



Q4 2020 Investor Presentation

March 22, 2021



Disclaimers

General

This presentation contains statements that include forward-looking information (within the meaning of applicable Canadian securities laws). Forward-looking statements are identified by words such as "believe", "anticipate", "project", "expect", "intend", "plan", "will", "may", "estimate" and other similar expressions and include statements herein concerning matters to occur upon or following Closing and the use of proceeds from exercise of the over-allotment option. These statements are based on the REIT's expectations, estimates, forecasts and projections. They are not guarantees of future performance and involve risks and uncertainties that are difficult to control or predict. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements, including, but not limited to, the factors discussed under the heading "Risk Factors" in the Prospectus available under the REIT's profile on SEDAR at www.sedar.com. There can be no assurance that forward-looking statements will prove to be accurate as actual outcomes and results may differ materially from those expressed in these forward-looking statements. Readers, therefore, should not place undue reliance on any such forward-looking statements. Further, these forward-looking statements are made as of the date of this news release and, except as expressly required by applicable law, the REIT assumes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

Market and Industry Data

This presentation includes market and industry data and forecasts that were obtained from third-party sources, industry publications and publicly available information as well as industry data prepared by management on the basis of its knowledge of the multifamily/apartment industry in which the REIT will operate (including management's estimates and assumptions relating to the industry based on that knowledge). Management's knowledge of the manufactured housing community has been developed through its experience and participation in the industry. Management believes that its industry data is accurate and that its estimates and assumptions are reasonable, but there can be no assurance as to the accuracy or completeness of this data. Third-party sources generally state that the information contained therein has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of included information. Although management believes it to be reliable, neither the REIT nor the Underwriters have independently verified any of the data from management or third-party sources referred to in this presentation, or analyzed or verified the underlying studies or surveys relied upon or referred to by such sources, or ascertained the underlying economic assumptions relied upon by such sources.

Forward-Looking Information

This presentation and any accompanying oral statements including in response to questions contains "forward-looking information" as defined under Canadian securities laws (collectively, "forward-looking statements") which reflect management's expectations regarding objectives, plans, goals, strategies, future growth, results of operations, performance and business prospects and opportunities of the REIT. The words "plans", "expects", "does not expect", "goals", "seek", "strategy", "future", "estimates", "intends", "anticipates", "does not anticipate", "projected", "believes" or variations of such words and phrases or statements to the effect that certain actions, events or results "may", "will", "could", "would", "should", "might", "likely", "occur", "be achieved" or "continue" and similar expressions identify forward-looking statements. In addition, any statements that refer to expectations, intentions, projections or other characterizations of future events or circumstances contain forward-looking statements. Statements containing forward-looking information are not historical facts but instead represent management's expectations, estimates and projections regarding future events or circumstances.

Forward-looking statements are qualified in their entirety by the inherent risks, uncertainties and changes in circumstances surrounding future expectations which are difficult to predict and many of which are beyond the control of the REIT, including that the transactions contemplated herein and in the prospectus are completed.

Forward-looking statements are necessarily based on a number of estimates and assumptions that, while considered reasonable by management of the REIT as of the date of this presentation, are inherently subject to significant business, economic and competitive uncertainties and contingencies. The REIT's estimates, beliefs and assumptions, which may prove to be incorrect, include the various assumptions set forth herein, including, but not limited to, the REIT's future growth potential, results of operations, future prospects and opportunities, demographic and industry trends, no change in legislative or regulatory matters, future levels of indebtedness, the tax laws as currently in effect, the continuing availability of capital and current economic conditions.

When relying on forward-looking statements to make decisions, the REIT cautions readers not to place undue reliance on these statements, as forward-looking statements involve significant risks and uncertainties. Forward-looking statements should not be read as guarantees of future performance or results and will not necessarily be accurate indications of whether or not the times at or by which such performance or results will be achieved. For further details on the forward-looking information included in this presentation, see "Forward-Looking Statements" in the prospectus.

An investment in trust units of the REIT ("Units") is subject to a number of risks that should be considered by a prospective purchaser. Prospective purchasers should carefully consider the risk factors described under "Risk Factors" in the prospectus before purchasing Units. If any risks or uncertainties described in the prospectus materialize, or if the opinions, estimates or assumptions underlying the forward-looking information prove incorrect, actual results or future events might vary materially from those anticipated in the forward-looking information. Although management has attempted to identify important risk factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other risk factors not presently known or that management believes are not material that could also cause actual results or future events to differ materially from those expressed in such forward-looking information.

Certain statements included in this presentation may be considered a "financial outlook" for purposes of applicable Canadian securities laws, and as such, the financial outlook may not be appropriate for purposes other than this presentation. All forward-looking statements are based only on information currently available to the REIT and are made as of the date of this presentation. Except as expressly required by applicable Canadian securities laws, the REIT assumes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. All forward-looking statements in this presentation are qualified by these cautionary statements.

Non-IFRS Measures and Real Estate Industry Metrics

In this presentation, the REIT uses certain non-IFRS financial measures, which include funds from operations ("FFO"), adjusted funds from operations ("AFFO"), and net operating income ("NOI"), and certain real estate industry metrics, including "AFFO Payout Ratio", "Debt to Gross Book Value Ratio", "Gross Book Value", "NOI margin" and "Same Community", to measure, compare and explain the operating results and financial performance of the REIT. These measures are commonly used by entities in the real estate industry as useful metrics for measuring performance. However, they do not have any standardized meaning prescribed by IFRS and are not necessarily comparable to similar measures presented by other publicly traded entities. These measures should be considered as supplemental in nature and not as a substitute for related financial information prepared in accordance with IFRS. Please refer to the REIT's Management Discussion and Analysis for the period ended December 31, 2020 for further detail on non-IFRS measures.

Comparable Companies

Any comparables used in this presentation outline certain public company and real estate investment trusts (the "Comparables"). The Comparables are considered to be an appropriate basis for comparison with the REIT based on their similar size, industry, focus and additional criteria. The information relating to the Comparables has been obtained or derived from public sources. The REIT and the Underwriters have relied upon and have not attempted to verify the completeness, accuracy and fair presentation of such information. If the Comparables contain a misrepresentation, investors do not have a remedy under securities legislation in any province or territory of Canada. Investors are cautioned that there are risks inherent in making an investment decision based on the Comparables, that past and estimated performance is not indicative of future performance, and that the performance of the REIT may materially differ from that of the Comparables. Accordingly, an investment decision should not be made in reliance on the Comparables.



Kurt Keeney

President & Chief Executive Officer



Nathan Smith

Chief Investment Officer



Eddie Carlisle

Chief Financial Officer

Flagship Communities Overview

About Flagship

- Flagship owns and operates high-quality portfolio of MHCs
- Operate in a niche and stable market with significant growth potential
- Strategically located in 4 contiguous states in the U.S. Midwest
- We lease land in our MHCs to residents



Our promise: To offer residents an affordable home with a safe and clean community

Q4 2020 Overview

- ✓ Completed IPO in October 2020
- ★ Revenues, Net Operating Income, Adjusted Funds from Operations all ABOVE pro-rated forecasts
- ✓ Successfully completed acquisition of seven MHCs consisting of 379 lots
- ✓ Acquired an MHC in Louisville, Kentucky and an MHC in Bowling Green, Kentucky with 151 lots



Acquisitions are located within states where we currently operate and are immediately accretive to AFFO per unit

COVID-19 Update

- Instituted new policies to facilitate social distancing to ensure safety of residents and employees
 - Closed clubhouses and playgrounds to reduce group gatherings
 - Instituted online rent payment policy to make rent payment process low touch
 - Property managers facilitated outdoor school and community meal services
 - Worked with local school districts to provide mobile WiFi access
- Sizable number of residents have been able to maintain employment through COVID-19 or are senior citizens on fixed incomes
 - Most residents will receive a minimum of \$1,400 per person (including children) in April and May of this year from the recently passed President Biden stimulus bill



Benefits of MHCs vs. Multi-Family Apartments

- ✓ Amenable to social distancing
- ✓ Housing affordability
- ✓ Pride of home ownership
- ✓ Ability to build home equity
- ✓ Detached home with deck, yard, driveway and in-house laundry
- ✓ Attractive lifestyle & amenities



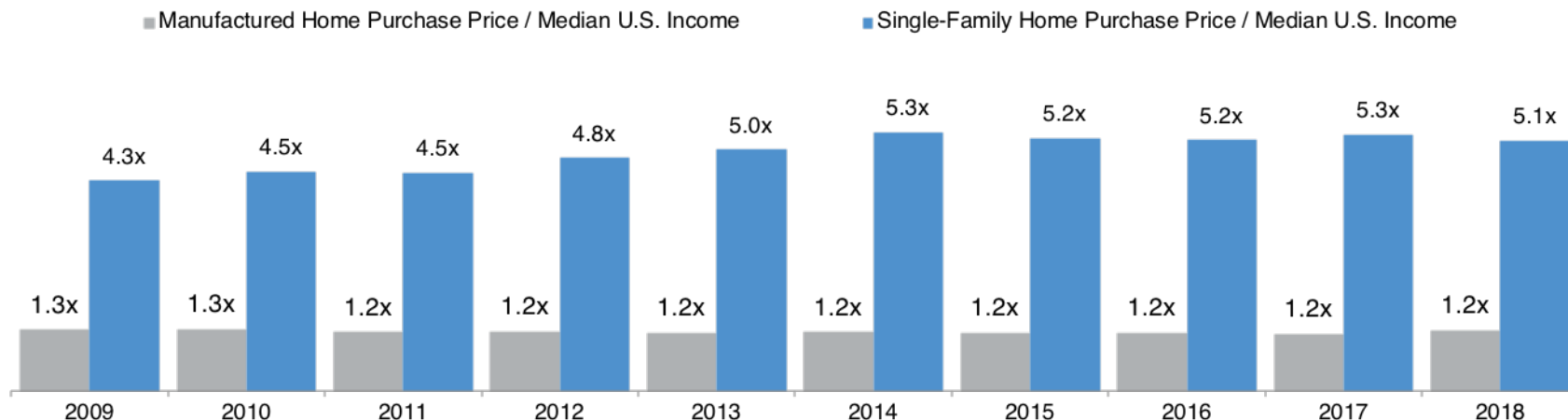
Mutually Beneficial Rental Relationship Between Community Residents and Owners

Housing Unaffordability Drives MHC Demand

**Single-family Home Price
Growth Continues to Outpace
Median Income Growth**

**Total Monthly Manufactured Housing
Expenses are Significantly Lower than
a Two-bedroom Apartment While
Providing More Living Space**

Single-Family vs. Manufactured Home Affordability



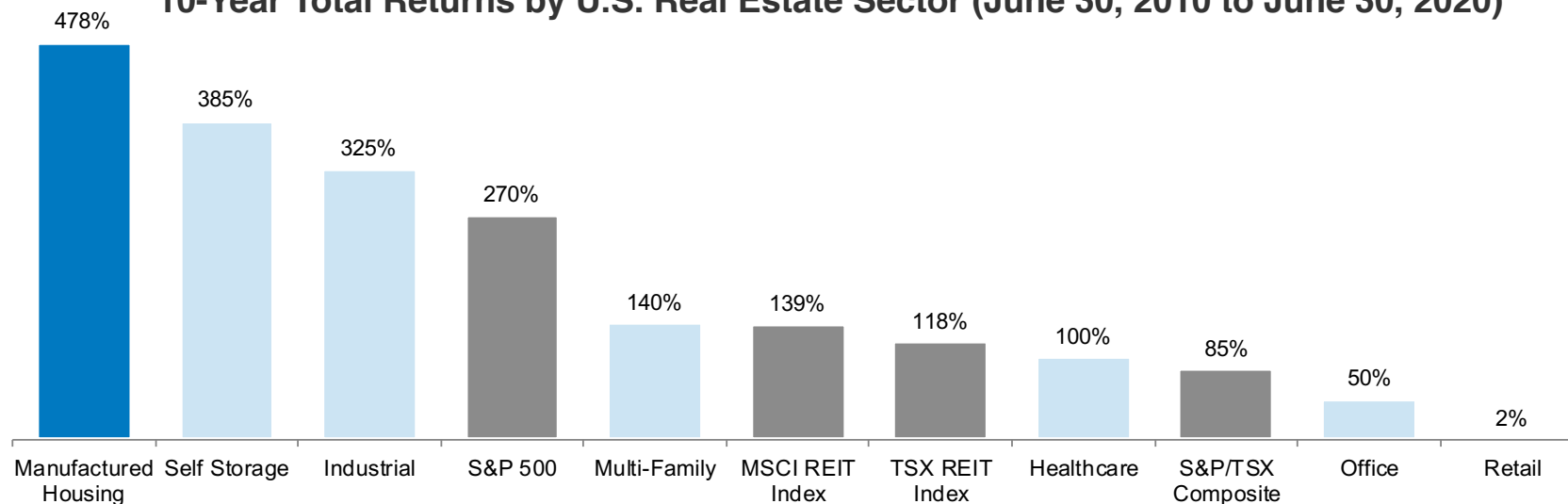
Source: U.S. Census Bureau, Federal Reserve Economic Data, U.S. Department of Housing and Urban Development

Manufactured Housing Communities Continue to be One of the Most Affordable Housing Options

MHC Industry – External Growth Opportunities

- Continuing acquisitions and consolidations
- Highly fragmented sector allows for aggressive consolidation
- Look to acquire MHCs with strong operational synergies
- Build-out in our geographic footprint and adjacent states

10-Year Total Returns by U.S. Real Estate Sector (June 30, 2010 to June 30, 2020)



Source: Bloomberg

Best Performing Real Estate Asset Class Over the Past Decade

Q4 2020 Financial Summary

(\$000s except per share amounts)

For the Period October 7, 2020 through December 31, 2020

	Actual Results	Pro-Rated Forecast ²	Variance
Revenue, Total Portfolio	8,304	8,132	171
Revenue, Same Community¹ Properties	8,262	8,132	130
Revenue, Acquisitions	42	-	42
Net Income (loss) and comprehensive income (loss)	47,338	1,784	45,554
NOI¹, Total Portfolio	5,497	5,301	196
NOI¹, Same Community Properties	5,472	5,301	172
NOI¹, Acquisitions	25	-	25
NOI Margin¹, total portfolio	66.2%	65.2%	1.0%
NOI Margin¹, Same Community Properties	66.2%	65.2%	1.0%
NOI Margin¹, Acquisitions	58.5%	-	58.5%
FFO¹	2,697	2,456	241
FFO Per Unit¹ (excluding over allotment)	N/A	0.214	N/A
FFO Per Unit¹ (including over allotment)	0.220	0.200	0.020
AFFO¹	2,227	2,101	126
AFFO per Unit¹ (excluding over allotment)	N/A	0.183	N/A
AFFO per Unit¹ (including over allotment)	0.182	0.171	0.011
AFFO Payout Ratio¹ (excluding over allotment)	N/A	65.8%	N/A
AFFO Payout Ratio¹ (including over allotment)	67.0%	71.0%	(4%)

¹These measures are not recognized under International Financial Reporting Standards ("IFRS") and do not have standardized meanings prescribed by IFRS. Refer to section "Reconciliation of Non-IFRS Measures" for a reconciliation of these measures to standardized IFRS measures.

²The pro-rated forecast has been calculated by dividing the October forecast by 31 days and multiplying by 25 and then adding the full month of November and December.

MHC Portfolio as of March 19, 2021

Total MHCs	(#)	54
Total Manufactured Housing Lots	(#)	8,793
Total Lot Occupancy	(%)	79.9
Total Lot AMR	(US\$)	350

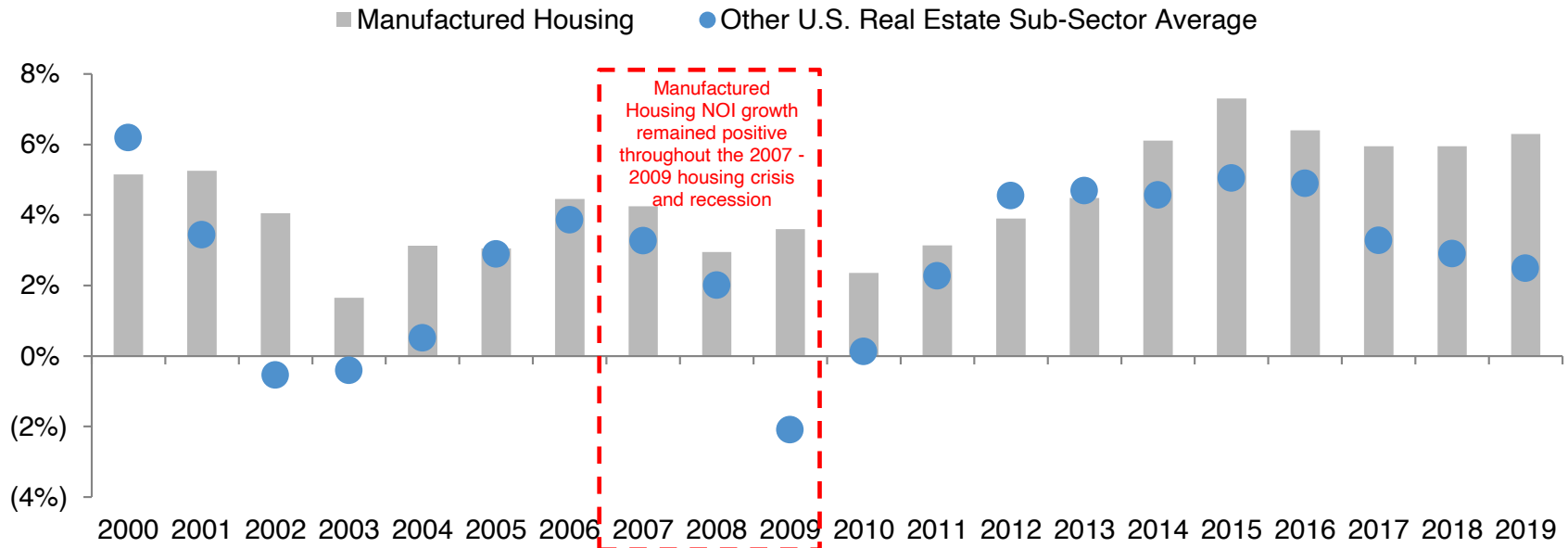
Operational Metrics within Management's Expectations

MHC Industry has Strong Economic Fundamentals

Consistent Track Record of Stable Occupancy and Growing Rents

Average Annual NOI Growth of 4% over 20+ years

Same-Property NOI Growth: Manufactured Housing vs. Other U.S. Real Estate Sectors



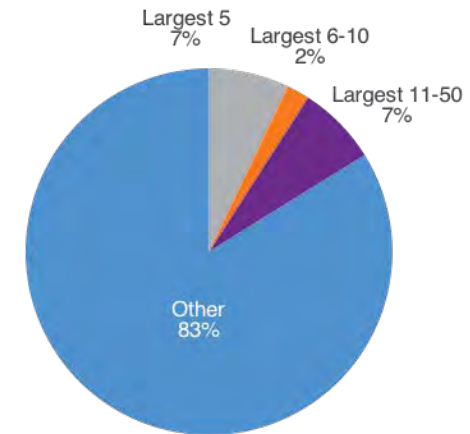
Source: Public company filings

Outperformance Supported by 20+ Consecutive Years of Positive Same-Property NOI Growth

Fragmented Industry with Limited New Supply

- Industry primarily comprised of local owner-operators
- Top 50 investors estimated to control ~17% of manufactured housing lots for rent
- ~5,300 communities within Flagship's current target markets

MHC Industry Market Share



Source: Manufactured Housing Institute

New Supply Constraints

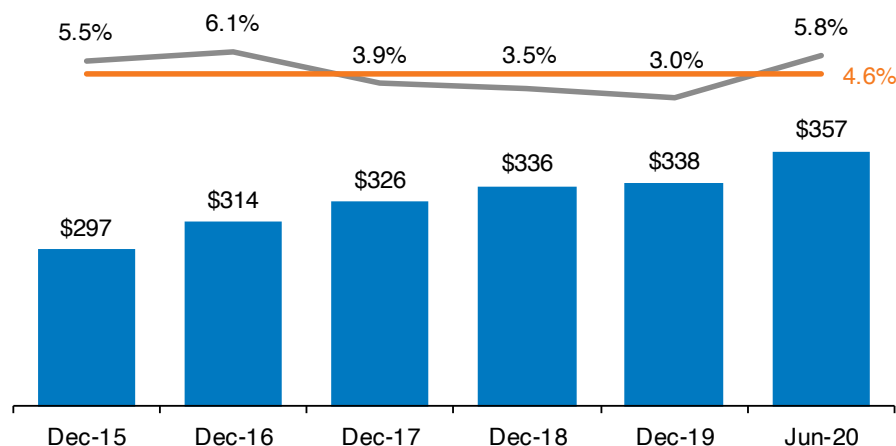
- Competing land uses
- Scarcity of land zoned for manufactured housing development
- Municipal governments prefer multi-family and single-family development

Large Fragmented Market with Consolidation Opportunity

Stable and Consistent Occupancy

Lot Rent

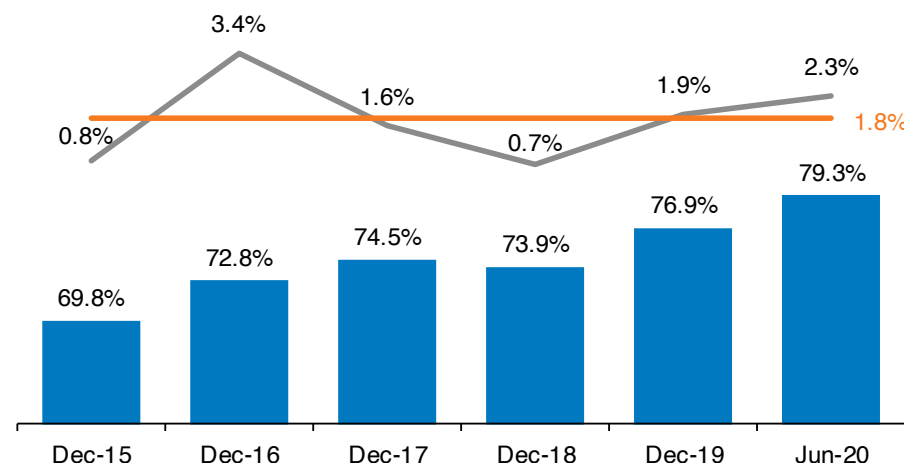
- Total Portfolio Weighted Average Monthly Lot Rent
- Same Community Year-over-Year Weighted Average Monthly Lot Rent Growth
- Average Same-Community Year-over-Year Lot Rent Growth



**Consistent Same Community
Lot Rent Growth**

Occupancy

- Total Portfolio Occupancy
- Same Community Year-over-Year Occupancy Increase
- Average Same-Community Year-over-Year Occupancy Increase



**Stable and Growing Same
Community Occupancy**

**To create safe,
clean and
affordable
communities with
desirable amenities
for residents**

**To generate
growing long-
term returns for
unitholders**



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