



**NOTICE OF
ANNUAL GENERAL MEETING OF UNITHOLDERS
AND
MANAGEMENT INFORMATION CIRCULAR**

TO BE HELD ON MAY 10, 2023

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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/1455> on Wednesday, May 10, 2023 at 10:00 a.m. (Eastern Time) for the following purposes:

1. to receive the audited financial statements of the REIT for the year ended December 31, 2022 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
4. 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 16, 2023 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 5, 2023 prepared by management of the REIT in connection with the Meeting.

The Meeting will be in a virtual only format, which will be conducted via live virtual-only webcast over the internet. The format of the virtual meeting has been designed so that Unitholders have opportunities to vote and participate, substantially similar to those they would have at a physical meeting, remotely from any location around the world. The virtual format is also a more cost-efficient and environmentally friendly arrangement, and increases attendance and participation in important business decisions. The online format permits questions to be submitted by registered and duly appointed Unitholders ahead of time, which produces a better platform for the Q&A session because questions can be considered in advance and addressed more fully. A recording of the proceedings will be available on our website at www.flagshipcommunities.com following the Meeting. To complement this annual engagement opportunity with Unitholders, questions or comments throughout the year may be sent to management at kkeeney@flagshipcommunities.com.

Notice-and-Access

The REIT is using the “notice-and-access” system adopted by the Canadian Securities Administrators for the delivery of the Management Information Circular (the “**Meeting Materials**”). Under notice-and-access, Unitholders still receive a proxy or voting instruction form enabling you to vote. However, instead of a paper copy of the Management Information Circular, beneficial and registered Unitholders receive this notice which contains information about how to access the Meeting Materials electronically. The principal benefit of the notice-and-access system is that it reduces the environmental impact of producing and distributing paper copies of documents in large quantities. The Management Information Circular and form of proxy or voting instruction form provide additional information concerning the matters to be dealt with at the Meeting. **You should access and review all information contained in the Management Information Circular before voting.**

Unitholders with questions about notice-and-access can call our transfer agent TSX Trust at 1 (866) 600-5869 from Canada and the United States or collect at 416-342-1091 or by email at tsxtis@tmx.com.

Websites Where Meeting Materials are Posted

Meeting Materials can be viewed online on the REIT's website, www.flagshipcommunities.com, or under the REIT's SEDAR profile at www.sedar.com or at www.meetingdocuments.com/TSXT/MHC.

How to Obtain Paper Copies of the Meeting Materials

Beneficial and registered Unitholders may request that paper copies of the Meeting Materials be mailed to them at no cost by following the instructions set out in the notice-and-access notice that has been mailed to them. Specifically, requests may be made up to one year from the date that the Management Information Circular is filed on SEDAR by contacting TSX Trust toll free at 1 (866) 600-5869 within North America or 416-342-1091 outside North America or by email at tsxtis@tmx.com. Requests should be received by May 2, 2023 (i.e., at least seven business days in advance of the date and time set out in the beneficial Unitholders' voting instruction form and registered Unitholders' proxy form as the voting deadline) for Unitholders to receive the Meeting Materials in advance of the voting deadline and Meeting date.

Beneficial and Registered Unitholders

You are a beneficial Unitholder (also known as a non-registered Unitholder) if you own Units indirectly and your Units are registered in the name of a bank, trust company, broker or other intermediary. For example, you are a beneficial Unitholder if your Units are held in a brokerage account of any type.

You are a registered Unitholder if you hold a paper unit certificate or certificates and your name appears directly on your unit certificate(s).

Voting

If you are a Unitholder and you are not able to attend the Meeting, please carefully follow the instructions on the form of proxy or voting instruction form. Beneficial Unitholders that hold their Units with a financial intermediary will receive a voting instruction form in order to instruct their intermediary how to vote on their behalf. Beneficial Unitholders may also vote at the Meeting as detailed under the heading "How to Vote" of the Management Information Circular. Only Unitholders of record as at the close of business on the Record Date will be entitled to vote at the Meeting or any adjournment thereof. You may exercise your right to vote by signing and returning the enclosed form of proxy or voting instruction form using the enclosed return envelope or following the instructions contained in the Management Information Circular to vote online or by telephone. The form of proxy should arrive not less than 48 hours before the time set for the holding of the Meeting or any adjournment or postponement thereof (excluding Saturdays, Sundays and holidays).

Unitholders are encouraged to vote online at www.proxyvote.com, by telephone or by completing, dating, signing and delivering the enclosed form of proxy or voting instruction form in accordance with the instructions contained in the Management Information Circular and on the form of proxy or voting instruction form, which must be received by TSX Trust Company no later than 5:00 p.m. (Toronto time) on May 8, 2023, or at least 48 hours (excluding Saturdays, Sundays and holidays) prior to any adjourned or postponed meeting. Beneficial Unitholders should follow the instructions in the voting instruction form or other document provided for additional information on how you can vote your Units.

If you indicated on the Request for Financial Statements form or Voting Instruction Form last year that you would like to receive the 2022 Annual Report, which includes the audited financial statements of the REIT for the year ended December 31, 2022 and Management's Discussion and Analysis, then the Annual Report has already been mailed to you. The Annual Report may also be accessed under the REIT's profile at www.sedar.com or www.flagshipcommunities.com.

Key Dates

Record Date:	March 16, 2023
Request a paper copy of the Management Information Circular:	May 2, 2023
Obtain a control number* to vote at the Meeting:	May 6, 2023
Vote by:	May 8, 2023
AGM Date:	May 10, 2023

*see instructions in the Circular

Flagship Communities REIT
Management Information Circular

DATED at Toronto, Ontario, this 5th day of April, 2023.

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 16, 2023 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.

March 16, 2023 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, 2023 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 the 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 Unitholder as at the close of business on March 16, 2023, which is the Record Date of the Meeting.

Q. Am I a registered Unitholder?

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

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

A: Most Unitholders are beneficial Unitholders. You are a beneficial Unitholder if your Units are held in an account in the name of an intermediary, such as a bank, broker, trust company or financial institution. As a beneficial 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 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 Unitholders. Beneficial Unitholders will receive a voting instruction form for voting purposes. Intermediaries often forward the materials to beneficial Unitholders through a service company such as Broadridge Financial Solutions Inc. Beneficial Unitholders who have not objected to their intermediary disclosing certain information about them to the REIT are referred to as "**NOBOs**", whereas beneficial 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?

A: These securityholder materials are being sent to both registered and beneficial Unitholders owners of the securities. If you are a beneficial Unitholder, 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. Who is soliciting my proxy?

A: Management of the REIT is soliciting your proxy. Proxies are solicited primarily by mail, but employees and agents of the REIT may also use electronic means if you have indicated your preference to do so through your intermediary. 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 financial statements and management's discussion and analysis, Management Information Circular and 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. 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. **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 Trustees to fix the external auditors' remuneration.**

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

A: The Chair of the Board of Trustees (the "**Board**") and 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.

Only registered Unitholders and duly appointed proxyholders who have logged in to the virtual meeting using the guidelines in the section *Instructions for Attending the Meeting* will be permitted to ask questions at the Meeting. It is recommended that Unitholders and proxyholders submit their questions, together with their contact information, as soon as possible during the Meeting so they can be addressed at the right time.

The Chair of the Board and management do 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 the Unitholder to respond to its question to the extent the Unitholder has provided contact information when submitting the question.

You may also engage directly with the REIT with your questions at any time. See the *Unitholder/Investor Communications* section in this Circular.

Q: Who counts the vote?

A: For any matter for which a vote is taken at the Meeting, 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: Whom 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.






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 any adjourned Meeting. 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 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 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 bank, broker, trust company or financial institution holds your Units.	Your Units are registered directly in your name with our transfer agent, TSX Trust Company.

VOTE BY PROXY BEFORE THE MEETING

Non-registered Beneficial Unitholders	Registered Unitholders
A Voting Instruction Form was mailed to you unless you elected to receive Meeting Materials electronically.	A Form of Proxy was mailed to you unless you elected to receive Meeting Materials electronically.
 Visit www.proxyvote.com and enter your 16 digit control number listed on your Voting Instruction Form.  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.  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 10:00 a.m. (Eastern Time) on Monday, May 8, 2023.</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 <i>Appointing a proxyholder to attend and vote your Units online at the meeting.</i> <p>Non-registered beneficial Unitholders who have not duly appointed themselves as proxyholder will not be able to submit questions or vote online at the Meeting.</p>	<p>Do not complete or return your form of proxy as you will be attending and voting online at the Meeting.</p>
<p>Appointing a proxyholder to vote your Units online at the Meeting Registered and Non-registered Beneficial Unitholders</p>	
<p>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.</p> <p>Failure to register the proxyholder with TSX Trust Company will mean the proxyholder will be unable to vote.</p>	

To register a proxyholder, including yourself as proxyholder, you must perform two steps:

1. Use the instructions above at *Vote by Proxy Before the Meeting* to appoint yourself or another person as proxyholder
2. Use the guidelines 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.

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, 2023 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 Wednesday, May 3, 2023 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, we recommend you log in 9:45 a.m., using the web address below and enter your control number <p> https://virtual-meetings.tsxtrust.com/1455 Enter the password: flagship2023</p> <p>It is important that you are connected to the internet at all times during the Meeting to vote when balloting commences.</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, it is recommended that you log in no later than 9:45 a.m., using the web address below and enter your control number <p> https://virtual-meetings.tsxtrust.com/1455 Enter the password: flagship2023</p> <p>It is important that you are connected to the internet at all times during the Meeting to vote when balloting commences.</p>
<p>Without a control number you, will not be able to submit questions or vote at the Meeting; however, you will be able to attend as a guest and listen.</p> <p>See the section below “Attending as a Guest”</p>	
<p>Attending as a guest</p>	
<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> https://virtual-meetings.tsxtrust.com/1455 Enter the password: flagship2023</p>	

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, 2022 and the report of the auditors on those statements will be placed electronically before the Meeting. Copies of the financial statements and associated management’s discussion and analysis (“**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 Ann Rooney. 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. In accordance with the Declaration of Trust, 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. Dollar figures are U.S. dollars. 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 Ann Rooney

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: 72
- 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 28 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	2022 Meeting Attendance	Skills / Experience
Board Chair CG&N Committee	4 of 4 (100%) 4 of 4 (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 (US\$)		
2022: \$112,500		
Equity Ownership		
Securities	Value at March 16, 2023	
11,333 Units <u>12,013 Deferred Units</u> 23,346 Total	\$213,060 <u>\$225,844</u> \$438,905	
Minimum Unitholding Expectations (\$)		% Achieved Toward Minimum Unitholding Expectations at March 16, 2023
\$195,000		225%
Public Board Memberships: Last 5 Years		Public Board Interlocks
Frontier Communications Corporation: 2007 – 2021 Real Industry: 2013 – 2018		None

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Louis M. Forbes
Ontario, Canada

- Age: 67
- Trustee since Oct 2020
- 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 Board of Trustees of Primaris REIT. Between 2017 and 2022, Mr. Forbes served as a member of the Board of Trustees with Automotive Properties REIT and he was also Chair of the Audit Committee. 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		2022 Meeting Attendance	Skills / Experience
Board		4 of 4 (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		4 of 4 (100%)	
Trustee Fees (US\$)			
2022: \$80,000			
Equity Ownership			
Securities	Value at March 16, 2023		
5,300 Units	\$99,640		
<u>8,128 Deferred Units</u>	<u>\$152,806</u>		
13,428 Total	\$252,446		
Minimum Unitholding Expectations (\$)		% Achieved Toward Minimum Unitholding Expectations at March 16, 2023	
\$195,000		129%	
Public Board Memberships: Last 5 Years			Public Board Interlocks
Automotive Properties REIT: 2017 – 2022 Primaris REIT: 2021 – present			None

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Kurtis Keeney
Kentucky, U.S.A.

- Age: 55
- 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		2022 Meeting Attendance	Skills / Experience
Board		4 of 4 (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 16, 2023		
12,846 Units	\$241,505		
18,888 Restricted Units	355,094		
5,271,846 Class B Units ⁽¹⁾	<u>\$99,110,705</u>		
5,303,580 Total	<u>\$99,707,304</u>		
Minimum Unitholding Expectations (\$)		% Achieved Toward Minimum Unitholding Expectations at March 16, 2023	
\$2,000,000		4,985%	
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.

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J. Susan Monteith
Ontario, Canada

- Age: 66
- 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	2022 Meeting Attendance	Skills / Experience
Board	4 of 4 (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	4 of 4 (100%)	
CG&N Committee	4 of 4 (100%)	
Trustee Fees (US\$)		
2022: \$77,500		
Equity Ownership		
Securities	Value at March 16, 2023	
8,000 Units	\$150,400	
<u>6,829 Deferred Units</u>	<u>\$128,385</u>	
14,829 Total	\$278,785	
Minimum Unitholding Expectations (\$)		% Achieved Toward Minimum Unitholding Expectations at March 16, 2023
\$195,000		143%
Public Board Memberships: Last 5 Years		Public Board Interlocks
Definity Financial Corporation: 2018 – present		None

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Andrew Oppenheim
Alberta, Canada

- Age: 71
- 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. He is currently serving as trustee on the board of Nova Net Lease REIT. 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	2022 Meeting Attendance	Skills / Experience
Board CG&N Committee	4 of 4 (100%) 4 of 4 (100%)	<ul style="list-style-type: none"> • Senior executive / strategic leadership • Finance and accounting • Executive compensation / human resources • Governance / legal
Trustee Fees (US\$)		
2022: \$60,000		
Equity Ownership		
Securities	Value at March 16, 2023	
10,000 Units	\$188,888	
<u>6,741 Deferred Units</u>	<u>\$126,731</u>	
16,741 Total	\$314,731	
Minimum Unitholding Expectations (\$)		% Achieved Toward Minimum Unitholding Expectations at March 16, 2023
\$195,000		161%
Public Board Memberships: Last 5 Years		Public Board Interlocks
Nova Net Lease REIT: 2021 – present Psinaptic Inc. (currently inactive): 2000 – present Aquarius AI Inc.: 2012 – 2018		None

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Nathan Smith
Kentucky, U.S.A.


- Age: 51
- 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		2022 Meeting Attendance	Skills / Experience
Board		4 of 4 (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 16, 2023		
9,304 Units	\$174,915		
18,888 Restricted Units	\$355,094		
5,234,398 Class B Units ⁽¹⁾	<u>\$98,406,682</u>		
5,262,590 Total	<u>\$98,936,692</u>		
Minimum Unitholding Expectations (\$)			% Achieved Toward Minimum Unitholding Expectations at March 16, 2023
\$1,200,000			8,245%
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.

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	<p>Ann Rooney, is a corporate director, currently serving as a board member and Audit Committee Member for CIFAR (Canadian Institute for Advanced Research) since 2020 and Chair of the Marine Megafauna Foundation of Canada, from 2016 to present. Ms. Rooney was a Board Commissioner with the Alberta Securities Commission and served on the Governance Committee between 2011 and 2019, acting as Lead Independent Member from 2016 to 2019. She also was a director on the board of Horizon North Logistics Inc. and Chair of Audit Committee. Between 2011 and 2018, Ms. Rooney was a director and Chair of the Audit Committee for the National Board of the Nature Conservancy of Canada and served as Vice-Chair between 2017 and 2018. Ms. Rooney has a BA in Music, a MSc. in environmental science/limnology, became a Chartered Accountant in 1987 and qualified as an ICD.D in 2010. She was recognized as a fellow of the CPAs of Alberta in 1996.</p>	
<p>Ann Rooney <i>Alberta, Canada</i></p> <ul style="list-style-type: none"> • Age: 69 • Trustee since Sep 2022 • Independent 		
<p>Board / Committee Membership</p>	<p>2022 Meeting Attendance⁽¹⁾</p>	<p>Skills / Experience</p>
<p>Board Audit Committee</p>	<p>1 of 1 (100%) 1 of 1 (100%)</p>	<ul style="list-style-type: none"> • Senior executive / strategic leadership • Finance and accounting • Governance / legal • Risk management • Capital markets • Environmental/social • Manufactured housing communities asset management
<p>Trustee Fees⁽¹⁾</p>		
<p>2022: \$15,000</p>		
<p>Equity Ownership</p>		
<p>Securities</p>	<p>Value at March 16, 2023</p>	
<p>0 Units</p>	<p>\$0</p>	
<p><u>936 Deferred Units</u></p>	<p>\$17,597</p>	
<p>936 Total</p>	<p>\$17,597</p>	
<p>Minimum Unitholding Expectations (\$)</p>		<p>% Achieved Toward Minimum Unitholding Expectations at March 16, 2023⁽²⁾</p>
<p>\$195,000</p>		<p>9%</p>
<p>Public Board Memberships: Last 5 Years</p>		<p>Public Board Interlocks</p>
<p>Horizon North Logistics Inc: 2012 – 2019</p>		<p>None</p>

(1) Ms. Rooney was appointed to the Board on September 29, 2022 and attended the Audit Committee and Board meetings held after that date.

(2) Pursuant to the Trustee minimum Unit ownership guideline, Ms. Rooney has until September 2025 to achieve the minimum unitholding expectation. See “Board of Trustees and Committees – Trustee Minimum Unit Ownership Guidelines” below.

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, 2022 ⁽¹⁾	December 31, 2021 ⁽¹⁾
Audit Services	\$354,150	\$300,000
Audit Related Services ⁽²⁾	110,040	95,230
Tax Services	163,585	219,861
All Other Services ⁽³⁾	0	65,815
Total	\$627,775	\$680,906

(1) In U.S. dollars

(2) In 2022 and 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.

At the 2022 Annual General Meeting, MNP LLP received 91.3% of the votes cast in favour of the auditor.

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;

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- 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 2022, the Board, the Compensation Governance and Nominating Committee and Audit

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Committee each held in-camera sessions at all 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 "**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. 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 26 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:

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- (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 2022, the CG&N Committee, among other things:

- reviewed compliance with the Board Mandate, Audit Committee Charter, CG&N Committee Charter, and position descriptions for the Board and Committee Chairs
- reviewed the skills required for Trustee nominees;
- reviewed the independence of the Trustees;
- conducted an evaluation of the effectiveness of the Chair of the Board;
- reviewed the Board size;
- reviewed the orientation program for new Trustees;
- conducted a search for a Trustee;
- enhanced diversity on the Board;
- ensured the orientation of a new Trustee;
- reviewed and updated the compensation philosophy for executive management;

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- engaged independent experts to provide benchmarking for executive and Trustee compensation and long-term incentive plan design;
- approved the design of a long-term incentive plan and recommended approval by the Board;
- reviewed the performance of the CEO against the goals for 2022;
- reviewed the CEO's 2023 goals and recommended approval of them by the Board;
- reviewed executive compensation and recommended base pay increases, annual non-equity bonuses and long-term incentive plan award for approval by the Board;
- reviewed Trustee compensation and recommended increases for 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 10, 2022 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 Ms. Rooney, 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 Primaris REIT audit committee, was formerly chair of the Automotive Properties REIT audit committee and 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 Bachelor of Laws 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.

Ms. Rooney brings over 35 years of finance and accounting experience with public, private and not-for-profit organizations to the Audit Committee. Ms. Rooney is currently a board member and audit committee member for CIFAR (Canadian Institute for Advanced Research), Horizon North Logistics Inc. and chair of Marine Megafauna Foundation Canada. She was formerly a board member, vice-chair of the board, and chair of the audit committee for Parkbridge Lifestyle Communities Inc, Canada's largest owner and operator of land lease communities. Ms. Rooney was also a board commissioner for the Alberta Securities Commission served three years as lead independent commissioner between 2011 and 2019. She holds a CPA, CA is a Fellow of the Chartered Accountants (1996) and holds the ICD.D designation for corporate directors. Ms. Rooney also holds a Bachelor of Arts in Music and a Master of Science in environmental science and limnology.

The Audit Committee's charter is detailed in the sections entitled *Audit Committee Charter* in the Annual Information Form dated March 16, 2023 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 2022, 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;
- reviewed and recommended for approval by the Board, the Annual Information Form;
- monitored the principal risks;
- reviewed the REIT's cyber-security arrangements;
- reviewed director and officer and cyber security insurance;
- reviewed the US\$50 million at-the-market equity program and recommended approval by the Board;
- 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, 2022;
- 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 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. Ms. Rooney joined the Board in September 2022 and was provided with materials, briefings with management and meetings with Trustee colleagues to orient her to her role.

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. Trustee site visits to a number of the REIT's Kentucky properties took place in October 2022. A further tour of REIT properties is scheduled to take place in 2023.

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:

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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 2022 ANNUAL GENERAL MEETING

% of Proxies Received from Holders of Units		83.7%
Name of Trustee	2021 Voting Results	
Peter C.B. Bynoe	89.9%	
Louis Forbes	99.1%	
Kurtis Keeney	99.9%	
J. Susan Monteith	72.5%	
Andrew Oppenheim	97.7%	
Nathan Smith	99.9%	

Iain Stewart received 99.1% of the votes cast at the 2022 Annual General Meeting. He resigned from the Board on September 29, 2022. Ms. Rooney will be standing for election for the first time at the Meeting.

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	Ann Rooney	Nathan Smith
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. Components of these assessments are completed on an annual basis. The CG&N Committee conducted a board effectiveness evaluation in December 2021 and used an external consultant to administer an anonymous questionnaire to solicit quantitative ratings and narrative comments in key areas of business operations, strategy, Unitholder value, risk management, use of time, board structure, size and process. The Audit Committee and the 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 2022, the CG&N Committee assessed the effectiveness of the Chair of the Board. It was determined that the Chair of the Board:

- provides the requisite leadership;
- supports a strong board culture;
- communicates regularly and effectively;
- demonstrates an appropriate understanding of the REIT, its strategy and the issues and challenges confronting the board;
- conducts meetings effectively and efficiently, encourages effective participation of members of the board, and brings discussions to appropriate conclusions; and
- understands, respects and encourages a positive and constructively challenging relationship between the Board and management.

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-executive 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 date of initial grants of Deferred Units under the Omnibus Equity Incentive Plan, and their respective appointment dates:

Name of Trustee ⁽¹⁾	Value of Unit Holdings at March 16, 2023 ⁽²⁾	Value of 3x annual retainer at March 16, 2023	Target Date for Meeting Minimum Unit Ownership Expectation	Expectations Met (%)
Peter C.B. Bynoe	\$438,905	\$195,000	May 2024	225%
Louis Forbes	\$252,446	\$195,000	May 2024	129%
J. Susan Monteith	\$278,785	\$195,000	May 2024	143%
Andrew Oppenheim	\$314,731	\$195,000	May 2024	161%
Ann Rooney	\$17,597	\$195,000	September 2025	9%

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- (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) Using the \$18.80 Market Price of a Unit on the TSX on March 16, 2022 the Record Date for the Meeting. “**Market Price**” at any date in respect of the Units is the volume weighted average closing price of the Units on the TSX, for the five trading days immediately preceding such date, as defined in the REIT’s Omnibus Equity Incentive Plan.

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:

1. has established an annual Board effectiveness evaluation that enables the CG&N Committee and the board to solicit feedback regarding Trustee contribution, skill set and expertise (see *Board of Trustees – Board Evaluation*);
2. has a Diversity Policy to guide the CG&N Committee on objectives for diversity when choosing Trustee candidates (see *Governance Policies – Diversity Policy*);
3. 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
4. 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.

2022 Trustee Attendance

	Peter C.B. Bynoe	Louis Forbes	Kurtis Keeney	J. Susan Monteith	Andrew Oppenheim	Nathan Smith	Ann Rooney
Board of Trustees	4 of 4 (100%)	4 of 4 (100%)	4 of 4 (100%)	4 of 4 (100%)	4 of 4 (100%)	4 of 4 (100%)	1 of 1 ⁽¹⁾ (100%)
Audit Committee	n/a ⁽²⁾	4 of 4 (100%)	n/a ⁽⁴⁾	4 of 4 (100%)	n/a ⁽⁵⁾	n/a	1 of 1 ⁽¹⁾ (100%)
CG&N Committee	4 of 4 (100%)	n/a ⁽³⁾	n/a ⁽⁴⁾	4 of 4 (100%)	4 of 4 (100%)	n/a	n/a ⁽¹⁾

- (1) Ms. Rooney was appointed to the Board on September 29, 2022 and attended the 2022 Audit Committee and Board meetings held after that date. Ms. Rooney was not a member of the CG&N Committee, however she attended the final 2022 CG&N Committee meetings as a guest.
- (2) Mr. Bynoe was not a member of the Audit Committee, however he attended all four 2022 Audit Committee meetings as a guest.
- (3) Mr. Forbes was not a member of the CG&N Committee, however he attended one of the CG&N Committee meetings as a guest.
- (4) Mr. Keeney was not a member of the Audit or CG&N Committees, however he attended all of the Audit and CG&N Committee meetings as a guest.
- (5) Mr. Oppenheim was not a member of the Audit Committee, however all of the Audit Committee meetings as a guest.

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Iain Stewart was a Trustee until his resignation on September 29, 2022. He attended two out of three Audit Committee and Board meetings (67%), and one CG&N Committee meeting as a guest.

In camera sessions without management present were held at the end of each of the Board and committee meetings.

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 2022 non-executive Trustee fees are set out below. All Trustee compensation was provided in the form of elected Deferred Units in 2022.

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 2022, 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. The changes to Trustee compensation as recommended by the CG&N Committee and approved by the Board of Trustees are set out in the table below. In consideration for serving on the Board of Trustees, each non-executive Trustee received the following compensation for the fiscal year of the REIT ended December 31, 2022:

Trustee Fee Schedule	(US\$)		
	To Dec 31, 2021	Jan 1 – Dec 31 2022	Jan 1, 2023 onward
Annual Board retainer	\$ 35,000	\$60,000	\$65,000
Chair and Committee fees			
- Board Chair	\$ 52,500	\$ 52,500	\$55,000
- CG&N Committee Chair	\$ 17,500	\$ 17,500	\$20,000
- Audit Committee Chair	\$ 20,000	\$ 20,000	\$23,000
Attendance fees	None	None	None

2022 Trustee Fees

Name of Trustee	Fees Earned ⁽¹⁾ (US\$)	Unit-based awards	All other compensation (\$)	Total compensation (US\$)
Peter C.B. Bynoe	\$112,500	-	-	\$112,500
Louis Forbes	\$80,000	-	-	\$80,000
J. Susan Monteith	\$77,500	-	-	\$77,500
Andrew Oppenheim	\$60,000	-	-	\$60,000
Ann Rooney ⁽²⁾	\$15,000	-	-	\$15,000
Iain Stewart ⁽³⁾	\$45,000	-	-	\$45,000

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

(2) Ms. Rooney joined the Board on September 29, 2022

(3) Mr. Stewart resigned from the board on September 29, 2022.

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, cyber-security 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, each dated March 16, 2023.

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. 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 2022.

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;

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- 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. There are currently no targets for a specific number of women on the Board.

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.

In 2022, the CG&N Committee undertook a search for a Trustee candidate with the intention of adding strength and enhancing diversity on the Board. From a short-list of highly qualified professional candidates, Ms. Ann Rooney was selected to join the Board effective September 29, 2022. Ms. Rooney brings to the Board, exceptional securities, public and private director, financial and accounting skills, manufactured housing industry and experience acquired throughout a distinguished career based in Alberta, Canada.

The Board has seven Trustees and the CG&N Committee is limited to making nominations for five of the Trustees; the Retained Interest Holders have the right to nominate a certain number of Trustees for election which is two Trustees for the 2023 Meeting. See *Nomination of Trustees - Nomination Rights*. As of the date of this Circular, the Board includes two women out of the afore-mentioned five Trustees (40%). Among the full Board consisting of seven members, there are two women members (29%). This exceeds the average number of women on the boards of TSX listed issuers, which was found to be 24% in the Canadian Securities Administrator's latest report dated October 27, 2022 with respect to its review of disclosure regarding women on boards¹.

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 as well as a focus on diversity characteristics.

¹ CSA Multilateral Staff Notice 58-314 – 2022 Review of Disclosure Regarding Women on Boards and in Executive Officer Positions dated October 27, 2022.

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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). There are currently no targets for a specific number of women on the management team.

Women	2022
Women on the Board – full Board	2 of 7 (29%)
Women on the Board – Trustees eligible for nomination by the CG&N Committee ⁽¹⁾	2 of 5 (40%)
Women in executive management	1 of 4 (25%)
Women in management	54 of 73 (74%)

(1) The CG&N Committee is limited to making nominations for five of the seven Trustees; the Retained Interest Holders have the right to nominate a certain number of Trustees for election which is two Trustees for the 2023 Meeting. See "Nomination of Trustees - Nomination Rights".

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 CG&N Committee, including, without limitation, (i) any stated reasons why unitholders "withheld" votes from the election of that nominee; (ii) what the CG&N 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.

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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.

Prior to Trustee nominations, each non-executive Trustee is asked to sign an undertaking in which they commit to resigning under the terms of the Majority Voting Policy if they do not receive a greater number of votes "for" his or her election than votes "withheld". 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.

The Board has 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.

There are currently no interlocks among any Trustees.

Environmental, Social and Governance

The Board and management recognize that environmental, social and governance ("**ESG**") programs are integral to the REIT's growth and corporate achievements. A commitment to ESG makes the REIT better operators, supports transparency and strong governance, contributes to improved safety and environmental performance, and strengthens our connection with local communities.

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. Today's manufactured homes are energy saving and low environmental impact.

Social

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

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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.

In May 2022, the REIT issued its second ESG report which 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 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. The table below indicates the communication related activities undertaken by the REIT with its various stakeholders throughout 2022.

Engagement category	Investors	Residents	Employees	Community
Engagement surveys		X	X	
Environmental and sustainability surveys		X	X	
Materiality interviews/engagement		X	X	X

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Engagement category	Investors	Residents	Employees	Community
Community engagement restoration and refurbishment		X		X
Compensation and benefits			X	
Donations and volunteering		X	X	X
Employee lunch & learn sessions			X	
Intranet/employee resource groups			X	
Space donation for community events		X		X
Social community events, health fairs and holiday giving		X	X	X
Site visits		X	X	X
Town hall communications			X	
Website and social media		X	X	X
Annual meetings	X	X	X	X
Annual and quarterly reports	X		X	X
Code of Conduct			X	
External conferences	X	X	X	
Investor meetings	X	X	X	X
Investor relations dedicated e-mail address	X			
Management information circulars	X	X	X	X
Media Releases	X	X	X	X
Sponsorship of industry events	X		X	
Quarterly conference calls	X	X	X	X

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 Named Executive Officers for 2022. The CG&N Committee has reviewed and approved the content of this section.

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2022 NAMED EXECUTIVE OFFICERS

The Named Executive Officers (“NEOs”) for the REIT are the President and Chief Executive Officer (the “CEO”), the Chief Financial Officer (the “CFO”) and the Chief Investment Officer (the “CIO”), 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 of 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.

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 2022, the CG&N Committee engaged independent compensation consultants 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 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. See also the section *Certain Approved 2023 Compensation Changes* below.

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 2022 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 December 31, 2022 which are more fully described under the section *2022 REIT Performance* below. Based on these outcomes, the 2022 annual cash bonuses were recommended by the CG&N Committee and approved by the Board of Trustees in March 2023.

Long-Term Incentive Plan

The Omnibus Equity Incentive Plan received Unitholder approval at the May 11, 2021 Annual General Meeting. The Omnibus Equity Incentive Plan is being used as the means to implement the long-term incentive plan ("LTIP") to retain key employees and incentivize long-term performance that is aligned with the interests of those of the REIT and its Unitholders. See the summary of the Omnibus Equity Incentive Plan at *Omnibus Equity Incentive Plan*. Eligibility criteria for participation in the LTIP opportunity is based on the employee's role and tenure with the REIT.

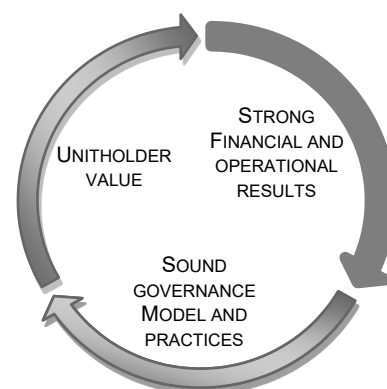
NEO awards take the form of Restricted Unit grants and have an annual target. The targets are made by the Board on a discretionary basis. The 2022 LTIP awards were recommended by the CG&N Committee and approved by the Board of Trustees in August 2022.

2022 REIT PERFORMANCE

The Board approved the 2022 financial forecast with key assumptions and a forecast non-IFRS reconciliation in December 2021. Together, these forecasts formed the basis for management's performance goals in 2022. Management's results well exceeded target performance metrics. The key accomplishments are more fully described in the REIT's annual MD&A for the year ended December 31, 2022. Below is a summary of the highlights.

FINANCIAL AND NON-IFRS GOALS ⁽¹⁾ FOR JAN 1/22 – DEC 31/22		
	TARGET PERFORMANCE	RESULTS
Revenue from investment properties	\$48.3 M	\$58.8 M
Net Operating Income	\$34.9 M	\$38.9 M
Funds From Operations ⁽¹⁾	\$20.4 M	\$21.2 M
Adjusted Funds From Operations ⁽¹⁾	\$17.5 M	\$18.3 M
AFFO/Unit ⁽¹⁾	\$0.927	\$0.932
Occupied Lots	8,268	10,466
Occupancy (%)	84.2%	83.1%

(1) Management uses financial measures based on International Financial Reporting Standards ("IFRS"), non-IFRS measures and operational measures to assess the REIT's performance. Non-IFRS measures such as funds from operations and adjusted funds from operations 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 REIT's annual MD&A as at December 31, 2022, available on www.sedar.com, for an explanation of the composition of the non-IFRS and operational 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 2022

- ✓ acquired six manufactured housing communities on three new sites in key markets, consisting of 1,242 additional lots and 162 rental homes;
- ✓ established a US\$50 million at-the-market equity program;
- ✓ increased the monthly cash distribution to unitholders to US\$0.0468/ Unit or US\$0.562/Unit on an annual basis;
- ✓ implemented a cyber-security framework and acquired related insurance;
- ✓ implemented a retention and incentive plan for key personnel, and
- ✓ published the second Environment, Social and Governance Sustainability Report.

2022 EXECUTIVE PERFORMANCE

Kurtis Keeney, President and Chief Executive Officer

	2022 (Target)	2022 (Actual)
Base Salary	\$400,000 (44%)	\$400,000
Annual cash incentive	\$140,000 (15%)	\$140,000
Long-term incentive plan	\$300,000 (33%)	\$300,000
All other compensation	\$76,960 (8%)	\$76,960
Total direct compensation	\$916,960 (100%)	\$916,960

Eddie Carlisle, Chief Financial Officer and Secretary

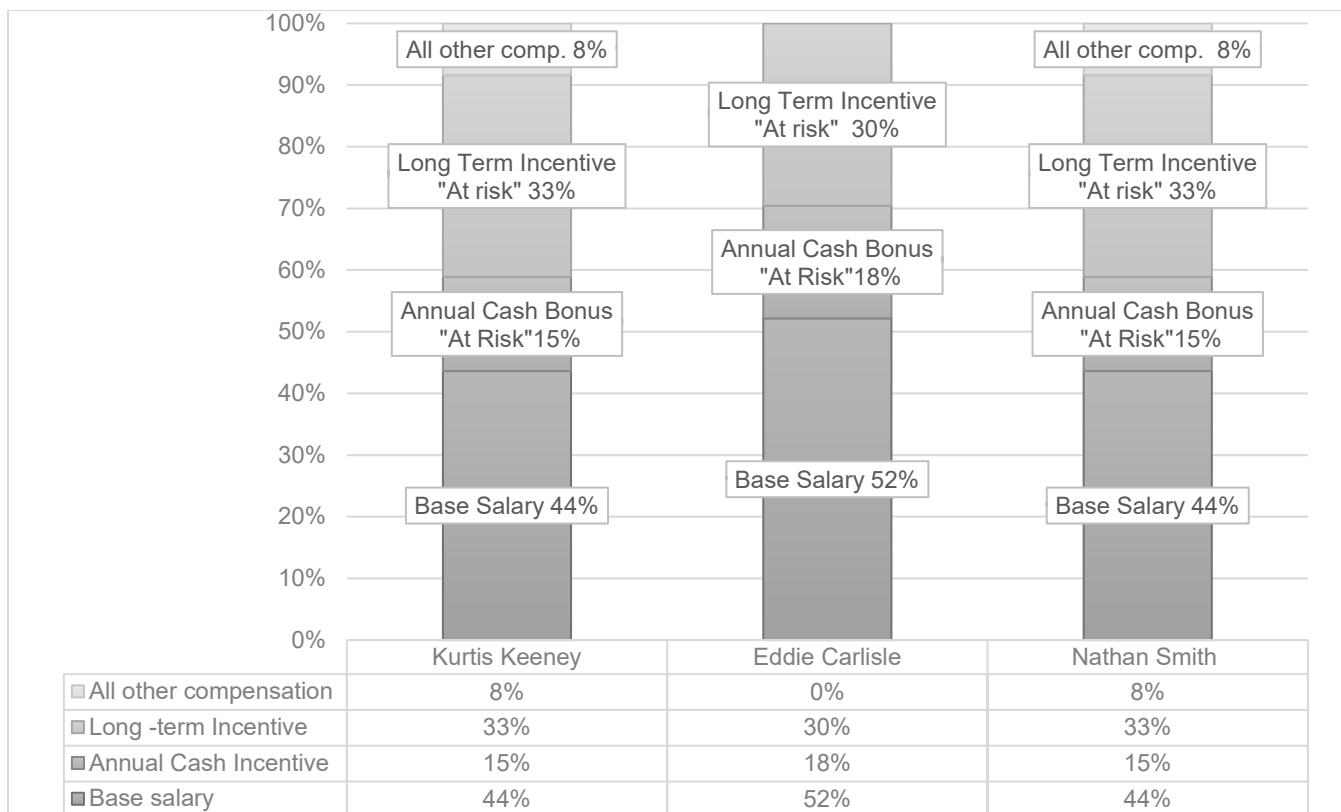
	2022 (Target)	2022 (Actual)
Base Salary	\$300,000 (52%)	\$300,000
Annual cash incentive	\$105,000 (18%)	\$105,000
Long-term incentive plan	\$170,000 (30%)	\$170,000
All other compensation	0 (0%)	0
Total direct compensation	\$575,000 (100%)	\$575,000

Nathan Smith, Chief Investment Officer

	2022 (Target)	2022 (Actual)
Base Salary	\$400,000 (44%)	\$400,000
Annual cash incentive	\$140,000 (15%)	\$140,000
Long-term incentive plan	\$300,000 (33%)	\$300,000
All other compensation	\$76,960 (8%)	\$76,960
Total direct compensation	\$916,960 (100%)	\$916,960

The chart below sets all forms of compensation by category and specifies those the elements of compensation that are at risk for each NEO.

2022 NEO COMPENSATION – “AT RISK”



CERTAIN APPROVED 2023 COMPENSATION CHANGES

In 2022, the CG&N Committee approved certain enhancements to the compensation philosophy. A review of the REIT’s peer group determined that total compensation for the REIT’s executive officers was below the median compensation for the respective peer groups in 2021 (see *Independent Advice - Compensation Consults – Benchmarking* below): Chief Executive Officer (65% below), Chief Financial Officer (35% below) and Chief Investment Officer (48% below). Based on this report and with other supporting information, the CG&N Committee recommended a 10% increase to the base pay for the NEOs effective January 1, 2023. The total pay for the CEO remains below the 25th percentile of his peers; the base pay for the CFO and CIO is between the 25th and 50th percentile of their peers.

SUMMARY COMPENSATION TABLE

The following table sets out the compensation paid to each of the NEOs for the most recently completely three fiscal years of the REIT.

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>	2022	400,000	300,000	-	140,000	-	76,960 ⁽²⁾	904,960
	2021	350,000	--	-	122,500	-	75,727 ⁽³⁾	548,227
	2020	82,466 ⁽¹⁾	-	-	28,320	-	0	110,786
Eddie Carlisle <i>Chief Financial Officer</i>	2022	300,000	170,000	-	105,000	-	0	575,000
	2021	250,000	--	-	87,500	-	0	337,500
	2020	58,904 ⁽¹⁾	-	-	20,228	-	0	79,133
Nathan Smith <i>Chief Investment Officer</i>	2022	400,000	300,000	-	140,000	-	76,960 ⁽²⁾	904,960
	2021	350,000	-	-	122,500	-	75,727 ⁽³⁾	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 \$76,960 includes \$33,179 in health insurance and dental insurance, \$31,781 in life insurance and a \$12,000 employer matched contribution for a personal 401K plan.

(3) 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.

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, cybersecurity 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.

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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 and long-term incentive bonuses are set within the REIT’s risk profile and provide sufficient incentive for NEOs to achieve the REIT’s goals and 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.	✓	✓

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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 CONSULTANTS

The CG&N Committee has engaged two compensation consultants in 2021 and 2022 to provide research and recommendations on Trustee and executive compensation. The names of the consultants, their mandates and fees paid in 2021 and 2022 are disclosed in the table below. Neither the Board or CG&N Committee are required to pre-approve other services any consultant or advisor, or any of its affiliates, provides to the REIT at the request of management.

Compensation Consultant	Work Performed	2021	2022
Hugessen Consulting Inc. ⁽¹⁾	On behalf of the CG&N Committee, review of the REIT's executive and trustee compensation.	\$14,310	
Hugessen Consulting Inc.	On behalf of the CG&N Committee, perform a diagnostic review of the LTIP program, review LTIP peer benchmarking results, provide insights on LTIP considerations and propose an LTIP structure for employees.		\$7,950
Clear Governance ⁽²⁾	On behalf of the CG&N Committee, conduct a peer review of trustee compensation and all elements of executive compensation.	-	\$4,162

(1) First engaged in 2021.

(2) First engaged in 2022, Clear Governance was separately engaged by management to provide support to management with corporate secretarial responsibilities from time-to-time including the preparation of governance related disclosure documents and support to the CG&N Committee.

In the undertaking of their work, the consultants used peer groups that included internally-managed REITs with residential and diversified U.S. and Canadian assets and operations, and with similar sizing to the REIT. 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 groups includes internally-managed REITs and real estate corporations with residential and diversified U.S. assets and operations, some with similar sizing to the REIT.

BENCHMARKING

In 2021 and 2022, the CG&N Committee considered the reports from these compensation consultants as well as other information to support decisions related to Trustee and executive compensation plans

	Peer disclosure reviewed in 2021 (reflects 2020 data)	Peer disclosure reviewed in 2022 (reflects 2021 data)
BRT Apartments Corp.	X	X
BSR Real Estate Investment Trust	X	X
Clipper Realty Inc.	X	X
CTO Realty Growth, Inc.	X	X
Invesque Inc.	X	
Mainstreet Equity Corp.	X	
Minto Apartment Real Estate Investment Trust	X	
One Liberty Properties, Inc.	X	X
Plymouth Industrial REIT, Inc.	X	
Presidio Property Trust, Inc.	X	X
Sotherly Hotels Inc.	X	X
UMH Properties Inc.	X	X
Wheeler Real Estate Investment Trust, Inc.	X	X

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 other 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.

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EXECUTIVE MANAGEMENT				
Name of Officer	Value of Unit and Class B Unit Holdings at March 16, 2023 ⁽¹⁾	Target Minimum Unit Ownership Expectation ⁽²⁾	Target Date for Meeting Minimum Unit Ownership Expectation	Holdings as a % of Minimum Expectations
Kurtis Keeney <i>President and Chief Executive Officer</i>	\$99,707,304	\$2,000,000	May 2024	4,985%%
Eddie Carlisle <i>Chief Financial Officer</i>	\$674,488	\$900,000	May 2024	75%
Nathan Smith <i>Chief Investment Officer</i>	\$91,483,283	\$1,200,000	May 2024	8,245%

(1) Using the \$18.80 Market Price of a Unit on the TSX on March 16, 2022 the Record Date for the Meeting. “**Market Price**” at any date in respect of the Units is the volume weighted average closing price of the Units on the TSX, for the five trading days immediately preceding such date, as defined in the REIT’s Omnibus Equity Incentive Plan.

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

EMPLOYMENT AGREEMENTS

Chief Executive Officer

Mr. Keeney is eligible to participate in employee benefit plan 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.

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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

Mr. Carlisle is eligible to participate in employee benefit plan 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.

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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

Mr. Smith is eligible to participate in employee benefit plan 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.

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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 as at December 31, 2022.

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 of notational units that are prorated up to six (6) years, with vesting occurring on the annual anniversary during the six (6) year period 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

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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;

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- 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, 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, 2022

Value Vested or Earned During the Year

The table below sets out the option-based, unit-based and non-equity based incentive plan amounts vested or earned by each NEO in 2022.

	Name	Unit-based awards – value vested during the year⁽¹⁾	Non-Equity Incentive Plan compensation – Value earned during the year
Trustees and Trustee/Officers	Peter C.B. Bynoe	\$105,046	N/A
	Louis Forbes	\$72,972	N/A
	Kurtis Keeney	-	\$140,000
	J. Susan Monteith	\$66,320	N/A
	Andrew Oppenheim	\$57,420	N/A
	Ann Rooney	0	
	Nathan Smith	-	\$140,000
	Iain Stewart ⁽²⁾	\$52,535	N/A
Officer	Eddie Carlisle		\$105,000

(1) Using the \$16.02 Market Price of a Unit on the TSX on December 31, 2022. "Market Price" at any date in respect of the Units is the volume weighted average closing price of the Units on the TSX, for the five trading days immediately preceding such date, as defined in the REIT's Omnibus Equity Incentive Plan.

(2) Mr. Stewart resigned from the Board on September 29, 2022 and all of his DUs fully vested as of that date.

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Number of Securities Issued and Remaining at December 31, 2022

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights at December 31, 2022	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, 2022
Equity compensation plans approved by security holders	28,566 Deferred Units 63,088 Restricted Units	N/A	1,322,465 ⁽¹⁾ (aggregate sublimit of 615,405 for Full Value Awards) ⁽²⁾
Equity compensation plans not approved by security holders	Nil	N/A	Nil
Total	28,566 Deferred Units 63,088 Restricted Units	N/A	1,322,465 ⁽¹⁾ (aggregate sublimit of 615,405 for Full Value Awards) ⁽²⁾

(1) A maximum of 1,322,465 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 28,566 Deferred Units and 63,088 Restricted Units that have been issued.

(2) A maximum of 615,405 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 28,566 Deferred Units and 63,088 Restricted Units that have been issued.

Outstanding Unit Based Awards at December 31, 2022

	Name	Number of Units that have not vested at Dec 31, 2022	Market or payout value of unvested Unit-based awards at Dec 31, 2022⁽¹⁾	Market or payout value of vested Unit-based awards not paid out or distributed at Dec 31, 2022⁽¹⁾
Trustees and Trustee/Officers	Peter C.B. Bynoe	0	0	\$164,345
	Louis Forbes	0	0	\$110,246
	Kurtis Keeney	18,888	\$302,586	\$0
	J. Susan Monteith	0	0	\$90,039
	Andrew Oppenheim	0	0	\$92,999
	Ann Rooney	0	0	\$0
	Nathan Smith	18,888	\$302,586	\$0
Officer	Eddie Carlisle	10,703	\$171,462	\$0
	Total	48,479	\$776,634	\$467,629

⁽¹⁾ Using the \$16.02 Market Price of a Unit on the TSX on December 31, 2022 "Market Price" at any date in respect of the Units is the volume weighted average closing price of the Units on the TSX, for the five trading days immediately preceding such date, as defined in the REIT's Omnibus Equity Incentive Plan.

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.

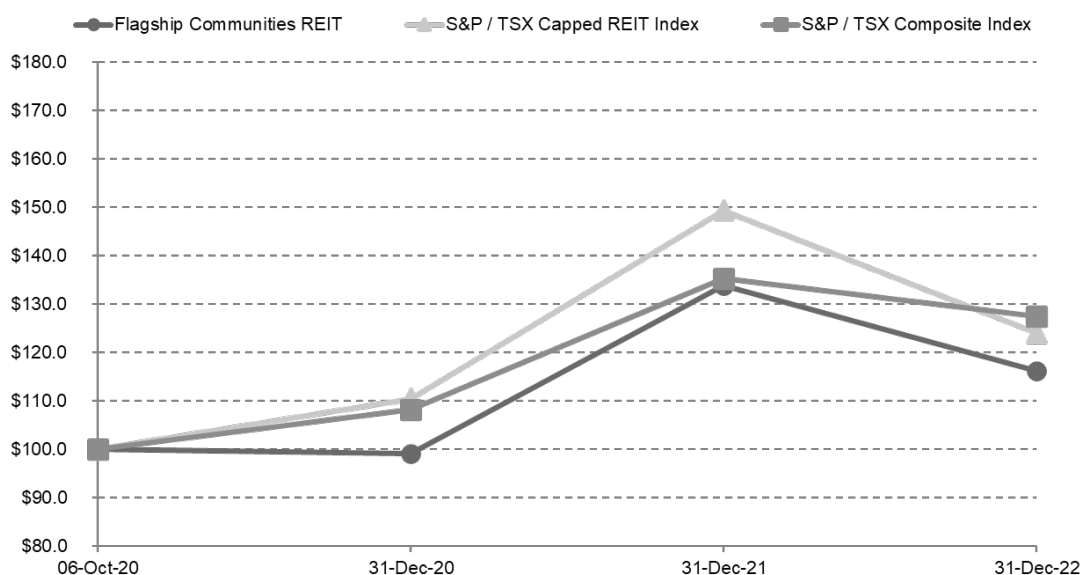
	2021	2022
Number of Restricted Units, Deferred Units and Distribution Equivalent Deferred Units granted in the fiscal year	14,682	91,654
Diluted weighted average number of Units outstanding for the fiscal year	15,336,933	19,611,573
Burn rate for Restricted Units and Deferred Units	0.10%	0.47%

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, 2022 as shown in the performance graph below.

During the period from IPO on October 7, 2020 until December 31, 2022, the total cumulative Unitholder return for \$100 invested in REIT Units was \$116 with the S&P/TSX Capped REIT Index achieving a return of \$124 and the S&P / TSX Composite Index achieving a return of 128.

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. The long-term incentive program involving at-risk Unit-based award components for management and minimum Unit ownership guidelines further aligns the interests of management with the long-term performance of the REIT.



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	October 7, 2020	December 31, 2020	December 31, 2021	December 31, 2022
Flagship Communities REIT	\$100	\$99	\$134	\$116
S&P / TSX Capped REIT Index	\$100	\$110	\$149	\$124
S&P / TSX Composite Index	\$100	\$108	\$135	\$128

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 the REIT's Chief Investment Officer, was paid \$421,000 in 2022 for the provision of HVAC services for manufactured housing communities owned by the REIT.

BG3, a landscaping company wholly owned by a party related to the REIT's President and Chief Executive Officer was paid \$444,000 in 2022 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 REIT's President and Chief Executive Officer, was paid \$29,000 in 2022 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 the REIT's Chief Investment Officer, have entered into a service agreement. Under the service agreement, Empower was paid \$5,726,000 for the provision of home sales and other services to the REIT in 2022. On February 15, 2022, the REIT acquired a 13-acre resort manufactured housing community from Empower for approximately US \$8,200,000. The transaction was approved by the independent members of the Board and is the result of the REIT's exercise of its right of first refusal pursuant to an agreement dated October 7, 2020 with Empower.

Other than as described in this Circular, the Annual Information Form dated March 16, 2023 and in the notes to the 2022 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

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in respect of the execution of their duties of office. For the year ending December 31, 2022, the REIT paid US\$242,000 (exclusive of applicable taxes) in insurance premiums for Trustees and officers for liability coverage with a limit of up to US\$15 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 5th day of April, 2023.

"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.

