

FORM 45-106F1
REPORT OF EXEMPT DISTRIBUTION

This is the form required under section 6.1 of Regulation 45-106 for a report of exempt distribution.

Issuer information

Item 1: State the full name of the issuer of the security distributed and the address and telephone number of its head office. If the issuer of the security distributed is an investment fund, state the name of the fund as the issuer, and provide the full name of the manager of the investment fund and the address and telephone number of the head office of the manager. Include the former name of the issuer if its name has changed since last report.

Centurion Apartment Real Estate Investment Trust

95 Mural Street, Suite 306

Richmond Hill, ON L4B 3G2

Tel: (905) 695-5079

Item 2: State whether the issuer is or is not a reporting issuer and, if reporting, each of the jurisdictions in which it is reporting.

Not a reporting issuer in any jurisdiction of Canada

Item 3: Indicate the industry of the issuer by checking the appropriate box next to one of the industries listed below.

☐ Bio-tech

Financial Services

☐ investment companies and funds

☐ mortgage investment companies

☐ Forestry

☐ Hi-tech

☐ Industrial

Mining

☐ exploration/development

☐ production

☐ Oil and gas

☒ Real estate

☐ Utilities

☐ Other (describe) _____

Details of distribution

Item 4: Complete Schedule I to this report. Schedule I is designed to assist in completing the remainder of this report.

Item 5: State the distribution date. If the report is being filed for securities distributed on more than one distribution date, state all distribution dates.

September 30, 2011

Item 6: For each security distributed:

(a) describe the type of security,

(b) state the total number of securities distributed. If the security is convertible or exchangeable, describe the type of underlying security, the terms of exercise or conversion and any expiry date; and

(c) state the exemption(s) relied on.

The issuer issued **295,522.244** Class A Units. The Class A Trust Units represent the beneficial ownership interest of the holders thereof in the issuer. The Class A Units were issued pursuant to the “accredited investor” exemption in Section 2.3 of National Instrument 45-106 (“NI 45-106”), the “offering memorandum” exemption contained in Section 2.90 of National Instrument 45-106, the “Employee, executive officer, director & consultant” exemption contained in Section 2.24 of National Instrument 45-106. Complete the following table for each Canadian and foreign jurisdiction where purchasers of the securities reside. Do not include in this table, securities issued as payment for commissions or finder’s fees disclosed under item 8, below.

Each jurisdiction where purchasers reside	Number of purchasers	Price per security (Canadian \$) ¹	Total dollar value raised from purchasers in the jurisdiction (Canadian \$)
Alberta	14	\$10.145	\$410,372.02
British Columbia	25	\$10.145	\$765,670.00
Ontario	27	\$10.145	\$1,692,031.19
Saskatchewan	1	\$10.145	\$100,000.00
Manitoba	1	\$10.145	\$30,000
Total number of Purchasers	68		
Total dollar value of distribution in all jurisdictions (Canadian \$)			\$2,998,073.21

Note 1: If securities are issued at different prices list the highest and lowest price the securities were sold for.

Commissions and finder's fees

Item 8: Complete the following table by providing information for each person who has received or will receive compensation in connection with the distribution(s). Compensation includes commissions, discounts or other fees or payments of a similar nature. Do not include payments for services incidental to the distribution, such as clerical, printing, legal or accounting services. If the securities being issued as compensation are or include convertible securities, such as warrants or options, please add a footnote describing the terms of the convertible securities, including the term and exercise price. Do not include the exercise price of any convertible security in the total dollar value of the compensation unless the securities have been converted.

Full name and address of the person being compensated	Compensation paid or to be paid (cash and/or securities)				
	Cash (Canadian \$)	Securities			Total dollar value of compensation (Canadian \$)
		Number and type of securities	Price per security	Exemption relied on and date of distribution	
Accilent Capital Management Inc. – 370 King St. W. Toronto, ON M5V 1J9	\$3,270.00				\$3,270.00
Global Exempt Market Solution – 3915-8 th Street SE, Calgary AB, T2G 3A5	\$3,503.34				\$3,503.34
Westcourt Capital Corp. – 1301-1166 Bay St, Toronto ON M5S 2X8	\$4,492.00				\$4,492.00
Centurion Apartment REIT Management Inc. – 306-95 Mural St., Richmond Hill ON, L4B 3G2	\$43,690.05				\$43,690.05
Quadrex Asset Management - 223 17th Avenue SE Calgary, AB T2G 1H5	\$300.00				\$300.00
Macquarie Capital Market - Brookfield Place 181 Bay Street, Suite 3100 Toronto, ON M5J 2T3	\$4,500.00				\$4,500.00
Raintree Financial Solution Inc. – 202, 10310 176 Street, Edmonton, AB T5S 1L3	\$16,050.00				\$16,050.00

Acqua Financial Consulting – 183 Hampstead Way NW, Calgary, AB T3A 6H6	\$4,050.00				\$4,050.00
Fundex Investments Inc. – 24 Goswell Road, Etobicoke, ON M9B 1W7	\$15,300.00				\$15,300.00
iBrokerPower Investment Inc. – 3751 Shell Road Suite 100, Richmond, BC V6X 2W2	\$10,000.00				\$10,000.00

Item 9: If a distribution is made in Ontario, please include the attached “Authorization of Indirect Collection of Personal Information for Distributions in Ontario”. The “Authorization of Indirect Collection of Personal Information for Distributions in Ontario” is only required to be filed with the Ontario Securities Commission.

Certificate

On behalf of the issuer, I certify that the statements made in this report are true.

Date: October 5, 2011

Centurion Apartment Real Estate Investment Trust
Name of issuer (please print)

Greg Romundt, Trustee, 905-695-5080
Print name, title and telephone number of person signing



Signature

Item 10: State the name, title and telephone number of the person who may be contacted with respect to any questions regarding the contents of this report, if different than the person signing the certificate.

IT IS AN OFFENCE TO MAKE A MISREPRESENTATION IN THIS REPORT.

Notice - Collection and use of personal information

The personal information required under this form is collected on behalf of and used by the securities regulatory authorities or, where applicable, the regulators under the authority granted in securities legislation for the purposes of the administration and enforcement of the securities legislation.

If you have any questions about the collection and use of this information, contact the securities regulatory authority or, where applicable, the regulator in the jurisdiction(s) where the form is filed, at the address(es) listed at the end of this report.

**Authorization of Indirect Collection of Personal Information
for Distributions in Ontario**

The attached Schedule I contains personal information of purchasers and details of the distribution(s). The issuer hereby confirms that each purchaser listed in Schedule I of this report

(a) has been notified by the issuer

(i) of the delivery to the Ontario Securities Commission of the information pertaining to the person as set out in Schedule I,

(ii) that this information is being collected indirectly by the Ontario Securities Commission under the authority granted to it in securities legislation,

(iii) that this information is being collected for the purposes of the administration and enforcement of the securities legislation of Ontario, and

(iv) of the title, business address and business telephone number of the public official in Ontario, as set out in this report, who can answer questions about the Ontario Securities Commission's indirect collection of the information, and

(b) has authorized the indirect collection of the information by the Ontario Securities Commission.