



PIER 4 REAL ESTATE INVESTMENT TRUST AND PIER 4 HOLDING LIMITED
PARTNERSHIP
May 1st, 2026

This Offering Memorandum constitutes an offering of securities only in those jurisdictions and to those persons where and to whom they may be lawfully offered for sale. This Offering Memorandum is not, and under no circumstances is to be construed as, a prospectus or advertisement or a public offering of these securities. This Offering Memorandum is for the confidential use of only those persons to whom it is transmitted in connection with the Offering (as defined below). By their acceptance of this Offering Memorandum, recipients agree that they will not transmit, reproduce, or make available to anyone, other than their professional advisors, this Offering Memorandum or any information contained herein. No person has been authorized to give any information or to make any representation not contained in this Offering Memorandum. Any such information or representation, which is given or received, must not be relied upon. Non-residents of Canada purchasing pursuant to this Offering may be subject to additional securities law requirements.

CONFIDENTIAL OFFERING MEMORANDUM
PIER 4 REAL ESTATE INVESTMENT TRUST AND PIER 4 HOLDING LIMITED PARTNERSHIP
CLASS A TRUST UNITS
CLASS C TRUST UNITS
CLASS D TRUST UNITS
CLASS F TRUST UNITS
CLASS I TRUST UNITS
CLASS D LP UNITS
CLASS F LP UNITS
CLASS W LP UNITS

CONTINUOUS PRIVATE PLACEMENT OFFERING

May 1st, 2026

Refer to “Glossary of Terms” for the meanings of capitalized words and phrases that are used but not defined in this summary.

THE TRUST	Pier 4 Real Estate Investment Trust (the “Trust”)
THE LIMITED PARTNERSHIP	Pier 4 Holding Limited Partnership (the “Limited Partnership”, and together with the Trust, the “Issuers”)
Head Office	70 York St, Suite 600, Toronto, Ontario, M5J 1S9 Phone: (416) 297-2773 Fax: (416) 628-2221 Website: www.pier4reit.com Email: invest@pier4reit.com
Currently listed or quoted?	No. These securities do not trade on any exchange or market.
Reporting issuer?	No.

THE OFFERING

Purpose:	The Trust intends to maximize the value of the Trust and, in turn, provide a reliable distribution to investors, through the acquisition, management and operation of a portfolio of multi-family residential properties (the “Properties”). The Limited Partnership will utilize net available funds to assist with the acquisition, maintenance, and operation of the Properties. See Item 1 – Use of Funds and Item 2 – Business of the Trust and the Limited Partnership.
Securities Offered:	Class A Trust Units, Class C Trust Units, Class D Trust Units, Class F Trust Units Class I Trust Units, Class D LP Units, Class F LP Units, and Class W LP Units (the Class A Trust Units, Class C Trust Units, Class D Trust Units, Class F Trust Units, and Class I Trust Units collectively referred to as the “Trust Units”; the Trust Units Class D LP Units, Class F LP Units, and Class W LP Units collectively referred to as the “Offered Units”). See Item 5 – Securities Offered.
Price per Security:	The price per Offered Unit is determined by the Trustees and General Partner, respectively, from time to time and will be set forth in the Subscription Agreement(s) entered into between the Subscribers and the Issuers. See Item 10 - Risk Factors.
Previous Offerings:	As of the date of this Offering Memorandum, the Issuers have raised a total of \$120,544,849.83 (6,411,145.5643 Class A Trust Units, 26,386.0000 Class B Trust Units, 1,825,248.5425 Class C Trust Units, Nil Class D Trust Units, 583,526.3653 Class F Trust Units, Nil Class I Trust Units, 1,163,549.0400 Class D LP Units, Nil Class F LP Units, and 1,205,713.8783 Class W LP Units) through the Previous Offerings and Term Sheets.
Minimum/Maximum Offering:	There is no maximum offering amount pursuant to the Offering. The Offering is open-ended and the Issuers may raise and close on such subscriptions as they determine in their respective best interests. Subscribers may subscribe for Class A Trust Units, Class C Trust Units, Class D Trust Units, Class D LP Units, Class F LP Units, and Class W LP Units or any combination thereof. The Trust may also offer Class F Trust Units and Class I Trust Units. There is no minimum offering amount. You may be the only purchaser. Funds available under the Offering may not be sufficient to accomplish the proposed objectives of the Issuers. See Item 10 - Risk Factors.

Minimum Subscription Amount:	<p>Each person who invests in Class A Trust Units must invest a minimum of \$10,000 in such Units, other than Subscribers subscribing through their TFSA, who must invest a minimum of \$7,000.</p> <p>Each person who invests in Class C Trust Units must invest a minimum of \$25,000 in such Units.</p> <p>Each person who invests in Class D Trust Units must invest a minimum of \$25,000 in such Units.</p> <p>Each person who invests in Class F Trust Units must invest a minimum of \$10,000 in such Units.</p> <p>Class I Trust Units are designed for institutional investors and the minimum subscription amount will be determined based on negotiation and agreement between a Subscriber and the Trust.</p> <p>Each person who invests in Class D LP Units must invest a minimum of \$25,000 in such Units.</p> <p>Each person who invests in Class F LP Units must invest a minimum of \$10,000 in such Units.</p> <p>Each person who invests in Class W LP Units must invest a minimum of \$100,000 in such Units.</p> <p>The Issuers may accept lesser amounts of any of the above minimum subscription amounts at their sole discretion.</p>
Eligibility for Investment:	The Trust Units are available for purchase through Exempt Plans (such as an RRSP, RRIF or TFSA). Subscribers that are considering purchasing through an Exempt Plan should consult their own tax advisors before deciding to purchase the Trust Units. See Item 8 – Certain Canadian Federal Income Tax Considerations and RRSP Eligibility.
Payment Terms:	A certified cheque or bank draft payable to “Pier 4 Real Estate Investment Trust” in respect of the Trust Units and to “Pier 4 Holding Limited Partnership” in respect of the LP Units in the amount of the total purchase price of the Offered Units being subscribed for, to be delivered with the Subscription Agreement. See Item 5.4– Subscription Procedure.
Proposed Closing Date(s):	Closings will take place on the last business day of every month unless otherwise determined by the Trustees. See Item 5.4 – Subscription Procedure.
Certain Canadian Federal Income Tax Considerations:	There are important income tax consequences to these securities. You should consult your own professional tax advisors to obtain advice respecting any tax consequences applicable to you. All Subscribers will be responsible for the preparation and filing of their own tax returns in respect of this investment. See Item 8 – Certain Canadian Federal Income Tax Considerations and RRSP Eligibility.
Resale Restrictions:	You will be restricted from selling your Offered Units for an indefinite period. See Item 12 – Resale Restrictions.2
Payments to Related Party	Some of your investment will be paid to Pier 4 Holding Limited Partnership, a related party of the Trust. See Item 1 – Use of Funds.
Redemption Right:	<p>You have the right to redeem your Trust Units by providing signed written notice to the Trust in accordance with the terms of the Trust Indenture. Upon delivery of written notice to the Trust, the Trust shall complete such redemption request on the last day of the second calendar month following the day upon which the written notice is provided to the Trust (the “Redemption Date”). If a redemption request is provided to the Trust on a date following the fifteenth (15th) day in any calendar month, except when the 15th falls on a weekend or legal holiday, the Redemption Date for such redemption shall be deemed to be the fifteenth (15th) day in the following calendar month. The Trust will be required to, subject to redemption limits as outlined herein and in the Trust Indenture, complete such redemption request by no later than the Redemption Date or the next available Business Day. The Redemption Price will be determined as follows:</p> <p>Class A Trust Units:</p> <p>Option 1 - Deferred Sales Charge Option:</p> <ul style="list-style-type: none"> (i) 92% of the Class Net Asset Value per Class A Trust Unit if redeemed within the first year of issuance; (ii) 94% of the Class Net Asset Value per Class A Trust Unit if redeemed within the second year of issuance; (iii) 96% of the Class Net Asset Value per Class A Trust Unit if redeemed within the third year of issuance; and (iv) 100% of the Class Net Asset Value per Class A Trust Unit if redeemed any time thereafter. <p>Option 2 – Front Load Option:</p> <p>If the subscriber redeems its Class A Trust Units in the first 6 months from the date of subscription: (i) a Short Term Trading Fee of 3.0% will be applied to the calculation of the Redemption Amount, and (ii) 100% of the Class Net Asset Value per Class A Trust Unit if redeemed any time thereafter.</p> <p>Option 1 is traditionally offered to Exempt Market Dealers, whereas Option 2 is traditionally offered to CIRO firms.</p>

Class C Trust Units:

- (i) 92% of the Class Net Asset Value per Class C Trust Unit if redeemed within the first year of issuance;
- (ii) 94% of the Class Net Asset Value per Class C Trust Unit if redeemed within the second year of issuance;
- (iii) 96% of the Class Net Asset Value per Class C Trust Unit if redeemed within the third year of issuance; and
- (iv) 100% of the Class Net Asset Value per Class C Trust Unit if redeemed any time thereafter.

Class D Trust Units:

- (i) 92% of the Class Net Asset Value per Class D Trust Unit if redeemed within the first year of issuance;
- (ii) 94% of the Class Net Asset Value per Class D Trust Unit if redeemed within the second year of issuance;
- (iii) 96% of the Class Net Asset Value per Class D Trust Unit if redeemed within the third year of issuance; and
- (iv) 97% of the Class Net Asset Value per Class D Trust Unit if redeemed within the fourth year of issuance; and
- (v) 98% of the Class Net Asset Value per Class D Trust Unit if redeemed within the fifth year of issuance; and
- (vi) 100% of the Class Net Asset Value per Class D Trust Unit if redeemed any time thereafter.

Class F Trust Units:

If the subscriber redeems its Class F Trust Units in the first 6 months from the date of subscription, (i) a Short Term Trading Fee of 3.0% will be applied to the calculation of the Redemption Amount, and (ii) 100% of the Class Net Asset Value per Class F Trust Unit if redeemed any time thereafter.

Class I Trust Units:

Class I Trust Units are designed for institutional investors. The fees payable on Class I Trust Units will be determined based on negotiation and agreement between a Subscriber and the Trust.

You have the right to redeem your Class D LP Units by providing signed written notice to the Limited Partnership in accordance with the terms of the LP Agreement. Upon delivery of written notice to the Limited Partnership, the Limited Partnership shall complete such redemption request on the last day of the second calendar month following the day upon which the written notice is provided to the Limited Partnership (the "Redemption Date"). The Redemption Date shall be the fifteenth (15th) day in any calendar month, except when the 15th falls on a weekend or legal holiday, in which case the Redemption Date is the first business day following the 15th of the month. If a redemption request is provided to the Limited Partnership on a date following the fifteenth (15th) day in any calendar month, except when the 15th falls on a weekend or legal holiday, the Redemption Date for such redemption shall be deemed to be the fifteenth (15th) day in the following calendar month. The Limited Partnership will be required to, subject to redemption limits as outlined herein and in the LP Agreement, complete such redemption request by no later than Redemption Date or the next available Business Day. The Redemption Price will be determined as follows:

Class D LP Units:

- (i) 92% of the Class Net Asset Value per Class D LP Unit if redeemed within the first year of issuance;
- (ii) 94% of the Class Net Asset Value per Class D LP Unit if redeemed within the second year of issuance;
- (iii) 96% of the Class Net Asset Value per Class D LP Unit if redeemed within the third year of issuance; and
- (iv) 97% of the Class Net Asset Value per Class D LP Unit if redeemed within the fourth year of issuance; and
- (v) 98% of the Class Net Asset Value per Class D LP Unit if redeemed within the fifth year of issuance; and
- (vi) 100% of the Class Net Asset Value per Class D LP Unit if redeemed any time thereafter.

Class F LP Units:

If the subscriber redeems its Class F LP Units in the first 6 months from the date of subscription, (i) a Short Term Trading Fee of 3.0% will be applied to the calculation of the Redemption Amount, and (ii) 100% of the Class Net Asset Value per Class F LP Unit if redeemed any time thereafter.

Class W LP Units:

- (i) 97% of the Class Net Asset Value per Class W LP Unit if redeemed within the first year of issuance;
- (ii) 98% of the Class Net Asset Value per Class W LP Unit if redeemed within the second year of issuance;

- (iii) 99% of the Class Net Asset Value per Class W LP Unit if redeemed within the third year of issuance; and
- (iv) 100% of the Class Net Asset Value per Class W LP Unit if redeemed any time thereafter.

On the date that the respective Issuer has received all documentation necessary to redeem such Offered Units in accordance with the terms of the Trust Indenture or the LP Agreement, you will cease to have any rights with respect to those Offered Units tendered for redemption, including, without limitation, the right to vote at all meetings of the holders of Offered Units. See Item 2.7 – Material Agreements – Trust Indenture and LP Agreement.

Redemption Restrictions: The Redemption Price payable upon redemption of your Offered Units may not be payable in cash. Although the Issuers intend to use commercially reasonable efforts to pay the Redemption Price in cash, under the terms of the Trust Indenture or the LP Agreement, where the maximum total amount payable by the Issuer for Offered Units exceeds the Quarterly Cash Redemption Limit (currently set at the greater of \$25,000 or 0.75% of Assets Under Management within the applicable calendar quarter), the Trustees and the General Partner have the respective sole discretion to make the payment in any form (including by way of the issuance of Redemption Notes). See Item 10.1 – Investment Risk – Redemption of Offered Units.

The Trustees and the General Partner each independently determined it in the best interests of the Trust and the Limited Partnership, respectively, to, as of June 30, 2025, allow for monthly redemptions of Offered Units. It is the intention of each of the Trust and the Limited Partnership to pay, upon redemption of Offered Units, the Redemption Price to the Unitholder on the Redemption Date, or the next Business Day following the Redemption Date, in accordance with the Trust Indenture or the LP Agreement. Redemptions of Offered Units are to be processed on the Redemption Date in which the respective Issuer has received all documentation necessary to redeem such Offered Units, assuming all documentation was received at least sixty (60) days prior to the Redemption Date (the “**Redemption Notice Period**”). However, the Quarterly Cash Redemption Limit shall still apply and, for such redemptions of Offered Units above the maximum total amount payable based on the Quarterly Cash Redemption Limit, the Trustees and the General Partner have the respective sole discretion to make the payment in any form (including by way of the issuance of Redemption Notes). There is no guarantee that the Trust nor the Limited Partnership will continue to accept, process and pay monthly redemptions of Offered Units.

If your Offered Units are held through an Exempt Plan, and your Exempt Plan receives Redemption Notes or any other debt or securities as a result of redemption of Offered Units, such Redemption Notes, debt or other securities will not be qualified investments for the Exempt Plan. Accordingly, Exempt Plans that own Offered Units should consult their own tax advisors before deciding to exercise their redemption rights attached to the Offered Units. See Item 8 – Certain Canadian Federal Income Tax Considerations and RRSP Eligibility.

Purchaser’s Rights: **You have two (2) Business Days to cancel your Subscription Agreement to purchase Offered Units. If there is a misrepresentation in this Offering Memorandum, you have the right to either sue for damages or to cancel the Subscription Agreement. See Item 13 – Purchaser’s Rights of Action.**

Selling Agents: The Issuers have retained agents and registered dealers to complete sales of Offered Units and reserve the right, as allowed by applicable securities legislation, to retain additional agents to complete the sales of Offered Units. **The Trust may pay commissions in connection with the sale of Trust Units as follows:**

Class A Trust Units

For each Class A Trust Unit, either:

- (a) Option 1 – Deferred Sales Charge Option:
 - (i) an up-front commission of up to 6.5% on the principal amount of a Subscriber’s investment, payable by the Trust; and
 - (ii) a prorated proportion of the profit share pool equal to 33.3% of the Management Carried Interest, payable by the Administrator (if applicable);
- (b) Option 2– Front Load Option:
 - (i) negotiable commission (if any) on the principal amount of a Subscriber’s investment payable by the subscriber; and
 - (ii) a trailer fee equal to 1.00% of the principal amount of a Subscriber’s investment per annum, paid quarterly, for so long as the Subscriber remains a holder of Class A Trust Units payable by the Trust.

Option 1 is traditionally offered to Exempt Market Dealers, whereas Option 2 is traditionally offered to CIRO firms.

Class C Trust Units

For each Class C Trust Unit:

- (a) an up-front commission of up to 4.5% of the principal amount of a Subscriber’s investment; and
- (b) a trailer fee equal to 0.75% of the principal amount of a Subscriber’s investment per annum, paid quarterly, for so long as the Subscriber remains a holder of Class C Trust Units, each payable by the Trust.

Class D Trust Units

For each Class D Trust Unit:

- (a) an up-front commission of up to 4.5% of the principal amount of a Subscriber's investment; and
 - (b) a trailer fee equal to 0.75% of the principal amount of a Subscriber's investment per annum, paid quarterly, for so long as the Subscriber remains a holder of Class D Trust Units,
- each payable by the Trust.

Class F Trust Units

Class F Trust Units may generally only be subscribed for by Fee Based Accounts where the Subscriber pays an annual fee to a dealer pursuant to a fee-based program. No upfront commission and no trailing commission are paid on Class F Trust Units. There will be a Short Term Trading Fee set-off against the redemption price of any such Class F Trust Units within the first 6 months of a Subscriber's subscription.

Class I Trust Units:

Class I Trust Units are designed for institutional investors. The fees payable on Class I Trust Units will be determined based on negotiation and agreement between a Subscriber and the Trust.

The Limited Partnership may pay commissions in connection with the sale of LP Units as follows:

Class D LP Units:

The General Partner, on behalf of the Limited Partnership retained agents and registered dealers to complete sales of Offered Units and reserve the right, as allowed by applicable securities legislation, to retain additional agents to complete the sales of Offered Units. These fees are set forth below:

- (a) an up-front commission of up to 4.5% of the principal amount of a Subscriber's investment; and
- (b) trailer fee up to 0.75% of the principal amount of a Subscriber's investment per annum, paid quarterly, for so long as the Subscriber remains a holder of Class D LP Unit.

Class F LP Units

Class F LP Units may generally only be subscribed for by Fee Based Accounts where the Subscriber pays an annual fee to a dealer pursuant to a fee-based program. No upfront commission and no trailing commission are paid on Class F LP Units. There will be a Short-Term Trading Fee set-off against the redemption price of any such Class F LP Units within the first 6 months of a Subscriber's subscription.

Class W LP Units:

For each Class W LP Unit:

- (a) an up front commission of up to 5.5% of the principal amount of a Subscriber's investment.
- (b) There is no trailer fee payable to the dealers in relation to the Offering of Class W LP Units.

In addition, the Issuers may retain wholesalers in connection with the Offering to provide marketing and sales assistance to agents and registered dealers, including Pier 4 Capital Corporation, a related party to the Trust and the General Partner. **The Issuers may pay a finder's fee or wholesaling fee equal to 1.0% of issuance of Trust Units through the specific wholesaler.**

See Item 9 – Compensation Paid to Sellers and Finders.

All OM Marketing Materials related to this Offering and delivered or made reasonably available to a prospective Subscriber are hereby incorporated by reference into this Offering Memorandum.

OM Marketing Materials:

NO SECURITIES REGULATORY AUTHORITY OR REGULATOR HAS ASSESSED THE MERITS OF THE OFFERED UNITS OR REVIEWED THIS OFFERING MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS AN OFFENCE. THIS IS A RISKY INVESTMENT. SEE ITEM 10 - RISK FACTORS.

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CAUTIONARY STATEMENTS

Risky Investment

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 offense. This is a risky investment. See “Item 10 – Risk Factors”.

OM Marketing Materials

Any “**OM marketing materials**” (as such term is defined in NI 45-106) related to each distribution under this Offering Memorandum and delivered or made reasonably available to a prospective purchaser before the termination of such distribution will be, and will be deemed to be, incorporated by reference into this Offering Memorandum, provided that any OM marketing materials to be incorporated by reference into this Offering Memorandum are not part of the Offering Memorandum to the extent that the contents of such OM marketing materials have been modified or superseded by a statement contained in an Offering Memorandum or OM marketing materials subsequently delivered or made reasonably available to a prospective purchaser prior to the execution of the Subscription Agreement by the purchaser.

Not a Public Offering

This Offering is a private placement and is not, and under no circumstances is to be construed as, a public offering of the securities described herein. The securities are being offered in reliance upon exemptions from the prospectus requirements set forth in applicable securities legislation.

The Offered Units will be subject to indefinite resale restrictions and a number of redemption restrictions. Until the indefinite restriction on trading expires, if ever, a holder of the Units will not be able to trade the Units, unless it complies with very limited exemptions from the prospectus and registration requirements under applicable securities legislation. As neither the Trust nor the Limited Partnership has any intention of becoming a reporting issuer in any jurisdiction in Canada, these trading restrictions will not expire. Consequently, Unitholders may not be able to liquidate their Offered Units in a timely manner, if at all, or pledge their Offered Units as collateral for loans. Further, the Trust Indenture and LP Agreement contain certain redemption restrictions. Subject to certain restrictions, a Unitholder may redeem the Offered Units for the Redemption Price. See Item 2.7 – Material Agreements – Trust Indenture and LP Agreement.

Not a U.S. Offering

The Offered Units have not been, and will not be, registered under the U.S. Securities Act, or any applicable state securities laws. Accordingly, except pursuant to an exemption from the registration requirements of the U.S. Securities Act and state securities laws, the Offered Units may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as such term is defined in Regulation S under the U.S. Securities Act) unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

Interpretation

Words importing the singular number only include the plural and vice versa, and words importing the masculine, feminine or neuter gender include the other genders.

Non-GAAP Measures

The Issuers use the terms Trust’s Distributable Cash and Partnership’s Distributable Cash as defined in the Glossary. Management of the Issuers consider such non-GAAP measures to be a valuable measure for evaluating its operating performance and in achieving its objectives. Such measures are not defined under IFRS nor should any of these measures be viewed as an alternative to net income, cash flow from operating activities or other measures of financial performance calculated in accordance with IFRS. Readers should be further cautioned that the Trust’s Distributable Cash and Partnership’s Distributable Cash as calculated by the Issuers may not be comparable to similar measures presented by other issuers.

Market Data

Unless otherwise indicated, the market data contained in this Offering Memorandum and any marketing materials incorporated by reference herein are based upon information from independent industry and government publications. While the Issuers believe this data to be reliable, market data is subject to variation and interpretation and cannot be verified due to limits on the availability and reliability of raw data, the voluntary nature of the data gathering process and other limitations and uncertainties inherent in any statistical survey. The Issuers have not independently verified the accuracy or completeness of such information contained herein.

Forward-Looking Statements

This Offering Memorandum contains forward-looking statements or forward-looking information (in this section, collectively, “**forward-looking statements**”). These statements relate to the Issuers expectations about future events, the future performance of the Trust and the Limited Partnership and business prospects. All statements other than statements of historical facts 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”, “target”, “intend”, “could”, “might”, “continue”, or the negative of these terms or other comparable terminology. These statements are only predictions. 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. By its nature, forward-looking statements involve 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. Any forward-looking statements included within this Offering Memorandum are presented solely for the purpose of conveying the current anticipated expectations of the Trust and Limited Partnership and may not be appropriate for any other purposes. **The forward-looking statements contained in this Offering Memorandum are expressly qualified by this cautionary statement. The Issuers are not under any duty to update any of the forward-looking statements after the date of this Offering Memorandum to conform such statements to actual results or to changes in the Issuers' expectations except as otherwise required by applicable legislation.**

In particular, this Offering Memorandum contains forward-looking statements pertaining to the following, among others: economic conditions and population growth in those other areas where the future Properties are located, as well as in other Canadian markets; the outlook of the multi-family residential real estate market, including the status of the rental market, leasing rates and vacancy rates in various Canadian markets; valuations and appraisals; and demand for multi-family residential real estate development.

Subscribers are advised that forward-looking statements are subject to a variety of risks, uncertainties and other factors that could cause actual results to differ materially from expectations as expressed or implied within this Offering Memorandum. Forward-looking statements reflects current expectations with respect to current events and is not a guarantee of future performance.

The Trust's and the Limited Partnership's actual results could differ materially from those anticipated in these forward-looking statements and the financial outlook due to, among other things, the risk factors set in this Offering Memorandum under Item 10 - Risk Factors, including but not limited to, the risk factors set out under the following headings:

Investment Risk:

- No Guaranteed Return
- Dilution
- Illiquidity of Units
- Redemption of Units
- Issuance Price of Units
- Valuation and Determination of Net Asset Value
- Unitholders do not have Legal Rights Typically Associated with Ownership of Shares of a Corporation
- Unitholder Liability
- Lack of Diversification
- Illiquidity of Investments
- Tax
- Characterization
- Debt Securities and Debt Instruments
- Achievement of Business Objectives
- Reliance on Property Management
- No Independent Counsel for Unitholders
- Partnership Promissory Notes
- Class Risk

Trust Risk:

- Dependence on Key Personnel
- Independence of Officers, Directors and Trustees and Conflicts of Interest
- Ability to Pay Cash Distributions
- Status of the Trust
- Mutual Fund Trust Status
- SIFT Rules
- Possible Loss of Limited Liability
- Payment of Management Carried Interest
- Loss of Limited Liability on Dissolution
- Potential Undisclosed Liabilities
- Trust has Limited Assets and Working Capital
- Deployment of Capital
- General Partner has Limited Assets
- Substantial Losses and Withdrawals
- Compensation Paid to Dealers
- Cybersecurity Risk
- Failure of Unavailability of Computer and Data Processing Systems and Software
- Changes in Applicable Law

Limited Partnership Risk:

- Limited Partnership Expense Risk
- Amendment of the LP Agreement
- Dependence on Key Personnel
- Management of the Limited Partnership
- Major Assets

Industry Risk:

- Illiquid Investments
- Real Estate Business
- Competition in the Real Estate Market
- Significant Capital Expenditures and Other Fixed Costs are Required
- Financing Risk, Leverage and Restrictive Covenants May Limit Growth
- General and Recent Economic Conditions
- Government Regulations and Changes in Legislation
- Concentration of Investments
- Tariff and Trade War with United States
- Interest Rate Fluctuations
- Reliance on Trades/Suppliers
- Reliance on Assumptions
- Environmental Issues
- Uninsured Losses on the Properties
- Uninsured and Underinsured Losses and Insurance Costs
- Disease Outbreaks

GLOSSARY OF TERMS

Unless otherwise defined herein, the terms identified below shall have the meaning ascribed thereto as follows:

“**Accredited Investor**” has the meaning given to such terms under NI 45-106 or the Securities Act, as applicable.

“**Acquisition Fee**” means the fee payable to the Administrator on the closing of the acquisition of any Properties (excluding the Initial Properties) by the Limited Partnership equal to 1% of the aggregate purchase price paid in respect of such Properties.

“**Administration Agreement**” means the Administration Agreement dated May 26, 2020 (as amended and restated), made between the Trust, the Administrator, and the General Partner.

“**Administrator**” means Pier 4 Capital Corporation, a corporation formed under the laws of Ontario, and any successor or permitted assign thereof, indirectly controlled by Darrell Ashby (as to a 40% interest) and Adam Ashby (as to a 30% interest) and Michael Ashby (as to a 30% interest).

“**affiliate**” of a person means any other person controlling, controlled by, or under common control with, such person.

“**Allocation to Redeemers Rule**” has the meaning ascribed thereto in Item 8.1.

“**annuitant**” means the annuitant, subscriber, holder or beneficiary under an Exempt Plan or any other plan of which a Unitholder acts as trustee or carrier.

“**Assets Under Management**” means the total market value of the assets and investments of the Trust or Limited Partnership, as appropriate.

“**associate**” means, in relation to another Person (“**Other Person**”):

- (a) a Person of which the Other Person beneficially owns or controls, directly or indirectly, voting securities entitling the Other Person to more than 10% of the voting rights attached to outstanding securities of the Person;
- (b) any Person who is a partner of the Other Person;
- (c) any trust or estate in which the Other Person has a substantial beneficial interest or in respect of which the Other Person serves as trustee or in a similar capacity;
- (d) in the case where the Other Person is an individual, a relative of that individual, including: (i) the spouse of that individual; or
- (e) a relative of that individual’s spouse, if the relative has the same home as that individual.

“**Business Day**” means a day other than a Saturday, Sunday or a day on which the principal chartered banks located in Toronto, Ontario are not open for business.

“**Capital Contribution**” means, in the case of Trust Units, the amount of the Subscription Price allocated to the Subscriber’s investment for such Trust Unit; and in the case of the Limited Partnership, means the principal amount of the LP Unitholder’s investment for such Class A LP Units, Class C LP Units, Class F LP Units, Class I LP Units, Class M LP Units, Class D LP Units or Class W LP Units.

“**Capital Gains Refund**” has the meaning ascribed thereto in Item 8.1.

“**Cash Distribution**” means the amount payable to Class A Trust Unitholders, Class C Trust Unitholders, Class D Trust Unitholders, Class F Trust Unitholders, Class I Trust Unit Holders, Class D LP Unitholders, Class F LP Unitholders, and Class W LP Unitholders pursuant to Item 5.2.

“**Class A LP Units**” means the Class A voting LP Units of the Limited Partnership, having the rights, benefits and obligations provided for in the LP Agreement, all of which, as issued from time to time, shall be issued to the Trust.

“**Class C LP Units**” means the Class C voting LP Units of the Limited Partnership, having the rights, benefits and obligations provided for in the LP Agreement, all of which, as issued from time to time, shall be issued to the Trust.

“**Class F LP Units**” means the Class F voting LP Units of the Limited Partnership, having the rights, benefits and obligations provided for in the LP Agreement, all of which, as issued from time to time, shall be issued to the Trust.

“**Class I LP Units**” means the Class I voting LP Units of the Limited Partnership, having the rights, benefits and obligations provided for in the LP Agreement, all of which, as issued from time to time, shall be issued to the Trust.

“Class D LP Units” means Class D LP Units of the Limited Partnership, having the rights, benefits and obligations provided for in the LP Agreement. The General Partner may issue Class D LP Units, to investors in consideration for the acquisition of future Properties.

“Class W LP Units” means Class W LP Units of the Limited Partnership, having the rights, benefits and obligations provided for in the LP Agreement. The General Partner may issue Class W LP Units, to investors in consideration for the acquisition of future Properties.

“Class M LP Units” means Class M LP Units of the Limited Partnership, having the rights, benefits and obligations provided for in the LP Agreement. The General Partner may issue Class M LP Units, to investors in consideration for the acquisition of future Properties.

“Class A Trust Unit” means a Class A Trust Unit of the Trust and includes a fraction of a Class A Trust Unit of the Trust.

“Class B Trust Unit” means a Class B Trust Unit of the Trust and includes a fraction of a Class B Trust Unit of the Trust.

“Class C Trust Unit” means a Class C Trust Unit of the Trust and includes a fraction of a Class C Trust Unit of the Trust.

“Class D Trust Unit” means a Class D Trust Unit of the Trust and includes a fraction of a Class D Trust Unit of the Trust.

“Class F Trust Unit” means a Class F Trust Unit of the Trust and includes a fraction of a Class F Trust Unit of the Trust.

“Class I Trust Unit” means a Class I Trust Unit of the Trust and includes a fraction of a Class I Trust Unit of the Trust.

“Class Net Asset Value” means at a particular time in respect of any particular class, the portion of the Net Asset Value of the Trust Property or Limited Partnership Property designated in respect of such class at that time as determined in accordance with the Trust Indenture or LP Agreement.

“Class Net Asset Value per Trust Unit” means at a particular time in respect of a particular class, the amount of the relevant Class Net Asset Value, as determined in accordance with this Trust Indenture, divided by all of the issued and outstanding Units of that class at that time.

“Closing” means each closing of the issuance of Offered Units pursuant to the Offering contemplated by this Offering Memorandum.

“conflict of interest” shall derive its meaning from NI 81-107.

“conflict of interest matter” means one or more of the matters as defined in NI 81-107 provided that the definition of manager thereunder shall include the Trustees of the Trust and the directors and officers of the General Partner and Administrator, as the context and circumstance requires.

“Conflict of Interest Policy” shall derive its meaning from Item 3.3.

“Controlling Individual” has the meaning ascribed to that term in Item 8.2.

“CRA” means the Canada Revenue Agency.

“Dealers” mean the registered dealers engaged by the Issuers to sell Offered Units in connection with the Offering.

“Deferred Sales Charge” means the charge (if any) that is applied against the redemption proceeds payable to a Class A Trust Unitholder for an early redemption of such Units, which charge is set out in the Subscription Agreement entered into between the Subscriber and the Trust in respect of the Class A Trust Units. **See Item 9 – Compensation Paid to Sellers and Finders.**

“Disposition Fee” means the fee payable to the Administrator on the closing of the disposition of any Properties by the Limited Partnership equal to 1% of the aggregate purchase price paid by a purchaser in respect of such Properties.

“Distributable Cash” of each class of Offered Units shall be determined separately, and the Distributable Cash of the applicable class of Offered Units shall be equal to:

- (a) all cash or cash equivalents which are received by the respective Issuer, for or in respect of the Trust or Limited Partnership Property acquired with the proceeds of the sale of such class of Offered Units, during, or in respect of, such Distribution Period, including amounts on account of interest, income, distributions, dividends, returns of capital, amounts paid on debt held by the Issuer, capital gains, and such other amounts as may be determined from time to time by the Trustees, the General Partner or the Administrator to be included in the Distributable Cash for such class (which may include amounts taken, in the discretion of the Trustees, General Partner or the Administrator, out of the Issuer's respective reserves in respect of such class of Offered Units as well as amounts from the proceeds of any offering of such class of Offered Units);

- (b) less the sum of: all amounts paid on account of expenses and liabilities attributable to such class of Offered Units for, or in respect of, such Distribution Period as well as an amount in respect of a share of all expenses and liabilities of the Issuer which are allocated to such class of Offered Units by the Trustees or General Partner, which in the opinion of the Trustees, General Partner or Administrator, may reasonably be considered to have accrued and become owing in respect of, or which relate to, such Distribution Period or a prior Distribution Period if not accrued in such prior period including, without limitation, any accrued liability in respect of undeclared and accumulated distributions on such class of Offered Units;
- (c) all amounts which relate to the repayment of any amount (principal or interest) in respect of any indebtedness of the Issuer during such Distribution Period attributable to such class of Offered Units (including Redemption Notes in respect of the redemption of such class of Offered Units);
- (d) all cash amounts used during such Distribution Period for or in connection with loans, advances, investments or other acquisitions of assets by the Issuer attributable to such class of Offered Units;
- (e) the aggregate amount of all cash amounts used, or to be used, in respect of the redemption or repurchase of the Offered Units of such class called for redemption or repurchase;
- (f) any amount, in addition to those amounts set forth in (b) to (e) above, which the Administrator may reasonably consider to be necessary to provide for the payment of any liabilities which have been or will be incurred by the Issuer and that are attributable to such class of Units (including, for greater certainty, a *pro rata* portion of any general liabilities of the Issuer not specifically attributable to any one class), including any tax liability of the Issuer (to the extent that such liabilities have not otherwise been taken into account in determining the Distributable Cash for such class of Units hereunder), or for pursuing any purpose or activity of the Issuer attributable to such class of Offered Units; and
- (g) an amount as determined in the discretion of the Trustees, General Partner or the Administrator for reasonable reserves to be maintained for the purposes of satisfying payment of any of the amounts or liabilities of the Issuer referred to in (b) to (f) above.

"Distribution Amount" means, for each class of Offered Units, the Distributable Cash in respect of such class of Offered Units declared payable for such Distribution Period.

"Distribution Per Unit" means an equal share of the amount of the Distribution Amount in respect of a class of Offered Units which is declared payable to holders of such class of Offered Units pursuant to the Trust Indenture or LP Agreement for a particular Distribution Period, which share shall be determined by dividing the amount of such Distribution Amount in respect of such class of Offered Units declared payable to the holders of such class of Offered Units by the number of issued and outstanding Offered Units of such class on the Trust or Limited Partnership Distribution Record Date.

"Distribution Period" means the period commencing immediately following the preceding Trust or Limited Partnership Distribution Record Date and ending on the next following Trust or Limited Partnership Distribution Record Date, or such other periods as may be hereafter determined from time to time by the Trustees, General Partner or the Administrator, where the first "Distribution Period" was the period commencing on and including the date the Trust was created and ending on and including December 31, 2020.

"DPSP" means a deferred profit sharing plan within the meaning of the Tax Act.

"DRIP" has the meaning ascribed thereto in Item 5.6.

"EIFEL Rules" has the meaning ascribed thereto in Item 8.1.

"Exempt Plan" means a RRSP, a RRIF, a DPSP, a RDSP, a RESP, a FHSA or a TFSA and collectively referred to herein as **"Exempt Plans"**.

"Fee Based Account" means an account in which the Subscriber would hold Class F Trust Units in which already has fees attached to the investable amount such that the advisor or portfolio manager is already being paid fees for service such that if commissions or trailers are paid to the advisor or portfolio manager from this offering, the Subscriber would in effect be paying duplicate fees.

"FHSA" means a first home savings account within the meaning of the Tax Act.

"General Partner" or **"GP"** means Pier 4 Real Estate GP Ltd., a corporation incorporated under the laws of Province of Ontario, and all successors and permitted assigns thereof.

"Gross Revenue" means all revenue and other revenues received by or on behalf of the ownership of the Property, including, but not limited to, rents, laundry, storage and supplemental revenue for the relevant period for which the calculation of Gross Revenue is being made.

"Guarantee Fee" means the fee payable to the Administrator (or any affiliate thereof) if the Administrator (or any affiliate thereof) is required to provide a guarantee for any debt financing arranged in connection with any of the Properties and which is equal to 1% per of the total amount of such guarantee, payable upon completion of the transaction.

“**IFRS**” means International Financial Reporting Standards.

“**Independent**” has the meaning ascribed to that term under NI 81-107.

“**Independent Review Committee**” or “**IRC**” means the Independent Review Committee established by, and initially appointed by Trust, the General Partner, on its own behalf and on behalf of the Limited Partnership, and the Administrator, to carry out specified oversight functions regarding the Trust and Limited Partnership in accordance with NI 81-107 as modified by the Independent Review Committee Mandate as agreed among the Trust, the General Partner, on its own behalf and on behalf of the Limited Partnership, and the Administrator.

“**Independent Review Committee Mandate**” means the mandate of the Independent Review Committee adopted by the Pier 4 Entities, as may be supplemented and amended from time to time.

“**Issuers**” means collectively the Trust and the Limited Partnership, “**Issuer**” shall mean either of the Trust or Limited Partnership.

“**Limited Partner**” means the Trust and each of those parties that have acquired or will acquire LP Units, and who, from time to time, are accepted as and become a limited partner of the Limited Partnership in accordance with the terms and conditions of the LP Agreement.

“**Limited Partnership**” means Pier 4 Holding Limited Partnership, a limited partnership formed under the laws of the Province of Ontario and governed by the LP Agreement.

“**Limited Partnership Distribution Record Date**” means, March 31, June 30, September 30 and December 31 in each calendar year (excluding the calendar year in which the Trust was formed) in respect of a Distribution Period, or such other dates as may be determined from time to time by the General Partner except that December 31 shall in all cases be a distribution record date

“**Limited Partnership Property**” at any time, means all of the money, securities, properties and other assets of any nature or kind whatsoever as are, at such time, held by the Limited Partnership or by the General Partner on behalf of the Limited Partnership and for the purposes of the LP Agreement.

“**LP Agreement**” means the amended and restated limited partnership agreement dated effective May 26, 2020 among the General Partner, the Trust and each person who is admitted as a Limited Partner, as amended most recently on April 30, 2026.

“**LP Unitholders**” mean the holders of LP Units.

“**LP Units**” means the units of the Limited Partnership, including the Class A LP Units, Class C LP Units, Class F LP Units, Class I LP Units Class M LP Units, Class D LP Units and Class W LP Units.

“**Management Carried Interest**” means, prorate for all Class A LP Units, the Administrator’s right to receive an amount equal to up to 30% of any remaining funds of the Limited Partnership following payment of the applicable preferred returns in accordance with the distribution policy, prorate for all Class C LP Units the Administrator’s right to receive an amount equal to up to 20% of any remaining funds of the Limited Partnership following payment of the applicable preferred returns in accordance with the distribution policy, prorate for all Class F LP Units the Administrator’s right to receive an amount equal to up to 20% of any remaining funds of the Limited Partnership following payment of the applicable preferred returns in accordance with the distribution policy, prorate for all Class D LP Units the Administrator’s right to receive an amount equal to up to 20% of any remaining funds of the Limited Partnership following payment of the applicable preferred returns in accordance with the distribution policy, and prorate for all Class W LP Units the Administrator’s right to receive an amount equal to up to 20% of any remaining funds of the Limited Partnership following payment of the applicable preferred returns in accordance with the distribution policy.

Class I LP Units are designed for institutional investors. The fees payable on Class I Trust Units will be determined based on negotiation and agreement between a Subscriber and the Trust.

“**Management Expenses**” has the meaning ascribed thereto in Item 2.1.2.

“**Management Fee**” has the meaning ascribed thereto in Item 2.1.2.

“**MFT Election**” means the election under subsection 132(6.1) of the Tax Act which has been made and filed with the CRA in compliance with the Tax Act so that the Trust was deemed to be a “mutual fund trust” throughout its first taxation year.

“**NAV**” or “**Net Asset Value**” means the net asset value of each of the classes of outstanding Offered Units as determined by the General Partner, or the Trustees, working with the Administrator and approved by the Independent Review Committee using reasonable methods of determination, all as more particularly described in Item 5.5 – NAV Valuation Policy.

“**NI 45-106**” means National Instrument 45-106 – *Prospectus Exemptions* of the Canadian securities administrators, as amended from time to time, and any successor policy, rule or national instrument.

“**NI 81-107**” means National Instrument 81-107 – *Independent Review Committee for Investment Funds* of the Canadian securities administrators, as amended from time to time, and any successor policy, rule or national instrument.

“**Non-resident**” means a person who, at the relevant time, is not resident in Canada within the meaning of the Tax Act and any applicable tax convention entered into by the Government of Canada and includes a partnership that is not a Canadian partnership within the meaning of the Tax Act.

“**OBCA**” means the *Business Corporations Act* (Ontario).

“**Offered Units**” means the Trust Units, Class D LP Units, Class F LP Units, and Class W LP Units.

“**Offered Unitholder**” or “**holder of Offered Units**” means a Person whose name appears on the respective registers of the Trust or the **Limited Partnership, respectively** as a holder of applicable Offered Units.

“**Offering**” means the offering of the Offered Units pursuant to this Offering Memorandum.

“**Offering Jurisdictions**” means all of the Provinces of Canada.

“**Offering Memorandum**” means this offering memorandum of the Trust dated **May 1st, 2026**, as it may be supplemented, amended and/or amended and restated from time to time.

“**Operating Expenses**” has the meaning ascribed thereto in Item 2.1.2.

“**Partners**” means partners of the Limited Partnership, including the Limited Partners and the General Partner, and “**Partner**” means any of them.

“**Partnership Act**” means the *Limited Partnerships Act* (Ontario), as the same may be amended or replaced from time to time.

“**Partnership Promissory Notes**” means the unsecured promissory notes issued by the Limited Partnership and purchased by the Trust with the proceeds from the sale of the Class B Trust Units. The Partnership Promissory Notes are demand promissory notes that bear interest at a fixed simple interest rate of 7% per annum, payable in equal quarterly installments. All Partnership Promissory Notes rank *pari passu* and subordinated and postponed to all Senior Indebtedness of the Limited Partnership, including amounts owing by the Limited Partnership to any senior lender or pursuant to secured loans (including mortgages).

“**Partnership’s Distributable Cash**” means in respect of a particular period, the aggregate of the following amounts:

- (a) receipts of cash or cash equivalent, including receipts from the assets directly owned by the Limited Partnership, as well as funds realized from financings by the Limited Partnership and interest, dividends or other distributions on securities owned by the Limited Partnership, plus
- (b) cash or cash equivalent equal to the amount of decreases in cash reserves previously established by the General Partner,

minus the aggregate of:

- (c) any expenditures, amounts due and owing under any debt of the Limited Partnership, advances, loans or investments of cash or cash equivalent made by the Limited Partnership, plus
- (d) cash or cash equivalent reserves, or increases in previously established cash or cash equivalent reserves, established by the General Partner, plus
- (e) appropriate reserves as determined by the General Partner, in its sole discretion, for current or anticipated liabilities, express, obligations or commitments of the Limited Partnership and for management fees;

provided that, notwithstanding the foregoing, Capital Event Amounts (as defined in the LP Agreement) shall not be considered to be cash receipts forming part of the Limited Partnership’s Distributable Cash.

“**Person**” or “**person**” means and includes individuals, corporations, limited partnerships, general partnerships, joint stock companies, limited liability companies, joint ventures, associations, companies, trusts, banks, trust companies, pension funds, business trusts and other organizations, whether or not legal entities and governments and agencies and political subdivisions thereof.

“**Pier 4 Entities**” means, as at the date of this Offering Memorandum, the Trust, the Limited Partnership, the Administrator, the General Partner and Pier 4 Wholesaler and “**Pier 4 Entity**” shall mean any one of them.

“**Pier 4 Residential**” means Pier 4 Residential Ltd.

“**Pier 4 Wholesaler**” means Pier Capital Corporation.

“**Previous Offerings**” means the offering by the Trust of Trust Units pursuant to an offering memorandum (as amended and/or restated from time to time) dated May 27, 2020, May 28, 2021, May 31, 2022, June 19, 2023, September 1, 2023, May 3, 2024, August 29, 2024 and May 7, 2025.

“**Prime Rate**” shall be determined at the rate of interest per annum equal to the rate which the Canadian Imperial Bank of Commerce in Toronto, Ontario quotes, publishes and refers to as its “prime rate” and which is its reference rate of interest for loans in Canadian dollars made in Canada to Canadian borrowers, and payable monthly in arrears with interest after as well as before maturity, default and judgment, and interest on overdue interest at such rate.

“**Properties**” means the properties held in the portfolio by the Limited Partnership and each of them, a “**Property**”.

“**Quarterly Cash Redemption Limit**” means the maximum total amount payable by the Trust and Limited Partnership in cash for Redemption Units tendered for redemption in the same calendar quarter (unless the Trustees or the General Partner determine in their respective sole discretion to waive such limitation in respect of all Offered Units tendered for redemption in any calendar quarter and to cash pay a greater amount), where the Quarterly Cash Redemption Limit as at the date of this Offering Memorandum is the greater of \$25,000 or 0.75% of Assets Under Management within the applicable calendar quarter.

“**RDSP**” means a registered disability savings plan within the meaning of the Tax Act.

“**Redemption Date**” means the fifteenth (15th) day in any calendar month, except when the 15th falls on a weekend or legal holiday, in which case the Redemption Date is the first business day following the 15th of the month.

“**Redemption Notes**” means promissory notes issued in series, or otherwise, by the Issuers pursuant to a note indenture or note certificate and issued to redeeming Unitholders in principal amounts equal to the Redemption Price of the Offered Units to be redeemed (as applicable) and having the following terms and conditions:

- (a) unsecured and bearing interest from and including the issue date of each such note at a Prime Rate determined at the time of issuance, and payable monthly in arrears (with interest after as well as before maturity, default and judgment, and interest on overdue interest at such rate);
- (b) subordinated and postponed to all Senior Indebtedness (as defined in the Trust Indenture and LP Agreement) and which may be subject to specific subordination and postponement agreements to be entered into with holders of such Senior Indebtedness;
- (c) subject to earlier prepayment, having maturity dates as set by the Trustees or the General Partner, provided however that such maturity dates shall not be later than 3 years from the date of issue of the Redemption Note; and
- (d) subject to such other standard terms and conditions as would be included in a note indenture or certificate for promissory notes of this kind, as may be approved by the Trustees or General Partner.

“**Redemption Notice**” means the written notice provided by a Unitholder to the Trust or Limited Partnership, in a form acceptable to the Trust or Limited Partnership, setting out the Unitholder’s desire to tender all or any part of such Unitholder’s Offered Units for redemption.

“**Redemption Notice Period**” means sixty (60) days before the applicable Redemption Date.

“**Redemption Payment Date**” means the date that the Redemption Price is paid, which shall be on the applicable Redemption Date for when a Redemption Notice was received prior to the Redemption Notice Period.

“**Redemption Period**” means the period of time during which an Offered Unit will not be fully redeemable for 100% of the applicable Class Net Asset Value per Offered Unit, which period commences on the date of issuance of such Offered Unit and concludes on the date that is four years from the date of issuance of such Offered Unit.

“**Redemption Price**” means the price that a redeeming Unitholder shall be entitled to receive per Redemption Unit as at the date upon which such units are tendered for redemption, being equal to:

Class A Trust Units:

Option 1 - Deferred Sales Charge Option:

- (i) 92% of the Class Net Asset Value per Class A Trust Unit if redeemed within the first year of issuance;
- (ii) 94% of the Class Net Asset Value per Class A Trust Unit if redeemed within the second year of issuance;
- (iii) 96% of the Class Net Asset Value per Class A Trust Unit if redeemed within the third year of issuance; and

(iv) 100% of the Class Net Asset Value per Class A Trust Unit if redeemed any time thereafter.

Option 2 – Front Load Option:

If the subscriber redeems its Class A Trust Units in the first 6 months from the date of subscription, a Short Term Trading Fee of 3.0% will be applied to the calculation of the Redemption Amount, and (ii) 100% of the Class Net Asset Value per Class A Trust Unit if redeemed any time thereafter.

Option 1 is traditionally offered to Exempt Market Dealers, whereas Option 2 is traditionally offered to CIRO firms.

Class C Trust Units:

- (i) 92% of the Class Net Asset Value per Class C Trust Unit if redeemed within the first year of issuance;
- (ii) 94% of the Class Net Asset Value per Class C Trust Unit if redeemed within the second year of issuance;
- (iii) 96% of the Class Net Asset Value per Class C Trust Unit if redeemed within the third year of issuance; and
- (iv) 100% of the Class Net Asset Value per Class C Trust Unit if redeemed any time thereafter.

Class D Trust Units:

- (i) 92% of the Class Net Asset Value per Class D Trust Unit if redeemed within the first year of issuance;
- (ii) 94% of the Class Net Asset Value per Class D Trust Unit if redeemed within the second year of issuance;
- (iii) 96% of the Class Net Asset Value per Class D Trust Unit if redeemed within the third year of issuance; and
- (iv) 97% of the Class Net Asset Value per Class D Trust Unit if redeemed within the fourth year of issuance; and
- (v) 98% of the Class Net Asset Value per Class D Trust Unit if redeemed within the fifth year of issuance; and
- (vi) 100% of the Class Net Asset Value per Class D Trust Unit if redeemed any time thereafter.

Class F Trust Units:

If the subscriber redeems its Class F Trust Units in the first 6 months from the date of subscription, a Short Term Trading Fee of 3.0% will be applied to the calculation of the Redemption Amount, and (ii) 100% of the Class Net Asset Value per Class F Trust Unit if redeemed any time thereafter.

Class I Trust Units:

Class I Trust Units are designed for institutional investors. The fees payable on Class I Trust Units will be determined based on negotiation and agreement between a Subscriber and the Trust.

Class D LP Units:

- (i) 92% of the Class Net Asset Value per Class D LP Unit if redeemed within the first year of issuance;
- (ii) 94% of the Class Net Asset Value per Class D LP Unit if redeemed within the second year of issuance;
- (iii) 96% of the Class Net Asset Value per Class D LP Unit if redeemed within the third year of issuance; and
- (iv) 97% of the Class Net Asset Value per Class D LP Unit if redeemed within the fourth year of issuance; and
- (v) 98% of the Class Net Asset Value per Class D LP Unit if redeemed within the fifth year of issuance; and
- (vi) 100% of the Class Net Asset Value per Class D LP Unit if redeemed any time thereafter.

Class F LP Units:

If the subscriber redeems its Class F LP Units in the first 6 months from the date of subscription, a Short Term Trading Fee of 3.0% will be applied to the calculation of the Redemption Amount, and (ii) 100% of the Class Net Asset Value per Class F Trust Unit if redeemed any time thereafter.

Class W LP Units:

- (i) 97% of the Class Net Asset Value per Class W LP Unit if redeemed within the first year of issuance;
- (ii) 98% of the Class Net Asset Value per Class W LP Unit if redeemed within the second year of issuance;
- (iii) 99% of the Class Net Asset Value per Class W LP Unit if redeemed within the third year of issuance; and
- (iv) 100% of the Class Net Asset Value per Class W LP Unit if redeemed any time thereafter.

The Class Net Asset Value of any class or series of Trust and LP Units will also be approved by the Independent Review Committee.

“Redemption Units” means any Offered Units duly and validly tendered for redemption in connection with a Redemption Notice.

“Referral Fee” or **“Commission”** means the fee or amounts paid to certain eligible third parties in consideration of those parties introducing the Issuers, or either of them, to Subscribers, as applicable.

“Regulations” means regulations made under the Tax Act.

“Reinvested Unit” means a Reinvested Trust Unit or a Reinvested LP Unit

“**Reinvested Trust Unit**” has the meaning ascribed thereto in Item 8.1.

“**Reinvested LP Units**” has the meaning ascribed thereto in Item 8.1.

“**Related Parties**” has the meaning ascribed to it in Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions*, as amended from time to time.

“**Resident**” means a Person who, at the relevant time, is resident in Canada within the meaning of the Tax Act and any applicable tax convention entered into by the Government of Canada and includes a partnership that is a Canadian partnership within the meaning of the Tax Act.

“**RESP**” means a registered education savings plan within the meaning of the Tax Act.

“**RRIF**” means a registered retirement income fund within the meaning of the Tax Act.

“**RRSP**” means a registered retirement savings plan within the meaning of the Tax Act.

“**Securities Act**” means the *Securities Act* (Ontario) and the regulations promulgated thereunder from time to time.

“**Security**” or “**securities**”, as applicable in the particular context, has the meaning ascribed thereto in the Securities Act.

“**Senior Indebtedness**” means all indebtedness, liabilities and obligations of the Trust or Limited Partnership, as appropriate, not expressed to rank in right of payment subordinate to or *pari passu* with the indebtedness evidenced by the Partnership Promissory Notes.

“**Short Term Trading Fee**” means the fee (if any) that is applied against the redemption proceeds payable to a Unitholder for an early redemption of Class A Trust Units, Class F Trust Units, or Class F LP Units, which fee is set out in the Subscription Agreement entered into between the Subscriber and the Trust in respect of the subject Units;

“**SIFT Partnership**” has the meaning ascribed thereto in Item 10.2.

“**SIFT Trust**” has the meaning ascribed thereto in Item 10.2.

“**Special Voting Securities**” means, collectively, each of those securities which, in accordance with the rights and attributes attaching or attributable thereto, provide (among other things) the holder of a particular Exchangeable Security the right to vote at all meetings of Unitholders, provided that an Exchangeable Security which is not issued by the Trust shall not (regardless of the rights and attributes attaching thereto) be entitled to any voting rights in connection with the Trust except as may be provided pursuant to an agreement or other instrument entered into by the Trust in connection with or pertaining to the issuance of such Exchangeable Security;

“**Subscriber**” means a subscriber for Offered Units pursuant to this Offering Memorandum.

“**Subscription Agreement**” means the form of subscription agreement entered into between a Subscriber and the Issuers.

“**Subscription Price**” means the price per Offered Unit.

“**Tax**” or “**Taxes**” means all income, capital gain, profit, withholding, and capital taxes, charges, fees, levies, imposts and other assessments, including all other charges in the nature of a tax, together with any instalments, and any interest, fines and penalties, imposed by any governmental authority, whether disputed or not.

“**Tax Act**” means the *Income Tax Act* (Canada) and the Regulations promulgated thereunder, as amended from time to time.

“**TFSA**” means a tax-free savings account within the meaning of the Tax Act.

“**Transfer Agent**” means the Administrator.

“**Trust**” means Pier 4 Real Estate Investment Trust, an unincorporated open-ended investment trust established under the laws of Ontario pursuant to a Trust Indenture dated effective May 26, 2020, as amended from time to time.

“**Trust Distribution Record Date**” means, the last day of each month in each calendar year (excluding the calendar year in which the Trust was formed) in respect of a Distribution Period, or such other dates as may be determined from time to time by the Trustees or the Administrator except that December 31 shall in all cases be a distribution record date.

“**Trust Indenture**” means the Amended and Restated Trust Indenture dated effective May 26, 2020 among the Trustees, Adam Ashby as settlor and initial unit holder and the unitholders, as amended from time to time.

"Trust Property" at any time, means all of the money, securities, properties and other assets of any nature or kind whatsoever as are, at such time, held by the Trust or by the Trustees on behalf of the Trust and for the purposes of the Trust Indenture.

"Trust Unit" means a unit of beneficial interest in the Trust issued from time to time in accordance with the Trust Indenture and includes, as the context may require, a Class A Trust Unit, Class B Trust Unit, Class C Trust Unit, Class D Trust Unit, Class F Trust Unit or a Class I Trust Unit, having the rights, privileges, restrictions and conditions set out in the Trust Indenture.

"Trust Unitholder" means the holders of Trust Units.

"Trustees" means each individual who on or after the date of the Trust Indenture becomes a trustee of the Trust as provided for in the Trust Indenture; and **"Trustee"** means and refers to one of the Trustees.

"Trust's Distributable Cash" means for, or in respect of, a Distribution Period shall be equal to:

- (a) all cash amounts which are received by the Trust for, or in respect of, such Distribution Period, including amounts on account of interest, income, dividends, returns of capital, amounts paid on debt held by the Trust, capital gains, and such other amounts as may be determined from time to time by the Trustees or the Administrator to be included in "Distributable Cash" (which may include amounts taken, in the discretion of the Trustees or the Administrator, out of the Trust's reserves as well as amounts from the proceeds of any Offering),

less the sum of:

- (b) all amounts paid on account of expenses and liabilities for, or in respect of, such Distribution Period as well as an amount for all expenses and liabilities of the Trust which, in the opinion of the Trustees or Administrator, may reasonably be considered to have accrued and become owing in respect of, or which relate to, such Distribution Period or a prior Distribution Period if not accrued in such prior period;
- (c) all amounts which relate to the repayment of any amount (principal or interest) in respect of any indebtedness of the Trust during such Distribution Period;
- (d) all cash amounts used during such Distribution Period for investments or other acquisitions of assets by the Trust;
- (e) the aggregate amount of all cash amounts used, or to be used, in respect of the redemption or repurchase of Trust Units called for redemption or repurchase;
- (f) any amount, in addition to those amounts set forth in subsections (b) to (e) of this definition of Trust's Distributable Cash, which the Administrator may reasonably consider to be necessary to provide for the payment of any liabilities which have been or will be incurred by the Trust, including any tax liability of the Trust (to the extent that such liabilities have not otherwise been taken into account in determining the Trust's Distributable Cash hereunder), or for pursuing any purpose or activity of the Trust;
- (g) an amount as determined in the discretion of the Trustees or the Administrator for reasonable reserves to be maintained;
 - a. to fund the payment of Trust expenses;
 - b. to fund the payment of any other amounts (including taxes) required by law or under this Trust Indenture to be deducted, withheld or paid by or in respect of the Trust;
 - c. to fund additional investments;
 - d. to fund capital expenditures or other financial obligations or expenditures; and
- (h) for working capital purposes.

"Unit" or **"Units"** means the Trust Units and LP Units.

"Unit Price" means the amount equal to the price per security at which a Unitholder purchases a Class C Trust Unit.

"Unitholder" or **"holder of Units"** means, at any time, a holder at that time of one or more Offered Units, as shown on the register of the Trust or Limited Partnership, as applicable (but shall also be deemed to include, a holder of Special Voting Securities) and such holders are collectively called **"Unitholders"**.

"Wholesaler Agreement" means the agreements to be entered into between the Issuers, or either of them and each Wholesaler in connection with the Offering.

“Wholesalers” means such duly appointed advisor(s) whose role is to assist in the distribution of the Offering to registrants of Dealers only.

SUMMARY OF THIS OFFERING MEMORANDUM

The following is a summary of the principal features of this Offering and should be read together with the more detailed information contained elsewhere in this Offering Memorandum.

PURPOSE AND BUSINESS OBJECTIVES

The Trust has been established with the objective of investing indirectly in the business of the Limited Partnership. The subscription proceeds, together with mortgage financing will in turn be used to fund the business of the Limited Partnership. The business of the Limited Partnership will be to maximize the value of the Limited Partnership through the acquisition, maintenance and operation of a diverse portfolio of multi-family residential properties in Canada.

The subscription proceeds from the Offered Units will be used (indirectly through the purchase by the Trust of LP Units and directly by the Limited Partnership through the sale of the Class D LP Units, Class F LP Units, and Class W LP Units) to fund the business of the Limited Partnership.

The business objectives of the Trust, through the Limited Partnership, is as follows:

1. **Strategic Acquisition of Attractive Multi-Family Residential Properties:** The focus is on locating and acquiring multi-family residential properties that are desirable additions to the portfolio of the Limited Partnership and that are able to generate potential returns through stable cash flow and/or long-term capital appreciation. Specifically, the focus of the Limited Partnership is to seek undermanaged assets that present value-add opportunities which allow for potential increases in the net operating income, through common area and in-suite capital improvements, which will ultimately appreciate the rental value of the Properties. Please refer to Item 2.1.3 – The Administrator for a summary of the Administrator's prior property acquisition experience.

While the focus is on directly acquiring existing multi-family residential properties, the method of acquiring such properties may also include the acquisition of the equity in other legal entities (including, without limitation, trusts, partnerships, corporations and/or joint ventures) which own a portfolio of such properties. In addition, the Limited Partnership may also acquire, directly or indirectly, a portfolio of properties, a portion of which may not be multi-family residential in nature. To the extent that this occurs, the intention of the Limited Partnership would be to subsequently divest any properties that are not multi-family residential properties so acquired, and for greater certainty, the intention of the Limited Partnership is to not enter into any arm's length transactions with any third parties for investment purposes.

2. **Re-Financing:** To the extent necessary, the financial arrangements of such future Properties will be structured using mortgage financing and refinancing the equity of such properties to finance additional acquisitions with the aim of adding to the capital appreciation. Additional refinancing activities may take place from time to time.
3. **Standard Refurbishment:** As future Properties are acquired, the intent will be to refurbish all of the rental units to the same standard and to renovate the Properties so that they each resemble a similar design across the portfolio with the aim of allowing the Limited Partnership to have lower renovation costs and to remain distinct from its competitors.
4. **Management of Properties:** Unless the Administrator or a related party to the Administrator assumes the responsibility, the Limited Partnership will engage one or more licensed (where required) property management companies to manage its Properties. The Administrator, at its discretion, may contract with a party related to the Administrator to provide property management and or renovations services with respect to one or more of the Properties, subject to the unanimous written approval of the Independent Review Committee. Fees paid to such a party will be at industry standard management rates. The property manager is entitled to receive fees equal to 5.0% of the Gross Revenue collected from the Properties plus applicable taxes.

Management believes that acquiring attractive assets and refurbishing the properties to a portfolio wide standard will allow the Limited Partnership to not only generate stable cash flows but will also lead to capital appreciation for investors.

The investment objectives of the Trust are to:

- (a) protect Unitholder capital and mitigate risk associated with the business objectives;

- (b) generate sufficient returns to enable the Trust to pay the target distribution of 8% of Net Asset Value per annum on the Class A Trust Units;
- (c) generate sufficient returns to enable the Trust to pay the target distribution of 8% of Unit Price per annum on the Class C Trust Units;
- (d) generate sufficient returns to enable the Trust to pay the target distribution of 8% of Net Asset Value per annum on the Class D Trust Units;
- (e) generate sufficient returns to enable the Trust to pay the target distribution of 8% of Net Asset Value per annum on the Class F Trust Units;
- (f) generate sufficient returns to enable the Trust to pay the target distribution of 8% of Net Asset Value per annum on the Class I Trust Units;
- (g) generate sufficient returns to enable the trust to pay the target fixed distribution of 7% of Net Asset Value per annum on the Class B Trust Units; and
- (h) generate long-term capital growth, such that holders of the Class A Trust Units, Class C Trust Units, Class D Trust Units, Class F Trust Units, and Class I Trust Units achieve a total target return per annum of 12-15%. These are the Trust's objectives only and do not represent forward-looking information. There can be no guarantee that the business purpose or investment objectives described herein will be met. This is a risky investment. For forward-looking information please see pages vi - vii. Please also see Item 10 - Risk Factors.

The above rates are target returns only. There is no guarantee that the Trust will meet its target distribution or return rates. The Trust may not make any distributions at all. Subscribers could lose their entire investment in the Trust. Potential investors should read this Offering Memorandum carefully before making any investment decision. Please refer to Item 2.3 for a summary of the current portfolio of Properties of the Limited Partnership as at the date of this Offering Memorandum. See Item 2 – Business of the Trust and the Limited Partnership.

SECURITIES OFFERED

This is a continuous offering with no maximum amount. As of the date of this Offering Memorandum \$120,544,849.83 has been raised through the Previous Offerings. Subscribers may subscribe for Class A Trust Units, Class C Trust Units, Class D Trust Units, Class F Trust Units, Class I Trust Units, Class D LP Units, Class F LP Units, Class W LP Units or any combination thereof. The Trust may also offer Class I Trust Units pursuant to this Offering Memorandum. The Trustees or General Partner, on behalf of the Limited Partnership may increase the size of the Offering in the future.

PRICE PER SECURITY

The price per security is determined by the Trustees and the General Partner, on behalf of the Limited Partnership, from time to time and will be set forth in the Subscription Agreement(s) entered into between the Subscribers and the Issuers.

THE TRUST

The Trust is an unincorporated open-ended investment trust governed by the laws of the Province of Ontario and the Trust Indenture.

The Trust was established on May 26, 2020. The MFT Election was made and filed with the CRA in compliance with the Tax Act so that the Trust was deemed to be a "mutual fund trust" throughout its first taxation year. Further, the Trustees of the Trust will use all commercially reasonable efforts to ensure that the Trust will meet all of the requirements under the Tax Act necessary for it to continuously qualify as a mutual fund trust.

THE LIMITED PARTNERSHIP

The Limited Partnership was formed pursuant to the Partnership Act in accordance with the LP Agreement. The Limited Partnership was formed for the purposes of acquiring multi-family residential properties either directly or indirectly through subsidiary entities. The purpose of the Limited Partnership is to seek maximum capital appreciation and income through the business of real estate investment and development and performing such other activities as may be incidental to or arising from the foregoing purposes as may be reasonably determined by the General Partner.

TRUSTEES, OFFICERS AND DIRECTORS

Trust: Pier 4 Real Estate Investment Trust

- *Trustees:* The Trustees of the Trust are Michele McCarthy, Ian Stewart and Darrell Ashby.
- The Independent Trustees are Michele McCarthy and Ian Stewart.

General Partner: Pier 4 Real Estate GP Ltd.

- *Directors:* The directors of the General Partner are Darrell Ashby, Adam Ashby, Michael Ashby, Steve Prest, and Dennis Kalish. Steve Prest and Dennis Kalish are Independent directors. The Trust, the Administrator, and the General Partner, on behalf of the Limited Partnership, formed an Independent Review Committee comprised of the Independent directors of the General Partner. At all times one (1) members of the board of directors of the General Partner shall be "Independent" as such term is defined in NI 81-107. For clarity, NI 81-107 does not apply to the Pier 4 Entities but is being used as a reference for "independence" and "conflict of interest matters". See Item 3.3– Conflict of Interest and Independent Review Committee.
- *Officers:* The officers of the General Partner are Darrell Ashby, Adam Ashby, and Michael Ashby.

Administrator: Pier 4 Capital Corporation

- *Directors:* The directors of the Administrator are Darrell Ashby, Adam Ashby, Michael Ashby.
- *Officers:* The officers of the Administrator are Darrell Ashby, Adam Ashby, and Michael Ashby.

See Item 3– Interests of Directors, Management, Promoters and Principal Holders.

**TERMS OF THE
SECURITIES OFFERED**

The Offered Units represent the beneficial ownership interest of the holders thereof in the Trust or Limited Partnership, respectively. Each Offered Unit shall entitle the holder thereof to one vote at a meeting of the Unitholders of the applicable Issuer.

The purpose of the Class A Trust Units is to aim to generate an 8% of Net Asset Value target yield for purchasers and allow purchasers to participate not only in distributions but also in a portion of the growth of the value of the real estate properties to be held by the Limited Partnership. The Trust will use the proceeds from the sale of the Class A Trust Units to purchase Class A LP Units of the Limited Partnership.

The purpose of the Class C Trust Units is to aim to generate an 8% of Unit Price target yield for purchasers and allow purchasers to participate not only in distributions but also in a portion of the growth of the value of the real estate properties to be held by the Limited Partnership. The Trust will use the proceeds from the sale of the Class C Trust Units to purchase Class C LP Units of the Limited Partnership.

The purpose of the Class D Trust Units is to aim to generate an 8% of Net Asset Value target yield for purchasers and allow purchasers to participate not only in distributions but also in a portion of the growth of the value of the real estate properties to be held by the Limited Partnership. The Trust will use the proceeds from the sale of the Class D Trust Units to purchase Class D LP Units of the Limited Partnership.

The purpose of the Class F Trust Units is to aim to generate an 8% of Net Asset Value target yield for purchasers and allow purchasers to participate not only in distributions but also in a portion of the growth of the value of the real estate properties to be held by the Limited Partnership. The Trust will use the proceeds from the sale of the Class F Trust Units to purchase Class F LP Units of the Limited Partnership.

The purpose of Class I Trust Units is to aim to generate an 8% of Net Asset Value target yield for institutional purchasers and allow purchasers to participate not only in distributions but also in a portion of the growth of the value of the real estate properties to be held by the Limited Partnership. The fees payable on Class I Trust Units will be determined based on negotiation and agreement between a Subscriber and the Trust.

The Purpose of the Class D LP Units is to aim to generate an 8% of Net Asset Value target yield for purchasers and allow purchasers to participate not only in distributions but also in a portion of the growth of the value of the real estate properties to be held by the Limited Partnership.

The Purpose of the Class F LP Units is to aim to generate an 8% of Net Asset Value target yield for purchasers and allow purchasers to participate not only in distributions but also in a portion of the growth of the value of the real estate properties to be held by the Limited Partnership.

The Purpose of the Class W LP Units is to aim to generate an 8% of Net Asset Value target yield for purchasers and allow purchasers to participate not only in distributions but also in a portion of the growth of the value of the real estate properties to be held by the Limited Partnership.

The above rates are target returns only. There is no guarantee that the Issuers will meet its target distribution or return rates. The Trust and the Limited Partnership may not make any distributions at all.

Other than the Partnership Promissory Notes, all other Trust Property is designated for the benefit of Trust Units, other than the Class B Trust Units and the distributions of the Class A Trust Units, Class C Trust Units, Class D Trust Units, Class F Trust Units and Class I Trust Units will be generated from returns on Trust Property other than Partnership Promissory Notes.

All Trust Units in a class shall rank among themselves equally and rateably without discrimination, preference or priority, including, without limitation, in respect of the distributions described below. On liquidation or termination of the Trust, each Trust Unit, including the Offered Units, shall entitle the holder thereof to participate equally with respect to the distribution of the remaining assets of the Trust designated for such Class of Trust Unit after payment of the Trust's debts, liabilities and liquidation or termination expenses.

All LP Units in a class shall rank among themselves equally and rateably without discrimination, preference or priority, including, without limitation, in respect of the distributions described below. On liquidation or termination of the Limited Partnership, each LP Unit, including the Offered Units, shall entitle the holder thereof to participate equally with respect to the distribution of the remaining assets of the Limited Partnership designated for such Class of LP Unit after payment of the Limited Partnership's debts, liabilities and liquidation or termination expenses

TRUST DISTRIBUTION POLICY

Trustees have the right, but not the obligation, to make a Cash Distribution from the Trust's Distributable Cash to Unitholders of record as at the close of business on the Trust Distribution Record Date. Cash Distributions may be reduced, suspended, deferred or increased at any time and from time to time by the Trustees.

Cash Distributions to Unitholders of the Trust will be dependent upon receipt of distributions and interest payments from the Limited Partnership. The Trust is completely reliant on receiving funds from the Limited Partnership through its ownership of Class A LP Units, Class C LP Units, Class D LP Units, Class F LP Units, Class I LP Units and Partnership Promissory Notes in order to make Cash Distributions to Unitholders. Please refer to Item 2.7 – Material Agreements – Trust Indenture – Distributions for a discussion of the target preferred return for each class or series of Trust Units.

The Trustees, on behalf of the Trust, in respect of each Distribution Period shall declare payable to holders of each class of Units of record as at the Trust Distribution Record Date, being the close of business on the last Business Day in each Distribution Period, the Distribution Amount. Each Unit of the applicable class issued and outstanding on the Trust Distribution Record Date for a particular Distribution Period shall be entitled, without preference or priority, to the Distribution Per Unit, being an equal share of the amount of the Distribution Amount in respect of such class of Units which is declared payable to holders of such class of Units pursuant to the Trust Indenture for such particular Distribution Period, which share shall be determined by dividing the amount of such Distribution Amount in respect of such class of Units declared payable to the holders of such class of Units by the number of issued and outstanding Units of such class on the Trust Distribution Record Date. For greater certainty, the share of such Distribution Amount in respect of a class of Units distributable to a particular holder of Units of such class shall be an amount equal to the Distribution Per Unit multiplied by the number of Units of such class owned of record by such holder of Units of such class on such Trust Distribution Record Date. **There is no guarantee that the Trust will make regular distributions. The Trust may not make any distributions at all.** See Item 2.7 – Trust Indenture – Distributions.

For greater certainty, a distribution of Trust Property to a holder of a particular class or series of Trust Units shall be calculated with reference to Trust Property that is designated for that particular class or series, but may be made out of Trust Property that is designated for any other class or series. No Unitholder or Unitholders of a particular class or series has a beneficial interest in any Trust Property that is preferential to or different from the beneficial interest of any other Unitholder of the same class or series.

LIMITED PARTNERSHIP DISTRIBUTION AND ALLOCATION POLICY

The General Partner will allocate the net income or net loss of the Limited Partnership on the same basis as distributions set out below. The amount of income allocated to a limited partner may exceed the amount of cash distributed. Net income or net loss of the Limited Partnership for a fiscal year for accounting and tax purposes shall be allocated among the limited partners and the General Partner in a manner consistent with the distributions set out at Item 2.5 – Short Term Objectives – Distributions and Allocations, and for accounting purposes shall be allocated for each fiscal year of the Limited Partnership and for income tax purposes, shall be allocated as at the end of the fiscal year of the Limited Partnership. Notwithstanding the foregoing, in the event no distributions are made by the Limited Partnership in a given fiscal year, the net income or net loss, as applicable, for tax purposes shall be allocated to the limited partners pro rata in proportion that the number of LP Units held by a

limited partner at the end of a fiscal year is the total LP Units outstanding. The amount of income allocated to a limited partner may exceed the amount of cash distributed. The Limited Partnership distributes the Limited Partnership's Distributable Cash on a monthly basis. However, there is no guarantee that the Limited Partnership will continue to pay monthly distributions or at all. The General Partner has the right, but not the obligation, to make a Cash Distribution from the Limited Partnership's Distributable Cash to limited partners of record as at the close of business on the Limited Partnership Distribution Record Date. Item 2.5 – Short Term Objectives – Distributions and Allocations.

REDEMPTION

Each Trust Unitholder shall be entitled to require the Trust, on the demand of such holder, to redeem all or any part of the Trust Units registered in the name of such holder of the Trust Units at the Discount Value.

Class A Trust Units:

Option 1 - Deferred Sales Charge Option:

- (i) 92% of the Class Net Asset Value per Class A Trust Unit if redeemed within the first year of issuance;
- (ii) 94% of the Class Net Asset Value per Class A Trust Unit if redeemed within the second year of issuance;
- (iii) 96% of the Class Net Asset Value per Class A Trust Unit if redeemed within the third year of issuance; and
- (iv) 100% of the Class Net Asset Value per Class A Trust Unit if redeemed any time thereafter.

Option 2 – Front Load Option:

If the subscriber redeems its Class A Trust Units in the first 6 months from the date of subscription, a Short Term Trading Fee of 3.0% will be applied to the calculation of the Redemption Amount, and (ii) 100% of the Class Net Asset Value per Class A Trust Unit if redeemed any time thereafter.

Option 1 is traditionally offered to Exempt Market Dealers, whereas Option 2 is traditionally offered to CIRO firms.

Class C Trust Units:

- (i) 92% of the Class Net Asset Value per Class C Trust Unit if redeemed within the first year of issuance;
- (ii) 94% of the Class Net Asset Value Class C Trust Unit if redeemed within the second year of issuance;
- (iii) 96% of the Class Net Asset Value per Class C Trust Unit if redeemed within the third year of issuance; and
- (iv) and 100% of the Class Net Asset Value Class C Trust Unit if redeemed any time thereafter.

Class D Trust Units:

- (i) 92% of the Class Net Asset Value per Class D Trust Unit if redeemed within the first year of issuance;
- (ii) 94% of the Class Net Asset Value per Class D Trust Unit if redeemed within the second year of issuance;
- (iii) 96% of the Class Net Asset Value per Class D Trust Unit if redeemed within the third year of issuance; and
- (iv) 97% of the Class Net Asset Value per Class D Trust Unit if redeemed within the fourth year of issuance; and
- (v) 98% of the Class Net Asset Value per Class D Trust Unit if redeemed within the fifth year of issuance; and
- (vi) 100% of the Class Net Asset Value per Class D Trust Unit if redeemed any time thereafter.

Class F Trust Units:

If the subscriber redeems its Class F Trust Units in the first 6 months from the date of subscription, a Short Term Trading Fee of 3.0% will be applied to the calculation of the Redemption Amount, and (ii) 100% of the Class Net Asset Value per Class F Trust Unit if redeemed any time thereafter.

Class I Trust Units:

Class I Trust Units are designed for institutional investors. The fees payable on Class I Trust Units will be determined based on negotiation and agreement between a Subscriber and the Trust.

Class D LP Units:

- (i) 92% of the Class Net Asset Value per Class D LP Unit if redeemed within the first year of issuance;
- (ii) 94% of the Class Net Asset Value per Class D LP Unit if redeemed within the second year of issuance;
- (iii) 96% of the Class Net Asset Value per Class D LP Unit if redeemed within the third year of issuance; and
- (iv) 97% of the Class Net Asset Value per Class D LP Unit if redeemed within the fourth year of issuance; and
- (v) 98% of the Class Net Asset Value per Class D LP Unit if redeemed within the fifth year of issuance; and
- (vi) 100% of the Class Net Asset Value per Class D LP Unit if redeemed any time thereafter.

Class F LP Units:

If the subscriber redeems its Class F LP Units in the first 6 months from the date of subscription, a Short Term Trading Fee of 3.0% will be applied to the calculation of the Redemption Amount, and (ii) 100% of the Class Net Asset Value per Class F Trust Unit if redeemed any time thereafter.

Class W LP Units

- (i) 97% of the Class Net Asset Value per Class W LP Unit if redeemed within the first year of issuance;
- (ii) 98% of the Class Net Asset Value per Class W LP Unit if redeemed within the second year of issuance;
- (iii) 99% of the Class Net Asset Value per Class W LP Unit if redeemed within the third year of issuance; and
- (iv) 100% of the Class Net Asset Value per Class W LP Unit if redeemed any time thereafter.

The aggregate cash payment to be made in respect of any Units being redeemed will not be more than the Quarterly Cash Redemption Limit (currently set at the greater of \$25,000 or 0.75% of Assets Under Management within the applicable calendar quarter), unless the Trustees or General Partner determine in their respective sole discretion to waive such limitation in respect of all Offered Units tendered for redemption in any calendar quarter and to cash pay a greater amount. For example, if the Assets Under Management are equal to \$2,000,000, the Quarterly Cash Redemption Limit will be \$25,000 (being the greater of 0.75% of the Assets Under Management). If the Assets Under Management are equal to \$10,000,000, the Quarterly Cash Redemption Limit will be \$75,000 per quarter. Upon any redemption of Class B Trust Units, the Trust will make a demand for repayment of principal and accrued interest on an equivalent amount of outstanding Partnership Promissory Notes.

Although the Trust intends to use commercially reasonable efforts to pay any holder providing a Redemption Notice their Trust Unit's Net Asset Value in cash on the Redemption Payment Date, under the terms of the Trust Indenture, the Trustees have the sole discretion to make the payment in any form (including by way of the issuance of Redemption Notes) if the Trust redeems any Units in excess of the Quarterly Cash Redemption Limit.

The Trustees and the General Partner each independently determined it in the best interests of the Trust and the Limited Partnership, respectively, to, as of June 30, 2025, allow for monthly redemptions of Offered Units. It is the intention of each of the Trust and the Limited Partnership to pay, upon redemption of Offered Units, the Redemption Price to the Unitholder on the Redemption Date, in accordance with the Trust Indenture or the LP Agreement. Redemptions of Offered Units are to be

processed on the Redemption Date in which the respective Issuer has received all documentation necessary to redeem such Offered Units prior to the Redemption Notice Period. However, the Quarterly Cash Redemption Limit shall still apply and, for such redemptions of Offered Units above the maximum total amount payable based on the Quarterly Cash Redemption Limit, the Trustees and the General Partner have the respective sole discretion to make the payment in any form (including by way of the issuance of Redemption Notes). There is no guarantee that the Trust nor the Limited Partnership will continue to accept, process and pay monthly redemptions of Offered Units.

In order for a Unitholder to exercise its right of redemption, such Unitholder must deliver a duly completed written Redemption Notice, to the mailing address of the Trust or the Limited Partnership, as appropriate, or by email to invest@pier4reit.com, of its intention to exercise such redemption right to the Issuer at its head office or to the principal office of the registrar and transfer agent of the Offered Units (if such transfer agent has been appointed), in the form incorporated on the backside of the unit certificates or other form and substance satisfactory to the Trustee or the General Partner. See Item 10.1 – Investment Risk – Redemption of Offered Units.

DISTRIBUTION REINVESTMENT PLAN

The Trust has implemented a DRIP pursuant to which holders of the Offered Units comprising the Trust Units and LP Units, excluding the Class M LP Units, may reinvest all Cash Distributions in additional Trust Units and LP Units, excluding the Class M LP Units, of such Offered Units. Participants electing to reinvest Cash Distributions in Trust Units and LP Units excluding the Class M LP Units, pursuant to the DRIP will receive a discount on the purchase price of the Trust Units and LP Units, excluding the Class M LP Units, equal to 2%. All Trust Units and LP Units, excluding the Class M LP Units, issued under the DRIP will also be subject to the applicable Redemption Periods.

Subscribers may sign-up to participate in the DRIP immediately upon subscribing for Offered Units comprising the Trust Units and LP Units, excluding the Class M LP Units, or by providing a “Distribution Reinvestment Plan Authorization Form” (available upon request by email to invest@pier4reit.com) no later than 30 days prior to participation in the DRIP. Participants in the DRIP may also elect to terminate participation in the DRIP by providing the Trust with 30 days prior written notice of their intention to terminate participation in the DRIP.

The Trustees, or the General Partner, reserve the right to amend, suspend or terminate the DRIP at any time. In the event of suspension or termination of the DRIP by the Trustees, or the General Partner, no investment in additional Trust Units or LP Units, excluding the Class M LP Units, on behalf of participants will be made following the effective date of such suspension or termination. See Item 5.6 – Distribution Reinvestment Plan.

ELIGIBILITY FOR INVESTMENT

The Offered Units comprising the Trust Units are available for purchase through Exempt Plans on the basis that the Trust qualifies as a mutual fund trust for the purposes of the Tax Act. Subscribers that are considering purchasing through an Exempt Plan should consult their own tax advisors before deciding to purchase the Trust Units.

Where an Exempt Plan receives Redemption Notes or any other debt or securities as a result of redemption of Trust Units, such Redemption Notes, debt or other securities will not be qualified investments for the Exempt Plan. Accordingly, Exempt Plans that own Trust Units should consult their own tax advisors before deciding to exercise their redemption rights attached to the Trust Units. See Item 8 – Certain Canadian Federal Income Tax Considerations and RRSP Eligibility.

FEES AND EXPENSES

The Administrator is entitled to: (a) the annual Management Fee; and (b) if any future Properties are acquired or disposed of: (i) the Acquisition Fee and/or the Disposition Fee; and (ii) the Guarantee Fee if the Administrator (or any affiliate thereof) is required to provide a guarantee in respect of such debt financing. **See Item 9 – Compensation Paid to Sellers and Finders.**

**RISK FACTORS,
INDEPENDENT LEGAL
ADVICE AND TAX ADVICE**

It is strongly recommended that each Subscriber, in order to assess tax, legal and other aspects of an investment in the Offered Units, obtain independent legal advice with respect to the Offering and this Offering Memorandum. An investment in the Offered Units is subject to significant risk from, among other things, rapidly changing economic and market conditions.

There is no established market for the Offered Units, and none is expected to develop. Therefore, it may be difficult or impossible for a Subscriber to sell any of such securities. Due to the market conditions, preferences of management and the evolving value of the Offered Units, the Subscription Price per Offered Unit was determined arbitrarily by the Issuers and may not reflect the Net Asset Value of the Offered Units. This Offering should be considered risky due to the proposed nature of the Issuer's businesses.

There are risks associated with an investment in the Issuers as a result of, among other considerations, the proposed nature and operations of the Trust and the proposed nature and operations of the Limited Partnership. An investment in Offered Units should only be made after consultation with independent qualified sources of investment and tax advice. An investment in the Issuers is subject to risk factors and is not intended as a complete investment program.

. Only investors who do not require immediate liquidity of their investment and who can afford the loss of their entire investment should consider the purchase of Offered Units. See Item 10 - Risk Factors.

ITEM 1 USE OF FUNDS

1.1 Trust Funds

		Assuming Minimum Offering ⁽¹⁾	Assuming Maximum Offering of \$200,000,000 ⁽²⁾⁽³⁾
A	Amount to be raised in this Offering, (excluding amounts raised from the sale of Offered Units comprising the Class D or W LP Units)	Nil	\$200,000,000
B	Selling commissions and fees ⁽⁴⁾⁽⁵⁾	Nil	\$11,100,000
C	Estimated Offering costs (including accounting, legal, audit, marketing expenses, Transfer Agent fees and contingency ⁽⁶⁾)	Nil	\$1,170,000
D	Available funds: $D = A - (B + C)$	Nil	\$187,730,000
E	Additional sources of funding required ⁽⁷⁾	Nil	Nil
F	Working capital deficiency	Nil	Nil
G	Total Available Funds: $G = (D + E) - F$	Nil	\$187,730,000

Notes:

- (1) There is no minimum offering amount.
- (2) A total of \$120,544,849.83 was raised through the Previous Offerings.
- (3) There is no maximum offering amount. The amount indicated is an estimated combined amount to be raised pursuant to the Offering but is not indicative of the Issuers expectations and is used for illustrative purposes only.
- (4) The Trust reserves the right to retain agents to, and/or pay persons who, effect sales of the Offered Units comprising the Trust Units, in which case, subject to applicable securities legislation. The Trust expects to pay selling commissions and fees on the Class A Trust Units on a Deferred Sales Charge or Front Load basis, on the Class C Trust Units on a Front Load Basis only, and on the Class D Trust Units on a Front Load Basis Only. No upfront commission and no trailing commission are paid on Class F Trust Units. Class I Trust Units are primarily only available to institutional investors. Typically, no commission and no trailer is paid by the Trust, although in certain circumstances it may pay a negotiated trailer to the advisor, if there is an advisor. **See Item 9 – Compensation Paid to Sellers and Finders.**
- (5) If and when any future Properties are acquired, the Limited Partnership intends to finance the acquisition of the future Properties in part through the use of debt financing. The specific future Properties to be acquired, and the terms of the Limited Partnership's purchase of such future Properties (including the entering into of any debt financing), will be determined by the Administrator and approved by the Independent Review Committee. If the Administrator (or any affiliate thereof) is required to provide a guarantee for such financing, the Administrator (or any affiliate thereof) will be entitled to the Guarantee Fee. See Item 2.7 – Material Agreements for a description of the potential fees payable to the Administrator when future Properties are acquired.
- (6) Includes wholesaling fees equal to 1.0% of Capital Contribution. The Trust may, in its discretion, engage a related party, including the Pier 4 Wholesaler, to provide marketing and sales assistance to Dealers, subject to the unanimous written approval of the Independent Review Committee. Pier 4 Wholesaler is beneficially owned by Michael Ashby, Darrell Ashby and Adam Ashby. See Item 9 – Compensation Paid to Sellers and Finders.
- (7) As of the date of this Offering, the Trust does not have a working capital deficiency.

1.2 Use of Total Available Trust Funds

Description of intended use of total available funds listed in order of priority	Assuming Minimum Offering ⁽¹⁾	Assuming Combined Maximum Offering of \$200,000,000 ⁽²⁾
Acquisition of LP Units of the Limited Partnership ⁽³⁾	Nil	\$187,730,000
All other costs and expenses related to the Trust's activities and business ⁽⁴⁾	Nil	\$40,000
Total:	Nil	\$187,690,000

Notes:

- (1) There is no minimum offering amount or maximum offering amount. The amount indicated is an estimated combined amount to be raised pursuant to the Offering but is not indicative of the Issuers expectations and is used for illustrative purposes only.
- (2) A total of \$120,544,849.83 was raised through the Previous Offerings. This does not include any amounts raised under Class I Trust Units.
- (3) See Item 2.2– Our Business and Development of Our Business.
- (4) Total relates to payment of the board of directors for the fiscal year of 2025.

1.3 Use of Available Funds by the Limited Partnership

Description of intended use of available funds listed in order of priority	Assuming Minimum Offering ⁽¹⁾	Assuming Combined Maximum Offering of \$ \$200,000,000 ⁽²⁾
Excess funds for the acquisition of Properties ⁽³⁾⁽⁴⁾	Nil	\$187,690,000
Pay the Management Fee to the Administrator ⁽⁵⁾	Nil	\$1,500,000
Total:	Nil	\$186,190,000

Notes:

- (1) There is no minimum offering amount or maximum offering amount. The amount indicated is an estimated combined amount to be raised pursuant to the Offering but is not indicative of the Issuers expectations and is used for illustrative purposes only.
- (2) A total of \$120,544,849.83 was raised through the Previous Offerings.
- (3) Item 1.1 – Trust Funds
- (4) The Limited Partnership, through the General Partner, intends to acquire, manage, and operate all Properties. See Item 2.2– Our Business and Development of Our Business for description of the use of funds raised under the Offering and the Previous Offerings. Also see Item 2.4 – Long-Term Objectives and Item 2.5 – Short-Term Objectives.
- (5) The Limited Partnership intends to use the excess funds to acquire Properties. The Limited Partnership may not have sufficient funds available to acquire Properties if sufficient funds are not raised.
- (6) Certain management and other fees have also been accrued but deferred by the Administrator in an effort to limit initial costs associated with the administration of the Trust and to place investor returns ahead of management profits. Please refer to Note 11 the financial statements for the year ended 2025 for further information. Additionally, the Administrator may, in its discretion, engage a related party to the Administrator and General Partner, to provide property management services with respect to one or more of the Properties, including Pier 4 Residential, a property management company beneficially owned by Michael Ashby, Darrell Ashby, and Adam Ashby, subject to the unanimous written approval of the Independent Review Committee. Fees paid to such a party will be at industry standard management rates. See Item 3.3 – Conflict of Interest and Independent Review Committee and Item 10 - Risk Factors.
- (7) If and when any Properties are acquired, the Limited Partnership intends to finance the acquisition of the Properties in part through the use of debt financing. The specific Properties to be acquired, and the terms of the Limited Partnership's purchase of such Properties, will be determined by the Administrator and approved by the board of directors of the General Partner (which includes the Independent Review Committee). If the Administrator (or any affiliate thereof) is required to provide a guarantee for such financing, the Administrator (or any affiliate thereof) will be entitled to a fee equal to 1% per annum of the total amount of such guarantee, payable monthly. See Item 2.7 – Material Agreements for a summary of the fees payable to the Administrator. See Item 3.1– Compensation Securities Held.
- (8) The Limited Partnership reserves the right to retain agents to, and/or pay persons who effect sales of the Offered Units comprising the Class D LP Units and Class W LP Units, in which case, subject to applicable securities legislation. The Limited Partnership expects to pay selling commissions and fees on the Class D LP Units as follows: an up front commission of up to 4.5% of the principal amount of a Subscriber's investment; and a trailer fee equal to 0.75% of the principal amount of a Subscriber's investment per annum, paid quarterly, for so long as the Subscriber remains a holder of Class D LP Unit. The Limited Partnership expects to pay selling commissions and fees on the Class W LP Units as follows: an up front commission of up to 5.5% of the principal amount of a Subscriber's investment. No trailing commission will be paid on Class W LP Units. See Item 9 – Compensation Paid to Sellers and Finders.

1.4 Proceeds Transferred to Other Issuers

The amounts set out herein are estimates only and will be reallocated within the above categories as needed. The Trust and the Limited Partnership intend to spend the available funds as stated herein and will reallocate funds only for sound business reasons related to the purposes of the Trust and the business of the Limited Partnership set out herein and in accordance with the LP Agreement. Reallocation of funds for any purpose not contemplated in this Offering Memorandum will require the unanimous prior approval of the Independent Review Committee to the General Partner and Administrator and, to the extent changes to the Trust Indenture or the LP Agreement are required that may not be made solely by the Trustees or General Partner on behalf of the Limited Partnership, in each case as applicable will require prior approval by a vote of the applicable Trust Unitholders or LP Unitholders, respectively. Further, any proposed use of the funds raised by this Offering which could reasonably be considered materially different than the articulated use of proceeds set out herein or which is for a purpose not contemplated in this Offering Memorandum shall be disclosed to the Independent Review Committee for consideration and prior approval or for a vote of the Trust Unit or LP Unitholders respectively. See Item 2.2 – Our Business and Development of the Business, Item 2.7 – Material Agreements and Item 3.3 – Conflict of Interest and Independent Review Committee.

ITEM 2 BUSINESS OF THE TRUST AND THE LIMITED PARTNERSHIP

2.1 Structure of the Trust and Limited Partnership

2.1.1 The Trust and the Limited Partnership

The Trust

The Trust is an unincorporated open-ended investment trust governed by the laws of the Province of Ontario and the Trust Indenture. Michele McCarthy, Ian Stewart, and Darrell Ashby are the Trustees of the Trust. The Trust was structured with the purpose of offering Units for sale to investors and to invest the net proceeds of the Offering and the Previous Offerings in the Limited Partnership, after payment of expenses associated with the Offering. The Trust is working with registered dealers that will sell Offered Units under the Offering and will be entitled to certain fees and commissions. See Item 9 – Compensation Paid to Sellers and Finders. The Trust was established on May 26, 2020.

The Trust Units have *inter alia* the rights and privileges described in Item 5– Securities Offered.

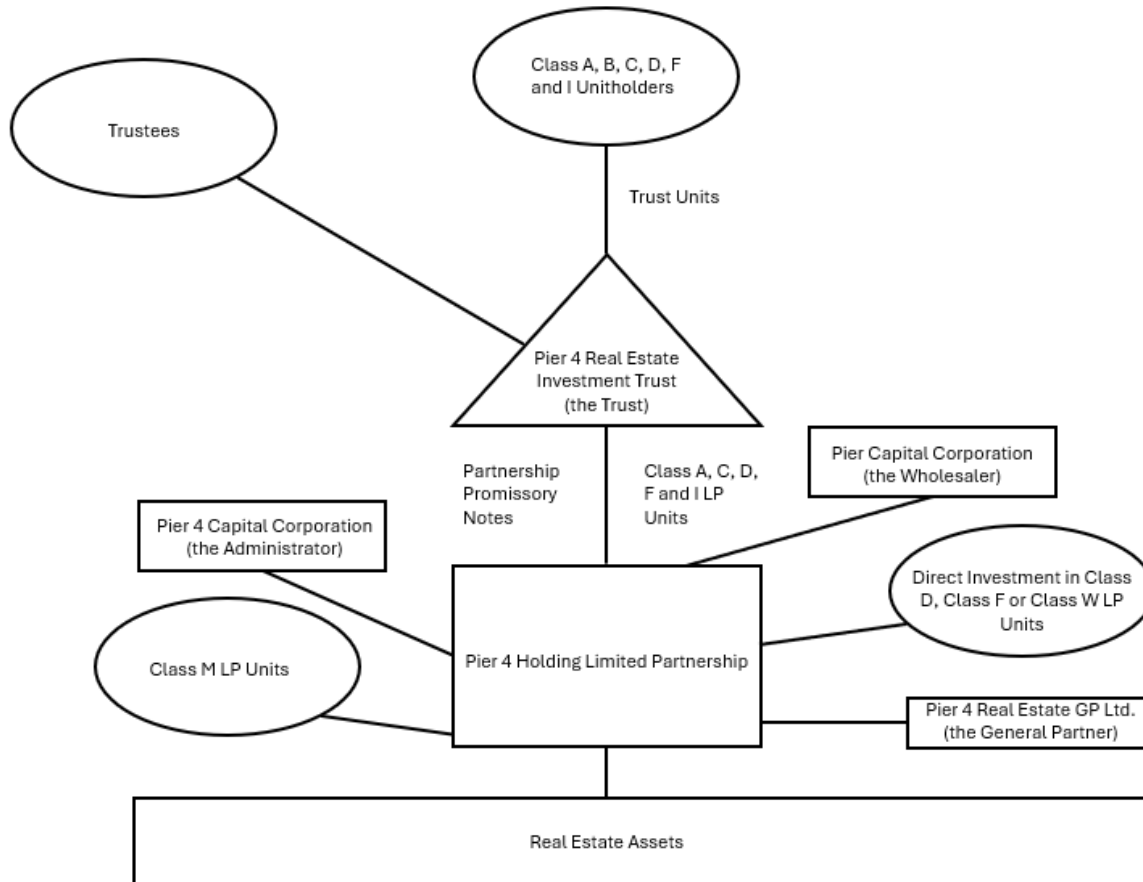
As of the date of this Offering Memorandum the Trust has issued 6,411,145.5643 Class A Trust Units, 26,386.0000 Class B Trust Units, 1,825,248.5425 Class C Trust Units, Nil Class D Trust Units, 583,526.3653 Class F Trust Units and Nil Class I Trust Units to subscribers under the Previous Offerings from gross proceeds of \$120,544,849.83.

The Limited Partnership

As of the date of this Offering Memorandum, the Trust (holding Class A LP Units, Class C LP Units, Class D LP Units, Class F LP Units, Class I LP Units and Class W LP Units) and members of the Ashby family (holding Class M LP Units), along with all direct investors in Class D, Class F and Class W LP Units, are the limited partners of the Limited Partnership. The General Partner is the sole general partner of the Limited Partnership. A copy of the LP Agreement, a review of which is recommended to Subscribers, is available for review at the offices of the Trust or by written email request to invest@pier4reit.com.

Diagram of Organizational Structure

The following diagram illustrates the organizational structure of the Issuers:



2.1.2 The General Partner

The General Partner was incorporated under the OBCA on May 4, 2020 under the name “Pier 4 Real Estate GP Ltd.” with a registered office at 699 Balliol Street, Suite 100, Toronto, Ontario M4S 1E6. The General Partner was appointed as general partner of the Limited Partnership to manage the business and affairs of the Limited Partnership. Pursuant to the terms of the LP Agreement, the General Partner will not engage in any business other than acting as General Partner of the Limited Partnership and will have the Limited Partnership’s interest in the land underlying the Properties registered in its name, in accordance with the *Land Titles Act* (Ontario) (and other applicable land titles legislation), holding such interest on behalf of the Limited Partnership.

The General Partner will allocate fees, costs and expenses as between operational expenses of the business of the Limited Partnership, to be borne by the Limited Partnership, on the one hand (“**Operating Expenses**”), and management and administrative expenses, to be borne by the General Partner and Administrator, on the other hand (“**Management Expenses**”).

- **Operating Expenses:** Operating Expenses will include, but shall not necessarily be limited to, the following: costs and expenses necessarily incurred in the operation of the business of the Limited Partnership and the General Partner, including all costs and expenses that are directly linked to the specific operation on the Limited Partnership and the General Partner (see Item 2.5 – Short-

Term Objectives), the general administrative costs directly associated with the business of the Limited Partnership and the General Partner and professional and consulting fees such as legal, accounting, audit, appraisal, property maintenance, property management, capital expenses required to maintain the Properties, land use and planning directly associated and necessarily incurred in the operations of the Limited Partnership and the General Partner, fees and insurance, as applicable for the directors and officers of the General Partner (including the members of the Independent Review Committee) and applicable commissions, expenses and fees payable on any sale of the Properties. Management will accrue offering costs over time, and management expenses may accrue at management's discretion until sufficient level of cash flow is achieved. Operating expenses may also include: valuation expenses, reasonable travel expenses, expenses associated with preparing financial statements, tax and reporting returns, taxes and other government charges levied against the Limited Partnership and the General Partner, insurance, and litigation (and damages) expenses, in all cases, directly related to and necessarily incurred in the operations of the Limited Partnership and the General Partner. No third-party fees shall be charged to the Limited Partnership to the extent such fees relate to services required to be provided by the General Partner and Administrator to the Limited Partnership.

- **Management Expenses:** Management Expenses will include, but shall not necessarily be limited to, the following: costs and expenses necessarily incurred by the General Partner and the Administrator and which can be directly linked to management and administrative functions, salaries and compensation, rent (unless or until the Limited Partnership needs separate office space in which case this could partially become an Operating Expense), professional and consulting fees such as legal, audit, and accounting specifically related to the activities of the Administrator, a reasonable proportion of general administrative costs associated with the Administrator and corporate overhead (see Item 2.5 – Short-Term Objectives). Management Expenses shall be paid out of the receipt of the management fee from the Limited Partnership (the “**Management Fee**”), which Management Fee shall be an annual fee equivalent to 2% of the total Capital Contributions for the fiscal year, as determined by the board of directors of the Administrator on a quarterly basis, and is payable monthly in arrears. For clarity, the Management Fee will be earned in connection with the issuance of all Trust Units and will not exceed 2%. See Item 2.7– Material Agreements.

If applicable, the Administrator shall also be entitled to the Acquisition Fee, the Disposition Fee and the Guarantee Fee from the Limited Partnership. See Item 2.7 – Material Agreements. The Administrator may also be entitled to periodic profit share incentives, if available. Such profit share incentives, being the Management Carried Interest, shall be an amount payable by the Limited Partnership to the Administrator equal the Management Carried Interest after payments of distributions to: (i) all holders of Class A Trust Units of an amount equal to a cumulative 8% of Net Asset Value per annum; (ii) to all holders of Class B Trust Units of an amount equal to a cumulative 7% of Net Asset Value per annum; (iii) to all holders of Class A LP Units of an amount equal to a cumulative 8% of Net Asset Value per annum; (iv) all holders of Class C Trust Units of an amount equal to a cumulative 8% of Unit Price per annum; (v) all holders of Class D Trust Units of an amount equal to a cumulative 8% of Net Asset Value per annum; (vi) all holders of Class F Trust Units of an amount equal to a cumulative 8% of Net Asset Value per annum; (vii) all holders of Class C LP units of an amount equal to a cumulative 8% of Unit Price per annum; (viii) all holders of Class F LP Units of an amount equal to a cumulative 8% of Net Asset Value per annum; (ix) all holders of Class I LP Units of an amount equal to a cumulative 8% of Net Asset Value per annum (x) to all holders of Class D LP Units an amount equal to a cumulative 8% of Net Asset Value per annum; (xi) to all holders of Class W LP Units an amount equal to a cumulative 8% of Net Asset Value per annum; and (xii) to all holders of Class M LP Units an amount equal to a cumulative 8% of Net Asset Value per annum, in each case multiplied by the total aggregate capital contributions of the issued and outstanding Trust Units and/or LP Units, less the aggregate capital returned by the Trust and/or Limited Partnership in respect of the outstanding Trust Units and/or LP Units, as applicable, prior to such time, in accordance with the distribution policy of the Limited Partnership and the Trust. See Item 5.2– Distribution Policy.

The General Partner will oversee and administer the Limited Partnership's investment in any Properties and other assets acquired by the Limited Partnership as well as the development on any such lands; however, pursuant to the terms of the LP Agreement, the General Partner may delegate its duties to any related or non-related third party in this regard. In accordance with this delegation of authority in the LP Agreement and pursuant to the Administration and Management Agreement, the General Partner has delegated its management of the Limited Partnership to the Administrator.

2.1.3 The Administrator

The Administrator, Pier 4 Capital Corporation, has entered into the Administration Agreement with the Trust and the General Partner, on behalf of the Limited Partnership, for the purpose of managing the business and affairs of both the Trust and the Limited Partnership (for and on behalf of the General Partner). The delegation of the General Partner's duties pursuant to the Administration Agreement will include, but not be limited to, overseeing and administering the Limited Partnership's investment in the Properties and any other lands and other assets acquired by the Limited Partnership and the development on any such lands and other assets. The Administrator will be entitled to the Management Fee pursuant to the terms of the Administration Agreement, payable by the General Partner upon receipt of the Management Fee from the Limited Partnership. The Administrator is also entitled to the Management Carried Interest, if applicable. The Administrator is indirectly owned and controlled by Darrell Ashby, Adam Ashby, and Michael Ashby.

Pier 4 Real Estate GP Ltd. is indirectly owned and controlled by Darrell Ashby, Adam Ashby and Michael Ashby through their respective holding company Pier 4 Limited. See Item 2.7– Material Agreements. Pier 4 Real Estate GP Ltd. has been operating since 2020. The Administrator is staffed with the following executives, Darrell Ashby, Adam Ashby and Michael Ashby.

Past Experience of the Administrator

Pier 4 Capital Corporation is indirectly owned and controlled by Darrell Ashby, Adam Ashby and Michael Ashby and has been operating since 2020. The Administrator is staffed with the following executives:

Darrell Ashby	Darrell Ashby is the Chairman and co-founder of the Pier 4 group of entities. Since 1985, Mr. Ashby has been an owner and manager of investment real estate. Mr. Ashby's portfolio started with single family homes and moved to larger apartment buildings across Canada and the United States of America. Mr. Ashby is a member of the Great Toronto Apartment Association and the Federation of Rental-Housing Providers of Ontario.
Adam Ashby, BA	Adam Ashby is the Chief Executive Officer and co-founder of the Pier 4 group of entities. Mr. Ashby held various positions in commodities trading industry, property management and in Private Equity investments. Adam holds an Economics degree from the University of Western.
Michael Ashby, BA, MA	Michael Ashby is the Chief Financial Officer and co-founder of the Pier 4 group of entities. Mr. Ashby held various positions for both public and private real estate funds and other lending institutions. Mr. Ashby holds an Honours Economics degree from Wilfrid Laurier as well as a Masters of Economics from the University of Ottawa.

History of Pier 4 Real Estate Investment Trust

In 1981, while attending university, Darrell Ashby started working in the multi family space as a general contractor. He worked for some of the largest landlords in the Greater Toronto Area during that time. Darrell would renovate corridors, suites, and the exteriors of buildings. After quickly learning what these capital improvements do for the overall nature of the building, he soon realized that by owning his own properties and applying the same principles, he could create an opportunity and profit from real estate. Darrell started by buying his first rental property in 1985 located in Scarborough, Ontario. Darrell replicated the same framework that he used for the bigger buildings for his clients, and applied them to his real estate and sold them for profit. Once becoming more comfortable in the multi family space, Darrell began acquiring larger properties throughout the late 1990s and early 2000s. He was able to reposition these assets because of his expertise in the industry and aligning himself with strategic partners which allowed him to do renovations at below market cost. Darrell applied the same core values, which has resulted in owning and managing over 20 million dollars in real estate today. After grasping an understanding for the multi residential real estate industry and seeing Darrell's success, Adam and Michael became involved and were part of several acquisitions in southern Ontario and eastern Canada. Adam and Michael helped with the economic analysis of particular areas, which lead to the expansion of the portfolio and targeting strong subordinate markets to buy in. Through the continued growth of the portfolio, Adam, Darrell, and Michael Ashby decided to start the Trust.

2.2 Our Business and Development of the Business

2.2.1 Business of the Trust and Limited Partnership

The Trust is an unincorporated open-end investment trust created by a Trust Indenture made as of May 26, 2020, governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein. See Item 2.7– Material Agreements – Trust Indenture.

The objectives of the Trust through the Limited Partnership are:

- (a) to provide Trust Unitholders with stable and growing cash distributions and, to the extent reasonably possible, tax deferred, from investments in a diversified portfolio of income-producing multi-family residential properties located in Canada; and
- (b) to maximize the value of Trust Units through the ongoing management of the Trust's assets, through the future acquisition, repositioning and disposition of properties.

The trustees of the Trust (the "**Trustees**") are responsible for the general control and direction of the Trust. The day-to-day management of the Trust is carried out by the Administrator, the Properties are managed by the property manager under the direction of the Administrator. Lease documentation services and leasing services are also provided by a property manager.

The business purpose of the Trust, through its acquisition of Class A LP Units, Class C LP Units, Class F LP Units, Class I LP Units, Class D LP Units, Class W LP Units, and previously the Partnership Promissory Notes pursuant to the Previous Offerings, is to facilitate the maintenance and operation of the Properties, as well as acquire future Properties from time to time. The Trust intends to invest the net proceeds from the Offering and the Previous Offerings, after retaining amounts for expenses associated with the Offering from the sale of the Offered Units comprising the Trust Units and Previous Offerings, (see Item 1.2 – Use of Total Available Trust Funds) in the Limited Partnership to provide sufficient working capital to acquire, maintain, and operate the Properties.

In addition to the maintenance and operation of the Properties through the investment in the Limited Partnership, the Trustees' intention is to continuously monitor the Trust's portfolio of businesses and assets, and to undertake future acquisitions and divestitures, through the Limited Partnership or otherwise, if such acquisitions and divestitures are deemed beneficial or accretive to Trust Unitholders and as permitted under the Trust Indenture. The Trustees will reallocate funds only for sound business reasons and, in such instance, only with the approval of the Independent Review Committee and, in certain circumstances, with the approval of the holders of Offered Units. See Item 3.3 – Conflict of Interest and Independent Review Committee.

Investment Objectives

The investment objectives of the Trust are to:

- (a) protect Trust Unitholder capital and mitigate risk associated with the business objectives;
- (b) generate sufficient returns to enable the Trust to pay the target distribution of 8% of Net Asset Value per annum on the Class A Trust Units;
- (c) generate sufficient returns to enable the Trust to pay the target distribution of 8% of Unit Price per annum on the Class C Trust Units;
- (e) generate sufficient returns to enable the Trust to pay the target distribution of 8% of Net Asset Value per annum on the Class D Trust Units;
- (f) generate sufficient returns to enable the Trust to pay the target distribution of 8% of Net Asset Value per annum on the Class F Trust Units;
- (g) generate sufficient returns to enable the trust to pay the target distribution of 7% of Net Asset Value per annum on the Class B Trust Units; and
- (h) generate sufficient returns to enable the trust to pay the target distribution of 8% of Net Asset Value per annum on the Class I Trust Units; and
- (i) generate long-term capital growth, such that holders of Class A Trust Units, Class C Trust Units, Class D Trust Units, Class F Trust Units, and Class I Trust Units achieve a total target return of 12-15%.

These are the Trust's objectives only and do not represent forward-looking information. There can be no guarantee that the business purpose or investment objectives will be met. This is a risky investment. For forward-looking information please see pages vi-vii. Please also see Item 10 – Risk Factors. **The above rates are targets only. There is no guarantee that the Trust will meet its target distribution or return rates. The Trust may not make any distributions at all. Subscribers could lose their entire investment in the Trust. Investors could lose their entire investment in the Trust. Potential Subscribers should read this Offering Memorandum carefully before making any investment decisions.**

2.2.2 Business of the Limited Partnership and the General Partner

The business purpose of the Limited Partnership is to utilize the net available funds (see Item 1.3 – Use of Available Funds by the Limited Partnership) received from the Offering to assist with the acquisition, maintenance, and operation of the Properties. The General Partner is charged with the responsibility for overseeing the day-to-day operation of the Limited Partnership.

The General Partner has been incorporated for the purpose of managing the business and affairs of the Limited Partnership and does not have a record of achievement to be relied upon. The General Partner has entered into the Administration and Management Agreement with the Administrator to oversee the day-to-day operations of the Limited Partnership. **The past performance of other real estate investments, other private equity investments, and other executive roles held by members of the General Partner and its affiliates, and the Administrator and its affiliates, may not be indicative of the performance that the Limited Partnership will achieve. See Item 2.1.3– The Administrator and Item 10 – Risk Factors.**

2.2.3 Property Acquisition Strategy

The business of the Limited Partnership is to maximize the value of the Limited Partnership through the acquisition of a diverse portfolio of multi-family residential properties in Canada.

The overall investment strategy of the Limited Partnership is described in further detail below.

Business Strategy

The Administrator has experience in aspects of the multi-family residential real estate business, including acquisitions and dispositions, property management, construction and leasehold improvements, marketing and sales, and finance and administration. Of these skills, the most noteworthy skillset of the Administrator is its experience in acquiring attractive assets (see Item 2.1.3 – The Administrator). The Administrator's focus and expertise in finding such attractive assets will allow the Limited Partnership to capitalize on opportunities that may not be available to other real estate investors. The Administrator expects more of these opportunities to arise, as it regularly monitors the status of assets throughout Canada.

The Trust and holders of the LP Units, through their ownership of the Limited Partnership, seek to own and manage multiple multi-family residential facilities creating a diversified portfolio. The Administrator may engage a third-party property manager to oversee day-to-day management of the Properties and to find various high-quality tenants to lease these properties with staggered lease terms. The objective of

the Administrator, through the property manager is to obtain long-term lease agreements as well as long-term mortgages on these Properties and provide investors with regular income streams and long-term capital appreciation. Through the ownership of LP Units, investors can indirectly benefit from the income produced through real estate investments held by the Limited Partnership without buying or financing the property themselves.

The business objectives of the Trust, through the Limited Partnership, is as follows:

1. **Strategic Acquisition of Attractive Multi-family Residential Properties:** The focus is on locating and acquiring future Properties that are desirable additions to the portfolio of the Limited Partnership and that are able to generate potential returns through stable cash flow and/or long-term capital appreciation. Specifically, the focus of the Limited Partnership is to seek undermanaged assets that present value-add opportunities which allow for potential increases in the net operating income, through common area and in-suite capital improvements, which will ultimately appreciate the rental value of the Properties. Please refer to Item 2.1.3 – The Administrator for a summary of the Administrator’s prior property acquisition experience.

While the focus is on directly acquiring existing multi-family residential properties, the method of acquiring such properties may also include the acquisition of the equity in other legal entities (including, without limitation, trusts, partnerships, corporations and/or joint ventures) which own a portfolio of such properties. In addition, the Limited Partnership may also acquire, directly or indirectly, a portfolio of properties, a portion of which may not be multi-family residential in nature. To the extent that this occurs, the intention of the Limited Partnership would be to subsequently divest any properties that are not multi-family residential properties so acquired and for greater certainty, the intention of the Limited Partnership is to not enter into any arm’s length transactions with any third parties for any investment purposes.

2. **Re-Financing:** To the extent necessary, the financial arrangements of such future Properties will be structured using mortgage financing and, where appropriate, refinancing the equity of such properties to finance additional acquisitions and thereby adding to the capital appreciation. Additional refinancing activities may take place from time to time.
3. **Standard Refurbishment:** As future Properties are acquired, the intent will be to refurbish all of the rental units to the same standard and to renovate the Properties so that they each resemble a similar design across the portfolio with the aim of allowing the Limited Partnership to have lower renovation costs and to remain distinct from its competitors. During the due diligence period, the Administrator uses its own experience to inspect the properties under consideration. When required, the Administrator calls upon various tradespeople to inspect and report on systems that they specialize in. The Administrator suggests and supervises upgrades and investments in the buildings that the Administrator believes will be potentially accretive to the portfolio and will be undertaken with price and efficiency taken into consideration. The experience of the Administrator is utilized to employ non-quantitative improvements that will also add value to the portfolio through enhancement of the property value and/or revenue stream. Where engineering reports are required by the lending institutions, the Administrator will retain qualified firms to assess the building condition and make recommendations.
4. **Management of Properties:** The Administrator, through a property manager, provides property management services in order to provide consistent and high-level property management across the portfolio of Properties, and thereby maximize the rental rates and the value of the portfolio.

Management believes that acquiring attractive assets and rehabilitating the properties to generate stable cash flows will translate into capital appreciation for investors.

Debt Financing

A portion of the purchase of the future Properties will be by way of mortgage financing from conventional lending institutions. Interest-only debt and short-term floating rate loans will be used under appropriate circumstances; provided, however, that the maximum debt incurred by the Limited Partnership will not exceed 80% of the loan-to-value of all of the Properties in the aggregate and of 85% of the loan-to-value of any individual property. The Limited Partnership intends to use the current favourable debt and interest rates to manage its overall financial leverage in order to maximize its return on equity by reducing the business’ weighted average cost of capital.

Sale of Properties

While the intention of the General Partner is to continue to maintain and operate the Properties as described in this Offering Memorandum, the General Partner reserves the right to: (a) develop the Properties as it sees fit given the market environment at the time; and (b) sell the Properties at any time if it deems that doing so is in the best interest of the Limited Partnership and the Trust. Additionally, the General Partner may, at its discretion and without notice to the Limited Partners, reallocate cash flows from the Limited Partnership’s assets to alternative near-cash short-term investment vehicles. See Item 2.4 – Long-Term Objectives and Item 10 – Risk Factors.

2.2.4 Property Management

The Administrator, on behalf of the Limited Partnership, engages one or more property management companies to manage its Properties. The Administrator may, in its discretion, engage a related party to the Administrator and General Partner, to provide property management services with respect to one or more of the Properties, including Pier 4 Residential, a property management company beneficially owned by Michael Ashby, Darrell Ashby, and Adam Ashby, subject to the unanimous written approval of the Independent Review Committee. Fees paid

to such a party will be at industry standard management rates. The property manager is entitled to receive property management fees equal to 5.0% of the Gross Revenue collected from the Properties plus applicable.

The Limited Partnership has engaged Pier 4 Residential to act as the property manager of the properties in Ontario. Darrell, Adam, and Michael Ashby own all shares of Pier 4 Residential. Pier 4 Residential is responsible for all necessary services for the operation and management of properties that it manages. Pier 4 Residential is paid 5.0% of gross rents collected from the properties plus applicable taxes. The property management agreement has a one-year term with automatic renewals until termination by any party given 90 days' notice.

2.2.5 Market Assessment

The materials included in this Item 2.2.5 are intended to provide investors with a general overview of the multi-family residential real estate market in various jurisdictions within Canada as at the date of this Offering Memorandum.

The Trust cannot guarantee that the Properties, any future Properties, or the results of the Trust will match, or be reflective of, the information included in this Item 2.2.5 and the Trust does not undertake, except as required by applicable laws, any obligation to update or to revise any statements (including any forward-looking statements) in this Item 2.2.5, whether as a result of new information, future events, or otherwise.

Ontario

In 2025, the multifamily rental market in southern Ontario showed modest rent growth amid rising vacancy rates. Key markets such as Kitchener-Waterloo, London, St. Catharines-Niagara and the Greater Toronto Area experienced varied pressures from new supply and demand shifts in the market. Rent growth slowed significantly across Ontario in 2025, falling below the national average as supply outpaced demand. Overall, two-bedroom rents rose moderately by approximately 5.1% nationwide, with Ontario aligning closer to this amongst regional variations. For instance, Toronto saw declines of 2–8% year-over-year, while areas like Niagara Falls posted gains of 5.3%.¹

The supply pipeline in 2025 was robust, with multiple new purpose-built projects delivering units across Southwestern Ontario. While this supply eased vacancy pressures, it also increased competition, particularly in London and Kitchener, where rents in newer developments were at a premium compared to older stock. New apartment rental stock totalled 42,019 units across all of Ontario, with the GTA adding 18,986 of these units. The greater regions of Hamilton, Kitchener, London, and St Catharines combined for a total of 9,738 new rental units.²

Looking forward into 2026, demand is expected to remain stable, supported by steady population growth and interprovincial migration. The Ontario government has capped rental increases at 2.1% for 2026, with the goal of protecting tenants and keeping costs down across the province.³ Operators should prepare for slower rent growth in Southwestern Ontario, with some submarkets potentially experiencing flat or slightly negative rent adjustments in older buildings due to competition from new developments.

Key strategies for Ontario operators in 2026 include:

- **Value-Add and Operational Efficiencies:** Upgrading units, enhancing amenities, and improving tenant retention can protect rent levels even if market growth is limited.
- **Targeting Migration Trends:** Marketing toward tenants relocating from Toronto and the Golden Horseshoe remains critical, especially in London, Kitchener, and Hamilton.
- **Portfolio Diversification:** Maintaining a mix of unit types (1–3 bedrooms) to capture different renter cohorts can mitigate localized rent softness.
- **Monitoring Vacancy:** Anticipate slightly higher vacancies in newly supplied areas and adjust leasing strategies accordingly.

¹ Canada Mortgage and Housing Corporation 2025 Rental Market Report – Major Centres. Canada Mortgage and Housing Corporation, 11 Dec. 2025, <https://www.cmhc-schl.gc.ca/professionals/housing-markets-data-and-research/market-reports/rental-market-reports-major-centres>

² Canada Mortgage and Housing Corporation. *Housing Market Information Portal – Canada Profile*. Canada Mortgage and Housing Corporation, <https://www03.cmhc-schl.gc.ca/hmip-pimh/en#Profile/1/1/Canada>

³ Government of Ontario. "Ontario Capping Rent Increases at the Rate of Inflation." *News Release*, 30 June 2025, <https://news.ontario.ca/en/release/1006132/ontario-capping-rent-increases-at-the-rate-of-inflation>.

New Brunswick

New Brunswick's rental market expanded mildly in 2025, with vacancy rates around 2.0%, indicating tight conditions relative to historical norms. Purpose-built supply increased in urban centres such as Moncton and Fredericton, helping partially relieve pressure.⁴ Rent growth was conservative overall, though some short-term fluctuations occurred in response to supply deliveries and seasonal demand trends. Since 2025, the Government of New Brunswick has capped the annual rent increase to 3%; this has helped in maintaining stabilized rents given current circumstances for tenants in terms of affordability.⁵ It is also key to note that the Government of New Brunswick introduced an HST rebate for new rental property starts through to 2027.⁶ This will likely attract developers into the area, increasing the overall rental supply in the area.

Demand in 2026 is expected to remain robust, supported by interprovincial migration and employer-driven labour needs. Operators should focus on:

- **Flexible Pricing Strategies:** Adjusting rents for new leases versus renewals to balance competitiveness with revenue.
- **Turnover Management:** Retaining tenants longer to avoid revenue loss in tight, but slightly more competitive, markets.
- **Supply Monitoring:** Tracking planned new construction in Moncton and Fredericton to anticipate potential rent pressure.

Nova Scotia

Nova Scotia's rental market remained tight in 2025, with vacancy around 2.7%, particularly in Halifax. Demand from students, young professionals, and interprovincial migrants supported rent growth, while the provincial rent cap of 5% for annual increases influenced pricing.⁷ During 2025, rent in Nova Scotia continued to increase at a faster rate than the national average. The average increase in rent in Nova Scotia was 6.7% in 2025, compared to the 5.1% national average. New tenants saw on average increase of 23%, compared to the 5% legislative allowable increase in Nova Scotia. Meanwhile, existing tenants experienced average rent growth of 4%. This follows from Nova Scotia's rent cap being 5% - landlords find it beneficial to maximise the allowed annual increase - resulting in non-turnover rents rising sharply. Overall, tenant turnover decreased suggesting lower mobility among renters. This trend was primarily due to the large rent differentials were turned over units had an average 23% higher rents. This gap between turned over and non-turnover units created a strong financial incentive for tenants to remain in place, resulting in lower turnover rates. On the other hand, these also incentivised landlords to increase turnover.⁸

Purpose-built rentals held an 81% share of Halifax's housing starts in 2025, with over 13,000 units under construction by October 2025 and 276 completions in that month alone. This influx of new starts represents a 32% increase compared to the year previous, highlighting the robustness of housing starts in the area.⁹

Operators should expect continued high demand but limited rent growth due to policy constraints, increased housing starts, and slower population momentum.

⁴ MUPM . "New Brunswick Apartment Rentals." MUPM Blog, <https://www.mupm.ca/blog/new-brunswick-apartment-rentals>

⁵ Government of New Brunswick. "Rent Increases." Government of New Brunswick, www.gnb.ca/en/topic/family-home-community/housing-property/increase.html

⁶ Government of New Brunswick. "HST Rebate for Rental Housing." Government of New Brunswick, www.gnb.ca/en/topic/family-home-community/housing-property/hst-rebate-rental-housing.html.

⁷ N., Kelvin. "Halifax Rental Market 2025: Supply Growth, Rising Vacancies, Rents, and Policy Lessons." *LinkedIn*, 11 Dec. 2025, www.linkedin.com/pulse/halifax-rental-market-2025-supply-growth-rising-vacancies-ndoro-okpse/

⁸ CTV News Atlantic. "Nova Scotia Rent Increasing Faster Than National Average Despite Rising Vacancy: Report." 11 Dec. 2025, <https://www.ctvnews.ca/atlantic/nova-scotia/article/nova-scotia-rent-increasing-faster-than-national-average-despite-rising-vacancy-report>

⁹ CBC News. "Halifax Housing Starts 2025." 9 Oct. 2025, <https://www.cbc.ca/news/canada/nova-scotia/halifax-housing-starts-2025-october-9.6994899>

Focus areas include:

- **Maximizing Turnover Rents:** Especially for new leases, which can capture premium rates over the 5% cap.
- **Targeted Marketing:** Attracting high-demand cohorts (students and professionals) in Halifax and surrounding areas.
- **Property Upgrades:** Enhancing unit quality and amenities to justify higher turnover rents despite rent caps.

Key Themes Across Canada

Vacancy Rates: Rising but still tight across most markets. National purpose-built rental vacancy rates were at 3.1% in 2025 up from 2.1% in 2024, reflecting high delivery of new units.

Rent Growth Moderation: Overall rent growth slowed from 2024 highs, and operators must be prepared for flat or negative growth in some secondary markets. Turnover rents are the main avenue for incremental increases.

Supply Pipeline: Construction remains at multi-decade highs, particularly in Ontario and Atlantic provinces, creating more competitive dynamics for older stock.

Operator Focus: Value-add improvements, operational efficiency, tenant retention, and market segmentation strategies will be critical to protect revenue and occupancy in 2026.¹⁰

Analyzing Multi-Family Residential Real Estate

Common characteristics of multi-family residential properties include:

Lease Term

Lease terms in multi-family assets are generally one year. Lease terms strategies that the Administrator uses are dependent on each market and can differ with economic conditions and rental controls that are associated with the provinces of Canada. In markets that are restricted by rent controls, short term leases allow the Administrator to actively adjust rental rates to market values upon rental unit turnover. Further, the Limited Partnership can implement capital improvements to the unit in order to allow for higher rental rates and employ expense saving efficiencies to lower unit expense costs. Longer lease terms in rental controlled markets increase the Limited Partnership's economic risk due to lost rental revenue from leases that are below the industry average and increase the capital improvements costs upon turnover of the rental unit. Many markets in Canada do not have rental controls which allows the Limited Partnership to increase the rent at any rate after giving the tenants the legal rental rate increase notice. In such markets that have limited or no rental controls, longer lease terms would be beneficial as the economic risk associated with loss of rental income from rents being below market value is low due to the ability to increase the rents at any point of the lease period. Longer term leases would allow for less vacancy loss while still being able to increase rental rates at any point of the lease.

Stability & Volatility

Multi-family real estate can be seen as a counter cyclical, resilient investment even in bear markets. The property can mitigate economic decline by being able to generate positive cashflow through stable rental demand and low vacancy rates. Revenue generated by multiple units versus, for instance, a single-family or condominium asset, reduces the risk of vacancy and rental losses which produces more stable cashflows. By implementing capital improvements to a property through operational efficiencies or ancillary revenue strategies, the amount of cashflow the property produces may be increased which could further increase the valuation of the asset. Multi-family real estate is not closely correlated with public financial markets, which include stocks and bonds. Asset prices of multi-family properties are not transacted daily and are not vulnerable to abrupt bouts of volatility. When bear markets or recessionary times approach, multi-family assets provide investors stability and mitigate volatility through continued appreciation, lease growth rate, stable demand for rental units (construction of

¹⁰ Canada Mortgage and Housing Corporation. *2025 Rental Market Report – Major Centres*. Canada Mortgage and Housing Corporation, 11 Dec. 2025, <https://www.cmhc-schl.gc.ca/professionals/housing-markets-data-and-research/market-reports/rental-market-reports-major-centres>

rental units usually halts in recessions or times of economic uncertainty), and strong cashflow and lower interest rates (increasing the purchasing power of the Trust).^{11 12}

Key Performance Indicators of Multi-family Real Estate

There are many economic and real estate metrics that the Administrator examines for multi-family properties. The economic factors include, strong labour markets, growing population, median income, and the demographics of each market. Strong labour markets include low unemployment rates, changes year-over-year in the labour force, types of employment opportunities that are situated in each market, and the political party in that region. Population growth through international immigration and intranational migration can show the behavioral economic patterns of individuals, as well as the federal government's immigration plan. Median income shows the amount of income that households earn in a year. Using this information, the Administrator can determine where there are housing affordability issues and project rental rates, rental supply, and rental demand. Demographics of households can assist in determining whether the region is a strong rental market and individual preferences associated with renting residential units. The real estate metrics include cap rates, per door costs, vacancy rates, and net operating income. Cap rates are used to value properties; by tracking the cap rates, the Administrator can see what areas are increasing in value and what areas are attractive investment opportunities. Per door cost is a metric that takes the value of the property divided by the number of doors. This metric is employed when doing analysis on purchasing power in each region through economies of scale. Vacancy rates and net operating income are important metrics that determine the annual income and value of each property. Markets that have low vacancy rates generally means that there is a lack of rental supply and the rental units have high demand. The net operating income generates the value of the property and can present the Limited Partnership with opportunities to purchase mismanaged assets.

Marketing and Business Strategy for Pier 4 Multi-family Properties

The Administrator aims to provide value-added services designed to contribute additional sources of revenue and overall increases in brand equity and recognition surpassing what most multi-family asset ownership groups provide. These services may include: parcel lockers, communication service package, Zip Car, and short-term micro loans to assist tenants with their rent payments, as set out below.

- (a) The parcel lockers will offer tenants a secure, locked space for parcels to be delivered when they're not home.
- (b) Communication services may include cable, internet, cellular and telephone packages.
- (c) "Zip Car" is a car sharing service that would rent out a parking space at the property and would allow tenants to have access to a vehicle if they need.
- (d) Short-term micro loans may be offered through a third-party company that provides tenants loans to pay their rents during unforeseen shortfalls in their income levels.
- (e) Machine-learning ad engine that provides exclusive offers from partners through Smart lock and access control technology "Grata".
- (f) Laundry ancillary revenue collection through "Sparkle Solutions" and "Coin-o-matic".

The Administrator has proposed to generate additional levels of brand equity and recognition through the application of standardized renovations to the properties. Standardized renovations can elevate the level of accommodation and command a higher rental rate. Through improved living spaces for prospective tenants, the projected result is brand recognition between properties for the elevated market presence, transforming these properties into powerful marketing tools. Furthermore, due to the standardized nature of the renovations being applied to acquired properties, there will be opportunities for economics of scale through procurement of materials as well as agreements with construction contractors.

The key facet of the business plan is to aim to purchase underperforming assets in key strong urban markets and subsequently maximize the net operating income of the property. This will be done through in-house property management expertise, value-added renovations, and unique tenant service offerings. In this manner, the Limited Partnership will be able to increase rents materially above pre-acquisition levels while enjoying competitive booked valuations. Advantageous terms of refinance may be available for these properties due to the anticipated improved performance of an asset following its addition to the Limited Partnership's portfolio. However, there is no assurance that such

¹¹ Jones, L. (2018, August 5). How Does Stock Market Volatility Affect Multifamily Real Estate Investment? Retrieved from <https://www.lloydjonesllc.com/blogs/how-does-stock-market-volatility-affect-multifamily-real-estate-investment-2-2/>

¹² Anderson, R., McLemore, R., Conner, P., & Liang, Y. (2003). Portfolio Implications of Apartment Investing. *American Real Estate Society*, 25(2). Retrieved from <https://www.jstor.org/stable/24887653?seq=1>

refinancing will be available. This in turn provides the Limited Partnership with possible additional capital to fuel further accretive acquisitions or pay distributions to holders of LP Units, including the Trust.

Conclusion

Certain multi-family real estate assets may have strong, stable, and reliable returns which make them an attractive investment. Through the diversification of geographical location, the Administrator can use each market to tailor different strategies to maximize the returns of each property. The metrics above are strengths supporting why multi-family assets can be considered an attractive investment opportunity. Fundamental demand drivers for multi-family assets in key urban centres throughout Canada continue to support superior occupancy and rental rates as compared to other real estate asset classes.¹³ This has resulted from a combination of shifting demographics, population growth, limited rental property supply, and declining home ownership affordability in these markets. Due to this, in combination with the unique value-added strategy that the Administrator is poised to execute, the Administrator believes that the Limited Partnership is well positioned to generate attractive returns when deploying capital into multi-family assets within these markets.

2.3 Development of the Business and Current Portfolio

The Issuers were each established on May 26, 2020. Since inception on May 26, 2020, the Limited Partnership has been actively seeking investment opportunities in the provinces of Ontario and New Brunswick. As at the date of this Offering Memorandum, the Limited Partnership has acquired 41, of which 28 properties are located in Ontario, 4 properties are located in Nova Scotia and 6 properties are located in New Brunswick. With the recent acquisitions closed, the total number of residential units under management is totalling 2041 units, of which 1617 units are located in Ontario, 293 units located in New Brunswick and 131 units located in Nova Scotia. Please refer to Appendix A attached hereto for more details. Since inception, the Trust has invested in the Class A LP Units, Class C LP Units, Class D LP Units, Class F LP Units, Class I LP Units, Class W LP Units and Partnership Promissory Notes of the Limited Partnership as described herein.

2.3.1 Description of Existing Properties

The Issuers have described the current assets under management in Appendix A which describes the purchase price, current fair value of the asset, and the suite mix of each property. As of the date of this Offering Memorandum, there have been no restrictions in terms of acquisitions or dispositions of assets. When the General Partner, on behalf of the Limited Partnership enters into a purchase and sale agreement, there is rigorous due diligence that is conducted which includes environmental reports which show if there are any potential contaminants in the soil. If there are signs of contamination, the General Partner, on behalf of the Limited Partnership, has the legal right to not purchase the asset. All of the assets currently owned by and on behalf of the Limited Partnership do not have any environmental concerns. There are currently no tax arrears on any property owned by the Trust, as of the date of this Offering Memorandum. The Limited Partnership has a current vacancy rate of 2.91% as of the date of this Offering Memorandum. There are no legal proceedings that the Trust or Limited Partnership is or was party to, or that any of its property is or was subject of, during the last completed financial year, nor are there any such legal proceedings known to the Trust or Limited Partnership to be contemplated at this time that involve a claim for damages.

2.3.2 Proposed Acquisitions

Your rights relating to your interest in real property will be those provided under the laws of the jurisdiction in which the real property is located. Therefore, it is prudent to consult a lawyer who is familiar with the laws of that jurisdiction before making an investment. All real estate investments are subject to significant risk arising from changing market conditions.

Proposed Acquisition	Description of Potential Encumbrances	Anticipated Closing Date	Total Units	Purchase Price
294 McDonnel St, Peterborough ON	TBD	May 5 th , 2026	85	\$13,450,000
1 & 11 Drysdale Rd & 22, 24, 26, 36, 38, 40 River Rd, Halifax, NS	TBD	July 15 th , 2026	125	\$23,125,000

¹³ CBRE Report: Canada's Multifamily Market is the Strongest it's Ever Been. (n.d.). Retrieved from <https://www.cbre.ca/en/about/media-center/cbre-report-canadas-multifamily-market-is-the-strongest-its-ever-been>

Acquisition Due Diligence

The Limited Partnership undergoes comprehensive review and extensive due diligence when reviewing assets to acquire. The Limited Partnership begins with a review of economic fundamentals such as labour force statistics, average employment rates, average household income, vacancy rates, rental unit supply, historical rental rates and rental rate trends, review of the provincial and municipal OPA as well as provincial legislation regarding landlords, rent controls, an assessment of operating laws in the given geographical areas, and other market fundamentals. Furthermore, the Limited Partnership will engage third party services to conduct reports, including but not limited to; Building Condition Reports, Environmental Reports, Appraisals (accredited through AACI), and structural/engineering reports for specific scopes which include roofing, concrete, plumbing, electrical, and any impairment or restrictions sought through site review. Other factors that the Limited Partnership includes in due diligence is review of the operating history of each asset through utility bills, contracts, historical rent rolls, capital expenditure history, environmental concerns, as well as potential for improving building efficiencies using relationships with strategic partners to increase the operating margins of each asset. Once these processes have been thoroughly reviewed by management, an assessment is made on whether the asset will be accretive to the Limited Partners' returns (including the Trust).

As of the date of this Offering Memorandum the Trust has issued 6,411,145.5643 Class A Trust Units, 26,386.0000 Class B Trust Units, 1,825,248.5425 Class C Trust Units, Nil Class D Trust Units, 583,526.3653 Class F Trust Units and Nil Class I Trust Units, to subscribers under the Previous Offerings from gross proceeds of \$120,544,849.83; and (ii) the Limited Partnership has issued 6,411,145.5643 Class A LP Units, 1,825,248.5425 Class C LP Units, 583,526.3653 Class F LP Units, 17,500.0000 Class M LP Units, 1,163,549.04 Class D LP Units and 1,205,713.8783 Class W LP Units.

2.4 Long-Term Objectives

The long-term objective of the Trust is to raise sufficient funds to acquire Class A LP Units, Class C LP Units, Class F LP Units, Class D LP Units, Class I LP Units, and Class W LP Units that will allow the Limited Partnership to meet its long-term objectives.

The long-term objective of the Limited Partnership is to appropriately maintain and operate the Properties and to acquire future Properties.

2.4.1 Property Strategy and Timeline

In order for the Trust, indirectly through the Limited Partnership, and the Limited Partnership, directly, to accomplish its long-term objectives, the following must occur:

- The Trust and Limited Partnership must complete the short-term objectives as described in Item 2.5 – Short-Term Objectives including raising additional funds in order to maintain and operate the Properties;
- The Trust and the Limited Partnership must raise sufficient capital in order to diversify the Limited Partnership's real estate portfolio by acquiring additional Properties; and
- The Administrator must effectively manage the day-to-day operations of the Properties on an ongoing basis.

By accomplishing the above, the Trust and the Limited Partnership will each seek to provide investors with regular cash distributions (see Item 5.2 – Distribution Policy) and long-term capital appreciation.

2.5 Short-Term Objectives

The Issuers' goals are to raise sufficient funds pursuant to this Offering and the Previous Offerings and to invest the net proceeds thereof in the Limited Partnership (directly and indirectly through the Trust) for the purpose of acquiring, maintaining, and operating its Properties, as well as to acquire, maintain, and operate future Properties. See Item 2.2 – Our Business and Development of the Business.

The following outlines the costs associated with the achievement of the Issuer's short-term objectives for the next 12 months, assuming the achievement of a maximum offering of \$200,000,000 used for illustrative purposes only. **There is no Maximum Offering. Funds available under the Offering may not be sufficient to accomplish the proposed objectives of the Issuers.**

What we must do and how we will do it	Target completion date or, if not known, number of months to complete	Approximate cost to complete under Maximum Offering
Complete the Offering, acquisition of LP Units, Partnership Promissory Notes and related commissions, fees and expenses	Ongoing	\$186,190,000.00
Capital Improvements to the Portfolio	Ongoing	\$3,000,000.00
Acquire future Properties	Ongoing	\$180,190,000.00
Capital Improvements to future Properties	Ongoing	\$3,000,000.00
Totals:	Ongoing	\$186,190,000.00

2.6 Insufficient Funds

There can be no assurance that the Issuers will raise sufficient funds in order to achieve their short-term objectives for the next 12 months.

The proceeds of this Offering and the Previous Offerings may not be sufficient to accomplish all of the Issuers' proposed objectives and there is no assurance that alternative financing will be available or, if available, may be obtained by the Issuers on reasonable terms.

If the net proceeds of this Offering and the Previous Offerings are not sufficient to maintain and operate the Properties or to acquire future Properties, the Limited Partnership may, in the sole discretion of the General Partner, seek alternative financing, including conventional and alternative bridge financing, and the Limited Partnership may allocate the net proceeds received from the subscriptions for Class A LP Units, Class C LP Units, Class F LP Units Class I LP Units, Class D LP Units and Class W LP Units towards satisfaction of such financing as may be required.

The Issuers do not intend to hold any significant cash reserves, other than those amounts necessary to pay for all management, administration, and operating expenses incurred by the Issuers, respectively in the conduct of their business. Subscribers will not be required to contribute any additional funds over and above their initial subscription amount.

2.7 Material Agreements

The following is a summary of certain terms of each of the material agreements of the Trust and/or the Limited Partnership which, together with other summaries of the terms of certain material agreements appearing elsewhere in this Offering Memorandum, are qualified in their entirety by reference to the actual text of each material agreement. A copy of each material agreement is available for review at the offices of the Trust upon written email request to invest@pier4reit.com.

Trust Indenture

Adam Ashby, as settlor and initial unit holder, and the Trustees have entered into the Trust Indenture dated May 26, 2020.

The Trust

The Trust is an unincorporated open-ended, limited purpose trust settled in the Province of Ontario on May 26, 2020, pursuant to the Trust Indenture. The Trust elected to be a "mutual fund trust" for purposes of the Tax Act from the beginning of its first taxation year. The legal ownership of the Trust Property and the right to conduct affairs of the Trust are vested exclusively in the Trustees.

Powers and Duties of Trustees

The Trustees have been appointed as the trustees of the Trust and such trustees may be removed by way of Ordinary Resolution (as such term is defined in the Trust Indenture) of the Trust Unitholders. Pursuant to the terms of the Trust Indenture, the Trustees have the full authority to manage the business and affairs of the Trust and have the exclusive power, control and authority over the Trust property and over the business and undertaking of the Trust. Without limiting the generality of the foregoing, the Trustees have the specific power and authority to:

- (a) manage the Trust Property (as defined in the Trust Indenture);
- (b) establish places of business of the Trust;
- (c) to invest, hold shares, securities, beneficial interests, partnership interests, joint venture interests or other interests in any person necessary or useful to carry out the purpose of the Trust;

- (d) determine the allocation to capital, income, or other appropriate accounts all receipts, expenses, and disbursements of the Trust and to determine the amount of Distributable Cash, Income, and Net Realized Capital Gains (as each is defined in the Trust Indenture) for the purposes of distributions;
- (e) hold cash and other investments in connection with and for the purposes of the Trust's activities, including paying management, administration, and other expenses, pay any amounts required in connection with the redemption of Units, and make distributions to Unitholders;
- (f) issue Trust Units, and Other Trust Securities (as defined in the Trust Indenture, including, securities convertible into or exchangeable for Units or other securities of the Trust, or warrants, options or other rights to acquire Units or other securities of the Trust), in order to, without limitation: (i) conduct, or facilitate the conduct of, the activities and undertaking of the Trust (including for the purpose of raising funds for acquisitions); (ii) repay any indebtedness or borrowings of the Trust or any affiliate thereof; (iii) establish and implement Unitholder rights plans, distribution reinvestment plans and Unit purchase plans of the Trust, if any; (iv) satisfy obligations to deliver securities of the Trust, including Trust Units, pursuant to the terms of securities convertible into or exchangeable for such securities of the Trust, whether or not such convertible or exchangeable securities have been issued by the Trust; and (v) repurchase or redeem Trust Units or Other Trust Securities, subject to the provisions of the Trust Indenture and applicable law;
- (g) issue debt securities or otherwise borrow funds, as well as, mortgage, pledge, charge, grant a security interest in or otherwise encumber all or any part of the Trust Property, whether as security for the obligations of the Trust or otherwise;
- (h) guarantee (whether as guarantor, surety or co-principal obligor, or otherwise) any obligations, indebtedness or liabilities, present or future, direct or indirect, absolute or contingent, matured or not of any affiliate of the Trust for, or in pursuit of, any purposes of the Trust and mortgage, pledge, charge, grant a security interest in or otherwise encumber all or any part of the Trust Property as security for such guarantee, provided that no guarantee fees shall be paid to the Administrator or the General Partner in such circumstances;
- (i) determine the amount and purposes of reserves to be maintained out of the Distributable Cash including for the purposes of undertaking future investments and acquisitions;
- (j) determine conclusively the value of all of the Trust Property from time to time;
- (k) do all things and take all actions necessary or useful for the exercise of the powers of the Trustees granted under the Trust Indenture and for the business and purposes of the Trust; and
- (l) engage in all activities necessary, useful, ancillary, or incidental to any of those activities set forth above and those additional powers set forth in the Trust Indenture.

The Trustees may delegate their powers and duties to third parties where, in the sole discretion of the Trustees, it would be desirable to effect the management or administration of the Trust. The Trustees are required to exercise their powers and carry out their functions honestly, in good faith, and in the best interests of the Trust and the Trust Unitholders and to exercise the care, diligence, and skill of reasonably prudent trustees in comparable circumstances.

The Trust Indenture sets forth certain actions that the Trustees may not take without the approval of the Trust Unitholders, either by way of Ordinary Resolution or Special Resolution (as such term is defined in the Trust Indenture). Except as otherwise provided in the Trust Indenture, Trust Unitholders are entitled to pass resolutions that will bind the Trustees or the Trust with respect to: (a) the appointment of one or more trustees; (b) consent to certain amendments of the Trust Indenture other than as set forth under Amendments hereof; (c) the termination of the Trust, or the appointment of a receiver; (d) the appointment or removal of auditors; (e) the sale, lease, exchange or other disposition of all or substantially all of the property of the Trust, other than: (i) in the ordinary course of business; (ii) pursuant to the wind-up and termination of the Trust and pursuant to *in specie* redemptions or distribution; (iii) in order to acquire securities of the Limited Partnership or other affiliate of the Trust; or (iv) in conjunction with an internal reorganization of the Trust; (f) add or create any additional class or series of Trust Units having a priority over the Class A Trust Units; and (g) any other matter required by applicable law to be submitted to Unitholders for their approval.

Trust Units

The Trust is authorized to issue an unlimited number of Trust Units, including an unlimited number of Class A Trust Units, Class B Trust Units, Class C Trust Units, Class D Trust Units, Class F Trust Units, Class I Trust Units which may be divided into one or more classes or series as the Trustees determine to be appropriate from time to time. The interest of the Trust Unitholders of the Trust will be represented by Trust Units. Each Trust Unit will entitle the Trust Unitholder to one vote at a meeting of Unitholders. Each Trust Unit of a particular class represents an equal fractional undivided beneficial interest in any distribution from the Trust on such class of Trust Units. All Trust Units in a class shall rank among themselves equally and rateably without discrimination, preference or priority. The Trustees may, in their discretion, determine the designation, priority and attributes of a class, which may include: the initial closing date and offering price for the first issuance of Trust Units, any minimum initial or subsequent investment thresholds, minimum aggregate net asset value balances to be maintained by Trust Unitholders, and procedures in connection therewith (including a requirement to redeem Trust Units), the fees payable to the Trustees and/or any third party dealers or brokers, if any, as management, performance, or other fees, the organization, sales and redemption fees to be paid

upon the acquisition, over time or on redemption of Trust Units, the frequency of subscriptions or redemptions, the period of time Trust Units must be held before they may be redeemed, the period of notice required for redemption of Trust Units, minimum redemption amounts and any other limits on redemption, convertibility among classes, voting rights, entitlements to distributions and such additional class specific attributes as the Trustees may in their discretion specify, provided such Trust Units rank *pari passu* or junior to the Class A Trust Units, Class B Trust Units, Class C Trust Units, Class D Trust Units, Class F Trust Units and Class I Trust Units. In the event that a new class of Trust Units has priority over the Class A Trust Units, Class B Trust Units, Class C Trust Units, Class D Trust Units, Class F Trust Units, and Class I Trust Units, the creation of such class of Units must be approved by the Trust Unitholders by Ordinary Resolution. The Trustees may prescribe in their discretion the maximum number of Trust Units or maximum dollar amount of Trust Units that may be sold in the Trust. Class attributes may be prescribed by the Trustees from time to time which, if and when created, might have rights and privileges in priority to any other Trust Units that may be created from time to time.

If as a result of any act of the Trustees any person becomes entitled to a fraction of a Trust Unit, such person is not entitled to receive a certificate therefor. Fractional Trust Units shall not, except to the extent that they may represent in the aggregate one or more whole Trust Units, entitle the holders thereof to notice of, or to attend or to vote at, meetings of Unitholders. Subject to the foregoing, such fractional Trust Units shall have attached thereto the rights, restrictions, conditions, and limitations attaching to whole Trust Units in proportion that they bear to a whole Trust Unit, including the right to receive proportional distributions of cash or other property of the Trust and allocations of income of the Trust.

For the purposes of the Trust Indenture, the following Trust Property shall be designated for the benefit of the Class B Trust Units: (i) all Partnership Promissory Notes owned by the Trust (and any property substituted therefor); (ii) less the Trust Property designated for the benefit of holders of other classes or series of Trust Units as a result of the exchange or reclassification of Class B Trust Units for or to other classes or series of Trust Units, the aggregate fair value of which shall be equal to the aggregate Class Net Asset Value per Trust Unit of such Class B Trust Units at the time of the exchange or reclassification; and (iii) less the Trust Property required by the Trust to redeem Class B Trust Units pursuant to and in accordance with the Trust Indenture, the fair value of which shall be equal to the aggregate Class Net Asset Value per Trust Unit of such Class B Trust Units at the time of the redemption or retraction. For the purposes of the Trust Indenture, other than the Trust Property referenced in the preceding sentence, all Trust Property shall be designated for the benefit of the holders of the Trust Units, other than the Class B Trust Units. The main difference, in addition to the other differences described herein, between the Class A Trust Units, Class C Trust Units, Class D Trust Units, Class F Trust Units, and Class I Trust Units, on the one hand, and the Class B Trust Units, on the other, is that distributions on the Class A Trust Units, Class C Trust Units, Class D Trust Units, Class F Trust Units, and Class I Trust Units will be generated from returns on Trust Property other than Partnership Promissory Notes and distributions on the Class B Trust Units will be generated from returns on Trust Property that is the Partnership Promissory Notes.

The Trustees may provide for the payment of commissions and/or fees or may allow discounts to persons in consideration of their subscribing or agreeing to subscribe for Trust Units or of their agreeing to procure subscriptions for Trust Units.

Subject to any required regulatory approvals (and any Unitholder approval imposed by regulatory requirements), the Trustees may establish one or more Unitholder rights plans, distribution reinvestment plans, Trust Unit purchase plans, Trust Unit option plans, incentive option plans or other compensation plans at any time and from time to time.

Other Securities

The Trust may issue other securities in addition to the Trust Units, including Special Voting Securities (as described below), options, rights, warrants or other securities convertible into or exercisable for Trust or other securities of the Trust (including convertible debt securities, subscription receipts and instalment receipts).

Under the Trust Indenture, the Trust may issue "**Special Voting Securities**", being securities which, in accordance with the rights and attributes attaching or attributable thereto, provide (among other things) the holder of a particular exchangeable security the right to vote at all meetings of Trust Unitholders, provided that an exchangeable security that is not issued by the Trust shall not (regardless of the rights and attributes attaching thereto) be entitled to any voting rights in connection with the Trust except as may be provided pursuant to an agreement or other instrument entered into by the Trust in connection with or pertaining to the issuance of such exchangeable security. Such Special Voting Securities will have certain rights, privileges, restrictions and conditions under the Trust Indenture, including:

- (a) Holders of Special Voting Securities will be entitled: (i) vote in respect of a matter, whether at a meeting of Trust Unitholders or by written resolution of Unitholders, or (ii) exercise rights in connection with voting at meetings of Trust Unitholders (including attending meetings and requisitioning meetings). Each holder of Special Voting Securities subject to the terms of the instrument creating the particular Special Voting Securities, shall be entitled to that number of votes equal to the number of votes attached to the number of Trust Units for which the Special Voting Securities held by such holder are exchangeable, exercisable or convertible.
- (b) Each Special Voting Unit shall have no economic entitlement nor beneficial interest in the Trust or in the distributions or assets of the Trust until exchanged for exchangeable Units.
- (c) Special Voting Securities shall not be transferable separately from the exchangeable Trust Units to which they are attached and will automatically be transferred upon the transfer of any such exchangeable Trust Units.

Distributions

The holders of each class of Trust Unit will be entitled to receive cumulative distributions if, as, and when declared by the Trustees. The Trustees shall, on or before each distribution record date, declare payable to the holders of any or all classes of Trust Units all or any part of the Trust's Distributable Cash to such class or classes of Trust Units for the distribution period as determined by the Trustees in their sole discretion, subject, however, to compliance with debt and surety covenants and to ensure sufficient working capital. See Item 5.1.1– Trust Units and 5.2– Distribution Policy.

A distribution of Trust Property to a holder of a particular class or series of Trust Units shall be calculated with reference to Trust Property that is designated for that particular class or series, but may be made out of Trust Property that is designated for any other class or series. No Trust Unitholder or Unitholders of a particular class or series has a beneficial interest in any Trust Property that is preferential to or different from the beneficial interest of any other Trust Unitholder of the same class or series.

In addition to the distributions of the Trust's Distributable Cash which are made payable to Trust Unitholders, the Trustees may declare to be payable and make distributions to Trust Unitholders, from time to time, out of income of the Trust, net realized capital gains, the capital of the Trust or otherwise, in any year, in such amount or amounts to each class of Trust Units, and on such dates as the Trustees may determine. Further, the Trustees shall allocate, distribute, and make payable to Trust Unitholders all of the income of the Trust, net realized capital gains and any other applicable amounts so that the Trust will not have any material liability for tax under Part I of the Tax Act in any taxation year.

All distributions by the Trust may be paid in full in cash, by the issuance of Trust Units, or fractions of Trust Units, if necessary, or cash or any combination of Trust Units, and fractions of Trust Units, if necessary, as is determined by the Trustees for such distribution in their sole discretion.

The Trustees may change the distribution period or any of them at any time and may change the distribution record date for any distribution upon compliance with any requirements of applicable law. Although the Trust intends to distribute its available cash to Unitholders in accordance with its distribution policies, unlike fixed-income securities, there is no obligation of the Trust to distribute fixed dollar amounts to Unitholders. Cash distributions, including the anticipated return on a Trust Unitholder's original investment, are based upon many performance assumptions and, as such, the amount of cash distributions is not guaranteed.

The following illustrates the flow of funds within the Limited Partnership and the Trust:

- (a) Income is received from the rental properties;
- (b) All fees and expenses of the Limited Partnership are paid, which may include the Administrator's fees and the Management Carried Interest (for greater certainty, which is calculated in reference to the amount of Distributable Cash and is only payable provided the preferred rates of return have been met), property management fees, mortgage payments, a reserve, and payment to the Trust as the sole holder of the Partnership Promissory Notes of the interest (and principal, if any) on the Partnership Promissory Notes in order to determine the Partnership's Distributable Cash;
- (c) To the extent any Partnership's Distributable Cash remains, it will be distributed as follows:
 - (i) First, to the holders of the Class A LP Units, Class C LP Units, Class D LP Units, Class F LP Units, Class W LP Units and Class I LP Units (until the cumulative amount of the Partnership's Distributable Cash distributed to the Trust equals the aggregate of the following (to the extent not previously distributed)):
 1. The total Capital Contribution of the Trust for the Class A LP Units, Class C LP Units, Class F LP Units, Class D LP Units, Class I LP Units and Class W LP Units it holds; and
 2. The dollar amount required to provide a cumulative rate of return equal to 8% of Net Asset Value per annum for Class A LP Units, 8% of Unit Price per annum Class C LP Units, 8% of Net Asset Value per annum Class F LP Units, 8% of Net Asset Value per annum Class D LP, 8% of Net Asset Value per annum Class W LP Units and 8% of Net Asset Value per annum Class I LP Units, (prorated for partial years), on the amount of such Capital Contribution, calculated from the due date of the applicable portion of such Capital Contribution to the date of such distribution;
 - (ii) Second, to the extent that any Partnership's Distributable Cash remains available following the distribution to the holders of the Class A LP Units, Class C LP Units, Class F LP Units, Class D LP Units, Class W LP Units and Class I LP Units in accordance with the above, 100% of such remaining Partnership's Distributable Cash shall be distributed to the holders of the Class M LP Units, until the cumulative amount of the Partnership's Distributable Cash distributed to such holders of Class M LP Units equals the aggregate of the following (to the extent not previously distributed):
 1. Such Class M Limited Partner's total Capital Contribution; and

2. The dollar amount required to provide a cumulative rate of return equal to 8% of Net Asset Value per annum (prorated for partial years), on the amount of such Class M Limited Partner's Capital Contribution, calculated from the due date of the applicable portion of such Capital Contribution to the date of such distribution;
- (iii) Third, to the extent that any Distributable Cash remains available following distribution to the holders of the Class A LP Units, Class C LP Units, Class D LP Units, Class F LP Units, Class W LP Units and Class I LP Units and the holders of the Class M LP Units in accordance with the above, the remaining Partnership's Distributable Cash shall be distributed to the holders of Class A LP Units, Class C LP Units, Class F LP Units, Class D LP Units, Class W LP Units and Class I LP Units and the holders of the Class M LP Units *pro rata*.
- (d) All expenses of the Trust are paid out of the foregoing funds received from the Limited Partnership to determine the Trust's Distributable Cash, including any amounts due and owing on any Redemption Notes which have been issued.
 - (e) To the extent any Trust Distributable Cash remains, it will be distributed as follows:
 - (i) To the extent the Trust has received interest (and principal) payments on the Partnership Promissory Notes, an equivalent amount (less a proportional share of Trust expenses) shall be distributed to the holders of the Class B Trust Units *pro rata*; and
 - (ii) To the extent any Trust Distributable Cash remains following the distribution to the Class B Trust Units, the remaining Trust Distributable Cash shall be distributed to the holders of the Class A Trust Units, Class C Trust Units, Class D Trust Units, Class F Trust Units, Class I Trust Units, Class F LP Units, Class D LP Units, and Class W LP Units *pro rata*.

Reserve

The Trust shall establish the Reserve:

- (a) to fund the payment of Trust expenses;
- (b) to fund the payment of any other amounts (including taxes) required by law or under the Trust Indenture to be deducted, withheld or paid by or in respect of the Trust;
- (c) to fund additional investments;
- (d) to fund capital expenditures or other financial obligations or expenditures; and
- (e) for working capital purposes.

The Trust may pay into the Reserve such amounts received by it in respect of its investments if, as, and when the Trustees determine that it is prudent to do so in accordance with prudent business practices and in respect of amounts which the Trustees estimate will or may become payable in the following two calendar quarters for which the Trust may not have sufficient funds.

Right of Redemption

Each Trust Unitholder shall be entitled to require the Trust, on the demand of such holder, to redeem all or any part of the Trust Units registered in the name of such Trust Unitholders at a Redemption Price equal to the Discount Value thereof as at the date the Trust Units are tendered for redemption.

Class A Trust Units Discount Value Means:

Option 1 - Deferred Sales Charge Option:

- (i) 92% of the Class Net Asset Value per Class A Trust Unit if redeemed within the first year of issuance;
- (ii) 94% of the Class Net Asset Value per Class A Trust Unit if redeemed within the second year of issuance;
- (iii) 96% of the Class Net Asset Value per Class A Trust Unit if redeemed within the third year of issuance; and
- (iv) 100% of the Class Net Asset Value per Class A Trust Unit if redeemed any time thereafter.

Option 2 – Front Load Option:

If the subscriber redeems its Class A Trust Units in the first 6 months from the date of subscription, a Short Term Trading Fee of 3.0% will be applied to the calculation of the Redemption Amount, and (ii) 100% of the Class Net Asset Value per Class A Trust Unit if redeemed any time thereafter.

Option 1 is traditionally offered to Exempt Market Dealers, whereas Option 2 is traditionally offered to CIRO firms.

Class C Trust Units Discount Value Means:

- (i) 92% of the Class Net Asset Value per Class C Trust Unit if redeemed within the first year of issuance;
- (ii) 94% of the Class Net Asset Value per Class C Trust Unit if redeemed within the second year of issuance;
- (iii) 96% of the Class Net Asset Value per Class C Trust Unit if redeemed within the third year of issuance; and
- (iv) 100% of the Class Net Asset Value per Class C Trust Unit if redeemed any time thereafter.

Class D Trust Units Discount Value Means:

- (i) 92% of the Class Net Asset Value per Class D Trust Unit if redeemed within the first year of issuance;
- (ii) 94% of the Class Net Asset Value per Class D Trust Unit if redeemed within the second year of issuance;
- (iii) 96% of the Class Net Asset Value per Class D Trust Unit if redeemed within the third year of issuance; and
- (iv) 97% of the Class Net Asset Value per Class D Trust Unit if redeemed within the fourth year of issuance; and
- (v) 98% of the Class Net Asset Value per Class D Trust Unit if redeemed within the fifth year of issuance; and
- (vi) 100% of the Class Net Asset Value per Class D Trust Unit if redeemed any time thereafter.

Class F Trust Units Discount Value Means:

If the subscriber redeems its Class F Trust Units in the first 6 months from the date of subscription, a Short Term Trading Fee of 3.0% will be applied to the calculation of the Redemption Amount, and (ii) 100% of the Class Net Asset Value per Class F Trust Unit if redeemed any time thereafter.

Class I Trust Units Discount Value Means:

Class I Trust Units are designed for institutional investors. The fees payable on Class I Trust Units will be determined based on negotiation and agreement between a Subscriber and the Trust.

Subject to the laws of general application, the Trustees shall be entitled in their discretion to determine and designate whether any payments in respect of any redemption are on account of income or capital.

In order for a Trust Unitholder to exercise its right of redemption, such Trust Unitholder must deliver a duly completed written notice of its intention to exercise such redemption right to the Trust at its head office or to the principal office of the registrar and transfer agent of the Trust Units (if such transfer agent has been appointed), in the form incorporated on the backside of the unit certificates or other form and substance satisfactory to the Trustee. The Trustees may require further evidence with respect to the identity, capacity or authority of the person giving such written notice prior to the redemption of the Trust Units by the Trust.

The Redemption Price payable in respect of the Trust Units surrendered for redemption during any calendar quarter shall be satisfied by way of cash payment in Canadian dollars no earlier than the end of the month immediately following the calendar quarter in which the Trust Units were tendered for redemption and no later than 6 months from the date the Trust Units were tendered for redemption; *provided that*, the foregoing shall not be applicable to Trust Units tendered for redemption by a Trust Unitholders if the total amount payable by the Trust in respect of such Trust Units and all other Trust Units tendered for redemption in the same calendar quarter exceeds the Quarterly Cash Redemption Limit, being the greater of \$25,000 or 0.75% of Assets Under Management; *provided that* the Trustees may, in their sole discretion, waive such limitation in respect of all Trust Units tendered for redemption in any calendar quarter in order to pay in excess of the Quarterly Cash Redemption Limit. For example, if the Assets Under Management are equal to \$2,000,000, the Quarterly Cash Redemption Limit will be \$25,000 per quarter (being the greater than 0.75% of the Assets Under Management). If the Assets Under Management are equal to \$10,000,000, the Quarterly Cash Redemption Limit will be \$75,000 per quarter. Trust Units tendered for redemption in any quarter in which the total amount payable by the Trust exceeds the Quarterly Cash Redemption Limit will be redeemed for cash on a *pro rata* basis up to the Quarterly Cash Redemption Limit and, unless any applicable regulatory approvals are required, by a distribution *in specie*, on a *pro rata* basis, for the balance.

The Trustees have determined it in the best interests of the Trust to, as of June 30, 2025, allow for monthly redemptions of Trust Units. It is the intention of each of the Trust to pay, upon receipt of a Redemption Notice for Trust Units prior to the Redemption Notice Period, the Redemption Price to the Trust Unitholder on the Redemption Date, in accordance with the Trust Indenture. Redemptions of Trust Units are to be processed on the last day of the month in which the Trust has received all documentation necessary to redeem such Trust Units. However, the Quarterly Cash Redemption Limit shall still apply and, for such redemptions of Trust Units above the maximum total amount payable based on the Quarterly Cash Redemption Limit, the Trustees have the sole discretion to make the payment in any form (including by

way of the issuance of Redemption Notes). There is no guarantee that the Trust will continue to accept, process and pay monthly redemptions of Trust Units.

The monthly redemption of Trust Units is allowable as per the terms of the Trust Indenture and no amendment to same is required in order for the Trustees to execute this revised timing and completion of redemptions.

In Specie Redemption

If the balance of the Redemption Amount in excess of the Quarterly Cash Redemption Limit is satisfied by an *in specie* distribution on a *pro rata* basis, then instead of receiving the balance of the Redemption Amount in cash, the balance of the Redemption Amount, subject to: (i) all necessary regulatory approvals, if any; and (ii) the approval of the Independent Trustees, shall be paid and satisfied at the discretion of the Trustees:

- (a) by the Trust distributing Redemption Notes bearing interest at the Prime Rate to be determined at the time of issuance and incorporating such other commercially reasonable terms that may normally be included in a promissory note as the Trustees may prescribe in accordance with the Trust Indenture, including that the Redemption Notes are subordinate to Senior Indebtedness and are due and payable on the third anniversary of the date of issuance; or
- (b) by any combination of Redemption Notes or other distribution of assets held by the Trust.

Where an Exempt Plan receives Redemption Notes or any other debt or securities as a result of redemption of Units, such Redemption Notes, debt or other securities will not be qualified investments for the Exempt Plan. Accordingly, Exempt Plans that own Units should consult their own tax advisors before deciding to exercise their redemption rights attached to the Trust Units. See Item 8 – Certain Canadian Federal Income Tax Considerations and RRSP Eligibility.

Acquisition of Trust Units

In addition to rights of redemption, the Trust Indenture provides that the Trust will have the right to purchase or otherwise acquire some or all of the issued and outstanding Trust Units from time to time from Trust Unitholders, whether by tender or private contract or otherwise, prior to, and without obligation for, purchasing or otherwise acquiring any other Trust Units at any time or times.

Compulsory Acquisition of Units on a Take-Over Bid Thereof

The Trust Indenture contains provisions to the effect that if a take-over bid is made for Trust Units and not less than 90% of the Trust Units (other than Trust Units held at the date of the take-over bid by or on behalf of the offeror or associates or affiliates of the offeror) are taken up and paid for by the offeror, the offeror shall be entitled to acquire the Trust Units held by Trust Unitholders who did not accept the offer on the terms offered by the offeror, subject to compliance with the relevant provisions of the Trust Indenture.

Transfer of Trust Units

Trust Units may only be sold, assigned or otherwise disposed of with the consent of the Trustees and in compliance with applicable securities laws. No sale, assignment or other disposition of Trust Units will be effective unless the Trustees receive: (a) a duly executed instrument of transfer and accompanied by all necessary transfer or other taxes imposed by law; and (b) the certificate(s) representing such Trust Units being transferred properly endorsed, and, in each case, accompanied by evidence of the genuineness of such endorsement, execution and authorization. Any transferor of Trust Units must also report to the Trustees the details concerning the transfer, including name, address, citizenship and country of residence of the transferee, as well as the price per Trust Unit at which the sale and transfer has occurred together with such other information and evidence as the Trustees may reasonably request, and all outstanding liabilities of the transferor to the Trust shall have been paid, or arrangements made satisfactory to the Trustees for the assumption of such liabilities by the transferee, prior to any permitted sale, assignment or other disposition of Trust Units. The Trustees or Administrator may, in their discretion, waive any or all of the aforementioned terms and conditions, in whole or in part, in respect to a transfer of Units and the Trustees may deny any transfer in their sole discretion.

Conflict of Interest

The Trustees of the Trust, along with each of the Pier 4 Entities, have adopted a Conflict of Interest Policy which specifies how conflict of interest matters shall be dealt with by the Pier 4 Entities and outlines certain obligations relating to resolving conflict of interest matters. The Conflict of Interest Policy will provide the Trustees, and directors and officers of the other Pier 4 Entities, with guidance in respect to conflict of interest matters and will specify the matters for which the Independent Trustees must approve.

In accordance with the Conflict of Interest Policy, if a Trustee or an officer of the Trust is a party to a transaction or proposed material contract or transaction with the Trust or its subsidiaries, or is a director or officer or employee of, or otherwise has a material interest in, any person who is a party to a transaction or proposed material contract or transaction with the Trust or its subsidiaries, such Trustee or officer of the Trust, as the case may be, shall disclose in writing to the Trustees or request to have entered in the minutes of meetings of Trustees or a committee of the Trustees, as the case may be, the nature and extent of such interest.

A Trustee who is a party to a transaction or proposed material contract or transaction shall not vote on any resolution to approve the contract or transaction unless the contract or transaction is:

- (a) one relating primarily to his or her remuneration as a Trustee, officer, employee or agent of the Trust; or
- (b) one for indemnity under this Trust Indenture or for the purchase of liability insurance.

Subject to the Conflict of interest Policy, where a material contract is made or a material transaction is entered into between the Trust and any one or more of its Trustees or officers, or between the Trust and another person of which a Trustee or officer of the Trust is a director or officer or in which he or she has a material interest:

- (a) the Trustee or officer, as applicable, is not accountable to the Trust or to the Trust Unitholders for any profit or gain realized from the contract or transaction; and
- (b) the contract or transaction is neither void nor voidable by reason only of that relationship or by reason only that the Trustee or officer is present at or is counted to determine the presence of a quorum at the meeting of Trustees or committee of Trustees that authorized the contract or transaction, if the Trustee or an officer disclosed his or her interest in accordance with Trust Indenture and the contract or transaction was reasonable and fair to the Trust at the time it was so approved.

Subject to the Trust Indenture, where, any Trustee or officer of the Trust fails to disclose his interest in a material contract or transaction in accordance with this Trust Indenture or otherwise fails to comply with the provisions of the Trust Indenture, the Trustees or any 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 contract or transaction and directing that the Trustee or officer account to the Trust for any profit or gain realized.

In addition to the foregoing and in addition to any matter requiring the approval of a majority of the Trustees, in accordance with the Conflict of Interest Policy, the unanimous approval of the Independent Trustees holding office at such time who have no interest in the matter shall be required with respect to any decision regarding conflict of interest matters.

Further, the Pier 4 Entities, pursuant to the Administration Agreement, require that the Administrator establishes an Independent Review Committee in accordance with the provisions of NI 81-107 and the Independent Review Committee Mandate even though the Trust is not subject to the provisions of NI 81-107. Any conflict of interest matters of the Trust, and the other Pier 4 Entities, shall be dealt with in accordance with: (i) the Conflict of Interest Policy; (ii) the Independent Review Committee Mandate; and (iii) their respective constating documents. See Item 3.3 – Conflict of Interest - Independent Review Committee.

Subject to the Conflicts of Interest Policy, by purchasing Trust Units each Trust Unitholder consents and agrees to such activities by the Trustees, pursuant to the terms of the Trust Indenture, where the Trustees may have other interests or associations of whatever nature or kind. For further certainty, and without limitation, and without affecting or limiting a Trustee's duties and responsibilities or the limitations rights and indemnities provided in the Trust Indenture, each Trustee is expressly permitted:

- (a) to be an associate, affiliate, securityholder, director, officer, trustee, employee, agent or consultant of, or otherwise involved with, a person from or to whom assets of the Trust have been or are to be purchased or sold;
- (b) to be a person, or to be an associate, affiliate, securityholder, director, officer, trustee, employee, agent or consultant of (or otherwise involved with) a person, with whom the Trust contracts or deals or which supplies services to the Trust;
- (c) to acquire, hold and dispose of, for such Trustee's own account, any property (real, personal, tangible or intangible) even if such property is of a character which could be held by the Trust, and to exercise all rights of an owner of such property as if such Trustee were not a Trustee;
- (d) to acquire, hold and sell Trust Units as principal, or as an affiliate or associate of or fiduciary for any other person, and to exercise all rights of a holder thereof as, if such Trustee was not a Trustee;
- (e) to have business interests of any nature and to continue such business interests while a Trustee.

The Trust Unitholders agree that these instances shall not constitute a conflict of interest or a breach of fiduciary duty to the Trust Unitholders. Further, the Trust Unitholders will agree that the Trustees will not be required to account to the Trust or the Trust Unitholders for any benefit or profit derived from any such activities unless such activity is contrary to the express terms of the Trust Indenture.

Fiscal Year

The fiscal year of the Trust shall commence on January 1 in each year and end on December 31 of that year.

Fees and Expenses of Trustees

The Trustees may pay, or cause to be paid, reasonable fees, costs and expenses incurred in connection with the administration and management of the Trust and in connection with the Trustees' duties, including fees, costs and expenses of auditors, accountants, lawyers, appraisers and other professional advisors of the Trust. All costs, charges and expenses properly incurred by the Trustees on behalf of the Trust will be payable out of the property of the Trust.

The Trustees will be entitled to receive for their services as Trustees reasonable compensation and fair and reasonable remuneration for services rendered in any other capacity including, without limitation, services as transfer agent.

Resignation or Removal of the Trustees and Appointment/Election of Trustees

A Trustee will continue to be a Trustee for the term of the Trust unless the Trustee resigns or is removed by the Trust Unitholders in accordance with the terms of the Trust Indenture. A Trustee may resign as a trustee by giving written notice of such resignation to the Trust Unitholders. A Trustee may also be removed at any time by way of a resolution passed by the Trust Unitholders.

Upon the resignation or removal of a Trustee, that Trustee shall cease to have right, privileges and powers of a Trustee and shall execute and deliver all documents reasonably required to transfer any Trust Property held in the Trustee's name and to provide for the transition of the Trust's activities and affairs to the successor trustee.

A departing Trustee will continue to be entitled to payment of any amounts owing by the Trust to the Trustee which accrued prior to his or her departure. The departing Trustee shall continue to be liable in respect of or in any way arising out of the Trust Indenture which accrued prior to the resignation or removal of the Trustee; however, the departing Trustee shall continue to benefit from any indemnity and limitation of liability provisions set out in the Trust Indenture.

Liability of Trustees and Beneficiary

No Trustee shall be liable in certain circumstances such as acting, or failing to act, in good faith, where such act, or failure to act, was in reliance on an expert or was a result of carrying out obligations or responsibilities imposed under tax legislation. The Trustees are indemnified by the Trust for any claims or damages arising from the Trust Indenture unless such claims arose from the Trustees' gross negligence or willful misconduct. The Trustees will not have any liability in tort, contract or otherwise, to any beneficiary where such claim arises from or in connection with the Trust Property, unless such claim arises from a criminal or administrative action that is enforced by a monetary penalty and the Trustee did not have reasonable grounds for believing the conduct was lawful or a breach of the Trustees' standard of care and duty prescribed under the Trust Indenture.

The Trust Indenture provides that no Unitholder shall be liable in connection with the ownership or use of Trust Property, the obligations or activities of the Trust, any acts or omissions to act of a Trustee in respect of affairs of the Trust or any taxes or fines payable by the Trust or the Trustees, provided that each Unitholder shall remain responsible for taxes assessed against them by reason of or arising out of their ownership of Trust Units. Further, if a Trust Unitholder is held to be liable in circumstances for which the Trust Indenture provides that there is to be no liability to the Trust Unitholder, the Trust Unitholder will be entitled to be indemnified and reimbursed out of the Trust Property to the full extent of such costs and liability to the Trust Unitholder.

The Trust will have no liability to reimburse any person for transfer or other taxes or fees payable on the transfer of Trust Units or any income or other taxes assessed against any person by reason of ownership or disposition of Trust Units.

Power of Attorney

Each Trust Unitholder will irrevocably appoint the Trustees, with full power of substitution, as its lawful attorney to act on the Trust Unitholder's behalf with full power and authority in the Trust Unitholder's name, place and stead to execute, swear to, acknowledge, deliver, make, file or record certain necessary documents. Such power shall be coupled with an interest, shall survive the death, mental incompetence, disability or subsequent legal incapacity of a Trust Unitholder and shall survive the assignment by the Trust Unitholder, of its interest in the Trust. Under the Trust Indenture, each Trust Unitholder will agree to be bound by any representations or actions made or taken by the Trustees pursuant to the power of attorney and waives any and all defences which may be available to contest, negate or disaffirm any actions taken by the Trustees in good faith under such power of attorney.

Auditor

The Trustees have appointed BDO Canada LLP, Chartered Professional Accountants as the auditor of the Trust to hold office until they are removed or resign.

Accounting and Reporting

On or before March 31 in each year, and otherwise in accordance with applicable securities laws, the Trust will forward to the Trust Unitholders who received distributions from the Trust in the prior calendar year, such information regarding the Trust as required by Canadian law to be submitted to Trust Unitholders for income tax purposes to enable the Trust Unitholders who received distributions from the Trust in the prior calendar year to prepare a Canadian federal tax return with respect to its participation in the Trust in such fiscal year.

The Trust will keep appropriate books and records with respect to the Trust. The Trustees will send to all Trust Unitholders, the audited financial statements of the Trust together with comparative financial statements for the preceding fiscal year, within 120 days of the end of the fiscal year of the Trust. Such financial statements will be prepared in accordance with IFRS.

Amendments

The Trustees may make amendments to the Trust Indenture without the consent of the Trust Unitholders for the purpose of:

- (a) ensuring continuing compliance by the Trust with applicable laws, regulations, requirements or policies of any Governing Authority having jurisdiction over the Trustees or the Trust;
- (b) providing, in the opinion of the Trustees, additional protection for the Trust Unitholders or to obtain, preserve or clarify the provision of desirable tax treatment to Unitholders;
- (c) making amendments which, in the opinion of the Trustees, are necessary or desirable in the interests of the Trust Unitholders as a result of changes in taxation laws or in their interpretation or administration;
- (d) making corrections, or removing or curing any conflicts or inconsistencies between the provisions of the Trust Indenture or any supplemental agreement and any other agreement of the Trust or any applicable law or regulation of any jurisdiction, provided that in the opinion of the Trustees, the rights of the Trust Unitholders are not materially prejudiced thereby;
- (e) making amendments which, in the opinion of the Trustees, are necessary or desirable to remove conflicts or inconsistencies between the disclosure in an offering document and the Trust Indenture;
- (f) making amendments that are necessary or desirable for correcting typographical mistakes or for curing, correcting or rectifying any ambiguities, defective or inconsistent provisions, errors, mistakes or omissions;
- (g) making such amendments as are required to undertake an internal reorganization of the Trust or its affiliates;
- (h) making amendments for any purpose in addition to those stated above, provided that, in the opinion of the Trustees, the rights of the Trust Unitholders are not materially prejudiced thereby; and
- (i) creating one or more new Classes of Units which rank *pari passu* or junior to the Class A Trust Units, including classes of units solely to provide voting rights to holders of shares, units or other securities that are exchangeable for Trust Units entitling the holder thereof to a number of votes not exceeding the number of Trust Units into which the exchangeable shares, units or other securities are exchangeable or convertible but do not otherwise entitle the holder thereof to any rights with respect to the Trust's property or income other than a return of capital; or any purpose (except on in respect of which a Unitholder vote is specifically otherwise required) if the Trustees, based on the written advice of legal counsel, are of the opinion that the amendment is not prejudicial to Trust Unitholders and is necessary or desirable.

All other amendments will be required to be made by a resolution of the Trust Unitholders.

Termination of Trust

The Trust may be wound up or terminated if proposed by the Administrator and approved by a special resolution of the Trust Unitholders. Upon being required to wind-up or terminate the affairs of the Trust, the Administrator shall give notice of such wind-up or termination to the Trust Unitholders and the Trust Unitholders shall surrender their Trust Units for cancellation.

Liquidation, Dissolution or Termination of the Trust

Upon the winding up or termination of the Trust, the Administrator shall sell and convert into money the Trust Property and do all other acts appropriate to liquidate the Trust. After paying, retiring or discharging or making provision for the payment, retirement or discharge of all known liabilities and obligations of the Trust and providing for an indemnity against any other outstanding liabilities and obligations, the Trustees shall distribute the remaining part of the proceeds of the sale of the Trust Property to the Trust Unitholders in accordance with their entitlements to the Trust Property designated for each class of Trust Unit on a wind-up or termination of the Trust, as such entitlements are determined in accordance with the rights, privileges, restrictions and conditions attaching to the Trust Units.

Meetings of Trust Unitholders

The Trust is not obligated to hold annual meetings of the holders of the Trust Units.

Trust Unitholders holding not less than 25% of all votes may requisition the Trustees to call a special meeting of the Trust Unitholders in accordance with the provisions of the Trust Indenture. The Trust Unitholders shall be entitled to receive notice of and attend all meetings. A notice of such meeting shall be given to each Trust Unitholder not less than 21 days in advance of the meeting and will state the nature of the business to be transacted. A quorum will consist of one or more Trust Unitholders present in person or by proxy holding at least 5% of the outstanding Trust Units. Each Trust Unitholder is entitled to one vote per Trust Unit held. Any resolution passed will be binding on all of the unitholders of the Trust.

Trust Unitholders shall be entitled to pass resolutions that will bind the Trustees only with respect to the: (a) election or removal of the Trustees; (b) the appointment or removal of the auditor; (c) amendments of the Trust Indenture; (d) the termination or dissolution of the Trust; and (e) any matters otherwise that require the approval of the Trust Unitholders as set forth in the Trust Indenture. Except for these matters, no resolution of Trust Unitholders shall bind the Trustees.

Other

For other information with respect to the terms of the Trust Indenture dealing with capital contributions, and voting at meetings of Unitholders, see Item 5 – Securities Offered.

(a) The LP Agreement

Investment Activities of the Limited Partnership and Power of the General Partner

The Limited Partnership was formed, pursuant to the LP Agreement (as amended and restated April 30, 2026, respectively, and originally dated effective May 26, 2020), for the purposes of directly, or indirectly through subsidiaries, acquiring and holding real estate assets, owning, leasing or operating real estate properties and performing such other activities as may be incidental to or arising from the foregoing purposes as may be reasonably determined by its General Partner. The General Partner will have the full and exclusive right, power and authority to manage, control, administer and operate the business and affairs of the Limited Partnership and to make decisions regarding the undertaking and business of the Limited Partnership, provided, however, that, unless authorized by resolution of the limited partners, the General Partner will not be entitled to, among certain other things, change in any material way the business of the Limited Partnership.

The General Partner will covenant to exercise its powers and discharge its duties under the LP Agreement honestly, in good faith and in the best interests of the Limited Partnership. The General Partner shall exercise the care, diligence and skill that a reasonably prudent and qualified manager of a similar business to the Limited Partnership would exercise in comparable circumstances. Certain restrictions are imposed on the General Partner and certain acts may not be taken by it without the approval of the limited partners by way of an ordinary or extraordinary resolution. The General Partner may employ or retain affiliates or associates to provide goods or services to the Limited Partnership provided that the costs and expenses of such goods or services are reasonable and competitive with costs of similar goods and services provided by independent third parties.

Fiscal Year

The fiscal year of the Limited Partnership shall commence on January 1 in each year and end on December 31 of that year.

LP Units

The limited partnership interests in the Limited Partnership are divided into and are represented by an unlimited number of Class A LP Units, an unlimited number of Class C LP Units, an unlimited number of Class F LP Units, an unlimited number of Class I LP Units, an unlimited number of Class M LP Units, an unlimited number of Class D LP Units and an unlimited number of Class W LP Units. Each Class A LP Unit, Class C LP Unit, Class F LP Unit, Class I LP Unit, Class M LP Unit, Class D LP Unit, Class W LP Unit shall have the right to one vote for each LP Unit in respect of all matters to be decided by limited partners, shall have the right to participate in distributions and shall have the right to receive the property of the Limited Partnership on liquidation, dissolution or winding-up of the Limited Partnership. It is the intention that the Trust will be the sole holder of the Class A LP Units, Class C LP Units, Class I LP Units, and the Partnership Promissory Notes. For each LP Unit issued, such limited partner will be required to contribute the purchase price in cash or other property paid in respect of such LP Unit to the capital of the Limited Partnership.

Attributes of the LP Units

The beneficial interests in the Limited Partnership are represented and constituted by seven (7) classes of units described and designated as Class A LP Units, Class C LP Units, Class F LP Units, Class I LP Units, Class M LP Units, Class D LP Units and Class W LP Units. A summary of the attributes of the classes of LP Units (other than their entitlement to distributions of the Limited Partnership, which is described below) is contained in this Offering Memorandum below at Item 5.3.2 – LP Units.

Transfer of LP Units

LP Units may only be transferred upon compliance with the provisions of the LP Agreement and all applicable securities legislation. LP Units may be transferred by the limited partner or its agent duly authorized in writing to any person by delivering to the General Partner a duly completed instrument of transfer in the approved form together with such evidence of genuineness of each such endorsement, execution and authorization and other matters as may be reasonably required by the General Partner.

The General Partner will have the right to deny the transfer of LP Units in respect of which there has been default in payment of the subscription price until all amounts required to be paid on account of the subscription price, including any interest thereon, have been paid in full. The General Partner will be able to deny the transfer of the LP Units to a person who is or who acts on behalf of a person who will have a beneficial interest in the LP Units who is a "non-resident" for the purposes of the Tax Act, or if such transfer would result in the violation of any laws, including securities laws, of any jurisdiction. No transferee will become a limited partner until all filings and recordings required by the Partnership Act and the LP Agreement have been duly made. Where a transferee complies with the provisions set forth in the LP Agreement and is entitled to become a limited partner pursuant to the provisions thereof, the General Partner shall be authorized to admit the transferee to the Limited Partnership as a limited partner and the limited partner shall consent to the admission of, and will admit, the transferee to the Limited Partnership as a limited partner, without further act of the limited partners (other than as may be required by law).

Distributions and Allocations

The General Partner will allocate the net income or net loss of the Limited Partnership on the same basis as distributions set out below. The amount of income allocated to a limited partner may exceed the amount of cash distributed.

Net income or net loss of the Limited Partnership for a fiscal year for accounting and tax purposes shall be allocated among the limited partners and the General Partner in a manner consistent with the distributions set forth above, and for accounting purposes shall be allocated for each fiscal year of the Limited Partnership and for income tax purposes, shall be allocated as at the end of the fiscal year of the Limited Partnership. Notwithstanding the foregoing, in the event no distributions are made by the Limited Partnership in a given fiscal year, the net income or net loss, as applicable, for tax purposes shall be allocated to the limited partners *pro rata* in proportion that the number of LP Units held by a limited partner at the end of a fiscal year is the total LP Units outstanding. The amount of income allocated to a limited partner may exceed the amount of cash distributed.

Each distribution of Partnership's Distributable Cash shall first be allocated as to 0.001% of such Partnership's Distributable Cash to the General Partner and the remaining Partnership's Distributable Cash to the holders of Class A LP Units, Class C LP Units, Class F LP Units, Class I LP Units, Class D LP Units, Class W LP Units and the holders of the Class M LP Units provided that as at the distribution date all interest and principal outstanding and due and owing on the Partnership Promissory Notes has been paid and satisfied. The portion of the Partnership's Distributable Cash allocated to the General Partner pursuant to the preceding sentence shall be distributed to the General Partner until the General Partner receives \$100. The amount of the remaining Partnership's Distributable Cash allocated to the holders of Class A LP Units, Class C LP Units, Class F LP Units, Class I LP Units, Class D LP Units, Class W LP Units and the amount allocated to the holders of the Class M LP Units, shall be distributed in the following order of priority:

- (a) first, to the holders of the Class A LP Units, Class C LP Units, Class F LP Units, Class I LP Units, Class D LP Units and Class W LP Units until the cumulative amount of the Partnership's Distributable Cash distributed to such holders of the Class A, Class C, Class F, Class D, Class W and Class I LP Units under this Section equals the aggregate of the following (to the extent not previously distributed):
 - (i) such Limited Partner's total Capital Contribution; and
 - (ii) The dollar amount required to provide a cumulative rate of return equal to 8% of Net Asset Value per annum for Class A LP Units, 8% of Unit Price per annum Class C LP Units, 8% of Net Asset Value per annum Class F LP Units, 8% of Net Asset Value per annum Class D LP Units, 8% of Net Asset Value per annum Class W LP Units and 8% of Unit Price per annum Class I LP Units (prorated for partial years), on the amount of such Capital Contribution, calculated from the due date of the applicable portion of such Capital Contribution to the date of such distribution;
- (b) second, to the extent that any Partnership's Distributable Cash remains available following distribution to the holders of the Class A LP Units, Class C LP Units, Class F LP Units, Class I LP Units, Class D LP Units, Class W LP Units in accordance with the above, 100% of such remaining Partnership's Distributable Cash shall be distributed to the holders of the Class M LP Units, until the cumulative amount of the Partnership's Distributable Cash distributed to such holders of Class M LP Units equals the aggregate of the following (to the extent not previously distributed):
 - (i) such Class M Limited Partner's total Capital Contribution; and
 - (ii) the dollar amount required to provide a cumulative rate of return equal to 8% of Net Asset Value per annum, (prorated for partial years), on the amount of such Class M Limited Partner's Capital Contribution, calculated from the due date of the applicable portion of such Capital Contribution to the date of such distribution;
- (c) third, to the extent that any Distributable Cash remain available following distribution to the holders of the Class A LP Units, Class C LP Units, Class F LP Units, Class I LP Units, Class D LP Units, Class W LP Units and the holders of the Class M LP Units in

accordance with the above, the remaining Partnership's Distributable Cash shall be distributed to the holders of Class A LP Units, Class C LP Units, Class F LP Units, Class I LP Units, Class D LP Units, Class W LP Units and the holders of the Class M LP Units *pro rata*.

As of the date of this Offering Memorandum, the Limited Partnership has switched to monthly distributions and intends to continue paying monthly Cash Distribution during each Distribution Period thereafter. However, there is no guarantee that the Limited Partnership will continue to pay monthly distributions. The Limited Partnership may not make any distributions at all. The General Partner, on behalf of the Limited Partnership, has the right, but not the obligation, to make a Cash Distribution from the Limited Partnership's Distributable Cash to LP Unitholders of record as at the close of business on the Limited Partnership Distribution Record Date. Cash Distributions may be reduced, suspended, deferred or increased at any time and from time to time as determined by the General Partner, on behalf of the Limited Partnership.

Right of Redemption

Each Class D LP Unitholder shall be entitled to require the Limited Partnership, on the demand of such holder, to redeem all or any part of the Class D LP Units registered in the name of such holder of Class D LP Units at a Redemption Price equal to the Discount Value thereof as at the date the Class D LP Units are tendered for redemption.

Class D LP Units Discount Value means:

- i. 92% of the Class Net Asset Value per Class D LP Unit if redeemed within the first year of issuance;
- ii. 94% of the Class Net Asset Value per Class D LP Unit if redeemed within the second year of issuance;
- iii. 96% of the Class Net Asset Value per Class D LP Unit if redeemed within the third year of issuance; and
- iv. 97% of the Class Net Asset Value per Class D LP Unit if redeemed within the fourth year of issuance; and
- v. 98% of the Class Net Asset Value per Class D LP Unit if redeemed within the fifth year of issuance; and
- vi. 100% of the Class Net Asset Value per Class D LP Unit if redeemed any time thereafter.

The General Partner has determined it in the best interests of the Limited Partnership to, as of June 30, 2025, allow for monthly redemptions of Class D LP Units. It is the intention of the Limited Partnership to pay, upon redemption of Class D LP Units, the Redemption Price to the Unitholder on the Redemption Date in which the redemption of Class D LP Units occurs, in accordance with the LP Agreement. Redemptions of Class D LP Units are to be processed on the Redemption Date in which the Limited Partnership has received all documentation necessary prior to the Redemption Notice Period to redeem such Class D LP Units. However, the Quarterly Cash Redemption Limit shall still apply and, for such redemptions of Class D LP Units above the maximum total amount payable based on the Quarterly Cash Redemption Limit, the General Partner has the sole discretion to make the payment in any form (including by way of the issuance of Redemption Notes). There is no guarantee that the Limited Partnership will continue to accept, process and pay monthly redemptions of Class D LP Units.

The monthly redemption of Class D LP Units is allowable as per the terms of the LP Agreement and the redemption policy adopted by the General Partner and no amendment to either is required.

Each Class F LP Unitholder shall be entitled to require the Limited Partnership, on the demand of such holder, to redeem all or any part of the Class F LP Units registered in the name of such holder of Class F LP Units at a Redemption Price equal to the Discount Value thereof as at the date the Class F LP Units are tendered for redemption.

Class F LP Units Discount Value means:

- i. 97% of the Class Net Asset Value per Class F LP Unit if redeemed within the six months of issuance;
- ii. 100% of the Class Net Asset Value per Class F LP Unit if redeemed any time thereafter.

The General Partner has determined it in the best interests of the Limited Partnership to, as of June 30, 2025, allow for monthly redemptions of Class F LP Units. It is the intention of the Limited Partnership to pay, upon redemption of Class F LP Units, the Redemption Price to the Unitholder on the Redemption Date in which the redemption of Class F LP Units occurs, in accordance with the LP Agreement. Redemptions of Class F LP Units are to be processed on the Redemption Date in which the Limited Partnership has received all documentation necessary prior to the Redemption Notice Period to redeem such Class F LP Units. However, the Quarterly Cash Redemption Limit shall still apply and, for such redemptions of Class F LP Units above the maximum total amount payable based on the Quarterly Cash Redemption Limit, the General Partner has the sole discretion to make the payment in any form (including by way of the issuance of Redemption Notes). There is no guarantee that the Limited Partnership will continue to accept, process and pay monthly redemptions of Class F LP Units.

The monthly redemption of Class F LP Units is allowable as per the terms of the LP Agreement and the redemption policy adopted by the General Partner and no amendment to either is required.

Each Class W LP Unitholder shall be entitled to require the Limited Partnership, on the demand of such holder, to redeem all or any part of the Class W LP Units registered in the name of such holder of Class W LP Units at a Redemption Price equal to the Discount Value thereof as at the date the Class W LP Units are tendered for redemption.

Class W LP Units Discount Value means:

- (i) 97% of the Class Net Asset Value per Class W LP Unit if redeemed within the first year of issuance;
- (ii) 98% of the Class Net Asset Value per Class W LP Unit if redeemed within the second year of issuance;
- (iii) 99% of the Class Net Asset Value per Class W LP Unit if redeemed within the third year of issuance; and
- (iv) 100% of the Class Net Asset Value per Class W LP Unit if redeemed any time thereafter.

The General Partner has determined it in the best interests of the Limited Partnership to, as of the date of this Offering Memorandum, allow for monthly redemptions of Class W LP Units. It is the intention of the Limited Partnership to pay, upon redemption of Class W LP Units, the Redemption Price to the Unitholder on the Redemption Date in which the redemption of Class W LP Units occurs, in accordance with the LP Agreement. Redemptions of Class W LP Units are to be processed on the Redemption Date in which the Limited Partnership has received all documentation necessary prior to the Redemption Notice Period to redeem such Class W LP Units. However, the Quarterly Cash Redemption Limit shall still apply and, for such redemptions of Class W LP Units above the maximum total amount payable based on the Quarterly Cash Redemption Limit, the General Partner has the sole discretion to make the payment in any form (including by way of the issuance of Redemption Notes). There is no guarantee that the Limited Partnership will continue to accept, process and pay monthly redemptions of Class W LP Units.

The monthly redemption of Class W LP Units is allowable as per the terms of the LP Agreement and the redemption policy adopted by the General Partner and no amendment to either is required.

Special Distributions

In the event of the refinancing or sale of a property owned by the Limited Partnership, the Limited Partnership at its discretion and after fulfilling any obligations including but not limited to, outstanding bills of the property, fees due to refinancing, funds required by the Trust to meet outstanding redemptions and maintaining a reserve fund, will distribute a minimum of 30% of the excess proceeds to the holders of the Class A LP Units, Class C LP Units, Class F LP Units, Class I LP Units, Class D LP Units, Class W LP Units and Class M LP Units *pro rata* as a special distribution, while the remaining excess proceeds will be retained in the Limited Partnership for future investments. The distribution of excess proceeds, on a per class *pro rata* basis, shall be distributed as follows:

Class A LP Units:

Option 1 – Deferred Sales Charge Option:

- (i) 70% will be distributed to the Limited Partners; and
- (ii) 30% will be distributed to the Administrator, of which 33.3% will be distributed to the dealer(s) as a group.

Option 2 – Front Load Option:

- (i) 80% will be distributed to the Limited Partners;
- (ii) 20% will be distributed to the Administrator;

Option 1 is traditionally offered to Exempt Market Dealers, whereas Option 2 is traditionally offered to CIRO firms.

Class C LP Units:

- (i) 80% will be distributed to the Limited Partners;
- (ii) 20% will be distributed to the Administrator;

Class F LP Units:

- (i) 80% will be distributed to the Limited Partners;
- (ii) 20% will be distributed to the Administrator;

Class D LP Units:

- (i) 80% will be distributed to the Limited Partners;
- (ii) 20% will be distributed to the Administrator;

Class W LP Units:

- (i) 80% will be distributed to the Limited Partners;
- (ii) 20% will be distributed to the Administrator;

Class M LP Units:

- (i) 70% will be distributed to the Limited Partners; and
- (ii) 30% will be distributed to the Administrator, of which 33.3% will be distributed to the dealer(s) as a group.

Class I LP Units:

Class I LP Units are designed for institutional investors. The fees payable on Class I LP Units will be determined based on negotiation and agreement between a Subscriber and the Limited Partnership.

Fees and Expenses of the General Partner

The General Partner shall be entitled to be reimbursed by the Limited Partnership for any costs and expenses incurred by the General Partner on behalf of the Limited Partnership including the costs of the Administrator, which costs and expenses must be unanimously approved by members of the Independent Review Committee.

Transfer of Interest of General Partner and Resignation or Removal of the General Partner

The General Partner will continue as general partner of the Limited Partnership until termination of the Limited Partnership unless the General Partner is removed or resigns in accordance with the LP Agreement. The General Partner may, at any time upon 90-days' notice, retire or voluntarily withdraw from the Limited Partnership. The General Partner may be removed by ordinary resolution of the limited partners if the directors or shareholders of the General Partner have passed a resolution relating to the bankruptcy, dissolution, liquidation or winding-up of the General Partner or committed a material breach or abandonment of its duties, obligation, covenants or agreements under the LP Agreement. The General Partner may also be removed at any time by extraordinary resolution of the limited partners.

Liability of the General Partner

None of the officers, directors or employees of the General Partner shall be liable, responsible or accountable in damages or otherwise to the Limited Partnership or any limited partner for any action taken or failure to act on behalf of the Limited Partnership within the scope of the authority conferred on the General Partner and its officers, directors or employees by the LP Agreement or by law if such person has acted in good faith and in a manner which the person believed to be in the best interest of the limited partners and such action or omission was not performed or omitted fraudulently or did not constitute willful misconduct or gross negligence.

The General Partner will indemnify and hold harmless each of the limited partners in respect of any loss, liability or damage incurred or suffered by the limited partners by reason of the loss of limited liability through any action by them if the limited liability of such limited partner is lost for or by reason of the negligence of the General Partner.

Limitation on Authority of Limited Partners

No limited partner shall, in its capacity as a limited partner, take part in the control of the business of the Limited Partnership, nor may any limited partner have the power to sign for or bind the Limited Partnership.

Limited Liability of Limited Partners

Subject to the provisions of the Partnership Act and any specific assumption of liability, the liability of the limited partners for the debts, liabilities and obligations of the Limited Partnership is limited to the aggregate of the amount of such limited partner's capital contribution and such limited partner's share of the undistributed income of the Limited Partnership.

The Limited Partnership shall, to the greatest extent possible, endeavor to maintain the limited liability of the limited partners under applicable laws and regulations of the jurisdictions in which it carries on business. However, all property of the Limited Partnership shall be available to creditors to satisfy the debts and obligations of the Limited Partnership.

There is a possibility that a limited partner may lose its limited liability to the extent that the principles of Canadian 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 province but operating, owning property or incurring obligations in another province.

Accounting and Reporting

The General Partner will forward to the limited partners within 90 days following the end of each fiscal year of the Limited Partnership, all information necessary to enable the limited partners to prepare a Canadian federal income tax return with respect to its participation in the Limited Partnership in such fiscal year.

The General Partner will keep appropriate books and records with respect to the Limited Partnership's business. The General Partner will prepare financial statements of the Limited Partnership for each fiscal year. Such statements shall be reported upon by the auditor in

accordance with requirements under applicable securities legislation and shall be forwarded to the limited partners within 120 days following the end of each fiscal year of the Limited Partnership.

Power of Attorney

The limited partners will irrevocably appoint the General Partner, with full power of substitution, as its agent and lawful attorney to act on each limited partner's behalf with full power and authority in each limited partner's name, place and stead to execute and record or file certain necessary documents. Such power is coupled with an interest, shall survive the death or disability of a limited partner and shall survive the transfer or assignment by a limited partner, of the interest of a limited partner in the Limited Partnership. Under the LP Agreement, the limited partners will agree to be bound by any representation or action made or taken by the General Partner pursuant to the power of attorney in accordance with the terms thereof and waives any and all defences which may be available to contest, negate or disaffirm any action of the General Partner taken in good faith under such power of attorney.

Term and Termination of the Limited Partnership

The Limited Partnership will be formed upon the filing and recording of the partnership certificate under the Partnership Act and will continue until: (i) the removal or resignation of the General Partner, unless the General Partner is replaced in accordance with the LP Agreement; (ii) the passage of an extraordinary resolution approving the dissolution and winding-up of the Limited Partnership; or (iii) December 31, 2065 (subject to extension by an extraordinary resolution of the limited partners).

(a) Partnership Promissory Notes

The Partnership Promissory Notes are direct, unsecured obligations of the Limited Partnership. The Partnership Promissory Notes are payable on demand and bear interest from the date of advance at 7% per annum, payable in equal quarterly installments. All Partnership Promissory Notes rank *pari passu* and subordinated and postponed to all Senior Indebtedness of the Limited Partnership, including amounts owing by the Limited Partnership to any senior lender or pursuant to secured loans including mortgages.

(b) Administration Agreement

Key Terms: Pursuant to the terms of the Administration Agreement: (i) the Administrator shall manage the business and affairs of the Trust, as delegated by the Trustees (the Administrator shall be entitled to a reimbursement of all reasonable costs and expenses only incurred by the Administrator in carrying out its Delegated Trust Duties (as defined in the Administration Agreement), this reimbursement shall be paid from the assets and funds of the Trust); and (ii) the Administrator shall manage the business and affairs of the Limited Partnership, as delegated by the General Partner, in each of (i) and (ii), assuming conduct of the majority of the duties set out in the Trust Indenture and LP Agreement, respectively. The Administrator is a related party of the Trust. See Item 3.6 – Related Parties.

Fees: The Administrator shall receive the Management Fee, Acquisition Fee (if applicable), Disposition Fee (if applicable) and Guarantee Fee (if applicable) from the Limited Partnership. The Management Fee, Acquisition Fee, Disposition Fee and Guarantee Fee shall each be payable by the Limited Partnership to the Administrator pursuant to the Administration Agreement. In addition to the aforementioned fees, the Administrator may also be entitled to the Management Carried Interest in accordance with the distribution policy described in Item 5.2 – Distribution Policy.

The Administrator is responsible for the payment of Operating Expenses and Management Expenses, and the allocation thereof.

While the Administrator may provide property management services directly, the Administrator, at its discretion, may contract with a party related to the Administrator, including Pier 4 Residential, a property management company beneficially owned by Michael Ashby, Darrell Ashby, and Adam Ashby, subject to the unanimous written approval of the Independent Review Committee. The Administrator may also engage a third-party property management company to provide property management and or renovation services with respect to one or more of the Properties. Fees paid to such a party will be at industry standard management rates which are expected to be equal to 5.0% of the Gross Revenue collected from the Properties plus applicable taxes.

In addition, it is a term of any property management agreement, to provide for termination if the third-party property management company breaches the agreement and does not cure such breach within a reasonable period.

The Administrator supervises the property managers to ensure that the manager manages the property and fulfills their obligations as stated in the property management agreements.

(c) Wholesaler Agreement

Key Terms:

The Trust intends to retain various Wholesalers in connection with the marketing of the Offering and reserves the right to retain additional Wholesalers from time to time. While the specific terms and conditions of Wholesaler Agreements vary, the material terms of Wholesaler Agreements will be substantially as set forth below and contain market standard representations, warranties and covenants. For greater clarity, the fees, commissions and carried interest benefits payable to a Wholesaler pursuant to a Wholesaler Agreement shall not exceed the amounts set out under the "Finder's Fee or Wholesaling Fees" sub-heading below.

A related party of the Trust (Pier Capital Corporation (the Wholesaler), a corporation beneficially owned by Michael Ashby, Darrell Ashby and Adam Ashby) has been retained as a Wholesaler. The related party is paid commissions and fees for its services in accordance with the

“Finder’s Fee or Wholesaling Fees” sub-heading. The retention of the related party as a Wholesaler has been approved by the Trustees and the IRC.

Services: Wholesalers are retained for the purpose of assisting in the distribution of the Offering to registrants of Dealers only.

Finder’s Fee or Wholesaling Fee: A Wholesaler and its representatives may receive up to 1.0% of any Capital Contributions to the Trust by investors through the specific Wholesaler. The Wholesaler may receive a monthly fee that will be reviewed and approved by the Independent Review Committee and may be reimbursed for any reasonable actual costs incurred in connection with the Wholesaler’s engagement under the Wholesaler Agreement. See Item 9 – Compensation Paid to Sellers and Finders.

Marketing Fee: The Trust shall provide a marketing budget equal to 0.25% of all proceeds raised pursuant to the Offering in the previous calendar year. In the previous calendar year no marketing fee was collected. The wholesaler requires prior written approval from the Trust for any single expense items exceeding \$1,000. The wholesaler shall provide the Trust, on a quarterly basis, a report of any marketing fees accrued as a result of providing wholesaling services.

See Item 9 – Compensation Paid to Sellers and Finders.

(d) Residential Management Agreements

Overview

The Limited Partnership has engaged Pier 4 Residential, a related party of the Trust, to provide property management services for all properties currently located in the province of Ontario and expects to engage Pier 4 Residential for property management services for other Ontario properties as they are acquired. Darrell, Adam, and Michael Ashby indirectly own and control Pier 4 Residential, making Pier 4 Residential a related party of the Trust. Pier 4 Residential is responsible for all necessary services for the operation and management of properties that it manages. Pier 4 Residential is paid 5.0% of gross rents collected from the properties plus applicable taxes. The Property Management Agreement has a one year term with automatic renewals until termination by any party upon 90 days prior notice.

The Trust has engaged independent third party property managers for its other properties, on substantially similar commercial terms as the Property Management Agreement.

2.8 CASL & Anti Spam

To the knowledge of the General Partner, the Limited Partnership and to the knowledge of the Trustees, the Trust is in material compliance with Canada’s Anti-Spam Legislation (Statutes of Canada 2010, c 23) and its associated regulations (collectively, “CASL”).

The Limited Partnership nor the Trust have received any inquiries, notices to produce, notices of investigation or enforcement actions with respect to its respective compliance with CASL from the Canadian Radio-television and Telecommunications Commission (“CRTC”) or any other applicable governmental authority or been assessed any administrative monetary penalties by the CRTC or entered into an undertaking with the CRTC as a result of non-compliance with CASL.

The Limited Partnership and the Trust have not received any complaint from any person that (i) such person has received a “commercial electronic messages”, as such term is defined in CASL (“CEM”), sent by or on behalf of the Limited Partnership or the Trust that the Limited Partnership or the Trust was not permitted to send to such person or for which the content of the CEM did not comply with CASL, or (ii) that the unsubscribe mechanism contained in a CEM sent by the Limited Partnership or the Trust was not functional or that the Limited Partnership or the Trust failed to give effect to any unsubscribe request within 10 business days of receipt.

ITEM 3 INTERESTS OF DIRECTORS, MANAGEMENT, PROMOTERS AND PRINCIPAL HOLDERS

3.1 Compensation and Securities Held

The following table sets out information about each: (i) promoter of the Trust, each Trustee and Officer and Director of the Administrator and General Partner; (ii) each Person who, directly or indirectly, beneficially owns or controls 10% or more of any class of voting securities of the Trust and; (iii) each related party not specified in paragraph (i) or (ii) that received compensation in the most recently completed financial year or is expected to receive compensation in the current financial year.

Name and municipality of principal residence	Position(s)	Compensation Paid by Issuer or Related Party in the Most Recently Completed Financial Year and Compensation Anticipated to be Paid in the Current Financial Year	Number, type and percentage of voting securities of the Trust held as of the date of this Offering Memorandum ⁽⁹⁾
Darrell Ashby ⁽¹⁾	Trustee, Chairman and director of the General Partner, Chairman and	2023 – Nil	Class A Trust Units: 117,251.5845
Toronto, Ontario		2024 – Nil	Class M LP Units: 12,973.0000

	director of Administrator since May 26, 2020	2025 - Nil	
Adam Ashby ⁽¹⁾ Toronto, Ontario	Chief Executive Officer and director of the General Partner, Chief Executive Officer and director of Administrator since May 26, 2020	2023 – Nil 2024 – Nil 2025 - Nil	Class A Trust Units: 46,563.5165 Class M LP Units: 2,207.0000
Michael Ashby ⁽¹⁾ Toronto, Ontario	Chief Financial Officer and director of the General Partner, Chief Financial Officer and director of the Administrator since December 2020	2023 – Nil 2024 – Nil 2025 - Nil	Class A Trust Units: 42,032.0388 Class M LP Units: 2,320.0000
Michele McCarthy Toronto, Ontario	Trustee Since August 29, 2024	2024 - \$3,369.86 2025 - \$10,000	Class A Trust Units: 2,793.5780
Ian Stewart Aurora, Ontario	Trustee since May 26, 2020	2023 - \$10,000 2024 - \$10,000 2025 - \$10,000	Class A Trust Units: 7,500.0000
Dennis Kalish Thornhill, Ontario	Director of GP since May 26, 2020	2023 - \$10,000 2024 - \$10,000 2025 - \$10,000	Class A Trust Units: 18,588.2914
Steve Prest Collingwood, Ontario	Director of GP since August 29, 2024	2024 - \$3,369.86 2025 - \$10,000	Class A Trust Units: 2,660.7924
Administrator ⁽²⁾⁽³⁾ Ontario	Related Party (administrator)	2023 - \$1,384,705 ⁽⁴⁾ 2024 - \$1,416,283 ⁽⁴⁾ 2025 - \$2,394,919 ⁽⁴⁾ 2026 - \$3,754,596 ⁽⁶⁾	Nil
Pier 4 Residential ⁽²⁾⁽³⁾ Ontario	Related Party (property management services)	2023 - \$222,921 ⁽⁵⁾ 2024 - \$373,055 ⁽⁵⁾ 2025 - \$595,566 ⁽⁵⁾ 2026 - \$903,377.66 ⁽⁷⁾	Nil
Pier 4 Wholesale ⁽²⁾⁽³⁾ Ontario	Related Party (wholesaler)	2023 - Nil 2024 - \$165,723 2025 - \$349,623 2026 - \$679,838.44 ⁽⁸⁾	Nil

Note:

- (1) Darrell Ashby, Adam Ashby and Michael Ashby also act as directors and officers of the Administrator and may receive compensation for their services in connection with these roles in the future. They are not entitled to any additional compensation as Trustees or as directors or officers of the General Partner. Darrell Ashby, Adam Ashby and Michael Ashby are shareholders of each of the Administrator and General Partner and benefit from the profits of the Administrator and General Partner.
- (2) The Trust, the Administrator, the General Partner, Pier 4 Residential and Pier 4 Wholesaler are all affiliates of each other, and each is a "related party" of the other. The Administrator, General Partner, Pier 4 Residential and Pier 4 Wholesaler are each indirectly owned and controlled by Darrell Ashby, Michael Ashby and Adam Ashby, each of whom are directors and officers of the Administrator and General Partner. The Administrator and General Partner may have significant influence over the Limited Partnership and therefore, the financing results of the Trust.
- (3) See Item 3.6 – Related Parties and Item 9 – Compensation Paid to Sellers and Finders.
- (4) The Administrator earns the Management Fee for managing the Limited Partnership and the Trust equal to 2% of the total Capital Contributions to the Trust and Limited Partnership for all management services, expenses and fees pursuant to the Administration Agreement. The Administrator may also be paid the Management Carried Interest, if applicable.
- (5) As of March 1st, 2026, Pier 4 Residential is paid 4.5% of gross rents collected from the properties plus applicable taxes. Previously, Pier 4 Residential was paid 5.0% of gross rents collected from properties plus applicable taxes.
- (6) Anticipated based on \$2,734,838.22 earned up to the date of this Offering Memorandum;
- (7) Anticipated based on \$225,844.41 earned up to the date of this Offering Memorandum;
- (8) Anticipated based on \$169,959.61 earned up to the date of this Offering Memorandum;
- (9) The Offering has no minimum or maximum offering amount, and these values outline the ownership of management.

3.2 Management Experience

The following table discloses the principal occupations of the Trustees, the management team and the directors of the Administrator and General Partner over the past five (5) years:

<p>Michele McCarthy BA, MA, LLB, LLM, Trustee</p>	<p>Michele McCarthy is the President of McCarthy Law Professional Corporation and President and Chief Executive Officer of Independent Review Inc. She is an experienced corporate director and has significant experience in corporate restructuring and regulatory compliance. Ms. McCarthy is the Chair of the Audit and Risk Committee of Osisko Development Inc. (ODEV-TSXV), and Audit Chair and director of Russell Investments Corporate Class Inc. and of various private companies. She was the Chair of the Boards of Sandy Lake Gold Inc., Big 8 Split Inc. TD Split Inc. and 5 Banc Split Inc. She also served as a director and member of the Audit Committee and Risk Management Committees at Equity Financial Holdings Inc., a director of Bitcoin Well (BTCW-TSXV) and is also director on the board of Electric Metals (USA) Limited (EML, TSX-V). She is the former Chair of the Toronto Port Authority and member of the Small Business Advisory Committee of the Ontario Securities Commission. From 1997 to 2002 she was the Chief Legal Officer, Director Compliance and Corporate Secretary for Deutsche Bank Canada and Deutsche Bank Securities and created its Schedule III bank branch (1997-2002) and consulted on the reorganization of UBS Bank (Canada) and the establishment of UBS AG Canada Branch. From 2007 to 2011, she was the Chief Legal Officer, Corporate Secretary, Chief Privacy Officer, Ombudsman and Head of Compliance for GMAC Residential Funding of Canada, ResMor Trust and Ally Bank in Canada. She continues to serve on numerous Independent Review Committees as Chair. Ms. McCarthy holds an LLB and LLM in Securities Law from Osgoode Hall and has been accredited with an ICD.D designation in Canada and the CDI Certified Board Candidate in the USA. As at the date of this Offering Memorandum, Michele McCarthy owns 2,793.5780 Class A Trust Units.</p>
<p>Ian Stewart, BA, Trustee</p>	<p>Ian Stewart retired as Co-CEO of Wyse Meter Solutions Inc. ("Wyse Meter Solutions") in 2021. Wyse Meter Solutions specializes in utility information, metering and expense management in Canada. In 2019, Wyse Meter Solutions was recently ranked as one of Canada's fastest growing companies by Growth 500. Prior to Wyse Meter Solutions, Mr. Stewart co-founded Stratacon Inc. and has delivered energy management projects to over 250,000 multi-residential suites across Canada. Mr. Stewart led a team of investment bankers from Genuity and Solaris in the sale of Stratacon Inc. Ian has presented White Papers to Ministry of Housing and Social Services, Ministry of Energy and The Ontario Energy Board on Smart Submetering policy. Mr. Stewart is a member of the Smart Submetering Working Group, Automated Meter Reading Association, Association of Condominium Management of Ontario and The Federation of Rental-Housing Providers of Ontario. Additionally, Mr Stewart sits on the board of directors for Triview Capital. Mr. Stewart also has a BA in economics from the University of Western. As at the date of this Offering Memorandum, Ian Stewart owns 7,500.0000 Class A Trust Units.</p>
<p>Dennis Kalish, BA, Independent Director of the General Partner</p>	<p>Dennis Kalish uses his 39 years of experience in property management to advise and guide landlords on complex property management issues. Mr. Kalish began his multi-unit property management career in his native South Africa and held leadership roles in operations in both the public and private housing sectors. Prior to his retirement Mr. Kalish oversaw a portfolio of 4,800 suites and led numerous multi-residential capital projects. Mr. Kalish was a fellow of the South African Institute of Certified Bookkeepers and completed the Management Advancement Program at the University of Witwatersrand in Johannesburg. As at the date of this Offering Memorandum, Dennis Kalish owns 18,588.2914 Class A Trust Units.</p>

<p>Steve Prest, BA, CA Independent Director of the General Partner</p>	<p>Steve Prest is the General Manager and Chief Operating Officer of The Georgian Bay Golf Club, a prestigious private golf club. Mr. Prest is also a director for HarbourEdge Mortgage Investment Corporation, a private lending corporation which provides short term construction loans. Prior to The Georgian Bay Club and HarbourEdge Mortgage Investment Corporation, Mr. Prest was the General Manager of The Osler Bluff Ski Club, widely recognized as the premier ski club in Ontario. Mr. Prest has held senior financial management positions with The Toronto Argonaut Football Club as Director, Finance & Administration, with Dun & Bradstreet Canada Ltd as Vice President, Finance, and was a partner in The Landex Group of Companies, a real estate and development company. Mr. Prest holds a BA from the University of Western Ontario and is also a Chartered Professional Accountant. As at the date of this Offering Memorandum, Steve Prest owns 2,660.7924 Class A Trust Units.</p>
<p>Darrell Ashby, Trustee and Director of the General Partner</p>	<p>Darrell Ashby is the Chairman and co-founder of Pier 4 Real Estate Investment Trust (REIT). Since 1985, Mr. Ashby has been an owner and manager of investment real estate. Mr. Ashby's portfolio started with single family homes and moved to larger apartment building across Canada and the United States of America. Mr. Ashby is a member of Great Toronto Apartment Association and the Federation of Rental-Housing Providers of Ontario. As at the date of this Offering Memorandum, Darrell Ashby owns 117,251.5845 Class A Trust Units and 12,973.0000 Class M LP Units.</p>
<p>Adam Ashby, BA, Director of the General Partner</p>	<p>Adam Ashby is the Chief Executive Officer and co-founder of Pier 4 Real Estate Investment Trust (REIT). Mr. Ashby held various positions in commodities trading, property management and in private equity investments. Adam holds an Economics degree from the University of Western. As at the date of this Offering Memorandum Adam Ashby owns 46,563.5165 Class A Trust Units and 2,207.0000 Class M LP Units.</p>
<p>Michael Ashby, BA, MA, Director of the General Partner</p>	<p>Michael Ashby is the Chief Financial Officer and co-founder of Pier 4 Real Estate Investment Trust (REIT). He is responsible for debt and equity strategies as well as managing the fund's financial activity. Prior to joining the Trust, Mr. Ashby worked for both public and private real estate funds and other lending institutions. Mr. Ashby holds an Honours Economics degree from Wilfrid Laurier as well as a Masters of Economics from the University of Ottawa. As at the date of this Offering Memorandum Michael Ashby owns 42,032.0388 Class A Trust Units and 2,320.0000 Class M LP Units.</p>

3.3 Conflict of Interest - Independent Review Committee

The Pier 4 Entities have each adopted the: (i) Conflict of Interest Policy; and (ii) Independent Review Committee Mandate ensuring that their Trustees, directors and officers, as applicable, adhere to specific corporate governance practices for the proper resolution of conflict of interests that may arise. All conflict of interest matters are to be unanimously approved by the Independent Review Committee and the requisite majority of the Trustees and directors.

Independent Review Committee

Steve Prest and Dennis Kalish are independent directors of the General Partner, forms the Independent Review Committee (the "**Independent Review Committee**" or "**IRC**") to the Pier 4 Entities. At all times one (1) member of the board of the directors of the General Partner shall be "independent" as such term is defined in NI 81-107. For clarity, NI 81-107 does not apply to the Pier 4 Entities but is being used as a reference for "independence" and "conflict of interest matters". The Independent Review Committee is contemplated in the Trust Indenture at Section 8.17, the LP Agreement at Section 8.13 and the Administration Agreement at Section 8.02. Where a conflict of interest arises, the Independent Review Committee will apply the terms of the Conflict of Interest Policy. See "Conflict of Interest – Policy" below.

The Independent Review Committee Mandate

As is specified in the Independent Review Committee Mandate, the Independent Review Committee shall meet quarterly and as otherwise required to properly undertake their duties as enumerated within the Independent Review Committee Mandate. The Independent Review Committee shall meet, at a minimum, quarterly and minutes shall be taken of all of their meetings. The Trustees, directors and officers of the Pier 4 Entities shall report any conflict of interest matters to the Independent Review Committee. In addition, the IRC shall meet as requested by the Trustees or the directors of the General Partner, Administrator or any of its members to monitor and assess the performance of the Limited Partnership and Trust relative to the business objectives stated herein. The IRC will also make an annual report reasonably available to the Unitholders. See Item 11 – Reporting Obligations.

The IRC shall take minutes of all of their meetings and ensure that minutes are recorded of all of the directors' or trustees' meetings regarding conflict of interest matters.

IRC members, in exercising their powers and duties, shall at all times act honestly and in good faith, with a view to the best interests of the Pier 4 Entities and shall exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

Duties of the Independent Review Committee

The unanimous approval of the Independent Review Committee (in addition to the requisite majority of directors of the General Partner or Administrator, or the Trustees, as applicable) shall be required to consent to or approve the following matters:

- (a) to approve any "conflict of interest matter" regarding the business of the Pier 4 Entities including but not limited to any related-party transactions or contracts involving the Pier 4 Entities or related-party transactions or contracts involving their Trustees, directors, officers, shareholders or affiliates;
- (b) to approve allocations of expenses, fees or costs as between the Limited Partnership and the General Partner/Administrator and the Trust and the Administrator;
- (c) to review and approve detailed annual operating and capital budgets of the Limited Partnership, the Trust and the Administrator, with any items not contained in the approved budget or deviations or reallocations from such approved budget greater than \$25,000 or in the aggregate greater than \$50,000, requiring further review and approval;
- (d) to approve the content of all reporting to Unitholders;
- (e) to approve the reallocation of the use of proceeds from the Offering for any purpose that is materially different than the articulated use of proceeds set out in this Offering Memorandum; and
- (f) to approve the Class Net Asset Value per Unit.

The IRC may, upon a request of the Trustees or any director of the General Partner or Administrator, or by its own initiative or that of any member, review applicable valuations required or conducted from time to time and, if it disagrees with such valuation(s) or conclusions it may refer the issue to the auditor (business valuations group) of the Limited Partnership and Trust or such other independent professional as deemed appropriate by the IRC in such circumstances.

The Trust, General Partner, on its own behalf and on behalf of the Limited Partnership, and Administrator, and their Trustees, directors and officers, as applicable, in addition to individual members of the IRC, shall have an obligation to report any "conflict of interest matters" that they may become aware of to the IRC as soon as possible to allow the IRC to consider and make such decisions as they deem necessary. Annually, the IRC shall prepare a report of the IRC, concerning their review and approval of any and all Conflict of Interest Matters during the prior fiscal year.

Before taking any action permitted under this Agreement, the IRC may obtain legal or other advice, as to the effect of its proposed action and the reasonable expenses of such advisors shall be borne by the Limited Partnership as an operating expense.

Conflict of Interest Policy

The Trustees, directors and officers, as applicable, of the Pier 4 Entities have adopted the Conflict of Interest Policy on substantially the same terms as those set out below, with such revisions as are necessary for such policy to be applicable to the directors, trustees and officers of each of the Pier 4 Entities, as applicable. Where a conflict of interest arises, the Independent Review Committee, Trustees, directors and officers, as applicable, will apply the terms of the Conflict of Interest Policy.

Policy Purpose

The purpose of the Conflict of Interest Policy is to identify conflict of interest matters and set out the review process to protect the interests of the Pier 4 Entities when contemplating a transaction or arrangement that might benefit the private interests of a trustee, director or officer of the Pier 4 Entities. This Conflict of Interest Policy is intended to supplement, but not replace, applicable securities laws governing conflicts of interest.

Trustee and Director Independence

Each of the Pier 4 Entities has and will continue to have directors or trustees that are "independent" as defined in NI 81-107.

Conflict of Interest Matters

A "conflict of interest matter" means a situation where a reasonable person would consider a Trustee, officer or director of the Pier 4 Entities, or a related entity to have an interest that may conflict with their ability to act in good faith and in the best interests of the Pier 4 Entities.

A conflict of interest matter includes, but is not limited to, situations where the Trustee, officer or director:

- (a) is party to a material contract or transaction (as determined by the Trustees or directors in their sole discretion), with the Pier 4 Entity or any of its subsidiaries (a "**Material Transaction**"); or

- (b) is a trustee, director or officer of, or otherwise has a material interest in, any Person or in 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, director or officer, shall provide written disclosure or request to have entered into the minutes of meetings the nature and extent of the conflict as follows:

- (a) in the case of a trustee or director, disclosure shall be made:
 - (i) at the meeting the conflict of interest matter is first considered;
 - (ii) if the trustee or director later becomes interested, at the first meeting after such trustee or director becomes interested;
 - (iii) after an agreement pertaining to the conflict of interest matter is entered into, at the first meeting after such trustee or director becomes interested; or
 - (iv) if the individual later becomes a trustee or director, at the first meeting after such they becomes a trustee or director;
- (b) in the case of an officer of the Trust, General Partner or Administrator, who is not a trustee or director, disclosure shall be made:
 - (i) after the officer becomes aware that the conflict of interest matter is being considered or has been considered.
 - (ii) if the officer becomes interested after an agreement pertaining to the conflict of interest matter is entered into, or
 - (iii) if an individual who is interested in a conflict of interest matter later becomes an officer of a Pier 4 Entity;
- (c) notwithstanding the foregoing,
 - (i) the holding of units, or an interest in the Limited Partnership, by the Trust, the General Partner, the Administrator, or any of their affiliates is not a conflict of interest matter, and
 - (ii) if a conflict of interest matter is one that would not require approval by the trustees or directors or the unitholders or shareholders, a trustee, director or officer of the Pier 4 Entity shall provide written disclosure of the nature and extent of the interest immediately after becoming aware;
- (d) a trustee or director shall not vote on any resolution to approve the conflict of interest matter unless the conflict of interest matter: (i) relates remuneration; or (ii) relates to indemnification.
- (e) For the purposes of the Conflict of Interest Policy, a general notice to the trustees or directors, disclosing the basis of a conflict, indicating he or she is a trustee, director or officer of or has a material interest, is sufficient disclosure, provided that such general notice is delivered to the principal office and centre of administration of the applicable Pier 4 Entity and to each trustee or director, of the Pier 4 Entity personally. In the event that a meeting of the unitholders or shareholders of the Pier 4 Entities is called for a conflict of interest matter which is the subject of a general notice, the nature and extent of the conflict of interest matter shall be disclosed in the notice calling the meeting of the unitholders or shareholders of the Pier 4 Entity, or in any materials to be provided under the Conflict of Interest Policy or by applicable law.
- (f) Where a conflict of interest matter is entered into between a Pier 4 Entity and a Trustee, director or an officer of a Pier 4 Entity, or between a Pier 4 Entity and another Person or any affiliate, Related Party or subsidiary of such other Person in which a trustee, director or an officer of the Pier 4 Entity has a material interest:
 - (i) such trustee, director or officer of the Pier 4 Entity is not accountable to the Pier 4 Entity or to the shareholders or unitholders for any profit or gain realized from the conflict of interest matter; and
 - (ii) the conflict of interest matter is not void or voidable, only because the trustee, director or officer, is included in the quorum at the meeting, disclosed his interest in accordance with the Conflict of Interest Policy, and the conflict of interest matter was reasonable and fair at the time it was approved.
- (g) Notwithstanding the Conflict of Interest Policy, but without limiting the effect of Section (f) above, a trustee, director or an officer acting honestly and in good faith, is not accountable to the Pier 4 Entities, or to the unitholders or shareholders, for any profit or gain realized from a conflict of interest matter because of the disclosed relationship, and if the conflict of interest matter was reasonable and fair at the time it was approved, is not void or voidable because the director's or officer's interest, where:

- (i) the conflict of interest matter is approved at a meeting of the shareholders or unitholders duly called; and
 - (ii) the nature and extent of the trustee's, director's or officer's, interest in the conflict of interest matter is disclosed in reasonable detail in the notice calling the meeting or in any documents provided under the Conflict of Interest Policy or by applicable law; and
- (h) subject to Sections (f) and (g), where a trustee, director or an officer fails to disclose their interest in a conflict of interest matter in accordance with the Conflict of Interest Policy or otherwise fails to comply with the Conflict of Interest Policy, the directors or trustees, or any shareholder or unitholders may apply to a court for an order setting aside the conflict of interest matter and directing for the account for any profit or gain realized, and may exercise any other rights or remedies exercisable at law or in equity.

Independent Trustee and Director Matters and Approvals

In addition to requiring the approval of a majority of the Trustees or directors of the Pier 4 Entities, the unanimous approval of the Independent trustees or directors of the Pier 4 Entities who have no interest in the conflict of interest matter and are permitted to vote on such matter (votes given at a meeting of trustees or directors of the Pier 4 Entities or by written consent), shall be required with respect to any decision:

- (a) relating to an acquisition or disposition of a property or an investment in a property, where any other Related Parties has any direct or indirect interest;
- (b) relating to the entering into, waiver of, exercise or enforcement of any rights or remedies under any agreement entered into by the Trust, or the making, directly or indirectly, of any co-investment, with any Related Party or in which any Related Party has a material interest;
- (c) relating to the refinancing or renewal of any indebtedness owing by or to any Related Party or in which any Related Party has a material interest; and
- (d) approving decisions relating to any claim by or against any vendor of properties who is a Related Party to the Trust.

The unanimous approval of the Independent Review Committee is also required to consent to or approve certain matters enumerated in the mandate adopted by the Independent Review Committee and the Pier 4 Entities.

Transactions with Related Parties

There shall be a valuation prepared by a valuator under the supervision by the Independent directors of the General Partner, in respect of any real property that the General Partner, intends to purchase from or sell to a Related Party.

No Pier 4 Entity shall effect a transaction with a Related Party unless the transaction is commercially reasonable, and unanimously approved by, the Independent directors or Independent Trustees, in accordance with the Conflict of Interest Policy.

Obligations under the Conflict of Interest Policy

The Pier 4 Entities shall be required to:

- (a) upon request of a Trust Unitholders or LP Unitholder, provide to such unitholder an annual report of the Trust or Limited Partnership, as applicable, concerning the review and approval of all conflict of interest matters by the Independent directors or Independent Trustees during the prior fiscal year;
- (b) maintain a conflicts identification memorandum prepared by management and approved by the board of directors or Trustees, as applicable, of each of the Pier 4 Entities identifying all conflict of interest matters;
- (c) conflict of interest memoranda prepared and signed with respect to any conflicts of interest matters identified as time proceeds and how these conflict of interest matters were managed, reduced, disclosed, or otherwise; and
- (d) minutes of all board of trustees or directors meetings, regarding conflict of interest matters, including any standing orders.

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

To the Trust's knowledge, no Trustee, or director, senior officer or control person of the Trust or the Administrator has, or any issuer of which an insider is a trustee, director, senior officer or control person, has:

- (a) within the ten years prior to the date of this Offering Memorandum, been subject to any penalties or sanctions or any cease trade order that has been in effect for a period of more than 30 consecutive days;

- (b) within the ten years prior to the date of this Offering Memorandum, been declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangements, or compromises with creditors or had a receiver, receiver manager or trustee appointed to the assets of that individual; 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.

3.5 Loans

As at the date hereof neither the Trust nor the Limited Partnership has a debenture or loan due to or from the directors, management, promoters or any Person who, directly or indirectly, beneficially owns or controls 10% or more of any class of voting securities of the Trust.

3.6 Related Parties

The following relationships should be considered by prospective investors in Units of the Issuers. You should review this section carefully:

- The Trust, the Administrator, the General Partner, Pier 4 Residential and Pier 4 Wholesaler are all affiliates of each other, and each is a “related party” of the other. The Administrator, General Partner, Pier 4 Residential and Pier 4 Wholesaler are each indirectly owned and controlled by Darrell Ashby, Michael Ashby and Adam Ashby, each of whom are directors and officers of the Administrator and General Partner. The Administrator and General Partner may have significant influence over the Limited Partnership and therefore, the financing results of the Trust.
- The Administrator, General Partner and Pier 4 Residential are each entitled to certain fees and/or distributions by the Limited Partnership. See Item 14 – Financial Statements under note 12 for more details. See Item 2.1 – Structure of the Trust, Item 2.7 – Material Agreements, “Related or Connected Issuer”, Item 3.1 – Compensation and Securities Held and Item 10 - Risk Factors.

The Administrator

The Administrator is a related party to the Trust because Darrell Ashby, Adam Ashby and Michael Ashby, each a Trustee of the Trust, is a director, officer and indirect shareholder of the Administrator.

The General Partner

The General Partner is a related party to the Trust because Darrell Ashby, Adam Ashby and Michael Ashby, each a Trustee of the Trust, is a director, officer and indirect shareholder of the General Partner.

Pier 4 Residential

Pier 4 Residential is a related party to the Trust because Darrell Ashby, Adam Ashby and Michael Ashby, each a Trustee of the Trust, is a director, officer and indirect shareholder of Pier 4 Residential.

Pier 4 Wholesaler

Pier 4 Wholesaler is a related party to the Trust because Darrell Ashby, Adam Ashby and Michael Ashby, each a Trustee of the Trust, is a director, officer and indirect shareholder of Pier 4 Wholesaler.

As a result of the relationships noted above, the Administrator, General Partner, Pier 4 Residential and Pier 4 Wholesaler are related parties of the Trust, and Darrell Ashby, Adam Ashby and Michael Ashby may have a significant influence over each of these entities, which may in turn have a significant influence over the Limited Partnership and/or the Trust.

ITEM 4 CAPITAL STRUCTURE

4.1 Unit

The following chart sets out the outstanding securities of the Trust as at the date indicated:

Description of Security	Number authorized to be issued	Price per Security	Number outstanding as at the date of this Offering Memorandum
Class A Trust Units	Unlimited	\$10.00	1,363,187
		\$10.30	1,351,091
		\$10.55	1,135,102
		\$10.75	840,081

Description of Security	Number authorized to be issued	Price per Security	Number outstanding as at the date of this Offering Memorandum
		\$10.90	1,149,301
		\$11.10	185,554
		\$11.35	400,506
Class B Trust Units	Unlimited	\$10.00	26,386
Class C Trust Units	Unlimited	\$10.55	47,794
		\$10.75	485,683
		\$10.90	636,781
		\$11.10	410,454
		\$11.35	244,535
Class D Trust Units	Unlimited	\$11.35	Nil
Class F Trust Units	Unlimited	\$10.00	Nil
		\$10.30	Nil
		\$10.55	18,957
		\$10.75	231,523
		\$10.90	193,291
		\$11.10	29,007
		\$11.35	110,749
Class I Trust Units	Unlimited	\$10.75	Nil
		\$10.90	Nil
		\$11.10	Nil
		\$11.35	Nil

There is no maximum offering pursuant to the Offering. The Issuers anticipate that the Offered Units to be issued pursuant to this Offering Memorandum will be subscribed for in a manner proportionately consistent with historic subscriptions outlined in the "Number outstanding as at the date of this Offering Memorandum" outlined above. The Issuers have made this determination based on the history of the Previous Offerings and their anticipated future subscriptions pursuant to this Offering, based on market factors, historical data, management's expectations and other factors outlined herein. There is no guarantee that the Offered Units will be subscribed for at a proportional rate consistent with the Previous Offerings.

The following chart sets out the outstanding securities of the Limited Partnership as at the date indicated:

Description of Security	Number authorized to be issued	Price per Security	Number outstanding as at the date of this Offering Memorandum
Class A LP Units	Unlimited	\$10.00	1,363,187
		\$10.30	1,351,091
		\$10.55	1,135,102
		\$10.75	840,081
		\$10.90	1,149,301
		\$11.10	185,554
		\$11.35	400,506
Class C LP Units	Unlimited	\$10.55	47,794
		\$10.75	485,683
		\$10.90	636,781
		\$11.10	410,454
		\$11.35	244,535
Class M LP Units	Unlimited	\$10.00	17,500
Class F LP Units	Unlimited	\$10.00	Nil
		\$10.30	Nil
		\$10.55	18,957
		\$10.75	231,523
		\$10.90	193,291
		\$11.10	29,007
		\$11.35	110,749
Class D LP Units	Unlimited	\$10.75	270,449
		\$10.90	442,204
		\$11.10	131,965
		\$11.35	281,721
Class W LP Units	Unlimited	\$10.90	493,532
		\$11.10	252,252
		\$11.35	459,929

There is no maximum offering of Class D LP Units, Class F LP Units or Class W LP Units under the Offering.

4.2 Long Term Debt

As of the date of this Offering Memorandum, the Limited Partnership has the long-term debt indicated below:

Property Description	Description of Long-Term Debt (including whether secured)	Interest Rate	Repayment Term	Outstanding Principal Amount (Amount outstanding at a date no more than 30 days before the date of the offering memorandum)
390 Grey Street, London, ON	CMHC insured 1st mortgage	4.46%	< 5 Years - December 2030	\$1,770,252
495 Elmwood Drive, Moncton, NB	CMHC insured 1st mortgage	2.35%	< 1 Year – December 2026	\$1,587,912
21 Connaught Avenue & 580 High Street, Moncton, NB	CMHC insured 1st mortgage	2.35%	< 1 Year – December 2026	\$2,691,378
29 Suffolk Street, Moncton, NB	CMHC insured 1st mortgage	3.21%	< 1 Year – December 2026	\$2,684,477
621 Base Line Road East, London, ON	CMHC insured 1 mortgage	3.42%	< 2 Years – December 2027	\$2,767,536
290 Springbank Drive, London, ON	CMHC insured 1 mortgage	3.95%	< 3 Years – December 2028	\$2,349,165
96 Second Avenue, Kitchener, ON	CMHC insured 1 mortgage	3.72%	< 3 Years – June 2028	\$2,034,853
3-19 Burns Drive, Guelph Ontario	CMHC insured 1st mortgage	4.00%	< 9 years – December 2034	\$18,309,118
25 Elmwood Drive, Moncton, NB	CMHC insured 1st mortgage	4.26%	< 8 Years – March 2034	\$5,980,616
388 Dufferin Avenue, & 383 Princess Drive London ON	1st Mortgage	8.25%	< 1 Year – July 2026	\$6,171,750
470 Maitland Street, London ON	CMHC insured 1st mortgage	4.30%	< 4 Years – June 2029	\$2,366,881
294 Lorne Avenue, Kitchener ON	CMHC insured 1st mortgage	3.50%	< 5 Years – June 2030	\$6,193,908
105-117 Onward Avenue, Kitchener ON	CMHC insured 1st mortgage	4.25%	< 8 Years – March 2034	\$6,517,152
116 Second Avenue, Kitchener ON	CMHC insured 1st mortgage	3.75%	< 5 Years – December 2029	\$3,028,064
68 Breckenridge Drive, Kitchener ON	CMHC insured 1st mortgage	4.00%	< 9 Years – September 2035	\$3,283,002
124 Tupper Crescent, Kitchener ON	CMHC insured 1st mortgage	3.97%	< 9 Years – March 2035	\$4,538,063
110 Highview Avenue, London ON	CMHC insured 1st mortgage	3.80%	< 9 Years – March 2035	\$7,479,137

194 Heiman Street, Kitchener ON	CMHC insured 1st mortgage	3.25%	< 1 Year – May 2026	\$3,036,538
13 Glen Moir	CMHC insured 1st mortgage	3.80%	< 5 Years – June 2030	\$3,909,771
63 Main Avenue	CMHC insured 1st mortgage	3.80%	< 5 Years – June 2030	\$4,304,038
34 Frederick	CMHC insured 1st mortgage	3.65%	< 5 Years – June 2030	\$3,556,100
43 Ormond St S, Thorold ON	CMHC insured 1st mortgage	3.75%	< 5 Years – June 2030	\$5,787,347
309 Garden & 480 Dolph St, Cambridge ON	CMHC insured 1st mortgage	3.75%	< 5 Years – June 2030	\$4,669,380
39 Pleasant St, Moncton NB	CMHC insured 1st mortgage	3.65%	< 5 Years – June 2030	\$5,100,796
2705 King St E, Hamilton ON	CMHC insured 1st mortgage	3.80%	< 5 Years – June 2030	\$5,651,513
1324-1332 Monterey Ave, Hamilton ON	CMHC insured 1st mortgage	3.80%	< 5 Years – June 2030	\$5,150,000
9 Lodge St, Waterloo ON	1st mortgage	6.95%	< 1 Year – March 2027	\$8,840,000
36 Talbot St, Kitchener ON	1st mortgage	7.50%	< 1 Year – April 2026	\$5,200,000
25 Nash Road N, Hamilton ON	1st mortgage	7.10%	< 1 Year – July 2026	\$7,777,500
16 Champlain Ave, Hamilton ON	1st mortgage	7.10%	< 1 Year – July 2026	\$9,307,500
101 Veronica Ave, London ON	1st mortgage	6.95%	< 2 Years – August 2027	\$5,010,750
364 Grey St, London ON	CMHC insured 1st mortgage	3.55%	< 5 Years – August 2030	\$3,333,585
86 Gaston Road, Dartmouth NS	1st mortgage	7.20%	< 2 Years – September 2027	\$5,600,000
1-13 Ivan Court, Moncton NB	CMHC insured 1st mortgage	3.70%	< 5 Years – December 2030	\$15,743,099
112 Breckenridge Dr, Kitchener ON	1st mortgage	7.25%	< 2 Years – June 2027	\$3,391,500
15 Millwood Cres, Kitchener ON	CMHC insured 1st mortgage	3.65%		\$19,337,500
1126-1154 Adelaide St N, London ON	CMHC insured 1st mortgage	3.65%		\$97,370,000

4.3 Prior Sales

The Trust has issued the following securities within the last 12 months:

Date of Issuance	Type of Security Issued	Number of Securities Issued	Price per Security	Total Funds Received
April 28, 2025	Class A Trust Units	109,178.4891	\$10.90	\$1,190,045.53
	Class C Trust Units	56,135.1377	\$10.90	\$611,873.00
	Class D Trust Units	NIL	\$10.90	NIL
	Class F Trust Units	4,760.1835	\$10.90	\$51,886.00
May 30, 2025	Class A Trust Units	118,186.6383	\$10.90	\$1,288,234.31
	Class C Trust Units	40,442.2562	\$10.90	\$440,820.59
	Class D Trust Units	NIL	\$10.90	NIL
	Class F Trust Units	13,289.7037	\$10.90	\$144,857.77
June 30, 2025	Class A Trust Units	126,956.8205	\$10.90	\$1,383,829.35
	Class C Trust Units	57,925.4919	\$10.90	\$631,387.86
	Class D Trust Units	NIL	\$10.90	NIL
	Class F Trust Units	39,901.6076	\$10.90	\$434,927.52
July 31, 2025	Class A Trust Units	159,501.4195	\$10.90	\$1,738,565.47
	Class C Trust Units	91,512.9239	\$10.90	\$997,490.86
	Class D Trust Units	NIL	\$10.90	NIL
	Class F Trust Units	26,781.0082	\$10.90	\$291,912.99
August 29, 2025	Class A Trust Units	152,482.0168	\$10.90	\$1,662,053.98
	Class C Trust Units	59,595.0732	\$10.90	\$649,586.30
	Class D Trust Units	NIL	\$10.90	NIL
	Class F Trust Units	20,515.2918	\$10.90	\$223,616.68
September 29, 2025	Class A Trust Units	170,016.5379	\$10.90	\$1,853,180.26
	Class C Trust Units	98,505.3893	\$10.90	\$1,073,708.74
	Class D Trust Units	NIL	\$10.90	NIL
	Class F Trust Units	7,295.5220	\$10.90	\$79,521.19
October 31, 2025	Class A Trust Units	63,303.0479	\$11.10	\$702,663.83
	Class C Trust Units	192,150.6751	\$11.10	\$2,132,872.49
	Class D Trust Units	NIL	\$11.10	NIL
	Class F Trust Units	6,942.8830	\$11.10	\$77,066.00
November 28, 2025	Class A Trust Units	84,980.6399	\$11.10	\$943,285.10
	Class C Trust Units	122,456.1264	\$11.10	\$1,359,263.00
	Class D Trust Units	NIL	\$11.10	NIL
	Class F Trust Units	9,594.7117	\$11.10	\$106,501.30
December 31, 2025	Class A Trust Units	37,270.3605	\$11.10	\$413,701.00
	Class C Trust Units	95,847.3859	\$11.10	\$1,063,905.98
	Class D Trust Units	NIL	\$11.10	NIL
	Class F Trust Units	12,468.9281	\$11.10	\$138,405.10
January 30, 2026	Class A Trust Units	73,365.6388	\$11.35	\$832,700.00
	Class C Trust Units	46,475.7708	\$11.35	\$527,500.00
	Class D Trust Units	NIL	\$11.35	NIL
	Class F Trust Units	4,424.8186	\$11.35	\$50,221.69
February 27, 2026	Class A Trust Units	70,558.0818	\$11.35	\$800,834.23
	Class C Trust Units	20,820.3383	\$11.35	\$236,310.84
	Class D Trust Units	NIL	\$11.35	NIL
	Class F Trust Units	16,623.9205	\$11.35	\$188,681.50
March 31, 2026	Class A Trust Units	122,321.7918	\$11.35	\$1,388,352.34

	Class C Trust Units	42,871.2762	\$11.35	\$486,588.98
	Class D Trust Units	NIL	\$11.35	NIL
	Class F Trust Units	47,904.6049	\$11.35	\$543,717.27
April 29, 2026	Class A Trust Units	134,260.6035	\$11.35	\$1,523,857.85
	Class C Trust Units	134,358.0483	\$11.35	\$1,525,077.35
	Class D Trust Units	NIL	\$11.35	NIL
	Class F Trust Units	41,795.9408	\$11.35	\$474,383.93
	Class A Trust Units	1,269,900.07		\$14,059,249.27
	Class C Trust Units	999,500.82		\$11,086,799.69
	Class D Trust Units	NIL		NIL
	Class F Trust Units	231,783.83		\$2,582,082.26

The Limited Partnership has issued the following securities within the last 12 months:

Date of Issuance	Type of Security Issued	Number of Securities Issued	Price per Security	Total Funds Received
April 28, 2025	Class A LP Units	109,178.4891	\$10.90	\$1,190,045.53
	Class C LP Units	56,135.1377	\$10.90	\$611,873.00
	Class F LP Units	4,760.1835	\$10.90	\$51,886.00
	Class D LP Units	11,467.8899	\$10.90	\$125,000.00
	Class W LP Units	NIL	\$10.90	NIL
May 30, 2025	Class A LP Units	118,186.6383	\$10.90	\$1,288,234.31
	Class C LP Units	40,442.2562	\$10.90	\$440,820.59
	Class F LP Units	13,289.7037	\$10.90	\$144,857.77
	Class D LP Units	48,852.6954	\$10.90	\$532,494.38
	Class W LP Units	NIL	\$10.90	NIL
June 30, 2025	Class A LP Units	126,956.8205	\$10.90	\$1,383,829.35
	Class C LP Units	57,925.4919	\$10.90	\$631,387.86
	Class F LP Units	39,901.6076	\$10.90	\$434,927.52
	Class D LP Units	53,681.7458	\$10.90	\$585,131.03
	Class W LP Units	NIL	\$10.90	NIL
July 31, 2025	Class A LP Units	159,501.4195	\$10.90	\$1,738,565.47
	Class C LP Units	91,512.9239	\$10.90	\$997,490.86
	Class F LP Units	26,781.0082	\$10.90	\$291,912.99
	Class D LP Units	112,611.4363	\$10.90	\$1,227,464.66
	Class W LP Units	NIL	\$10.90	NIL
August 29, 2025	Class A LP Units	152,482.0168	\$10.90	\$1,662,053.98
	Class C LP Units	59,595.0732	\$10.90	\$649,586.30
	Class F LP Units	20,515.2918	\$10.90	\$223,616.68
	Class D LP Units	63,129.9271	\$10.90	\$688,116.21
	Class W LP Units	NIL	\$10.90	NIL
September 29, 2025	Class A LP Units	170,016.5379	\$10.90	\$1,853,180.26
	Class C LP Units	98,505.3893	\$10.90	\$1,073,708.74
	Class F LP Units	7,295.5220	\$10.90	\$79,521.19
	Class D LP Units	91,681.2875	\$10.90	\$999,326.03
	Class W LP Units	493,532.1099	\$10.90	\$5,379,500.00
October 31, 2025	Class A LP Units	63,303.0479	\$11.10	\$702,663.83
	Class C LP Units	192,150.6751	\$11.10	\$2,132,872.49
	Class F LP Units	6,942.8830	\$11.10	\$77,066.00
	Class D LP Units	25,228.9371	\$11.10	\$280,041.20
	Class W LP Units	NIL	\$11.10	NIL
November 28, 2025	Class A LP Units	84,980.6399	\$11.10	\$943,285.10

	Class C LP Units	122,456.1264	\$11.10	\$1,359,263.00
	Class F LP Units	9,594.7117	\$11.10	\$106,501.30
	Class D LP Units	34,166.6669	\$11.10	\$379,250.00
	Class W LP Units	NIL	\$11.10	NIL
December 31, 2025	Class A LP Units	37,270.3605	\$11.10	\$413,701.00
	Class C LP Units	95,847.3859	\$11.10	\$1,063,905.98
	Class F LP Units	12,468.9281	\$11.10	\$138,405.10
	Class D LP Units	72,569.0992	\$11.10	\$805,517.00
	Class W LP Units	252,252.2520	\$11.10	\$2,800,000.00
January 30, 2026	Class A LP Units	73,365.64	\$11.35	\$832,700.00
	Class C LP Units	46,475.77	\$11.35	\$527,500.00
	Class F LP Units	4,424.82	\$11.35	\$50,221.69
	Class D LP Units	22,026.43	\$11.35	\$250,000.00
	Class W LP Units	66,079.30	\$11.35	\$750,000.00
February 27, 2026	Class A LP Units	70,558.08	\$11.35	\$800,834.23
	Class C LP Units	20,820.34	\$11.35	\$236,310.84
	Class F LP Units	16,623.92	\$11.35	\$188,681.50
	Class D LP Units	35,702.20	\$11.35	\$405,220.00
	Class W LP Units	81,674.01	\$11.35	\$927,000.00
March 31, 2026	Class A LP Units	122,321.79	\$11.35	\$1,388,352.34
	Class C LP Units	42,871.28	\$11.35	\$486,588.98
	Class F LP Units	47,904.60	\$11.35	\$543,717.27
	Class D LP Units	68,333.92	\$11.35	\$775,590.00
	Class W LP Units	216,436.12	\$11.35	\$2,456,550.00
April 29, 2026	Class A LP Units	134,260.60	\$11.35	\$1,523,857.85
	Class C LP Units	134,368.05	\$11.35	\$1,525,077.35
	Class F LP Units	41,795.94	\$11.35	\$474,383.93
	Class D LP Units	155,658.61	\$11.35	\$1,766,725.24
	Class W LP Units	95,740.09	\$11.35	\$1,086,650.00
Total	Class A LP Units	1,422,382.08		\$15,721,303.25
	Class C LP Units	1,059,105.90		\$11,736,385.99
	Class F LP Units	252,299.12		\$2,805,698.94
	Class D LP Units	795,110.85		\$8,819,875.75
	Class W LP Units	1,205,713.88		\$13,399,700.00

ITEM 5 SECURITIES OFFERED

5.1 Terms of Securities

The following sets forth a summary of the rights, privileges, restrictions and conditions of the Offered Units.

The Issuers may also issue from time to time and at any time other types of securities. See Item 2.7 – Material Agreements. Only Offered Units are being issued pursuant to the Offering.

There is no maximum offering amount pursuant to the Offering. As of the date of this Offering Memorandum, the Issuers have raised a total of \$120,544,849.83 (6,411,145.5643 Class A Trust Units, 26,386.0000 Class B Trust Units, 1,825,248.5425 Class C Trust Units, Nil Class D Trust Units, 583,526.3653 Class F Trust Units, Nil Class I Trust Units, 1,163,549.0400 Class D LP Units, Nil Class F LP Units, and 1,205,713.8783 Class W LP Units) through the Previous Offerings.

5.1.1 Trust Units

The beneficial interests in the Trust are represented by Trust Units, which may be divided into one or more classes as the Trustees determine to be appropriate from time to time. As of the date of this Offering Memorandum, there are four (4) classes of Trust Units authorized for issuance, described as Class A Trust Units, Class C Trust Units, Class D Trust Units, Class F Trust Units, and Class I Trust Units. The Trust is authorized to issue an unlimited number of Class A Trust Units, Class C Trust Units, Class D Trust Units, Class F Trust Units, and Class I Trust Units.

The Trust Units shall be issued only as fully paid and non-assessable units in the capital of the Trust. 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 in their discretion, pursuant to the Trust Indenture.

- (a) **Issuable in Series:** Each Unit may at any time and from time to time be issued in one or more series. As at the date of this Offering Memorandum, there are five (5) classes of Units offered pursuant to this Offering Memorandum: Class A Trust Units, Class C Trust Units, Class D Trust Units, Class F Trust Units and Class I Trust Units.
- (b) **Parity:** All Trust Units in a class shall rank among themselves equally and rateably without discrimination, preference or priority, including, without limitation, in respect of any and all distributions made by the Trust in respect of such class.
- (c) **Voting Rights:** The holders of the Trust Units shall be entitled to receive notice of and to attend all meetings of the holders of Units of the Trust and to one (1) vote in respect of each Trust Unit held at all such meetings. All Unitholders shall vote as a single class at all meetings of the Trust Unitholders. Pursuant to the Trust Indenture, the holders of a class of Trust Units shall not be entitled to vote separately as a class or group on any proposals or motions that require the approval of the Trust Unitholders.
- (d) **Participation upon Liquidation, Dissolution or Winding Up:** On liquidation or termination of the Trust, each Trust Unit, shall entitle the holder thereof to participate equally with respect to the distribution of the remaining assets of the Trust designated for such Class of Trust Unit after payment of the Trust's debts, liabilities and liquidation or termination expenses.
- (e) **Capital Contribution:** In connection with the subscription of the Offered Units under this Offering, each Unitholder will contribute to the capital of the Trust the purchase price per Trust Unit for each Trust Unit subscribed for. Unitholders will not be required to make any contribution to the capital of the Trust in excess of that amount.
- (f) **Distribution Rates per Unit:** The Trustees may, in their discretion, allocate distributions among the classes or series as they determine to take into account the Class Net Asset Value of each class or series of Trust Units to adjust for the commissions, trailers and other costs attributable to the sales channels relating to each class or series of Trust Units. If distributions are so allocated to adjust for the commissions, trailers and other costs attributable to each class or series of Trust Unit, the Net Asset Value per unit of each class or series of Trust Units will be the same. If the Trustees, in their discretion, choose not to so allocate distributions, the Net Asset Value of each class or series of Trust Units is expected to differ. To the extent that the Trust is responsible for the payment of compensation to securities dealers, including upfront and ongoing trailer commissions, the funds available to the Trust for investment purposes and distributions will be reduced.

The Trust switched to monthly distributions as of June 30, 2023. For the twelve-month period following June 30, 2023, it is the Trust's current intention (subject to available cash flow) to provide a monthly distribution of:

- (i) 8% of Net Asset Value per year for each Class A Trust Unit, Class D Trust Unit, and Class F Trust Unit (if any).
 - (ii) 8% of Net Asset Value per year for Class I Trust Unit (if any).
 - (ii) 8% of Unit Price per year for each Class C Trust Units (if any) issued at an offer price
 - (iii) \$0.0583 (7% of Unit Price per year) for each Class B Trust Unit (if any) issued at the offer price of \$10.00.
- These are targets only. There is no guarantee that the Trust will meet its target distribution or return rates. The Trust may not make any distributions at all. Subscribers could lose their entire investment in the Trust. **See Item 5.2 – Distribution Policy.**
- (g) **Redemption:** Each Trust Unitholders, including, without limitation, the Offered Units, shall be entitled to require the Trust, on the demand of such holder, to redeem all or any part of the Trust Units registered in the name of such Trust Unitholders at the prices determined and payable in accordance with the terms and conditions set forth in the Trust Indenture. Subject to the laws of general application, the Trustees shall be entitled in their discretion to determine and designate whether any payments in respect of any redemption are on account of income or capital. The Redemption Value payable in respect of the Trust Units surrendered for redemption during any calendar month shall be satisfied by way of cash payment in Canadian dollars no later than the Redemption Date provided that such redemption notice was provided prior to the Redemption Notice Period. Provided that the foregoing shall not be applicable to Trust Units tendered for redemption by Trust Unitholders if the total amount payable by the Trust in respect of such Trust Units and all other Trust Units tendered for redemption in the same calendar quarter that the respective month falls in exceeds the Quarterly Cash Redemption Limit, being the greater of \$25,000 or 0.75% of Assets Under Management within the applicable calendar quarter; provided that the Trustees may, in their sole discretion, waive such limitation in respect of all Trust Units tendered for redemption in any calendar month. Trust Units tendered for redemption in any quarter in which the total amount payable by the Trust exceeds the Quarterly Cash Redemption Limit will be redeemed for cash on a *pro rata* basis up to the Quarterly Cash Redemption Limit and, unless any applicable regulatory approvals are required, by a distribution *in specie*, on a *pro rata* basis, for the balance.

Sample Calculation

The Redemption Price shall be calculated as follows:
Redemption Price per Redemption Unit = Discount Value per Unit.

As an example:

100 Class A Trust Units purchased on May 30th, 2026, under the Deferred Sales Charge option, electing for cash distributions and redeeming on June 1st, 2026, with a Class A Trust Units Net Asset Value of \$11.35 would result in a Redemption Price of \$10.442 and Redemption Value Totalling \$1,044.20.

100 Class A Trust Units purchased on May 30th, 2026, under the Front Load Option, electing for cash distributions and redeeming on June 1st, 2026, with a Class A Trust Units Net Asset Value of \$11.35 would result in a Redemption Price of \$11.0095 and Redemption Value Totalling \$1,100.95.

100 Class C Trust Units purchased on May 30th, 2026, electing for cash distributions and redeeming on June 1st, 2026, with a Class C Trust Units Net Asset Value of \$11.35 would result in a Redemption Price of \$10.442 and Redemption Value Totalling \$1,044.20.

100 Class D Trust Units purchased on May 30th, 2026, electing for cash distributions and redeeming on June 1st, 2026, with a Class D Trust Units Net Asset Value of \$11.35 would result in a Redemption Price of \$10.442 and Redemption Value Totalling \$1,044.20.

100 Class F Trust Units purchased on May 30th, 2026, electing for cash distributions and redeeming on June 1st, 2026, with a Class F Trust Units Net Asset Value of \$11.35 would result in a Redemption Price of \$11.0095 and Redemption Value Totalling \$1,100.95.

- (h) General Information on Trust Units: For a description of the Trust Units, See Item 2.7 – Material Agreements – Trust Indenture - Units.

5.2 Distribution Policy

The Trust commenced paying quarterly Cash Distributions on December 31, 2020 and up to June 30, 2023. The Trust switched to monthly distributions following June 30, 2023 and intends to continue paying monthly Cash Distributions during each Distribution Period thereafter. However, there is no guarantee that the Trust will continue to pay monthly distributions. The Trust may not make any distributions at all. The Trustees have the right, but not the obligation, to make a Cash Distribution from the Trust's Distributable Cash to Unitholders of record as at the close of business on the Trust Distribution Record Date. Cash Distributions may be reduced, suspended, deferred or increased at any time and from time to time as determined by the Trustees. The Trustees have the discretion to make any distribution that has been declared or deemed payable through the issuance of additional Trust Units, Distributable Cash, or any combination thereof.

Cash Distributions to Unitholders of the Trust will be dependent upon receipt of distributions and payment of amounts due and owing on the Partnership Promissory Notes from the Limited Partnership. The Trust is reliant on receiving funds from the Limited Partnership through its ownership of Class A LP Units, Class C LP Units, Class D LP Units, Class F LP Units, Class I LP Units, Class W LP Units and Partnership Promissory Notes in order to make Cash Distributions to Unitholders. Please refer to Item 2.7 – Material Agreements – Trust Indenture – Distributions for a discussion of the target preferred return for each class and series of Trust Units.

As of the date of this Offering Memorandum, the Limited Partnership has switched to monthly distributions and intends to continue paying monthly Cash Distributions during each Distribution Period thereafter. However, there is no guarantee that the Limited Partnership will continue to pay monthly distributions. The Limited Partnership may not make any distributions at all. The General Partner, on behalf of the Limited Partnership, has the right, but not the obligation, to make a Cash Distribution from the Limited Partnership's Distributable Cash to LP Unitholders of record as at the close of business on the Limited Partnership Distribution Record Date. Cash Distributions may be reduced, suspended, deferred or increased at any time and from time to time as determined by the General Partner, on behalf of the Limited Partnership.

Should such a Cash Distribution be declared by the General Partner, on behalf of the Limited Partnership and subject to the payment of Operating Expenses, the Management Fee (including Management Expenses), the Guarantee Fee (if applicable), the Management Carried Interest (if applicable) and the interest payments due on the Partnership Promissory Notes, the Limited Partnership shall allocate and distribute the Partnership's Distributable Cash monthly to the Trust as the holder of the Class A LP Units, Class C LP Units, Class D LP Units, Class F LP Units, Class I LP Units, Class W LP Units and to the holders of the Class M LP Units in the priority set forth in the LP Agreement. Except for distributions of the Partnership's Distributable Cash and interest payment due on the Partnership Promissory Notes as set forth above, the Limited Partners shall not receive payments from the Partnership for any salary, commissions, interest on invested capital or otherwise.

5.3 The Partners and Units of the Limited Partnership

5.3.1 Partners

Each Limited Partner (including the Trust) obtains a percentage interest in the Limited Partnership based on the number of LP Units acquired by such Limited Partner as compared to the total number of LP Units outstanding. The classes of LP Units and the proposed ownership thereof are as follows:

- (a) **Class A LP Units:** The Trust will own Class A LP Units upon each Closing. As at the date of this Offering Memorandum, the Trust owns Class A LP Units.
- (b) **Class C LP Units:** The Trust will own Class C LP Units upon each Closing. As at the date of this Offering Memorandum, the Trust owns Class C LP Units.
- (c) **Class F LP Units:** The Trust will own Class F LP Units upon each Closing. As at the date of this Offering Memorandum, the Trust owns Class F LP Units. Direct investors may also own Class F LP Units upon such Closings. As at the date of this Offering Memorandum, Nil Class F LP Units have been issued directly to investors.
- (d) **Class I LP Units:** The Trust will own Class I LP Units upon each Closing. As at the date of this Offering Memorandum, the Trust owns Nil Class I LP Units.
- (e) **Class M LP Units:** As at the date of this Offering Memorandum, the Ashby family owns 17,500 Class M LP Units.
- (f) **Class D LP Units:** The Trust will own Class D LP Units upon each Closing. Direct investors may also own Class D LP Units upon such Closings. As at the date of this Offering Memorandum, 1,163,549.0400 Class D LP Units have been issued.
- (g) **Class W LP Units:** The Trust will not own Class W LP Units upon each Closing. Direct investors may own Class W LP Units upon such Closings. As at the date of this Offering Memorandum, 1,205,713.8783 Class W LP Units have been issued.

5.3.2 LP Units

The LP Units have inter alia the following rights and privileges:

- (a) **Voting Rights:** Class A LP Units, Class C LP Units, Class F LP Units, Class I LP Units, Class D LP Units, Class W LP Units and Class M LP Units shall each be entitled to receive notice of and to attend all meetings of the holders of Units of the Limited Partnership and to one (1) vote in respect of each LP Unit held at all such meetings.
- (b) **Assignability:** Each of the Class A LP Units, Class C LP Units, Class F LP Units, Class I LP Units, Class D LP Units, Class W LP Units and Class M LP Units are assignable by the holders thereof, subject to the approval of the General Partner.

5.4 Subscription Procedure

5.4.1 Subscription Documents

Subscribers who wish to purchase Offered Units will be required to enter into the Subscription Agreement with the Issuers and deliver the Subscription Agreement to the applicable exempt market dealer with respect to such subscription. Each Subscription Agreement contains, among other things, representations and warranties required to be made by the Subscriber that it is duly authorized to purchase the Offered Units, that it is purchasing the Offered Units for investment and not with a view for resale and as to its corporate status or other qualifications to purchase Offered Units on a "private placement" basis. Subscribers who wish to purchase Class F Trust Units must contact the Trust directly for further instructions at invest@pier4reit.com.

Offered Units may be purchased in the following manner:

- (a) by the execution of the Subscription Agreement, as well as any documentation required by the Securities Commission of the jurisdiction in which they are resident (copies of which are attached to the Subscription Agreements);
- (b) pay the Subscription Price in respect of the Offered Units subscribed for by way of certified cheque or bank draft payable to "Pier 4 Real Estate Investment Trust" or "Pier 4 Holding Limited Partnership"; and
- (c) deliver all of the foregoing to the applicable exempt market dealer.

Subscriptions received are subject to rejection or allotment in whole or in part by the Trustees or General Partner on behalf of the respective Issuer, within 30 days of their receipt by the Trustees or General Partner. In any event, the Trustees and General Partner reserve the right to close the subscription books at any time without notice. The Trustees or General Partner are not obligated to accept any subscriptions, and will reject any subscription which the Trustees or General Partner consider to be not in compliance with applicable securities laws and regulations. If any subscription is rejected, then the Trustees or General Partner will return (or direct the return) to the Subscriber within 30 days after making the decision to reject the subscription, the Subscription Agreement, any other documentation delivered by the Subscriber, and the proceeds related to the subscription without interest or deduction.

Representations of Subscribers

Each Subscriber for Offered Units under this Offering will be required and warrant that: (a) the offer and sale of Offered Units was made exclusively through the Offering Memorandum; (b) such Subscriber has reviewed and acknowledges the terms referred to below under the section entitled "Resale Restrictions"; and (c) such Subscriber is entitled under applicable Canadian securities laws to purchase such Units without the benefit of a prospectus, because such Subscriber is an Accredited Investor" or is purchasing the Units in reliance on another exemption from the prospectus requirement in NI 45-106.

In addition, each purchaser of Offered Units will be required to represent and warrant that such Subscriber: (a) has been notified by the Exempt Market Dealer, the Limited Partnership or the Trust (i) that the Exempt Market Dealer, the Limited Partnership or the Trust is required to provide certain personal information ("**personal information**") pertaining to the Subscriber to the securities regulatory authority or regulator in each Canadian jurisdiction in which investors reside, or in circumstances where a subscription for securities is otherwise subject to such a

reporting requirement under applicable securities law (including its name, residential address, telephone number, the number and value of any Offered Units purchased and the prospectus exemption relied upon); (ii) that such personal information is collected by the securities regulatory authority or regulator under the authority granted to it under, and for the purposes of the administration and enforcement of, the securities legislation of the local jurisdiction; and (iii) of the title, business address and business telephone number of the public official in each jurisdiction of Canada who can answer questions about the securities regulatory authority or regulator's indirect collection of such information; and (b) by purchasing Offered Units, such Subscriber has authorized the indirect collection of the personal information by securities regulatory authority or regulator. Each Subscriber will also acknowledge that while the information in the report described above is currently not expected to be placed on the public file of any Canadian securities regulatory authority or regulator, freedom of information legislation may require the securities regulatory authority or regulator to make this information available, if requested.

Proceeds of Crime (Money Laundering) Legislation

In order to comply with Canadian legislation aimed at the prevention of money laundering and terrorism, the dealers involved in the Offering may require additional information concerning Canadian investors and by signing the Subscription Agreement, the Subscriber agrees to provide such information.

If as a result of any information or other matter which comes to its attention of any dealer involved in the Offering, any director, officer or employee of such dealer, or its professional advisers, such person knows or suspects that a Canadian investor is engaged in money laundering or terrorism, such person is required to report such information or other matter to applicable law enforcement and securities regulatory authorities, including the Financial Transactions and Reports Analysis Centre of Canada and such report shall not be treated as a breach of any restriction upon the disclosure of information imposed by Canadian law or otherwise.

The Subscription Price will be held in trust for at least two Business Days from the date the Subscription Agreement is executed.

All proceeds from the Offering will be held in escrow until midnight on the 2nd Business Day after the day the Subscriber signs the Subscription Agreement. In the event that such Subscriber provides the Trust or Limited Partnership, as applicable, with a cancellation notice prior to midnight of the 2nd Business Day after the signing date, or the Trust or Limited Partnership, as applicable, do not accept such Subscriber's subscription, all subscription proceeds from the Offering will be promptly returned to such Subscriber without interest or deduction, plus applicable documentation.

5.4.2 Exemptions from Prospectus Requirements

The Offered Units are being offered in all the Provinces of Canada pursuant to prospectus exemptions under applicable securities legislation. Such prospectus exemptions relieve the Issuers from provisions under applicable securities legislation requiring the Issuers to file a prospectus and therefore Subscribers do not receive the benefits associated with a subscription for securities issued pursuant to a filed prospectus, including the review of material by a securities commission or similar authority.

The sale of Offered Units pursuant to this Offering Memorandum is being made in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and Labrador under certain statutory exemptions from the prospectus requirements set out in NI 45-106. Specifically, the sale of Offered Units is being made pursuant to the Offering Memorandum exemption (Section 2.9 of NI 45-106), the Accredited Investor exemption (Section 2.3 of NI 45-106), and the Minimum Amount Investment exemption (Section 2.10 of NI 45-106).

Other Jurisdictions

The sale of Offered Units pursuant to this Offering Memorandum may also be made in other jurisdictions provided that the Subscriber provides to the Issuers the full particulars of the exemption from the registration and prospectus requirements under applicable securities legislation being relied on and evidence of the Subscriber's qualifications thereunder.

Each Subscriber is urged to consult with such Subscriber's legal adviser as to the details of the statutory exemption being relied upon and the consequences of purchasing securities pursuant to such exemption.

Representation and Agreement

By signing the Subscription Agreement, each Subscriber will also make the representation that the Subscriber meets the conditions of the applicable prospectus exemption in purchasing Offered Units pursuant to the Offering and is thus entitled under the prospectus exemption to purchase Offered Units without the benefit of a prospectus qualified under applicable securities laws.

Acceptance of Subscription Form

THE ACCEPTANCE BY THE TRUST OR LIMITED PARTNERSHIP, AS APPLICABLE, OF A SUBSCRIBER'S SUBSCRIPTION FORM, WHETHER IN WHOLE OR IN PART, CONSTITUTES A SUBSCRIPTION AGREEMENT BETWEEN THE SUBSCRIBER AND THE ISSUER UPON THE TERMS AND CONDITIONS SET OUT THEREIN AND THE OFFERING MEMORANDUM AND THE TRUST INDENTURE AND THE LP AGREEMENT, whereby the Subscriber, among other things: (i) acknowledges that he or she is bound by the terms of the Trust Indenture or LP Agreement; (ii) makes the representations and warranties, including without limitation, representations and warranties as to his or her residency, set out in the Trust Indenture or LP Agreement; and (iii) irrevocably nominates, constitutes and appoints the Issuers his or her true and lawful attorney with the full power and authority as set out in the Trust Indenture or LP Agreement.

Non-residents of Canada (within the meaning of the Tax Act) may not beneficially own in the aggregate more than 49% of the outstanding Trust Units at any time. The Trust will not accept any subscription for Trust Units from any Person, issue any Trust Units to any Person or register or otherwise recognize the transfer of any Trust Units to any Person if, after giving effect thereto, more than 49% of the outstanding Trust Units, as applicable, would be held or beneficially owned, directly or indirectly, by persons who are Non-residents of Canada.

5.4.3 Investment Limits

In certain jurisdictions in Canada, the prospectus exemption provided by Section 2.9 of NI 45-106 establishes certain investment limits for individual investors.

In such jurisdictions, the acquisition costs of all securities acquired by an individual investor under Section 2.9 of NI 45-106 in the preceding 12 months shall not exceed the following amounts:

- (a) in the case of a purchaser that is not an eligible investor (as such term is defined in Section 1.1 of NI 45-106), \$10,000;
- (b) in the case of a purchaser that is an eligible investor, \$30,000;
- (c) in the case of a purchaser that is an eligible investor and that received advice from a portfolio manager, investment dealer or exempt market dealer that the investment is suitable, the total of:
 - (i) \$100,000; and
 - (ii) all realizable proceeds of disposition during the preceding 12 months of securities of the same issuer to a maximum of \$100,000.

Each Subscriber is urged to consult with his own legal advisor as to the details of the statutory exemption being relied upon and the consequences of purchasing securities pursuant to such exemption.

5.5 NAV Valuation Policy

Working with the Administrator, the NAV of the Issuers is determined by the Trustees and General Partner, respectively, and approved by the IRC. The Administrator will work with the Trustees and General Partner who will use reasonable methods of determining NAV. The Trustees and General Partner may adopt alternative methods to calculate the investment property values and NAV from time to time, without notice to or approval by the Offered Unitholders. The Trustees and General Partner have adopted the following policy to determine NAV.

Valuation of the Properties

The Limited Partnership's Properties are valued using the fair value model in accordance with IFRS section IAS 40 – *Investment Properties*. 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 Administrator applies judgment in determining if the acquisition of an investment 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.

Each Property's fair value is determined using a valuation process developed by the Administrator and approved by the Independent Review Committee. The Administrator obtains external third party appraisals quarterly and considers the following in determining fair value; (a) consider recent prices of similar properties in similar market areas and; (b) the direct capitalization method, which is based on the conversion of current and future normalized net earnings potential directly into an expression of market value. The normalized net earnings for the year is divided by an overall capitalization rate to estimate fair value. Inter-quarter fiscal year valuations will be determined using the direct capitalization method. The direct capitalization method is an allowable valuation technique under IAS 40. Rental income will be annualized based on property rent rolls at quarter-end. Expenses will be determined based on the actual expenses incurred for each respective property which will be annualized and normalized in accordance with reference to the most recent appraisal on file completed at the previous fiscal year end.. Capitalization rates will be determined using market comparable based on a property's geographical location as well as the most recent appraisals on file completed at the previous fiscal year end.

The Administrator will on an annual basis: (a) determine the capitalization rates that would be used in valuing the properties; (b) provide comparable sales and supporting relevant market information; (c) utilize industry standard set off and normalization assumptions used in the calculation of normalized net earnings; (d) review the valuation process to determine whether any changes or updates are required; (e) review the audited year-end financial statements and compliance with the valuation process and compliance with IAS 40; and (f) provide a fair value report for financial statement purposes.

The Issuers' auditors will report on the audited financial statements of the Issuers on an annual basis as to the compliance of the financial statements with IFRS. The Issuers' auditors complete their audit using Canadian generally accepted auditing standards, which require that they plan and perform the audit to obtain reasonable assurance that the financial statements are free from material misstatement. The audits include evaluating the appropriateness of accounting policies used, and the reasonableness of accounting estimates made by management.

The Administrator is responsible on an annual 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; and (d) deliver the completed valuation process to the auditors at year-end for the completion of the audit on the financial statements.

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 income statement in the year of disposition.

Calculation of Net Asset Value

After the Offering has been completed, the NAV will be calculated quarterly based on the IFRS balance sheet carrying values plus adjustments. The property portfolio is valued on a quarterly basis. The NAV may or may not change in between quarters and at the end of each quarter should there be material changes or considerations that would impact the NAV including but not limited to changes in capitalization rates or acquisitions and dispositions of Properties.

As part of the process for calculating the NAV, there will be important estimates, assumptions and decisions made as part of the calculation process.

The NAV will be calculated by adding IFRS balance sheet assets, subtracting IFRS balance sheet liabilities, adding appropriate non-IFRS adjustments and dividing by the total number of outstanding Offered Units. The non-IFRS adjustments include, but are not limited to: (a) applicable property portfolio premiums, plus; (b) capitalization of certain capital expenses, which accrue over a long period of time and should be allocated between exiting, remaining and incoming Offered Unitholders but may be written off or effectively written off under IFRS, or where the value of such expense is not yet reflected, in whole or in part in the property portfolio valuation due to lags in timing, if any; plus; (c) between quarters property portfolio adjustments, if any; less (d) discretionary adjustments, if any.

Property portfolio premium means an adjustment to IFRS valuations to take into account the difference a buyer may pay for a portfolio of properties versus an individual property. The IFRS valuation approach values each property on a standalone basis and does not consider the value of economies of scale, property grouping advantages, the time, expense and difficulty of assembling a portfolio and desirability of a portfolio of properties to potential buyers.

The NAV is currently determined by the Administrator, as per the above methodology, and approved by the Independent Review Committee for publishing the NAV and for use in, but not limited to processing redemptions, financial statements of the Trust and account statements for Offered Unitholders.

5.6 Distribution Reinvestment Plan

The Trust and the Limited Partnership have implemented a distribution reinvestment plan pursuant to which holders of Class A Trust Units, Class C Trust Units, Class D Trust Units, Class F Trust Units, Class D LP Units, Class F LP Units, Class W LP Units, and Class I Trust Units may reinvest all Cash Distributions in additional Offered Units of the same class (the "**DRIP**"). Subscribers may sign-up to participate in the DRIP immediately upon subscribing for such Offered Units or by providing a "Distribution Reinvestment Plan Authorization Form" (available upon request) no later than five Business Days prior to an applicable Trust or Limited Partnership Distribution Record Date, or no later than 30 days prior to participation in the DRIP. Participants in the DRIP may elect to terminate receiving Cash Distributions through the DRIP by providing the Trust or Limited Partnership with 30 days prior written notice of their intention to terminate participation in the DRIP.

The price at which Offered Units are acquired for DRIP participants will be based on the NAV attributed to the Offered Units at the time of the Cash Distributions. Participants electing to reinvest Cash Distributions in Offered Units pursuant to the DRIP will receive a discount on the purchase price of the Offered Units equal to 2%. Participants will receive the same class of Offered Units under the DRIP as the underlying Offered Units comprising the Offered Units upon which such distributions were declared and such units. Offered Units issued under the DRIP will be subject to the Redemption Period applicable to the series or class of Offered Unit issued under the DRIP.

Participation in the DRIP is only open to holders of the Class A Trust Units, Class C Trust Units, Class D Trust Units, Class F Trust Units, Class I Trust Units, Class A LP Units, Class C LP Units, Class D LP Units, Class F LP Units, Class I LP Units and Class W LP Units, other than those who are resident or present in the United States. If a participant in the DRIP is not resident in Canada, participation in the DRIP is subject to applicable withholding tax. In those circumstances, cash that would otherwise be distributed to such participants by the Trustees or the General Partner on any given distribution date will be reduced by the amount of applicable withholding tax, and then applied towards the purchase of additional Offered Units pursuant to the DRIP. No third party or broker commission will be payable in connection with the purchase of Offered Units under the DRIP and all administrative costs will be borne by the Issuer. Trailer fees may be paid with respect to any Offered Units that are issued under the DRIP but are not redeemed.

The Trustees and the General Partner reserve the right to amend, suspend or terminate the DRIP at any time. In the event of suspension or termination of the DRIP by the Trustees or General Partner, no investment in additional Offered Units on behalf of participants will be made following the effective date of such suspension or termination.

ITEM 6 REPURCHASE REQUESTS

6.1 Last Two Completed Financial Years

The following table set out a summary of the redemptions requested and completed by the Issuers for each of the two most recently completed financial years:

Description of Security	Date of end of financial year	Number of securities with outstanding repurchase requests on the 1st day of the year	Number of securities with for which investors made repurchase requests during the year	Number of securities repurchased during the year	Average price paid for the repurchased securities	Source of funds used to complete the repurchases	No. of Units with outstanding repurchase requests on the last day of the year
Class A Trust Units	December 31, 2024	Nil	129,859.5832	129,859.5832	\$10.49	Cash from Financings Completed by the Trust	Nil
Class B Trust Units		Nil	4,000.0000	4,000.0000	\$10.75	Cash from Financings Completed by the Trust	Nil
Class C Trust Units		Nil	Nil	Nil	Nil	-	Nil
Class F Trust Units		Nil	Nil	Nil	Nil	-	Nil
Totals:		Nil	133,859.5832	133,859.5832	\$10.50	Cash from Financings Completed by the Trust	Nil
Class A Trust Units	December 31, 2025	Nil	268,059.2622	268,059.2622	\$10.81	Cash from Financings Completed by the Trust	Nil
Class B Trust Units		Nil	1,111.0000	1,111.0000	\$10.99	Cash from Financings Completed by the Trust	Nil
Class C Trust Units		Nil	648.8991	648.8991	\$10.03	Cash from Financings Completed by the Trust	Nil
Class F Trust Units		Nil	23,305.8274	23,305.8274	\$10.86	Cash from Financings Completed by the Trust	Nil
Totals:		Nil	293,124.9887	293,124.9887	\$10.81	Cash from Financings Completed by the Trust	Nil

6.2 Current Financial Year

The following table set out a summary of the redemptions requested and completed by the Trust for the period after the end of the Trust's most recently completed financial year and up to August 29,2025:

Description of Security	January 1, 2026 to April 28, 2026	Number of securities with outstanding repurchase requests on the first day of the period	Number of securities for which investors made repurchase requests during the period	Number of securities repurchased during the period	Average price paid for the repurchased securities	Source of funds used to complete the repurchases	No. of Units with outstanding repurchase requests on the last day of the period
Class A Trust Units		Nil	166,698.6686	166,698.6686	\$11.30	Cash from financings completed by the Trust	Nil
Class B Trust Units		Nil	Nil	Nil	Nil	Nil	Nil
Class C Trust Units		Nil	148,706.6842	148,706.6842	\$10.61	Cash from financings completed by the Trust	Nil
Class F Trust Units		Nil	4,630.1529	4,630.1529	\$11.35	Cash from financings completed by the Trust	Nil
Class D LP Units		Nil	Nil	Nil	Nil	Nil	Nil
Class W LP Units		Nil	Nil	Nil	Nil	Nil	Nil
Totals:		Nil	320,035.5057	320,035.5057	\$10.98	Cash from financings completed by the Trust	Nil

Notes:

- (1) Class A Trust Units (i) 92% of the Class Net Asset Value per Unit of such Trust Units if redeemed within the first year of issuance, (ii) 94% of the Class Net Asset Value per Unit of such Trust Units if redeemed within the second year of issuance, (iii) 96% of the Class Net Asset Value per Unit of such Trust Units if redeemed within the third year of issuance, (iv) and 100% of the Class Net Asset Value per Unit of such Trust Units if redeemed any time thereafter.

ITEM 7 CERTAIN DIVIDENDS OR DISTRIBUTIONS

In the two most recently completed financial years, including any subsequent interim period, the Trust has paid dividends or distributions that exceeded cash flow from operations.

ITEM 8 CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS AND RRSP ELIGIBILITY

You should consult your own professional advisors to obtain advice on the income tax consequences that apply to you.

8.1 Certain Canadian Federal Income Tax Considerations

You should consult your own professional advisors to obtain advice on the income tax consequences that apply to you.

In the opinion of Dentons Canada LLP, tax counsel to the Issuers, the following is a summary of the principal Canadian federal income tax considerations under the Tax Act of acquiring, holding and disposing of Offered Units pursuant to the Offering generally applicable to a purchaser that (i) is a resident of Canada, (ii) will hold the Offered Units as capital property for purposes of the Tax Act, (iii) at all times, deals at arm's length with and is not affiliated with the Issuers or the Administrator for purposes of the Tax Act, and (iv) will not hold the Offered Units as a "tax shelter investment", as defined in subsection 143.2(1) of the Tax Act (each a "**Holder**"). Generally, the Trust Units, Class D LP Units, Class F LP Units, and Class W LP Units will be considered to be capital property to a holder thereof unless they are held in the course of carrying on a business or in connection with an adventure in the nature of trade. Certain holders resident in Canada whose Trust Units might not otherwise qualify as capital property may be entitled to make an irrevocable election in accordance with subsection 39(4) of the Tax Act to have their Trust Units and any other "Canadian security" as defined in the Tax Act treated as capital property. Holders of Trust Units considering making such an election should consult their own tax advisors. This election is not available in respect of the LP Units.

This summary is not applicable to a holder of Offered Units (i) that is a "specified financial institution", (ii) that is a "financial institution", (iii) an interest in which is a "tax shelter investment", (iv) that has entered into, with respect to their Offered Units, a "synthetic disposition arrangement" or a "derivative forward arrangement", (v) that is subject to the "functional currency" rules or (vi) that is exempt from tax under Part I, all as

defined under or for purposes of the Tax Act. Any such holder should consult its own tax advisor with respect to an investment in the Offered Units.

This summary is based upon the provisions of the Tax Act in force as of the date hereof, all specific proposals to amend the Tax Act that have been publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Proposed Amendments**"), tax counsel's understanding of the current published administrative policies and assessing practices of the CRA made publicly available in writing prior to the date hereof and a certificate of an officer of the Trustees and General Partner as to certain factual matters.

This summary is not exhaustive of all possible Canadian federal income tax considerations applicable to the acquisition, holding or disposition of Offered Units and, except for the Proposed Amendments, does not take into account or anticipate any changes in the law, whether by legislative, administrative or judicial decision or action. This summary does not take into account any provincial, territorial or foreign tax considerations, which may differ significantly from those discussed herein.

This summary is of a general nature only and is not intended to be relied on as legal or tax advice or representations to any particular holder of Offered Units. Consequently, holders are urged to seek independent tax advice in respect of the consequences to them of an investment in Offered Units having regard to their particular circumstances. You should consult your own professional advisors to obtain advice on the income tax consequences that apply to you.

TRUST UNITHOLDERS

Status of the Trust

This summary is based on the assumptions that the Trust will: (i) qualify or be deemed to qualify as a mutual fund trust under the Tax Act at all relevant times; (ii) not be a "SIFT trust" for purposes of the Tax Act at any time; (iii) not be a "financial institution" for purposes of the Tax Act at any time; (iv) not invest in any "offshore investment fund property" as defined in section 94.1 of the Tax Act; (v) not invest 10% or more in any "exempt foreign trust" as described in section 94.2 of the Tax Act; (vi) not invest in securities of an issuer that would be treated as a "foreign affiliate" or a "controlled foreign affiliate" of the Trust or of any Unitholder; (vii) not invest in securities of an issuer that will be a "tax shelter investment" as defined in section 143.2 of the Tax Act; and (viii) not enter into any arrangement where the result would be a "dividend rental arrangement" under the Tax Act.

In order to qualify as a mutual fund trust, in addition to qualifying as a "unit trust", the Trust must satisfy the following conditions under the Tax Act:

- (a) the undertaking of the Trust must be limited to a combination of the investing of its funds in property (other than real property or interests in real property) and the acquiring, holding, maintaining, improving, leasing or managing of any real property or an interest in real property, that is capital property of the Trust;
- (b) the Trust must comply on a continuous basis with certain requirements relating to the qualification of the Trust Units for distribution to the public, the number of Unitholders (being not fewer than 150 Unitholders of the Trust of at least one of its classes of Units that has qualified for distribution to the public pursuant to this Offering Memorandum or a Previous Offerings memorandum of the Trust, with each Unitholder owning not less than 100 Units having an aggregate fair market value of not less than \$500) and the dispersal of ownership of Units; and
- (c) the Trust may not reasonably be considered to have been established or maintained primarily for the benefit of non-residents of Canada under the Tax Act.

As at the date of the Offering Memorandum, the Trustees have advised counsel that the Trust has satisfied all of the requirements necessary for it to qualify as a mutual fund trust prior to its filing of the MFT Election. The Trustees have also advised counsel that the Trust has made the MFT Election, in the prescribed form and within the prescribed time, so that the Trust was deemed to be a "mutual fund trust" throughout its first taxation year and that the Trustees have used and will continue to use all commercially reasonable efforts to ensure that the Trust has and will continue to meet all of the requirements under the Tax Act necessary for it to continuously qualify as a mutual fund trust thereafter.

If the Trust does not qualify or it ceases to qualify as a mutual fund trust at any particular time, the Canadian federal income tax considerations described below would, in some respects, be materially different.

The Trustees have advised that it has no current intention to arrange to have the Offered Units or other investments in the Trust listed or traded on a stock exchange or on any other public market, and as such, the Trust should not constitute a SIFT Trust. If the Trust were to become a SIFT Trust, the income tax consequences for the Trust and for Trust Unitholders would be materially different than those described herein.

Taxation of the Trust

The Trust is subject to tax in each taxation year on its income for the year, computed as though it were a separate individual resident in Canada. The taxation year of the Trust will end on December 31 of each year. The Trust will be subject to tax under Part I of the Tax Act on its income for each taxation year, including any interest received or receivable on the Partnership Promissory Notes, net realized taxable capital gains in the year and its allocated share of the income or gains of the Limited Partnership for the Limited Partnership's fiscal period ending on or before the Trust's taxation year-end, less the portion thereof that it deducts in respect of amounts paid or payable, or deemed to be paid or payable, to Trust Unitholders in the year. 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.

Generally, with respect to any indebtedness (including the Partnership Promissory Notes), the Trust will be required to include in its income for each taxation year all interest that accrues to it or is deemed to accrue to it to the end of the year, or becomes receivable or is received by it before the end of the year, including on a conversion, redemption or repayment on maturity, except to the extent that such interest was included in computing its income for a preceding taxation year or was otherwise excluded from income and excluding any interest that accrued prior to the time of the acquisition of the indebtedness by the Trust. Upon the actual or deemed disposition of any indebtedness, the Trust will be required to include in computing its income for the year of disposition all interest that accrued on such indebtedness from the last interest payment date to the date of disposition except to the extent such interest was otherwise included in computing the Trust's income for that or a preceding taxation year and such interest will not be included in the proceeds of disposition for purposes of computing any capital gain or loss.

In computing its income, the Trust will generally be entitled to deduct reasonable administrative expenses incurred to earn income. The Trust will be entitled to deduct the costs incurred by it in connection with the issuance of Units on a five-year, straight-line basis, subject to proration for short taxation years. Subject to certain restrictions in the Tax Act, including subsection 104(7.1) (as discussed further below), the Trust may also deduct amounts which are paid or become payable by it to Trust Unitholders in the year, to the extent that the Trust has net income for the year after the inclusions and deductions outlined above. An amount will be considered to have become payable to a Trust Unitholder in a taxation year only if it is paid in the year by the Trust or the Trust Unitholder is entitled in that year to enforce payment of the amount. Under the Trust Indenture, net income of the Trust for each year will be paid or made payable by way of cash distributions to the Trust Unitholders. The Trust Indenture also contemplates other situations in which the Trust may not have sufficient cash to distribute all of its net income by way of such cash distributions. In such circumstances, such net income will be paid or payable to Trust Unitholders in the form of additional Trust Units ("**Reinvested Trust Units**").

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 taxable capital gains by an amount determined under the Tax Act based on the redemption or retraction of Units during the year (the "**Capital Gains Refund**"). In certain circumstances, the Capital Gains Refund for a particular taxation year may not completely offset the Trust's tax liability on net realized capital gains for such taxation year.

The Trust Indenture provides that all or a portion of any taxable capital gains realized by the Trust as a result of a redemption of Units (including any capital gains realized by the Trust on an in specie redemption of Trust Units) shall, subject to the relevant provisions of the Tax Act, be treated as income paid or made payable to the redeeming Trust Unitholder in the applicable year. In addition, on the redemption of Trust Units, the Trust shall, subject to the relevant provisions of the Tax Act, designate payable to the redeeming Trust Unitholder, the Trust Unitholder's proportionate share at the time of the redemption of any capital gains realized by the Trust in the taxation year in which the redemption occurred. However, the Trust generally will not be entitled to a deduction in computing its income under the Tax Act in respect of an amount allocated to a redeeming Trust Unitholder in respect of taxable capital gains to the extent that such amount 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 board of directors using reasonable efforts to obtain the information required to determine the Trust Unitholder's cost amount) (the "**Allocation to Redeemers Rule**"). As a result, the taxable component of distributions by the Trust to non-redeeming Trust Unitholders may be adversely affected. Counsel has been advised that the Trust intends, 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 Allocations to Redeemers Rule.

Pursuant to the anti-avoidance rule in subsection 104(7.1) of the Tax Act, the Trust will be prevented from deducting any portion of the income of the Trust paid or made payable to Trust Unitholders if it is reasonable to consider that one of the main purposes for the existence of any term, condition, right or other attribute of a unit is to give a Trust Unitholder a percentage interest in the property of the Trust that is greater than the Trust Unitholder's percentage interest in the income of the Trust. Generally, the CRA has interpreted subsection 104(7.1) as only applying where the impugned term, conditions, right or other attribute of the interest in the trust is tax-motivated (e.g. the Trust was or is designed to stream different types of trust income to different beneficiaries based on their tax status). Based, in part, on the Trust's understanding of the CRA's administrative position and assessing practice with respect to the interpretation of subsection 104(7.1) of the Tax Act, it is the Trust's view that the conditions of this provision would not be satisfied and that subsection 104(7.1) accordingly should not apply to the Trust. However, there are no assurances that the CRA or the courts would agree with the position taken by the Trust with respect to the application of subsection 104(7.1) of the Tax Act or that the CRA will continue to apply subsection 104(7.1) in the same manner in the future or that subsection 104(7.1) will not apply to the Trust. If subsection 104(7.1) were to apply to the Trust, it may have material adverse consequences for the Trust and its Trust Unitholders.

For purposes of the Tax Act, the Trust advises that it generally intends to make distributions to Trust Unitholders and to deduct, in computing its income in each taxation year, such amount as will be sufficient to ensure that the Trust will not be liable for income tax under Part I of the Tax Act. As a result of such deductions and the Trust's entitlement to a Capital Gains Refund, it is expected that the Trust will not be liable for any material amount of tax under the Tax Act. However, no assurance can be given in this regard.

Recent amendments to the Tax Act (the "**EIFEL Rules**") generally limit the deductibility of interest and financing expenses of a Canadian resident corporation or trust that is not an "excluded entity" to a fixed ratio of tax EBITDA (as calculated in accordance with the EIFEL Rules). If the EIFEL Rules apply to the Trust, the amount of interest and other financing expenses otherwise deductible by the Trust may be reduced and the taxable component of distributions by the Trust to its Trust Unitholders may be increased accordingly. The Trust does not expect there to be a material increase to the taxable component of distributions to Trust Unitholders as a result of the EIFEL Rules.

Status of the Limited Partnership

This summary is based on the assumption that (i) the Limited Partnership will not be a "SIFT partnership" for purposes of the Tax Act at any time; (ii) at all material times all partners of the Limited Partnership will be resident in Canada for purposes of the Tax Act and that they will comply in all respects with the restrictions on investors pursuant to the LP Agreement, (iii) no interest in any partner of the Limited Partnership will be a "tax shelter investment" as defined in subsection 143.2(1) of the Tax Act, (iv) no interests in the Limited Partnership will be acquired

with financing for which recourse is, or is deemed to be, limited for purposes of the Tax Act, (v) the Limited Partnership will not be a “financial institution” as defined in subsection 142.2(1) of the Tax Act, (vi) the Limited Partnership will not invest in any “offshore investment fund property” as defined in section 94.1 of the Tax Act; (vii) the Limited Partnership will not invest 10% or more in any “exempt foreign trust” as described in section 94.2 of the Tax Act; (viii) the Limited Partnership will not invest in securities of an issuer that would be treated as a “foreign affiliate” or a “controlled foreign affiliate” of the Limited Partnership or any of its partners; (ix) the Limited Partnership will not invest in securities of an issuer that will be a “tax shelter investment” as defined in section 143.2 of the Tax Act; and (x) the Limited Partnership will not enter into any arrangement where the result would be a “dividend rental arrangement” under the Tax Act.

Taxation of the Limited Partnership

The Limited Partnership is generally not subject to tax under the Tax Act. Each partner (including the Trust) of the Limited Partnership is required to include (or entitled to deduct) in computing the partner’s income for a particular taxation year, the partner’s share of the income or loss of the Limited Partnership (subject in the case of a loss, to the application of the “at-risk rules” described below), whether or not any such income is distributed to the partner in the taxation year. For this purpose, the income or loss of the Limited Partnership will be computed for each fiscal year as if the Limited Partnership were a separate person resident in Canada. In computing such income or loss, deductions may be claimed for reasonable amounts in respect of administrative and other expenses incurred for the purpose of earning income from business or property, including reasonable interest expense incurred or accrued on the Partnership Promissory Notes. The income or loss of the Limited Partnership for a fiscal year will be allocated to each partner, including the Trust, on the basis of the partner’s share of such income or loss subject to the LP Agreement and the detailed rules in the Tax Act in that regard, including, in the case of allocation of losses to Limited Partners, the at-risk rules.

The Trust, as a partner, will be required to include in its income the taxable portion of any capital gain on the disposition of its interest in the Limited Partnership. In general, the Trust’s adjusted cost base of its interest in the Limited Partnership at a particular time is equal to its initial cost of such interest, plus income allocated to it for fiscal periods ending before that time, minus deductible losses allocated to it for fiscal periods ending before that time and minus amounts received by it as distributions of Limited Partnership income or capital. To the extent that the adjusted cost base to the Trust in its interest in the Limited Partnership is less than zero at the end of a fiscal period of the Limited Partnership, the negative amount will be deemed to be a capital gain of the Trust from the disposition of such interest in the Limited Partnership in the year in which the negative amount arises and the adjusted cost base to the Trust of such interest in the Limited Partnership will be nil immediately thereafter.

Counsel has been advised that in computing income for the purposes of the Tax Act, and except as otherwise determined, the Limited Partnership intends to claim the maximum discretionary deductions that are available to it under the Tax Act, except that the Limited Partnership shall in no case claim any discretionary deductions to the extent that such claims would result in, or increase the amount of, the denial of any deductions for its partners pursuant to the at-risk rules, as described below.

Generally, distributions to the Trust, in excess of its allocated share of the income (including the full amount of any capital gains) of Limited Partnership for a fiscal period will result in a reduction of the adjusted cost base of the Trust’s interest (including any interest represented by Class A LP Units, Class C LP Units, Class D LP Units, and Class F LP Units) in the Limited Partnership by the amount of such excess, as described above. If at the end of any fiscal period of the Limited Partnership, the adjusted cost base of the interest (including any interest represented by Class A LP Units, Class C LP Units, Class D LP Units, and Class F LP Units) in the Limited Partnership held by the Trust would otherwise be a negative amount, the Trust will be deemed to have realized a capital gain at the fiscal period’s end equal to the absolute value of such negative amount and the adjusted cost base of the interest (including any interest represented by Class A LP Units, Class C LP Units, Class D LP Units, and Class F LP Units) in the Limited Partnership held by the Trust will be increased by the amount of such deemed capital gain to nil.

Where applicable, the EIFEL Rules require a trust that is a member of a partnership that incurs interest and financing expenses to recognize an offsetting income inclusion in respect of all or a portion of the trust’s share of such expenses. Under the EIFEL Rules, 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 Limited Partnership, and the taxable component of distributions by the Trust to Trust Unitholders may be increased accordingly. The Limited Partnership does not expect there to be a material increase to the taxable component of distributions to Trust Unitholders as a result of the EIFEL Rules .

At-risk rules

The Tax Act contains rules (the “**at-risk rules**”) which, in general, limit the ability of a limited partner, such as the Trust, of a partnership, such as the Limited Partnership, to deduct in a taxation year its share of any loss of the partnership (other than a capital loss) for a fiscal period ending in that taxation year to its “at-risk amount” in respect of such partnership at the end of that fiscal period. In general, the “at-risk amount” of a limited partner in respect of a limited partnership at the end of the partnership’s fiscal period will be equal to the adjusted cost base of the limited partner’s partnership interest at the end of the fiscal period plus any income (including the full amount of any capital gain) allocated to the limited partner for the fiscal period, less any amount owing by the limited partner (or by a person or partnership that does not deal at arm’s length with the limited partner for purposes of the Tax Act) to the partnership (or to a person or partnership not dealing at arm’s length with the partnership for purposes of the Tax Act), and less the amount of the limited partner’s investment in the partnership that may reasonably be regarded as protected against loss.

The Trust’s share of any loss of the Limited Partnership that is not deductible by the Trust as a result of the application of the at-risk rules is considered to be a “limited partnership loss” in respect of the Limited Partnership for that year.

Such limited partnership loss may generally be carried forward and deducted by the Trust in a subsequent taxation year against income for that year to the extent that the Trust’s at-risk amount at the end of the Limited Partnership’s last fiscal period ending in that year exceeds the Trust’s share of any loss of the Limited Partnership for that fiscal period, subject to and in accordance with the provisions of the Tax Act.

Taxation of Trust Unitholders

Income and Distributions

A Holder of Trust Units (a "Trust Unitholder") will generally be required to include in computing income for a particular taxation year of the Trust Unitholder such portion of the net income of the respective Issuer for a taxation year, including net taxable capital gains, as is paid or becomes payable to the Trust Unitholder in that particular taxation year, whether received in cash, Reinvested Trust Units or otherwise.

Provided that the Trust makes appropriate designations under the Tax Act, net taxable capital gains realized by the Trust that are paid or payable, or deemed to be paid or payable, by the Trust to a Trust Unitholder will effectively retain their character and be treated as such in the hands of the Trust Unitholder for purposes of the Tax Act.

The non-taxable portion of net capital gains of the Trust that is paid or becomes payable to a Trust Unitholder in a year will not be included in computing the Trust Unitholder's income for the year. Any other amount in excess of the net income of the Trust that is paid or becomes payable to the Trust Unitholder in that year will not generally be included in the Trust Unitholder's income for the year.

However, the payment by the Trust of such excess amount (and in respect of a particular class of Trust Units), other than as proceeds of disposition of Trust Units, will generally reduce the adjusted cost base to the Trust Unitholder of that particular class of Trust Units. To the extent that the adjusted cost base of a Trust Unit is less than zero, the negative amount will be deemed to be a capital gain of the Trust Unitholder from the disposition of the Trust Unit in the year in which the negative amount arises and the Trust Unitholder's adjusted cost base of the Trust Unit will be nil immediately thereafter. See the discussion below under "Disposition of Trust Units" with respect to capital gains and capital losses.

It is expected that, in each year, any cash distributions paid by the Trust to the Trust Unitholders will include both income of the Trust, which will be included in the taxable income of the Trust Unitholders, and non-taxable distributions, which will reduce the adjusted cost base to the Trust Unitholder in their respective Trust Units.

If appropriate designations are made by the Trust, such portion of the net taxable capital gains of the Trust paid or become payable to a Trust Unitholder will effectively retain their character and be treated as such in the hands of the Trust Unitholder for the purposes of the Tax Act. All other income of the Trust that is paid or becomes payable to a Trust Unitholder generally will be considered income from property, irrespective of its source. Any loss of the Trust for the purposes of the Tax Act cannot be allocated to, or treated as a loss of, the Trust Unitholders.

A Trust Unitholder that is throughout the taxation year a "Canadian controlled private corporation" (as defined in the Tax Act) or that is or is deemed to be a "substantive CCPC" at any time in a taxation year may be liable to pay an additional tax (refundable in certain circumstances) on its "aggregate investment income" (as defined in the Tax Act) for the year, including certain income and net taxable capital gains of the Trust that is paid or becomes payable to Trust Unitholder. Such Trust Unitholders should consult their own tax advisors in this regard.

Acquisition of Trust Units

The cost for tax purposes of a Trust Unit acquired pursuant to this Offering will be the subscription price of the Trust Unit. Trust Units issued to a Trust Unitholder in lieu of a cash distribution of income will have a cost to the Trust Unitholder equal to the amount of income of the Trust distributed by the issuance of such Reinvested Trust Units. Under the Tax Act, the cost of Reinvested Trust Units will be averaged with the adjusted cost base of all other Trust Units already owned by the Trust Unitholder in order to determine the respective adjusted cost base of each such Trust Unit. The adjusted cost base of Trust Units disposed of is based on such average calculated immediately prior to the disposition.

Disposition of Trust Units

Upon the disposition or deemed disposition by a Trust Unitholder, the Trust Unitholder will generally realize a capital gain (or a capital loss) equal to the amount by which the proceeds of disposition exceed (or are less than) the aggregate of the Trust Unitholder's adjusted cost base of the Trust Unit and any reasonable costs of disposition.

A redemption of Trust Units in consideration for cash, Redemption Notes or other securities distributed to the Trust Unitholder (a "**Redeeming Trust Unitholder**") in satisfaction of the redemption price, as the case may be, will be a disposition of such Trust Units for proceeds of disposition equal to the aggregate of any cash and the fair market value of the Redemption Notes or other assets so distributed, as the case may be. A Redeeming Trust Unitholder will consequently realize a capital gain (or capital loss), to the extent that the proceeds of disposition received exceed (or are less than) the adjusted cost base of the Trust Units so redeemed and any reasonable costs of disposition.

Currently, one-half of any capital gain (a "**taxable capital gain**") realized by a Trust Unitholder in a taxation year must be included in the income of the Trust Unitholder for the year, and one-half of any capital loss (an "**allowable capital loss**") realized by the Trust Unitholder in a taxation year is deducted from taxable capital gains realized by the Trust Unitholder in that year. Allowable capital losses for a taxation year in excess of taxable capital gains for that year generally may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net capital gains realized in such years, to the extent and under the circumstances described in the Tax Act.

A Holder that is an individual or trust (other than certain specified types of trusts), may have an increased liability for alternative minimum tax as a result of capital gains realized on a disposition of Offered Units and net income of the Trust paid or payable, or deemed to be paid or payable, to the Holder and that is designated as net taxable capital gains

Where the redemption price for Trust Units is paid by the issuance of Redemption Notes or other assets to the redeeming Trust Unitholder, the proceeds of disposition to the Trust Unitholder will be equal to the fair market value of the property so transferred less the portion of any income or capital gain realized by the Trust in connection with the redemption of those Trust Units that has been designated by the Trust as payable to the redeeming Trust Unitholder as described above. Where the Trust has designated such capital gain or income as payable to a redeeming Trust Unitholder, the Trust Unitholder will be required to include in income such income and the taxable portion of the capital gain so designated. The adjusted cost base of the Redemption Notes or Trust assets transferred by the Trust to Holder of Trust Units upon an in specie redemption of Trust Units by that Trust Unitholder will generally be equal to the fair market value of such notes (less any accrued but unpaid interest on such notes at that time) or assets at the time of transfer. To the extent that the Trust Unitholder is thereafter required to include in income any interest accrued to the date of the acquisition of Redemption Notes by the Trust Unitholder, an offsetting deduction should be available. The Trust Unitholder should thereafter be required to include in income interest on any Redemption Notes or income in respect of such other assets in accordance with the provisions of the Tax Act. in income interest on any Redemption Notes or income in respect of such other assets in accordance with the provisions of the Tax Act.

LP UNITHOLDERS

Status of the Limited Partnership

See "Trust Unitholders – Status of the Limited Partnership" above for a description of the tax status of the Limited Partnership.

Taxation of the Limited Partnership

See "Trust Unitholders – Taxation of the Limited Partnership" above for a description of the taxation of the Limited Partnership.

Taxation of LP Unitholders

Income and Distributions

A Holder of Class D LP Units, Class F LP Units, and Class W LP Units ("**LP Unitholder**") is required to include in computing the LP Unitholder's income the LP Unitholder's share of the income or loss of the Limited Partnership for its fiscal year ending in or coincidentally with the LP Unitholder's taxation year, whether or not any such income is distributed to the LP Unitholder in the taxation year. An LP Unitholder will be required to include in its income the taxable portion of any capital gain on the disposition of its Class D LP Units, Class F LP Units, and Class W LP Units. In general, an LP Unitholder's adjusted cost base in its Class D LP Units, Class F LP Units, and Class W LP Units at a particular time is equal to its initial cost of the Class D LP Units, Class F LP Units, and Class W LP Units, plus income allocated to it for fiscal periods ending before that time, minus deductible losses allocated to it for fiscal periods ending before that time and minus amounts received by it as distributions of Limited Partnership income or capital. To the extent that the adjusted cost base to the LP Unitholder of a Class D LP Unit, Class F LP Unit, and Class W LP Unit is less than zero at the end of a fiscal period of the Limited Partnership, the negative amount will be deemed to be a capital gain of the LP Unitholder from the disposition of the Class D LP Units, Class F LP Units, and Class W LP Units in the year in which the negative amount arises and the adjusted cost base to the LP Unitholder of the Class D LP Units, Class F LP Units, and Class W LP Units will be nil immediately thereafter.

A LP Unitholder that is throughout a taxation year a "Canadian controlled private corporation" (as defined in the Tax Act) or that is or is deemed to be a "substantive CCPC" at any time in a taxation year may be liable to pay an additional tax (refundable in certain circumstances) on its "aggregate investment income" (as defined in the Tax Act) for the year, including certain income and net taxable capital gains of the Limited Partnership that is paid or become payable to the LP Unitholder. Such LP Unitholders should consult their own tax advisors in this regard.

Acquisition of Class D, Class F, and Class W LP Units

The cost for tax purposes of Class D LP Units, Class F LP Units, and Class W LP Units acquired pursuant to this Offering will be the subscription price of the Class D LP Unit, Class F LP Unit, and Class W LP Unit. Class D LP Units, Class F LP Units, and Class W LP Units issued in lieu of a cash distribution of income ("**Reinvested LP Units**") will have a cost to the LP Unitholder equal to the amount of income of the Limited Partnership distributed by the issuance of such Reinvested LP Units. Under the Tax Act, the cost of Reinvested LP Units will be averaged with the adjusted cost base of all other Class D LP Units, Class F LP Units, or Class W LP Units already owned by the LP Unitholder in order to determine the respective adjusted cost base of each such Class D LP Unit, Class F LP Unit, and Class W LP Unit. The adjusted cost base of Class D LP Units, Class F LP Units, and Class W LP Units disposed of is based on such average calculated immediately prior to the disposition.

Disposition of Class D LP Units, Class F, and Class W LP Units

Upon the disposition or deemed disposition by an LP Unitholder of a Class D LP Unit, Class F LP Unit, and Class W LP Unit, the LP Unitholder will generally realize a capital gain (or a capital loss) equal to the amount by which the proceeds of disposition exceed (or are less than) the aggregate of the LP Unitholder's adjusted cost base of the Class D LP Unit, Class F LP Unit, and Class W LP Unit and any reasonable costs of disposition.

A redemption of Class D LP Units, Class F LP Units, and Class W LP Units in consideration for cash, Redemption Notes or other securities distributed to a LP Unitholder (a "**Redeeming LP Unitholder**") in satisfaction of the redemption price, as the case may be, will be a disposition of such Class D LP Units, Class F LP Units, and Class W LP Units for proceeds of disposition equal to the aggregate of any cash and the fair market value of the Redemption Notes or other assets so distributed, as the case may be. Redeeming LP Unitholders will consequently realize a capital gain (or capital loss), depending upon whether the proceeds of disposition received exceed (or are less than) the adjusted cost base of the Class D LP Units, Class F LP Units, and Class W LP Units so redeemed and any reasonable costs of disposition.

See "Trust Unitholders – Disposition of Trust Units" above for a description of the taxation of capital gains and losses that generally will also be applicable to an LP Unitholder that disposes of Class D LP Units, Class F LP Units, and Class W LP Units.

8.2 Eligibility for Investment

In the opinion of Dentons Canada LLP, counsel to the Issuers, based on the provisions of the Tax Act in force as of the date hereof and the Proposed Amendments, provided the Trust qualifies as a "mutual fund trust" within the meaning of the Tax Act at all times, the Trust Units will be a qualified investment for Exempt Plans. Exempt Plans will generally not be liable for tax in respect of any distributions received from the Trust or any capital gain realized on the disposition of any Trust Units, provided that the Trust continues to qualify as a mutual fund trust within the meaning of the Tax Act.

Notwithstanding the foregoing, annuitants, holders or subscribers (each a "**Controlling Individual**") of an Exempt Plan that is a RRSP, RRIF, RDSP, RESP, FHSA and a TFSA (each a "**Plan**"), will be subject to a penalty tax in respect of Trust Units held in a trust governed by a Plan if such Trust Units are a "prohibited investment" for the purposes of the Tax Act. Trust Units will generally not be a "prohibited investment" for a Plan unless the Controlling Individual of the Plan: (i) does not deal at arm's length with the Trust for purposes of the Tax Act; or (ii) has a "significant interest", as defined in the Tax Act, in the Trust. Generally, a Controlling Individual will not have a significant interest in the Trust unless the Controlling Individual owns interests as a beneficiary under the Trust that have a fair market value of 10% or more of the fair market value of the interests of all beneficiaries under the Trust, either alone or together with persons and partnerships with which the Controlling Individual does not deal at arm's length. In addition, a Trust Unit will not be a "prohibited investment" if the Trust Unit is "excluded property" (as defined for the purposes of prohibited investment rules in the Tax Act). Prospective purchasers who intend to hold their Trust Units in a Plan should consult their own tax advisors with regard to the application of these rules in their particular circumstances.

Where an Exempt Plan receives Redemption Notes or any other debt or securities as a result of redemption of Trust Units, such Redemption Notes, debt or other securities will not generally be qualified investments for the Exempt Plan. Accordingly, Exempt Plans that own Trust Units should consult their own tax advisors before deciding to exercise their redemption rights attached to the Trust Units.

If the Trust fails to qualify as a mutual fund trust at any time or it ceases to qualify as a mutual fund trust under the Tax Act, the Trust Units will not be qualified investments under the Tax Act for Exempt Plans and this could give rise to adverse consequences to such Exempt Plans or the annuitant under such Exempt Plans.

The LP Units will not be qualified investments under the Tax Act for Exempt Plans.

ITEM 9 COMPENSATION PAID TO SELLERS AND FINDERS

The Trust intends, in certain circumstances, to pay to third parties who are entitled to receive the same, Referral Fees or Commissions on the gross proceeds raised in connection with the investment in Offered Units. Subscribers who are introduced to the Trust by third parties should be aware these third parties may be entitled to receive a Referral Fee or Commission in connection with their subscription as follows and No Referral Fee or Commission will be paid to any party for the purchase of LP Units or Partnership Promissory Notes by the Trust:

Dealer Purchase Options

Class A Trust Units

For each Class A Trust Unit, each dealer will receive one of the two following options:

- (a) Option 1 – Deferred Sales Charge Option:
 - (i) an up front commission of up to 6.5% on the principal amount of a subscriber's investment, payable by the Trust; and
 - (ii) a prorated proportion of the profit share pool equal to 33.3% of the Management Carried Interest, payable by the Administrator (if applicable);
- (b) Option 2– Front Load Option:
 - (i) negotiable commission (if any) on the principal amount of a subscriber's investment, payable by the subscriber; and
 - (ii) a trailer fee equal to 1.00% per annum, paid quarterly, for so long as the Subscriber remains a holder of Class A Trust Units, payable by the Trust;

Option 1 is traditionally offered to Exempt Market Dealers, whereas Option 2 is traditionally offered to CIRO firms.

Class C Trust Units

For each Class C Trust Unit, each dealer will receive:

- (i) an up-front commission of up to 4.5% on the principal amount of a subscriber's investment, payable by the Trust; and
- (ii) a trailer fee equal to 0.75% per annum, paid quarterly, for so long as the Subscriber remains a holder of Class C Trust Units, payable by the Trust;

Class D Trust Units

For each Class D Trust Unit, each dealer will receive:

- (i) an up-front commission of up to 4.5% on the principal amount of a subscriber's investment, payable by the Trust; and

- (ii) a trailer fee equal to 0.75% per annum, paid quarterly, for so long as the Subscriber remains a holder of Class D Trust Units, payable by the Trust;

Class F Trust Units

Class F Trust Units may generally only be subscribed for by Fee Based Accounts where the Subscriber pays an annual fee to a dealer pursuant to a fee-based program. No upfront commission and no trailing commission are paid on Class F Trust Units. There will be a Short Term Trading Fee set-off against the redemption price of any such Class F Trust Units within the first 6 months of a Subscriber's subscription.

Certain Class F Trust Unitholders may be eligible to re-designate all or part of their Class F Trust Units for Class I Trust Units based on certain investment thresholds, as determined by the Trust in its sole discretion. In the event investments in Class I Trust Units fall below certain thresholds, as determined by the Trust in its sole discretion, then re-designated Class I Trust Units will revert back to Class F Trust Units. Class F Trust Unitholders should consult with their own tax advisors before re-designating their Class F Trust Units for Class I Trust Units.

Class I Trust Units

Class I Trust Units are primarily only available to institutional investors. Typically, no commission and no trailer is paid by the Trust, although in certain circumstances it may pay a negotiated trailer to the advisor, if there is an advisor.

A corporate finance front-end fee and/or financial advisory fee may also be paid by the Trust to a certain dealer, at the discretion of the Trustees, including a corporate finance bonus of \$2,500 for every \$500,000 of capital raised.

Class D LP Units

The Limited Partnership may pay commissions in connection with the sale of Class D LP Units as follows:

- (a) an up-front commission of up to 4.5% of the principal amount of a Subscriber's investment; and
- (b) a trailer fee equal to 0.75% of the principal amount of a Subscriber's investment per annum, paid quarterly, for so long as the Subscriber remains a holder of Class D LP Unit, each payable by the Trust

Class F LP Units

Class F LP Units may generally only be subscribed for by Fee Based Accounts where the Subscriber pays an annual fee to a dealer pursuant to a fee-based program. No upfront commission and no trailing commission are paid on Class F LP Units. There will be a Short Term Trading Fee set-off against the redemption price of any such Class F LP Units within the first 6 months of a Subscriber's subscription.

Certain Class F LP Unitholders may be eligible to re-designate all or part of their Class F LP Units for Class I LP Units based on certain investment thresholds, as determined by the Limited Partnership in its sole discretion. In the event investments in Class I LP Units fall below certain thresholds, as determined by the Limited Partnership in its sole discretion, then re-designated Class I LP Units will revert back to Class F LP Units. Class F LP Unitholders should consult with their own tax advisors before re-designating their Class F LP Units for Class I LP Units.

Class W LP Units

The Limited Partnership may pay commissions in connection with the sale of Class W LP Units as follows:

- (a) an up front commission of up to 5.5% of the principal amount of a Subscriber's investment.
- (b) No trailer fee will be paid in relation to Class W LP Units.

Wholesaler

In connection with the Offering, the Issuers may engage and pay fees to a Wholesaler. As at the date of this Offering Memorandum, the Issuers have engaged Wholesalers, and shall pay the Wholesalers, a finder's fee equal to 1.0% of any Capital Contributions to the Issuers by investors through the specific Wholesaler. In addition, the Wholesaler may receive a monthly fee that will be reviewed and approved by the Independent Review Committee and may be reimbursed for any reasonable actual costs incurred in connection with the Wholesaler's engagement under the Wholesaler Agreement. See Item 2.7(c) – Material Agreements – Wholesaler Agreement.

A related party of the Trust (Pier Wholesaler, a corporation beneficially owned by Michael Ashby, Darrell Ashby, and Adam Ashby) has been retained as a Wholesaler. The retention of the related party as a Wholesaler has been approved by the Trustees and the IRC.

Administration

The General Partner has assigned management of the Limited Partnership to the Administrator, Pier 4 Capital Corporation, an entity controlled by Darrell Ashby, Adam Ashby, and Michael Ashby. The Administrator earns the Management Fee for managing the Limited Partnership and the Trust equal to 2% of the total Capital Contributions to the Trust and Limited Partnership for all management services, expenses and fees pursuant to the Administration Agreement. The Administrator may also be paid the Management Carried Interest, if applicable.

ITEM 10 RISK FACTORS

It is strongly recommended that each Subscriber, in order to assess tax, legal and other aspects of an investment in the Offered Units, obtain independent legal advice with respect to the Offering and this Offering Memorandum. An investment in the Offered Units is subject to significant risk from, among other things, rapidly changing economic and market conditions.

There is no established market for the Offered Units and none is expected to develop. Therefore, it may be difficult or impossible for a Subscriber to sell any of such securities. The subscription price per Offered Unit was determined arbitrarily by the Issuers, respectively. This Offering should be considered risky due to the proposed nature of the Trust's or Limited Partnership's businesses.

There are risks associated with an investment in the Issuers as a result of, among other considerations, the proposed nature and operations of the Issuers. An investment in Offered Units should only be made after consultation with independent qualified sources of investment and tax advice. An investment in the Issuers involves risk and is not intended as a complete investment program. There is no assurance that distributions will be paid. There is a risk that an investment in the Issuers will be lost entirely or in part. Only investors who do not require immediate liquidity of their investment and who can afford the loss of their entire investment should consider the purchase of Offered Units. The following does not purport to be a complete summary of all the risks associated with an investment in the Issuers.

10.1 Investment Risk

No Guaranteed Return

There is no guarantee that an investment in Offered Units will earn any positive return in the short or long-term. The value of the Offered Units may increase or decrease depending on market, economic, political, regulatory and other conditions affecting the Trust. Investment in the Offered Units may be more volatile and riskier than some other forms of investments. All prospective Unitholders should consider an investment in the Issuers within the overall context of their investment policies.

Although the Issuers intend to make cash distributions in accordance with the distribution policy set out in the Trust Indenture and LP Agreement, the Trustees and General Partner may reduce or suspend cash distributions indefinitely, which could have a material adverse effect on the market price of the Offered Units. Cash distributions to Unitholders are not guaranteed and are not fixed obligations of the Issuers. There is no guarantee that this target will be met or that any distributions will be made at all or that the assets of the Issuers will appreciate in value. The Trustees and General Partner are under no obligation to make any distributions. **The Issuers may not make any distributions at all.**

In addition, the actual cash flow available for distribution to Unitholders is dependent on the amount of cash flow paid to the Trust and Limited Partners by the Limited Partnership and can vary significantly from period to period for a number of reasons, including among other things: (a) the issuance of Class M LP Units; (b) the amount of net rental income derived from the Properties of the Limited Partnership; (c) the amount of cash required or retained for debt service or repayment; (d) amounts required to fund capital expenditures and working capital requirements; (e) tenant allowances; (f) leasing commissions; (g) Unit redemptions; (h) interest rates; and (i) other factors that may be beyond the control of the respective Issuer. These amounts are subject to the discretion of the Administrator, which will regularly evaluate the distribution payout of the Limited Partnership and the Trust with respect to anticipated cash flows, debt levels, capital expenditure plans and amounts to be retained to fund acquisitions and expenditures. In addition, the level of distributions per Offered Unit will be affected by the number of outstanding units and other securities that may be entitled to receive cash distributions. Distributions may be increased, reduced or suspended entirely depending on operations and the performance of the assets of the Limited Partnership. The NAV of the units may materially deteriorate if the Issuers, or either of them, is unable to meet distribution expectations in the future.

Dilution

No assurance can be given that the current position of Offered Unitholders of the Issuers will not be diluted due to the issuance of future Units, including by way of the creation and issuance of an additional series of Units.

Illiquidity of Units

There is presently no market for the Offered Units offered under this Offering Memorandum, nor is there any guarantee or expectation that such a market will develop. Units are transferable subject to the terms of the Trust Indenture, the LP Agreement and Canadian securities law restrictions. Under applicable securities laws, the Units are subject to restrictions on resale such that they may be subject to an indefinite hold. Certificates issued for the Units will contain a legend with respect to same. In addition, under certain conditions, redemptions may not be payable in cash but rather satisfied through the distribution of other Trust or Limited Partnership Property or Redemption Notes, in respect of each of which there will not be a market for such securities.

None of the Offered Units may be sold, assigned or transferred by a Unitholder without the prior written consent of the Trustees, General Partner or the Administrator, as applicable, and in compliance with all applicable securities laws, the Trust Indenture, and the LP Agreement, as applicable. An investment in Offered Units is hence suitable only for sophisticated investors who do not need full liquidity with respect to this investment.

Redemption of Offered Units

Use of Available Cash: The payment in cash by the Issuers of the Redemption Price (as opposed to payment of the Redemption Price through the issuance of Redemption Notes) will reduce the amount of cash available to the Issuers 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: Should Unitholders elect to redeem their Offered Units, as the Redemption Price is, in part, based on the Net Asset Value of the class of Offered Units, there is no guarantee that the Net Asset Value of a class of Offered Units is exact. Accordingly, any error in the Net Asset Value of the Offered Units at the time of redemption could result in a Unitholder receiving less than they may otherwise have been entitled to receive. **Therefore, investors may redeem Offered Units at a redemption price that is materially different than the price at which such Offered Units were purchased.**

Limitation on Payment of Redemption Price in Cash: In respect of redemptions of Offered Units, once the Quarterly Cash Redemption Limit cash threshold (set by the Trustees and General Partner, respectively, on an annual basis and from time to time by a resolution of the Trustees) in any one quarter is exceeded, Unitholders of Offered Units may receive from the Issuer (in lieu of cash) Redemption Notes, which will not be eligible under Exempt Plans. In instances where the Quarterly Cash Redemption Limit is met or exceeded, priority to receive cash payments upon redemption shall be afforded to Offered Units that have completed their full Redemption Period.

Payment of Redemption Price using Redemption Notes or other Non-Cash Property: In lieu of cash, Unitholders may receive the Redemption Price in the form of Redemption Notes and/or a distribution, in specie, of property of the respective Issuer. Where an Exempt Plan receives Redemption Notes or any other debt or securities as a result of redemption of Offered Units, such Redemption Notes, debt or other securities will not be qualified investments for the Exempt Plan. Accordingly, Exempt Plans that own Offered Units should consult their own tax advisors before deciding to exercise their redemption rights attached to the Offered Units.

Redemption Notes will be Unsecured: Redemption Notes issued by the Issuers will be unsecured debt obligations of the respective Issuer and may be subordinated to other financing obtained by the Issuer.

Priority of Redemption Notes over Offered Units: Redemption Notes, if issued by the Issuers, will likely have priority over Offered Units in the event of the liquidation of the assets of the respective Issuer. 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 Issuer in order to determine if such a priority exists.

Issuance Price of Units

The Issuers do not issue their respective Offered Units at a set price per Offered Unit which are priced at the most recent Net Asset Value per Unit at the date of issuance.

Valuation and Determination of Net Asset Value

The preparation of financial statements as per IFRS requires management to make judgments, assumptions, and estimates that affect the reported amounts in the consolidated financial statements. Actual results could differ from these estimates. To the extent that the carrying values or critical estimates, assumptions, and judgments are inaccurate, and given that property portfolio values, which comprise the vast majority of the respective Issuer's indirect assets, are calculated on a lagging basis, the determination of NAV at any given time may be understated or overstated as the case may be. In light of the foregoing, there is a risk that a Unitholder who redeems all or part of its Offered Units will be paid an amount less than it would otherwise be paid if the critical estimates, assumptions, and judgments were different and that the calculation of property values was calculated on a lagging basis. Similarly, there is a risk that such Offered Unitholder might, in effect, be overpaid if the actual fair market value is lower than the calculated NAV.

As described herein, the value of the Offered Units is determined by the Trustees, the General Partner or the Administrator, as applicable, using reasonable methods of determining NAV. NAV may or may not be equal to the fair market value or net asset value of the applicable Offered Units. The description of the methodology of investment property valuations and the calculation of NAV reflects the methodology used by the Trustees as at the date hereof in calculating the foregoing. The Trustees, the General Partner or the Administrator, as applicable, may, in their discretion, adopt alternative methodologies to calculate investment property values and NAV, at any time and from time to time, without notice to, or approval by, Unitholders, in accordance with the Trust Indenture or the LP Agreement, respectively.

Determinations of fair market value of the Properties will be made in part by the Administrator, the General Partner and the Trustees. Such determination will involve numerous estimates, assumptions, and uncertainties. To the extent that these estimates and assumptions are incorrect, the Trust and/or Limited Partnership may be adversely affected. Valuations and appraisals of the Properties are estimates of fair value and may not necessarily correspond to realizable value of the Properties.

Unitholders do not have Legal Rights Typically Associated with Ownership of Shares of a Corporation

Unitholders do not have all of the statutory rights normally associated with ownership of shares of a company including, for example the right to bring "oppression" or "derivative" actions against the respective Issuer.

Trust Unitholder Liability

The Trust Indenture provides that no Unitholder will be subject to any liability in connection with the Trust or its assets or obligations and that, in the event that a court determined that Trust Unitholders are subject to any such liabilities, the liabilities will be enforceable only against, and will be satisfied only out of, the Trust Unitholder's share of the Trust's assets. The Trust Indenture further provides that the Trustees and the Trust shall make all reasonable efforts to include as a specific term of any obligations or liabilities being incurred by the Trust or the Trustees on behalf of the Trust, a contractual provision to the effect that neither the Trust Unitholders nor the Trustees have any personal

liability or obligations in respect thereof. There remains a risk that a Trust Unitholder may be personally liable despite such a provision in the Trust Indenture or other agreements entered into by the Trust.

Personal liability may also arise in respect of claims against the Trust that do not arise under contracts, including claims in tort, claims for taxes and possibly certain other statutory liabilities. The operations of the Trust will be conducted, upon the advice of counsel, in such a way and in such jurisdictions so as to avoid, to the extent possible, any material risk of liability to the Trust Unitholders for claims against the Trust.

Lack of Diversification

Other than the acquisition of the Properties and the potential acquisition of future Properties, the Issuers have not made any investments, nor has it entered into any binding agreements with any other party for the purpose of acquiring any assets or businesses. Accordingly, there is no assurance that the Issuers will generate sufficient earnings to pay distributions to their respective Unitholders. The Issuers do not have any specific limits on holdings in businesses in any one industry. The Issuers may not adopt any fixed guidelines for diversification. As a result, the Issuers' respective portfolio may be subject to more rapid changes in value than would be the case if the Issuers adopted other diversification guidelines.

Illiquidity of Investments

Most if not all of the assets that the Issuers may invest in, including the Properties, will be unlisted, otherwise illiquid and difficult to value. The valuation of these assets is subject to a significant amount of subjectivity and discretion. There is no guarantee that fair value will be realized by the Issuers on the sale of its assets.

Tax

Legal, tax or administrative changes, which occur during the life of the Issuers, could have an adverse effect on the Issuers, the Unitholders or both. For instance:

- (a) If Redemption Notes are issued to Subscribers upon the redemption of Offered Units, Subscribers purchasing Offered Units through Exempt Plans may be subject to the adverse tax consequences described in Item 8 – Certain Canadian Federal Income Tax Considerations and RRSP.
- (b) Trusts (other than personal trusts) that issue different classes of trust units, such that a beneficiary of the trust may have a percentage interest in the property of the trust that is greater than the beneficiary's percentage interest in the income of the trust, where it is reasonable to consider that one of the main purposes for the existence of any term, condition, right or other attribute of an interest in the trust is to give this result, may become taxable as the trust will be denied deducting, in calculating its income, amounts paid or payable to beneficiaries. Generally, CRA has interpreted this provision (subsection 104(7.1) of the Tax Act) to only apply where the impugned term, condition, right or other attribute of the interest in the trust is tax-motivated (e.g. the trust was or is designed to stream different types of trust income to different beneficiaries based on their tax status).
- (c) If, in a particular fiscal year, the Limited Partnership realizes a loss for tax purposes and allocates all or part of this loss to the Trust, the amount of the allocated loss will reduce the income of the Trust (which will have otherwise been realized from the interest received or receivable on the Partnership Promissory Notes). As a result, the Trust may not have enough income to be absorbed by the amounts paid or payable by the Trust to the Trust Unitholders. Any excess amounts would likely be characterized as non-taxable returns of capital in the hands of such holders, which could have future tax implications for all holders of Offered Units.
- (d) 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 would generally result in an unscheduled distribution of undistributed net income and net realized capital gains, if any, at such time to Unitholders to the extent necessary so that the Trust is not liable for non-refundable 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 a corporation that experiences 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 person becomes a "majority-interest beneficiary", or a group of persons becomes a "majority-interest group of beneficiaries", of the Trust, each as defined in the affiliated persons rules contained in the Tax Act, with certain modifications. Generally, a majority-interest beneficiary of a trust is a beneficiary of the trust whose beneficial interest in the income or capital of the trust together with the beneficial interests in the income or capital of the trust, as the case may be, of all persons or partnerships with whom such beneficiary is affiliated for the purposes of the Tax Act, represents greater than 50% of the fair market value of all the beneficial interests in the income or capital of the trust, as the case may be. A majority-interest group of beneficiaries of a trust is generally a group of beneficiaries of the trust where, if one person held all the beneficial interests held by such group, such person would be a majority-interest beneficiary of the trust.

Characterization

In determining its income for tax purposes, the Issuers will treat gains or losses on the disposition of securities or assets as capital gains and losses. The CRA's practice is not to grant advance income tax rulings on the characterization of items as capital gains or income and no advance tax ruling has been requested or obtained.

Debt Securities and Debt Instruments

The Trust and/or the Limited Partnership may invest in debt securities, including the Partnership Promissory Notes. Debt securities are subject to the risk of the issuer's inability to meet principal and interest payments on its obligations and are subject to price volatility due to facts such as interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity. In addition, while there is no current intention to do so, the Trust and/or the Limited Partnership may invest in instruments that have a credit quality below investment grade by internationally recognized credit rating organizations or may be unrated, which typically involve greater risk than higher grade issuers.

The Issuers may require additional capital to implement their respective objectives. There can be no assurance that debt or equity financing will be available or sufficient to meet the requirements of the Trust or Limited Partnership to implement its objectives or, if debt or equity financing is available, that it will be on terms acceptable to the Trust or Limited Partnership. In the event that the Trust or Limited Partnership issues additional units to finance its objectives, control of the Trust or Limited Partnership, respectively, may change, and Subscribers may suffer additional dilution of their investment. The inability of the Trust or Limited Partnership to access sufficient capital for its operations could have a material adverse effect on the Trust's or the Limited Partnership's financial condition, results of operations or prospects.

Achievement of Business Objectives

There can be no assurance that the Issuers business strategies will be successful, that its business objective will be achieved or that it will be able to make any distributions. The Trust and the Limited Partnership could realize substantial losses. The past performance of the Management team in prior transactions and business ventures does not guarantee success or similar returns with respect to the business of the Trust and Limited Partnership. A return on investment for a purchaser of Offered Units depends on the revenues received by the Limited Partnership from its investment in Properties. As a result, there is no guarantee that the Issuers, and correspondingly, Unitholders, will earn a return on their investment.

Reliance on Property Management

The Trust and Limited Partnership may rely on various entities to perform certain property management functions in respect of its properties. It is expected that the respective property manager(s) will devote as much of their time to the management of the properties as in their judgment is reasonably required, but conflicts of interest may arise in allocating management time, services and functions among the properties and their other management activities not related to the properties.

No Independent Counsel for Unitholders

Legal counsel that assisted in preparing the documentation in connection with the Offering, including the Trust Indenture and LP Agreement, acted as legal counsel for the Issuers. No independent counsel was retained on behalf of the Unitholders. There has been no review by independent counsel on behalf of the Unitholders of this offering memorandum, the Trust Indenture, and LP Agreement or any other documentation in relation to the Offering. No due diligence has been conducted on behalf of Unitholders by counsel.

Partnership Promissory Notes

The Partnership Promissory Notes purchased with the proceeds of the Class B Trust Units are not a direct investment in the Properties, but an investment in debt obligations of the Limited Partnership, the proceeds of which will be used to fund acquisitions of the Limited Partnership, capital improvements and renovations and operational costs. The Trust, as holder of the Partnership Promissory Notes has limited recourse against the Limited Partnership only. Any such recourse will be dependent on the Limited Partnership's ability to either re-finance or sell properties in an amount sufficient to fully repay all senior debt, fees and other priority amounts and also to repay the aggregate principal amount (plus accrued and unpaid interest) of the Partnership Promissory Notes.

In the event of a bankruptcy, liquidation or reorganization of the Limited Partner or the Trust, secured creditors will generally be entitled to payment of their claims from the assets of the Limited Partner or the Trust before any payments to unsecured creditors. The interests of Trust as holder of the Partnership Promissory Notes will be subordinated to all of the other indebtedness of the Limited Partner.

Class Risk

The Issuers offer different classes of units. Each class will have its own fees and expenses that are specifically attributable to it. Those expenses will be deductible in calculating the unit price only for that class, thereby reducing the value of the Trust's or Limited Partnership's assets attributable to that class. Those expenses, however, continue to be liabilities of the Trust and Limited Partnership, respectively, as a whole. Accordingly, the investment performance, expenses, or liabilities of one class may affect the value of the securities of another class.

10.2 Trust Risk

Dependence on Key Personnel

The success of the Trust and its investments depends upon the personal efforts of a small group of senior management. The Trust and its subsidiaries are highly dependent on Darrell Ashby, Adam Ashby, and Michael Ashby and the loss of their services may materially adversely affect the ability of the Trust to implement its business plan. In particular, prospective investors will have to rely on the discretion and ability of Darrell Ashby, Adam Ashby and Michael Ashby in identifying potential properties, negotiating pricing and other terms of the agreements leading to the acquisition of properties, and implementing any renovations for each acquired property. The ability of Darrell Ashby, Adam Ashby and Michael Ashby to successfully implement the Trust's investment strategy will depend in part on the continued employment and involvement of these key executives. None of the Trust or its subsidiaries maintains key-person life insurance for any of these named

individuals. If the Trust and its subsidiaries lose the services of one or both of these individuals, the business, financial condition, and results of operations of the Trust and its subsidiaries may be adversely affected.

Independence of Officers, Directors and Trustees and Conflicts of Interest

No assurance can be given that a majority of the Trustees of the Trust will be considered to be independent within the meaning of applicable securities laws. The Trustees of the Trust will not be devoting all of their time to the affairs of the Trust but will be devoting such time as required to effectively manage the Trust. There are potential conflicts of interest to which the Trustees of the Trust will be subject in connection with the operations of the Trust. Conflicts, if any, will be subject to similar procedures for dealing with same as required under the OBCA. See Item 3.3– Conflict of Interest – Independent Review Committee. The Administrator and General Partner are related parties to the Trust.

Various potential or actual conflicts of interest exist or may arise between the Trust and Limited Partnership on the one hand and the Trustees, the General Partner, the Administrator, its affiliates and/or any of the other trusts, partnerships or other entities in respect of which any of the foregoing and/or any of their respective directors, officers, trustees, partners, or affiliates may act as trustee, general partner, manager, director, or officer or otherwise provide services. Among others, conflicts may arise because of the fact that Michael Ashby, Darrell Ashby, and Adam Ashby are officers, directors and/or shareholders of the Administrator and General Partner and Darrell Ashby is a Trustee. These individuals and other directors and officers of the Administrator and General Partner may be engaged in a wide range of real estate and other business activities. If these conflicts are not identified and addressed, the Trust and/or the Limited Partnership may be materially impacted, including through loss of potential investment opportunities. Conflicts, if any, will be subject to the Trust's Conflict of Interest Policy. See Item 3.3– Conflict of Interest – Independent Review Committee.

Alternative Financing

No assurance can be given that the Trust will be able to raise funds sufficient for operations. If sufficient funds are not raised, the Limited Partnership may require additional financing. There can be no assurance that such additional financing will be available or sufficient to meet the requirements of the Trust to implement its objectives or, if debt or equity financing is available, that it will be on terms acceptable to the Trust. If debt financing is obtained, the Trust will need to fund any interest payments under such debt financing using proceeds from the Offering.

Ability to Pay Cash Distributions

The Trust's ability to pay cash distributions is dependent upon the Trust's ability to generate sufficient cash flow. This in turn depends on the successful acquisition of Properties and implementation of its business plan by the Limited Partnership. The Offered Units have not been and will not be rated by a bond-rating agency. As a result of these factors, this Offering is only suitable to those investors who are willing to rely on the management of the Trustees and the General Partner and who can afford to lose their entire investment.

Status of the Trust

The Trust is not a reporting issuer or a "mutual fund" for securities law purposes. As a result, some of the protections provided to investors in mutual funds under such laws will not be available to investors in the Trust Units and certain restrictions imposed on mutual funds under Canadian securities laws, including National Instrument 81-102 – *Investment Funds*, do not apply to the Trust. The Trust is not subject to the continuous disclosure requirements applicable to reporting issuers and therefore investors may not receive certain information regarding the Trust.

Mutual Fund Trust Status

Income tax laws may in the future be changed or interpreted in a manner that adversely affects the Trust and its Trust Unitholders. The Trust currently qualifies and intends to continue to qualify as a "unit trust" and a "mutual fund trust" for purposes of the Tax Act. There can be no assurance that Canadian federal income tax laws and the administrative policies and assessing practices of the CRA respecting the treatment of mutual fund trusts will not be changed in a manner that adversely affects the Trust Unitholders. Should the Trust fail to qualify as a mutual fund trust under the Tax Act at any time or if it ceases to qualify as a mutual fund trust, the income tax considerations described under Item 8 – Certain Canadian Federal Income Tax Considerations and RRSP Eligibility, would be materially and adversely different in certain respects. Some of the significant consequences of not having or losing mutual fund trust status are as follows:

- The Offered Units would not be or would cease to be qualified investments for Exempt Plans. This could give rise to adverse consequences to such Exempt Plans or the annuitant under such Exempt Plans.
- The Trust will be required to pay a tax under Part XII.2 of the Tax Act.
- The Trust would cease to be eligible for the capital gains refund mechanism available under the Tax Act.

SIFT Rules

The Tax Act contains legislation relating to the federal income taxation of publicly-listed or traded trusts (such as income trusts and real estate investment trusts) and partnerships (the "SIFT Rules"). The SIFT Rules apply to a publicly-listed or traded trust that is a specified investment flow-through entity (a "SIFT Trust" or a "SIFT Partnership") and to its investors. Certain distributions attributable to a SIFT Trust's or a SIFT Partnership's "non-portfolio earnings" are not deductible in computing the SIFT Trust's or SIFT Partnership's income and the SIFT Trust or SIFT Partnership is subject to tax on such distributions at a rate that is substantially equivalent to the general tax rate applicable to Canadian corporations. Provided that investments in the Trust and Limited Partnership are not listed or traded on a stock exchange or other public market, neither the Trust nor the Limited Partnership should not be subject to the SIFT Rules.

Possible Loss of Limited Liability

The limitation of liability of a Limited Partner, such as the Trust, will be lost by a Limited Partner if it takes part in the control of the business of the Limited Partnership or if it is also the General Partner of the Limited Partnership. A Limited Partner may be considered to be the General Partner under applicable legislation, with the resultant loss of limited liability, in the event the General Partner is dissolved or becomes bankrupt and the investment activities of the Limited Partnership are continued after the occurrence of such events. The limitation of liability will also be lost as a result of false statements in the record or in public filings made pursuant to the Limited Partnership Act and other legislation which are known to be false by a Limited Partner and which such Limited Partner failed to have corrected within a reasonable amount of time. There is also a possibility that a Limited Partner may lose its limited liability to the extent that the principles of Canadian 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 province but operating, owning property or incurring obligations in another jurisdiction. As such, there is a risk that a Limited Partner could lose its limited liability in certain circumstances and be liable beyond its Capital Contribution and share of undistributed net income of the Limited Partnership. Where a Limited Partner has received a distribution from the Limited Partnership, such Limited Partner may be liable to return to the Limited Partnership or, if the Limited Partnership is dissolved, to its creditors, any amount, not in excess of the amount distributed to such Limited Partner with interest, as may be necessary to discharge the liabilities of the Limited Partnership to all creditors who extended credit or whose claims otherwise arose before such distribution.

Payment of Management Carried Interest

The payment of the Management Carried Interest to the Administrator may create an incentive for the Administrator to engage in investment strategies and select investments on behalf of the Limited Partnership that are riskier than would be the case in the absence of such performance-based fees.

Loss of Limited Liability on Dissolution

Upon dissolution of the Limited Partnership, a Limited Partner, such as the Trust, may receive undivided interests in the Limited Partnership assets and will no longer enjoy limited liability with respect to the ownership of such assets.

Potential Undisclosed Liabilities

There may be liabilities and contingencies that the Trust does not discover in its due diligence prior to consummation of an acquisition and the Trust may not be indemnified for some or all of these liabilities and contingencies. The discovery of any material liabilities or contingencies could have a material adverse effect on the Trust's business, financial condition, liquidity and results of operation.

Trust has Limited Assets and Working Capital

The Trust has no assets, and will undertake no activities, other than as described in this Offering Memorandum (being the investment in Class A LP Units, Class C LP Units, Class F LP Units, Class D LP Units, Class W LP Units and Class I LP Units). The Properties will represent the primary assets of the Trust's subsidiaries. The Trust will not carry on active business and will have limited sources of working capital. There is no assurance that the Trust will have adequate working capital to meet ongoing requirements. In addition, there is no assurance that the Trust will have access to additional debt or equity financing when needed or at all, or on acceptable terms.

The Trust anticipates funding its working capital requirements through a combination of revenue from the Properties, and future financing efforts of the Trust and its affiliates. As Offered Units are issued and sold and proceeds are realized, the Trust may designate amounts from the Offering proceeds to be used to pay various expenses, in whole or in part, in connection with the Offering, start-up and operational costs, costs associated with acquiring (or investing in) Properties and the general administrative, marketing and operating expenses of the Trust and its affiliates.

In executing its business strategy, the Trust does not intend to retain any substantial cash or near-cash assets as it intends to use proceeds of the Offering to invest in securities of the Limited Partnership as described herein. The Trust is therefore reliant, to a significant degree, on receiving funds from its subsidiary entities which may be applied to payment, in whole or in part, of expenses and other obligations of the Trust, cash redemptions of Trust Units, tax liabilities, payment of Offering fees, and funding any reserves established by the Trustees, in their discretion.

Deployment of Capital

The Trust may raise money and invest in the Limited Partnership continuously. The Limited Partnership may not be able to deploy potentially large amounts of capital quickly to capitalize on potential investment opportunities if the Limited Partnership has difficulty identifying and purchasing suitable properties on attractive terms. This could result in there being a delay between the time the Limited Partnership indirectly receives proceeds from the sale of Units and the time such proceeds are invested. In the event the Limited Partnership is unable to find suitable investments, cash held by the Limited Partnership may be maintained for longer periods that would be dilutive to overall investment returns. This could cause a substantial delay in the time it takes for funds invested by Trust Unitholders to realize its potential return and could adversely impact the Limited Partnership's ability to pay distributions of cash flow from operations to the Trust. If the Limited Partnership is unable to timely deploy its capital, its results of operations and financial condition may be adversely affected.

General Partner has Limited Assets

The General Partner has unlimited liability for the obligations of the Limited Partnership. The General Partner will indemnify and hold harmless the Limited Partnership from and against all costs incurred and damages suffered by the Limited Partnership as a result of gross negligence, willful misconduct or fraudulent act by the General Partner or as a result of any act or omission by the General Partner not believed in good

faith by the General Partner to be within the scope of authority of the General Partner conferred by the LP Agreement. The General Partner has, and will continue to have, limited financial resources, and will only have limited assets, which will affect its ability to indemnify the Limited Partnership. The amount of any such indemnity will be limited to the extent of the assets of the General Partner and will under no circumstance include the assets of any affiliate of the General Partner.

Substantial Losses and Withdrawals

The Trust may at any time incur losses resulting in substantial withdrawals by Trust Unitholders. The Trust could experience difficulties where its assets to be significantly depleted. There is a risk that if the Trust's assets become depleted the Trust's portfolio could become sufficiently restricted to make it difficult to achieve the Trust's business objective.

Changes in Applicable Law

Legal, tax and regulatory changes may occur that can adversely affect the Trust and Trust Unitholders. There can be no assurance that income tax, securities and other laws will not be changed in a manner which adversely affects the distributions received by the Trust or by the Unitholders. There can be no assurance that Canadian federal income tax laws and the administrative policies and assessing practices of the CRA respecting the treatment of mutual fund trusts will not be changed in a manner which adversely affects the Trust Unitholders of Units. If the Trust ceases to qualify as a "mutual fund trust" under the Tax Act, the income tax considerations described in Item 8 – Certain Canadian Federal Income Tax Considerations and RRSP Eligibility could be materially and adversely different in certain respects.

Compensation Paid to Dealers

The Trust sells Trust Units through registered dealers. Upfront sales charges and/or trailing commissions may be payable by the Trust or the Administrator to such dealers. See Item 9 – Compensation Paid to Sellers and Finders. To the extent such charges and commissions are paid by the Trust to dealers, these payments reduce the funds available to the Trust and reduces its returns.

Cybersecurity Risk

The efficient operation of the Trust's and the Limited Partnership's businesses is dependent on computer hardware and software systems. Information systems are vulnerable to cybersecurity incidents. A cybersecurity incident is considered to be any material adverse event that threatens the confidentiality, integrity, or availability of such information resources. A cybersecurity incident is an intentional attack or an unintentional event including, but not limited to, malicious software, attempts to gain unauthorized access to data or information systems, and other electronic security breaches that could lead to disruptions in critical systems, unauthorized release of confidential or otherwise protected information, and corruption of data. The Trust's and Limited Partnership's primary risks that could directly result from the occurrence of a cyber incident include operational interruption, damage to its reputation, damage to its business relationships with tenants, the disclosure of confidential information including personally identifiable information, potential liability to third parties, loss of revenue, additional regulatory scrutiny, and fines, as well as litigation and other costs and expenses. The Trust and Limited Partnership have cybersecurity insurance in place to mitigate cybersecurity risk. These measures, as well as its increased awareness of a risk of a cyber incident, do not guarantee that its financial results will not be negatively impacted by such an incident.

Failure or Unavailability of Computer and Data Processing Systems and Software

The Trust and Limited Partnership, and each of their service providers, including the Administrator, are dependent upon the successful and uninterrupted functioning of their respective computer and data processing systems and software. The failure or unavailability of these systems could interrupt operations or materially impact the business and operations of the Trust and Limited Partnership. If sustained or repeated, a system failure or loss of data could negatively and materially adversely affect the business of the Trust and the impact on its business and returns may be material.

10.3 Limited Partnership Risk

Limited Partnership Risk

Certain funds of this Offering will be invested or loaned into the Limited Partnership, and utilized in pursuit of the Properties. Their success or failure will have direct impact on the profitability and income which may ultimately be earned by Trust. As a result, there is no assurance or guarantee that the Trust and, correspondingly, the purchasers of the Units pursuant to this Offering will receive return on or income from their investment.

Limited Partnership Expense Risks

The Limited Partnership may be required to make certain significant expenditures including, but not limited to, the payment of property taxes, maintenance costs, mortgage payments, insurance costs and related charges which must be made regardless of whether or not it is producing sufficient income to service such expenses. In addition, the assets owned may be used as security to obtain financing for capital expenditures

to be made. If these payment obligations on such loans are not met, then losses could be sustained as a result of the exercise by the lenders of their rights of foreclosure or sale.

Amendment of the LP Agreement

The General Partner may amend, from time to time, certain provisions of the LP Agreement without the approval of LP Unitholders, as outlined in the LP Agreement.

Dependence on Key Personnel

The success of the Limited Partnership is dependent upon, among other things, the services of key personnel. The loss of any of these individuals, for any reason, could have a material adverse affect on the prospects of the Limited Partnership. Failure to retain or to attract additional key employees with necessary skills could have a material adverse impact upon growth and profitability of such entities. The contributions of these individuals to the immediate future operations is likely to be of central importance and the loss of any one of these individuals could have a material adverse affect on the business of these entities.

Management of the Limited Partnership

Management of the Limited Partnership may not be devoting all of their time to the affairs of the business. Management, and any directors, officers, employees or shareholders are not limited or affected in their ability to carry on other business ventures for their own account, or for the account of others, and may be engaged in the development of, investment in, or management of businesses that may compete with the business of the Trust.

Major Assets

The real estate assets acquired by the Limited Partnership will represent a significant proportion of the assets held by them and therefore their financial performance is directly tied to the performance of these particular assets.

Illiquid Investments

The Properties, and real estate investment generally, will be relatively illiquid, with the degree of liquidity generally fluctuating in relation to demand for, and for the perceived desirability of, the Properties. The costs of holding the Properties may be considerable and there may exist ongoing expenditures with little prospect of incoming receipts. Such illiquidity may tend to limit the ability of the Limited Partnership to vary its asset base promptly in response to changing economic or investment conditions. If the requirement arose to liquidate assets, the proceeds might be significantly less than the total value of the original investment made or may be less than the amount initially projected by management or on a going concern basis.

10.4 Industry Risk

Real Estate Business

The value of the Offered Units and the availability of cash to pay cash distributions and the principal on the Offered Units as set out herein is entirely dependent upon the success of the proposed business of Limited Partnership. Real estate investments are generally subject to subject to risk factors depending on the nature of the property. Such risks include the highly competitive nature of the real estate industry, changes in general economic conditions (such as the availability, terms and cost of mortgage financings and other types of credit), local conditions (such as the demand for real estate in the area, including an oversupply of multi-family residential properties), government regulation and changes therein (such as zoning, taxation of property and environmental legislation), changes in governments and the political environment in the jurisdictions in which the Properties are located and the attractiveness of properties to potential tenants or purchasers. In addition, each segment in the multi-family residential real estate industry is capital intensive and is typically sensitive to interest rates. There is also no assurance that the Properties can be maintained and operated profitably. The market for real property can be affected adversely by economic factors, which may be regional, national, or international in scope. In addition, there may be potential for the discovery of archaeological sites on the Properties which may require the Limited Partnership to preserve the site at its expense and refrain from developing all or a portion of the Properties.

The Limited Partnership will be required to make certain expenditures in respect of its activities, including, but not limited to, the payment of property taxes, maintenance costs, insurance costs and related charges regardless of whether or not the Properties are producing sufficient income to service such expenses. If the Limited Partnership is unable or unwilling to meet such payment obligations, losses could be sustained as a result of the exercise by creditors of rights of foreclosure or sale.

The Limited Partnership's portfolio of properties generates income through rent payments made by tenants. Upon the expiry of any lease, there can be no assurance that the lease will be renewed or the tenant replaced for a number of reasons. Furthermore, the terms of any subsequent lease may be less favourable than the existing lease. The Limited Partnership's cash flows and financial position would be materially adversely affected if a number of tenants were to become unable to meet their obligations under their leases or if a significant amount of available space in the Properties were 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 Limited Partnership's investment may be incurred. Furthermore, at any time, a tenant may seek the protection of bankruptcy, insolvency or similar laws which could

result in the rejection and termination of the lease of such tenant and, thereby, cause a reduction in the cash flow available to the Limited Partnership.

An investment in real estate is relatively illiquid. Such illiquidity will tend to limit the Limited Partnership's ability to vary its portfolio promptly in response to changing economic or investment conditions. In recessionary times it may be difficult to dispose of certain types of real estate. The costs of holding real estate are considerable and during an economic recession the Limited Partnership may be faced with ongoing expenditures with a declining prospect of incoming receipts. In such circumstances, it may be necessary for the Limited Partnership to dispose of properties at lower prices in order to generate sufficient cash for operations and making distributions.

Competition in the Real Estate Market

The Limited Partnership competes with other investors, managers, and owners of properties in seeking tenants and for the purchase and development of desirable real estate properties. Some of the multi-family residential properties of the Trust's competitors are newer, better located or better capitalized than the Properties. Certain of these competitors have greater financial and other resources and greater operating flexibility than the Trust. The existence of competing managers and owners could have a material adverse effect on the ability to lease space in the Properties and on the rents the Limited Partnership is able to charge, and could materially adversely affect revenues and the ability to meet the obligations of the Trust.

Significant Capital Expenditures and Other Fixed Costs are Required

Certain significant expenditures, including property taxes, maintenance costs, mortgage payments, insurance costs and related charges, are made throughout the period of ownership of real property, regardless of whether the property is producing sufficient income to pay such expenses. In order to retain desirable rentable space and to generate adequate revenue over the long term, the Limited Partnership must maintain or, in some cases, improve each Property's condition to meet market demand. Maintaining rental properties in accordance with market standards entails significant costs, which the Limited Partnership may not be able to pass on to its tenants. Numerous factors, including the age of the relevant building structure, the material and substances used at the time of construction or currently unknown building code violations, could result in substantial unbudgeted costs for refurbishment or modernization.

If the actual costs of maintaining or upgrading Properties exceed the Administrator's estimates, or if hidden defects are discovered during maintenance or upgrading which are not covered by insurance or contractual warranties, or if the Limited Partnership is not permitted to raise the rents due to legal constraints, additional and unexpected costs will be incurred. If competing properties of a similar type are built in the area where one of the Properties is located or similar properties located in the vicinity of one of the Properties is substantially refurbished, the net operating income derived from and the value of such property could be reduced.

Any failure by the Limited Partnership to undertake appropriate maintenance and refurbishment work in response to the factors described above could materially adversely affect the rental income that is earned from such properties. Any such event could have a material adverse effect on the Trust's and the Limited Partnership's cash flow, financial condition and results of operation and the ability to make distributions on the Units.

Financing Risk, Leverage and Restrictive Covenants May Limit Growth

The real estate industry is capital intensive. The Limited Partnership requires access to capital to maintain the Properties, as well as to fund its growth strategy and significant capital expenditures from time to time. There is no assurance that capital will be available when needed or on favourable terms. Failure to access required capital could materially adversely impact the Trust's or the Limited Partnership's investments, cash flows, operating results or financial condition, its ability to make distributions on the Units and the ability to implement the growth strategy of the Administrator.

Access to third-party financing is subject to a number of factors, including:

- general market conditions;
- the market's perception of the growth potential of the Trust and the Limited Partnership;
- current and expected future earnings;
- cash flow and cash distributions; and
- the NAV of the Units.

The Limited Partnership has incurred certain third-party debt service obligations pursuant to the Existing Debt, and the Limited Partnership will incur any indebtedness once future Properties are acquired. The degree to which the Limited Partnership is leveraged could have important consequences to Unitholders. Such factors include:

- a significant portion of the Limited Partnership's cash flow may be dedicated to the payment of the principal of, and interest on, the Limited Partnership's indebtedness, thereby reducing the amount of funds available for the payment of cash distributions to Unitholders;
- certain of the Limited Partnership's borrowings will be at variable rates of interest which exposes the Limited Partnership to the risk of increased interest rates;
- a high level of debt would increase vulnerability to general adverse economic and industry conditions;
- to the extent debt facilities are obtained, covenants contained in such facilities may limit the Limited Partnership's ability to borrow additional funds, dispose of assets, encumber the Limited Partnership's assets, pay distributions, make potential investments and limit the flexibility in planning for, and reacting to, changes in the economy and in the industry;
- a high level of debt may place the Limited Partnership at a competitive disadvantage compared to other owners of similar real estate assets that are less leveraged and therefore may be able to take advantage of opportunities that the Limited Partnership's indebtedness would prevent it from pursuing; and

- a high level of debt may impair the Limited Partnership's ability to obtain additional financing in the future for working capital, capital expenditures, acquisitions, general trust or other purposes.

Certain competitors of the Trust may operate on a less leveraged basis, and therefore could have greater financing flexibility than the Trust. The Limited Partnership's ability to make scheduled payments of the principal of, or interest on, and to otherwise satisfy its debt obligations will depend on future performance, which is subject to the financial performance of the Properties, prevailing economic conditions, prevailing interest rate levels and financial, competitive, business and other factors, many of which are beyond the control of the Administrator, the Limited Partnership and the Trust. These factors might inhibit the Limited Partnership from refinancing indebtedness at all or on favourable terms, which could have a materially adverse effect on the ability to make distributions on the Units.

Upon the expiry of the term of the financing or refinancing of any particular property or debt facilities, the Limited Partnership may need to refinance, and there can be no assurance that it will be able to do so or will be able to do so on terms as favourable as those currently in place with respect to the indebtedness. Future financing may take many forms, including debt or equity financing which could alter the current debt-to-equity ratio or which could be dilutive to Unitholders. If the Limited Partnership is unable to refinance its indebtedness, or are only able to refinance its indebtedness on less favourable terms, this may have a material adverse effect on the Limited Partnership's financial position, or distributable cash. Similarly, if the Limited Partnership were to be in default under the terms of its indebtedness, the applicable lender could foreclose on any of the Properties on which the lender took security to satisfy the Limited Partnership's obligations under its indebtedness. In either case, this could result in the reduction or suspension of cash distributions to Unitholders.

If any indebtedness contains restrictive covenants that limits the discretion of management with respect to certain business matters, such covenants may place restrictions upon, among other things, the Limited Partnership's ability to (i) incur additional indebtedness, (ii) create liens or other encumbrances, (iii) pay distributions or certain other payments, investments, loans and guarantees, (iv) sell or otherwise dispose of assets, and (v) merge or consolidate with another entity. The terms of any future indebtedness may also contain financial covenants that require the Limited Partnership to maintain certain financial ratios and financial condition tests. Failure to comply with such obligations could result in an event of default which, if not cured or waived, could result in acceleration of the relevant indebtedness. If any indebtedness was to be accelerated, there can be no assurance that the Limited Partnership's assets would be sufficient to repay that indebtedness in full. If an event of default under any indebtedness was to occur, distributions may be suspended.

General and Recent Economic Conditions

The Trust and Limited Partnership are affected by general economic conditions, local real estate markets, competition from other available rental premises, including new developments, and various other factors. The existence of competing developers, managers, and owners and competition for tenants could have an adverse effect on the Limited Partnership's ability to lease space in its properties and on the rents charged, increased leasing and marketing costs, and increased refurbishing costs necessary to lease and release space, all of which could adversely affect the Limited 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 Limited Partnership operates or may operate could have an adverse effect on the Limited Partnership and the Trust.

Adverse change in local demographics, reduction in population or age distribution or employment rate in a local area where the property is located can impact the performance of the Trust.

In recent years, financial conditions globally have been subject to increased volatility. Access to financing can be negatively impacted by events such as the sub-prime mortgage crisis and the liquidity crisis that affected the asset-backed commercial paper market. These factors may impact the ability of the Limited Partnership to obtain mortgage loans and other credit facilities and, if obtained, on terms favourable to the Limited Partnership. As well, these conditions may negatively affect the real estate market.

Government Regulation and Changes in Legislation

The Limited Partnership may own properties in jurisdictions that have legislation applicable to residential tenancies and that may impact relations with tenants in such jurisdictions. Such legislation generally provides restrictions on the ability of a landlord to increase rents above a prescribed guideline. Such legislation generally provides tenants of residential rental properties with a high level of security of tenure and prescribes certain procedures, including mandatory notice periods, which must be followed by a landlord in order to terminate a residential tenancy. As certain proceedings may need to be brought before a tribunal established for the purposes of adjudicating disputes involving residential tenancies, it may take several months to terminate a residential lease. The applicable legislation may be subject to further regulations or may be amended, or new legislation may be enacted, in a manner that materially affects the ability of the Limited Partnership to maintain the historical level of earnings of its properties.

Increases in real estate taxes and income, service, and transfer taxes cannot always be passed through to residents or users in the form of higher rents and may adversely affect the financial performance of, and cash available to the Limited Partnership and the Trust. Similarly, changes or interpretations of existing laws increasing the potential liability for environmental conditions existing on properties or increasing the restrictions on discharges or other conditions, as well as changes in laws affecting development, construction, and safety requirements, may result in significant unanticipated expenditures, which amounts could have a material adverse effect on the Limited Partnership and the Trust and their financial performance. In addition, future enactment or enhancement of rent control or rent stabilization laws or other laws regulating residential properties may reduce rental revenues or increase operating costs.

Concentration of Investments

If a limited number of Properties are acquired, such concentration may be detrimental to profitability if these Properties underperform. In such instance, investments will be concentrated in one sector and may also be concentrated in a limited number of regions. During periods of difficult market conditions or economic slowdown in certain regions or affecting certain sectors, the adverse effect on the Trust may be

exacerbated by geographical and or sectoral concentration of Properties held. There can be no assurance that the Limited Partnership will be able to acquire additional properties.

Tariff and Trade War with United States

The announcements regarding the imposition and potential future imposition of tariffs of varying percentages on Canadian products and energy by the United States on Canada has created an atmosphere of uncertainty for many businesses in North America. The scale, breadth and duration of a potential trade war is uncertain. Even if all these details were known, it would be difficult to predict with precision how the effects would flow through the economy. The magnitude and timing of the impacts will depend importantly on how businesses and households respond to higher prices for inputs and final goods. A permanent or prolonged broad-based and significant increase in tariffs, together with any retaliation, could significantly impact the Canadian economy. Such tariffs could have the effect of leading to inflation due to the higher costs for final and intermediate goods. Significant pressure could be felt by borrowers as a result of such tariffs, which could materially affect the ability of such borrowers to make principal and interest payment on their mortgages and result in defaults which could have a material adverse affect on the Trust, the Limited Partnership and their respective operations.

Interest Rate Fluctuations

Financing by the Limited Partnership may include indebtedness with interest rates which may fluctuate over time, and which will result in fluctuations in the Limited Partnership's cost of borrowing, if any. In the event that the Limited Partnership is unable to meet interest or principal payments when they become due, they may be required to negotiate new terms for these payments or seek additional equity, debt, or other financing options. However, there is no guarantee that such negotiations or financing options will be successful or readily available. Additionally, if the Limited Partnership fails to comply with its financial covenants, it may impact its ability to amend the covenants or refinance its debt.

Reliance on Trades/Suppliers

The real estate development industry has from time-to-time experienced significant difficulties in the supply of materials and services such as shortages of qualified trades people, labor disputes, shortages of building materials, unforeseen environmental and engineering problems and increases in the cost of certain materials (particularly increases in the price of lumber, wall board and cement, which are significant components of construction costs). When any of these difficulties occur, it causes delays and increases the cost of constructing which in turn negatively affects the Limited Partnership's operations.

Reliance on Assumptions

The objectives and strategy of the Issuers have been formulated based on the analysis and expectations of management with regards to economic developments in Canada and real estate markets generally. Such analysis may be incorrect and such expectations may not be realized, in which event the Issuers, through its respective subsidiary entities, may not generate sufficient funds to pay the expected distributions.

Environmental Issues

Under various environmental laws, ordinances, and regulations, the current or previous owner or operator may be liable for the costs of removal or remediation of hazardous or toxic substances on, under or in the Properties. These costs could be substantial. Such laws could impose liability whether or not the Limited Partnership knew of, or was responsible for, the presence of such hazardous or toxic substances. The presence of hazardous or toxic substances, or failure to remove or remediate such substances, if any, or restrictions imposed by environmental laws on the manner in which the Properties may be operated or developed, could adversely affect the Limited Partnership's ability to maintain, operate or sell the Properties or to borrow using the Properties as collateral and could potentially also result in claims against the Limited Partnership. Environmental laws provide for sanctions for non-compliance and may be enforced by governmental agencies or, in certain circumstances, by private parties. Certain environmental laws and common law principles could be used to impose liability for release of and exposure to hazardous substances into the air. Third parties may seek recovery from real property owners or operators for personal injury or property damage associated with exposure to released hazardous substances. The cost of defending against claims of liability, of complying with environmental regulatory requirements, of remediating any contaminated property, or of paying personal injury claims could be substantial and reduce the value of the investment in the Offered Units. The Limited Partnership may be subject to liability for undetected pollution or other environmental hazards against which it cannot insure, or against which it may elect not to insure where premium costs are disproportionate to the Administrator's perception of relative risk.

Uninsured Losses on the Properties

Although the Limited Partnership intends to insure the Properties in a manner that the Limited Partnership determines to be appropriate, there may be risks that are not foreseen and against which the Limited Partnership has not obtained insurance. In addition, insurance against some risks may not be available or may be prohibitively expensive. Even in cases where the Limited Partnership has insured against loss, the amount of the loss may exceed the limits of the policy, the Limited Partnership may not be able to substantiate the full extent of the loss to the satisfaction of the insurer and any coverage may be subject to large deductibles or co-payments. The Limited Partnership will not be able to insure against total loss of the value of the Properties or the total value paid by the Limited Partners for LP Units.

Uninsured and Underinsured Losses and Insurance Costs

The Trust will use its discretion in determining amounts, coverage and limits and deductibility provisions of insurance for acquired businesses or assets, with a view to maintaining appropriate insurance coverage on its assets at a commercially reasonable cost and on suitable terms. This may result in insurance coverage that, in the event of a substantial loss, would not be sufficient to pay the full current market value or

current replacement cost of its assets. A substantial loss without adequate insurance coverage could have a material adverse effect on the Trust's business, financial condition, liquidity and results of operation.

Disease Outbreaks

A local, regional, national or international outbreak of a contagious disease, including, but not limited to, COVID-19, Middle East Respiratory Syndrome, Severe Acute Respiratory Syndrome, H1N1 influenza virus, avian flu, or any other similar illness could result in: a general or acute decline in economic activity in the regions the Trust operates in, a decrease in the willingness of the general population to travel, staff shortages, reduced tenant traffic, adverse impacts on the Trust's tenants' employment and/or businesses and thereby the Trust's tenants' ability to meet its payment obligations, mobility restrictions and other quarantine measures, supply shortages, increased government regulation, and the quarantine or contamination of one or more of the Trust's properties. Contagion in one of the Trust's investments or a market in which the Trust operates could negatively impact such investment's occupancy, its reputation or the attractiveness of that market, and may lead to non-payment of rent by tenants, abatements and other deferrals of rents. All of these occurrences may have a material adverse effect on the business, financial condition and results of operations of the Trust's investments. With respect to the coronavirus outbreak, the Administrator is monitoring the situation closely and has proactively raised its level of preparedness planning to adapt more quickly should risk levels rise. The Administrator has developed a business continuity plan and will continue to monitor and adjust its plans as the coronavirus outbreak evolves. An outbreak in one of the Trust's properties or a market in which the Trust operates could negatively impact the Trust's occupancy, its reputation or the attractiveness of that market. These occurrences may have a material adverse effect on the business, financial condition and results of operations of the Trust. Public health crises, pandemics and epidemics could also adversely impact the Trust's tenants' ability to meet their payment obligations or disrupt supply chains and transactional activities that are important to the Trust's activities, in addition to negatively impacting local, national or global economies.

ITEM 11 REPORTING OBLIGATIONS

11.1 Continuous Disclosure Requirements

The Issuers are not reporting issuers nor will they become a reporting issuer under the securities legislation of any jurisdiction following the completion of the offering of Offered Units pursuant to this Offering Memorandum. As a result, the Issuers will not be subject to the continuous disclosure requirements of such securities legislation, including, without limitation, the dissemination of news releases disclosing material changes in the business and affairs of the Issuers and the filing of material change reports. In addition, as the Issuers are not a corporation, they are not subject to requirements with respect to delivery of financial statements to security holders as provided under applicable corporate law.

The fiscal year end and the tax year end of the Trust is December 31. The Trust Indenture provides that on or before March 31 in each year the Trust will distribute to each Unitholder such income tax information regarding the Trust and its operations as is reasonably necessary to enable each Unitholder to file returns with respect to his or her income or loss from the Trust in respect of the most recently completed fiscal year.

Reporting to Unitholders

The fiscal year end and the tax year end of the Issuers is December 31.

The Issuers will, within 120 days after the end of each fiscal year end, and in accordance with the terms of the Trust Indenture, the LP Agreement and the requirements of Section 2.9 of NI 45-106, send to Unitholders and file with applicable securities regulatory authorities, (i) the annual audited financial statements of the Issuers and the accompanying Form 45-106F16 – Notice of Use of Proceeds and (ii) so long as required by applicable securities laws in New Brunswick, Nova Scotia and Ontario, Form 45-106F17 – Notice of Specified Key Events. In addition, the IRC will also make an annual report reasonably available to Unitholders on or around the same time as the Trust provides Unitholders and applicable securities regulatory authorities with its annual audited financial statements.

In accordance with applicable securities laws, the Trust will post the following documents on a timely basis onto an external web-portal to provide Unitholders with transparent reporting of the business of the Trust and Limited Partnership:

- (a) the annual financial statements, together with comparative financial statements for the preceding fiscal year, if any, and the report of the auditors thereon; and
- (b) Form 45-106F16 – Notice of Use of Proceeds.

While the distribution of securities under this Offering Memorandum is part of a continuous Offering, the Trust will not prepare or send Quarterly Interim Financial Statements to Unitholders unless the Trust believes that their inclusion in this Offering Memorandum is necessary to prevent this Offering Memorandum from containing a misrepresentation. However, once the Offering has been completed, the Trust will post Quarterly Interim Financial Statements on a timely basis onto a web-portal at www.pier4reit.exemptedge.com.

The Trustee or Administrator will, within the time required under the Tax Act, cause to be forwarded to each Unitholder who received distributions from the Trust in the prior calendar year, such information and forms as may be needed by the Unitholder in order to complete its income tax return in respect of the prior calendar year under the Tax Act and equivalent provincial legislation in Canada.

The Issuers are not "reporting issuers" or its equivalent under the securities legislation of any jurisdiction. Accordingly, the Issuers are not subject to the "continuous disclosure" requirements of any securities legislation and there is therefore no requirement that the Issuers make ongoing disclosure of their affairs including, without limitation, the disclosure of financial information on a quarterly basis or the disclosure of material changes in the business or affairs of the Issuers. The Issuers file information on SEDAR+ only as required pursuant to section 2.9 of NI 45-106, which information is available electronically from SEDAR (www.sedarplus.ca).

The Issuers will deliver to prospective investors certain documents, including this Offering Memorandum, a Subscription Agreement and any updates or amendments to the Offering Memorandum, from time to time by way of facsimile or e-mail. Delivery of such documents by email or facsimile shall constitute valid and effective delivery of such documents unless the Issuer receive actual notice that such electronic delivery failed. Unless the Issuer receive actual notice that the electronic delivery failed, the Issuers are entitled to assume that the facsimile or e-mail and the attached documents were actually received by the prospective investor and the Issuers will have no obligation to verify actual receipt of such electronic delivery by the prospective investor.

ITEM 12 RESALE RESTRICTIONS

12.1 General Statement

The Offered Units will be subject to a number of resale restrictions, including a restriction on trading. Until the restriction on trading expires, you will not be able to trade the Offered Units unless you comply with an exemption from the prospectus and registration requirements under securities legislation.

The Issuers are not a reporting issuer in any Canadian province or territory.

A transfer or sale of an Offered Unit shall not be binding until the following has occurred:

- (a) the details of the transfer or sale have been reported to the Issuer;
- (b) the Trustees or General Partner have received an acceptable form of transfer; and
- (c) the transfer or sale has been recorded on the applicable registers of the Issuer.

The transfer or sale of an Offered Unit must be of a whole Unit, unless such Unit already exists as a fraction.

12.2 Restricted Period

Unless permitted under securities legislation, you cannot trade the Offered Units before the date that is four months and a day after the date the Issuer, as applicable, becomes a reporting issuer in any province or territory of Canada.

12.3 Manitoba Resale Restrictions

Unless permitted under securities legislation, you must not trade the Offered Units without the prior written consent of the regulator in Manitoba unless (a) the Issuer has filed a prospectus with the regulator in Manitoba with respect to the Offered Units you have purchased and the regulator in Manitoba has issued a receipt for that prospectus, or (b) you have held the Offered Units for at least 12 months. The regulator in Manitoba will consent to your trade if the regulator is of the opinion that to do so is not prejudicial to the public interest.

ITEM 13 PURCHASER'S RIGHTS OF ACTION

A subscriber to the Offering will have certain rights, some of which are described below. For information about your rights, you should consult a lawyer.

Two-Day Cancellation Right for a Subscriber

You can cancel your agreement to purchase these securities. To do so, you must send a notice the Issuer, as applicable, by midnight on the 2nd Business Day after you sign the agreement to buy the Offered Units.

Statutory Rights of Action in the Event of a Misrepresentation

Securities legislation in certain of the Canadian provinces provides certain purchasers of securities pursuant to an offering memorandum (such as this Offering Memorandum) with a remedy for damages or rescission, or both, in addition to any other rights they may have at law, where the offering memorandum and any amendment thereto and, in some cases, advertising and sales material used in connection therewith, contains a "misrepresentation", as defined in the applicable securities legislation. A "misrepresentation" is generally defined under applicable provincial securities laws to mean 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 purchaser within the time limits prescribed by applicable securities legislation and are subject to limitations and defenses under applicable securities legislation.

This statutory right to sue is available to you whether or not you relied on the misrepresentation. However, there are various defences available to the persons or companies that you have a right to sue. In particular, they have a defence if you knew of the misrepresentation when you purchased the securities.

The following is a summary of the rights of action for damages or rescission, or both, available to certain purchasers resident in certain of the provinces of Canada and is subject to the express provisions of the securities laws, regulations, and rules governing such provinces and reference is made thereto for the complete text of such provisions. Such provisions may contain limitations and statutory defences not described herein which the issuer and other applicable parties may rely. Subscribers should refer to the applicable provisions of the securities legislation of their province for the particulars of these rights or consult with a legal advisor.

The rights described below are in addition to and without derogation from any other right or remedy which Canadian purchasers may have at law and are intended to correspond to the provisions of the relevant securities legislation and are subject to the defenses contained therein.

Alberta

The right of action for damages or rescission described herein is conferred by section 204 of the Securities Act (in this section, the "**Alberta Act**"). The Alberta Act provides, in relevant part, that in the event that an offering memorandum (such as this Offering Memorandum) contains a misrepresentation, as defined in the Alberta Act, when a person or company purchases a security offered by the offering memorandum, the purchaser has a statutory right of action: (a) for damages against: (i) the issuer or selling security holder; (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 or selling security holder on whose behalf the distribution is made.

Where a purchaser elects to exercise a right of rescission against the issuer, such purchaser has no right of action for damages against: (i) the issuer or selling security holder; (ii) every director of the issuer at the date of the offering memorandum; nor (iii) every person or company who signed the offering memorandum.

The Alberta Act provides a number of limitations and defenses in respect of such rights. Where a misrepresentation is contained in an offering memorandum, a person or company shall not be liable for damages or rescission:

- (a) where the person or company proves that the purchaser purchased the securities with knowledge of the misrepresentation;
- (b) where the person or company 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 Executive Director of the Alberta Securities Commission and the issuer that it was sent without the knowledge and consent of the person or company;
- (c) if the person or company 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 of the Alberta Securities Commission and the issuer of the withdrawal and the reason for it;
- (d) 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,
- (e) 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, after conducting a reasonable investigation, the person or company had no reasonable grounds to believe, and did not believe, that there was a misrepresentation;
- (f) in the case of an action for damages, the defendant is not 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; and
- (g) in no case will the amount recoverable in any action exceed the price at which the securities were offered under the offering memorandum.

Section 211 of the Alberta Act 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) 3 years after the date of the transaction that gave rise to the cause of action.

Section 204(7) of the Alberta Act also provides that all or any one or more of the persons or companies against whom an action may be brought under section 204 that are found to be liable or that accept liability are jointly and severally liable.

British Columbia

The right of action for damages or rescission described herein is conferred by section 132.1 of the *Securities Act* (British Columbia) (the "**BC Act**"). The BC Act provides, in relevant part, that in the event that an offering memorandum (such as this Offering Memorandum) contains a misrepresentation, as defined in the BC Act, a purchaser who purchases a security offered by the offering memorandum is deemed to have relied on the misrepresentation if it was a misrepresentation at the time of purchase, and has a statutory right of action for damages against: (i) the issuer; (ii) every director of the issuer at the date of the offering memorandum; and (iii) every person who signed the offering memorandum. The purchaser may elect to exercise a right of rescission against the issuer, in which case the purchaser has no right of action for damages against the issuer.

The BC Act provides a number of limitations and defenses in respect of such rights. A person is not liable for damages if the person proves that:

- (a) the purchaser had knowledge of the misrepresentation;
- (b) the offering memorandum was delivered to purchasers without the person's knowledge or consent and that, on becoming aware of its delivery, the person gave written notice to the issuer that it was delivered without the person's knowledge or consent;
- (c) on becoming aware of the misrepresentation in the offering memorandum, the person withdrew the person's consent to the offering memorandum and gave written notice to the issuer of the withdrawal and the reason for it; or
- (d) 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, a report, opinion or statement of an expert, the person had no 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.

In addition, a person is not liable for damages with respect to any part of 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; (c) failed to conduct a reasonable investigation to provide reasonable grounds for a belief that there had been no misrepresentation; or (d) believed there had been a misrepresentation.

In the case of an action for damages, the defendant is not liable for all or any part of the damages that the defendant proves do not represent the depreciation in value of the security resulting from the misrepresentation.

The amount recoverable by a plaintiff in any action for misrepresentation must not exceed the price at which the securities were offered under the offering memorandum.

Section 140 of the BC Act 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) 3 years after the date of the transaction that gave rise to the cause of action.

Section 132.1(9) of the BC Act also provides that a defendant who is found liable to pay a sum in damages may recover a contribution, in whole or in part, from a person who is jointly and severally liable to make the same payment in the same cause of action unless, in all the circumstances of the case, the court is satisfied that it would not be just and equitable.

Manitoba

The right of action for damages or rescission described herein is conferred by section 141.1 of *The Securities Act* (Manitoba) (the "**Manitoba Act**"). The Manitoba Act provides, in relevant part, that in the event that an offering memorandum (such as this Offering Memorandum) contains a misrepresentation, as defined in the Manitoba Act, a purchaser who purchases a security offered by the offering memorandum is deemed to have relied on the representation if it was a misrepresentation at the time of purchase. Such purchaser has a statutory right of action for damages against the issuer, every director of the issuer at the date of the offering memorandum and every person or company who signed the offering memorandum or, alternatively, while still an owner of the securities purchased by the purchaser, the purchaser 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, every director of the issuer at the date of the offering memorandum and every person or company who signed the offering memorandum. Pursuant to section 141.4(2) of the Manitoba Act, no such action may be commenced to enforce the right of action for rescission or damages more than: (a) 180 days after the day of the transaction that gave rise to the cause of action, in the case of an action for rescission; or (b) the earlier of (i) 180 days after the day that the plaintiff first had knowledge of the facts giving rise to the cause of action; or (ii) 2 years after the day of the transaction that gave rise to the cause of action, in any other case.

The Manitoba Act provides a number of limitations and defenses, including the following:

- (a) no person or company is liable if the person or company proves that the purchaser purchased the security having knowledge of the misrepresentation;
- (b) in the case of an action for damages, the defendant is not 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; and
- (c) in no case will the amount recoverable in any action exceed the price at which the securities were offered under the offering memorandum.

All persons or companies referred to above that are found to be liable or accept liability are jointly and severally liable. A defendant who is found liable to pay a sum in damages may recover a contribution in whole or in part, from a person who is jointly and severally liable to make the same payment in the same cause of action unless, in all circumstances of the case, the court is satisfied that it would be just and equitable.

In addition, a person or company, other than the issuer, will not be liable:

- (a) if such person or company proves that the offering memorandum was sent to the purchaser without the person's or company's knowledge or consent, and that, after becoming aware that it was sent, the person or company promptly gave reasonable notice to the issuer that it was sent without the person's or company's knowledge and consent;
- (b) if such person or company proves that 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;
- (c) with respect to any part of the offering memorandum purporting to be made on the authority of an expert or to be a copy of, or an extract from, an expert's report, opinion or statement, if 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 expert's report, opinion, or statement; or (B) was not a fair copy of, or an extract from, the expert's report, opinion or statement; or
- (d) with respect to any part of the offering memorandum not purporting to be made on an expert's authority and not purporting to be a copy of, or an extract from, an expert's report, opinion, or statement, unless the person or company: (i) did not conduct an investigation sufficient to provide reasonable grounds for a belief that there had been no misrepresentation; or (ii) believed there had been a misrepresentation.

If a misrepresentation is contained in a record incorporated by reference in, or is deemed to be incorporated into, an offering memorandum, the misrepresentation is deemed to be contained in the offering memorandum.

New Brunswick

The right of action for damages or rescission described herein is conferred by section 150 of the *Securities Act* (New Brunswick) (the "**New Brunswick Act**"). The New Brunswick Act provides, in relevant part, that where an offering memorandum (such as this Offering Memorandum) contains a misrepresentation, as defined in the New Brunswick Act, a purchaser who purchases securities offered by the offering memorandum 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: (i) the issuer; (ii) any selling security holder(s) on whose behalf the distribution is made; (iii) every person who was a director of the issuer at the date of the offering memorandum; or (iv) every person who signed the offering memorandum; or

- (b) where the purchaser purchased the securities from a person referred to in paragraph (a)(i) or (ii), 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.

This statutory right of action is available to New Brunswick purchasers whether or not such purchasers relied on the misrepresentation. However, there are various defenses 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.

In addition, a person or company, other than the issuer, will not be liable:

- (i) if such person or company proves that the offering memorandum was sent to the purchaser without the person's or company's knowledge or consent, and that, after becoming aware that it was sent, the person or company promptly gave reasonable notice to the issuer that it was sent without the person's or company's knowledge and consent;
- (ii) if such person or company proves that 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;
- (iii) with respect to any part of the offering memorandum purporting to be made on the authority of an expert or to be a copy of, or an extract from, an expert's report, opinion or statement, if 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 expert's report, opinion, or statement; or (B) was not a fair copy of, or an extract from, the expert's report, opinion or statement; or
- (iv) with respect to any part of the offering memorandum not purporting to be made on an expert's authority and not purporting to be a copy of, or an extract from, an expert's report, opinion or statement, unless the person or company: (i) did not conduct an investigation sufficient to provide reasonable grounds for a belief that there had been no misrepresentation; or (ii) believed there had been a misrepresentation.

If the purchaser intends to rely on the rights described in (a) or (b) above, such purchaser must do so within strict time limitations. The purchaser must commence an action to cancel the agreement within 180 days after the date of the transaction that gave rise to the cause of action. The purchaser must commence its action for damages within the earlier of:

- (a) 1 year after the purchaser first had knowledge of the facts giving rise to the cause of action, or
- (b) 6 years after the date of the transaction that gave rise to the cause of action.

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) (the "**Newfoundland Act**") The Newfoundland Act provides, in relevant part, that where an offering memorandum (such as this Offering Memorandum) contains a misrepresentation, as defined in the Newfoundland Act, 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) a statutory right of action 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.

Where a purchaser elects to exercise a right of rescission against the issuer, such purchaser has no right of action for damages against: (i) the issuer; (ii) every director of the issuer at the date of the offering memorandum; nor (iii) every person or company who signed the offering memorandum.

The Newfoundland Act provides a number of limitations and defenses in respect of such rights. Where a misrepresentation is contained in an offering memorandum, a person or company shall not be liable for damages or rescission:

- (a) where the person or company proves that the purchaser purchased the securities with knowledge of the misrepresentation;
- (b) where the person or company 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;

- (c) if the person or company 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 issuer of the withdrawal and the reason for it;
- (d) 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,
- (e) 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 an investigation sufficient to provide reasonable grounds for a belief that there had been no misrepresentation; or
 - (ii) believed there had been a misrepresentation;
- (f) in the case of an action for damages, the defendant is not 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; and
- (g) in no case will the amount recoverable in any action exceed the price at which the securities were offered under the offering memorandum.

Section 138 of the Newfoundland Act 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) 3 years after the date of the transaction that gave rise to the cause of action.

Section 130.1(7) of the Newfoundland Act provides that all or any one or more of the persons or companies, against whom an action can be brought under section 130.1, found to be liable or accepting liability under this section are jointly and individually liable.

Nova Scotia

The right of action for damages or rescission described herein is conferred by section 138 of the *Securities Act* (Nova Scotia) (the "**Nova Scotia Act**"). The Nova Scotia Act 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 Nova Scotia Act, contains a misrepresentation, as defined in the Nova Scotia Act, 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 defenses, a statutory right of action for damages against the seller and, subject to certain additional defenses, every director of the seller at the date of the offering memorandum and every person who signed the offering memorandum or, alternatively, while still the owner of the securities purchased by the purchaser, may elect instead to exercise a statutory right of rescission against the seller, in which case the purchaser shall have no right of action for damages against the seller, directors of the seller or any other person who has signed the offering memorandum, provided that, among other limitations:

- (a) no action shall be commenced to enforce the right of action for rescission by a purchaser later than 180 days after the date on which the initial payment was made for the securities;
- (b) no action shall be commenced to enforce the right of action for actions other than rescission by a purchaser later than the earlier of: (i) 180 days after the purchaser first had knowledge of the facts giving rise to the cause of action; or (ii) 3 years after the date of the transaction that gave rise to the cause of action.
- (c) no person will be liable if it proves that the purchaser purchased the securities with knowledge of the misrepresentation;

- (d) 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
- (e) in no case will the amount recoverable in any action exceed the price at which the securities were offered by 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 any amendment thereto 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 any amendment thereto and before the purchase of the securities by the purchaser, on becoming aware of any misrepresentation in the offering memorandum or amendment thereto the person or company withdrew the person's or company's consent to the offering memorandum or any amendment thereto, 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 any amendment thereto 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 any amendment thereto 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.

Section 138(7) of the Nova Scotia Act provides that the liability of all persons or companies against whom an action may be brought under section 204 is joint and several with respect to the same cause of action.

Ontario

The right of action for damages or rescission described herein is conferred by section 130.1 of the *Securities Act* (Ontario) (the "**Ontario Act**"). The Ontario Act provides, in relevant part, 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, as defined in the Ontario Act. 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 it proves 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) the issuer and the selling security holders, if any, will not be liable for a misrepresentation in "forward looking information" ("**FLI**"), as such term is defined under applicable Canadian securities laws, if it proves that:
 - (i) the offering memorandum contains, proximate to the FLI, reasonable cautionary language identifying the FLI as such, and identifying material factors that could cause actual results to differ materially from a conclusion, forecast or projection set out in the FLI, 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 FLI;
 - (ii) the issuer had a reasonable basis for drawing the conclusions or making the forecasts and projections set out in the FLI; and
- (e) in no case shall the amount recoverable exceed the price at which the securities were offered.

Section 138 of the Ontario Act 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) 3 years after the date of the transaction that gave rise to the cause of action.

The rights referred to in section 130.1 of the Ontario Act described above do not apply where this offering memorandum is delivered to a prospective purchaser in connection with a distribution made in reliance on the exemption from the prospectus requirement in section 73.3 of the Ontario Act if the purchaser is:

- (a) a Canadian financial institution, meaning either:
 - (i) an association governed by the Cooperative Credit Associations Act (Canada) or a central cooperative credit society for which an order has been made under that act; or
 - (ii) a bank, loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services corporation, or league that, in each case, is authorized by an enactment of Canada or a jurisdiction of Canada to carry on business in Canada or a jurisdiction of Canada;
- (b) a Schedule III bank, meaning an authorized foreign bank named in Schedule III of the Bank Act (Canada);
- (c) the Business Development Bank of Canada incorporated under the *Business Development Bank of Canada Act* (Canada); or
- (d) a subsidiary of any person referred to in paragraphs (a) or (b), if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by the directors of the subsidiary.

Prince Edward Island

The right of action for damages or rescission described herein is conferred by section 112 of the *Securities Act* (Prince Edward Island) (the "**PEI Act**"). The PEI Act provides, in the relevant part, that if an offering memorandum (such as this Offering Memorandum) contains a misrepresentation, as defined in the PEI Act, a purchaser who purchases a security offered by the offering memorandum during the period of distribution has, without regard to whether the purchaser relied on the misrepresentation, a right of action for damages. Such purchaser has a statutory right of action for damages against the issuer, the selling security holder on whose behalf the distribution is made, every director of the issuer at the date of the offering memorandum and every person who signed the offering memorandum. Alternatively, the purchaser who purchases a security offered by the offering memorandum during the period of distribution has a right of action for rescission against the issuer or the selling security holder on whose behalf the distribution is made, in which case the purchaser shall have no right of action for damages against the persons described above. No such action may be commenced to enforce the right of action for rescission or damages more than: (a) 180 days after the day of the transaction that gave rise to the cause of action, in the case of an action for rescission; or (b) the earlier of: (i) 180 days after the plaintiff first had knowledge of the facts giving rise to the cause of action; or (ii) 3 years after the day of the transaction giving rise to the cause of action, in any other case.

The PEI Act provides a number of limitations and defenses, including the following:

- (a) no person is liable if the person proves that the purchaser purchased securities with knowledge of the misrepresentation;
- (b) in the case of an action for damages, the defendant is not liable for any damages that the defendant proves do not represent the depreciation in value of the security resulting from the misrepresentation; and
- (c) the amount recoverable by a plaintiff in respect of such action must not exceed the price at which the securities purchased by the plaintiff were offered.

In addition, a person, other than the issuer and selling security holder, is not liable if the person proves that:

- (a) the offering memorandum was sent to the purchaser without the person's knowledge or consent, and that, upon becoming aware of its being sent, the person had promptly given reasonable notice to the issuer that it had been sent without the knowledge and consent of the person;
- (b) the person, upon becoming aware of the misrepresentation in the offering memorandum, had withdrawn the person's consent to the offering memorandum and had given reasonable notice to the issuer of the withdrawal and the reason for it;

- (c) 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, statement or opinion of an expert, the person had no 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, statement or opinion of the expert; or (B) was not a fair copy of, or an extract from, the report, statement or opinion of the expert; or
- (d) with respect to any part of an 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, statement or opinion of an expert, unless the person (i) failed to conduct a reasonable investigation to provide reasonable grounds for a belief that there had no representation; or (ii) believed that there had been a misrepresentation.

In addition, a person is not liable with respect to a misrepresentation in FLI if:

- (a) the offering memorandum containing the FLI also contains, proximate to the FLI: (i) reasonable cautionary language identifying the FLI as such and identifying material factors that could cause actual results to differ materially from a conclusion, forecast or projection in the FLI; and (ii) 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 FLI, and
- (b) the person had a reasonable basis for drawing the conclusions or making the forecast or projections set out in the FLI.

The above paragraph does not relieve a person of liability respecting FLI in a financial statement required to be filed under Prince Edward Island securities laws.

Saskatchewan

The right of action for damages or rescission described herein is conferred by section 138 of The Securities Act, 1988 (Saskatchewan), as amended (the "**Saskatchewan Act**"). The Saskatchewan Act provides, in relevant part, that where an offering memorandum (such as this Offering Memorandum), or any amendment thereto, is sent or delivered to a purchaser and it contains a misrepresentation, as defined in the Saskatchewan Act, a purchaser who purchases a security covered by the offering memorandum or any amendment thereto has, without regard to whether the purchaser relied on the misrepresentation:

- (a) a right of action for damages or rescission against the issuer or the selling security holder on whose behalf the distribution is made;
- (b) a right of action for damages against every promoter and director of the issuer or the selling security holder, as the case may be, at the time the offering memorandum or any amendment thereto was sent or delivered;
- (c) a right of action for damages against 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) a right of action for damages against every person or company that, in addition to the persons or companies mentioned in (a) to (c) above, signed the offering memorandum or any amendment thereto, and
- (e) a right of action for damages against every person or company that sells securities on behalf of the issuer or the selling security holder under the offering memorandum or any amendment thereto.

Such rights of action for damages or rescission 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 thereto 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 damages or rescission 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 thereto 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 any amendment thereafter, and before the purchase of the securities by the purchaser, on becoming aware of any misrepresentation in the offering memorandum or the amendment, 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; or
- (c) with respect to any part of the offering memorandum or any amendment thereto 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 thereto 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.

Not all defenses upon which an issuer, selling security holder or other person may rely are described herein. Canadian investors should refer to the full text of the Saskatchewan Act for a complete listing.

Similar rights of action for damages and rescission are provided in section 138.1 of the Saskatchewan Act in respect of a misrepresentation in advertising and sales literature disseminated in connection with an offering of securities.

Section 139(9) of the Saskatchewan Act provides that all or any one or more of the persons or companies found to be liable are jointly and severally liable. Every person or company who becomes liable to make any payment pursuant to this section may recover a contribution from any person or company who, if sued separately, would have been liable to make the same payment.

Section 138.2 of the Saskatchewan Act also provides that where an individual makes a verbal statement to a prospective 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 is deemed to have relied on 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 Financial and Consumer Affairs Authority of Saskatchewan.

Section 141(2) of the Saskatchewan Act also provides a right of action for damages or rescission to a purchaser of securities to whom an offering memorandum or any amendment thereto 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.

Section 147 of the Saskatchewan Act provides that no action shall be commenced to enforce any of the foregoing 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 any other action, other than an action for rescission, the earlier of:
 - (i) 1 year after the plaintiff first had knowledge of the facts giving rise to the cause of action; or
 - (ii) 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 with 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 2 Business Days of receiving the amended offering memorandum.

Furthermore, no person or company, other than the issuer, will be liable with respect to any part of the offering memorandum or any amendment thereto 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 any amendment thereto, the misrepresentation is deemed to be contained in the offering memorandum or any amendment thereto.

The foregoing summary is subject to the express provisions of the securities legislation of the applicable provinces and the rules, regulations and other instruments thereunder, and reference should be made to the complete text of such provisions. Such provisions may contain limitations and statutory defenses.

The rights of action described above are in addition to and without derogation from any other right or remedy which purchasers may have at law.

Quebec

In addition to any other right or remedy available at law, if an offering memorandum (such as this Offering Memorandum) is delivered to an investor resident in Québec and contains a misrepresentation, the purchaser will have: (1) statutory rights under Québec legislation outlined in section 221 of the *Securities Act* (Québec); or (2) contractual rights in circumstances where the Québec legislation does not provide such rights, as follows:

- (a) a right of action for damages against the issuer or the holder, as the case may be, whose securities were distributed, its officers or directors, the dealer (if any) under contract to the issuer or holder, any person who is required to sign an attestation in the offering memorandum and any expert whose opinion, containing a misrepresentation, appeared, with their consent, in the offering memorandum; and
- (b) a right of action for rescission of the purchase contract or revision of the price at which the securities were sold to the investor, without prejudice to the investor's claim for damages.

However, there are various defences available to the persons or companies against whom a right of action may be brought. Among other defences, no defendant will be liable if it proves that:

- (a) the investor purchased the securities with knowledge of the misrepresentation; or
- (b) in an action for damages, that the defendant acted with prudence and diligence, except in an action brought against the issuer or holder.

No action may be commenced to enforce such rights of action:

- (a) for rescission or revision of price, more than three years from the date of the purchase; or
- (b) for damages, later than the earlier of:
 - (i) three years after the purchaser 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; or
 - (ii) five years from the filing of the offering memorandum with the *Autorité des marchés financiers* (Québec).

13.2 Cautionary Statement Regarding Report, Statement or Opinion by Expert

This Offering Memorandum includes: (i) the section entitled "*Summary of Certain Canadian Federal Income Tax Considerations*" prepared by Dentons Canada LLP effective as of the date of this Offering Memorandum; and (ii) the annual audited financial statements of the Trust and the Limited Partnership for the year ended December 31st, 2025 and accompanying independent auditor's report prepared by BDO Canada LLP. 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.

**APPENDIX A
CURRENT PORTFOLIO**

Existing Properties (as at the date of this Offering Memorandum)	Bachelor	One Bedroom	Two Bedroom	Three or More Bedroom	Total
390 Grey Street, London ON	-	17	-	-	17
495 Elmwood Drive, Moncton NB	1	11	12	-	24
21 Connaught Avenue, Moncton NB	-	1	15	-	16
580 High Street, Moncton NB	-	1	15	-	16
29 Suffolk Street, Riverview NB	-	1	5	12	18
621 Baseline Road East, London ON	-	11	12	-	23
290 Springbank Drive, London ON	-	7	11	-	18
96 Second Avenue, Kitchener ON	-	-	10	6	16
3-19 Burns Drive, Guelph ON	-	-	35	35	70
25 Elmwood Drive, Moncton NB	-	11	33	-	44
388 Dufferin Avenue, London ON	-	9	15	-	24
383 Princess Avenue, London ON	-	12	-	-	12
470 Maitland Street, London ON	1	7	8	-	16
294 Lorne Avenue, Kitchener ON	-	18	9	3	30
105-117 Onward Avenue, Kitchener ON	-	16	30	-	46
116 Second Avenue, Kitchener ON	-	-	10	6	16
68 Breckenridge Drive Kitchener ON	1	6	14	-	21
124 Tupper Crescent Kitchener ON	2	8	15	-	25
110 Highview Avenue E London ON	-	12	32	-	44

194 Heiman Street Kitchener ON		4	20	-	24
63 Main Avenue, Halifax NS	-	10	20	-	30
13 Glen Moir Terrace, Bedford NS	2	1	16	4	23
34 Frederick Ave, Halifax NS	-	-	25	-	25
43 Ormond St S, Thorold ON	2	44	-	-	46
309 Garden St, Cambridge ON	1	4	11	1	17
480 Dolph St, Cambridge ON	-	11	-	-	11
39 Pleasant St, Moncton NB	-	7	25	3	35
2705 King St E, Hamilton ON	-	41	7	-	48
1324-1332 Monterey Ave, Hamilton ON	-	16	30	-	46
9 Lodge St, Waterloo ON	-	10	45	-	55
36 Talbot St, Kitchener ON	2	24	10	-	36
25 Nash Road N, Hamilton ON	-	33	28	-	61
16 Champlain Ave, Hamilton ON	-	32	41	-	73
101 Veronica Ave, London ON	-	18	20	-	38
364 Grey St, London ON	-	23	-	-	23
86 Gaston Road, Dartmouth NS	1	23	28	1	53
1-13 Ivan Court, Moncton NB	23	45	72	-	140

112 Breckenridge Dr, Kitchener ON	-	6	15	-	21
15 Millwood Cres, Kitchener ON	-	48	49	-	97
1126-1154 Adelaide St N, London ON	10	235	312	-	557
Total Properties Under Management	46	783	1055	71	1955

ITEM 14 FINANCIAL STATEMENTS

Please see attached.

Pier 4 Real Estate Investment Trust
Consolidated Financial Statements
For the year ended December 31, 2025

Pier 4 Real Estate Investment Trust
Consolidated Financial Statements
For the year ended December 31, 2025

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Independent Auditor's Report

To the Unitholders of Pier 4 Real Estate Investment Trust

Opinion

We have audited the consolidated financial statements of Pier 4 Real Estate Investment Trust and its subsidiaries (the "Trust"), which comprise the consolidated statement of financial position as at December 31, 2025, and the consolidated statements of net and comprehensive income (loss), changes in net assets attributable to unitholders and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Trust as at December 31, 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended, in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

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 Consolidated 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 consolidated 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB), and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated 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 Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 consolidated 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

Oakville, Ontario
April 30, 2026

Pier 4 Real Estate Investment Trust
Consolidated Statement of Financial Position
(Expressed in Canadian Dollars)

	Note	December 31, 2025	December 31, 2024
ASSETS			
CURRENT ASSETS			
Cash		\$ 9,824,691	\$ 7,936,480
Accounts receivable		775,770	102,339
Prepaid expenses		794,426	264,549
Real estate deposits		5,780,000	1,150,000
		17,174,887	9,453,368
Investment properties	5	267,250,000	158,800,000
Property, plant, and equipment		228,053	118,452
Right-of-use asset	8	2,927,631	3,165,006
TOTAL ASSETS		\$ 287,580,571	\$ 171,536,826
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and accrued liabilities		\$ 4,446,463	\$ 2,043,601
Due to related parties	11	2,418,775	1,439,926
Tenant deposits		1,345,691	754,605
Current portion of lease liability	8	285,734	283,664
Current portion of mortgages payable	6	38,772,682	3,058,289
		47,269,345	7,580,085
Lease liability	8	2,784,931	2,974,510
Credit facility	7	7,900,750	-
Mortgages payable	6	138,186,923	101,465,032
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		196,141,949	112,019,627
Net assets attributable to unitholders		91,438,622	59,517,199
TOTAL LIABILITIES INCLUDING NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		\$ 287,580,571	\$ 171,536,826

See accompanying notes to the consolidated financial statements.

Approved on behalf of the Board of Trustees:

"Michèle McCarthy"

Michèle McCarthy
Independent Trustee

"Ian Stewart"

Ian Stewart
Independent Trustee

Pier 4 Real Estate Investment Trust
Consolidated Statement of Net and Comprehensive Income (Loss)
(Expressed in Canadian Dollars)

	Note	December 31, 2025	December 31, 2024
REVENUES FROM PROPERTY OPERATIONS			
Rental income		\$ 13,980,478	\$ 7,785,327
Other income		265,574	123,577
TOTAL REVENUES FROM PROPERTY OPERATIONS		14,246,052	7,908,904
EXPENSES FROM PROPERTY OPERATIONS			
Property insurance		537,893	317,820
Property management fees	11	781,905	435,808
Realty taxes		2,173,788	1,149,451
Repairs and maintenance		2,412,224	999,250
Utilities		1,784,754	949,415
TOTAL EXPENSES FROM PROPERTY OPERATIONS		7,690,564	3,851,744
INCOME FROM PROPERTY OPERATIONS		6,555,488	4,057,160
OTHER INCOME (EXPENSES):			
Bank charges	8	(121,653)	(119,083)
General and administration	8	(2,035,765)	(1,294,355)
Wages		(2,233,476)	(1,040,992)
Interest costs	6, 7	(6,929,132)	(5,437,311)
Amortization of finance costs		(1,923,136)	(2,204,212)
Management fees	11	(2,394,919)	(1,416,283)
Professional fees		(1,355,560)	(471,497)
Fair value adjustment on investment properties	5	9,055,961	10,451,523
TOTAL OTHER INCOME (EXPENSES)		(7,937,680)	(1,532,210)
NET AND COMPREHENSIVE INCOME (LOSS)		\$ (1,382,192)	\$ 2,524,950

See accompanying notes to the consolidated financial statements.

Pier 4 Real Estate Investment Trust
Consolidated Statement of Changes of Net Assets Attributable to Unitholders
(Expressed in Canadian Dollars)

	Note	Net Assets Attributable to Unitholders	Changes in Net Assets Attributable to Unitholders	Total
Net assets attributable to unitholders at December 31, 2023		\$ 32,992,733	\$ 3,560,232	\$ 36,552,965
Issuance of trust units	9	24,906,722	-	24,906,722
Issuance of LP units	9	2,945,926	-	2,945,926
Unit issuance costs	9	(1,915,176)	-	(1,915,176)
Redemption of trust units	9	(1,405,535)	-	(1,405,535)
Net and comprehensive income		-	2,524,950	2,524,950
Distributions to unitholders		-	(4,092,653)	(4,092,653)
Net assets attributable to unitholders at December 31, 2024		\$ 57,524,670	\$ 1,992,529	\$ 59,517,199

	Note	Net Assets Attributable to Unitholders	Changes in Net Assets Attributable to Unitholders	Total
Net assets attributable to unitholders at December 31, 2024		\$ 57,524,670	\$ 1,992,529	\$ 59,517,199
Issuance of trust units	9	31,626,064	-	31,626,064
Issuance of LP units	9	15,101,484	-	15,101,484
Unit issuance costs	9	(3,185,648)	-	(3,185,648)
Redemption of trust units	9	(3,569,651)	-	(3,569,651)
Net and comprehensive loss		-	(1,382,192)	(1,382,192)
Distributions to unitholders		-	(6,668,634)	(6,668,634)
Net assets attributable to unitholders at December 31, 2025		\$ 97,496,919	\$ (6,058,297)	\$ 91,438,622

See accompanying notes to the consolidated financial statements.

Pier 4 Real Estate Investment Trust
Consolidated Statement of Cash Flows
(Expressed in Canadian Dollars)

	December 31, 2025	December 31, 2024
OPERATING ACTIVITIES		
Net and comprehensive income (loss)	\$ (1,382,192)	\$ 2,524,950
Adjustments to reconcile net and comprehensive income (loss) to net cash provided by (used in) operating activities:		
Fair value adjustment on investment properties	(9,055,961)	(10,451,523)
Amortization of finance costs	1,923,136	2,204,212
Amortization of property, plant, and equipment	14,329	13,652
Depreciation of right-of-use asset	237,375	239,250
Lease interest	96,155	101,617
Changes in non-cash working capital balances:		
Accounts receivable	(673,431)	(33,401)
Prepaid expenses	(529,877)	(114,515)
Real estate deposits	(4,630,000)	(850,000)
Accounts payable and accrued liabilities	2,402,862	1,003,951
Tenant deposits	591,086	290,352
CASH USED IN OPERATING ACTIVITIES	(11,006,518)	(5,071,455)
INVESTING ACTIVITIES		
Acquisition of investment properties	(92,160,328)	(44,454,989)
Purchase of property, plant, and equipment	(123,930)	-
Capital additions on investment properties	(7,233,711)	(2,999,158)
CASH USED IN INVESTING ACTIVITIES	(99,517,969)	(47,454,147)
FINANCING ACTIVITIES		
Proceeds from mortgages payable, net of costs	82,421,030	111,010,732
Principal repayments of mortgages payable	(7,605,658)	(67,651,382)
Finance costs paid	(4,302,224)	(6,915,912)
Repayment of lease liability	(283,664)	(281,446)
Proceeds from credit facility draws	7,900,750	-
Advances from related parties	978,849	135,687
Proceeds from Issuance of units, net of costs	43,541,900	25,937,472
Redemptions of units	(3,569,651)	(1,405,535)
Distributions to unitholders	(6,668,634)	(4,092,653)
CASH PROVIDED BY FINANCING ACTIVITIES	112,412,698	56,736,963
Cash, beginning of year	7,936,480	3,725,119
Cash, end of year	\$ 9,824,691	\$ 7,936,480

See accompanying notes to the consolidated financial statements.

Pier 4 Real Estate Investment Trust
Notes to the Consolidated Financial Statements
For the year ended December 31, 2025

1. Nature of Operations

Pier 4 Real Estate Investment Trust (the “Trust”) is an unincorporated, open-ended real estate investment trust governed by the laws of the Province of Ontario, established by a declaration of trust dated May 26, 2020 (the “Declaration of Trust”). The Trust’s head office is located at 699 Balliol Street, Suite 100, Toronto, Ontario, M4S 1E6. The intention of the Trust is to continue to qualify as a “mutual fund trust” (pursuant to subsection 132(6) of the Income Tax Act) and it was formed primarily to indirectly invest in a diversified pool of North American based real estate assets which include income producing property.

The Trust is established for the purpose of investing in Pier 4 Holding Limited Partnership (the “LP”) to facilitate the acquisition, management, and operation of a portfolio of multi-family residential properties. Pursuant to the Administration Agreement dated May 26, 2020 (the “Administration Agreement”) between the General Partner of the LP, Pier 4 Real Estate GP Ltd. (the “GP”), Trust, and Pier 4 Capital Corporation (the “Manager”) (Note 11), the Manager has agreed to provide management and administration services to the GP and the Trust.

The GP’s sole activity is managing the business and affairs of the LP. The powers, rights and duties of the GP are set out in the Limited Partnership Agreement (the “LP Agreement”) dated May 26, 2020, between the Trust and the GP. The LP agreement provides that the GP has unlimited liability for the debts, liabilities, and obligations of the LP. The liability of each limited partner is limited to the aggregate amount of capital contributed and such limited partner’s share of the undistributed income of the LP. The LP will continue until all its assets have been sold and the net proceeds therefrom, after settlement of all debts and obligations have been distributed in accordance with the LP agreement.

The beneficiaries of the unincorporated trust are the unitholders. The consolidated financial statements present only the assets, liabilities, and results of the operations of the Trust and its subsidiary. The Trust intends to continue to qualify as a “mutual fund trust” as defined in the Income Tax Act (Canada), but is not a “mutual fund” within the meaning of applicable Canadian securities legislation. Under the Income Tax Act (Canada), the Trust is subject to income taxes only on income that is not distributed or distributable to the unitholders. The Trust, to date, has no undistributed income. Consequently, no income tax provision or recovery, nor income tax asset or liability is reflected in the consolidated financial statements.

2. Material Accounting Policy Information

(a) Statement of Compliance

The consolidated financial statements of the Trust have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) and using the accounting policies described herein applicable to the years ended December 31, 2025, and December 31, 2024.

The consolidated financial statements were authorized for issuance by the Board of Trustees of the Trust on April 30, 2026.

(b) Basis of Presentation

The consolidated financial statements of the Trust are presented in Canadian dollars, which is the Trust’s functional currency.

The consolidated financial statements of the Trust have been prepared on a historical cost basis except for investment properties (Note 5) which have been measured at fair values at the end of each reporting period.

2. Material Accounting Policy Information – Continued

(c) Basis of Consolidation

The consolidated financial statements include the accounts of the Trust and its subsidiary, the LP, over which the Trust has control in accordance with IFRS 10 – Consolidated Financial Statements (“IFRS 10”). Control exists when the Trust is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to govern the financial and operating policies of the entity. Consolidated financial statements are prepared using uniform accounting policies for transactions. All intercompany transactions, balances and unrealized gains and losses from intercompany transactions are eliminated on consolidation.

The Pier 4 Holding Limited Partnership, including the underlying investment property holding corporations operate as wholly owned subsidiaries of the Trust. All the entities have December 31 as their year-end.

(d) Investment Properties

Investment properties are properties held to earn rental income and/or for capital appreciation. Investment properties are initially measured at cost, including directly attributable acquisition costs. The directly attributable expenditures include transaction costs such as due diligence costs, appraisal fees, environmental fees, legal fees, land transfer taxes and brokerage fees. Subsequent capital expenditures are capitalized to the investment property only when it is probable that future economic benefits of the expenditures will flow to the Trust and the cost can be measured reliably. Subsequent to initial recognition, investment properties are measured at fair value. The changes in fair value in each reporting period are recorded in the consolidated statement of net income and comprehensive income. Fair value is based upon valuations performed internally and by an appraiser through the Appraisal Institute of Canada, using valuation techniques including the direct capitalization income and discounted cash flow methods. Recent real estate transactions with similar characteristics and location to the Trust’s assets are also considered. The direct capitalization income method applies a capitalization rate to the property’s stabilized net operating income which incorporates allowances for vacancy, management fees and structural reserves for capital expenditures for the property. The resulting capitalized value is further adjusted, where appropriate, for extraordinary costs to stabilize the income and non-recoverable capital expenditures.

(e) Revenue Recognition

The Trust retains substantially all the risks and benefits of ownership of its investment properties and, therefore, accounts for its leases with tenants as operating leases. Rental revenue includes rents from residential tenants under leases, laundry income and all other incidental income paid by tenants under the terms of their existing leases and contracts. Revenue recognition under a lease commences when a tenant has a right to use the leased asset and collection is reasonably assured. Revenue is recognized pursuant to the terms of the lease agreement.

Amounts collected from residents are recognized as income when due, which, due to the short-term nature of the leases, approximates straight-line revenue recognition. Lease incentives granted are recognized as an integral part of the total rental revenue over the term of the leases. All other incidental income is recognized as revenue upon provision of goods and services when collectability is reasonably assured.

An allowance for doubtful accounts is maintained for estimated losses, resulting from the inability of tenants to meet the contractual obligations under their lease agreements. Such allowances are reviewed periodically based on the recovery experience of the Trust and the creditworthiness of the tenants. All amounts outstanding greater than 90 days are provided for through the consolidated statement of net income and comprehensive income.

2. Material Accounting Policy Information – Continued

(f) Critical Estimates and Judgements

The preparation of these consolidated financial statements in conformity with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the year. Actual results may differ from these estimates.

The assumptions are limited by the availability of reliable comparable data, economic uncertainty, ongoing geopolitical concerns, and uncertainty of predictions concerning the future events. Credit markets, equity markets and consumer spending are factors in the uncertainty inherent in such estimates and assumptions. Accordingly, by nature, estimates of fair value are subjective and do not necessarily result in precise determinations. Should the underlying assumptions change, the estimated fair value could change by a material amount. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects that period or in the period of the revisions and future periods if the revisions affects both current and future periods.

The significant estimates and judgements used in determining the recorded amount for assets and liabilities in the consolidated financial statements include the following:

(i) Accounting for acquisitions:

Management must assess whether the acquisition of a property should be accounted for as an asset purchase or business combination. This assessment impacts the accounting treatment of transaction costs, the allocation of the costs associated with the acquisition and whether goodwill is recognized. The Trust's acquisitions are generally determined to be asset acquisitions, as the Trust does not typically acquire an integrate set of processes as part of the acquisition transaction.

(ii) Investment properties:

The key assumptions used when determining the fair value of the investment properties are capitalization rate and assessment of future cash flows. The capitalization rate applied is reflective of the characteristics, location, and market of each investment property. The future cash flows of each investment property are based upon rental income from current leases and assumptions about occupancy rates and market rent from future leases reflecting current conditions, less related future cash outflows. The Trust determines fair value utilizing external valuations provided by independent and accredited industry experts.

(iii) Consolidation:

The Trust has determined that it controls all its subsidiaries. In making this determination it considered the relationship between the Trust, Limited Partnership, General Partner, the Administrator, and the subsidiaries including ownership interests, voting rights and management agreements. Through this analysis it was determined that the Trust controls the Limited Partnership.

(iv) Income taxes:

The Trust intends to qualify as a mutual fund trust as defined in the Income Tax Act (Canada) in the coming year with the subsequent issuance of Trust units. The Trust is a real estate investment

2. Material Accounting Policy Information – Continued

(f) Critical Estimates and Judgements – Continued

trust as defined in the Income Tax Act (Canada). The Trust would not be liable to pay Canadian income taxes provided that its taxable income is fully distributed to Unitholders each year. The

Trust is a real estate investment trust if it meets the prescribed conditions under the Income Tax Act (Canada) relating to the nature of its assets and revenue. The Trust uses judgement in reviewing these prescribed conditions and assessing its interpretation and application to the Trust's assets and revenues. The Trust has determined that it qualifies as a real estate investment trust in respect of the current year. The Trust intends to qualify as a mutual fund trust and expects to continue to qualify as a real estate investment trust under the Income Tax Act (Canada).

(v) Financial instruments:

Critical judgements and estimates are also made in the determination of fair value of financial instruments and include assumptions and estimates regarding future interest rates, the relative creditworthiness for the Trust to its counterparties, the credit risk of the Trust's counterparties relative to the Trust, the estimated future cash flows, and discount rates.

(g) Financial Instruments

Financial assets are classified and measured based on one of the following categories: (i) amortized cost, (ii) fair value through profit and loss ("FVTPL"); or (iii) fair value through other comprehensive income ("FVOCI"). Financial liabilities are classified and measured based on one of the following two categories: (i) amortized cost; or (ii) FVTPL. Financial instruments are recognized initially at fair value. Financial assets and liabilities classified at FVTPL are subsequently measured at fair value with gains and losses recognized in profit and loss. The Trust derecognizes a financial asset when the contractual rights to the cash flows from the asset expire. Financial liabilities are derecognized when the contractual obligations are discharged, cancelled, or expired.

All of the financial assets and liabilities of the Trust are classified and measured at amortized cost. Impairment losses on financial assets carried at amortized cost are reversed in subsequent periods if the amount of the loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized.

Transaction costs that are directly attributable to the acquisition or issuance of financial assets or liabilities, other than financial assets and liabilities measured at FVTPL, are accounted for as part of the carrying amount of the respective asset or liability at inception. Transaction costs related to financial instruments measured at amortized cost are amortized using the effective interest rate ("EIR") over the anticipated life of the related instrument.

At each reporting date, the Trust assesses whether there is objective evidence that a financial asset is impaired. If such evidence exists, the Trust recognizes an impairment loss for financial assets carried at amortized cost as: the loss is the difference between the amortized cost of the loan or receivable and the present value of the estimated future cash flows, discounted using the instrument's original EIR. The carrying amount of the asset is reduced by this amount either directly or indirectly through the use of an allowance account. The Trust's net liabilities attributable to Unitholders have been classified as financial liabilities under International Accounting Standards ("IAS") 32, Financial Instruments – Presentation.

2. Material Accounting Policy Information – Continued

(h) Units

The Trust units are redeemable at the option of the holder and, therefore, are considered puttable instruments. Puttable instruments are required to be accounted for as financial liabilities, except where certain conditions are met, in which case, the puttable instrument may be presented as equity. The Trust's units did not meet the conditions for presentation as equity and have therefore been presented as liabilities and are measured at amortized cost.

(i) Income Taxes

The Trust intends to continue to qualify as a mutual fund trust under the Income Tax Act (Canada) whereby all of the Trust's net income for tax purposes and sufficient capital gains realized in any period are required to be distributed to unitholders such that no tax is payable by the Trust. Since the Trust does not anticipate it will be subject to income taxes, the tax benefit of capital and non-capital losses has not been reflected in the consolidated statements of financial position as a deferred income tax asset.

(j) Leases

Under IFRS 16, all leases are accounted for by recognizing a right-of-use asset in property and equipment and a lease liability except for leases of low value assets and leases with a duration of 12 months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless this is not readily determinable, in which case the Trust's incremental borrowing rate on commencement of the lease is used. The Trust determines its incremental borrowing rate as the rate of interest it would have to pay to borrow over a similar term, and with similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- Amounts expected to be payable under any residual value guarantee;
- The exercise price of any purchase option granted in favour of the Trust if it is reasonably certain to exercise that option;
- Any penalties payable for terminating the leases, if the term of the lease has been estimated on the basis of the termination option being exercised.

Right of-use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received and increased for:

- Lease payments made at or before commencement of the lease;
- Initial direct costs incurred; and
- The amount of any provision recognized where the Trust is contractually required to dismantle, remove or restore the leased asset.

Subsequent to initial measurement, lease liabilities increase as a result of interest at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortized on a

Pier 4 Real Estate Investment Trust
Notes to the Consolidated Financial Statements
For the year ended December 31, 2025

2. Material Accounting Policy Information – Continued

straight-line basis over the remaining term of the lease or over the remaining economic life of the asset, whichever is shorter.

3. Adoption of Accounting Standards

Future accounting policy changes:

(a) Amendments to the Classification and Measurement of Financial Instruments which amended IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures:

The amendments clarify the requirements related to the date of recognition and derecognition of financial assets and liabilities with an exception for derecognition of financial liabilities settled via electronic transfer. These amendments are effective for annual periods beginning on or after January 1, 2026, with early application permitted. The Fund is currently evaluating the impact of these amendments on future periods.

(b) IFRS 18 Presentation and Disclosure in Financial Statements (“IFRS 18”):

The new standard, IFRS 18, replaces IAS 1 Presentation of Financial Statements while carrying forward many of the requirements in IAS 1. IFRS 18 includes requirements for all entities applying IFRS for the presentation and disclosure of information in financial statements. It introduces three sets of new requirements to improve companies' reporting of financial performance and give investors a better basis for analyzing and comparing companies. The standard is effective for annual periods beginning on or after January 1, 2027, with restatement of the comparative period being required and early application permitted. The Fund is currently evaluating the impact of this amendment on future periods.

4. Acquisitions

The following acquisitions were completed by the Trust during the year ended December 31, 2025. All of the acquisitions were treated as asset acquisitions, and as a result, the fair value of consideration has been allocated to the identifiable assets acquired and liabilities assumed based on their fair value at the date of acquisition as follows:

	2705 King St. E	1324-1332 Monterey Ave.	9 Lodge St.	36 Talbot St.	25 Nash Rd. N	16 Champlain Ave.	364 Grey St.	101 Veronica Ave.	86 Gaston Rd.	1-13 Ivan Crt.	112 Breckenridge Dr.	Total
Acquisition date	30-Jan	30-Jan	28-Feb	12-Mar	27-Jun	27-Jun	14-Aug	13-Aug	05-Sep	29-Oct	07-Nov	594
Suites	48	46	55	36	61	73	23	38	53	140	21	
City, Province	Hamilton, ON	Hamilton, ON	Waterloo, ON	Kitchener, ON	Hamilton, ON	Hamilton, ON	London, ON	London, ON	Dartmouth, NS	Moncton, NB	Kitchener, ON	
Investment properties	\$ 7,130,113	\$ 7,078,443	\$ 10,950,570	\$ 6,718,345	\$ 9,637,434	\$ 11,457,774	\$ 4,238,620	\$ 6,091,541	\$ 6,722,565	\$ 18,214,693	\$ 3,920,230	\$ 92,160,328
Add:												
Prepaid expenses	-	-	18,934	25,367	36,252	61,486	16,756	20,548	35,336	28,836	26,253	269,768
Deduct:												
Accounts payable and accrued liabilities	7,030	7,144	-	-	-	-	-	-	-	-	-	14,174
Tenant rental deposits	51,606	51,934	2,437	56,700	50,534	69,516	34,740	57,976	51,168	15,482	44,708	486,801
Net asset acquired	\$ 7,071,477	\$ 7,019,365	\$ 10,967,067	\$ 6,687,012	\$ 9,623,152	\$ 11,449,744	\$ 4,220,636	\$ 6,054,113	\$ 6,706,733	\$ 18,228,047	\$ 3,901,775	\$ 91,929,121
Consideration funded by:												
New mortgages payable	\$ 5,331,986	\$ 4,911,361	\$ 8,741,608	\$ 5,049,110	\$ 7,607,811	\$ 9,130,522	\$ 3,103,811	\$ 4,875,899	\$ 5,528,921	\$ 14,848,833	\$ 3,322,273	\$ 72,452,135
Assumed mortgages payable	-	-	-	-	-	-	-	-	-	-	-	-
Cash paid	1,739,491	2,108,004	2,225,459	1,637,902	2,015,341	2,319,222	1,116,825	1,178,214	1,177,812	3,379,214	579,502	19,476,986
Total consideration	\$ 7,071,477	\$ 7,019,365	\$ 10,967,067	\$ 6,687,012	\$ 9,623,152	\$ 11,449,744	\$ 4,220,636	\$ 6,054,113	\$ 6,706,733	\$ 18,228,047	\$ 3,901,775	\$ 91,929,121

Pier 4 Real Estate Investment Trust
Notes to the Consolidated Financial Statements
For the year ended December 31, 2025

5. Investment Properties

The following table summarizes the change in investment properties for the year ended December 31, 2025, and year ended December 31, 2024:

	December 31, 2025	December 31, 2024
Balance, beginning of year	\$ 158,800,000	\$ 100,890,000
Acquisition of investment properties (Note 4)	92,160,328	44,459,319
Capital additions	7,233,711	2,999,158
Fair value adjustments	9,055,961	10,451,523
Balance, end of year	\$ 267,250,000	\$ 158,800,000

The Trust appraises all of its investment properties using valuations prepared by a qualified external appraiser (“Appraiser”). The Appraiser consists of individuals who are knowledgeable and have specialized industry experience in real estate valuations. The valuations are reviewed and approved by the senior management of the Trust, including the Chairman and Board of Directors. Full external appraisals for the portfolio, where obtained, are performed on a 365-day cycle with quarterly reports provided in between.

Investment properties are valued using Level 3 inputs due to the extent of assumptions required beyond observable market data to derive the fair values.

The Trust determines fair value utilizing external valuations provided by independent and accredited industry experts. The fair value of each investment property uses a combination of the direct income capitalization approach, and direct comparison approach, for 2025 and 2024. The capitalized earnings reflect rental income from current leases and assumptions about rental income from future leases and occupancy reflecting market conditions at the reporting date, less the related future cash outflows.

The capitalization rate assumptions for the Trust’s investment properties are set out in the following table:

	December 31, 2025	December 31, 2024
Capitalization rate - range	4.00% to 5.80%	3.90% to 5.90%
Capitalization rate - weighted average	4.42%	4.40%

The fair value of the Trust’s investment properties is sensitive to changes in key valuation assumptions. A 25 basis point decrease or increase in the direct capitalization rate would result in an increase or decrease in the fair value of the investment properties of approximately \$16,606,000 (2024 - \$9,297,000) or \$(14,101,000) (2024 – \$(8,978,000)), respectively. A 5% increase or decrease in the net operating income would result in an increase or decrease in the fair value of the investment properties of approximately \$5,711,000 (2024 - \$3,372,500) or \$(7,669,000) (2024 - \$(4,545,500)).

Pier 4 Real Estate Investment Trust
Notes to the Consolidated Financial Statements
For the year ended December 31, 2025

6. Mortgages Payable

	Mortgage	Interest Rate	Maturity Date	December 31, 2025	December 31, 2024
FN (1) - 390 Grey St	1st	4.46%	12/1/2030	1,777,523	1,813,036
FN - 495 Elmwood Dr	1st	2.35%	12/1/2026	1,594,990	1,623,022
FN - 21 Connaught Ave/580 High St	1st	2.35%	12/1/2026	2,703,425	2,750,923
FN - 29 Suffolk St	1st	2.24%	12/1/2026	1,613,807	1,643,217
PC (2) - 29 Suffolk St	2nd	4.75%	6/1/2027	1,080,635	1,090,547
KS (3) - 621 Base Line Rd	1st	3.42%	12/1/2027	2,777,072	2,814,417
KS - 290 Springbank Dr	1st	3.95%	12/1/2028	2,356,018	2,384,956
KS - 96 Second Ave	1st	3.72%	6/1/2028	2,041,215	2,066,086
PC - 3-19 Burns Dr	1st	4.00%	12/1/2034	18,339,838	18,459,722
PC - 25 Elmwood Dr	1st	4.26%	3/1/2034	6,001,958	6,064,214
CMSC (5) - 388 Dufferin Ave/383 Princess Ave	1st (i)	8.25%	7/1/2026	6,171,750	6,171,750
KS - 470 Maitland St	1st	4.30%	6/1/2029	2,373,085	2,395,068
KS - 294 Lorne Ave	1st	3.50%	6/1/2030	6,214,046	6,273,081
KS - 105-117 Onward Ave	1st	4.25%	3/1/2034	6,534,286	6,601,044
ICI (7) - 68 Breckenridge Dr	1st	4.00%	9/1/2035	3,391,042	-
ICI - 116 Second Ave	1st	3.75%	12/1/2029	3,036,760	3,070,748
ICI - 124 Tupper Cres	1st	3.97%	3/1/2035	4,550,388	4,594,560
CMLS (8) - 110 Highview Ave	1st	3.80%	6/1/2030	7,500,277	7,576,111
FN - 194 Heiman St	1st	1.95%	5/15/2026	2,541,955	2,602,908
HMC (6) - 194 Heiman St	2nd (i)	10.00%	5/15/2026	510,000	510,000
PC - 63 Main Ave	1st	3.80%	6/1/2030	4,316,203	4,359,844
PC - 13 Glen Moir Terr	1st	3.80%	6/1/2030	3,920,822	3,960,465
KS - 34 Frederick Ave	1st	3.65%	6/1/2030	3,766,080	-
KS - 480 Dolph St N./309 Garden St	1st	3.75%	6/1/2030	4,687,232	4,735,199
ICI - 39 Pleasant St	1st	3.65%	6/1/2030	5,120,761	5,174,442
KS - 43 Ormond St S	1st	3.75%	6/1/2030	5,809,473	5,868,925
ICI - 2705 King St E	1st	3.80%	6/1/2030	5,667,422	-
ICI - 1324-1332 Monterey Ave	1st	3.80%	6/1/2030	5,164,548	-
TC - 9 Lodge St	1st (i)	6.95%	3/1/2027	8,840,000	-
HMC - 36 Talbot St	1st (i)	7.50%	4/1/2026	5,200,000	-
HMC - 25 Nash Road N/16 Champlain Ave	1st (i)	7.10%	7/1/2026	17,085,000	-
TC - 86 Gaston Rd	1st(i)	7.20%	10/1/2027	5,600,000	-
ICI - 1-13 Ivancourt Crt	1st	3.39%	12/1/2030	15,785,764	-
HMC - 112 Breckenridge Dr	1st(i)	7.25%	6/1/2027	3,391,500	-
CMLS - 101 Veronica Ave	1st(i)	6.85%	8/1/2027	5,010,750	-
KS- 364 Grey St	1st	3.55%	12/1/2030	3,346,530	-
VTB (4) - 388 Dufferin Ave/383 Princess Ave	2nd (i)(ii)	1.70%	7/1/2025	-	250,000
CMSC - 116 Second Ave/68 Breckenridge Dr/124 Tupper Cres	1st (i)(iii)	7.96%	6/1/2026	-	3,152,500
TC (9) - 34 Frederick Ave	1st (i)(iv)	8.20%	10/1/2026	-	2,500,000
VTB - 34 Frederick Ave	2nd (i)(iv)	5.00%	10/1/2026	-	500,000

	\$185,822,157	\$111,006,785
Unamortized finance costs	(8,862,552)	(6,483,464)
	\$176,959,605	\$104,523,321
Current portion mortgages payable	(38,772,682)	(3,058,289)
	\$138,186,923	\$101,465,032

- (1) First National Financial LP
- (2) Peakhill Capital Inc.
- (3) KingSett Mortgage Corporation
- (4) Vendor Take-Back Mortgage
- (5) Canadian Mortgage Servicing Corporation
- (6) Harbour Mortgage Corporation
- (7) Canada ICI Capital Corporation
- (8) CMLS Financial Ltd.
- (9) Timbercreek Mortgage Servicing Inc.

- (i) The referenced mortgages are interest-only loans.
- (ii) The Vendor Take-Back second mortgage was repaid in June 2025.
- (iii) The CMSC first mortgage charge associated with 68 Breckenridge Dr was repaid in February 2025.
- (iv) The TC first mortgage and VTB second mortgage were repaid in May 2025.

Pier 4 Real Estate Investment Trust
Notes to the Consolidated Financial Statements
For the year ended December 31, 2025

6. Mortgages Payable – Continued

The described mortgages payable are secured by the associated investment properties and have the following principal payments:

		Principal
2026	\$	38,772,682
2027		28,003,662
2028		5,634,697
2029		6,551,382
Thereafter		106,859,734
Total	\$	185,822,157

Interest costs included in the statement of net and comprehensive income (loss) include mortgage interest of \$6,741,665 (2024 - \$5,437,311).

7. Credit Facility

On May 16, 2025, the Trust entered into a revolving demand loan agreement with a private lending institution, providing for a total commitment of \$5,000,000 maturing on January 31, 2028. The credit facility bears interest at prime rate plus 6.05%, with floor rate of 10.25% per annum. The loan is secured by a second-ranking collateral mortgage in the amount of \$12,500,000 against a subset of properties (Note 5). The fair value of the subset of properties is \$63,730,000.

The facility had a balance of \$2,850,000 as at December 31, 2025. For the year ended December 31, 2025, the interest cost incurred was \$132,729 (2024 - \$Nil).

On December 4, 2025, the Trust entered into a revolving loan agreement with a second private lending institution, providing for a total commitment of \$15,000,000 to be used solely for acquisition purposes. The credit facility matures on January 1, 2027, and bears interest at prime rate plus 10.00% per annum. The loan is secured by a general security agreement over all personal property of the borrower and guarantor, supported by full recourse guarantees and standard indemnities, with the lender agreeing to subordinate or waive its interest where required by first mortgage lenders. The guarantor is the Manager, a related party of borrower. Additional security may be provided as reasonably required by the lender.

The facility had a balance of \$5,050,750 as at December 31, 2025. For the year ended December 31, 2025, the interest cost incurred was \$54,738 (2024 - \$Nil).

Pier 4 Real Estate Investment Trust
Notes to the Consolidated Financial Statements
For the year ended December 31, 2025

8. Right-of-Use Asset and Lease Liability

Right-of-Use Asset

Right-of-use assets consist of the following:

Cost	December 31, 2025	December 31, 2024
Balance, beginning of year	\$ 3,614,997	\$ 3,614,997
Additions	-	-
Balance, end of year	<u>\$ 3,614,997</u>	<u>\$ 3,614,997</u>
Accumulated depreciation		
Balance, beginning of year	449,991	210,741
Depreciation during the year	237,375	239,250
Balance, end of year	<u>687,366</u>	<u>449,991</u>
Carrying amounts at the end of year	<u>\$ 2,927,631</u>	<u>\$ 3,165,006</u>

Lease Liability

	December 31, 2025	December 31, 2024
Office space lease bearing interest at an estimated rate of 3.03%. The lease extends through fiscal 2033.	<u>\$ 3,070,665</u>	<u>\$ 3,258,174</u>

Included in bank charges is \$96,154 (2024 - \$101,617) of interest expense on lease obligations. Total cash outflows relating to leases consist of payments in the amount of \$468,396 (2024 - \$438,977). Included in general and administration expense is \$184,733 (2024 - \$157,531) relating to variable lease payments not included in the measurement of lease liabilities.

The leases are secured by the underlying asset. The future minimum lease payments, inclusive of tax, are as follows:

2026	\$ 285,734
2027	289,875
2028	291,946
2029	296,087
2030	298,157
Thereafter	2,229,967
	<u>3,691,766</u>
Less: imputed interest	(621,101)
	<u>\$ 3,070,665</u>

9. Net Assets Attributable to Unitholders

The Declaration of Trust provides an unlimited number of Class A Trust Units, Class B Trust Units, Class C Trust Units, and Class F Trust Units (the "Unit(s)") may be issued. Each Unit represents an equal undivided beneficial interest in any distributions of the Trust and in the net assets of the Trust in the event of termination or winding up of the Trust. Each Unit entitles the holder thereof to participate equally in the distributions with Class A Trust Units, Class B Trust Units, Class C Trust Units, and Class F Trust Units unitholders allocated to one vote at all meetings of unitholders for each whole unit held. The issued Units are not subject to future calls or assessments.

Pier 4 Real Estate Investment Trust
Notes to the Consolidated Financial Statements
For the year ended December 31, 2025

9. Net Assets Attributable to Unitholders – Continued

The Limited Partnership Agreement provides an unlimited number of Class D LP Units, and a limited number of Class M LP Units (the “Unit(s)”) may be issued. Each Unit represents an equal undivided beneficial interest in any distributions of the Limited Partnership and in the net assets of the Limited Partnership in the event of termination or winding up of the Limited Partnership. Each Unit entitles the holder thereof to participate equally in the distributions with Class D LP Units unitholders allocated to one vote at all meetings of unitholders for each whole unit held. The issued Units are not subject to future calls or assessments.

Each unitholder shall be entitled to require the Trust or Limited Partnership to redeem all or any part of their Units. The redemption price shall be valued at the fair market value of the Trust’s investment in the Partnership plus the value of the Trust’s investment assets and the Trust’s other assets, less all liabilities, costs and expenses accrued or payable of every kind and nature, and distributions due but not yet paid or made (“Net Asset Value”), as determined by the Manager or the Trust within 30 business days of receipt of the redemption notice; calculated as follows:

	Class A/ Class B/ Class C Investor Units (% of the class net asset value)
First year of issuance	92%
Second year of issuance	94%
Third year of issuance	96%
Thereafter	100%

	Class D Investor Units (% of the class net asset value)
First year of issuance	92%
Second year of issuance	94%
Third year of issuance	96%
Fourth year of issuance	97%
Fifth year of issuance	98%
Thereafter	100%

	Class F Investor Units (% of the class net asset value)
Within first 6 months of issuance	97%
Thereafter	100%

	Class W Investor Units (% of the class net asset value)
First year of issuance	97%
Second year of issuance	98%
Third year of issuance	99%
Thereafter	100%

Distribution Reinvestment Plan (“DRIP”)

The Trust has implemented a DRIP pursuant to which holders of Class A Trust Units, Class C Trust Units, and Class F Trust Units may reinvest all cash distributions declared and/or received in additional Units of the same class at a 2% discount on the purchase price.

Trailer Fee

Selling agents and registered dealers shall be entitled to receive commissions and referral fees as well as trailer fees between 0.5% and 1.00% per annum for subscriptions remaining in the Trust on Class A Trust Units, Class B Trust Units, Class C Trust Units, and Class D LP Units if a unitholder does not fully redeem their Class A Trust Units, Class B Trust Units, Class C Trust Units, or Class D LP Units during the respective

Pier 4 Real Estate Investment Trust
Notes to the Consolidated Financial Statements
For the year ended December 31, 2025

9. Net Assets Attributable to Unitholders – Continued

Redemption period which is defined to commence on the date of issuance of such Trust Unit and concludes on the date that is four years from the date of issuance of such Trust Unit.

A reconciliation of Trust Units and LP Units transactions for the year ended December 31, 2025 and year ended December 31, 2024, is as follows:

	Class A Trust		Class B Trust		Class C Trust		Class F Trust		Total	
	Units	Amount	Units	Amount	Units	Amount	Units	Amount	Units	Amount
Units, as at December 31, 2023	3,468,796	\$ 35,475,479	26,386	\$ 263,860	16,346	\$ 172,451	-	\$ -	3,511,528	\$ 32,817,733
Issued units	1,388,176	14,813,311	-	-	517,275	5,554,388	247,480	2,688,868	2,152,931	23,056,567
Issued DRIP units	165,717	1,736,982	-	-	7,882	82,988	2,865	30,184	176,464	1,850,154
Redeemed units	(124,800)	(1,362,535)	(4,000)	(43,000)	-	-	-	-	(128,800)	(1,405,535)
Unit issuance costs	-	-	-	-	-	-	-	-	-	(1,740,458)
Units, as at December 31, 2024	4,897,889	\$ 50,663,237	22,386	\$ 220,860	541,503	\$ 5,809,827	250,345	\$ 2,719,052	5,712,123	\$ 54,578,461

	Class D LP		Class M LP		Total	
	Units	Amount	Units	Amount	Units	Amount
Units, as at December 31, 2023	-	\$ -	17,500	\$ 175,000	17,500	\$ 175,000
Issued units	270,449	2,907,328	-	-	270,449	2,907,328
Issued DRIP units	3,664	38,598	-	-	3,664	38,598
Unit issuance costs	-	-	-	-	-	(174,717)
Units, as at December 31, 2024	274,113	\$ 2,945,926	17,500	\$ 175,000	291,613	\$ 2,946,209

	Class A Trust		Class B Trust		Class C Trust		Class F Trust		Total	
	Units	Amount	Units	Amount	Units	Amount	Units	Amount	Units	Amount
Units, as at December 31, 2024	4,897,889	\$ 50,663,237	22,386	\$ 220,860	541,503	\$ 5,809,827	250,345	\$ 2,719,052	5,712,123	\$ 54,578,461
Issued units	1,334,855	14,587,031	-	-	1,047,236	11,496,965	222,297	2,428,840	2,604,388	28,512,836
Issued DRIP units	235,145	2,524,788	-	-	45,372	488,083	9,375	100,357	289,892	3,113,228
Redeemed units	(305,292)	(3,297,793)	(1,111)	(12,209)	(649)	(6,507)	(23,311)	(253,142)	(330,363)	(3,569,651)
Unit issuance costs	-	-	-	-	-	-	-	-	-	(2,095,565)
Units, as at December 31, 2025	6,162,597	\$ 64,477,263	21,275	\$ 208,651	1,633,462	\$ 17,788,368	458,706	\$ 4,995,107	8,276,040	\$ 80,539,309

	Class D LP		Class M LP		Class W LP		Total	
	Units	Amount	Units	Amount	Units	Amount	Units	Amount
Units, as at December 31, 2024	274,113	\$ 2,945,926	17,500	\$ 175,000	-	\$ -	291,613	\$ 2,946,209
Issued units	611,379	6,684,841	-	-	745,784	8,179,500	1,357,163	14,864,341
Issued DRIP units	21,589	232,216	-	-	453	4,927	22,042	237,143
Unit issuance costs	-	-	-	-	-	-	-	(1,090,083)
Units, as at December 31, 2025	907,081	\$ 9,862,983	17,500	\$ 175,000	746,237	\$ 8,184,427	1,670,818	\$ 16,957,610

10. Segment Information

All of the Trust's assets and liabilities are in, and its revenue are derived from, the Canadian real estate industry segment. The Trust's investment properties are, therefore, considered by management to have similar economic characteristics. No single tenant accounts for 10% or more of the Trust's rental revenue.

Pier 4 Real Estate Investment Trust
Notes to the Consolidated Financial Statements
For the year ended December 31, 2025

11. Related Party Balances and Transactions

The consolidated financial statements include the following transactions with related parties:

The Trust has engaged the Manager to perform certain management services, as outlined below. The Manager is a related party to the Trust, as the Manager is jointly controlled by the directors of the GP and a unitholder of the Trust.

- a) In consideration for providing acquisition and disposition services, the Trust shall pay a fee to the Manager. The acquisition/disposition fee shall equal 1% of the aggregate purchase price for any properties acquired or disposed of. For the year ended December 31, 2025, \$1,003,271 (December 31, 2024 - \$488,115), inclusive of tax, of acquisition/disposition fees were incurred. For the year ended December 31, 2025, all of these fees are included in amounts due to related parties.
- b) In consideration for providing mortgage guarantees and other guarantee services as may be required, the Trust shall pay the Manager a guarantee fee equal to 1% of the value of the obligation guaranteed. For the year ended December 31, 2025, \$515,334 (December 31, 2024 - \$702,388), inclusive of tax, of guarantee fees were incurred. For the year ended December 31, 2025, all of these fees were included in amounts due to related parties.
- c) Pursuant to the management agreement, the Manager will receive a management fee as compensation for its management services and to reimburse all reasonable expenses and costs incurred. The Trust will pay an annual management fee to the Manager equal to 2% of the aggregate of all capital contributed to the Trust (not including capital contributed by the Trust to the LP) during the year. For the year ended December 31, 2025, \$2,394,919 (December 31, 2024 - \$1,416,283), inclusive of tax, of management fees were incurred.

The Trust has engaged a related party property management company ("Property Manager") to perform certain management services across its Ontario property portfolio throughout the year and across its New Brunswick properties beginning November 2025. The Property Manager is jointly controlled by the directors of the GP and a unitholder of the Trust. Pursuant to the property management agreement, the Property Manager is to perform property management services for fees equal to 5% of the rents collected. For the year ended December 31, 2025, \$595,566 (December 31, 2024 - \$373,055), inclusive of tax, of property management fees were incurred.

The Trust has engaged a related party wholesaling company ("Wholesaler") to perform certain wholesaling services for the Trust's capital raising. The Wholesaler is jointly controlled by the directors of the GP and a unitholder of the Trust. Pursuant to the wholesaling agreement, the Wholesaler is to perform wholesaling duties for fees equal to 1% of the total transaction value. For the year ended December 31, 2025, \$349,623 (December 31, 2024 - \$165,723) of wholesaling fees were incurred.

The due to related party balance is unsecured, non-interest bearing and due on demand. The balance is primarily composed of the fees described above.

12. Commitments and Contingencies

The Trust may be involved in litigation and claims in relation to investment properties that arise from time to time in the normal course of business. In the opinion of Management, there is no material pending litigation or pending claims as at the year end. The Trust is subject to commitments in the year. Details of these commitments are disclosed in Note 16.

Pier 4 Real Estate Investment Trust
Notes to the Consolidated Financial Statements
For the year ended December 31, 2025

13. Fair Value Measurement

The fair values of the Trust's financial assets and financial liabilities, except as noted below, approximate their carrying values as they are due on demand, or they have a short period until receipt or payment of cash.

The Trust uses various methods in estimating the fair values recognized in the consolidated financial statements. The fair value hierarchy reflects the significance of inputs used in determining the fair values:

- Level 1 – quoted prices in active markets;
- Level 2 – inputs other than quoted prices in active markets or valuation techniques where significant inputs are based on observable market data; and
- Level 3 – valuation technique for which significant inputs are not based on observable market data

The following summarizes the significant methods and assumptions used in estimating fair values of the Trust's assets and liabilities measured at fair value:

- Investment properties – see Note 5 for disclosures related to the estimated fair value measurement of investment properties.
- Mortgages payable – see Note 6 - fair value of mortgages payable approximate to their carrying amount as the interest rates reflect current market conditions for instruments with similar terms and risks.
- Credit facilities – see Note 7 - fair value of credit facilities approximate to their carrying amount as the interest rates reflect current market conditions for instruments with similar terms and risks.
- Lease liabilities – fair value of lease liabilities disclosed in Note 8 approximate their carrying amount as the interest rates reflect current market conditions for instruments with similar terms and risks.

14. Financial Instrument Risk Management

The Trust's activities expose it to credit risk, interest rate risk, market risk, and liquidity risk. These risks and the actions taken to manage them are as follows:

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge its obligation. The Trust is exposed to credit risk resulting from tenant failure to meet its obligations in accordance with the terms and conditions of the lease obligations. The Trust mitigates the risk of credit loss with respect to tenants by evaluating creditworthiness of new residents, obtaining security deposits wherever permitted by legislation and utilizing third party collection agencies for longstanding balances due from tenants.

The Trust has not accrued any allowances or recorded any bad debts for the years ended December 31, 2025 and December 31, 2024.

Market Risk

Market risk is the risk that the fair value or future cash flows of financial assets or liabilities will fluctuate due to movements in market prices and include interest rate risk.

For the year ended December 31, 2025, six by count or \$40,626,500 (2024 - two by count or \$3,010,000) of the Trust's mortgage payables were at a floating rate of interest. In addition, the Trust has two credit facilities with an aggregate balance of \$7,900,750, which bear variable rates of interest and are accordingly subject to interest rate risk. All other mortgage payables were at fixed rates of interest.

14. Financial Instrument Risk Management - Continued

Liquidity Risk

Liquidity risk is the risk that the Trust will not be able to access capital and refinance its financial obligations, as they are due. To mitigate the risk associated with refinancing of maturing debt, the Trust staggered the maturity dates of its mortgage portfolio and has options to extend certain loans. All of the Trust's current liabilities have contractual maturities of less than 12 months and are subject to normal trade terms.

15. Capital Management

The Trust defines capital that it manages as the aggregate of mortgages payable and net assets attributable to Unitholders. The Trust's capital management policy is to maintain a strong capital base that optimizes the Trust's ability to grow, maintain advisor and creditor confidence and to provide a platform to create value for its unitholders. The Trust intends to maintain a flexible capital structure to maximize its ability to pursue additional investment opportunities, which considers the Trust's early stage of development and the requirement to sustain future development of the business. The Trust will manage its capital structure and make alterations to the structure considering changes to economic conditions and the risk characteristics of the nature of the business. In order to maintain or adjust the capital structure, the Trust may from time-to-time issue units, seek debt financing and adjust its capital spending to manage its current and projected capital structure. The Trust does not have any specific capital requirements on the subscription and redemption of units, other than certain minimum subscription requirements. The units are redeemable for cash equal to a pro-rata share of the fair value of the Trust's net assets.

Pier 4 Real Estate Investment Trust
Notes to the Consolidated Financial Statements
For the year ended December 31, 2025

16. Subsequent Events

The Trust has been continually raising capital through the issuance of Class A Trust units, Class C Trust units, Class F Trust units, Class D LP units, and Class W LP units. The table below outlines the total capital that has been raised:

Date of Issuance	Type of Security Issued	Number of Securities Issued	Price per Security	Total Funds Received
January 30, 2026	Class A Trust Units	73,366	\$11.35	\$ 832,700
January 30, 2026	Class C Trust Units	46,476	\$11.35	\$ 527,500
January 30, 2026	Class F Trust Units	4,425	\$11.35	\$ 50,222
January 30, 2026	Class D LP Units	22,026	\$11.35	\$ 250,000
January 30, 2026	Class W LP Units	66,079	\$11.35	\$ 750,000
February 27, 2026	Class A Trust Units	70,558	\$11.35	\$ 800,834
February 27, 2026	Class C Trust Units	20,820	\$11.35	\$ 236,311
February 27, 2026	Class F Trust Units	16,624	\$11.35	\$ 188,682
February 27, 2026	Class D LP Units	35,703	\$11.35	\$ 405,220
February 27, 2026	Class W LP Units	81,674	\$11.35	\$ 927,000
March 31, 2026	Class A Trust Units	122,322	\$11.35	\$ 1,388,352
March 31, 2026	Class C Trust Units	42,871	\$11.35	\$ 486,589
March 31, 2026	Class F Trust Units	47,904	\$11.35	\$ 543,717
March 31, 2026	Class D LP Units	68,334	\$11.35	\$ 775,590
March 31, 2026	Class W LP Units	216,436	\$11.35	\$ 2,456,550
April 29, 2026	Class A Trust Units	134,261	\$11.35	\$ 1,523,858
April 29, 2026	Class C Trust Units	134,368	\$11.35	\$ 1,525,077
April 29, 2026	Class F Trust Units	41,796	\$11.35	\$ 474,384
April 29, 2026	Class D LP Units	155,659	\$11.35	\$ 1,766,725
April 29, 2026	Class W LP Units	95,740	\$11.35	\$ 1,086,650
Total	N/A	1,497,442	\$11.35	\$ 16,995,961

16. Subsequent Events – Continued

Acquisitions

- (i) On June 25, 2025, the Trust entered into a purchase and sale agreement to acquire 1126-1154 Adelaide Street North, a property located in London, Ontario for a purchase price of \$102,500,000 plus acquisition costs. The Trust obtained financing of \$100,030,164 upon closing. The property closed on February 25, 2026.
- (ii) On November 3, 2025, the Trust entered into a purchase and sale agreement to acquire 15 Millwood Crescent, a property located in Kitchener, Ontario for a purchase price of \$22,750,000 plus acquisition costs. The Trust obtained financing of \$20,523,680 upon closing. The property closed on April 2, 2026.
- (iii) On December 8, 2025, the Trust entered into a purchase and sale agreement to acquire 294 McDonnel Street, a property located in Peterborough, Ontario for a purchase price of \$13,450,000 plus acquisition costs. The property is expected to close in May 2026.

Dispositions

- (i) On February 25, 2026, the Trust entered into a purchase and sale agreement to dispose of 21 Connaught Avenue and 580 High Street, two properties located in Moncton, New Brunswick for a sale price of \$6,310,000. The disposition is expected to close in June 2026.
- (ii) On February 25, 2026, the Trust entered into a purchase and sale agreement to dispose of 495 Elmwood Drive, a property located in Moncton, New Brunswick for a sale price of \$3,930,000. The disposition is expected to close in July 2026.
- (iii) On April 23, 2026, the Trust entered into a purchase and sale agreement to dispose of 63 Main Avenue, a property located in Halifax, Nova Scotia for a sale price of \$6,250,000. The disposition is expected to close in May 2026.

Pier 4 Holding Limited Partnership
Financial Statements
For the year ended December 31, 2025

Pier 4 Holding Limited Partnership
Financial Statements
For the year ended December 31, 2025

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Independent Auditor's Report

To the Unitholders of Pier 4 Holding Limited Partnership

Opinion

We have audited the financial statements of Pier 4 Holding Limited Partnership (the "Partnership") and its subsidiaries, which comprise the statement of financial position as at December 31, 2025, and the statements of net and comprehensive income (loss), changes in net assets attributable to unitholders and cash flows for the year then ended, and notes to the financial statements, including a summary of 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 December 31, 2025, and its financial performance and its cash flows for the year then ended, in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

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 IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB), 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.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

Oakville, Ontario
April 30, 2026

Pier 4 Holding Limited Partnership
Statement of Financial Position
(Expressed in Canadian Dollars)

	Note	December 31, 2025	December 31, 2024
ASSETS			
CURRENT ASSETS			
Cash		\$ 9,824,691	\$ 7,936,480
Accounts receivable		775,770	102,339
Prepaid expenses		794,426	264,549
Real estate deposits		5,780,000	1,150,000
		17,174,887	9,453,368
Investment properties	5	267,250,000	158,800,000
Property, plant, and equipment		228,053	118,452
Right-of-use asset	8	2,927,631	3,165,006
TOTAL ASSETS		\$ 287,580,571	\$ 171,536,826
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and accrued liabilities		\$ 4,446,463	\$ 2,043,601
Due to related parties	11	2,418,795	1,439,946
Tenant deposits		1,345,691	754,605
Partnership promissory notes	11	208,651	220,860
Current portion of lease liability	8	285,734	283,664
Current portion of mortgages payable	6	38,772,682	3,058,289
		47,478,016	7,800,965
Lease liability	8	2,784,931	2,974,510
Credit facility	7	7,900,750	-
Mortgages payable	6	138,186,923	101,465,032
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		196,350,620	112,240,507
Net assets attributable to unitholders		91,229,951	59,296,319
TOTAL LIABILITIES INCLUDING NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		\$ 287,580,571	\$ 171,536,826

See accompanying notes to the financial statements.

Approved on behalf of the Independent Directors:

"Dennis Kalish"

Dennis Kalish
Independent Director

"Steve Prest"

Steve Prest
Independent Director

Pier 4 Holding Limited Partnership
Statement of Net and Comprehensive Income (Loss)
(Expressed in Canadian Dollars)

	Note	December 31, 2025	December 31, 2024
REVENUES FROM PROPERTY OPERATIONS			
Rental income		\$ 13,980,478	\$ 7,785,327
Other income		265,574	123,577
TOTAL REVENUES FROM PROPERTY OPERATIONS		14,246,052	7,908,904
EXPENSES FROM PROPERTY OPERATIONS			
Property insurance		537,893	317,820
Property management fees	11	781,905	435,808
Realty taxes		2,173,788	1,149,451
Repairs and maintenance		2,412,224	999,250
Utilities		1,784,754	949,415
TOTAL EXPENSES FROM PROPERTY OPERATIONS		7,690,564	3,851,744
INCOME FROM PROPERTY OPERATIONS		6,555,488	4,057,160
OTHER INCOME (EXPENSES):			
Bank charges	8	(121,654)	(119,083)
General and administration	8	(2,035,765)	(1,294,355)
Wages		(2,233,476)	(1,040,992)
Interest costs	6, 7	(6,944,526)	(5,454,915)
Amortization of finance costs		(1,923,136)	(2,204,212)
Management fees	11	(2,394,919)	(1,416,283)
Professional fees		(1,355,560)	(471,497)
Fair value adjustment on investment properties	5	9,055,961	10,451,523
TOTAL OTHER INCOME (EXPENSES)		(7,953,075)	(1,549,814)
NET AND COMPREHENSIVE INCOME (LOSS)		\$ (1,397,587)	\$ 2,507,346

See accompanying notes to the financial statements.

Pier 4 Holding Limited Partnership
Statement of Changes of Net Assets Attributable to Unitholders
(Expressed in Canadian Dollars)

	Note	Net Assets Attributable to Unitholders	Changes in Net Assets Attributable to Unitholders	Total
Net assets attributable to unitholders at December 31, 2023		\$ 32,728,853	\$ 3,560,232	\$ 36,289,085
Issuance of Class A/C/F units	9	23,166,264	-	23,166,264
Issuance of Class D units	9	2,945,926	-	2,945,926
Unit issuance costs	9	(174,718)	-	(174,718)
Redemption of units	9	(1,362,535)	-	(1,362,535)
Net and comprehensive income		-	2,507,346	2,507,346
Distributions to unitholders		-	(4,075,049)	(4,075,049)
Net assets attributable to unitholders at December 31, 2024		\$ 57,303,790	\$ 1,992,529	\$ 59,296,319

	Note	Net Assets Attributable to Unitholders	Changes in Net Assets Attributable to Unitholders	Total
Net assets attributable to unitholders at December 31, 2024		\$ 57,303,790	\$ 1,992,529	\$ 59,296,319
Issuance of Class A/C/F units	9	29,530,501	-	29,530,501
Issuance of Class D/W units	9	15,101,484	-	15,101,484
Unit issuance costs	9	(1,090,083)	-	(1,090,083)
Redemption of units	9	(3,557,442)	-	(3,557,442)
Net and comprehensive loss		-	(1,397,587)	(1,397,587)
Distributions to unitholders		-	(6,653,241)	(6,653,241)
Net assets attributable to unitholders at December 31, 2025		\$ 97,288,250	\$ (6,058,299)	\$ 91,229,951

See accompanying notes to the financial statements.

Pier 4 Holding Limited Partnership
Statement of Cash Flows
(Expressed in Canadian Dollars)

	December 31, 2025	December 31, 2024
OPERATING ACTIVITIES		
Net and comprehensive income (loss)	\$ (1,397,587)	\$ 2,507,346
Adjustments to reconcile net and comprehensive income (loss) to net cash provided by (used in) operating activities:		
Fair value adjustment on investment properties	(9,055,961)	(10,451,523)
Amortization of finance costs	1,923,136	2,204,212
Amortization of property, plant, and equipment	14,329	13,652
Depreciation of right-of-use asset	237,375	239,250
Lease interest	96,155	101,617
Changes in non-cash working capital balances:		
Accounts receivable	(673,431)	(33,401)
Prepaid expenses	(529,877)	(114,515)
Real estate deposits	(4,630,000)	(850,000)
Accounts payable and accrued liabilities	2,402,862	1,003,951
Tenant deposits	591,086	290,352
CASH USED IN OPERATING ACTIVITIES	(11,021,913)	(5,089,059)
INVESTING ACTIVITIES		
Acquisition of investment properties	(92,160,328)	(44,454,989)
Purchase of property, plant, and equipment	(123,930)	-
Capital additions on investment properties	(7,233,711)	(2,999,158)
CASH USED IN INVESTING ACTIVITIES	(99,517,969)	(47,454,147)
FINANCING ACTIVITIES		
Proceeds from mortgages payable, net of costs	82,421,030	111,010,732
Principal repayments of mortgages payable	(7,605,658)	(67,651,382)
Finance costs paid	(4,302,224)	(6,915,912)
Repayment of lease liability	(283,664)	(281,446)
Proceeds from credit facility draws	7,900,750	-
Advances from related parties	978,849	135,687
Repayment of partnership promissory notes	(12,209)	(43,000)
Proceeds from Issuance of units, net of costs	43,541,902	25,937,472
Redemptions of LP units	(3,557,442)	(1,362,535)
Distributions to unitholders	(6,653,241)	(4,075,049)
CASH PROVIDED BY FINANCING ACTIVITIES	112,428,093	56,754,567
Cash, beginning of year	7,936,480	3,725,119
Cash, end of year	\$ 9,824,691	\$ 7,936,480

See accompanying notes to the financial statements.

1. Nature of Operations

Pier 4 Holding Limited Partnership (the “Partnership”) is a limited partnership formed under the laws of the Province of Ontario and governed by the amended and restated limited partnership agreement dated effective August 29, 2024 among Pier 4 Real Estate GP Ltd. (the “General Partner”) a corporation incorporated under the laws of the Province of Ontario and general partner of the Partnership, the Trust and each person who is admitted as a limited partner. The Partnership was formed for the purposes of acquiring multi-family residential properties either directly or indirectly through subsidiary entities.

The address of the Partnership is 699 Balliol Street, Suite 100, Toronto, Ontario, M4S 1E6.

The General Partner is responsible for the management, operation, and administration of the affairs of the Partnership.

Pier 4 Real Estate Investment Trust controls the Partnership through its rights to and variable returns from its involvement with the Partnership and has the ability to affect those returns through its power to govern the financial and operating policies of the entity.

2. Material Accounting Policy Information

(a) Statement of Compliance

The financial statements of the Partnership have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) and using the accounting policies described herein applicable to the years ended December 31, 2025 and December 31, 2024.

The financial statements were authorized for issuance by the General Partner of the Partnership on April 30, 2026.

(b) Basis of Presentation

The financial statements of the Partnership are presented in Canadian dollars, which is the Partnership’s functional currency.

The financial statements of the Partnership have been prepared on a historical cost basis except for investment properties (Note 5) which have been measured at fair values at the end of each reporting period.

(c) Investment Properties

Investment properties are properties held to earn rental income and/or for capital appreciation. Investment properties are initially measured at cost, including directly attributable acquisition costs. The directly attributable expenditures include transaction costs such as due diligence costs, appraisal fees, environmental fees, legal fees, land transfer taxes and brokerage fees. Subsequent capital expenditures are capitalized to the investment property only when it is probable that future economic benefits of the expenditures will flow to the Partnership and the cost can be measured reliably. Subsequent to initial recognition, investment properties are measured at fair value. The changes in fair value in each reporting period are recorded in the statement of net income and comprehensive income. Fair value is based upon valuations performed internally and by an appraiser through the Appraisal Institute of Canada, using valuation techniques including the direct capitalization income and discounted cash flow methods. Recent real estate transactions with similar characteristics and location to the Partnership’s assets are also considered. The direct capitalization income method applies a capitalization rate to the property’s stabilized

2. Material Accounting Policy Information – Continued

(c) Investment Properties – Continued

net operating income which incorporates allowances for vacancy, management fees and structural reserves for capital expenditures for the property. The resulting capitalized value is further adjusted, where appropriate, for extraordinary costs to stabilize the income and non-recoverable capital expenditures.

(d) Revenue Recognition

The Partnership retains substantially all the risks and benefits of ownership of its investment properties and, therefore, accounts for its leases with tenants as operating leases. Rental revenue includes rents from residential tenants under leases, laundry income and all other incidental income paid by tenants under the terms of their existing leases and contracts. Revenue recognition under a lease commences when a tenant has a right to use the leased asset and collection is reasonably assured. Revenue is recognized pursuant to the terms of the lease agreement.

Amounts collected from residents are recognized as income when due, which, due to the short-term nature of the leases, approximates straight-line revenue recognition. Lease incentives granted are recognized as an integral part of the total rental revenue over the term of the leases. All other incidental income is recognized as revenue upon provision of goods and services when collectability is reasonably assured.

An allowance for doubtful accounts is maintained for estimated losses, resulting from the inability of tenants to meet the contractual obligations under their lease agreements. Such allowances are reviewed periodically based on the recovery experience of the Partnership and the creditworthiness of the tenants. All amounts outstanding greater than 90 days are provided for through the statement of net income and comprehensive income.

(e) Critical Estimates and Judgements

The preparation of these financial statements in conformity with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Actual results may differ from these estimates.

The assumptions are limited by the availability of reliable comparable data, economic uncertainty, ongoing geopolitical concerns, and uncertainty of predictions concerning the future events. Credit markets, equity markets and consumer spending are factors in the uncertainty inherent in such estimates and assumptions. Accordingly, by nature, estimates of fair value are subjective and do not necessarily result in precise determinations. Should the underlying assumptions change, the estimated fair value could change by a material amount. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects that period or in the period of the revisions and future periods if the revisions affects both current and future periods.

The significant estimates and judgements used in determining the recorded amount for assets and liabilities in the financial statements include the following:

2. Material Accounting Policy Information – Continued

(e) Critical Estimates and Judgements – Continued

(i) Accounting for acquisitions:

Management must assess whether the acquisition of a property should be accounted for as an asset purchase or business combination. This assessment impacts the accounting treatment of transaction costs, the allocation of the costs associated with the acquisition and whether goodwill is recognized. The Partnership's acquisitions are generally determined to be asset acquisitions, as the Partnership does not typically acquire an integrate set of processes as part of the acquisition transaction.

(ii) Investment properties:

The key assumptions used when determining the fair value of the investment properties are capitalization rate and assessment of future cash flows. The capitalization rate applied is reflective of the characteristics, location, and market of each investment property. The future cash flows of each investment property are based upon rental income from current leases and assumptions about occupancy rates and market rent from future leases reflecting current conditions, less related future cash outflows. The Partnership determines fair value utilizing external valuations provided by independent and accredited industry experts.

(iii) Financial instruments:

Critical judgements and estimates are also made in the determination of fair value of financial instruments and include assumptions and estimates regarding future interest rates, the relative creditworthiness for the Partnership to its counterparties, the credit risk of the Partnership's counterparties relative to the Partnership, the estimated future cash flows, and discount rates.

(f) Financial Instruments

Financial assets are classified and measured based on one of the following categories: (i) amortized cost, (ii) fair value through profit and loss ("FVTPL"); or (iii) fair value through other comprehensive income ("FVOCI"). Financial liabilities are classified and measured based on one of the following two categories: (i) amortized cost; or (ii) FVTPL. Financial instruments are recognized initially at fair value. Financial assets and liabilities classified at FVTPL are subsequently measured at fair value with gains and losses recognized in profit and loss. The Partnership derecognizes a financial asset when the contractual rights to the cash flows from the asset expire. Financial liabilities are derecognized when the contractual obligations are discharged, cancelled, or expired.

All of the financial assets and liabilities of the Partnership are classified and measured at amortized cost. Impairment losses on financial assets carried at amortized cost are reversed in subsequent periods if the amount of the loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized.

Transaction costs that are directly attributable to the acquisition or issuance of financial assets or liabilities, other than financial assets and liabilities measured at FVTPL, are accounted for as part of the carrying amount of the respective asset or liability at inception. Transaction costs related to financial instruments measured at amortized cost are amortized using the effective interest rate ("EIR") over the anticipated life of the related instrument.

2. Material Accounting Policy Information – Continued

(f) Financial Instruments – Continued

At each reporting date, the Partnership assesses whether there is objective evidence that a financial asset is impaired. If such evidence exists, the Partnership recognizes an impairment loss for financial assets carried at amortized cost as: the loss is the difference between the amortized cost of the loan or receivable and the present value of the estimated future cash flows, discounted using the instrument's original EIR. The carrying amount of the asset is reduced by this amount either directly or indirectly through the use of an allowance account. The Partnership's net liabilities attributable to Unitholders have been classified as financial liabilities under International Accounting Standards ("IAS") 32, Financial Instruments – Presentation.

(g) Units

The Partnership units are redeemable at the option of the holder and, therefore, are considered puttable instruments. Puttable instruments are required to be accounted for as financial liabilities, except where certain conditions are met, in which case, the puttable instrument may be presented as equity. The Partnership's units did not meet the conditions for presentation as equity and have therefore been presented as liabilities and are measured at amortized cost.

(h) Leases

Under IFRS 16, all leases are accounted for by recognizing a right-of-use asset in property and equipment and a lease liability except for leases of low value assets and leases with a duration of 12 months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless this is not readily determinable, in which case the Partnership's incremental borrowing rate on commencement of the lease is used. The Partnership determines its incremental borrowing rate as the rate of interest it would have to pay to borrow over a similar term, and with similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- Amounts expected to be payable under any residual value guarantee;
- The exercise price of any purchase option granted in favour of the Partnership if it is reasonably certain to exercise that option;
- Any penalties payable for terminating the leases, if the term of the lease has been estimated on the basis of the termination option being exercised.

Right-of-use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received and increased for:

- Lease payments made at or before commencement of the lease;
- Initial direct costs incurred; and
- The amount of any provision recognized where the Partnership is contractually required to dismantle, remove or restore the leased asset.

Pier 4 Holding Limited Partnership
Notes to the Financial Statements
For the year ended December 31, 2025

2. Material Accounting Policy Information – Continued

(h) Leases – Continued

Subsequent to initial measurement, lease liabilities increase as a result of interest at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortized on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset, whichever is shorter.

3. Adoption of Accounting Standards

Future accounting policy changes:

(a) Amendments to the Classification and Measurement of Financial Instruments which amended IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures:

The amendments clarify the requirements related to the date of recognition and derecognition of financial assets and liabilities with an exception for derecognition of financial liabilities settled via electronic transfer. These amendments are effective for annual periods beginning on or after January 1, 2026, with early application permitted. The Partnership is currently evaluating the impact of these amendments on future periods.

(b) IFRS 18 Presentation and Disclosure in Financial Statements (“IFRS 18”):

The new standard, IFRS 18, replaces IAS 1 Presentation of Financial Statements while carrying forward many of the requirements in IAS 1. IFRS 18 includes requirements for all entities applying IFRS for the presentation and disclosure of information in financial statements. It introduces three sets of new requirements to improve companies' reporting of financial performance and give investors a better basis for analyzing and comparing companies. The standard is effective for annual periods beginning on or after January 1, 2027, with restatement of the comparative period being required and early application permitted. The Partnership is currently evaluating the impact of this amendment on future periods.

4. Acquisitions

The following acquisitions were completed by the Partnership during the year ended December 31, 2025. All of the acquisitions were treated as asset acquisitions, and as a result, the fair value of consideration has been allocated to the identifiable assets acquired and liabilities assumed based on their fair value at the date of acquisition as follows:

	2705 King St. E	1324-1332 Monterey Ave.	9 Lodge St.	36 Talbot St.	25 Nash Rd. N	16 Champlain Ave.	364 Grey St.	101 Veronica Ave.	86 Gaston Rd.	1-13 Ivan Crt.	112 Breckenridge Dr.	Total
Acquisition date	30-Jan	30-Jan	28-Feb	12-Mar	27-Jun	27-Jun	14-Aug	13-Aug	05-Sep	29-Oct	07-Nov	594
Suites	48	46	55	36	61	73	23	38	53	140	21	
City, Province	Hamilton, ON	Hamilton, ON	Waterloo, ON	Kitchener, ON	Hamilton, ON	Hamilton, ON	London, ON	London, ON	Dartmouth, NS	Moncton, NB	Kitchener, ON	
Investment properties	\$ 7,130,113	\$ 7,078,443	\$ 10,950,570	\$ 6,718,345	\$ 9,637,434	\$ 11,457,774	\$ 4,238,620	\$ 6,091,541	\$ 6,722,565	\$ 18,214,693	\$ 3,920,230	\$ 92,160,328
Add:												
Prepaid expenses	-	-	18,934	25,367	36,252	61,486	16,756	20,548	35,336	28,836	26,253	269,768
Deduct:												
Accounts payable and accrued liabilities	7,030	7,144	-	-	-	-	-	-	-	-	-	14,174
Tenant rental deposits	51,606	51,934	2,437	56,700	50,534	69,516	34,740	57,976	51,168	15,482	44,708	486,801
Net asset acquired	\$ 7,071,477	\$ 7,019,365	\$ 10,967,067	\$ 6,687,012	\$ 9,623,152	\$ 11,449,744	\$ 4,220,636	\$ 6,054,113	\$ 6,706,733	\$ 18,228,047	\$ 3,901,775	\$ 91,929,121
Consideration funded by:												
New mortgages payable	\$ 5,331,986	\$ 4,911,361	\$ 8,741,608	\$ 5,049,110	\$ 7,607,811	\$ 9,130,522	\$ 3,103,811	\$ 4,875,899	\$ 5,528,921	\$ 14,848,833	\$ 3,322,273	\$ 72,452,135
Assumed mortgages payable	-	-	-	-	-	-	-	-	-	-	-	-
Cash paid	1,739,491	2,108,004	2,225,459	1,637,902	2,015,341	2,319,222	1,116,825	1,178,214	1,177,812	3,379,214	579,502	19,476,986
Total consideration	\$ 7,071,477	\$ 7,019,365	\$ 10,967,067	\$ 6,687,012	\$ 9,623,152	\$ 11,449,744	\$ 4,220,636	\$ 6,054,113	\$ 6,706,733	\$ 18,228,047	\$ 3,901,775	\$ 91,929,121

Pier 4 Holding Limited Partnership
Notes to the Financial Statements
For the year ended December 31, 2025

5. Investment Properties

The following table summarizes the change in investment properties for the year ended December 31, 2025 and year ended December 31, 2024:

	December 31, 2025	December 31, 2024
Balance, beginning of year	\$ 158,800,000	\$ 100,890,000
Acquisition of investment properties (Note 4)	92,160,328	44,459,319
Capital additions	7,233,711	2,999,158
Fair value adjustments	9,055,961	10,451,523
Balance, end of year	\$ 267,250,000	\$ 158,800,000

The Partnership appraises all of its investment properties using valuations prepared by a qualified external appraiser (“Appraiser”). The Appraiser consists of individuals who are knowledgeable and have specialized industry experience in real estate valuations. The valuations are reviewed and approved by the directors of the General Partner. Full external appraisals for the portfolio, where obtained, are performed on a 365-day cycle with quarterly reports provided in between.

Investment properties are valued using Level 3 inputs due to the extent of assumptions required beyond observable market data to derive the fair values.

The Partnership determines fair value utilizing external valuations provided by independent and accredited industry experts. The fair value of each investment property uses a combination of the direct income capitalization approach, and direct comparison approach, for 2025 and 2024. The capitalized earnings reflect rental income from current leases and assumptions about rental income from future leases and occupancy reflecting market conditions at the reporting date, less the related future cash outflows.

The capitalization rate assumptions for the Partnership’s investment properties are set out in the following table:

	December 31, 2025	December 31, 2024
Capitalization rate - range	4.00% to 5.80%	3.90% to 5.90%
Capitalization rate - weighted average	4.42%	4.40%

The fair value of the Partnership’s investment properties is sensitive to changes in key valuation assumptions. A 25 basis point decrease or increase in the direct capitalization rate would result in an increase or decrease in the fair value of the investment properties of approximately \$16,606,000 (2024 - \$9,297,000) or \$(14,101,000) (2024 – \$(8,978,000)), respectively. A 5% increase or decrease in the net operating income would result in an increase or decrease in the fair value of the investment properties of approximately \$5,711,000 (2024 - \$3,372,500) or \$(7,669,000) (2024 - \$(4,545,500)).

Pier 4 Holding Limited Partnership
Notes to the Financial Statements
For the year ended December 31, 2025

6. Mortgages Payable

	Mortgage	Interest Rate	Maturity Date	December 31, 2025	December 31, 2024	
	FN (1) - 390 Grey St	1st	4.46%	12/1/2030	1,777,523	1,813,036
	FN - 495 Elmwood Dr	1st	2.35%	12/1/2026	1,594,990	1,623,022
	FN - 21 Connaught Ave/580 High St	1st	2.35%	12/1/2026	2,703,425	2,750,923
	FN - 29 Suffolk St	1st	2.24%	12/1/2026	1,613,807	1,643,217
	PC (2) - 29 Suffolk St	2nd	4.75%	6/1/2027	1,080,635	1,090,547
	KS (3) - 621 Base Line Rd	1st	3.42%	12/1/2027	2,777,072	2,814,417
	KS - 290 Springbank Dr	1st	3.95%	12/1/2028	2,356,018	2,384,956
	KS - 96 Second Ave	1st	3.72%	6/1/2028	2,041,215	2,066,086
	PC - 3-19 Burns Dr	1st	4.00%	12/1/2034	18,339,838	18,459,722
	PC - 25 Elmwood Dr	1st	4.26%	3/1/2034	6,001,958	6,064,214
	CMSC (5) - 388 Dufferin Ave/383 Princess Ave	1st (i)	8.25%	7/1/2026	6,171,750	6,171,750
	KS - 470 Maitland St	1st	4.30%	6/1/2029	2,373,085	2,395,068
	KS - 294 Lorne Ave	1st	3.50%	6/1/2030	6,214,046	6,273,081
	KS - 105-117 Onward Ave	1st	4.25%	3/1/2034	6,534,286	6,601,044
	ICI (7) - 68 Breckenridge Dr	1st	4.00%	9/1/2035	3,391,042	-
	ICI - 116 Second Ave	1st	3.75%	12/1/2029	3,036,760	3,070,748
	ICI - 124 Tupper Cres	1st	3.97%	3/1/2035	4,550,388	4,594,560
	CMLS (8) - 110 Highview Ave	1st	3.80%	6/1/2030	7,500,277	7,576,111
	FN - 194 Heiman St	1st	1.95%	5/15/2026	2,541,955	2,602,908
	HMC (6) - 194 Heiman St	2nd (i)	10.00%	5/15/2026	510,000	510,000
	PC - 63 Main Ave	1st	3.80%	6/1/2030	4,316,203	4,359,844
	PC - 13 Glen Moir Terr	1st	3.80%	6/1/2030	3,920,822	3,960,465
	KS - 34 Frederick Ave	1st	3.65%	6/1/2030	3,766,080	-
	KS - 480 Dolph St N./309 Garden St	1st	3.75%	6/1/2030	4,687,232	4,735,199
	ICI - 39 Pleasant St	1st	3.65%	6/1/2030	5,120,761	5,174,442
	KS - 43 Ormond St S	1st	3.75%	6/1/2030	5,809,473	5,868,925
	ICI - 2705 King St E	1st	3.80%	6/1/2030	5,667,422	-
	ICI - 1324-1332 Monterey Ave	1st	3.80%	6/1/2030	5,164,548	-
	TC - 9 Lodge St	1st (i)	6.95%	3/1/2027	8,840,000	-
	HMC - 36 Talbot St	1st (i)	7.50%	4/1/2026	5,200,000	-
	HMC - 25 Nash Road N/16 Champlain Ave	1st (i)	7.10%	7/1/2026	17,085,000	-
	TC - 86 Gaston Rd	1st(i)	7.20%	10/1/2027	5,600,000	-
	ICI - 1-13 Ivancourt Crt	1st	3.39%	12/1/2030	15,785,764	-
	HMC - 112 Breckenridge Dr	1st(i)	7.25%	6/1/2027	3,391,500	-
	CMLS - 101 Veronica Ave	1st(i)	6.85%	8/1/2027	5,010,750	-
	KS- 364 Grey St	1st	3.55%	12/1/2030	3,346,530	-
	VTB (4) - 388 Dufferin Ave/383 Princess Ave	2nd (i)(ii)	1.70%	7/1/2025	-	250,000
	CMSC - 116 Second Ave/68 Breckenridge Dr/124 Tupper Cres	1st (i)(iii)	7.96%	6/1/2026	-	3,152,500
	TC (9) - 34 Frederick Ave	1st (i)(iv)	8.20%	10/1/2026	-	2,500,000
	VTB - 34 Frederick Ave	2nd (i)(iv)	5.00%	10/1/2026	-	500,000
				\$185,822,157	\$111,006,785	
				Unamortized finance costs (8,862,552)	(6,483,464)	
				\$176,959,605	\$104,523,321	
				Current portion mortgages payable (38,772,682)	(3,058,289)	
				\$138,186,923	\$101,465,032	

(1) First National Financial LP

(2) Peakhill Capital Inc.

(3) KingSett Mortgage Corporation

(4) Vendor Take-Back Mortgage

(5) Canadian Mortgage Servicing Corporation

(6) Harbour Mortgage Corporation

(7) Canada ICI Capital Corporation

(8) CMLS Financial Ltd.

(9) Timbercreek Mortgage Servicing Inc.

(i) The referenced mortgages are interest-only loans.

(ii) The Vendor Take-Back second mortgage was repaid in June 2025.

(iii) The CMSC first mortgage charge associated with 68 Breckenridge Dr was repaid in February 2025.

(iv) The TC first mortgage and VTB second mortgage were repaid in May 2025.

Pier 4 Holding Limited Partnership
Notes to the Financial Statements
For the year ended December 31, 2025

6. Mortgages Payable – Continued

The described mortgages payable are secured by the associated investment properties and have the following principal payments:

		Principal
2026	\$	38,772,682
2027		28,003,662
2028		5,634,697
2029		6,551,382
Thereafter		106,859,734
Total	\$	185,822,157

Interest costs included in the statement of net income and comprehensive income (loss) include mortgage interest of \$6,741,666 (2024 - \$5,437,311).

7. Credit Facility

On May 16, 2025, the Partnership entered into a revolving demand loan agreement with a private lending institution, providing for a total commitment of \$5,000,000 maturing on January 31, 2028. The credit facility bears interest at prime rate plus 6.05%, with floor rate of 10.25% per annum. The loan is secured by a second-ranking collateral mortgage in the amount of \$12,500,000 against a subset of properties (Note 5). The fair value of the subset of properties is \$63,730,000.

The facility had a balance of \$2,850,000 as at December 31, 2025. For the year ended December 31, 2025, the interest cost incurred was \$132,729 (2024 - \$Nil).

On December 4, 2025, the Partnership entered into a revolving loan agreement with a second private lending institution, providing for a total commitment of \$15,000,000 to be used solely for acquisition purposes. The credit facility matures on January 1, 2027, and bears interest at prime rate plus 10.00% per annum. The loan is secured by a general security agreement over all personal property of the borrower and guarantor, supported by full recourse guarantees and standard indemnities, with the lender agreeing to subordinate or waive its interest where required by first mortgage lenders. The guarantor is the Manager, a related party of borrower. Additional security may be provided as reasonably required by the lender.

The facility had a balance of \$5,050,750 as at December 31, 2025. For the year ended December 31, 2025, the interest cost incurred was \$54,738 (2024 - \$Nil).

Pier 4 Holding Limited Partnership
Notes to the Financial Statements
For the year ended December 31, 2025

8. Right-of-Use Asset and Lease Liability

Right-of-Use Asset

Right-of-use assets consist of the following:

	December 31, 2025		December 31, 2024	
Cost				
Balance, beginning of year	\$	3,614,997	\$	3,614,997
Additions		-		-
Balance, end of year	\$	3,614,997	\$	3,614,997
Accumulated depreciation				
Balance, beginning of year		449,991		210,741
Depreciation during the year		237,375		239,250
Balance, end of year		687,366		449,991
Carrying amounts at the end of year	\$	2,927,631	\$	3,165,006

Lease Liability

	December 31, 2025		December 31, 2024	
Office space lease bearing interest at an estimated rate of 3.03%. The lease extends through fiscal 2033.	\$	3,070,665	\$	3,258,174

Included in bank charges is \$96,154 (2024 - \$101,617) of interest expense on lease obligations. Total cash outflows relating to leases consist of payments in the amount of \$468,396 (2024 - \$438,977). Included in general and administration expense is \$184,733 (2024 - \$157,531) relating to variable lease payments not included in the measurement of lease liabilities.

The leases are secured by the underlying asset. The future minimum lease payments, inclusive of tax, are as follows:

2026	\$	285,734
2027		289,875
2028		291,946
2029		296,087
2030		298,157
Thereafter		2,229,967
		3,691,766
Less: imputed interest		(621,101)
	\$	3,070,665

9. Net Assets Attributable to Unitholders

The Limited Partnership Agreement provides an unlimited number of Class A, Class C, Class D, and Class F Units, and a limited number of Class M Units (the "Unit(s)") may be issued. Each Unit represents an equal undivided beneficial interest in any distributions of the Limited Partnership and in the net assets of the Limited Partnership in the event of termination or winding up of the Limited Partnership. Each Unit entitles the holder thereof to participate equally in the distributions with the Units unitholders allocated to one vote at all meetings of unitholders for each whole unit held. The issued Units are not subject to future calls or assessments.

Pier 4 Holding Limited Partnership
Notes to the Financial Statements
For the year ended December 31, 2025

9. Net Assets Attributable to Unitholders – Continued

Each unitholder shall be entitled to require the Limited Partnership to redeem all or any part of their Units. The redemption price shall be valued at the fair market value of the Units (“Net Asset Value”), as determined by the General Partner within 30 business days of receipt of the redemption notice; calculated as follows:

	Class A/ Class B/ Class C Investor Units (% of the class net asset value)
First year of issuance	92%
Second year of issuance	94%
Third year of issuance	96%
Thereafter	100%

	Class D Investor Units (% of the class net asset value)
First year of issuance	92%
Second year of issuance	94%
Third year of issuance	96%
Fourth year of issuance	97%
Fifth year of issuance	98%
Thereafter	100%

	Class F Investor Units (% of the class net asset value)
Within first 6 months of issuance	97%
Thereafter	100%

	Class W Investor Units (% of the class net asset value)
First year of issuance	97%
Second year of issuance	98%
Third year of issuance	99%
Thereafter	100%

Distribution Reinvestment Plan (“DRIP”)

The Partnership has implemented a DRIP pursuant to which holders of Class A Units, Class C Units, Class D Units and Class F Units may reinvest all cash distributions declared and/or received in additional Units of the same class at a 2% discount on the purchase price.

Trailer Fee

Selling agents and registered dealers shall be entitled to receive commissions and referral fees as well as trailer fees of 0.75% per annum for subscriptions remaining in the Partnership on Class D Units if a unitholder does not fully redeem their Class D Units during the respective Redemption period which is defined to commence on the date of issuance of such Unit and concludes on the date that is five years from the date of issuance of such Unit.

Pier 4 Holding Limited Partnership
Notes to the Financial Statements
For the year ended December 31, 2025

9. Net Assets Attributable to Unitholders – Continued

A reconciliation of Units transactions for the year ended December 31, 2025, and year ended December 31, 2024, is as follows:

	Class A LP		Class C LP		Class F LP		Total	
	Units	Amount	Units	Amount	Units	Amount	Units	Amount
Units, as at December 31, 2023	3,360,627	\$ 34,347,795	16,346	\$ 172,451	-	\$ -	3,376,973	\$ 32,553,853
Issued units	1,225,227	13,073,176	517,275	5,554,388	247,480	2,688,868	1,989,982	21,316,432
Issued DRIP units	165,717	1,736,982	7,882	82,988	2,865	30,184	176,464	1,850,154
Redeemed units	(124,800)	(1,362,535)	-	-	-	-	(124,800)	(1,362,535)
Unit issuance costs	-	-	-	-	-	-	-	-
Units, as at December 31, 2024	4,626,771	\$ 47,795,418	541,503	\$ 5,809,827	250,345	\$ 2,719,052	5,418,619	\$ 54,357,904

	Class D LP		Class M LP		Total	
	Units	Amount	Units	Amount	Units	Amount
Units, as at December 31, 2023	-	\$ -	17,500	\$ 175,000	17,500	\$ 175,000
Issued units	270,449	2,907,328	-	-	270,449	2,907,328
Issued DRIP units	3,664	38,598	-	-	3,664	38,598
Unit issuance costs	-	-	-	-	-	(174,717)
Units, as at December 31, 2024	274,113	\$ 2,945,926	17,500	\$ 175,000	291,613	\$ 2,946,209

	Class A LP		Class C LP		Class F LP		Total	
	Units	Amount	Units	Amount	Units	Amount	Units	Amount
Units, as at December 31, 2024	4,626,771	\$ 47,795,418	541,503	\$ 5,809,827	250,345	\$ 2,719,052	5,418,619	\$ 54,357,904
Issued units	1,237,354	13,520,548	969,498	10,644,270	206,150	2,252,455	2,413,002	26,417,273
Issued DRIP units	235,145	2,524,788	45,372	488,083	9,375	100,357	289,892	3,113,228
Redeemed units	(305,292)	(3,297,793)	(649)	(6,507)	(23,311)	(253,142)	(329,252)	(3,557,442)
Unit issuance costs	-	-	-	-	-	-	-	-
Units, as at December 31, 2025	5,793,978	\$ 60,542,961	1,555,724	\$ 16,935,673	442,559	\$ 4,818,722	7,792,261	\$ 80,330,963

	Class D LP		Class M LP		Class W LP		Total	
	Units	Amount	Units	Amount	Units	Amount	Units	Amount
Units, as at December 31, 2024	274,113	\$ 2,945,926	17,500	\$ 175,000	-	\$ -	291,613	\$ 2,946,209
Issued units	611,379	6,684,841	-	-	745,784	8,179,500	1,357,163	14,864,341
Issued DRIP units	21,589	232,216	-	-	453	4,927	22,042	237,143
Unit issuance costs	-	-	-	-	-	-	-	(1,090,083)
Units, as at December 31, 2025	907,081	\$ 9,862,983	17,500	\$ 175,000	746,237	\$ 8,184,427	1,670,818	\$ 16,957,610

10. Segment Information

All of the Partnership's assets and liabilities are in, and its revenue are derived from, the Canadian real estate industry segment. The Partnership's investment properties are, therefore, considered by management to have similar economic characteristics. No single tenant accounts for 10% or more of the Partnership's rental revenue.

11. Related Party Balances and Transactions

The financial statements include the following transactions with related parties:

The General Partner has engaged the Manager to perform certain management services, as outlined below. The Manager is a related party to the General Partner, as the Manager is jointly controlled by the directors of the GP and a unitholder of the Partnership.

- a) In consideration for providing acquisition and disposition services, the Partnership shall pay a fee to the Manager. The acquisition/disposition fee shall equal 1% of the aggregate purchase price for any properties acquired or disposed of. For the year ended December 31, 2025, \$1,003,271 (December 31, 2024 - \$488,115), inclusive of tax, of acquisition/disposition fees were incurred. For the year ended December 31, 2025, all of these fees have been paid to the Manager.
- b) In consideration for providing mortgage guarantees and other guarantee services as may be required, the Partnership shall pay the Manager a guarantee fee equal to 1% of the value of the obligation guaranteed. For the year ended December 31, 2025, \$515,334 (December 31, 2024 - \$702,388), inclusive of tax, of guarantee fees were incurred. For the year ended December 31, 2025, all of these fees have been paid to related parties.
- c) Pursuant to the management agreement, the Manager will receive a management fee as compensation for its management services and to reimburse all reasonable expenses and costs incurred. The Partnership will pay an annual management fee to the Manager equal to 2% of the aggregate of all capital contributed to the Partnership during the year. For the year ended December 31, 2025, \$2,394,919 (December 31, 2024 - \$1,416,283), inclusive of tax, of management fees were incurred.

The Partnership has engaged a related party property management company ("Property Manager") to perform certain management services across its Ontario property portfolio throughout the year and across its New Brunswick properties beginning November 2025. The Property Manager is jointly controlled by the directors of the GP and a unitholder of the Partnership. Pursuant to the property management agreement, the Property Manager is to perform property management services for fees equal to 5% of the rents collected. For the year ended December 31, 2025, \$595,566 (December 31, 2024 - \$373,055), inclusive of tax, of property management fees were incurred.

The Partnership has engaged a related party wholesaling company ("Wholesaler") to perform certain wholesaling services for the Partnership's capital raising. The Wholesaler is jointly controlled by the directors of the GP and a unitholder of the Partnership. Pursuant to the wholesaling agreement, the Wholesaler is to perform wholesaling duties for fees equal to 1% of the total transaction value. For the year ended December 31, 2025, \$119,919 (December 31, 2024 - \$17,542) of wholesaling fees were incurred.

The Partnership Promissory Notes are direct, unsecured obligations of the Partnership. The Partnership Promissory Notes are payable on demand and bear interest from the date of advance at 7% per annum, payable in equal quarterly installments. For the year ended December 31, 2025, \$15,393 (December 31, 2024 - \$17,542) in distributions were recorded in interest costs.

The due to related party balance is unsecured, non-interest bearing and due on demand. The balance is primarily composed of the management fees described above.

12. Commitments and Contingencies

The Partnership may be involved in litigation and claims in relation to investment properties that arise from time to time in the normal course of business. In the opinion of Management, there is no material pending litigation or pending claims as at December 31, 2025 and December 31, 2024. The Partnership is subject to commitments in the year. Details of these commitments are disclosed in Note 16.

13. Fair Value Measurement

The fair values of the Partnership's financial assets and financial liabilities, except as noted below, approximate their carrying values as they are due on demand, or they have a short period until receipt or payment of cash.

The Partnership uses various methods in estimating the fair values recognized in the financial statements. The fair value hierarchy reflects the significance of inputs used in determining the fair values:

- Level 1 – quoted prices in active markets;
- Level 2 – inputs other than quoted prices in active markets or valuation techniques where significant inputs are based on observable market data; and
- Level 3 – valuation technique for which significant inputs are not based on observable market data

The following summarizes the significant methods and assumptions used in estimating fair values of the Partnership's assets and liabilities measured at fair value:

- Investment properties – see Note 5 for disclosures related to the estimated fair value measurement of investment properties.
- Mortgages payable – see Note 6 - fair value of mortgages payable approximate to their carrying amount as the interest rates reflect current market conditions for instruments with similar terms and risks.
- Credit facilities – see Note 7 - fair value of credit facilities approximate to their carrying amount as the interest rates reflect current market conditions for instruments with similar terms and risks.
- Lease liabilities – fair value of lease liabilities disclosed in Note 8 approximate their carrying amount as the interest rates reflect current market conditions for instruments with similar terms and risks.

14. Financial Instrument Risk Management

The Partnership's activities expose it to credit risk, interest rate risk, market risk, and liquidity risk. These risks and the actions taken to manage them are as follows:

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge its obligation. The Partnership is exposed to credit risk resulting from tenant failure to meet its obligations in accordance with the terms and conditions of the lease obligations. The Partnership mitigates the risk of credit loss with respect to tenants by evaluating creditworthiness of new residents, obtaining security deposits wherever permitted by legislation and utilizing third party collection agencies for longstanding balances due from tenants.

The Partnership has not accrued any allowances or recorded any bad debts for the years ended December 31, 2025 and December 31, 2024.

Market Risk

Market risk is the risk that the fair value or future cash flows of financial assets or liabilities will fluctuate due to movements in market prices and include interest rate risk.

For the year ended December 31, 2025, six by count or \$40,626,500 (2024 – two by count or \$3,010,000) of the Partnership's mortgage payables were at a floating rate of interest. In addition, the Partnership has two credit facilities with an aggregate balance of \$7,900,750, which bear variable rates of interest and are accordingly subject to interest rate risk. All other mortgage payables were at fixed rates of interest.

Liquidity Risk

Liquidity risk is the risk that the Partnership will not be able to access capital and refinance its financial obligations, as they are due. To mitigate the risk associated with refinancing of maturing debt, the Partnership staggered the maturity dates of its mortgage portfolio and has options to extend certain loans. All of the Partnership's current liabilities have contractual maturities of less than 12 months and are subject to normal trade terms.

15. Capital Management

The Partnership defines capital that it manages as the aggregate of mortgages payable and net assets attributable to Unitholders. The Partnership's capital management policy is to maintain a strong capital base that optimizes the Partnership's ability to grow, maintain advisor and creditor confidence and to provide a platform to create value for its unitholders. The Partnership intends to maintain a flexible capital structure to maximize its ability to pursue additional investment opportunities, which considers the Partnership's early stage of development and the requirement to sustain future development of the business. The Partnership will manage its capital structure and make alterations to the structure considering changes to economic conditions and the risk characteristics of the nature of the business. In order to maintain or adjust the capital structure, the Partnership may from time-to-time issue units, seek debt financing and adjust its capital spending to manage its current and projected capital structure. The Partnership does not have any specific capital requirements on the subscription and redemption of units, other than certain minimum subscription requirements. The units are redeemable for cash equal to a pro-rata share of the fair value of the Partnership's net assets.

Pier 4 Holding Limited Partnership
Notes to the Financial Statements
For the year ended December 31, 2025

16. Subsequent Events

The Partnership has been continually raising capital through the issuance of Class A units, Class C units, Class F units, Class D units, and Class W units. The table below outlines the total capital that has been raised:

Date of Issuance	Type of Security Issued	Number of Securities Issued	Price per Security	Total Funds Received
January 30, 2026	Class A LP Units	68,723	\$11.35	\$ 780,001
January 30, 2026	Class C LP Units	43,630	\$11.35	\$ 495,200
January 30, 2026	Class F LP Units	3,146	\$11.35	\$ 35,704
January 30, 2026	Class D LP Units	22,026	\$11.35	\$ 250,000
January 30, 2026	Class W LP Units	66,079	\$11.35	\$ 750,000
February 27, 2026	Class A LP Units	66,907	\$11.35	\$ 759,398
February 27, 2026	Class C LP Units	18,583	\$11.35	\$ 210,914
February 27, 2026	Class F LP Units	15,618	\$11.35	\$ 177,267
February 27, 2026	Class D LP Units	35,702	\$11.35	\$ 405,220
February 27, 2026	Class W LP Units	81,674	\$11.35	\$ 927,000
March 31, 2026	Class A LP Units	109,788	\$11.35	\$ 1,246,088
March 31, 2026	Class C LP Units	36,133	\$11.35	\$ 410,104
March 31, 2026	Class F LP Units	44,038	\$11.35	\$ 499,829
March 31, 2026	Class D LP Units	68,334	\$11.35	\$ 775,590
March 31, 2026	Class W LP Units	216,436	\$11.35	\$ 2,456,550
April 29, 2026	Class A LP Units	125,436	\$11.35	\$ 1,423,700
April 29, 2026	Class C LP Units	121,314	\$11.35	\$ 1,376,916
April 29, 2026	Class F LP Units	38,853	\$11.35	\$ 440,985
April 29, 2026	Class D LP Units	155,659	\$11.35	\$ 1,766,725
April 29, 2026	Class W LP Units	95,740	\$11.35	\$ 1,086,650
Total	N/A	1,433,819	\$11.35	\$ 16,273,841

16. Subsequent Events – Continued

Acquisitions

- (i) On June 25, 2025, the Partnership entered into a purchase and sale agreement to acquire 1126-1154 Adelaide Street North, a property located in London, Ontario for a purchase price of \$102,500,000 plus acquisition costs. The Partnership obtained financing of \$100,030,164 upon closing. The property closed on February 25, 2026.
- (ii) On November 3, 2025, the Partnership entered into a purchase and sale agreement to acquire 15 Millwood Crescent, a property located in Kitchener, Ontario for a purchase price of \$22,750,000 plus acquisition costs. The Partnership obtained financing of \$20,523,680 upon closing. The property closed on April 2, 2026.
- (iii) On December 8, 2025, the Partnership entered into a purchase and sale agreement to acquire 294 McDonnell Street, a property located in Peterborough, Ontario for a purchase price of \$13,450,000 plus acquisition costs. The property is expected to close in May 2026.

Dispositions

- (i) On February 25, 2026, the Partnership entered into a purchase and sale agreement to dispose of 21 Connaught Avenue and 580 High Street, two properties located in Moncton, New Brunswick for a sale price of \$6,310,000. The disposition is expected to close in June 2026.
- (ii) On February 25, 2026, the Partnership entered into a purchase and sale agreement to dispose of 495 Elmwood Drive, a property located in Moncton, New Brunswick for a sale price of \$3,930,000. The disposition is expected to close in July 2026.
- (iii) On April 23, 2026, the Partnership entered into a purchase and sale agreement to dispose of 63 Main Avenue, a property located in Halifax, Nova Scotia for a sale price of \$6,250,000. The disposition is expected to close in May 2026.

ITEM 15 CERTIFICATE

DATED: **May 1st 2026**

This Offering Memorandum does not contain a misrepresentation.

**PIER 4 REAL ESTATE INVESTMENT TRUST
by its Trustees**

(signed) "*Michele McCarthy*"
Michele McCarthy
Title: Trustee, Pier 4 Real Estate Investment Trust

(signed) "*Ian Stewart*"
Ian Stewart
Title: Trustee, Pier 4 Real Estate Investment Trust

(signed) "*Darrell Ashby*"
Darrell Ashby
Title: Trustee, Pier 4 Real Estate Investment Trust

PIER 4 HOLDING LIMITED PARTNERSHIP by the directors of its General Partner

(signed) "*Darrell Ashby*"
Darrell Ashby
Title: Director, Pier 4 Holding Limited Partnership
(signed) "*Adam Ashby*"
Darrell Ashby
Title: Director, Pier 4 Holding Limited Partnership

(signed) "*Michael Ashby*"
Darrell Ashby
Title: Director, Pier 4 Holding Limited Partnership

(signed) "*Darrell Ashby*"
Pier 4 Capital Corporation
Administrator of the Trust

(signed) "*Darrell Ashby*"
Darrell Ashby
Director and CEO of the Administrator, Pier 4
Capital Corporation.

(signed) "*Adam Ashby*"
Adam Ashby
Director and CFO of the Administrator, Pier 4 Capital
Corporation

(signed) "*Dennis Kalish*"
Dennis Kalish
Director of the Administrator, Pier 4 Capital
Corporation

(signed) "*Steve Prest*"
Steve Prest
Director of the Administrator, Pier 4 Capital
Corporation

(signed) "*Michael Ashby*"
Michael Ashby
Director and officer of the Administrator, Pier 4
Capital Corporation