnership. The interests of these persons could conflict with those of the Trust or the Partnership. In addition, from time to time, these persons may be competing with the Trust or the Partnership for available investment opportunities. Conflicts may also exist due to the fact that certain Trustees and officers of the Trust or Directors or officers of the General Partner will be affiliated with Equiton Partners.

Specifically, Equiton Partners, the Asset Manager and the Property Manager, operate continuing businesses which may lead to conflicts of interest between Equiton Partners and the Partnership.

The Partnership may not be able to resolve any such conflicts, and, even if it does, the resolution may be less favourable to the Partnership than if it were dealing with a party that was not a significant holder of an interest in the Partnership. The agreements that the Partnership may enter into with the Equiton Partners may be amended upon agreement between the parties, subject to Applicable Laws. Because of Equiton Partners' significant holdings and influence over the Partnership, the General Partner may not have the leverage to negotiate any required amendments to these agreements on terms as favourable to the Partnership as those the General Partner would negotiate with a party that was not a significant holder of an interest or influence in the Partnership. Equiton Partners is engaged in a wide range of real estate and other business activities and may be involved in real estate transactions that do not satisfy the Partnership's investment criteria. Such transactions could include real estate transactions that are not accretive to the Partnership, transactions which involve significant capital expenditures for the Partnership, and transactions which may be considered too small.

Equiton Partners and/or its Affiliates may implement "fund of funds" structures whereby an investment product managed by them (a "**Related Fund**"), invests in the Trust or the Partnership. Any conflicts arising from such structures will be addressed by ensuring that investing in or holding units of one or more Related Funds is in the best interest of the Related Fund and consistent with its investment policy. The Trustees and Directors will also ensure that there is no duplication of fees for the same service.

Series E Units are offered exclusively to Related Funds and are not available to third-party investors. No fund-level fees are charged on Series E Units, as these fees are paid at the Related Fund level. Consequently, Series E Units are expected to receive higher distributions than fee-paying series. Distributions are adjusted to reflect the applicable series' fee structure. Series E Units are subject to the same redemption terms as other Units but are exempt from the Short Term Trading Fee and Short Term Redemption Amount, as applicable, as no upfront commissions or placement costs are incurred upon issuance.

Furthermore, conflicts of interest may exist, and others may arise, between and among Subscribers and the Trustees and officers of the Trust or Directors or officers of the General Partner and their Associates and Affiliates. There is no assurance that any conflicts of interest that may arise will be resolved in a manner most favorable to Subscribers.

Where a conflict of interest arises, the Trustees and the General Partner have a conflict of interest policy in place to address the conflict.

The Governing Documents contains provisions related to Conflict of Interest Matters requiring the Trustees and the Directors to disclose material interests in material contracts and transactions and to refrain from voting thereon. All Conflict of Interest Matters must be approved unanimously by the Independent Trustees or Independent Directors, as applicable, in order for the Trust or General Partner, respectively, to proceed with such matters. See "*Material Contracts – Declaration of Trust – Conflict of Interest Restrictions and Provisions*" and See "*Material Contracts – LP Agreement – Conflict of Interest Restrictions and Provisions*".

Co-Owners Risk; Co-Investments and Joint Venture Risk

The Partnership may enter into co-ownerships, co-investments and joint ventures with third parties to acquire partial interests in Properties.

The Trust's ability to meet its objectives may depend on the Asset Manager's ability to negotiate acceptable terms and conditions in respect of such co-ownership, co-investment and joint venture opportunities. Such co-ownerships, co-investments and joint ventures involve additional risks that Unitholders should be aware of, including the possibility that such co-owners, co-investors and joint venture partners may have economic interests that are not consistent with those of the Issuers, may have financial problems, may be able to take an action in a manner inconsistent with the Issuers' objectives, may become bankrupt or may default on their commitments. Whilst the Asset Manager intends to diminish these risks through the legal documents with such co-owner, co-investor or joint venture partner, there can be no assurance that it will be effective in doing so. To decrease the possibility of liability, the Partnership may seek to hold its assets through limited liability entities and if and when appropriate, may obtain indemnities from its co-owners, co-investors and joint venture partners.

Additionally, Equiton Partners may receive fees and/or other incentive-based compensation in connection with any such co-investment, co-ownership or joint venture opportunity and the Issuers and Unitholders will have no entitlement to any such fees or compensation.

Internal Controls

Effective internal controls are necessary for the Issuers to provide reliable financial reports and to help prevent fraud. Although the Trust will undertake a number of procedures and the General Partner and Equiton Partners will implement a number of safeguards, in each case, in order to help ensure the reliability of the Trust's, the Partnership's and Equiton Partners' financial reports, including those imposed on the Issuers under Canadian securities law, the Issuers cannot be certain that such measures will ensure that the Issuers will maintain adequate control over financial processes and reporting. Failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm the Issuers' results of operations or cause it to fail to meet its reporting obligations. If a material weakness is discovered, the disclosure of that fact, even if quickly remedied, could reduce the market's confidence in the Issuers' financial statements and harm the value of the Units.

Significant Influence by Jason Roque, Equiton Partners and Other Related Parties

Jason Roque, indirectly, controls Equiton Partners, as well as the General Partner. Equiton Partners has been engaged by the Partnership to act as Asset Manager and Property Manager. Therefore, Jason Roque and Equiton Partners may have a significant influence with respect to the affairs of the Partnership.

In addition, the Declaration of Trust provides Equiton Partners the exclusive right to appoint up to four (4) Trustees. The other Trustees are elected at a meeting of the Trust Unitholders, or in the absence of a meeting of Trust Unitholders, appointed by the remaining Trustees. An Independent Trustee may also be removed at any time, with or without cause, by a majority of the remaining Trustees. As a result, Equiton Partners will have significant influence over the composition of the board of trustees of the Trust and will exercise significant influence with respect to the affairs of the Trust.

The Asset Manager's significant effective interest may discourage transactions involving a change of control of the Partnership, including transactions in which an investor as a Unitholder might otherwise receive a premium for its Units over the then-current market price.

Limited Ability of Trust Unitholders to Elect Trustees

The Trust Unitholders have the right to elect a Trustee in the event that a meeting of Trust Unitholders is called for that purpose by the Trustees or by Trust Unitholders holding 10% of the outstanding Trust Units. In all other circumstances, Equiton Partners shall have the right to appoint up to four (4) Trustees and the balance of Trustees are appointed by the remaining Trustees.

No Unitholder Approval of Auditors

Unitholders will have no opportunity to approve the Auditors.

Litigation Risks

In the normal course of the Issuers' operations, they may become involved in, named as a party to or the subject of, various legal proceedings, including regulatory proceedings, tax proceedings and legal actions relating to personal injuries, property damage, property taxes, land rights, the environment and contract disputes. The outcome with respect to outstanding, pending or future proceedings cannot be predicted with certainty and may be determined adversely to the Trust and/or Partnership and as a result, could have a material adverse effect on the Issuers' assets, liabilities, business, financial condition and results of operations. Even if the Trust and/or Partnership prevails in any such legal proceeding, the proceedings could be costly and time-consuming and would divert the attention of management and key personnel from the Partnership's business operations, which could adversely affect the Issuers' financial condition.

Assumption of Liabilities

The Partnership will assume liabilities arising out of or related to the Partnership's business, operations or assets, and will agree to indemnify the Vendor of the Properties being acquired for, among other matters, such liabilities. The Partnership may assume unknown liabilities that could be significant.

Reliance on External Sources of Capital

The Partnership may not be able to fund all of its future capital needs, including capital for acquisitions and property development, with income from operations. The Partnership therefore may have to rely on third-party sources of capital, which may or may not be available on favourable terms, if at all. The Partnership's access to third-party sources of capital depends on a number of things, including the market's perception of its growth potential and its current and potential future earnings. If the Partnership is unable to obtain third-party sources of capital, it may not be able to acquire or develop properties when strategic opportunities exist, satisfy its debt obligations or make regular distributions to Unitholders.

Derivatives Risks

The Partnership may invest in and use derivative instruments, including futures, forwards, options and swaps, to manage its utility and interest rate risks inherent in its operations. There can be no assurance that the Partnership's hedging activities will be effective. Further, these activities, although intended to mitigate price volatility, expose the Partnership to other risks. The Partnership is subject to the credit risk that its counterparty (whether a clearing corporation in the case of exchange traded instruments or another third party in the case of over-the-counter

instruments) may be unable to meet its obligations. In addition, there is a risk of loss by the Partnership of margin deposits in the event of the bankruptcy of the dealer with whom the Partnership has an open position in an option or futures or forward contract. In the absence of actively quoted market prices and pricing information from external sources, the valuation of these contracts involves judgment and use of estimates. As a result, changes in the underlying assumptions or use of alternative valuation methods could affect the reported fair value of these contracts. The ability of the Partnership to close out its positions may also be affected by exchange imposed daily trading limits on options and futures contracts. If the Partnership is unable to close out a position, it will be unable to realize its profit or limit its losses until such time as the option becomes exercisable or expires or the futures or forward contract terminates, as the case may be. The inability to close out options, futures and forward positions could also have an adverse impact on the Partnership's ability to use derivative instruments to effectively hedge its utility and interest rate risks.

Restrictions on Potential Growth and Reliance on Credit Facilities

The payout by the Partnership of a substantial part of its operating cash flow could adversely affect the Partnership's ability to grow unless it can obtain additional financing. Such financing may not be available, or renewable, on attractive terms or at all.

Financing

The Partnership is subject to the risks associated with debt financing, including the risk that the Partnership may be unable to make interest or principal payments or meet loan covenants, the risk that defaults under a loan could result in cross defaults or other lender rights or remedies under other loans, and the risk that existing indebtedness may not be able to be refinanced or that the terms of such refinancing may not be as favourable as the terms of existing indebtedness.

Industry Risk

Risk of Real Estate Investment and Ownership

An investment in Units will provide Subscribers with direct or indirect exposure to investments in real estate assets through the Partnership and the Properties. Investment in real estate is subject to numerous risks which are beyond the control of the Issuers, including the following factors: general economic conditions, local real estate markets, demand for leased premises, competition from other available premises and various other factors. The value of real property and any improvements thereto may also depend on the credit and financial stability of the tenants. Trust Distributable Income and/or Partnership Distributable Income will be adversely affected if one or more major tenants or a significant number of tenants of Properties were to become unable to meet their obligations under their leases or if a significant amount of available space in such Properties is not able to be leased on economically favourable lease terms. In the event of default by a tenant, delays or limitations in enforcing rights as lessor may be experienced and substantial costs in protecting the Partnership's investment may be incurred. The ability to rent unleased space in Properties will be affected by many factors. Costs may be incurred in making improvements or repairs to Properties required by a new tenant. A prolonged deterioration in economic conditions could increase and exacerbate the foregoing risks. The failure to rent unleased space on a timely basis or at all would likely have an adverse effect on the Issuers' financial condition.

Certain significant expenditures, including property taxes, capital repair and replacement costs, maintenance costs, mortgage payments, insurance costs and related charges must be made throughout the period of ownership of real property regardless of whether the property is producing any income. Fixed costs such as utilities, property taxes, maintenance costs, mortgage payments, insurance costs, and related costs, may have a material adverse effect on the Partnership's business, cash flows, financial condition, and results of operations if the Partnership cannot maintain or increase its average monthly rental rates and lease levels. If the Partnership is unable to meet mortgage payments on any property, losses could be sustained as a result of the mortgagee's exercise of its rights of foreclosure or sale.

Real property investments tend to be relatively illiquid, with the degree of liquidity generally fluctuating in relationship with demand for and the perceived desirability of such investments. Such illiquidity will tend to limit the Partnership's ability to vary its portfolio promptly in response to changing economic or investment conditions. If, for whatever reason, liquidation of assets is required, there is a risk that sale proceeds realized might be less than the current book value of the Partnership's investments or that market conditions would prevent prompt disposition of assets. The Partnership may, in the future, be exposed to a general decline of demand by tenants for space in Properties. As well, certain of the leases of the Properties may have early termination provisions which, if exercised, would reduce the average lease term.

Revenue Producing Properties

The Properties generate income through rental payments made by the tenants thereof. Residential tenant leases are relatively short, exposing the Partnership to market rental-rate volatility. Upon the expiry of any lease, there can be no assurance that such lease will be renewed or the tenant replaced. The terms of any subsequent lease may be less favourable to the Partnership than the existing lease. Unlike commercial leases which generally are "net" leases and allow a landlord to recover expenditures, residential leases are generally "gross" leases and the landlord is not able to pass on costs to its tenants.

Acquisition Risk

The Partnership intends to invest in interests in Properties selectively. The investment of interests in Properties entails risks that investments will fail to perform in accordance with expectations. In undertaking such acquisitions, the Partnership will incur certain risks, including the expenditure of funds on, and the devotion of management's time to transactions that may not come to fruition. Additional risks inherent in acquisitions include risks that Properties will not achieve anticipated performance levels and that estimates of the costs, timing and steps required to make improvements to bring an acquired property up to standards established for the market position intended for that property or complete a project related to a property may prove inaccurate. Before making any investment, the Partnership intends to conduct due diligence that it deems reasonable and appropriate based on the facts and circumstances applicable to each investment. When conducting due diligence, the Partnership may be required to evaluate important and complex business, financial, tax, accounting, environmental and legal issues. Legal counsel and other outside consultants may be involved in this due diligence process in varying degrees. Nevertheless, when conducting due diligence and making an assessment regarding an investment in the Partnership relies on the resources available to it, including information provided by a Vendor, development partner or borrower and, in some cases, third-party investigations, and the results of the due diligence may not reveal all the relevant facts that may be necessary or helpful in evaluating such an opportunity. Moreover, such an investigation will not necessarily result in the investment being successful.

Interest Rate Risk

Interest rate risk is the risk that the market value of the Partnership's assets may fluctuate due to changes in market interest rates. This may impact the cost of borrowing as it relates to mortgages and other loans. The mortgage loans obtained by the Partnership may include indebtedness with interest rates based on variable lending rates that will result in fluctuations in the Partnership's cost of borrowing. Accordingly, fluctuations in interest rates may adversely impact the Partnership's profitability.

Environmental Matters

Under various laws, the Partnership could become liable for the costs of removal or remediation of certain hazardous or toxic substances released on or in properties invested in by the Partnership or disposed of at other locations. The failure to remove or remediate such substances, if any, may adversely affect an owner's ability to sell such real estate or to borrow using such real estate as collateral, and could potentially also result in claims against the owner by private plaintiffs or government authorities. Where a Property is purchased and new financing is obtained, Phase I Environmental Assessments are performed by an independent and experienced environmental consultant. In the case of mortgage assumption, the Vendor will be asked to provide a satisfactory Phase I and/or Phase II Environmental Assessment that the Asset Manager will rely upon and/or determine whether an update is necessary.

Exposure to Secondary and Suburban Markets

The Properties may be located in secondary markets in Canada. Real estate in these markets is typically less liquid and more volatile compared to primary centers due to the smaller and less diverse local economies and less demand.

Historic Results Not a Predictor of the Future Results

Historical lease rates and revenues are not necessarily an accurate prediction of the future lease rates for the residential Properties or revenues to be derived therefrom. Reported estimated market rents can be seasonal and the significance of any variations from quarter to quarter would materially affect the Partnership's annualized estimated gain-to-lease amount. There can be no assurance that upon the expiry or termination of existing leases, the average lease rates and revenues will be higher than historical lease rates and revenues and it may take a significant amount of time for market rents to be recognized by the Partnership due to internal and external limitations on its ability to charge these new market-based rents in the short term.

Uninsured Losses

The Partnership will arrange for comprehensive insurance, including fire, liability and extended coverage, of the type and in the amounts customarily obtained for properties similar to those to be owned by Partnership or its subsidiaries and will endeavour to obtain coverage where warranted against earthquakes and floods. However, in many cases certain types of losses (generally of a catastrophic nature) are either uninsurable or not economically insurable. Should such a disaster occur with respect to any of the Properties, the Issuers could suffer a loss of capital invested and not realize any profits which might be anticipated from the disposition of such Properties.

Insurance Renewals

There is a possibility that the Partnership may not be able to renew its current insurance policies or obtain new insurance policies in the future for its Properties once they expire. The current terms and levels of coverage may not be available to the Partnership for property and casualty insurance, as well as insurance against natural disasters. In addition, the premiums that insurance companies may charge in the future may be significantly greater than they are currently. If the Partnership is unable to obtain adequate insurance for its Properties, the Partnership could be in default under certain contractual commitments that it has made. The Partnership may also be subject to a greater risk of not being covered should damages to its Properties occur, therefore affecting the Partnership's business, cash flows, financial condition, results of operations and ability to make distributions to its Unitholders.

Reliance on Third-Party Management

Equiton Partners may rely on third parties, including independent management companies, external consultants and property managers to perform certain real estate activities, including property management functions in respect of certain of the Properties. To the extent Equiton Partners relies on such management companies, the employees of such management companies will devote as much of their time to the management of the Properties as in their judgement is reasonably required and may have conflicts of interest in allocating management time, services and functions among the Properties and their other development, investment and/or management activities.

Competition for Real Property Investments

The Partnership will compete for suitable real property investments with individuals, corporations, REITs and similar vehicles, and institutions (both Canadian and foreign) which are presently seeking, or which may seek in the future real property investments similar to those sought by the Partnership. An increased availability of investment funds allocated for investment in real estate would tend to increase competition for real property investments and increase purchase prices, reducing the yield on such investments.

Competition for Tenants

The real estate business is competitive. Numerous other developers, managers and owners of properties compete with the Partnership in seeking tenants. The existence of competing developers, managers and owners and competition for the Partnership's tenants could have an adverse effect on the Partnership's ability to lease suites in its Properties and on the rents charged.

Fluctuations in Capitalization Rates

As interest rates fluctuate in the lending market, generally so too do capitalization rates which affect the underlying value of real estate. As such, when interest rates rise, generally capitalization rates should be expected to rise. Over the period of investment, capital gains and losses at the time of disposition can occur due to the decrease or increase of these capitalization rates.

General Economic Conditions

The Partnership is affected by general economic conditions, local real estate markets, competition from other available rental premises, including new developments, and various other factors. The competition for tenants also comes from opportunities for individual home ownership, including condominiums, which can be particularly attractive when home mortgage loans are available at relatively low interest rates. The existence of competing developers, managers and owners and competition for the Partnership's tenants could have an adverse effect on the Partnership's ability to lease suites in its Properties and on the rents charged, increased leasing and marketing costs and increased refurbishing costs necessary to lease and release suites, all of which could adversely affect the Partnership's revenues and, consequently, its ability to meet its obligations. In addition, any increase in the supply of available space in the markets in which the Partnership operates or may operate could have an adverse effect on the Partnership.

Public Health Crises

Public health crises relating to any virus, flu, epidemic, pandemic or any other similar disease or illness (each a "**Health Crisis**") could materially adversely impact the Issuers' ability to pay distributions to Unitholders, the Issuers' business and its tenants' income, and thereby the ability of tenants to meet their rent obligations, by disrupting businesses, interrupting capital markets, resulting in government regulations adverse to the Issuers' business and otherwise negatively impacting local, national and global economies. A Health Crisis could further result in a general or acute decline in economic activity in the regions in which the Issuers hold assets, increased unemployment, staff shortages, reduced tenant traffic, mobility restrictions and other quarantine measures, supply shortages, increased government regulation, and the quarantine or contamination of one or more of the Properties. Contagion in a property or market in which the Issuers operates could negatively impact its occupancy, reputation or attractiveness. All of these occurrences may have a material adverse effect on the Issuers' business, cash flows, financial condition and results of operations and ability to make distributions to Unitholders.

Government Regulation

Certain provinces and territories of Canada have enacted residential tenancy legislation which, among other things, imposes rent control guidelines that limit the Partnership's ability to raise rental rates at its Properties. Limits on the Partnership's ability to raise rental rates at its Properties may materially adversely affect the Partnership's ability to increase income from its Properties.

In addition to limiting the Partnership's ability to raise rental rates, provincial and territorial residential tenancy legislation provides certain rights to tenants, while imposing obligations upon the landlord. Residential tenancy legislation in the Province of Ontario prescribes certain procedures which must be followed by a landlord in order to terminate a residential tenancy. As certain proceedings may need to be brought before the respective administrative body governing residential tenancies as appointed under a province's residential tenancy legislation, it may take several months to terminate a residential lease, even where the tenant's rent is in arrears.

Residential tenancy legislation in certain provinces and territories provide the tenant with the right to bring certain claims to the respective administrative body seeking an order to, among other things, compel the landlord to comply with health, safety, housing and maintenance standards. As a result, the Partnership may, in the future, incur capital expenditures which may not be fully recoverable from tenants. The inability to fully recover substantial capital expenditures from tenants may have a material adverse effect on the Partnership's business, cash flows, financial

condition and results of operations and ability to make distributions to Unitholders. Residential tenancy legislation may be subject to further regulations or may be amended, repealed or enforced, or new legislation may be enacted, in a manner which will materially adversely affect the ability of the Partnership to maintain the historical level of earnings of its Properties.

REPORTING OBLIGATIONS

The Issuers are not reporting issuers in any jurisdiction. In Ontario, Québec, Saskatchewan, and New Brunswick, the Issuers must, within 120 days after the end of each of their financial years, deliver to the securities regulatory authorities annual financial statements and make them reasonably available to each Unitholder who has acquired Units under this Offering Memorandum. In Alberta, the Issuers must, within 120 days after the end of each of their financial years, file with the securities regulatory authority annual financial statements and make them reasonably available to each Unitholder who has acquired Units under this Offering Memorandum. In Nova Scotia, the Issuers must, within 120 days after the end of each of their financial years, make the Issuers' annual financial statements reasonably available to each Unitholder who has acquired Units under this Offering Memorandum. Such financial statements must be provided until the earlier of the date that the applicable Issuer becomes a reporting issuer in any jurisdiction in Canada or the applicable Issuer ceases to carry on business and it must be accompanied by a notice of the applicable Issuer disclosing in reasonable detail the use of the aggregate gross proceeds raised by the applicable Issuer under this Offering Memorandum.

In New Brunswick, Nova Scotia and Ontario, the Issuers must make reasonably available to each Subscriber who has acquired Units under this Offering Memorandum, a notice of each of the following events within 10 days of the occurrence of the event:

(a) a discontinuance of the applicable Issuer's business;

(b) a change in the applicable Issuer's industry; or

(c) a change of control of the applicable Issuer.

Financial statements or other information relating to the Issuers and provided to Unitholders in the future may not by itself be sufficient for your needs to enable you to prepare your income tax returns or to assess the performance of your investment.

Additionally, pursuant to the Governing Documents, the Issuers must deliver to the applicable Unitholders a report of the Independent Trustees or Independent Directors, as applicable, regarding their review and approval of any Conflict of Interest Matters during the prior fiscal year at the same time that the audited annual financial statements are delivered to applicable Unitholders.

RESALE RESTRICTIONS

The Units are subject to a number of resale restrictions under securities laws, including a restriction on trading. Until the restriction on trading expires, you will not be able to trade the Units unless you are eligible to rely on and comply with an exemption from the prospectus and registration requirements under applicable securities laws.

The Units are not listed on an exchange. There is currently no secondary market through which the Units may be sold, there can be no assurance that any such market will develop, and the

Issuers have no current plans to develop such a market. Accordingly, the only methods of liquidation of an investment in Units is by way of a transfer or redemption of such Units in accordance with applicable securities laws and the Governing Documents. Aggregate redemptions are limited to $150,000 per calendar quarter in cash unless approved by the Trustees or the General Partner, as applicable, and provided that the Partnership shall prioritize redemptions of Class A LP Units made by the Trust to enable the Trust to satisfy cash redemptions of $150,000 in the calendar quarter, which may decrease the amount available to redeem Class A LP Units held by LP Unitholders other than the Trust. Any redemptions for Class A Trust Units in excess of $150,000 may be satisfied by the issuance of Redemption Notes. Subscribers of Units are advised to seek legal advice prior to any resale of the Units. See "*Material Contracts – Declaration of Trust – Redemption of Class A Trust Units*" and "*Material Contracts – LP Agreement – Redemption of Class A LP Units*".

For Subscribers resident in British Columbia, Alberta, Saskatchewan, Québec, Ontario, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and Labrador, unless permitted under applicable securities laws, the Units cannot be traded before the date that is four months and a day after the date the applicable Issuer becomes a reporting issuer in any province or territory of Canada.

For Subscribers resident in Manitoba, unless permitted under applicable securities laws, a Unitholder must not trade the Units without the prior written consent of the regulator in Manitoba, unless (i) the applicable Issuer has filed a prospectus with the regulator in Manitoba with respect to the Units and the regulator in Manitoba has issued a receipt for that prospectus, or (ii) the Unitholder has held the Units for at least 12 months. The regulator in Manitoba will consent to such a trade if the regulator is of the opinion that to do so is not prejudicial to the public interest.

If physical certificates representing the Units are issued, they will have the following legend inscribed thereon:

> "Unless permitted under securities legislation, you cannot trade these securities before the date that is four months and a day after the date the Issuer became a reporting issuer in any province or territory of Canada."

Neither of the Issuers is currently a reporting issuer in any of the provinces or territories of Canada and neither intend to become a reporting issuer in any province or territory of Canada.

SUBSCRIBERS' RIGHTS OF ACTION

If you purchase Units you will have certain rights, some of which are described below. For information about your rights, you should consult legal counsel.

Two Day Cancellation Right for a Subscriber

Subscribers can cancel their agreements to purchase Units. To do so, the Subscriber must send a notice to the applicable Issuer before midnight on the second Business Day after the Subscriber signs the Subscription Agreement in respect of the Units.

Rights of Action for Misrepresentation

Securities legislation in certain provinces of Canada provides purchasers of Units pursuant to this Offering Memorandum with a statutory right of action for damages or rescission in addition to any

other rights they may have at law, in cases where the Offering Memorandum and any amendment to it contains a "Misrepresentation". Where used herein, "Misrepresentation" means an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make any statement not misleading in light of the circumstances in which it was made. These rights, or notice with respect thereto, must be exercised or delivered, as the case may be, by the Subscriber within the time limits prescribed and are subject to the defenses and limitations contained under the applicable securities legislation. Subscribers resident in provinces of Canada that do not provide for such statutory rights will be granted a contractual right similar to the statutory right of actions and rescission described below for purchasers resident in Ontario and such right will form part of the subscription agreement to be entered into between each such purchaser and the applicable Issuer in connection with the Offering.

The following summaries are subject to the express provisions of the securities legislation applicable in each of the provinces of Canada and the regulations, rules and policy statements thereunder. Subscribers should refer to the securities legislation applicable in their province along with the regulations, rules and policy statements thereunder for the complete text of these provisions or should consult with their legal advisor. The contractual and statutory rights of action described in this Offering Memorandum are in addition to and without derogation from any other right or remedy that purchasers may have at law.

Rights of Subscribers in Alberta

Section 204(1) of the *Securities Act* (Alberta) provides that if a person or company purchases securities offered by an offering memorandum that contains a Misrepresentation, the purchaser has, without regard to whether the purchaser relied on the Misrepresentation, a right of action (a) for damages against (i) the issuer, (ii) every director of the issuer at the date of the offering memorandum, and (iii) every person or company who signed the offering memorandum, and (b) for rescission against the issuer, provided that:

(a) if the purchaser elects to exercise its right of rescission, it shall cease to have a right of action for damages against the person or company referred to above;

(b) no person or company referred to above will be liable if it proves that the purchaser had knowledge of the Misrepresentation;

(c) no person or company (other than the issuer) referred to above will be liable if it proves that the offering memorandum was sent to the purchaser without the person's or company's knowledge or consent and that, on becoming aware of its being sent, the person or company promptly gave reasonable notice to the issuer that it was sent without the knowledge and consent of the person or company;

(d) no person or company (other than the issuer) referred to above will be liable if it proves that the person or company, on becoming aware of the Misrepresentation in the offering memorandum, withdrew the person's or company's consent to the offering memorandum and gave reasonable notice to the Executive Director and the issuer of the withdrawal and the reason for it;

(e) no person or company (other than the issuer) referred to above will be liable if, with respect to any part of the offering memorandum purporting to be made on the authority of an expert or purporting to be a copy of, or an extract from, a report, opinion or statement of an expert, the person or company proves that the person

or company did not have any reasonable grounds to believe and did not believe that:

(i) there had been a Misrepresentation; or

(ii) the relevant part of the offering memorandum;

(A) did not fairly represent the report, opinion or statement of the expert, or

(B) was not a fair copy of, or an extract from, the report, opinion or statement of the expert;

(f) the person or company (other than the issuer) will not be liable if with respect to any part of the offering memorandum not purporting to be made on the authority of an expert and not purporting to be a copy of, or an extract from, a report, opinion or statement of an expert, unless the person or company

(i) did not conduct a reasonable investigation sufficient to provide reasonable grounds for a belief that there had been no Misrepresentation, and

(ii) believed there had been a Misrepresentation;

(g) in no case shall the amount recoverable exceed the price at which the securities were offered under the offering memorandum;

(h) the defendant will not be liable for all or any part of the damages that the defendant proves do not represent the depreciation in value of the security as a result of the Misrepresentation;

Section 211 of the *Securities Act* (Alberta) provides that no action may be commenced to enforce these rights more than:

(a) in the case of an action for rescission, 180 days from the day of the transaction that gave rise to the cause of action, or

(b) in the case of any action, other than an action for rescission, the earlier of

(i) 180 days from the day that the plaintiff first had knowledge of the facts giving rise to the cause of action, or

(ii) 3 years from the day of the transaction that gave rise to the cause of action.

Rights of Subscribers in British Columbia

The right of action for damages or rescission described herein is conferred by Section 132.1 of the *Securities Act* (British Columbia). Section 132.1 of the *Securities Act* (British Columbia) provides, in relevant part, that in the event that an offering memorandum (such as this Offering Memorandum), contains a Misrepresentation, the purchaser will be deemed to have relied on the Misrepresentation if it was a Misrepresentation at the time of purchase, and the purchaser has, subject to certain limitations and defences, a statutory right of action for damages against the issuer and, subject to certain additional defences, every director of the issuer at the date of the

offering memorandum and every person who signed the offering memorandum or, alternatively, may elect instead to exercise a statutory right of rescission against the issuer, in which case the purchaser shall have no right of action for damages against the issuer, provided that, among other limitations:

(a) no person will be liable if it proves that the purchaser purchased the securities with knowledge of the Misrepresentation;

(b) in the case of an action for damages, no person will be liable for all or any portion of the damages that it proves do not represent the depreciation in value of the securities as a result of the Misrepresentation relied upon; and

(c) in no case will the amount recoverable in any action exceed the price at which the securities were offered to the purchaser.

In addition, a person or company, other than the issuer, will not be liable if that person or company proves that:

(a) the offering memorandum was sent or delivered to the purchaser without the person's or company's knowledge or consent and that, on becoming aware of its delivery, the person or company gave written notice to the issuer that it was delivered without the person's or company's knowledge or consent;

(b) after delivery of the offering memorandum and after becoming aware of the Misrepresentation, the person or company withdrew the person's or company's consent to the offering memorandum and gave written notice to the issuer of the withdrawal and the reason for it; or

(c) with respect to any part of the offering memorandum purporting to be made on the authority of an expert, or (ii) to be a copy of, or an extract from, an expert's report, opinion or statement, the person or company proves that the person or company had no reasonable grounds to believe and did not believe that (A) there had been a Misrepresentation, or (B) the relevant part of the offering memorandum did not fairly represent the expert's report, opinion or statement, or was not a fair copy of, or an extract from, an expert's report, opinion or statement.

Further, where a Misrepresentation is contained in an offering memorandum, the directors of the issuer, and every person or company who signed the offering memorandum, shall not be liable with respect to any part of the offering memorandum not purporting to be made on the authority of an expert and not purporting to be a copy of, or an extract from, a report, opinion or statement of an expert, unless the person or company did not conduct a reasonable investigation to provide reasonable grounds for a belief that there had been no Misrepresentation, or believed there had been a Misrepresentation.

A person is not liable for Misrepresentation in forward-looking information if the person proves that the document containing the forward-looking information contained, proximate to that information, reasonable cautionary language identifying the forward-looking information as such, and identifying material factors that could cause actual results to differ materially from a conclusion, forecast or projection in the forward-looking information, and a statement of the material factors or assumptions that were applied in drawing a conclusion or making a forecast

or projection set out in the forward-looking information, and the person had a reasonable basis for drawing the conclusions or making the forecasts and projections set out in the forward- looking information.

If a Misrepresentation is contained in a record incorporated by reference into, or deemed incorporated by reference into, the offering memorandum, the Misrepresentation is deemed to be contained in the offering memorandum. Section 140 of the *Securities Act* (British Columbia) provides that no action shall be commenced to enforce these rights more than:

(a) in the case of an action for rescission, 180 days after the date of the transaction that gave rise to the cause of action; or

(b) in the case of an action for damages, the earlier of:

(i) 180 days after the date that the purchaser first had knowledge of the facts giving rise to the cause of action; or

(ii) three (3) years after the date of the transaction that gave rise to the cause of action.

Rights of Subscribers in Saskatchewan

Section 138(1) of the *Securities Act*, 1988 (Saskatchewan), as amended (the "**Saskatchewan Act**") provides that where an offering memorandum (such as this Offering Memorandum) or any amendment to it is sent or delivered to a purchaser and it contains a Misrepresentation, a purchaser who purchases a security covered by the offering memorandum or any amendment to it has, without regard to whether the purchaser relied on the Misrepresentation, a right of action for rescission against the issuer or a selling security holder on whose behalf the distribution is made, or has a right of action for damages against:

(a) the issuer or a selling security holder on whose behalf the distribution is made;

(b) every promoter of the issuer or selling security holder and every director of the issuer or the selling security holder, as the case may be, at the time the offering memorandum or any amendment to it was sent or delivered;

(c) every person or company whose consent has been filed respecting the offering, but only with respect to reports, opinions or statements that have been made by them;

(d) every person who or company that, in addition to the persons or companies mentioned in (a) to (c) above, signed the offering memorandum or the amendment to the offering memorandum; and

(e) every person who or company that sells securities on behalf of the issuer or selling security holder under the offering memorandum or amendment to the offering memorandum.

Such rights of rescission and damages are subject to certain limitations including the following:

(a) if the purchaser elects to exercise its right of rescission against the issuer or selling security holder, it shall have no right of action for damages against that party;

(b) in an action for damages, a defendant will not be liable for all or any portion of the damages that he, she or it proves do not represent the depreciation in value of the securities resulting from the Misrepresentation relied on;

(c) no person or company, other than the issuer or a selling security holder, will be liable for any part of the offering memorandum or any amendment to it not purporting to be made on the authority of an expert and not purporting to be a copy of, or an extract from, a report, opinion or statement of an expert, unless the person or company failed to conduct a reasonable investigation sufficient to provide reasonable grounds for a belief that there had been no Misrepresentation or believed that there had been a Misrepresentation;

(d) in no case shall the amount recoverable exceed the price at which the securities were offered; and

(e) no person or company is liable in an action for rescission or damages if that person or company proves that the purchaser purchased the securities with knowledge of the Misrepresentation.

In addition, no person or company, other than the issuer or selling security holder, will be liable if the person or company proves that:

(a) the offering memorandum or any amendment to it was sent or delivered without the person's or company's knowledge or consent and that, on becoming aware of it being sent or delivered, that person or company gave reasonable general notice that it was so sent or delivered;

(b) after the filing of the offering memorandum or the amendment to the offering memorandum and before the purchase of the securities by the purchaser, on becoming aware of any Misrepresentation in the offering memorandum or the amendment to the offering memorandum, the person or company withdrew the person's or company's consent to it and gave reasonable general notice of the person's or company's withdrawal and the reason for it;

(c) with respect to any part of the offering memorandum or any amendment to it purporting to be made on the authority of an expert, or purporting to be a copy of, or an extract from, a report, an opinion or a statement of an expert, that person or company had no reasonable grounds to believe and did not believe that there had been a Misrepresentation, the part of the offering memorandum or any amendment to it did not fairly represent the report, opinion or statement of the expert, or was not a fair copy of, or an extract from, the report, opinion or statement of the expert.

A person or company that sells securities on behalf of the issuer or selling security holder under the offering memorandum or amendment to the offering memorandum is not liable for damages

or rescission as provided in 138(1) or 138(2) of the Saskatchewan Act if that person can establish that he, she or it cannot reasonably be expected to have had knowledge of any Misrepresentation in the offering memorandum or the amendment or the offering memorandum.

Not all defences upon which we or others may rely are described herein. Please refer to the full text of the Saskatchewan Act for a complete listing.

Section 138.2 of the Saskatchewan Act also provides that where an individual makes a verbal statement to a purchaser that contains a Misrepresentation relating to the security purchased and the verbal statement is made either before or contemporaneously with the purchase of the security, the purchaser has, without regard to whether the purchaser relied upon the Misrepresentation, if it was a Misrepresentation at the time of purchase, and has a right of action for damages against the individual who made the verbal statement.

Section 141(1) of the Saskatchewan Act provides a purchaser with the right to void the purchase agreement and to recover all money and other consideration paid by the purchaser for the securities if the securities are sold in contravention of the Saskatchewan Act, the regulations to the Saskatchewan Act or a decision of the Saskatchewan Financial Services Commission.

Section 141(2) of the Saskatchewan Act also provides a right of action for rescission or damages to a purchaser of securities to whom an offering memorandum or any amendment to it was not sent or delivered prior to or at the same time as the purchaser enters into an agreement to purchase the securities, as required by Section 80.1 of the Saskatchewan Act.

The rights of action for damages or rescission under the Saskatchewan Act are in addition to and do not derogate from any other right which a purchaser may have at law.

Section 147 of the Saskatchewan Act provides that no action shall be commenced to enforce any of the foregoing rights more than:

(d) in the case of an action for rescission, 180 days after the date of the transaction that gave rise to the cause of action; or

(e) in the case of any other action, other than an action for rescission, the earlier of:

(i) one (1) year after the plaintiff first had knowledge of the facts giving rise to the cause of action; or

(ii) six (6) years after the date of the transaction that gave rise to the cause of action.

The Saskatchewan Act also provides a purchaser who has received an amended offering memorandum delivered in accordance with subsection 80.1(3) of the Saskatchewan Act has a right to withdraw from the agreement to purchase the securities by delivering a notice to the person who or company that is selling the securities, indicating the purchaser's intention not to be bound by the purchase agreement, provided such notice is delivered by the purchaser within two (2) business days of receiving the amended offering memorandum.

Rights of Subscribers in Manitoba

The right of action for damages or rescission described herein is conferred by section 141.1 of *The Securities Act* (Manitoba). Section 141.1 of *The Securities Act* (Manitoba) provides, in relevant part, that in the event that an offering memorandum (such as this Offering Memorandum), contains a Misrepresentation, the purchaser will be deemed to have relied upon such Misrepresentation if it was a Misrepresentation at the time of purchase and has, subject to certain limitations and defences, a statutory right of action for damages against the issuer and, subject to certain additional defences, every director of the issuer at the date of the offering memorandum and every person who signed the offering memorandum or, alternatively, may elect instead to exercise a statutory right of rescission against the issuer, in which case the purchaser shall have no right of action for damages against the issuer, directors of the Issuer or persons who have signed the offering memorandum, provided that, among other limitations:

(a) no person will be liable if it proves that the purchaser purchased the securities with knowledge of the Misrepresentation;

(b) in the case of an action for damages, no person will be liable for all or any portion of the damages that it proves do not represent the depreciation in value of the securities as a result of the Misrepresentation relied upon; and

(c) in no case will the amount recoverable in any action exceed the price at which the securities were offered to the purchaser.

In addition, a person or company, other than the issuer, will not be liable if that person or company proves that:

(a) the offering memorandum was sent or delivered to the purchaser without the person's or company's knowledge or consent and that, on becoming aware of its delivery, the person or company promptly gave reasonable notice to the issuer that it was delivered without the person's or company's knowledge or consent;

(b) after delivery of the offering memorandum and after becoming aware of the Misrepresentation, the person or company withdrew the person's or company's consent to the offering memorandum and gave reasonable notice to the issuer of the withdrawal and the reason for it; or

(c) with respect to any part of the offering memorandum purporting (i) to be made on the authority of an expert, or (ii) to be a copy of, or an extract from, an expert's report, opinion or statement, the person or company proves that the person or company had no reasonable grounds to believe and did not believe that (A) there had been a Misrepresentation, or (B) the relevant part of the offering memorandum did not fairly represent the expert's report, opinion or statement, or was not a fair copy of, or an extract from, an expert's report, opinion or statement.

Further, where a Misrepresentation is contained in an offering memorandum, the directors of the issuer, and every person or company who signed the offering memorandum, shall not be liable with respect to any part of the offering memorandum not purporting to be made on the authority of an expert and not purporting to be a copy of, or an extract from, a report, opinion or statement of an expert, unless the person or company did not conduct an investigation sufficient to provide

reasonable grounds for a belief that there had been no Misrepresentation, or believed there had been a Misrepresentation.

If a Misrepresentation is contained in a record incorporated by reference into, or deemed incorporated by reference into, the offering memorandum, the Misrepresentation is deemed to be contained in the offering memorandum.

Section 141.4(2) of *The Securities Act* (Manitoba) provides that no action shall be commenced to enforce these rights more than:

(a) in the case of an action for rescission, 180 days after the date of the transaction that gave rise to the cause of action; or

(b) in the case of an action for damages, the earlier of:

(i) 180 days after the date that the purchaser first had knowledge of the facts giving rise to the cause of action; or

(ii) two (2) years after the date of the transaction that gave rise to the cause of action.

Rights of Subscribers in Ontario

Section 130.1 of the *Securities Act* (Ontario) provides that every purchaser of securities pursuant to an offering memorandum (such as this Offering Memorandum) shall have a statutory right of action for damages or rescission against the issuer and any selling security holder in the event that the offering memorandum contains a Misrepresentation. A purchaser who purchases securities offered by the offering memorandum during the period of distribution has, without regard to whether the purchaser relied upon the Misrepresentation, a right of action for damages or, alternatively, while still the owner of the securities, for rescission against the issuer and any selling security holder provided that:

(a) if the purchaser exercises its right of rescission, it shall cease to have a right of action for damages as against the issuer and the selling security holders, if any;

(b) the issuer and the selling security holders, if any, will not be liable if they prove that the purchaser purchased the securities with knowledge of the Misrepresentation;

(c) the issuer and the selling security holders, if any, will not be liable for all or any portion of damages that it proves do not represent the depreciation in value of the securities as a result of the Misrepresentation relied upon;

(d) in no case shall the amount recoverable exceed the price at which the securities were offered; and

(e) the issuer will not be liable for a Misrepresentation in forward-looking information if the issuer proves:

(i) that the offering memorandum contains reasonable cautionary language identifying the forward-looking information as such, and identifying material factors that could cause actual results to differ materially from a conclusion,

forecast or projection in the forward-looking information, and a statement of material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection set out in the forward-looking information; and

(ii) the issuer has a reasonable basis for drawing the conclusion or making the forecasts and projections set out in the forward-looking information.

Section 138 of the *Securities Act* (Ontario) provides that no action shall be commenced to enforce these rights more than:

(a) in the case of an action for rescission, 180 days after the date of the transaction that gave rise to the cause of action; or

(b) in the case of an action for damages, the earlier of:

(i) 180 days after the date that the purchaser first had knowledge of the facts giving rise to the cause of action; or

(ii) three (3) years after the date of the transaction that gave rise to the cause of action.

Rights of Subscribers in Québec

If you are a Purchaser resident in Québec, under the Securities Act (Québec) (the **"Québec Act**"), if this Offering Memorandum is delivered to you in Québec and contains a Misrepresentation, you have a statutory right to sue:

(a) the issuer for recission of the Subscription Agreement to buy the securities or revision of the price at which the securities were sold to you, without prejudice to a claim for damages, and

(b) for damages against

(i) the issuer,

(ii) every person acting in a capacity with respect to the issuer which is similar to that of a director or officer of a company,

(iii) any expert whose opinion, containing a misrepresentation, appeared, with their consent, in this Offering Memorandum,

(iv) the dealer (if any) under contract to the issuer, and

(v) any person who is required to sign the certificate of attestation in this Offering Memorandum.

This right to sue is available to you whether or not you relied on the Misrepresentation.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action for recission of the Subscription Agreement or revision of the price at which the securities were sold to you within three years after the date that

you purchased the securities. You must commence your action for damages by the earlier of (i) three years after you first had knowledge of the facts giving rise to the cause of action, except on proof of tardy knowledge imputable to the negligence of the purchaser, and (ii) five years from the filing of this Offering Memorandum with the Autorité des marchés financiers de Québec.

There are various defences available to the persons that you have a right to sue. In particular, they have a defence if you knew of the Misrepresentation when you purchased the securities. In addition, they may have a defence in an action for damages if they prove that they acted prudently and diligently (except in an action brought against the issuer). Additional defences and limitations are set out in the Québec Act.

No Person will be liable for a misrepresentation in "forward-looking information" if the person proves that:

(a) this Offering Memorandum contains, proximate to the forward-looking information (i) reasonable cautionary language identifying the forward-looking information as such, and identifying material factors that could cause actual results to differ materially from a conclusion, forecast or projection in the forward-looking information, and (ii) a statement of the material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection; and

(b) the person had a reasonable basis for drawing the conclusion or making the forecasts and projections set out in the forward-looking information.

A purchaser resident in Québec may purchase securities under the Offering relying on a prospectus exemption that provides them with the statutory rights described above. If you purchase securities under the Offering in reliance upon a prospectus exemption that does not provide you with such statutory rights, the issuer hereby grants you the same rights, on a contractual basis, as the statutory rights that are described above.

Rights of Subscribers in Nova Scotia

The right of action for damages or rescission described herein is conferred by section 138 of the *Securities Act* (Nova Scotia). Section 138 of the *Securities Act* (Nova Scotia) provides, in relevant part, that in the event that an offering memorandum (such as this Offering Memorandum), together with any amendment thereto, or any advertising or sales literature (as defined in the Securities Act (Nova Scotia)) contains a Misrepresentation, the purchaser will be deemed to have relied upon such Misrepresentation if it was a Misrepresentation at the time of purchase and has, subject to certain limitations and defences, a statutory right of action for damages against the issuer and, subject to certain additional defences, every director of the issuer at the date of the offering memorandum and every person who signed the offering memorandum or, alternatively, may elect instead to exercise a statutory right of rescission against the issuer, in which case the purchaser shall have no right of action for damages against the issuer, directors of the issuer or persons who have signed the offering memorandum, provided that, among other limitations:

(a) no action shall be commenced to enforce the right of action for rescission or damages by a purchaser resident in Nova Scotia later than 120 days after the date on which the initial payment was made for the securities;

(b) no person will be liable if it proves that the purchaser purchased the securities with knowledge of the Misrepresentation;

(c) in the case of an action for damages, no person will be liable for all or any portion of the damages that it proves do not represent the depreciation in value of the securities as a result of the Misrepresentation relied upon; and

(d) in no case will the amount recoverable in any action exceed the price at which the securities were offered to the purchaser.

In addition, a person or company, other than the issuer, will not be liable if that person or company proves that:

(a) the offering memorandum or amendment to the offering memorandum was sent or delivered to the purchaser without the person's or company's knowledge or consent and that, on becoming aware of its delivery, the person or company gave reasonable general notice that it was delivered without the person's or company's knowledge or consent;

(b) after delivery of the offering memorandum or amendment to the offering memorandum and before the purchase of the securities by the purchaser, on becoming aware of any Misrepresentation in the offering memorandum or amendment to the offering memorandum the person or company withdrew the person's or company's consent to the offering memorandum or amendment to the offering memorandum, and gave reasonable general notice of the withdrawal and the reason for it; or

(c) with respect to any part of the offering memorandum or amendment to the offering memorandum purporting (i) to be made on the authority of an expert, or (ii) to be a copy of, or an extract from, a report, an opinion or a statement of an expert, the person or company had no reasonable grounds to believe and did not believe that (A) there had been a Misrepresentation, or (B) the relevant part of the offering memorandum or amendment to offering memorandum did not fairly represent the report, opinion or statement of the expert, or was not a fair copy of, or an extract from, the report, opinion or statement of the expert.

Further, no person or company, other than the issuer, will be liable with respect to any part of the offering memorandum or amendment to the offering memorandum not purporting (a) to be made on the authority of an expert or (b) to be a copy of, or an extract from, a report, opinion or statement of an expert, unless the person or company (i) failed to conduct a reasonable investigation to provide reasonable grounds for a belief that there had been no Misrepresentation or (ii) believed that there had been a Misrepresentation.

If a Misrepresentation is contained in a record incorporated by reference into, or deemed incorporated by reference into, the offering memorandum or amendment to the offering memorandum, the Misrepresentation is deemed to be contained in the offering memorandum or an amendment to the offering memorandum.

Rights of Subscribers in New Brunswick

Section 150 of the *Securities Act* (New Brunswick) provides that where an offering memorandum (such as this Offering Memorandum) contains a Misrepresentation, a purchaser who purchases securities shall be deemed to have relied on the Misrepresentation if it was a Misrepresentation at the time of purchase and:

(a) the purchaser has a right of action for damages against the issuer, directors of the issuer, every person who signed the offering memorandum and any selling security holder(s) on whose behalf the distribution is made, or

(b) where the purchaser purchased the securities from a person referred to in paragraph (a), the purchaser may elect to exercise a right of rescission against the person, in which case the purchaser shall have no right of action for damages against the person.

There are various defences available to the issuer and the selling security holder(s). In particular, no person will be liable for a Misrepresentation if such person proves that the purchaser purchased the securities with knowledge of the Misrepresentation when the purchaser purchased the securities. Moreover, in an action for damages, the amount recoverable will not exceed the price at which the securities were offered under the offering memorandum and any defendant will not be liable for all or any part of the damages that the defendant proves do not represent the depreciation in value of the security as a result of the Misrepresentation.

Rights of Subscribers in Newfoundland and Labrador

The right of action for damages or rescission described herein is conferred by section 130.1 of the *Securities Act* (Newfoundland and Labrador). Section 130.1 of the *Securities Act* (Newfoundland and Labrador) provides, in relevant part, that in the event that an offering memorandum (such as this Offering Memorandum), contains a Misrepresentation, without regard to whether the purchaser relied upon the Misrepresentation, the purchaser has, subject to certain limitations and defences, a statutory right of action for damages against the issuer and, subject to certain additional defences, every director of the issuer at the date of the offering memorandum and every person who signed the offering memorandum or, alternatively, may elect instead to exercise a statutory right of rescission against the issuer, in which case the purchaser shall have no right of action for damages against the issuer, directors of the issuer or persons who have signed the offering memorandum, provided that, among other limitations:

(a) no person will be liable if it proves that the purchaser purchased the securities with knowledge of the Misrepresentation;

(b) in the case of an action for damages, no person will be liable for all or any portion of the damages that it proves do not represent the depreciation in value of the securities as a result of the Misrepresentation relied upon; and

(c) in no case will the amount recoverable in any action exceed the price at which the securities were offered to the purchaser.

Rights of Subscribers in Prince Edward Island, Northwest Territories, Yukon and Nunavut

In Prince Edward Island the *Securities Act* (PEI), in Yukon, the *Securities Act* (Yukon), in Nunavut, the *Securities Act* (Nunavut) and in the Northwest Territories, the *Securities Act* (Northwest Territories) provides a statutory right of action for damages or rescission to purchasers resident in PEI, Yukon, Nunavut and the Northwest Territories respectively, in circumstances where this Offering Memorandum or an amendment hereto contains a misrepresentation, which rights are similar, but not identical, to the rights available to Newfoundland and Labrador purchasers.

Cautionary Statement Regarding Report, Statement or Opinion by Expert

This Offering Memorandum includes: (i) the section entitled "Certain Canadian Federal Income Tax Considerations for the Trust" and “Certain Canadian Federal Income Tax Considerations for the Partnership” prepared by Blake, Cassels & Graydon LLP effective as of the date of this Offering Memorandum; and (ii) the audited financial statements of (a) the Trust from the date of formation on February 4, 2026 to February 6, 2026 (b) the Partnership from the date of formation on January 23, 2026 to February 6, 2026. You do not have a statutory right of action against these parties for a misrepresentation in the Offering Memorandum. You should consult with a legal adviser for further information.

ANCILLARY MATTERS

Legal Counsel

Certain legal matters in connection with the Offering will be passed upon by Blake, Cassels & Graydon LLP on behalf of the Issuers.

Auditors, Transfer Agent and Registrar

Ernst & Young LLP, Chartered Professional Accountants, Licensed Public Accountants, Toronto, Ontario is the Issuers’ auditor and has advised the Issuers that it is independent with respect to the Issuers within the meaning of the CPA Code of Professional Conduct of the Chartered Professional Accountants of Ontario.

Olympia Trust Company will act as the transfer agent and registrar of the Units.

Dated: March 30, 2026.

THIS OFFERING MEMORANDUM DOES NOT CONTAIN A MISREPRESENTATION.

ON BEHALF OF THE TRUST

"*Jason Roque*"

Jason Roque
Chief Executive Officer

"*Helen Hurlbut*"

Helen Hurlbut
President and Chief Financial Officer

ON BEHALF OF THE BOARD OF TRUSTEES OF THE TRUST

"*Helen Hurlbut*"

Helen Hurlbut
Trustee

"*Richard Austin*"

Richard Austin
Trustee

"*Jonathan Pinto*"

Jonathan Pinto
Trustee

ON BEHALF OF THE GENERAL PARTNER

"*Jason Roque*"

Jason Roque
President, Director

"*Richard Austin*"

Richard Austin
Director

"*Sam Barbieri*"

Sam Barbieri
Director

ON BEHALF OF THE PROMOTER

EQUITON PARTNERS INC.

Per: "*Jason Roque*"

Jason Roque
Chief Executive Officer

Financial Statements

Equiton Residential Growth Fund I Trust

For the period from February 4, 2026 (date of declaration) to February 6, 2026

Contents

Independent auditor's report

To the Trustee of
Equiton Residential Growth Fund I Trust

Opinion

We have audited the financial statements of **Equiton Residential Growth Fund I Trust** [the "Trust"], which comprise the statements of financial position as at February 4, 2026 and February 6, 2026, and the statement of changes in net assets attributable to unitholders and the statement of cash flows for the period from February 4, 2026 to February 6, 2026, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Trust as at February 4, 2026 and February 6, 2026, and its financial performance and its cash flows for the period from February 4, 2026 to February 6, 2026 in accordance with International Financial Reporting Standards ["IFRSs"].

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Trust's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Ernst & Young LLP

Chartered Professional Accountants
Licensed Public Accountants

Toronto, Canada
February 6, 2026

Equiton Residential Growth Fund I Trust
Statement of Financial Position

	February 6, 2026	(Date of Declaration) February 4, 2026
Assets		
Cash	$ 10	$ 10
Net assets attributable to unitholder (Note 4)	$ 10	$ 10

Approved on behalf of the Trustees

"*Jason Roque*"
_____Trustee

"*Helen Hurlbut*"
_____Trustee

See accompanying notes to the financial statements.

Equiton Residential Growth Fund I Trust
Statement of Changes in Net Assets Attributable to Unitholder

For the period from February 4, 2026 to February 6, 2026

	Units (Note 4)	Total
Net Assets Attributable to Unitholder, February 4, 2026	**-**	**$ -**
Formation of trust – February 4, 2026	1	10
Net Assets Attributable to Unitholder, February 6, 2026	**1**	**$ 10**

See accompanying notes to the financial statements.

Equiton Residential Growth Fund I Trust
Statement of Cash Flows
For the period from February 4, 2026 to February 6, 2026

Increase in cash	
Financing activities	
Proceeds on issuance of trust units	**$ 10**
Net change in cash	**10**
Cash, beginning of period	**-**
Cash, end of period	**$ 10**

See accompanying notes to the financial statements.

1. Nature of operations

Equiton Residential Growth Fund I Trust (the "Trust") is a limited purpose trust and was declared under the laws of the Province of Ontario on February 4, 2026, whereby one unit of the Trust was issued for $10 cash.

These financial statements are the opening financial statements of the Trust and is for the period from inception on February 4, 2026 to February 6, 2026. The purpose of the Trust is to qualify as a "mutual fund trust" pursuant to subsection 132(6.1) of the Income Tax Act and was formed primarily to investing the proceeds of the amounts subscribed in units in the Equiton Residential Growth Fund I Limited Partnership (the "Partnership"). The ability of the Trust to qualify as a mutual fund trust is dependant on the Trust having a sufficient number of unitholders as prescribed by the Income Tax Act.

2. Basis of presentation and statement of compliance

The financial statements of the Trust have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). These financial statements are the Trust's first financial statements prepared in accordance with IFRS. As the Trust has not previously prepared financial statements, there were no adjustments recorded on transition to IFRS. The financial statements have been prepared on a historical cost basis except for certain categories of financial instruments, if any, that have been measured at fair value. The accounting policies set out below have been applied consistently to the period presented in these financial statements unless otherwise indicated.

The financial statements are presented in Canadian dollars, which is the functional currency of the Trust. The address of the Trust's registered office is 1111 International Boulevard, Suite 500, Burlington, Ontario, L7L 6W1.

The financial statements for the period from February 4, 2026 to February 6, 2026 were approved and authorized for issue by the Trustees on February 6, 2026.

3. Summary of significant accounting policies

Cash

Cash consists of unrestricted cash on hand. Cash is measured at amortized cost, which approximates fair value.

Financial instruments

Recognition and derecognition

Financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and initial measurement of financial assets

Except for those accounts receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs.

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortized cost
- fair value through profit or loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

The classification is determined by both:

- the Trust's business model for managing the financial asset
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

<u>Financial assets at amortized cost</u>

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

3. Summary of significant accounting policies (continued)

Financial instruments (continued)

Financial assets at amortized cost (continued)

After initial recognition, these are measured at amortised cost using the effective interest method. The Trust's cash falls into this category of financial instruments.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit and loss. Further, irrespective of business model, financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply.

Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists. The Trust has no financial assets that are measured at fair value with gains or losses recognized in profit and loss.

Classification and measurement of financial liabilities

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Trust designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortized cost using the effective interest method.

Impairment

IFRS 9 Financial Instruments ("IFRS 9") requires that an entity recognize a loss allowance for expected credit losses on financial assets which are measured at amortized cost or FVOCI. Financial assets that are measured at FVTPL are not subject to the impairment requirements.

The Trust's management, using both historical analysis and forward looking information, has evaluated its exposure to expected credit losses on its financial assets measured at amortized cost and concluded that the probability of default was minimal as the Trust's cash is held at a Canadian financial institution.

3. Summary of significant accounting policies (continued)

Fair value hierarchy

All financial instruments recognized at fair value on the statement of financial position are classified in one of three fair value hierarchy levels, which are as follows:

- Level 1 – valuation based on unadjusted quoted prices observed in active markets for identical assets or liabilities;
- Level 2 – valuation techniques based on inputs that are quoted prices of similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; inputs other than quoted prices used in a valuation model that are observable for that instrument; and inputs that are derived principally from or corroborated by observable market data by correlation or other means; and
- Level 3 – valuation techniques with significant unobservable market inputs.

The Trust does not have any financial instruments which are valued using fair value techniques.

The Trust's financial instruments includes cash which approximates fair value due to its short-term nature.

Net assets attributable to unitholder

The units of the Trust are classified as liabilities as they are redeemable at the option of the holder at a price of 95% of the then fair market value less a 2% redemption fee, subject to certain conditions; and certain distributions are payable to Trust unitholders annually without further action by the Trustees. The Trust, at its discretion, will have the right to repurchase units for cancellation for $10 per unit. Distributions of cash and other assets of the Trust shall be made at such times and in such amounts as the Trustees may determine.

Future accounting changes

At the date of the authorization of these financial statements, several new, but not effective Standards and amendments to existing Standards, and Interpretations have been published by the IASB. None of these Standards or amendments to existing Standards have been adopted early by the Trust. Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement. New Standards, amendments and Interpretations not adopted in the current year have not been disclosed as they are not expected to have a material impact to the Trust's financial statements.

4. Net assets attributable to unitholder

The Trust is authorized to issue an unlimited number of units at the sole discretion of the Trustees. The following table summarizes the changes in units for the period from February 4, 2026 to February 6, 2026:

	Amount	Number
Balance, February 4, 2026	$ -	-
Issue of Class A unit upon formation	10	1
Balance, February 6, 2026	**$ 10**	**1**

Upon declaration of the Trust, the settlor, Kelly Margaritis, contributed $10 cash to the Trust for the initial Trust unit.

5. Financial risk management

The Trust's management take an active role in the risk management process by reviewing policies and procedures and assessing and mitigating the various financial risks that could impact the Trust's financial position and results of operations.

The Trust is not exposed to significant market risk, liquidity risk or credit risk.

Financial Statements

Equiton Residential Growth Fund I LP

For the period from January 23, 2026 (date of formation) to February 6, 2026

Contents

Independent auditor's report

To the Partner of
Equiton Residential Growth Fund I LP

Opinion

We have audited the financial statements of **Equiton Residential Growth Fund I LP** [the "Partnership"], which comprise the statements of financial position as at January 23, 2026 and February 6, 2026, and the statement of changes in partners' equity and the statement of cash flows for the period from January 23, 2026 to February 6, 2026, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Partnership as at January 23, 2026 and February 6, 2026, and its financial performance and its cash flows for the period from January 23, 2026 to February 6, 2026 in accordance with International Financial Reporting Standards ["IFRSs"].

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Partnership in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Partnership's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Partnership or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Partnership's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Partnership's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Partnership's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Partnership to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Ernst & Young LLP

Toronto, Canada
February 6, 2026

Chartered Professional Accountants
Licensed Public Accountants

Equiton Residential Growth Fund I LP
Statement of Financial Position

	February 6, 2026	(Date of Declaration) January 23, 2026
Assets		
Cash	$ 11	$ 11
Partners' equity	$ 11	$ 11

Approved on behalf of the Partnership by Equiton Residential Growth Fund I GP Inc. (General Partner)

"*Jason Roque*"
_____ Director

See accompanying notes to the financial statements.

Equiton Residential Growth Fund I LP
Statement of Changes in Partners' Equity
For the period from January 23, 2026 to February 6, 2026

Partners' equity, beginning of period	$ -
Formation of partnership – January 23, 2026	11
Partners' equity, February 6, 2026	**$ 11**

See accompanying notes to the financial statements.

Equiton Residential Growth Fund I LP
Statement of Cash Flows
For the period from January 23, 2026 to February 6, 2026

Increase in cash	
Operating activities	
Net loss and comprehensive loss	**$ -**
Financing activities	
Proceeds on issuance of partnership units	**11**
Net change in cash	**11**
Cash, beginning of period	**-**
Cash, end of period	**$ 11**

See accompanying notes to the financial statements.

1. Nature of operations

Equiton Residential Growth Fund I Limited Partnership (the "Partnership") was formed on January 23, 2026 under the laws of the province of Ontario. The limited partnership agreement was registered and dated as of January 23, 2026. The General Partner of the Partnership is Equiton Residential Growth Fund I GP Inc. which holds a 0.001% undivided interest in the Partnership. The initial limited partner of the Partnership is an individual resident in the Province of Ontario, a related party to the General Partner by virtue of common management and ownership and ultimately controls the Partnership.

The Partnership will invest in residential investment properties located in Canada.

2. Basis of presentation and statement of compliance

The financial statements of the Partnership have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). These financial statements are the Partnership's first financial statements prepared in accordance with IFRS. As the Partnership has not previously prepared financial statements, there were no adjustments recorded on transition to IFRS. The financial statements have been prepared on a historical cost basis except for certain categories of financial instruments, if any, that have been measured at fair value. The Partnership has had no operating or other activities other than its formation and accordingly, a statement of profit or loss and other comprehensive income has not been presented. The accounting policies set out below have been applied consistently to all periods presented in these financial statements unless otherwise indicated.

The financial statements are presented in Canadian dollars, which is the functional currency of the Partnership. The address of the Partnership's registered office is 1111 International Boulevard, Suite 500, Burlington, Ontario, L7L 6W1.

The financial statements period from January 23, 2026 to February 6, 2026 were approved and authorized for issue by the Partnership on February 6, 2026.

3. Summary of significant accounting policies

Cash

Cash consists of unrestricted cash on hand. Cash is measured at amortized cost, which approximates fair value.

Financial instruments

Recognition and derecognition

Financial assets and financial liabilities are recognised when the Partnership becomes a party to the contractual provisions of the financial instrument.

3. Summary of significant accounting policies (continued)

Financial instruments (continued)

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and initial measurement of financial assets

Except for those accounts receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs.

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortized cost
- fair value through profit or loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

The classification is determined by both:

- the Partnership's business model for managing the financial asset
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

Financial assets at amortized cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

After initial recognition, these are measured at amortised cost using the effective interest method. The Partnership's cash fall into this category of financial instruments.

3. Significant accounting policies (continued)

Financial instruments (continued)

Financial assets at amortized cost (continued)

Financial assets at fair value through profit or loss (FVTPL)

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit and loss. Further, irrespective of business model, financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply.

Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists. The Partnership has no financial assets that are measured at fair value with gains or losses recognized in profit and loss.

Classification and measurement of financial liabilities

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Partnership designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortized cost using the effective interest method.

Impairment

IFRS 9 Financial Instruments ("IFRS 9") requires that an entity recognize a loss allowance for expected credit losses on financial assets which are measured at amortized cost or FVOCI. Financial assets that are measured at FVTPL are not subject to the impairment requirements.

The Partnership's management, using both historical analysis and forward looking information, has evaluated its exposure to expected credit losses on its financial assets measured at amortized cost and concluded that the probability of default was minimal as the Partnership's cash is held at a Canadian financial institution.

3. Significant accounting policies (continued)

Fair value hierarchy

All financial instruments recognized at fair value on the statement of financial position are classified in one of three fair value hierarchy levels, which are as follows:

- Level 1 – valuation based on unadjusted quoted prices observed in active markets for identical assets or liabilities;
- Level 2 – valuation techniques based on inputs that are quoted prices of similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; inputs other than quoted prices used in a valuation model that are observable for that instrument; and inputs that are derived principally from or corroborated by observable market data by correlation or other means; and
- Level 3 – valuation techniques with significant unobservable market inputs.

The Partnership does not have any financial instruments which are valued using fair value techniques.

The Partnership's financial instruments includes cash which approximates fair value due to its short-term nature.

Future accounting changes

At the date of the authorization of these financial statements, several new, but not effective Standards and amendments to existing Standards, and Interpretations have been published by the IASB. None of these Standards or amendments to existing Standards have been adopted early by the Partnership. Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement. New Standards, amendments and Interpretations not adopted in the current year have not been disclosed as they are not expected to have a material impact to the Partnership's financial statements.

Income taxes

These financial statements include the assets and liabilities and results of operations of the Partnership and do not include the assets, liabilities, revenue and expenses of the Limited Partner. Income taxes are not payable at the Partnership level and, accordingly, no provision is recorded in these financial statements.

4. Partners' equity

The Partnership is authorized to issue an unlimited number of LP Units (the "Units") of the Partnership at the sole discretion of the General Partner (the "Offering"). Upon formation of the Partnership, the General Partner contributed $1 for an undivided interest in the Partnership and the initial Limited Partner contributed $10 for the initial limited partner unit, which shall be cancelled when and if other Units are issued under the Offering.

The General Partner is authorized to make cash distributions on the Units in its sole discretion once the Partnership has received sufficient funds in respect of the project to commence making such distributions. The Units are the most subordinate form of equity and are classified as equity.

Distributions and net income or loss of the Partnership for each fiscal year will be allocated among the General Partner and the Limited Partners as follows:

a) First, 0.001% of the net income or loss for the fiscal year will be allocated to the General Partner, to a maximum of $100; and

b) Second, the balance of the net income or loss for the fiscal year will be allocated to the Limited Partners pro rata in accordance with capital contributions of all classes of Units.

5. Financial risk management

The Partnership's management take an active role in the risk management process by reviewing policies and procedures and assessing and mitigating the various financial risks that could impact the Partnership's financial position and results of operations.

The Partnership is not exposed to significant market risk, liquidity risk or credit risk.