



**NOTICE OF
ANNUAL GENERAL MEETING OF UNITHOLDERS
AND
MANAGEMENT INFORMATION CIRCULAR
TO BE HELD ON MAY 8, 2024**

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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 trust units of interest (the “**Units**”) in Flagship Communities Real Estate Investment Trust (the “**REIT**”) will be held at the offices of Blake, Cassels & Graydon LLP, 199 Bay Street, Commerce Court West, 40th Floor, Toronto Ontario, on Wednesday, May 8, 2024 at 10:00 a.m. (Toronto time) for the following purposes:

1. to receive the audited financial statements of the REIT for the year ended December 31, 2023 and the auditor’s report thereon;
2. to elect the members of the board of trustees (“**Trustees**”) of the REIT (the “**Board**”);
3. to re-appoint MNP LLP, as auditor of the REIT for the ensuing year and to authorize the Board to fix their remuneration;
4. to consider and, if deemed advisable, approve and confirm all unallocated awards issuable under the REIT’s omnibus equity incentive plan;
5. to consider and, if deemed advisable, approve a non-binding advisory resolution on the REIT’s approach to executive compensation; and
6. to transact such other business as may properly be brought before the Meeting or any postponement or adjournment thereof.

The Board has fixed March 14, 2024 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 March 14, 2024 prepared by management of the REIT in connection with the Meeting.

Notice-and-Access

The REIT is using the “notice-and-access” system adopted by the Canadian Securities Administrators for the delivery of the proxy-related materials, such as 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 a notice that 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.sedarplus.com or at <https://docs.tsxtrust.com/2217>.

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 April 29, 2024 (i.e., at least five 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.

Key Dates

Record Date:	March 14, 2024
Request a paper copy of the Management Information Circular:	April 29, 2024
Vote by:	May 6, 2024
AGM Date:	May 8, 2024

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

Unitholders are invited to attend the Meeting. 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, as applicable. 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" in 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, as applicable, 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.voteproxyonline.com, by facsimile 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 10:00 a.m. (Toronto time) on May 6, 2024, 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.

Flagship Communities REIT
Management Information Circular

If you indicated on the Request for Financial Statements form or Voting Instruction Form last year that you would like to receive the 2023 Annual Report, which includes the audited financial statements of the REIT for the year ended December 31, 2023 and the REIT's Management's Discussion and Analysis for the year ended December 31, 2023, then the Annual Report has already been mailed to you. The Annual Report may also be accessed under the REIT's profile at www.sedarplus.com or www.flagshipcommunities.com.

DATED at Toronto, Ontario, this 14th day of March, 2024.

BY ORDER OF THE BOARD OF TRUSTEES

"Kurtis Keeney"

President and Chief Executive Officer

GENERAL PROXY INFORMATION

The information contained in this management information circular (the “**Circular**”) of Flagship Communities Real Estate Investment Trust (the “**REIT**”) is given as of March 14, 2024, 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 14, 2024 is the record date (the “**Record Date**”) for the Notice of the Meeting and for determining holders of outstanding trust units of interest in the REIT (the “**Units**”) entitled to vote at the REIT’s annual general meeting (the “**Meeting**”) of holders of Units (the “**Unitholders**”) to be held at the time and in the manner and for the purposes set forth in the Notice of Meeting.

Solicitation of Proxies

This Circular is furnished in connection with the solicitation of proxies by the management of the REIT for use at the Meeting. The method of solicitation will be primarily by mail and through notice-and-access. However, 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.

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.

Voting Information for Registered Unitholders

A Unitholder is a registered Unitholder if shown on the Record Date on the list of Unitholders kept by TSX Trust Company, as registrar and transfer agent of the REIT (the “**Transfer Agent**”), in which case a unit certificate will have been issued to the Unitholder which indicates the Unitholder’s name and the number of Units owned by the Unitholder. Registered Unitholders will receive a form of proxy (a “**Form of Proxy**”) from the Transfer Agent representing the Units held by the registered Unitholder. Registered Unitholders are requested to vote their Units in advance of the proxy voting deadline of 10:00 a.m. (Toronto time) on May 6, 2024, or at least 48 hours (excluding Saturdays, Sundays and holidays) prior to any adjourned or postponed Meeting. The deadline for the deposit of proxies may be waived or extended by the Chair of the Meeting at their discretion, without notice.

Registered Unitholders may vote their Units in two ways:

- Vote by proxy (online, by email, by facsimile or by mail); or
- Attend the Meeting and vote in person.

Voting by Proxy

In addition to this Circular, registered Unitholders will also be sent a Form of Proxy. You may vote online by going to www.voteproxyonline.com, entering your 12-digit control number and providing your voting instructions, by facsimile by completing, dating and signing the Form of Proxy and returning it by facsimile

to the Transfer Agent at 416-595-9593 or by email at tsxtis@tmx.com. Alternatively, proxies or instructions may also be deposited at the offices of TSX Trust Company at 301 – 100 Adelaide Street West, Toronto, Ontario M5H 4H1, so as not to arrive later than 10:00 a.m. (Toronto time) on May 6, 2024. If the Meeting is postponed or adjourned, proxies or instructions to the Transfer Agent must be deposited 48 hours (excluding Saturdays, Sundays and holidays) before the time set for any reconvened meeting at which the proxy or instructions are to be used.

The persons named in such Form of Proxy are Trustees or officers of the REIT. **A Unitholder may appoint as proxyholder a person or company (who need not be a Unitholder), other than any person(s) or company(ies) designated by management of the REIT in the Form of Proxy, to attend and act on such Unitholder’s behalf at the Meeting or at any adjournment thereof.** Such right may be exercised by either inserting such other desired proxyholder’s name in the blank space provided on the Form of Proxy or by completing another proper form of proxy.

The Form of Proxy (or any other document appointing a proxy) must be in writing and completed and signed by a Unitholder or his or her attorney authorized in writing or, if the Unitholder is a corporation, by an officer or attorney thereof duly authorized. Persons signing as officers, attorneys, executors, administrators and trustees or similarly otherwise should so indicate and provide satisfactory evidence of such authority.

Revocation of Proxy

A registered Unitholder who has given a proxy pursuant to this solicitation may revoke it as to any matter on which a vote has not already been cast pursuant to its authority by an instrument in writing executed by the Unitholder or by the attorney of such Unitholder authorized in writing or, if the registered Unitholder is a corporation, by an officer or attorney thereof duly authorized, and deposited with TSX Trust Company, 100 Adelaide Street West, Suite 301, Toronto, Ontario M5H 4H1, Attention: Proxy Department or by facsimile at (416) 595-9593, on or before the last business day preceding the day of the Meeting or any adjournment thereof at which the Form of Proxy is to be used, or in any other manner permitted by law.

Voting in Person

A registered Unitholder that wishes to vote their Units in person at the Meeting does not need to complete and return the Form of Proxy. Rather, registered Unitholders will be able to vote their Units in person at the Meeting by registering with the Transfer Agent upon arriving at the Meeting and may be asked to present valid picture identification to gain admission to the Meeting. The votes of registered Unitholders who elect to vote in person will be taken and counted at the Meeting.

Voting Information for Non-Registered Unitholders

Information set forth in this section is very important to persons who hold Units otherwise than in their own names. Only registered Unitholders or duly appointed proxyholders are permitted to vote at the Meeting. Most Unitholders are “non-registered” (or beneficial) Unitholders (each a “**Non-Registered Holder**”) because the Units they own are not registered in their names but are instead registered either:

- (a) in the name of an intermediary (an “**Intermediary**”) that the Non-Registered Holder deals with in respect of the Units, such as, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs, RDSPs, TFSAs and similar plans; or
- (b) in the name of a clearing agency (such as CDS Clearing and Depository Services Inc. (“**CDS**”) or its nominee) of which the Intermediary is a participant.

Delivery of Proxy-Related Materials to Non-Registered Holders

Non-Registered Holders who have not objected to their Intermediary disclosing certain ownership information about them to the REIT are referred to as non-objecting beneficial owners (“**NOBOs**”). Those Non-Registered Holders who have objected to their Intermediary disclosing ownership information about them to the REIT are referred to as objecting beneficial owners (“**OBOs**”). In accordance with the requirements of National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”), the REIT has elected to send copies of the proxy-related materials in connection with the Meeting directly to the NOBOs and indirectly through Intermediaries for onward distribution to the OBOs. Intermediaries often forward the materials to beneficial Unitholders through a service company such as Broadridge Financial Solutions Inc. The REIT pays for an intermediary to deliver the proxy-related materials to NOBOs and OBOs.

Voting by Proxy

Applicable regulatory policy in Canada requires brokers and other intermediaries to seek voting instructions from Non-Registered Holders in advance of securityholders’ meetings. Every broker or other intermediary has its own mailing procedures and provides its own return instructions, which should be carefully followed by Non-Registered Holders in order to ensure that their Units are voted at the Meeting. Often, the voting instruction form (the “**VIF**”) supplied to a Non-Registered Holder by its broker is identical to that provided to registered securityholders. However, its purpose is limited to instructing the registered securityholder how to vote on behalf of the Non-Registered Holder. Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Investor Communications Solutions (“**Broadridge**”). Broadridge typically prepares a machine-readable VIF, mails those forms to the Non-Registered Holders and asks Non-Registered Holders to return the VIF to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions representing the voting of the securities to be represented at the Meeting. The VIF must be returned to Broadridge (or other intermediary) well in advance of the Meeting in order to have the Units voted. **A Non-Registered Holder receiving a VIF cannot use that VIF to vote Units directly at the Meeting.** You may also vote using the following methods:

- Online – Go to www.proxyvote.com, enter your 16-digit control number and provide your voting instructions.
- Telephone – Call the toll-free number listed on your VIF from a touch tone phone and follow the automatic voice recording instructions to vote. You will need your 16-digit control number to vote.

Revocation of Proxy

A Non-Registered Holder giving a proxy may revoke the proxy by contacting his or her Intermediary in respect of such proxy and complying with any applicable requirements imposed by such Intermediary. An Intermediary may not be able to revoke a proxy if it receives insufficient notice of revocation.

Voting at the Meeting

Although Non-Registered Holders may not be recognized directly at the Meeting for the purposes of voting Units registered in the name of CDS or their broker or other Intermediary, a Non-Registered Holder may attend at the Meeting as proxyholder for the registered holder and vote their Units in that capacity.

Since the REIT generally does not have access to the names of its Non-Registered Holders, Non-Registered Holders who wish to attend, participate and vote at the Meeting should insert

their own name in the blank space provided in the VIF to appoint themselves as proxyholders and then follow their Intermediary's instructions for returning the VIF well in advance of the Meeting.

Voting of Units

Units represented by proxies will be voted in accordance with the instructions of the Unitholder on any ballot that may be called for and, if the Unitholder specifies a choice with respect to any matter to be acted upon at the Meeting, Units represented by properly executed proxies will be voted accordingly.

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;
- 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;
- FOR the approval and confirmation of all unallocated awards issuable under the REIT's omnibus equity incentive plan; and
- FOR the approval of the REIT's approach to executive compensation.

The Transfer Agent, TSX Trust Company, will serve as independent scrutineer at the Meeting, and will tabulate all votes at the Meeting.

Exercise of Discretion by Proxy

The Form of Proxy confers discretionary authority upon the persons named therein with respect to amendments to matters identified in the Notice of the Meeting and with respect to such other matters as may properly come before the Meeting or any adjournment thereof. At the date of this Circular, the Trustees and management of the REIT are not aware of any amendments or other matters to come before the Meeting other than the matters referred to in the Notice of the Meeting. With respect to amendments to matters identified in the Notice of the Meeting or other matters that may come before the Meeting, Units represented by proxies will be voted by the persons so designated in their discretion.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

Units

The REIT is authorized to issue an unlimited number of Units of which 15,492,056 Units (the "**Issued and Outstanding Units**") were issued and outstanding as at the Record Date. No Unit has any preference or priority over another. Each Unit represents a Unitholder's proportionate undivided beneficial ownership interest in the REIT and confers the right to one vote at any meeting of Unitholders and to participate *pro rata* in any distributions by the REIT.

Principal Unitholders

According to an alternative monthly report dated December 8, 2021, filed under the REIT's profile on SEDAR+ at www.sedarplus.com, 1832 Asset Management L.P. ("**1832AML**P"), on behalf of the portfolios of investment funds and managed accounts managed by 1832AML P, exercised control or direction over,

as of November 30, 2021, 1,661,424 Units, representing approximately 10.7% 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, 2023 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.sedarplus.com or www.flagshipcommunities.com or may be obtained from the Secretary of the REIT upon request.

2. Election of Trustees

The amended and restated declaration of trust of the REIT dated as of September 28, 2020 (as further amended, supplemented or amended and restated from time to time, 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.

Pursuant to the investor rights agreement dated October 7, 2020 (the "**Investor Rights Agreement**"), among the REIT, Flagship Operating, LLC (a subsidiary of the REIT) and the Retained Interest Holders (being collectively (a) Legacy Portfolio Holdings, LLC, (b) certain members of Legacy Portfolio Holdings, LLC (including the REIT's President and Chief Executive Officer and Chief Investment Officer), and (c) certain persons (including the REIT's President and Chief Executive Officer, Chief Investment Officer and Chief Financial Officer and Secretary)) and as set forth in the Declaration of Trust, the Retained Interest Holders (based on their current level of aggregate ownership of Units and class b units of Flagship Operating, LLC ("**Class B Units**") have the right to nominate two of the nominees to the Board if the Board consists of less than ten but more than six Trustees. See the section "*Nomination of Trustees – Nomination Rights*". 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.

Unless contrary instructions are provided, the REIT's representative provided as the proxyholder in the enclosed Form of Proxy or VIF for use at the Meeting intends to vote FOR the election of each of Peter C.B. Bynoe, Louis Forbes, Kurtis Keeney, J. Susan Monteith, Andrew Oppenheim, Ann Rooney and Nathan Smith as Trustees to hold office until the close of the 2025 annual meeting of Unitholders or until their successors are duly elected or appointed in accordance with the Declaration of Trust.

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 in U.S. dollars. All of the nominees for election as trustees of the REIT are currently Trustees of the REIT.

Advance Notice Policy

The REIT's Declaration of Trust contains advance notice provisions which require a nominating Unitholder (other than the Retained Interest Holders providing nominations pursuant to the Investor Rights Agreement and the corresponding provisions in the REIT's Declaration of Trust) to provide notice to the REIT of proposed trustee nominations, in the case of an annual meeting of Unitholders, not less than 30 days prior to the date of the annual meeting of Unitholders; provided, however, that in the event that the annual meeting of Unitholders is to be held on a date that is less than 50 days after the date that is the earlier of the date that a notice of meeting is filed for such meeting or the date on which the first public announcement of the date of the annual meeting was made, notice by the nominating Unitholder may be made not later than the close of business on the tenth day following the meeting notice date.

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 Declaration of Trust, which is on the REIT's website at <https://flagshipcommunities.com/investor-relations/governance/> and under the REIT's profile on SEDAR+ at www.sedarplus.com (filed on September 28, 2020).**

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: 73
- 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 a Senior Counsel to the firm. Prior to that, Mr. Bynoe was a Senior Partner, serving on the firm’s executive committee. He was a Managing Director at Equity Group Investments (EGI) from 2015 to 2019 and served as Chief Executive Officer of Rewards Network Inc. (an EGI portfolio company) from 2013 to 2014. Prior to that, Mr. Bynoe was a partner and the Chief Operating Officer of Loop Capital Markets LLC from 2008 to 2013. Over the past 30 years, Mr. Bynoe has served as a director of multiple SEC reporting companies. In addition to Flagship Communities REIT, he serves on the boards of TKO Group Holdings, Inc. (NYSE:TKO) and privately held Ardent Health Services, a national system of thirty acute care hospitals. He is a Trustee of the Rush University Medical System, serving as the Chairman of its Facilities Committee. Mr. Bynoe has served as the Chairman of the Chicago Landmarks Commission, Chicago Plan Commission, and the Illinois Sports Facilities Authority. He is also a Life Trustee of the Goodman Theatre. 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 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		2023 Meeting Attendance	Skills / Experience
Board Chair		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
CG&N Committee		4 of 4 (100%)	
Trustee Fees (US\$)			
2023: \$117,500			
Equity Ownership			
Securities	Value at March 14, 2024		
11,333 Units	\$178,267		
<u>20,004 Deferred Units</u>	<u>\$314,661</u>		
31,337 Total	\$492,928		
Minimum Unitholding Expectations (\$)		% Achieved Toward Minimum Unitholding Expectations at March 14, 2024	
\$195,000		253%	
Public Board Memberships: Last 5 Years			Public Board Interlocks
TKO Group Holdings, Inc.: 2023 – Present Frontier Communications Corporation: 2007 – 2021			None



Louis M. Forbes
Ontario, Canada

- Age: 68
- Trustee since Oct 2020
- Independent

Mr. Forbes is a corporate director, serving as trustee, Chair of the Audit Committee and a member of the Compensation, Governance 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 40 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	2023 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\$)		
2023: \$85,000		
Equity Ownership		
Securities	Value at March 14, 2024	
5,300 Units	\$83,368	
<u>13,886 Deferred Units</u>	<u>\$218,425</u>	
19,186 Total	\$301,793	
Minimum Unitholding Expectations (\$)		
\$195,000		155%
Public Board Memberships: Last 5 Years		Public Board Interlocks
Automotive Properties REIT: 2017 – 2022 Primaris REIT: 2021 – present		None



Kurtis Keeney
Kentucky, U.S.A.

- Age: 56
- 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 the REIT and its predecessors, Mr. Keeney worked for eight years at Fifth Third Bancorp in various roles, including retail banking, commercial lending, and real estate financing. 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		2023 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 ⁽¹⁾	Value at March 14, 2024		
14,647 Units	\$230,396		
47,915 Restricted Units	\$753,698		
<u>1,529,248 Class B Units</u>	<u>\$24,054,918</u>		
1,591,810 Total	\$25,039,012		
Minimum Unitholding Expectations (\$)		% Achieved Toward Minimum Unitholding Expectations at March 14, 2024	
\$2,200,000		1,138%	
Public Board Memberships: Last 5 Years			Public Board Interlocks
None			None

(1) Includes 137,115 Class B Units held directly, 1,234,087 Class B Units beneficially owned (through Legacy Portfolio Holdings, LLC) and 158,046 Class B Units beneficially owned (through Empower Park, LLC). Mr. Keeney (together with Mr. Smith) also controls, but does not beneficially own, further Class B Units (through Legacy Portfolio Holdings, LLC).



J. Susan Monteith
Ontario, Canada

- Age: 67
- Trustee since Oct 2020
- Independent

Ms. Monteith is a corporate director and retired capital markets executive. Since January 1, 2018, Ms. Monteith has 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 also serves on the Boards of Nasdaq CXC Limited and Ensoleillement Inc. which are both wholly-owned subsidiaries of Nasdaq Inc. 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 and she spent 13 years with CIBC World Markets Inc. in various positions in Investment Banking and Equity Capital Markets. 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. 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	2023 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\$)		
2023: \$82,500		
Equity Ownership		
Securities	Value at March 14, 2024	
8,000 Units	\$125,839	
<u>12,373 Deferred Units</u>	<u>\$194,626</u>	
20,373 Total	\$320,465	
Minimum Unitholding Expectations (\$)	% Achieved Toward Minimum Unitholding Expectations at March 14, 2024	
\$195,000	164%	
Public Board Memberships: Last 5 Years		Public Board Interlocks
Definity Financial Corporation: 2018 – present		None




Andrew Oppenheim
Alberta, Canada

- Age: 72
- 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 and a Bachelor of Laws degree from the University of Calgary. He was appointed King's Counsel in 2008. Mr. Oppenheim holds the ICD.D designation with the Institute of Corporate Directors.

Board / Committee Membership		2023 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
CG&N Committee		4 of 4 (100%)	
Trustee Fees (US\$)			
2023: \$65,000			
Equity Ownership			
Securities	Value at March 14, 2024		
10,000 Units	\$157,299		
<u>11,165 Deferred Units</u>	<u>\$175,624</u>		
21,165 Total	\$332,923		
Minimum Unitholding Expectations (\$)		% Achieved Toward Minimum Unitholding Expectations at March 14, 2024	
\$195,000		171%	
Public Board Memberships: Last 5 Years			Public Board Interlocks
Nova Net Lease REIT: 2021 – present Psinaptic Inc. (currently inactive): 2000 – present			None

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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. Ms. Rooney was previously Chair of the Marine Megafauna Foundation of Canada, from 2016 to February, 2024. 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 the Audit Committee. Between 2011 and 2017, 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: 70 • Trustee since Sep 2022 • Independent 		
Board / Committee Membership	2023 Meeting Attendance	Skills / Experience
Board Audit Committee	4 of 4 (100%) 4 of 4 (100%)	<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
Trustee Fees ⁽¹⁾		
2023: \$65,000		
Equity Ownership		
Securities	Value at March 14, 2024	
5,400 Units	\$84,941	
<u>5,119 Deferred Units</u>	<u>\$80,521</u>	
10,519 Total	\$165,462	
Minimum Unitholding Expectations (\$)		% Achieved Toward Minimum Unitholding Expectations at March 14, 2024 ⁽¹⁾
\$195,000		85%
Public Board Memberships: Last 5 Years		Public Board Interlocks
Horizon North Logistics Inc: 2012 – 2019		None

(1) 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.



Nathan Smith
Kentucky, U.S.A.

- Age: 52
- 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 2015 - 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		2023 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 ⁽¹⁾	Value at March 14, 2024		
18,404 Units	\$289,493		
47,915 Restricted Units	\$753,698		
<u>1,416,897 Class B Units</u>	<u>\$22,287,648</u>		
1,483,216 Total	\$23,330,839		
Minimum Unitholding Expectations (\$)			% Achieved Toward Minimum Unitholding Expectations at March 14, 2024
\$1,320,000			1,767%
Public Board Memberships: Last 5 Years			Public Board Interlocks
None			None

(1) Includes 137,115 Class B Units held directly and 1,279,782 Class B Units beneficially owned (through Legacy Portfolio Holdings, LLC). Mr. Smith (together with Mr. Keeney) also controls, but does not beneficially own, further Class B Units (through Legacy Portfolio Holdings, LLC).

3. Appointment of Auditors

Upon the recommendation of the Audit Committee, the Board 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. MNP LLP has been the REIT’s auditors since the REIT commenced its initial public offering in 2020.

The Audit Committee is directly responsible for oversight and review of the effectiveness of the work of the REIT’s auditors, including the auditors’ work in preparing or issuing an audit report, performing other audit, review or attest services or any other related work. At least annually, and before the auditors issue their report on the annual financial statements, the Audit Committee; obtains from the auditors a formal written statement describing all relationships between the auditors and the REIT; discusses with the auditors any disclosed relationships or services that may affect the objectivity and independence of the auditors; and obtains written confirmation from the auditors that they are objective and independent within the meaning of the applicable Rules of Professional Conduct/Code of Ethics adopted by the provincial institute or order of chartered accountants to which the auditors belong and other applicable legal requirements. The Audit Committee also is responsible for considering and pre-approving the nature and fees of any non-audit services to be provided to the REIT by the auditors and considers whether the nature and extent of such services could detract from the independence of the auditors in carrying out the audit function.

Based on its evaluation, the Audit Committee has concluded that it was satisfied with the services provided by MNP LLP for 2023 and that MNP LLP continues to be independent such that it is in the REIT’s best interest for MNP LLP to continue to serve as the REIT’s independent auditors. This reappointment of MNP LLP as auditors of the REIT 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, 2023 and December 31, 2022.

Fee Category	December 31, 2023 ⁽¹⁾	December 31, 2022 ⁽¹⁾
Audit fees ⁽²⁾	\$407,100	\$354,150
Audit-related fees ⁽³⁾	\$123,050	\$110,040
Tax fees ⁽⁴⁾	\$259,581	\$163,585
All other fees ⁽⁵⁾	\$43,160	\$0
Total	\$832,891	\$627,775

(1) In U.S. dollars

(2) “Audit fees” include the aggregate professional fees paid to the external auditors for the audit of the annual consolidated financial statements and other regulatory audits and filings.

(3) “Audit-related fees” include the aggregate fees paid to the external auditors for services related to the audit services, including namely review of quarterly financial statements and management’s discussion and analysis thereon, consultations regarding financial reporting and accounting standards and French translations, including namely assistance with management information circulars and prospectuses and service related to underwriter’s due diligence.

(4) “Tax fees” include the aggregate fees paid and accrued to the external auditors for the provision of tax compliance, tax advice, tax planning and other tax-related services relating to acquisitions of properties or otherwise.

(5) “All other fees” include the aggregate fees paid to the external auditors for all other services other than those presented in the categories of audit fees, audit-related fees and tax fees.

At the 2023 Annual General Meeting, MNP LLP received 91.3% (i.e., 10,440,131 of 11,431,982) of the votes were cast in favour of the auditor re-appointment and remuneration resolution.

Unless contrary instructions are provided, the REIT's representative provided as the proxyholder in the enclosed Form of Proxy or VIF for use at the Meeting intends to vote FOR the re-appointment of MNP LLP as the auditors of the REIT to hold office until the close of the next annual meeting of Unitholders and authorizing the Trustees to fix the remuneration of the auditors.

4. Unallocated Awards Issuable Under the REIT's Omnibus Equity Incentive Plan

The Unitholders will be asked to consider, and if deemed advisable, to approve, an ordinary resolution (the "**Omnibus Equity Incentive Plan Resolution**"), the full text of which is set forth in Appendix B to this Circular, approving and confirming all unallocated awards issuable under the REIT's Omnibus Equity Incentive Plan.

Reference should be made to the summary in the section "*Report on Executive Compensation – Omnibus Equity Incentive Plan*". The full text of the Omnibus Equity Incentive Plan is set forth in Appendix C to this Circular.

The Board adopted the Omnibus Equity Incentive Plan effective December 1, 2020, which adoption was confirmed upon its approval by Unitholders at the annual general meeting of Unitholders held on May 11, 2021. The Omnibus Equity Incentive Plan is considered a "rolling" plan as the REIT is permitted to issue Units, pursuant to awards under the Omnibus Equity Incentive Plan and all other security-based compensation arrangements, of up to 10% of the issued and outstanding Units from time to time (i.e. the number of Units available for grant under the Omnibus Equity Incentive Plan increases as the number of issued and outstanding Units increases). As a rolling plan, the Toronto Stock Exchange ("**TSX**") requires that the unallocated awards issuable under the Omnibus Equity Incentive Plan be approved by the Unitholders every three years. If the Omnibus Equity Incentive Plan Resolution is passed at the Meeting, the REIT will next be required to seek similar approval from Unitholders on May 8, 2027. If the Omnibus Equity Incentive Plan Resolution is not passed at the Meeting, awards that have not been allocated as of May 8, 2024 and awards that are outstanding as of May 8, 2024 and are subsequently cancelled, terminated or exercised/settled will not be available for a new grant of awards under the Omnibus Equity Incentive Plan, however, previously allocated awards under the Omnibus Equity Incentive Plan will continue to be unaffected by the approval or disapproval of the Omnibus Equity Incentive Plan Resolution.

As of the date of this Circular, a maximum of 249,307 Units may be issuable pursuant to outstanding awards under the Omnibus Equity Incentive Plan (representing approximately 1.6% of the issued and outstanding Units and 1.2% of the combined total outstanding Units and Class B Units), leaving unallocated awards with respect to an aggregate of 1,299,898 Units available for future grants (representing approximately 8.4% of the issued and outstanding Units and 6.2% of the combined total outstanding Units and Class B Units), based on the number of currently outstanding Units.

To be effective, the Omnibus Equity Incentive Plan Resolution must be approved by a majority of the votes cast in person or by proxy by the Unitholders at the Meeting.

Unless contrary instructions are provided, the REIT's representative provided as the proxyholder in the enclosed Form of Proxy or VIF for use at the Meeting intends to vote FOR the Omnibus Equity Incentive Plan Resolution.

5. Non-binding Advisory Vote on the REIT's Approach to Executive Compensation

A non-binding, advisory Unitholder vote, commonly known as "Say-on-Pay", gives each Unitholder an opportunity to either endorse or not endorse the REIT's approach to its executive pay program and policies. Unitholders will be asked at the meeting to consider, and, if deemed advisable, adopt the following resolution (the "**Say-on-Pay Resolution**"):

"Resolved, on an advisory basis and not to diminish the role and responsibilities of the Board of Trustees, that the unitholders accept the approach to executive compensation disclosed in the REIT's management information circular delivered in advance of the 2024 annual meeting of unitholders."

As this is an advisory vote, the results will not be binding upon the Board. However, the Board will take the results of the vote into account, as it deems appropriate, when considering future compensation policies, practices and decisions and in determining whether to further increase engagement with Unitholders on compensation and related matters. The REIT will disclose the voting results of the Say-on-Pay Resolution as a part of its report on voting results for the Meeting.

Unless contrary instructions are provided, the REIT's representative provided as the proxyholder in the enclosed Form of Proxy or VIF for use at the Meeting intends to vote FOR the Say-on-Pay Resolution. The Trustees unanimously recommend that Unitholders vote FOR this Say-on-Pay Resolution.

BOARD OF TRUSTEES AND COMMITTEES

Board of Trustees

Mandate of the Board of Trustees

The mandate of the Board 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:

- participating in the development and approving of a strategic plan for the REIT;
- supervising the activities and managing the investments and affairs of the REIT;
- reviewing and approving policies and processes relating to the authorizations of major investments and significant allocations of capital;
- defining the roles and responsibilities of management;
- reviewing and approving the business and investment objectives to be met by management;
- assessing the performance of and overseeing management;
- reviewing and approving the REIT's debt strategy;
- reviewing and managing risk exposure (including, but not limited to, risks related to information security, as well as environmental, social and governance ("ESG") matters);
- verifying the adequacy of the REIT's internal controls and management information systems;
- succession planning;

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- establishing committees of the Board, where required or prudent, and defining their mandate;
- reviewing and approving the REIT's financial statements and the related management's discussion and analysis;
- ensuring effective and adequate communication with Unitholders, other stakeholders and the public;
- addressing material conflict of interest matters;
- considering the REIT's general strategy, policies and initiatives relating to material environmental (including, but not limited to, climate policy and sustainability) and social matters (including, but not limited to, diversity); and
- 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 for 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 (as defined in the Declaration of Trust) 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 REIT, 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;
- 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;
- decisions relating to any claims by or against one or more parties to any agreement with any Related Party to the REIT; and
- 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 2023, the Board, the CG&N Committee and the Audit 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

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

- provide leadership in defining, setting and implementing the corporate culture of the REIT and in fostering the effectiveness of the Board;
- 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;
- 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;
- 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;
- 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;
- ensure appropriate communication between the Board and unitholders and chair all Unitholder general meetings;
- 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;
- serve a public relations role in representing the Board and the REIT to outside parties;

- 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;
- 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;
- 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;
- 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
- provide additional services required by the Board.

Management's responsibilities are determined by the Board. The day-to-day role and responsibilities of the Chief Executive Officer are determined by the Board. See "*Report on Executive Compensation – Employment Agreements – Position Description for the Chief Executive Officer*".

A copy of the REIT's position description for the Chair of the Board is available on the REIT's website at <https://flagshipcommunities.com/investor-relations/governance/>.

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. Over the past 27 years, Mr. Bynoe has 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 (and other human capital management), governance and nominating policies of the REIT. In addition, the CG&N Committee is responsible for:

- assessing the effectiveness of the Board, each of its committees and individual Trustees;
- reviewing the REIT's governance policies and recommending changes to the Board for approval;
- monitoring conflicts of interest of members of the Board and management in accordance with the REIT's Code of Business Conduct and Ethics (the "**Code**");
- overseeing the recruitment of potential Trustee nominees, subject to the nomination rights of the Retained Interest Holders;
- overseeing the orientation and ongoing development of Trustees;
- 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;
- reviewing and making recommendations to the Board concerning any change in the number of Trustees comprising the Board;
- considering questions of management succession;
- administering any Omnibus Equity Incentive Plan adopted by the REIT and any other compensation incentive programs;
- assessing the performance of management of the REIT;
- reviewing and approving (or recommending for Board approval) the compensation paid by the REIT to the executive officers of the REIT;
- reviewing and making recommendations to the Board concerning the compensation payable to Trustees of the REIT;
- establishing and overseeing the REIT's compensation clawback policy for executive officers;
- reviewing and making recommendations to the Board with respect to the REIT's human capital management practices and strategies, including as a result of:
 - o reviewing reports from management to monitor the REIT's culture and employee engagement;

- overseeing policies and programs in place to support and promote the health, safety and well-being of the REIT's employees; and
- considering other ESG practices related to the compensation and other human capital management responsibilities in the Committee's charter; and
- overseeing the REIT's general strategy, policies and initiatives relating to material environmental (including, but not limited to, climate policy and sustainability) and social matters (including, but not limited to, diversity).

The text of the CG&N Committee charter is available on the REIT's website at <https://flagshipcommunities.com/investor-relations/governance/>.

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 2023, 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 Board;
- reviewed the Board size;
- reviewed and updated the compensation philosophy for executive management;
- engaged independent experts to provide benchmarking for executive and Trustee compensation;
- reviewed the performance of the Chief Executive Officer against the goals for 2023;
- reviewed the Chief Executive Officer's 2024 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 and approved the long-term incentive plan;
- 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 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, 2023 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 NI 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 at 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 the Women’s College Hospital Resources Committee, 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 36 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 text of the Audit Committee’s charter, as well as further details regarding external auditor service fees and the Audit Committee are set out in the sections entitled “*Audit Committee Charter*” and “*Audit Committee*” in the REIT’s Annual Information Form dated March 14, 2024 which can be found under the REIT’s profile on SEDAR+ at www.sedarplus.com and on the REIT’s website at <https://flagshipcommunities.com/investor-relations/governance/>.

The Audit Committee must pre-approve all non-audit services to be provided to the REIT 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 2023, the Audit Committee, among other things:

- received reports from the Chief Financial Officer, including relating to cybersecurity;
- 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 REIT's annual information form for the year ended December 31, 2022;
- monitored the principal risks;
- reviewed the REIT's portfolio appraisal process for the MHCs;
- reviewed the REIT's at-the-market equity program;
- 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, 2023;
- 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;
- 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 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 and its committees, and the contribution that an individual trustee is expected to make.

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 are solicited for input into the agenda for the education program and management is asked to schedule presentations and seminars covering these areas. At Board and committee meetings Trustees receive presentations by management and ongoing education from external services providers and experts on topics affecting the REIT such as changes to accounting standards, the insurance landscape (including climate-related matters), environmental regulations, cybersecurity, capital markets, as well as current and anticipated developments in executive compensation, governance and ESG more generally, including in respect of disclosure, regulatory reporting and requirements. The Trustees also undertook site visits to a number of the REIT's Kentucky

properties in October 2022 and October 2023, and a further tour of REIT properties is scheduled to take place in 2024. In addition, in 2023, the Trustees completed a plant tour of Champion Homes, a mobile and modular home manufacturing company, to further understand the minimal environmental impact of the manufacturing process and the sustainability of the products.

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

Nomination of Trustees

The CG&N Committee co-ordinates and manages the process of recruiting, interviewing and recommending candidates to the Board. 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 owned, controlled or directed 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, as shown in the following table:

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

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

For so long as the Chief Executive Officer of the REIT is one of the Retained Interest Holders or an affiliate, associate, director or officer, as applicable, of a Retained Interest Holder, the Chief Executive Officer of the REIT shall comprise one of the Retained Interest Holders’ nominees. If the Chief Executive Officer of the REIT is not one of the Retained Interest Holders’ nominees, but is still nominated as a Trustee, and all other nominees nominated by the REIT are persons who would be independent if elected as Trustees, then the Retained Interest Holders must nominate (as part of their total number of nomination rights) such number of Trustees who would be independent if elected, if any, as may be

necessary for the Board to be majority independent. In all cases, the CG&N Committee is responsible for ensuring that the Board and each committee of the Board is composed of a majority of Canadian residents.

The Retained Interest Holders have an approximate 26.6% 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 2023 ANNUAL GENERAL MEETING

Name of Trustee	Percentage FOR	Quantity FOR / 11,431,982 Votes Cast
Peter C.B. Bynoe	92.1%	10,523,294
Louis Forbes	99.1%	11,331,123
Kurtis Keeney	99.9%	11,421,382
J. Susan Monteith	88.0%	10,055,759
Andrew Oppenheim	99.8%	11,413,486
Ann Rooney	99.1%	11,328,845
Nathan Smith	99.9%	11,421,082

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 REIT'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	✓	✓	✓	✓	✓	✓	✓
Audit / accounting	✓	✓	✓	✓		✓	✓
Executive compensation / human resources	✓	✓	✓	✓	✓		✓
Governance / legal	✓	✓	✓	✓	✓	✓	✓
Risk management	✓	✓	✓	✓		✓	✓
Capital markets	✓	✓	✓	✓	✓		✓
Climate / sustainability			✓			✓	✓
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.
- Audit / accounting – An advanced understanding of, financial accounting, reporting and audit, from experience as one or more of the following: (i) a chartered accountant; (ii) a certified public accountant; (iii) a former or current chief financial officer of a public issuer or corporate controller of similar experience; (iv) a current or former partner of an audit firm; or (v) having similar demonstrably meaningful audit experience.
- Executive compensation / human resources – Experience with, or understanding of, executive compensation, human capital management, retention and succession planning.
- Governance / legal – Experience with, or understanding of, 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 corporate finance, M&A and with capital raisings.
- Climate / sustainability – Experience with direct accountability or oversight for climate and sustainability matters; advanced 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, from time to time, with a view to ensuring that they are fulfilling their respective responsibilities and duties. Such an evaluation is conducted at least annually, although the scope and focus of such review may vary from year to year. For the review conducted in respect of 2023, the CG&N Committee used an external service provider to administer interviews with each of the Trustees to solicit feedback on matters, that included the operation of the Board and its committees, the effectiveness of Board processes, the Board's relationship with and independence from management, management of conflicts of interest, Board size, structure and composition, agenda planning and information provision for the Board and committee meetings, the oversight of risk management at the Corporation, including with respect to cybersecurity, climate and other emerging risks, the appropriateness and adherence by the Board and the CG&N Committee to the REIT's Diversity Policy in nominating individuals for election to the Board, and the integration of ESG considerations into discussions and decisions. The interviews included open ended questions, as well as discussions and assessments of the Chair of the Board and of each committee of the Board.

The aggregated, anonymous results of the interviews were summarized and reported to the Chair of the CG&N Committee, who then reviewed the results with the CG&N Committee and reported the findings, including key recommendations, to the full Board for discussion.

The results of any individual Trustee performance assessments are 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 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 14, 2024 ⁽²⁾	Value of 3x annual retainer at March 14, 2024	Target Date for Meeting Minimum Unit Ownership Expectation	Expectations Met (%)
Peter C.B. Bynoe	\$492,928	\$195,000	May 2024	253%
Louis Forbes	\$301,793	\$195,000	May 2024	155%
J. Susan Monteith	\$320,465	\$195,000	May 2024	164%
Andrew Oppenheim	\$332,923	\$195,000	May 2024	171%
Ann Rooney	\$165,462	\$195,000	September 2025	85%

(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 \$15.7299 Market Price of a Unit on the TSX on March 14, 2024 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 and Board renewal is one of the factors the CG&N Committee uses in its evaluation.

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

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

- has established an annual Board effectiveness evaluation that enables the CG&N Committee and the Board to solicit feedback (see “*Board of Trustees and Committees – Board Evaluation*”);
- has a Diversity Policy to guide the CG&N Committee on objectives for diversity when choosing Trustee candidates (see “*Governance Policies – Diversity Policy*”);
- has established a Trustee skills matrix to ensure that, in choosing Trustee candidates, it focuses appropriately on critical skills and experience (see “*Board of Trustees and Committees – Nomination of Trustees – Skills*”); and

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- annually reviews committee chairs and committee memberships with a view to balancing a desire for fresh perspectives with the need for experience and subject matter expertise.

2023 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%)	4 of 4 (100%)
Audit Committee	n/a ⁽¹⁾	4 of 4 (100%)	n/a ⁽³⁾	4 of 4 (100%)	n/a ⁽⁴⁾	n/a	4 of 4 (100%)
CG&N Committee	4 of 4 (100%)	n/a ⁽²⁾	n/a ⁽³⁾	4 of 4 (100%)	4 of 4 (100%)	n/a	n/a

- (1) Mr. Bynoe was not a member of the Audit Committee, however he attended all four of the 2023 Audit Committee meetings as a guest.
- (2) Mr. Forbes was not a member of the CG&N Committee, however he attended all four of the 2023 CG&N Committee meetings as a guest.
- (3) Mr. Keeney was not a member of the Audit Committee or CG&N Committee, however he attended all four of the 2023 Audit Committee meetings and all four of the 2023 CG&N Committee meetings as a guest, except for the in camera portion of each such meeting.
- (4) Mr. Oppenheim was not a member of the Audit Committee, however he attended all four of the 2023 Audit Committee meetings as a guest.

In camera sessions without management present were held at the end of each and every 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. 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 2023 non-executive Trustee fees are set out below. All Trustee compensation was provided in the form of elected Deferred Units in 2023.

Trustee Fee Schedule	US\$
Annual Board retainer	\$65,000
Chair and Committee fees	
- Board Chair	\$52,500
- CG&N Committee Chair	\$17,500
- Audit Committee Chair	\$20,000
Attendance fees	None

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, beyond their service as trustees or directors of any of the REIT's subsidiaries. No such remuneration was paid to the independent Trustees in 2023.

2023 Trustee Fees

Name of Trustee	Fees Earned ⁽¹⁾ (US\$)	Unit-based awards (\$)	All other compensation (\$)	Total compensation (US\$)
Peter C.B. Bynoe	\$117,500	-	-	\$117,500
Louis Forbes	\$85,000	-	-	\$85,000
J. Susan Monteith	\$82,500	-	-	\$82,500
Andrew Oppenheim	\$65,000	-	-	\$65,000
Ann Rooney	\$65,000	-	-	\$65,000

(1) Fees earned by all Trustees were elected to be received in the form of Deferred Units, which are considered as being vested upon grant, but cannot be settled until the applicable Trustee ceases to be a Trustee.

Outstanding Unit-Based Awards

For each Trustee who is not also an executive officer of the REIT, the following table discloses the outstanding unit-based awards held as of December 31, 2023.

Name	Number of Units that have not vested ⁽¹⁾ (#)	Market or payout value of Unit-based awards that have not vested (\$) ⁽¹⁾	Market or payout value of vested Unit-based awards not paid out or distributed (\$) ⁽²⁾
Peter C.B. Bynoe	N/A	N/A	\$315,440
Louis Forbes	N/A	N/A	\$218,976
J. Susan Monteith	N/A	N/A	\$195,105
Andrew Oppenheim	N/A	N/A	\$176,063
Ann Rooney	N/A	N/A	\$80,716

(1) Deferred Units held by Trustees are considered as being vested upon grant, but cannot be settled until the applicable Trustee ceases to be a Trustee.

(2) Using the \$15.8657 Market Price of a Unit on the TSX on December 31, 2023.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Penalties or Sanctions

No nominee proposed for election as a Trustee at the Meeting 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 securityholder in deciding whether to vote for a proposed nominee.

Individual Bankruptcies

No nominee proposed for election as a Trustee at the Meeting has, within the 10 years prior to the date of this Circular, 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 such nominee.

Cease Trade Orders or Bankruptcies

Except as described below, no person proposed to be nominated for election as a Trustee at the Meeting is or has been, within the preceding 10 years, a director, chief executive officer or chief financial officer of any company that:

- (i) was subject to a cease trade order (or similar order that denied the relevant company access to any exemption under securities legislation) that was issued while the existing or proposed director was acting in the capacity as director, chief executive officer or chief financial officer, or
- (ii) was subject to a cease trade order (or similar order that denied the relevant company access to any exemption under securities legislation) that was issued after the proposed trustee 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.

No person proposed to be nominated for election as a Trustee at the Meeting is or has been, within the preceding 10 years, a director, trustee 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 proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets.

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 REIT's financial statements.

Risk Management Oversight

The Board 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 on the risks inherent in the business of the REIT (including appropriate crisis preparedness, business continuity, information system controls, cybersecurity and information security and disaster recovery plans), the appropriate degree of risk mitigation and risk control, overall compliance with and the effectiveness of the REIT's risk management policies, and residual risks remaining after implementation of risk controls. The Audit Committee reports periodically to the Board with respect to 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 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, cybersecurity and the difficulty of locating suitable investments. A more comprehensive listing of risk factors applicable to the REIT is provided in the most recent Management's Discussion and Analysis of the REIT dated March 14, 2024.

In particular, with respect to cybersecurity, the REIT has engaged a third-party provider for the provision of extensive cybersecurity solutions and systems. This includes advanced endpoint protection on work stations, active firewall monitoring, email threat protection, cloud application security, dark web monitoring and a vulnerability remediation management program. In addition, the REIT conducts user security awareness training. The Audit Committee receives updates on any security issues should they arise as well as quarterly monitoring reports from the REIT's third-party provider.

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

GOVERNANCE POLICIES

Ethical Business Conduct

The REIT has a 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 securityholders, 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.sedarplus.com.

The Board 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 behaviour 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 2023.

Diversity Policy

The Trustees recognize and support the benefits of diversity in the Board and in the executive management team. Diversity is important to ensure that members of the Board and the executive management provide the necessary range of perspectives, experience and expertise required to achieve the REIT's objectives.

Meaning of Diversity

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

Application of the Diversity Policy to the Board

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

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

- assesses the Board by considering the balance of skills, experience, independence and knowledge on the Board, the Board's cohesiveness and other factors relevant to its effectiveness;

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

In furtherance of Board diversity, the REIT's goal is to attain, as soon as practicable or by its annual unitholder meeting to be held in 2025, and thereafter maintain, a Board composition in which more than 33% of the trustees identify as women.

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, recommends to the Board for adoption, further 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.

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 2024 Meeting. See "*Nomination of Trustees – Nomination Rights*". As of the date of this Circular, the Board includes two women and one racialized person out of the aforementioned five Trustees (40% and 20%, respectively, or 60% in aggregate). Among the full Board consisting of seven members, there are two women members and one racialized person (29% and 14%, respectively, or 43% in aggregate). The REIT's Board representation by women exceeds the average of 27% reported in the Canadian Securities Administrator's latest report dated October 5, 2023 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. There are currently no targets for a specific number of women on the management team. 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.

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

¹ CSA Multilateral Staff Notice 58-316 – Review of Disclosure Regarding Women on Boards and in Executive Officer Positions, Year 9 Report, dated October 5, 2023.

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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).

Diversity	Women	Racialized Persons	Total
Full Board	2 of 7 (29%)	1 of 7 (14%)	3 of 7 (43%)
Trustees eligible for nomination by the CG&N Committee ⁽¹⁾	2 of 5 (40%)	1 of 5 (20%)	3 of 5 (60%)
Executive management	1 of 4 (25%)	0 of 4 (0%)	1 of 4 (25%)
Management ⁽¹⁾	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 2024 Meeting. See “*Nomination of Trustees – Nomination Rights*”.

(2) Information on broader diversity beyond gender has not been collected by the REIT in respect of members of management.

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 and will be effective when accepted by the Board. 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 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 or Board committee held to consider the resignation. In the event that a sufficient number of Board members receives a majority withhold vote in the same election, such that the Board

no longer has a quorum, then although each trustee receiving a majority withhold vote shall not be permitted to participate in any meeting of the Board at which his or her resignation offer is considered, he or she shall be eligible to be counted for the purpose of determining whether the Board has quorum.

Subject to any corporate law restrictions and nomination rights (including under the Investor Rights Agreement), the Board 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 the REIT's website at <https://flagshipcommunities.com/investor-relations/governance/>.

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 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. In April 2023, the REIT issued its third ESG report, which is available on the REIT's website at www.flagshipcommunities.com.

Environmental

The REIT's mission includes providing family-oriented, sustainable manufactured housing communities. Protecting the environment means preserving natural resources and utilizing land for natural human interaction and supporting more time in nature for our residents. Today's manufactured homes are energy-saving and have a low environmental impact.

In addition, the REIT is implementing a multi-year plan to install solar lighting in communities, which will reduce electricity usage while maintaining a safe environment for residents.

Social

As owners and operators of residential manufactured housing communities, the REIT's Communities are diverse, and many are leased to low- and moderate-income working families.

The REIT's commitment includes addressing the needs of residents with a holistic approach, as well as promoting community well-being. During 2023 the REIT worked with various organizations throughout the Midwest to provide a variety of services to community residents in need, including holiday meals, holiday presents, back-to-school supplies and clothing, summer parties for children, summer meals and entertainment.

Governance

It is important to the Board and management that the REIT follows the principles of good governance and meets the highest level of ethical standards in all aspects of the business. The REIT's governance policies and practices are described in this Circular.

The Board and management recognize that 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.

Related Party Transactions

In order to ensure that Trustees and officers of the REIT exercise independent judgment in considering transactions and agreements in respect of which a Trustee or an officer of the REIT has a material interest, the Trustee or executive officer having a conflict of interest must declare his or her interest and, excuse himself or herself from any meeting during the consideration of that particular matter and, in the case of Trustees, not vote on that particular matter.

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 in another similar capacity; the refinancing, increase or renewal

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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 acts as a director or in another 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.

The Audit Committee is tasked with responsibility for reviewing the REIT’s policies, procedures and requirements relating to the review and approval or avoidance of conflicts of interest, and considering the results of any review of these policies, procedures and requirements by the REIT’s external auditors.

The CG&N Committee is responsible for monitoring conflicts of interest (real or perceived) of members of the Board and management in accordance with the Code and reporting to the Board on compliance with, material departures from, and investigations and any resolutions of complaints received under, the Code and approving such waivers from the Code as CG&N Committee considers appropriate, and where necessary recommending changes to the Board for approval.

The written mandate of the Board further provides that, from time to time on an *ad hoc* basis, if and when required or otherwise viewed by the Board as being prudent in the circumstances, the Board will form a special committee of disinterested Trustees to review and evaluate any material related party or other significant conflict of interest transactions involving the REIT (except for material transactions solely involving the REIT and one or more wholly-owned subsidiaries 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 2023.

Engagement category	Investors	Residents	Employees	Community
Engagement surveys		X	X	
Environmental and sustainability surveys		X	X	
Materiality interviews/engagement		X	X	X
Community engagement restoration and refurbishment		X		X
Compensation and benefits			X	
Donations and volunteering		X	X	X
Employee lunch & learn sessions			X	

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Engagement category	Investors	Residents	Employees	Community
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	X
Town hall communications			X	
Website and social media		X	X	X
Annual meetings	X		X	
Annual and quarterly reports	X		X	
Code of Conduct	X		X	
External conferences	X	X	X	
Investor meetings	X	X	X	
Investor relations dedicated e-mail address	X			
Management information circulars	X	X	X	
Media Releases	X	X	X	X
Sponsorship of industry events	X		X	
Quarterly conference calls	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 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 throughout the year 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 2023. The CG&N Committee has reviewed and approved the content of this section.

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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.

COMPENSATION GOVERNANCE AND RISK MANAGEMENT

The Board believes that the executive compensation program does not raise the REIT's risk profile. The Board 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 routinely reviews the REIT's major risks (operating, financial, tax, environmental, cyber-security and other) faced by the REIT. The REIT's most recent 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.

What We Do

- 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 the Committee's 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 the REIT's peer companies.
- 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.
- Clawback Policy (as described below)

What We Don't Do

- 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.

CLAWBACK POLICY

The Board has adopted a clawback policy (the "**Clawback Policy**") relating to any cash bonus paid or awarded to the REIT's executive officers, including the NEOs (the "**Specified Officers**"), as an additional approach to mitigate compensation risk. The Clawback Policy provides that the independent Trustees will determine the extent of reimbursement of such compensation received by a Specified Officer required in the event of a malfeasance event by the Specified Officer, which shall be determined to have occurred if the REIT is required to publicly issue an accounting restatement of all or a portion of the REIT's interim or annual financial statements included in the REIT's public disclosure documents or there has been material injury to the REIT's reputation or business relationships, in each case due or partially due to, directly or indirectly, the Specified Officer having (i) engaged in fraud, intentional misconduct or gross negligence, or (ii) committed a material breach of the Code.

INDEPENDENT ADVICE – COMPENSATION CONSULTANTS

The CG&N Committee engaged two compensation consultants in 2022 and 2023 to provide research and recommendations on Trustee and executive compensation. The names of the consultants, their mandates and fees paid in 2022 and 2023 are disclosed in the table below. Neither the Board nor the CG&N Committee are required to pre-approve other services any consultant or advisor, or any of their affiliates, provide to the REIT at the request of management.

Hugessen Consulting Inc.⁽¹⁾

In 2022, Hugessen Consulting Inc. was engaged on behalf of the CG&N Committee to perform a diagnostic review of the REIT's LTIP program, review LTIP peer benchmarking results, provide insights on LTIP considerations and propose a LTIP structure for employees. In 2023, Hugessen Consulting Inc. was engaged on behalf of the CG&N Committee to conduct a review of the REIT's executive and trustee compensation.

(in US dollars)	2022	2023
Executive Compensation-Related Fees	\$7,950	\$20,339
All Other Fees	\$0	\$0
Total	\$7,950	\$20,339

(1) First engaged in 2021.

Clear Governance⁽¹⁾

In 2022, Clear Governance was engaged on behalf of the CG&N Committee to conduct a peer review of Trustee compensation and all elements of executive compensation.

(in US dollars)	2022
Executive Compensation-Related Fees	\$3,975
All Other Fees	\$39,503 ⁽¹⁾
Total	\$43,478

(1) 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.

BENCHMARKING

In 2022 and 2023, 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 2022 (reflects 2021 data)	Peer disclosure reviewed in 2023 (reflects 2022 and 2023 data)
BRT Apartments Corp.	X	X
BSR Real Estate Investment Trust	X	X

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	Peer disclosure reviewed in 2022 (reflects 2021 data)	Peer disclosure reviewed in 2023 (reflects 2022 and 2023 data)
Clipper Realty Inc.	X	X
CTO Realty Growth, Inc.	X	X
Elme Communities		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	
Sotherly Hotels Inc.	X	X
UMH Properties Inc.	X	X
Wheeler Real Estate Investment Trust, Inc.	X	

The 2023 compensation peer group is comprised of 10 internally-managed real estate investment trusts headquartered in Canada and the United States and a real estate operating company headquartered in Canada, which position the REIT near the 15th percentile on market capitalization and near the 25th percentile on total assets. The companies in the peer group include six single-family and multi-family residential real estate investment trusts, two diversified real estate investment trusts, one industrial real estate investment trust, one hotel and resort real estate investment trust and one real estate operating company.

On an aggregate total direct compensation basis, the REIT's executive compensation is positioned near the 25th percentile relative to the peer group and the annual retainer for Trustees is positioned approximately 25% below the median of the peer group.

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 real estate investment trusts.

2023 NAMED EXECUTIVE OFFICERS

The Named Executive Officers (“NEOs”) for the REIT are the President and Chief Executive Officer, the Chief Financial Officer and the Chief Investment Officer, each of whom are employed by Management FC, a subsidiary of the REIT. See below for their respective profiles.

Kurtis Keeney, Chief Executive Officer



Skills and experience

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

Industry

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

Qualifications

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

Eddie Carlisle, Chief Financial Officer



Skills and experience

Mr. Carlisle is Chief Financial Officer and Secretary of the REIT. He has served as Chief Financial Officer 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.

PRINCIPAL ELEMENTS OF COMPENSATION

The compensation of the NEOs consists of base salary, discretionary annual cash bonuses and discretionary grants under the REIT's long-term incentive plan ("LTIP"). Baseline contractual arrangements were established at the time of the REIT's initial public offering (the "IPO"). The elements of the REIT's compensation arrangements for the NEOs are described in this section. In 2023, 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 also the section "*Clawback Policy*" 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 "*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

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- 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 the later of the establishment of the Omnibus Equity Incentive Plan and their respective appointment dates.

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

EXECUTIVE MANAGEMENT				
Name of Officer	Value of Unit and Class B Unit Holdings at March 14, 2024 ⁽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>	\$25,039,012	\$2,200,000	May 2024	1,138%
Eddie Carlisle <i>Chief Financial Officer</i>	\$926,727	\$990,000	May 2024	94%
Nathan Smith <i>Chief Investment Officer</i>	\$23,330,839	\$1,320,000	May 2024	1,767%

(1) Using the \$15.7299 Market Price of a Unit on the TSX on March 14, 2024 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” below. 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. In 2022, based on the recommendation by the CG&N Committee, the Board approved an increase to the salaries of Messrs. Keeney and Smith from \$400,000 to \$440,000, respectively, and an increase to Mr. Carlisle’s salary from \$300,000 to \$330,000, all increases effective January 1, 2023.

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” below. In 2023, the CG&N Committee reviewed each NEO’s performance against targets established by the Board upon approval of the annual budget in October of 2022. The NEOs exceeded these 12 month performance targets for the period ending December 31, 2023 which are more fully described under the section “2023 REIT Performance” below. Based on these outcomes,

the 2023 annual cash bonuses were recommended by the CG&N Committee and approved by the Board in March 2024.

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 LTIP, to retain key employees and incentivize long-term performance that is aligned with the interests of the REIT and its Unitholders. See the summary of the Omnibus Equity Incentive Plan at “*Omnibus Equity Incentive Plan*”.

The size of grants to NEOs under the LTIP are determined based on the executive’s role and tenure with the REIT and individual performance. Such discretionary awards have an annual target set by the Board on a discretionary basis and take the form of Restricted Units that vest evenly over a period of six years. The 2023 LTIP awards were recommended by the CG&N Committee and approved by the Board in August 2023.

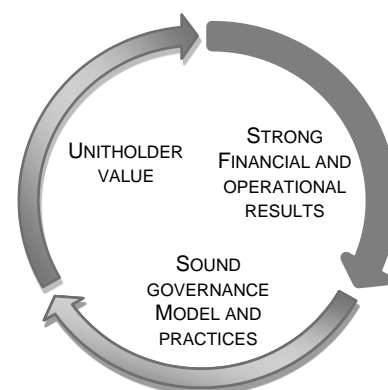
2023 REIT PERFORMANCE

The Board approved the 2023 financial forecast with key assumptions and a forecast non-IFRS reconciliation in December 2022. Together, these forecasts formed the basis for management’s performance goals in 2023. Management’s results exceeded target performance metrics. The key accomplishments are more fully described in the REIT’s annual MD&A for the year ended December 31, 2023. Below is a summary of the highlights.

FINANCIAL AND NON-IFRS GOALS⁽¹⁾ for Jan 1/23 – Dec 31/23	TARGET PERFORMANCE	RESULTS
Revenue from investment properties	\$66.3 M	\$71.1 M
Net Operating Income	\$43.1 M	\$46.9 M
Funds From Operations (“FFO”) ⁽¹⁾	\$23.2 M	\$24.6 M
Adjusted Funds From Operations (“AFFO”) ⁽¹⁾	\$20.2 M	\$21.6 M
AFFO/Unit ⁽¹⁾	\$1.026	\$1.038
Occupied Lots	10,467	11,525
Occupancy (%)	83.8%	83.6%

(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 FFO and AFFO 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 section entitled “Reconciliation of FFO, FFO per Unit, AFFO and AFFO per Unit” in the REIT’s annual MD&A as at December 31, 2023, available on SEDAR+ at www.sedarplus.com, for reconciliations of such non-IFRS financial measures to their most comparable IFRS financial measure included in the REIT’s financial statements, which reconciliations are incorporated by reference herein.

FFO and AFFO are calculated in accordance with the definition provided by the Real Property Association of Canada (REALPAC). FFO is defined as IFRS consolidated net income (loss) adjusted for items such as distributions on redeemable or exchangeable units (including distributions on the Class B Units), unrealized fair value adjustments to Class B Units, unrealized fair value adjustments to investment properties, unrealized fair value adjustments to unit based compensation, loss on extinguishment of acquired mortgages payable, gain on disposition of investment properties, and depreciation. AFFO is defined as FFO adjusted for items such as maintenance capital expenditures, and certain non-cash items such as amortization of intangible assets, and premiums and discounts on debt and investments. The REIT uses a capital expenditure reserve of \$60 per lot per year and \$1,000 per rental home per year in the AFFO calculation. This reserve is based on management’s best estimate of the cost that the REIT may



Flagship Communities REIT Management Information Circular

incur, related to maintaining the investment properties. AFFO/Unit is defined as AFFO for the applicable period divided by the diluted weighted average Unit count (including Class B Units, vested Restricted Units and vested Deferred Units) during the period.

Key operational accomplishments in 2023

- ✓ acquired 6 manufactured housing communities in key markets, consisting of 1,153 additional lots and 63 rental homes;
- ✓ established a US\$50 million at-the-market equity program;
- ✓ increased the monthly cash distribution to unitholders to US\$0.049/Unit or US\$0.59/Unit on an annual basis; and
- ✓ published the third ESG Report.

2023 EXECUTIVE PERFORMANCE

Kurtis Keeney, President and Chief Executive Officer

	2023 (Target)		2023 (Actual)		
Base Salary	\$440,000	(39%)	\$440,000	(39%)	
Annual cash incentive	\$154,000	(14%)	\$154,000	(14%)	} “At Risk”: }
Long-term incentive plan	\$450,000	(40%)	\$450,000	(40%)	
All other compensation	\$77,882	(7%)	\$77,882	(7%)	
Total direct compensation	\$1,121,882	(100%)	\$1,121,882	(100%)	

Eddie Carlisle, Chief Financial Officer and Secretary

	2023 (Target)		2023 (Actual)		
Base Salary	\$330,000	(39%)	\$330,000	(39%)	
Annual cash incentive	\$115,500	(14%)	\$115,500	(14%)	} “At Risk”: }
Long-term incentive plan	\$360,000	(42%)	\$360,000	(42%)	
All other compensation	\$46,011	(5%)	\$46,011	(5%)	
Total direct compensation	\$851,511	(100%)	\$851,511	(100%)	

Nathan Smith, Chief Investment Officer

	2023 (Target)		2023 (Actual)		
Base Salary	\$440,000	(39%)	\$440,000	(39%)	
Annual cash incentive	\$154,000	(14%)	\$154,000	(14%)	} “At Risk”: }
Long-term incentive plan	\$450,000	(40%)	\$450,000	(40%)	
All other compensation	\$78,141	(7%)	\$78,141	(7%)	
Total direct compensation	\$1,122,141	(100%)	\$1,122,141	(100%)	

CERTAIN APPROVED 2024 COMPENSATION CHANGES

Effective January 1, 2024, based on the recommendation by the CG&N Committee, the Board approved an increase to the salaries of Messrs. Keeney and Smith from \$440,000 to \$484,000 respectively, and an increase to Mr. Carlisle’s salary from \$300,000 to \$363,000.

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 ⁽¹⁾ (\$)	Total compensation (\$)
Kurtis Keeney Chief Executive Officer	2023	440,000	450,000	-	154,000	-	77,882	1,121,882
	2022	400,000	300,000	-	140,000	-	76,960	904,960
	2021	350,000	-	-	122,500	-	75,727	548,227
Eddie Carlisle Chief Financial Officer	2023	330,000	360,000	-	115,500	-	46,011	851,511
	2022	300,000	170,000	-	105,000	-	0	575,000
	2021	250,000	-	-	87,500	-	0	337,500
Nathan Smith Chief Investment Officer	2023	440,000	450,000	-	154,000	-	78,141	1,122,141
	2022	400,000	300,000	-	140,000	-	76,960	904,960
	2021	350,000	-	-	122,500	-	75,727	548,227

(1) For 2023, the \$77,882 for Kurtis Keeney includes \$32,811 for health insurance and dental insurance, \$31,871 in life insurance, and \$12,200 employer matched contribution for a personal 401K plan. The \$78,141 for Nathan Smith includes \$33,069 for health insurance and dental insurance, \$31,871 in life insurance, and \$12,200 employer matched contribution for a personal 401K plan. The 46,011 for Eddie Carlisle includes \$32,811 for health insurance and dental insurance and \$12,200 employer matched contribution for a personal 401K plan.

VALUE VESTED OR EARNED DURING THE YEAR

For each NEO, the table below sets out the unit-based and non-equity based incentive plan amounts vested or earned by each NEO in 2023. The NEOs do not hold any outstanding options.

Name	Unit-based awards – value vested during the year ⁽¹⁾	Non-Equity Incentive Plan compensation – Value earned during the year
Kurtis Keeney	\$52,328	\$154,000
Eddie Carlisle	\$29,652	\$115,500
Nathan Smith	\$52,328	\$154,000

(1) Using the Market Price of a Unit on the TSX on the date of vesting. “Market Price” at any vesting 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.

OUTSTANDING UNIT-BASED AWARDS

Name	Number of Units that have not vested (#)	Market or payout value of Unit-based awards that have not vested (\$) ⁽¹⁾	Market or payout value of vested Unit-based awards not paid out or distributed (\$) ⁽¹⁾
Kurtis Keeney	44,400	\$704,430	\$51,090
Eddie Carlisle	31,709	\$503,078	\$28,951
Nathan Smith	44,400	\$704,430	\$51,090

⁽¹⁾ Using the \$15.8657 Market Price of a Unit on the TSX on December 31, 2023.

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 the later of the establishment of the Omnibus Equity Incentive Plan and their respective appointment dates.

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

EXECUTIVE MANAGEMENT				
Name of Officer	Value of Unit and Class B Unit Holdings at March 14, 2024 ⁽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>	\$25,039,012	\$2,200,000	May 2024	1,138%
Eddie Carlisle <i>Chief Financial Officer</i>	\$926,727	\$990,000	May 2024	94%
Nathan Smith <i>Chief Investment Officer</i>	\$23,330,839	\$1,320,000	May 2024	1,767%

- (1) Using the \$15.7299 Market Price of a Unit on the TSX on March 14, 2024 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 an 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.

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 Chief Executive Officer

Management's responsibilities are determined by the Board. The day-to-day role and responsibilities of the Chief Executive Officer are determined by the Board.

The Chief Executive Officer 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 Chief Executive Officer is directly responsible to the Board.

Chief Financial Officer

Mr. Carlisle is eligible to participate in an 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.

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 an 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.

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 401K 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, 2023.

NEO	Event	Severance ⁽¹⁾	Total
Kurtis Keeney <i>President and Chief Executive Officer</i>	Termination without cause or resignation due to employer default	\$880,000	\$880,000
	Termination due to death or permanent disability ⁽²⁾	\$440,000	\$440,000
Eddie Carlisle <i>Chief Financial Officer</i>	Termination without cause or resignation due to employer default	\$660,000	\$660,000
	Termination due to death or permanent disability ⁽²⁾	\$330,000	\$330,000
Nathan Smith <i>Chief Investment Officer</i>	Termination without cause or resignation due to employer default	\$880,000	\$880,000
	Termination due to death or permanent disability ⁽²⁾	\$440,000	\$440,000

(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.

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.

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.

Equity-based awards made or granted by the REIT, pursuant to which new Units may be issued, are made under the Omnibus Equity Incentive Plan. The purposes of the Omnibus Equity Incentive Plan are to (i) advance the interests of the REIT by enhancing the ability of the REIT to and its subsidiaries to attract, motivate and retain employees, Trustees, directors and consultants, (ii) reward such persons for their sustained contributions and (iii) to encourage such persons to take into account the long-term financial performance of the REIT. 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, make grants of awards and determine the form of such grants, determine, cancel, amend, adjust or otherwise change the type of or the terms and conditions of awards, accelerate the vesting or exercisability of awards, interpret the terms and provisions of the Omnibus Equity Incentive Plan and any award agreement, and otherwise make all determinations and take all other actions necessary or advisable for the implementation and administration of the Omnibus Equity Incentive Plan. Subject to the terms of any written employment agreement, award agreement or other written agreement binding upon the REIT and an applicable plan participant, the Board's 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, Employees and Consultants (each as defined in the Omnibus Equity Incentive Plan) and directors, managers and officers of the REIT's subsidiaries are eligible to participate in the Omnibus Equity Incentive Plan.

Types of Awards

The Omnibus Equity Incentive Plan provides for awards of restricted units ("**Restricted Units**"), performance units ("**Performance Units**"), deferred units ("**Deferred Units**") and options ("**Options**") of the REIT, each as defined and discussed in further detail below.

- **Restricted Units.** Restricted Unit awards are awards denominated in notional units that vest after a pre-designated period of time after the grant date and which are to be settled by (i) Units issued from treasury on a one-for-one basis, (ii) if so elected by the participant and subject to the approval of the Board, cash based on the value of the applicable number of Units at the date of settlement or (iii) a combination of Units and cash as contemplated by (i) and (ii) above.
- **Performance Units.** Performance Unit awards are awards denominated in notional units that vest after both a pre-designated period of time after the grant date and achievement of pre-designated performance-based vesting conditions, and which are to be settled by (i) Units issued from treasury based on achievement of the vesting provisions, (ii) if so elected by the participant and subject to the approval of the Board, cash based on the value of the applicable number of Units at the date of settlement or (iii) a combination of Units and cash as contemplated by (i) and (ii) above.

- **Deferred Units.** Deferred Unit awards are awards denominated in notional units that generally vest immediately upon grant and which are settled by (i) Units issued from treasury on a one-for-one basis, (ii) if so elected by the participant and subject to the approval of the Board, cash based on the value of the applicable number of Units at the date of settlement or (iii) a combination of Units and cash as contemplated by (i) and (ii) above. Deferred Units may not be redeemed until the participant ceases to hold any and all positions with the REIT and its subsidiaries.
- **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 of a Unit 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 trading blackout period, the expiry date will automatically be extended to the tenth business days after the end of the trading blackout period. Options are settled by Units issued from treasury upon the exercise by the participant.

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 price of a Unit on the award date. "Market price" of a Unit at any date for purposes of the Omnibus Equity Incentive Plan means the volume weighted average closing 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 as may be selected for such purpose by the Board); provided that, for so long as the Units are listed and posted for trading on the TSX, the market price will not be less than the market price, as calculated under the policies of the TSX and provided, further, that with respect to an award made to a U.S. taxpayer, such Participant and the number of Units subject to the award will be identified by the Board prior to the start of the applicable five trading day period. In the event that the Units are not listed and posted for trading on any stock exchange, the market price shall be the fair market value of the Units as determined by the Board in its sole discretion and, with respect to an award made to a U.S. taxpayer, in accordance with section 409A of the United States Internal Revenue Code of 1986.

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 price 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. The participant may elect to surrender their Options to the REIT in consideration for an amount from the REIT equal to (i) the market price 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 number of issued and outstanding Units of the REIT from time to time, which represents 1,549,205 Units (being 7.4% of the combined total outstanding Units and Class B Units) as of the date of this Circular.

The Omnibus Equity Incentive Plan is an evergreen plan in that Units issuable pursuant to awards under the plan that are exercised, settled, surrendered, terminated, expired or cancelled, in whole or in part, will be available for issuance pursuant to the exercise or settlement of awards subsequently granted under the Omnibus Equity Incentive Plan and the number of Units available for grants of awards increases as the number of issued and outstanding Units increases.

The number of Units issuable to insiders of the REIT at any time pursuant to all of the REIT's security-based compensation arrangements, including the Omnibus Equity Incentive Plan, shall not exceed 10% of the issued and outstanding Units, and the number of Units issued to insiders of the REIT within any one-year period pursuant to all of the REIT's security-based compensation arrangements, including the Omnibus Equity Incentive Plan, shall not exceed 10% of the issued and outstanding Units (the "**insider participation limit**"). The maximum aggregate value of securities issuable to any non-employee Trustee under the Omnibus Equity Incentive Plan, other than in lieu of cash fees, 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 combined total outstanding Units and Class B Units (the "**Effective Outstanding Units**"). Non-employee Trustees are not eligible to receive grants of Options under the Omnibus Equity Incentive Plan. The aggregate number of Units reserved for issuance pursuant to grants of Restricted Units, Performance Units and Deferred Units ("**Full Value Awards**") under the Omnibus Equity Incentive 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. Aside from the limits described above, including the maximum number of Units issuable pursuant to the Omnibus Equity Incentive Plan, the insider participation limit and restrictions regarding issuances to non-employee Trustees, the Omnibus Equity Incentive Plan does not provide for any further limits on the maximum number of Units which may be issued to an individual pursuant to such plan.

Termination of Employment

Unless otherwise determined by the Board, and subject to the specific terms of the participant's employment agreement, an award agreement or other written agreement binding upon the REIT and the plan participant, upon a participant's resignation or the termination of a participant's employment with the REIT for any reason, (a) all awards (whether vested or unvested) granted pursuant to the Omnibus Equity Incentive Plan shall expire and 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 earlier of: (i) the date that is 12 months after the date of

termination or resignation, and (ii) the original expiry date of such vested Options, following which they will expire.

Change in Control

Unless otherwise determined by the Board, and subject to the specific terms of the participant's employment agreement, an award agreement or other written agreement binding upon the REIT and the plan participant, 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: (i) twelve months after the original expiry date of the Options; and (ii) the date that is twelve months after the date of termination.

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 for normal estate settlement purposes and 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 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.

Amendment and Termination

The Board may from time to time, without notice and without approval of the Unitholders, amend, modify, change, suspend or terminate the Omnibus Equity Incentive Plan or any awards granted thereunder as

it, in its discretion, determines appropriate, provided, however, that no such amendment, modification, change, suspension or termination of the Omnibus Equity Incentive Plan or any awards granted thereunder may materially impair any rights of a participant or materially increase any obligations of a participant under the Omnibus Equity Incentive Plan without the consent of the participant, unless the Board determines such adjustment is required or desirable in order to comply with any applicable securities laws.

Notwithstanding the above, and subject to the rules of the TSX, Unitholder approval is required for any amendment, modification or change that has the effect of:

- 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 Board 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 Board to make equitable adjustments in the event of transactions affecting the REIT or its capital;
- extending the term of any award granted beyond its original expiry date;
- permitting an award to be exercisable beyond ten (10) years from its date of grant (except where an expiry date would have fallen within a blackout period of the REIT);
- increasing or removing the limits on grants of Full-Value Awards and other non-option awards;
- increasing or removing the limits on participation of non-employee Trustees;
- 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 or as required by law; and
- deleting or reducing the range of amendments which require approval of the Unitholders.

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

- amending the general vesting provisions of each award;
- amending the provisions with respect to termination of employment or services;
- adding covenants of the REIT for the protection of participants, as the case may be, provided that the Board 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 Board, 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 Board shall be of the opinion that such amendments and modifications will not be prejudicial to the interests of the participants and Trustees; or

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- 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 Board shall be of the opinion that such changes or corrections will not be prejudicial to the rights and interests of the participants.

Number of Securities Issued and Remaining at December 31, 2023

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans
Equity compensation plans approved by securityholders	62,166 Deferred Units 185,621 Restricted Units	N/A	1,301,418 ⁽¹⁾ (aggregate sublimit of 805,945 for Full Value Awards) ⁽²⁾
Equity compensation plans not approved by securityholders	Nil	N/A	Nil
Total	62,166 Deferred Units 185,621 Restricted Units	N/A	1,301,418 ⁽¹⁾ (aggregate sublimit of 805,945 for Full Value Awards) ⁽²⁾

(1) A maximum of 247,787 Units may be issuable pursuant to outstanding grants under the Omnibus Equity Incentive Plan: 10% of the 15,492,056 issued and outstanding Units of the REIT (1,549,205) less the 62,166 Deferred Units and 185,621 Restricted Units that have been issued.

(2) A maximum of 247,787 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 aggregate of the 15,492,056 issued and outstanding Units of the REIT and 5,582,594 issued and outstanding Class B Units (1,053,732) less the 62,166 Deferred Units and 185,621 Restricted Units that have been issued.

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.

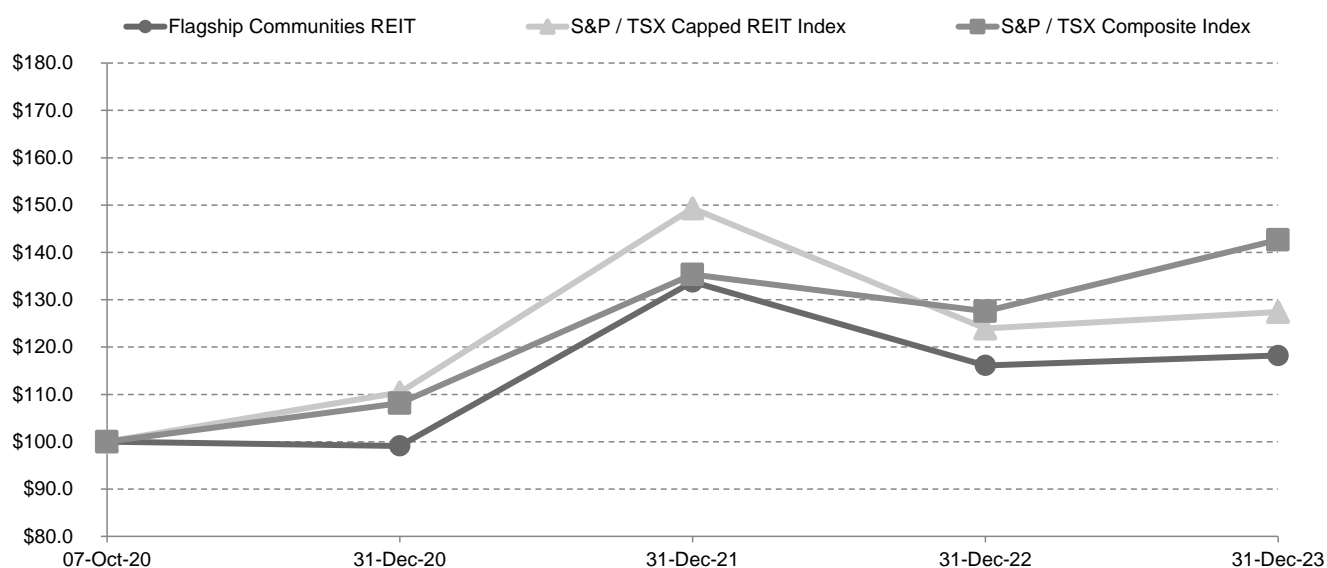
	2021	2022	2023
Number of Restricted Units, Deferred Units and Distribution Equivalent Deferred Units granted in the fiscal year	14,682	91,654	147,844
Diluted weighted average number of Units outstanding for the fiscal year	15,336,933	19,611,573	20,779,060
Burn rate for Restricted Units and Deferred Units	0.10%	0.47%	0.71%

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, 2023 as shown in the performance graph below.

During the period from IPO on October 7, 2020 until December 31, 2023, the total cumulative Unitholder return for \$100 invested in REIT Units was \$118 with the S&P/TSX Capped REIT Index achieving a return of \$127 and the S&P / TSX Composite Index achieving a return of \$143.

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 14.3% 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.



	October 7, 2020	December 31, 2020	December 31, 2021	December 31, 2022	December 31, 2023
Flagship Communities REIT	\$100	\$99	\$134	\$116	\$118
S&P / TSX Capped REIT Index	\$100	\$110	\$149	\$124	\$127
S&P / TSX Composite Index	\$100	\$108	\$135	\$128	\$143

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

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 \$3.1 million for the provision of home sales and other services to the REIT in 2023. On February 28, 2023, the REIT acquired a 20-acre manufactured housing

community from Empower for a purchase price of approximately US\$25,000 in cash and the issuance of 120,598 Class B Units of Flagship Operating, LLC to Empower. 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 14, 2024 and in the notes to the 2023 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 AND OFFICERS

None of the Trustees, executive officers, employees, former trustees, former executive officers or former employees of the REIT or any of its subsidiaries, nor any of their respective associates, is or has at any time during the last completed financial year been indebted to the REIT or any of its subsidiaries or another entity whose indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the REIT or any of its subsidiaries. The REIT's Code of Business Conduct and Ethics prohibits loans to Trustees and employees of the REIT.

ADDITIONAL INFORMATION

Additional information relating to the REIT is available on SEDAR+ at www.sedarplus.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 14th day of March, 2024.

"Kurtis Keeney" _____

Kurtis Keeney

President and Chief Executive Officer

APPENDIX A
MANDATE FOR THE BOARD OF TRUSTEES

Effective Date: February 15, 2024

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**”) and/or any independent lead trustee (the “**Lead Independent Trustee**”), 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 the Applicable Requirements (as defined below), 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 the Applicable Requirements, 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.

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 (collectively, the "**Applicable Requirements**") 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 (including, but not limited to, risks related to information security, as well as environmental, social and governance ("ESG") matters), 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 and Compensation

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

(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 subject to any approvals (including securityholder approval) required under the Applicable Requirements or 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 the Applicable Requirements, 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.

(gg) Conflicts of Interest

With respect to potential or actual conflicts of interests, in particular, the REIT's trustees shall comply with the REIT's Code of Business Conduct and Ethics (the "**Code**") and the Applicable Requirements and, to the extent required by the Code or the Applicable Requirements, abstain from voting on matters in which they have an interest and recuse themselves from any discussion on the matter.

From time to time on an *ad hoc* basis, if and when required or otherwise viewed by the Board as being prudent in the circumstances, the Board will form a special committee of disinterested trustees to review and evaluate any material related party or other significant conflict of interest transactions involving the REIT (except for material transactions solely involving the REIT and one or more wholly-owned subsidiaries of the REIT).

ESG

(hh) Environmental and Social Matters

In addition to the specific governance matters covered by this Mandate, the Board shall periodically review recommendations from the Compensation, Governance and Nominating Committee concerning the REIT's general strategy, policies and initiatives relating to material environmental (including, but not limited to, climate policy and sustainability) and social matters (including, but not limited to, diversity).

Communications

(ii) 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.

(jj) 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 as required pursuant to the Applicable Requirements. Trustees and management are available to respond to questions from the REIT's unitholders at the annual meeting.

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 the Applicable Requirements, as well as in the context of the REIT's Declaration of Trust, it is not intended to establish any legally binding obligations.

7. Mandate Review

From time to time, and no less frequently than every three years, the Board shall review and recommend changes to this Mandate and the Compensation, Governance and Nominating Committee shall review and assess the adequacy of this mandate and recommend any proposed changes to the Board for consideration.

APPENDIX B

OMNIBUS EQUITY INCENTIVE PLAN ORDINARY RESOLUTION OF THE UNITHOLDERS

“WHEREAS:

1. the Board of Trustees of Flagship Communities Real Estate Investment Trust (the “**REIT**”) adopted an Omnibus Equity Incentive Plan on December 1, 2020 (the “**Omnibus Equity Incentive Plan**”) which does not have a fixed maximum number of trust units of the REIT (“**Units**”) issuable;
2. the holders of Units (“**Unitholders**”) approved the Omnibus Equity Incentive Plan, by a majority of votes cast, on May 11, 2011;
3. the rules of Toronto Stock Exchange provide that all unallocated options, rights or other entitlements under a security based compensation arrangement which does not have a fixed number of maximum securities issuable, be approved every three years;

BE IT RESOLVED THAT:

1. all unallocated awards under the Omnibus Equity Incentive Plan be and are hereby approved;
2. the REIT have the ability to continue granting awards under the Omnibus Equity Incentive Plan until May 8, 2027; and
3. any one or more trustees or officers of the REIT are hereby authorized, for and on behalf of the REIT, to take, or cause to be taken, any and all such acts and things and to execute and deliver all such deeds, instruments, notices, consents, acknowledgements, certificates, assurances and other documents (including any documents required under applicable laws or regulatory policies) as any such trustee or officer in his or her sole discretion may determine to be necessary or desirable to give effect to the foregoing resolution, such determination to be conclusively evidenced by the taking of any such action or such trustee’s or officer’s execution and delivery of any such deed, instrument, notice, consent, acknowledgement, certificate assurance or other document.”

APPENDIX C

**FLAGSHIP COMMUNITIES REAL ESTATE INVESTMENT TRUST
OMNIBUS EQUITY INCENTIVE PLAN**

**As adopted December 1, 2020 and
amended February 17, 2021**

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Flagship Communities Real Estate Investment Trust

Omnibus Equity Incentive Plan

ARTICLE 1 PURPOSE

1.1 Purpose

The purposes of this Plan are (i) to advance the interests of the REIT by enhancing the ability of the REIT and its Subsidiaries to attract, motivate and retain Employees, Trustees, directors, and Consultants, (ii) to reward such Persons for their sustained contributions and (iii) to encourage such Persons to take into account the long-term financial performance of the REIT.

ARTICLE 2 INTERPRETATION

2.1 Definitions

When used herein, unless the context otherwise requires, the following terms have the indicated meanings, respectively:

“Affiliate” means, in respect of a Person: (a) another Person that is a Subsidiary of such Person; (b) another Person of which such Person is a Subsidiary and (c) another Person under common Control with such Person;

“Annual Retainer Fees” means the annual Board, Board committee, Board chair, Board committee chair and lead independent Trustee retainer fees, as applicable, paid by the REIT to a Trustee in a calendar year for service on the Board, but, for greater certainty, shall exclude any meeting fees payable in respect of attendance at individual meetings and amounts paid as a reimbursement for expenses incurred in attending meetings;

“Award” means any Option, Restricted Unit, Performance Unit or Deferred Unit granted under this Plan, which may be denominated or settled in Units, cash or in such other forms as provided for herein;

“Award Agreement” means a signed, written agreement between a Participant and the REIT, in the form or any one of the forms approved by the Plan Administrator, and evidencing the terms and conditions on which an Award has been granted under this Plan (including written or other applicable employment agreements) and which need not be identical to any other such agreements;

“Board” means the board of trustees of the REIT as it may be constituted from time to time;

“Business Day” means a day, other than a Saturday or Sunday, on which the principal commercial banks in the City of Toronto, Ontario, are open for commercial business during normal banking hours;

“Cashless Exercise” has the meaning set forth in Section 4.5(b);

“Cause” means, for the purpose of a Participant’s rights and entitlements under this Plan and not for any other purpose or entitlement, the occurrence of any one or more of the following events

unless, to the extent capable of correction, the Participant fully corrects the circumstances constituting Cause within fifteen (15) days after receipt of the written notice of termination:

- (a) the Participant's willful and gross misconduct in the performance of his or her duties (other than by reason of his incapacity or disability), it being expressly understood that the REIT's dissatisfaction with Participant's performance shall not constitute Cause;
- (b) the Participant's commission of an act of fraud or material dishonesty resulting in reputational, economic or financial injury to the REIT or any Subsidiary of the REIT;
- (c) the Participant's commission of, including any entry by the Participant of a guilty or no contest plea to, a felony or other crime involving moral turpitude;
- (d) a material breach by the Participant of his or her fiduciary duty to the REIT or any Subsidiary of the REIT which results in reputational, economic or other injury to the REIT or any Subsidiary of the REIT; or
- (e) the Participant's material breach of the Participant's obligations under his or her employment agreement, if applicable;

"Change in Control" means the occurrence of any one or more of the following events:

- (a) any transaction at any time and by whatever means, whether or not the REIT is a party thereto, pursuant to which any Person or any group of two or more Persons acting jointly or in concert (other than the REIT, Flagship Operating, LLC or a wholly-owned Subsidiary of the REIT or Flagship Operating, LLC) hereafter acquires the direct or indirect "beneficial ownership" (as defined in the *Securities Act (Ontario)*) of, or acquires the right to exercise Control or direction over, securities of the REIT representing more than fifty percent (50%) of the then issued and outstanding voting securities of the REIT, including, without limitation, as a result of a take-over bid, an exchange of securities, an amalgamation of the REIT with any other entity, an arrangement, a capital reorganization or any other business combination or reorganization;
- (b) the sale, assignment or other transfer of all or substantially all of the consolidated assets of the REIT to a Person other than Flagship Operating, LLC or a wholly-owned Subsidiary of the REIT or Flagship Operating, LLC;
- (c) the dissolution or liquidation of the REIT, other than in connection with the distribution of assets of the REIT to one or more Persons which were wholly-owned Subsidiaries of the REIT prior to such event;
- (d) the occurrence of a transaction requiring approval of the REIT's unitholders whereby the REIT is acquired through consolidation, merger, exchange of securities, purchase of assets, amalgamation, statutory arrangement or otherwise by any other Person (other than a short form amalgamation or exchange of securities with Flagship Operating or a wholly-owned Subsidiary of the REIT or Flagship Operating);
- (e) any other event which the Board unanimously determines to constitute a change in control of the REIT; or
- (f) individuals who comprise the Board as of the last annual meeting of unitholders of the REIT (the "Incumbent Board") for any reason cease to constitute at least a majority of the

members of the Board, unless the election, or nomination for election by the REIT's unitholders, of any new trustee was approved by a vote of at least a majority of the Incumbent Board, and in that case such new trustee shall be considered as a member of the Incumbent Board;

provided that, notwithstanding clauses (a), (b), (c) and (d) above, a Change in Control shall be deemed not to have occurred pursuant to clauses (a), (b), (c) and (d) above if immediately following the transaction set forth in clause (a), (b), (c) and (d) above: (A) the holders of securities of the REIT that immediately prior to the consummation of such transaction represented more than fifty percent (50%) of the combined voting power of the then outstanding securities eligible to vote for the election of trustees of the REIT hold (x) securities of the entity resulting from such transaction (including, for greater certainty, the Person succeeding to assets of the REIT in a transaction contemplated in clause (b) above) (the "Surviving Entity") that represent more than fifty percent (50%) of the combined voting power of the then outstanding securities eligible to vote for the election of directors or trustees of the Surviving Entity, or (y) if applicable, securities of the entity that directly or indirectly has beneficial ownership of one hundred percent (100%) of the securities eligible to elect directors or trustees of the Surviving Entity (the "Parent Entity") that represent more than fifty percent (50%) of the combined voting power of the then outstanding securities eligible to vote for the election of directors or trustees of the Parent Entity, and (B) no Person or group of two or more Persons, acting jointly or in concert, is the beneficial owner, directly or indirectly, of more than fifty percent (50%) of the voting power of the Parent Entity (or, if there is no Parent Entity, the Surviving Entity) (any such transaction which satisfies all of the criteria specified in clauses (A) and (B) above being referred to as a "Non-Qualifying Transaction" and, following the Non-Qualifying Transaction, references in this definition of "Change in Control" to the "REIT" shall mean and refer to the Parent Entity (or, if there is no Parent Entity, the Surviving Entity) and, if such entity is a company or a trust, references to the "Board" shall mean and refer to the board of directors or trustees, as applicable, of such entity);

provided further, that notwithstanding the foregoing, for purposes of any Award that constitutes "deferred compensation" (within the meaning of Section 409A of the Code), the payment of which would be accelerated upon a Change in Control, a transaction will not be deemed a Change in Control for Awards granted to any Participant who is a U.S. Taxpayer unless the transaction constitutes a "change in the ownership of the corporation," "change in effective control of the corporation" or "change in the ownership of a substantial portion of the assets of the corporation," in each case within the meaning of Section 409A of the Code;

"Code" means the United States Internal Revenue Code of 1986, as amended from time to time. Any reference to a section of the Code shall be deemed to include a reference to any regulations promulgated thereunder;

"Committee" means the Compensation, Governance and Nominating Committee of the Board;

"Consultant" means a Person that:

- (a) is engaged to provide services on a *bona fide* basis, for an initial, renewable or extended period of twelve (12) months or more, consulting, technical, management or other services to the REIT or a Subsidiary of the REIT, other than services provided in relation to a distribution of securities of the REIT or a Subsidiary of the REIT;
- (b) provides the services under a written contract with the REIT or a Subsidiary of the REIT;
and

- (c) in the reasonable opinion of the REIT, spends or will spend a significant amount of time and attention on the affairs and business of the REIT or a Subsidiary of the REIT;

and includes

- (d) for an individual Consultant, a corporation of which the individual Consultant is an employee or shareholder, and a partnership of which the individual Consultant is an employee or partner; and
- (e) for a Consultant that is not an individual, an employee, executive officer, trustee or director of the Consultant, provided that the individual employee, executive officer, trustee or director spends or will spend a significant amount of time and attention on the affairs and business of the REIT or a Subsidiary of the REIT.

“Control” means:

- (a) when applied to the relationship between a Person and another Person, the beneficial ownership by that first Person, directly or indirectly, of voting securities or other interests in such second Person entitling the holder to exercise control and direction in fact over the activities of such second Person, including by way of electing a majority of the members of the board of the second Person; and
- (b) notwithstanding the foregoing, when applied to the relationship between a Person and a partnership, limited partnership or joint venture, means the contractual right to direct the affairs of the partnership, limited partnership or joint venture; and

the words **“Controlled by”**, **“Controlling”** and similar words have corresponding meanings; provided that a Person who Controls a second Person will be deemed to Control a third Person which is Controlled by such second Person and so on;

“Date of Grant” means, for any Award, the date specified by the Plan Administrator at the time it grants the Award or if no such date is specified, the date upon which the Award was granted;

“Deferred Unit” means a contractual right representing a notional unit equivalent in value to a Unit, credited by means of a bookkeeping entry in the books of the REIT in accordance with Article 7 and for clarity includes an entry in respect of both Trustee Contributed Deferred Units and REIT Contributed Deferred Units;

“Effective Date” means the effective date of this Plan, being December 1, 2020;

“Effective Outstanding Units” means at any particular time, the number of Units that would be outstanding at that time if the then outstanding Exchangeable Units were exchanged for Units, in accordance with their terms, immediately prior to such time;

“Elected Amount” means the amount of the Annual Retainer Fees, as elected by the Non-Employee Trustee, between zero percent (0%) and one hundred percent (100%) of any Annual Retainer Fees that would otherwise be paid in cash, which for greater certainty excludes any portion of the Annual Retainer Fees that is to be payable to Non-Employee Trustees in the form of Deferred Units pursuant to Section 7.1(a);

“Election Notice” has the meaning set forth in Section 7.1(b);

“Employee” means an individual who:

- (a) is considered an employee of the REIT or a Subsidiary of the REIT for purposes of source deductions under applicable tax or social welfare legislation; or
- (b) works full-time or part-time on a regular weekly basis for the REIT or a Subsidiary of the REIT providing services normally provided by an employee and who is subject to the same control and direction by the REIT or a Subsidiary of the REIT over the details and methods of work as an employee of the REIT or such Subsidiary;

“Exchange” means the TSX and any other exchange on which the Units are or may be listed from time to time;

“Exchangeable Units” means securities of any Subsidiary of the REIT which are exchangeable or redeemable, whether subject to conditions or not, for Units, and includes, on the date hereof, Class B Units of Flagship Operating, LLC;

“Exercise Notice” means a notice in writing, signed by a Participant and stating the Participant’s intention to exercise a particular Option;

“Exercise Price” means the price at which an Option Unit may be purchased pursuant to the exercise of an Option;

“Expiry Date” means the expiry date specified in the Award Agreement (which shall not be later than the tenth anniversary of the Date of Grant) or, if not so specified, means the tenth anniversary of the Date of Grant;

“Flagship Operating, LLC” means Flagship Operating, LLC, a Delaware limited liability company;

“Good Reason” mean the occurrence of any one or more of the following events without the Participant’s prior written consent, unless the REIT fully corrects the circumstances constituting Good Reason (provided such circumstances are capable of correction) as provided below:

- (a) there is a material diminution in the Participant’s position (including status, offices, titles and reporting requirements), authority, duties or responsibilities, excluding for this purpose any isolated, insubstantial or inadvertent actions not taken in bad faith and which are remedied by the REIT promptly after receipt of notice thereof given by the Participant;
- (b) the REIT’s reduction of the Participant’s base salary, as the same may be increased from time to time, or the percentage on which any short-term incentive payment is based, as such terms are defined in the Participant’s employment agreement;
- (c) the REIT’s reduction or elimination of benefits granted to the Participant in his or her employment agreement or granted to the Participant during his or her employment;
- (d) a material change in the geographic location of the principal location of the head office of the REIT, which shall, in any event, include only a relocation of such principal location by more than twenty-five (25) miles from its existing location;
- (e) the REIT’s material breach of the employment agreement between the REIT and a Participant; or

(f) any other act or omission that constitutes constructive dismissal at common law (if applicable);

“Insider” has the meaning given to such term in the TSX Company Manual, as such manual may be amended, supplemented or replaced from time to time;

“In-the-Money Amount” has the meaning set forth in Section 4.5(b);

“ISOs” has the meaning set forth in Section 11.1;

“Market Price” at any date in respect of the Units shall be the volume weighted average closing price of the Units on the TSX, for the five (5) trading days immediately preceding such date (or, if such Units are not then listed and posted for trading on the TSX, on such stock exchange on which the Units are listed and posted for trading as may be selected for such purpose by the Board); provided that, for so long as the Units are listed and posted for trading on the TSX, the Market Price shall not be less than the market price, as calculated under the policies of the TSX and provided, further, that with respect to an Award made to a U.S. Taxpayer, such Participant and the number of Units subject to such Award shall be identified by the Plan Administrator prior to the start of the applicable five (5) trading day period. In the event that such Units are not listed and posted for trading on any Exchange, the Market Price shall be the fair market value of such Units as determined by the Board in its sole discretion and, with respect to an Award made to a U.S. Taxpayer, in accordance with Section 409A of the Code;

“Non-Employee Trustee” means a Trustee who is not an officer or Employee of the REIT or any Subsidiary of the REIT;

“Option” means a right to purchase Units in accordance with Article 4 of this Plan;

“Option Units” means Units issuable by the REIT upon the exercise of outstanding Options;

“Participant” means (a) Trustees, (b) Employees and Consultants, and (b) directors, managers and officers of Subsidiaries of the REIT.

“Performance Goals” means performance goals expressed in terms of attaining a specified level of the particular criteria or the attainment of a percentage increase or decrease in the particular criteria, and may be applied to one or more of the REIT, a Subsidiary of the REIT, a division of the REIT or a Subsidiary of the REIT, or an individual, or may be applied to the performance of the REIT or a Subsidiary of the REIT relative to a market index, a group of other companies or a combination thereof, or on any other basis, all as determined by the Plan Administrator in its discretion;

“Performance Unit” means a contractual right representing a notional unit equivalent in value to a Unit, credited by means of a bookkeeping entry in the books of the REIT in accordance with Article 6 of this Plan;

“Person” means an individual, corporation, company, cooperative, sole proprietorship, partnership, limited partnership, limited liability partnership, joint venture, venture capital fund, limited liability company, unlimited liability company, trust, trustee, executor, administrator, legal personal representative, estate, unincorporated association, organization or syndicate, entity with juridical personality or governmental authority or body, or other entity, whether or not having legal status, however designated or constituted, and pronouns which refer to a Person shall have a similarly extended meaning;

“**Plan**” means this Omnibus Equity Incentive Plan, as may be amended from time to time;

“**Plan Administrator**” means the Board or, to the extent that the administration of this Plan has been delegated by the Board to the Committee pursuant to Section 3.2, the Committee;

“**REIT**” means Flagship Communities Real Estate Investment Trust;

“**REIT Contributed Deferred Units**” has the meaning set forth in Section 7.3(a);

“**Restricted Unit**” means a contractual right representing a notional unit equivalent in value to a Unit, credited by means of a bookkeeping entry in the books of the REIT in accordance with Article 5;

“**Section 409A of the Code**” means Section 409A of the Code and all regulations, guidance, compliance programs, and other interpretive authority issued thereunder;

“**Securities Laws**” means securities legislation, securities regulation and securities rules, as amended, and the written policies, notices, instruments and blanket orders in force from time to time that govern or are applicable to the REIT or to which it is subject and the applicable rules of the Exchange;

“**Security Based Compensation Arrangement**” means an option, option plan, security based appreciation right, employee unit purchase plan, restricted, performance of deferred unit plan, long-term incentive plan or any other compensation or incentive mechanism, in each case, involving the issuance or potential issuance of Units to one or more directors, Trustees or officers of the REIT or any Subsidiary, current or past full-time or part-time Employees of the REIT or any Subsidiary, Insiders or Consultants of the REIT or any Subsidiary of the REIT including a Unit purchase from treasury by one or more Trustees, officers, directors or officers of any Subsidiary, current or past full-time or part-time Employees of the REIT or any Subsidiary, Insiders or service providers or Consultants of the REIT or any Subsidiary which is financially assisted by the REIT or any Subsidiary by way of a loan, guarantee or otherwise;

“**Separation from Service**” has the meaning given to such phrase in United States Treasury Regulation § 1.409A-1(h);

“**Subsidiary**” means, in respect of a Person, another Person that is Controlled directly or indirectly by such Person and includes a Subsidiary of that Subsidiary;

“**Tax Act**” has the meaning set forth in Section 4.5(d);

“**Termination Date**” means the date that a Participant ceases to provide services to, or otherwise ceases its relationship with, the REIT or any Subsidiary of the REIT on a permanent basis, for any reason (including, without limitation by reason of termination for Cause, termination without Cause, resignation with Good Reason or resignation without Good Reason), without regard to any applicable period of notice, payment in lieu of notice, severance pay, or similar compensation and/or benefits to which the Participant may then be entitled, subject only to the express minimum requirements of applicable employment or labour standards legislation (if applicable);

“**Trustee**” means a trustee of the REIT;

“**Trustee Contributed Deferred Units**” has the meaning set forth in Section 7.3(a);

“**TSX**” means the Toronto Stock Exchange;

“**Unit**” means one trust unit in the capital of the REIT;

“**U.S.**” means the United States of America; and

“**U.S. Taxpayer**” shall mean a Participant who, with respect to an Award, is subject to taxation under the applicable U.S. tax laws.

2.2 Interpretation

- (a) Whenever the Plan Administrator exercises discretion in the administration of this Plan, the term “discretion” means the sole and absolute discretion of the Plan Administrator.
- (b) As used herein, the terms “Article”, “Section”, “Subsection” and “clause” mean and refer to the specified Article, Section, Subsection and clause of this Plan, respectively.
- (c) Words importing the singular include the plural and vice versa and words importing any gender include any other gender.
- (d) Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period begins, including the day on which the period ends, and abridging the period to the immediately preceding Business Day in the event that the last day of the period is not a Business Day. In the event an action is required to be taken or a payment is required to be made on a day which is not a Business Day such action shall be taken or such payment shall be made by the immediately preceding Business Day.
- (e) Unless otherwise specified, all references to money amounts are to Canadian currency.
- (f) The headings used herein are for convenience only and are not to affect the interpretation of this Plan.

ARTICLE 3 ADMINISTRATION

3.1 Administration

This Plan will be administered by the Plan Administrator and the Plan Administrator has sole and complete authority, in its discretion, to:

- (a) determine the eligibility for Awards to be granted and the individuals to whom grants of Awards under the Plan may be made;
- (b) make grants of Awards under the Plan, whether relating to the issuance of Units or otherwise (including any combination of Options, Restricted Units, Performance Units or Deferred Units), in such amounts, to such Persons and, subject to the provisions of this Plan, on such terms and conditions as it determines including without limitation:
 - (i) the time or times at which Awards may be granted;
 - (ii) the conditions under which:

- (A) Awards may be granted to Participants; or
 - (B) Awards may be forfeited to the REIT,
including any conditions relating to the attainment of specified Performance Goals;
 - (iii) the number of Units to be covered by any Award;
 - (iv) the price, if any, to be paid by a Participant in connection with the purchase of Units covered by any Awards;
 - (v) whether restrictions or limitations are to be imposed on the Units issuable pursuant to grants of any Award, and the nature of such restrictions or limitations, if any; and
 - (vi) any acceleration of exercisability or vesting, or waiver of termination regarding any Award, based on such factors as the Plan Administrator may determine;
- (c) establish the form or forms of Award Agreements;
 - (d) cancel, amend, adjust or otherwise change the type of or the terms and conditions of any Award under such circumstances as the Plan Administrator may consider appropriate in accordance with the provisions of this Plan;
 - (e) construe and interpret this Plan and all Award Agreements;
 - (f) adopt, amend, prescribe and rescind administrative guidelines and other rules and regulations relating to this Plan, including rules and regulations relating to sub-plans established for the purpose of satisfying applicable foreign laws or for qualifying for favorable tax treatment under applicable laws; and
 - (g) make all other determinations and take all other actions necessary or advisable for the implementation and administration of this Plan.

3.2 Delegation to Committee

- (a) The initial Plan Administrator shall be the Board.
- (b) To the extent permitted by applicable law, the Board may, from time to time, delegate to the Committee all or any of the powers conferred on the Plan Administrator pursuant to this Plan. In such event, the Committee will exercise the powers delegated to it in the manner and on the terms authorized by the delegating party.

3.3 Determinations Binding

Except as may be otherwise set forth in any written employment agreement, Award Agreement or other written agreement between the REIT or a Subsidiary of the REIT and the Participant, any decision made or action taken by the Board, the Committee or any sub-delegate to whom authority has been delegated pursuant to Section 3.2 arising out of or in connection with the administration or interpretation of this Plan is final, conclusive and binding on the REIT and all Subsidiaries of the REIT, the affected Participant(s), their respective legal and personal representatives and all other Persons.

3.4 Eligibility

All Participants are eligible to participate in the Plan, subject to Section 9.1(b). Participation in the Plan is voluntary and eligibility to participate does not confer upon any Participant any right to receive any grant of an Award pursuant to the Plan. The extent to which any Participant is entitled to receive a grant of an Award pursuant to the Plan will be determined in the discretion of the Plan Administrator.

3.5 Plan Administrator Requirements

Any Award granted under this Plan shall be subject to the requirement that, if at any time the REIT shall determine that the listing, registration or qualification of the Units issuable pursuant to such Award upon any securities exchange or under any Securities Laws of any jurisdiction, or the consent or approval of the Exchange and any securities commissions or similar securities regulatory bodies having jurisdiction over the REIT is necessary as a condition of, or in connection with, the grant or exercise of such Award or the issuance or purchase of Units thereunder, such Award may not be accepted or exercised, as applicable, in whole or in part unless such listing, registration, qualification, consent or approval shall have been effected or obtained on conditions acceptable to the Plan Administrator. Nothing herein shall be deemed to require the REIT to apply for or to obtain such listing, registration, qualification, consent or approval. Participants shall, to the extent applicable, cooperate with the REIT in complying with such legislation, rules, regulations and policies.

3.6 Total Units Subject to Awards

- (a) The maximum number of Units issuable under the Plan and any other Security Based Compensation Plan shall not exceed ten percent (10%) of the number of issued and outstanding Units from time to time and, at all times, the REIT will reserve and keep available a sufficient number of Units to satisfy the requirements of all outstanding Awards granted under this Plan.
- (b) For greater certainty, the Plan is an evergreen plan in that Units covered by Awards exercised, settled, surrendered, terminated, expired or cancelled, in whole or in part, shall be available for issuance pursuant to the exercise or settlement of Awards subsequently granted under this Plan and the number of Units available for grants of Awards increases as the number of issued and outstanding Units increases.

3.7 Limits on Grants of Awards

Notwithstanding anything in this Plan:

- (a) the aggregate number of Units:
 - (i) issuable to Insiders at any time pursuant to Security Based Compensation Arrangements, shall not exceed ten percent (10%) of the number of issued and outstanding Units; and
 - (ii) issued to Insiders within any one (1) year period, under all Security Based Compensation Arrangements shall not exceed ten percent (10%) of the number of issued and outstanding Units, provided that the acquisition of Units by the REIT for cancellation shall not constitute non-compliance with this Section 3.7 for any Awards outstanding prior to such purchase of Units for cancellation; and

- (b) 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, shall not exceed five percent (5.0%) of the Effective Outstanding Units;
- (c) the aggregate fair value on the Date of Grant of all Deferred Units granted to any one Non-Employee Trustee pursuant to Section 7.1(h) (or in respect thereof under Section 8.1) and grants under all other Security Based Compensation Arrangements made other than in lieu of cash fees shall not exceed \$150,000 per calendar year; and
- (d) the aggregate number of Units reserved for issuance to all Non-Employee Trustees pursuant to Section 7.1(h) (or in respect thereof under Section 8.1) and grants under all other Security Based Compensation Arrangements made other than in lieu of cash fees shall not exceed one percent (1.0%) of the Effective Outstanding Units.

3.8 Award Agreements

An Award under this Plan may be evidenced by an Award Agreement. Each Award Agreement will be subject to the applicable provisions of this Plan and will contain such provisions as are required by this Plan and any other provisions that the Plan Administrator may direct. Any one officer of the REIT is authorized and empowered to execute and deliver, for and on behalf of the REIT, any Award Agreement to a Participant granted an Award pursuant to this Plan.

3.9 Non-transferability of Awards

Except to the extent that certain rights may pass to a beneficiary or legal representative upon death of a Participant by will or as required by law, no assignment or transfer of Awards, whether voluntary, involuntary, by operation of law or otherwise, vests any interest or right in such Awards or under this Plan whatsoever in any assignee or transferee and immediately upon any assignment or transfer, or any attempt to make the same, such Awards will terminate and be of no further force or effect.

ARTICLE 4 OPTIONS

4.1 Granting of Options

The Plan Administrator may, from time to time, subject to the provisions of this Plan and such other terms and conditions as the Plan Administrator may prescribe, grant Options to any Participant, other than Non-Employee Trustees. The terms and conditions of each Option grant shall be evidenced by an Award Agreement.

4.2 Exercise Price

The Plan Administrator will establish the Exercise Price at the time each Option is granted, which Exercise Price must in all cases be not less than the Market Price on the Date of Grant.

4.3 Term of Options

Subject to any accelerated termination as set forth in this Plan, each Option expires on its Expiry Date.

4.4 Vesting and Exercisability

- (a) The Plan Administrator shall have the authority to determine the vesting terms applicable to grants of Options. The vesting schedule any Options granted pursuant to this Plan shall be stated in the Award Agreement for such Options.
- (b) Once an Option becomes vested, it shall remain vested and shall be exercisable until expiration or termination of the Option, unless otherwise specified by the Plan Administrator, or as may be otherwise set forth in any written employment agreement, Award Agreement or other written agreement between the REIT or a Subsidiary of the REIT and the Participant. Each vested Option may be exercised at any time or from time to time for up to the total number of Option Units with respect to which it is then exercisable. The Plan Administrator has the right to accelerate the date upon which any instalment of any Option becomes exercisable.
- (c) Subject to the provisions of this Plan and any Award Agreement, Options shall be exercised by means of a fully completed Exercise Notice delivered to the REIT.
- (d) The Plan Administrator may provide at the time of granting an Option that the exercise of that Option is subject to restrictions, in addition to those specified in this Section 4.4, such as vesting conditions relating to the attainment of specified Performance Goals.

4.5 Payment of Exercise Price

- (a) Unless otherwise specified by the Plan Administrator at the time of granting an Option and set forth in the particular Award Agreement, the Exercise Notice must be accompanied by payment of the Exercise Price. The Exercise Price must be fully paid by certified cheque, bank draft or money order payable to the REIT in an amount equal to the aggregate Exercise Price of the Units to be purchased, or by such other means as might be specified from time to time by the Plan Administrator, which may include (i) through an arrangement with a broker approved by the REIT (or through an arrangement directly with the REIT) whereby payment of the Exercise Price is accomplished with the proceeds of the sale of Units deliverable upon the exercise of the Option, (ii) through the Cashless Exercise process set out in Section (b), or (iii) such other consideration and method of payment for the issuance of Units to the extent permitted by the Securities Laws, or any combination of the foregoing methods of payment.
- (b) A Participant may, in lieu of exercising an Option pursuant to an Exercise Notice, elect to surrender such Option to the REIT (a "**Cashless Exercise**") in consideration for an amount from the REIT equal to (i) the Market Price of the Units issuable on the exercise of such Option (or portion thereof) as of the date such Option (or portion thereof) is exercised, less (ii) the aggregate Exercise Price of the Option (or portion thereof) surrendered relating to such Units, (the "**In-the-Money Amount**") by written notice to the REIT indicating the number of Options such Participant wishes to exercise using the Cashless Exercise, and such other information that the REIT may require. Subject to Section 8.3, the REIT shall satisfy payment of the In-the-Money Amount by delivering to the Participant such number of Units (rounded down to the nearest whole number) having a fair market value equal to the In-the-Money Amount.
- (c) No Units will be issued or transferred until full payment therefor has been received by the REIT.

- (d) If a Participant exercises Options through the Cashless Exercise process set out in Section 4.5(b), to the extent that such Participant would be entitled to a deduction under paragraph 110(1)(d) of the *Income Tax Act* (Canada) (the "Tax Act") in respect of such exercise if the election described in subsection 110(1.1) of the Tax Act were made and filed (and the other procedures described therein were undertaken) on a timely basis after such exercise, the REIT will cause such election to be so made and filed (and such other procedures to be so undertaken).

ARTICLE 5 RESTRICTED UNITS

5.1 Granting of Restricted Units

- (a) The Plan Administrator may, from time to time, subject to the provisions of this Plan, the terms of a Participant's employment agreement with the REIT or a Subsidiary of the REIT, as the case may be, and such other terms and conditions as the Plan Administrator may prescribe, grant Restricted Units to any Participant, other than Non-Employee Trustees.
- (b) The number of Restricted Units (including fractional Restricted Units) granted at any particular time pursuant to this Article 5 will be calculated by dividing (i) the amount of any compensation that is to be paid in Restricted Units, as determined by the Plan Administrator, by (ii) the Market Price of a Unit on the Date of Grant.

5.2 Restricted Unit Account

All Restricted Units received by a Participant shall be credited to an account maintained for the Participant on the books of the REIT, as of the Date of Grant.

5.3 Vesting of Restricted Units

The Plan Administrator shall have the authority to determine any vesting terms applicable to the grant of Restricted Units, provided that unless otherwise determined by the Plan Administrator or as set out in any Award Agreement, no Restricted Unit shall vest later than three (3) years after the Date of Grant.

5.4 Settlement of Restricted Units

- (a) The Plan Administrator shall have the sole authority to determine the settlement terms applicable to the grant of Restricted Units. Subject to Section 11.6(d) below and except as otherwise provided in an Award Agreement, on the settlement date for any Restricted Units, the Participant shall redeem each vested Restricted Unit for:
 - (i) one fully paid and non-assessable Unit issued from treasury to the Participant or as the Participant may direct, or
 - (ii) if so elected by the Participant, a cash payment, subject to the approval of the Plan Administrator, or
 - (iii) a combination of Units and cash as contemplated by paragraphs (i) and (ii) above, in each case as determined by the Plan Administrator in its discretion.

- (b) Any cash payments made under this Section 5.4 by the REIT to a Participant in respect of Restricted Units to be redeemed for cash shall be calculated by multiplying the number of Restricted Units to be redeemed for cash by the Market Price per Unit as at the settlement date.
- (c) Payment of cash to Participants on the redemption of vested Restricted Units may be made through the REIT's payroll in the pay period that the settlement date falls within.
- (d) Subject to Section 11.6(d) below and except as otherwise provided in an Award Agreement, no settlement date for any Restricted Unit shall occur, and no Unit shall be issued or cash payment shall be made in respect of any Restricted Unit, under this Section 5.4 any later than the final Business Day of the third (3rd) calendar year following the year in which the Restricted Unit is granted.

ARTICLE 6 PERFORMANCE UNITS

6.1 Granting of Performance Units

- (a) The Plan Administrator may, from time to time, subject to the provisions of this Plan, the terms of a Participant's employment agreement with the REIT or a Subsidiary of the REIT, as the case may be, and such other terms and conditions as the Plan Administrator may prescribe, grant Performance Units to any Participant, other than Non-Employee Trustees.
- (b) Each Performance Unit will consist of a right to receive a Unit, cash payment, or a combination thereof (as provided in Section 6.6(a)), upon the achievement of such Performance Goals during such performance periods as the Plan Administrator shall establish.
- (c) The number of Performance Units (including fractional Performance Units) granted at any particular time pursuant to this Article 6 will be calculated by dividing (i) the amount of any compensation that is to be paid in Performance Units, as determined by the Plan Administrator, by (ii) the Market Price of a Unit on the Date of Grant.

6.2 Terms of Performance Units

The Performance Goals to be achieved during any performance period, the length of any performance period, the number of Performance Units granted, the treatment of Performance Units upon termination of a Participant's employment, engagement or relationship with the REIT or a Subsidiary of the REIT, and the amount of any payment or transfer to be made pursuant to any Performance Unit will be determined by the Plan Administrator and by the other terms and conditions of any Performance Unit, all as set forth in the applicable Award Agreement.

6.3 Performance Goals

The Plan Administrator will issue Performance Goals prior to the Date of Grant to which such Performance Goals pertain. The Performance Goals may be based upon the achievement of corporate, divisional or individual goals, and may be applied relative to performance relative to an index or comparator group, or on any other basis determined by the Plan Administrator. The Plan Administrator may modify the Performance Goals as necessary to align them with the REIT's corporate objectives, subject to any limitations set forth in an Award Agreement or an employment or other agreement with a Participant. The Performance Goals may include a threshold level of performance below which no

payment will be made (or no vesting will occur), levels of performance at which specified payments will be made (or specified vesting will occur), and a maximum level of performance above which no additional payment will be made (or at which maximum vesting will occur), all as set forth in the applicable Award Agreement.

6.4 Performance Unit Account

All Performance Units received by a Participant shall be credited to an account maintained for the Participant on the books of the REIT, as of the Date of Grant.

6.5 Vesting of Performance Units

The Plan Administrator shall have the authority to determine any vesting terms, including the timing of vesting, applicable to the grant of Performance Units. Vesting of Performance Units shall be subject to and dependent on the achievement of the Performance Goals as determined by the Plan Administrator and as set forth in the applicable Award Agreement.

6.6 Settlement of Performance Units

- (a) The Plan Administrator shall have the authority to determine the settlement terms applicable to the grant of Performance Units. Subject to Section 11.6(d) below and except as otherwise provided in an Award Agreement, on the settlement date for any Performance Unit, the Participant shall redeem each vested Performance Unit for:
 - (i) one fully paid and non-assessable Unit issued from treasury to the Participant or as the Participant may direct, or
 - (ii) if so elected by the Participant, a cash payment, subject to the approval of the Plan Administrator, or
 - (iii) a combination of Units and cash as contemplated by paragraphs (i) and (ii) above, in each case as determined by the Plan Administrator in its discretion.
- (b) Any cash payments made under this Section 6.6 by the REIT to a Participant in respect of Performance Units to be redeemed for cash shall be calculated by multiplying the number of Performance Units to be redeemed for cash by the Market Price per Unit as at the settlement date.
- (c) Payment of cash to Participants on the redemption of vested Performance Units may be made through the REIT's payroll in the pay period that the settlement date falls within.
- (d) Subject to Section 11.6(d) below and except as otherwise provided in an Award Agreement, no settlement date for any Performance Unit shall occur, and no Unit shall be issued or cash payment shall be made in respect of any Performance Unit, under this Section 6.6 any later than the final Business Day of the third (3rd) calendar year following the year in which the Performance Unit is granted.

ARTICLE 7 DEFERRED UNITS

7.1 Granting of Deferred Units

- (a) The Board may fix from time to time a portion of the Annual Retainer Fees that is to be payable to Non-Employee Trustees in the form of Deferred Units, provided that any such determination must be made in compliance with applicable Securities Laws by December 31st in the year prior to the year to which such Annual Retainer Fees relate. In addition, each Non-Employee Trustee is given, subject to the conditions stated herein, the right to elect in accordance with Section 7.1(b) to receive Annual Retainer Fees in the form of Deferred Units pursuant to this Article 7 in lieu of cash.
- (b) Subject to Section 7.1(e), each Non-Employee Trustee who elects to receive their Elected Amount in the form of Deferred Units in lieu of cash will be required to file a notice of election in the form of Schedule A hereto (the “**Election Notice**”) with the Chief Financial Officer of the REIT: (i) in the case of an existing Non-Employee Trustee, by December 31st in the year prior to the year to which such election is to apply (other than for Annual Retainer Fees payable for the 2020 financial year, in which case any Non-Employee Trustee who is not a U.S. Taxpayer as of the date of this Plan shall file the Election Notice by the date that is thirty (30) days from the Effective Date with respect to compensation paid for services to be performed after such date); and (ii) in the case of a newly appointed Non-Employee Trustee who is not a U.S. Taxpayer, within thirty (30) days of such appointment with respect to compensation paid for services to be performed after such date. In the case of an existing Non-Employee Trustee who is a U.S. Taxpayer as of the Effective Date, an initial Election Notice may be filed by the date that is thirty (30) days from the Effective Date only with respect to compensation paid for services to be performed after the date of the initial Election Notice; and, in the case of a newly appointed Non-Employee Trustee who is a U.S. Taxpayer, an Election Notice may be filed within thirty (30) days of such appointment only with respect to compensation paid for services to be performed after the date of the initial Election Notice. If no election is made within the foregoing time frames, the Non-Employee Trustee shall be deemed to have elected to be paid the entire amount of his or her Annual Retainer Fees in cash.
- (c) Subject to Sections 7.1(d) and 7.1(e), the election of a Non-Employee Trustee under Section 7.1(b) shall be deemed to apply to all Annual Retainer Fees paid subsequent to the filing of the Election Notice, and such Non-Employee Trustee is not required to file another Election Notice for subsequent calendar years
- (d) Subject to Section 7.1(e), each Non-Employee Trustee who is not a U.S. Taxpayer is entitled once per calendar year to terminate his or her election to receive Deferred Units in lieu of cash by filing with the Chief Financial Officer of the REIT a notice in the form of Schedule B hereto. Such termination shall be effective immediately upon receipt of such notice. Thereafter, any portion of such Electing Person’s Annual Retainer Fees payable or paid in the same calendar year and, subject to complying with Section 7.1(b), all subsequent calendar years shall be paid in cash. For greater certainty, to the extent a Non-Employee Trustee terminates his or her participation in the grant of Deferred Units pursuant to this Article 7, he or she shall not be entitled to elect to receive the Elected Amount, or any other amount of his or her Annual Retainer Fees in Deferred Units in lieu of cash again until the calendar year following the year in which the termination notice is delivered. An election by a U.S. Taxpayer to receive the Elected Amount in Deferred Units in lieu of cash for any calendar year is irrevocable for that calendar year after the expiration

of the election period for that year and any termination of the election will not take effect until the first (1st) day of the calendar year following the calendar year in which the termination notice in the form of Schedule C is delivered.

- (e) Notwithstanding any of the foregoing provisions of this Article 7, the REIT shall not effect any election to receive their Elected Amount in the form of Deferred Units in lieu of cash or any termination of such election (and shall notify any applicable Non-Employee Trustee of such determination) where the Board does not believe such action is appropriate having regard for any material information to which the Board may be privy that has not been publicly disclosed.
- (f) Any Deferred Unit granted pursuant to this Article 7 prior to the delivery of a termination notice pursuant to Section 7.1(d) shall remain in the Plan following such termination and will be redeemable only in accordance with the terms of the Plan.
- (g) The number of Deferred Units (including fractional Deferred Units) granted at any particular time pursuant to this Article 7 will be calculated by dividing (i) the Elected Amount, by (ii) the Market Price of a Unit on the Date of Grant.
- (h) In addition to the foregoing, subject to Sections 3.7(b) and 3.7(d), the Plan Administrator may, from time to time, subject to the provisions of this Plan and such other terms and conditions as the Plan Administrator may prescribe, grant Deferred Units to any Participant.

7.2 Deferred Unit Account

All Deferred Units received by a Participant shall be credited to an account maintained for the Participant on the books of the REIT, as of the Date of Grant.

7.3 Vesting of Deferred Units

- (a) Except as otherwise determined by the Plan Administrator, Deferred Units granted further to the Elected Amount ("**Trustee Contributed Deferred Units**") and Deferred Units otherwise granted pursuant to Section 7.1(h) (collectively, "**REIT Contributed Deferred Units**") shall vest immediately upon grant.
- (b) Notwithstanding the foregoing or anything else herein contained the Board shall have the discretion to provide for the vesting of Deferred Units granted hereunder in a manner different from the foregoing.

7.4 Settlement of Deferred Units

- (a) Deferred Units shall be settled on the date established in the Award Agreement (if applicable). If there is no Award Agreement or the Award Agreement does not establish a date for the settlement of the Deferred Units, then the settlement date shall be the date of Separation from Service, subject to the delay that may be required under Section 11.6(d) below. Notwithstanding the foregoing, for Canadian Participants, Deferred Units shall only be settled after the Participant's Termination Date and settlement shall occur before December 31st of the year following the Participant's Termination Date. Subject to Section 11.6(d) below, on the settlement date for any Deferred Unit, the Participant shall redeem each vested Deferred Unit for:

- (i) one fully paid and non-assessable Unit issued from treasury to the Participant or as the Participant may direct; or
 - (ii) if so elected by the Participant, a cash payment, subject to the approval of the Plan Administrator, or
 - (iii) a combination of Units and cash as contemplated by paragraphs (i) and (ii) above, in each case as determined by the Plan Administrator in its discretion.
- (b) Any cash payments made under this Section 7.4 by the REIT to a Participant in respect of Deferred Units to be redeemed for cash shall be calculated by multiplying the number of Deferred Units to be redeemed for cash by the Market Price per Unit as at the settlement date.
- (c) Payment of cash to Participants on the redemption of vested Deferred Units may be made through the REIT's payroll in the pay period that the settlement date falls within.

ARTICLE 8 ADDITIONAL AWARD TERMS

8.1 Distribution Equivalents

- (a) Unless otherwise determined by the Plan Administrator and set forth in the particular Award Agreement, Restricted Units, Performance Units and Deferred Units shall be credited with distribution equivalents in the form of additional Restricted Units, Performance Units and Deferred Units, respectively, as of each distribution payment date in respect of which normal cash distributions are paid on Units. Such distribution equivalents shall be computed by dividing: (a) the amount obtained by multiplying the amount of the distribution declared and paid per Unit by the number of Restricted Units, Performance Units and Deferred Units (in each case, vested and unvested), as applicable, held by the Participant on the record date for the payment of such distribution, by (b) the Market Price at the close of the first (1st) Business Day immediately following the distribution payment date, with fractions computed to three decimal places. Distribution equivalents credited to a Participant's accounts shall vest on the same schedule as the Restricted Units, Performance Units and Deferred Units to which they relate, and shall be settled in accordance with Sections 5.4, 6.6 and 7.4, respectively.
- (b) The foregoing does not obligate the REIT to declare or pay distributions on Units and nothing in this Plan shall be interpreted as creating such an obligation.

8.2 Blackout Period

If an Award expires during, or within ten (10) Business Days after, a routine or special trading black-out period imposed by the REIT to restrict trades in the REIT's securities, then, notwithstanding any other provision of this Plan, unless the delayed expiration would result in tax penalties, the Award shall expire ten (10) Business Days after the trading black-out period is lifted by the REIT.

8.3 Withholding Taxes

Notwithstanding any other terms of this Plan, the granting, modification, vesting or settlement of each Award under this Plan is subject to the condition that if at any time the Plan Administrator determines, in

its discretion, that the satisfaction of withholding tax or other withholding liabilities is necessary or desirable in respect of such grant, modification, vesting or settlement, such action is not effective unless such withholding has been effected to the satisfaction of the Plan Administrator. In such circumstances, the Plan Administrator may require that a Participant pay to the REIT the minimum amount as the REIT or an Affiliate of the REIT is obliged to withhold or remit to the relevant taxing authority in respect of the granting, vesting or settlement of the Award. Any such additional payment is due no later than the date on which such amount with respect to the Award is required to be remitted to the relevant tax authority by the REIT or an Affiliate of the REIT, as the case may be. Alternatively, and subject to any requirements or limitations under applicable law, the REIT may (a) withhold such amount from any remuneration or other amount payable by the REIT or any Affiliate to the Participant, (b) require the sale of a number of Units issued upon exercise, vesting, or settlement of such Award and the remittance to the REIT of the net proceeds from such sale sufficient to satisfy such amount, or (c) enter into any other suitable arrangements for the receipt of such amount.

8.4 Recoupment

Notwithstanding any other terms of this Plan, Awards may be subject to potential cancellation, recoupment, rescission, payback or other action in accordance with the terms of any clawback, recoupment or similar policy adopted by the REIT or the relevant Subsidiary of the REIT and in effect at the Date of Grant of the Award, or as set out in the Participant's employment agreement, Award Agreement or other written agreement, or as otherwise required by law or the rules of the Exchange. The Plan Administrator may at any time waive the application of this Section 8.4 to any Participant or category of Participants.

ARTICLE 9 TERMINATION OF EMPLOYMENT OR SERVICES

9.1 Termination of Employment, Services or Trustee

Subject to Section 9.2, unless otherwise determined by the Plan Administrator or as set forth in an employment agreement, Award Agreement or other written agreement:

- (a) all Awards held by Participants (whether vested or unvested) shall expire and immediately terminate automatically on the Termination Date 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, provided, however, that:
 - (i) any vested Options shall be exercisable by the Participant until the earlier of (i) the date that is twelve (12) months after the Termination Date and (ii) the Expiry Date of such Options. Any vested Options that are not exercised in accordance with this Section 9.1(a)(i) shall terminate and expire 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;
 - (ii) any vested Restricted Units, Performance Units and Deferred Units shall be permitted to be settled in accordance with Sections 5.4, 6.6 and 7.4, as applicable, provided that if such Restricted Units, Performance Units or Deferred Units are not settled within thirty (30) days from the Termination Date, subject to the delay that may be required under Section 11.6(d) below, such Restricted Units, Performance Units or Deferred Units shall be settled for Units on such date without any action required on the part of the Participant;

- (b) a Participant's eligibility to receive further grants of Awards under this Plan ceases as of the Participant's Termination Date.
- (c) unless the Plan Administrator, in its discretion, otherwise determines, at any time and from time to time, Awards are not affected by a change of employment or consulting agreement or arrangement, or trusteeship within or among the REIT or a Subsidiary of the REIT for so long as the Participant continues to be a Trustee, Employee or Consultant, as applicable, of the REIT or a Subsidiary of the REIT.

9.2 Discretion to Permit Acceleration

Notwithstanding the provisions of Section 9.1, the Plan Administrator may, in its discretion, at any time prior to, or following the events contemplated in such Section, or in an employment agreement, Award Agreement or other written agreement between the REIT or a Subsidiary of the REIT and the Participant, permit the acceleration of vesting of any or all Awards or waive termination of any or all Awards, all in the manner and on the terms as may be authorized by the Plan Administrator.

9.3 Participants' Entitlement

Except as otherwise provided in this Plan, Awards previously granted under this Plan are not affected by any change in the relationship between, or ownership of, the REIT and an Affiliate of the REIT. For greater certainty, all grants of Awards remain outstanding and are not affected by reason only that, at any time, an Affiliate of the REIT ceases to be an Affiliate of the REIT.

ARTICLE 10 EVENTS AFFECTING THE REIT

10.1 General

The existence of any Awards does not affect in any way the right or power of the REIT or its unitholders to make, authorize or determine any adjustment, recapitalization, reorganization or any other change in the REIT's capital structure or its business, or any amalgamation, combination, arrangement, merger or consolidation involving the REIT, to create or issue any bonds, debentures, Units or other securities of the REIT or to determine the rights and conditions attaching thereto, to effect the dissolution or liquidation of the REIT or any sale or transfer of all or any part of its assets or business, or to effect any other corporate act or proceeding, whether of a similar character or otherwise, whether or not any such action referred to in this Article 10 would have an adverse effect on this Plan or on any Award granted hereunder.

10.2 Change in Control

Except as may be set forth in an employment agreement, Award Agreement or other written agreement between the REIT or a Subsidiary of the REIT and the Participant:

- (a) Notwithstanding anything else in this Plan, the Plan Administrator may, without the consent of any Participant, take such steps as it deems necessary or desirable, 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 Plan, including to cause (i) the conversion or exchange of any outstanding Awards into or for, rights or other securities of substantially equivalent value (or greater value), as determined by the Plan Administrator in its discretion, in any entity participating in or resulting from a Change in Control (provided that for any Participant that is a resident of Canada for the purposes of the Tax Act, any such securities will be shares of a corporation or units of a "mutual fund trust" (for

the purposes of the Tax Act) and any such rights will be rights to acquire shares of a corporation or units of a “mutual fund trust”, in any case of an entity that does not deal at arm’s length with the REIT (for the purposes of the Tax Act) at the time such shares, units or rights are issued or granted); (ii) outstanding Awards to vest and become exercisable, realizable, or payable, or restrictions applicable to an Award to lapse, in whole or in part prior to or upon consummation of such Change in Control, and, to the extent the Plan Administrator determines, terminate upon or immediately prior to the effectiveness of such Change in Control; or (iii) any combination of the foregoing. In taking any of the actions permitted under this Section 10.2(a), the Plan Administrator will not be required to treat all Awards similarly in the transaction. For greater certainty, the Plan Administrator cannot cause any Participant that is a resident of Canada for the purposes of the Tax Act to receive anything other than a shares of a corporation or units of a “mutual fund trust”, or rights to acquire such shares or units, in any case of an entity that does not deal at arm’s length with the REIT (for the purposes of the Tax Act) at the time such shares, units or rights are issued or granted.

- (b) Notwithstanding Section 9.1, and except as otherwise provided in an employment agreement, consulting agreement or arrangement, or other written agreement between the REIT or a Subsidiary of the REIT and a Participant, if within twelve (12) months following the completion of a transaction resulting in a Change in Control, a Participant’s employment, consulting agreement or arrangement is terminated by the REIT or a Subsidiary of the REIT without Cause or the Participant resigns with Good Reason, without any action by the Plan Administrator, the vesting of all Awards held by such Employee shall immediately accelerate and be settled (based on the Performance Goals achieved up to the Termination Date in respect of the Performance Units), and all Options shall immediately vest and be exercisable notwithstanding Section 4.4 until the earlier of: (i) twelve (12) month after the Expiry Date of such Award; and (ii) the date that is twelve (12) months after the Termination Date.
- (c) If an interpretation of this Agreement might result in the imposition of an additional tax or penalty or the acceleration of income under Section 409A of the Code, then this Agreement shall be applied and interpreted in a manner to avoid any such additional tax, penalty, or acceleration of income under Section 409A of the Code.

10.3 Reorganization of REIT’s Capital

Should the REIT effect a subdivision or consolidation of Units or any similar capital reorganization or a payment of a Unit distribution (other than a Unit distribution that is in lieu of a cash distribution), or should any other change be made in the capitalization of the REIT that does not constitute a Change in Control and that would warrant the amendment or replacement of any existing Awards in order to adjust the number of Units that may be acquired on the vesting of outstanding Awards and/or the terms of any Award in order to preserve proportionately the rights and obligations of the Participants holding such Awards, the Plan Administrator will, subject to the prior approval of the Exchange (if required), authorize such steps to be taken, and shall adjust the number of Awards outstanding and Units issuable under this Plan, as it may in its discretion deem appropriate to reflect the event.

10.4 Other Events Affecting the REIT

In the event of an amalgamation, combination, arrangement, merger, liquidation, dissolution or other transaction or reorganization involving the REIT and occurring by exchange of Units, by sale or lease of assets or otherwise, that does not constitute a Change in Control and that would warrant the amendment or replacement of any existing Awards in order to adjust the number of Units that may be acquired on the

vesting of outstanding Awards and/or the terms of any Award in order to preserve proportionately the rights and obligations of the Participants holding such Awards, the Plan Administrator will, subject to the prior approval of the Exchange (if required), authorize such steps to be taken and shall adjust the number of Awards outstanding and Units issuable under this Plan, as it may in its discretion deem appropriate to reflect the event.

10.5 Immediate Acceleration of Awards

In taking any of the steps provided in Sections 10.3 and 10.4, the Plan Administrator will not be required to treat all Awards similarly and where the Plan Administrator determines that the steps provided in Sections 10.3 and 10.4 would not preserve proportionately the rights, value and obligations of the Participants holding such Awards in the circumstances or otherwise determines that it is appropriate, the Plan Administrator may, but is not required, to permit the immediate vesting of any unvested Awards.

10.6 Issue by REIT of Additional Units

Except as expressly provided in this Article 10, neither the issue by the REIT of Units or securities convertible into or exchangeable for Units, nor the conversion or exchange of such Units or securities, affects, and no adjustment by reason thereof is to be made with respect to the number of Units that may be acquired as a result of a grant of Awards or other entitlements of the Participants under such Awards.

10.7 Fractions

No fractional Units will be issued pursuant to an Award. Accordingly, (whether as a result of any adjustment under this Article 10, a dividend equivalent or otherwise), a Participant would become entitled to a fractional Unit, the Participant has the right to acquire only the adjusted number of full Units and no payment or other adjustment will be made with respect to the fractional Units, which shall be disregarded.

ARTICLE 11 U.S. TAXPAYERS

11.1 Provisions for U.S. Taxpayers

Awards granted under this Plan to U.S. Taxpayers may be non-qualified stock options or incentive stock options qualifying under Section 422 of the Code ("ISOs"). Each Award shall be designated in the Award Agreement as either an ISO or a non-qualified stock option. The REIT shall not be liable to any Participant or to any other Person if it is determined that an Option intended to be an ISO does not qualify as an ISO at any time or if an Option is determined to constitute "nonqualified deferred compensation" within the meaning of Section 409A of the Code.

11.2 ISOs

Subject to any limitations in Section 3.6, the aggregate number of Units reserved for issuance in respect of granted ISOs shall not exceed 10,000,000 Units, and the terms and conditions of any ISOs granted to a U.S. Taxpayer on the Date of Grant hereunder, including the eligible recipients of ISOs, shall be subject to the provisions of Section 422 of the Code, and the terms, conditions, limitations and administrative procedures established by the Plan Administrator from time to time in accordance with this Plan. At the discretion of the Plan Administrator, ISOs may be granted to any employee of the REIT, or of a "parent corporation" or "subsidiary corporation", as such terms are defined in Sections 424(e) and (f) of the Code, respectively, with respect to the REIT.

11.3 ISO Grants to 10% Unitholders

Notwithstanding anything to the contrary in this Plan, if an ISO is granted to a Person who owns (or is deemed to own pursuant to Section 424(d) of the Code) equity interests representing more than ten percent (10%) of the voting power of all classes of equity interests of the REIT or of a “parent corporation” or “subsidiary corporation”, as such terms are defined in Section 424(e) and (f) of the Code, respectively, with respect to the REIT, on the Date of Grant, the term of the Option shall not exceed five (5) years from the date of grant of such Option and the Exercise Price shall be at least one hundred and ten percent (110%) of the Market Price of the Units subject to the Option.

11.4 \$100,000 Per Year Limitation for ISOs

To the extent the aggregate Market Price as at the Date of Grant of the Units for which ISOs are exercisable for the first time by any Person during any calendar year (under all plans of the REIT and each “parent corporation” and “subsidiary corporation”, as such terms are defined in Section 424(e) and (f) of the Code, respectively, with respect to the REIT) exceeds \$100,000, such excess ISOs shall be treated as non-qualified stock options.

11.5 Disqualifying Dispositions

Each Person awarded an ISO under this Plan shall notify the REIT in writing immediately after the date he or she makes a “disposition” (as such term is defined in Section 424 of the Code) or transfer of any Units acquired pursuant to the exercise of such ISO if such disposition or transfer is made (a) within two (2) years from the Date of Grant of such ISO or (b) within one (1) year after the date such Person acquired the Units. Such notice shall specify the date of such disposition or other transfer and the amount realized, in cash, other property, assumption of indebtedness or other consideration, by the Person in such disposition or other transfer. The REIT may, if determined by the Plan Administrator and in accordance with procedures established by it, retain possession of any Units acquired pursuant to the exercise of an ISO as agent for the applicable Person until the end of the later of the periods described in (a) or (b) above, subject to complying with any instructions from such Person as to the sale of such Units.

11.6 Section 409A of the Code

- (a) This Plan will be construed and interpreted to be exempt from, or where not so exempt, to comply with Section 409A of the Code to the extent required to preserve the intended tax consequences of this Plan. Any payments described in the Plan that are due within the “short-term deferral period” as defined in Section 409A of the Code shall not be treated as deferred compensation unless United States federal law requires otherwise. To the extent that an Award or payment, or the settlement or deferral thereof, is subject to Section 409A of the Code, the Award will be granted, paid, settled or deferred in a manner intended to avoid the imposition of an additional tax or penalty or the acceleration of income under Section 409A of the Code. The REIT reserves the right to amend this Plan, any Award Agreement, or any Award to the extent it reasonably determines is necessary in order to preserve the intended tax consequences of this Plan in light of Section 409A of the Code. Notwithstanding the foregoing, (i) neither the REIT nor the Committee shall have any obligation to take any action to prevent the assessment of any additional tax or penalty on any Participant under Section 409A of the Code or to prevent the acceleration of income under Section 409A of the Code, and (ii) neither the REIT nor any of its Subsidiaries or Affiliates will be liable for any tax, interest or penalties that may be imposed on a Participant under Section 409A of the Code or any other tax or economic consequences that result to a Participant under or in connection with Section 409A of the Code.

- (b) All terms of the Plan that are undefined or ambiguous shall be interpreted and applied in a manner that, to the extent possible, avoids the imposition of tax or penalties or the acceleration of income under Section 409A of the Code.
- (c) The Plan Administrator, in its sole discretion, may permit the acceleration of the time or schedule of payment of a U.S. Taxpayer's vested Awards in the Plan under circumstances that constitute permissible acceleration events under Section 409A of the Code.
- (d) Notwithstanding any provisions of the Plan to the contrary, in the case of any "specified employee" within the meaning of Section 409A of the Code who is a U.S. Taxpayer, distributions or payments of non-qualified deferred compensation under Section 409A of the Code made under the Plan in connection with a Separation from Service may not be made prior to the date which is six (6) months after the date of Separation from Service (or, if earlier, the date of death of the U.S. Taxpayer). Any amounts subject to a delay in payment or disbursement pursuant to the preceding sentence shall be paid as soon practicable following such six (6)-month anniversary of such Separation from Service.

11.7 Section 83(b) Election

If a Participant makes an election pursuant to Section 83(b) of the Code with respect to an Award of Units subject to vesting or other forfeiture conditions, the Participant shall be required to promptly provide a copy of such election with the REIT.

ARTICLE 12 AMENDMENT, SUSPENSION OR TERMINATION OF THE PLAN

12.1 Amendment, Suspension, or Termination of the Plan

The Plan Administrator may from time to time, without notice and without approval of the holders of Units, amend, modify, change, suspend or terminate the Plan or any Awards granted pursuant to the Plan as it, in its discretion, determines appropriate, provided, however, that:

- (a) no such amendment, modification, change, suspension or termination of the Plan or any Awards granted hereunder may materially impair any rights of a Participant or materially increase any obligations of a Participant under the Plan without the consent of the Participant, unless the Plan Administrator determines such adjustment is required or desirable in order to comply with any applicable Securities Laws; and
- (b) any amendment that would cause an Award held by a U.S. Taxpayer be subject to the additional tax penalty under Section 409A(1)(B)(i)(II) of the Code shall be null and void *ab initio* with respect to the U.S. Taxpayer unless the consent of the U.S. Taxpayer is obtained.

12.2 Unitholder Approval

Notwithstanding Section 12.1 and subject to any rules of the Exchange, approval of the holders of the Units shall be required for any amendment, modification or change that:

- (a) increases the number of Units reserved for issuance under the Plan as set forth in Section 3.6(a), except pursuant to the provisions of Article 10;

- (b) increases or removes the ten percent (10%) limits on Units issuable or issued to Insiders as set forth in Section 3.7(a);
- (c) reduces the Exercise Price of an Option (for this purpose, a cancellation or termination of an Option of a Participant prior to its Expiry Date followed by the reissuing an Option to the same Participant with a lower Exercise Price within three (3) months following such termination shall be treated as an amendment to reduce the Exercise Price of an Option) except pursuant to the provisions Article 10;
- (d) extends the term of an Award beyond the original Expiry Date except pursuant to the provisions of Section 8.2;
- (e) permits an Award to be exercisable beyond ten (10) years from its Date of Grant except pursuant to the provisions of Section 8.2;
- (f) increases or removes the limit on grants of Full-Value Awards and other non-option awards in Section 3.7(b);
- (g) increases or removes the limits on the participation of Non-Employee Trustees in Sections 3.7(c) or 3.7(d);
- (h) changes the eligible participants of the Plan;
- (i) permits Awards to be transferable or assignable other than by will or as required by law pursuant to Section 3.9; or
- (j) deletes or reduces the range of amendments which require approval of unitholders under this Section 12.2.

12.3 Permitted Amendments

Without limiting the generality of Section 12.1, but subject to Section 12.2, the Plan Administrator may, without unitholder approval, at any time or from time to time, amend the Plan for the purposes of:

- (a) making any amendments to the general vesting provisions of each Award;
- (b) making any amendments to the provisions set out in Article 9;
- (c) making any amendments to add 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;
- (d) making any amendments not inconsistent with the 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

- (e) 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.

ARTICLE 13 MISCELLANEOUS

13.1 Legal Requirement

The REIT is not obligated to grant any Awards, issue any Units or other securities, make any payments or take any other action if, in the opinion of the Plan Administrator, in its discretion, such action would constitute a violation by a Participant or the REIT of any provision of any applicable statutory or regulatory enactment of any government or government agency or the requirements of any Exchange upon which the Units may then be listed.

13.2 Securities Law Compliance

No Awards shall be granted under the Plan and no Units shall be issued and delivered upon the exercise of Options granted under the Plan unless and until the REIT and/or the Participant have complied with all applicable federal and state registration, listing and/or qualification requirements and all other requirements of law or of any regulatory agencies having jurisdiction.

13.3 Rights of Participant

No Participant has any claim or right to be granted an Award and the granting of any Award is not to be construed as giving a Participant a right to remain as an Employee, Consultant or Trustee. No Participant has any rights (including, without limitation, voting rights, distribution entitlements (other than as set out in this Plan) or rights on liquidation) as a unitholder of the REIT in respect of Units issuable pursuant to any Award until the allotment and issuance to such Participant, or as such Participant may direct, of certificates representing such Units.

13.4 Unfunded Plan

The Plan shall be unfunded. Neither the REIT nor the Committee shall be required to establish any special or separate fund or to segregate any assets to assure the performance of its obligations under the Plan.

13.5 Conflict

In the event of any conflict between the provisions of this Plan and an Award Agreement, the provisions of the Award Agreement shall govern. In the event of any conflict between or among the provisions of this Plan, on the one hand, and a Participant's employment agreement with the REIT or a Subsidiary of the REIT, as the case may be, on the other hand, the provisions of the employment agreement or other written agreement shall prevail.

13.6 Anti-Hedging Policy

By accepting the Option or Award each Participant acknowledges that he or she is restricted from purchasing financial instruments such as prepaid variable forward contracts, equity swaps, collars, or units of exchange funds that are designed to hedge or offset a decrease in market value of Options or Awards.

13.7 Participant Information

Each Participant shall provide the REIT with all information (including personal information) required by the REIT in order to administer the Plan (including as to whether the circumstances described in Section 11.3 exist). Each Participant acknowledges that information required by the REIT in order to administer the Plan may be disclosed to any custodian appointed in respect of the Plan and other third parties, and may be disclosed to such Persons (including Persons located in jurisdictions other than the Participant's jurisdiction of residence), in connection with the administration of the Plan. Each Participant consents to such disclosure and authorizes the REIT to make such disclosure on the Participant's behalf.

13.8 Participation in the Plan

The participation of any Participant in the Plan is entirely voluntary and not obligatory and shall not be interpreted as conferring upon such Participant any rights or privileges other than those rights and privileges expressly provided in the Plan. In particular, participation in the Plan does not constitute a condition of employment or engagement nor a commitment on the part of the REIT to ensure the continued employment or engagement of such Participant. The Plan does not provide any guarantee against any loss which may result from fluctuations in the market value of the Units. The REIT does not assume responsibility for the income or other tax consequences for the Participants and Trustees and they are advised to consult with their own tax advisors.

13.9 International Participants

With respect to Participants who reside or work outside Canada and the United States, the Plan Administrator may, in its discretion, amend, or otherwise modify, without unitholder approval, the terms of the Plan, any Award Agreement, or Awards with respect to such Participants in order to conform such terms with the provisions of local law, and the Plan Administrator may, where appropriate, establish one or more sub-plans to reflect such amended or otherwise modified provisions.

13.10 Successors and Assigns

The Plan shall be binding on all successors and assigns of the REIT and its Subsidiaries.

13.11 General Restrictions on Assignment

Except as required by law, the rights of a Participant under the Plan are not capable of being assigned, transferred, alienated, sold, encumbered, pledged, mortgaged or charged and are not capable of being subject to attachment or legal process for the payment of any debts or obligations of the Participant unless otherwise approved by the Plan Administrator.

13.12 Severability

The invalidity or unenforceability of any provision of the Plan shall not affect the validity or enforceability of any other provision and any invalid or unenforceable provision shall be severed from the Plan.

13.13 Notices

All written notices to be given by a Participant to the REIT shall be delivered personally, e-mail or mail, postage prepaid, addressed as follows:

Flagship Communities Real Estate Investment Trust
467 Erlanger Road
Erlanger, Kentucky 41018

Attention: Chief Financial Officer

All notices to a Participant will be addressed to the principal address of the Participant on file with the REIT. Either the REIT or the Participant may designate a different address by written notice to the other. Such notices are deemed to be received, if delivered personally or by e-mail, on the date of delivery, and if sent by mail, on the fifth (5th) Business Day following the date of mailing; provided that in the event of any actual or imminent postal disruption, notices shall be delivered to the appropriate party and not sent by mail. Any notice given by either the Participant or the REIT is not binding on the recipient thereof until received.

13.14 Effective Date

This Plan becomes effective on the Effective Date, but no Award shall be exercised (or, in the case of an Award in Units, shall be granted) unless and until this Plan has been approved by the unitholders of the REIT, which approval shall be within twelve (12) months before or after the Effective Date (which is the date on which this Plan was adopted by the Board on behalf of the REIT).

13.15 Governing Law

This Plan and all matters to which reference is made herein shall be governed by and interpreted in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein, without reference to conflicts of law rules.

13.16 Submission to Jurisdiction

The REIT and each Participant irrevocably submits to the exclusive jurisdiction of the courts of competent jurisdiction in the Province of Ontario in respect of any action or proceeding relating in any way to the Plan, including, without limitation, with respect to the grant of Awards and any issuance of Units made in accordance with the Plan.

SCHEDULE A

**FLAGSHIP COMMUNITIES REAL ESTATE INVESTMENT TRUST
EQUITY INCENTIVE PLAN (THE "PLAN")**

ELECTION NOTICE

All capitalized terms used herein but not otherwise defined shall have the meanings ascribed to them in the Plan.

Pursuant to the Plan, I hereby elect to participate in the grant of Deferred Units pursuant to Article 7 of the Plan and to receive ____% of my Annual Retainer Fees in the form of Deferred Units in lieu of cash.

I confirm that:

- (a) I have received and reviewed a copy of the terms of the Plan and agreed to be bound by them.
- (b) I recognize that when Deferred Units credited pursuant to this election are redeemed in accordance with the terms of the Plan, income tax and other withholdings as required will arise at that time. Upon redemption of the Deferred Units, the REIT will make all appropriate withholdings as required by law at that time.
- (c) The value of Deferred Units is based on the value of the Units of the REIT and therefore is not guaranteed.
- (d) To the extent I am a U.S. taxpayer, I understand that this election is irrevocable for the calendar year to which it applies and that any revocation or termination of this election after the expiration of the election period will not take effect until the first (1st) day of the calendar year following the year in which I file the revocation or termination notice with the REIT.

The foregoing is only a brief outline of certain key provisions of the Plan. For more complete information, reference should be made to the Plan's text.

Date: _____

(Name of Participant)

(Signature of Participant)

SCHEDULE B

**FLAGSHIP COMMUNITIES REAL ESTATE INVESTMENT TRUST
EQUITY INCENTIVE PLAN (THE "PLAN")**

ELECTION TO TERMINATE RECEIPT OF ADDITIONAL DEFERRED UNITS

All capitalized terms used herein but not otherwise defined shall have the meanings ascribed to them in the Plan.

Notwithstanding my previous election in the form of Schedule A to the Plan, I hereby elect that no portion of the Annual Retainer Fees accrued after the date hereof shall be paid in Deferred Units in accordance with Article 7 of the Plan.

I understand that the Deferred Units already granted under the Plan cannot be redeemed except in accordance with the Plan.

I confirm that I have received and reviewed a copy of the terms of the Plan and agree to be bound by them.

Date: _____

(Name of Participant)

(Signature of Participant)

Note: An election to terminate receipt of additional Deferred Units can only be made by a Participant once in a calendar year.

SCHEDULE C

**FLAGSHIP COMMUNITIES REAL ESTATE INVESTMENT TRUST
EQUITY INCENTIVE PLAN (THE "PLAN")**

**ELECTION TO TERMINATE RECEIPT OF ADDITIONAL DEFERRED UNITS
(U.S. TAXPAYERS)**

All capitalized terms used herein but not otherwise defined shall have the meanings ascribed to them in the Plan.

Notwithstanding my previous election in the form of Schedule A to the Plan, I hereby elect that no portion of the Annual Retainer Fees accrued after the effective date of this termination notice shall be paid in Deferred Units in accordance with Article 7 of the Plan.

I understand that this election to terminate receipt of additional Deferred Units will not take effect until the first (1st) day of the calendar year following the year in which I file this termination notice with the REIT.

I understand that the Deferred Units already granted under the Plan cannot be redeemed except in accordance with the Plan.

I confirm that I have received and reviewed a copy of the terms of the Plan and agree to be bound by them.

Date:

(Name of Participant)

(Signature of Participant)

Note: An election to terminate receipt of additional Deferred Units can only be made by a Participant once in a calendar year.

