



**NOTICE OF
ANNUAL GENERAL MEETING OF UNITHOLDERS
AND
MANAGEMENT INFORMATION CIRCULAR
TO BE HELD ON MAY 11, 2021**

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NOTICE OF ANNUAL GENERAL MEETING OF UNITHOLDERS

NOTICE IS HEREBY GIVEN that an annual general meeting (the “**Meeting**”) of holders (the “**Unitholders**”) of units (the “**Voting Units**”) of Flagship Communities Real Estate Investment Trust (the “**REIT**”) will be held as a live virtual-only webcast at <http://web.lumiagm.com/299771924> on **Tuesday, May 11, 2021** at 11:00 a.m. (Eastern Daylight Time) for the following purposes:

1. to receive the audited financial statements of the REIT for the financial period from August 12, 2020 (date of formation) to December 31, 2020, and the auditor’s report thereon;
2. to elect the members of the Board of Trustees of the REIT;
3. to re-appoint MNP LLP, as auditor of the REIT for the ensuing year and to authorize the Board of Trustees of the REIT to fix their remuneration;
4. to consider and, if deemed advisable, to approve, an ordinary resolution approving the REIT’s omnibus equity incentive plan, including any previous grants of award and all unallocated awards issuable thereunder; and
5. to transact such other business as may properly be brought before the Meeting or any postponement or adjournment thereof.

The Board of Trustees of the REIT has fixed March 12, 2021 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 30, 2021 prepared by management of the REIT in connection with the Meeting.

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

Notice-and-Access

The REIT is using the “notice-and-access” system adopted by the Canadian Securities Administrators for the delivery of the Management Information Circular and the REIT’s annual report in respect of fiscal 2020, which comprises the REIT’s audited financial statements for the financial period from August 12, 2020 (date of formation) to December 31, 2020 and management’s discussion and analysis (collectively, the “**Meeting Materials**”). Under notice-and-access, you still receive a proxy or voting instruction form enabling you to vote at the Meeting. However, instead of a paper copy of the Management Information Circular, beneficial and registered Unitholders receive a notice which contains information about how to access the Meeting Materials electronically. The principal benefit of the notice-and-access system is that it reduces the environmental impact of producing and distributing paper copies of documents in large quantities. The Management Information Circular and form of proxy (or voting instruction form) provide additional information concerning the matters to be dealt with at the Meeting. **You should access and review all information contained in the Management Information Circular before voting.**

How to Obtain Information about Notice & Access or 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 under the REIT's profile on SEDAR by contacting the REIT's registrar and transfer agent, TSX Trust Company toll free at 1-866-600-5869 within North America or 416 342-1091 outside North America or by email at TMXInvestorServices@tmx.com. Requests should be received by April 30, 2021 (i.e., at least seven business days in advance of the date and time set out in the beneficial Unitholders' voting instruction form and registered Unitholders' proxy form as the voting deadline) if you would like to receive the Meeting Materials in advance of the voting deadline and Meeting date.

Websites Where Meeting Materials are Posted

Meeting Materials can be viewed online on the REIT's website, www.flagshipcommunities.com, <https://docs.tsxtrust.com/2217> or under the REIT's SEDAR profile at www.sedar.com.

Beneficial and Registered Unitholders

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

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

Voting

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

Accessing the Virtual-only Meeting participating as a Unitholder or attending as a guest.

To arrange to participate in the Meeting, please review the instructions between pages 4 and 7 of the Management Information Circular well in advance. The Meeting platform is fully supported across browsers and devices running the most updated version of applicable software plug-ins. You should ensure you have a strong, preferably high-speed, internet connection wherever you intend to participate in the Meeting. The Meeting will begin promptly at 11:00 a.m. Eastern Daylight Time on May 11, 2021. Online check-in will begin starting 15 minutes prior, at 10:45 a.m. Eastern Daylight Time. You should allow ample time for online check-in procedures. For any technical difficulties experienced during the check-in process or during the Meeting, please email tsxtrustproxyvoting@tmx.com. The webcast Meeting allows

you to attend the Meeting live, submit questions and submit your vote while the Meeting is being held if you have not done so in advance of the Meeting.

Guests including Unitholders who do not wish to actively participate in the meeting will be able to attend the Meeting through the live webcast only, by joining the webcast as a guest. They will not be able to submit questions or vote.

DATED at Toronto, Ontario, this 30th day of March, 2021.

BY ORDER OF THE BOARD OF TRUSTEES

"Kurtis Keeney"

President and Chief Executive Officer

GENERAL PROXY INFORMATION

Solicitation of Proxies

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

The information contained in this Circular is given as of March 30, 2021 except where otherwise indicated. No person is authorized to give any information or make any representation other than those contained in this Circular and, if given or made, such information or representation should not be relied upon as having been authorized by the REIT. The delivery of this Circular shall not, under any circumstances, create an implication that there has not been any change in the information set forth herein since the date of this Circular.

March 12, 2021 is the record date for the Notice of the Meeting and for determining holders of outstanding units entitled to vote (the “**Record Date**”).

Quorum

A quorum for any meeting of the Unitholders or any class of Unitholders, as the case may be, shall be individuals represented at the Meeting 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 Voting Units. If a Unitholder submits a properly executed form of proxy or votes by telephone or the Internet, that Unitholder will be considered part of the quorum.






Advance Notice Policy

The REIT’s Declaration of Trust contains an advance notice policy which requires a nominating Unitholder to provide notice to the REIT of proposed Trustee nominations not less than 30 days prior to the date of the applicable annual meeting (being not later than April 12, 2021 for purposes of the Meeting). This advance notice period is intended to give the REIT and its Unitholders sufficient time to consider any proposed nominees. **A copy of advance notice policy is in Section 9.4 of the REIT’s Amended and Restated Declaration of Trust dated September 28, 2020 which is on the REIT’s website at www.flagshipcommunities.com and under the REIT’s profile on SEDAR at www.sedar.com.**

QUESTIONS AND ANSWERS ON ATTENDING AND VOTING AT THE MEETING

Determine whether you are a Non-registered Beneficial Unitholder or a Registered unitholder	
Non-registered Beneficial Unitholders	Registered Unitholders
An intermediary such as a securities broker, trustee or financial institution holds your share.	Your Units are registered directly in your name with our transfer agent, TSX Trust Company.
Your intermediary sent you a voting instruction form with the Notice of Meeting.	A form of proxy was sent to you with the Notice of Meeting.

VOTE BY PROXY BEFORE THE MEETING

Non-registered Beneficial Unitholders	Registered Unitholders
 Visit www.proxyvote.com and enter your 16 digit control number listed on the Voting Instruction Form that was mailed with the Notice of Meeting.  English: 1-800-474-7493 French: 1-800-474-7501  Complete your voting instruction form and return it my mail in the envelope provided	 Visit www.voteproxyonline.com and enter the 12 digit control number listed on the Form of Proxy that that was mailed with the Notice of Meeting.  Complete your voting instruction form and return it my mail in the envelope provided
Changed your mind?	Changed your mind?
If you have already submitted your voting instructions and you change your mind, contact your intermediary immediately.	You may revoke your proxy by: <ul style="list-style-type: none"> • delivering a written notice to the Secretary, Mr. Eddie Carlisle by email at ecarlisle@flagshipcommunities.com or • completing, signing and returning to the Secretary, a new proxy form bearing a later date than the form already returned to TSX Trust Company. The written notice or new proxy form must be received no later than 5:00 p.m. (Eastern Daylight Time) on Friday May 7, 2021.


VOTING ONLINE AT THE MEETING


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

Non-registered Beneficial Unitholders	Registered Unitholders
Non-registered (beneficial) shareholders who have not duly appointed themselves as proxyholder will not be able to vote online at the meeting.	

Appointing a proxyholder to vote your Units online at the meeting
<p>The form of proxy or voting instruction form appoints Peter C.B. Bynoe or Kurtis Keeney, each a Trustee of the REIT, as your proxyholder, which gives them the authority to vote your Units at the meeting or any adjournment.</p> <p>You can appoint yourself, choose another person or company, including a person who is not a Unitholder as your proxyholder to vote your Unit online at the meeting.</p> <p>To do this, you must perform two steps:</p> <ol style="list-style-type: none"> 1. Use the instructions above at “Voting before the meeting” to appoint yourself or another person as proxyholder 2. Use the instructions below at “How do I attend the Meeting” to appoint yourself or another person as proxyholder and obtain a control number to be able to log in to the Meeting <p>Failure to register the proxyholder with TSX Trust Company will mean the proxyholder will be unable to vote.</p>

INSTRUCTIONS FOR ATTENDING THE MEETING

Non-registered Beneficial Unitholders as proxyholders	Registered Unitholders
<ul style="list-style-type: none"> • To participate in the Meeting as a proxyholder, you will need a unique control number that can be obtained from TSX Trust Company prior to Monday, May 10, 2021 at 1:00 p.m. • Before you request a control number, locate the four-digit CUID code on your Voting Instruction Form • Then proceed to request a control number by completing the form at: https://tsxtrust.com/resource/en/75 • If you completed the form and have not received your control number by Monday, May 10, 2021 at 1:00 p.m., email: tsxtrustproxyvoting@tmx.com 	<ul style="list-style-type: none"> • To participate in the Meeting as a proxyholder, you will use the unique control number that is on your Form of Proxy • On the day of the Meeting, preferably no later than 10:45 a.m., login into the web address below and enter your control number  http://web.lumiagm.com/299771924 • Enter the password: flagship2021

Non-registered Beneficial Unitholders as proxyholders	Registered Unitholders
<ul style="list-style-type: none"> On the day of the Meeting, preferably no later than 10:45 a.m., login into the web address below and enter your control number  http://web.lumiagm.com/299771924 <ul style="list-style-type: none"> Enter the password: flagship2021 	
<p>Without a control number you, you will not be able to participate in the meeting by voting or submitting comments; however, you will be able to attend as a guest and listen. See the section below “Attend as a Guest”</p>	

Attending as a guest
<p>Anyone may attend the Meeting to listen as a guest. To do so, log into the web address below as a guest, preferably no later than 10:45 a.m.</p> <p style="text-align: center;">http://web.lumiagm.com/299771924</p>

Q: What items of business am I voting on?

A: You will be voting on:

- the election of the members of the Board of Trustees of the REIT (each a “**Trustee**”);
- the appointment of the external auditors and authorization of the Board of Trustees of the REIT to fix the external auditors’ remuneration; and
- a resolution approving the Omnibus Equity Plan, including any previous grants of award and all unallocated awards issuable thereunder.

Q: Am I entitled to vote?

A: You are entitled to vote if you were a Unitholder as at the close of business on March 12, 2021, which is the Record Date of the Meeting.

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

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

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

- **FOR the election of the Trustees;**
- **FOR the re-appointment of MNP LLP as the external auditors of the REIT and the authorization of the Board of Trustees to fix the external auditors' remuneration; and**
- **FOR the ordinary resolution approving the REIT's omnibus equity incentive plan, including any previous grants of award and all unallocated awards issuable thereunder.**

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

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

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

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

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

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

GENERAL INFORMATION

Q: Who counts the vote?

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

Q: Who is soliciting my proxy?

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

Q. Can I access the annual disclosure documents electronically?

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

Q: Who do I contact if I have questions?

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

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The REIT is authorized to issue an unlimited number of Units of which 7,226,185 Units (the "**Issued and Outstanding Units**") were issued and outstanding as at the Record Date.

According to an alternative monthly report dated March 3, 2021, filed under the REIT's profile on SEDAR at www.sedar.com, Seymour Investment Management Ltd. beneficially owned, as of February 28, 2021, 1,424,300 Units, representing approximately 19.7% of the Issued and Outstanding Units as at the Record Date. Further, according to an early warning report dated February 12, 2021, filed under the REIT's profile on SEDAR at www.sedar.com, 1832 Asset Management L.P. ("**1832**"), as investment fund manager on behalf of investment funds managed by 1832, held, as of October 30, 2020, 750,000 Units, representing approximately 10.4% of the Issued and Outstanding Units as at the Record Date. To the knowledge of management of the REIT, no other person beneficially owns, directly or indirectly, or exercises control or direction over, 10% or more of the outstanding Units.

BUSINESS TO BE TRANSACTED AT THE MEETING

1. Financial Statements

The REIT's audited consolidated financial statements for the year ended December 31, 2020 and the report of the auditors on those statements as well as management's discussion and analysis ("**MD&A**") will be placed electronically before the meeting. Copies of the financial statements and MD&A may be accessed under the REIT's profile on SEDAR at www.sedar.com or www.flagshipcommunities.com or may be obtained from the Secretary of the REIT upon request.

2. Election of Trustees

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

The Investor Rights Agreement dated October 7, 2020 provides the Retained Interest Holders (based on aggregate ownership of Units and Class B units of the REIT’s subsidiary, Flagship Operating, LLC (“**Class B Units**”)) with the right to nominate three of the nominees to the Board of Trustees if the Board consists of less than ten but more than six Trustees. See the section *Nomination of Trustees – Nomination Rights*. “**Retained interest holders**” means, collectively (i) Legacy Portfolio Holdings LLC, which owns 5,097,283 Class B Units, (ii) members of Legacy Portfolio Holdings (including the REIT’s President and Chief Executive Officer and Chief Investment Officer) which own an aggregate of 17,408 Units, and (iii) certain persons who hold Series B units in Flagship Communities, LLC (including the REIT’s President and Chief Executive Officer, Chief Investment Officer and Chief Financial Officer and Secretary) which owns an aggregate of 299,404 Class B Units. In exercising their nomination rights, the Retained Interest Holders have nominated Messrs. Keeney, Smith 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, Susan Monteith, Andrew Oppenheim and Iain Stewart. As President and Chief Executive Officer of the REIT, Kurtis Keeney is not considered to be an independent Trustee. As Chief Investment Officer of the REIT, Nathan Smith is not considered to be an independent Trustee.

The REIT’s Amended and Restated Declaration of Trust dated September 28, 2020 (the “**Declaration of Trust**”). A copy of advance notice policy is in Section 9.4 of the Declaration of Trust, which is on the REIT’s website at www.flagshipcommunities.com and under the REIT’s profile on SEDAR at www.sedar.com.

Trustee Nominees

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

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

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


Independent Trustee Nominees:

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

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

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

TRUSTEE NOMINEES

	<p>Mr. Bynoe is a Senior Advisor to the international law firm DLA Piper LLP (US) and has been affiliated with DLA Piper for 25 years. From 2008 to 2019, Mr. Bynoe served as Senior Counsel to the firm. Prior to that, Mr. Bynoe was a Senior Partner, serving on the firm’s executive committee. He is also the Vice Chair of the Rush University Medical Center, a Life Trustee of the Goodman Theatre and a trustee of the CORE Center for the Research, Prevention and Care of Infectious Diseases. Mr. Bynoe was a Managing Director at Equity Group Investments from 2014 to 2019 and served as the Chief Executive Officer of Rewards Network Inc. from 2013 to 2014. Prior to then, Mr. Bynoe was a partner and the Chief Operating Officer of Loop Capital Markets LLC from 2008 to 2013. Mr. Bynoe has served as the Chairman of the Chicago Landmarks Commission, the Chicago Plan Commission and the Illinois Sports Facilities Authority. Over the past 25 years, Mr. Bynoe has also served on Audit Committees and Compensation, Governance and Nominating Committees of the boards of directors of multiple public and private companies. Mr. Bynoe holds a Bachelor of Arts degree from Harvard College, a Juris Doctor degree from Harvard Law School, and a Master of Business Administration degree from the Harvard Graduate School of Management Education. He is a member of the Illinois Bar and a licensed real estate broker in the State of Illinois.</p>		
Peter C.B. Bynoe <i>Illinois, U.S.A.</i>			
<ul style="list-style-type: none">• Age: 70• Trustee since Oct 2020• Independent• Retained Interest Holder nominee			
Board / Committee Membership	2020 Meeting Attendance	Skills / Experience	
Board Chair	2/2 (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	1/1 (100%)		
Trustee Fees			
2020: \$21,875			
Equity Ownership			
Securities	Value at March 12, 2021		
3,333 Units	\$51,695		
Public Board Memberships: Last 5 Years		Public Board Interlocks	
Frontier Communications Corporation: 2007 – present Covanta Holding Company: 2004 – present		None	



Louis M. Forbes
Ontario, Canada

- Age: 65
- Trustee since Oct 2020
- Independent

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

Board / Committee Membership		2020 Meeting Attendance	Skills / Experience
Board		2/2 (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		1/1 (100%)	
Trustee Fees			
2020: \$13,750			
Equity Ownership			
Securities	Value at March 12, 2021		
3,200 Units	\$49,632		
Public Board Memberships: Last 5 Years			
Automotive Properties REIT: 2017 – present CHC Student Housing Corp: 2014 – 2017			None

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Kurtis Keeney
Kentucky, U.S.A.

- Age: 53
- Trustee since Oct 2020
- Non-independent
- Retained Interest Holder nominee

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

Board / Committee Membership		2020 Meeting Attendance	Skills / Experience
Board		2/2 (100%)	<ul style="list-style-type: none"> • Senior executive /strategic leadership • Finance and accounting • Executive compensation/human resources • Governance / legal • Risk management • Capital markets • Environmental/social • Manufactured housing communities asset management
Trustee Fees			
None: Mr. Keeney is employed by the REIT			
Equity Ownership			
Securities	Value at March 12, 2021		
8,704 Units	\$134,999		
5,234,398 Class B Units ⁽¹⁾	<u>\$81,185,513</u> \$81,320,512		
Public Board Memberships: Last 5 Years			Public Board Interlocks
None			None

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



Susan Monteith
Ontario, Canada

- Age: 64
- Trustee since Oct 2020
- Independent

Ms. Monteith is a corporate director and since January 1, 2018, Ms. Monteith has also served as a member of the board of directors, the Risk Review Committee, the Investment Committee and the Special Committee for Demutualization of Economical Mutual Insurance Company, a leading property and casualty insurer in Canada. Ms. Monteith has over 30 years experience as a senior capital markets professional advising companies on capital raising and M&A financing. She spent 10 years with National Bank Financial Inc. as Executive Vice President and Managing Director, Client Strategy & People Development and as Head of Equity Capital Markets until her retirement in 2016. Prior to joining National Bank Financial Inc., Ms. Monteith was Head of Equity Capital Markets with Genuity Capital Markets from 2005 to 2006. Previously she spent 13 years with CIBC World Markets Inc. in various positions in Investment Banking and Equity Capital Markets, including as Managing Director & Head of Equity Syndication. She also practiced corporate and commercial law in Toronto with the law firm Tilley, Carson & Findlay. Ms. Monteith currently sits on the board of Women's College Hospital and is a member of the Quality, Academic & Equity Committee. Ms. Monteith holds a Bachelor of Laws (LLB) degree from Osgoode Hall Law School at York University and a Master of Science degree in Business from London Business School. She also holds the ICD.D designation from the Institute of Corporate Directors.

Board / Committee Membership		2020 Meeting Attendance	Skills / Experience	
Board		2/2 (100%)	<ul style="list-style-type: none">• Senior executive /strategic leadership• Finance and accounting• Governance / legal• Risk management• Capital markets	
Audit Committee		1/1 (100%)		
CG&N Committee		1/1 (100%)		
Trustee Fees				
2020: \$8,750				
Equity Ownership				
Securities	Value at March 12, 2021			
4,000 Units	\$62,040			
Public Board Memberships: Last 5 Years			Public Board Interlocks	
None			None	



Andrew Oppenheim
Alberta, Canada

- Age: 69
- Trustee since Oct 2020
- Independent

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

Board / Committee Membership		2020 Meeting Attendance	Skills / Experience
Board		2/2 (100%)	<ul style="list-style-type: none"> • Senior executive /strategic leadership • Finance and accounting • Executive compensation/human resources • Governance / legal
CG&N Committee		1/1 (100%)	
Trustee Fees			
2020: \$13,125			
Equity Ownership			
Securities	Value at March 12, 2021		
5,000 Units	\$77,550		
Public Board Memberships: Last 5 Years			Public Board Interlocks
Aquarius AI Inc.: 2012 – 2018 Psinaptic Inc.: 2000 – present			None

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Nathan Smith
Kentucky, U.S.A.

- Age: 49
- Trustee since Oct 2020
- Non-independent
- Retained Interest Holder nominee

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

Board / Committee Membership		2020 Meeting Attendance	Skills / Experience
Board		2/2 (100%)	<ul style="list-style-type: none"> • Senior executive /strategic leadership • Finance and accounting • Executive compensation/human resources • Governance / legal • Risk management • Environmental/social • Manufactured housing communities asset management
Trustee Fees			
None: Mr. Smith is employed by the REIT			
Equity Ownership			
Securities	Value at March 12, 2021		
8,704 Units	\$134,999		
5,234,398 Class B Units ⁽¹⁾	<u>\$81,185,513</u>		
	\$81,320,512		
Public Board Memberships: Last 5 Years			Public Board Interlocks
None			None

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

 <p>Iain Stewart <i>Alberta, Canada</i></p> <ul style="list-style-type: none">• Age: 60• Trustee since Oct 2020• Independent	<p>Mr. Stewart is President and Chief Executive Officer at Genesis Land Development Corp., an integrated land developer and residential home builder, and is the former Co-CEO at Parkbridge Lifestyle Communities Inc. He has over 30 years of corporate finance and real estate development experience. He previously served on the board of directors and audit committee of a private financial services company. Mr. Stewart holds a Bachelor of Commerce and the Chartered Professional Accountant and ICD.D designations.</p>		
Board / Committee Membership	2020 Meeting Attendance	Skills / Experience	
Board Audit Committee	2/2 (100%) 1/1 (100%)	<ul style="list-style-type: none">• Senior executive /strategic leadership• Finance and accounting• Executive compensation/human resources• Governance / legal• Risk management• Capital markets• Manufactured housing communities asset management	
Trustee Fees			
2020: \$8,750			
Equity Ownership			
Securities	Value at March 12, 2021		
5,000 Units	\$77,550		
Public Board Memberships: Last 5 Years		Public Board Interlocks	
Genesis Land Development Corp: 2013 – present		None	

3. Appointment of Auditors

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

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

Category of fees	December 31, 2020
Audit Services	US \$235,000
Audit Related Services	-
Tax Services	US \$22,170
All Other Services	0
Total	US \$257,170

4. Approval of Equity Incentive Plan

The Unitholders will be asked to consider, and if thought advisable, pass an ordinary resolution (the "**Omnibus Equity Incentive Plan Resolution**"), the full text of which is set forth in Appendix A to this Circular, approving the REIT's Omnibus Equity Incentive Plan (the "**Equity Incentive Plan**"), including any previous grants of award and all unallocated awards issuable thereunder.

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 B to this Circular. The Toronto Stock Exchange ("**TSX**") requires that the Omnibus Equity Incentive Plan be approved by the Unitholders.

The approval of the Omnibus Equity Incentive Plan Resolution will be effective for three years from the date of the Meeting. If the Omnibus Equity Incentive Plan Resolution is passed at the Meeting, the REIT will next be required to seek similar approval from Unitholders no later than May 11, 2025.

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.

The management representatives designated in the form of proxy or voting instruction form intend to vote FOR the Omnibus Equity Incentive Plan Resolution, unless the Unitholder has specified in his or her proxy or voting instruction form that his or her Units are to be voted against the Omnibus Equity Incentive Plan Resolution.

The number of Units issuable to insiders of the REIT at any given time pursuant to all of the REIT's Unit based compensation arrangements shall not exceed 5% of the 12,659,125 effective outstanding units (the "**Effective Outstanding Units**") comprised of 7,226,185 Issued and Outstanding Units and 5,432,940 Class B Units, and the aggregate fair value on the date of grant of all Deferred Units granted to any one non-employee Trustee 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.

Regulatory Approval

The Omnibus Equity Incentive Plan has been drafted to comply with the policies of the TSX as they exist at the date of this Information Circular.

BOARD OF TRUSTEES AND COMMITTEES

Board of Trustees

Mandate of the Board of Trustees

The mandate of the Board of Trustees is one of stewardship and oversight of the REIT and its investments. In fulfilling its mandate, the Board has adopted a written mandate, the full text of which is set out as Appendix C to this Circular, setting out its responsibility for, among other things:

- i. participating in the development of and approving a strategic plan for the REIT;
- ii. supervising the activities and managing the investments and affairs of the REIT;
- iii. approving major decisions regarding the REIT;
- iv. defining the roles and responsibilities of management;
- v. reviewing and approving the business and investment objectives to be met by management;
- vi. assessing the performance of and overseeing management;
- vii. reviewing the REIT's debt strategy;
- viii. identifying and managing risk exposure;
- ix. ensuring the integrity and adequacy of the REIT's internal controls and management information systems;
- x. succession planning;
- xi. establishing committees of the Board, where required or prudent, and defining their mandate;
- xii. maintaining records and providing reports to Unitholders;
- xiii. ensuring effective and adequate communication with Unitholders, other stakeholders and the public; and
- xiv. determining the amount and timing of distributions to Unitholders.

Board Independence

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

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

- i. an acquisition of a property or an investment in a property, whether by co-investment or otherwise, in which any Related Party of the Trust has any direct or indirect interest, whether as owner, operator or manager;

- ii. a material change to any agreement with a Related Party of the Trust or any renewal, extension or termination thereof or any increase in any fees (including any transaction fees) or distributions payable thereunder;
- iii. the entering into of, or the waiver, exercise or enforcement of any rights or remedies under, any agreement entered into by the Trust, or the making, directly or indirectly, of any co-investment, in each case with
 - a. any Trustee,
 - b. any entity directly or indirectly controlled by any Trustee or in which any Trustee holds a significant interest, or
 - c. any entity for which any Trustee acts as a director or other similar capacity;
 - d. the refinancing, increase or renewal of any indebtedness owed by or to
 - e. any Trustee,
 - f. any entity directly or indirectly controlled by any Trustee or in which any Trustee holds a significant interest, or
 - g. any entity for which any Trustee acts as a director or other similar capacity;
 - h. decisions relating to any claims by or against one or more parties to any agreement with any Related Party to the Trust; and
 - i. the appointment of members of the board of directors of US Holdco.

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 2020, the Board held such an in-camera session at each of its two meetings, while the CG&N Committee and Audit Committee each held such an in-camera session at their sole meeting. The independent Trustees may also, at their discretion, hold ad hoc meetings that are not attended by management and non-independent Trustees.

Board and Committee Leadership

Mr. Peter C.B. Bynoe, an independent Trustee, is the Chair of the Board. In such capacity, he is principally responsible for overseeing the operations of the Board. The Board has adopted a written position

description for the Chair of the Board, which sets out the Chair's key responsibilities. If, at any time, the Chair of the Board is not an independent Trustee, the Board will appoint a lead independent Trustee.

The position description is reviewed annually and approved by the Compensation, Governance and Nominating Committee and the Board. Without limitation, the Chair shall:

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

m) provide additional services required by the Board.

Relationship of the Board of Trustees and Management

Mr. Peter C.B. Bynoe, an independent Trustee is the Chair of the Board.

The Chair directs the operations of the Board. He chairs each meeting of the Board and is responsible for the management and effective functioning of the Board and provides leadership to the Board in all matters. More specifically, the Chair works in consultation with the members of senior management to, among other things, set the agenda for each Board meeting; ensures that the Board has all the information it needs to discuss the matters brought before it; and ensures that all of the Board's responsibilities, as set out in the Board mandate, are being fulfilled.

The Chair serve a public relations role in representing the Board and the REIT to outside parties. The Chair monitors the reports from the committees of the Board to ensure the committees are fulfilling the responsibilities delegated to them by the Board. The Chair ensures appropriate communication between the Board and Unitholders and chairs all Unitholder general meetings.

Relationship of the Board of Trustees and Management

The Board of Trustees has in place appropriate structures to ensure that it can function independently of management.

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

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

Committees of the Board

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

Compensation, Governance and Nominating Committee

Members

The CG&N Committee must comprise at least three Trustees, a majority of whom must be independent and a majority of whom must be residents of Canada. The CG&N Committee currently consists of Mr. Oppenheim (Chair), Ms. Monteith 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.

Mr. Oppenheim (Chair) 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.

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

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

Responsibilities

The Compensation, Governance and Nominating Committee is charged with reviewing, overseeing and evaluating the compensation, governance and nominating policies of the REIT. In addition, the Compensation, Governance and Nominating Committee is responsible for:

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

Independent Advice

The Compensation, Governance and Nominating 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 the period since the formation of the REIT on August 12, 2020 to March 30, 2021, the CG&N Committee, among other things:

- reviewed and recommended adoption by the Board of Trustees of:
 - Board Mandate;
 - Audit Committee Charter;
 - Compensation, Governance and Nominating Committee Charter;
 - Insider Trading Policy;
 - Disclosure Policy;
 - Code of Business Conduct and Ethics;
 - Diversity Policy;
 - Majority Voting Policy;
 - Position Description of Chief Executive Officer;
 - Position Description of Board Chair;
 - Position Description of Committee Chairs; and
 - Whistleblower Policy.
- reviewed the skills required for Trustee nominees;
- reviewed the independence of the trustees;
- reviewed the Board size;
- put in place an orientation program for new Trustees;
- reviewed executive compensation and recommended annual non-equity bonuses for approval by the Board;
- reviewed the Omnibus Equity Incentive Plan and recommended approval by the Board;
- reviewed minimum Unitholding guidelines for Trustees and officers of the REIT and recommended approval by the Board;
- reviewed and recommended approval by the Board for the nominees for election to the Board and the materials to be provided to Unitholders in connection with the Meeting; and reviewed legislative, regulatory and policy updates and developments in leading practices in compensation, governance, nominating and related matters.

Audit Committee

Members

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

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

Ms. Monteith has over thirty years of corporate finance experience having held executive level roles National Bank Financial Inc., Genuity Capital Markets and CIBC World Markets Inc. She has extensive experience in advising companies on capital raising and M&A financing. Ms. Monteith holds a Master of Science degree in Business from London Business School.

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

The Audit Committee's charter is detailed in the sections entitled “Audit Committee Charter” in the Annual Information Form dated March 19, 2021 which can be found under the REIT's profile on SEDAR at www.sedar.com and on the REIT's website at www.flagshipcommunities.com.

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

Audit Committee Accomplishments

During the period since the formation of the REIT on August 12, 2020 to March 30, 2021, the Audit Committee, among other things:

- received reports from the Chief Financial Officer;
- reviewed and recommended for approval by the Board, the Q3 unaudited and annual audited financial statements, and each accompanying managements discussion and analysis, and related press release;
- reviewed internal controls;

- monitored the principal risks;
- 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, 2020; approved the Auditor's fees;
- met *in camera* with the auditor after every committee meeting;
- reviewed the Audit Committee Charter;
- reviewed reports on the Chief Executive Officer and Chief Financial Officer disclosure controls and procedures and internal controls over financial reporting certification;
- reviewed reports on the REIT's compliance with its financial covenants and financial risk management policies;
- reviewed the REIT's distributions;
- and monitored the whistleblowing process.

Orientation and Continuing Education

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

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

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

Nomination of Trustees

The CG&N Committee co-ordinates and manages the process of recruiting, interviewing, and recommending candidates to the Board of Trustees. The Committee has identified the key skills required on the Board and will review these annually to identify potential skill gaps on the Board. Once the Board evaluation process for Trustees is established as described in section entitled "Board Evaluation", it will be an important component of the consideration of incumbent Trustees for nomination 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

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

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

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

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

The Retained Interest Holders have an approximate 46.7% 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 three of the seven Trustees of the REIT.

Skills

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

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

Definition of skills and competencies:

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

Board Evaluation

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

The Board will review the report and act on recommendations, as appropriate. The Chair of the Board will also meet with each Trustee individually to engage in open dialogue on any issues which either wish to raise, and use the same opportunity to discuss any specific issues that may have come up in the peer review questionnaire process.

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

Trustee Minimum Unit Ownership Guidelines

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

Name of Trustee ⁽¹⁾	Value of Unit Holdings at March 12, 2021 ⁽²⁾	Value of 3x annual retainer at March 12, 2021	Target Date for Meeting Minimum Unit Ownership Expectation	Expectations Met
Peter Bynoe	\$51,695	\$105,000	December 2023	n/a ⁽³⁾
Louis Forbes	\$49,632	\$105,000	December 2023	n/a ⁽³⁾
Susan Monteith	\$62,040	\$105,000	December 2023	n/a ⁽³⁾
Andrew Oppenheim	\$77,550	\$105,000	December 2023	n/a ⁽³⁾
Iain Stewart	\$77,550	\$105,000	December 2023	n/a ⁽³⁾

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

(2) March 12, 2021 is the Record Date for the Meeting.

(3) The target date for meeting the minimum unit ownership expectation does not occur until 2023.

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

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

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

In conjunction with its annual review of the Trustees' skills and experience, the Compensation, Governance and Nominating Committee will review each Trustee's tenure on the Board as further set out below.

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

1. is putting in place, an annual Board effectiveness evaluation that will enable the Committee and the Board to solicit feedback regarding Trustee contribution, skill set and expertise;

2. has a diversity policy to guide the Committee on objectives for diversity when choosing Trustee candidates (see “Governance Policies – Diversity Policy”);
3. has established a Trustee skills matrix to ensure that, in choosing Trustee candidates, it focuses appropriately on critical skills and experience (see “– Skills”); and.
4. will annually review committee chairs and committee memberships with a view to balancing a desire for fresh perspectives with the need for experience and subject matter expertise.

2020 Trustee Attendance

	Peter C.B. Bynoe	Louis Forbes	Kurtis Keeney	Susan Monteith	Andrew Oppenheim	Nathan Smith	Iain Stewart
Board of Trustees	2/2 (100%)	2/2 (100%)	2/2 (100%)	2/2 (100%)	2/2 (100%)	2/2 (100%)	2/2 (100%)
Audit Committee	n/a	1/1 (100%)	n/a	1/1 (100%)	n/a	n/a	1/1 (100%)
Compensation and Nominating Committee	1/1 (100%)	n/a	n/a	1/1 (100%)	1/1 (100%)	n/a	n/a

Trustee Compensation

The Trustees’ compensation program is designed to attract and retain qualified individuals to serve on the Board of Trustees. Trustees who are employees of the REIT are not entitled to receive any remuneration for their services in acting as Trustees. A summary of the 2020 non-management Trustee fees are set out below. All fees were paid in cash in 2020. The Trustees have elected to receive 100% of their 2021 compensation in the form of Deferred Units.

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

Trustee Fees ⁽¹⁾	Amount
Annual Board retainer	\$ 35,000
Chair and Committee fees	
- Board Chair	\$ 52,500
- Compensation, Governance and Nominating Committee Chair	\$ 17,500
- Audit Committee Chair	\$ 20,000
Attendance fees	None

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

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In consideration for serving on the Board of Trustees, each Trustee received the following compensation for the fiscal year of the REIT ended December 31, 2020:

Name of Trustee	Fees Earned (\$)	Unit-based awards	All other compensation (\$)	Total compensation (\$)
Peter C.B. Bynoe	\$21,875	-	-	\$21,875
Louis Forbes	\$13,750	-	-	\$13,750
Kurtis Keeney ¹	N/A	-	-	N/A
Susan Monteith	\$8,750	-	-	\$8,750
Andrew Oppenheim	\$13,125	-	-	\$13,125
Nathan Smith ¹	N/A	-	-	N/A
Iain Stewart	\$8,750	-	-	\$8,750

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

Equity Plan

The Board of Trustees has adopted an equity incentive plan which provides eligible participants with compensation opportunities that will (i) 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) reward such Persons for their sustained contributions and (iii) encourage such Persons to take into account the long-term financial performance of the REIT. The Equity Incentive Plan is proposed for approval by the Unitholders at the Meeting. The full text of the Equity Incentive Plan is attached as Appendix B to this Circular.

Pension Plan

The REIT does not have a pension plan for Trustees.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Penalties or Sanctions

None of the REIT's Trustees or executive officers, and to the best of the REIT's knowledge, no Unitholder holding a sufficient number of securities to affect materially the control of the REIT, has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor making an investment decision.

Individual Bankruptcies

None of the REIT's Trustees or executive officers, and to the best of the REIT's knowledge, no Unitholder holding a sufficient number of securities to affect materially the control of the REIT, has, within the 10 years prior to the date of this prospectus, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of that individual.

Corporate Cease Trade Orders and Bankruptcies

Except as described below, none of the REIT's Trustees or executive officers, and to the best of the REIT's knowledge, no Unitholder holding a sufficient number of securities to affect materially the control of the REIT is, as at the date of this prospectus, or has been within the 10 years before the date of this prospectus, (a) a director, chief executive officer or chief financial officer of any company that was subject to an order that was issued while the existing or proposed director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer, or (b) was subject to an order that was issued after the existing or proposed director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer, or (c) a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceeding, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets. For the purposes of this paragraph, "order" means a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, in each case, that was in effect for a period of more than 30 consecutive days.

Mr. Bynoe has served as a director of Frontier Communications Corporation since 2007. Frontier Communications Corporation and each of its direct and indirect subsidiaries (collectively, the "Frontier Entities") filed voluntary petitions for protection under Chapter 11 of Title 11 of the United States Bankruptcy Code on April 14, 2020, following which an order was entered on June 30, 2020 approving the Frontier Entities' disclosure statement, solicitation and notice procedures and other related relief, which enabled the Frontier Entities to commence solicitation of votes on their Plan of Reorganization on July 2, 2020. On August 21, 2020, the U.S. Bankruptcy Court for the Southern District of New York confirmed the Frontier Entities Plan of Reorganization and on August 27, 2020, the U.S. Bankruptcy Court for the Southern District of New York entered the order approving the Plan of Reorganization.

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. Psinaptic remains delisted.

Financial Literacy

All Trustees meet the standard for financial literacy defined by the Ontario Securities Commission as the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the issuer's financial statements.

Risk Management Oversight

The Board of Trustees is entrusted with responsibility for assessment of the REIT's risk management practices, identification of the principal risks of the REIT's business and efforts to ensure that those risks are effectively managed. Among other things, it reviews and approves risk management policies and systems designed to work together with supporting corporate standards and operating guidelines developed by management.

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

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

GOVERNANCE POLICIES

Ethical Business Conduct

The REIT has a Code of Business Conduct and Ethics (the "**Code**") that applies to all Trustees, officers and employees of the REIT and its subsidiaries. The objective of the Code is to provide guidelines for maintaining the integrity, reputation, honesty, objectivity and impartiality. The Code addresses conflicts of interest, protecting the REIT's assets, confidentiality, fair dealing with security holders, competitors and employees, insider trading, compliance with laws and reporting any illegal or unethical behaviour. As part of the Code any person subject to the Code is required to avoid or fully disclose interests or relationships that are harmful or detrimental to the REIT's best interests or that may give rise to real, potential or the appearance of conflicts of interest. The Code is available under the REIT's profile on SEDAR at www.sedar.com.

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

All Trustees, Officers and employees of the REIT are required to certify their compliance with the Code annually. The Compensation, Governance and Nominating Committee reports annually to the Board on compliance with the Code. There were no reported breaches of the Code in 2020.

Diversity Policy

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

Meaning of Diversity

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

Application of the Diversity Policy to the Board

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

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

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

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

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

Upon adoption of the REIT's Diversity Policy on October 7, 2020, and as of March 30, 2021, the Board of Trustees included one woman (or approximately 14% of the seven Trustees). The CG&N Committee will consider the establishment of targets for women in on the Board during 2021.

Application of the Diversity Policy to Executive Management

The CG&N Committee is responsible for (i) periodically reviewing and making recommendations to the Board with respect to succession planning matters concerning the Chief Executive Officer and other key executive officers, and (ii) reviewing the recommendations of the Chief Executive Officer respecting the appointment of the Chief Financial Officer, the Chief Investment Officer, all other members of senior management reporting directly to the Chief Executive Officer, and all other officers appointed by the Board.

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

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

Upon adoption of the REIT's Diversity Policy on October 7, 2020, and as of March 30, 2021, the REIT's management did not include any women (0% of the three senior executives of the REIT). The CG&N Committee will consider the establishment of targets for women in executive management during 2021.

Majority Voting Policy

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

The CG&N Committee will promptly recommend acceptance of the nominee trustee's resignation by the Board unless it determines that there are extraordinary circumstances that should delay the acceptance of the resignation or justify rejecting it. The resignation will be accepted (or in exceptional cases, rejected) within 90 days of the meeting. The Board will not consider any of the following as factors to constitute exceptional circumstances: (i) any stated reasons why unitholders "withheld" votes from the election of that nominee; (ii) what the Committee believes to be the underlying reasons for the Majority Withhold Vote, including whether these reasons relate to the incumbent trustee's performance as a trustee, whether these reasons relate to the REIT or another issuer, and whether these reasons are curable and alternatives for effecting any cure; (iii) the percentage of outstanding trust units represented by votes cast and withheld from voting on the election of the subject trustee; (iv) the REIT's corporate governance policies; (v) the overall composition of the Board (including whether accepting the resignation would cause the REIT to fail to meet any applicable regulatory or stock exchange listing requirements); and (vi) whether the resignation of the trustee could result in the triggering of change in control or similar provisions under any contract by which the REIT is bound or any benefit plan of the REIT and, if so, the related potential impact.

Any individual who tenders his or her resignation pursuant to this policy shall not participate in any meeting of the Board held to consider the resignation. In the event that a sufficient number of Board members receives a Majority Withhold Vote in the same election, such that the Board no longer has a quorum, then although each trustee receiving a Majority Withhold Vote shall not be permitted to

participate in any meeting of the Board at which his or her resignation offer is considered, he or she shall be eligible to be counted for the purpose of determining whether the Board has quorum.

Subject to any corporate law restrictions, the Board of Trustees may (1) leave a vacancy in the Board unfilled until the next annual general meeting, (2) fill the vacancy by appointing a new trustee whom the Board considers to merit the confidence of the Unitholders, or (3) call a special meeting of Unitholders to consider new board nominee(s) to fill the vacant position(s).

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

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

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

Director / Trustee Interlocks

There are no interlocks among board members.

Environmental, Social and Governance

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

Environmental

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

Social

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

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

Governance

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

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

Related Party Transactions

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

Unitholder/Investor Communications Policy and Feedback

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

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

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

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

REPORT ON EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The following discussion describes the significant elements of the REIT's executive compensation program, with particular emphasis on the process for determining compensation payable to the President and Chief Executive Officer (the "CEO") and the Chief Financial Officer (the "CFO"), as well as the Chief Investment Officer (the "CIO"), being the next most highly compensated executive officer, each of whom are employed by Management FC, a subsidiary of the REIT. In 2020, the CEO and CFO were the only named executive officers in accordance with applicable Canadian securities laws due to the brief period between the initial public offering and December 31, 2020. Disclosure for the CIO is included in the Report on Executive Compensation as, in a full fiscal year, the terms of his employment will meet the definition of NEO. Reference to the "named executive officers" ("NEOs") include the CEO, CFO and CIO.

The REIT's compensation arrangements for the NEOs are described below.

Principal Elements of Compensation

The compensation of the named executive officers consists of base salary and discretionary annual cash bonuses. The REIT's process for determining executive compensation is relatively straightforward, involving evaluation of executive officers. To date, there has not been a specific formula for determining the amount of the base salary or cash bonuses nor a formal approach applied for determining how one element of compensation fits into the overall compensation objectives in respect of the REIT's activities. Objectives and performance measures may vary from year to year as determined to be appropriate by the REIT. To date, the REIT has not engaged a compensation consultant.

Base Salaries

Base salaries are intended to provide an appropriate level of fixed compensation that will assist in employee retention and recruitment. Base salaries are determined on an individual basis, taking into consideration the past, current and potential contribution to the REIT's success, the position and responsibilities of the NEOs, and competitive industry pay practices for other real estate investment trusts and companies of comparable size. Increases in base salary are at the sole discretion of the Trustees.

Annual Cash Bonuses

Annual cash bonuses may be paid to the NEOs. Annual cash bonuses are not intended to be awarded pursuant to any formal or formulaic incentive plan, but may be awarded on a discretionary basis based on qualitative and quantitative performance standards to reward the performance of the named executive officer individually. The CG&N Committee believes it to be appropriate, in the context of a newly created public issuer, to determine executive incentive compensation, within the contractually established range, using a review and global assessment of the performance of the REIT, in terms of financial results, achievements and strategic positioning, and specific individual contributions, among others, rather than adhering to a formulaic approach. The CEO makes an annual recommendation to the CG&N Committee for approval of the amount of cash bonus to be awarded to the other named executive officers. In 2021 the CEO will establish pre-determined goals and objectives for purposes of assisting in the determination of such bonus amounts to be awarded, which goals and objectives may include a range of targets for the REIT and personal metrics for the individual NEO. As the REIT grows and matures, the CG&N Committee will look to develop a more formalized approach to annual cash bonuses, which may include the use of "score cards".

Incentive Compensation Plans

At the Meeting, Unitholders are being asked to approve the Omnibus Equity Incentive Plan that is intended to align the interests of executive management with those of the REIT and its Unitholders. See the summary of the Omnibus Equity Incentive Plan at "– Omnibus Equity Incentive Plan". The CG&N Committee may elect to award securities to the NEOs under the Omnibus Equity Incentive Plan.

Compensation Risk

The CG&N Committee will consider the implications of the risks associated with the REIT's compensation policies and practices as part of its responsibility to ensure that the compensation for the Trustees and the named executive officers of the REIT align the interests of the Trustees and the NEOs with Unitholders and the REIT as a whole.

Purchase of Securities

The REIT's Insider Trading Policy prohibits its Trustees, officer and employees to purchase or sell REIT securities if they have any knowledge of a material fact or a material change in the REIT's affairs that has not been generally disclosed to the public and sufficient time has elapsed for such information to have been adequately disseminated to the public. Nor may they inform anyone of such material fact or material change (other than in the necessary course of business) or advise anyone to purchase, sell, hold or exchange the REIT's securities (or any other securities whose price or value may reasonably be expected to be affected by material changes affecting the REIT).

The REIT's insider trading policy prohibits all officers and Trustees of the REIT from selling "short", selling "call options" or buying "put options" on any of the REIT's securities and 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 the market value of equity securities granted to such executive officers and Trustees as compensation or of any other securities of the REIT held directly or indirectly by such person.

Pension Plan

The REIT does not have a pension plan for the Named Executive Officers.

Summary Compensation Table

The following table sets out the compensation paid to each of the Named Executive Officers for the fiscal year of the REIT ended December 31, 2020.

Name and principal position	Year	Salary (\$)	Unit-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	All other compensation ⁽³⁾ (\$)	Total compensation (\$)
Kurtis Keeney ⁽¹⁾ Chief Executive Officer	2020	82,466	-	-	28,320 ⁽⁴⁾	-	110,786
Eddie Carlisle ⁽²⁾ Chief Financial Officer	2020	58,904	-	-	20,228 ⁽⁴⁾	-	79,133
Nathan Smith ⁽¹⁾ Chief Investment Officer	2020	82,466	-	-	28,320 ⁽⁴⁾	-	110,786

(1) The salaries for Messrs. Keeney and Smith represent salaries paid from October 7 until December 31, 2020; their respective annualized salaries are \$350,000.

(2) The salary for Mr. Carlisle represents salary paid from October 7 until December 31, 2020; his annualized salary is \$250,000.

(3) The perquisites for each of the Named Executive Officers did not exceed the lesser of \$50,000 and 10% of the individual's salary for the year.

(4) The non-equity compensation for the NEO was earned in 2020 and paid in March 2021.

The total cost of the NEO's compensation was 3.6 % of the REIT's 2020 revenue.

Clawback Provision

The REIT does not have a “clawback” provision that would allow the Board to recover bonus compensation from NEOs in the event of wrongdoing.

Minimum Unitholding 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 executive officers to acquire and thereafter maintain a number of Units or equity equivalents with a fair market value equal to a minimum of three times their annual base salary within a period of three years of later of the establishment of the Omnibus Equity Incentive Plan and their respective appointment dates.

The Board considers the proportionate ownership interest of each executive officer of the REIT in Legacy Portfolio Holdings for purposes of determining whether an executive officer has met his applicable minimum equity ownership.

EXECUTIVE MANAGEMENT				
Name of Officer	Value of Unit and Class B Unit Holdings at March 12, 2021 ⁽¹⁾	Value of multiple of annual retainer at March 12, 2021 ⁽²⁾	Target Date for Meeting Minimum Unit Ownership Expectation	Expectations Met
Kurtis Keeney <i>President and Chief Executive Officer</i>	\$81,320,512	\$1,750,000	December 2023	✓
Eddie Carlisle <i>Chief Financial Officer</i>	\$390,449	\$750,000	December 2023	n/a ⁽³⁾
Nathan Smith <i>Chief Investment Officer</i>	\$81,320,512	\$1,050,000	December 2023	✓

(1) March 12, 2021 is the Record Date for the Meeting.

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

(3) The target date for meeting the minimum unit ownership expectation does not occur until December 2023.

Employment Agreements

Chief Executive Officer

Pursuant to the terms of the employment agreement, Mr. Keeney serves as the REIT’s CEO for an indefinite term. The agreement provides for an annual base salary of \$350,000 and the ability to earn an annual short-term incentive cash bonus in an amount up to 35% of his annual base salary. Pursuant to his employment agreement, Mr. Keeney is also eligible to participate in employee benefit plans established by

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

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

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

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

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

Position Description for the CEO

The CEO is primarily responsible for the overall management of the business and affairs of the REIT. In this capacity, the CEO establishes the strategic and operations priorities of the REIT and provides leadership for the effective overall management of the REIT. The CEO is directly responsible to the Board for all activities of the REIT.

Without limitation to the following, the CEO is to:

- a) develop and recommend to the Board a long-term strategy and vision for the REIT that is consistent with creating unitholder value;
- b) develop and recommend to the Board annual business plans and budgets that support the REIT's long-term strategy;
- c) lead the implementation of the resolutions and the policies of the Board;
- d) provide leadership and vision, maintain a high level of employee morale and motivation, with a view to ensuring the implementation of the REIT's strategy;
- e) develop and motivate executive officers, and provide overall management to ensure the effectiveness of the leadership team;
- f) consistently strive to achieve the REIT's financial and operating goals and objectives and maintain the operation oversight of financial results;
- g) after consideration of the objectives of the Diversity Policy of the REIT, make recommendations to the Compensation, Governance and Nominating Committee of the Board 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 (collectively "Senior Management");
- h) make recommendations to the Compensation, Governance and Nominating Committee of the Board 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;
- i) ensure that succession plans are in place for the REIT (which also reflects consideration of the REIT's Diversity Policy);
- j) ensure that the Board remains fully informed through direct communication with the Chair of the Board and the Board on all significant matters;
- k) together with the REIT's Chief Financial Officer, establish, maintain, and supervise the design of appropriate disclosure controls and procedures and internal control over financial reporting;
- l) serve as the REIT's chief spokesperson (including communication with unitholders and regulators), subject to the direction of the Board;
- m) foster and maintain a positive image and reputation of the REIT, including a corporate culture that promotes integrity and ethical values throughout the organization; and
- n) ensure compliance by the REIT and its personnel with all applicable laws, rules and regulations, as well as the REIT's Code of Conduct and any other policies of the Board in effect from time to time.

The Chief Executive Officer position description is considered by the Board for approval annually.

Chief Financial Officer

Pursuant to the terms of an employment agreement, Mr. Carlisle serves as the REIT's Chief Financial Officer for an indefinite term. The agreement provides for an annual base salary of \$250,000 and the ability to earn an annual short-term incentive cash bonus in an amount up to 35% of his annual base

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

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

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

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

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

Chief Investment Officer

Pursuant to the terms of the employment agreement, Mr. Smith will serve as the REIT's CIO for an indefinite term. The agreement provides for an annual base salary of \$350,000 and the ability to earn an annual

short-term incentive cash bonus in an amount up to 35% of his annual base salary. Pursuant to his employment agreement, Mr. Smith is also eligible to participate in employee benefit plans established by the employer and have a long-term disability insurance policy and a life insurance policy established and maintained at the employer's expense. Mr. Smith's employment agreement provides that, in the event Mr. Smith's employment is terminated without "cause" (as such term is defined in the agreement) or Mr. Smith terminates his employment agreement because the employer has failed to discharge its duties and responsibilities and fails or refuses to correct such failings within a specified period, he will be entitled to:

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

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

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

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.

Flagship Communities REIT
Management Information Circular

NEO	Event	Severance ⁽¹⁾	Total
Kurtis Keeney <i>President and Chief Executive Officer</i>	Termination without cause or resignation due to employer default	\$700,000	\$700,000
	Termination due to death or permanent disability ⁽²⁾	\$350,000	\$350,000
Eddie Carlisle <i>Chief Financial Officer</i>	Termination without cause or resignation due to employer default	\$500,000	\$500,000
	Termination due to death or permanent disability ⁽²⁾	\$250,000	\$250,000
Nathan Smith <i>Chief Investment Officer</i>	Termination without cause or resignation due to employer default	\$700,000	\$700,000
	Termination due to death or permanent disability ⁽²⁾	\$350,000	\$350,000

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

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

Omnibus Equity Incentive Plan

The Board of the REIT has approved the Omnibus Equity Incentive Plan and the REIT will adopt it subject to the approval of Unitholders at the Meeting.

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

Administration and Eligibility

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

Types of Awards

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

- **Restricted Units.** A Restricted Unit award is an award denominated in notional units that vests three years after the grant date and which is settled by Units issued from treasury or, if so elected by the

participant and subject to the approval of the Board, cash based on the value of a Unit at the date of settlement.

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

The number of Restricted Units, Performance Units, or Deferred Units, as applicable, granted at any particular time pursuant to the Omnibus Equity Incentive Plan is calculated by dividing (i) the dollar value amount of the participant's award, by (ii) the market value of a Unit on the award date. "Market value" of a Unit at any date for purposes of the Omnibus Equity Incentive Plan means the volume weighted average price of all Units traded on the TSX for the five trading days immediately preceding such date (or, if such Units are not listed and posted for trading on the TSX, on such stock exchange on which such Units are listed and posted for trading as may be selected for such purpose by the Board of Trustees). In the event that the Units are not listed and posted for trading on any stock exchange, the market value shall be the fair market value of the Units as determined by the Board of Trustees in its sole discretion.

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

With respect to Options, in order to facilitate the payment of the exercise price of the Options, the Omnibus Equity Incentive Plan has a cashless exercise feature (with a deduction from the number of Units available for issuance under the Omnibus Equity Incentive Plan equal to the amount of Units actually granted to the participant pursuant to such cashless exercise). The participant may elect to surrender their Options to the REIT in consideration for an amount from the REIT equal to (i) the market

value of the Units issuable on the exercise of such Option as of the date such Option is exercised, less (ii) the aggregate exercise price of the Option surrendered relating to such Units. The REIT shall satisfy payment of such amount by delivering to the participant the number of Units (rounded down to the nearest whole number) having a fair market value equal to such amount.

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

Units Subject to the Omnibus Equity Incentive Plan and Participation Limits

The maximum number of Units issuable pursuant to awards under the Omnibus Equity Incentive Plan and all other security-based compensation arrangements shall not exceed 10% of the outstanding Units of the REIT from time to time, which represents 722,618 Units as of the date of this Circular.

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

The number of Units issuable to insiders of the REIT at any time pursuant to all of the REIT's security-based compensation arrangements, including the Omnibus Equity Incentive Plan, shall not exceed 10% of the issued and outstanding Units, and the number of Units issued to insiders of the REIT within any one-year period pursuant to all of the REIT's security-based compensation arrangements, including the Omnibus Equity Incentive Plan, shall not exceed 10% of the issued and outstanding Units. The maximum aggregate value of securities issuable to any non-employee Trustee under the Omnibus Equity Incentive Plan shall not exceed \$150,000 per annum. The aggregate number of Units reserved for issuance to all Non-Employee Trustees and grants under all security-based compensation arrangements of the REIT made other than in lieu of cash fees shall not exceed 1% of the Effective Outstanding Units (as defined in 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 Plan, and grants of Full-Value Awards and other non-option awards under all other security-based compensation arrangements of the REIT, shall not exceed 5% of the Effective Outstanding Units.

Termination of Employment

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

Change in Control

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

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

Assignability

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

Adjustments

In the event of an extraordinary distribution, securities based distribution, stock split or combination (including a reverse stock split) or any recapitalization, business combination, merger, amalgamation, consolidation, spin-off, exchange of Units, liquidation or dissolution of the REIT or other similar transaction affecting the Units, the Board will make such proportionate adjustments, if any, as it determines in its sole discretion to the number and kind of Units available for issuance under the Omnibus Equity Incentive Plan, the annual per-participant Unit limits, the number, class, exercise price (or base value), performance objectives applicable to outstanding awards and any other terms of outstanding awards affected by such transaction to preserve the proportionate rights and obligations of the participants under the Omnibus Equity Incentive Plan. The Board of Trustees may also make adjustments of the type described in the preceding sentence to take into account distributions and events other than those listed above if it determines that adjustments are appropriate to avoid distortion in the operation of the Omnibus Equity Incentive Plan and to preserve the proportionate rights and obligations of the participants under the Omnibus Equity Incentive Plan.

Discontinuance and Amendments

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

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

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

- amending the general vesting provisions of each award;
- amending the provisions with respect to termination of employment or services;
- adding covenants of the REIT for the protection of participants, as the case may be, provided that the plan administrator shall be of the good faith opinion that such additions will not be prejudicial to the rights or interests of the participants, as the case may be;
- making amendments not inconsistent with the Omnibus Equity Incentive Plan as may be necessary or desirable with respect to matters or questions which, in the good faith opinion of the plan administrator, having in mind the best interests of the participants, it may be expedient to make, including amendments that are desirable as a result of changes in law in any jurisdiction where a participant resides, provided that the plan administrator shall be of the opinion that such amendments and modifications will not be prejudicial to the interests of the participants and Trustees; or
- making such changes or corrections which, on the advice of counsel to the REIT, are required for the purpose of curing or correcting any ambiguity or defect or inconsistent provision or clerical omission or mistake or manifest error, provided that the plan administrator shall be of the opinion that such changes or corrections will not be prejudicial to the rights and interests of the participants.

Outstanding Unit Based Awards at December 31, 2020

There were no Unit based awards outstanding at December 31, 2020. No grants were issued subsequent to December 31, 2020 at the date of the Circular.

Securities Issued Under Equity Plans

	Balance of Securities Remaining for Issuance	Balance of Securities Remaining for Issuance as a Percentage of Issued and Outstanding Units at March 12, 2021	Maximum Number of Securities that can be issued under the Plan
Omnibus Equity Incentive Plan	722,619	100%	722,619

Succession Plans for the Chief Executive Officer and Management Team

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

Interest of Informed Persons in Material Transactions

Other than as described in this Circular, the Annual Information Form dated March 19, 2021 and in the notes to the 2020 audited consolidated financial statements of the REIT, no informed person (as such term is defined in the *Securities Act* (Ontario)) or proposed nominee for election as a Trustee, nor any associate or affiliate of the foregoing, has any interest, direct or indirect, in any material transactions in which the REIT has participated since the formation of the REIT or in any proposed transaction which has materially affected or will materially affect the REIT.

Indebtedness of Trustees, Executive Officers and Senior Officers

No Trustee, executive officer or senior officer of the REIT or proposed management nominee for election as a Trustee, nor each associate of any such Trustee, officer or proposed management nominee, is or has been indebted to the REIT at any time during the last completed financial year.

Interest of Certain Persons in Matters to be Acted Upon

Except in so far as they may be Unitholders and unless otherwise disclosed in this Circular, no person who has been a Trustee or executive officer of the REIT at any time since the beginning of the REIT's last financial year, or proposed nominee for election as a Trustee, nor any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matters to be acted upon at the Meeting other than the election of Trustees.

Trustee and officer Liability Insurance

The REIT carries trustees' and officers' liability insurance. Under this insurance coverage, the REIT is reimbursed for payments made under indemnity provisions on behalf of its Trustees and officers, subject to a deductible for each loss. Individual Trustees and officers are also reimbursed for losses arising during the performance of their duties for which they are not indemnified by the REIT, subject to a deductible which is paid by the REIT. Excluded from coverage are illegal acts, acts which result in personal profit and certain other acts. The Declaration of Trust provides for the indemnification in certain circumstances

of Trustees and officers from and against liability and costs in respect of any action or suit against them in respect of the execution of their duties of office. For the year ending December 31, 2020, the REIT paid US \$245,000 (exclusive of applicable taxes) in insurance premiums for Trustees and officers for liability coverage with a limit of up to \$10 million in total including defence costs.

Additional Information

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

APPROVAL OF THE BOARD OF TRUSTEES

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

DATED at Toronto, Ontario, this 30th day of March, 2021.

"Kurtis Keeney"

Kurtis Keeney
President and Chief Executive Officer

APPENDIX A

**OMNIBUS EQUITY INCENTIVE PLAN
ORDINARY RESOLUTION OF THE UNITHOLDERS**

“WHEREAS:

A. the Board of Trustees of Flagship Communities Real Estate Investment Trust (the “REIT”) approved the Omnibus Equity Incentive Plan in the form attached as Appendix B to the Management Information Circular of the REIT dated March 12, 2021 (the “Equity Incentive Plan”); and

B. a maximum of 10% of the number of issued and outstanding trust units (“Units”) of the REIT shall be reserved for issuance under the Equity Incentive Plan.

BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. the Equity Incentive Plan is hereby approved and adopted until May 11, 2024, the date that is three (3) years from the date hereof; and
2. a maximum of 10% of the issued and outstanding Units are hereby reserved for issuance under the Equity Incentive Plan;
3. the Issued Deferred Units are hereby ratified, confirmed and approved; and
4. 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 B

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:

- (g) 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;
- (h) provides the services under a written contract with the REIT or a Subsidiary of the REIT; and
- (i) 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;
- (j) and includes
- (k) 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
- (l) 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:

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

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:

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

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.

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 (except as provided in Section 3.6(c)) 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 number of Units available for issuance under the Plan shall not be decreased as a result of the issuance of Units upon the exercise or settlement of Awards nor increased upon the surrender, termination, expiry or cancellation of Awards unexercised or unsettled in whole or in part
- (c) Any Units issued by the REIT through the assumption or substitution of outstanding options or other equity-based awards from an acquired business shall not reduce the number of Units available for issuance pursuant to the exercise or settlement of Awards granted under this Plan.

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 (b) 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,
- (b) in each case as determined by the Plan Administrator in its discretion.
- (c) 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.
- (d) 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.
- (e) 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,
- (b) in each case as determined by the Plan Administrator in its discretion.
- (c) 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.

- (d) 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.
- (e) 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,
- (b) in each case as determined by the Plan Administrator in its discretion.
- (c) 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.
- (d) 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(b) 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 U.S.

Attention: Chief Financial Officer

Or by email: ecarlisle@flagshipcommunities.com

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.

APPENDIX C

MANDATE FOR THE BOARD OF TRUSTEES

Effective Date: November 12, 2020

1. Purpose

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

2. Membership

Number of Members

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

Independence of Members

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

Residency of Members

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

Term of Members

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

Chair of the Board

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

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

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

General

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

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

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

3. Meetings

Location of Meetings

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

Number of Meetings

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

Quorum

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

Secretary and Minutes

The Secretary, his or her designate, or any other person the Chair of the Board requests shall act as secretary of each meeting of the Board. Minutes of Board meetings shall be recorded and maintained in sufficient detail to convey the substance of all discussions held and shall be, on a timely basis, subsequently presented to the Board for approval.

Attendance of Non-Members

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

Meetings of Independent Trustees

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

Access to Management and Books and Records

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

4. Responsibilities

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

(a) Strategic Plans

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

(b) Business and Capital Plans

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

(c) Monitoring

The Board shall periodically review management's implementation of the REIT's strategic, business and capital plans and objectives and review and, if advisable, approve any material amendments to, or variances from, such plans. The Board shall oversee management, generally, and assess its performance.

(d) Subsidiaries

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

Risk Management

(e) General

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

(f) Verification of Controls

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

Financial-Related Matters

(g) Approval of Annual Financial Reports

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

(h) Approval of Interim Financial Reports

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

(i) Nomination

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

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

The Board shall review the recommendations of the Audit Committee concerning the policies and procedures for the retainer of the REIT's external auditors to perform any non-audit service for the REIT or its subsidiary entities and, if advisable, approve, with or without modifications, such policies and procedures.

(k) Distributions

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

Human Resource Management

(l) Chief Executive Officer

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

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

(m) Senior Management

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

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

(n) Succession Review

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

(o) Integrity of Senior Management

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

(p) Trustee Remuneration

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

(q) Equity-Based Compensation Plans

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

Nomination Matters

(r) General

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

(s) Nominee Identification

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

(t) Committees of the Board

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

boards and other committees on which the trustees serve, approve the appointment of such trustees to (or departure from) the committees as the Board deems advisable.

(u) Trustee Independence

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

(v) Board and Committee Size

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

(w) Board Renewal

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

(x) Diversity Policy

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

(y) Majority Voting

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

Corporate Governance

(z) General

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

(aa) Position Descriptions

The Board has approved position descriptions for the Chair of the Board, the Chief Executive Officer and the chair of each Board committee. The Board shall periodically review the recommendations of the Compensation, Governance and Nominating Committee concerning

changes to such position descriptions and if advisable, approve, with or without modifications, the adoption of any such changes.

(bb) Governance Policies

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

(cc) Board of Trustees Mandate Review

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

(dd) Committees of the Board

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

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

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

(ee) Ethics Reporting

The Board has adopted a written Code of Business Conduct and Ethics (the "**Code**") applicable to trustees, officers and employees of the REIT, among others. The Board shall periodically review the reports of the Compensation, Governance and Nominating Committee relating to compliance with, material departures from, and investigations and any resolutions of complaints received under, the Code. The Board shall also review the recommendations of the Compensation, Governance and Nominating Committee concerning changes to the Code and if advisable, approve, with or without modifications, the adoption of any such changes.

(ff) Trustee Development and Evaluation

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

Communications**(gg) General**

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

(hh) Unitholders

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

5. Outside Advisors

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

6. No Rights Created

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

