



ANNUAL INFORMATION FORM
FOR THE YEAR ENDED DECEMBER 31, 2019

March 10, 2020

TABLE OF CONTENTS

GLOSSARY OF TERMS	1
CERTAIN REFERENCES AND FORWARD-LOOKING STATEMENTS	7
NON-IFRS FINANCIAL MEASURES	7
LEGAL STRUCTURE OF THE REIT	8
GENERAL DEVELOPMENT OF THE BUSINESS	10
Three Year History	10
Description of the Business	12
THE REAL ESTATE PORTFOLIO	16
Occupancy and Leasing	17
Seasonal Variations	17
Property table as at December 31, 2019	17
MINTO RETAINED INTEREST	18
Ownership Interest	18
Lock-Up Period	19
Exchange Agreement	19
Investor Rights Agreement	20
INDEBTEDNESS	22
Credit Facilities	22
Mortgages	22
Class B LP Units	23
Retained Debt – Class C LP Units	23
Debt Maturities	23
Credit Rating	24
RISK FACTORS	24
FINANCIAL RISK MANAGEMENT	30
DISTRIBUTION POLICY AND HISTORY	31
Tax Deferral on Distributions	32
GOVERNANCE OF THE REIT	32
Governance and Board	32
Size of the Board	33
Board Mandate	33
Position Descriptions	33
Code of Conduct and Conflicts of Interest	33
Majority Voting Policy	35
Duty of Care	35
Availability of Governance Documents	35
Trustee Nominations	35
Trustee and Executive Officer Table	36
Cease Trade Orders, Bankruptcies, Penalties or Sanctions	37
Senior Management	38
CEO Position Description	38

Biographical Information Regarding the Trustees and Executive Officers	39
Trustee Independence	43
Committees of the Board	43
INVESTMENT GUIDELINES AND OPERATING POLICIES	45
Investment Guidelines	45
Operating Policies	46
Amendments to Investment Guidelines and Operating Policies	48
CAPITAL STRUCTURE AND DECLARATION OF TRUST	48
General	48
Units and Special Voting Units	49
Issuance of Units	49
Meetings of Unitholders	50
Advance Notice Provisions	51
Redemption Right	52
Purchases of Units by the REIT	54
Take-Over Bids	54
Non-Certificated Inventory System	54
Restrictions on Ownership and Transfer	54
Information and Reports	55
Amendments to the Declaration of Trust	55
THE PARTNERSHIP	57
General	57
Partnership Units	57
Operation	58
Distributions	58
Allocations of Profits and Losses	59
Transfer of Partnership Units	59
Amendments to the Limited Partnership Agreement	59
ARRANGEMENTS WITH MINTO	59
Strategic Alliance Agreement	59
Administrative Support Agreement	60
Development and Construction Management Agreement	62
Non-Competition and Non-Solicit Agreement	63
License of Minto Name	64
MARKET FOR SECURITIES	65
Trading Price and Volume	65
MATERIAL CONTRACTS	65
INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS	66
PROMOTER	66
LEGAL PROCEEDINGS AND REGULATORY ACTIONS	66
AUDITORS, TRANSFER AGENT AND REGISTRAR	66
ADDITIONAL INFORMATION	66
SCHEDULE A: CHARTER OF THE AUDIT COMMITTEE	

GLOSSARY OF TERMS

In this Annual Information Form, the following terms have the meanings set forth below, unless otherwise indicated. Words importing the singular include the plural and *vice versa* and words importing any gender include all genders:

“Acquired Issuer” has the meaning ascribed thereto under “Investment Guidelines and Operating Policies - Investment Guidelines”;

“Administrative Support Agreement” means the administrative and support services agreement dated July 3, 2018 among the REIT, the Partnership and MPI, as more particularly described under “Arrangements with Minto - Administrative Support Agreement”;

“Advance Notice Provision” has the meaning ascribed thereto under “Capital Structure and Declaration of Trust - Advance Notice Provisions”;

“AIF” means this Annual Information Form;

“AFFO” means adjusted funds from operations, as more particularly described under “Non-IFRS Financial Measures”;

“AFFO Payout Ratio” is the proportion of the total distributions on Units and Class B LP Units to AFFO;

“Audit Committee” means the Audit Committee established by the Board and described under “Governance of the REIT – Committees of the Board - Audit Committee”;

“BMO” means BMO Nesbitt Burns Inc.;

“Board” or **“Board of Trustees”** means the board of Trustees of the REIT;

“CBCA” means the *Canada Business Corporations Act*, as amended from time to time;

“CCA” means capital cost allowance, calculated in accordance with the Tax Act;

“CDS” means CDS Clearing and Depository Services Inc.;

“CEO” or **“Chief Executive Officer”** means the chief executive officer of the REIT;

“CFO” or **“Chief Financial Officer”** means the chief financial officer of the REIT;

“Chair” means the chair of the Board of Trustees;

“Class A LP Units” means the Class A units of the Partnership;

“Class B LP Units” means the Class B units of the Partnership;

“Class C LP Units” means the Class C units of the Partnership;

“CMHC” means the Canada Mortgage and Housing Corporation;

“Code of Conduct” means the written code of conduct of the REIT;

“Compensation, Governance and Nominating Committee” means the Compensation, Governance and Nominating Committee established by the Board and described under “Governance of the REIT – Committees of the Board - Compensation, Governance and Nominating Committee”;

“CRA” means the Canada Revenue Agency;

“Credit Facility” means the revolving credit facility in favour of the REIT, as described under “Indebtedness - Credit Facilities”;

“Declaration of Trust” means the amended and restated declaration of trust of the REIT dated June 27, 2018, as amended by a first amendment dated July 10, 2018 and as further amended and restated from time to time;

“Debt Service Coverage Ratio” is the ratio of NOI to total debt service consisting of interest expense recorded as finance costs and principal payments on Indebtedness;

“Debt to Gross Book Value Ratio” is calculated by dividing Indebtedness by Gross Book Value;

“Deferred Units” means deferred units of the REIT;

“Demand Distribution” has the meaning ascribed thereto under “Retained Interest – Investor Rights Agreement - Registration Rights”;

“Demand Registration Right” has the meaning ascribed thereto under “Retained Interest – Investor Rights Agreement - Registration Rights”;

“Development and Construction Management Agreement” means the development and construction management agreement dated July 3, 2018 among the REIT, the Partnership and MPI, as more particularly described under “Arrangements with Minto - Development and Construction Management Agreement”;

“Distribution Date” means on or about the 15th day of the month;

“DRIP” means a distribution reinvestment plan pursuant to which Canadian resident Unitholders are entitled to elect to have cash distributions in respect of Units automatically reinvested in additional Units;

“Exchange Agreement” means the exchange agreement dated June 27, 2018 among the REIT, the Partnership, the Retained Interest Holder and each additional person who from time to time holds Class B LP Units and agrees to be bound by the exchange agreement, as more particularly described under “Retained Interest - Exchange Agreement”;

“Exchange Rights” has the meaning ascribed thereto under “Retained Interest - Exchange Agreement”;

“Excluded Opportunity” has the meaning ascribed thereto under “Arrangements with Minto - Strategic Alliance Agreement - ROFO on Acquisition and Investment Opportunities”;

“Excluded Person” means (i) a Non-Resident or a “financial institution” within the meaning of the Tax Act; (ii) a person, an interest in which is a “tax shelter investment” for the purposes of the Tax Act; (iii) a person which would acquire an interest in the Partnership as a “tax shelter investment” for the purposes of the Tax Act; (iv) a person other than a person described in subparagraphs (b)(i) through (b)(vi) of the definition of “excluded subsidiary entity” in subsection 122.1(1) of the Tax Act; or (v) a person who acts as a nominee on behalf of or for the benefit of a person described in subsections (i) to (iv) of this definition;

“Exempt Plans” has the meaning ascribed thereto under “Risk Factors – Tax-Related Risks”;

“Existing Interest” means Minto’s interest in each multi-residential rental property that Minto continued to own following the IPO Closing;

“FFO” means funds from operations, as more particularly described under “Non-IFRS Financial Measures”;

“forward-looking statements” means “forward-looking information” as defined under Canadian securities laws;

“GBV” or “Gross Book Value” means, at any time, the greater of (i) the value of the assets of the REIT and its consolidated subsidiaries, as shown on its then most recent consolidated balance sheet prepared in accordance with IFRS; and (ii) the historical cost of the investment properties, plus (A) the carrying value of cash and cash equivalents; (B) the carrying value of mortgages receivable; and (C) the historical cost of other assets and investments used in operations;

“General Partner” means Minto Apartment GP Inc., a corporation incorporated pursuant to the laws of Ontario;

“GP Interest” means the general partner interest in the Partnership held by the General Partner;

“Greenberg Family Entity” means any of (i) Phoebe Greenberg; (ii) a lineal descendant (whether by blood or adoption) of Phoebe Greenberg or Gilbert Greenberg; (iii) the spouse of Phoebe Greenberg or a lineal descendant (whether by blood or adoption) of Phoebe Greenberg or Gilbert Greenberg; (iv) a trust for one or more of the persons described in paragraph (i), (ii), (iii) or (v), but only such persons; and (v) a corporation or other person directly or indirectly controlled by one or more of the foregoing (where indirect control means that a corporation or person is controlled by one or more corporations or persons, each of which is itself controlled, whether directly or indirectly through one or more other such corporations or persons, by one or more of the foregoing);

“IFRS” means International Financial Reporting Standards;

“Indebtedness” means the total interest bearing indebtedness of the REIT consisting of mortgages, Class C LP Units and amounts drawn on the Credit Facility, excluding the impact of any net discount or premium on indebtedness at the time assumed from vendors of properties at rates of interest less or greater than then applicable market rates, respectively;

“Independent Trustee” means a Trustee who is “independent” pursuant to NI 58-101;

“Initial Properties” means the 22 properties acquired indirectly by the REIT on July 2, 2018;

“Investor Rights Agreement” means the investor rights agreement dated June 27, 2018 among the REIT, the Partnership and the Retained Interest Holder, as more particularly described under “Retained Interest - Investor Rights Agreement”;

“IPO” means the REIT's initial public offering of Units on July 3, 2018, qualified under the IPO Prospectus;

“IPO Closing” means the closing of the IPO and other related transactions;

“IPO Offering Price” means the price per Unit sold pursuant to the IPO;

“IPO Over-Allotment Option” means the option granted by the REIT to the Underwriters pursuant to the IPO Underwriting Agreement exercisable for a period of 30 days from the IPO Closing to purchase additional Units at the IPO Offering Price;

“IPO Prospectus” means the REIT's long form prospectus dated June 22, 2018 in respect of the REIT's IPO;

“IPO Underwriting Agreement” means the underwriting agreement dated June 22, 2018 among the REIT, MPI and the Underwriters;

“Lead Trustee” means the Board-designated Trustee among the independent Trustees, who will provide leadership for the independent Trustees in certain circumstances if the Chair is not independent;

“Limited Partnership Agreement” means the amended and restated limited partnership agreement of the Partnership dated June 27, 2018 among the General Partner, the REIT, the Retained Interest Holder, Minto Partnership C LP, MPI and each additional person who from time to time becomes a limited partner of the

Partnership or is a successor to a limited partner of the Partnership, as further amended and restated from time to time;

“management” means the persons acting in the capacities of the REIT’s Chief Executive Officer and President, Chief Financial Officer, Chief Operating Officer and Chief Investment Officer;

“Minto” means Minto Holdings Inc. and its subsidiaries, including MPI, as the context requires;

“Minto Interests” means, collectively, each Existing Interest and each Subsequently Owned Property;

“MPI” means Minto Properties Inc.;

“NCI” means the non-certificated inventory system of CDS;

“NI 52-110” means National Instrument 52-110 - *Audit Committees*;

“NI 58-101” means National Instrument 58-101 - *Disclosure of Corporate Governance Practices*;

“NOI” means net operating income, as more particularly described under “Non-IFRS Financial Measures”;

“Nominating Unitholder” has the meaning ascribed thereto under “Capital Structure and Declaration of Trust - Advance Notice Provisions”;

“Non-Competition and Non-Solicit Agreement” means the non-competition and non-solicit agreement dated July 3, 2018 among the REIT, the Partnership and MPI, as more particularly described under “Arrangements with Minto - Non-Competition and Non-Solicit Agreement”;

“Non-Residents” has the meaning ascribed thereto under “Capital Structure and Declaration of Trust - Restrictions on Ownership and Transfer”;

“Notice Date” has the meaning ascribed thereto under “Capital Structure and Declaration of Trust - Advance Notice Provisions”;

“Opportunity” means multi-residential acquisition and investment opportunities identified by Minto;

“Partnership” means Minto Apartment Limited Partnership, a limited partnership formed pursuant to the laws of Ontario;

“Piggy-Back Distribution” has the meaning ascribed thereto under “Retained Interest – Investor Rights Agreement - Registration Rights”;

“Piggy-Back Registration Right” has the meaning ascribed thereto under “Retained Interest – Investor Rights Agreement - Registration Rights”;

“Portfolio” means the portfolio of multi-residential rental properties in which the REIT has an interest;

“REALPAC” means the Real Property Association of Canada;

“Redemption Date” means the date on which any Unit is surrendered for redemption, as more particularly described under “Capital Structure and Declaration of Trust - Redemption Right”;

“Redemption Notes” means unsecured subordinated promissory notes of the REIT or a subsidiary of the REIT having a maturity date and interest rate to be determined at the time of issuance by the Trustees, such promissory notes to provide that the REIT or such subsidiary, as the case may be, shall at any time be allowed to prepay all or any part of the outstanding principal without notice or bonus;

“Redemption Notice” has the meaning ascribed thereto under “Capital Structure and Declaration of Trust - Redemption Right”;

“Redemption Price” means the price per Unit entitled to be received by a Unitholder upon the redemption of Units held by such Unitholder, as more particularly described under “Capital Structure and Declaration of Trust - Redemption Right”;

“REIT” means Minto Apartment Real Estate Investment Trust, including its direct and indirect subsidiaries where the context requires;

“REIT Exception” has the meaning ascribed thereto under “Risk Factors – Tax-Related Risks”;

“Retained Debt” means certain indebtedness secured by a charge on certain of the Initial Properties that was retained by MPI and not assumed by the Partnership on the closing of the Partnership’s acquisition of the Initial Properties, as more particularly described under “Indebtedness - Retained Debt – Class C LP Units”;

“Retained Interest Holder” means Minto Partnership B LP, a limited partnership formed pursuant to the laws of Ontario, an entity wholly-owned and controlled by MPI;

“ROFO” means the right of first opportunity in favour of the REIT on all Opportunities and Subsequently Owned Properties;

“SEDAR” means the System for Electronic Document Analysis and Retrieval at www.sedar.com;

“SIFT” means a specified investment flow-through entity, as defined in the Tax Act;

“Special Committee” means a Special Committee of the independent Trustees established to review and consider related party transactions and described under “Governance of the REIT – Committees of the Board - Special Committees”;

“Special Voting Unit” means a special voting unit of the REIT;

“Strategic Alliance Agreement” means the strategic alliance agreement dated July 3, 2018 between Minto Holdings Inc. and the REIT, as more particularly described under “Arrangements with Minto - Strategic Alliance Agreement”;

“Subsequently Owned Property” means an Opportunity acquired by Minto after being declined by the REIT pursuant to the ROFO;

“subsidiary” has the meaning ascribed thereto in National Instrument 45-106 - *Prospectus and Registration Exemptions*;

“Tax Act” means the *Income Tax Act* (Canada) and the regulations thereunder, as amended;

“TD” means TD Securities Inc.;

“Trustees” means the trustees from time to time of the REIT;

“TSX” means the Toronto Stock Exchange;

“UCC” means undepreciated capital cost, calculated in accordance with the Tax Act;

“Underwriters” means TD, BMO, CIBC World Markets Inc., RBC Dominion Securities Inc., National Bank Financial Inc., Scotia Capital Inc., Canaccord Genuity Corp., Desjardins Securities Inc., Raymond James Ltd. and Industrial Alliance Securities Inc.;

“Unit” means a unit of the REIT, other than a Special Voting Unit;

“Unitholder” means a holder of Units, and any reference to a Unitholder in the context of such Unitholder’s right to vote at a meeting of Unitholders also includes a holder of Special Voting Units; and

“Voting Unit” means a Unit and/or a Special Voting Unit, as the context requires.

CERTAIN REFERENCES AND FORWARD-LOOKING STATEMENTS

Unless otherwise indicated, information provided in this AIF is effective as of December 31, 2019.

For an explanation of the capitalized terms and expressions provided in this AIF, please refer to the “Glossary of Terms”. References to dollars or “\$” are to Canadian currency.

This AIF may contain forward-looking statements (within the meaning of applicable Canadian securities laws) relating to the business of the REIT. Forward-looking statements are identified by words such as “believe”, “anticipate”, “project”, “expect”, “intend”, “plan”, “will”, “may”, “estimate” and other similar expressions. These statements are based on the REIT’s expectations, estimates, forecasts and projections. They are not guarantees of future performance and involve risks and uncertainties that are difficult to control or predict. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements, including, but not limited to, the factors discussed under the heading “Risk Factors”. There can be no assurance that forward-looking statements will prove to be accurate as actual outcomes and results may differ materially from those expressed in these forward-looking statements. Readers, therefore, should not place undue reliance on any such forward-looking statements. Further, these forward-looking statements are made as of the date of this AIF and, except as expressly required by applicable law, the REIT assumes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

NON-IFRS FINANCIAL MEASURES

This AIF has been prepared in accordance with IFRS. It also contains certain non-IFRS financial measures including FFO, AFFO, AFFO Payout Ratio, NOI, Debt to Gross Book Value Ratio, Debt Service Coverage Ratio, and net asset value which are measures commonly used by publicly traded entities in the real estate industry. Management believes that these metrics are useful for measuring different aspects of performance and assessing the underlying operating performance on a consistent basis. However, these measures do not have a standardized meaning prescribed by IFRS and are not necessarily comparable to similar measures presented by other publicly traded entities. These measures should strictly be considered supplemental in nature and not a substitute for financial information prepared in accordance with IFRS.

In February 2019, REALPAC published a white paper titled “White Paper on Funds from Operations & Adjusted Funds from Operations for IFRS”. The purpose of the white paper is to provide reporting issuers and investors with greater guidance on the definition of FFO and AFFO and to help promote more consistent disclosure from reporting issuers. The REIT has reviewed the white paper and has implemented its recommended disclosures in this AIF, except as noted below.

FFO is defined as IFRS consolidated net income adjusted for items such as unrealized changes in the fair value of investment properties, effects of puttable instruments classified as financial liabilities and changes in fair value of financial instruments and derivatives. FFO should not be construed as an alternative to net income or cash flows provided by or used in operating activities determined in accordance with IFRS. The REIT’s method of calculating FFO is in accordance with REALPAC’s recommendations, but may differ from other issuers’ methods and, accordingly, may not be comparable to FFO reported by other issuers. The REIT regards FFO as a key measure of operating performance.

AFFO is defined as FFO adjusted for items such as maintenance capital expenditures and straight-line rental revenue differences. AFFO should not be construed as an alternative to net income or cash flows provided by or used in operating activities determined in accordance with IFRS. The REIT’s method of calculating AFFO is in accordance with REALPAC’s recommendations, except that the REIT adjusts for certain non-cash items (such as adjustments for the amortization of mark-to-market adjustments related to debt and gain on retirement of debt), but it may differ from other issuers’ methods and, accordingly, may not be

comparable to AFFO reported by other issuers. The REIT regards AFFO as a key measure of operating performance.

NOI is defined as revenue from investment properties less property operating costs, property taxes and utilities prepared in accordance with IFRS. NOI should not be construed as an alternative to net income determined in accordance with IFRS. The REIT's method of calculating NOI may differ from other issuers' methods and, accordingly, may not be comparable to NOI reported by other issuers. The REIT regards NOI as an important measure of the income generated from income-producing properties and is used by management in evaluating the performance of the REIT's properties. It is also a key input in determining the value of the REIT's properties.

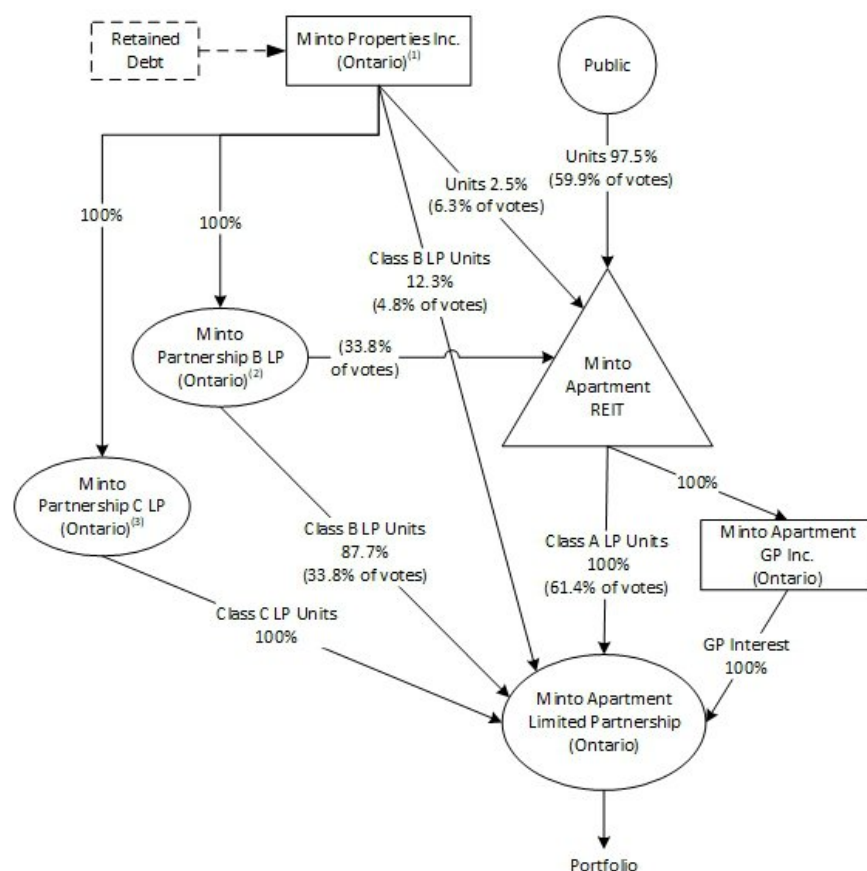
The REIT computes FFO and AFFO in accordance with the current definitions of REALPAC, except for the amortization of the mark-to-market adjustments and gain on retirement of debt as noted above. The REIT uses FFO and AFFO in addition to NOI to report operating results. Management believes that these metrics are useful in assessing the performance of the Portfolio.

LEGAL STRUCTURE OF THE REIT

The REIT is an unincorporated, open-ended real estate investment trust established under the laws of Ontario pursuant to a declaration of trust dated April 24, 2018, which was amended and restated on June 27, 2018 and further amended on July 10, 2018. The REIT was formed to own and operate a portfolio of income-producing multi-residential rental properties located in Canada. The principal and registered office of the REIT is 200-180 Kent Street, Ottawa, Ontario.

The Partnership is a subsidiary of the REIT and holds, directly or indirectly, beneficial ownership of all of the REIT's interest in the Portfolio. The Partnership is a limited partnership formed under the laws of the Province of Ontario on May 4, 2018 and is governed by the Limited Partnership Agreement. The General Partner is a corporation incorporated under the laws of the Province of Ontario on May 2, 2018 and is the sole general partner of the Partnership. The REIT is the sole shareholder of the General Partner.

The following chart sets out the simplified organizational structure of the REIT as of December 31, 2019:



Notes:

- ¹ MPI, directly and through the Retained Interest Holder, holds 896,459 Units and 22,769,073 Class B LP Units (of which 2,806,122 Class B LP Units are held directly by MPI and 19,962,951 Class B LP Units are held indirectly through the Retained Interest Holder), representing in the aggregate an approximate 40.1% interest in the REIT assuming all Class B LP Units are exchanged for Units. MPI holds a Special Voting Unit of the REIT for each Class B LP Unit held by it.
- ² The Retained Interest Holder, an entity wholly-owned and controlled by MPI, holds 19,962,951 Class B LP Units, representing an approximate 33.8% interest in the REIT assuming all Class B LP Units are exchanged for Units. The Retained Interest Holder holds a Special Voting Unit of the REIT for each Class B LP Unit held by it.
- ³ The holder of the Class C LP Units, an entity wholly-owned and controlled by MPI, holds 22,978,700 Class C LP Units on which it receives priority distributions in amounts sufficient for MPI to make interest and principal payments, and payments of any other amount owing, on the Retained Debt.

GENERAL DEVELOPMENT OF THE BUSINESS

Three Year History

Equity Offerings

On July 3, 2018, the REIT completed its IPO of 13,794,000 Units at a price of \$14.50 per Unit. The IPO raised gross proceeds of \$200 million. In connection with the IPO, the REIT indirectly acquired the Initial Properties, a portfolio of 22 high-quality income-producing multi-residential rental properties with 4,279 suites¹, located in Toronto, Ottawa, Calgary and Edmonton, from MPI for \$1,042.4 million (see "- Property Acquisitions"). The net proceeds of the IPO were used by the REIT to fund the indirect acquisition of the Initial Properties.

On July 10, 2018, pursuant to the IPO Over-Allotment Option, the REIT issued an additional 2,069,100 Units at a price of \$14.50 per Unit, resulting in gross proceeds of \$30 million. The net proceeds were used to reduce the retained interest held by the Retained Interest Holder following the IPO Closing.

On April 15, 2019, the REIT issued 8,809,000 Units at a price of \$19.60 per Unit on a bought deal basis for gross proceeds of \$172.7 million, which included the exercise in full of the over-allotment option granted to the Underwriters in connection with the offering. The net proceeds were used to finance a portion of the purchase price of the REIT's acquisitions of a 50 percent interest in each of the Rockhill property in Montreal and the Leslie York Mills property in Toronto and to repay amounts outstanding under the Credit Facility incurred for its previous acquisitions of The Quarters and Kaleidoscope properties, both in Calgary (see "- Property Acquisitions").

On October 22, 2019, the REIT issued 9,850,000 Units at price of \$22.85 per Unit on a bought deal basis for gross proceeds of \$225 million. Subsequently, on November 25, 2019, the REIT issued an additional 856,280 Units at a price of \$22.85 per Unit for gross proceeds of \$19.6 million pursuant to the over-allotment option granted to the Underwriters in connection with the offering, bringing the total gross proceeds of the offering to \$244.6 million. The net proceeds of the offering were used to finance directly and indirectly the REIT's acquisition of Le 4300 and Haddon Hall properties, both in Montreal (see "- Property Acquisitions").

The Units trade on the TSX under the symbol "MI.UN".

Property Acquisitions

Since the IPO Closing, the REIT has continued to expand its asset base through acquisitions, consistent with its business strategy.

¹ Subsequent to the IPO Closing, four additional suites were created from excess common area space at the Initial Properties, so that they now comprise 4,283 suites.

The following table highlights the property acquisitions completed in conjunction with and since the IPO Closing.

Date of Acquisition	Property (100% interest, except as otherwise indicated)	Location	Purchase Price (millions)	Mortgage Financing (millions)	Nominal interest rate	Maturity Date
July 2, 2018	Richgrove	Toronto, ON	\$1,042.4	\$ 49.8 ¹	3.25%	December 1, 2022
	Martin Grove	Toronto, ON		\$ 26.0	3.09%	June 1, 2022
	Minto Yorkville	Toronto, ON		\$ 40.6 ²	2.79%	August 15, 2025
				\$ 25.6 ²	3.50%	August 1, 2025
				\$ 12.1 ²	3.50%	August 1, 2025
				\$ 27.6 ^{2,3}	3.31%	December 1, 2027
	Roehampton	Toronto, ON		- ³	-	-
	Minto one80five	Ottawa, ON		\$ 13.0 ^{2,3}	2.98%	January 1, 2024
	Parkwood Hills Garden Homes & Townhomes	Ottawa, ON		\$ 23.2 ^{2,3}	3.49%	July 1, 2030
	Huron	Ottawa, ON		\$ 14.2 ³	3.49%	July 1, 2030
				\$ 8.7 ³	2.98%	January 1, 2024
	Aventura	Ottawa, ON		\$ 49.2 ²	3.04%	July 1, 2023
	Seneca	Ottawa, ON		\$ 12.8 ³	3.49%	July 1, 2030
	Castleview	Ottawa, ON		\$ 9.4 ³	2.98%	January 1, 2024
				\$ 38.8 ²	3.13%	July 1, 2024
	Skyline - Garden Homes, Maisonettes and Walkups	Ottawa, ON		- ³	-	-
	The Carlisle	Ottawa, ON		\$ 32.7	2.98%	January 1, 2024
	Castle Hill	Ottawa, ON		\$ 25.3	3.03%	June 1, 2023
	Grenadier	Ottawa, ON		\$ 6.7 ³	3.49%	July 1, 2030
				\$ 4.1 ³	2.98%	January 1, 2024
				\$ 11.0 ³	2.96%	May 1, 2023
	Eleanor	Ottawa, ON		\$ 16.1	3.19%	December 1, 2023
	Frontenac	Ottawa, ON		- ³	-	-
	Stratford	Ottawa, ON		- ³	-	-
	The Laurier	Calgary, AB		\$ 27.7	3.31%	April 1, 2025
	The Lancaster House	Edmonton, AB		\$ 18.3	3.35%	January 1, 2022
	York House	Edmonton, AB				
	Hi-Level Place	Edmonton, AB				
December 18, 2018	Kaleidoscope	Calgary, AB	\$20.4	\$ 12.7	3.59%	June 1, 2020
January 7, 2019	The Quarters	Calgary, AB	\$63.8	\$ 44.3	3.04%	September 1, 2029
May 1, 2019	Leslie York Mills ⁴	Toronto, ON	\$75.1	\$ 23.4	2.82%	February 1, 2021
May 7, 2019	Rockhill ⁴	Montreal, QC	\$134.0	\$ 69.0 ¹	2.91%	October 1, 2029
August 1, 2019	High Park Village ⁵	Toronto, ON	\$131.2	\$ 39.5	One month BA + 185bps ⁶	April 1, 2026
November 20, 2019	Le 4300	Montreal, OC	\$192.4	- ³	-	-
	Haddon Hall	Montreal, QC	\$88.7	\$ 45.0	3.16%	December 1, 2030
Total purchase price (excluding transaction costs) and financing			\$1,748.0	\$ 726.8		

Notes:

¹ Reflects the terms of the most recent mortgage financing of the property, which is different from the mortgage financing at the time of acquisition.

² Property secures a mortgage for Retained Debt (see "Indebtedness - Retained Debt – Class C LP Units").

³ In addition to mortgage financing of the property (if any), the property secures the REIT's Credit Facility.

⁴ 50% co-owned by the REIT.

⁵ 40% co-owned by the REIT.

⁶ In connection with this acquisition, the REIT assumed an interest rate swap to receive variable interest based on one month bankers' acceptance plus 185 bps and pay fixed interest at 3.38%.

The REIT acquired its 50 percent co-ownership interest in the Leslie York Mills property in Toronto and its 40 percent co-ownership interest in the High Park Village property in Toronto from MPI. The terms of each of those transactions were reviewed and considered by a Special Committee of the independent Trustees (see "Governance of the REIT - Committees of the Board - Special Committees"). A Form 51-102F4 Business Acquisition Report was not required to be filed in respect of any of the above noted acquisitions.

The REIT has not disposed of any of its interest in any properties since the IPO Closing.

Investment Financing

On November 22, 2018, the REIT announced that it has agreed to advance up to \$30 million of financing in support of the planned redevelopment by an affiliate of MPI of a commercial property known as Fifth + Bank in Ottawa into a mixed-use multi-residential rental and retail property. Construction on the redevelopment commenced in November 2019, with occupancy expected to begin in the first half of 2021. Advances under the financing in the aggregate amount of \$19.7 million were made during the fourth quarter of 2019. The financing is funded using the Credit Facility and is secured by a mortgage on the property in favour of the REIT, which will be subordinate to senior construction financing, as well as a guarantee from MPI. The terms of this transaction were reviewed and considered by a Special Committee of the independent Trustees (see "Governance of the REIT - Committees of the Board - Special Committees").

Management Agreements

As part of the acquisition by the REIT of a 50 percent interest in each of the Rockhill property in Montreal and the Leslie York Mills property in Toronto and of a 40 percent interest in the High Park Village property in Toronto (see "- Property Acquisitions"), the REIT entered into or assumed asset and property management agreements for the management of the balance of the interest in each property held by the property's co-owner. The REIT earns fees for these asset and property management services.

In the case of the Rockhill property, the existing property manager, Cogir Management Corporation G.P., was retained to assist with the transition of management. That retainer expired on January 31, 2020, at which time the REIT assumed full management of the property.

Credit Facility

In conjunction with the IPO Closing, the REIT obtained a secured revolving Credit Facility with a maximum available amount of \$150 million. On November 18, 2019, the REIT amended the terms of the Credit Facility to increase the maximum available amount to \$200 million. See "Indebtedness - Credit Facilities".

Retirement and Appointment of New President and Chief Operating Officer

On September 5, 2019, the REIT announced that Rob Pike was retiring as President and Chief Operating Officer of the REIT effective November 1, 2019. Michael Waters has been appointed President of the REIT in addition to his role as Chief Executive Officer. George Van Noten was appointed as the REIT's new Chief Operating Officer.

Description of the Business

Overview

At December 31, 2019, the REIT's Portfolio consisted of interests in 7,243 suites¹ located in Toronto, Montreal, Ottawa, Calgary and Edmonton providing the REIT with scale and presence in key urban centres. The properties are well-located in desirable residential nodes primarily along key transit corridors and with excellent walk scores according to walkscore.com, and provide a mix of newer-generation premium rentals and traditional format multi-residential rental apartments.

As at March 10, 2020, there are a total of 36,274,839 Units of the REIT and 22,769,073 Special Voting Units of the REIT issued in connection with the outstanding Class B LP Units of the Partnership.

The REIT is governed by a Board of Trustees, the majority of whom are independent in accordance with the Declaration of Trust and applicable securities laws. The REIT's Board is responsible for the general control and direction of the REIT, including decisions about the acquisition and disposition of the REIT's assets.

The REIT's Objectives

The REIT's objectives are to:

- provide Unitholders an opportunity to invest in high-quality income-producing multi-residential rental properties strategically located across urban centres in Canada;
- enhance the value of the REIT's assets and maximize long-term Unitholder value through value-enhancing capital investment programs and active asset and property management of the REIT properties;
- provide Unitholders with predictable and sustainable distributions; and
- expand the REIT's asset base across Canadian urban centres through intensification programs, acquisitions and developments.

Management believes it can accomplish these objectives given that it operates a high quality portfolio in an attractive asset class with compelling supply and demand characteristics. Furthermore, the REIT has several strategic avenues for growth and benefits from its strategic alliance with Minto.

Organic Growth

Management believes that the Portfolio has the potential to generate substantial organic cash flow growth. The weighted average in-place rent at the properties comprising the Portfolio is presently below management's view of market rent, representing an estimated gain-to-lease of approximately \$16.2 million on an annualized basis. Together with the above guideline rental rate increases expected within some of the Ontario properties, management believes there is strong embedded growth potential in the Portfolio. Furthermore, management expects that rental rates in the markets in which the Portfolio is located will continue to increase in future years as favourable economic conditions and demographic trends persist. Management believes the foregoing factors position the REIT to achieve strong growth in rental revenues in the long term.

The REIT's executive and asset and property management teams proactively manage each of the properties in the Portfolio to optimize operational performance and financial returns.

Additionally, management is evaluating and reviewing intensification and repositioning opportunities. Management will choose to pursue projects that enhance net asset value of the REIT. Renovation opportunities pursued by management are intended to drive and enhance revenue through in-suite and common area improvements.

Certain of the properties in the Portfolio contain vacant land which management anticipates may support additional multi-residential rental development in the future. For example, the Richgrove property in Toronto is fully-zoned and entitled to add a new tower consisting of approximately 225 suites, the Leslie York Mills property in Toronto is fully-zoned and entitled to add 192 terrace homes and rezoning is currently being pursued for additional development at the High Park Village property in Toronto. These potential developments, along with other potential intensification in the REIT's Portfolio (comprised of excess land and lower density sites) may enhance value for the benefit of Unitholders in the future if these sites are developed. Management will evaluate intensification and renovation opportunities on an ongoing basis

and there are no assurances that any particular opportunity will be pursued or that future returns will track historical returns. The decision to proceed with an intensification opportunity is also subject to Trustee and, where applicable, partner or co-owner approval.

External Growth Opportunities - Potential Access to an Acquisition Pipeline through Minto

Management believes a portion of the REIT's external growth may be generated by acquiring interests in multi-residential rental properties from Minto. Minto owns a multi-residential development site and co-owns and manages additional multi-residential rental properties on behalf of third party investors. These properties are well located, high quality assets in attractive urban centres, particularly in Toronto and Ottawa.

Pursuant to the Strategic Alliance Agreement, the REIT has a ROFO on all Opportunities identified by Minto as well as on any Subsequently Owned Property that is wholly owned directly or indirectly by Minto and that Minto desires to sell. For Existing Interests, Minto is unable to grant a right of first opportunity due to the terms of the applicable co-ownership or partnership arrangements. However, as it is Minto's intention to have the REIT be the sole long-term investment vehicle for all of its Canadian income producing multi-residential holdings over time, pursuant to the Strategic Alliance Agreement Minto will endeavour to facilitate an acquisition by the REIT of the Minto Interests (which, for greater certainty, are not subject to a right of first opportunity) by agreeing to notify and discuss with the REIT if Minto intends to sell a Minto Interest, all as Minto is, from time to time, permitted pursuant to its applicable co-ownership or partnership arrangements. Given Minto's long-standing relationship with its institutional co-owners and partners, the REIT also may have a competitive advantage in acquiring the interest of Minto's institutional co-owners and partners in co-owned and partnership assets in the future as the institutional investors periodically review their liquidity alternatives.

Third Party Acquisitions

The REIT is positioned to leverage Minto's network and platform to pursue its acquisition strategy. The REIT expects to target high quality multi-residential rental properties located in urban centres across Canada. The REIT intends to acquire stabilized properties without significant maintenance issues or material near term capital expenditures required to maintain market presence, as well as stabilized properties with intensification opportunities and/or under-managed properties with near term value-add potential. The REIT will continue to target off-market transactions and, where appropriate, select development opportunities. The REIT believes its professional management experience and expertise can improve the operating performance of such properties and achieve attractive cash flow and net asset value growth.

Administrative Support by Minto

The REIT is managed by its own employees, some of which are dually employed by Minto, but is supported by Minto through the services provided under the Administrative Support Agreement. The breadth and scale of the Minto platform allow the REIT to benefit from operating synergies, including: 1) an in-house project management team that executes on value-add initiatives; 2) lower marketing and advertising costs; 3) bulk purchase of supplies, contractor services, insurance policies and utilities; and 4) enhanced market intelligence and research capabilities, and leasing efficiency.

Factors Facilitating External Growth

Fragmented Ownership with Significant Consolidation Opportunities: The multi-residential rental real estate sector in Canada is characterized by fragmented ownership with, according to management's estimates, the top 10 industry participants owning or operating approximately 12% of the CMHC estimated approximately 2.1 million residential suites in the country (the top 10 excludes all non-owner third party managers). The majority of the assets are held by private entities which are often small, family owned and

capital constrained. Based on management's experience, many of the private operators are often run by less sophisticated management teams that lack professional asset management and construction expertise. In addition, many current owners are reaching retirement age, a possible exit point for them and an opportunity for the REIT. As a publicly listed real estate investment trust, the REIT provides certainty for vendors at closing with its access to capital, and has the ability to deliver both immediate liquidity and tax-deferred solutions to family-owned operators.

Extensive Network of Industry Relationships: Minto has extensive industry relationships that span the Canadian multi-residential rental investment community which will provide the REIT with significant "off-market" transaction opportunities that involve limited competitive bidding. As one of the premier real estate brands with a long track record of successful completion of transactions, Minto is recognized as a preferred buyer within the Canadian multi-residential rental sector. With 65 years of operation, Minto has deep, long-standing relationships with other private, family-held apartment investors who are major participants in the Canadian real estate industry. Management believes the REIT will be able to leverage Minto's platform to have access to acquisition opportunities that may otherwise be unavailable.

Strong Balance Sheet and Conservative Payout Positioned for Growth: At December 31, 2019, the Debt to Gross Book Value Ratio was 39.30% and the REIT had \$109.0 million of availability on its \$200 million Credit Facility. This conservative approach to leverage and ample immediate liquidity ensures the REIT is well positioned to pursue strategic initiatives with strong financial flexibility. The REIT's balance sheet also enhances its access to attractively-priced CMHC-insured debt financing and other public debt and equity financings to maintain strong cost of capital. In addition, management believes the REIT's conservative AFFO Payout Ratio and its prudent leverage profile will provide financial flexibility for the REIT to execute market opportunities via intensification, repositioning and acquisitions.

Environmental, Social and Governance

Environmental, social and governance (ESG) refers to the three central factors in measuring an organization's sustainability and ethical impact:

- Its performance as a steward of nature,
- Social responsibility in its relationships with employees, suppliers, customers, and the communities where it operates, and
- Its governance structures, including leadership, executive pay, audits, internal controls, and unitholder rights.

Sustainability and social responsibility have been an important part of Minto's culture and values for many years. Minto issued its first public report on its environmental performance and initiatives in 2009, expanded that report to include health and safety performance as well in 2013 and further expanded the report in 2018 to include ESG generally.

As a result of that heritage, the REIT already addresses many ESG elements, including the following:

- Environmental
 - programs to reduce carbon emissions, energy use, water use and solid waste
 - programs to improve air quality
 - programs to support natural systems
 - third party certification and verification

- Social
 - talent attraction and retention
 - competitive total rewards value offering for employees
 - employee relations, conditions of work
 - employee engagement, well-being
 - health and safety
 - tenant satisfaction and engagement
 - community engagement
 - community impact, corporate giving
 - partner engagement, supply chain management
- Governance
 - organizational structure with clear roles and accountabilities
 - business strategy
 - commitments and policies
 - objectives and targets
 - resources, including human resources and specialized skills, organizational infrastructure, technology and financial resources
 - business systems, processes, programs
 - monitoring and disclosure activities
 - management oversight/review
 - highly qualified Board of Trustees

Working with external consultants, the REIT is building on this foundation and is currently undertaking a detailed materiality assessment that will review and evaluate ESG impacts relevant to the REIT's business, including from the perspective of tenants, employees, suppliers and investors. Upon completion of the materiality assessment, the REIT will develop and implement an ESG strategic framework, including initiatives, priorities, benchmarks, key performance indicators and target audiences, with the goal of reporting annually on its performance against ESG targets and key performance indicators. It is anticipated that some of this reporting will begin in 2021.

THE REAL ESTATE PORTFOLIO

The properties in the REIT's Portfolio are well-located within their respective markets and provide an attractive platform from which to grow. In addition, the geographic diversification within the REIT's Portfolio mitigates concentration risk and supports the stability of the REIT's cash flows. A list of the properties in the REIT's Portfolio as at December 31, 2019 is set out below (see "- Property table as at December 31, 2019").

Occupancy and Leasing

As at December 31, 2019, the REIT's available unfurnished suites (which excludes suites offline for repositioning projects or major refurbishment projects) were 98.01% leased and the average monthly rent per occupied unfurnished suite was \$1,579.

Seasonal Variations

The REIT's operating results are affected by seasonal variations in leasing activity, property expenses and other factors. As a result, the operating performance and metrics in one quarter may not be indicative of future quarters. The peak leasing season is the second and third quarters of a calendar year, while there is typically less leasing activity through the winter quarters. Quarters over the winter months also typically tend to generate weaker performance due to increased energy consumption and snow removal costs.

Much of maintenance capital expenditures work takes place outside and, therefore, is highly dependent on favourable weather conditions. As a result, those expenditures may vary significantly quarter to quarter.

Property table as at December 31, 2019

The REIT owns 100% of each of the properties listed below except as otherwise specifically noted.

#	Property	City	Total Suites	Year Built	REIT Ownership Interest
Ontario					
1.	High Park Village ⁽¹⁾ 255 Glenlake Avenue, 111 Pacific Avenue & 66 Oakmount Road	Toronto	750	1965	40%
2.	Leslie York Mills ⁽¹⁾ 740, 750 York Mills Road & 17 Farmstead Road	Toronto	409	1969	50%
3.	Richgrove 7 & 21 Richgrove Drive	Toronto	258	1969	100%
4.	Martin Grove 620 Martin Grove Road	Toronto	237	2011	100%
5.	Minto Yorkville ⁽²⁾ 61 Yorkville Avenue	Toronto	181	2004	100%
6.	Roehampton ⁽²⁾ 150 Roehampton Avenue	Toronto	148	2007	100%
7.	Minto one80five ⁽²⁾ 185 Lyon Street North	Ottawa	417	1988	100%
8.	Parkwood Hills Garden Homes & Townhomes Various Meadowlands, Chesterton, Bowhill, Deer Park, Forest Park, Fisher	Ottawa	393	1968 ⁽³⁾	100%
9.	Aventura 18 & 20 Deerfield Drive	Ottawa	354	1983	100%
10.	Huron 1339 Meadowlands Drive East	Ottawa	251	1971	100%
11.	Seneca 1343 Meadowlands Drive East	Ottawa	251	1972	100%
12.	Castleview 1755 Riverside Drive	Ottawa	241	1973	100%
13.	Skyline - Garden Homes, Maisonettes and Walkups 24-58 Northview Road and 25-33, 34, 35, 36, 38-44 Eleanor Drive	Ottawa	227 ⁽⁴⁾	1972 ⁽³⁾	100%
14.	The Carlisle 221 Lyon Street North and 440 Laurier Avenue West	Ottawa	191	1985	100%
15.	Castle Hill 1000 Castle Hill Crescent	Ottawa	176	1971	100%
16.	Grenadier 1129 Meadowlands Drive East	Ottawa	158	1963	100%
17.	Tanglewood 1-27 & 12-26 Woodfield Drive	Ottawa	122	1975	100%
18.	Eleanor 30 Eleanor Drive	Ottawa	117	1973	100%

#	Property	City	Total Suites	Year Built	REIT Ownership Interest
19.	Frontenac 1192 Meadowlands Drive East	Ottawa	104	1962	100%
20.	Stratford 1186 Meadowlands Drive East	Ottawa	59	1962	100%
Ontario Total / Weighted Average ⁽⁵⁾			5,044	1976	
Quebec					
21.	Rockhill ⁽¹⁾⁽²⁾ 4850-4874 Côte-des-Neiges Road	Montreal	1,004	1968	50%
22.	Le 4300 4300 de Maisonneuve Boulevard West	Montreal	318	1960 ⁽³⁾	100%
23.	Haddon Hall 2150-2174 Sherbrooke Street West, 2211-2255 Lambert Closse Street, 2151-2177 Lincoln Avenue, & 2260 Chomedey Street	Montreal	210	1928	100%
Quebec Total / Weighted Average ⁽⁵⁾			1,532	1961	
Alberta					
24.	The Quarters 380 & 390 Quarry Way SE	Calgary	199	2018	100%
25.	Laurier ⁽²⁾ 100 & 200 Quarry Villas SE	Calgary	144	2012	100%
26.	Kaleidoscope 2505 24 Street NW	Calgary	70	2013	100%
27.	The Lancaster House 10025 115 Street NW	Edmonton	98	1968	100%
28.	York House 10030 114 Street NW	Edmonton	92	1968	100%
29.	Hi-Level Place 11005 98 Avenue NW	Edmonton	64	1959	100%
Alberta Total / Weighted Average ⁽⁵⁾			667	1996	
Portfolio Total / Weighted Average⁽⁵⁾			7,243	1975	

Notes:

¹ The REIT is the asset and property manager for the co-owner that owns the balance of the interest in the High Park Village, Leslie York Mills and Rockhill properties.

² Suite counts for the Minto Yorkville, Roehampton, Minto one80five, Rockhill and The Laurier properties include furnished suites, representing approximately 14% of the total suites at these properties.

³ Represents the weighted average year of construction.

⁴ Excludes 32 Maisonnets being rebuilt after being damaged by fire in March 2017.

⁵ Average year built weighted by total suites.

MINTO RETAINED INTEREST

Ownership Interest

MPI, directly and through the Retained Interest Holder, holds 896,459 Units and 22,769,073 Class B LP Units (of which 2,806,122 Class B LP Units are held directly by MPI and 19,962,951 Class B LP Units are held indirectly through the Retained Interest Holder), representing an approximate 40.1% interest in the REIT assuming all Class B LP Units are exchanged for Units.

The Retained Interest Holder, an entity wholly-owned by MPI, holds 19,962,951 Class B LP Units, representing an approximate 33.8% interest in the REIT assuming all Class B LP Units are exchanged for Units.

An entity wholly-owned or controlled by MPI holds all of the outstanding Class C LP Units. The Class C LP Units have been designed to provide MPI with an indirect interest in the Partnership that entitle the holder of the Class C LP Units to distributions, in priority to distributions to holders of the Class A LP Units, Class B LP Units or GP Interest, in an amount, if paid, expected to be sufficient to permit MPI to satisfy amounts payable under the Retained Debt. See “Indebtedness - Retained Debt - Class C LP Units”.

Lock-Up Period

In accordance with the terms of the IPO Underwriting Agreement, the Retained Interest Holder agreed with the Underwriters that, for a period of 18 months following the IPO Closing, it would not directly or indirectly, without the prior written consent of the Board and of TD and BMO, on behalf of the Underwriters, which consents will not be unreasonably withheld or delayed, (i) offer, sell, contract to sell, secure, pledge, grant or sell any option, right or warrant to purchase, or otherwise lend, transfer or dispose of any Units or securities exercisable, convertible, exchangeable or redeemable for Units, in each case acquired upon or in connection with the IPO Closing, (ii) make any short sale, engage in any hedging transaction, or enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of such Units or securities exercisable, convertible, exchangeable or redeemable for Units, whether any such transaction is to be settled by delivery of Units, other securities, cash or otherwise, or (iii) publicly announce an intention to do any of the foregoing, transfers between holders of Class B LP Units or to any Greenberg Family Entity, or pursuant to take-over bids made to all Unitholders or similar acquisition transactions excepted. The lock-up period following the IPO Closing expired on January 3, 2020.

In accordance with the terms of the underwriting agreements for the REIT's equity offerings that closed on April 15, 2019 and October 22, 2019 (see "General Development of the Business - Three Year History - Equity Offerings"), the Retained Interest Holder and MPI entered into agreements with the Underwriters on terms similar to those described above, but for a period of 90 days following the applicable closing. The lock-up period following the April 15, 2019 equity offering expired on July 14, 2019 and the lock-up period following the October 22, 2019 equity offering expired on January 20, 2020.

Exchange Agreement

Pursuant to the Exchange Agreement, each of the Retained Interest Holder and MPI has been granted the right to require the REIT to exchange each Class B LP Unit held by it for one Unit, subject to customary anti-dilution adjustments. Upon an exchange, the corresponding number of Special Voting Units will be cancelled. Collectively, the exchange rights granted by the REIT are referred to as the "Exchange Rights".

A holder of a Class B LP Unit has the right to initiate the exchange procedure at any time so long as each of the following conditions has been satisfied:

- (a) the exchange would not cause the REIT to cease to be a "mutual fund trust" or "real estate investment trust" for purposes of the Tax Act or cause or create a substantial risk that the REIT would be subject to tax under paragraph 122(1)(b) of the Tax Act;
- (b) the REIT is legally entitled to issue the Units in connection with the exercise of the Exchange Rights; and
- (c) the person receiving the Units upon the exercise of the Exchange Rights complies with all applicable securities laws.

The Exchange Agreement also provides for the right of the REIT to require the holders of all but not less than all of the Class B LP Units to exchange their Class B LP Units for Units if:

- (a) the total number of Units for which all outstanding Class B LP Units are exchangeable is less than 15% of the number of Units for which Class B LP Units issued are exchangeable; or
- (b) subject to the terms of the Investor Rights Agreement (including, without limitation, the thresholds required for the exercise by the REIT of the drag-along right (see "Investor Rights Agreement - Drag-Along Rights")) and the Declaration of Trust, there occurs or is about to occur any amalgamation, merger, arrangement, take-over bid, material transfer or sale of Units or rights or other securities of the REIT

or interests therein or thereto, or sale of all or substantially all of the assets of the REIT, or a similar transaction involving the REIT or a subsidiary of the REIT or any proposal to do any of the foregoing (other than in connection with a transaction involving one or more of such entities pursuant to which all of the assets of such entity or entities are transferred to the REIT or another wholly-owned direct or indirect subsidiary of the REIT) and the Board of Trustees determines that it is not reasonably practicable to substantially replicate the terms and conditions of the Class B LP Units in connection with such transaction and that the exchange of all but not less than all of the outstanding Class B LP Units is necessary to enable the completion of such transaction in accordance with its terms, provided, however, that in the case of a take-over bid, not less than 66⅔% of the Units (calculated on a fully-diluted, converted and exchanged basis) have been validly deposited and tendered under such take-over bid and not withdrawn at the expiry of such take-over bid.

The Exchange Agreement also provides for the automatic exchange of Class B LP Units for Units in the event of a liquidation, dissolution or winding-up of the REIT.

Investor Rights Agreement

The REIT, the Partnership and the Retained Interest Holder have entered into the Investor Rights Agreement which governs the rights of the Retained Interest Holder as a Unitholder. The Investor Rights Agreement contains the following provisions, the summary of which is not intended to be complete and is qualified in its entirety by reference to all of the provisions of the agreement.

Nomination Right

Pursuant to the Investor Rights Agreement and as set forth in the Declaration of Trust, the Retained Interest Holder is granted the right to nominate a number of Trustees. For so long as Michael Waters is the Chief Executive Officer of the REIT, he will comprise one of the Retained Interest Holder's nominees. Currently, the Retained Interest Holder has the right to nominate three Trustees.

Registration Rights

The Investor Rights Agreement provides the Retained Interest Holder with the right (the "Piggy-Back Registration Right"), among others, to require the REIT to include Units (including Units issuable upon the exchange of Class B LP Units) held by the Retained Interest Holder in any future offering undertaken by the REIT by way of prospectus that it may file with applicable Canadian securities regulatory authorities (a "Piggy-Back Distribution"). The REIT is required to use reasonable commercial efforts to cause to be included in the Piggy-Back Distribution all of the Units the Retained Interest Holder requests to be sold, provided that if the Piggy-Back Distribution involves an underwriting and the lead underwriter determines that the total number of Units to be included in such Piggy-Back Distribution should be limited for certain prescribed reasons, the Units to be included in the Piggy-Back Distribution will be first allocated to the REIT.

In addition, the Investor Rights Agreement provides the Retained Interest Holder with the right (the "Demand Registration Right") to require the REIT to use reasonable commercial efforts to file one or more prospectuses with applicable Canadian securities regulatory authorities, qualifying Units held (or issuable upon the exchange of Class B LP Units) by the Retained Interest Holder for distribution (a "Demand Distribution"). The Retained Interest Holder is entitled to request not more than one Demand Distribution per calendar year and each request for a Demand Distribution must relate to such number of Units that would reasonably be expected to result in gross proceeds of at least \$20 million. The REIT may also distribute Units in connection with a Demand Distribution provided that if the Demand Distribution involves an underwriting and the lead underwriter determines that the total number of Units to be included in such Demand Distribution should be limited for certain prescribed reasons, the Units to be included in the Demand Distribution will be first allocated to the Retained Interest Holder.

Each of the Piggy-Back Registration Right and the Demand Registration Right are exercisable at any time from 18 months following IPO Closing, provided that the Retained Interest Holder exercising such rights, together with its permitted transferees, affiliates and joint actors, collectively own, in the aggregate, at least 10% of the Units (determined as if all Class B LP Units are exchanged for Units) at the time of exercise. The Piggy-Back Registration Right and the Demand Registration Right are subject to various conditions and limitations, and the REIT is entitled to defer any Demand Distribution in certain circumstances for a period not exceeding 90 days.

The expenses in respect of a Piggy-Back Distribution, subject to certain exceptions, will be borne by the REIT, except that any underwriting fee on the sale of Units by the Retained Interest Holder and the fees of the Retained Interest Holder's external legal counsel will be borne by the Retained Interest Holder. The expenses in respect of a Demand Distribution, subject to certain exceptions, will be borne by the REIT and the Retained Interest Holder on a proportionate basis according to the number of Units distributed by each.

Pursuant to the Investor Rights Agreement, the REIT will indemnify the Retained Interest Holder for any misrepresentation in a prospectus under which the Retained Interest Holder's Units are distributed (other than in respect of any prospectus disclosure provided by the Retained Interest Holder or the underwriters). The Retained Interest Holder will indemnify the REIT for any prospectus disclosure provided by the Retained Interest Holder in respect of the Retained Interest Holder.

The REIT has not and will not, pursuant to the Investor Rights Agreement or otherwise, have any obligation to register, nor will it register, Units under the U.S. Securities Act.

Pre-Emptive Rights

In the event the REIT, the Partnership or one of their subsidiaries decides to issue equity securities of the REIT or the Partnership or the subsidiary or securities convertible into or exchangeable or redeemable for equity securities of the REIT or the Partnership or the subsidiary or an option or other right to acquire such securities other than to an affiliate thereof, the Investor Rights Agreement provides that the Retained Interest Holder, for so long as it and its permitted transferees continue to hold, in the aggregate, at least 10% of the outstanding Units (determined as if all Class B LP Units have been exchanged for Units), shall have pre-emptive rights to purchase Units, Class B LP Units or such other securities as are being contemplated for issuance by the REIT or the Partnership or the subsidiary to maintain its pro rata ownership interest in the REIT (assuming an exchange of all Class B LP Units). Notice of exercise of such rights is to be provided in advance of the commencement of any offering of securities of the REIT or the Partnership or the subsidiary or such other securities as are being contemplated for issuance and otherwise in accordance with the terms and conditions set out in the Declaration of Trust and the Limited Partnership Agreement.

Pursuant to the Investor Rights Agreement, the pre-emptive rights do not apply to issuances in the following circumstances:

- to participants in a DRIP or a similar plan;
- in respect of the exercise of warrants, rights or other securities issued under security based compensation arrangements of the REIT or its subsidiaries;
- the exercise of the Retained Interest Holder's Exchange Rights for Units;
- to Unitholders in lieu of cash distributions;
- as full or partial consideration for the purchase of real property by the REIT or the Partnership;
- in respect of the exercise by a holder of a conversion, exchange or other similar right pursuant to the terms of a security in respect of which the Retained Interest Holder did not exercise, failed to exercise, or waived its pre-emptive right or in respect of which the pre-emptive right did not apply;

- pursuant to any Unitholders' rights plan of the REIT;
- to the REIT, the Partnership or any subsidiary or affiliate; and
- pursuant to the exercise of the IPO Over-Allotment Option.

Drag-Along Rights

If the REIT enters into a going private transaction that involves: (i) the transfer, directly or indirectly, of all or substantially all of its assets to an unaffiliated third party; and (ii) the subsequent winding up, dissolution or termination of the REIT, or the exchange of Units for cash or securities of a third party issuer or successor issuer, then the Retained Interest Holder, its permitted transferees and affiliates, if at such time they hold in the aggregate, directly or indirectly, 10% or less of the outstanding Units (determined as if all Class B LP Units have been exchanged for Units), will be obligated to, upon the written request of the REIT, exercise its Exchange Rights in respect of the Class B LP Units then held by them.

Tag-Along Rights

For so long as the Retained Interest Holder and its permitted transferees hold, in the aggregate, directly or indirectly, at least 10% of the outstanding Units (determined as if all Class B LP Units have been exchanged for Units), the Retained Interest Holder has tag-along rights that apply in respect of any sale by the REIT of its interest in the Partnership.

INDEBTEDNESS

The objective of the REIT's capital strategy is to arrange capital at the lowest possible cost while maintaining diversity in its lending base, balance in its maturity schedule and sufficient liquidity to fund the ongoing operations of the REIT and pay distributions.

The REIT's Indebtedness is comprised of the following:

<i>(in millions)</i>	As at December 31, 2019
Mortgages	\$ 489.3
Credit Facility	\$ 91.0
Class C LP Units	\$ 225.5
Total Indebtedness	\$ 805.8

Of the REIT's total Indebtedness, 64% is CMHC insured and approximately 89% is fixed rate.

Credit Facilities

The REIT has a committed revolving Credit Facility of \$200 million that is secured by several properties in the Portfolio, matures on July 3, 2021 and is used to fund working capital requirements and for general corporate purposes. The actual availability under the Credit Facility cannot exceed the lesser of the maximum available amount and the result of an availability calculation based on a predefined maximum loan-to-value ratio and a minimum Debt Service Coverage Ratio for the properties secured by the Credit Facility, all determined on a quarterly basis.

Mortgages

The REIT maintains mortgages that are secured by properties in the Portfolio, bear interest at a weighted average contractual interest rate of 3.14% and mature at various dates from 2020 to 2030.

Class B LP Units

Class B LP Units are economically equivalent to Units and are exchangeable for Units on a one-for-one basis at the Class B LP Unit holder's option. Due to their exchangeable nature, IAS 32 requires them to be accounted for as a financial liability. Class B LP Units are not indebtedness for borrowed money and are not included in the determination of the Debt to Gross Book Value Ratio.

Retained Debt – Class C LP Units

MPI holds Retained Debt which is secured by a charge on certain of the Initial Properties. In respect of the Retained Debt, an entity wholly-owned and controlled by MPI holds Class C LP Units of the Partnership.

Distributions are made on the Class C LP Units in an amount sufficient to permit MPI to satisfy amounts payable under the Retained Debt. MPI is responsible for interest and principal payments, and payments of any other amounts owing, on the Retained Debt and the holder of the Class C LP Units may pledge its interest in the Class C LP Units to the respective lenders as additional security for the Retained Debt. It is not expected that the Retained Debt will limit the REIT's ability to refinance the properties that are subject to the Retained Debt.

Should the REIT wish to refinance such properties, then at the option of MPI, either MPI will continue to hold the Retained Debt that is to be refinanced, in which case the Partnership would be required to issue further Class C LP Units in an amount equivalent to the amount that the upward refinanced principal exceeds the mortgage balance immediately prior to the upward refinancing, or a priority distribution will be made on the Class C LP Units of the amount required to be paid to discharge the Retained Debt from such property, including the principal amount of such Retained Debt plus repayment fees or penalties, if applicable, after which MPI would discharge the Retained Debt applicable to such property and the REIT would mortgage such property as it would any of its properties not subject to the Retained Debt. Should the REIT wish to dispose of any properties subject to the Retained Debt, priority distributions will be made on the Class C LP Units of amounts required to discharge the applicable Retained Debt.

The capital account of the Class C LP Units is equal to the amortized cost of the Retained Debt. The portion of the distributions paid on Class C LP Units that relates to the interest payable on the Retained Debt does not affect the capital account of the Class C LP Units, because income is allocated to the Class C LP Units in an amount equal to the amount of the interest payable. The portion of the distributions paid on Class C LP Units that relates to the principal payable on the Retained Debt reduces the capital account of the Class C LP Units, and such balance will continue to match the principal outstanding on the Retained Debt. If the Retained Debt is ultimately paid off in full, the capital account balance of the Class C LP Units will be reduced to nil and the applicable outstanding Class C LP Units will be cancelled.

Debt Maturities

The REIT has staggered the maturities of its debt financings, including distributions payable on the Class C LP Units, to minimize its interest rate risk and its risk related to refinancing. As at December 31, 2019, the weighted average term-to-maturity of the REIT's fixed rate debt (comprised of mortgages and Class C LP Units) was 5.97 years and the weighted average interest rate of the REIT's fixed rate debt (comprised of mortgages and Class C LP Units) was 3.15%.

The contractual payments under the REIT's debt financing is summarized in the table below.

Year	Principal Repayments			Principal at Maturity			Total	% of Total	Interest Rate ¹
	Mortgages	Class C LP Units		Mortgages	Credit Facility	Class C LP Units			
2020	\$ 9,133	\$ 5,178		\$ 12,094	\$ —	\$ —	\$ 26,405	3.3%	3.59%
2021	9,194	5,341		22,077	91,009	—	127,621	15.9%	3.55%
2022	8,589	5,510		87,161	—	—	101,260	12.6%	3.22%
2023	7,288	5,298		47,620	—	44,936	105,142	13.1%	3.05%
2024	5,644	4,319		48,182	—	46,177	104,322	13.0%	3.04%
2025	5,177	3,067		22,743	—	60,474	91,461	11.4%	3.19%
Thereafter	17,792	4,208		185,182	—	38,194	245,376	30.6%	3.15%
	\$ 62,817	\$ 32,921		\$ 425,059	\$ 91,009	\$ 189,781	\$ 801,587	100%	

¹ Weighted average interest rates for maturing mortgages, the Credit Facility and Class C LP Units.

Credit Rating

The REIT has not requested a credit rating and does not have a credit rating.

RISK FACTORS

The REIT faces a variety of diverse risks, many of which are inherent in the business conducted by the REIT. They include the following:

Real Estate Industry Risk

Real estate investments are generally subject to varying degrees of risk depending on the nature of the property. These risks include changes in general economic conditions (such as the availability and cost of mortgage funds), local conditions (such as an oversupply of space or a reduction in demand for real estate in the area), government regulations (such as new or revised residential tenant legislation), the attractiveness of the properties to tenants, competition from others with available space and the ability of the owner to provide adequate maintenance at an economic cost. The performance of the economy in each of the areas in which the REIT's properties are located, including the financial results and labour decisions of major local employers, can have an impact on revenues from the properties and their underlying values.

An investment in real estate is relatively illiquid, with the degree of liquidity generally fluctuating in relation to demand for and the perceived desirability of such investments. Such illiquidity may limit the REIT's ability to vary its Portfolio promptly in response to changing economic, investment or other conditions. If it were necessary to accelerate the liquidation of the REIT's real property investments, the proceeds to the REIT might be significantly less than the aggregate carrying or net asset value of its properties. The REIT's exposure to general risks associated with real estate investments is mitigated by its geographic diversification.

Certain significant expenditures, including property taxes, maintenance costs, mortgage payments, insurance costs and related charges, must be made regardless of whether or not a property is producing sufficient income to service these expenses. The REIT's properties are subject to mortgages, which require significant debt service payments. If the REIT were unable to meet mortgage payments on any property, losses could be sustained as a result of the mortgagee's exercise of its rights of foreclosure or of sale.

Many of the REIT's properties were constructed in the 1960's and 1970's and require ongoing capital expenditures, the amount and timing of which is difficult to predict. These expenditures could exceed the REIT's existing reserve estimates which could have a material adverse effect upon distributable income.

The nature of the REIT's business is such that refurbishment and structural repairs are required periodically, in addition to regular on-going maintenance.

Competition for Real Property Investments

The REIT competes for suitable real property investments with a variety of investors (both Canadian and foreign) that are presently seeking, or that may seek in the future, real property investments similar to those desired by the REIT. Many of these investors will have greater financial resources than those of the REIT. An increase in the availability of investment funds, and an increase in interest of real property investments, would tend to increase competition for real property investments, thereby increasing purchase prices and reducing yields therefrom. In addition, the REIT may require additional financing to complete future real property acquisitions, which may not be available on terms acceptable to the REIT.

Property Acquisition Risk

The REIT's business plan includes, among other things, growth through identifying suitable acquisition and/or development opportunities, pursuing such opportunities, consummating acquisitions and leasing acquired properties. The acquisition of properties entails general risks associated with any real estate investment, including the risk that the investments will fail to perform in accordance with expectations, that the properties will not achieve anticipated occupancy levels and that estimates of the costs of improvements to bring an acquired property up to standards established for the intended market position for that property may prove inaccurate. If the REIT is unable to make accretive acquisitions or otherwise manage its growth effectively, it could adversely impact the REIT's financial position and financial performance and decrease the amount of cash available for distribution. There can be no assurance as to the pace of growth through property acquisitions or that the REIT will be able to acquire assets on an accretive basis and, as such, there can be no assurance that distributions to Unitholders will increase in the future.

Current Economic Environment

The REIT is subject to risks involving the economy in general, including inflation, deflation or stagflation, unemployment, geopolitical issues and a local, regional, national or international outbreak of a contagious disease, including coronavirus. Poor economic conditions could adversely affect the REIT's ability to generate revenues, thereby reducing its operating income and earnings. It could also have an adverse impact on the ability of the REIT to maintain occupancy rates which could harm the REIT's financial condition. In weak economic environments, the REIT's tenants may be unable to meet their rental payments and other obligations due to the REIT, which could have a material and adverse effect on the REIT. In addition, fluctuation in interest rates or other financial market volatility may adversely affect the REIT's ability to refinance existing Indebtedness on its maturity or on terms that are as favourable as the terms of the existing Indebtedness, which may impact negatively on AFFO, may restrict the availability of financing for future prospective purchasers of the REIT's investments and could potentially reduce the value of such investments, or may adversely affect the ability of the REIT to complete acquisitions on financially desirable terms. With respect to the coronavirus outbreak, Management is monitoring the situation closely and has proactively raised its level of preparedness planning to adapt more quickly should risk levels rise. Management has developed a business continuity plan and will continue to monitor and adjust its plans as the coronavirus outbreak evolves.

Cyber Security Risks

A cyber incident is any adverse event that threatens the confidentiality, integrity or availability of the REIT's information technology resources. More specifically, a cyber incident is an intentional attack or an unintentional event that can include gaining unauthorized access to information systems to disrupt

operations, corrupt data or steal confidential information. The REIT's primary risks that could directly result from the occurrence of a cyber incident include operational interruption, damage to its reputation, damage to relationships with its vendors and tenants and disclosure of confidential vendor or tenant information. The REIT has implemented processes, procedures and controls to detect and mitigate these risks, but 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.

Changes in Legislation

The REIT is subject to laws and regulations governing the ownership and leasing of real property, zoning, building standards, landlord/tenant relationships, employment standards, environmental matters, taxes and other matters. It is possible that future changes in applicable federal, provincial, municipal or common laws or regulations or changes in their enforcement or regulatory interpretation could result in changes in the legal requirements affecting the REIT (including with retroactive effect). Any changes in the laws to which the REIT is subject could materially adversely affect the REIT's rights and title to its assets. It is not possible to predict whether there will be any further changes in the regulatory regimes to which the REIT is subject or the effect of any such changes on its investments.

Rent Control Risk

Rent control exists in some provinces in Canada, limiting the percentage of annual rental increases to existing tenants. The REIT is exposed to the risk of the implementation of, or amendments to, existing legislative rent controls in the markets in which it operates, which may have an adverse impact on the REIT's operations. Of the jurisdictions in which the REIT currently operates, Ontario and Quebec have rent controls.

Utility and Property Tax Risk

Utility and property tax risk relates to the potential loss the REIT may experience as a result of higher commodity prices as well as its exposure to significant increases in property taxes. Over the past few years, property taxes have increased as a result of re-valuations of municipal properties and their adherent tax rates. For the REIT, these re-valuations have resulted in significant increases in some property assessments. Utility expenses, mainly consisting of natural gas and electricity service charges, have been subject to considerable price fluctuations over the past several years. Any significant increase in these resource costs that the REIT cannot pass on to the tenant may have a negative material impact on the REIT.

Renovation and Development Risk

There is a risk that renovations or developments undertaken by the REIT will exceed original cost estimates or will experience unforeseen delays and that renovated or new suites may not lease in the anticipated timeframe or at anticipated rents. During suite renovations, suites are unavailable for occupancy and do not generate income.

Appraisals of Properties

An appraisal is an estimate of market value and caution should be used in evaluating data with respect to appraisals. It is a measure of value based on information gathered in the investigation, appraisal techniques employed and reasoning both quantitative and qualitative, leading to an opinion of value. The analysis, opinions and conclusions in an appraisal are typically developed based on, and in conformity with, or interpretation of the guidelines and recommendations set forth in the Canadian Uniform Standards of Appraisal Practice. Appraisals are based on various assumptions of future expectations of property performance and while the appraiser's internal forecast of net income for the properties appraised are considered to be reasonable at that time, some of the assumptions may not materialize or may differ materially from actual experience in the future.

Environmental Risk

As an owner of real estate, the REIT is subject to federal, provincial and municipal environmental regulations. These regulations may require the REIT to fund the costs of removal and remediation of certain hazardous substances on its properties or releases from its properties. The failure to remediate such properties, if any, could adversely affect the REIT's ability to borrow using the property as collateral or to sell the real estate. The REIT is not aware of any material non-compliance with environmental laws at any of its properties nor is it currently aware of any environmental condition with respect to any properties that it believes would involve material expenditures by the REIT. The REIT has made, and will continue to make, the necessary capital expenditures to comply with environmental laws and regulations. The REIT conducts due diligence on all properties prior to acquisition and this process includes independent expert assessment of environmental risk for each property. It is the REIT's policy to obtain a Phase I environmental site assessment conducted by a qualified environmental consultant as a condition of acquiring any additional property. See "Investment Guidelines and Operating Policies - Operating Policies".

Environmental laws and regulations can change rapidly, and the REIT may be subject to more stringent environmental laws and regulations in the future.

Climate-Related Risk

The REIT's properties may be impacted by climate-related events. Among the most significant of those risks is the risk of flooding, including flash flooding. Depending on the severity, these events could cause significant damage to the REIT's properties, interrupt normal operations and threaten the safety of tenants. The REIT's ability to generate revenue from impacted properties may also be significantly impaired.

Climate-related events also may negatively impact certain costs of operation of the REIT's properties, including the cost of utility consumption due to abnormally hot or cold temperatures and the cost of snow removal. More generally, the increase in catastrophic losses worldwide from climate-related events has resulted in significant payouts by property insurers. This has resulted in a significant increases in property insurance premiums generally, including the property insurance premiums payable by the REIT. There is a risk of insurers being required to make payments on account of future climate-related catastrophic losses, which may result in further increases in the property insurance premiums payable by the REIT.

Joint Venture Risk

The REIT participates in co-ownerships for three of its properties and may participate in other co-ownerships or partnerships in the future. There is a risk that the co-owners or partners may fail to fund their share of capital contributions or have economic or business interests or goals that are different from or inconsistent with those of the REIT. Disputes with the co-owners or partners may negatively affect the operations of and returns from co-owned or partnership properties, or give rise to an obligation to purchase the interest of the co-owner or partner or to sell the REIT's interest to the co-owner or partner at a time or on terms that may adversely impact the REIT's financial position and financial performance.

Increased Supply Risk

Each segment of the real estate business is competitive. Numerous other residential developers and apartment owners compete in seeking tenants. Although the REIT's strategy is to own multi-residential properties in desirable locations in each market in which it operates, some of the properties of the REIT's competitors may be newer, better located or better capitalized. The existence of alternative housing could have a material adverse effect on the REIT's ability to lease space in its properties and on the rents charged or concessions granted, and could adversely affect the REIT's revenues and its ability to meet its obligations.

General Litigation Risks

In the ordinary course of the REIT's operations, whether directly or indirectly, it may become involved in, named as a party to or the subject of various legal proceedings, including regulatory proceedings, tax proceedings and legal actions relating to personal injuries, property damage, property taxes, land rights, the environment and contract disputes. The outcome with respect to outstanding, pending or future proceedings cannot be predicted with certainty and may be determined in a manner adverse to the REIT and as a result, could have a material adverse effect on the REIT's assets, liabilities, business, financial condition and financial performance. Even if the REIT prevails in any such legal proceedings, the proceedings could be costly and time-consuming and may divert the attention of management and key personnel from the REIT's business operations.

General Uninsured Losses

The REIT carries comprehensive general liability, fire, flood, extended coverage and rental loss insurance with policy specifications, limits and deductibles customarily carried for similar properties. The REIT will continue to procure insurance for such risks, subject to certain standard policy limits and deductibles and will continue to carry such insurance if it is economical to do so. There are, however, certain types of risks (generally of a catastrophic nature such as war or environmental contamination), which are either uninsurable or not economically insurable. Should an uninsured or underinsured loss occur, the REIT could lose its investment in, and anticipated profits and cash flows from, one or more of its properties, and would continue to be obligated to repay any recourse mortgage indebtedness on such properties. There is a risk that any significant increase in insurance costs will impact negatively upon the profitability of the REIT.

Key Personnel

The REIT's executive and other senior officers have a significant role in the REIT's success and oversee the execution of the REIT's strategy. The REIT's ability to retain its management team or attract suitable replacements should any members of management leave is dependent on, among other things, the competitive nature of the employment market. The REIT has experienced departures of key professionals in the past and may do so in the future, and it cannot predict the impact that any such departures may have on its ability to achieve its objectives. The loss of services from key members of the management team or a limitation on their availability could adversely impact the REIT's financial condition and cash flow. The REIT mitigates key personnel risk through succession planning, but does not maintain key personnel insurance.

Tax-Related Risks

- i) Mutual Fund Trust Status - The REIT intends to qualify at all relevant times as 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 practices of the CRA respecting the treatment of mutual fund trusts will not be changed in a manner that adversely affects the Unitholders.
- ii) The REIT Exception - Canadian tax legislation relating to the federal income taxation of Specified Investment Flow Through trusts or partnerships provide that certain distributions from a SIFT will not be deductible in computing the SIFT's taxable income and that the SIFT will be subject to tax on such distributions at a rate that is substantially equivalent to the general tax rate applicable to Canadian corporations. However, distributions paid by a SIFT as return of capital should generally not be subject to tax. Under the SIFT rules, the taxation regime will not apply to a real estate investment trust that meets prescribed conditions relating to the nature of its assets and revenue (the "REIT Exception"). The REIT Exception is comprised of a number of technical tests and the determination as to whether the REIT qualifies for the REIT Exception in any particular taxation

year can only be made with certainty at the end of that taxation year. The REIT expects to qualify for the REIT Exception in 2019 and subsequent taxation years, such that it will be exempt from the SIFT rules. However, no assurances can be given that the REIT will satisfy the REIT Exception in any particular year. If the SIFT rules apply to the REIT, they may adversely affect the marketability of the Units, the amount of cash available for distributions and the after-tax return to investors.

- iii) **Non-Resident Ownership** - Under current law, a trust may lose its status under the Tax Act as a mutual fund trust if it can reasonably be considered that the trust was established or is maintained primarily for the benefit of Non-Residents, except in limited circumstances. Accordingly, the DOT provides that Non-Residents may not be the beneficial owners of more than 49% of the Units (determined on a basic or a fully-diluted basis). The Trustees also have various powers that can be used for the purpose of monitoring and controlling the extent of Non-Resident ownership of the Units.
- iv) **Tax-Basis of Acquired Properties** - The Partnership has acquired, and may from time to time in the future acquire, certain properties on a fully or partially tax-deferred basis, such that the tax cost of these properties will be less than their fair market value. If one or more of such properties are disposed of, the gain realized by the Partnership for tax purposes (including any income inclusions arising from the recapture of previously claimed CCA on depreciable property) will be in excess of that which it would have realized if it had acquired the properties at a tax cost equal to their fair market values. For the purpose of claiming CCA, the UCC of such properties acquired by the Partnership will be equal to the amounts jointly elected by the Partnership and the transferor on the tax-deferred acquisition of such property. The UCC of such property will be less than the fair market value of such property. As a result, the CCA that the Partnership may claim in respect of such properties will be less than it would have been if such properties had been acquired with a tax cost basis equal to their fair market values.
- v) **Eligibility for Investment** - The Tax Act imposes penalties for the acquisition or holding of investments that are not “qualified investments” within the meaning of the Tax Act by registered retirement savings plans, registered education savings plans, registered retirement income funds, deferred profit sharing plans, registered disability savings plans or tax-free savings accounts (collectively, “Exempt Plans”). Although the REIT will endeavour to ensure that the Units continue to be qualified investments for Exempt Plans, any property distributed to a Unitholder on an in specie redemption of Units may not be qualified investments under the Tax Act.
- vi) **Non-Residents of Canada** - The Tax Act may impose additional withholding or other taxes on distributions made by the REIT to Unitholders who are Non-Residents. These taxes and any reduction thereof under a tax treaty between Canada and another country may change from time to time. The tax consequences under the Tax Act to Non-Residents may be more adverse than the consequences to other Unitholders. Non-Resident Unitholders should consult their own tax advisors.
- vii) **General Taxation** - There can be no assurance that Canadian federal or provincial tax laws, the judicial interpretation thereof, or the administrative and assessing practices and policies of the CRA, the Department of Finance (Canada) and any other tax authority or tax policy agency will not be changed in a manner that adversely affects the REIT, its affiliates or Unitholders, or that any such taxing authority will not challenge tax positions adopted by the REIT and its affiliates. Any such change or challenge could increase the amount of tax payable by the REIT or its affiliates or could otherwise adversely affect Unitholders by reducing the amount available to pay distributions or changing the tax treatment applicable to Unitholders in respect of such distributions.

FINANCIAL RISK MANAGEMENT

The REIT's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk consists of interest rate risk, currency risk and other price risk.

(1) Interest rate risk

As the REIT's interest-bearing assets mainly comprise of a fixed rate instrument, changes in market interest rates do not have any significant direct effect on the REIT's income.

The majority of the REIT's financial liabilities are fixed rate instruments. The REIT faces interest rate risk on its fixed rate debt due to the expected requirement to refinance such debt in the year of maturity or shortly thereafter. In addition, there is interest rate risk associated with the REIT's variable rate financial liabilities.

The REIT manages interest rate risk by structuring its financings to stagger the maturities of its debt, thereby mitigating its exposure to interest rate and other credit market fluctuations.

For the portion of the REIT's financial liabilities that are floating rate instruments, from time to time the REIT may enter into interest rate swap contracts or other financial instruments to modify the interest rate profile of its outstanding debt without an exchange of the underlying principal amount.

As at December 31, 2019, the REIT has utilized \$91.0 million of the Credit Facility. A 1% change in prevailing interest rates would change annualized interest charges incurred by \$0.9 million.

(2) Currency risk

The REIT's financial statement presentation currency is Canadian dollars. Operations are located in Canada and the REIT has limited or no operational transactions in foreign-denominated currency. As such, the REIT has no significant exposure to currency risk.

(3) Other price risk

Other price risk is the risk of variability in fair value due to movements in equity prices or other market prices such as commodity prices and credit spreads.

The REIT is exposed to other price risk on its Class B LP Units. A 1% change in prevailing market price of the REIT Units would have a \$5.3 million change in the fair value of the Class B LP Units.

The REIT has no significant exposure to other price risk as it does not hold a significant amount of equity securities or commodities.

Credit Risk

Credit risk is the risk that tenants and/or debtors may experience financial difficulty and be unable to fulfil their lease commitments or loan repayments. An allowance for impairment is taken for all expected credit losses.

The REIT's risk of credit loss is mitigated through diversification. The REIT's residential rental business is carried on in the Toronto, Montreal, Ottawa, Calgary and Edmonton regions. The nature of this business involves a high volume of tenants with individually small monthly rent amounts. The REIT monitors the collection of residential rent receivables on a regular basis with strictly followed procedures designed to minimize credit loss in cases of non-payment.

The REIT is also exposed to credit risk, relating to the loan advanced to an affiliate of MPI for the development of Fifth and Bank, in the event that the borrower defaults on the repayment of amounts owing to the REIT. Management mitigates this risk by ensuring adequate security has been provided and careful monitoring of the loan performance.

Liquidity Risk

Liquidity risk is the risk that the REIT will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The REIT mitigates liquidity risk by staggering the maturity dates of its borrowing, maintaining borrowing relationships with various lenders, proactively renegotiating expiring credit agreements well in advance of the maturity date and by maintaining sufficient availability on its lines of credit.

The REIT has a committed Credit Facility for general corporate and working capital purposes. The committed Credit Facility consists of the following:

(\$000s)	December 31, 2019
Committed	\$ 200,000
Available	108,991
Utilized	91,009

An analysis of the contractual cash flows associated with the REIT's material financial liabilities is set out below:

(\$000s)	2020	2021	2022	2023	2024 and thereafter	Total
Mortgages	\$ 21,227	\$ 31,271	\$ 95,750	\$ 54,908	\$ 284,720	\$ 487,876
Credit facility	—	91,009	—	—	—	91,009
	21,227	122,280	95,750	54,908	284,720	578,885
Class C LP Units	5,178	5,341	5,510	50,234	156,439	222,702
Interest obligation	25,193	22,324	19,261	15,831	46,879	129,488
Tenant rental deposits	8,676	—	—	—	36	8,712
Due to related parties	1,838	—	—	—	—	1,838
Accounts payable and accrued liabilities	19,744	184	82	8	—	20,018
	\$ 81,856	\$ 150,129	\$ 120,603	\$ 120,981	\$ 488,074	\$ 961,643

The contractual cash flows do not include any unamortized mark-to-market adjustments or unamortized deferred financing costs.

DISTRIBUTION POLICY AND HISTORY

The REIT has adopted a distribution policy, as permitted under the Declaration of Trust, pursuant to which it may make pro rata monthly cash distributions to Unitholders and, through the Partnership, to holders of Class B LP Units. Pursuant to the Declaration of Trust, the Trustees have full discretion respecting the timing and amounts of distributions including the adoption, amendment or revocation of any distribution policy.

Unitholders of record as at the close of business on the last business day of the month preceding a Distribution Date will have an entitlement on and after that day to receive distributions in respect of that month on such Distribution Date. Distributions may be adjusted for amounts paid in prior periods if the actual AFFO for the prior periods is greater than or less than the estimates for the prior periods. Under the

Declaration of Trust and pursuant to the distribution policy of the REIT, where the REIT's cash is not sufficient to make payment of the full amount of a distribution, such payment will, to the extent necessary, be distributed in the form of additional Units. See "Capital Structure and Declaration of Trust - Issuance of Units".

The first distribution for the period from July 3 to July 31, 2018 was paid on August 15, 2018 in the amount of \$0.03196. The REIT made subsequent monthly distributions in the amount of \$0.03416 per Unit commencing on September 15, 2018 until August 15, 2019. Commencing on September 15, 2019, the REIT increased the monthly distributions to \$0.03667 per Unit.

The ability of the REIT to make cash distributions, and the actual amount distributed, will be entirely dependent on the operations and assets of the REIT and will be subject to various factors including financial performance, obligations under applicable credit facilities and restrictions on payment of distributions thereunder on the occurrence of an event of default, fluctuations in working capital, the sustainability of income derived from the REIT's properties and any capital expenditure requirements. See "Risk Factors".

Notwithstanding the distribution policy, the Trustees retain full discretion with respect to the timing and quantum of distributions.

The REIT does not have a distribution reinvestment program. Management and the Trustees will periodically review the opportunity to implement a DRIP. A DRIP would provide Unitholders the option to elect to have all cash distributions of the REIT automatically reinvested in additional Units at a price per Unit calculated by reference to the weighted average of the closing price of Units on the TSX for the five trading days immediately preceding the relevant Distribution Date. The decision to implement a DRIP will take into account various factors, but primarily depend on the Unit's trading price relative to its net asset value. The implementation of a DRIP will be subject to regulatory approval.

The following table sets out the total amount of monthly and annual distributions to Unitholders paid by the REIT per Unit during 2018 and 2019:

	2018	2019
Monthly distributions paid July 2018 to December 2018	\$0.03416 ⁽¹⁾	
Monthly distributions paid January 2019 to August 2019		\$0.03416
Monthly distributions paid September 2019 to December 2019		\$0.03667
Annual distributions paid	\$0.205 ⁽²⁾	\$0.42

⁽¹⁾The July distribution was prorated to \$0.03196 per Unit for the period July 3-31, 2018.

⁽²⁾Distributions paid for six months only. Annualized distribution is \$0.41.

Tax Deferral on Distributions

The adjusted cost base of Units held by a Unitholder generally will be reduced by the non-taxable portion of distributions made to the Unitholder (other than the non-taxable portion of certain capital gains). A Unitholder will generally realize a capital gain to the extent that the adjusted cost base of the Unitholder's Units would otherwise be a negative amount, notwithstanding that the Unitholder has not sold any Units.

GOVERNANCE OF THE REIT

Governance and Board

The Declaration of Trust provides that, subject to certain conditions, the Trustees have the absolute and exclusive power, control and authority over the REIT's assets and operations, as if the Trustees were the sole and absolute legal and beneficial owners of the REIT's assets.

Size of the Board

The governance practices, investment guidelines and operating policies of the REIT are overseen by a Board of Trustees consisting of a minimum of three and a maximum of ten Trustees, a majority of whom must be Canadian residents. The REIT must, at all times, have a majority of Trustees who are independent within the meaning of NI 58-101; provided, however, that if at any time a majority of the Trustees are not independent because of the death, resignation, bankruptcy, adjudicated incompetence, removal or change in circumstance of any Trustee who was an independent Trustee, this requirement shall not be applicable for a period of 60 days thereafter, during which time the remaining Trustees shall appoint a sufficient number of Trustees who qualify as “independent” to comply with this requirement.

The Board is currently comprised of seven Trustees, a majority of whom are independent. All of the trusteeships and directorships of the Trustees with other public entities are disclosed in the biographical information for each Trustee set out below.

Board Mandate

The mandate of the REIT’s Board is one of stewardship and oversight of the REIT and its business. The Board has adopted a written charter setting out its responsibility for, among other things, (i) participating in the development of and approving a strategic plan for the REIT; (ii) supervising the activities and managing the investments and affairs of the REIT; (iii) approving major decisions regarding the REIT; (iv) defining the roles and responsibilities of management; (v) reviewing and approving the business and investment objectives to be met by management; (vi) assessing the performance of and overseeing management; (vii) reviewing the REIT’s debt strategy; (viii) identifying and managing risk exposure; (ix) ensuring the integrity and adequacy of the REIT’s internal controls and management information systems; (x) succession planning; (xi) establishing committees of the Board, where required or prudent, and defining their mandate; (xii) maintaining records and providing reports to Unitholders; (xiii) ensuring effective and adequate communication with Unitholders, other stakeholders and the public; (xiv) determining the amount and timing of distributions to Unitholders; and (xv) acting for, voting on behalf of and representing the REIT as a holder of the Class A LP Units of the Partnership.

Position Descriptions

The Board adopted a written position description for the Chair of the Board, which sets out the Chair’s key responsibilities, including, as applicable, duties relating to setting Board meeting agendas, chairing Board and Unitholder meetings, Trustee development and communicating with Unitholders and regulators, as well as a position description for the Lead Trustee, which sets out the Lead Trustee’s duties with respect to Board leadership, relationship with management, information flow and meetings. The Board has also adopted a written position description for each of the committee chairs which set out each of the committee chair’s key responsibilities, including duties relating to setting committee meeting agendas, chairing committee meetings and working with the respective committee and management to ensure, to the greatest extent possible, the effective functioning of the committee.

Code of Conduct and Conflicts of Interest

The REIT has adopted a Code of Conduct that applies to all Trustees, officers, and employees of the REIT and its subsidiaries. The objective of the Code of Conduct is to provide guidelines for maintaining the integrity, reputation, honesty, objectivity and impartiality of the REIT and its subsidiaries. The Code of Conduct addresses conflicts of interest, protecting the REIT’s assets, confidentiality, fair dealing with security holders, competitors and employees, insider trading, compliance with laws and reporting any illegal or unethical behaviour. As part of the Code of Conduct, any person subject to the Code of Conduct is required to avoid or fully disclose interests or relationships that are harmful or detrimental to the REIT’s best interests

or that may give rise to real, potential or the appearance of conflicts of interest. The Board has the ultimate responsibility for the stewardship of the Code of Conduct.

In addition, the Declaration of Trust contains a “conflict of interest provision” to protect Unitholders without creating undue limitations on the REIT. As the Trustees are engaged in a wide range of real estate and other activities, the Declaration of Trust contains provisions, similar to those contained in the CBCA, that require each Trustee to disclose to the REIT, at the first meeting of Trustees at which a proposed contract or transaction is considered, any interest in a material contract or transaction or proposed material contract or transaction with the REIT or the fact that such person is a director or officer of, or otherwise has a material interest in, any person who is a party to a material contract or transaction or proposed material contract or transaction with the REIT. If a material contract or transaction or proposed material contract or transaction is one that in the ordinary course would not require approval by the Trustees, a Trustee will be required to disclose in writing to the REIT, or request to have entered into the minutes of meetings of Trustees, the nature and extent of his or her interest forthwith after the Trustee becomes aware of the contract or transaction or proposed contract or transaction. In any case, a Trustee who has made disclosure to the foregoing effect will not be entitled to vote on any resolution to approve the contract or transaction unless the contract or transaction relates to his or her remuneration or an indemnity under the provisions of the Declaration of Trust or liability insurance.

All decisions of the Board will require the approval of a majority of the Trustees present in person or by phone at a meeting of the Board, except for each of the following matters which will also require the approval of a majority of the independent Trustees (as determined with reference to the particular decision):

1. an acquisition of a property or an investment in a property, whether by co-investment or otherwise, in which Minto or any related party of the REIT has any direct or indirect interest, whether as owner, operator or manager;
2. a material change to any agreement with Minto or a related party of the REIT or any renewal, extension or termination thereof or any increase in any fees (including any transaction fees) or distributions payable thereunder;
3. the entering into of, or the waiver, exercise or enforcement of any rights or remedies under, any agreement entered into by the REIT, or the making, directly or indirectly, of any co-investment, in each case with (i) any Trustee, (ii) any entity directly or indirectly controlled by any Trustee or in which any Trustee holds a significant interest, or (iii) any entity for which any Trustee acts as a director or other similar capacity;
4. the refinancing, increase or renewal of any indebtedness owed by or to (i) any Trustee, (ii) any entity directly or indirectly controlled by any Trustee or in which any Trustee holds a significant interest, or (iii) any entity for which any Trustee acts as a director or other similar capacity; and
5. decisions relating to any claims by or against one or more parties to any agreement with Minto or any related party to the REIT.

In connection with any transaction involving the REIT, including any transaction which requires the approval of a majority of the independent Trustees, the Board has the authority to retain external legal counsel, consultants or other advisors to assist it in negotiating and completing such transaction without consulting or obtaining the approval of any officer of the REIT.

As part of regularly scheduled Board meetings, the independent Trustees hold in-camera meetings with members of management and the non-independent Trustees not in attendance. The Lead Trustee chairs the in-camera meetings of the independent Trustees.

Minto's continuing businesses may lead to conflicts of interest between Minto and the REIT. In addition, the ongoing relationships between Minto and each of Roger Greenberg and Michael Waters may lead to conflicts of interest between such persons and the REIT.

Majority Voting Policy

The Board has adopted a majority voting policy consistent with TSX requirements.

Duty of Care

The standard of care and duties of the Trustees provided in the Declaration of Trust are similar to those imposed on directors of a corporation governed by the CBCA. Accordingly, each Trustee is required to exercise the powers and discharge the duties of his or her office honestly, in good faith and in the best interests of the REIT and the Unitholders and, in connection therewith, to exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. The Declaration of Trust provides that each Trustee is entitled to indemnification from the REIT in respect of the exercise of the Trustee's powers and the discharge of the Trustee's duties, provided that the Trustee acted honestly and in good faith with a view to the best interests of the REIT and the Unitholders or, in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, where the Trustee had reasonable grounds for believing that his or her conduct was lawful.

Availability of Governance Documents

The Board mandate, position descriptions for the Chair, Lead Trustee and committee chairs, the Code of Conduct and Majority Voting Policy are all on SEDAR at www.sedar.com and the REIT's website at www.mintoapartments.com.

Trustee Nominations

Other than the Retained Interest Holder nominees (determined from time to time based on ownership levels as described in the Investor Rights Agreement under "Board Nomination Rights") nominated by the Retained Interest Holder in connection with its nomination right described herein and the Chief Executive Officer of the REIT, who will be nominated to serve as a Trustee pursuant to the terms of the Declaration of Trust, nominees will be nominated by the Compensation, Governance and Nominating Committee, in each case for the election by Unitholders as Trustees in accordance with the provisions of the Declaration of Trust and will be included in the proxy-related materials to be sent to Unitholders prior to each annual meeting of Unitholders. The next annual meeting of Unitholders is scheduled to take place May 27, 2020.

A quorum of the Trustees, being the majority of the Trustees then holding office (provided a majority of the Trustees comprising such quorum are residents of Canada), are permitted to fill a vacancy in the Board, except a vacancy resulting from an increase in the number of Trustees other than in accordance with the provision regarding the appointment of Trustees in the Declaration of Trust, from a failure of the Unitholders to elect the required number of Trustees or a vacancy in the Trustees appointed by virtue of serving as Chief Executive Officer of the REIT. In the absence of a quorum of Trustees, or if the vacancy has arisen from an increase in the number of Trustees other than in accordance with the provision regarding the appointment of Trustees in the Declaration of Trust or from a failure of the Unitholders to elect the required number of Trustees, the Trustees will promptly call a special meeting of the Unitholders to fill the vacancy. If the Trustees fail to call that meeting or if there is no Trustee then in office, any Unitholder is entitled to call such meeting. Except as otherwise provided in the Declaration of Trust, the Trustees may, between annual meetings of Unitholders, appoint one or more additional Trustees to serve until the next annual meeting of Unitholders, provided that the number of additional Trustees so appointed will not at any time exceed one-third of the number of Trustees who held such office at the conclusion of the immediately preceding annual meeting of Unitholders. Any Trustee may resign upon 30 days' written notice to the REIT, unless such resignation

would cause the number of remaining Trustees to be less than a quorum, and may be removed by an ordinary resolution passed by a majority of the votes cast at a meeting of Unitholders.

As described in the Investor Rights Agreement (under “Board Nomination Rights”), the Retained Interest Holder has the exclusive right to nominate Trustees in certain circumstances. Currently, the Retained Interest Holder has the right to nominate three Trustees. Roger Greenberg, Michael Waters and Philip Orsino currently serve on the Board pursuant to the Retained Interest Holder’s nomination right. Michael Waters also serves as the Chief Executive Officer of the REIT, and for so long as serving as Chief Executive Officer, Mr. Waters will comprise one of the Retained Interest Holder’s nominees.

Trustee and Executive Officer Table

The following table sets forth the name, municipality and country of residence, positions held with the REIT and principal occupations of the Trustees and executive officers of the REIT as at the date of this AIF:

Name and Municipality and Country of Residence	Position with the REIT	Period of Service as a Trustee	Principal Occupation
Roger Greenberg Ottawa, Ontario, Canada	Trustee and Chair (non-independent)	Since April 24, 2018	Executive chair of Minto and executive chair and managing partner of the Ottawa Sports and Entertainment Group (OSEG)
Michael Waters Ottawa, Ontario, Canada	Trustee, Chief Executive Officer and President (non-independent)	Since April 24, 2018	Chief Executive Officer and President, Minto Apartment REIT; chief executive officer of Minto
Allan Kimberley ¹ Toronto, Ontario, Canada	Lead Trustee (independent)	Since April 24, 2018	Corporate director; former vice chair and managing director at CIBC World Markets
Heather Kirk ^{1,2} Toronto, Ontario, Canada	Trustee (independent)	Since April 24, 2018	Executive vice president and chief financial officer of Cominar REIT; former managing director of equity research and analyst, BMO Capital Markets
Jacqueline Moss ³ Toronto, Ontario, Canada	Trustee (independent)	Since April 24, 2018	Corporate director; director and chair of the human resources committee of Investment Management Corporation Ontario, director of Ontario Health and former EVP, strategy & corporate development, EVP, human resources and SVP, general counsel (Canada) at CIBC
Simon Nyilassy ^{2,4} Toronto, Ontario, Canada	Trustee (independent)	Since April 24, 2018	Founder and chief executive officer of Marigold & Associates Inc.; president, chief executive officer and director of CHC Student Housing Corp.
Philip Orsino Toronto, Ontario, Canada	Trustee (non-independent)	Since April 24, 2018	Corporate director; director and chair of the audit committee of Minto Holdings Inc.; director and member of the audit and conduct review committee of the Bank of Montreal; former president and chief executive officer of Masonite International Corporation and of Jeld-Wen Inc.
Julie Morin Ottawa, Ontario, Canada	Chief Financial Officer	n/a	Chief Financial Officer, Minto Apartment REIT; chief financial officer of Minto
George Van Noten Greely, Ontario, Canada	Chief Operating Officer	n/a	Chief Operating Officer, Minto Apartment REIT; senior vice president, operations, MPI

Name and Municipality and Country of Residence	Position with the REIT	Period of Service as a Trustee	Principal Occupation
Glen MacMullin Ottawa, Ontario, Canada	Chief Investment Officer	n/a	Chief Investment Officer, Minto Apartment REIT; senior vice president, investments and investment management, MPI
John Moss Ottawa, Ontario, Canada	General Counsel and Corporate Secretary	n/a	General Counsel and Corporate Secretary, Minto Apartment REIT; general counsel and corporate secretary of Minto
Paul Baron Ottawa, Ontario, Canada	Vice President, Asset Management	n/a	Vice President, Asset Management, Minto Apartment REIT; vice president, asset management, MPI
Martin Tovey Caledon, Ontario, Canada	Vice President, Investments	n/a	Vice President, Investments, Minto Apartment REIT; vice president, investments, MPI
Edward Fu Ottawa, Ontario, Canada	Vice President, Finance	n/a	Vice President, Finance, Minto Apartment REIT
Ben Mullen Ottawa, Ontario, Canada	Vice President, Asset Management	n/a	Vice President, Asset Management, Minto Apartment REIT; vice president, asset management, MPI

Notes:

¹ Member of the Audit Committee.

² Member of the Compensation, Governance and Nominating Committee.

³ Chair of the Compensation, Governance and Nominating Committee.

⁴ Chair of the Audit Committee.

For additional biographical information regarding the Trustees and executive officers of the REIT, including a description of each individual's principal occupation within the past five years, see *"Governance of the REIT - Biographical Information Regarding the Trustees and Executive Officers"*.

The terms of all Trustees will expire on the date of the next annual meeting of Unitholders. As of March 10, 2020, as a group, the Trustees and executive officers of the REIT beneficially owned, directly or indirectly, 416,150 Units, representing approximately 1.15% of the issued and outstanding Units. In addition, as at March 10, 2020, the Trustees and executive officers of the REIT beneficially owned 193,125 Deferred Units.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

To the best of the knowledge of management, no person who is an existing Trustee or executive officer of the REIT or Unitholder holding a sufficient number of securities to affect materially the control of the REIT:

- (i) is, at the date of this AIF, or has been, within the 10 years before the date of this AIF, a director, chief executive officer or chief financial officer of any company that:
 - (A) while that person was acting in that capacity was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation (each, an "order") that was in effect for a period of more than 30 consecutive days; or
 - (B) was subject to an order that was issued after that person ceased to act in that capacity and which resulted from an event that occurred while the person was acting in that capacity;
- (ii) is, at the date of this AIF, or has been, within the 10 years before the date of this AIF, a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in any such capacity, became bankrupt, made a proposal under

any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

- (iii) has, within the 10 years before the date of this AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of that person.

To the best of the knowledge of management, none of the REIT's existing Trustees or executive officers or a Unitholder holding a sufficient number of securities to affect materially the control of the REIT has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Senior Management

The responsibilities of the senior management of the REIT include: (i) providing the Board with information and advice relating to the operation of the REIT's properties, acquisitions and financings; (ii) establishing, at least on an annual basis, investment and operating plans for the ensuing period; (iii) conducting and supervising the due diligence required in connection with proposed acquisitions and completing any acquisitions or dispositions; (iv) maintaining the books and financial records of the REIT; (v) determining and preparing designations, elections and determinations to be made in connection with the income and capital gains of the REIT for tax and accounting purposes; (vi) preparing reports and other information required to be sent to Unitholders and other disclosure documents; (vii) calculating all distributions; (viii) communicating with Unitholders and other persons, including investment dealers, lenders and professionals; and (ix) administering or supervising the administration, on behalf of the Board, of the payment of distributions by the REIT.

CEO Position Description

The Board has adopted a written position description for the Chief Executive Officer which sets out the key responsibilities of the Chief Executive Officer. The position description is considered by the Board for approval annually.

The CEO is responsible for leading the REIT by providing strategic direction that includes responsibility for plans, strategies, budgets, internal controls and risk management. The CEO is the primary liaison with the Board of Trustees and is responsible for making recommendations to the Board and for following their direction. The CEO's responsibilities are generally to:

- a. provide leadership and direction to the other members of the leadership team;
- b. foster and maintain a positive image and reputation of the REIT;
- c. foster a corporate culture that promotes ethical practices and encourages individual integrity and initiative;
- d. maintain a positive and ethical work climate that is conducive to attracting, retaining and motivating top-quality employees at all levels;
- e. develop and implement the REIT's business plan;
- f. develop, or supervise the development of, and recommend to the Board a long-term strategy and vision for the REIT that leads to enhancement of Unitholder value;

- g. lead the implementation of the resolutions and policies of the Board;
- h. ensure that REIT's day-to-day business affairs are appropriately managed;
- i. strive to achieve the REIT's financial operating goals and objectives and oversee the REIT's strategic plan;
- j. ensure that the REIT has an effective leadership team below the level of the CEO and has a plan for leadership development and succession;
- k. serve as chief spokesperson for the REIT, subject to the direction of the Board; and
- l. assume such other appropriate responsibilities as are delegated to him or her by the Board.

Biographical Information Regarding the Trustees and Executive Officers

Trustees

Roger Greenberg - Chair

Roger Greenberg is the Chair of the Board of the REIT. Mr. Greenberg is also the executive chair of Minto, the executive chair and managing partner of the Ottawa Sports and Entertainment Group (OSEG), and sits on the board of governors of the Canadian Football League. Mr. Greenberg joined Minto on a full time basis in 1985 and became chief executive officer in 1991, a position he held until October 2013. Mr. Greenberg has received many distinguished awards throughout his career, including being appointed a Member of the Order of Canada, the Federation of Rental-housing Providers of Ontario Lifetime Achievement Award, the Ottawa Chamber of Commerce Lifetime Achievement Award, the Queen Elizabeth II Diamond Jubilee Medal, the Gilbert Greenberg Distinguished Service Award by the Ottawa Jewish Community, the Ottawa Business Journal's CEO of the Year in 2004, a United Way Community Builder in 2001 and an Honorary Diploma from the Algonquin College. Mr. Greenberg is Honorary Colonel of the 30th Field Artillery Regiment, Royal Canadian Artillery and he is chair, Campaign to Create Tomorrow, a \$400 million fundraising campaign for the new Civic Campus of the Ottawa Hospital. Mr. Greenberg completed his Bachelor of Commerce degree at the University of Toronto and earned his Bachelor of Laws degree from Osgoode Hall Law School.

Allan Kimberley - Lead Trustee

Allan Kimberley is a corporate director. In 2014, Mr. Kimberley retired from his position as a vice chair and managing director of investment banking, real estate, at CIBC World Markets. During his tenure with CIBC World Markets from 1996 to 2014, Mr. Kimberley accumulated extensive experience in transactional activities which included debt and equity capital markets origination and execution, as well as mergers and acquisitions advisory services. Prior to joining CIBC World Markets, he worked with another Canadian investment bank for 12 years, focusing on debt capital markets origination and execution. In addition to serving on the Board of the REIT, Mr. Kimberley currently serves as a member of the board of Orlando Corporation, a substantial private enterprise. He also serves as a board member of the Ontario Science Centre, an agency of the Ontario Government dedicated to science education and community outreach. Mr. Kimberley previously served on the boards of First Capital Realty (from 2014 to 2018) and Partners REIT (from 2015 to 2019), both TSX-listed entities. He also previously served for 10 years on the board of the Toronto Symphony Orchestra, including a term as board chair. Mr. Kimberley received his Bachelor of Commerce from McMaster University and his MBA from the University of Toronto.

Heather Kirk - Trustee

Heather Kirk is executive vice president and chief financial officer of Cominar REIT, a TSX-listed entity. Before joining Cominar REIT, she was managing director of equity research and analyst at BMO Capital Markets, a position she held from 2013 to 2018, where as an equity analyst she covered Canadian real estate investment trusts. Prior to her role at BMO Capital Markets, Ms. Kirk spent ten years at National Bank Financial Inc., where she served as director, real estate equity research analyst following on her years as a real estate investment banker. She has over 15 years of diverse experience in the Canadian real estate investment trust industry including capital raising, mergers, asset sales, acquisitions as well as property management. In 2012, Ms. Kirk was ranked as the number two overall stock picker in Canada and the number two real estate investment trust industry stock picker in the StarMine Analyst Awards. In 2018, Ms. Kirk served as a trustee of Cominar REIT, but resigned in conjunction with her appointment as executive vice president and chief financial officer of Cominar REIT. She has been a member of IDU Conseil Regional de Quebec since 2019. Ms. Kirk received her Bachelor of Commerce from Concordia University and is a designated Chartered Financial Analyst®.

Jacqueline Moss - Trustee

Jacqueline Moss is a corporate director. Previously, Ms. Moss held numerous executive and senior management roles with the Canadian Imperial Bank of Commerce over the course of a 17-year period, ranging most recently from the role of executive vice president, strategy & corporate development and member of the operating committee to executive vice president, human resources and senior vice president, general counsel (Canada). During her career, she accumulated extensive business experience in strategy development, corporate governance, legal, human resources and complex mergers and acquisitions matters. Ms. Moss currently serves on the board and as the chair of the human resources committee of Investment Management Corporation Ontario (IMCO) and on the board of Ontario Health. She also serves as co-chair of the human resources committee of Soulpepper Theatre Company. She has served on corporate boards previously, including American Century Investments in the United States and CIBC Mellon. Ms. Moss received her Honours Bachelor of Arts degree from Queen's University and her Bachelor of Laws degree from Western University. She completed the Advanced Management Program at Harvard Business School and holds the ICD.D designation with the Institute of Corporate Directors.

Simon Nyilassy - Trustee

Simon Nyilassy is the founder and chief executive officer of Marigold & Associates Inc., a senior housing company, and is president, chief executive officer and director of CHC Student Housing Corp., a TSX-V listed entity. He was previously president and chief executive officer of Regal Lifestyle Communities Inc. from 2011 until 2015. From 2005 to 2011, Mr. Nyilassy served as president and chief executive officer (and as a trustee from 2003 to 2011) of SmartReit (formerly Calloway Real Estate Investment Trust) and prior to that, served as executive vice president of finance and administration of SmartCentres Group of Companies from 2000 to 2005. Mr. Nyilassy has extensive experience as a real estate executive and leader with an in-depth understanding of capital and real estate markets. From May 2017 to June 2018, Mr. Nyilassy served as chair of the audit committee of Partners REIT, a TSX-listed entity, and was a member of the board from 2015 to 2018. He has served on the board of the St. Joseph's Health Centre Foundation since September 27, 2016 and is currently the chair. Mr. Nyilassy obtained an Honours Bachelor of Engineering Science degree from the University of Warwick and is a designated Chartered Professional Accountant.

Philip Orsino - Trustee

Philip Orsino is a corporate director. In addition to other business interests, he is the president and chief executive officer of Brightwaters Strategic Solutions Inc. He was previously president and chief executive officer of Masonite International Corporation and the former president and chief executive officer of Jeld-Wen Inc., a global integrated manufacturer of building products. Mr. Orsino is a director and chair of the audit committee of Minto Holdings Inc., a director of the Bank of Montreal and a member and former chair of the audit and conduct review committee of the Bank of Montreal. Until August 2018, Mr. Orsino was a director and chair of the audit committee of Hydro One. Mr. Orsino was formerly chair of the board of trustees and is presently an honorary trustee of the University Health Network. He is responsible for the establishment of The Philip S. Orsino Hematology Centre at the Princess Margaret Hospital. He is currently a member of The Toronto General and Western Hospitals Foundation. Mr. Orsino was appointed an Officer of the Order of Canada in 2004, and was the recipient of the 2003 Canada's Outstanding CEO of the Year Award. He holds a degree from Victoria College at the University of Toronto and is a Fellow Chartered Professional Accountants Canada.

Officers

Michael Waters - Trustee, Chief Executive Officer and President

Michael Waters is the CEO of the REIT, a position he has held since 2018. He also became President of the REIT upon Rob Pike's retirement in 2019. Mr. Waters is responsible for leading the REIT by providing strategic direction that includes responsibility for portfolio and corporate strategy, investments, talent management and capital market and investor relations. Mr. Waters also serves as chief executive officer of Minto. Mr. Waters has over 25 years' experience in real estate finance, investment and development, and financial advisory services. Prior to becoming Minto's chief executive officer in 2013, Mr. Waters served as president of Minto Communities Canada from 2011 to 2013 and as chief financial officer of Minto from 2007 to 2011. Prior to joining Minto in 2007, he served in a variety of roles at Intrawest Corporation, a large resort developer and operator with a presence across North America. Earlier in his career, Mr. Waters worked at PricewaterhouseCoopers LLP and KPMG LLP. Mr. Waters previously served on the board of REALPAC and on the board of governors of Algonquin College, and the board of the Algonquin Foundation. Mr. Waters completed his Bachelor of Commerce degree at the University of British Columbia and an MBA from the Wharton School of the University of Pennsylvania. He holds both the Fellow Chartered Professional Accountants (FCPA, FCA) and Chartered Financial Analyst® designations.

Julie Morin - Chief Financial Officer

Julie Morin is the REIT's Chief Financial Officer, as position she has held since 2018. Ms. Morin is responsible for the REIT's overall financial strategy and management, including its financial reporting, long-range business planning as well as treasury and tax functions. She is also Minto's chief financial officer. Ms. Morin is an experienced senior finance and accounting professional with over 20 years of experience specializing in public reporting. Prior to joining Minto in 2014, Ms. Morin was corporate controller at Telesat Canada and, prior to that, she was vice president, finance at Brookfield Renewable Energy Group. She also spent ten years as senior manager, audit at Ernst & Young LLP. Ms. Morin received her Bachelor of Commerce, Accounting from the University of Ottawa and is a Chartered Professional Accountant (CPA, CA).

George Van Noten - Chief Operating Officer

George Van Noten became the REIT's Chief Operating Officer in 2019. As Chief Operating Officer, Mr. Van Noten provides strategic direction for the REIT's operations. Mr. Van Noten was previously Senior Vice President, Operations of the REIT and he is also senior vice president, operations of MPI. Mr. Van Noten has 29 years' experience in executive property operations. Prior to joining MPI in 2006, Mr. Van Noten was global executive director of revenue management at Fairmont Hotels and held several other senior level

positions with Fairmont Hotels and Delta Hotels, in the area of revenue management, sales and operations. Mr. Van Noten currently serves as a member of the board of directors of the Federation of Rental Housing Providers of Ontario and on the board of directors of the Ottawa Chamber of Commerce. He previously served on the board of directors of a privately held corporate housing business in the United States. Mr. Van Noten received his Tourism Management Diploma from Georgian College.

Glen MacMullin - Chief Investment Officer

Glen MacMullin was appointed as Chief Investment Officer of the REIT in 2019. In this role, Mr. MacMullin is responsible for portfolio management, asset management, investments and development. He is also senior vice president, investments and investment management of MPI. Mr. MacMullin brings a distinguished career in the investment industry to his role. Prior to joining MPI in 2008, Mr. MacMullin was chief operating officer with the proprietary trading group of Deutsche Bank in New York. He also held several senior management positions with Deutsche Bank Offshore in the Cayman Islands, including head of investment funds. He has prior public accounting experience with PricewaterhouseCoopers in Ottawa, Canada and with KPMG in the Cayman Islands. Mr. MacMullin has previously served on the board of directors of several public companies and hedge funds through his investment activity. Mr. MacMullin received a Bachelor of Business Administration degree from Saint Francis Xavier University and he has completed the Advanced Management Program at the University of Chicago Booth School of Business. Mr. MacMullin is a Chartered Professional Accountant (CPA, CA).

John Moss - General Counsel and Corporate Secretary

John Moss is the REIT's General Counsel and Corporate Secretary, a position he has held since 2018. He oversees the planning, direction and coordination of the REIT's legal services, and assists with risk management and implementing the REIT's strategic goals as a member of the executive team. Mr. Moss is also Minto's general counsel and corporate secretary. Before joining Minto in 2012, Mr. Moss was a partner with Soloway Wright LLP, where he practiced business law for 26 years. Mr. Moss has Bachelor of Arts and Bachelor of Laws degrees from Queen's University and he is a member of the Law Society of Ontario, Canadian Bar Association and Canadian Corporate Counsel Association.

Paul Baron - Vice President, Asset Management

Paul Baron is Vice President, Asset Management of the REIT, a position he has held since 2018. Mr. Baron is responsible for the portfolio management of the REIT's real estate assets. He is also vice president, asset management, for MPI, where he has focused on repurposing and repositioning mixed-use developments. Prior to joining MPI in 2008, Mr. Baron was an analyst with RBC Dexia. Mr. Baron holds a Bachelor of Commerce from Carleton University and an MBA from Queen's University. He is a designated Chartered Financial Analyst®.

Martin Tovey – Vice President, Investments

Martin Tovey is the REIT's Vice President, Investments, a position he has held since 2018. Mr. Tovey is responsible for the REIT's multi-residential rental property acquisitions and asset repositioning. He is also vice president, investments at MPI. Mr. Tovey has over 25 years' experience in real estate development and property management with MPI, TransGlobe Property Management, Bramalea Ltd., and Pagecorp Property Management. Mr. Tovey holds Real Property Administrator and Facilities Management Administrator designations through the Building Owners and Managers Association.

Edward Fu – Vice President, Finance

Edward Fu was appointed Vice-President, Finance of the REIT in 2019. He is responsible for the financial reporting, accounting operations, and financial planning and analysis of the REIT. Previously, Mr. Fu was director, financial reporting for Minto. Mr. Fu is a finance professional with over 18 years of experience. Prior to joining Minto in 2014, Mr. Fu held various roles at Telesat Canada and held controller roles with subsidiaries of GE Fanuc Embedded Systems and Radstone Technology PLC. Mr. Fu holds a Bachelor of Commerce from Carleton University and is a Chartered Professional Accountant (CPA, CA).

Ben Mullen - Vice President, Asset Management

Ben Mullen was appointed Vice President, Asset Management of the REIT in 2019. Mr. Mullen is responsible for the portfolio management of the REIT's real estate assets. He is also vice president, asset management for MPI, where he has helped lead value creation projects, strategic planning, portfolio performance and investor relations. Prior to joining MPI in 2011, Mr. Mullen held positions with Arcturus Realty and Canderel. He holds a Bachelor of Arts, Honours from Queen's University and an MBA from the Telfer School of Business at the University of Ottawa.

Trustee Independence

In accordance with NI 58-101, the REIT has determined that Allan Kimberley, Heather Kirk, Jacqueline Moss and Simon Nyilassy are independent Trustees under these standards. Roger Greenberg as executive chair of Minto and as a director of Minto Holdings Inc., Philip Orsino as a director of Minto Holdings Inc. and Michael Waters as Chief Executive Officer and President of the REIT are not independent under these standards.

Committees of the Board

The Board has two standing committees: the Audit Committee and the Compensation, Governance and Nominating Committee. Special Committees of the independent Trustees are also established on an ad hoc basis to review related party transactions with Minto.

Audit Committee

The Audit Committee consists of three Trustees, all of whom are persons determined by the REIT to be independent Trustees and financially literate within the meaning of NI 52-110 and who are residents of Canada. The Audit Committee is comprised of Simon Nyilassy, who serves as chair of this Committee, Allan Kimberley and Heather Kirk. Each of the Audit Committee members has an understanding of the accounting principles used to prepare financial statements and varied experience as to the general application of such accounting principles, as well as an understanding of the internal controls and procedures necessary for financial reporting.

The following is a brief summary of the education or experience of each member of the Audit Committee that is relevant to the performance of their responsibilities as a member of the Audit Committee, including any education or experience that has provided the member with an understanding of the accounting principles used by the REIT to prepare its financial statements.

Simon Nyilassy

Mr. Nyilassy is a Chartered Professional Accountant and holds an Honours Bachelor of Engineering Science degree from the University of Warwick. He is currently president, chief executive officer and director of CHC Student Housing Corp., a TSX-V listed entity, and previously served as president and chief executive officer of SmartReit (formerly Calloway Real Estate Investment Trust), a TSX-listed entity, and as executive vice president of finance and administration of SmartCentres Group of Companies. From May 2017 to June 2018, Mr. Nyilassy served as the chair of the audit committee of Partners REIT, a TSX-listed entity.

Allan Kimberley

Mr. Kimberley holds a Bachelor of Commerce from McMaster University and a Masters of Business Administration degree from the University of Toronto. He is a member of the audit committee of Orlando Corporation, a substantial private enterprise, and previously served on the board and audit committees of First Capital Realty and Partners REIT, both TSX-listed entities. Mr Kimberley was previously a vice chair and managing director at CIBC World Markets Inc.

Heather Kirk

Ms. Kirk is executive vice president and chief financial officer of Cominar REIT. She is a Chartered Financial Analyst® and holds a Bachelor of Commerce from Concordia University. Most recently she served as managing director of equity research and analyst at BMO Capital Markets, where she covered Canadian real estate investment trusts. Prior to that was director, real estate equity research analyst at National Bank Financial Inc. following on her years as a real estate investment banker. She was a trustee of Cominar Real Estate Investment Trust, a TSX-listed entity, in 2018.

Audit Committee Charter

The Board has adopted a written charter for the Audit Committee, a copy of which is attached to this AIF as Schedule A. The Audit Committee has direct communication channels with the Chief Financial Officer and the REIT's external auditors to discuss and review such issues as the Audit Committee may deem appropriate.

Audit Fees

The following table presents, by category, the fees accrued and payable to KPMG LLP as external auditor of, and for other services provided to, the REIT for the last two fiscal years:

Category of fees¹	December 31, 2019		December 31, 2018	
Audit Fees	\$	599,750	\$	1,590,000
Audit -Related Fees		44,000		11,000
Tax Fees		36,107		47,000
All Other Fees		0		0
Total	\$	679,857	\$	1,648,000

¹ All services provided by the REIT's external auditor must be pre-approved by the Audit Committee or entered into with pre-approval authority delegated to the Chair of the Committee or Chief Financial Officer, as described in the Audit Committee's charter, which is attached to this AIF as Schedule A.

Compensation, Governance and Nominating Committee

The Compensation, Governance and Nominating Committee is comprised of three Trustees and is charged with reviewing, overseeing and evaluating the compensation, governance and nominating policies of the REIT. The Compensation, Governance and Nominating Committee is comprised of Jacqueline Moss, who serves as chair of this Committee, Allan Kimberley and Heather Kirk, all of whom are persons determined by the REIT to be independent Trustees and all of whom are residents of Canada.

Special Committees

A Special Committee of all of the independent Trustees is established as required from time to time to review and consider related party transactions with Minto. In 2019, Special Committees were formed to review and consider the REIT's purchase of MPI's 50 percent co-ownership interest in the Leslie York Mills property in Toronto and the REIT's purchase of MPI's 40 percent co-ownership interest in the High Park Village property in Toronto. In each case, the Lead Trustee served as chair of the Special Committee. The

mandate of each Special Committee was established with the advice of external legal counsel. Each Special Committee reviewed and considered the commercial and legal aspects of the transaction before it, as well as the applicable requirements of Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* for the particular related party transaction, all with the advice of external legal counsel.

INVESTMENT GUIDELINES AND OPERATING POLICIES

Investment Guidelines

The Declaration of Trust provides certain guidelines on investments that may be made directly or indirectly by the REIT. The assets of the REIT may be invested only with the approval of the Trustees and only in accordance with the following restrictions:

- a) the REIT may only invest, directly or indirectly, in acquiring, holding, developing, maintaining, improving, leasing, managing or otherwise dealing with interests in income-producing real estate located in Canada whose revenue stems primarily from multi-residential rental assets, and assets ancillary thereto, and such other activities as are consistent with the other investment guidelines of the REIT;
- b) notwithstanding anything else contained in the Declaration of Trust, (i) the REIT shall not make any investment, take any action or omit to take any action that would result in Units not being units of a “mutual fund trust” within the meaning of the Tax Act or that would result in the Units not being qualified investments for Exempt Plans; and (ii) the Trustees shall use their best efforts not to make any investment, take any action or omit to take any action that would result in the REIT not being a “real estate investment trust” for purposes of the Tax Act;
- c) the REIT shall not invest in any interest in a single real property (which for greater certainty does not include a portfolio of properties) if, after giving effect to the proposed investment, the cost to the REIT of such investment (net of the amount of debt incurred or assumed in connection with such investment) will exceed 20% of GBV at the time the investment is made;
- d) the REIT may, directly or indirectly, invest in a joint venture arrangement for the purposes of owning interests or investments otherwise permitted to be held by the REIT; provided that such joint venture arrangement contains terms and conditions which, in the opinion of the independent Trustees, are commercially reasonable, including without limitation such terms and conditions relating to restrictions on the transfer, acquisition and sale of the REIT’s and any joint venturer’s interest in the joint venture arrangement, provisions to provide liquidity to the REIT, provisions to limit the liability of the REIT and its Unitholders to third parties, and provisions to provide for the participation of the REIT in the management of the joint venture arrangement. For purposes hereof, a “joint venture arrangement” is an arrangement between the REIT and one or more other persons pursuant to which the REIT, directly or indirectly, conducts an undertaking for one or more of the purposes set out in the investment guidelines of the REIT and in respect of which the REIT may hold its interest jointly or in common or in another manner with others either directly or through the ownership of securities of a corporation or other entity;
- e) except for temporary investments held in cash, deposits with a Canadian or U.S. chartered bank or trust company registered under the laws of a province of Canada or a state of the United States, short-term government debt securities or money market instruments maturing prior to one year from the date of issue and except as permitted pursuant to the investment guidelines and operating policies of the REIT, the REIT may not hold securities of a person other than to the extent such securities would constitute an investment in real property (as determined by the Trustees) and provided further that, notwithstanding anything contained in the Declaration of Trust to the contrary, but in all events subject

to paragraph (b) above, the REIT may hold securities of a person: (i) acquired in connection with the carrying on, directly or indirectly, of the REIT's activities or the holding of its assets; or (ii) which focuses its activities primarily on the activities described in paragraph (a) above, provided in the case of any proposed investment or acquisition which would result in the beneficial ownership of more than 10% of the outstanding securities of a third party issuer (the "Acquired Issuer"), the investment is made for the purpose of subsequently effecting the merger or combination of the business and assets of the REIT and the Acquired Issuer or for otherwise ensuring that the REIT will control the business and operations of the Acquired Issuer and provided further that, notwithstanding anything contained in the Declaration of Trust to the contrary, the REIT may acquire securities of other real estate investment trusts or real estate operating companies;

- f) the REIT shall not invest in rights to or interests in mineral or other natural resources, including oil or gas, except as incidental to an investment in real property;
- g) the REIT shall not invest, directly or indirectly, in operating businesses unless:
 - i. revenue will be principally associated with the ownership, directly or indirectly, of multi-residential rental properties; or
 - ii. it principally involves the ownership, maintenance, development, improvement, leasing or management, directly or indirectly, of a multi-residential rental property (in each case as determined by the Trustees); or
 - iii. it is an indirect investment and is incidental to a transaction which satisfies (i) or (ii) above;
- h) the REIT shall not invest in raw land for development, except (i) for existing properties (including any of the Initial Properties) with additional development land or properties adjacent to existing properties of the REIT for the purpose of the renovation or expansion of existing properties, or (ii) the development of new properties which will be capital property of the REIT, provided that the aggregate value of the investments of the REIT in raw land, excluding raw land under development, after giving effect to the proposed investment, will not exceed 10% of GBV;
- i) the REIT may invest in and originate mortgages and mortgage bonds and mezzanine loans (including participating or convertible mortgages) and similar instruments where:
 - i. the real property which is security for such mortgages and similar instruments is income-producing real property which otherwise meets the other investment guidelines of the REIT or a development project for a new income-producing real property which would otherwise meet the other investment guidelines of the REIT; and
 - ii. the aggregate book value of the investments of the REIT in such mortgages and similar instruments, after giving effect to the proposed investment, will not exceed 15% of GBV; and the REIT may invest an amount (which, in the case of an amount invested to acquire real property, is the purchase price less the amount of any debt incurred or assumed in connection with such investment) up to 15% of the GBV of the REIT in investments which do not comply with one or more of the guidelines in paragraphs (a), (e), (f), (h) and (i) of this section.

Operating Policies

The Declaration of Trust provides that the operations and affairs of the REIT are to be conducted in accordance with the following policies:

- a) Anti-Hedging – the REIT shall not purchase, sell, market or trade in currency or interest rate futures contracts otherwise than for hedging purposes where, for the purposes hereof, the term "hedging"

has the meaning ascribed thereto by National Instrument 81-102 — *Mutual Funds* adopted by the Canadian Securities Administrators, as replaced or amended from time to time;

b) Borrowing

- i. any written instrument creating an obligation which is or includes the granting by the REIT of a mortgage; and
- ii. to the extent the Trustees determine to be practicable and consistent with their fiduciary duties to act in the best interest of the Unitholders, any written instrument which is, in the judgment of the Trustees, a material obligation,

shall contain a provision, or be subject to an acknowledgement to the effect, that the obligation being created is not personally binding upon, and that resort must not be had to, nor will recourse or satisfaction be sought from, by lawsuit or otherwise the private property of any of the Trustees, Unitholders, annuitants or beneficiaries under a plan of which a Unitholder acts as a trustee or carrier, or officers, employees or agents of the REIT, but that only property of the REIT or a specific portion thereof is bound; the REIT, however, is not required, but must use all reasonable efforts, to comply with this requirement in respect of obligations assumed by the REIT upon the acquisition of real property;

- c) Development – the REIT may engage in construction or development of real property: (i) to maintain its real properties in good repair or to improve the income-producing potential of properties in which the REIT has an interest; and (ii) to develop new properties that will be capital properties of the REIT on completion, provided that the aggregate value of the investments of the REIT in properties under development after giving effect to the proposed investment in the construction or development, will not exceed 10% of GBV;
- d) Property Ownership – title to each real property shall be held by and registered in the name of the REIT, a subsidiary of the REIT, the Trustees or a corporation or other entity wholly-owned, directly or indirectly, by the REIT or jointly-owned, directly or indirectly, by the REIT, with joint venturers; provided that where land tenure will not provide fee simple title, the REIT, the Trustees or a corporation or other entity wholly-owned, directly or indirectly, by the REIT or jointly owned, directly or indirectly, by the REIT shall hold a land lease as appropriate under the land tenure system in the relevant jurisdiction;
- e) Indebtedness – the REIT shall not incur or assume any indebtedness if, after giving effect to the incurrence or assumption of such indebtedness, the total indebtedness of the REIT (including the Class C LP Units) would be more than 65% of GBV (or 70% of GBV including convertible debentures); and the REIT shall not directly or indirectly guarantee any indebtedness or liabilities of any kind of a third party, except indebtedness or liabilities assumed or incurred by an entity in which the REIT holds an interest, directly or indirectly, or by an entity jointly owned by the REIT with joint venturers and operated solely for the purpose of holding a particular property or properties, where such indebtedness, if granted by the REIT directly, would cause the REIT to contravene its investment guidelines or operating policies. The REIT shall use its reasonable best efforts to comply with this requirement but is not required to if doing so is necessary or desirable, as determined by the Trustees, in order to further the initiatives of the REIT permitted under the Declaration of Trust as it relates to the acquisition, disposition or operation of properties in which the REIT holds an interest, directly or indirectly, including through joint ventures, provided that the Trustees, in making such determination, also consider subsection (e) of the operating policies (assuming, for purposes of such consideration only, the amount of the guaranteed indebtedness is included in the calculation of total indebtedness to the extent not otherwise included);
- f) Property Insurance – the REIT shall directly or indirectly obtain and maintain at all times property insurance coverage in respect of potential liabilities of the REIT and the accidental loss of value of the assets of the REIT from risks, in amounts, with such insurers, and on such terms as the Trustees consider

appropriate, taking into account all relevant factors including the practice of owners of comparable properties;

- g) Property Appraisals – the REIT shall have obtained an appraisal of each real property that it intends to acquire and an engineering survey with respect to the physical condition thereof, in each case by an independent and experienced consultant, unless the requirement for such an appraisal or engineering survey is waived by the independent Trustees; and
- h) Environmental Site Assessments – the REIT shall either (i) obtain a Phase I environmental site assessment, or (ii) be entitled to rely on a Phase I environmental site assessment dated no earlier than six months prior to receipt by the REIT, of each real property to be acquired by it and, if the Phase I environmental site assessment report recommends that a further environmental site assessment be conducted, the REIT shall have conducted such further environmental site assessment, in each case by an independent and experienced environmental consultant; as a condition to any acquisition such assessment shall be satisfactory to the Trustees.

For the purpose of the foregoing investment guidelines and operating policies, the assets, liabilities and transactions of a corporation or other entity wholly or partially-owned by the REIT will be deemed to be those of the REIT on a proportionate consolidation basis. In addition, any references in the foregoing investment guidelines and operating policies to investment in real property will be deemed to include an investment in a joint venture arrangement that invests in real property.

Amendments to Investment Guidelines and Operating Policies

Pursuant to the Declaration of Trust, all of the investment guidelines set out under the heading “Investment Guidelines” and the operating policies contained in paragraphs (a), (c), (e), (f), (g), (h), and (i) set out under the heading “Operating Policies” may be amended only with the approval of two-thirds of the votes cast by Unitholders of the REIT at a meeting of Unitholders called for such purpose. The remaining operating policies may be amended with the approval of a majority of the votes cast by Unitholders at a meeting called for such purpose.

Notwithstanding the foregoing paragraph, if at any time a government or regulatory authority having jurisdiction over the REIT or any property of the REIT shall enact any law, regulation or requirement which is in conflict with any investment guideline or operating policy of the REIT then in force, such investment guideline or operating policy in conflict shall, if the Trustees on the advice of legal counsel to the REIT so resolve, be deemed to have been amended to the extent necessary to resolve any such conflict and, notwithstanding anything to the contrary, any such resolution of the Trustees shall not require the prior approval of Unitholders.

CAPITAL STRUCTURE AND DECLARATION OF TRUST

General

The REIT is an unincorporated open-ended real estate investment trust established pursuant to the Declaration of Trust under, and governed by, the laws of the Province of Ontario. Although the REIT qualifies as a “mutual fund trust” as defined in the Tax Act, the REIT is not a “mutual fund” as defined by applicable securities legislation.

The Units are not “deposits” within the meaning of the Canada Deposit Insurance Corporation Act (Canada) and are not insured under the provisions of that Act or any other legislation. The Units are not shares in the REIT and, although the protections, rights and remedies set out in the Declaration of Trust are similar to those provided under the CBCA, Unitholders do not have statutory rights of shareholders of a corporation including, for example, “dissent rights” in respect of certain corporate transactions and fundamental

changes, the right to apply to a court to order the liquidation or dissolution of the REIT, or the right to bring “oppression” or “derivative” actions. Furthermore, the REIT is not a trust company and accordingly, is not registered under any trust and loan company legislation as it does not carry on or intend to carry on the business of a trust company.

Units and Special Voting Units

The REIT is authorized to issue an unlimited number of Units and an unlimited number of Special Voting Units. Issued and outstanding Special Voting Units may be subdivided or consolidated from time to time by the Trustees without notice to or the approval of the Unitholders.

Units

No Unit has any preference or priority over another. Each Unit represents a Unitholder’s proportionate undivided beneficial ownership interest in the REIT and confers the right to one vote at any meeting of Unitholders and to participate pro rata in any distributions by the REIT, whether of net income, net realized capital gains or other amounts and, in the event of termination or winding-up of the REIT, in the net assets of the REIT remaining after satisfaction of all liabilities. Units are fully paid and non-assessable when issued and are transferable. The Units are redeemable by the holder thereof, as described below under “- Redemption Right” and, except as set out in “Retained Interest”, “- Issuance of Units” and “The Partnership - Partnership Units”, the Units have no other conversion, retraction, redemption or pre-emptive rights. Fractional Units may be issued as a result of an act of the Trustees, but fractional Units do not entitle the holders thereof to vote, except to the extent that such fractional Units may represent in the aggregate one or more whole Units.

Special Voting Units

Special Voting Units have no economic entitlement in the REIT or in the distributions or assets of the REIT but entitle the holder to one vote per Special Voting Unit at any meeting of the Unitholders. Special Voting Units may only be issued in connection with or in relation to securities exchangeable into Units, including Class B LP Units, for the purpose of providing voting rights with respect to the REIT to the holders of such securities. The Special Voting Units issued in conjunction with the Class B LP Units to which they relate, are evidenced only by the certificates representing such Class B LP Units. Special Voting Units are not transferable separately from the exchangeable securities to which they are attached and are automatically transferred upon the transfer of such exchangeable securities. Each Special Voting Unit entitles the holder thereof to that number of votes at any meeting of Unitholders that is equal to the number of Units that may be obtained upon the exchange of the exchangeable security to which such Special Voting Unit is attached. Upon the exchange or surrender of a Class B LP Unit for a Unit, the Special Voting Unit attached to such Class B LP Unit is automatically redeemed and cancelled for no consideration without any further action of the Trustees, and the former holder of such Special Voting Unit ceases to have any rights with respect thereto. See “The Partnership - Partnership Units” and “Retained Interest - Exchange Agreement”.

Issuance of Units

Subject to the pre-emptive right of the Retained Interest Holder set out in the Investor Rights Agreement, the REIT may allot and issue new Units from time to time, in such manner, for such consideration and to such person or persons as the Trustees determine. Unitholders do not have any pre-emptive rights whereby additional Voting Units or securities convertible into or exchangeable or redeemable for equity securities of the REIT proposed to be issued would be first offered to existing Unitholders, except that for so long as the Retained Interest Holder continues to beneficially own, in the aggregate, directly or indirectly, at least 10% of the outstanding Units (assuming all Class B LP Units are exchanged for Units), the Retained Interest Holder has, subject to certain exemptions, the pre-emptive right to purchase additional Units, Class B LP Units or such other securities issued by the REIT to maintain its pro rata interest in the REIT. See “Retained

Interest - Investor Rights Agreement - Pre-Emptive Rights". If the Trustees determine that the REIT does not have cash in an amount sufficient to make payment of the full amount of any distribution, the payment may include the issuance of additional Units having a value equal to the difference between the amount of such distribution and the amount of cash which has been determined by the Trustees to be available for the payment of such distribution.

The REIT may also issue new Units or securities exchangeable into Units (i) as consideration for the acquisition of new properties or assets by it, at a price or for the consideration determined by the Trustees (or such committee or persons delegated by the Trustees), and (ii) pursuant to any incentive plan established by the REIT from time to time or pursuant to a DRIP.

The Declaration of Trust also provides that immediately after any pro rata distribution of Units to all Unitholders in satisfaction of any non-cash distribution, the number of outstanding Units will be consolidated so that each Unitholder will hold, after the consolidation, the same number of Units as the Unitholder held before the non-cash distribution. In this case, each electronically held position through the NCI system of CDS (or each certificate, to the extent any are issued) representing a number of Units prior to the non-cash distribution is deemed to represent the same number of Units after the non-cash distribution and the consolidation. Non-Resident Unitholders are subject to Canadian withholding tax in respect of such distributions and the consolidation will therefore not result in such Non-Resident Unitholders holding the same number of Units. Such Non-Resident Unitholders will be required to surrender the certificates (if any) representing their original Units in exchange for a certificate representing post-consolidation Units.

Meetings of Unitholders

The Declaration of Trust provides that meetings of Unitholders will be required to be called and held in various circumstances, including for (i) the election or removal of Trustees, (ii) the appointment or removal of the auditors of the REIT, (iii) the approval of amendments to the Declaration of Trust (except as described below under "- Amendments to the Declaration of Trust"), (iv) the sale or transfer of the assets of the REIT or its subsidiaries (including the Partnership) as an entirety or substantially as an entirety (other than as part of an internal reorganization of the assets of the REIT or its subsidiaries approved by the Trustees), (v) the combination, amalgamation or arrangement of any of the REIT or its subsidiaries with any other entity that is not the REIT or a subsidiary of the REIT (other than as part of an internal reorganization approved by the Trustees), (vi) a material change to the Limited Partnership Agreement, (vii) the termination of the REIT, and (viii) for the transaction of any other business as the Trustees may determine or as may be properly brought before the meeting. Meetings of Unitholders will be called and held annually for the election of the Trustees and the appointment of the auditors of the REIT. All meetings of Unitholders must be held in Canada.

A meeting of Unitholders may be convened at any time and for any purpose by the Trustees and must be convened, except in certain circumstances, if requisitioned in writing by the holders of not less than 5% of the Voting Units then outstanding. A requisition must state in reasonable detail the business proposed to be transacted at the meeting. Unitholders have the right to obtain a list of Unitholders to the same extent and upon the same conditions as those which apply to shareholders of a corporation governed by the CBCA.

Unitholders may attend and vote at all meetings of Unitholders either in person or by proxy. Two persons present in person or represented by proxy, and such persons holding or representing by proxy not less in aggregate than 25% of the total number of outstanding Voting Units, constitute a quorum for the transaction of business at all such meetings. Any meeting at which a quorum is not present within one-half hour after the time fixed for the holding of such meeting, if convened upon the request of the Unitholders, will be terminated, but in any other case, the meeting will stand adjourned to a day not less than 14 days later

and to a place and time as chosen by the chair of the meeting, and if at such adjourned meeting a quorum is not present, the Unitholders present either in person or by proxy will be deemed to constitute a quorum.

Holders of Special Voting Units have an equal right to be notified of, attend and participate in meetings of Unitholders on the same basis as Unitholders.

Pursuant to the Declaration of Trust, a resolution in writing executed by Unitholders holding a proportion of the outstanding Voting Units equal to the proportion required to vote in favour thereof at a meeting of Unitholders to approve that resolution is valid as if it had been passed at a meeting of Unitholders.

Advance Notice Provisions

The Declaration of Trust includes certain advance notice provisions (the “Advance Notice Provision”), which: (i) facilitate orderly and efficient annual general or, where the need arises, special meetings; (ii) ensure that all Unitholders receive adequate notice of the Trustee nominations and sufficient information with respect to all nominees; and (iii) allow Unitholders to register an informed vote.

Except as otherwise provided in the Declaration of Trust (including with respect to the nomination rights afforded to the Retained Interest Holder and the requirement that the Chief Executive Officer of the REIT be nominated to serve as a Trustee), only persons who are nominated by Unitholders in accordance with the Advance Notice Provision or the Investor Rights Agreement shall be eligible for election as Trustees. Nominations of persons for election to the Board of Trustees may be made for any annual meeting of Unitholders, or for any special meeting of Unitholders if one of the purposes for which the special meeting was called was the election of Trustees: (a) by or at the direction of the Board of Trustees, including pursuant to a notice of meeting; (b) by or at the direction or request of one or more Unitholders pursuant to a requisition of the Unitholders made in accordance with the Declaration of Trust; or (c) by any person (a “Nominating Unitholder”): (A) who, at the close of business on the date of the giving of the notice provided for below and on the record date for notice of such meeting, is entered in the REIT’s register as a holder of one or more Units carrying the right to vote at such meeting or who beneficially owns Units that are entitled to be voted at such meeting; and (B) who complies with the notice procedures set forth in the Advance Notice Provision.

In addition to any other applicable requirements, for a nomination to be made by a Nominating Unitholder, the Nominating Unitholder must have given timely notice thereof in proper written form to the Trustees.

To be timely, a Nominating Unitholder’s notice to the Trustees must be made: (a) in the case of an annual meeting of Unitholders, not less than 30 days prior to the date of the annual meeting of Unitholders; provided, however, that in the event that the annual meeting of Unitholders is to be held on a date that is less than 50 days after the date (the “Notice Date”) that is the earlier of the date that a notice of meeting is filed for such meeting or the date on which the first public announcement of the date of the annual meeting is made, notice by the Nominating Unitholder may be made not later than the close of business on the tenth (10th) day following the Notice Date; and (b) in the case of a special meeting (which is not also an annual meeting) of Unitholders called for the purpose of electing Trustees (whether or not called for other purposes), not later than the close of business on the fifteenth (15th) day following the day that is the earlier of the date that a notice of meeting is filed for such meeting or the date on which the first public announcement of the date of the special meeting of Unitholders is made. In no event shall any adjournment or postponement of a meeting of Unitholders or the announcement thereof commence a new time period for the giving of a Nominating Unitholder’s notice as described above.

To be in proper written form, a Nominating Unitholder’s notice to the Trustees must set forth: (i) as to each person whom the Nominating Unitholder proposes to nominate for election as a Trustee: (A) the name, age, business address and residential address of the person and confirmation as to whether they are a Canadian resident; (B) the principal occupation or employment of the person; (C) the class or series and

number of Units which are controlled or which are owned beneficially or of record by the person as of the record date for the meeting of Unitholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice; and (D) any other information relating to the person that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of Trustees pursuant to applicable Securities Laws (as defined in the Declaration of Trust); and (ii) as to the Nominating Unitholder giving the notice, any proxy, contract, arrangement, understanding or relationship pursuant to which such Nominating Unitholder has a right to vote any Units and any other information relating to such Nominating Unitholder that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of Trustees pursuant to applicable Securities Laws (as defined in the Declaration of Trust). The REIT may require any proposed nominee to furnish such other information as may reasonably be required by the REIT to determine the proposed nominee's qualifications, relevant experience, Unit holding or voting interest in the REIT, or independence, or lack thereof, in the same manner as would be required for nominees made by the REIT, or otherwise as may be required under applicable law or regulation.

The chair of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded. Notwithstanding the foregoing, the Board of Trustees may, in its sole discretion, waive any requirement in the Advance Notice Provision.

Redemption Right

Units are redeemable at any time on demand by the holders thereof upon delivery to the REIT of a duly completed and properly executed notice requesting redemption in a form reasonably acceptable to the Trustees (a "Redemption Notice"), together with written instructions as to the number of Units to be redeemed. A Unitholder not otherwise holding a fully registered Unit certificate who wishes to exercise the redemption right is required to obtain a Redemption Notice form from the Unitholder's investment dealer who will be required to deliver the completed Redemption Notice form to the REIT and to CDS. Upon receipt of the Redemption Notice by the REIT, all rights to and under the Units tendered for redemption shall be surrendered and the holder thereof will be entitled to receive a Redemption Price equal to the lesser of:

- a) 90% of the "Market Price" of a Unit calculated as of the Redemption Date; and
- b) 100% of the "Closing Market Price" on the Redemption Date.

For purposes of this calculation, the "Market Price" of a Unit as at a specified date will be:

- a) an amount equal to the weighted average trading price of a Unit on the principal exchange or market on which the Units are listed or quoted for trading during the period of 10 consecutive trading days ending on such date;
- b) an amount equal to the weighted average of the closing market prices of a Unit on the principal exchange or market on which the Units are listed or quoted for trading during the period of 10 consecutive trading days ending on such date, if the applicable exchange or market does not provide information necessary to compute a weighted average trading price; or
- c) if there was trading on the applicable exchange or market for fewer than five of the 10 trading days, an amount equal to the simple average of the following prices established for each of the 10 consecutive trading days ending on such date: the simple average of the last bid and last asking price of the Units for each day on which there was no trading; the closing price of the Units for each day that there was trading if the exchange or market provides a closing price; and the simple

average of the highest and lowest prices of the Units for each day that there was trading, if the market provides only the highest and lowest prices of Units traded on a particular day.

The “Closing Market Price” of a Unit for the purpose of the foregoing calculations, as at any date will be:

- a) an amount equal to the weighted average trading price of a Unit on the principal exchange or market on which the Units are listed or quoted for trading on the specified date, if the principal exchange or market provides information necessary to compute a weighted average trading price of the Units on the specified date;
- b) an amount equal to the closing price of a Unit on the principal market or exchange if there was a trade on the specified date and the principal exchange or market provides only a closing price of the Units on the specified date;
- c) an amount equal to the simple average of the highest and lowest prices of the Units on the principal market or exchange, if there was trading on the specified date and the principal exchange or market provides only the highest and lowest trading prices of the Units on the specified date; or
- d) the simple average of the last bid and last asking prices of the Units on the principal market or exchange, if there was no trading on the specified date.

If Units are not listed or quoted for trading in a public market, the Redemption Price will be the fair market value of the Units, which will be determined by the Trustees in their sole discretion.

The aggregate Redemption Price payable by the REIT in respect of any Units surrendered for redemption during any calendar month will be paid by cheque, drawn on a Canadian chartered bank or trust company in Canadian dollars within 30 days after the end of the calendar month in which the Units were tendered for redemption, provided that the entitlement of Unitholders to receive cash upon the redemption of their Units is subject to the limitations that: (i) the total amount payable by the REIT in respect of such Units and all other Units tendered for redemption in the same calendar month must not exceed \$50,000 (provided that such limitation may be waived at the discretion of the Trustees); (ii) on the date such Units are tendered for redemption, the outstanding Units must be listed for trading on the TSX or traded or quoted on any other stock exchange or market which the Trustees consider, in their sole discretion, provides representative fair market value prices for the Units; (iii) the normal trading of Units is not suspended or halted on any stock exchange on which the Units are listed (or, if not listed on a stock exchange, in any market where the Units are quoted for trading) on the Redemption Date or for more than five trading days during the 10-day trading period commencing immediately before the Redemption Date; and (iv) the redemption of the Units must not result in the delisting of the Units from the principal stock exchange on which the Units are listed.

Cash payable on redemptions will be paid pro rata to all Unitholders tendering Units for redemption in any month. To the extent a Unitholder is not entitled to receive cash upon the redemption of Units as a result of any of the foregoing limitations, then the balance of the Redemption Price for such Units will, subject to any applicable regulatory approvals, be paid and satisfied by way of a distribution in specie to such Unitholder of Redemption Notes or securities of a REIT subsidiary or other property of the REIT, as determined by the Trustees in their sole discretion. In the event of distributions of Redemption Notes, each Redemption Note so distributed to the redeeming holder of Units shall be in the principal amount of \$100 or such other amount as may be determined by the Trustees. No fractional Redemption Notes shall be distributed and where the number of Redemption Notes to be received upon redemption by a holder of Units would otherwise include a fraction, that number shall be rounded down to the next lowest whole number. The Trustees may deduct or withhold from all payments or other distributions payable to any Unitholder pursuant to the Declaration of Trust all amounts required by law to be so withheld. Where the REIT makes a distribution in specie on the redemption of Units of a Unitholder, the REIT intends to allocate to that Unitholder any capital gain or income realized by the REIT on or in connection with such distribution.

It is anticipated that the redemption right described above will not be the primary mechanism for Unitholders to dispose of their Units. Redemption Notes which may be distributed to holders of Units in connection with a redemption will not be listed on any exchange, no market is expected to develop in Redemption Notes and such securities may be subject to an indefinite “hold period” or other resale restrictions under applicable securities laws. Redemption Notes (or other such property) so distributed may not be qualified investments for Exempt Plans, depending upon the circumstances at the time.

Purchases of Units by the REIT

The REIT may from time to time purchase Units in accordance with applicable securities legislation and the rules prescribed under applicable stock exchange and regulatory policies. Any such purchase will constitute an “issuer bid” under applicable Canadian securities legislation and must be conducted in accordance with the applicable requirements thereof.

Take-Over Bids

The Declaration of Trust contains provisions to the effect that if a take-over bid or issuer bid is made for Units within the meaning of applicable Canadian securities legislation and not less than 90% of the Units (other than 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 will be entitled to acquire the Units held by Unitholders who do not accept the offer either, at the election of each Unitholder, on the terms offered by the offeror or at the fair value of such Unitholder’s Units determined in accordance with the procedures set out in the Declaration of Trust.

Non-Certificated Inventory System

Other than pursuant to certain exceptions, registration of interests in and transfers of Units held through CDS, or its nominee, are made electronically through the NCI system of CDS. The REIT, via its transfer agent, electronically delivers the Units registered to CDS or its nominee. Units held in CDS must be purchased, transferred and surrendered for redemption through a CDS participant, which includes securities brokers and dealers, banks and trust companies. All rights of Unitholders who hold Units in CDS must be exercised through, and all payments or other property to which such Unitholders are entitled are made or delivered by, CDS or the CDS participant through which the Unitholder holds such Units. A holder of a Unit participating in the NCI system is not entitled to a certificate or other instrument from the REIT or the REIT’s transfer agent evidencing that person’s interest in or ownership of Units, nor, to the extent applicable, is such Unitholder be shown on the records maintained by CDS, except through an agent who is a CDS participant.

The ability of a beneficial owner of Units to pledge such Units or otherwise take action with respect to such Unitholder’s interest in such Units (other than through a CDS participant) may be limited due to the lack of a physical certificate.

Restrictions on Ownership and Transfer

In order for the REIT to maintain its status as a “mutual fund trust” under the Tax Act, the REIT must not be established or maintained primarily for the benefit of Non-Residents. Accordingly, at no time may (i) non-residents of Canada and (ii) partnerships that are not Canadian partnerships or (iii) a combination of non-residents and such partnerships, all within the meaning of the Tax Act (“Non-Residents”) be the beneficial owners of more than 49% of the Units (on a basic or fully diluted basis) and the Trustees will inform the transfer agent of this restriction. The Trustees may require a registered Unitholder to provide the Trustees with a declaration as to the jurisdictions in which beneficial owners of the Units registered in such Unitholder’s name are resident and as to whether such beneficial owners are Non-Residents (or in the case of a partnership, whether the partnership is a Non-Resident). If the Trustees become aware, as a result of acquiring such declarations as to beneficial ownership or as a result of any other investigations,

that the beneficial owners of 49% of the Units (on a basic or fully-diluted basis) are, or may be, Non-Residents or that such a situation is imminent, the Trustees may make a public announcement thereof and shall not accept a subscription for Units from or issue or register a transfer of Units to a person or partnership unless the person or partnership provides a declaration in form and content satisfactory to the Trustees that the person or partnership, as the case may be, is not a Non-Resident and does not hold such Units for the benefit of Non-Residents. If, notwithstanding the foregoing, the Trustees determine that more than 49% of the Units (on a basic or fully-diluted basis) are held by Non-Residents, the Trustees may send a notice to such Non-Resident holders of the Units chosen in inverse order to the order of acquisition or registration or in such other manner as the Trustees may consider equitable and practicable, requiring them to sell their Units or a portion thereof within a specified period of not more than 30 days. If the Unitholders receiving such notice have not sold the specified number of Units or provided the Trustees with satisfactory evidence that they are not Non-Residents within such period, the Trustees may on behalf of such holders sell such Units and, in the interim, shall suspend the voting and distribution rights attached to such Units (other than the right to receive the net proceeds from the sale). Upon such sale, the affected holders shall cease to be holders of the relevant Units and their rights shall be limited to receiving the net proceeds of sale upon surrender of the certificates, if any, representing such Units. The Trustees have no liability for the amount received provided that they act in good faith. The REIT may direct its transfer agent to assist the Trustees with respect to any of the foregoing. Class B LP Units, which are economically equivalent to Units, are not permitted to be transferred to Excluded Persons (including Non-Residents).

Information and Reports

The REIT will furnish to Unitholders such financial statements (including quarterly and annual financial statements) and other reports as are from time to time required by the Declaration of Trust and by applicable law. Prior to each meeting of Unitholders, the Trustees will provide the Unitholders (along with notice of such meeting) information as required by applicable tax and securities laws.

Amendments to the Declaration of Trust

The Declaration of Trust may be amended or altered from time to time in accordance with the terms set out therein. Certain amendments require the approval by at least two-thirds of the votes cast at a meeting of Unitholders called for such purpose. Other amendments to the Declaration of Trust require approval by a majority of the votes cast at a meeting of Unitholders called for such purpose. For greater certainty, votes cast at a meeting of Unitholders shall include the Special Voting Units voted in respect of such meeting.

Except as described below, the following amendments, among others, require the approval of two-thirds of the votes cast by all Unitholders at a meeting:

- a) any amendment to the amendment provisions of the Declaration of Trust;
- b) an exchange, reclassification or cancellation of all or part of the Voting Units;
- c) the addition, change or removal of the rights, privileges, restrictions or conditions attached to the Voting Units (including for greater certainty, the creation of new rights or privileges attaching to the Voting Units);
- d) any constraint of the issue, transfer or ownership of the Voting Units or the change or removal of such constraint;
- e) the sale or transfer of the assets of the REIT or its subsidiaries (including the Partnership) as an entirety or substantially as an entirety (other than as part of an internal reorganization of the assets of the REIT or its subsidiaries (including the Partnership) approved by the Trustees and not prejudicial to Unitholders, as a result of which the REIT has substantially the same interest, whether direct or indirect, in the REIT's assets that it had prior to the internal reorganization);

- f) the termination of the REIT;
- g) the combination, amalgamation or arrangement of any of the REIT or its subsidiaries with any other entity that is not the REIT or a subsidiary of the REIT (other than as part of an internal reorganization of the assets of the REIT approved by the Trustees and not prejudicial to Unitholders);
- h) any material change to the Limited Partnership Agreement, including, for greater certainty, any amendment to the Limited Partnership Agreement that is required to be approved pursuant to the Limited Partnership Agreement by (i) special resolution (as such term is defined in the Limited Partnership Agreement) of the holders of the limited partnership units of the Partnership entitled to vote; or (ii) unanimous consent of the holders of the limited partnership units of the Partnership; and
- i) except as described herein, the amendment of the investment guidelines and operating policies of the REIT. See “Investment Guidelines and Operating Policies - Amendments to Investment Guidelines and Operating Policies”,

but notwithstanding the foregoing, any amendment that directly or indirectly adds, removes or changes any of the rights, privileges, restrictions or conditions in respect of the Special Voting Units shall not occur without the approval of (i) holders of more than a majority of the Special Voting Units represented at any such meeting and voted on a poll upon such resolution (or by written resolution in lieu thereof) and (ii) holders of more than a majority of the Units (excluding Special Voting Units) represented at any such meeting and voted on a poll upon such resolution (or by written resolution in lieu thereof).

Notwithstanding the foregoing, the Trustees may, without the approval of the Unitholders, make certain amendments to the Declaration of Trust, including amendments:

- a) aimed at ensuring continuing compliance with applicable laws, regulations, requirements or policies of any governmental authority having jurisdiction over: (i) the Trustees or the REIT; (ii) the status of the REIT as a “mutual fund trust” under the Tax Act; or (iii) the distribution of Units;
- b) which, in the opinion of the Trustees, provide additional protection for the Unitholders and are not prejudicial to Unitholders;
- c) to remove any conflicts or inconsistencies in the Declaration of Trust or to make minor corrections which are, in the opinion of the Trustees, necessary or desirable and not prejudicial to the Unitholders;
- d) which, in the opinion of the Trustees, are necessary or desirable to remove conflicts or inconsistencies between the disclosure in the IPO Prospectus and the Declaration of Trust;
- e) of a minor or clerical nature or to correct typographical mistakes, ambiguities or manifest omissions or errors, which amendments, in the opinion of the Trustees, are necessary or desirable and not prejudicial to the Unitholders;
- f) which, in the opinion of the Trustees, are necessary or desirable: (i) to ensure continuing compliance with IFRS; or (ii) to ensure the Units are classified as equity for purposes of IFRS;
- g) which, in the opinion of the Trustees, are necessary or desirable to enable the REIT to implement a Unit option or purchase plan or issue Units for which the purchase price is payable in instalments;
- h) which, in the opinion of the Trustees, are necessary or desirable for the REIT to qualify for a particular status under, or as a result of changes in, taxation or other laws, or the interpretation of such laws, including to qualify for the definition of “real estate investment trust” in the Tax Act or to otherwise prevent the REIT or any of its subsidiaries from becoming subject to tax under the SIFT rules;
- i) which, in the opinion of the Trustees, are necessary or desirable and not prejudicial to the Unitholders, (i) to create and issue one or more new classes of preferred equity securities of the REIT (each of which may be comprised of unlimited series) that rank in priority to the Units (in payment of distributions and in connection with any termination or winding up of the REIT), and/or (ii) to remove the redemption right attaching to the Units and convert the REIT into a closed-end limited purpose trust;

- j) to create one or more additional classes of units solely to provide voting rights to holders of shares, units or other securities that are exchangeable for Units entitling the holder thereof to a number of votes not exceeding the number of Units into which the exchangeable shares, units or other securities are exchangeable or convertible but that do not otherwise entitle the holder thereof to any rights with respect to the REIT's property or income other than a return of capital; and
- k) for any purpose (except one in respect of which a Unitholder vote is specifically otherwise required) which, in the opinion of the Trustees, is not prejudicial to Unitholders and is necessary or desirable.

Provided that the Retained Interest Holder beneficially owns at least 10% of the issued and outstanding Units calculated on a fully diluted basis, any amendment to the Declaration of Trust that affects the right of the Retained Interest Holder to nominate certain Trustees of the REIT requires the prior written approval of the Retained Interest Holder. See "Governance of the REIT – Trustee Nominations".

THE PARTNERSHIP

General

The Partnership is a limited partnership formed under the laws of the Province of Ontario and is governed by the Limited Partnership Agreement. The Partnership holds, directly or indirectly, beneficial ownership of all of the REIT's interest in the Portfolio and owns, operates and leases real estate assets and property and engages in all activities ancillary and incidental thereto. The Partnership also manages the interest held by third parties in the Rockhill property in Montreal, the Leslie York Mills property in Toronto and the High Park Village property in Toronto. The General Partner is a corporation incorporated under the laws of the Province of Ontario that is wholly-owned by the REIT and the limited partners of the Partnership are the REIT, the Retained Interest Holder, MPI and the holder of the Class C LP Units.

Partnership Units

The Partnership has outstanding Class A LP Units, all of which are held by the REIT, Class B LP Units, which are held by the Retained Interest Holder and MPI, and Class C LP Units, all of which are held by an entity wholly-owned and controlled by MPI.

The General Partner holds the GP Interest, but no certificate has been issued to evidence same.

The Class B LP Units are, in all material respects, economically equivalent to the Units on a per unit basis. Under the Limited Partnership Agreement, the Class B LP Units are exchangeable on a one-for-one basis for Units (subject to customary anti-dilution adjustments) at any time at the option of their holder, unless the exchange would jeopardize the REIT's status as a "mutual fund trust" or "real estate investment trust" for purposes of the Tax Act or cause or create a substantial risk that the REIT would be subject to tax under paragraph 122(1)(b) of the Tax Act and subject to satisfaction of conditions set out therein.

The Class C LP Units have been designed to provide MPI with an indirect interest in the Partnership that entitles the holder of the Class C LP Units to distributions, in priority to distributions to holders of the Class A LP Units, Class B LP Units or GP Interest, in an amount, if paid, expected to be sufficient (without any additional amounts) to permit MPI to satisfy amounts payable in respect of principal, interest or any other amount owing under the Retained Debt. As additional security for the Retained Debt, the holder of the Class C LP Units may pledge the Class C LP Units to the lenders of the Retained Debt.

So long as any of the Class C LP Units are outstanding, the Partnership will not at any time without, but may at any time with, the approval of the holders of a majority of the Class C LP Units: (i) pay any distribution on the Class A LP Units, the Class B LP Units or the GP Interest unless distributions payable on the Class C LP Units have been paid in full; (ii) offer to accept the withdrawal of the Class A LP Units or the Class B LP Units; or (iii) issue any additional Class C LP Units, other than to Minto, in each case, subject to certain

limited exceptions, including, in connection with (A) the redemption rights available to Unitholders, (B) an exchange of Class B LP Units pursuant to the Limited Partnership Agreement, and (C) the refinancing of the Retained Debt. Except as required by law or the Limited Partnership Agreement, and in certain specified circumstances in which the rights of a holder of Class B LP Units and/or a holder of Class C LP Units are particularly affected, the holders of Class B LP Units and holders of Class C LP Units are not entitled to vote at any meeting of the holders of units of the Partnership.

Operation

The business and affairs of the Partnership are managed and controlled by the General Partner, which is bound by the investment guidelines and operating policies applicable to the REIT. The limited partners are not entitled to take part in the management or control of the business or affairs of the Partnership. Except as provided below, the Partnership will reimburse the General Partner for all direct costs and expenses incurred by the General Partner in the performance of its duties as the general partner of the Partnership.

Distributions

Distribution Policy and Priority

The General Partner shall, on behalf of the Partnership, distribute cash, subject to the priorities and other provisions set out below. The General Partner shall determine on a monthly basis, but in no event later than the 10th day of each month, the amount of cash on hand of the Partnership that is derived from any source and that is determined by the General Partner not to be required for use in connection with the business of the Partnership.

Distributions on Class C LP Units

The Class C LP Units have been designed to provide MPI with an indirect interest in the Partnership that entitles the holder of the Class C LP Units to distributions, in priority to distributions to holders of the Class A LP Units, Class B LP Units and GP Interest, in an amount, if paid, expected to be sufficient (without any additional amounts) to permit MPI to satisfy amounts payable in respect of principal, interest or any other amount owing under the Retained Debt. Should the REIT wish to dispose of any properties subject to the Retained Debt, priority distributions will be made on the Class C LP Units of an amount required to discharge the applicable Retained Debt (including repayment fees or penalties). If the REIT wishes to repay any portion of the Retained Debt, priority distributions will be made on the Class C LP Units of amounts required to discharge the Retained Debt (including any repayment fees or penalties). If the REIT wishes to increase the Retained Debt, MPI or an entity wholly-owned and controlled by it may, at MPI's option, subscribe for additional Class C LP Units.

Distributions to General Partner

The General Partner, as the sole holder of the GP Interest, receives priority distributions from the Partnership equal to the aggregate of: (i) amounts sufficient to reimburse the General Partner for expenses incurred in performing its duties and obligations under the Limited Partnership Agreement, and (ii) 0.001% of distributable cash of the Partnership (calculated after payment is made on the Class C LP Units as required), to be distributed by the General Partner, on behalf of the Partnership, in priority to distributions to holders of the Class A LP Units and the Class B LP Units, but after holders of the Class C LP Units have been paid their respective distributions.

Distributions on Class A LP Units and Class B LP Units

The General Partner, on behalf of the Partnership, makes monthly cash distributions to the holder of the Class A LP Units in the amount required to account for expenses incurred directly by the REIT as determined by the General Partner. Distributions on the Class A LP Units for expenses incurred by the REIT are made in priority to distributions to holders of the Class A LP Units and the Class B LP Units but after the holders of the Class C LP Units and the GP Interest have been paid their respective distributions. In addition, the General Partner, on behalf of the Partnership, makes monthly cash distributions to holders of Class A LP Units and to holders of Class B LP Units with reference to the monthly cash distributions payable by the REIT to holders of Units on a per Unit basis. Distributions made on the Class B LP Units are equal to the distributions that the holders of Class B LP Units would have received if they were holding Units instead of Class B LP Units. Distributions to the General Partner, as a holder of the GP Interest, and holders of Class C LP Units are made in priority to distributions to holders of Class A LP Units and to holders of Class B LP Units.

Allocations of Profits and Losses

Income or loss of the Partnership for tax purposes for a fiscal year will be allocated at the end of each fiscal year as described in the Limited Partnership Agreement which is available on SEDAR at www.sedar.com.

Transfer of Partnership Units

The transfer of Class A LP Units, Class B LP Units and Class C LP Units is subject to a number of restrictions as described in the Limited Partnership Agreement which is available on SEDAR at www.sedar.com.

Amendments to the Limited Partnership Agreement

The Limited Partnership Agreement may be amended with the prior consent of the holders of at least 66⅔% of the Class A LP Units voting on the amendment at a duly constituted meeting of holders of Class A LP Units or by a written resolution of partners holding at least 66⅔% of the Class A LP Units entitled to vote at a duly constituted meeting of holders of Class A LP Units, except for certain amendments which require unanimous approval of holders of limited partnership units, including: (i) changing the liability of any limited partner; (ii) changing the right of a limited partner to vote at any meeting of holders of Class A LP Units; and (iii) changing the Partnership from a limited partnership to a general partnership.

The General Partner may also make certain amendments to the Limited Partnership Agreement without the approval or consent of the limited partners.

In addition, the Declaration of Trust provides that the REIT will not agree to or approve any material amendment to the Limited Partnership Agreement without the approval of at least two-thirds of the votes cast at a meeting of the Unitholders of the REIT called for such purpose (which includes the Special Voting Units voting in respect thereof); provided that, for greater certainty, the creation and issuance of one or more new classes and/or series of additional partnership units as contemplated above shall not constitute a material amendment to the Limited Partnership Agreement.

ARRANGEMENTS WITH MINTO

Strategic Alliance Agreement

The Strategic Alliance Agreement creates a series of rights and obligations between the REIT and Minto intended to establish a preferential and mutually beneficial business and operating relationship. The Strategic Alliance Agreement remains in effect until the later of (i) the termination of the Administrative Support Agreement; and (ii) the Retained Interest Holder and its affiliates holding less than 33% of the REIT's equity (on a diluted basis determined as if all Class B LP Units had been exchanged for Units).

The Strategic Alliance Agreement provides the REIT with important rights (and imposes important obligations on Minto) that are expected to meaningfully contribute to the REIT's growth pipeline.

ROFO on Acquisition and Investment Opportunities:

The REIT has a ROFO on all Opportunities identified by Minto, as well as a ROFO on Subsequently Owned Properties that are wholly owned directly or indirectly by Minto and that Minto desires to sell. Minto will present the REIT with the Opportunity, together with its good faith recommendation regarding whether the Opportunity would be a suitable investment for the REIT, together with all material terms and conditions of, and all relevant financial and property information relating to the Opportunity that is in the possession or control of Minto. An Opportunity (i) may be for one or more properties, (ii) includes an investment in land in Canada for the development of one or more multi-residential rental properties, and (iii) includes an investment in one or more properties that are not currently multi-residential rental properties for the purpose of converting them to multi-residential rental properties. For greater certainty, an Opportunity excludes any opportunity to acquire or invest, directly or indirectly and whether by Minto, any fund or other investment vehicle managed by Minto, or any third party, in one or more properties for development in whole or in part as for sale condominium or freehold homes, provided that property is, or is to be, zoned for condominium or freehold homes and not more than 60% of the suites in any such property include or are to be developed for multi-residential rental purposes (together, an "Excluded Opportunity"). The REIT does not have a right of first opportunity in respect of an Excluded Opportunity and Minto shall have no obligation to present any Excluded Opportunity to the REIT.

Within ten business days of receiving all applicable information from Minto as it concerns an Opportunity, the REIT may provide written notice to Minto exercising its right to pursue the Opportunity. If the REIT does not exercise its right pursuant to the ROFO within the applicable time period, Minto will be permitted to pursue the Opportunity for its own account, any fund or other investment vehicle that it manages, or any third party, on terms and conditions not materially more favourable than those offered to the REIT.

Rights with Respect to Minto Interests

Minto is unable to grant a right of first opportunity in respect of the Existing Interests due to the terms of the applicable co-ownership or partnership arrangements. However, as it is Minto's intention to have the REIT be the sole long-term investment vehicle for all of its Canadian income producing multi-residential holdings over time, pursuant to the Strategic Alliance Agreement, Minto will endeavor to facilitate the acquisition by the REIT of the Minto Interests by agreeing to notify and discuss with the REIT if Minto intends to sell a Minto Interest (which, for greater certainty, are not subject to a right of first opportunity), all as Minto is, from time to time, permitted pursuant to its applicable co-ownership or partnership arrangements.

Administrative Support Agreement

The REIT's executives and certain asset managers who provide asset management functions have dual employment contracts with both the REIT (through the Partnership) and Minto. Similarly, certain employees that provide property management functions have dual employment contracts with both the REIT (through the Partnership) and Minto, while others who provide services exclusively to the REIT are employed solely by the REIT. As at December 31, 2019, the REIT had 226 employees, of which 147 are solely employed by the REIT and 79 have dual employment contracts. Pursuant to the Administrative Support Agreement, MPI and its affiliates provide the REIT with other administrative services required to operate the REIT and which are not provided by the REIT's executives and employees. It is expected that the scope of services to be provided under the Administrative Support Agreement will decrease over time as the REIT develops the capacity to undertake more of the services internally.

Administrative services required to operate the REIT (and not provided by executives and employees of the REIT, whether solely employed or dually employed) are provided by MPI and its affiliates on a cost recovery

basis under the Administrative Support Agreement. During 2019, MPI and its affiliates were paid a fee of \$750,000 for providing the administrative services (excluding HST). The fee for providing such administrative services is approved annually by the independent Trustees of the REIT but in no event during the initial term of the Administrative Support Agreement shall the fee, together with other general and administrative costs and out-of-pocket expenses incurred by the REIT and its subsidiaries (excluding public company costs and expenses), exceed 0.32% of GBV. The calculation as to whether such threshold has been met shall be made at each financial quarter using the REIT's consolidated financial statements as approved by the Board, and MPI shall repay any excess payment within 15 days of notice thereof by the REIT.

Pursuant to the Administrative Support Agreement, the administrative services that MPI and its affiliates provide the REIT, and which are not provided by the REIT's executives and employees, include the following:

- assisting with identifying, evaluating and recommending and assisting in the structuring and negotiating of acquisitions, dispositions, financings and other transactions;
- assisting with obtaining, consolidating, analyzing and providing information (including financial modelling and market analysis) in connection with prospective acquisitions of properties or dispositions by the REIT;
- assisting with negotiating contracts, arranging for such improvements and repairs as may be required and purchasing all materials and services, and incurring such expenses as it deems necessary in connection therewith, all in accordance with an approved budget;
- providing assistance in connection with the preparation of business plans and annual budgets, implementing such plans and budgets and monitoring financial performance;
- providing and operating the REIT's head office, including providing the office space, equipment, supplies, support services and administrative, clerical and secretarial personnel incidental thereto and such other similar administrative services as may be reasonably required from time to time;
- providing legal support services;
- assisting the REIT with respect to regulatory compliance requirements, risk management policies and any litigation matters;
- providing finance, accounting, payroll, treasury and internal audit services, including the preparation of reports reasonably requested by the REIT, including operational reporting such as cash flow reports by property and asset type;
- providing the REIT with the information on the REIT's properties that the REIT requires for (i) investor relations activities, (ii) regulatory, financial and tax reporting requirements, and (iii) the preparation of all documents, reports, data and analysis required by the REIT for its filings and documents necessary for its continuous disclosure requirements pursuant to applicable stock exchange rules and securities laws;
- establishing and maintaining disclosure controls and procedures and internal controls over financial reporting of the REIT;
- unless otherwise agreed by the Partnership, preparing, signing (if permitted by the relevant authorities) and filing on behalf of the Partnership, in the prescribed manner, and within the time prescribed, all tax filings relating to the REIT and its subsidiaries, including HST returns;
- providing human resources services;
- providing information technology and associated support services (including website and social media related services);
- providing data storage and processing services;
- providing business recovery services;
- arranging insurance for the REIT and its subsidiaries;

- such other similar services, functions or responsibilities that are reasonably related to and reasonably required for the proper performance and provision of the services listed above and normally provided by MPI in connection with providing such services; and
- such other services as reasonably required to support the administration of the REIT.

It is expected that the scope of services to be provided under the Administrative Support Agreement will decrease over time as the REIT develops the capacity to undertake more of the services internally.

The term of the Administrative Support Agreement commenced on July 3, 2018 for a period of five years. Thereafter the agreement may be renewed by the REIT (as approved by the independent Trustees), at its option, for an additional term of five years upon written notice to MPI given not less than 180 days prior to the expiration of the initial term, provided that the REIT shall have the right to terminate MPI's and its affiliates' obligations under the Administrative Support Agreement at any time during the renewal term upon 180 days' written notice given to MPI, without payment of any termination fees. Notwithstanding the foregoing, each of the REIT and MPI shall have the right to terminate the Administrative Support Agreement during the initial term or during the renewal term upon not less than 180 days' prior written notice to the other and without payment of any termination fees once the REIT's assets have a Gross Book Value of \$2 billion. In the event that MPI exercises its right to terminate the Administrative Support Agreement pursuant to the foregoing right, MPI and its affiliates will continue to provide the services contemplated by the Administrative Support Agreement to the REIT for up to an additional 90 day period (beyond the 180 day notice period) if reasonably required by the REIT to facilitate the transition of such services to another service provider or the internalization of such services by the REIT.

In addition to the above, the REIT shall have the right to terminate the Administrative Support Agreement upon written notice to MPI and without payment of any termination fees in the event of (i) a material breach by MPI or its affiliates of its obligations under the Administrative Support Agreement which breach has not been cured within applicable cure periods; (ii) an event of insolvency of MPI or an affiliate providing the services under the Administrative Support Agreement; (iii) the fraud or wilful misconduct of, or misappropriation of funds by, MPI or an affiliate providing services under the Administrative Support Agreement; or (iv) a change of control of MPI. MPI has the right to terminate the Administrative Support Agreement upon not less than 180 days' prior written notice to the REIT in the event of a material breach or material default of the REIT's obligations under the agreement which breach has not been cured within applicable cure periods or in the event of the insolvency of the REIT, in all cases without payment of any termination fees. Both parties shall have the right to terminate the Administrative Support Agreement upon written notice to the other upon the event of a change of control of the REIT.

The Administrative Support Agreement provides that, as part of any termination of the Administrative Support Agreement, other than a termination resulting from the material breach or default of the REIT, the REIT is permitted to solicit employees of MPI and its affiliates who provide services to the REIT pursuant to the Administrative Support Agreement. For greater certainty, MPI and its affiliates shall be permitted to solicit persons or officers employed by the REIT and MPI or its affiliates under dual employment arrangements as contemplated by the Non-Competition and Non-Solicit Agreement described below.

Development and Construction Management Agreement

The REIT and the Partnership entered into the Development and Construction Management Agreement with MPI on July 3, 2018 pursuant to which MPI (or an affiliate thereof) has the exclusive option to provide development and construction management services for multi-residential development or conversion opportunities identified by Minto, which services include the following:

- overseeing all aspects of the construction project, and acting as a liaison between the REIT and its subsidiaries and all architects, engineers, contractors, suppliers and government agencies regarding the project;
- retaining on behalf of the REIT qualified engineers, architects, contractors and suppliers;
- monitoring construction schedules, on-site construction inspections, and compliance with plans and specifications;
- reviewing change orders and attending to general contract administration;
- providing the REIT with status updates as appropriate; and
- providing such other construction or development management services related to the project as is reasonably necessary to ensure completion of the project.

MPI will provide the development management services for a fee equal to 4% of hard and soft costs, excluding the cost of land acquisition and interest, during the first year of the term of the Development and Construction Management Agreement. MPI has agreed to provide the construction management services for a fee equal to 3% of hard costs during the first year of the term of the Development and Construction Management Agreement. The development management fee and construction management fee will each be reviewed annually by the REIT (as determined by the independent Trustees) and adjusted for any new projects, if required, to be consistent with market standards for services of a similar nature at the relevant time. For greater certainty, the requisite fee for any particular project shall apply throughout the term of the project and annual adjustments in the applicable fee as contemplated by the foregoing shall only apply in respect of new projects and shall not affect the original fee applicable to any previously commenced project.

The term of the Development and Construction Management Agreement shall be coterminous with the Strategic Alliance Agreement, provided that MPI and its affiliates may elect to terminate the Development and Construction Management Agreement at the end of its initial term upon not less than 180 days' written notice to the REIT. Notwithstanding the expiry or termination of the Development and Construction Management Agreement described in the foregoing sentence (but not a termination for cause as described in the next following sentence), the Development and Construction Management Agreement will continue to apply to any project that has commenced prior to such expiry or termination until the completion of the project. The REIT has the right to terminate the Development and Construction Management Agreement upon (i) the material breach by MPI or its affiliates of the obligations under the agreement which breach has not been cured within applicable cure periods; (ii) an event of insolvency of MPI or its affiliates providing services under the agreement; (iii) the fraud or wilful misconduct of, or misappropriation of funds by, MPI or an affiliate providing services under the agreement; or (iv) a change of control of MPI. MPI has the right to terminate the Development and Construction Management Agreement upon prior written notice to the REIT in the event of a material breach or material default of the REIT's obligations under the agreement which breach has not been cured within applicable cure periods or in the event of the insolvency of the REIT.

Non-Competition and Non-Solicit Agreement

Pursuant to the Non-Competition and Non-Solicit Agreement, unless otherwise consented to by the independent Trustees of the REIT, during the term of the Administrative Support Agreement, MPI and its affiliates agree not to (i) directly solicit any existing employee of the REIT (which, for greater certainty, excludes persons or officers employed by the REIT and by MPI or any of its affiliates under dual employment arrangements, subject to the requirement that executive employees provide the REIT with at least six months' notice prior to being able to be solely employed by MPI or any of its affiliates unless a replacement is found prior to the end of such notice period or the independent Trustees otherwise consent) to become

employed with respect to a non-REIT property in which MPI or any of its affiliates has an ownership interest or that it manages for another client; (ii) create another real estate investment trust or another publicly traded or held real estate business which primarily invests in multi-residential rental properties in Canada; or (iii) act as asset manager or promoter to, or perform any similar role for, another real estate investment trust or publicly traded or held real estate business which primarily invests in multi-residential rental properties in Canada; provided, however, that if the Administrative Support Agreement is terminated by the REIT due to an event of default by MPI or any of its affiliates, the non-competition and non-solicit provisions shall apply for a period of 12 months following the date of such termination.

The foregoing agreement shall not apply to (a) investments by Minto (in up to five percent of the total equity of each individual investee) in securities of companies that are listed and posted for trading on a recognized stock exchange in Canada or the United States or traded in an over-the-counter market in Canada or the United States that are engaged in a real estate business which primarily invests in multi-residential rental properties in Canada, or (b) in respect of any sale of a property to another publicly traded entity that is not subject to the ROFO as contemplated under the Strategic Alliance Agreement or in respect of which the REIT has determined not to pursue, or (c) in respect of non-managerial level employees of the REIT whose employment with the REIT has become redundant, provided that in such circumstance, if MPI determines to hire such individual and the REIT is subsequently required to refill the position within six months from date of termination by the REIT, then MPI shall cover the REIT's hiring costs to fill such position.

License of Minto Name

Minto has granted to the REIT and the Partnership the right to use the "Minto" name and trademark and related marks and designs under a non-exclusive, royalty-free trademark license agreement. Minto may terminate the license at any time on 180 days' written notice following the termination of the Administrative Support Agreement. The REIT may terminate the license at any time on written notice, without any payment to Minto.

For further details about the arrangements with Minto, refer to complete copies of the Limited Partnership Agreement, Administrative Support Agreement, Development and Construction Management Agreement, Strategic Alliance Agreement, and Non-Competition and Non-Solicit Agreement which are available on SEDAR at www.sedar.com.

MARKET FOR SECURITIES

Trading Price and Volume

The Units are listed and posted for trading on the TSX under the trading symbol “MI.UN”. The table below presents the high and low trading price and volume traded for the Units on the TSX for the year ending December 31, 2019, as reported by the TSX.

Month	High	Low	Volume
January	\$19.32	\$17.82	1,308,183
February	19.97	18.50	1,145,601
March	20.52	19.06	1,042,208
April	20.58	18.93	2,168,016
May	19.72	18.92	1,141,341
June	20.23	18.34	2,034,566
July	20.52	18.70	790,391
August	23.21	19.78	1,555,844
September	23.77	21.63	953,656
October	24.03	22.08	2,694,638
November	22.98	22.85	4,641,728
December	23.81	21.72	2,670,232

MATERIAL CONTRACTS

The following are the only material agreements entered into by the REIT that are in effect as of March 10, 2020:

- a) Declaration of Trust
- b) Administrative Support Agreement
- c) Development and Construction Management Agreement
- d) Strategic Alliance Agreement
- e) Investor Rights Agreement
- f) Non-Competition and Non-Solicit Agreement
- g) Limited Partnership Agreement
- h) Exchange Agreement, and
- i) Credit Facility.

Copies of the foregoing documents are available on the SEDAR at www.sedar.com.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as disclosed in this AIF (see "General Development of the Business - Three Year History - Property Acquisitions" and "General Development of the Business - Three Year History - Investment Financing") and in the notes to the audited consolidated financial statements of the REIT, there are no material interests, direct or indirect, of the Trustees or officers of the REIT, any Unitholder that beneficially owns more than 10% of the Units of the REIT or any associate or affiliate of any of the foregoing persons in any transaction within the last three years or any proposed transaction that has materially affected or would materially affect the REIT or any of its subsidiaries.

PROMOTER

As MPI took the initiative in founding and organizing the REIT, it was the promoter of the REIT for the purposes of the IPO in accordance with applicable securities legislation. As of December 31, 2019, MPI, directly and through the Retained Interest Holder, holds 896,459 Units and 22,769,073 Class B LP Units that are economically equivalent to and exchangeable for Units, representing an approximate aggregate 40.1% interest in the REIT assuming all Class B LP Units are exchanged for Units. MPI, directly and through the Retained Interest Holder, also holds all of the outstanding Special Voting Units of the REIT.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

The REIT is not involved in any outstanding, threatened or pending legal proceedings or regulatory actions that would have a material effect on the REIT.

AUDITORS, TRANSFER AGENT AND REGISTRAR

The auditors of the REIT are KPMG LLP, located in Toronto, Ontario, who have confirmed that they are independent within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulations.

The transfer agent and registrar for the Units is AST Trust Company (Canada) at its principal office in Toronto, Ontario.

ADDITIONAL INFORMATION

Additional information relating to the REIT may be found on SEDAR at www.sedar.com. Additional information including trustees' and officers' remuneration and indebtedness, principal holders of securities and securities authorized for issuance under equity compensation plans will be contained in the REIT's management information circular for its upcoming annual meeting of Unitholders. Additional financial information is provided in the REIT's financial statements and management's discussion and analysis for its most recently completed financial year. The REIT will provide to any person, upon request to the Secretary of the REIT (at 200-180 Kent Street, Ottawa, ON K1P 0B6), a copy of the financial statements of the REIT for the year ended December 31, 2019, together with the accompanying report of the auditors and the related management's discussion and analysis.

SCHEDULE A: CHARTER OF THE AUDIT COMMITTEE

(the “Charter”)

The following Charter was adopted by the Board of Trustees of Minto Apartment Real Estate Investment Trust (the “REIT”) on August 13, 2018.

1. General

Purpose

The Audit Committee (the “Committee”) is a committee of the Board of Trustees (the “Board”) of the REIT (the “REIT”). The members of the Committee and the chair of the Committee (the “Chair”) are appointed by the Board on an annual basis (or until their successors are duly appointed) for the purpose of overseeing the REIT’s financial controls and reporting and monitoring whether the REIT complies with financial covenants and legal and regulatory requirements governing financial disclosure matters and financial risk management.

2. Composition

The Committee shall be comprised of a minimum of three trustees.

- a) The Committee must be constituted as required under National Instrument 52-110 - Audit Committees, as it may be amended or replaced from time to time (“NI 52-110”).
- b) All of the members of the Committee must be Residents (as such term is defined in the REIT’s declaration of trust).
- c) All members of the Committee must (except to the extent permitted by NI 52-110) be independent (as defined by NI 52-110), and free from any relationship that, in the view of the Board, could be reasonably expected to interfere with the exercise of his or her independent judgment as a member of the Committee.
- d) No members of the Committee shall receive, other than for service on the Board or the Committee or other committees of the Board, any consulting, advisory, or other compensatory fee from the REIT or any of its related parties or subsidiaries.
- e) All members of the Committee must (except to the extent permitted by NI 52-110) be financially literate (which is defined as the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the REIT’s financial statements).
- f) Any member of the Committee may be removed or replaced at any time by the Board and shall cease to be a member of the Committee on ceasing to be a trustee. The Board may fill vacancies on the Committee by election from among the Board. If and whenever a vacancy shall exist on the Committee, the remaining members may exercise all powers of the Committee so long as a quorum remains.

3. Limitations on Committee’s Duties

In contributing to the Committee’s discharge of its duties under this Charter, each member of the Committee shall be obliged only to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Nothing in this Charter is intended or may be construed as imposing on any

member of the Committee a standard of care or diligence that is in any way more onerous or extensive than the standard to which any member of the Board may be otherwise subject.

Members of the Committee are entitled to rely, absent actual knowledge to the contrary, on (i) the integrity of the persons and organizations from whom they receive information, (ii) the accuracy and completeness of the information provided, (iii) representations made by management of the REIT ("Management") as to the non-audit services provided to the REIT by the external auditor, (iv) financial statements of the REIT represented to them by a member of Management or in a written report of the external auditors to present fairly the financial position of the REIT in accordance with applicable generally accepted accounting principles, and (v) any report of a lawyer, accountant, engineer, appraiser or other person whose profession lends credibility to a statement made by any such person.

4. Meetings

The Committee should meet not less than four times annually. The Committee should meet within 45 days following the end of the first three financial quarters of the REIT and shall meet within 90 days following the end of the fiscal year of the REIT. A quorum for the transaction of business at any meeting of the Committee shall be a majority of the members of the Committee or such greater number as the Committee shall by resolution determine. The Committee shall keep minutes of each meeting of the Committee. A copy of the minutes shall be provided to each member of the Committee.

Meetings of the Committee shall be held from time to time and at such place as any member of the Committee shall determine upon one days' prior notice to each of the other Committee members. The members of the Committee may waive the requirement for notice. In addition, each of the Chief Executive Officer, the Chief Financial Officer and the external auditor shall be entitled to request that the Chair call a meeting.

The Committee may ask members of Management and employees of the REIT (including, for greater certainty, its affiliates and subsidiaries) or others (including the external auditor) to attend meetings and provide such information as the Committee requests. Members of the Committee shall have full access to information of the REIT (including, for greater certainty, its affiliates, subsidiaries and their respective operations) and shall be permitted to discuss such information and any other matters relating to the results of operations and financial position of the REIT with Management, employees, the external auditor and others as they consider appropriate.

The Committee or its Chair should meet at least once per year with Management and the external auditor in separate sessions to discuss any matters that the Committee or either of these groups desires to discuss privately. In addition, the Committee or its Chair should meet with Management quarterly in connection with the REIT's interim financial statements.

The Committee shall determine any desired agenda items.

5. Committee Activities

As part of its function in assisting the Board in fulfilling its oversight responsibilities (and without limiting the generality of the Committee's role), the Committee has the power and authority to:

(a) Financial Disclosure

- 1) Review, approve and recommend for Board approval the REIT's interim financial statements, including any certification, report, opinion or review rendered by the external auditor, together with any supplemental information and/or management presentations, and the related management's discussion & analysis and press release.

- 2) Review, approve and recommend for Board approval the REIT's annual financial statements, including any certification, report, opinion or review rendered by the external auditor, the annual information form, and the related management's discussion & analysis, press release and any other disclosure derived from the REIT's financial statements.
- 3) Satisfy itself that adequate procedures have been put in place by Management for the review of the REIT's public disclosure of financial information extracted or derived from the REIT's financial statements and the related management's discussion & analysis.
- 4) Review any litigation, claim or other contingency and any regulatory or accounting initiatives that could have a material effect upon the financial position or operating results of the REIT and the appropriateness of the disclosure thereof in the documents reviewed by the Committee.
- 5) Receive periodically Management reports assessing the adequacy and effectiveness of the REIT's disclosure controls and procedures.

(b) Internal Control

- 1) Review Management's process to identify and manage the significant risks associated with the activities of the REIT.
- 2) Review the effectiveness of the internal control systems for monitoring compliance with financial disclosure matters and financial risk management.
- 3) Have the authority to communicate directly with the internal auditor (if any).
- 4) Receive periodic Management reports assessing the adequacy and effectiveness of the REIT's internal control systems.
- 5) Assess the overall effectiveness of the internal control and risk management frameworks through discussions with Management, the internal auditor (if any) and the external auditor and assess whether recommendations made by the internal auditor (if any) or the external auditor have been implemented by Management.

(c) Relationship with the External Auditor

- 1) Recommend to the Board the selection of the external auditor and the fees and other compensation to be paid to the external auditor.
- 2) Have the authority to communicate directly with the external auditor and arrange for the external auditor to be available to the Committee and the Board as needed.
- 3) Advise the external auditor that it is required to report to the Committee, and not to Management.
- 4) Monitor the relationship between Management and the external auditor, including reviewing any Management letters or other reports of the external auditor, discussing any material differences of opinion between Management and the external auditor and resolving disagreements between the external auditor and Management.
- 5) If considered appropriate, establish separate systems of reporting to the Committee by each of Management and the external auditor.
- 6) Review and discuss on an annual basis with the external auditor all significant relationships they have with the REIT, Management or employees that might interfere with the independence of the external auditor.
- 7) Pre-approve all non-audit services (or delegate such pre-approval, to the Chair of the Committee or as otherwise permitted by applicable securities laws) to be provided by the external auditor.

- 8) Review the performance of the external auditor and recommend any discharge of the external auditor when the Committee determines that circumstances warrant.
- 9) Periodically consult with the external auditor out of the presence of Management about (a) any significant risks or exposures facing the REIT, (b) internal controls and other steps that Management has taken to control such risks, and (c) the fullness and accuracy of the financial statements of the REIT.
- 10) Review and approve any proposed hiring of current or former partners or employees of the current (and any former) external auditor of the REIT.

(d) Audit Process

- 1) Review the scope, plan and results of the external auditor's audit and reviews, including the auditor's engagement letter, the post-audit management letter, if any, and the form of the audit report. The Committee may authorize the external auditor to perform supplemental reviews, audits or other work as deemed desirable.
- 2) Following completion of the annual audit and quarterly reviews, review separately with each of Management and the external auditor any significant changes to planned procedures, any difficulties encountered during the course of the audit and, if applicable, reviews, including any restrictions on the scope of work or access to required information and the cooperation that the external auditor received during the course of the audit and, if applicable, reviews.
- 3) Review any significant disagreements among Management and the external auditor in connection with the preparation of the financial statements.
- 4) Where there are significant unsettled issues between Management and the external auditor that do not affect the audited financial statements, the Committee shall seek to ensure that there is an agreed course of action leading to the resolution of such matters.
- 5) Review with the external auditor and Management significant findings and the extent to which changes or improvements in financial or accounting practices, as approved by the Committee, have been implemented.
- 6) Review the systems in place to seek to ensure that the financial statements, management's discussion & analysis and other financial information disseminated to regulatory authorities and the public satisfy applicable requirements.

(e) Financial Reporting Processes

- 1) Review the integrity of the REIT's financial reporting processes, both internal and external, in consultation with the external auditor.
- 2) Periodically consider the need for an internal audit function, if not present.
- 3) Review all material balance sheet issues, material contingent obligations and material related party transactions.
- 4) Review with Management and the external auditor the REIT's accounting policies and any changes that are proposed to be made thereto, including all critical accounting policies and practices used, any alternative treatments of financial information that have been discussed with Management, the ramification of their use and the external auditor's preferred treatment and any other material communications with Management with respect thereto. Review the disclosure and impact of contingencies and the reasonableness of the provisions, reserves and estimates that may have a material impact on financial reporting.

(f) General

- 1) Inform the Board of matters that may significantly impact on the financial condition or affairs of the business.
- 2) Respond to requests by the Board with respect to the functions and activities that the Board requests the Committee to perform.
- 3) Periodically review this Charter and, if the Committee deems appropriate, recommend to the Board changes to this Charter.
- 4) Review the public disclosure regarding the Committee required from time to time by NI 52-110.
- 5) At its discretion retain independent counsel, accountants and other professionals to assist it in the conduct of its activities and to set and pay (as an expense of the REIT) the compensation for any such advisors.
- 6) Review in advance, and approve, the hiring and appointment of the REIT's Chief Financial Officer.
- 7) Perform any other activities as the Committee or the Board deems necessary or appropriate.

(g) Complaint Procedures

- 1) As set forth in the REIT's whistleblower policy, anyone may submit a complaint regarding conduct by the REIT or its employees or agents (including its external auditor) reasonably believed to involve questionable accounting, internal accounting controls, auditing or other matters. The Chair has the power and authority to oversee treatment of such complaints.
- 2) Complaints are to be directed to the attention of the Chair.
- 3) The Committee should endeavour to keep the identity of the complainant confidential.
- 4) The Chair has the power and authority to lead the review and investigation of a complaint. The Committee should retain a record of all complaints received. Corrective action may be taken when and as warranted.