

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This prospectus supplement, together with the short form base shelf prospectus to which it relates dated February 12, 2025, as amended or supplemented, and each document incorporated by reference into the short form base shelf prospectus, constitutes a public offering of these securities only in those jurisdictions where they may be offered for sale and therein only by persons permitted to sell such securities.

Information has been incorporated by reference in this prospectus supplement and the accompanying short form base shelf prospectus dated February 12, 2025 from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from Real Estate Split Corp. at its head office located at The Well, 8 Spadina Ave., Suite 3100, Toronto, Ontario M5V 0S8, and are also available electronically at www.sedarplus.com.

New Issue

February 14, 2025

**PROSPECTUS SUPPLEMENT
TO THE SHORT FORM BASE SHELF PROSPECTUS DATED FEBRUARY 12, 2025**



REAL ESTATE SPLIT CORP.

**\$75,000,000 Preferred Shares
\$75,000,000 Class A Shares**

This prospectus supplement (this “**Prospectus Supplement**”) and the accompanying short form base shelf prospectus dated February 12, 2025 (the “**Shelf Prospectus**” and together with this Prospectus Supplement, the “**Prospectus**”), qualifies for distribution (the “**Offering**”) preferred shares (the “**Preferred Shares**”) having an aggregate market value of up to \$75,000,000 and Class A Shares (“**Class A Shares**” and collectively with the Preferred Shares, “**Shares**”) having an aggregate market value of up to \$75,000,000, of Real Estate Split Corp. (the “**Company**”). Preferred Shares and Class A Shares are issued only on a basis that an equal number of Preferred Shares and Class A Shares (referred to as a “**Unit**”) will be outstanding at all material times.

The Company is a mutual fund corporation incorporated under the laws of the Province of Ontario that invests in a diversified, actively managed, high conviction portfolio (the “**Portfolio**”) of dividend-paying securities of issuers operating in the real estate or related sectors, including real estate investment trusts, that are engaged in E-Commerce, data infrastructure as well as the multi-family, retail, office and healthcare sectors (“**Real Estate Issuers**”).

The Preferred Shares and the Class A Shares are listed and posted for trading on the Toronto Stock Exchange (the “**TSX**”) under the symbols “RS.PR.A” and “RS”, respectively. On February 13, 2025, the closing price on the TSX of the Preferred Shares was \$10.26 and of the Class A Shares was \$9.88. As at February 13, 2025 (the last date prior to the date hereof on which the net asset value of the Company (“**Net Asset Value**”) was calculated), the Net Asset Value per Unit was \$19.79. The TSX has conditionally approved the listing of the additional Preferred Shares and Class A Shares offered under this Prospectus Supplement on the TSX. Listing will be subject to the Company fulfilling all of the listing requirements of the TSX.

The Company has entered into an equity distribution agreement dated February 14, 2025 (the “**Distribution Agreement**”) with National Bank Financial Inc. (the “**Agent**”) pursuant to which the Company may distribute Preferred Shares and Class A Shares from time to time through the Agent, as agent, in accordance with the terms of the Distribution Agreement. Sales of Preferred Shares and Class A Shares, if any, under this Prospectus are anticipated to be made in transactions that are deemed to be “at-the-market distributions” as defined in National Instrument 44-102 *Shelf Distributions* (“**NI 44-102**”), including sales made directly on the TSX or on any other existing trading

market for the Preferred Shares or Class A Shares, as applicable, in Canada. The Preferred Shares and Class A Shares will be distributed at the market prices prevailing at the time of the sale. As a result, prices at which Preferred Shares and Class A Shares are sold may vary as between purchasers and during the period of any distribution. In accordance with paragraph 9.3(2)(a) of National Instrument 81-102 *Investment Funds* (“**NI 81-102**”), the issue price of the Preferred Shares and/or Class A Shares will not (a), as far as reasonably practicable, be a price that causes dilution of the Net Asset Value of the Company’s other outstanding securities at the time of issue and (b) be a price that is less than 100% of the most recently calculated Net Asset Value per Unit. **There is no minimum amount of funds that must be raised under this Offering. This means that the Offering may terminate after raising only a portion of the Offering amount set out above, or none at all. See “Plan of Distribution”.**

The Company will pay the Agent compensation for its services in acting as agent in connection with the sale of Preferred Shares and Class A Shares pursuant to the Distribution Agreement of up to 2.5% of the gross sales price per Preferred Share and up to 2.5% of the gross sales price per Class A Share sold (the “**Commission**”).

As agent, the Agent will not engage in any transactions to stabilize or maintain the price of the Preferred Shares or Class A Shares. No Agent, or underwriter of the at-the-market distribution, and no person or company acting jointly or in concert with such Agent or underwriter may, in connection with the distribution, enter into any transaction that is intended to stabilize or maintain the market price of the Preferred Shares or Class A Shares or securities of the same class as the Preferred Shares and/or Class A Shares distributed under this Prospectus Supplement, including selling an aggregate number or principal amount of Preferred Shares and/or Class A Shares that would result in the Agent or underwriter creating an over-allocation position in the Preferred Shares and/or Class A Shares. See “*Plan of Distribution*”.

An investment in the Preferred Shares or the Class A Shares involves a degree of risk. It is important for prospective purchasers to consider the risk factors under “*Risk Factors*” in the Current AIF (as defined herein). **The earnings coverage ratio for the Company is less than 1:1. See “Earnings Coverage Ratios”.**

The independent review committee of the Company, each member of which is independent of the Company and Middlefield Limited, is of the opinion that the Offering achieves a fair and reasonable result for the Company.

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IMPORTANT NOTICE ABOUT INFORMATION IN THIS PROSPECTUS SUPPLEMENT AND THE ACCOMPANYING SHORT FORM BASE SHELF PROSPECTUS

This document is in two parts. The first part is this Prospectus Supplement, which describes certain terms of the Preferred Shares and the Class A Shares that the Company is offering and also adds to and updates certain information contained in the Shelf Prospectus and the documents incorporated by reference herein and therein. The second part is the Shelf Prospectus, which provides more general information.

If the description of the Preferred Shares and Class A Shares varies between this Prospectus Supplement and the Shelf Prospectus, you should rely on the information in this Prospectus Supplement.

ELIGIBILITY FOR INVESTMENT

In the opinion of Fasken Martineau DuMoulin LLP, counsel to the Company, and McCarthy Tétrault LLP, counsel to the Agent, provided that the Company qualifies as a public corporation within the meaning of the *Income Tax Act* (Canada), as the same may be amended from time to time, (the “**Tax Act**”) or if the Preferred Shares or the Class A Shares are listed on a designated stock exchange (which currently includes the TSX), each such share, if issued on the date hereof, would, on such date, be a qualified investment under the Tax Act and the regulations under the Tax Act (the “**Regulations**”) for trusts governed by registered retirement savings plans (“**RRSP**”), registered retirement income funds (“**RRIF**”), deferred profit sharing plans, registered disability savings plans (“**RDSP**”), tax-free savings accounts (“**TFSA**”), first home savings accounts (“**FHSA**”), and registered education savings plans (“**RESP**”, and collectively, “**Registered Plans**”).

Notwithstanding that the Preferred Shares or the Class A Shares may be qualified investments for a trust governed by a Registered Plan, the holder of a TFSA, FHSA or RDSP, the subscriber of a RESP or the annuitant of a RRSP or RRIF (each such holder, subscriber or annuitant, a “**controlling individual**”) will be subject to a penalty tax in respect of the Preferred Shares or the Class A Shares, as the case may be, held in the particular Registered Plan, as the case may be, if such shares are a “prohibited investment” within the meaning of the prohibited investment rules in the Tax Act. The Preferred Shares or the Class A Shares will not be a “prohibited investment” under the Tax Act in this regard provided the controlling individual of the applicable Registered Plan deals at arm’s length with the Company and does not have a “significant interest” (within the meaning of the prohibited investment rules in the Tax Act) in the Company. Controlling individuals of a relevant Registered Plan should consult their own tax advisors with respect to the application of these rules in their particular circumstances.

FORWARD-LOOKING STATEMENTS

Certain statements and information set forth in this Prospectus Supplement including under the heading “*Investment Overview*”, and statements with respect to benefits of the Company’s investment strategy, constitute forward-looking information, which involves known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information. When used in this Prospectus, the words “expects”, “anticipates”, “intends”, “plans”, “may”, “believes”, “seeks”, “estimates”, “appears” and similar expressions (including negative and grammatical variations) generally identify forward-looking information. In developing the forward-looking information contained herein related to the Company, the Company has made assumptions with respect to, among other things, the outlook for the Canadian and global economies, including, in particular, the industries in which Real Estate Issuers operate. These assumptions are based on the Company’s perception of historical trends, current conditions and expected future developments, as well as other factors believed to be relevant. Although the Company believes that the assumptions made and the expectations represented by such information are reasonable, there can be no assurance that the forward-looking information contained herein will prove to be accurate. Factors which could cause actual results, events, circumstances, expectations or performance to differ materially from those expressed or implied in forward looking information include, but are not limited to: general economic, political, tax, market and business factors and conditions; interest rate and foreign exchange rate fluctuations; volatility in Canadian or global equity and capital markets; statutory and regulatory developments; unexpected judicial or regulatory proceedings; catastrophic events; and other factors set out under the heading “*Risk Factors*”. Readers are cautioned that the foregoing list of factors is not exhaustive and readers should not place undue reliance on forward-looking information due to the inherent uncertainty of such information. All forward-looking

information in this Prospectus is qualified by the foregoing caution. The Company undertakes no obligation to publicly update or revise this forward-looking information, whether as a result of new information, future events or otherwise, unless required by applicable law.

DOCUMENTS INCORPORATED BY REFERENCE

This Prospectus Supplement is deemed to be incorporated by reference into the Shelf Prospectus, solely for the purpose of the Offering. Other documents are also incorporated by reference into the Shelf Prospectus and reference should be made to the Shelf Prospectus for full particulars.

The following documents, filed with the securities commission or similar authority in each of the provinces and territories of Canada, are specifically incorporated by reference into, and form an integral part of, this Prospectus:

- (a) the Company's annual information form dated March 27, 2024 for the year ended December 31, 2023 (the "**Current AIF**");
- (b) the Company's audited annual financial statements, together with the accompanying report of the auditor, for the financial years ended December 31, 2023 and 2022;
- (c) the Company's annual management report of fund performance in respect of its financial year ended December 31, 2023;
- (d) the Company's interim financial statements for the six month period ended June 30, 2024;
- (e) the Company's management report of fund performance for the six month period ended June 30, 2024;
- (f) the material change report of the Company dated April 23, 2024; and
- (g) the material change report of the Company dated October 30, 2024.

All documents of the type referred to above, including any material change reports (excluding confidential material change reports), as well as any other documents of the type described in Item 11.1 of Form 44-101F1 to National Instrument 44-101 *Short Form Prospectus Distributions*, filed by the Company with the securities regulatory authorities after the date of this Prospectus Supplement and during the term of this Prospectus shall be deemed to be incorporated by reference into and form an integral part of this Prospectus. In addition, pursuant to Companion Policy 44-102CP *Shelf Distributions*, if the Company disseminates a news release in respect of previously undisclosed information that, in the Company's determination, constitutes a "material fact" (as such term is defined under applicable Canadian securities laws), the Company will identify such news release as a "designated news release" for the purposes of the Prospectus in writing on the face page of the version of such news release that the Company files on SEDAR+ (any such news release, a "**Designated News Release**"), and any such Designated News Release shall be deemed to be incorporated by reference into the Prospectus only for the purposes of the Offering.

Any statement contained in this Prospectus Supplement, the Shelf Prospectus or in a document incorporated or deemed to be incorporated by reference in this Prospectus Supplement or the Shelf Prospectus shall be deemed to be modified or superseded for the purposes of this Prospectus Supplement and the Shelf Prospectus to the extent that a statement contained in this Prospectus Supplement, or in any subsequently filed document which is or is deemed to be incorporated by reference in this Prospectus Supplement or the Shelf Prospectus, modifies or supersedes that 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 shall not be 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 shall not constitute a part of this Prospectus Supplement or the Shelf Prospectus except as so modified or superseded.

When the Company files a new annual information form, audited annual financial statements and related management report of fund performance with, and where required, they are accepted by, the applicable securities regulatory authorities during the time that this Prospectus Supplement is valid, the previous annual information form, audited annual financial statements and related management report of fund performance and all unaudited semi-annual financial statements and related management reports of fund performance for such periods filed prior to the commencement of our financial year in which the new annual information form is filed will be deemed no longer to be incorporated by reference in this Prospectus Supplement for purposes of future offers and sales of Preferred Shares and Class A Shares under this Prospectus Supplement.

THE COMPANY

Real Estate Split Corp. is a mutual fund corporation incorporated under the laws of the Province of Ontario by articles of incorporation dated October 7, 2020, as amended on November 12, 2020. On January 1, 2022, the Company amended its articles to change its name from “Real Estate & E-Commerce Split Corp.” to “Real Estate Split Corp.”. The registered office of the Company is located at The Well, 8 Spadina Ave., Suite 3100, Toronto, Ontario M5V 0S8.

While the Company is technically considered to be a mutual fund under the securities legislation of the provinces and territories of Canada, the Company is not a conventional mutual fund and has obtained an exemption from certain requirements of NI 81-102.

This Prospectus Supplement qualifies for distribution Preferred Shares having an aggregate market value of up to \$75,000,000 and Class A Shares having an aggregate market value of up to \$75,000,000 (the “**Offering**”). Preferred Shares and Class A Shares are issued only on the basis that an equal number of Preferred Shares and Class A Shares (referred to as a “**Unit**”) will be issued and outstanding at all material times. A Unit consists of one Preferred Share with an original issue price of \$10.00 and one Class A Share. The Preferred Shares and Class A Shares are listed on the TSX under the symbols “RS.PR.A” and “RS”, respectively. Preferred Shares and Class A Shares trade separately in the market based on supply and demand considering factors such as term, interest rates, asset coverage, leverage, volatility, and credit quality among other considerations. The attributes of the Preferred Shares and the Class A Shares are described under “*Description of the Shares of the Company*” in the Shelf Prospectus.

Sales of Preferred Shares and Class A Shares, if any, under this Prospectus are anticipated to be made in transactions that are deemed to be “at-the-market distributions” as defined in NI 44-102, including sales made directly on the TSX or on any other existing trading market for the Preferred Shares or Class A Shares, as applicable, in Canada. The Preferred Shares and Class A Shares will be distributed at the market prices prevailing at the time of the sale. As a result, prices at which Preferred Shares and Class A Shares are sold may vary as between purchasers and during the period of any distribution.

Based on the most recently calculated Net Asset Value per Unit of \$19.79, the asset coverage ratio based on the original issue price for a Preferred Share of \$10.00 is 198% and the Downside Protection is 49.3%. “**Downside Protection**” refers to the percentage that the Portfolio would have to decline in value before holders of the Preferred Shares would be in a first-dollar loss position.

Investment Objectives

The investment objectives for the Preferred Shares are to provide holders with fixed cumulative preferential quarterly cash distributions and to return the original issue price of \$10.00 to holders on the Maturity Date (as defined below). The quarterly cash distribution will be \$0.13125 per Preferred Share (\$0.525 per annum) until December 31, 2025.

The investment objectives for the Class A Shares are to provide holders with non-cumulative monthly cash distributions and to provide holders with the opportunity for capital appreciation through exposure to the Portfolio. On August 17, 2021, the targeted monthly cash distribution was increased to \$0.13 per Class A Share (\$1.56 per annum) from \$0.10 per Class A Share (\$1.20 per annum).

Investment Strategy

The Company has been designed to provide investors with a diversified, actively managed, high conviction portfolio comprised of dividend-paying securities of issuers operating in the real estate or related sectors, including real estate investment trusts, that are engaged in E-Commerce, data infrastructure as well as the multi-family, retail, office and healthcare sectors.

The Company employs a tactical asset allocation strategy in order to seek the best combination of capital appreciation potential and income and will actively adjust the Portfolio's asset allocation across sectors/themes based upon the outlook of Middlefield Capital Corporation, in its capacity as advisor of the Company, or if applicable, its successor (the "**Advisor**").

Middlefield Limited, in its capacity as manager of the Company, or if applicable, its successor (the "**Manager**"), may, at its discretion, employ derivatives from time to time in respect of the shares included in the Portfolio in order to generate additional distributable income for the Company. This includes the selective purchasing and writing of call options and put options, within the limitations of NI 81-102 and the Company's investment restrictions, for both speculative and hedging purposes.

Current Portfolio

The following table sets forth unaudited information relating to the composition of the Portfolio as of June 30, 2024:

| | % of Portfolio |
|--|----------------|
| Granite Real Estate Investment Trust | 8.20% |
| Boardwalk Real Estate Investment Trust | 7.80% |
| Choice Properties Real Estate Investment Trust | 7.10% |
| Dream Industrial Real Estate Investment Trust | 7.00% |
| Canadian Apartment Properties Real Estate Investment | 6.90% |
| RioCan Real Estate Investment Trust | 6.40% |
| Minto Apartment Real Estate Investment Trust | 6.30% |
| InterRent Real Estate Investment Trust | 6.10% |
| Killam Apartment Real Estate Investment Trust | 6.00% |
| First Capital Real Estate Investment Trust | 5.40% |
| Chartwell Retirement Residences | 5.30% |
| SmartCentres Real Estate Investment Trust | 4.90% |
| Primaris Real Estate Investment Trust | 3.90% |
| Essex Property Trust Inc | 3.60% |
| CT Real Estate Investment Trust | 3.40% |
| Flagship Communities Real Estate Investment Trust | 3.20% |
| Crombie Real Estate Investment Trust | 3.10% |
| SBA Communications Corp. | 2.20% |
| Sienna Senior Living Inc. | 2.00% |
| H&R Real Estate Investment Trust | 1.20% |
| Total | 100% |

Maturity Date

The maturity date of the Company, on which date it will redeem all of the Preferred Shares and Class A Shares, is December 31, 2025, subject to extension for successive terms of up to five years each as determined by the Company's board of directors (the "**Maturity Date**").

Rating

The Preferred Shares are rated Pfd-3 (high) by DBRS. According to DBRS, preferred shares rated Pfd-3 are of adequate credit quality. While protection of dividends and principal is still considered acceptable, the issuing entity is more susceptible to adverse changes in financial and economic conditions, and there may be other adverse conditions present which detract from debt protection. Pfd-3 ratings generally correspond with companies whose senior bonds are rated in the higher end of the BBB category. A security rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time by DBRS. There is no assurance that any rating will remain in effect for any given period of time or that any rating will not be withdrawn or revised entirely by a rating agency at any time if in its judgment circumstances so warrant.

INVESTMENT OVERVIEW

The Company has been designed to provide investors with a diversified, actively managed, high conviction portfolio comprised of securities of leading North American real estate companies. The Company is focused on traditional property types that the Advisor believes are well-positioned to benefit from growing demand and constrained real estate supply as well as emerging property types that represent an increasing share of the real estate market. (Source: <https://www.reit.com/news/blog/market-commentary/reit-trends-property-sector-allocations-actively-managed-real-estate>.) The Advisor believes this investment strategy is further bolstered by the current declining interest rate environment.

The Company employs a tactical asset allocation strategy in order to seek the best combination of capital appreciation potential and income and will actively adjust the Portfolio’s asset allocation across sectors/themes, such as traditional and emerging REITs, based upon the Advisor’s outlook.

| A Unique Investment Delivering Both Growth and Income from Real Estate Issuers | |
|--|--|
| Traditional REITs (Industrial, multi-family, retail) | Emerging REITs (Data REITs, manufactured housing, life science labs) |
| The Advisor believes traditional REITs will benefit from: | The Advisor believes emerging REITs will benefit from: |
| <ul style="list-style-type: none"> • Population growth driven by immigration and demographic tailwinds • Attractive valuations as interest rates decline | <ul style="list-style-type: none"> • Proliferation of data and increased reliance on digital technologies • Investors’ desire to expand and diversify real estate portfolios |

CONSOLIDATED CAPITALIZATION

The Company is authorized to issue an unlimited number of Preferred Shares, Class A Shares and class M shares in the capital of the Company (“**Class M Shares**”). The holders of Class M Shares are not entitled to receive dividends and are entitled to one vote per share. The Class M Shares are redeemable and retractable at a price of \$0.10 per share. There are 100 Class M Shares issued and outstanding. All of the issued and outstanding Class M Shares of the Company are owned by Real Estate & E-Commerce Split Corp. Holding Trust, a trust established for the benefit of the holders of the Class A Shares and Preferred Shares from time to time (other than Registered Plans).

There have been no material changes in the Company’s share and loan capital since December 31, 2023, other than the Recent Offerings (as defined below).

As of February 13, 2025, 11,708,105 Preferred Shares, 11,764,205 Class A Shares and 100 Class M Shares were issued and outstanding (based on issuances of Preferred Shares and Class A Shares under the Recent Offerings).

The Company may from time to time during the period that the Offering remains in effect issue and sell Preferred Shares having an aggregate market value of up to \$75,000,000 and Class A Shares having an aggregate market value of up to \$75,000,000, under this Prospectus Supplement. See “*Plan of Distribution*”.

USE OF PROCEEDS

The net proceeds from the Offering are not determinable at this time. The net proceeds of any given distribution of Preferred Shares or Class A Shares through the Agent in an “at-the-market distribution” will represent the gross proceeds after deducting the applicable compensation payable to the Agent under the Distribution Agreement and the expenses of the distribution. See “*Plan of Distribution*”.

The Company intends to use the net proceeds of the Offering in accordance with the investment objectives of the Company described under “*The Company – Investment Objectives*” in this Prospectus Supplement (the “**Investment Objectives**”), the investment strategy of the Company described under “*The Company – Investment Strategy*” in this Prospectus Supplement (the “**Investment Strategy**”), and the investment restrictions of the Company, including without limitation those described under “*Investment Restrictions*” in the Current AIF.

DISTRIBUTION HISTORY

The Company has met all of its distribution targets since inception. The Company has declared and paid cash distributions to the holders of Class A Shares each month since the closing of the initial public offering in the amount of \$0.10 per Class A Share from the closing of its initial public offering to August 2021 and in the amount of \$0.13 per Class A Share from September 2021 forward. Additionally, the Company has declared and paid cash distributions to the holders of Preferred Shares each quarter since the closing of the initial public offering in the amount of \$0.13125 per Preferred Share (subject to proration for the period from closing of the initial public offering to December 31, 2020). Each such distribution to holders of Class A Shares and Preferred Shares has been paid on or before the last day on which the TSX is open for business of the following month.

EARNINGS COVERAGE RATIOS

The Company’s dividend requirements on all of its Preferred Shares for the twelve month period ended December 31, 2023, after giving effect to the Recent Offerings (as defined herein) and this Offering (assuming the maximum Offering of Preferred Shares at \$10.26 per Preferred Share (based on the closing price on the TSX of the Preferred Shares on February 13, 2025)) was \$10,036,501.65 (the “**Ongoing Dividend Requirement**”). The Company’s income from investments was \$5,142,329.00 in respect of such twelve month period, which represents 0.51 times the Ongoing Dividend Requirement on the Preferred Shares. **The Company would have needed to generate an additional \$4,894,173.00 in net income (loss) under International Financial Reporting Standards (IFRS) to have achieved an earnings coverage ratio of 1:1, in respect of the period ended December 31, 2023.** If the net proceeds of the Recent Offerings and the Offering (assuming the maximum Offering of Preferred Shares at \$10.26 per Preferred Share and the maximum Offering of Class A Shares at \$9.88 per Class A Share (in each case based on the closing price on the TSX on February 13, 2025)) had been invested in accordance with the Company’s investment objectives for the twelve month period ended December 31, 2023, the Company’s income from investments for that period would have been \$13,137,210.00. That amount represents 1.31 times the aggregate dividend requirements on the Preferred Shares.

The Company’s dividend requirements on all of its Preferred Shares for the twelve month period ended June 30, 2024, after giving effect to the Recent Offerings and the Offering (assuming the maximum Offering of Preferred Shares at \$10.26 per Preferred Share (based on the closing price on the TSX of the Preferred Shares on February 13, 2025)) was \$10,036,501.65. The Company’s income from investments was \$5,756,615.00 in respect of such twelve month period, which represents 0.57 times the Ongoing Dividend Requirement on the Preferred Shares. **The Company would have needed to generate an additional \$4,279,887.00 in net income (loss) under IFRS to have achieved an earnings coverage ratio of 1:1, in respect of the period ended June 30, 2024.** If the net proceeds of the Recent Offerings and the Offering (assuming the maximum Offering of Preferred Shares at \$10.26 per Preferred Share and the maximum Offering of Class A Shares at \$9.88 per Class A Share (in each case based on the closing price on the TSX on February 13, 2025)) had been invested in accordance with the Company’s investment objectives for the twelve month period ended June 30, 2024, the Company’s income from investments for that period would have been \$14,420,520.00. That amount represents 1.44 times the aggregate dividend requirements on the Preferred Shares.

PRIOR SALES

During the 12-month period preceding the date of this Prospectus Supplement, there have been no Preferred Shares or Class A Shares of the Company issued from treasury, other than:

- (a) the issuance of an aggregate of 1,286,972 Preferred Shares and 1,416,800 Class A Shares pursuant to the Company’s at-the-market distribution program (the “**January 2023 ATM**”) pursuant to a prospectus supplement dated January 16, 2023 to the short form base shelf prospectus dated January 11, 2023 (the “**2023 Base Shelf**”) at the average prices set out in the chart below:

| Month of Issue | Number of Preferred Shares Issued | Average Issue Price per Preferred Share | Number of Class A Shares Issued | Average Issue Price per Class A Share |
|------------------------|-----------------------------------|---|---------------------------------|---------------------------------------|
| February 2024 | 12,600 | \$9.77 | 17,200 | \$12.92 |
| March 2024 | 19,500 | \$9.81 | 47,500 | \$12.55 |
| April 2024 | N/A | N/A | 19,900 | \$12.08 |
| May 2024 | 81,600 | \$9.91 | 76,700 | \$11.97 |
| June 2024 | 73,000 | \$9.87 | 116,200 | \$11.64 |
| July 2024 | 88,300 | \$9.90 | 169,900 | \$11.61 |
| August 2024 | 92,000 | \$10.00 | 71,400 | \$11.94 |
| September 2024 | 82,800 | \$10.11 | 8,500 | \$13.31 |
| October 2024 | 35,400 | \$10.03 | 33,400 | \$12.67 |
| November 2024 | 135,900 | \$10.06 | 289,400 | \$11.88 |
| December 2024 | 424,972 | \$10.09 | 276,800 | \$11.35 |
| January 2025 | 156,000 | \$10.09 | 289,900 | \$11.01 |
| February 1 to 13, 2025 | 84,900 | \$10.20 | N/A | N/A |

- (b) in respect of the prospectus offering on October 30, 2024 of 2,040,128 Preferred Shares and 2,000,600 Class A Shares at a price of \$10.10 per Preferred Share and \$12.90 per Class A Share pursuant to a prospectus supplement dated October 24, 2024 to the 2023 Base Shelf (the “**October 2024 Offering**”); and
- (c) in respect of the prospectus offering on April 23, 2024 of 494,600 Preferred Shares and 401,300 Class A Shares at a price of \$9.65 per Preferred Share and \$11.70 per Class A Share pursuant to a prospectus supplement dated April 16, 2024 to the 2023 Base Shelf (the “**April 2024 Offering**” and, together with the January 2023 ATM and the October 2024 Offering, the “**Recent Offerings**”).

TRADING PRICES AND VOLUMES

The following table sets forth the reported high and low closing prices and the trading volume for the Preferred Shares and the Class A Shares on the TSX for each of the months indicated.

| Month | Class A Shares | | | Preferred Shares | | |
|---------------------|----------------|---------|-----------|------------------|---------|---------|
| | High | Low | Volume | High | Low | Volume |
| February 2024 | \$13.13 | \$12.50 | 257,447 | \$9.87 | \$9.65 | 121,562 |
| March 2024 | \$12.95 | \$12.17 | 317,708 | \$9.90 | \$9.72 | 140,041 |
| April 2024 | \$12.82 | \$11.40 | 562,655 | \$9.81 | \$9.55 | 316,732 |
| May 2024 | \$12.35 | \$11.60 | 405,231 | \$10.00 | \$9.75 | 200,329 |
| June 2024 | \$12.20 | \$11.11 | 340,509 | \$9.95 | \$9.80 | 151,523 |
| July 2024 | \$12.47 | \$11.00 | 481,589 | \$9.98 | \$9.82 | 211,053 |
| August 2024 | \$12.45 | \$11.55 | 361,703 | \$10.07 | \$9.94 | 198,468 |
| September 2024 | \$13.46 | \$12.16 | 287,219 | \$10.18 | \$9.99 | 256,641 |
| October 2024 | \$13.38 | \$12.18 | 659,804 | \$10.17 | \$9.99 | 613,529 |
| November 2024 | \$12.45 | \$11.30 | 915,887 | \$10.18 | \$10.01 | 321,148 |
| December 2024 | \$12.10 | \$10.95 | 1,057,198 | \$10.24 | \$10.06 | 521,812 |
| January 2025 | \$11.65 | \$9.51 | 1,310,968 | \$10.22 | \$10.02 | 429,490 |
| February 1-13, 2025 | \$10.09 | \$9.08 | 462,757 | \$10.27 | \$10.13 | 262,337 |

On February 13, 2025, the closing prices of the Preferred Shares and the Class A Shares on the TSX were \$10.26 and \$9.88, respectively. As at February 13, 2025 (the last date prior to the date hereof on which the Net Asset Value was calculated), the Net Asset Value per Unit was \$19.79.

PLAN OF DISTRIBUTION

The Company has entered into the Distribution Agreement with the Agent under which the Company may issue and sell from time to time Preferred Shares having an aggregate market value of up to \$75,000,000 and Class A Shares having an aggregate market value of up to \$75,000,000 in each of the provinces and territories of Canada. Sales of Preferred Shares and Class A Shares, if any, will be made in transactions that are deemed to be “at-the-market distributions” as defined in NI 44-102, including sales made by the Agent directly on the TSX or on any other existing trading market for the Preferred Shares or Class A Shares, as applicable, in Canada. Subject to the pricing parameters in a placement notice, the Preferred Shares and Class A Shares will be distributed at the market prices prevailing at the time of the sale. As a result, the price may vary as between purchasers and during the period of distribution. The Company cannot predict the number of Preferred Shares or Class A Shares that the Company may sell under the Distribution Agreement on the TSX or any other existing trading market for the Preferred Shares or Class A Shares, as applicable, in Canada, or if any Preferred Shares or Class A Shares will be sold.

The Agent will offer the Preferred Shares and Class A Shares subject to the terms and conditions of the Distribution Agreement on a daily basis or as otherwise agreed upon by the Company and the Agent. The Company will designate the maximum number of Preferred Shares and Class A Shares to be sold pursuant to any single placement notice to the Agent. In accordance with paragraph 9.3(2)(a) of National Instrument 81-102 *Investment Funds* (“NI 81-102”), the issue price of the Preferred Shares and/or Class A Shares will not (a), as far as reasonably practicable, be a price that causes dilution of the Net Asset Value of the Company’s other outstanding securities at the time of issue and (b) be a price that is less than 100% of the most recently calculated Net Asset Value per Unit. Subject to the terms and conditions of the Distribution Agreement, the Agent will use its commercially reasonable efforts to sell, on the Company’s behalf, all of the Preferred Shares and Class A Shares requested to be sold by the Company in a placement notice delivered to the Agent. The Company may instruct the Agent not to sell Preferred Shares or Class A Shares if the sales cannot be achieved at or above the price designated by the Company in a particular placement notice.

Either the Company or the Agent may suspend the Offering upon proper notice to the other party. The Company and the Agent each have the right, by giving written notice as specified in the Distribution Agreement, to terminate the

Distribution Agreement in each party's sole discretion at any time. Pursuant to the Distribution Agreement, the Offering will terminate upon the earlier of: (i) March 13, 2027; (ii) the issuance and sale of all of the Preferred Shares and Class A Shares subject to the Distribution Agreement; and (iii) the termination of the Distribution Agreement as permitted therein.

The Company will pay the Agent the Commission for its services in acting as agent in connection with the sale of Preferred Shares and Class A Shares pursuant to the Distribution Agreement. The amount of the Commission will be up to 2.5% of the gross sales price per Preferred Share and up to 2.5% of the gross sales price per Class A Share sold.

The Agent will provide written confirmation to the Company no later than 2:00 p.m. (Toronto time) on the trading day immediately following the trading day on which it has made sales of the Preferred Shares or Class A Shares under the Distribution Agreement. Each confirmation will include the number of Preferred Shares or Class A Shares, as applicable, sold on such day, the average price of the Preferred Shares or Class A Shares, as applicable, sold on such day, the gross proceeds, the Commission payable by the Company to the Agent with respect to such sales and the net proceeds payable to the Company. The Agent will also assist the Company with such other periodic reporting as may be reasonably requested by the Company with respect to the sales of Preferred Shares and Class A Shares.

The Company will disclose the number and average price of the Preferred Shares and Class A Shares sold under this Prospectus Supplement, as well as the gross proceeds, Commission and net proceeds from sales hereunder in the Company's annual and semi-annual financial statements and management report of fund performance filed on SEDAR+, for any periods in which sales of Preferred Shares or Class A Shares occur.

Settlement for sales of Preferred Shares and Class A Shares will occur, unless the parties agree otherwise, on the first trading day on the applicable exchange following the date on which any sales were made in return for payment of the net proceeds to the Company. There is no arrangement for funds to be received in an escrow, trust or similar arrangement. Sales of Preferred Shares and Class A Shares will be settled through the facilities of CDS Clearing and Depository Services Inc. or by such other means as the Company and the Agent may agree.

The Company has agreed in the Distribution Agreement to provide indemnification and contribution to the Agent against certain liabilities. In addition, the Company has agreed to pay the reasonable expenses of the Agent in connection with the Offering, pursuant to the terms of the Distribution Agreement. The Agent and its affiliates will not engage in any prohibited transactions to stabilize or maintain the price of the Company's Preferred Shares or Class A Shares in connection with any offer or sales of Preferred Shares or Class A Shares pursuant to the Distribution Agreement. No Agent, or underwriter of the at-the-market distribution, and no person or company acting jointly or in concert with such Agent or underwriter may, in connection with the distribution, enter into any transaction that is intended to stabilize or maintain the market price of the Preferred Shares or Class A Shares or securities of the same class as the Preferred Shares and/or Class A Shares distributed under this Prospectus Supplement, including selling an aggregate number or principal amount of Preferred Shares and/or Class A Shares that would result in the Agent or underwriter creating an over-allocation position in the Preferred Shares and/or Class A Shares.

This Prospectus qualifies the distribution of the Preferred Shares and Class A Shares offered hereunder in each of the provinces and territories of Canada.

The total expenses related to the commencement of the Offering to be paid by the Company excluding the Commission payable to the Agent under the Distribution Agreement, are estimated to be approximately \$150,000.

The TSX has conditionally approved the listing of the Preferred Shares and Class A Shares offered under this Prospectus Supplement on the TSX. Listing will be subject to the Company fulfilling all of the listing requirements of the TSX.

The Preferred Shares and the Class A Shares have not been and will not be registered under the United States Securities Act of 1933, as amended or any state securities laws and, subject to certain exemptions, may not be offered or sold within the United States or to U.S. persons. The distribution of this Prospectus Supplement and the offering and sale of the Preferred Shares and the Class A Shares are also subject to certain restrictions under the laws of certain

jurisdictions outside of Canada. The Agent has agreed that it will not offer for sale or sell or deliver the Preferred Shares or the Class A Shares in any such jurisdiction except in accordance with the laws thereof.

CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Fasken Martineau DuMoulin LLP, counsel to the Company, and McCarthy Tétrault LLP, counsel to the Agent, the following is a summary of the principal Canadian federal income tax considerations generally relevant to investors who, for purposes of the Tax Act and at all relevant times, are resident or are deemed to be resident in Canada, hold their Preferred Shares and Class A Shares as capital property, and deal at arm's length with and are not affiliated with the Company. Generally, the Preferred Shares and Class A Shares qualify as "Canadian securities" (as defined in the Tax Act) for purposes of making an irrevocable election under the Tax Act to deem all Canadian securities held by the investor to be capital property and to deem all dispositions of Canadian securities held by the investor to be dispositions of capital property for the purposes of the Tax Act. This election is not available to all taxpayers under all circumstances and therefore prospective investors considering making such an election should consult their tax advisors.

This summary is based upon the current provisions of the Tax Act and the Regulations and counsel's understanding of the current published administrative policies and assessing practices of the Canada Revenue Agency (the "CRA"). This summary is based on the assumption that the Class A Shares and the Preferred Shares will at all times be listed on a designated stock exchange in Canada (which currently includes the TSX). This summary is based on the assumption that the Company will at all relevant times be a mutual fund corporation under the Tax Act. This summary is based upon the assumption that the Company will at all relevant times comply with its Investment Objectives and investment restrictions. This summary is also based on a certificate of an officer of the Manager in respect of certain factual matters.

This summary also takes into account all specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Proposed Amendments**") and assumes that all Proposed Amendments will be enacted in the form proposed. No assurances can be given that the Proposed Amendments will become law as proposed or at all. This summary is not exhaustive of all possible Canadian federal income tax considerations and, in particular, does not describe income tax considerations relating to the deductibility of interest on money borrowed to acquire Class A Shares or Preferred Shares. This summary does not take into account or anticipate any changes in law, whether by legislative, governmental or judicial action, other than the Proposed Amendments. This summary does not deal with foreign, provincial or territorial income tax considerations, which might differ from the Canadian federal income tax considerations described herein. This summary does not apply (i) to a holder of a Class A Share or a Preferred Share (each a "**Shareholder**") that is a "financial institution" as defined in section 142.2 of the Tax Act, (ii) to a Shareholder an interest in which is a "tax shelter investment" as defined in subsection 143.2(1) of the Tax Act, (iii) to a Shareholder that is subject to the "functional currency" reporting rules in section 261 of the Tax Act, or (iv) to a Shareholder who has entered into a "derivative forward agreement" as defined in subsection 248(1) of the Tax Act with respect to Preferred Shares or Class A Shares.

This summary is of a general nature only and does not constitute legal or tax advice to any particular investor. Accordingly, prospective investors are advised to consult their own tax advisors with respect to their individual circumstances.

Tax Treatment of the Company

The Manager has advised counsel that the Company currently qualifies and intends at all relevant times to qualify as a "mutual fund corporation" as defined in the Tax Act.

Proposed Amendments released on April 16, 2024 as part of the Federal Budget ("**April 2024 Proposed Amendments**") would, for taxation years beginning after 2024, deem certain corporations not to be "mutual fund corporations" after a time at which (i) a person or partnership, or any combination of persons or partnerships that do not deal with each other at arm's length (known in the April 2024 Proposed Amendments as "specified persons") own, in the aggregate, shares of the capital stock of the corporation having a fair market value of more than 10% of the fair market value of all of the issued and outstanding shares of the capital stock of the corporation; and (ii) the corporation is controlled by or for the benefit of one or more specified persons. Having regard to the structure of the Company,

and the intention of the April 2024 Proposed Amendments as described in materials accompanying the April 2024 Proposed Amendments, the Company does not believe that it would cease to be a mutual fund corporation as a result of their application. The Company will continue to monitor the progress of the April 2024 Proposed Amendments to assess the impact, if any, that these Proposed Amendments could have on the Company.

As a mutual fund corporation, the Company is entitled in certain circumstances to a refund of tax paid or payable by it in respect of its net realized capital gains. Also, as a mutual fund corporation, the Company is entitled to maintain a capital gains dividend account in respect of which dividends, which the Company elects under the Tax Act to pay from its “capital gains dividend account” as defined in the Tax Act, (“**Capital Gains Dividends**”) may be paid which are treated as capital gains in the hands of the Shareholders of the Company (see “Tax Treatment of Shareholders”, below). In certain circumstances where the Company has recognized a capital gain in a taxation year, it may elect not to pay Capital Gains Dividends in that taxation year in respect thereof and instead pay refundable capital gains tax, which may in the future be fully or partially refundable upon the payment of sufficient Capital Gains Dividends and/or qualifying redemptions.

In computing income for a taxation year, the Company is required to include in income all dividends and distributions of ordinary income received by the Company in the year. Returns of capital received by the Company on a security in its portfolio will not be included in the Company’s income but will reduce the Company’s adjusted cost base of such security. To the extent that the adjusted cost base of a security to the Company would otherwise be a negative amount, the Company will be considered to have recognized a capital gain at that time and the Company’s adjusted cost base will be increased by the amount of such deemed capital gain.

The Company has elected in accordance with the Tax Act to have each of its “Canadian securities” treated as capital property. Such an election will ensure that gains or losses realized by the Company on its Canadian securities (including on short sales) are treated as capital gains or capital losses.

The Company qualifies as a “financial intermediary corporation” (as defined in the Tax Act) and, thus, is not subject to tax under Part IV.1 of the Tax Act on dividends received by the Company and is not generally liable to tax under Part VI.1 of the Tax Act on dividends paid by the Company on “taxable preferred shares” (as defined in the Tax Act). As a mutual fund corporation (which is not an “investment corporation” as defined in the Tax Act), the Company is generally subject to a refundable tax of 38 1/3% under Part IV of the Tax Act on taxable dividends received by the Company during the year to the extent such dividends are deductible in computing the Company’s taxable income for the year. This tax is refundable upon the payment by the Company of sufficient dividends other than Capital Gains Dividends (“**Ordinary Dividends**”).

Premiums received on covered call options written by the Company that are not exercised prior to the end of the year will constitute capital gains of the Company in the year received, unless such premiums are received by the Company as income from a business of buying and selling securities or the Company has engaged in a transaction or transactions considered to be an adventure or concern in the nature of trade. The Manager has advised counsel that the Company purchases securities with the objective of earning primarily income distributions and dividends thereon over the life of the Company and writes covered call options and purchases cash covered put options with the objective of increasing the yield on the Portfolio beyond the distributions received on the Portfolio securities. Thus, having regard to the foregoing and in accordance with the CRA’s published administrative policies, transactions undertaken by the Company in respect of the securities comprising the Portfolio and options on such securities will be treated and reported by the Company as arising on capital account.

Premiums received by the Company on covered call (or cash covered put) options that are subsequently exercised will be included in computing the proceeds of disposition (or deducted in computing the adjusted cost base) to the Company of the securities disposed of (or acquired) by the Company upon the exercise of such call (or put) options. In addition, where the premium was in respect of an option granted in a previous year so that it constituted a capital gain of the Company in the previous year, such capital gain may be reversed.

In computing the adjusted cost base of a security held by Company, the Company will generally be required to average the cost of that security with the adjusted cost base of all other identical securities owned by the Company.

A capital loss realized by the Company on a disposition of a security will be a suspended loss for purposes of the Tax Act if the Company, or a person “affiliated” with the Company (within the meaning of the Tax Act) acquires an identical security (a “**substituted property**”) within 30 days before and 30 days after the disposition and the Company, or a person affiliated with the Company, owns the substituted property 30 days after the original disposition. If a loss is suspended, the Company cannot deduct the loss from the Company’s capital gains until the substituted property is sold and is not reacquired by the Company, or a person affiliated with the Company, within 30 days before and after the sale.

Distributions

The policy of the Company is to pay quarterly distributions on the Preferred Shares and monthly distributions on the Class A Shares and, in addition, to pay special dividends at year-end (or within the first 60 days of the following year) to holders of Class A Shares where the Company has net taxable capital gains upon which it would otherwise be subject to tax (other than taxable capital gains realized on the writing of options that are outstanding at year end) or where the Company needs to pay a dividend in order to recover refundable tax not otherwise recoverable upon payment of monthly dividends.

Tax Treatment of Shareholders

Shareholders must include in income Ordinary Dividends paid to them by the Company. For individual Shareholders, Ordinary Dividends are subject to the gross-up and dividend tax credit rules that apply to taxable dividends paid by taxable Canadian corporations, including, the enhanced gross-up and credit for Ordinary Dividends designated by the Company as eligible dividends. For corporate Shareholders, other than “specified financial institutions” (as defined in the Tax Act), Ordinary Dividends are normally deductible in computing the taxable income of the corporation. In certain circumstances, subsection 55(2) of the Tax Act will treat a taxable dividend received by a Shareholder that is a corporation as a capital gain. Shareholders that are corporations should consult their own tax advisors having regard to their own circumstances.

In the case of a Shareholder that is a specified financial institution, Ordinary Dividends received on a particular class of shares are deductible in computing its taxable income only if either (a) the specified financial institution did not acquire such shares in the ordinary course of its business; or (b) at the time of the receipt of the dividends by the specified financial institution, such shares are listed on a designated stock exchange in Canada, and dividends are received in respect of not more than 10% of the issued and outstanding shares of that class by (i) the specified financial institution, or (ii) the specified financial institution and persons with whom it does not deal at arm’s length (within the meaning of the Tax Act). For these purposes, a beneficiary of a trust is deemed to receive the amount of any dividend received by the trust and designated to that beneficiary, effective at the time the dividend was received by the trust, and a member of a partnership is considered to have received that partner’s share of a dividend received by the partnership, effective at the time the dividend was received by the partnership.

Ordinary Dividends received by a corporation (other than a “private corporation” or a “financial intermediary corporation”, each as defined in the Tax Act) on Preferred Shares are generally subject to a 10% tax under Part IV.1 of the Tax Act to the extent that such dividends are deductible in computing the corporation’s taxable income. Such corporations should consult their own tax advisors with respect to whether Ordinary Dividends on the Class A Shares are subject to Part IV.1 tax when received by such corporations.

A Shareholder that is a private corporation or any other corporation controlled directly or indirectly by or for the benefit of an individual (other than a trust) or a related group of individuals (other than trusts) is generally liable to pay a 38 1/3% refundable tax under Part IV of the Tax Act on Ordinary Dividends received on the Preferred Shares and Class A Shares to the extent that such dividends are deductible in computing the Shareholder’s taxable income. Where Part IV.1 tax also applies to an Ordinary Dividend received by a corporation, the rate of Part IV tax otherwise payable by the corporation is reduced by 10% of the amount of such Ordinary Dividend.

The amount of any Capital Gains Dividend received by a Shareholder from the Company is considered to be a capital gain of the Shareholder from the disposition of capital property in the taxation year of the Shareholder in which the Capital Gains Dividend is received.

The amount of any payment received by a Shareholder from the Company as a return of capital on a Preferred Share or Class A Share is not required to be included in computing income. Instead, such amount reduces the adjusted cost base of the relevant share to the Shareholder. To the extent that the adjusted cost base to the Shareholder would otherwise be a negative amount, the Shareholder will be considered to have recognized a capital gain at that time and the Shareholder's adjusted cost base will be increased by the amount of such deemed capital gain. See "Disposition of Shares", below.

Disposition of Shares

Upon the redemption, retraction or other disposition of a Preferred Share or Class A Share, a capital gain (or a capital loss) will be realized to the extent that the proceeds of disposition of the share exceed (or are less than) the aggregate of the adjusted cost base of the share and any reasonable costs of disposition. If the Shareholder is a corporation, any capital loss arising on the disposition of a share may in certain circumstances be reduced by the amount of any Ordinary Dividends received on the share. Analogous rules apply to a partnership or trust of which a corporation, partnership or trust is a member or beneficiary.

Subject to the Capital Gains Proposed Amendments (defined below), one-half of a capital gain (a taxable capital gain) is included in computing income and one-half of a capital loss (an allowable capital loss) must be deducted against taxable capital gains in accordance with the provisions of the Tax Act.

Under Proposed Amendments released on September 23, 2024 (the "**Capital Gains Proposed Amendments**"), the capital gains inclusion rate would generally be increased from one-half to two-thirds for a Shareholder that is a corporation or a trust, and from one-half to two-thirds for a Shareholder that is an individual (other than most types of trusts) realizing net capital gains above an annual \$250,000 CAD threshold, in all cases for capital gains and capital losses realized on or after June 25, 2024. The Capital Gains Proposed Amendments also contemplate adjustments of carried forward or carried back allowable capital losses to account for changes in the relevant inclusion rate. The status of the Capital Gains Proposed Amendments, however, is uncertain as Parliament was prorogued on January 6, 2025, which will delay any fiscal action on the Capital Gains Proposed Amendments until at least March 24, 2025, when Parliament is scheduled to resume. On January 31, 2025, the Minister of Finance (Canada) announced that the federal government is deferring the effective date of the Capital Gains Proposed Amendments from June 25, 2024 to January 1, 2026. The Capital Gains Proposed Amendments are complex and may be subject to further changes or withdrawal, and their application to a particular Shareholder will depend on that Shareholder's particular circumstances. Shareholders should consult their own tax advisors with respect to the Capital Gains Proposed Amendments.

A Shareholder that is a "Canadian-controlled private corporation" ("CCPC") (as defined in the Tax Act) throughout the relevant taxation year, or a "substantive CCPC" (as defined in the Tax Act) at any time in the relevant taxation year, may be subject to an additional refundable tax on its aggregate investment income, which includes an amount in respect of taxable capital gains.

Individuals (other than certain trusts) who realize a capital gain on a disposition of their shares of the Company or receive dividends on their shares of the Company may be subject to an alternative minimum tax under the Tax Act.

Taxation of Registered Plans

Registered Plans, as Shareholders, generally are exempt from tax on any dividend or other income derived from Preferred Shares and Class A Shares and on any capital gain realized upon the sale, redemption or other disposition of such shares. Cash or securities that are withdrawn from a Registered Plan, other than from a TFSA (or in certain circumstances from an RDSP, FHSA or RESP), will result in the controlling individual of the Registered Plan being liable to pay income tax based on the amount of cash or the fair market value of the securities withdrawn, unless the cash or securities are transferred to another Registered Plan in accordance with the Tax Act.

International Information Reporting

The dealers through which Shareholders hold their Preferred Shares or Class A Shares are subject to registration, information collection and reporting obligations contained in Part XVIII of the Tax Act, which implemented the

Canada-United States Enhanced Tax Information Exchange Agreement (the “**IGA**”) with respect to “financial accounts” such dealers maintain for their clients. Shareholders, or the controlling person of a Shareholder, will generally be requested to provide their dealer with information related to their citizenship, residency and, if applicable, a U.S. federal tax identification number. If a Shareholder is a U.S. person (including a U.S. citizen or green card holder who is resident in Canada) or if a Shareholder does not provide the requested information and indicia of U.S. status is present, Part XVIII of the Tax Act and the IGA will generally require information about the Shareholder’s investment in the Company to be reported to the CRA, unless the investment is held within a Registered Plan. The CRA is expected to provide that information to the U.S. Internal Revenue Service.

In addition, the Tax Act contains reporting obligations which implement the Organisation for Economic Co-operation and Development Common Reporting Standard (the “**CRS Rules**”). Pursuant to the CRS Rules, Canadian financial institutions are required to have procedures in place to identify accounts held by residents of foreign countries (other than the United States), or by certain entities any of whose “controlling persons” are resident in a foreign country (other than the United States). The CRS Rules provide that Canadian financial institutions must report the required information to the CRA annually. Such information would be available to be exchanged on a reciprocal, bilateral basis with the jurisdictions in which the Shareholders, or such controlling persons, are resident. Under the CRS Rules, Shareholders will be required to provide such information regarding their investment in the Company to the Shareholder’s dealer for the purpose of such an information exchange, unless the Preferred Shares or Class A Shares are held by a Registered Plan.

RISK FACTORS

An investment in Preferred Shares and Class A Shares is subject to certain risk factors which prospective investors should consider before purchasing such shares. Before deciding to invest in the Preferred Shares and Class A Shares, prospective investors should consider carefully the risks set forth in the Current AIF under “*Risk Factors*” and in the other documents incorporated by reference in this Prospectus Supplement and the Prospectus, as updated by the Company’s subsequent filings with securities regulatory authorities in Canada.

INTEREST OF EXPERTS

Certain legal matters in connection with this distribution have been passed upon on behalf of the Company by Fasken Martineau DuMoulin LLP and on behalf of the Agent by McCarthy Tétrault LLP. As of the date of this Prospectus Supplement, the partners and associates of Fasken Martineau DuMoulin LLP as a group and the partners and associates of McCarthy Tétrault LLP as a group beneficially own, directly or indirectly, less than 1% of the outstanding securities of the Company.

EXEMPTIONS

Pursuant to a decision of the Autorité des marchés financiers dated February 11, 2025, the Company was granted a permanent exemption from the requirement to translate into French this Prospectus Supplement, any of the documents incorporated by reference therein into French, or any prospectus supplement to be filed in relation to an “at-the-market” distribution. This exemption is granted on the condition that this Prospectus Supplement and any prospectus supplement (other than in relation to an “at-the-market” distribution) be translated into French if the Company offers securities to Quebec purchasers in connection with an offering other than in relation to an “at-the-market” distribution.

STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

The following is a description of a purchaser’s statutory rights in connection with any purchase of Preferred Shares or Class A Shares pursuant to the Offering, which supersedes and replaces the statement of purchasers’ rights included in the Shelf Prospectus. A purchaser’s rights and remedies under applicable securities legislation against the Agent will not be affected by the Agent’s decision to effect the distribution directly or through a selling agent.

Securities legislation in some provinces and territories of Canada provides purchasers of securities with the right to withdraw from an agreement to purchase securities and with remedies for rescission or, in some jurisdictions, revisions of the price, or damages if the prospectus, prospectus supplement, and any amendment relating to securities purchased

by a purchaser are not sent or delivered to the purchaser. However, purchasers of Preferred Shares or Class A Shares distributed under an at-the-market distribution by the Company do not have the right to withdraw from an agreement to purchase Preferred Shares or Class A Shares and do not have remedies of rescission or, in some jurisdictions, revisions of the price, or damages for non-delivery of the prospectus, prospectus supplement, and any amendment relating to Preferred Shares or Class A Shares purchased by such purchaser because the prospectus, prospectus supplement, and any amendment relating to Preferred Shares or Class A Shares purchased by such purchaser will not be sent or delivered, as permitted under Part 9 of National Instrument 44-102 *Shelf Distributions*.

Securities legislation in some provinces and territories of Canada further provides purchasers with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus, prospectus supplement, and any amendment relating to securities purchased by a purchaser contains a misrepresentation. Those remedies must be exercised by the purchaser within the time limit prescribed by securities legislation. Any remedies under securities legislation that a purchaser of Preferred Shares or Class A Shares distributed under an at-the-market distribution by the Company may have against the Company or the Agent for rescission or, in some jurisdictions, revisions of the price, or damages if the prospectus, prospectus supplement, and any amendment relating to securities purchased by a purchaser contain a misrepresentation will remain unaffected by the non-delivery of the prospectus referred to above.

A purchaser should refer to applicable securities legislation for the particulars of these rights and should consult a legal adviser.

CERTIFICATE OF THE COMPANY, MANAGER AND PROMOTER

Dated: February 14, 2025

The short form prospectus, together with the documents incorporated in the prospectus by reference, as supplemented by the foregoing, will, as of the date of a particular distribution of securities under the prospectus, constitute full, true and plain disclosure of all material facts relating to the securities offered by the prospectus and the supplement as required by the securities legislation of each of the provinces and territories of Canada.

REAL ESTATE SPLIT CORP.

(Signed) DEAN ORRICO
President and Chief Executive Officer

(Signed) CRAIG ROGERS
Chief Financial Officer

**On behalf of the Board of Directors of
REAL ESTATE SPLIT CORP.**

(Signed) WENDY TEO
Director

(Signed) JEREMY BRASSEUR
Director

**MIDDLEFIELD LIMITED
as Manager of
REAL ESTATE SPLIT CORP.**

(Signed) DEAN ORRICO
President and Chief Executive Officer

(Signed) CRAIG ROGERS
Chief Operating Officer, acting in the capacity of
Chief Financial Officer

**On behalf of the Board of Directors of
MIDDLEFIELD LIMITED**

(Signed) DEAN ORRICO
Director

(Signed) JEREMY BRASSEUR
Director

(Signed) CRAIG ROGERS
Director

**MIDDLEFIELD LIMITED
as Promoter of
REAL ESTATE SPLIT CORP.**

(Signed) DEAN ORRICO
Director

CERTIFICATE OF THE AGENT

Dated: February 14, 2025

To the best of our knowledge, information and belief, the short form prospectus, together with the documents incorporated in the prospectus by reference, as supplemented by the foregoing, will, as of the date of a particular distribution of securities under the prospectus, constitute full, true and plain disclosure of all material facts relating to the securities offered by the prospectus and the supplement as required by the securities legislation of each of the provinces and territories of Canada.

NATIONAL BANK FINANCIAL INC.

(Signed) GAVIN BRANCATO