

The background of the cover is a photograph of a serene outdoor scene. In the foreground, a calm pond reflects the surrounding greenery. A single white swan is swimming in the water on the right side. In the background, a two-story house with a brown roof and a large deck is visible, surrounded by lush green trees and manicured bushes. A black street lamp stands near the house.

ESG

REPORT 2022

Environmental, Social and Governance Report for the year ending December 31, 2022

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About This Report

This year marks the third annual sustainability report for Flagship Communities Real Estate Investment Trust (“Flagship” or “the REIT”). Since we began communicating our values through a sustainable lens, our commitments have grown, and we remain focused on continuously improving our Environmental, Social and Governance (“ESG”) performance. From initiatives on renewable energy, to education, to household amenities and tenant well-being, our ESG performance is critical to how we define ourselves as a REIT and serve our unitholders, employees and communities.

This report contains standard disclosures from the Global Reporting Initiative (“GRI”) Sustainability Reporting Standards, prepared largely in accordance with the Core option and also considers the reporting framework outlined by the Sustainability Accounting Standards Board (“SASB”).

Our report covers all jurisdictions reported in the About Flagship Communities REIT section. The information contained in this report has been deemed noteworthy by the Flagship leadership team when considering the broader context of the business.

You can learn more about our commitments to sustainability in the Sustainable Performance Indices section, under Corporate Governance, at the end of this report.

We welcome your comments and feedback about this report. If you have a question or comment, please contact the Investor Relations team at ir@flagshipcommunities.com.



Forward-Looking Statements

This ESG report contains forward-looking statements that include forward-looking information within the meaning of Canadian securities laws. These forward-looking statements reflect the current expectations of the REIT regarding future events. In some cases, forward-looking statements can be identified by terms such as “may”, “will”, “could”, “occur”, “expect”, “anticipate”, “believe”, “intend”, “estimate”, “target”, “project”, “predict”, “forecast”, “continue”, “committed”, “goal”, and “objective” or the negative thereof or other similar expressions concerning matters that are not historical facts. Material factors and assumptions used by management of the REIT to develop the forward-looking information include, but are not limited to, that occupancy rates are stable, rental rate changes and collections experiences are consistent with recent practice, and that currency exchange and interest rates are stable.

Although management believes the expectations reflected in such forward-looking statements are reasonable and represent the REIT’s internal expectations and beliefs at this time, such statements involve known and unknown risks and uncertainties and may not prove to be accurate and certain objectives and strategic goals may not be achieved. A variety of factors, many of which are beyond the REIT’s control, could cause actual results in future periods to differ materially from current expectations of events or results expressed or implied by such forward-looking statements, such as the risks identified in the REIT’s Annual Information Form for the year ended December 31, 2022, including under the heading “Risk Factors” therein, and the REIT’s most recent annual and interim Management’s Discussion and Analysis (“MD&A”), in each case available under the REIT’s profile at www.sedar.com. Readers are cautioned against placing undue reliance on forward looking statements. Except as required by applicable Canadian securities laws, the REIT undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made.



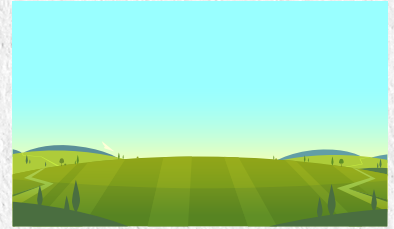
Flagship Communities At A Glance



2022 National Land-Lease
Community of the Year



Seven Contiguous States
in the US Midwest



2,800 Portfolio Acres



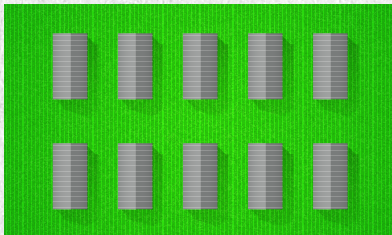
23% Minority Resident
Population



43% Board Trustees
Are Female/Minority



75% Frontline Managers
Are Women



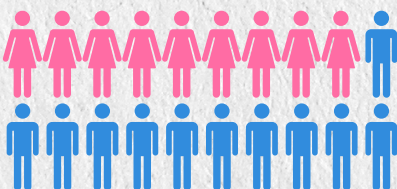
12,601 Community
Home Lots



67 Playgrounds and
Picnic Areas



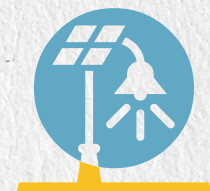
16 Water Features
Lakes-Ponds-Streams



45% Woman in Leadership



Water Conservation Program



Renewable Energy
Solar Program

Business and Financial Performance

	For the year ended December 31, 2022	For the year ended December 31, 2021	Variance
Revenue, total portfolio	58,798	43,075	15,723
Revenue, Same Community ¹	40,659	37,831	2,828
Revenue, Acquisitions ¹	18,139	5,244	12,895
Net income and comprehensive income	42,682	60,008	(17,326)
NOI, Total Portfolio	38,933	28,661	10,272
NOI, Same Community ¹ properties	27,267	25,097	2,170
NOI, Acquisitions ¹	11,666	3,564	8,102
NOI Margin, Total Portfolio	66.2%	66.5%	(0.3)%
NOI Margin, Same Community ¹	67.1%	66.3%	0.8%
NOI Margin, Acquisitions ¹	64.3%	68.0%	(3.7)%
FFO ²	21,201	15,869	5,332
FFO Per Unit ²	1.080	1.034	0.046
AFFO ²	18,302	13,457	4,845
AFFO Per Unit ²	0.932	0.877	0.054
AFFO Payout Ratio ²	57.6%	57.6%	0.0%

(\$000s except per share amounts)

¹ See the “Non-IFRS Financial Measures - Other Real Estate Industry Metrics” section of the REIT’s MD&A for the year ended December 31, 2022, available under the REIT’s profile on www.sedar.com, for an explanation of the composition of these real estate industry metrics, which explanation is incorporated by reference herein.

² These measures are not recognized under International Financial Reporting Standards (“IFRS”), and do not have standardized meanings prescribed by IFRS and may not be comparable to similar financial measures disclosed by other issuers. See the “Non-IFRS Financial Measures - Funds from Operations and Adjusted Funds from Operations” section of the REIT’s MD&A for the year ended December 31, 2022, available under the REIT’s profile on www.sedar.com, for an explanation of the composition of these non-IFRS measures and their usefulness for readers in assessing the REIT’s performance, as well as the “Reconciliation of FFO, FFO per Unit, AFFO and AFFO per Unit” section of such MD&A for a reconciliation to the most directly comparable measure under IFRS. Such disclosure is incorporated by reference herein.

CEO Letter

Dear Unitholders,

In 1995, when Nathan Smith, Flagship's Chief Investment Officer and I got into the Manufactured Housing Community ("MHC") business we started with just one community and 152 lots. Our vision was to provide sustainable and affordable housing that benefits both families and the environment. Today, we are one of the U.S. Midwest region's largest MHC operators and as of December 31, 2022, we owned and operated 69 communities, comprising 12,601 lots across seven contiguous U.S. States.



*Kurt Keeney
President and
Chief Executive Officer*

Our financial results during 2022 demonstrate our proven capabilities as operators as well as the stability of our resident base, especially in the current inflationary and rising mortgage rates environment. Our management team remained busy on the acquisition front, having completed a series of acquisitions throughout the year that included MHCs as well as resort-style communities.

Our commitment toward our residents and the environment remains the same today as it did when we first entered the MHC business 28 years ago. Our energy-saving manufactured homes produce 50-75% less waste in materials during the production process, consume less energy during construction, which only takes weeks to complete, and use the latest technology to maximize energy performance, all while minimizing the impact on the environment.

Two years ago, we launched a pilot program to test solar lighting in our communities. Our goal is to transform all street lighting into a 100 percent solar-powered system. We also believe that water conservation is crucial to our ESG initiatives. We continue to implement new sub-metering technology and water re-capture programs across all our MHCs that allows us to detect water leaks immediately. These initiatives have resulted in an approximately 25 to 30 percent reduction in water consumption. We have also increased the number of new homes added to our communities during the past year equipped with Energy Star appliances – a volunteer program that helps save money and protect the climate through superior energy efficiency.

continued

CEO Letter

Our commitment to ESG is a core part of Flagship's success and our steady growth has allowed more families to benefit from our affordable, energy-saving communities.

Our efforts are being noticed. Flagship was recognized by the Northern Kentucky Chamber of Commerce as innovators that have positively affected the Northern Kentucky Metro area through innovation, creativity, strong business practices and leadership.

Flagship's strategy for growth is largely based on our experience. We have successfully replicated our business model across the Midwest U.S. and operate those MHCs in an efficient and responsible manner. In order to succeed, we rely on strong community relationships and a commitment to environmental stewardship and trust. It is our dedicated and highly experienced operating team that makes all of this possible.

We believe empowering people to do their best work every day is important for the future of our business. We continue to invest in our people through job training and fair wages as well as career development and growth opportunities. We are also committed to gender diversity among our employees – 75% of our regional managers are women. We also enhanced our diversity at the Board level through the appointment of Ann Rooney this past year. With Ann's appointment, women and minorities now represent 43% of our Board of Trustees.

A diverse workforce is also essential to our work within communities, most of which are also diverse. Over the past year, we have continued to invest in communities and make them better places for residents. In November, we opened a new 2,000 sq. ft. school building in partnership with Grandin Evolution School in Evansville, Indiana, allowing the program to expand from serving 40 children to up to 75 children per day at this on-site facility that serves as an after-school program for children in grades K1 through 8. Daily and throughout the summer, children can come to this facility that is staffed by the Evansville, Vanderburgh County School District, for after school programming that includes homework assistance, nourishment and social programs.

We were also the recipients of the Kentucky Manufactured Housing Institute's highest award for Community of the Year for the Suburban Pointe community, which offers a full range of amenities for its residents to improve their quality of life. We were also extremely proud to be named the Land-Lease Community of the Year – East: Waterford Pointe by the national Manufactured Housing Institute for our efforts in restoring the community following a devastating tornado.

continued

CEO Letter

All of these accomplishments speak to our values as an organization. Since our humble beginnings in 1995 we have always been laser-focused on doing well for investors while doing good.

We were pleased with our ESG performance in 2022, but we continually look to improve each year. We believe that a dedicated focus on ESG will translate into strong performance for our business.

In closing, I want to thank management, the Board of Trustees and our employees for their dedication and hard work. I also want to thank our unitholders for their ongoing support.

We encourage you to look through our third annual ESG report to learn more about Flagship and our ongoing commitment to ESG.

Respectfully,

Kurtis P. Keeney
President and Chief Executive Officer

Chair Letter

Dear Unitholders,

During 2022, Flagship continued its strong financial and operating performance while demonstrating the solid fundamentals of the MHC industry.

Our operating success and predictable financial results have enabled the Board of Trustees to increase distributions twice for unitholders since becoming a publicly traded entity. These increases are a testament to the Board's confidence in management.

Our outlook for both Flagship and the MHC industry remains positive, even during this time of rising interest rates and record-levels of inflation. The Board of Trustees remains focused on supporting management to help generate long-term unitholder value. To help maintain this commitment, we believe high standards of corporate governance will help stakeholder groups trust Flagship in all of its business dealings.

This past year, we made significant strides to enhance our corporate governance. We strive to ensure our Board composition and governance policies allow for the best decisions to be made on behalf of the REIT, in consideration of its stakeholders, including unitholders, while also reflecting our corporate values.

To that end, we welcomed Ann Rooney to the Board of Trustees. Ann has held a number of board member positions and has extensive experience within the MHC industry. The Board has already greatly benefited from her knowledge and inclusion within our Audit Committee. We also want to acknowledge Iain Stewart, who resigned his Board seat position. Iain was one of our original Trustees and was key in helping to establish the public REIT. He made many contributions to Flagship during his tenure and we are grateful and thank him for all of his efforts.

The addition of Ann also speaks to our Board diversity policy as well as the depth and range of skills that comprise the Flagship's Board of Trustees. Following Ann's appointment, women and minorities now comprise three of the Board's seven directors, representing 43% of Board members, which is an increase from 28.5% in 2021.



Peter C.B. Bynoe
Chair, Board of Trustees

continued

Chair Letter

The Board has also made an ongoing commitment to ESG. Adhering to high standards of ESG principles is vital to the Board because Flagship's business touches upon all aspects of ESG. Flagship's mission includes providing family-oriented, sustainable manufactured housing communities. As such, our team is mindful to protect the environment and preserve natural resources for the benefit of our residents.

As owners and operators of residential manufactured housing communities, our communities are diverse, and many are low- and moderate-income working families. We strive to address the needs of our residents with a holistic approach as well as promoting community well-being. Some of these initiatives were recognized this past year.

In April 2022, we were named the Land-Lease Community of the Year – East: Waterford Pointe by the Manufactured Housing Institute. In 2005, a tornado devastated the community of Waterford Pointe, destroying nearly half of the homes in the community. Upon acquiring the community in 2016, our goal was to restore the community and erase the stigma associated with the natural disaster. We are proud of the Waterford Pointe community and the effort that our staff has put into the turnaround that has occurred since the devastating tornado.

In May 2022, Flagship was recognized by the Northern Kentucky Chamber of Commerce as innovators that positively impacted the Greater Cincinnati area through innovation, creativity, strong business practices and leadership.

And in November 2022, in partnership with Grandin Evolution, we opened a new school building in the Grandin Pointe community in Evansville, Indiana. Many of the families at Grandin Pointe are hard-working, low to moderate income families who want to see their children succeed in school. We are proud to play a small role in making a big difference in these children's lives.

In closing, I want to thank management, the Board of Trustees and our employees for their dedication and hard work. Our consistent and predictable operating and financial performance is because of your ongoing efforts and well positions us for future success.

I also want to thank our unitholders for their ongoing support. Your trust and confidence in Flagship are not taken for granted and drives us forward every day.

Respectfully,

Peter C.B. Bynoe
Chair of the Board

About Flagship Communities

Flagship Communities Real Estate Investment Trust owns and operates a portfolio of income-producing manufactured housing communities in Kentucky, Indiana, Ohio, Tennessee, Arkansas, Missouri, and Illinois. Our portfolio includes a fleet of manufactured homes, which we lease to residents of such communities. We are an internally managed, unincorporated, open-ended REIT established pursuant to a declaration of trust under the laws of the Province of Ontario.

Our **vision** is to be a leading operator and provider of affordable residential Manufactured Housing Communities and RV Resorts in the Midwest United States.

Our **mission** is to provide affordable housing, exceptional residential living experiences, and investment opportunities in our adult and family-oriented manufactured housing communities. We operate with the highest of integrity and represent unitholders and further stakeholders by investing in community, safety, protecting the environment, and creating livable, well-maintained neighborhoods. With neighborhoods located near shopping and good jobs, we are committed to building outdoor living amenities that include lakes, playgrounds, ballfields, basketball courts, picnic shelters, and nature trails.

As at December 31, 2022, we owned and operated 69 total communities, comprising 12,601 lots with a total lot occupancy of 83%.

Our family-oriented communities are located near centers of commerce, jobs and amenities located in highly desirable areas throughout the Midwest and upper South of the United States.

Flagship's corporate headquarters is located in Erlanger, Kentucky and we are listed on the Toronto Stock Exchange under the symbols [MHC.U](#) and [MHC.UN](#) for U.S. and Canadian dollar trading, respectively.

To learn more about Flagship, visit [FlagshipCommunities.com](https://www.FlagshipCommunities.com).



Flagship Values

Honesty

We are open and honest in our business dealings, and we encourage an open dialogue with all of our residents to ensure they understand that they can speak freely and know that we will always be there to listen.

Respect

We support social equity and encourage inclusivity within all of the communities we operate. We believe that by valuing our stakeholders, operating with trust and integrity, and fostering positive relationships within our communities, we will build a stronger and more empathetic culture.

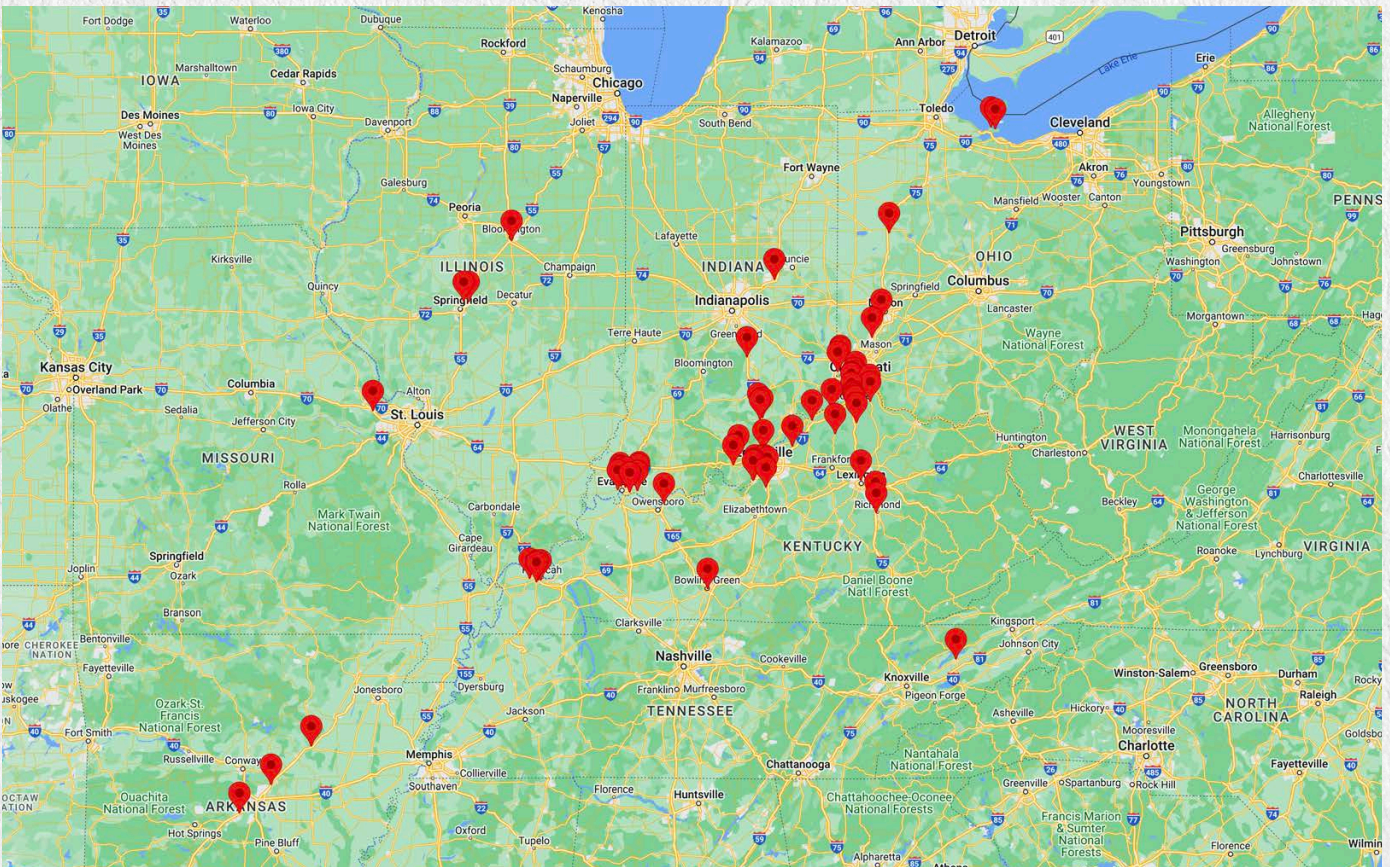
Accountability

We follow through on our commitments so that our stakeholders can understand what Flagship stands for via its actions.



Flagship's Footprint

69 Communities, 7 States



Environmental Conscience

Sustainability is critical to our success as an owner and operator of family-oriented Manufactured Housing Communities, for which responsible construction, energy, and management practices can serve to greatly improve environmental outcomes. We are committed to reducing our carbon footprint and adhering to high operational standards of sustainability that best serve our residents, investors, and communities.

Our sustainability commitments are embedded in our manufacturing and energy saving processes. Manufactured homes are constructed to adhere to the federal HUD (United States Housing & Urban Development Agency) Code since 1976. The HUD Code regulates home design and construction, strength and durability, fire resistance and energy efficiency. HUD revised the building code in the early 1990s to enhance energy efficiency and ventilation standards and to improve the wind resistance of manufactured homes in areas prone to hurricane-force winds.

Additionally, each of Flagship's manufactured homes are built module by module in a controlled factory, which results in 50-75% less material waste than comparable methods. Factory-built homes reduce the



Environmental Conscience

carbon footprint by requiring less transportation, less material waste, bulk material purchases and planet-friendly living.

Sustainable water usage is also key to our operations. Following the guidelines of the U.S. Environmental Protection Agency (USEPA), the REIT is committed to leading standards for wastewater management practices. A preventive maintenance utility program assures compliance and immediate response to problems and usage issues. The REIT has dedicated, USEPA-trained staff that manage and plan the monitoring of water usage throughout every community. Using submetering and cameras to scope water lines, water leaks are detected and addressed immediately, significantly reducing consumption. Flagship continues to implement sub-metering and water re-capture programs at many of its MHCs.

We also support more time in nature for our residents. Our housing communities include 16 lakes, ponds, and streams water features.



Environmental Conscience

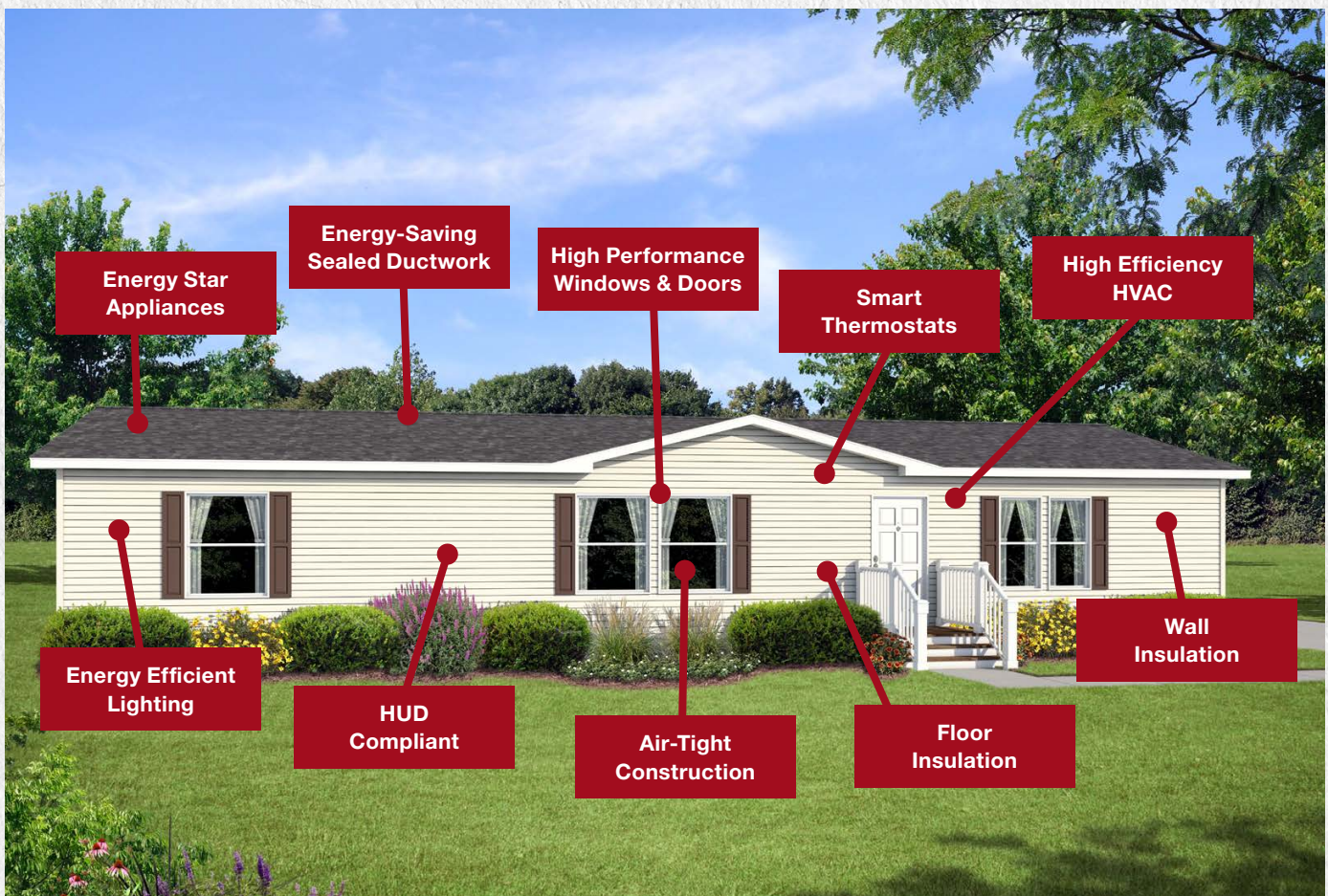
Energy Efficient Manufactured Homes

Many of our home manufacturing partners utilize green building construction and technologies. Meeting energy standards, the homes can result in 20-30 percent savings on energy bills over conventional built homes.

One of our manufacturing partners reports that “by constructing a well-insulated, energy-efficient home that meets ENERGY STAR® guidelines, homeowners continue down the path of responsible conservation. As they reduce their own carbon footprint, they’re also able to enjoy the benefits of lower energy bills far into the future.”



Many of our new homes are equipped with Energy Star appliances. Energy Star is a U.S. Environmental Protection Agency (EPA) voluntary program that helps businesses and individuals save money and “protect the climate through superior energy efficiency.”



Environmental Conscience

Carbon Footprint and Impact on the Environment

Buildings and construction accounts for 36 percent of global energy and 39 percent of the energy-related carbon dioxide emissions annually.

Manufactured, factory-built housing is the original “green” method of home construction. Factory-built homes reduce the carbon footprint by requiring less transportation, less material waste, bulk material purchases and planet-friendly living. Real world benefits of factory-built homes over traditional site-built housing includes:

- Greater energy efficiency
- Lower carbon footprint
- Lower cost of materials
- Improved air quality filtration
- Eco-friendly



Environmental Conscience

Renewable Energy Solar Lighting Program

We are committed to building sustainable communities and using renewable energy is a key step toward that end. In 2020, we launched a pilot program to replace traditional electric streetlamps with solar-powered ones that are more energy efficient and offer the same quality of light. Our goal is to transform every community's street lighting into a 100% solar-powered system.

In 2020, 50 solar lamps were being tested on a successful "dusk to dawn" program through our communities when we analyzed cost savings measured against the higher cost of using traditional electricity. Following a successful pilot program, in 2021 we installed over 700 solar lamps across more communities. Last year, we made great progress by expanding the solar lamps program to 826 within 25 communities – we are getting closer to enabling all of our communities to benefit from renewable energy solar street lighting.

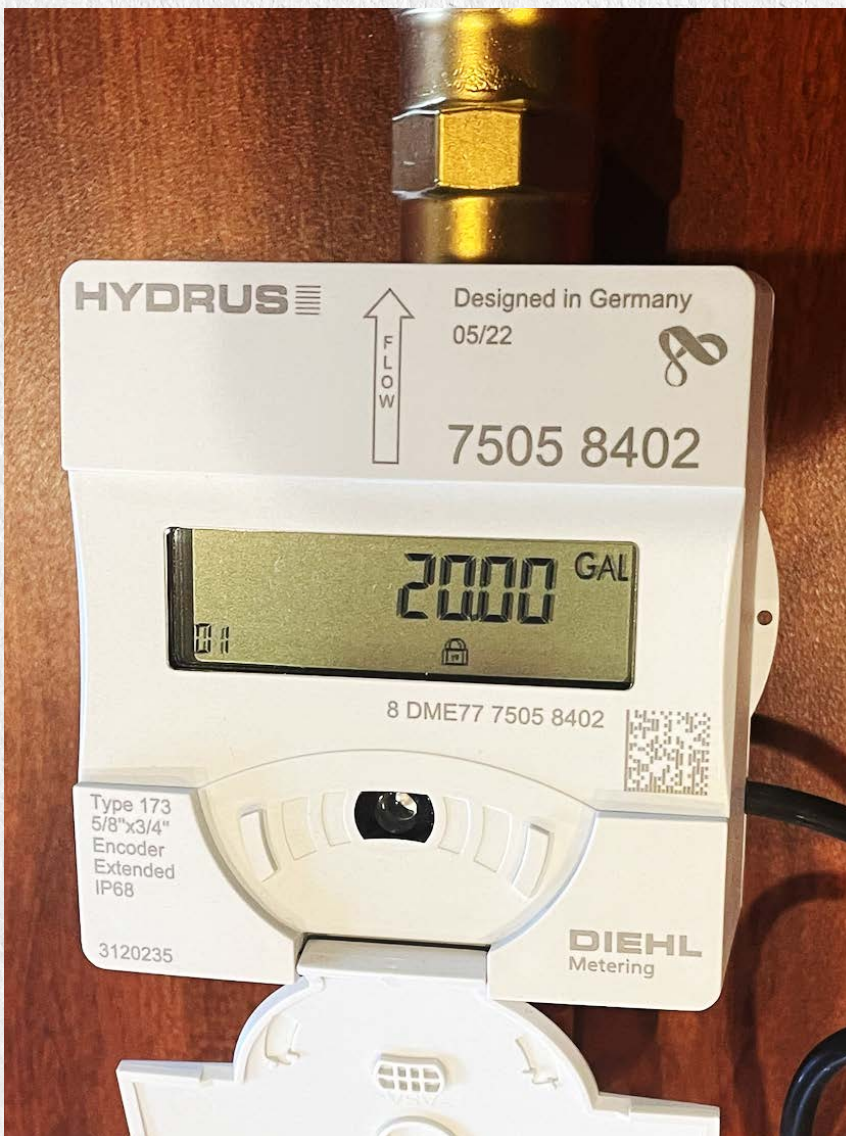


Environmental Conscience

Water Conservation

Flagship has dedicated, USEPA-trained staff that manage and plan the monitoring of water usage throughout every community. Through sub-metering and water detection equipment, we are able to monitor and detect water leaks immediately, which has resulted in roughly at 25% reduction in water consumption compared to previously un-monitored water usage. Utility inflation has attributed greatly towards steep increases in housing costs and our water conservation management practices are critical to housing affordability.

Following the guidelines of the U.S. Environmental Protection Agency (USEPA), we are committed to the highest standards for wastewater management practices. Implementation of a preventive maintenance utility program assures compliance and immediate response to problems and usage issues.



Social Responsibility

Flagship is committed to building and maintaining safe, convenient, and enjoyable communities for our predominantly lower-income and family-oriented residents.



Social Responsibility

Giving Back

It is important for us to ensure that our community managers are well informed so that they can properly communicate with the residents of their communities.

Our community managers are hands on, staying close to the residents and monitoring their needs. Managers work with community partners—schools, churches and social agencies to provide educational, recreational and nutritional projects that support the residents and children.

We engage through social media to connect, share and promote information that is important to our residents, sharing photographs and news within each community's social media pages.



Case Study: Grandin Pointe School Opening



For seven years, Flagship's Grandin Pointe community has partnered with Grandin Evolution, Evansville Vanderburgh School Corporation and the local YMCA to provide after-school continued education and tutoring services for children of Grandin Pointe.

The existing Grandin Evolution school cottage was not large enough to meet the growing demand of families, so last year, Flagship provided a brand new, 2,000 sq.ft. building allowing the program to expand from serving 40 students to 50-75 children per day. The new school building was outfitted with open spaces to accommodate the classroom. New sidewalks leading to the entrance service ramp allows access for students with disabilities. The building also includes a full-service kitchen for snack and meal preparation and a laundry room to facilitate cleanup. New furniture and supplies have also been provided allowing school to begin immediately. The building also provides broadband access for students to connect to the internet via their tablets.

Many other social and meal programs have also been facilitated through the school program. Flagship's total contribution included an investment of over \$100,000 for the new building, furniture, school and kitchen supplies and utilities.

Case Study: Grandin Pointe School Opening

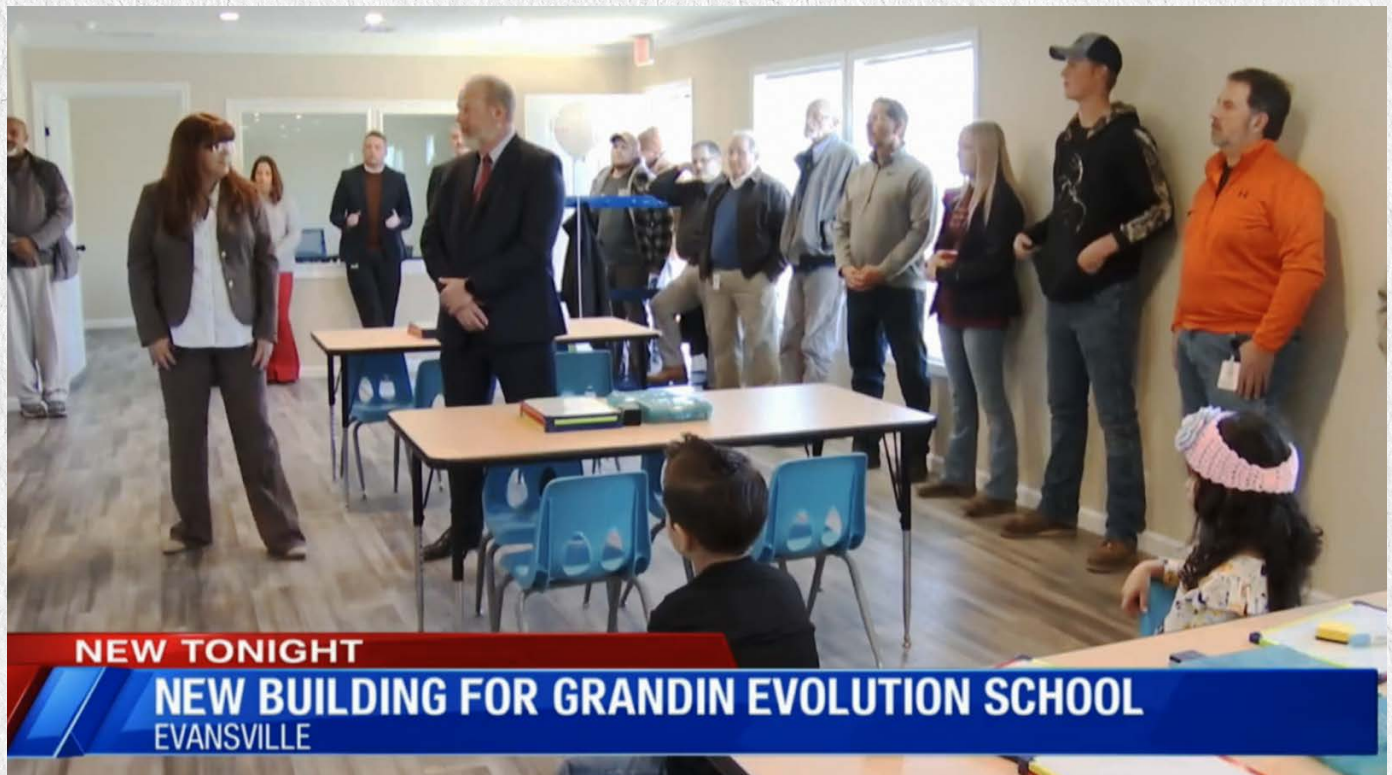
“Many of the families at Grandin Pointe are hard-working, low-to-moderate income families who want to see their children succeed in school,” said Flagship CEO Kurt Keeney. “We are proud to assist with such a great program that is making a big difference in these children’s lives. My sincerest thanks to Superintendent David Smith, Director Merna Peden and all of our partners for their dedication to the children of Grandin Pointe.”



A ribbon-cutting ceremony was held at the Grand Opening of the new school on November 21, 2022.

Children may attend Grandin Evolution from kindergarten through eighth grade. Grandin Pointe has 800 homes and is located northeast of downtown Evansville, Indiana. The new school building was opened in November 2022, with a ribbon cutting ceremony.

Many Flagship personnel were involved in the planning, financing, delivery, preparation, and set-up of the new school building, working with all the community partners on opening the building. Over 100 hours were spent by employees throughout the two-year planning process to deliver and open the new school.



Case Study: Grandin Pointe School Opening

When the building was ready to open, a back-to-school event was orchestrated by the Grandin staff and volunteers. Managers secured school supply lists for all the children and purchased \$15,000 worth of backpacks, supplies and snacks. They also provided free haircuts for every student, new shoes along with shampoo, body wash and other essentials.

“We learned several years ago that many Grandin Pointe children were struggling in school, not reaching the achievement goals set by the school district and state,” said Flagship Regional Manager and Evansville resident Jerri Johnson. “Our community partners have been dedicated and have worked so hard to improve the reading and math skills of so many of the children at Grandin. This new building will allow Grandin Evolution to serve more children.”



“I can’t imagine the eyes of the kids when they walk in to see this (school) for the first time... I can imagine that they know people love them and care for them.”

Dr. David Smith, Evansville School District Superintendent
thanking Flagship at the Grand Opening.

Social Responsibility

Employee Engagement

As a leading operator of MHCs, we want to be recognized as an employer of choice within the U.S. real estate industry. This requires us to offer fair wages and compensation and to invest in our people through career development and growth opportunities. Flagship requires a non-discriminatory and welcoming workplace for all genders and races and a harassment-free workplace. We do not tolerate any form of violent behavior, and personnel are expected to perform their job duties in a professional manner.



Stakeholder Engagement

The following table lists our key stakeholders and how we engaged with them in 2022:

Stakeholder Group	How we engaged in 2022	Priorities
Unitholders, investment community and analyst community	Investor meetings, roadshows, site visits and conference calls Annual general meeting of unitholders	Pipeline of acquisitions Occupancy levels within existing communities Cost containment and maintaining cash distributions
Employees	Frequent senior management site visits and meetings Training programs	Health and safety Business performance Compensation and benefits Opportunities for personal growth and development
Local communities	Community partnerships Restoration and refurbishment initiatives Community events and social causes	Local economy impact Job opportunities Health and safety Responsible corporate citizenship

COMMUNITY



Flagship Communities Executive Takes to the Road, Eyes Future Growth

Nathan Smith Checks in From the 'Year in Review Tour'

by Patrick Revere



The backdrop of MHInsider's discussion with Nathan Smith was a three-week long car tour, Flagship Communities' chief investment officer and three comrades looping through multiple states in the Midwest to assess existing communities and where further opportunities for affordable housing may lie.

Four people in a car immediately conjures the image of myriad pop culture road trip sagas, if not the classic comical headbanging of Bill and Ted.

"We eat junky food," Smith confessed. "This week we have Culver's, last week we had Long John Silver's... 'We have a litany of them. Sometimes we go to Chick-fil-A, Freddy's, White Castle.'"

From its base in Northern Kentucky, the team creates a cloverleaf across the central U.S. and parts of the South.

"Once per year, we do what I call the Year in Review Tour," Smith said. "We do it in December to get ready for the coming year."

"There is an economy of scale we're looking to achieve," he said. "When we go into a market

we go into with the intent to have enough properties so that we can sell at multiple locations all over town. You don't want to do TV, radio, and buy ad space that circulates all over town if you're only selling in one location."

SSK Origins: The Making of a National Portfolio

Nathan Smith was responsible for one S in SSK, the name of the privately held property ownership and management company that is the predecessor to Flagship Communities, a public entity traded on the Toronto Stock Exchange.

It was at Northern Kentucky University on the first day of college when Smith met his future business partner, Kurt Keeney, a senior looking for a career banking.

"He was going to be in the banking business and I thought I was going to be a lobbyist," Smith said. "We both went and did those things, and I was the first one who decided it wasn't for me." »

Corporate Governance

Flagship is committed to strong corporate governance and its Trustees are committed to fulfilling their mandate to exercise their powers and discharge their duties honestly, in good faith and with a view to the best interests of the REIT, and with the highest standards of ethical conduct.

Flagship's Board of Trustees is committed to appropriately managing conflicts of interest, and providing timely, accurate disclosures to unitholders and other key stakeholders.

Members of our Board are highly skilled and qualified individuals who are committed to maintaining the highest level of stewardship. Our Board members also represent a diversity of viewpoints, backgrounds and experiences with 29% women and 14% BIPOC board membership. The Board fulfills its responsibilities directly and through the Compensation Governance and Nominating Committee and the Audit Committee.

The Board has adopted a written Code of Business Conduct and Ethics (the "Code") applicable to trustees, officers and employees of the REIT, among others. The Board shall periodically review the reports of the Compensation, Governance and Nominating Committee relating to compliance with, material departures from, and investigations and any resolutions of complaints received under, the Code.

Please refer to our [Board of Trustees Mandate](#) as well as our [Declaration of Trust](#) to learn more.



Flagship Board of Trustees



Peter Bynoe, Chair of the Board
Independent Trustee and CGN Committee

Peter Bynoe is a Senior Advisor to the international law firm DLA Piper LLP. He has been affiliated with the firm for 25 years, having previously served as Senior Counsel and Senior Partner. Mr. Bynoe was also a Managing Director at Equity Group Investments from 2014 to 2019, Chief Executive Officer of Rewards Network Inc. from 2013 to 2014, and a partner and Chief Operating Officer of Loop Capital Markets LLC from 2008 to 2013.



Louis Forbes
Independent Trustee, Audit Committee Chair

Louis Forbes is a corporate director with more than 30 years of real estate and finance experience. He was the Senior Vice President and Chief Financial Officer of CT Real Estate Investment Trust from its inception in 2013 until the end of 2018. From 2003 to 2013, Mr. Forbes was the Executive Vice President and Chief Financial Officer of Primaris Retail Real Estate Investment Trust.



Susan Monteith
Independent Trustee, Audit Committee, CGN Committee Chair

Susan Monteith has more than 30 years of experience as a senior capital markets professional advising companies on capital raising and M&A financing. She most recently spent 13 years with National Bank Financial Inc. as Executive Vice President and Managing Director, Client Strategy & People Development and as Head of Equity Capital Markets until her retirement in 2016. She holds the ICD.D designation from the Institute of Corporate Directors.



Andrew Oppenheim
Independent Trustee, CGN Committee

Andrew Oppenheim was a partner until December 31, 2020 at Gowling WLG (Canada) LLP, a full-service multinational law firm. He practiced commercial law for 38 years with expertise in debt financing, mergers and acquisitions, asset purchases and sales, and commercial real estate. Mr. Oppenheim was the lead director of Amica Mature Lifestyles Inc. prior to the company's sale in 2015, and has served as a director of a number of other public and private companies. He holds the ICD.D designation from the Institute of Corporate Directors.

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Flagship Board of Trustees



Ann Rooney

Independent Trustee, Audit Committee

Ann Rooney, FCPA, ICD.D has served as a director and Chair of the Audit Committee for many public and private companies. She served for eight years as a board member, vice-chair, and chair of the audit committee for Parkbridge Lifestyle Communities. She also served for the Nature Conservancy of Canada, the Alberta Securities Commission, and as president of the Institute of Chartered Accountants of Alberta. She is currently a member of the board of CIFAR, a global scientific research organization.



Kurt Keeney

President and Chief Executive Officer, Flagship Communities REIT

He co-founded the REIT's predecessor companies and related entities with Nathan Smith. Beginning in 1995 with just one community and 152 lots, Flagship has built a leading position in its target markets under their leadership. Prior to his involvement with Flagship, he worked for eight years at Fifth Third Bancorp in various roles.



Nathan Smith

Chief Investment Officer of Flagship Communities REIT

Nathan Smith co-founded the REIT's predecessor companies with Kurt Keeney. Mr. Smith's responsibilities include acquisitions of new communities, marketing, e-commerce and sales. He has served as Chairman of the Manufactured Housing Institute, the industry's trade organization. He serves on the board of directors for Safe Harbor Marinas, the world's largest owner and operator of marinas, the Northern Kentucky University Board of Regents, and previously served as a member of the Greater Cincinnati Northern Kentucky International Airport Board.

Leadership Team

Two college fraternity brothers founded the company in 1995 with one community and it now has over 12,000 home sites in its portfolio. Flagship Communities is among the upper tier in the MHC market and among higher-end mobile home properties in its various geographic markets.

The following members comprise Flagship's leadership team as of December 31, 2022.



Sustainability Performance Indices

GRI Standard	Disclosure	Response/Location
GRI 101: Foundation 2016		
Organizational profile		
102-1	Name of the organization	About Flagship Communities (page 12)
102-2	Activities, brands, products, and services	About Flagship Communities (page 12) Business and Financial Performance (page 6) About This Report (page 3)
102-3	Location of headquarters	About Flagship Communities (page 12)
102-4	Location of operators	About Flagship Communities (page 12)
102-5	Ownership and legal form	About Flagship Communities (page 12)
102-6	Markets served	About Flagship Communities (page 12)
102-7	Scale of the organization	About Flagship Communities (page 12)
Strategy		
102-14	Statement from senior decision-maker	CEO Message (page 7)
102-15	Key impacts, risks and opportunities	CEO Message (page 7)
Ethics and integrity		
102-16	Values, principles, standards, and norms of behavior	Flagship Values (page 13) Social Responsibility (page 21) See also: Board of Trustees Mandate See also: Declaration of Trust
Governance		
102-18	Governance Structure	Corporate Governance (page 28) Leadership Team (page 31) See also: Board of Trustees Mandate See also: Declaration of Trust See also: Board of Trustees
102-21	Consulting stakeholders on economic, environmental, and social topics	Stakeholder Engagement (page 27)

Sustainability Performance Indices

GRI Standard	Disclosure	Response/Location
102-22	Composition of the highest governance body and its committees	Corporate Governance (page 28) Leadership Team (page 31) See also: Board of Trustees Mandate See also: Declaration of Trust See also: Board of Trustees
102-23	Chair of the highest governance body and its committees	Corporate Governance (page 28) Chair Letter (page 10) Leadership Team (page 31) See also: Board of Trustees Mandate See also: Declaration of Trust See also: Board of Trustees See also: Leadership
Stakeholder engagement		
102-40	List of stakeholder groups	Stakeholder Engagement (page 27)
Reporting practice		
102-45	Entities included in the consolidated financial statements	About This Report (page 3)
102-49	Changes in Reporting	Business and Financial Performance (page 6)
102-50	Reporting period	About This Report (page 3) Business and Financial Performance (page 6)
102-51	Date of most recent report	About This Report (page 3)
102-52	Reporting cycle	About This Report (page 3)
102-53	Contact point for questions regarding the report	About This Report (page 3)
102-54	Claims of reporting in accordance with the GRI Standards	About This Report (page 3)

Sustainability Performance Indices

GRI Standard	Disclosure	Response/Location
102-55	GRI Content Index	GRI Content Index (page 32-35)
GRI 200: Economic Standard Series		
Economic Performance		
201-103	Management approach disclosures	About This Report (page 3) Flagship Values (page 13)
Indirect Economic Impacts		
203-103	Management approach disclosures	Energy Efficient Manufactured Homes (page 17) Social Responsibility (page 21-24)
GRI 300: Environmental Standards Series		
Biodiversity		
304-103	Management approach disclosures	Environmental Conscience (page 15-20) Energy Efficient Manufactured Homes (page 17) Carbon Footprint and Impact on the Environment (page 18) Renewable Energy and Solar Lighting Program (page 19) Water Conservation (page 20)

Sustainability Performance Indices

GRI Standard	Disclosure	Response/Location
304-2	Significant impacts of activities, products, and services on biodiversity	Environmental Conscience (page 15-20) Energy Efficient Manufactured Homes (page 17) Carbon Footprint and Impact on the Environment (page 18) Renewable Energy and Solar Lighting Program (page 19)
GRI 400: Social Standards Series		
Employment		
401-103	Management approach disclosures	Flagship Values (page 13) Social Responsibility (page 21)
Diversity and Equal Opportunity		
405-103	Management approach disclosures	Flagship Values (page 13)
Non-Discrimination		
406-103	Management approach disclosures	Flagship Values (page 13) Social Responsibility (page 21)
Human Rights Assessment		
412-103	Management approach disclosures	Flagship Values (page 13) Social Responsibility (page 21)
Local Communities		
413-103	Management approach disclosures	About Flagship Communities (page 12)
Customer Health and Safety		
416-103	Management approach disclosures	About Flagship Communities (page 12)

Sustainability Performance Indices

SASB: Sustainability Disclosure Topics & Accounting Metrics					
Topic	Accounting Metric	Category	Unit of Measure	Code	Response/Location
Energy Management	Description of how building energy management considerations are integrated into property investment analysis and operational strategy	Discussion and Analysis	n/a	IF-RE-130a.5	Energy Efficient Manufactured Homes (page 17) Carbon Footprint and Impact on the Environment (page 18) Renewable Energy and Solar Lighting Program (page 19)
Water Management	Description of water management risks and discussion of strategies and practices to mitigate those risks	Discussion and Analysis	n/a	IF-RE-140a.4	Water Conservation (page 20)
Management of Tenant Sustainability Impacts	Discussion of approach to measuring, incentivizing, and improving sustainability impacts of tenants	Discussion and Analysis	n/a	IF-RE-410a.3	Impact on the Environment (page 18)
Climate Change Adaptation	Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks	Discussion and Analysis	n/a	IF-RE-450a.2	CEO Message (page 7) Environmental Conscience (page 15)

Activity Metrics				
Activity Metric	Category	Unit of Measure	Code	Response/Location
Number of Assets, by property subsector	Quantitative	Number	IF-RE-000.A	About Flagship Communities (page 12)
Average occupancy rate, by property subsector	Quantitative	Percentage (%)	IF-RE-000.D	About Flagship Communities (page 12)