



**NOTICE OF
ANNUAL GENERAL MEETING OF UNITHOLDERS
AND
MANAGEMENT INFORMATION CIRCULAR
TO BE HELD ON MAY 10, 2022**

Table of Contents

NOTICE OF ANNUAL GENERAL MEETING OF UNITHOLDERS	1
GENERAL PROXY INFORMATION.....	2
Solicitation of Proxies	2
Questions and Answers on the Voting Process.....	2
VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES	9
BUSINESS TO BE TRANSACTED AT THE MEETING.....	9
1. Financial Statements	9
2. Election of Trustees.....	9
3. Appointment of Auditors	18
BOARD OF TRUSTEES AND COMMITTEES	18
Board of Trustees.....	18
Committees of the Board.....	21
Orientation and Continuing Education	25
Nomination of Trustees	26
Board Evaluation	28
Trustee Minimum Unit Ownership Guidelines.....	28
Board Tenure, Term Limits, Trustee Retirement and Other Mechanisms of Board Renewal ..	29
2021 Trustee Attendance	30
Trustee Compensation	30
Pension Plan	31
Cease Trade Orders, Bankruptcies, Penalties or Sanctions	31
Financial Literacy	32
Risk Management Oversight	32
GOVERNANCE POLICIES	33
Ethical Business Conduct.....	33
Diversity Policy.....	33
Majority Voting Policy	35
Director / Trustee Interlocks.....	36
Environmental, Social and Governance.....	36
Related Party Transactions	37
Unitholder/Investor Communications Policy and Feedback	37
REPORT ON EXECUTIVE COMPENSATION	38
2021 Named Executive Officers	39
COMPENSATION DISCUSSION AND ANALYSIS.....	40

Compensation Philosophy	40
2021 Compensation Plan Enhancements	41
Principal Elements of Compensation	41
2021 Reit Performance	42
Summary Compensation Table	44
Compensation Governance and Risk Management	44
Independent Advice - Compensation Consultant	46
Minimum Unit Ownership Requirement for Officers	47
Employment Agreements	47
Pensions	51
Termination Benefits	51
Omnibus Equity Incentive Plan	51
Outstanding Unit Based Awards at December 31, 2021	56
Performance Graph	58
Succession Plans for the Chief Executive Officer and Management Team	59
Interest of Informed Persons in Material Transactions	59
Indebtedness of Trustees, Executive Officers and Senior Officers	60
Trustee and Officer Liability Insurance	60
Additional Information	60
APPROVAL OF THE BOARD OF TRUSTEES	61
APPENDIX A MANDATE OF THE BOARD OF TRUSTEES	1

NOTICE OF ANNUAL GENERAL MEETING OF UNITHOLDERS

NOTICE IS HEREBY GIVEN that an annual general meeting (the “**Meeting**”) of holders (the “**Unitholders**”) of units of interest (the “**Units**”) in Flagship Communities Real Estate Investment Trust (the “**REIT**”) will be held as a live virtual-only webcast at <https://virtual-meetings.tsxtrust.com/1295> on **Tuesday, May 10, 2022** at 10:00 a.m. (Eastern Daylight Time) for the following purposes:

1. to receive the audited financial statements of the REIT for the year ended December 31, 2021, and the auditor’s report thereon;
2. to elect the members of the Board of Trustees of the REIT;
3. to re-appoint MNP LLP, as auditor of the REIT for the ensuing year and to authorize the Board of Trustees of the REIT to fix their remuneration; and
5. to transact such other business as may properly be brought before the Meeting or any postponement or adjournment thereof.

The Board of Trustees of the REIT has fixed March 21, 2022 as the date (the “**Record Date**”) for determination of Unitholders entitled to notice of, and to vote at, the Meeting and at any adjournment or postponement thereof. Each registered Unitholder at the close of business on the Record Date is entitled to such notice and to vote at the Meeting in the circumstances set out in the Management Information Circular dated April 6, 2022 prepared by management of the REIT in connection with the Meeting.

With the continuing governmental public health advisories related to the COVID-19 pandemic and to mitigate risks to the health and safety of the REIT’s communities, unitholders, employees and other stakeholders, the Meeting will be in a virtual only format, which will be conducted via live virtual-only webcast over the internet. We have designed the format of the virtual meeting so that Unitholders have opportunities to vote and participate, substantially similar to those they would have at a physical meeting.

Accompanying this Notice of Meeting is the Management Information Circular, which contains details of the matters to be dealt with at the Meeting and a form of proxy or voting information form. If you indicated on the Request for Financial Statements form or Voting Instruction Form last year that you would like to receive the 2021 Annual Report, which includes the audited financial statements of the REIT for the year ended December 31, 2021 and Management’s Discussion and Analysis, then this material is enclosed as well. The Annual Report may also be accessed under the REIT’s profile at www.sedar.com or www.flagshipcommunities.com.

DATED at Toronto, Ontario, this 6th day of April, 2022.

BY ORDER OF THE BOARD OF TRUSTEES

“Kurtis Keeney”

President and Chief Executive Officer

GENERAL PROXY INFORMATION

Solicitation of Proxies

This management information circular (the “**Circular**”) is furnished in connection with the solicitation of proxies by the management of Flagship Communities Real Estate Investment Trust (the “**REIT**”) for use at the annual meeting (the “**Meeting**”) of holders (the “**Unitholders**”) of units of interest in the REIT (the “**Units**”) to be held at the time and in the manner and for the purposes set forth in the Notice of Meeting.

The information contained in this Circular is given as of March 21, 2022 except where otherwise indicated. No person is authorized to give any information or make any representation other than those contained in this Circular and, if given or made, such information or representation should not be relied upon as having been authorized by the REIT. The delivery of this Circular shall not, under any circumstances, create an implication that there has not been any change in the information set forth herein since the date of this Circular.

March 21, 2022 is the record date for the Notice of the Meeting and for determining holders of outstanding Units entitled to vote at the Meeting (the “**Record Date**”).

Quorum

A quorum for the Meeting shall be individuals present in person (including virtually) or represented by proxy, not being less than two in number and such persons holding or representing by proxy in aggregate not less than 25% of the total number of outstanding Units. If a Unitholder submits a properly executed form of proxy or votes by telephone or the Internet, that Unitholder will be considered part of the quorum.

Advance Notice Policy

The REIT’s Declaration of Trust contains an advance notice policy which requires a nominating Unitholder (other than the Retained Interest Holders) to provide notice to the REIT of proposed trustee nominations not less than 30 days prior to the date of the applicable annual meeting (being not later than April 10, 2022 for purposes of the Meeting). This advance notice period is intended to give the REIT and its Unitholders sufficient time to consider any proposed nominees. **A copy of advance notice policy is in Section 9.4 of the REIT’s Amended and Restated Declaration of Trust dated September 28, 2020 which is on the REIT’s website at www.flagshipcommunities.com and under the REIT’s profile on SEDAR at www.sedar.com.**

QUESTIONS AND ANSWERS ON THE VOTING PROCESS

Q: What items of business am I voting on?

A: You will be voting on:

- the election of Trustees, and
- the appointment of the external auditors and authorization of the Trustees to fix the external auditors’ remuneration.

Q: Am I entitled to vote?

A: You are entitled to vote if you were a holder of Voting Units (a “**Voting Unitholder**”) as at the close of business on March 21, 2022, which is the Record Date of the Meeting.

Q. Am I a registered Voting Unitholder?

A: You are a registered Voting Unitholder if you hold Units or Special Voting Units in your own name and you have a unit certificate. As a registered Voting Unitholder, you are identified on the unit register maintained by the REIT’s registrar and transfer agent, TSX Trust Company. Registered Voting Unitholders will receive a form of proxy for voting purposes.

Q: Am I a non-registered (or beneficial) Voting Unitholder?

A: Most Voting Unitholders are beneficial Voting Unitholders. You are a beneficial Voting Unitholder if your Units are held in an account in the name of an intermediary, such as a bank, broker or trust company. As a beneficial Voting Unitholder, you do not have a unit certificate registered in your name, but your ownership interest in Units is recorded in an electronic system. As such, you are not identified on the unit register maintained by TSX Trust Company as being a Voting Unitholder. Instead, the REIT’s unit register shows the holder of your Units as being the intermediary or depository through which you own your Units.

The REIT distributes copies of the proxy-related materials in connection with the Meeting to intermediaries so that they may distribute the materials to the beneficial Voting Unitholders. Beneficial Unitholders will receive a voting instruction form for voting purposes. Intermediaries often forward the materials to beneficial Voting Unitholders through a service company such as Broadridge Financial Solutions Inc. Beneficial Voting Unitholders who have not objected to their intermediary disclosing certain information about them to the REIT are referred to as “**NOBOs**”, whereas beneficial Voting Unitholders who have objected to their intermediary disclosing ownership information about them to the Trust are referred to as “**OBOs**”. The REIT pays for an intermediary to deliver the proxy-related materials to NOBOs and OBOs.

Q. Who is sending me these security holder materials??

These securityholder materials are being sent to both registered and non-registered owners of the securities. If you are a non-registered owner, and the issuer or its agent has sent these materials directly to you, your name and address and information about your holdings of securities, have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf.

By choosing to send these materials to you directly, the issuer (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

Q. How will my Voting Units be voted?

A: On the form of proxy or voting instruction form, you can indicate how you want your proxyholder to vote your Voting Units or you can let your proxyholder decide for you. If you have specified on the form of proxy or voting instruction form how you want your Voting Units to be voted on a particular issue (by marking FOR or WITHHOLD), then your proxyholder must vote your Voting

Units accordingly. If you have not specified on the form of proxy or voting instruction form how you want your Voting Units to be voted on a particular issue, then your proxyholder can vote your Voting Units as he or she sees fit.

Unless contrary instructions are provided, Voting Units represented by proxies appointing the REIT’s representative provided as the proxyholder will be voted:

- **FOR the election of the Trustees; and**
- **FOR the re-appointment of MNP LLP as the external auditors of the REIT and the authorization of the Trustees to fix the external auditors’ remuneration.**






Q: What if there are amendments or if other matters are brought before the Meeting?

A: Your proxyholder has discretionary authority to vote in respect of amendments that are made to matters identified in the Notice of Meeting and other matters that may properly come before the Meeting or the date that any adjourned Meeting has been reconvened. As of the date of this Circular, management of the REIT is not aware of any such amendments or other matters to be presented at the Meeting; however, if any such matter is presented, your Voting Units will be voted in accordance with the best judgment of the proxyholder named in the form. If you have not specifically appointed a person as proxyholder, a REIT representative named in the enclosed proxy form will be your proxyholder, and your Voting Units will be voted in accordance with the best judgment of the Trust representative.

QUESTIONS AND ANSWERS ON ATTENDING AND VOTING AT THE MEETING

Determine whether you are a Non-registered Beneficial Unitholder or a Registered unitholder	
Non-registered Beneficial Unitholders	Registered Unitholders
An intermediary such as a securities broker, trustee or financial institution holds your Units. Your intermediary sent you a Voting Instruction Form with the Circular.	Your Units are registered directly in your name with our transfer agent, TSX Trust Company. A Form of Proxy was sent to you with the Circular.

VOTE BY PROXY BEFORE THE MEETING

Non-registered Beneficial Unitholders	Registered Unitholders
 Visit www.proxyvote.com and enter your 16 digit control number listed on the Voting Instruction Form that was mailed with the Circular.  English: 1-800-474-7493 French: 1-800-474-7501  Complete your Voting Instruction Form and return it by mail in the envelope provided	 Visit www.voteproxyonline.com and enter the 12 digit control number listed on the Form of Proxy that that was mailed with the Circular.  Complete your Form of Proxy and return it by mail in the envelope provided

Changed your mind?	Changed your mind?
<p>If you have already submitted your voting instructions and you change your mind, contact your intermediary immediately.</p>	<p>You may revoke your proxy by:</p> <ul style="list-style-type: none"> • delivering a written notice to the Secretary, Mr. Eddie Carlisle by email at ecarlisle@flagshipcommunities.com or • completing, signing and returning to the Secretary, a new proxy form bearing a later date than the form already returned to TSX Trust Company. <p>The written notice or new proxy form must be received no later than 5:00 p.m. (Eastern Daylight Time) on Friday May 6, 2022.</p>

VOTING ONLINE AT THE MEETING

Non-registered Beneficial Unitholders	Registered Unitholders
<ul style="list-style-type: none"> • Write your own name in the space provided on your Voting Instruction Form to instruct your intermediary to appoint you as proxyholder. • Sign and return the voting instruction form according to the delivery instructions provided. • Do not complete the voting instructions section of the Voting Instruction Form as you will be attending and voting online at the meeting. • Register yourself as your proxyholder, as described below under “Appointing a proxyholder to attend and vote your Units online at the meeting”. <p>Non-registered (beneficial) Unitholders who have not duly appointed themselves as proxyholder will not be able to vote online at the meeting.</p>	<ul style="list-style-type: none"> • Do not complete or return your form of proxy as you will be attending and voting online at the meeting.

Appointing a proxyholder to vote your Units online at the meeting

The Form of Proxy or Voting Instruction Form appoints Peter C.B. Bynoe or Kurtis Keeney, each a trustee of the REIT, as your proxyholder, which gives them the authority to vote your Units at the meeting or any adjournment.





You can appoint yourself, choose another person or company, including a person who is not a Unitholder as your proxyholder to vote your Unit online at the meeting.

To do this, you must perform two steps:


1. Use the instructions above at “Voting by proxy before the meeting” to appoint yourself or another person as proxyholder
2. Use the instructions below at “Instructions for attending the Meeting” to appoint yourself or another person as proxyholder and obtain a control number to be able to log in to the Meeting

Failure to register the proxyholder with TSX Trust Company will mean the proxyholder will be unable to vote.

INSTRUCTIONS FOR ATTENDING THE MEETING

Non-registered Beneficial Unitholders as proxyholders	Registered Unitholders
<ul style="list-style-type: none"> • To participate in the Meeting as a proxyholder, you will need a unique control number that can be obtained from TSX Trust Company prior to Friday, May 6, 2022 at 1:00 p.m. • Before you request a control number, locate the four-digit CUID code on your Voting Instruction Form <p>Then proceed to request a control number by completing the form at:</p> <p> https://tsxtrust.com/resource/en/75</p> <ul style="list-style-type: none"> • If you completed the form and have not received your control number by Monday, May 9, 2021 at 1:00 p.m., email: tsxtis@tmx.com <p> 416-342-1091 or toll free: 1 (866) 600-5869</p> <ul style="list-style-type: none"> • On the day of the Meeting, preferably no later than 9:45 a.m., login into the web address below and enter your control number <p> https://virtual-meetings.tsxtrust.com/1295 Enter the password: flagship2022</p>	<ul style="list-style-type: none"> • To participate in the Meeting as a proxyholder, you will use the unique control number that is on your Form of Proxy • On the day of the Meeting, preferably no later than 9:45 a.m., login into the web address below and enter your control number <p> https://virtual-meetings.tsxtrust.com/1295 Enter the password: flagship2022</p>

Non-registered Beneficial Unitholders as proxyholders	Registered Unitholders
Without a control number you, will not be able to participate in the meeting by voting or submitting comments; however, you will be able to attend as a guest and listen. See the section below “Attend as a Guest”	

Attending as a guest
<p>Anyone may attend the Meeting to listen as a guest. To do so, log into the web address below as a guest, preferably no later than 9:45 a.m.</p> <p style="text-align: center;"> https://virtual-meetings.tsxtrust.com/1295 Enter the password: flagship2022</p>

Q: What items of business am I voting on?

A: You will be voting on:

- the election of the members of the Board of Trustees of the REIT (each a “**Trustee**”); and
- the appointment of the external auditors and authorization of the Board of Trustees of the REIT to fix the external auditors’ remuneration.

Q: Am I entitled to vote?

A: You are entitled to vote if you were a Unitholder as at the close of business on March 21, 2022, which is the Record Date of the Meeting.

Q: If I designate a proxyholder, how will my Units be voted?

A: On the form of proxy or voting instruction form, you can indicate how you want your proxyholder to vote your Units or you can let your proxyholder decide for you. If you have specified on the form of proxy or voting instruction form how you want your Units to be voted on a particular issue (by marking FOR or WITHHOLD), then your proxyholder must vote your Units accordingly. If you have not specified on the Form of Proxy or Voting Instruction Form how you want your Units to be voted on a particular issue, then your proxyholder can vote your Units as he or she sees fit.

Unless contrary instructions are provided, Units represented by proxies appointing the REIT’s representative provided as the proxyholder will be voted:

- **FOR the election of the Trustees; and**
- **FOR the re-appointment of MNP LLP as the external auditors of the REIT and the authorization of the Board of Trustees to fix the external auditors’ remuneration.**

Q: What if there are amendments or if other matters are brought before the Meeting?

A: Your proxyholder has discretionary authority to vote in respect of amendments that are made to matters identified in the Notice of Meeting and other matters that may properly come before the Meeting or the date that any adjourned Meeting has been reconvened. As of the date of this Circular, management of the REIT is not aware of any such amendments or other matters to be

presented at the Meeting; however, if any such matter is presented, your Units will be voted in accordance with the best judgment of the proxyholder specified in the form. If you have not specifically appointed a person as proxyholder, a REIT representative named in the enclosed Voting Instruction Form or Form of Proxy will be your proxyholder, and your Units will be voted in accordance with the best judgment of the REIT representative.

Q. What questions and discussion will be permitted at the Meeting?

A: It is recommended that Unitholders and proxyholders submit their questions as soon as possible during the Meeting so they can be addressed at the right time. Only Registered Unitholders and duly appointed proxyholders may ask questions and participate in the Meeting.

The Chair of the Board of Trustees (“the **Board**”) or other members of management present at the Meeting will answer questions relating to matters to be voted on before a vote is held on each matter, if applicable. General questions will be addressed by the Chair of the Board and other members of management during the question period following the conclusion of the Meeting. Questions from multiple Unitholders on the same topic or that are otherwise related will be grouped, summarized and answered together. All Unitholder questions are welcome. However, the REIT does not intend to address questions that are irrelevant to the REIT or its subsidiaries’ operations or to the business of the Meeting, are related to non-public information, are derogatory or otherwise offensive, are repetitive or have already been asked by other Unitholders, are in furtherance of a Unitholder’s personal or business interests, or are out of order or not otherwise appropriate as determined by the Chair of the Meeting in their reasonable judgment.

For any questions asked but not answered during the question period following the conclusion of the Meeting, a member of the REIT’s management will contact such Unitholder to respond to its question to the extent the Unitholder has provided contact information when submitting the question.

GENERAL INFORMATION

Q: Who counts the vote?

A: For any matter for which a vote is taken at the Meeting by ballot, the votes, including those cast by way of proxies, will be counted by representatives of TSX Trust Company, who will be appointed as scrutineer at the Meeting.

Q: Who is soliciting my proxy?

A: Management of the REIT is soliciting your proxy. Proxies will be solicited primarily by mail, but employees and agents of the REIT may also use electronic means. Intermediaries will be reimbursed for their reasonable charges and expenses in forwarding the proxy materials to beneficial Unitholders. Proxies may also be solicited by employees of the REIT in writing or by telephone at nominal cost. The REIT will bear the cost of any proxy solicitations on behalf of management of the REIT.

Q. Can I access the annual disclosure documents electronically?

A: The REIT’s annual report, which includes its annual financial statements and management’s discussion and analysis, the Management Information Circular and the Annual Information Form, are available for review on its website at www.flagshipcommunities.com or under the REIT’s SEDAR profile at www.sedar.com.

Q: Who do I contact if I have questions?

A: If you have any questions, you may email Mr. Eddie Carlisle, Chief Financial Officer and Secretary at ecarlisle@flagshipcommunities.com for further information.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The REIT is authorized to issue an unlimited number of Units of which 14,141,185 Units (the “**Issued and Outstanding Units**”) were issued and outstanding as at the Record Date.

According to an alternative monthly report dated December 8, 2021, filed under the REIT’s profile on SEDAR at www.sedar.com, 1832 Asset Management L.P. (“**1832AML**”), on behalf of the portfolios of investment funds and managed accounts managed by 1832AML, exercised control or direction over, as of November 30, 2021, 1,661,424 Units, representing approximately 11.8% of the Issued and Outstanding Units as at the Record Date.

To the knowledge of management of the REIT, no other person beneficially owned, directly or indirectly, or exercised control or direction over, 10% or more of the Issued and Outstanding Units as at the Record Date.

BUSINESS TO BE TRANSACTED AT THE MEETING

1. Financial Statements

The REIT’s audited consolidated financial statements for the year ended December 31, 2021 and the report of the auditors on those statements as well as management’s discussion and analysis (“**MD&A**”) will be placed electronically before the meeting. Copies of the financial statements and MD&A may be accessed under the REIT’s profile on SEDAR at www.sedar.com or www.flagshipcommunities.com or may be obtained from the Secretary of the REIT upon request.

2. Election of Trustees

The Declaration of Trust provides for a minimum of one and a maximum of ten Trustees. The number of Trustees within such minimum and maximum may be changed by the Unitholders or by the Trustees from time to time at their discretion. At this time, the number of Trustees has been determined by the Board, upon the recommendation of the Compensation, Governance and Nominating (“**CG&N**”) Committee, to be seven.

The Investor Rights Agreement dated October 7, 2020 provides the Retained Interest Holders (as defined below) (based on their current level of aggregate ownership of Units and Class B units of the REIT’s subsidiary, Flagship Operating, LLC (“**Class B Units**”)) with the right to nominate two of the nominees to the Board of Trustees if the Board consists of less than ten but more than six Trustees. See the section [Nomination of Trustees – Nomination Rights](#). “**Retained interest Holders**” means, collectively (i) Legacy Portfolio Holdings LLC, (ii) members of Legacy Portfolio Holdings (including the REIT’s President and Chief Executive Officer and Chief Investment Officer), and (iii) certain persons who hold Series B units in Flagship Communities, LLC (including the REIT’s President and Chief Executive Officer, Chief Investment Officer and Chief Financial Officer and Secretary). In exercising their nomination rights, the Retained Interest Holders have nominated Messrs. Keeney and Bynoe for election at the Meeting.

The Trustees have determined that five of the seven Trustees standing for election, being greater than a majority, are independent in accordance with the Declaration of Trust and applicable securities laws, being Peter C.B. Bynoe, Louis Forbes, J. Susan Monteith, Andrew Oppenheim and Iain Stewart. As President and Chief Executive Officer of the REIT, Kurtis Keeney is not considered to be an independent Trustee and as Chief Investment Officer of the REIT, Nathan Smith is not considered to be an independent Trustee. A majority of the Trustees are Canadian residents.

Trustee Nominees

The present term of office for each current trustee will expire upon the election of Trustees at the Meeting. It is proposed that each of the persons whose name appears below be elected as a Trustee of the REIT to serve until the close of the next annual meeting of Unitholders or until his or her successor is elected.

In the event a trustee nominee is unable or unwilling to serve, an event that management of the REIT has no reason to believe will occur, the persons named in the accompanying form of proxy reserve the right to vote for another person at their discretion, unless a Unitholder has specified in the form of proxy that the Units subject to such proxy are to be withheld from voting for the election of trustees.

For each trustee, the following information includes: the trustees' province or state and country of residence; their age; all positions and offices held by them with the REIT; their attendance at meetings of the Board and its committees; their principal occupations or employment during the past five years; their status as an independent or non-independent trustee; other public board memberships held in the last five years; interlocking board relationships, if any; skills and experience that qualify them for their role as Board and committee members; trustee fees received; and the number and value of securities of the REIT and its subsidiaries owned by each of them as at the Record Date. All of the nominees for election as trustees of the REIT are currently trustees of the REIT.

Independent Trustee Nominees:

Peter C.B. Bynoe, Louis Forbes, J. Susan Monteith, Andrew Oppenheim and Iain Stewart

Non-Independent Trustee Nominees and Reason for Non-Independence:

Kurtis Keeney	President and Chief Executive Officer and Retained Interest Holder
Nathan Smith	Chief Investment Officer and Retained Interest Holder

TRUSTEE NOMINEES



Peter C.B. Bynoe
Illinois, U.S.A.

- Age: 71
- Trustee since Oct 2020
- Independent
- Retained Interest Holder nominee

Mr. Bynoe is a Senior Advisor to the international law firm DLA Piper LLP (US) and has been affiliated with DLA Piper for 25 years. From 2008 to 2019, Mr. Bynoe served as Senior Counsel to the firm. Prior to that, Mr. Bynoe was a Senior Partner, serving on the firm’s executive committee. He is also the Vice Chair of the Rush University Medical Center, a Life Trustee of the Goodman Theatre and a trustee of the CORE Center for the Research, Prevention and Care of Infectious Diseases. Mr. Bynoe was a Managing Director at Equity Group Investments from 2015 to 2019 and served as the Chief Executive Officer of Rewards Network Inc. from 2013 to 2014. Prior to then, Mr. Bynoe was a partner and the Chief Operating Officer of Loop Capital Markets LLC from 2008 to 2013. Mr. Bynoe has served as the Chairman of the Chicago Landmarks Commission, the Chicago Plan Commission and the Illinois Sports Facilities Authority. Over the past 25 years, Mr. Bynoe has also served on Audit Committees and Compensation, Governance and Nominating Committees of the boards of directors of multiple public and private companies. Mr. Bynoe holds a Bachelor of Arts degree from Harvard College, a Juris Doctor degree from Harvard Law School, and a Master of Business Administration degree from the Harvard Graduate School of Management Education. He is a member of the Illinois Bar and a licensed real estate broker in the State of Illinois.

Board / Committee Membership		2021 Meeting Attendance	Skills / Experience
Board Chair		7/7 (100%)	<ul style="list-style-type: none"> • Senior executive /strategic leadership • Finance and accounting • Executive compensation / human resources • Governance / legal • Risk management • Capital markets • Environmental/social • Manufactured housing communities asset management
CG&N Committee		6/6 (100%)	
Trustee Fees			
2021: \$87,000			
Equity Ownership			
Securities	Value at March 21, 2022		
3,333 Units	\$65,360		
<u>4,848 Deferred Units</u>	<u>\$95,069</u>		
8,181 Total	\$160,429		
Public Board Memberships: Last 5 Years			
Real Industry: 2013 - 2018 Covanta Holding Company: 2004 – 2021 Frontier Communications Corporation: 2007 – 2021			None

Flagship Communities REIT
Management Information Circular



Louis M. Forbes
Ontario, Canada

- Age: 66
- Trustee since Oct 2021
- Independent

Mr. Forbes is a corporate director, serving as trustee, Chair of the Audit Committee and a member of the Governance, Compensation and Nominating Committee of the boards of trustees of Automotive Properties REIT and Primaris REIT. Mr. Forbes was formerly the Senior Vice President and Chief Financial Officer of CT Real Estate Investment Trust, serving from the inception of CT Real Estate Investment Trust in 2013 until 2018. Between 2003 and 2013, Mr. Forbes was the Executive Vice President and Chief Financial Officer of Primaris Retail Real Estate Investment Trust. Prior to serving in that role, Mr. Forbes was Vice President, Director and Senior Canadian Real Estate Equities Analyst of Merrill Lynch Canada, where he was responsible for covering North American real estate securities. Mr. Forbes also served as Vice President Finance and Chief Financial Officer of Revenue Properties Company Limited. Mr. Forbes has over 30 years of real estate and finance experience. Mr. Forbes holds a Bachelor of Science degree from McMaster University and a Master of Business Administration degree from Queen's University. Mr. Forbes holds the Chartered Professional Accountant (CPA, CA) designation and completed the Chartered Director Program at the Directors College, McMaster University.

Board / Committee Membership	2021 Meeting Attendance	Skills / Experience
Board	7/7 (100%)	<ul style="list-style-type: none"> • Senior executive / strategic leadership • Finance and accounting • Executive compensation / human resources • Governance / legal • Risk management • Capital markets
Audit Committee	5/5 (100%)	
Trustee Fees		
2021: \$55,000		
Equity Ownership		
Securities	Value at March 21, 2022	
4,300 Units	\$84,323	
3,047 Deferred Units	\$59,752	
7,347 Total	\$144,075	
Public Board Memberships: Last 5 Years		
Automotive Properties REIT: 2017 – present Primaris REIT: 2021 - present CHC Student Housing Corp: 2014 – 2017		None

Flagship Communities REIT
Management Information Circular



Kurtis Keeney
Kentucky, U.S.A.

- Age: 54
- Trustee since Oct 2020
- Non-independent
- Retained Interest Holder nominee

Mr. Keeney is President and Chief Executive Officer of the REIT. Mr. Keeney co-founded SSK Communities and FCLLC in 1995 and 2018, respectively and has served as President and Chief Executive Officer of each entity since their respective founding. Before his involvement with Flagship, Mr. Keeney worked for eight years at Fifth Third Bancorp in various roles, ending as a district manager. Mr. Keeney has served as chairman of the Independence Seniors Association, the board of directors for Cardinal Hill Rehabilitation Center in Northern Kentucky and as a Board Member for the Community Foundation of Northern Kentucky. Mr. Keeney holds a Bachelor of Science degree in Finance from Northern Kentucky University.

Board / Committee Membership		2021 Meeting Attendance	Skills / Experience
Board		7/7 (100%)	<ul style="list-style-type: none"> • Senior executive /strategic leadership • Finance and accounting • Executive compensation / human resources • Governance / legal • Risk management • Capital markets • Environmental/social • Manufactured housing communities asset management
Trustee Fees			
None: Mr. Keeney is employed by the REIT			
Equity Ownership			
Securities	Value at March 21, 2022		
8,704 Units	\$170,685		
5,271,846 Class B Units ⁽¹⁾	\$103,380,900		
5,280,550 Total	\$103,551,586		
Public Board Memberships: Last 5 Years			Public Board Interlocks
None			None

(1) Includes 137,115 Class B Units directly, 5,097,283 Class B Units indirectly (through Legacy Portfolio Holdings, LLC) beneficially owned, or controlled or directed, by both Messrs. Keeney and Smith, and 37,448 Class B Units controlled (through Empower Park, LLC) by Mr. Keeney.



J. Susan Monteith
 Ontario, Canada

- Age: 65
- Trustee since Oct 2020
- Independent

Ms. Monteith is a corporate director and since January 1, 2018, Ms. Monteith has also served as a member of the board of directors, the Audit Committee and the Risk Review Committee of Definity Financial Corporation (formerly Economical Mutual Insurance Company), a leading property and casualty insurer in Canada. Ms. Monteith has over 30 years experience as a senior capital markets professional advising companies on capital raising and M&A financing. She 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. Prior to joining National Bank Financial Inc., Ms. Monteith was Head of Equity Capital Markets with Genuity Capital Markets from 2005 to 2006. Previously she spent 13 years with CIBC World Markets Inc. in various positions in Investment Banking and Equity Capital Markets, including as Managing Director & Head of Equity Syndication. She also practiced corporate and commercial law in Toronto with the law firm Tilley, Carson & Findlay. Ms. Monteith currently sits on the board of Women's College Hospital and is Chair of the Resources Committee. Ms. Monteith holds a Bachelor of Laws (LLB) degree from Osgoode Hall Law School at York University and a Master of Science degree in Business from London Business School. She also holds the ICD.D designation from the Institute of Corporate Directors.

Board / Committee Membership	2021 Meeting Attendance	Skills / Experience
Board	7/7 (100%)	<ul style="list-style-type: none"> • Senior executive / strategic leadership • Finance and accounting • Executive compensation / human resources • Governance / legal • Risk management • Capital markets
Audit Committee	5/5 (100%)	
CG&N Committee	6/6 (100%)	
Trustee Fees		
2021: \$35,000		
Equity Ownership		
Securities	Value at March 21, 2022	
6,000 Units	\$117,660	
1,939 Deferred Units	\$38,024	
7,939 Total	\$155,684	
Public Board Memberships: Last 5 Years		Public Board Interlocks
Definity Financial Corporation: 2018 - present		None



Andrew Oppenheim
Alberta, Canada

- Age: 70
- Trustee since Oct 2020
- Independent

Mr. Oppenheim is an independent businessman and corporate director. Until December 31, 2020 he was a partner at Gowling WLG (Canada) LLP, a full-service multinational law firm. Mr. Oppenheim practiced commercial law for 38 years. Mr. Oppenheim was the lead director of Amica Mature Lifestyles Inc. and served on its board of directors' Compensation Committee prior to its sale and has served as a director of a number of other public and private companies. Mr. Oppenheim holds a Bachelor of Commerce degree from University of Witwatersrand in Johannesburg, South Africa, a Bachelor of Laws degree from the University of Calgary and the ICD.D designation with the Institute of Corporate Directors.

Board / Committee Membership	2021 Meeting Attendance	Skills / Experience
Board	7/7 (100%)	<ul style="list-style-type: none"> • Senior executive / strategic leadership • Finance and accounting • Executive compensation / human resources • Governance / legal
CG&N Committee	6/6 (100%)	
Trustee Fees		
2021: \$52,500		
Equity Ownership		
Securities	Value at March 21, 2022	
8,000 Units	\$156,880	
2,909 Deferred Units	\$57,045	
10,909 Total	\$213,925	
Public Board Memberships: Last 5 Years		
Aquarius AI Inc.: 2012 – 2018 Psinaptic Inc.: 2000 – present Nova Net Lease REIT: 2021 - present		None

Flagship Communities REIT
Management Information Circular



Nathan Smith
Kentucky, U.S.A.

- Age: 50
- Trustee since Oct 2020
- Non-independent

Mr. Smith is Chief Investment Officer for the REIT. Mr. Smith co-founded SSK Communities and FCLLC in 1995 and 2018, respectively, and has served as Chief Investment Officer of both entities since their respective founding. In addition, Mr. Smith has served as chairman of the board of directors for the national Manufactured Housing Institute, a 915-member industry trade organization, and is past president of the Kentucky Manufactured Housing Institute, having served on several active committees. In 2009, Mr. Smith received the Chairman’s Award from the Manufactured Housing Institute, and in 2015 was inducted into the Kentucky Manufactured Housing Institute’s KMHI Hall of Fame. He served on the board of directors for Safe Harbor Marinas from 2015 - 2020, as a member on the Greater Cincinnati Northern Kentucky International Airport Board from 2008 - 2016 and as chairman of the Northern Kentucky University Board from 2010 - 2016. Mr. Smith served as a national committeeman / superdelegate for the Democratic National Committee between 2016 and 2020. Mr. Smith holds a Bachelor of Arts degree from Northern Kentucky University.

Board / Committee Membership	2021 Meeting Attendance	Skills / Experience
Board	7/7 (100%)	<ul style="list-style-type: none"> • Senior executive /strategic leadership • Finance and accounting • Executive compensation/human resources • Governance / legal • Risk management • Environmental/social • Manufactured housing communities asset management
Trustee Fees		
None: Mr. Smith is employed by the REIT		
Equity Ownership		
Securities	Value at March 21, 2022	
8,704 Units 5,234,398 Class B Units ⁽¹⁾	\$170,685 \$102,646,545	
5,243,102 Total	\$102,817,230	
Public Board Memberships: Last 5 Years		Public Board Interlocks
None		None

(1) Includes 137,115 Class B Units directly and 5,097,283 Class B Units indirectly (through Legacy Portfolio Holdings, LLC) beneficially owned, or controlled or directed, by both Messrs. Keeney and Smith.



Iain Stewart
Alberta, Canada

- Age: 61
- Trustee since Oct 2020
- Independent

Mr. Stewart is President and Chief Executive Officer at Genesis Land Development Corp, an integrated land developer and residential home builder, and is the former Co-CEO at Parkbridge Lifestyle Communities Inc. He has over 30 years of corporate finance and real estate development experience. He previously served on the board of directors and audit committee of a private financial services company. Mr. Stewart holds a Bachelor of Commerce and the Chartered Professional Accountant and ICD.D designations.

Board / Committee Membership	2021 Meeting Attendance	Skills / Experience
Board	7/7 (100%)	<ul style="list-style-type: none"> • Senior executive / strategic leadership • Finance and accounting • Executive compensation / human resources • Governance / legal • Risk management • Capital markets • Manufactured housing communities asset management
Audit Committee	5/5 (100%)	
Trustee Fees		
2021: \$35,000		
Equity Ownership		
Securities	Value at March 21, 2022	
7,200 Units	\$141,192	
1,939 Deferred Units	\$38,024	
9,139 Total	\$179,216	
Public Board Memberships: Last 5 Years		
Genesis Land Development Corp: 2013 – present		None

3. Appointment of Auditors

Upon the recommendation of the Audit Committee, the Board of Trustees proposes that MNP LLP, Chartered Professional Accountants, be reappointed as the REIT's auditors to hold office until the close of the next annual meeting and that the Trustees be authorized to fix their remuneration.

This reappointment of MNP LLP as auditors must be approved by a simple majority of votes cast by Unitholders at the meeting. The following table sets forth the fees billed by the REIT's external auditor, MNP LLP, for each category of service for the financial years ended December 31, 2021 and December 31, 2020.

Category of fees	December 31, 2021 ⁽¹⁾	December 31, 2020 ⁽¹⁾
Audit Services	\$300,000	\$235,000
Audit Related Services ⁽²⁾	95,230	-
Tax Services	219,861	22,170
All Other Services ⁽³⁾	65,815	-
Total	\$680,906	\$257,170

(1) In U.S. dollars

(2) In 2021, Audit Related Fees were incurred for the Q1-Q3 quarterly review of unaudited financial statements.

(3) In 2021, All Other Services fees were incurred for work related to filing two prospectuses.

BOARD OF TRUSTEES AND COMMITTEES

Board of Trustees

Mandate of the Board of Trustees

The mandate of the Board of Trustees is one of stewardship and oversight of the REIT and its investments. In fulfilling its mandate, the Board has adopted a written mandate, the full text of which is set out as Appendix A to this Circular, 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; and
- xiv. determining the amount and timing of distributions to Unitholders.

Board Independence

To facilitate the functioning independent of management, where appropriate, during regularly scheduled meetings, non-independent Trustees and members of management are excluded from certain discussions.

In addition, the Declaration of Trust requires the approval of at least a majority of the REIT's independent Trustees who have no interest in the matter for the following matters:

- i. an acquisition of a property or an investment in a property, whether by co-investment or otherwise, in which any Related Party of the Trust has any direct or indirect interest, whether as owner, operator or manager;
- ii. a material change to any agreement with a Related Party of the Trust or any renewal, extension or termination thereof or any increase in any fees (including any transaction fees) or distributions payable thereunder;
- iii. the entering into of, or the waiver, exercise or enforcement of any rights or remedies under, any agreement entered into by the Trust, or the making, directly or indirectly, of any co-investment, in each case with (A) any Trustee, (B) any entity directly or indirectly controlled by any Trustee or in which any Trustee holds a significant interest, or (C) any entity for which any Trustee acts as a director or other similar capacity;
- iv. the refinancing, increase or renewal of any indebtedness owed by or to (A) any Trustee, (B) any entity directly or indirectly controlled by any Trustee or in which any Trustee holds a significant interest, or (C) any entity for which any Trustee acts as a director or other similar capacity;
- v. decisions relating to any claims by or against one or more parties to any agreement with any Related Party to the Trust; and
- vi. the appointment of members of the board of directors of Flagship HC, Inc., a subsidiary of the REIT.

Standard of Care and Duty

The standard of care and duties of the Trustees provided in the Declaration of Trust is similar to that imposed on directors of a corporation governed under corporate law. Accordingly, each Trustee is required to exercise the powers and discharge the duties of his or her office honestly and in good faith with a view to the best interests of the REIT and, 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, 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.

Meetings of Independent Directors

As part of each meeting of the Board and each committee of the Board, the independent Trustees hold an in-camera session, at which management and non-independent Trustees are not present, and the

agenda for each meeting of the Board and each committee of the Board affords an opportunity for such a session. During 2021, the Board, the Compensation Governance and Nominating Committee and Audit Committee each held in-camera sessions at their meetings. The independent Trustees also, at their discretion, hold ad hoc meetings that are not attended by management and non-independent Trustees.

Board and Committee Leadership

Mr. Peter C.B. Bynoe, an independent Trustee, is the Chair of the Board. In such capacity, he is principally responsible for overseeing the operations of the Board. The Board has adopted a written position description for the Chair of the Board, which sets out the Chair's key responsibilities. If, at any time, the Chair of the Board is not an independent Trustee, the Board will appoint a lead independent Trustee.

The position description is reviewed annually and approved by the CG&N Committee and the Board. Without limitation, the Chair shall:

- a) provide leadership in defining, setting and implementing the corporate culture of the REIT and in fostering the effectiveness of the Board;
- b) ensure there is an effective relationship between the Board and senior management of the REIT including by acting as a liaison between the Board and senior management;
- c) in consultation with the other members of the Board, including the Lead Independent Trustee, if any, and the Chief Executive Officer and Secretary of the REIT, prepare the agenda for each meeting of the Board;
- d) together with the Lead Independent Trustee, if any, ensure that timely and relevant information is provided to the Board as required for the proper performance of their duties;
- e) together with the Lead Independent Trustee, if any, ensure that the Board is provided with the resources to permit it to carry out its responsibilities and bring to the attention of senior management any issues that are preventing the Board from being able to carry out its responsibilities;
- f) ensure appropriate communication between the Board and unitholders and chair all unitholder general meetings;
- g) chair Board meetings (other than in camera meetings or portions of such meetings in respect of which the Chair is conflicted), including stimulating debate, providing adequate time for discussion of issues, facilitating consensus, encouraging full participation and discussion by individual trustees and confirming that clarity regarding decision-making is reached and accurately recorded;
- h) serve a public relations role in representing the Board and the REIT to outside parties;
- i) together with the Lead Independent Trustee, if any, ensure that the appropriate committee structure is in place and assisting the CG&N Committee in making recommendations for appointment to such committees;
- j) together with the Lead Independent Trustee, if any, be satisfied that the responsibilities of the Board are effectively carried out in compliance with the Board's mandate and that the functions of the Board delegated to the committees of the Board are effectively carried out and reported to the Board;

- k) together with the CG&N Committee, ensure that an appropriate system is in place to evaluate the performance of the Board as a whole, the Board's committees and individual trustees, with a view to ensuring that they are fulfilling their respective responsibilities and duties, and making recommendations to the CG&N Committee for changes when appropriate;
- l) in collaboration with the CG&N Committee support the trustee recruitment process, as well as the orientation of new, and the continued education of, incumbent trustees; and
- m) provide additional services required by the Board.

Management's responsibilities are determined by the Board of Trustees of the REIT. The day-to-day role and responsibilities of the Chief Executive Officer is determined by the REIT's Board of Trustees. See the complete position description in "[Report on Executive Compensation – Position Description for the CEO](#)".

All major policy decisions relating to the REIT's business are made by the REIT's Board of Trustees or a committee of the Board.

Committees of the Board

To assist the Board in fulfilling its responsibilities, two committees of the Board have been established.

Compensation, Governance and Nominating Committee

Members

The CG&N Committee must comprise at least three Trustees, a majority of whom must be independent and a majority of whom must be residents of Canada. The CG&N Committee currently consists of Ms. Monteith (Chair), Mr. Oppenheim and Mr. Bynoe, each of whom is considered to be an independent Trustee. Mr. Oppenheim and Ms. Monteith are residents of Canada.

The Board believes that the members of the CG&N Committee individually and collectively possess the requisite knowledge, skill and experience in governance and compensation matters, including human resource management, executive compensation matters and general business leadership, to fulfill the committee's mandate. All members of the CG&N Committee have substantial knowledge and experience as current and former senior executives of large and complex organizations and/or on the boards of other publicly traded entities.

Ms. Monteith (Chair) is an experienced corporate director, serving on the board of directors of Definity Financial Corporation and Women's College Hospital. With over 30 years' experience in capital markets and in her role as Executive Vice President and Managing Director, Client Strategy & People Development at National Bank Financial Inc. she developed extensive experience on executive compensation matters. She also practiced corporate and commercial law in Toronto with the law firm Tilley, Carson & Findlay. Ms. Monteith also holds the ICD.D designation from the Institute of Corporate Directors.

Mr. Oppenheim acquired his experience in governance matters primarily in his role as a lawyer, practicing commercial law for 38 years. He is an experienced corporate director, having served as lead director of Amica Mature Lifestyles Inc. and served on its board of directors' compensation committee prior to its sale and has served as a director of a number of other public and private companies. He holds an ICD.D designation with the Institute of Corporate Directors.

Mr. Bynoe has extensive experience as a corporate director and in practicing law. His governance experience comes from his lengthy board and committee experience. He currently sits on the board of Covanta Holding Company. Over the past 25 years, Mr. Bynoe has also served on audit committees and compensation, governance and nominating committees of the boards of directors of multiple public and private companies. Mr. Bynoe holds a Bachelor of Arts degree from Harvard College, a Juris Doctor degree from Harvard Law School, and a Master of Business Administration degree from the Harvard Graduate School of Management Education.

Responsibilities

The CG&N Committee is charged with reviewing, overseeing and evaluating the compensation, governance and nominating policies of the REIT. In addition, the CG&N Committee is responsible for:

- (1) assessing the effectiveness of the Board, each of its committees and individual Trustees;
- (2) overseeing the recruitment and selection of candidates as Trustees of the REIT, subject to the nomination rights of the Retained Interest Holders;
- (3) organizing an orientation and education program for new Trustees;
- (4) considering and approving proposals by the Trustees to engage outside advisors on behalf of the Board as a whole or on behalf of the independent Trustees;
- (5) reviewing and making recommendations to the Board concerning any change in the number of Trustees comprising the Board;
- (6) considering questions of management succession;
- (7) administering any Omnibus Equity Incentive Plan adopted by the REIT and any other compensation incentive programs;
- (8) assessing the performance of management of the REIT;
- (9) reviewing and approving the compensation paid by the REIT to the executive officers of the REIT;
- (10) reviewing and making recommendations to the Board concerning the compensation payable to Trustees of the REIT;
- (11) reviewing and making recommendations to the Board in respect of social responsibility and sustainability matters; and
- (12) reviewing and approving periodic ESG Reports and monitoring ongoing compliance with the initiatives.

Independent Advice

The CG&N Committee mandate provides the authority to select, engage and compensate legal counsel or any outside consultant the committee determines to be necessary to permit it to carry out its duties at the REIT's expense. The committee is ultimately responsible for its own decisions, and may take into consideration more than the information and recommendations provided by its consultants.

CG&N Committee Accomplishments

During 2021, the CG&N Committee, among other things:

- reviewed and updated as necessary, the Board Mandate, Audit Committee Charter, CG&N Committee Charter, Insider Trading Policy, Disclosure Policy, Code of Business Conduct and Ethics, Diversity Policy, Majority Voting Policy, Position Description of Chief Executive Officer, Position Description of Board Chair, Position Description of Committee Chairs and Whistleblower Policy;
- reviewed and recommended Board of Trustee adoption of a Board Tenure and Retirement Policy, Overboarding Policy and Board Interlock Policy;
- reviewed the skills required for Trustee nominees;
- reviewed the independence of the Trustees;
- conducted an evaluation of the effectiveness of the board and committees as well as a peer evaluation;
- reviewed the Board size;
- reviewed the orientation program for new Trustees;
- developed the compensation philosophy for executive management;
- engaged an independent expert to provide benchmarking for executive and Trustee compensation;
- reviewed the performance of the CEO against the goals for 2021;
- reviewed executive compensation and recommended annual non-equity bonuses for approval by the Board;
- reviewed the succession plan for key persons;
- reviewed the Omnibus Equity Incentive Plan and recommended approval by the Board;
- reviewed the minimum Unit ownership for Trustees and Officers of the REIT against the guidelines;
- reviewed compliance with the Code of Business Conduct and Ethics;
- reviewed and recommended approval by the Board for the nominees for election to the Board and the materials to be provided to Unitholders in connection with the Meeting;
- reviewed legislative, regulatory and policy updates and developments in leading practices in compensation, governance, nominating and related matters; and
- reviewed and recommended approval of the Management Information Circular for the May 11, 2021 Annual General Meeting.

Audit Committee

Members

The Audit Committee must be comprised of at least three Trustees, and each member must be independent and financially literate within the meaning of the provisions of National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”) and the majority of whom shall be residents of Canada. The Audit Committee currently consists of Mr. Forbes (Chair), Ms. Monteith and Mr. Stewart, each of whom is considered to be an independent Trustee and financially literate within the meaning of 52-110 and all of whom are residents of Canada.

Mr. Forbes Chair of the Audit Committee, has thirty years of corporate finance experience and was a Chief Financial Officer for three public companies, CT REIT, Primaris Retail REIT and Revenue Properties Company Ltd. He currently serves as Chair of the Automotive Properties REIT Audit Committee and Primaris REIT Audit Committee and was formerly a member of the CHC Student Housing Corp. Audit Committee. Mr. Forbes holds a Bachelor of Science degree from McMaster University and a Master of Business Administration degree from Queen's University. Mr. Forbes holds the Chartered Professional Accountant (CPA, CA) designation and completed the Chartered Director Program at the Directors College, McMaster University.

Ms. Monteith has over 30 years of corporate finance experience having held executive level roles National Bank Financial Inc., Genuity Capital Markets and CIBC World Markets Inc. She has extensive experience in advising companies on capital raising and M&A financing. She currently serves on the Audit Committee of Definity Financial Corporation and is Chair of the Resources Committee of Women's College Hospital which is the committee responsible for overseeing the auditors and audited financial statements of the hospital. Ms. Monteith holds a Master of Science degree in Business from London Business School.

Mr. Stewart has over 30 years of corporate finance experience and real estate development experience. In his President and Chief Executive Officer role at Genesis Land Development Corp. Mr. Stewart is involved in the preparation and review of financial statements and other documents required to be filed by regulatory authorities. In his prior capacity as Co-CEO at Parkbridge Lifestyle Communities Inc. he also performed these roles. He previously served on the board of directors and audit committee of a private financial services company. Mr. Stewart holds a Bachelor of Commerce and the Chartered Professional Accountant and ICD.D designations.

The Audit Committee's charter is detailed in the sections entitled "Audit Committee Charter" in the Annual Information Form dated March 16, 2022 which can be found under the REIT's profile on SEDAR at www.sedar.com and on the REIT's website at www.flagshipcommunities.com.

The Audit Committee must pre-approve all non-audit services to be provided to the issuer or its subsidiary entities by the external auditor. The Audit Committee is required to review the REIT's interim and annual financial statements, MD&A and related press releases prior to public disclosure of these matters.

Audit Committee Accomplishments

During 2021, the Audit Committee, among other things:

- received reports from the Chief Financial Officer;
- reviewed and recommended for approval by the Board, the quarterly unaudited and annual audited financial statements, and each accompanying management's discussion and analysis, and related press releases;
- monitored the principal risks;
- reviewed the Audit Committee Charter and updated it to include oversight of environmental, social and governance matters related to financial reporting, risk and disclosures and providing recommendations to the Board of Trustees.
- reviewed the terms of two loans amounting to \$29.7 million;
- reviewed the REIT's distributions and recommended approval by the Board of Trustees of an increase to the distributions to Unitholders;
- recommended approval by the Board of Trustees for two public offerings of equity in the

amounts of US\$81.0 million and \$46.5 million respectively;

- recommended approval by the Board for the auditor's re-appointment at the Meeting;
- approved the audit plan for the financial period ended December 31, 2021;
- approved the Auditor's fees;
- met *in camera* with the auditor after every committee meeting;
- reviewed reports on the Chief Executive Officer and Chief Financial Officer disclosure controls and procedures and internal controls over financial reporting certification;
- reviewed reports on the REIT's compliance with its financial covenants and financial risk management policies; and
- monitored the whistleblowing process.

Orientation and Continuing Education

The CG&N Committee has put in place an orientation program under which new Trustees will meet with the Chair of the Board of Trustees and members of the executive management team of the REIT for briefings on operations, finance, strategy, organizational structure, board roles, board operations and plans for the integration with other Trustees. New Trustees are to be provided with comprehensive orientation and education as to the nature and operation of the REIT, its business, the role of the Board of Trustees and its committees, and the contribution that an individual trustee is expected to make. Several of the Trustees who have not yet toured REIT's properties will be given the opportunity to do so at such time as COVID-19 travel restrictions are removed.

The CG&N Committee is responsible for overseeing the Trustee education program which is focused on providing the Trustees with in-depth information about key aspects of the REIT's business, including the material risks and opportunities facing the REIT. Trustees also receive ongoing education on topics affecting the REIT such as changes to accounting standards, the insurance landscape, environmental regulations, leading practices in governance and executive compensation, current and anticipated trends in governance disclosure, regulatory reporting and requirements. Trustees are solicited for input into the agenda for the education program and management is asked to schedule presentations and seminars covering these areas, some of which may be presented by management and others by external consultants or experts.

The REIT encourages Trustees to attend other appropriate continuing education programs and the REIT contributes to the cost of attending such programs. As well, written materials likely to be of interest to Trustees that have been published in periodicals, newspapers or by legal or accounting firms are forwarded to Trustees. Furthermore, the REIT also believes that serving on other corporate and not-for-profit boards is a valuable source of ongoing education.

Nomination of Trustees

The CG&N Committee co-ordinates and manages the process of recruiting, interviewing, and recommending candidates to the Board of Trustees. The Committee has identified the key skills required on the Board and reviews these annually to identify potential skill gaps on the Board. The Board evaluation process for Trustees as described in section entitled "[Board Evaluation](#)" is an important component of the consideration of incumbent Trustees for re-election.

Nomination Rights

Pursuant to the Investor Rights Agreement and as set forth in the Declaration of Trust, the Retained Interest Holders have the right to nominate a number of Trustees (subject to election together with the remaining Trustees at annual meetings of Unitholders) based on: (i) the proportion of the aggregate number of outstanding Units held by the Retained Interest Holders and their associates (determined as if all Class B Units are redeemed for Units on a one-for-one basis, and including any equity equivalents issued pursuant to any incentive compensation plan adopted by the REIT), whether held directly or indirectly, at the time of nomination; and (ii) the size of the Board of Trustees, as shown in the following table:

Ownership of Retained Interest Holders and their associates ⁽¹⁾	Size of Board	Nomination Right (# of individuals)
≥33%	≥10	4
	7 to 9	3
	≤ 6	2
≥20% and <33%	≥10	3
	7 to 9	2
	≤ 6	1
≥10% and <20%	Any	1
<10%	Any	0

(1) Percentage of the REIT's equity (determined as if all Class B Units are redeemed for Units on a one-for-one basis, and including any equity equivalents issued pursuant to any incentive compensation plan adopted by the REIT).

For so long as the Chief Executive Officer of the REIT is one of the Retained Interest Holders or an affiliate, associate, director or officer, as applicable, of a Retained Interest Holder, the Chief Executive Officer of the REIT shall comprise one of the Retained Interest Holders' nominees. If the Chief Executive Officer of the REIT is not one of the Retained Interest Holders' nominees, but is still nominated as a Trustee, and all other nominees nominated by the REIT are persons who would be independent if elected as Trustees, then the Retained Interest Holders must nominate (as part of their total number of nomination rights) such number of Trustees who would be independent if elected, if any, as may be necessary for the Board to be majority independent. In all cases, the CG&N Committee is responsible for ensuring that the Board and each committee of the Board is composed of a majority of Canadian residents.

The Retained Interest Holders have an approximate 28% effective interest in the REIT, (determined as if all Class B Units are redeemed for Units on a one-for-one basis), and are therefore entitled to nominate two of the seven Trustees of the REIT.

VOTING RESULTS AT THE 2021 ANNUAL GENERAL MEETING

% of Proxies Received from Holders of Units		84.38%
Name of Trustee	2021 Voting Results	
Peter C.B. Bynoe	100%	
Louis Forbes	100%	
Kurtis Keeney	100%	
J. Susan Monteith	100%	
Andrew Oppenheim	100%	
Nathan Smith	100%	
Iain Stewart	100%	

Skills

The CG&N Committee believes that the Board should be comprised of Trustees with a broad range of experience and expertise and utilizes a skills matrix to identify those areas which are necessary for the Board to carry out its mandate effectively. The information is used to assess the Board's overall strengths and to assist in the Board's ongoing renewal process, which balances the need for experience and knowledge of the Trust's business with the benefit of board renewal and diversity. The nominee Trustees' skills matrix is set out below:

Corporate and Industry Skills / Experience	Peter C.B. Bynoe	Louis Forbes	Kurtis Keeney	J. Susan Monteith	Andrew Oppenheim	Nathan Smith	Iain Stewart
Senior executive / strategic leadership	✓	✓	✓	✓	✓	✓	✓
Finance and accounting	✓	✓	✓	✓	✓	✓	✓
Executive compensation / human resources	✓	✓	✓	✓	✓	✓	✓
Governance / legal	✓	✓	✓	✓	✓	✓	✓
Risk management	✓	✓	✓	✓		✓	✓
Capital markets	✓	✓	✓	✓			✓
Environmental/social	✓		✓			✓	
Manufactured housing communities asset management	✓		✓			✓	✓

Definition of skills and competencies:

- Senior executive/strategic leadership – Experience as a senior executive of a public company or other major organization; experience driving strategic direction and leading growth.
- Finance and accounting – Experience with, or understanding of, financial accounting and reporting, and corporate finance, as well as familiarity with internal financial accounting controls and International Financial Reporting Standards (“IFRS”); financially literate.

- Executive compensation/human resources – Experience with, or understanding of, executive compensation, talent management, retention and succession planning.
- Governance/legal – Experience with, or understanding or, leading governance/corporate responsibility practices with a public company or other major organization: experience leading a culture of accountability and transparency.
- Risk management – Experience with, or understanding of, internal risk controls, risk assessments and reporting.
- Capital Markets – Experience in investment banking, funds management; proven experience with M&A and with capital raisings.
- Environmental/Social – Experience with direct accountability for environment and sustainability in the same industry; knowledge of global environmental management.
- Manufactured housing communities asset management – Experience in manufactured housing value optimization including leasing, property management, capital re-investment, development potential, urban planning and balance sheet management.

Board Evaluation

The CG&N Committee is responsible for assessing the effectiveness of the Board, each of its committees and individual Trustees. These assessments are to be completed on an annual basis. The CG&N Committee conducted the first annual board effectiveness evaluation for December 2021 and used an external consultant to administer an anonymous questionnaire to solicit quantitative ratings and narrative comment in key areas of business operations, strategy, Unitholder value, risk management, use of time, board structure, size and process. The Audit Committee, and CG&N Committee were similarly assessed as they relate to the responsibilities under their charters as well as leading practices in their respective areas of expertise. The evaluation process included peer evaluation.

The Board reviewed the report and has acted on the recommendations which included priorities for the Board in 2022. The Chair of the Board also connected with each Trustee individually to engage in open dialogue. No issues of concern were raised in the Board effectiveness evaluation.

In all these ways, each Trustee continues to receive feedback on their individual contribution to board effectiveness. The results of the individual Trustee performance assessments is one of the factors taken into account when considering the Trustee nominees to be recommended to Unitholders and in determining the membership of the committees.

Trustee Minimum Unit Ownership Guidelines

The Board has approved Trustee minimum Unit ownership guidelines that require all non-employee Trustees to acquire and maintain ownership of a number of Units or equity equivalents with a fair market value equal to a minimum of three times their annual base cash retainer within a period of three years of the later of the establishment of the Omnibus Equity Incentive Plan and their respective appointment dates:

Name of Trustee ⁽¹⁾	Value of Unit Holdings at March 21, 2022 ⁽²⁾	Value of 3x annual retainer at March 21, 2022	Target Date for Meeting Minimum Unit Ownership Expectation	Expectations Met
Peter C.B. Bynoe	\$160,429	\$180,000	May, 2024	n/a ⁽³⁾
Louis Forbes	\$144,075	\$180,000	May, 2024	n/a ⁽³⁾
J. Susan Monteith	\$55,684	\$180,000	May, 2024	n/a ⁽³⁾
Andrew Oppenheim	\$213,925	\$180,000	May, 2024	✓
Iain Stewart	\$179,216	\$180,000	May, 2024	n/a ⁽³⁾

(1) For minimum Unit ownership guidelines applicable to Messrs. Keeney and Smith, as officers of the REIT, see "[Report on Executive Compensation – Minimum Unit Ownership Requirement for Officers](#)".

(2) March 21, 2022 is the Record Date for the Meeting. The value of a Unit was \$19.61 at the close market on March 21, 2022.

(3) The target date for meeting the minimum unit ownership expectation does not occur until 2024.

Board Tenure, Term Limits, Trustee Retirement and Other Mechanisms of Board Renewal

The REIT has not adopted term limits for Trustees because the Trustees believe the imposition of arbitrary term limits may result in an effective Trustee being disqualified and discounts the value of experience and continuity. The REIT also does not have a retirement policy for Trustees.

The CG&N Committee is responsible for assessing the effectiveness of the Board of Trustees and board renewal is one of the factors the CG&N Committee uses in its evaluation.

In conjunction with its annual review of the Trustees' skills and experience, the CG&N Committee reviews each Trustee's tenure on the board as further set out below.

In its approach to Board renewal, the CG&N Committee:

- has established an annual Board effectiveness evaluation that enables the Committee and the board to solicit feedback regarding Trustee contribution, skill set and expertise (see "[Board of Trustees – Board Evaluation](#)");
- has a Diversity Policy to guide the committee on objectives for diversity when choosing Trustee candidates (see "[Governance Policies – Diversity Policy](#)");
- has established a Trustee skills matrix to ensure that, in choosing Trustee candidates, it focuses appropriately on critical skills and experience (see "[Board of Trustees - Skills](#)"); and.
- will annually review committee chairs and committee memberships with a view to balancing a desire for fresh perspectives with the need for experience and subject matter expertise.

2021 Trustee Attendance

	Peter C.B. Bynoe	Louis Forbes	Kurtis Keeney	J. Susan Monteith	Andrew Oppenheim	Nathan Smith	Iain Stewart
Board of Trustees	7/7 (100%)	7/7 (100%)	7/7 (100%)	7/7 (100%)	7/7 (100%)	7/7 (100%)	7/7 (100%)
Audit Committee	n/a	5/5 (100%)	n/a	5/5 (100%)	n/a	n/a	5/5 (100%)
CG&N Committee	6/6 (100%)	n/a	n/a	6/6 (100%)	6/6 (100%)	n/a	n/a

Trustee Compensation

The Trustees' compensation program is designed to attract and retain qualified individuals to serve on the Board of Trustees. Trustees who are employees of the REIT are not entitled to receive any remuneration for their services in acting as Trustees. A summary of the 2021 non-management Trustee fees are set out below. All Trustee compensation was provided in the form of elected Deferred Units in 2021.

The Trustees are also entitled to be reimbursed for their out-of-pocket expenses incurred in acting as Trustees. In addition, Trustees are entitled to receive remuneration for services rendered to the REIT in any other capacity, except in respect of their service as trustees or directors of any of the REIT's subsidiaries.

In November 2021, the CG&N Committee reviewed peer group compensation data for a number of Canadian and U.S. residential, diversified, and industrial REITs and real estate companies. See "[Report on Executive Compensation - Independent Advice - Compensation Consultant](#)" for details of the peer group research. As a result of this review, the CG&N Committee recommended and received Board of Trustee approval for an increase to the annual Board retainer from US\$35,000 to US\$60,000 effective January 1, 2022.

Trustee Fees ⁽¹⁾	(US\$)	
	To Dec 31, 2021	From Jan 1, 2022
Annual Board retainer	\$ 35,000	\$60,000
Chair and Committee fees		
- Board Chair	\$ 52,500	\$ 52,500
- CG&N Committee Chair	\$ 17,500	\$ 17,500
- Audit Committee Chair	\$ 20,000	\$ 20,000
Attendance fees	None	None

(1) The Trustees are also reimbursed for their reasonable out-of-pocket expenses incurred in acting as Trustees.

Flagship Communities REIT
Management Information Circular

In consideration for serving on the Board of Trustees, each Trustee received the following compensation for the fiscal year of the REIT ended December 31, 2021:

Name of Trustee	Fees Earned⁽¹⁾ (\$)	Unit-based awards	All other compensation (\$)	Total compensation (\$)
Peter C.B. Bynoe	\$87,000	-	-	\$87,000
Louis Forbes	\$55,000	-	-	\$55,000
Kurtis Keeney ⁽²⁾	N/A	-	-	N/A
J. Susan Monteith	\$35,000	-	-	\$35,000
Andrew Oppenheim	\$52,500	-	-	\$52,500
Nathan Smith ⁽²⁾	N/A	-	-	N/A
Iain Stewart	\$35,000	-	-	\$35,000

(1) Fees earned by all Trustees were elected to be received in the form of Deferred Units.

(2) As employees of the REIT, Messrs. Kenney and Smith do not receive trustee compensation.

Pension Plan

The REIT does not have a pension plan for Trustees.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Penalties or Sanctions

None of the REIT's Trustees or executive officers, and to the best of the REIT's knowledge, no 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 making an investment decision.

Individual Bankruptcies

None of the REIT's Trustees or executive officers, and to the best of the REIT's knowledge, no Unitholder holding a sufficient number of securities to affect materially the control of the REIT, has, within the 10 years prior to the date of this prospectus, 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 individual.

Corporate Cease Trade Orders and Bankruptcies

Except as described below, none of the REIT's Trustees or executive officers, and to the best of the REIT's knowledge, no Unitholder holding a sufficient number of securities to affect materially the control of the REIT is, as at the date of this prospectus, or has been within the 10 years before the date of this prospectus, (a) a director, chief executive officer or chief financial officer of any company that was subject to an order that was issued while the existing or proposed director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer, or (b) was subject to an order that was issued after the existing or proposed director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person

was acting in the capacity as director, chief executive officer or chief financial officer, or (c) 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 that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceeding, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets. For the purposes of this paragraph, “order” means a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, in each case, that was in effect for a period of more than 30 consecutive days.

Mr. Bynoe served as a director of Frontier Communications Corporation (“Frontier”) from 2007 to 2021. On April 14, 2020, Frontier and each of its direct and indirect subsidiaries (collectively, the “Debtors”) filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Southern District of New York. The Debtors emerged from bankruptcy on April 30, 2021 and on that date, the terms of Frontier’s directors, including Mr. Bynoe, concluded and a new board was appointed. On September 29, 2021, all of Frontier’s chapter 11 cases were closed, with the exception of two cases which remain open for purposes of administering any final remaining claims and adversarial disputes asserted against the Debtors. Frontier otherwise continues as an operating enterprise.

Mr. Bynoe served as a director of Real Industry Inc. (“Real Industry”) from 2013 to 2018. Real Industry filed a voluntary petition for protection under Chapter 11 of Title 11 of the United States Bankruptcy Code on November 17, 2017. On May 9, 2018, Real Industry’s Plan of Reorganization, which was previously filed with and approved by the Delaware Bankruptcy Court, became effective.

Mr. Forbes served as a director of CHC Student Housing Corp. (“CHC”) from 2014 to 2017. On May 8, 2017, the Ontario Securities Commission issued a management cease trade order restricting all trading in securities of CHC by management and insiders of CHC due to a failure to file its annual financial statements, management’s discussion and analysis and related certifications within the time period prescribed by securities legislation. The management cease trade order expired on July 4, 2017 following the filing of the annual financial statements, management’s discussion and analysis and related certifications.

Mr. Oppenheim is a director of Psinaptic Inc. (“Psinaptic”), a company that was listed on the NEX board of the TSX Venture Exchange (the “NEX”). On February 3, 2010, while Mr. Oppenheim was a director of Psinaptic, the Alberta Securities Commission issued a cease trade order against Psinaptic for failure to file financial statements. Effective at the close of business on October 28, 2010, Psinaptic’s securities were delisted from the NEX for failure to pay outstanding fees. The cease trade order was revoked on July 28, 2021.

Financial Literacy

All Trustees meet the standard for financial literacy defined by the Ontario Securities Commission 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 issuer’s financial statements.

Risk Management Oversight

The Board of Trustees is entrusted with responsibility for assessment of the REIT’s risk management practices, identification of the principal risks of the REIT’s business and efforts to ensure that those risks are effectively managed. Among other things, it reviews and approves risk management policies and

systems designed to work together with supporting corporate standards and operating guidelines developed by management.

The Audit Committee is responsible for overseeing management's identification and assessment of the principal risks to the operations of the REIT and the establishment and management of appropriate systems to manage such risks with a view to achieving a proper balance between risks incurred and potential return to holders of securities of the REIT and to the long-term viability of the REIT. Management reports periodically to the Audit Committee which then reports periodically to the Board, on the principal risks faced by the REIT and the steps implemented by management to manage these risks.

At least quarterly, management reports to the Board of Trustees on developments and progress made on its strategies for managing the key business risks including: asset class and tenant risks, natural disaster and severe weather risks, the impact of COVID-19, the conflict in the Ukraine and Russia, the current economic environment, fluctuations in capitalization rates, geographic concentration, capital expenditures, environmental, financing renewal risks and the difficulty of locating suitable investments. A more comprehensive listing of risk factors applicable to the REIT is provided in the most recent Annual Information Form and Management's Discussion and Analysis.

The CG&N Committee is responsible for overseeing risk associated with the REIT's executive compensation. See "Report on Executive Compensation – Compensation Discussion & Analysis – Compensation Governance and Risk Management".

GOVERNANCE POLICIES

Ethical Business Conduct

The REIT has a Code of Business Conduct and Ethics (the "**Code**") that applies to all Trustees, officers and employees of the REIT and its subsidiaries. The objective of the Code is to provide guidelines for maintaining the integrity, reputation, honesty, objectivity and impartiality. The Code 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 any person subject to the Code 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. In 2021, the Code was updated to prohibit loans to Trustees or employees of the REIT. The Code is available under the REIT's profile on SEDAR at www.sedar.com.

The Board of Trustees has ultimate responsibility for the stewardship of the Code and monitors compliance with the Code by encouraging all trustees, officers and employees to talk to supervisors, managers or other appropriate personnel about observed illegal behavior and when in doubt about the best course of action in a particular situation.

All Trustees, Officers and employees of the REIT are required to certify their compliance with the Code annually. The CG&N Committee reports annually to the Board on compliance with the Code. There were no reported breaches of the Code in 2021.

Diversity Policy

The Trustees recognize and support the benefits of diversity in the Board and in the executive management team. Diversity is important to ensure that members of the Board and the executive

management provide the necessary range of perspectives, experience and expertise required to achieve the REIT's objectives.

Meaning of Diversity

"Diversity" is any dimension that can be used to differentiate groups and people from one another and includes gender and age, race, nationality, culture and other ethnic distinctions, persons with disabilities, regional, industry and business experience and expertise.

Application of the Diversity Policy to the Board

The CG&N Committee of the Board is responsible for reviewing and assessing Board size, composition and effectiveness, and for, subject to the nomination rights of the Retained Interest Holders, recommending to the Board (i) the trustee nominees to stand for election or re-election at the next annual meeting of Unitholders, and (ii) any candidates for appointment to the Board between annual meeting of REIT unitholders, as appropriate.

When identifying and considering the selection of candidates for appointment or nomination for election to the Board, the CG&N Committee:

- assesses the Board by considering the balance of skills, experience, independence and knowledge on the Board, the Board's cohesiveness and other factors relevant to its effectiveness;
- considers only candidates who are highly qualified based on their experience, education, expertise, personal skills and qualities, and general and industry-specific knowledge, having regard to the REIT's current and future plans and objectives; and
- selects individuals based on merit, against objective criteria, in order to enable the Board to discharge its duties and responsibilities effectively.

The REIT believes promotion of diversity is best served through careful consideration of all of the abilities and attributes of each individual candidate in light of the needs of the Board without focusing on any particular diversity characteristics.

On an annual basis, the Committee (i) assesses the effectiveness of the Board appointment/nomination process at achieving the REIT's diversity objectives and (ii) considers and, if determined advisable, recommend to the Board for adoption, measurable objectives for achieving diversity on the Board. At any given time, the Board may seek to adjust one or more objectives concerning its diversity and measure progress accordingly.

As of the date of this Circular, the Board of Trustees included one woman (or approximately 14% of the seven Trustees). In the context of the REIT's position as a new small cap issuer, the CG&N Committee has determined that changes to the board for the reason of increasing diversity in 2022 during this initial period of the REIT's operation are inopportune. The CG&N will consider the establishment of targets for women on the Board during 2022.

Application of the Diversity Policy to Executive Management

The CG&N Committee is responsible for (i) periodically reviewing and making recommendations to the Board with respect to succession planning matters concerning the Chief Executive Officer and other key executive officers, and (ii) reviewing the recommendations of the Chief Executive Officer respecting the

appointment of the Chief Financial Officer, the Chief Investment Officer, all other members of senior management reporting directly to the Chief Executive Officer, and all other officers appointed by the Board.

It is an objective of the REIT's Diversity Policy that diversity be considered in connection with succession planning and the appointment of members of the REIT's senior management. The REIT believes promotion of diversity is best served through careful consideration of all of the abilities and attributes of each individual candidate in light of the needs of senior management without focusing on any particular diversity characteristics.

On an annual basis, the CG&N Committee (i) assesses the effectiveness of the senior management appointment process at achieving REIT's diversity objectives and (ii) considers and, if determined advisable, recommend to the Board for adoption, measurable objectives for achieving diversity in senior management. At any given time the Board may seek to adjust one or more objectives concerning senior management diversity and measure progress accordingly.

As of the date of this Circular, the REIT's management team has one woman (25% of the senior executive team of the REIT). In February, 2022, the REIT announced the appointment of manufactured housing industry expert, attorney Jody Gabel to the lead counsel role. The CG&N Committee will consider the establishment of targets for women in executive management during 2022.

Majority Voting Policy

The Board has a Majority Voting Policy. Pursuant to this policy, in an election of trustees other than a contested election, where a particular nominee does not receive a greater number of votes "for" his or her election than votes "withheld", the trustee will tender his or her resignation, as a trustee of the REIT.

The CG&N Committee will promptly recommend acceptance of the nominee trustee's resignation by the Board unless it determines that there are extraordinary circumstances that should delay the acceptance of the resignation or justify rejecting it. The resignation will be accepted (or in exceptional cases, rejected) within 90 days of the meeting. The Board will consider all factors deemed relevant to the best interests of the REIT by members of the Committee, including, without limitation, (i) any stated reasons why unitholders "withheld" votes from the election of that nominee; (ii) what the Committee believes to be the underlying reasons for the majority withhold vote, including whether these reasons relate to the incumbent trustee's performance as a trustee, whether these reasons relate to the REIT or another issuer, and whether these reasons are curable and alternatives for effecting any cure; (iii) the percentage of outstanding trust units represented by votes cast and withheld from voting on the election of the subject trustee; (iv) the REIT's corporate governance policies; (v) the overall composition of the Board (including whether accepting the resignation would cause the REIT to fail to meet any applicable regulatory or stock exchange listing requirements); and (vi) whether the resignation of the trustee could result in the triggering of change in control or similar provisions under any contract by which the REIT is bound or any benefit plan of the REIT and, if so, the related potential impact.

Any individual who tenders his or her resignation pursuant to this policy shall not participate in any meeting of the Board held to consider the resignation. In the event that a sufficient number of Board members receives a majority withhold vote in the same election, such that the Board no longer has a quorum, then although each trustee receiving a majority withhold vote shall not be permitted to participate in any meeting of the Board at which his or her resignation offer is considered, he or she shall be eligible to be counted for the purpose of determining whether the Board has quorum.

Subject to any corporate law restrictions and nomination rights (including under the Investor Rights Agreement), the Board of Trustees may (1) leave a vacancy in the Board unfilled until the next annual

general meeting, (2) fill the vacancy by appointing a new trustee whom the Board considers to merit the confidence of the Unitholders, or (3) call a special meeting of Unitholders to consider new Board nominee(s) to fill the vacant position(s).

The REIT will promptly issue a news release with the Board's decision, a copy of which will be provided to the TSX. If the Board determines not to accept a resignation, the news release will fully state the reasons for that decision.

In the event that any Trustee who received a majority withheld vote does not offer his or her resignation in accordance with this Policy, he or she will not be re-nominated by the CG&N Committee or the Board.

A copy of the REIT's Majority Voting Policy is available on its website at www.flagshipcommunities.com.

Director / Trustee Interlocks

An interlock occurs when two or more Board members are also fellow board members of another public company.

The CG&N monitors the roles held by the REIT's Board members on outside boards to determine if there are circumstances that would impact a Trustee's ability to exercise independent judgment and to confirm that each Trustee has enough time to fulfill his or her commitments to the REIT.

In 2021, the Board adopted a policy that no more than two Trustees may serve on the same public company Board without the prior consent of the CG&N Committee. In considering whether or not to permit more than two Trustees to serve on the same board, the CG&N Committee takes into account all relevant considerations including, in particular, the total number of board interlocks at that time. The policy prohibits Trustees from serving on the board of another public company with any of the REIT's executives.

Environmental, Social and Governance

The Board believes that environmental, social and governance ("ESG") awareness and commitment is essential to the success of the REIT.

Environmental

The REIT's mission includes providing family-oriented, sustainable manufactured housing communities. Protecting the environment means preserving natural resources and utilizing land areas for the natural human interaction and supporting more time in nature for our residents.

Social

As owners and operators of residential manufactured housing communities, our communities are diverse, and many are low- and moderate-income working families.

The REIT's commitment includes addressing the needs of the residents with a holistic approach as well as promoting community well-being.

Governance

The most important thing to the Board and management in operating the REIT is meeting the highest level of ethical standards in all aspects of the business. The Board, employees and staff are empowered to operate under a standard of best practices that safeguard against improper conduct.

The REIT's Report on ESG is available on the REIT's website at www.flagshipcommunities.com and under the REIT's profile on SEDAR at www.sedar.com.

Related Party Transactions

The Declaration of Trust requires the approval of at least a majority of the REIT's independent Trustees who have no interest in any of the following matters: an acquisition of a property or an investment in a property, whether by co-investment or otherwise, in which any related party of the REIT has any direct or indirect interest, whether as owner, operator or manager; a material change to any agreement with 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; the entering into of, or the waiver, exercise or enforcement of any rights or remedies under, any agreement entered into by the Trust, or the making, directly or indirectly, of any co-investment, in each case with any Trustee; any entity directly or indirectly controlled by any Trustee or in which any Trustee holds a significant interest, or any entity for which any Trustee acts as a director or other similar capacity; the refinancing, increase or renewal of any indebtedness owed by or to any Trustee, any entity directly or indirectly controlled by any Trustee or in which any Trustee holds a significant interest, or any entity for which any Trustee act as a director or other similar capacity; decisions relating to any claims by or against one or more parties to any agreement with any related party of the REIT; and the appointment of members of the board of directors of Flagship HC, Inc., a subsidiary of the REIT.

Unitholder/Investor Communications Policy and Feedback

The REIT has procedures to effectively communicate with its stakeholders, including its Unitholders, employees and the general public. The fundamental objective of these procedures is to ensure an open, accessible and timely exchange of information with Unitholders, employees and other stakeholders concerning the business, affairs and performance of the REIT.

The Board approves all of the REIT's significant communications with stakeholders, including financial statements and management's discussion and analysis, this management information circular, significant press releases, the annual information form and other disclosure documents.

Through the REIT's website, Unitholders and other stakeholders may access the REIT's most recent presentation made to the investment community.

The Chair of the Board of Trustees may be contacted by writing to Mr. Bynoe c/o Flagship Communities REIT at 199 Bay Street, Suite 4000, Toronto, ON, M5L 1A9. Unitholders can provide feedback to the REIT by contacting its President and Chief Executive Officer, Kurtis Keeney, by email at kkeeney@flagshipcommunities.com.

REPORT ON EXECUTIVE COMPENSATION

This section discusses executive compensation of the REIT including strategy, compensation governance, compensation elements and actual compensation for the senior officers for 2021. The CG&N Committee has reviewed and approved the content of this section.

TABLE OF CONTENTS

2021 NAMED EXECUTIVE OFFICERS	39
COMPENSATION DISCUSSION AND ANALYSIS.....	40
COMPENSATION PHILOSOPHY	40
2021 COMPENSATION PLAN ENHANCEMENTS.....	41
PRINCIPAL ELEMENTS OF COMPENSATION	41
BASE SALARIES.....	41
ANNUAL CASH BONUSES.....	41
LONG TERM INCENTIVE PLAN.....	42
2021 REIT PERFORMANCE.....	42
2021 EXECUTIVE PERFORMANCE	43
SUMMARY COMPENSATION TABLE.....	44
COMPENSATION GOVERNANCE AND RISK MANAGEMENT	44
INDEPENDENT ADVICE - COMPENSATION CONSULTANT	46
MINIMUM UNIT OWNERSHIP REQUIREMENT FOR OFFICERS	47
EMPLOYMENT AGREEMENTS	47
CHIEF EXECUTIVE OFFICER.....	47
POSITION DESCRIPTION FOR THE CEO	49
CHIEF FINANCIAL OFFICER	49
CHIEF INVESTMENT OFFICER.....	50
PENSIONS.....	51
TERMINATION BENEFITS	51
OMNIBUS EQUITY INCENTIVE PLAN	51
OUTSTANDING UNIT BASED AWARDS AT DECEMBER 31, 2021	56
VALUE VESTED OR EARNED DURING THE YEAR	56
NUMBER OF SECURITIES ISSUED AND REMAINING AT DECEMBER 31, 2021	57
OUTSTANDING UNIT BASED AWARDS AT DECEMBER 31, 2021	57
BURN RATE FOR EQUITY PLANS.....	58
PERFORMANCE GRAPH	58
SUCCESSION PLANS FOR THE CHIEF EXECUTIVE OFFICER AND MANAGEMENT TEAM.....	59

2021 NAMED EXECUTIVE OFFICERS

The Named Executive Officers (“NEOs”) for the REIT are the President and Chief Executive Officer (the “CEO”) and the Chief Financial Officer (the “CFO”), as well as the Chief Investment Officer (the “CIO”), being the next most highly compensated executive officer, each of whom are employed by Management FC, a subsidiary of the REIT. See below for their respective profiles.

Kurtis Keeney, Chief Executive Officer



Skills and experience

Mr. Keeney is President and Chief Executive Officer of the REIT and a trustee of the REIT. Mr. Keeney co-founded SSK Communities and FCLLC in 1995 and 2018, respectively and has served as President and Chief Executive Officer of each entity since their respective founding. Before his involvement with Flagship, Mr. Keeney worked for eight years at Fifth Third Bancorp in various roles, ending as a district manager.

Industry

Mr. Keeney has served as chairman of the Independence Seniors Association, the board of directors for Cardinal Hill Rehabilitation Center in Northern Kentucky and as a Board Member for the Community Foundation of Northern Kentucky.

Qualifications

Mr. Keeney holds a Bachelor of Science degree in Finance from Northern Kentucky University.

Eddie Carlisle, Chief Financial Officer



Skills and experience

Mr. Carlisle is Chief Financial Officer and Secretary of the REIT. He has served as CFO of the REIT and a predecessor company since 2018. His responsibilities include the financial affairs, reporting, and forecasting functions of the organization.

Industry

Prior to joining the REIT, Mr. Carlisle was Director of Finance for Avure Technologies Inc., a leading manufacturer of high-pressure food processing equipment. He led Avure's integration into a publicly-traded company, implementing Sarbanes-Oxley internal control policies and reporting. From 2006 to 2014, he held various positions with Sunny Delight Beverages Company in the finance and accounting functions.

Qualifications

Mr. Carlisle is a Certified Public Accountant. He earned his master's degree in Accountancy from Northern Kentucky University, and a Bachelor of Business Administration, Accounting from Eastern Kentucky University.

Nathan Smith, Chief Investment Officer



Skills and experience

Mr. Smith is Chief Investment Officer and a trustee for the REIT. Mr. Smith co-founded SSK Communities and FCLLC in 1995 and 2018, respectively, and has served as Chief Investment Officer of both entities since their respective founding.

Industry

Mr. Smith has served as chairman of the board of directors for the national Manufactured Housing Institute, a 915-member industry trade organization, and is past president of the Kentucky Manufactured Housing Institute, having served on several active committees. In 2009, Mr. Smith received the Chairman's Award from the Manufactured Housing Institute, and in 2015 was inducted into the Kentucky Manufactured Housing Institute's KMHI Hall of Fame. He served on the board of directors for Safe Harbor Marinas from 2015 to 2020, as a member on the Greater Cincinnati Northern Kentucky International Airport Board from 2008 to 2016 and as chairman of the Northern Kentucky University Board from 2010 to 2016. Mr. Smith served as a national committeeman / superdelegate for the Democratic National Committee between 2016 and 2020.

Qualifications

Mr. Smith holds a Bachelor of Arts degree from Northern Kentucky University.

COMPENSATION DISCUSSION AND ANALYSIS

Compensation Philosophy

The CG&N Committee is responsible for the design and evaluation of the REIT's executive compensation program which has been designed to achieve the following objectives:

1. **Drive strategic goals** – ensure that the compensation provided to the REIT's executive officers is tied to short and long term strategic goals.
2. **Align with Unitholder interests** – align the compensation program with the financial performance of the REIT to ensure that it is tied to long-term value for Unitholders.
3. **Attract and retain key talent by providing competitive compensation** - ensure that compensation is competitive with those entities that compete with the REIT for high-performance and high-potential employees.
4. **Pay for performance** – structure executive compensation so that it is linked to financial and operational performance targets.
5. **Effective Oversight and Risk Management** - ensure that the REIT's executive compensation program does not encourage inappropriate risk-taking.

2021 COMPENSATION PLAN ENHANCEMENTS

Enhancement	Rationale
Development of the compensation philosophy.	The compensation philosophy underpins the design of the compensation elements, performance measures and allocation of base pay and annual cash compensation; the LTIP compensation approach will be developed in 2022.
Approval of the Omnibus Equity Incentive Plan by Unitholders.	The inclusion of equity as a component of compensation will support the long-term alignment of NEO and Unitholder interests.
Benchmarks established for executive compensation.	Independent research and benchmarks align the compensation with industry peers that are similar in business complexity and with those that compete with the REIT for talent.

PRINCIPAL ELEMENTS OF COMPENSATION

The compensation of the named executive officers consists of base salary and discretionary annual cash bonuses. Contractual arrangements were established at the time of the REIT's initial public offering (the "IPO") for baseline pay and annual cash bonuses. The elements of the REIT's compensation arrangements for the NEOs are described in this section. In 2021, the CG&N Committee engaged an independent compensation consultant to review the compensation of the NEOs and trustees to ensure compensation levels are competitive in the context of their peer group. See the section ["Independent Advice – Compensation Consultant"](#) below.

Base Salaries

Base salaries are intended to provide an appropriate level of fixed compensation that will assist in employee retention and recruitment. The 2021 base salaries for the NEOs were negotiated at the time of the IPO and were included in their employment offer letters. See the section "[Employment Agreements](#)". Increases in base salary are at the sole discretion of the Trustees. In December 2021, based on a recommendation by the CG&N Committee, the Board approved an increase to the salaries of Messrs. Keeney and Smith from \$350,000 to \$400,000 respectively, and an increase to Mr. Carlisle's salary from \$250,000 to \$300,000, all increases effective January 1, 2022.

Annual Cash Bonuses

Annual cash bonuses are paid to the NEOs. The annual cash bonus maximum of 35% of the base salary were negotiated in the employment offer letters for the NEOs at the time of the IPO. See the section "[Employment Agreements](#)". In 2021 the CG&N Committee reviewed each NEO's performance against targets established at the time of the IPO. The NEOs exceeded these 12 month performance targets for the period ending September 30, 2021 which are more fully described under "[2021 REIT Performance](#)" below. Based on these outcomes, the 2021 annual cash bonuses were ratified by the CG&N Committee and the Board of Trustees in March 2022.

Long Term Incentive Plan

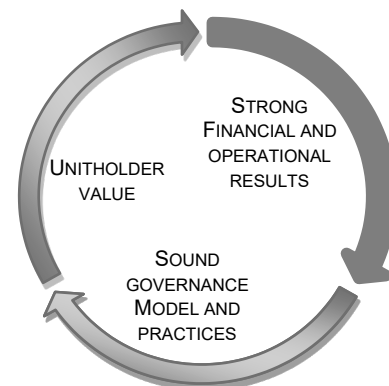
The Board of Trustees approved the Omnibus Equity Incentive Plan which received Unitholder approval at the May 11, 2021 Annual General Meeting. It was anticipated that the Omnibus Equity Incentive Plan would accommodate development of the Long Term Incentive Plan (“LTIP”). The use of the Omnibus Equity Incentive Plan as a form of executive compensation is intended to align the interests of executive management with those of the REIT and its Unitholders. See the summary of the Omnibus Equity Incentive Plan at [“Omnibus Equity Incentive Plan”](#).

In late 2021, the CG&N Committee initiated an LTIP design process for the consideration and award of this form of compensation and the Board of Trustees may elect to award securities to the NEOs under the Omnibus Equity Incentive Plan later in 2022.

2021 REIT PERFORMANCE

In Q3 2020, the Board approved a financial forecast with key assumptions for the period of October 1, 2020 and ending September 30, 2021 and a forecast non-IFRS reconciliation, both of which were disclosed in the September 2020 IPO prospectus. Together, these forecasts formed the basis for management’s performance goals in 2021. The performance goals were all met and several outcomes exceeded expectations. The key accomplishments are more fully described in the REIT’s December 31, 2021 MD&A. See below for the highlights.

FINANCIAL AND NON-IFRS GOALS ⁽¹⁾ FOR OCT 1/20 – SEP 30/21	GOAL ESTABLISHED IN THE IPO PROSPECTUS	MET / EXCEEDED
Revenue from investment properties	\$35,776,782	✓
Net income and comprehensive income	\$8,083,646	✓
Funds From Operations ⁽¹⁾	\$10,977,005	✓
Adjusted Funds From Operations ⁽¹⁾	\$ 9,302,333	✓
Net Operating Income ⁽¹⁾	\$23,170,140	✓



(1) Management uses financial measures based on International Financial Reporting Standards (“IFRS”) and non-IFRS measures to assess the REIT’s performance. Non-IFRS measures such as funds from operations, adjusted funds from operations, and net operating income do not have any standardized meaning prescribed under IFRS, and therefore, should not be construed as alternatives to net income or cash flow from operating activities calculated in accordance with IFRS. Refer to the Non-IFRS Measures section of the MD&A as at December 31, 2021, available on www.sedar.com, for an explanation of the composition of the non-IFRS measures used in this Management Information Circular and their usefulness for readers in assessing the REIT’s performance. Such explanation is incorporated by reference herein.

Key operational accomplishments in 2021

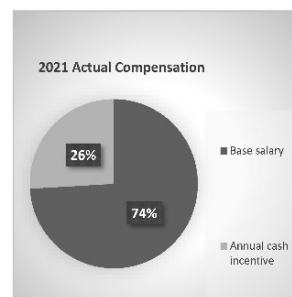
- ✓ acquired eleven manufactured housing communities, consisting of 2,694 lots and 468 rental homes;
- ✓ entered three new regions for a total of seven;
- ✓ two over-subscribed bought-deal equity offerings for US\$81.0 million and \$46.5 million respectively;
- ✓ signed a commitment for two loans in the amount of US \$29.7 million with a 3.08% fixed interest rate for 20 years with the first 84 payments being interest only;
- ✓ increased the monthly cash distribution to unitholders to US\$0.0446/ Unit or US\$0.5355/Unit on an annual basis; and
- ✓ published the inaugural Environment, Social and Governance Sustainability Report.

2021 EXECUTIVE PERFORMANCE

Kurtis Keeney, President and Chief Executive Officer

	Oct 7 – Dec 31 2020 (Actual) ⁽¹⁾	2021 (Target)	2021 (Actual)
Base Salary	\$82,466	\$350,000	\$350,000
Annual cash incentive	28,320	122,500	122,500
Long-term incentive plan	n/a	n/a	n/a
All other compensation	0	75,727	75,727
Total direct compensation	\$110,786	\$548,277	\$548,277

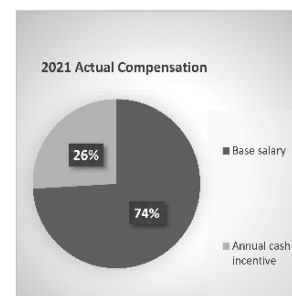
(1) The prorated compensation represents salary paid from October 7 until December 31, 2020.



Eddie Carlisle, Chief Financial Officer and Secretary

	Oct 7 – Dec 31 2020 (Actual) ⁽¹⁾	2021 (Target)	2021 (Actual)
Base Salary	\$58,904	\$250,000	\$250,000
Annual cash incentive	20,288	87,500	87,500
Long-term incentive plan	n/a	n/a	n/a
All other compensation	0	22,835	22,835
Total direct compensation	\$79,133	\$360,335	\$360,335

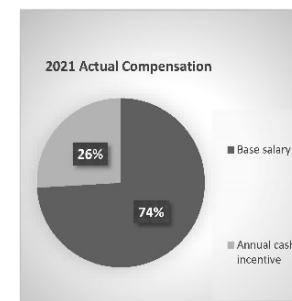
(1) The prorated compensation represents salary paid from October 7 until December 31, 2020.



Nathan Smith, Chief Investment Officer

	Oct 7 – Dec 31 2020 (Actual) ⁽¹⁾	2021 (Target)	2021 (Actual)
Base Salary	\$82,466	\$350,000	\$350,000
Annual cash incentive	28,320	122,500	122,500
Long-term incentive plan	n/a	n/a	n/a
All other compensation	0	75,727	75,727
Total direct compensation	\$110,786	\$548,277	\$548,277

(1) The prorated compensation represents salary paid from October 7 until December 31, 2020.



SUMMARY COMPENSATION TABLE

The following table sets out the compensation paid to each of the NEOs for the fiscal years of the REIT ended December 31, 2020 and December 31, 2021.

Name and principal position	Year	Salary (\$)	Unit-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension Value (\$)	All other compensation (\$)	Total compensation (\$)
Kurtis Keeney <i>Chief Executive Officer</i>	2021	350,000	-	-	122,500	-	75,727 ⁽²⁾	548,227
	2020	82,466 ⁽¹⁾	-	-	28,320	-	0	110,786
Eddie Carlisle <i>Chief Financial Officer</i>	2021	250,000	-	-	87,500	-	22,835 ⁽³⁾	360,335
	2020	58,904 ⁽¹⁾	-	-	20,228	-	0	79,133
Nathan Smith <i>Chief Investment Officer</i>	2021	350,000	-	-	122,500	-	75,727 ⁽²⁾	548,227
	2020	82,466 ⁽¹⁾	-	-	28,320	-	0	110,786

(1) The 2020 prorated salaries were earned between October 7 and December 31, 2020.

(2) The \$75,727 includes \$31,241 in health insurance, \$31,538 in life insurance, an \$11,600 employer matched contribution for a personal 401K plan and \$1,348 in dental insurance.

(3) The \$22,835 included \$12,835 in health insurance, a \$10,000 employer matched contribution for a personal 401K plan.

COMPENSATION GOVERNANCE AND RISK MANAGEMENT

The Board of Trustees believes that the executive compensation program does not raise the REIT's risk profile. The Board of Trustees is committed to good compensation governance that promotes the long-term interests of Unitholders. The board has delegated governance of the REIT's executive compensation policies and practices to the CG&N Committee.

The board annually reviews the REIT's major risks (operating, financial, tax, environmental and other) faced by the REIT. The REIT's most recent Annual Information Form and MD&A provides a complete list of these major risks. The annual risk review also considers the REIT's compensation philosophy, pay mix, incentive plans and performance measures and the minimum Unit ownership requirements. The mix of these items and their overall balance form the basis of the risk review.

The following table sets out the policies and practices that support risk mitigation and effective oversight of management and the REIT.

Flagship Communities REIT
Management Information Circular

What we Do	Risk Mitigation	Effective Oversight
Incorporate risk management principles into all decision-making processes and ensure the compensation programs do not encourage inappropriate or excessive risk-taking.	✓	✓
Expenditure authority limits are established for REIT management.	✓	✓
Anti-hedging policy prohibits insiders from speculating on, short-selling, buying “put options” on or selling “call options” on, securities of the REIT. Also prohibited is the purchase of financial instruments, including prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, that are designed to hedge or offset a decrease in the market value of securities of the REIT including equity securities granted as compensation.	✓	✓
Insider trading policy and reporting guidelines restrict insiders and others who have a special relationship with the REIT from trading in REIT securities on material undisclosed information or during blackout periods. Insiders must pre-clear transactions before carrying out a trade in our securities.	✓	✓
Appoint a CG&N Committee of independent Trustees that have the necessary skills, knowledge and experience to carry out its responsibilities effectively.	✓	✓
Retain independent experts to advise on compensation matters.	✓	✓
Annually review the executive compensation program to ensure continued regulatory compliance and alignment with Unitholder interests and sound risk management and governance principles.	✓	✓
Targets for the annual cash bonus are set within the REIT’s risk profile and provide sufficient incentive for NEOs to achieve the REIT’s goals objectives.	✓	✓
Benchmark executive compensation and incentive plans against peer companies similar to the REIT.	✓	✓
All employees and Trustees must comply with the Code of Business Conduct and Ethics that sets out standards of business conduct to deter wrongdoing, protect the REIT’s assets and confidentiality, avoid conflicts of interest and promote responsible behaviour and a positive work culture.	✓	✓
Minimum Unit Ownership Guidelines ensure alignment between the NEOs and the Unitholders.	✓	✓

What we don't do	Risk Mitigation	Effective Oversight
No payouts of incentive awards when performance does not meet goals.	✓	✓
No guaranteed increases in compensation in executive employment agreements.	✓	✓
No gross-up of executive compensation, including perquisites or incentive awards, to account for withholding of taxes.	✓	✓
No single-trigger change of control provisions in employment agreements.	✓	✓
No granting of loans to trustees or executives.	✓	✓

INDEPENDENT ADVICE - COMPENSATION CONSULTANT

Hugessen Consulting Inc. ("Hugessen") was engaged by the CG&N Committee in June 2021 to undertake a study of the REIT's executive and trustee compensation. Hugessen was paid \$14,310 for this work. The REIT did not use a compensation consultant in 2020.

Hugessen's report to the CG&N Committee in August 2021 provided findings on 2020 market data and the relative positioning of the REIT's executive and Trustee compensation in the context of a peer group. The peer group included internally-managed REITs with residential and diversified U.S. and Canadian assets and operations, and with similar sizing to the REIT.

Hugessen advised that the REIT's size and unique asset mix (U.S. Midwest residential manufactured housing communities) warranted a screen of both Canadian and U.S. residential, diversified, and industrial REITs. The peer group includes internally-managed REITs and real estate corporations with residential and diversified U.S. assets and operations, some with similar sizing to the REIT.

In 2021, the CG&N Committee used data from this peer group to determine an increase to base pay for each of the NEOs that came into effect on January 1, 2022.

In 2022, the CG&N Committee will review the most relevant members of this peer group compensation data as guidance on making a determination about the REIT's LTIP component.

Peer Company Name	Headquarters
UMH Properties, Inc.	United States
Plymouth Industrial REIT, Inc.	United States
Clipper Realty Inc.	United States
One Liberty Properties, Inc.	United States
CTO Realty Growth, Inc.	United States
Sotherly Hotels Inc.	United States
Wheeler Real Estate Investment Trust, Inc.	United States
BRT Apartments Corp.	United States
Presidio Property Trust, Inc.	United States
Mainstreet Equity Corp.	Canada

Peer Company Name	Headquarters
Minto Apartment Real Estate Investment Trust	Canada
Invesque Inc.	Canada
BSR Real Estate Investment Trust	Canada

MINIMUM UNIT OWNERSHIP REQUIREMENT FOR OFFICERS

The Board has approved minimum Unit ownership guidelines for executive management that require

- the Chief Executive Officer to acquire and maintain a number of Units or equity equivalents with a fair market value equal to a minimum of five times his or her annual base salary within a period of three years of the later of the establishment of the Omnibus Equity Incentive Plan and the appointment date, and
- all NEOs to acquire and thereafter maintain a number of Units or equity equivalents with a fair market value equal to a minimum of three times their annual base salary within a period of three years of later of the establishment of the Omnibus Equity Incentive Plan and their respective appointment dates.

The CG&N considers the proportional Class B ownership interest of each executive officer of the REIT in Legacy Portfolio Holdings for purposes of determining whether an executive officer has met his applicable minimum equity ownership.

EXECUTIVE MANAGEMENT				
Name of Officer	Value of Unit and Class B Unit Holdings at March 21, 2022 ⁽¹⁾	Target Minimum Unit Ownership Expectation ⁽²⁾	Target Date for Meeting Minimum Unit Ownership Expectation	Expectations Met
Kurtis Keeney <i>President and Chief Executive Officer</i>	\$103,551,586	\$2,000,000	May 2024	✓
Eddie Carlisle <i>Chief Financial Officer</i>	\$493,662	\$900,000	May 2024	n/a ⁽³⁾
Nathan Smith <i>Chief Investment Officer</i>	\$102,817,230	\$1,200,000	May2024	✓

(1) The value was calculated using the US\$19.61 closing price of a Unit on March 21, 2022 which is the Record Date for the Meeting.

(2) The multiple for the President and CEO is 5x base salary; the multiple for all other officers is 3x base salary

(3) The target date for meeting the minimum unit ownership expectation does not occur until May 2024.

EMPLOYMENT AGREEMENTS

Chief Executive Officer

Pursuant to the terms of the employment agreement, Mr. Keeney serves as the REIT's CEO for an indefinite term. The agreement provided for an annual base salary of \$350,000 for the year ended December 31,

2021 and the ability to earn an annual short-term incentive cash bonus in an amount up to 35% of his annual base salary. In December 2021, based on a recommendation by the CG&N Committee, the Board approved an increase to Mr. Keeney's salary from \$350,000 to \$400,000, effective January 1, 2022.

Pursuant to his employment agreement, Mr. Keeney is also eligible to participate in employee benefit plans established by the employer and have a long-term disability insurance policy and a life insurance policy established and maintained at the employer's expense. Mr. Keeney's employment agreement provides that, in the event Mr. Keeney's employment is terminated without "cause" (as such term is defined in the agreement) or Mr. Keeney terminates his employment agreement because the employer has failed to discharge its duties and responsibilities and fails or refuses to correct such failings within a specified period, he will be entitled to:

- (a) accrued amounts for
 - (i) earned but unpaid base salary, vacation and benefits up to the termination date and
 - (ii) earned but unpaid short-term incentive cash bonus for the previously completed calendar year,
- (b) a lump sum severance payment equal to two times
 - (i) his base salary immediately prior to termination (or any higher base salary in effect during the 12 months prior to termination), plus
 - (ii) the greater of the short-term incentive bonus paid to or earned by him for the prior year or the average short term incentive bonus paid to or earned by him for the two prior years, which amount is to be paid in a single lump sum within 30 days following termination,
- (c) accelerated vesting of awards granted to him under the Omnibus Equity Incentive Plan, and
- (d) a continuation of benefits (except for disability insurance and others that cannot be continued) for two years or until he becomes eligible for such benefits from a new employer.

If Mr. Keeney's employment is terminated due to his death or permanent disability, Mr. Keeney (or his estate, as applicable) will be entitled to:

- (a) a lump sum severance payment equal to (i) one times (x) his base salary immediately prior to termination (or any higher base salary in effect during the 12 months prior to termination), plus (y) the greater of the short term incentive bonus paid to or earned by him for the prior year or the average short term incentive bonus paid to or earned by him for the two prior years, less (ii) the amount of any payments made and amounts payable to Mr. Keeney (or his estate, as applicable) under the long-term disability insurance policy or life insurance policy, as applicable, established and maintained for Mr. Keeney, and
- (b) accelerated vesting of awards granted to him under the Omnibus Equity Incentive Plan.

Mr. Keeney's employment agreement also includes a restrictive covenant that requires Mr. Keeney not to solicit certain employees for a period of one year following termination of employment, subject to certain exceptions.

Position Description for the CEO

The CEO has a written position description that sets out responsibilities related to annual business plans and budgets, long-term strategy, financial and operating goals, leadership, corporate culture, risk management and other executive responsibilities. The CEO is directly responsible to the Board.

Chief Financial Officer

Pursuant to the terms of an employment agreement, Mr. Carlisle serves as the REIT's Chief Financial Officer for an indefinite term. The agreement provided for an annual base salary of \$250,000 for the year ended December 31, 2021 and the ability to earn an annual short-term incentive cash bonus in an amount up to 35% of his annual base salary. In December 2021, based on a recommendation by the CG&N Committee, the Board approved an increase to Mr. Carlisle's salary from \$250,000 to \$300,000, effective January 1, 2022.

Pursuant to his employment agreement, Mr. Carlisle is also eligible to participate in employee benefit plans established by the employer and have a long-term disability insurance policy and a life insurance policy established and maintained at the employer's expense. Mr. Carlisle's employment agreement provides that, in the event Mr. Carlisle's employment is terminated without "cause" (as such term is defined in the agreement) or Mr. Carlisle terminates his employment agreement because the employer has failed to discharge its duties and responsibilities and fails or refuses to correct such failings within a specified period, he will be entitled to:

- (a) accrued amounts for
 - (i) earned but unpaid base salary, vacation and benefits up to the termination date, and
 - (ii) earned but unpaid short-term incentive cash bonus for the previously completed calendar year,
- (b) a lump sum severance payment equal to two times
 - (i) his base salary immediately prior to termination (or any higher base salary in effect during the 12 months prior to termination), plus
 - (ii) the greater of the short-term incentive bonus paid to or earned by him for the prior year or the average short term incentive bonus paid to or earned by him for the two prior years, which amount is to be paid in a single lump sum within 30 days following termination,
- (c) accelerated vesting of awards granted to him under the Omnibus Equity Incentive Plan, and
- (d) a continuation of benefits (except for disability insurance and others that cannot be continued) for two years or until he becomes eligible for such benefits from a new employer.

If Mr. Carlisle's employment is terminated due to his death or permanent disability, Mr. Carlisle (or his estate, as applicable) will be entitled to

- (a) a lump sum severance payment equal to
 - (i) one times (x) his base salary immediately prior to termination (or any higher base salary in effect during the 12 months prior to termination), plus (y) the greater of the short-term incentive bonus paid to or earned by him for the prior year or the average short term incentive bonus paid to or earned by him for the two prior years, less

- (ii) the amount of any payments made and amounts payable to Mr. Carlisle (or his estate, as applicable) under the long-term disability insurance policy or life insurance policy, as applicable, established and maintained for Mr. Carlisle, and

(b) accelerated vesting of awards granted to him under the Omnibus Equity Incentive Plan.

Mr. Carlisle's employment agreement also includes a restrictive covenant that requires Mr. Carlisle not to solicit certain employees for a period of one year following termination of employment, subject to certain exceptions.

Chief Investment Officer

Pursuant to the terms of the employment agreement, Mr. Smith will serve as the REIT's CIO for an indefinite term. The agreement provided for an annual base salary of \$350,000 for the year ended December 31, 2021 and the ability to earn an annual short-term incentive cash bonus in an amount up to 35% of his annual base salary. In December 2021, based on a recommendation by the CG&N Committee, the Board approved an increase to the salary for Mr. Smith from \$350,000 to \$400,000 effective January 1, 2022.

Pursuant to his employment agreement, Mr. Smith is also eligible to participate in employee benefit plans established by the employer and have a long-term disability insurance policy and a life insurance policy established and maintained at the employer's expense. Mr. Smith's employment agreement provides that, in the event Mr. Smith's employment is terminated without "cause" (as such term is defined in the agreement) or Mr. Smith terminates his employment agreement because the employer has failed to discharge its duties and responsibilities and fails or refuses to correct such failings within a specified period, he will be entitled to:

- (a) accrued amounts for
 - (i) earned but unpaid base salary, vacation and benefits up to the termination date and
 - (ii) earned but unpaid short-term incentive cash bonus for the previously completed calendar year,
- (b) a lump sum severance payment equal to two times
 - (i) his base salary immediately prior to termination (or any higher base salary in effect during the 12 months prior to termination), plus
 - (ii) the greater of the short-term incentive bonus paid to or earned by him for the prior year or the average short term incentive bonus paid to or earned by him for the two prior years, which amount is to be paid in a single lump sum within 30 days following termination,
- (c) accelerated vesting of awards granted to him under the Omnibus Equity Incentive Plan, and
- (d) a continuation of benefits (except for disability insurance and others that cannot be continued) for two years or until he becomes eligible for such benefits from a new employer.

If Mr. Smith's employment is terminated due to his death or permanent disability, Mr. Smith (or his estate, as applicable) will be entitled to

- (a) a lump sum severance payment equal to

- (i) one times (x) his base salary immediately prior to termination (or any higher base salary in effect during the 12 months prior to termination), plus (y) the greater of the short-term incentive bonus paid to or earned by him for the prior year or the average short term incentive bonus paid to or earned by him for the two prior years, less
- (ii) the amount of any payments made and amounts payable to Mr. Smith (or his estate, as applicable) under the long-term disability insurance policy or life insurance policy, as applicable, established and maintained for Mr. Smith, and

(b) accelerated vesting of awards granted to him under the Omnibus Equity Incentive Plan.

PENSIONS

The REIT does not have an employee pension plan. The REIT provides matching contributions to personal 401K plans for all REIT employees. The 401 K contributions for the NEOs are disclosed in the Summary Compensation table.

TERMINATION BENEFITS

The following table indicates the amount payable to each named executive officer under the terms of their employment agreements upon termination other than for cause, if such events were to occur.

NEO	Event	Severance ⁽¹⁾	Total
Kurtis Keeney <i>President and Chief Executive Officer</i>	Termination without cause or resignation due to employer default	\$800,000	\$800,000
	Termination due to death or permanent disability ⁽²⁾	\$400,000	\$400,000
Eddie Carlisle <i>Chief Financial Officer</i>	Termination without cause or resignation due to employer default	\$600,000	\$600,000
	Termination due to death or permanent disability ⁽²⁾	\$300,000	\$300,000
Nathan Smith <i>Chief Investment Officer</i>	Termination without cause or resignation due to employer default	\$800,000	\$800,000
	Termination due to death or permanent disability ⁽²⁾	\$400,000	\$400,000

(1) In addition to accrued amounts for earned but unpaid base salary, vacation and benefits, or earned but unpaid short-term incentive cash bonus, as this assumes such events were to occur immediately.

(2) Assuming no payments under long-term disability insurance policy or life insurance policy.

OMNIBUS EQUITY INCENTIVE PLAN

The REIT adopted the Omnibus Equity Incentive Plan upon its approval by Unitholders at the May 11, 2021 Annual General Meeting.

All equity and equity-based awards made or granted, including future grants to be made to Trustees and employees of the REIT, are made under the Omnibus Equity Incentive Plan. The Omnibus Equity Incentive Plan provides eligible participants with compensation opportunities that encourage ownership of Units, enhance the REIT's ability to attract, retain and motivate executive officers and other key members of management and incentivizes them to increase the long-term growth and equity value of the REIT in alignment with the interests of Unitholders. The material features of the Omnibus Equity Incentive Plan are summarized below.

Administration and Eligibility

The Omnibus Equity Incentive Plan is administered by the board, provided that the board may, in its discretion, delegate its administrative powers under the Omnibus Equity Incentive Plan to the CG&N Committee. The board has the authority to, among other things, determine eligibility for awards to be granted, determine, modify or waive the type or types of, and terms and conditions of, awards, to accelerate the vesting or exercisability of awards, to interpret the terms and provisions of the Omnibus Equity Incentive Plan and any award agreement, and to otherwise do all things necessary or appropriate to carry out the purposes of the Omnibus Equity Incentive Plan. The Board of Trustees' decisions with respect to the Omnibus Equity Incentive Plan and any award under the Omnibus Equity Incentive Plan are binding upon all persons. All Trustees, officers, employees, directors, managers and consultants of the REIT and its subsidiaries, as applicable, who, in the opinion of the board, have dedicated significant time and attention to the affairs and business of the REIT are eligible to participate in the Omnibus Equity Incentive Plan.

Types of Awards

The Omnibus Equity Incentive Plan provides for awards of Restricted Units, Performance Units, Deferred Units and Options, each as defined and discussed in further detail below.

- **Restricted Units.** A Restricted Unit award is an award denominated in notional units that vests three years after the grant date and which is settled by Units issued from treasury or, if so elected by the participant and subject to the approval of the board, cash based on the value of a Unit at the date of settlement.
- **Performance Units.** A Performance Unit award is an award denominated in notional units that vests after a designated performance period as designated by the board subject to performance based vesting conditions and which is settled by Units issued from treasury or, if so elected by the participant and subject to the approval of the board, cash payable upon vesting.
- **Deferred Units.** A Deferred Unit award is an award denominated in notional units that vests immediately upon grant and which is settled by Units issued from treasury or, if so elected by the participant and subject to the approval of the board, cash based on the value of a Unit at the date of settlement. Deferred Units may not be redeemed until the participant ceases to hold any position with the REIT. The board has the discretion to vary the manner in which the REIT contributed Deferred Units vest for any participant.
- **Options.** An Option award entitles the holder to acquire one Unit upon the exercise of the Option at the exercise price as determined by the board at the time of the Option grant which exercise price must in all cases be not less than the market price on the date of grant. Options vest in accordance with a vesting schedule as determined by the board and as detailed in the individual Option agreement for each Option award. Unless otherwise determined by the board, all Options have a maximum term of ten years from the date of grant, provided that if the expiry falls during or within ten business days immediately following a blackout period, the expiry date will automatically extend until ten business days after the end of the blackout period. Options are settled by Units issued from treasury payable upon the exercise by the participant. The Omnibus Equity Incentive Plan also allows for a cashless exercise of Options under certain circumstances.

The number of Restricted Units, Performance Units, or Deferred Units, as applicable, granted at any particular time pursuant to the Omnibus Equity Incentive Plan is calculated by dividing (i) the dollar value amount of the participant's award, by (ii) the market value of a Unit on the award date. "Market value" of a Unit at any date for purposes of the Omnibus Equity Incentive Plan means the volume weighted average

price of all Units traded on the TSX for the five trading days immediately preceding such date (or, if such Units are not listed and posted for trading on the TSX, on such stock exchange on which such Units are listed and posted for trading as may be selected for such purpose by the Board of Trustees). In the event that the Units are not listed and posted for trading on any stock exchange, the market value shall be the fair market value of the Units as determined by the Board of Trustees in its sole discretion.

Wherever cash distributions are paid on the Units, additional Restricted Units, Performance Units or Deferred Units, as the case may be, are credited to the participant's account. The number of such additional Restricted Units, Performance Units or Deferred Units, as the case may be, is calculated by multiplying the aggregate number of Restricted Units, Performance Units or Deferred Units (in each case, vested and unvested), as the case may be, held on the relevant distribution record date by the amount of the distribution paid by the REIT on each Unit, and dividing the result by the market value of the Units on the distribution date. These additional Restricted Units, Performance Units or Deferred Units, as the case may be, vest on the same basis as the initial Restricted Units, Performance Units or Deferred Units, as the case may be, to which they relate.

With respect to Options, in order to facilitate the payment of the exercise price of the Options, the Omnibus Equity Incentive Plan has a cashless exercise feature (with a deduction from the number of Units available for issuance under the Omnibus Equity Incentive Plan equal to the amount of Units actually granted to the participant pursuant to such cashless exercise). The participant may elect to surrender their Options to the REIT in consideration for an amount from the REIT equal to (i) the market value of the Units issuable on the exercise of such Option as of the date such Option is exercised, less (ii) the aggregate exercise price of the Option surrendered relating to such Units. The REIT shall satisfy payment of such amount by delivering to the participant the number of Units (rounded down to the nearest whole number) having a fair market value equal to such amount.

Under no circumstances are Restricted Units, Performance Units, Deferred Units and Options considered Units nor do they entitle a participant to any rights as a Unitholder, including, without limitation, voting rights, distribution entitlements (other than as set out above) or rights on liquidation.

Units Subject to the Omnibus Equity Incentive Plan and Participation Limits

The maximum number of Units issuable pursuant to awards under the Omnibus Equity Incentive Plan and all other security-based compensation arrangements shall not exceed 10% of the outstanding Units of the REIT from time to time, which represents 1,414,198 Units as of the date of this Circular.

Units underlying Options that have expired or have been cancelled will become available for subsequent issuance under the Omnibus Equity Incentive Plan. Units underlying Restricted Units, Performance Units and Deferred Units that have expired or have been cancelled or settled in cash or without issuing Units from treasury will become available for subsequent issuance under the Omnibus Equity Incentive Plan. Any Units issued by the REIT through the assumption or substitution of outstanding Options or other equity-based awards from an acquired company shall not reduce the number of Units available for issuance pursuant to the exercise of awards granted under the Omnibus Equity Incentive Plan.

The number of Units issuable to insiders of the REIT at any time pursuant to all of the REIT's security-based compensation arrangements, including the Omnibus Equity Incentive Plan, shall not exceed 10% of the issued and outstanding Units, and the number of Units issued to insiders of the REIT within any one-year period pursuant to all of the REIT's security-based compensation arrangements, including the Omnibus Equity Incentive Plan, shall not exceed 10% of the issued and outstanding Units. The maximum aggregate value of securities issuable to any non-employee Trustee under the Omnibus Equity Incentive Plan shall not exceed \$150,000 per annum. The aggregate number of Units reserved for issuance to all

Non-Employee Trustees and grants under all security-based compensation arrangements of the REIT made other than in lieu of cash fees shall not exceed 1% of the Effective Outstanding Units (which includes both Units and Class B Units). The aggregate number of Units reserved for issuance pursuant to grants of Restricted Units, Performance Units and Deferred units (“**Full Value Awards**”) under the Plan, and grants of Full-Value Awards and other non-option awards under all other security-based compensation arrangements of the REIT, shall not exceed 5% of the Effective Outstanding Units.

Termination of Employment

Unless otherwise determined by the board, and subject to the specific terms of the participant’s employment agreement, upon a participant’s resignation or the termination of a participant’s employment with the REIT for any reason, (a) all unvested awards granted pursuant to the Omnibus Equity Incentive Plan shall immediately terminate and the participant shall not be entitled to any damages in lieu thereof whether pursuant or attributable to any common law or contractual notice period or otherwise, (b) all vested Deferred Units, Restricted Units and Performance Units shall be redeemable; provided that if such awards are not redeemed within 30 days of termination or resignation such awards shall be settled for Units on such date without any action required on the part of the participant, and (c) all vested Options will be exercisable until the date that is 12 months after the date of termination or resignation, following which they will expire.

Change in Control

Unless otherwise determined by the board, if a participant’s employment is terminated without cause or the participant resigns with good reason, in each case, within 12 months following a change of control of the REIT, all Performance Units, Restricted Units and Deferred Units granted under the Omnibus Equity Incentive Plan that have not otherwise vested will immediately vest and be settled and all Options will immediately vest and be exercisable until the earlier of 12 months after the termination date and the expiry date of the Options, after which time all Options will expire.

In the event of a change of control of the REIT, the board has the authority to take all necessary steps to ensure the preservation of the economic interests of the participants in, and to prevent the dilution or enlargement of, any awards granted under the Omnibus Equity Incentive Plan, including ensuring that the REIT or any entity which is or would be the successor to the REIT or which may issue securities in exchange for the Units upon the change of control will assume each outstanding award, or provide each participant with new, replacement or amended awards which will continue to vest following the change of control on similar terms and conditions as provided in the Omnibus Equity Incentive Plan, failing which all outstanding awards will vest and be settled (having regard to the performance achieved prior to the change of control in respect of Performance Units) or be exercisable, as applicable, prior to the date on which the change of control is consummated.

Assignability

Except as required by law, the rights of participants under the Omnibus Equity Incentive Plan are not transferable or assignable.

Adjustments

In the event of an extraordinary distribution, securities based distribution, stock split or combination (including a reverse stock split) or any recapitalization, business combination, merger, amalgamation, consolidation, spin-off, exchange of Units, liquidation or dissolution of the REIT or other similar transaction affecting the Units, the board will make such proportionate adjustments, if any, as it

determines in its sole discretion to the number and kind of Units available for issuance under the Omnibus Equity Incentive Plan, the annual per-participant Unit limits, the number, class, exercise price (or base value), performance objectives applicable to outstanding awards and any other terms of outstanding awards affected by such transaction to preserve the proportionate rights and obligations of the participants under the Omnibus Equity Incentive Plan. The Board of Trustees may also make adjustments of the type described in the preceding sentence to take into account distributions and events other than those listed above if it determines that adjustments are appropriate to avoid distortion in the operation of the Omnibus Equity Incentive Plan and to preserve the proportionate rights and obligations of the participants under the Omnibus Equity Incentive Plan.

Discontinuance and Amendments

The board may amend the Omnibus Equity Incentive Plan or outstanding awards, or terminate the Omnibus Equity Incentive Plan as to future grants of awards, except that the board is not able to alter the terms of an award if it would affect materially and adversely a participant's rights under the award without the participant's consent. Notwithstanding the above, Unitholder approval is required for the following amendments to the Omnibus Equity Incentive Plan:

- increasing the number of Units available for issuance under the Omnibus Equity Incentive Plan, except pursuant to the provisions in the Omnibus Equity Incentive Plan which permit the plan administrator to make equitable adjustments in the event of transactions affecting the REIT or its capital;
- increasing or removing the insider participation limit;
- reducing the exercise price of an Option, except pursuant to certain provisions of the Omnibus Equity Incentive Plan which provide for the plan administrator to make equitable adjustments in the event of transactions affecting the REIT or its capital;
- increasing or removing the limits on grants of Full-Value Awards and other non-option awards;
- extending the term of any award granted beyond its original expiry date;
- permitting an Option to be exercisable beyond ten years from its date of grant (except where an expiry date would have fallen within a blackout period of the REIT);
- modifying the class of persons eligible for participation in the Omnibus Equity Incentive Plan;
- permitting awards to be transferred other than for normal estate settlement purposes; and
- deleting or reducing the range of amendments which require approval of the Unitholders.

Without limiting the generality of the board's discretion to amend the Omnibus Equity Incentive Plan, and subject to the above, Unitholder approval is not required for, among others, the following amendments to the Omnibus Equity Incentive Plan:

- amending the general vesting provisions of each award;
- amending the provisions with respect to termination of employment or services;
- adding covenants of the REIT for the protection of participants, as the case may be, provided that the plan administrator shall be of the good faith opinion that such additions will not be prejudicial to the rights or interests of the participants, as the case may be;
- making amendments not inconsistent with the Omnibus Equity Incentive Plan as may be necessary or desirable with respect to matters or questions which, in the good faith opinion of the plan administrator, having in mind the best interests of the participants, it may be expedient to make,

Flagship Communities REIT
Management Information Circular

including amendments that are desirable as a result of changes in law in any jurisdiction where a participant resides, provided that the plan administrator shall be of the opinion that such amendments and modifications will not be prejudicial to the interests of the participants and Trustees; or

- making such changes or corrections which, on the advice of counsel to the REIT, are required for the purpose of curing or correcting any ambiguity or defect or inconsistent provision or clerical omission or mistake or manifest error, provided that the plan administrator shall be of the opinion that such changes or corrections will not be prejudicial to the rights and interests of the participants.

OUTSTANDING UNIT BASED AWARDS AT DECEMBER 31, 2021

Value Vested or Earned During the Year

The table below shows the Deferred Unit grants that were elected as compensation earned by each Trustee and vested during the financial year ended December 31, 2021. Deferred Units awarded to Trustees were granted quarterly and vested immediately. See “*Omnibus Equity Incentive Plan*” for details including information related to distributions on Deferred Units. No Performance Units, Restricted Units or Options were granted or vested in 2021.

Name	Unit-based awards – value vested during the year⁽¹⁾	Non-Equity Incentive Plan compensation – Value earned during the year
Peter C.B. Bynoe	\$92,160	N/A
Louis Forbes	\$57,923	N/A
Kurtis Keeney	-	N/A
J. Susan Monteith	\$36,860	N/A
Andrew Oppenheim	\$55,300	N/A
Nathan Smith	-	N/A
Iain Stewart	\$36,860	N/A

(1) Using the \$19.01 market price of a Unit on the TSX on December 31, 2021 as defined in the Omnibus Equity Incentive Plan (5 day VWAP ending Dec 30, 2021) (the “Market Price”).

Flagship Communities REIT
Management Information Circular

Number of Securities Issued and Remaining at December 31, 2021

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights at December 31, 2021	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans at December 31, 2021
Equity compensation plans approved by security holders	14,682 Deferred Units	N/A	1,399,437 ⁽¹⁾ (aggregate sublimit of 692,197 for Full Value Awards) ⁽²⁾
Equity compensation plans not approved by security holders	Nil	N/A	Nil
Total	14,682 Deferred Units	N/A	1,399,437⁽¹⁾ (aggregate sublimit of 692,197 for Full Value Awards)⁽²⁾

(1) A maximum of 1,399,437 Units may be issuable pursuant to outstanding grants under the Omnibus Equity Incentive: 10% of the 1,414,185 issued and outstanding Units of the REIT (1,414,119) less the 14,682 Deferred Units that have been issued.

(2) A maximum of 692,197 aggregate Units may be issuable pursuant to outstanding Full Value Awards (Restricted Units, Performance Units and Deferred Units) under the Omnibus Equity Incentive Plan: 5% of the 1,414,185 issued and outstanding Units of the REIT (707,059) less the 14,682 Deferred Units that have been issued.

Outstanding Unit Based Awards at December 31, 2021

Name	Number of Units that have not vested at December 31, 2021	Market or payout value of unvested Unit-based awards at Dec 31, 2021¹	Market or payout value of vested Unit-based awards not paid out or distributed at Dec 31, 2021⁽¹⁾
Peter C.B. Bynoe	0	\$0	\$92,160
Louis Forbes	0	\$0	\$57,923
Kurtis Keeney	0	\$0	-
J. Susan Monteith	0	\$0	\$36,860
Andrew Oppenheim	0	\$0	\$55,300
Nathan Smith	0	\$0	-
Iain Stewart	0	\$0	\$36,860
Total	0	\$0	\$279,105

⁽¹⁾ Using the \$19.01 Market Price of a Unit on the TSX on December 31, 2021 (5 day VWAP ending Dec 30, 2021).

Burn Rate for Equity Plans

The burn rate is calculated using the TSX prescribed methodology, which is the total number of Units granted under the arrangement during the applicable fiscal year, divided by the weighted average number of Units (assuming all Class B Units are exchanged for Units) outstanding for the fiscal year (“Burn Rate”). The Burn Rate for Deferred Units is shown below.

	2021
Number of Deferred Units and Distribution Equivalent Deferred Units granted in the fiscal year	14,682
Diluted weighted average number of Units outstanding for the fiscal year	15,336,933
Burn rate for Deferred Units	0.10%

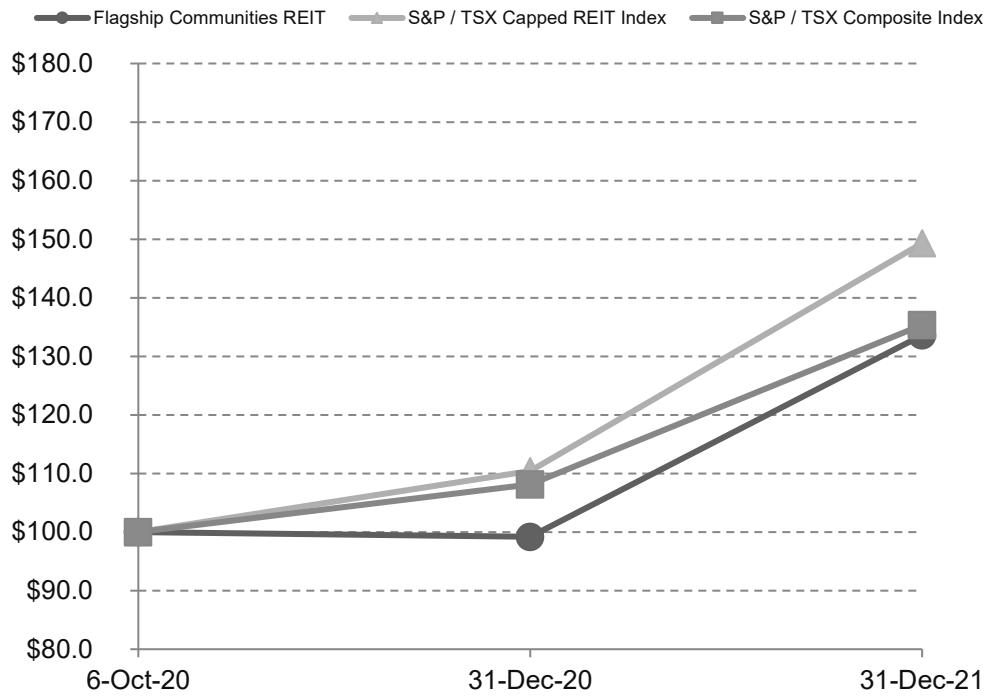
PERFORMANCE GRAPH

The following chart compares the Unitholder Cumulative Total Return (appreciation of capital and reinvestment of distributions) on the REIT’s Units to the S&P / TSX Composite Index and to the S&P / TSX Capped REIT Index, each assuming reinvestment of distributions or dividends since the IPO on October 7, 2020. Unitholders achieved positive returns between October 7, 2020 and December 31, 2021 as shown in the performance graph below.

During the period from IPO on October 7, 2020 until December 31, 2021, the total cumulative Unitholder return for \$100 invested in REIT Units was \$134 with the S&P/TSX Capped REIT Index achieving a return of \$149 and the S&P / TSX Composite Index achieving a return of 135.

There was no intended correlation between the performance of Units and the compensation of the executive officers of the REIT, although management’s significant equity holdings of 28% of the Units and Class B Units substantially aligns the interests of management with those of the Unitholders. In mid-2022, the CG&N Committee intends to recommend a long-term incentive program involving at-risk Unit-based award components for management, for approval by the Board of Trustees. This will be intended to further align the interests of management with the long-term performance of the REIT.

Flagship Communities REIT
Management Information Circular



	October 7, 2020	December 31, 2020	December 31, 2021
Flagship Communities REIT	\$100	\$99	\$134
S&P / TSX Capped REIT Index	\$100	\$110	\$149
S&P / TSX Composite Index	\$100	\$108	\$135

SUCCESSION PLANS FOR THE CHIEF EXECUTIVE OFFICER AND MANAGEMENT TEAM

Short-term and emergency succession plans for each of the officers of the REIT have been developed and approved by the board. These plans are reviewed and updated annually by the CG&N Committee.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Call Now HVAC, an entity majority-owned by the REIT’s President and Chief Executive Officer and Chief Investment Officer, was paid \$504,000 in 2021 for the provision of HVAC services for manufactured housing communities owned by the REIT.

KOI, a pavement and concrete services company wholly owned by the President and Chief Executive Officer and a relative, was paid \$78,000 in 2021 for pavement, concrete and other maintenance services for manufactured housing communities owned by the REIT.

BG3, a landscaping company wholly owned by a party related to the President and Chief Executive Officer, was paid \$161,000 in 2021 for landscaping services for manufactured housing communities owned by the REIT.

JDK an information technology support company wholly owned by a party related to the President and Chief Executive Officer, was paid \$11,000 in 2021 for information technology support services for the REIT.

The REIT and Empower Park LLC (“Empower”), an entity 50% owned by the REIT’s President and Chief Executive Officer and Chief Investment Officer, have entered into a service agreement. Under the service agreement, Empower was paid \$248,000 for the provision of home sales and other services to the REIT in 2021. See “*Management Agreement – Services Agreement with Empower*” in the REIT’s Annual Information Form dated March 16, 2022 which is incorporated by reference and is available on www.sedar.com/

Subsequent to year end, in February 2022, the REIT acquired a manufactured housing resort community in Ohio from Empower, LLC. The acquisition was approved by the independent members of the REIT’s Board of Trustees and is the result of the REIT’s exercise of its right of first refusal pursuant to an agreement dated October 7, 2020. The purchase price for the acquisition was satisfied by approximately \$7.5 million in cash and the issuance of Class B units by Flagship Operating, LLC, a subsidiary of the REIT, with an aggregate value of approximately \$0.7 million, as determined using the ten-day volume-weighted average trading price of the REIT’s trust units on the Toronto Stock Exchange, per the terms of the ROFO.

Other than as described in this Circular, the Annual Information Form dated March 16, 2022 and in the notes to the 2021 audited consolidated financial statements of the REIT, no informed person (as such term is defined in the *Securities Act* (Ontario)) or proposed nominee for election as a Trustee, nor any associate or affiliate of the foregoing, has any interest, direct or indirect, in any material transactions in which the REIT has participated since the formation of the REIT or in any proposed transaction which has materially affected or will materially affect the REIT.

INDEBTEDNESS OF TRUSTEES, EXECUTIVE OFFICERS AND SENIOR OFFICERS

No Trustee, Executive Officer or Senior Officer of the REIT or proposed management nominee for election as a Trustee, nor each associate of any such Trustee, Officer or proposed management nominee, is or has been indebted to the REIT at any time during the last completed financial year. The REIT’s Code of Business Conduct and Ethics prohibits loans to Trustees and employees of the REIT.

TRUSTEE AND OFFICER LIABILITY INSURANCE

The REIT carries trustees’ and officers’ liability insurance. Under this insurance coverage, the REIT is reimbursed for payments made under indemnity provisions on behalf of its Trustees and officers, subject to a deductible for each loss. Individual Trustees and officers are also reimbursed for losses arising during the performance of their duties for which they are not indemnified by the REIT, subject to a deductible which is paid by the REIT. Excluded from coverage are illegal acts, acts which result in personal profit and certain other acts. The Declaration of Trust provides for the indemnification in certain circumstances of Trustees and officers from and against liability and costs in respect of any action or suit against them in respect of the execution of their duties of office. For the year ending December 31, 2021, the REIT paid US\$291,900 (exclusive of applicable taxes) in insurance premiums for Trustees and officers for liability coverage with a limit of up to \$10 million in total including defence costs.

ADDITIONAL INFORMATION

Additional information relating to the REIT is available on SEDAR at www.sedar.com. Financial information is provided in the REIT’s financial statements and management’s discussion and analysis for its most recently completed financial year. Unitholders may contact the REIT in writing at 199 Bay Street, Suite 4000, Toronto, ON, M5L 1A9 to request copies of such documents, free of charge.

APPROVAL OF THE BOARD OF TRUSTEES

The contents of this Circular and the sending of it to each Trustee of the REIT, to the auditor of the REIT, to those Unitholders who have requested it and to the applicable regulatory authorities, have been approved by the Trustees of the REIT.

DATED at Toronto, Ontario, this 6th day of April, 2022.

"Kurtis Keeney"

Kurtis Keeney
President and Chief Executive Officer

APPENDIX A

MANDATE FOR THE BOARD OF TRUSTEES

Effective Date: November 12, 2020

1. Purpose

The members of the Board of Trustees (the “**Board**”) are responsible for stewarding and overseeing Flagship Communities Real Estate Investment Trust (the “**REIT**”) and its business. The Board, directly and through its committees and the chair of the Board (the “**Chair**”), shall provide direction to senior management, generally through the Chief Executive Officer, to pursue the best interests of the REIT.

2. Membership

Number of Members

Subject to compliance with applicable law, the REIT’s Declaration of Trust, and any agreements or other arrangements concerning the size of the Board, the Board shall be comprised of such number of members as determined by the REIT’s unitholders or the trustees, from time to time at their discretion.

Independence of Members

Subject to the terms of the REIT’s Declaration of Trust, a majority of the trustees of the Board shall be “independent” within the meaning of the provisions of National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (as may be amended from time to time, “**NI 58-101**”).

Residency of Members

A majority of the trustees must be resident in Canada for purposes of the *Income Tax Act* (Canada) and the regulations thereunder (a “**Canadian Resident**”).

Term of Members

Members of the Board will be elected at each annual meeting of unitholders of the REIT to hold office for a term expiring at the close of the next annual meeting, or until a trustee resigns, ceases to be qualified for service as a member of the Board or is removed in compliance with applicable law, and will be eligible for re-election.

Chair of the Board

The members of the Board shall designate a Chair by majority vote of the full Board membership, following consideration of the recommendation of the Compensation, Governance and Nominating Committee.

The Chair of the Board shall be an independent member of the Board. If, at any time, the Chair of the Board is not an independent trustee, the Board will appoint a lead independent trustee (a “**Lead Independent Trustee**”).

In the absence of the Chair of the Board, the Lead Independent Trustee shall chair any meeting of the Board and in the absence of both the Chair and the Lead Independent Trustee, the members of the Board present may appoint a chair from their number for such meeting.

General

Each trustee must have an understanding of the REIT’s principal operational and financial objectives, plans and strategies, and financial position and performance. Each trustee is expected to attend all meetings of the Board and any Board committee of which he or she is a member. Trustees are expected to have read and considered, in advance of each meeting, the materials sent to them and to actively participate in the meetings.

Trustees must have sufficient time to carry out their duties and not assume responsibilities that would materially interfere with, or be incompatible with, Board membership. Trustees who experience a significant change in their personal circumstances, including a change in their principal occupation, are expected to advise the chair of the Compensation, Governance and Nominating Committee.

Trustees may serve on the boards of other public issuers so long as these commitments do not materially interfere and are compatible with their ability to fulfill their duties as a member of the Board. Trustees must advise the Chair of the Board in advance of accepting an invitation to serve on the board of another public issuer.

3. Meetings

Location of Meetings

Meetings of the Board may be held at any place in Canada and may not be held outside Canada, including by way of telephone or other electronic communication facility originating in Canada (e.g., a conference call hosted by a person in Canada).

Number of Meetings

The Board shall meet as often as the Board considers appropriate to fulfill its responsibilities, but in any event at least once per fiscal quarter.

Quorum

No business may be transacted by the Board at a meeting unless a quorum of the Committee is present. A majority of members of the Board shall constitute a quorum, provided that a majority of the members comprising such quorum are (a) Canadian Residents and (b) present in-person in Canada or participating from a location in Canada.

Secretary and Minutes

The Secretary, his or her designate, or any other person the Chair of the Board requests shall act as secretary of each meeting of the Board. Minutes of Board meetings shall be recorded and

maintained in sufficient detail to convey the substance of all discussions held and shall be, on a timely basis, subsequently presented to the Board for approval.

Attendance of Non-Members

The Board may invite to a meeting any officers or employees of the REIT, legal counsel, advisors and other persons whose attendance it considers necessary or desirable in order to carry out its responsibilities.

Meetings of Independent Trustees

As part of each meeting of the Board, the independent trustees shall hold an *in-camera* session, at which management and non-independent trustees are not present, and the agenda for each Board meeting will afford an opportunity for such a session. The independent trustees may also, at their discretion, hold *ad hoc* meetings that are not attended by management and non-independent trustees.

Access to Management and Books and Records

The Board shall have unrestricted access to the REIT's management and employees and the books and records of the REIT.

4. Responsibilities

The Board shall have the specific responsibilities outlined below. In addition to these responsibilities, the Board shall perform the functions and responsibilities required of a Board by the REIT's Declaration of Trust, applicable Canadian securities laws, any exchange upon which securities of the REIT are listed, or any governmental or regulatory body exercising authority over the REIT, as are in effect from time to time or as the Board otherwise deems necessary or appropriate.

(a) Strategic Plans

The Board will participate in the development and approving of a strategic plan for the REIT. The Board shall periodically review and, if advisable, approve the REIT's strategic planning process and, at least annually, review and, if advisable, approve the REIT's annual strategic plan. In discharging this responsibility, the Board shall review the plan in light of management's assessment of emerging trends, the competitive environment, the opportunities and risks for the businesses of the REIT, and industry practices.

(b) Business and Capital Plans

The Board shall periodically review and, if advisable, approve the policies and processes generated by management relating to the authorization of major investments and significant allocations of capital and, at least annually, review and, if advisable, approve the REIT's annual business and capital plans, including the REIT's debt strategy. If advisable, the Board will approve major decisions regarding the REIT.

(c) Monitoring

The Board shall periodically review management's implementation of the REIT's strategic, business and capital plans and objectives and review and, if advisable, approve any material

amendments to, or variances from, such plans. The Board shall oversee management, generally, and assess its performance.

(d) Subsidiaries

The Board shall be responsible for acting for, voting on behalf of and representing the REIT as a shareholder of Flagship HC, Inc., including in respect of electing, removing and appointing its board of directors.

Risk Management

(e) General

At least annually, the Board shall review reports provided by management and, as applicable, committees of the Board, on the principal risks associated with the REIT's business and operations, review the implementation by management of appropriate systems to identify, assess, manage and mitigate these risks, and review reports by management relating to the operation of, and any material deficiencies in, these systems.

(f) Verification of Controls

The Board shall verify that appropriate internal, financial, non-financial and business control and management information systems have been established, and are being maintained, by management.

Financial-Related Matters

(g) Approval of Annual Financial Reports

The Board shall review the annual consolidated audited financial statements of the REIT, the auditors' report thereon and the related management's discussion and analysis of the REIT's financial condition and financial performance (MD&A), as well as the Audit Committee's recommendations in respect of the approval thereof. After completing its review, if advisable, the Board shall approve the annual financial statements and the related MD&A.

(h) Approval of Interim Financial Reports

The Board shall review the interim consolidated financial statements of the REIT, the auditors' review report thereon and the related MD&A, as well as the Audit Committee's recommendations in respect of the approval thereof. After completing its review, if advisable, the Board shall approve the interim financial statements and the related MD&A.

(i) Nomination

The Board shall review the recommendations of the Audit Committee concerning the external auditors to be nominated and, if advisable, approve such nomination.

(j) Policies for Pre-Approval of Non-Audit Services

The Board shall review the recommendations of the Audit Committee concerning the policies and procedures for the retainer of the REIT's external auditors to perform any non-audit service for

the REIT or its subsidiary entities and, if advisable, approve, with or without modifications, such policies and procedures.

(k) Distributions

The Board shall determine the amount and timing of distributions to unitholders of the REIT. In exercising its discretion to declare a distribution to unitholders of the REIT, the Board shall confirm that Flagship Operating, LLC has or will have sufficient funds to make a corresponding cash distribution on the Class B Units in accordance with their terms.

Human Resource Management

(l) Chief Executive Officer

The Board shall review the recommendations of the Compensation, Governance and Nominating Committee concerning the organizational goals and objectives relevant to Chief Executive Officer compensation and, if advisable, approve, with or without modifications, such goals and objectives.

The Board shall review the recommendations of the Compensation, Governance and Nominating Committee concerning (i) the appointment and other terms of employment (including any severance arrangements or plans and any benefits to be provided in connection with a change in control) for the Chief Executive Officer, including the adoption, amendment and termination of such agreements, arrangements or plans and, if advisable, approve, with or without modifications, such appointment and other terms of employment and (ii) the Chief Executive Officer's compensation level and, if advisable, approve, with or without modifications, such compensation.

(m) Senior Management

The Board shall review the recommendations of the Compensation, Governance and Nominating Committee concerning the appointment of the Chief Financial Officer, the Chief Investment Officer, all other members of senior management reporting directly to the Chief Executive Officer, and all other officers appointed by the Board (collectively "**Senior Management**") and, if advisable, after consideration of the objectives of the Diversity Policy of the REIT, approve any such appointment.

The Board shall review the recommendations of the Compensation, Governance and Nominating Committee respecting the compensation and other terms of employment (including any severance arrangements or plans and any benefits to be provided in connection with a change in control) of members of Senior Management and, if advisable, approve, with or without modifications, such compensation and other terms of any employment agreements and any severance arrangements or plans.

(n) Succession Review

At least annually, the Board shall review the succession plans of the REIT for the Chair of the Board and, if applicable, the Lead Independent Trustee. The Board shall also periodically review the recommendations of the Compensation, Governance and Nominating Committee with respect to succession planning matters concerning Senior Management and the Chief Executive Officer, as well as general executive development programs, and, after consideration of the objectives of the Diversity Policy of the REIT, develop the succession plans of the REIT.

(o) Integrity of Senior Management

The Board shall, to the extent feasible, satisfy itself as to the integrity of the Chief Executive Officer and other members of Senior Management and that the Chief Executive Officer and other members of Senior Management strive to create a culture of integrity throughout the REIT.

(p) Trustee Remuneration

The Board shall review the recommendations of the Compensation, Governance and Nominating Committee concerning the remuneration (fees and/or retainer) to be paid to, and the benefits to be provided, to members of the Board for service in applicable capacities and, if advisable, approve, with or without modifications, such remuneration.

(q) Equity-Based Compensation Plans

The Board shall review the recommendations of the Compensation, Governance and Nominating Committee concerning the adoption or amendment of equity-based compensation plans of the REIT and, if advisable, approve, with or without modifications, the adoption or amendment of such plans.

Nomination Matters

(r) General

The Board shall periodically review reports of the Compensation, Governance and Nominating Committee concerning nomination matters.

(s) Nominee Identification

Subject to the Retained Interest Holders' (as defined in the final long form prospectus of the REIT dated September 28, 2020) nomination rights, all board nominees will be nominated by the REIT's Compensation, Governance and Nominating Committee. The Board shall review the recommendations of the Compensation, Governance and Nominating Committee concerning the potential nominees for election or appointment to the Board and, after considering (i) the results of the Board and trustee effectiveness evaluation process, (ii) the competencies, skills and other qualities that the Committee considers to be necessary for the Board as a whole to possess, the competencies, skills and other qualities that the Committee considers each existing trustee to possess, and the competencies, skills and other qualities each new nominee would bring to the boardroom, (iii) the amount of time and resources that nominees have available to fulfill their duties as Board members, (iv) the objectives of the Diversity Policy of the REIT, and (v) any applicable independence, residency and/or other requirements, approve, if advisable, with or without modifications, the individual nominees for consideration by, and presentation to, the unitholders at the REIT's next annual meeting of unitholders or appointment to the Board between such meetings.

(t) Committees of the Board

The Board shall annually, or as otherwise required or deemed advisable, review the recommendations of the Compensation, Governance and Nominating Committee concerning the individual trustees to serve on (or to depart from) the standing committees of the Board and, after considering (i) the qualifications for membership on each committee, (ii) the extent to which there

should be a policy of periodic rotation of trustees among the committees, and (iii) the number of boards and other committees on which the trustees serve, approve the appointment of such trustees to (or departure from) the committees as the Board deems advisable.

(u) Trustee Independence

The Board shall periodically review the Board's and the Board committees' ability to act independently from management in fulfilling their responsibilities and in doing so the Board shall (i) review the application and evaluation by the Compensation, Governance and Nominating Committee of the trustee independence standards applicable to members of the Board and (ii) review the recommendations of the Compensation, Governance and Nominating Committee concerning a reduction or increase in the number of independent trustees and, if advisable, approve, such reduction or increase.

(v) Board and Committee Size

The Board shall review the recommendations of the Compensation, Governance and Nominating Committee concerning a reduction or increase to the size of the Board or any Board committee and if advisable, approve, such a reduction or increase.

(w) Board Renewal

The Board shall review the recommendations of the Compensation, Governance and Nominating Committee concerning mechanisms of Board renewal (e.g., a retirement age or term limits for trustees), and if advisable, approve, with or without modifications, the adoption of any such mechanisms.

(x) Diversity Policy

The Board shall review any recommendations of the Compensation, Governance and Nominating Committee concerning the adoption of measurable objectives for achieving diversity on the Board and if advisable, approve, with or without modifications, the adoption of any such objectives.

(y) Majority Voting

The Board shall review the recommendations of the Compensation, Governance and Nominating Committee concerning resignations of trustees pursuant to the REIT's Majority Voting Policy in respect of the election of trustees and if advisable, accept or reject any such resignation, in accordance with the terms of the REIT's Majority Voting Policy.

Corporate Governance

(z) General

The Board shall periodically review reports of the Compensation, Governance and Nominating Committee concerning corporate governance matters.

(aa) Position Descriptions

The Board has approved position descriptions for the Chair of the Board, the Chief Executive Officer and the chair of each Board committee. The Board shall periodically review the

recommendations of the Compensation, Governance and Nominating Committee concerning changes to such position descriptions and if advisable, approve, with or without modifications, the adoption of any such changes.

(bb) Governance Policies

The Board has adopted a Disclosure Policy, Insider Trading Policy, Diversity Policy and Majority Voting Policy, and similar or other governance policies of the REIT (including unit ownership guidelines). The Board shall periodically review the recommendations of the Compensation, Governance and Nominating Committee concerning changes to such policies or the adoption of such further governance policies and if advisable, approve, with or without modifications, the adoption of any such changes or new governance policies.

(cc) Board of Trustees Mandate Review

The Board shall periodically review the recommendations of the Compensation, Governance and Nominating Committee concerning changes to this Mandate and if advisable, approve, with or without modifications, the adoption of any such changes.

(dd) Committees of the Board

The Board has established an Audit Committee and a Compensation, Governance and Nominating Committee. Subject to applicable law, the Board may establish other Board committees or merge or dissolve any Board committee at any time. Each committee of the board shall be composed of a majority of Canadian Residents.

The Board has delegated to each Board committee those responsibilities set out in each Board committee's charter and shall approve charters for any new Board committee. The Board shall periodically review the recommendations of the Compensation, Governance and Nominating Committee concerning changes to the charters for each Board committee and if advisable, approve, with or without modifications, the adoption of any such changes.

The Board shall annually, or as other required or deemed advisable, review the recommendations of the Compensation, Governance and Nominating Committee concerning the individual trustees to serve on the standing committees of the Board and, after considering (i) the qualifications for membership on each committee, (ii) the extent to which there should be a policy of periodic rotation of trustees among the committees, and (iii) the number of boards and other committees on which the trustees serve, approve the appointment of such trustees to the committees as the Board deems advisable.

(ee) Ethics Reporting

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. The Board shall also review the recommendations of the Compensation, Governance and Nominating Committee concerning changes to the Code and if advisable, approve, with or without modifications, the adoption of any such changes.

(ff) Trustee Development and Evaluation

Each new trustee shall participate in the REIT's initial orientation program and each trustee shall participate in the REIT's continuing trustee development programs as may be established from time to time. The Board shall periodically review the recommendations of the Compensation, Governance and Nominating Committee concerning proposed changes to the REIT's initial orientation program and continuing trustee development programs and if advisable, approve, with or without modifications, the adoption of any such changes.

Communications

(gg) General

The Board has adopted a Disclosure Policy for the REIT. If consensus cannot be reached at a meeting of the Disclosure Committee created pursuant to the Disclosure Policy, the Board shall consider the matter.

(hh) Unitholders

The REIT endeavors to keep its unitholders informed of its progress through an annual report, annual information form, quarterly interim reports and periodic press releases. Trustees and management meet with the REIT's unitholders at the annual meeting and are available to respond to questions at that time.

5. Outside Advisors

The Board shall have the authority to retain and terminate external legal counsel, consultants or other advisors to assist it in fulfilling its responsibilities and to set and pay the respective reasonable compensation of these advisors without consulting or obtaining the approval of any officer of the REIT. The REIT shall provide appropriate funding, as determined by the Board, for the services of these advisors.

6. No Rights Created

This Mandate is a statement of broad policies and is intended as a component of the flexible governance framework within which the Board, assisted by its committees, directs the affairs of the REIT. While it should be interpreted in the context of all applicable laws, regulations and listing requirements, as well as in the context of the REIT's Declaration of Trust, it is not intended to establish any legally binding obligations.

