

**PULIS REAL ESTATE TRUST
OFFERING MEMORANDUM**

No securities regulatory authority or regulatory has assessed the merits of these securities or reviewed this Offering Memorandum. Any representation to the contrary is an offence. The information disclosed on this page is a summary only. Purchasers should read the entire Offering Memorandum for full details about the Offering. This is a risky investment. See "Risk Factors".

DATE: February 6, 2015

THE ISSUER: Pulis Real Estate Trust (the "**Trust**")
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Brampton, Ontario L6W 3E4
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Currently Listed or Quoted: No. **These securities do not trade on any exchange or market.**

Reporting Issuer: No.

SEDAR Filer: No.

THE OFFERING

Securities Offered: Trust units ("**Trust Units**").

Price per Security: The price per Trust Unit shall be \$95 up to and including June 30, 2015. The price per LP Unit shall be \$100 on or after July 1, 2015.

Minimum/Maximum Offering: **There is no minimum offering. You may be the only Investor. Funds available under the Offering may not be sufficient to accomplish our proposed objectives.**

Minimum Subscription Amount: \$5,000.00 The Administrator may, in its sole discretion, on an individual basis, accept subscriptions for less than \$5,000 in order to allow the Trust to satisfy the minimum investment requirements of a "mutual fund trust" under the Tax Act.

Payment Terms: Personal cheque, certified cheque, bank draft or wire transfer.

Proposed Closing Date: The Offering may be closed in stages. The first closing is expected to occur on or around February 6, 2015, with other closings to occur thereafter from time to time.

Tax Consequences: There are important tax considerations relating to the ownership of these securities. All Subscribers will be responsible for the preparation and filing of their own tax returns in respect of this investment. See "Canadian Federal Income Tax Consequences".

Selling Agent Fees: The Trust reserves the right to pay finder's fees in an amount up to 10% of the Gross Proceeds of the Offering provided that sales involving payment of finder's fees are conducted in accordance with applicable securities laws. The Trust may also pay the Marketing Fee of up to 2% and a Trailer Fee of up to 1% of Gross Proceeds of the Offering. See "Compensation Paid to Sellers and Finders".

Purpose: The Trust's primary purpose and sole business is to issue Trust Units to raise Available Funds to purchase LP Units in Pulis Real Estate LP 2 (the "**Partnership**"), with the objective of generating returns to Unitholders. All or substantially all of the Available Funds of the Offering will be to acquire LP Units in the Partnership. See - "Use of Available Funds" and "Business of the Trust". All potential acquisitions will be structured to meet the investment strategy and investment guidelines that management determines necessary to optimize returns for Unitholders.

Redemption Restrictions: The maximum aggregate redemption proceeds shall not exceed the greater of \$100,000 or 5% of the Fair Market Value of the Trust in cash per Fiscal Year; provided that, in the Administrator's sole and unfettered discretion the Trust may pay in excess of the greater of \$100,000 or 5% of the Fair Market Value of the Trust in cash per Fiscal Year, as long as such payment will not result in the Trust losing its status as a "mutual fund trust" for the purposes of the Tax Act or if, in the Administrator's opinion (in their sole discretion), the Trust has insufficient liquid assets to fund such redemptions or that the liquidation of assets at such time would be to the detriment of the remaining holders of Trust Units or the Trust generally. See "Material Agreements" - "Declaration of Trust" - "Redemption of Trust Units".

Resale Restrictions You will be restricted from selling your securities for an indefinite period. There will be no market for the Trust Units. See "Material Agreements" - "Declaration of Trust" - "Resale Restrictions".

Purchaser's Rights You have two Business Days to cancel your Subscription Agreement to purchase Trust Units. If there is a misrepresentation in this Offering Memorandum, you have the right to sue either for damages or to cancel your Subscription Agreement. See "Purchasers' Rights".

Capitalized terms used but not otherwise defined above have the respective meanings ascribed to them under "Glossary of Terms" in this confidential offering memorandum.

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The information contained in this Offering Memorandum is intended only for the persons to whom it is transmitted for the purposes of evaluating the securities offered hereby. Prospective investors should only rely on the information in this Offering Memorandum. No persons are authorized to give any information or make any representation in respect of the Trust or the securities offered herein and any such information or representation must not be relied upon. The entirety of the Partnership Offering Memorandum (which is attached as Schedule “F” to this Offering Memorandum) is incorporated by reference into, and forms a part of, this Offering Memorandum. Subscribers therefore should review all of the Partnership Offering Memorandum.

ELIGIBILITY FOR INVESTMENT

Provided the Trust qualifies as a “mutual fund trust” for purposes of the Tax Act, the Trust Units, when issued, will be qualified investments under the Tax Act for Deferred Plans and, as such, any distributions paid or payable on the Trust Units or gains realized upon a disposition or deemed disposition of Trust Units will not be taxable to Deferred Plans. If at any time the Trust Units are a prohibited investment for an RRSP, RRIF or TFSA, the annuitant of the RRSP or RRIF or the holder of the TFSA, as the case may be, may be subject to adverse tax consequences. See ITEM 8 - “Certain Canadian Federal Income Tax Consequences – Taxation of Unitholders – Eligibility for Investment by Deferred Plans”.

INVESTMENT NOT LIQUID

The Trust Units offered hereunder will be subject to a number of resale restrictions, including a restriction on trading. Until the restriction on trading expires, if ever, a Unitholder will not be able to trade the Trust Units unless it complies with very limited exemptions from the prospectus and registration requirements under applicable securities legislation. As the Trust has no intention of becoming a reporting issuer in any jurisdiction in Canada, these trading restrictions will not expire. Consequently, Unitholders may not be able to liquidate their Trust Units in a timely manner, if at all, or pledge their Trust Units as collateral for loans. There is no market through which the Trust Units may be sold and the Trustee will make reasonable efforts to ensure that a market does not develop so that the Trust does not become a “SIFT Trust” as defined in the Tax Act. See ITEM 12 - “Resale Restrictions” and ITEM 10 - “Risk Factors” in this Offering Memorandum.

FORWARD-LOOKING STATEMENTS

Certain information regarding the Trust set forth in this Offering Memorandum, including the Trust’s future plans and business, and the Partnership Offering Memorandum, contains forward-looking statements that involve substantial known and unknown risks and uncertainties. The use of any of the words “anticipate”, “believe”, “continue”, “estimate”, “expect”, “intend”, “plan”, “potential”, “predict”, “project”, “seek” or other similar words, or statements that certain events or conditions “may”, “might”, “could”, “should” or “will” occur are intended to identify forward looking statements. Such statements represent the Administrator’s internal projections, estimates or beliefs concerning, among other things, future growth, results of operations, business opportunities, future expenditures, plans for and results of business prospects and opportunities. These statements are only predictions and actual events or results may differ materially. Although that the expectations reflected in the forward-looking statements are reasonable, future results, levels of activity, performance or achievement cannot be guaranteed since such expectations are inherently subject to significant business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Trust’s actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, the Trust.

Forward-looking statements included in this Offering Memorandum include, but are not limited to, statements with respect to: use of proceeds of the Offering; the business to be conducted by the Trust and the Partnership; the ability to make and the timing and payment of distributions; payment of fees to the Trustees; the Trust’s and the Partnership’s business objectives; treatment under governmental regulatory regimes and tax laws; financial and business prospects and financial outlook; and timing of dissolution of the Trust; possibility of extension of the dissolution date of the Trust; results of operations, the timing thereof and the methods of funding.

These forward-looking statements are subject to numerous risks and uncertainties, including but not limited to the risks discussed under ITEM 10 - “Risk Factors” and other factors, many of which are beyond the control of the Trust and the Administrator. Readers are cautioned that the foregoing list of factors is not exhaustive.

The forward-looking statements contained in this Offering Memorandum are based on a number of assumptions, including those relating to:

- the Trust's business strategy and operations;
- the ability of the Trust to achieve or continue to achieve its business objectives;
- the Trust's expected financial performance, condition and ability to generate distributions;
- the Partnership, including its business strategy, operations, financial performance, condition and ability to generate distributions;
- factors and outcomes associated with the real estate sector in the Provinces of Ontario, Saskatchewan, Alberta and British Columbia, including competition and competitive conditions;
- concentration of investments of the Trust in a single business (being the LP Units of the Partnership) operating in a single industry (being the real estate business in the Provinces of Ontario, Saskatchewan, Alberta and British Columbia) which results in the Trust's investments being less diversified than other investment funds;
- the possibility of the Trust being unable to acquire or dispose of illiquid securities;
- possibility of substantial redemptions of Trust Units;
- taxation of the Trust;
- the impact on the Trust of future changes in applicable legislation;
- application of legislation and regulations applicable to the Trust; and
- availability of and dependence upon certain key employees of the General Partner.

Although the forward-looking statements contained in this Offering Memorandum are based upon assumptions believed to be reasonable, the Trust cannot assure investors that actual results will be consistent with these forward-looking statements.

The Trust has included the above summary of risks related to forward-looking information provided in this Offering Memorandum in order to provide Unitholders with a more complete perspective on the Trust's current and future operations and such information may not be appropriate for other purposes. The Trust's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits the Trust will derive therefrom. These forward-looking statements are made as of the date of this Offering Memorandum and the Trust disclaims any intent or obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.

SUBSCRIPTION PROCEDURE AND CHECKLIST

Applicable Canadian securities laws prescribe the documentation that must be completed in order to subscribe for Trust Units. The documentation that you must complete will depend on the jurisdiction in which you are resident and the prospectus exemption relied upon. A summary of the documentation requirements is set forth below:

IMPORTANT: **The following items in the Subscription Agreement must be completed and executed (please initial above each applicable line to confirm completion) attached hereto as Schedule A:**

All Purchasers

Complete and execute all applicable lines on pages 1, 2 and 3 of the Subscription Agreement.

Provide a certified cheque, or bank draft or wire transfer made payable to Pulis Real Estate Trust for the Total Subscription Price indicated on page 1 of the Subscription Agreement. Provide a separate cheque marked "VOID" from the account to which distributions should be credited

Purchasers Resident in Any Province or Territory of Canada other than Ontario

If an "accredited investor", complete and execute Schedule A - Accredited Investor Status Certificate, indicating which category is applicable. You do not need to complete Schedule B, C, D or E if Schedule A is completed.

If relying on the "Family, Friends and Business Associates" exemption complete and execute Schedule B - Family, Friends and Business Associates Status Certificate, indicating which category is applicable. You do not need to complete Schedule A, C, D or E if Schedule B is completed. If you are resident in Saskatchewan, you must also complete Exhibit A to Schedule B. This exemption is not available to residents of Quebec.

If relying on the "Offering Memorandum" exemption, complete and execute Schedule D - Eligible Investor Status Certificate and Exhibit A attached thereto. You do not need to complete Schedule A, B, C or E if Schedule D is completed unless Schedule D specifically provides that you must complete one of Schedule A or Schedule B. This exemption is not available to residents of Quebec.

Purchasers Resident in Ontario

If an "accredited investor", complete and execute Schedule A - Accredited Investor Status Certificate, indicating which category is applicable. You do not need to complete Schedule B, C, D or E if Schedule A is completed.

If not an "accredited investor" and relying on the "Founder, Control Person and Family" exemption, complete and execute Schedule E - Founder, Control Person and Family Status Certificate. You do not need to complete Schedule A, B, C or D if Schedule E is completed.

If not an "accredited investor" and relying on the "Minimum Amount Investment" exemption, complete and execute Schedule C - Minimum Amount Investment Status Certificate. You do not need to complete Schedule A, B, D or E if Schedule C is completed.

A completed and originally executed copy of this Subscription Agreement are required to be completed as set out above.

SUMMARY OF OFFERING

Prospective investors are encouraged to consult their own professional advisors as to the tax and legal consequences of investing in the Trust. The following is a summary only and is qualified by the more detailed information contained in this Offering Memorandum.

- The Trust:** Pulis Real Estate Trust (the “**Trust**”) is an open ended unit trust established under the laws of the Province of Ontario by a Declaration of Trust made between the Trust, Computershare Trust Company of Canada (the “**Trustee**”) and Pulis Real Estate Adminco Inc. (the “**Administrator**”) dated June 20, 2014, as amended on July 30, 2014, and February 6, 2015 (the “**Declaration of Trust**”). See “Management of the Trust”.
- Investment Objective and Strategies:** The Trust’s objective is maximize returns from indirect ownership of a portfolio of residential real estate properties, which properties may include single family houses, row houses, townhouses, condominium properties, multiplexes, apartment buildings and mixed-use commercial/residential buildings. The Trust intends to invest substantially all of its assets in Pulis Real Estate LP 2 (the “**Partnership**”), a limited partnership formed under the laws of Ontario with the same investment objective. Some of the Trust’s assets may be kept in cash or cash equivalents. See “The Trust – Long Term Objectives”.
- The Administrator:** The Administrator is the Administrator of the Trust. In addition to managing the day-to-day activities of the Trust, it is the responsibility of the Administrator to make investment decisions on behalf of the Trust, to assist in the marketing of the Trust. The Administrator will receive fees for its services, as set out in this Offering Memorandum. See “Management of the Trust”.
- The Offering:** An unlimited number of beneficial interests in the Trust, referred to as trust units (the “**Trust Units**”), are offered hereby (the “**Offering**”). Investors in the Trust are referred to as “**Unitholders**”.
- Trust Units may be issued in more than one series. To date the Administrator has designated one series in the class of Trust Units: Trust Units. See “The Trust” and “Declaration of Trust – Trust Units”.
- Eligibility for Investment:** The Trust is expected to qualify as a mutual trust under the *Income Tax Act* (Canada) (the “**Tax Act**”), however the date this qualification will become effective cannot be determined at this time. Once the Trust so qualifies, Trust Units will be qualified investments under the Tax Act for registered retirement savings plans, registered retirement income trusts, deferred profit sharing plans, registered education savings plans, registered disability savings plans and tax-free savings accounts (“**Registered Plans**”). **Holders of Registered Plan accounts should consult with their own tax Administrators as to whether Trust Units would be a “prohibited investment” under the Tax Act in their particular circumstances.** See “Risk Factors” and “Canadian Federal Income Tax Considerations”.
- Subscription Price:** Trust Units will be issued under the Offering at a price of \$95 per Trust Unit up to and including June 30, 2015. The price per LP Unit shall be \$100 on or after July 1, 2015. See “Description of Trust Units”.
- Offering Jurisdictions:** All provinces and territories except Quebec (the “**Offering Jurisdictions**”). Trust Units are being distributed only pursuant to available exemptions in the Offering Jurisdictions.
- Minimum Individual Subscription:** **Each additional investment must be in an amount that is not less than \$5,000 (subject to the Administrator’s discretion to waive or increase this minimum**

amount at any time).

Finder's Fees:	The Trust reserves the right to pay finder's fees in an amount up to 10% of the Gross Proceeds of the Offering provided that sales involving payment of finder's fees are conducted in accordance with NI 31-103. The Trust may also pay the Marketing Fee of up to 2% and a Trailer Fee of up to 1% of Gross Proceeds of the Offering. See "Compensation Paid to Sellers and Finders".
Fees Payable by the Trust	<p>Computershare Trust Company of Canada will be paid an annual fee for acting as Trustee of the Trust. Pursuant to the Declaration of Trust, Computershare Trust Company of Canada will act as the transfer agent and registrar of the Trust and will be paid a fee of approximately \$3.75 for each Trust Unit Certificate issued by the Trust. These costs will be borne by the Partnership pursuant to the Funding Agreement.</p> <p>The Administrator receives \$500 per year as the fee pursuant to the terms of the Administration Agreement. These costs will be borne by the Partnership pursuant to the Funding Agreement.</p>
Calculation of Fair Market Value of the Trust:	The Fair Market Value of each issuance of Trust Units will be based on their pro rata share of the Fair Market Value of the Trust. The valuation techniques adopted in calculating the Fair Market Value of the Trust will be in accordance with industry practice and IFRS. See "Computation of Fair Market Value"
Trust Expenses:	Expenses relating to the organization and ongoing activities of the Trust, as well as the costs of investment, are payable by the Trust. See "Declaration of Trust - Trust Expenses." Because the Trust is expected to invest substantially all of its assets in the Partnership, Unitholders will indirectly bear the expenses of the Partnership (see "The Partnership – Partnership Expenses").
Redemptions:	<p>A Unitholder may redeem Trust Units providing the Trustee with a Redemption Notice.</p> <p>The Unitholder of the Trust Units tendered for redemption shall be entitled to receive:</p> <ul style="list-style-type: none">(i) within 12 months from the date of the Trust Unit Certificate representing the Trust Units to be redeemed (the "Issuance Anniversary"), a price per Trust Unit to be redeemed that shall be equal to 90% of the Fair Market Value of the Trust Units to be redeemed;(ii) within 2 years of the Issuance Anniversary, a price per Trust Unit to be redeemed that shall be equal to 92% of the Fair Market Value of the Trust Units to be redeemed;(iii) within 3 years of the Issuance Anniversary, a price per Trust Unit to be redeemed that shall be equal to 94% of the Fair Market Value of the Trust Units to be redeemed;(iv) within 4 years of the Issuance Anniversary, a price per Trust Unit to be redeemed that shall be equal to 96% of the Fair Market Value of the Trust Units to be redeemed;(v) within 5 years of the Issuance Anniversary, a price per Trust Unit to be redeemed that shall be equal to 98% of the Fair Market Value of the Trust

Units to be redeemed; and

- (vi) at anytime following the 5th Issuance Anniversary, a price per Trust Unit to be redeemed that shall be equal to the Fair Market Value of the Trust Units to be redeemed;

as determined by the Administrator or Trust within 30 business days of receipt of the redemption notice, having reference to Fair Market Value of the Trust (hereinafter, called the “**Redemption Price**”). See “Declaration of Trust – Redemption of Trust Units”.

The maximum aggregate redemption proceeds shall not exceed the greater of \$100,000 or 5% of the Fair Market Value of the Trust in cash per Fiscal Year; provided that, in the Administrator’s sole and unfettered discretion the Trust may pay in excess of the greater of \$100,000 or 5% of the Fair Market Value of the Trust in cash per Fiscal Year, as long as such payment will not result in the Trust losing its status as a “mutual fund trust” for the purposes of the Tax Act or if, in the Administrator’s opinion (in their sole discretion), the Trust has insufficient liquid assets to fund such redemptions or that the liquidation of assets at such time would be to the detriment of the remaining holders of Trust Units or the Trust generally.

Transfer or Resale of Trust Units:

The right to transfer Trust Units hereunder is restricted such that no Trust Unitholder shall be entitled to transfer Trust Units to any person unless the transfer has been approved by the Administrator and the Administrator shall have the power to restrict the transfer of the Trust Units on the books of the Trust without liability to Trust Unitholders or others who are thereby restricted from making a transfer. The transfer or resale of Trust Units (which does not include a redemption of Trust Units) is also subject to restrictions under applicable securities legislation. It is not anticipated that a market will develop for the Trust Units. Accordingly, redemption of the Trust Units in accordance with the provisions set out herein is likely to be the only means of liquidating an investment in the Trust. See “Declaration of Trust – Resale Restrictions”.

Distributions:

The Trustee, with the assistance of the Administrator, may on or before each Distribution Record Date, declare payable to the holders of Trust Units on such Distribution Record Date all or any part of the Cash Flow of the Trust for the Distribution Period which includes such Distribution Record Date.

Where the Administrator determines that the Trust does not have available cash in an amount sufficient to make payment of the full amount of any distribution which has been declared to be payable on the due date for such payment, the payment may, at the option of the Administrator, include (i) the issuance of additional Trust Units, and/or (iii) the issuance of promissory notes having repayment terms and interest provisions as may be determined by the Administrator acting reasonably and in good faith, including promissory notes that are exchangeable for Trust Units, having an aggregate fair market value (as determined by the Trustee, acting reasonably and in good faith) value equal to the difference between the amount of the distribution in question and the amount of cash which has been determined by the Trustee to be available for the payment of such distribution. See “Declaration of Trust – Distributions”.

Trust’s Fiscal Year End:

December 31.

Term:

The Trust shall continue for a term ending on the earlier of December 31, 2050 and the date which is one day prior to the date, if any, the Trust would otherwise be void by virtue of any applicable rule against perpetuities then in force in Ontario. See

“Declaration of Trust – Termination of the Trust”.

Financial Reporting:	The Administrator will send (or make available if sending is not required under applicable securities laws) to Trust Unitholders at least 21 days prior to the date of each general meeting of Trust Unitholders, or if no general meeting is to be held in that year within six months of the fiscal year end, the annual financial statements of the Trust, together with comparative financial statements for the preceding fiscal year, if any, and the report of the Auditors. See “Unitholder Reporting”.
Tax Considerations:	Investors are urged to consult with their tax advisors to determine the tax consequences of an investment in the Trust and the holding and disposition or redemption of Trust Units.
The Partnership:	<p>Pulis Real Estate LP 2 is a limited partnership (the “Partnership”) formed and organized under the laws of the Province of Ontario, with the same investment objective as the Trust, by certificate dated June 30, 2014, and governed by a limited partnership agreement dated June 20, 2014, as amended and restated on July 30, 2014 (the “Partnership Agreement”). See “The Partnership”.</p> <p>The investment objective and strategies of the Partnership are described above under “The Trust – Investment Objective and Strategies of the Trust”.</p>
The General Partner:	Pulis Real Estate GP2 Inc., (the “ General Partner ”) a corporation established under the laws of the Province of Ontario, is responsible for the day-to-day activities of the Partnership and monitoring the Partnership’s various service providers. See “The Partnership – The General Partner”.
LP Units:	Units of the Partnership (“ LP Units ”) may be issued on terms and conditions as the General Partner in its discretion determines. The Trust will invest the proceeds from the sale of Trust Units in LP Units.
Purchases, Transfers and Redemptions of Partnership Units:	The rights and obligations of the Trust respecting the purchase, transfer and redemption of LP Units are consistent with the rights and obligations of Unitholders of the Trust.
Fees Payable by the Partnership:	No fees will be payable by the Partnership to the Administrator in respect of LP Units held by the Trust. However, the General Partner of the Partnership will receive an Acquisition Fee, Management Fee and Incentive Fee. See “The Partnership – Fees”.
Partnership Expenses:	The Partnership is responsible for all costs and operating expenses actually incurred in connection with the organization of the Partnership and the ongoing activities of the Partnership. See “The Partnership – Partnership Expenses”.
Net Income and Net Loss Allocations:	Net Income or Net Loss of the Partnership for a Fiscal Year shall be allocated to each Partner of record on the last day of the Fiscal Year. See “The Partnership – Allocations for Tax Purposes”.
Distributions to Limited Partners:	Distributable Cash shall be made to Limited Partners (including the Trust) by the General Partner on a quarterly basis subject to certain restrictions. See “The Partnership – Distributions”.

**Calculation of Fair
Market Value of the
Partnership:**

The Fair Market Value of each issuance of LP Units will be based on their pro rata share of the Fair Market Value of the Partnership. The valuation techniques adopted in calculating the Fair Market Value of the Trust will be in accordance with industry practice and IFRS. See “See “Computation of Fair Market Value”.

Partnership Year End:

December 31.

Term:

The Partnership shall exist until December 21, 2050.

GLOSSARY OF TERMS

The following terms and abbreviations used throughout this Offering Memorandum have the following meanings:

“Acquisition Fee” means an acquisition fee of 1.0% of the total purchase price of each of the Properties acquired by the Partnership and which is paid to the General Partner upon completion of the purchase of each of the Properties;

“Adjusted Net Operating Income” means the remainder of the Net Operating Income of the Partnership, for the preceding 12 month period, after increasing Net Operating Income by the amount paid for the Properties repairs, improvements and renovations;

“Administration Agreement” means the agreement, dated June 20, 2014, between the Administrator, the Trustee, and the Trust as amended, supplemented or amended and restated from time to time;

“Administrator” means Pulis Real Estate Adminco Inc., as administrator of the Trust under the Administration Agreement, or such other person properly appointed as administrator of the Trust pursuant to the Declaration of Trust;

“affiliate” shall have the meaning ascribed thereto in the Securities Act;

“Aggregate Contributed Capital” means the total amount of all Capital Contribution contributed by the Limited Partners to the Partnership;

“Applicable Laws” means all applicable provisions of law, domestic or foreign, including the Securities Act;

“Approvals” means any directive, order, consent, exemption, waiver, consent order or consent decree of or from, or notice to, action by or filing with, any Governmental Authority;

“associate” shall have the meaning ascribed thereto in the Securities Act;

“Auditors” means BDO Canada LLP or such other firm of chartered accountants as may be appointed as auditor or auditors of the Trust from time to time;

“Business Day” means a day which is not a Saturday, Sunday or statutory holiday in the City of Brampton, in the Province of Ontario;

“Capital Contribution”, with respect to any Limited Partner, means the amount of capital contributed by such Limited Partner to the Partnership in accordance with the Partnership Agreement;

“Cash Flow of the Trust” shall be calculated in accordance with Section 5.1 of the Declaration of Trust and shall mean the amount so calculated;

“Closing” means a closing of the Offering;

“Counsel” means a law firm (who may be counsel to the Administrator) acceptable to the Trustees;

“CRA” means the Canada Revenue Agency;

“Declaration of Trust” means the Declaration of Trust dated June 20, 2014 by and between Computershare Trust Company of Canada as Trustee, and Brian Pulis, as the Initial Unitholder, and the Administrator governing the business and affairs of the Trust, as amended and restated on July 30, 2014 and February 6, 2015, and as may be further amended, supplemented or restated from time to time, a copy of which is available for examination at the offices of the Trust;

“Deferred Plan” means a trust governed by a registered retirement savings plan, registered retirement income fund, registered education savings plan or tax-free savings account;

“discretion” means sole, absolute and unfettered discretion;

“Distributable Cash” means with respect to a particular period, the amount by which the Partnership’s cash on hand or to be received in respect of that period (excluding any proceeds from any Financing) exceeds:

- (i) unpaid administration expenses of the Partnership including any unpaid amounts with respect to the General Partner Fees;
- (ii) amounts required for the business and operations of the Partnership, including operating expenses and capital expenditures;

- (iii) amounts required in order to meet all debts, liabilities and obligations in respect of any Financing, including reserves to ensure compliance with agreements to which the Partnership is subject; and
- (iv) any amounts which the General Partner in its Discretion determines is necessary to satisfy the Partnership's current and anticipated requirements of the Partnership and its commitments and anticipated commitments, debts, liabilities and obligations and to comply with applicable laws;

“Distribution Payment Date” means, in respect of a Distribution Period, on the tenth Business Day immediately following the end of the Distribution Period or such other date determined from time to time by the Administrator;

“Distribution Period” means each quarterly period ending on March 31, June 30, September 30 and December 31, or such other periods as may be hereafter determined from time to time by the Administrator, from and including the first day thereof and to and including the last day thereof;

“Distribution Record Date” means the last Business Day of each Distribution Period, or such other date determined from time to time by the Administrator;

“DRIP” The Trust’s distribution reinvestment plan. See “Distribution Reinvestment Plan”;

“DRIP Enrollment Form” The enrollment form indicating that the Unitholder elects to participate in the DRIP (which may be included in the Unitholder’s subscription agreement in respect of a subscription for Trust Units);

“DRIP Unit Price” A price per Trust Unit equal to the most recent subscription price per Trust Unit that the Trust Units were offered to investors for purchase;

“EMD” means a person or company registered as an exempt market dealer pursuant to NI 31-103;

“Exchangeable Security” or **“Exchangeable Securities”** means a unit or units, a share or shares or other security or securities which are convertible into or exchangeable for Unit(s) (directly or indirectly) without the payment by the holder of additional consideration therefor, whether or not issued by the Trust;

“Extraordinary Resolution” means a resolution proposed to be passed as a special resolution at a meeting of Unitholders (including an adjourned meeting) duly convened for that purpose and held in accordance with the provisions of the Declaration of Trust and passed by more than 66⅔% of the votes cast on such resolution by Unitholders represented in person or by proxy at the meeting;

“Fair Market Value of the Partnership” shall mean the fair market value of Partnership, including capital received for the issuance of LP Units, and, when the reference so requires, of investments, determined by reference to IAS 40 and by the most recent, fair market valuation conducted by an independent third-party selected by the General Partner in its sole discretion (or, if the applicable Property was acquired by the Partnership after the most recent annual valuation prepared for the Partnership, then the value shall be any valuation thereof obtained by the General Partner) less all liabilities, costs, and expenses accrued or payable of every kind and nature, and distributions due but not yet paid or made;

“Fair Market Value of the LP Unit” at a particular time, means the amount of the Fair Market Value of the Partnership divided by the number of issued and outstanding LP Units at that time;

“Fair Market Value of the Trust” mean the fair market value of the Trust’s investment in the Partnership plus the value of the Trust’s investment assets and the Trust’s other assets, less all liabilities, costs, and expenses accrued or payable of every kind and nature, and distributions due but not yet paid or made;

“Fair Market Value of the Trust Units” at a particular time, means the amount of the Fair Market Value of Trust divided by the number of issued and outstanding Units at that time;

“Financing” means any credit facility granted or extended to or for the benefit of, or investment by way of debt in, the Partnership whereby or pursuant to which money, credit or other financial accommodation has been or may be provided, made available or extended to the Partnership by way of borrowed money, the purchase of debt instruments or securities, bankers acceptances, letters of credit, overdraft or other forms of credit and financial accommodation, and includes any and all trust deeds, indentures, mortgages, bonds or debentures (whether issued and delivered as security or sold to a purchaser), security agreements and other deeds, instruments or documents in respect thereof;

“Fiscal Year” means a fiscal year of the Trust (or portion thereof), which ends on December 31 in each calendar year, except in the case of a deemed year end on the dissolution of the Trust;

“Funding Agreement” means the agreement entered into between the Trust and the Partnership which provides that the Partnership will pay all costs, fees, Selling Commissions and expenses incurred by the Trust in connection with the Trust Offering, as more fully described in Material Agreements – Funding Agreement;

“General Partner” means Pulis Real Estate GP2 Inc., a corporation established under the laws of the Province of Ontario, or any successor or permitted assignee thereof;

“General Partner Fees” means the Management Fee, Acquisition Fee and the Incentive Fee;

“Governmental Authority” means (i) any nation, province, territory, state, county, city or other jurisdiction; (ii) any federal, provincial, territorial, state, local, municipal, foreign or other government; (iii) any governmental or quasi-governmental authority of any nature (including any agency, branch, department, board, commission, court, tribunal or other entity exercising governmental or quasi-governmental power); (iv) anybody exercising, or entitled or purporting to exercise, any administrative, executive, judicial, legislative, regulatory or taxing authority or power; or (v) any official of the foregoing;

“Gross Proceeds” means, at any time, the aggregate gross proceeds of this Offering;

“GST” means any applicable Canadian federal or provincial goods and services tax or harmonized sales tax;

“Incentive Fee” means an amount equal to 7.0% of the Adjusted Net Operating Income to be paid in Trust Units, from the previous Fiscal Year;

“include”, “including” and “includes” mean “include, without limitation”, “including, without limitation” and “includes without limitation”, respectively;

“Income of the Trust” for any taxation year of the Trust shall be the net income for the year determined pursuant to the provisions of the Tax Act (other than subsection 104(6) and paragraph 82(1)(b)) having regard to the provisions thereof which relate to the calculation of income of a trust, and taking into account such adjustments thereto as are determined by the Administrator in respect of dividends received from taxable Canadian corporations, amounts paid or payable by the Trust to Trust Unitholders and such other amounts as may be determined in the discretion of the Administrator; provided, however, that capital gains and capital losses shall be excluded from the computation of net income;

“Initial Closing Date” shall mean the date on which the General Partner issues an LP Unit to any party other than the initial Limited Partner of the Partnership;

“Initial Trust Unit” means the 1 Trust Unit issued to Brian Pulis upon settlement of the Trust;

“Initial Unitholder” means Brian Pulis, an individual resident in the City of Brampton, in the Province of Ontario, as the initial holder of Trust Units;

“Insider of the Trust” means a person who would be an “insider of the Trust” as defined in Regulation 4803(1) of the Tax Act if the references therein to “corporation” were read as references to the Trust;

“Limited Partner” means any person who is admitted to the Partnership as a limited partner for as long as they are registered holder(s) of at least one LP Unit;

“LP Unit” means a limited partnership unit of beneficial interest in the Partnership issued from time to time in accordance with the Partnership Agreement and having the rights, privileges, restrictions and conditions set out in the Partnership Agreement;

“Management Fee” means the management fee of 1.5% of Fair Market Value of the Partnership payable by the Partnership to the General Partner, estimated and payable quarterly. See – Material Contracts – Summary of the Management Agreement;

“Marketing Fee” means the fee, up to a maximum of 2% of the Gross Proceeds raised in this Offering, payable by the Trust for marketing services to marketing agents, including Pinnacle Wealth Brokers Inc.;

“Maximum Offering” means the maximum offering hereunder of Trust Units having an aggregate purchase price of \$50,000,000;

“Net Operating Income” means the Partnership’s operating income, for the preceding Fiscal Year, after credit losses and operating expenses (management, legal, accounting, insurance, janitorial, repairs, maintenance, supplies,

utilities, property taxes) are deducted, but before amortization of loan payment, income taxes, capital expenditures, principal and interest, or depreciation are deducted;

“Available Funds” means, at any time, the gross proceeds of the Offering less any finder's fees paid at the discretion of the Trust and the expenses of the Offering, as indicated in the table under “Use of Available Funds – Available Funds and Available Funds”;

“Available Funds of the Partnership Offering” means, at any time, the gross proceeds of the Partnership Offering less any finder's fees paid at the discretion of the Partnership and the expenses of the Partnership Offering, as indicated in the Partnership Offering Memorandum under “Item 1 - Use of Available Funds – Available Funds and Available Funds”;

“Net Realized Capital Gains” of the Trust for any taxation year of the Trust shall be determined as the amount, if any, by which the aggregate of the capital gains of the Trust for the year exceeds:

- (i) the aggregate of the capital losses of the Trust for the year;
- (ii) any capital gains which are realized by the Trust as a result of a redemption of Trust Units pursuant to Article 6; and
- (iii) the amount determined by the Administrator in respect of any net capital losses for prior taxation years which the Trust is permitted by the Tax Act to deduct in computing the taxable income of the Trust for the year;

“NI 31-103” means National Instrument 31-103- *“Registration Requirements, Exemptions and Ongoing Registrant Obligations”*;

“Non-Resident” means a Person who is not a resident of Canada and a partnership that is not a Canadian partnership, for purposes of the Tax Act;

“OBCA” means the *Business Corporations Act* (Ontario), as amended from time to time;

“Offering” means the private placement of the Trust Units by the Trust under this Offering Memorandum;

“Offering Memorandum” means this private placement offering memorandum of the Trust as the same may be amended, supplemented or replaced from time to time;

“Participant” An Eligible Holder who has elected, in accordance with the terms of the DRIP, to participate in the DRIP and includes both Registered Participants and Non-Registered Participants;

“Partnership” means Pulis Real Estate LP 2, a limited partnership established under the laws of the Province of Ontario, or any successor or permitted assignee thereof;

“Partnership Act” means the *Limited Partnerships Act* (Ontario) as amended and in force from time to time;

“Partnership Agreement” means the amended and restated limited partnership agreement dated July 30, 2014 respecting the Partnership, between Pulis Real Estate GP2 Inc. as general partner and Pulis Real Estate Trust, as the initial limited partner, as may be further amended, supplement or restated from time to time, a copy of which is available for examination at the offices of the Partnership;

“Partnership Offering” means the offering of Partnership Units by the Partnership pursuant to the Partnership Offering Memorandum;

“Partnership Offering Memorandum” means the offering memorandum of the Partnership dated February 6, 2015, as set out in Schedule “F” hereto, as the same may be further amended from time to time;

“LP Units” means the limited partnership units of the Partnership as further described in the Partnership Offering Memorandum under “Item 7 – Description of Units”;

“Permitted Investments” means all property, assets and rights which may be held from time to time by a “mutual fund trust” under the provisions of subsection 132(6) of the Tax Act, including without limitation:

- (i) the initial contribution made to the Trust by the Initial Unitholder;
- (ii) all funds realized from the sale of Trust Units;

- (iii) securities in the capital of corporations and interests in limited partnerships or trusts, including without limitation the Partnership;
- (iv) debt or debt instruments issued by any issuer;
- (v) rights in and to any real property, provided it is capital property;
- (vi) any proceeds of disposition of any of the foregoing property; and
- (vii) all income, interest, profit, gains and accretions and additional rights arising from or accruing to such foregoing property or such proceeds of disposition;

“Person” means any individual, company, corporation, limited partnership, general partnership, firm, joint venture, syndicate, trust, joint stock company, limited liability company, association, bank, pension fund, business trust or other organization, whether or not a legal entity, and any government agency or political subdivision thereof or any other form of entity or organization;

“Properties” shall have the meaning specified in ITEM 3 - Business of the Trust and Investment Objectives;

“Proportionate Interest” of any amount at any time, means a fraction equal to the number of LP Units of which a limited partner is the registered holder at that time divided by the total number of issued and outstanding Trust Units at that time;

“Proposed Amendments” means all specific proposals to amend the Tax Act that have been publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof;

“pro rata share” of any particular amount in respect of a Unitholder at any time shall be the product obtained by multiplying the number of Trust Units that are outstanding and owned by that Unitholder at such time by the amount obtained when the particular amount is divided by the total number of all Trust Units that are issued and outstanding at that time;

“Pulis Parties” means the General Partner, any affiliates and subcontractors of the General Partner, the Administrator, and any directors, officers, employees and individual shareholders of the foregoing, and **“Pulis Party”** means any one of them;

“Redemption Value” means the total redemption value of the Trust Units as described under “Description of the Securities Distributed – Trust Units – Redemption”;

“Registered Participant” A Participant who is a registered holder of Trust Units at any time and from time to time, as shown on the register maintained by or on behalf of the Trust for outstanding Trust Units and who has enrolled in the DRIP;

“Securities” means bonds, debentures, notes or other evidence or instruments of indebtedness, shares, stocks, options, warrants, special warrants, installment receipts, subscription receipts, rights, subscriptions, partnership interests, units or other evidence of title to or interest in the capital, assets, property, profits, earnings or royalties, of any Person;

“Securities Act” means the *Securities Act* (Ontario), as amended from time to time, together with all regulations, rules, policy statements, rulings, notices, orders or other instruments promulgated thereunder;

“Selling Commissions” means the commissions of up to 10% of the Gross Proceeds from the sale of the Trust Units pursuant to this Offering payable to parties who sell the Trust Units and who are entitled to receive such commissions under applicable securities laws. Where compensation is payable by the Trust to an EMD, 2% shall be paid to the EMD and 8% shall be paid to the EMD dealing representative responsible for affecting the sale of the Trust Units. See ITEM 9 - Compensation Paid to Sellers and Finders;

“Special Resolution of the Partnership” means:

- (i) a resolution approved through the votes cast in person or by proxy at a duly constituted meeting of Limited Partners or at any adjournment thereof called in accordance with this Agreement and representing 66⅔% or more of the votes attaching to the Trust Units cast in person or by proxy in accordance with Section 10.9 of the Partnership Agreement; or
- (ii) a written resolution in one or more counterparts signed by Limited Partners holding in the aggregate 66⅔% or more of the votes attaching to the Trust Units in accordance with Section 10.9 of the Partnership Agreement;

“Subscribers” means those persons subscribing for Trust Units pursuant to this Offering;

“Subscription Agreement” means a subscription agreement to be executed by each Subscriber providing for the purchase by such Subscriber of Trust Units, in the form attached hereto as Schedule “A”;

“subsidiary” shall have the meaning ascribed thereto in the Securities Act;

“Tax Act” means the *Income Tax Act* (Canada) and the regulation thereunder, as amended from time to time;

“Third Party Administrator” means such Person as may from time to time be appointed by the Administrator to provide certain services to either or both the Trust and the Administrator;

“Trailer Fee” means a fee of up to 1% of Gross Proceeds realized on the sale of Trust Units by the EMD, dealer or dealing representative for Trust Units outstanding after the fifth (5) year of such Unitholder's Subscription payable by the Trust payable by the Trust to such dealer;

“Transfer Agent” means such Person as may from time to time be appointed by the Trust to act as registrar and transfer agent of the Trust Units, together with any sub-transfer agent duly appointed by the Transfer Agent;

“Trust” means Pulis Real Estate Trust, a trust constituted by the Declaration of Trust, as the same may be amended, supplemented or restated from time to time;

“Trust Property”, at any time, shall mean the Permitted Investments that are at such time held by the Trustees for the benefit of the Unitholders and for the purposes of the Trust under the Declaration of Trust;

“Trust Unit” means a trust unit of the Trust which represents an interest in the Trust as provided for in the Declaration of Trust and has the rights, privileges, restrictions and conditions set forth in the Declaration of Trust and shall not include fractional Trust Units;

“Trustee” means a trustee of the Trust at that time including without limitation so long as such persons remain as trustees and **“Trustees”** means, at any time, all the individuals, each of whom is at that time a Trustee;

“Trustee Fees” means the annual fee of \$10,000 paid from the Trust to the Trustee, being Computershare Trust Company of Canada, for acting as a Trustee of the Trust;

“Unit Certificate” means a certificate, in the form approved by the Trustees, evidencing one or more Trust Units, issued and certified in accordance with the provisions of the Declaration of Trust;

“Unit Subscription Price” means the subscription price for a Trust Unit paid for by a Subscriber to this Offering. See “Subscription Procedure”;

“Unitholders” means at any time the Persons who are the holders of record at that time of one or more Trust Units, as shown on the registers of such holders maintained by the Transfer Agent on behalf of the Trust; and

“\$” means Canadian Dollars.

ITEM 1 - USE OF AVAILABLE FUNDS

1.1 Available Funds

The Available Funds and funds which will be available to the Trust upon completing of the Offering are as follows:

	Assuming Minimum Offering	Assuming Maximum Offering
A. Amount to be raised under the Offering	-	\$50,000,000
B. Selling commissions and Fees ⁽¹⁾	-	\$6,500,000
C. Estimated Offering costs (including legal, accounting, advertising, audit, etc.) to be paid by the Trust ⁽²⁾	-	\$400,000
D. Fee to the Administrator and Trustee ⁽³⁾	-	\$10,500
E. Available Funds: $E = A - (B+C+D)$	-	\$48,089,500
F. Additional sources of funding required	-	\$0
G. Working capital deficiency	-	\$0
H. Total: $H = (E+F) - G$	-	\$48,089,500

Notes:

1. The Trust Units will be offered for sale by the Trust. The Trust may pay a Selling Commission, Marketing Fee and Trailer Fee to selling agents. See "Compensation Paid to Sellers and Finders".
2. All expenses, fees and Selling Commissions related to the Trust Offering will be borne by the Partnership rather than the Trust pursuant to the terms of the Funding Agreement. The estimated Offering costs disclosed above is the aggregate of the costs estimated to be associated with this Offering and the Partnership Offering
3. The Administrator will receive an annual fee of \$500 and the Trustee will receive an annual fee of \$10,000 by the Trust. These costs will be borne by the Partnership pursuant to the Funding Agreement.

For information on the net proceeds that will be available to the Partnership as a result of the Partnership Offering and how the Partnership proposes to use those net proceeds, including in connection with the acquisition by the Partnership of an undivided interest in the Properties, see the disclosure under the heading "Item 1 – Use of Available Funds" contained in the Partnership Offering Memorandum which disclosure is incorporated by reference herein.

1.2 Use of Available Funds

All of the Available Funds will be used to acquire LP Units in the Partnership, which will use such proceeds to acquire real estate assets in the Provinces of Ontario, Saskatchewan, Alberta and British Columbia. The Partnership intends to use the first \$10,000,000 of the Available Funds of the Partnership Offering realized by the Partnership Offering to invest solely in real estate assets in Ontario. The Partnership intends to invest no more than 20% of the Available Funds of the Partnership Offering realized by the Partnership Offering in excess of \$10,000,000 in real estate assets located outside of Ontario.

The Trust will use the gross Offering proceeds to purchase LP Units of the Partnership, the Partnership will pay the costs and fees set out in "Available Funds" above and expects to use the Available Funds as follows:

Description of intended use of Available Funds listed in order of priority	Assuming Minimum Offering	Assuming Maximum Offering
Acquire real estate assets in the Provinces of Ontario, Saskatchewan, Alberta and British Columbia ⁽¹⁾	-	\$50,000,000 ⁽²⁾

Note:

1. In the conduct of its business the Partnership estimates that it will incur expenses relating to investors relations, marketing, directors' compensation, accounting, audit, EMD due diligence, office rental, insurance, legal and travel expenses (collectively "operating and administration expenses"), all of which will be paid from funds raised from this Offering until such time as the Partnership receives a positive return from the disposition of Properties acquired by it. The Partnership estimates that if the Maximum Offering amount is raised and the Partnership fully deploys the maximum amount of working capital in the acquisition of Properties, that these expenses will total approximately \$400,000. The total amount of administration and operating costs that will be incurred by the Partnership and the Trust are dependent upon: (i) the funds raised under this Offering; (ii) the number and nature of Properties acquired by the Partnership; and (iii) external factors which cannot be anticipated or controlled by the Partnership or the Trust. As a result the Partnership and the Trust are unable to accurately estimate these costs at this time.
2. Additionally, pursuant to the funding agreement, the Offering costs will be borne by the Partnership, therefore all funds raised under this offering will be used to purchase LP Units under the Partnership Offering.

1.3 Reallocation

The Trust intends to spend the Available Funds as stated above. The Trust will reallocate funds only for sound business reasons and in accordance with the Declaration of Trust.

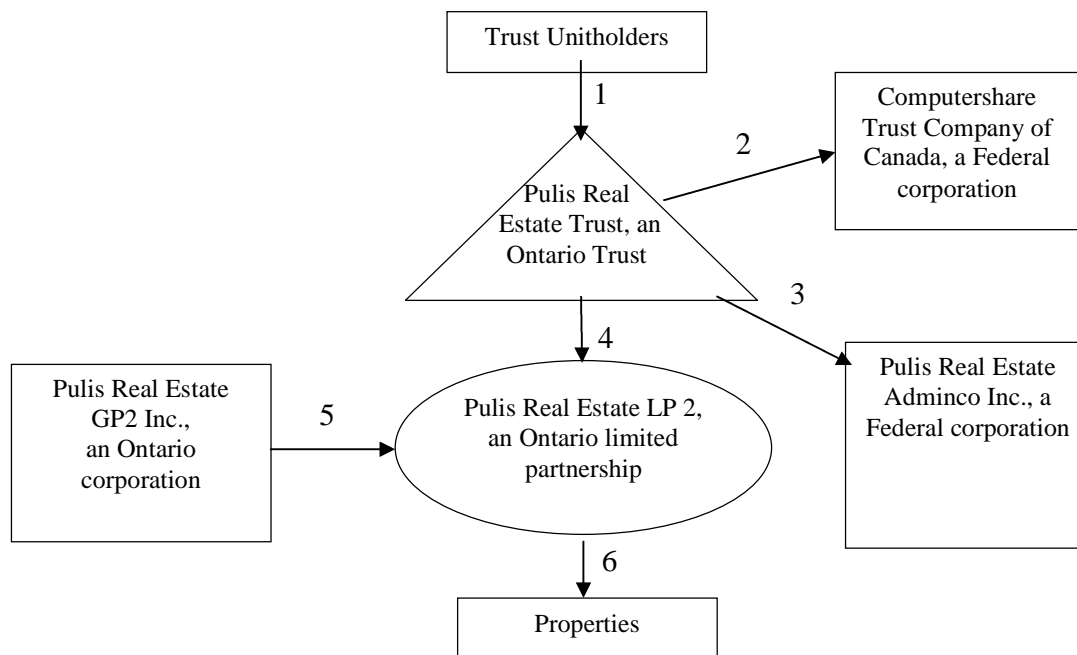
1.4 Working Capital Deficiency

As at the date of this Offering Memorandum, the Trust does not have a working capital deficiency.

ITEM 2 - THE STRUCTURE OF THE TRUST

2.1 Structure of the Trust

The following diagram and the sections that follow illustrate and describe the Trust's business structure.



1. Investors under this Offering will be Unitholders of the Trust.
2. Computershare Trust Company of Canada is the Trustee of the Trust
3. Pulis Real Estate Adminco Inc. is the Administrator of the Trust.
4. The Trust is currently the only Limited Partner of the Partnership. The Partnership may acquire additional Limited Partners pursuant to the Partnership Offering.
5. Pulis Real Estate GP2 Inc. is the General Partner of the Partnership.
6. The Partnership will acquire Properties located in the Provinces of Ontario, Saskatchewan, Alberta and British Columbia.

2.2 The Trust and Trustee

The Trust is an unincorporated, open-ended, limited purpose mutual fund trust formed under the laws of the Province of Ontario formed on June 20, 2014 pursuant to the Declaration of Trust, made between Pulis Real Estate Adminco Inc. (the “**Administrator**”), as Administrator and Computershare Trust Company of Canada (the “**Trustee**”), as trustee, and governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein. The principal place of business of the Trust is Brampton, Ontario, Canada. A copy of the Declaration of Trust is available for review during business hours at the office of the Administrator.

Beneficial interests in the Trust are divided into one class of Trust Units, which may be issued in an unlimited number of series of Trust Units.

Upon the initial closing of this Offering the Trust will acquire LP Units with the Available Funds as soon as reasonably practicable and will become a Limited Partner in the Partnership. Thereafter the Trust will continue to acquire LP Units in the Partnership with all proceeds from future closings under this Offering. The Trust is currently the only Limited Partner in the Partnership. It is the intention of the Partnership that additional Persons will contribute to the Partnership and thereby become Limited Partners in the Partnership.

The Trustee, Computershare Trust Company of Canada, is a full service federally regulated trust company with offices in Calgary, Edmonton, Vancouver and Toronto. The Trustee carries on the business of corporate trust and related activities. Its registered head office is located in Calgary and it is registered or otherwise qualified to carry on the business of a trust company in all provinces and territories of Canada. As trustee of the Fund, the Trustee has the full authority and responsibility to manage the business and affairs of the Trust, however it has delegated to the Administrator such general authority, including day to day management decisions and authority over the investment of the Trust’s assets and the distribution of Trust Units.

The Trustee will be paid a fee of \$10,000 per year by the Trust for acting as trustee and will be entitled to reimbursement of all expenses of the Trust incurred by it.

2.3 Management of the Trust – Administrator

The Administrator is a corporation established under the federal laws of Canada. The Administrator is owned and controlled by 844732 Ontario Inc. (as to a 50% interest) and 2212157 Ontario Inc. (as to a 50% interest). These corporations are solely owned corporations, controlled by Brian Pulis and Kyle Pulis, respectively. See “Directors, Promoters and Principal Holders”.

As manager of the Trust, the Administrator has been given the full authority and exclusive responsibility to direct the day-to-day undertaking, operations and affairs of each of the Trust and the Partnership, including management of the investment portfolios of the Trust on a discretionary basis and distribution of the units of the Trust. The Administrator may delegate certain of these duties from time to time.

In the event that the Administrator is unable or unwilling to perform its obligations under the Administration Agreement, the Trustees shall either perform all obligations of the Administrator thereunder or shall be entitled to engage another person that is duly qualified to perform such obligations.

2.4 The Partnership

The Partnership is a limited partnership established under the laws of the Province of Ontario on June 30, 2014. It was registered under the *Limited Partnerships Act* on June 30, 2014 in Ontario, upon filing of the Partnership certificate. The Partnership’s head office is located in Brampton, Ontario. The Partnership was established to carry on a real estate investment and development business, as described in more detail under “Business of the Trust – Our Business” below.

The initial limited partner of the Partnership is Pulis Real Estate Trust, formed by the Declaration of Trust, under the Laws of the Province of Ontario.

2.5 Management of the Partnership – General Partner

The General Partner of the Partnership is Pulis Real Estate GP2 Inc., a corporation established under the laws of the Province of Ontario. The General Partner is owned and controlled by 844732 Ontario Inc. (as to a 50% interest) and 2212157 Ontario Inc. (as to a 50% interest). These corporations are solely owned corporations, controlled by Brian Pulis and Kyle Pulis, respectively. See “Directors, Promoters and Principal Holders”.

The General Partner has, to the exclusion of the Limited Partners, the sole power and exclusive authority to manage the business and affairs of the Partnership, to make all decisions regarding the business of the Partnership and to bind the Partnership. The General Partner is to exercise its powers and discharge its duties honestly, in good faith and in the best interests of the Limited Partners and the Partnership and shall, in discharging its duties, exercise the degree of care, the diligence and the skill that a reasonably prudent Administrator of a partnership would exercise in similar circumstances. Certain restrictions are imposed on the General Partner and certain actions may not be taken by it without the approval of the Limited Partners by Special Resolution of the Partnership. The General Partner cannot dissolve the Partnership or wind up its affairs except in accordance with the provisions of the Partnership Agreement.

Pursuant to the General Partner's constating documents, bylaws and the OBCA, any resolution of the directors of the General Partner must be passed: (i) at a meeting of the directors of the General Partner, by a majority of the directors entitled to vote on that resolution at such meeting; or (ii) in writing by all the directors entitled to vote on that resolution at a meeting. The Chairperson of the board of directors of the General Partner does not have a casting vote. Further, the General Partner's bylaws state that the chairperson of the board of directors of the General Partner must be independent as such term is defined in National Instrument 58-101 – *Disclosure of Corporate Governance Practices*. Currently, the board of directors of the General Partner contains two independent directors being, Jason Priest and Peter VanSickle. See “Directors, Promoters and Principal Holders”.

The ability of the Trust to make distributions of cash and to make cash redemptions of Trust Units will be wholly dependent upon distributions of Distributable Cash the Trust receives from the Partnership pursuant to the terms of the Partnership Agreement.

If the General Partner determines to make a distribution of Distributable Cash, the General Partner will distribute Distributable Cash to the Partners whose names appear on the Register on the date on which such distribution is being made. Distributions made under this Agreement will be net of any tax required by law to be withheld by the General Partner on behalf of the Partnership.

2.6 The Partnership Offering

The Partnership is conducting the Partnership Offering, as described in the Partnership Offering Memorandum concurrently with this Offering. The Trust will use the Available Funds of this Offering to subscribe for LP Units pursuant to the Partnership Offering. The Available Funds of the Partnership Offering will include the Available Funds which are raised under the Trust Offering. To the extent that the Trust does not raise the Maximum Offering, the Partnership may accept subscriptions from Persons other than the Trust to achieve up to the maximum offering under the Partnership Offering.

ITEM 3 - BUSINESS OF THE TRUST AND INVESTMENT OBJECTIVES

3.1 Business of the Trust

The Trust is in a start-up phase of development and has carried on limited business prior to this Offering and has limited financial and development history. Since its creation, the Trust has been engaged in the preparation of this Offering, which has included, amongst other things, establishing the Partnership and retaining legal counsel.

The Trust's primary purpose and sole business is to acquire LP Units in the Partnership, with the objective of generating returns to Unitholders. All or substantially all of the Available Funds of the Offering will be used to acquire LP Units in the Partnership. The number of LP Units acquired by the Trust will be contingent on the amount of funds raised pursuant to this Offering. See “Use of Available Funds”.

The Partnership will exercise control (directly or indirectly) over each property acquired by the Partnership and Brian Pulis and/or Kyle Pulis will be actively involved in the management of each property.

3.2 Business, Strategies and Investment Philosophy of the Partnership

The Partnership was formed to:

- (i) acquire a portfolio of residential real estate properties, which properties may include single family houses, row houses, townhouses, condominium properties, multiplexes, apartment buildings and mixed-use commercial/residential buildings (each a “**Property**” or collectively, the “**Properties**”) located in the Provinces of Ontario, Saskatchewan, Alberta and British Columbia;

- (ii) acquire a portion of the Properties on a buy and hold basis, whereby the Partnership will acquire Properties that are under-valued and/or under-utilized for the purposes of repositioning these Properties within the market for future sale to third party purchasers; and
- (iii) engage in any other lawful activities permitted under applicable law that the General Partner determines, in its sole discretion, to be necessary or advisable in furtherance of the foregoing. The Partnership shall invest, directly or indirectly, primarily in Properties located in the Provinces of Ontario, Saskatchewan, Alberta and British Columbia.

Investment Philosophy

The Partnership believes that research combined with professional management expertise is the cornerstone to a superior real estate investment program. The Partnership aims to create value by investing in properties that the General Partner identifies as having the potential to create value by:

- (a) purchasing undervalued, undermanaged or underutilized Properties from third-party vendors;
- (b) performing strategic renovations and other capital improvements to the Properties, if required, to improve marketability, rental income and occupancy levels thereby causing forced appreciation;
- (c) refinancing Properties (where appropriate) to realize immediate market value gains; and
- (d) redeploy funds to acquire additional Properties.

The Partnership intends to operate pursuant to the following principles:

- (a) that well-located Properties in areas with solid economic fundamentals have historically appreciated in value over time;
- (b) that the current low interest rate environment enables real estate owners to obtain historically low Financing;
- (c) that when total income from a Property meets or exceeds the Property carrying costs, there is an opportunity to gain positive leverage which increases the overall return on equity invested;
- (d) that the current low financing costs provide investment opportunity in real estate with attractive leveraged yields that are not available from many other investment alternatives; and
- (e) that real estate investment is also likely to provide an opportunity for greater returns through leveraged capital appreciation.

The Partnership also believes that Properties may still be acquired at attractive prices as a result of market inefficiencies, sub-optimal management practices or incompatibility with a current owner's investment strategy. The Partnership believes that value can be found in many types of Properties. The Partnership will consider and acquire mid-rise, high-rise, and townhome complex Properties that will generally contain 30 or more units.

By providing experienced management, the Partnership anticipates to increase the profitability of these Properties over time. The Partnership believes that the increased value can be realized through a variety of techniques such as strategic renovations, restructuring, refinancing, re-branding and decorating, implementing tenant-centric property management practices, re-leasing, renegotiating existing leases, change of use or capital improvements, or market repositioning.

Investment Mandate

The Partnership will focus on acquiring Properties which may be purchased for less than what the General Partner believes is the intrinsic or potential value of such Properties. The General Partner will endeavour to identify Properties that fall in between the market segment occupied by individual real estate investors and the market segment occupied by pension funds, REITs and public real estate companies.

The Partnership believes there is an opportunity to purchase Properties in this niche either before they come to market, at valuations below those that would be paid in an open bidding process, or when analysis suggests an undervaluation.

Canadian real estate markets are continually reviewed to assess the potential for new opportunities by the General Partner.

Economic fundamentals are the key drivers to the selection of areas and Properties by the Partnership. As the Partnership's available funds grow, the Partnership anticipates that its real estate portfolio will be expanded to include Properties that can benefit from economies of scale and Properties that fit within the General Partnership's investment philosophy.

Investment Strategy

The Partnership intends to make acquisitions that represent an opportunity to establish and improve the overall quality of the Properties' portfolio, minimize and mitigate the risk(s) associated with any investment and enhance the sustainability of the long term investment strategy of the Partnership.

The Partnership intends to focus on acquiring Properties which it believes to be operating below their potential realizable value.

The General Partner will be tasked with identifying Properties for possible acquisition in growth markets and aggressively manage and reposition those Properties with the view to preserving Partnership capital, and enhancing the potential for increased income and capital gains. The Partnership aims to hold each Property for at least five years, and potentially much longer if appropriate.

The Partnership intends to focus on acquiring Properties in the Provinces of Ontario, Saskatchewan, Alberta and British Columbia and repositioning existing Properties where opportunities exist. This will allow the Partnership to capitalize on operational efficiencies and further increase our presence and critical mass in these markets.

The Partnership intends to use the first \$10,000,000 dollars of the Available Funds of the Partnership Offering realized by the Partnership Offering to invest solely in Properties located in Ontario. The Partnership intends to invest no more than 20% of the Available Funds of the Partnership Offering realized by the Partnership Offering in excess of \$10,000,000 dollars in Properties located outside of Ontario, at the General Partner's discretion.

The General Partner will be tasked with working to capitalize on market inefficiencies by combining a service-oriented tenant-centric focus with undervalued assets. The Partnership may also expand, renovate or take advantage of the development opportunities presented by a Property to enhance the return on Partnership capital while retaining a diversified portfolio and conservative risk profile as a whole.

Multi-tenant residential properties reduce the risk of vacancies and are more likely to provide consistent cash flow while preserving invested capital whereas single family properties provide the highest potential for significant capital appreciation.

While it is not the primary focus of the Partnership, the General Partner may purchase mixed commercial/residential buildings from time to time to provide diversification should such building(s) ultimately enhance the performance of the Properties.

Consistent cash flow creates the ability to pay interest on the debt incurred to purchase Properties. Excess cash flow will be re-invested into the Portfolio, utilized to pay down any Financing on the Properties and/or distributed to shareholders.

Investment Process

The Partnership intends to use the Available Funds of the Partnership Offering realized from the Partnership Offering and the proceeds from periodic remortgaging of its Properties and positive cash flow to acquire assets and manage/operate the portfolio of Properties.

The Partnership will purchase Properties at prices and on terms negotiated with vendors. In some cases the Partnership might acquire an investment under an agreement initiated by the General Partner or parties associated with the General Partner, or its nominee, with arm's length third party vendors, which agreement will be assigned to the Partnership who will reimburse any deposits and due diligence or other out-of-pocket expenses incurred by the General Partner before the assignment.

From time to time, there may be a fee charged for property assignments by agents.

In addition to the above, the Partnership may also purchase Properties from the officers and directors of the General Partner or from corporations associated with such parties at a price equal to the average of the value established by a certified appraisal obtained from an independent appraiser with respect to the Investment in question and a single market valuation obtained from an independent realtor or realtors with respect to the Property.

The General Partner will identify and evaluate potential acquisitions. When the General Partner decides that an acquisition is worth considering, the General Partner will perform a thorough analysis that may make use of due diligence tools and sources of information, as appropriate, such as a building inspection report, a building valuation, an environmental assessment report (phase one and/or phase two), a fire prevention report, and possibly others. The General Partner may obtain independent property, environmental and structural reports even if not required by lenders.

After the purchase of a Property, the General Partner will implement a value enhancement process that consists of value-increasing and revenue augmentation activities including strategic capital improvements and the implementation of value-added tenant services.

The Partnership will focus on achieving operational cost savings. The Properties will be monitored by the General Partner on a constant basis to gauge the effectiveness of the management process on cash flows and tenant satisfaction. As well, through analysis of market rental rates, the General Partner will determine where capital expenditures will permit the largest increase in rents and when a Property's rate of return has been maximized. The Partnership can then decide whether to re-deploy capital into opportunities that will provide increased returns.

Disposition Guidelines

The Partnership may sell a Property when it determines that the associated capital can be more efficiently deployed. This is an ongoing monitoring process, where economic, political and demographic trends are taken into account.

The Partnership may also sell Properties to the officers and directors of the General Partner or to corporations or limited partnerships associated with such parties at a price equal to the average of the value established by a certified appraisal obtained from an independent appraiser with respect to the Property in question and a single market valuation obtained from an independent realtor or realtors with respect to the Property.

The Partnership may, at its discretion and without notice to the Limited Partners, reallocate the Partnership's assets to new projects recommended by the General Partner, or allocate cash flows from the Partnership's assets to alternative near-cash short-term investment vehicles.

Debt Financing

The Partnership may finance a part of the purchase price and the operating cost of any of the Properties it acquires. The Partnership may refinance any acquisition financing where more favourable financing becomes available from third party lenders such as banks, trust companies, mortgage syndicates or other providers of mortgage funding. The Partnership expects that generally any mortgage loan charging a Property will not exceed 85% of the appraised value of the Property, although occasionally higher leverage may be desired or assumed from the seller. On a fund-level basis, the total mortgage amounts outstanding may not exceed 75% of the fund's gross asset value. Additional funds may be required for the property management reserve account which may be required by the applicable lenders. The Partnership will typically finance new acquisitions with mortgages with two or three year terms and variable interest rates, but take on longer-term mortgages through any subsequent refinancing.

Vendor take-back financing may be used to facilitate the sale of Properties in some instances. Any financing offered will be registered on title to the Property being sold, have a maturity not exceeding five years, and a loan-to-value ratio of no more than 85%. The aggregate value of vendor take-back financing outstanding will not exceed 20% of the total assets of the Partnership.

Cash Flow Payments

The Partnership will apply cash flow toward the operating expenses, provision of reasonable reserves for working capital, renovations and upgrades to Properties, and the payment of interest and annual principal payments on the mortgage loans of the Partnership's Properties.

Property Management

Unless the General Partner assumes the responsibility, the Partnership will engage one or more licensed (where required) property management companies to manage its Properties.

The General Partner, at its discretion, may contract with a party related to the General Partner to provide management and or renovations services with respect to one or more of the Properties. Fees paid to such a party will be at industry standard management rates.

Approvals and By-Laws

Should the Partnership acquire a Property and elect to stratify title to such a Property, the conversion of that Property into individually titled condominiums will require approval of the Planning and Building Departments of the municipality in which the Property is located. An architectural report would be obtained to outline any building code deficiencies of the respective Property.

Building permits are then obtained to resolve these building code deficiencies. Once the building code requirements have been met, then a municipal inspector will grant a building permit. After the final approval is given by the inspector, a strata plan will be drawn up by a surveyor and that plan is used to create separate title to the units comprising the Property.

Stratification of a Property could be completed within 12-18 months of the property acquisition date.

3.3 Long Term Objectives

The activities of the Trust will be limited to investing the Available Funds, directly, in LP Units. The long-term objectives of the Trust, which will be achieved primarily through the operations of the Partnership, are to achieve positive cash flows and generate steady returns to Unitholders over the five year period following closing of the Offering.

The Partnership's objective is to maximize long-term results, while continuing to reinvest operating profits in Properties to preserve the Partnership's assets. The Partnership will acquire Properties as long as the relevant market and investment fundamentals allow for appropriate returns to be generated.

By combining a service-oriented focus with acquiring undervalued assets, the Partnership expects to increase the cash flow from its Portfolio thereby providing an increasing rate of return to its Limited Partners. Toward these ends the Partnership intends:

- (i) to improve the overall value of the Partnership by acquiring revenue producing Properties that add value to the overall Portfolio;
- (ii) to operate and maintain the Properties with the intention of creating profitability on a sustainable basis;
- (iii) to engage in activities to increase the value and returns of the Properties;
- (iv) to reinvest operating profits and the proceeds of any refinancing of the Properties acquired by the Partnership in the furtherance of the business objectives of the Partnership;
- (v) to enhance return on capital and yield through limited investment in real estate development opportunities;
- (vi) to provide an investment which has the likely probability of long-term capital appreciation;
- (vii) to preserve the value of the Trust Units;
- (viii) to improve the overall value of the Partnership's enterprise through the effective management of the Partnership's business and finances and value added improvements to its Properties;
- (ix) to maintain a private structure that is not subject to the volatility of the public equity and debt markets; and
- (x) to maintain a cost structure aligned solely with the interests of smaller retail investors.

The Partnership's business strategy anticipates that the Partnership will be able to increase the revenue from and/or the value of Properties it acquires. Achieving these goals will depend in part on successfully consolidating functions and integrating operations, procedures and personnel required in the operation and management of the Properties in a timely and efficient manner. Failure to achieve one or more of those goals may result in the Partnership not achieving the anticipated benefits of acquiring and owning Properties. See - "Risk Factors".

No particular costs are attributable to the achievement of the foregoing objectives. If any of the above-listed events do not occur and it results in the Trust's long-term objectives not being met, it could have an adverse effect on your investment in the Trust. See "Risk Factors".

3.4 Development of Business

The Trust's primary purpose and sole business, and thus its short term and long term objective, is to raise up to \$50,000,000 under this Offering and to acquire LP Units from the Partnership, with the objective of generating returns to Unitholders. All or substantially all of the Available Funds of the Offering will be used to acquire LP Units from the Partnership, which will use such proceeds to acquire Properties. The number of LP Units acquired by the Trust will be contingent on the amount of funds raised pursuant to this Offering. Investments in the Trust should be considered long-term in nature.

The costs, expenses and Selling Commissions together with the Marketing Fee associated with this Offering and the Partnership Offering are estimated to be up to \$6,500,000. All expenses of the Offering will be borne by the Partnership pursuant to the Funding Agreement (See "Material Contracts – Funding Agreement").

As the activities of the Trust are limited to investing the Available Funds into the Partnership, the long and short term objectives of the Partnership, as set out below, are indirectly the long and short term objectives of the Trust.

The Partnership plans to purchase Properties located in the Provinces of Ontario, Saskatchewan, Alberta and British Columbia. The Partnership intends to use the first \$10,000,000 dollars of the Available Funds of the Partnership Offering realized by the Partnership Offering to invest solely in Properties located in Ontario. The Partnership intends to invest no more than 20% of the Available Funds of the Partnership Offering realized by the Partnership Offering in excess of \$10,000,000 dollars in Properties located outside of Ontario, at the General Partner's discretion.

3.5 Short-Term Objectives And How We Plan to Achieve Them

The Trust's objectives during the next 12 months are:

What we must do and how we will do it	Target Completion Date	Cost to Complete
Raise \$50,000,000 through this Offering and the Partnership Offering	Ongoing	\$6,730,500 ⁽¹⁾
Acquire LP Units from the Partnership	Ongoing	\$43,189,500

The Partnership's objectives during the next 12 months are:

What we must do and how we will do it	Target Completion Date	Cost to Complete
Raise \$50,000,000 through this Offering and the Partnership Offering	Ongoing	\$6,730,500 ⁽¹⁾
Continue seeking the acquisition of a portfolio of Properties located primarily in British Columbia, Alberta, Saskatchewan and/or Ontario.	Ongoing	\$43,189,500

Notes:

1. All expenses, fees and Selling Commissions related to the Trust Offering will be borne by the Partnership rather than the Trust pursuant to the terms of the Funding Agreement. The estimated Offering costs disclosed above is the aggregate of the costs estimated to be associated with this Offering and the Partnership Offering.

If any of the Trust's objectives over the next 12 months are not met, the proposed activities of the Partnership may not proceed or may experience delays. This could have an adverse effect on your investment in the Trust. See "Risk Factors".

3.6 Insufficient Funds

The Trust intends that all or substantially all of the Available Funds of the Offering will be used to acquire LP Units in the Partnership. The Trust does not intend to hold any significant cash reserves. The proceeds of this Offering

may not be sufficient to accomplish all of the Trust's proposed objectives and there is no assurance that alternative financing will be available. See "Risk Factors".

The Partnership intends that all or substantially all of the Available Funds of the Partnership Offering (including the Available Funds of this Offering), after payment of all costs, expense and Selling Commission associated with this Offering, payment of the Trustee Fees, payment of the Marketing Fee and payment of the Management Fee to the General Partner, will be used in the business of acquiring real estate assets in the Provinces of Ontario, Saskatchewan, Alberta and British Columbia and to pay for the operating and administration expenses of the Trust and the Partnership. The Partnership does not intend to hold any significant cash reserves. The proceeds of this Offering may not be sufficient to accomplish all of the Partnership's proposed objectives and there is no assurance that alternative financing will be available. See "Risk Factors".

ITEM 4 - MATERIAL AGREEMENTS

The following is a description of each material agreement with respect to the entities in the structure and a summary of those material agreements and the key terms governing the entities in the structure. Material agreements are made available on request at the offices of the Trust at 1 Nelson Street W., Suite 200A, Brampton, Ontario L6W 3E4, Tel: 1-855-452-1305, Attention: Brian Pulis.

4.1 Declaration of Trust

The Trust is an unincorporated open-ended, limited purpose, commercial trust governed by the laws of the Province of Ontario and created by the Declaration of Trust. It is intended that at all times the Trust qualifies as a "mutual fund trust".

The following is a summary of certain provisions of the Declaration of Trust. The summary does not purport to be complete and is subject to the more detailed provisions of the Declaration of Trust. Prospective subscribers should review the complete text of the Declaration of Trust, a copy of which is attached hereto as Schedule "A". Capitalized terms used in this Section 3.1, and not otherwise defined, shall have the meanings ascribed thereto in the Declaration of Trust.

Purpose of the Trust

The Trust was created primarily for the purpose of investing its funds in LP Units and Permitted Investments, provided, however, that the Trust will not undertake any activity, or acquire or retain or hold any investment, that would result in the Trust not being considered a "mutual fund trust" for the purposes of the Tax Act or that would result in the Trust being a "SIFT trust" for the purposes of the Tax Act.

Trust Units

The beneficial interests in the Trust are represented by one class of trust units described as "Trust Units" issuable in series. Each holder of a Trust Unit shall be entitled to the rights and be subject to the limitations, restrictions and conditions pertaining to the Trust Units as set out in the Declaration of Trust and the interest of each Unitholder shall be determined by the number of Trust Units registered in the name of such holder.

Each Trust Unit outstanding from time to time represents an equal undivided beneficial interest in the net asset of the Trust and each Unitholder shall be entitled to a Proportionate Share of (i) all distributions respecting the Trust Units, when and as declared, and (ii) the proceeds of liquidation of the Trust Property, after satisfaction of all liabilities of the Trust.

All Trust Units will rank among themselves equally and rateably without discrimination, preference or priority. Each Trust Unit entitles the holder to one vote at all meetings of Unitholders and for written resolutions of Unitholders if any. Except as set out in the Declaration of Trust, the Trust Units have no conversion, retraction or redemption or pre-emptive rights.

Notwithstanding any other provisions in the Declaration of Trust, immediately after the issuance of one or more additional Trust Units, the Initial Trust Unit shall cease to have voting rights and shall cease to participate in distributions from the Trust (whether of income of the Trust, net realized capital gains or other amounts) and shall cease to participate in any net assets of the Trust in the event of termination or winding-up of the Trust, except that the Initial Trust Unit may receive the amount of its initial contribution. At any time following the issuance of one or more additional Trust Units, the Trust may redeem the Initial Trust Unit for a purchase price of \$100.00 and, upon

the completion of such purchase and sale, the Initial Trust Unit shall be cancelled and shall no longer be outstanding for any of the purposes set out in the Declaration of Trust.

Trustee

Subject to any restrictions set out in the Declaration of Trust, the Trustee has, without further or other action or consent, and free from any power or control on the part of the Unitholders, full, absolute and exclusive power, control and authority over the Trust Property and over the affairs of the Trust to the same extent as if the Trustee was the sole and absolute beneficial owner of the Trust Property in its own right, to do all acts and things as in its sole discretion are necessary or incidental to, or desirable for, carrying out the purposes of the Trust created under the Declaration of Trust. Subject to limitations, the Trustee may delegate any of those duties of the Trustee granted or reserved to it under the Declaration of Trust that it deems appropriate.

The Trustee has and may from time to time exercise the power and authority to, among other things:

- (a) the Trustee may exercise from time to time in respect of the Trust Property and the investments and affairs of the Trust any and all rights, powers and privileges that could be exercised by a legal and beneficial owner thereof;
- (b) the Trustee shall have, without further or other action or consent, and free from any power or control on the part of the Trust Unitholders, full, absolute and exclusive power, control and authority over the Trust Property and over, and management of, the affairs of the Trust to the same extent as if the Trustee were the sole and absolute beneficial owner of the Trust Property in its own right, to do all such acts and things as in its sole judgment and discretion are necessary or incidental to, or desirable for, carrying out the trust created hereunder. In construing the provisions of the Declaration of Trust, presumption shall be in favour of the granted powers and authority to the Trustee. The enumeration of any specific power or authority herein shall not be construed as limiting the general powers or authority or any other specified power or authority conferred herein on the Trustee. To the maximum extent permitted by law the Trustee shall, in carrying out investment activities, not be in any way restricted by the provisions of the laws of any jurisdiction limiting or purporting to limit investments which may be made by trustees;
- (c) except as expressly prohibited by law, the Trustee may grant or delegate to any person (including the Administrator) the authority and the powers of the Trustee under the Declaration of Trust as the Trustee may in its discretion deem appropriate, necessary or desirable to carry out and effect the actual management and administration of the duties of the Trustee under the Declaration of Trust, without regard to whether the authority is normally granted or delegated by trustees; and
- (d) the Trustee is authorized to execute and deliver the Administration Agreement and to appoint the Administrator to act for and on behalf of the Trust in accordance with those powers and authorities granted to the Administrator under the terms of such agreement, and the Trustee may delegate to such person (and in addition to those matters, if any, specifically granted or delegated to the Administrator in the Declaration of Trust) all of those duties of the Trustee under the Declaration of Trust that the Trustee deem appropriate. The Trustee may grant broad discretion to the Administrator to administer and manage the day-to-day operations of the Trust, to act as agent for the Trust, to execute documents on behalf of the Trust, and to make decisions on behalf of the Trust. The Administrator shall have the powers and duties as may be expressly provided for in the Declaration of Trust and in the Administration Agreement and may be given, without limitation, the power to further delegate management and administration of the Trust, as well as the power to retain and instruct such appropriate experts or advisors to perform those duties and obligations which it is not best suited to perform.

Trust Expenses and Trustee Fees

The Trustee shall be entitled to reimbursement from the Trust of any of its expenses incurred in acting as Trustee. The Trustee on behalf of the Trust may pay or cause to be paid reasonable expenses incurred in connection with the administration and management of the Trust, including without limitation fees and expenses of the Administrator pursuant to the Administration Agreement, auditors, lawyers, appraisers and other agents, consultants and professional advisers employed by or on behalf of the Trust and the cost of reporting or giving notices to Trust Unitholders. All costs, charges and expenses properly incurred by the Trustee on behalf of the Trust shall be payable out of the Trust Property. The Trustee on behalf of the Trust may pay or cause to be paid brokerage commissions at prevailing rates in receipt of the acquisition and disposition of any securities acquired or disposed of by the Trust to brokers.

Trust Unit Distributions

The Trustee, with the assistance of the Administrator, may on or before each Distribution Record Date, declare payable to the holders of Trust Units on such Distribution Record Date all or any part of the Cash Flow of the Trust for the Distribution Period which includes such Distribution Record Date.

The Trustee intends to allocate, distribute and make payable to Unitholders all of the Income of the Trust, Net Realized Capital Gains and any other applicable amounts so that the Trust will not have any liability for tax under Part I of the Tax Act in any taxation year and such amounts will be due and payable to Unitholders of record immediately before the end of December 31 in each year, in accordance with Article 5 of the Declaration of Trust.

If the Trustee determines that the Trust does not have sufficient cash to make the full amount of the distribution which has been declared, the Trustee has the option to pay equivalent distributions in the form of the Pro Rata Share issuance of additional Trust Units or fractions of Trust Units. Further, the Unitholder may elect to receive all Trust cash distributions in Trust Units.

Trust Unit Redemptions (Cash and Trust Units)

Trust Units are redeemable at any time on demand by a Unitholder on delivery to the Trust of a duly completed and properly executed notice requesting redemption specifying the number of Trust Units to be redeemed and enclosing any Unit Certificate(s).

Upon receipt by the Administrator of a redemption notice from the Unitholder, the Unitholder is entitled to receive:

- (i) within 12 months from the date of the Unit Certificate representing the Trust Units to be redeemed (the “**Issuance Anniversary**”), a price per Trust Unit to be redeemed that shall be equal to 90% of the Fair Market Value of the Trust Units to be redeemed;
- (ii) within 2 years of the Issuance Anniversary, a price per Trust Unit to be redeemed that shall be equal to 92% of the Fair Market Value of the Trust Units to be redeemed;
- (iii) within 3 years of the Issuance Anniversary, a price per Trust Unit to be redeemed that shall be equal to 94% of the Fair Market Value of the Trust Units to be redeemed;
- (iv) within 4 years of the Issuance Anniversary, a price per Trust Unit to be redeemed that shall be equal to 96% of the Fair Market Value of the Trust Units to be redeemed;
- (v) within 5 years of the Issuance Anniversary, a price per Trust Unit to be redeemed that shall be equal to 98% of the Fair Market Value of the Trust Units to be redeemed; and
- (vi) at anytime following the 5th Issuance Anniversary, a price per Trust Unit to be redeemed that shall be equal to the Fair Market Value of the Trust Units to be redeemed;

as determined by the Administrator or Trust within 30 business days of receipt of the redemption notice, having reference to Fair Market Value of the Trust (hereinafter, called the “**Redemption Price**”). The Redemption Price will be paid by cheque, drawn on a Canadian chartered bank or a trust company in lawful money of Canada, payable to or to the order of the redeeming Unitholder. The Redemption Price payable in respect of the Trust Units surrendered for redemption shall be satisfied by way of a cash payment on the last day of the Fiscal Year in which the Trust Units were tendered for redemption.

The Trust shall not be required to make a payment in cash of the Redemption Price with respect to Trust Units tendered to for redemption pursuant to a Redemption Notice if:

- (a) the redemption of Trust Units will result in the Trust losing its status as a “mutual fund trust” for the purposes of the Tax Act; or
- (b) the total amount payable by the Trust pursuant to the above in respect of such Trust Units and all other Trust Units tendered for redemption in the same Fiscal Year exceeds the greater of \$100,000 or 5% of the Fair Market Value of the Trust in cash per Fiscal Year (the “**Annual Limit**”); provided that the Administrator may, in its sole discretion, waive such limitation in respect of all Trust Units tendered for redemption in any Fiscal Year. Trust Units tendered for redemption in any Fiscal Year in which the total amount payable by the Trust exceeds the Annual Limit will be redeemed for cash on a pro-rata basis up to the Annual Limit and, unless any applicable regulatory approvals are required, by a distribution under Section 6.5, of Redemption Notes, for the balance; or
- (c) in the Administrator’s opinion (in their sole discretion), the Trust has insufficient liquid assets to fund such redemptions or that the liquidation of assets at such time would be to the detriment of the remaining holders of Trust Units or the Trust generally.

Transfer of Trust Units

- (a) The right to transfer Trust Units is restricted such that no Trust Unitholder shall be entitled to transfer Trust Units to any person unless the transfer has been approved by the Administrator and the Administrator shall have the power to restrict the transfer of the Trust Units on the books of the Trust without liability to Trust Unitholders or others who are thereby restricted from making a transfer;
- (b) Units shall be transferable on the register or one of the branch transfer registers only by the Trust Unitholders of record thereof or their executors, administrators or other legal representatives or by their agents or attorneys duly authorized in writing, and only upon delivery to the Trust or to the Transfer Agent of the certificate therefor, properly endorsed or accompanied by a duly executed instrument of transfer or power of attorney and accompanied by all necessary transfer or other taxes imposed by law, together with such evidence of the genuineness of such endorsement, execution and authorization and other matters that may reasonably be required by the Transfer Agent, and no transfer of Units shall be effective or shall be in any way binding upon the Trust until the transfer has been recorded on the register or one of the branch transfer registers maintained by the Transfer Agent. Upon such delivery the transfer shall be recorded on the register or branch transfer registers and a new certificate for the Units shall be issued to the transferee and a new certificate for the balance of Units not transferred shall be issued to the transferor;
- (c) any person becoming entitled to any Units as a consequence of the death, bankruptcy or mental incompetence of any Trust Unitholder, or otherwise by operation of law, shall be recorded as the holder of such Units (and shall receive a new certificate therefor upon submission of the existing certificate for cancellation) only upon production of satisfactory evidence, but until such record is made the Trust Unitholder of record shall continue to be and be deemed to be the holder of such Trust Units for all purposes whether or not notice of such death or other event has been given.

Restrictions on Non-Resident Ownership

It is in the best interest of Trust Unitholders that the Trust always qualifies as a “mutual fund trust” under the Tax Act and in order to ensure the maintenance of such status:

- (a) if determined necessary or desirable by the Trustee or the Administrator, in their sole discretion, the Trust may from time to time, among other things, take all necessary steps to monitor the activities of the Trust and ownership of the Trust Units. If at any time the Trustee or the Administrator become aware that the activities of the Trust and/or ownership of the Trust Units by Non-Residents may threaten the status of the Trust under the Tax Act as a “mutual fund trust”, the Trust, by or through the Administrator on the Trust’s behalf, is authorized to take such action as may be necessary in the opinion of the Administrator to maintain the status of the Trust as a “mutual fund trust” including, without limitation, the imposition of restrictions on the issuance by the Trust of Trust Units or the transfer by any Trust Unitholder of Trust

Units to a Non-Resident and/or require the sale of Trust Units by Non-Residents on a basis determined by the Administrator and/or suspend distribution and/or other rights in respect of Trust Units held by Non-Residents transferred contrary to the foregoing provisions or not sold in accordance with the requirements thereof;

- (b) in addition, the Transfer Agent may, if determined appropriate by the Administrator, establish operating procedures for, and maintain, a reservation system which may limit the number of Trust Units that Non-Residents may hold, limit the transfer of the legal or beneficial interest in any Trust Units to Non-Residents unless selected through a process determined appropriate by the Administrator, which may either be a random selection process or a selection process based on the first to register, or such other basis as determined by the Administrator. The operating procedures relating to such reservation system shall be determined by the Administrator. Such operating procedures may, among other things, provide that any transfer of a legal or beneficial interest in any Trust Units contrary to the provisions of such reservation system may not be recognized by the Trust;
- (c) unless and until the Administrator shall have been required to do so under the terms hereof, the Administrator shall not be bound to do or take any proceeding or action with respect to this Section 13.5 by virtue of the powers conferred on it hereby. The Administrator shall not be required to actively monitor the foreign holdings of the Trust. The Administrator shall not be liable for any violation of the non-resident ownership restriction, which may occur during the term of the Trust; and
- (d) the Administrator shall have the sole right and authority to make any determination required or contemplated with respect to the residency requirements and restrictions of the Trust. The Administrator shall make all determinations necessary for the administration of the provisions of the Declaration of Trust governing the residency requirements and, without limiting the generality of the foregoing, if the Administrator considers that there are reasonable grounds for believing that a contravention of the non-resident ownership restriction has occurred or will occur, the Administrator shall make a determination with respect to the matter. Any such determination shall be conclusive, final and binding except to the extent modified by any subsequent determination by the Administrator.

Repurchase or Retraction of Trust Units

There are no conversion, retraction, redemption or pre-emptive rights attaching to the Trust Units.

Meetings of Unitholders

Notice of all meetings of Unitholders shall be given by unregistered mail, postage prepaid, addressed to each Trust Unitholder at the Unitholder's last address on the books of the Trust, mailed at least 21 days and not more than 50 days before the meeting.

Quorum

At any meeting of the Unitholders, a quorum consists of two or more persons present in person either holding personally or representing as proxies in aggregate not less than 5% of the outstanding Trust Units.

Voting Rights of Unitholders

Only Unitholders of record shall be entitled to vote and each Trust Unit shall entitle the holder or holders of that Trust Unit on a poll vote at any meeting of Trust Unitholders to the voting rights set out herein.

Limitation on Non-Resident Ownership

In order for the Trust to maintain its status as a "mutual fund trust" under the Tax Act, the Trust must not be established or maintained primarily for the benefit of non-residents of Canada within the meaning of the Tax Act. The Trustee may take any action it considers necessary to ensure that the Trust maintains its status as a "mutual fund trust" as defined in the Tax Act.

SIFT Trust

The Trustee may take any action it considers necessary to ensure that the Trust is not, and does not become, a "SIFT trust" as defined in the Tax Act.

Amendments to the Declaration of Trust

The Declaration of Trust may be amended by the Trustee with respect to certain enumerated items, including amendments necessary in order for the Trust to continue to qualify as a “mutual fund trust” under the Tax Act or to not qualify as a “SIFT trust”. All other amendments may be made by Special Resolution. Reference should be made to the Declaration of Trust for specific authorities or limitations that apply to amendments to the Declaration of Trust.

Term of Trust

The Trust shall continue for a term ending on the earlier of December 31, 2050 and the date which is one day prior to the date, if any, the Trust would otherwise be void by virtue of any applicable rule against perpetuities then in force in Ontario. The Trustee will start winding-up the affairs of Trust not more than two years prior to the end of the term of Trust.

Financial Year End

The fiscal year end of the Trust is December 31.

4.2 Partnership Agreement

The following is a summary of certain provisions of the Partnership Agreement of the Partnership. The summary does not purport to be complete and is subject to the more detailed provisions of the Partnership Agreement. Prospective subscribers should review the complete text of the Limited Partnership Agreement, a copy of which is available on request at the offices of the Trust at 1 Nelson Street W., Suite 200A, Brampton, Ontario L6W 3E4, Tel: 1-855-452-1305, Attention: Brian Pulis. Capitalized terms used herein not otherwise defined shall have the meanings ascribed thereto in the Limited Partnership Agreement.

Duties of the General Partner

The General Partner has:

unlimited liability for the debts, liabilities and obligations of the Partnership;

- (a) subject to the terms of this Agreement, and to any applicable limitations set forth in the Act and applicable similar legislation, the full and exclusive right, power and authority to manage, control, administer and operate the business and affairs and to make decisions regarding the undertaking and business of the Partnership; and
- (b) the full and exclusive right, power and authority to do any act, take any proceeding, make any decision and execute and deliver any instrument, deed, agreement or document necessary for or incidental to carrying out the business of the Partnership.

An action taken by the General Partner on behalf of the Partnership is deemed to be the act of the Partnership and binds the Partnership. Notwithstanding any other agreement the Partnership or the General Partner may enter into, all material transactions or agreements entered into by the Partnership must be approved by the board of directors of the General Partner.

Distributions

General Partner shall make distributions of Distributable Cash to the Limited Partners in accordance with their Proportionate Interest, for each Distribution Period. If the calculation of Distributable Cash is less than zero, then the General Partner will not make any distribution to the Limited Partner.

Fees of General Partner

The Partnership shall, during the term of the Partnership, distribute to the General Partner, an amount to be calculated on an annual basis, determined as follows:

- (a) a quarterly fee to be paid in advance and estimated and calculated as an amount equal to 1.5% of the Fair Market Value of the Partnership on the last date of each Fiscal Year (if such amount is negative, the Management Fee shall be zero) (the “**Management Fee**”);
- (b) an amount equal to 1.0% of the acquisition price of the Properties acquired by the Partnership, excluding costs of acquisition (including but not limited to taxes and legal costs) in the relevant Fiscal Year, payable upon closing of the purchase of the Property (“**Acquisition Fee**”); and
- (c) an amount equal to 7.0% of the Adjusted Net Operating Income (the “**Incentive Fee**”) . The Incentive Fee shall be paid by the purchase of Trust Units by the Limited Partnership on behalf of the General Partner

Fees payable by the Partnership to the General Partner are subject to GST (and may be subject to HST in part) and will be deducted as an expense of the Partnership in the calculation of the net profits of the Partnership.

Expenses of the General Partner

The General Partner shall be reimbursed by the Partnership for all corporate expenses incurred by the General Partner in carrying out its obligations or duties under the Partnership Agreement. The General Partner shall calculate the corporate expenses for each month and by the 15th day of the month following the end of such month (or on such other basis as the General Partner determine) shall invoice the Partnership for such expenses, such invoice to include details of the Services provided for that period, plus GST and HST, as applicable. Such amounts shall be paid by the Partnership not later than 30 days after receipt of such invoice.

LP Unit Redemptions (Cash and LP Units)

LP Units are redeemable at any time on demand by a Limited Partner on delivery to the Partnership of a duly completed and properly executed notice requesting redemption specifying the number of LP Units to be redeemed and enclosing any Unit Certificate(s).

Upon receipt by the General Partner of a redemption notice from the Limited Partner, the Limited Partner is entitled to receive:

- (i) within 12 months from the date of the Unit Certificate representing the LP Units to be redeemed (the “**Issuance Anniversary**”), a price per LP Unit to be redeemed that shall be equal to 90% of the Fair Market Value of the LP Units to be redeemed;
- (i) within 2 years of the Issuance Anniversary, a price per LP Unit to be redeemed that shall be equal to 92% of the Fair Market Value of the LP Units to be redeemed;
- (ii) within 3 years of the Issuance Anniversary, a price per LP Unit to be redeemed that shall be equal to 94% of the Fair Market Value of the LP Units to be redeemed;
- (iii) within 4 years of the Issuance Anniversary, a price per LP Unit to be redeemed that shall be equal to 96% of the Fair Market Value of the LP Units to be redeemed;
- (iv) within 5 years of the Issuance Anniversary, a price per LP Unit to be redeemed that shall be equal to 98% of the Fair Market Value of the LP Units to be redeemed; and
- (v) at anytime following the 5th Issuance Anniversary, a price per LP Unit to be redeemed that shall be equal to the Fair Market Value of the LP Units to be redeemed;

as determined by the General Partner or Partnership within 30 business days of receipt of the redemption notice, having reference to Fair Market Value of the Partnership (hereinafter, called the “**Redemption Price**”). The Redemption Price will be paid by cheque, drawn on a Canadian chartered bank or a trust company in lawful money of Canada, payable to or to the order of the redeeming Limited Partner. The Redemption Price payable in respect of the LP Units surrendered for redemption shall be satisfied by way of a cash payment on the last day of the Fiscal Year in which the LP Units were tendered for redemption.

There may be deducted from redemption proceeds of a Partnership Unit and retained in the Partnership all costs to the Partnership associated with the redemption, including costs of liquidation of portfolio assets, up to a maximum amount equal to 2% of the Fair Market Value of the Partnership Units being redeemed. It is within the discretion of

the Administrator to apply or waive this deduction based on liquidity of the Partnership's investment portfolio. Trust Units redeemed at the Trust level will indirectly bear the effect of any such redemption deduction by the Partnership.

The Partnership shall not be required to make a payment in cash of the Redemption Price with respect to LP Units tendered to for redemption pursuant to a Redemption Notice if, in the General Partner's opinion (in their sole discretion), the Partnership has insufficient liquid assets to fund such redemptions or that the liquidation of assets at such time would be to the detriment of the remaining holders of LP Units or the Partnership generally, or if the total amount payable by the Partnership pursuant to the above in respect of such LP Units and all other LP Units tendered for redemption in the same Fiscal Year exceeds the greater of \$100,000 or 5% of the Fair Market Value of the Partnership in cash per Fiscal Year (the "**Annual Limit**"); provided that the General Partner may, in its sole discretion, waive such limitation in respect of all LP Units tendered for redemption in any Fiscal Year. LP Units tendered for redemption in any Fiscal Year in which the total amount payable by the Partnership exceeds the Annual Limit will be redeemed for cash on a pro-rata basis up to the Annual Limit and, unless any applicable regulatory approvals are required, by a distribution under Section 4.5, of Redemption Notes, for the balance.

Meetings

The General Partner may call a general meeting of Limited Partners at a time and a place as it deems appropriate in its absolute discretion for the purpose of considering any matters set forth in the notice of meeting.

Consents without Meeting

The General Partner may secure the consent or agreement of any Limited Partner to any matter requiring consent or agreement in writing, and the consents or agreements in writing may be used in conjunction with votes given at a meeting of Limited Partners or without a meeting of Limited Partners to secure the necessary consent or agreement to the matter.

Place of Meeting

Every meeting of Limited Partners shall be held in the City of Brampton, Ontario, or at such other place as the General Partner may designate.

Notice of Meetings

Notice of any meeting of Limited Partners is to be given to each Limited Partner not less than seven days (but not more than 45 days) prior to such meeting, and to be valid for the purposes hereof, must state:

- (a) the time, date and place of such meeting; and
- (b) in general terms, the nature of the business to be transacted at the meeting in sufficient detail to permit a Limited Partner to make a reasoned decision thereon.

Quorum

At any meeting of the Limited Partners, subject as hereinafter provided, a quorum shall consist of two or more individuals present in person either holding personally or representing as proxies not less in aggregate than 5% of the votes attached to all outstanding Units. In the event of such quorum not being present at the appointed place on the date for which the meeting is called within 30 minutes after the time fixed for the holding of such meeting, the meeting, if called by request of Limited Partners, shall be terminated and, if otherwise called, shall stand adjourned to such day being not less than 7 days later and to such place and time as may be appointed by the chair of the meeting. If at such adjourned meeting a quorum as above defined is not present, the Limited Partners then present either personally or by proxy shall form a quorum, and any business may be brought before or dealt with at such an adjourned meeting which might have been brought before or dealt with at the original meeting in accordance with the notice calling the same.

Resolutions Binding

Any Ordinary Resolution passed in accordance with the Limited Partnership Agreement will be binding on all Partners and their respective heirs, executors, administrators, successors and assigns, whether or not the Limited Partner was present or represented by proxy at the meeting at which the Ordinary Resolution was passed and whether or not the Partner voted against the resolution.

Powers Exercisable by Special Resolution

The following powers are only exercisable by Special Resolution passed by the Limited Partners:

- (a) dissolving the Partnership, except as otherwise provided for in the Partnership Agreement;
- (b) removing the General Partner and electing a new general partner;
- (c) the sale of all or substantially all of the assets of the Partnership;
- (d) amending, modifying, altering or repealing any Special Resolution previously passed by the Limited Partners;
- (e) amending this Partnership Agreement; and
- (f) determining to reconstitute the Partnership.

4.3 Funding Agreement

The Partnership and the Trust have entered into the Funding Agreement pursuant to which the Partnership has agreed to pay all costs, fees and Selling Commissions associated with this Offering.

4.4 Transfer Agent Agreement

The Administrator has retained the Trustee to act as transfer agent for the Trust pursuant to a Transfer Agent Agreement.

4.5 Third Party Administrator - Pinnacle Fund Agreement

The Administrator has retained Pinnacle Canada Fund Administration Ltd. (the “**Third Party Administrator**”) to provide fund accounting and record keeping services to both the Trust and the Partnership. The fees for such services provided will be paid by the Trust or the Partnership, as applicable. The Third Party Administrator is not related to or affiliated with Pinnacle Wealth Brokers Inc.

4.6 Administration Agreement

The Trust will retain the Administrator to provide certain investment management and ancillary services, as set out in the Administration Agreement, including sourcing, evaluation and management of investments. This summary does not purport to be complete and is subject to the more detailed provisions of the Administration Agreement. Prospective subscribers may review the complete text of the Administration Agreement, a copy of which is available on request at the offices of the Trust 1 Nelson Street W., Suite 200A, Brampton, Ontario L6W 3E4, Tel: 1-855-452-1305, Attention: Brian Pulis.

Fees and Expenses Paid to the Administrator

The Administrator shall be reimbursed by the Trust for all corporate expenses incurred by the Administrator in carrying out its obligations or duties under the Administration Agreement. The Administrator shall be entitled to the payment of a fee from the Trust for the services provided by the Administrator in the amount of \$500.00 per year plus applicable GST. Common expenses of the Trust will be allocated to each series of Trust Units based on respective Fair Market Value of the Units. Expenses specific to a Series of Trust Units will be allocated to and deducted from the Unit Fair Market Value of that Series only.

Powers and Duties of the Administrator

As manager of the Trust, the Administrator has been given the full authority and exclusive responsibility to direct the day-to-day undertaking, operations and affairs of the Trust without limitation, the following:

- (a) undertake any matters required by the terms of the Declaration of Trust to be performed by the Trustee, which are not otherwise delegated therein or herein and generally provide all other services as may be necessary or as requested by the Trustee for the administration of the Trust;

- (b) prepare or cause to be prepared all returns, filings and documents and make all determinations necessary for the discharge of the Trustee's obligations under the Declaration of Trust;
- (c) the retention and monitoring, on behalf of the Trustee, of the transfer agent and other organizations serving the Trust;
- (d) the authorization and payment on behalf of the Trust of operation expenses incurred on behalf of the Trust and the negotiation of contracts with third party providers of services (including, but not limited to, transfer agents, legal counsel, auditors and printers);
- (e) the provision of office space, telephone, office equipment, facilities, supplies and executive, secretarial and clerical services;
- (f) dealing with: (i) banks and other institutional lenders, including, without limitation, in respect of the maintenance of bank records and the negotiation and securing of bank financing or refinancing of one or more credit or debt facilities, or other ancillary facilities; (ii) any and all other arrangements for the borrowing of funds in any manner whatsoever; and (iii) the grant or issue of covenants, guarantees and/or security of any nature whatsoever to ensure or secure any such facilities or other arrangements, in respect of the Trust or any entity in which the Trust holds any direct or indirect interest and any amendment, deletion or supplement thereto or termination thereof, including without limitation the execution and delivery of all agreements, indentures and other documents giving effect thereto;
- (g) prepare or cause to be prepared and deliver or cause to be delivered to Unitholders, annual audited financial statements of the Trust, as well as relevant tax information;
- (h) prepare and submit all income tax returns and filings to the Trustee in sufficient time prior to the dates upon which they must be filed so that the Trustee has a reasonable opportunity to review them, execute them and return them to the Administrator, and arrange for their filing within the time required by applicable tax law;
- (i) administer on behalf of the Trust such distribution reinvestment plans and other similar plans as the Trust may establish from time to time;
- (j) compute, determine and make on the Trust's behalf distributions to Trust Unitholders of distributions properly payable by the Trust;
- (k) ensure compliance by the Trust with all applicable securities legislation;
- (l) prepare on behalf of the Trust any circular or other disclosure document required under applicable securities legislation with respect to an offer to acquire securities of another person or in response to an offer to purchase Trust Units;
- (m) prepare and arrange for the distribution of all materials (including notices of meetings and information circulars) in respect of all general and/or special meetings of Unitholders pursuant to the Declaration of Trust;
- (n) prepare or cause to be prepared and provide or cause to be provided to Unitholders on a timely basis all information to which Unitholders are entitled under the Declaration of Trust and under applicable laws, including information or proxy circulars, notices, financial reports and tax information relating to the Trust;
- (o) take all steps necessary to complete the issuance of securities of the Trust, including the preparation of any prospectus or comparable document;

- (p) attend to all administrative and other matters (including making determinations) arising in connection with any redemptions of Trust Units;
- (q) ensure that the Trust elects in the prescribed manner and within the prescribed time under subsection 132(6.1) of the Tax Act to be a “**mutual fund trust**” within the meaning of that act since inception, and assuming the requirements for such election are met, monitor the Trust's status as such a mutual fund trust and provide the Trustee with written notice when the Trust ceases or is at risk of ceasing to be such a mutual fund trust;
- (r) undertake, manage and prosecute any and all proceedings from time to time before or in respect of governmental authorities on behalf of the Trust; and
- (s) promptly notify the Trustee of any event that might reasonably be expected to have a material adverse effect on the affairs of the Trust.

The Administrator may delegate certain of these duties from time to time.

Powers and Duties of the Trustee

The Trustee retains the power and authority set out below:

- (a) to effect payments of distributions to Trust Unitholders, including receiving funds and mailing cheques to Trust Unitholders;
- (b) to delegate any or all of the management and administrative powers and duties of the Trustee; and
- (c) to enter into and perform the obligations of the Trust under the Administration Agreement, and any amendments hereto.

Standard of Care of the Administrator

The Administrator must exercise the powers and discharge the duties of its office honestly, in good faith and in the best interests of the Fund and in connection therewith must exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

4.7 Subscription Agreements between the Trust and the Partnership

Upon each Closing, the Trust will acquire LP Units from the Partnership pursuant to the form of subscription agreement required by the Partnership. Under that form of subscription agreement, the Trust will agree to acquire LP Units at a price of \$95 per LP Unit up to and including June 30, 2015. The price per LP Unit shall be \$100 on or after July 1, 2015 and will provide to the General Partner a power of attorney to act on the Trust's behalf and to sign certain documentation on the Trust's behalf as a limited partner of the Partnership. Further, under the form of subscription agreement, the Trust will provide certain representations and warranties to the Partnership as to, among other things, its ability to rely on certain prospectus and registration exemptions in its acquisition of the LP Units.

4.8 Distribution Reinvestment Plan

The Trust has established the DRIP, which is a distribution reinvestment plan with an effective date of February 6, 2015, for the purposes of offering Eligible Holders a convenient method to reinvest distributions on Trust Units declared and payable to them.

Features

Under the DRIP, a Participant may purchase additional Trust Units with the cash distributions paid on the Eligible Trust Units which are registered in the name of the Registered Participant or held in a Non-Registered Participant's account maintained pursuant to the DRIP. The price at which Trust Units will be issued from treasury under the

DRIP will be calculated by reference to the DRIP Unit Price. No commissions, service charges or brokerage fees are payable by Participants in connection with the DRIP.

Distributions in respect of whole and fractional Trust Units (up to six decimal places) purchased under the DRIP will be credited to a Participant's account and will be automatically invested under the DRIP in additional Trust Units until such time as the Participant's participation in the DRIP is terminated.

The Trust shall determine the number of Trust Units available to be issued under the DRIP at any time.

Participation and Enrollment in the DRIP

Provisions of the DRIP apply to all Participants, but are subject to the administrative practices and requirements of intermediaries through whom Trust Units are held by Non-Registered Unitholders. Those administrative practices and requirements may vary, and Non-Registered Unitholders should contact their intermediary to determine the requirements of such intermediary regarding participation in the DRIP.

In order to be eligible to participate in the DRIP, a holder must be an Eligible Holder. An Eligible Holder who is a registered holder of Trust Units of record may enrol in the DRIP at any time by duly completing and returning a DRIP Enrollment Form to the Trust by Close of Business on the fifth Business Day prior to a Distribution Record Date for it to be effective on such Distribution Payment Date. Any DRIP Enrollment Form received after such time will be applied to the next applicable Distribution Record Date.

Eligible Holders who are Non-Registered Unitholders may request Enrollment in the DRIP through such broker or investment dealer. Once a Participant has enrolled in the DRIP, participation continues automatically unless terminated in accordance with the terms of the DRIP.

Once a Participant is enrolled, on each Distribution Payment Date, the Trust shall promptly pay to the account of the Participants, all cash distributions paid on their Trust Units, which shall be immediately applied to purchase additional Trust Units from treasury (with no action upon the part of the Trust Unitholder) at the then applicable DRIP Unit Price as determined by the Trust. The Trust shall retain such portion of the cash concurrently with the issuance of additional Trust Units from treasury to the Participants.

If any Trust Units are held by a non-resident of Canada, such Trust Unitholder is not eligible to participate in the DRIP. Upon ceasing to be a resident of Canada, a Participant shall forthwith notify the Trust of same and shall automatically be deemed to cease to be a Participant as of the date the Participant ceased to be a resident of Canada.

A DRIP Enrollment Form may be obtained from the Trust any time upon written request addressed to the Trust.

No interest will be paid to Participants on any funds held for investment under the DRIP.

Transfer of Participation Rights

The right to participate in the DRIP may not be transferred by a Participant.

Termination of Participation

Participation in the DRIP may be terminated by a Registered Participant once per calendar year, effective as of the first Distribution Record Date of the following year by notice in writing to the Trust. Non-Registered Participants can terminate their participation in the DRIP by notifying the broker or other investment dealer with whom they hold their Trust Units.

Following such termination, a certificate for the number of whole Trust Units issued to the Registered Participant under the DRIP will be issued to, and in the name of, such Participant, together with a cheque for the value of any remaining fraction of a Trust Unit held for the account of such Participant. The amount of the payment for any such fraction will be determined by the prevailing DRIP Unit Value on the day of termination.

If the notice of termination is received by the Close of Business on the last Business day of the calendar year, termination of the Participant's participation in the DRIP will be effective in respect of the next Distribution Record Date of the following year. Otherwise, the termination will be effective in respect of the next succeeding year.

For greater certainty, termination by a Participant will not prevent such Trust Unitholder from participating in the DRIP at a later date. No termination requests will be processed between a Distribution Record Date and the related Distribution Payment Date. Normally, a certificate will be sent to a Participant within three weeks of receipt by the Trust of a Participant's termination request.

After termination of participation in the DRIP, all subsequent distributions will be paid to the former Participant in cash in the usual manner.

Amendment, Suspension or Termination of the DRIP

The Trust reserves the right to amend, suspend or terminate the DRIP at any time, but such action shall have no retroactive effect that would prejudice the interest of the Participants. Participants will be sent written notice of any such amendment, suspension or termination.

In the event of suspension or termination of the DRIP by the Trust, no investment in additional Trust Units on behalf of Participants will be made on the Distribution Payment Date immediately following the effective date of such suspension or termination.

Any Trust Unit distribution subject to the DRIP and paid after the effective date of any such suspension or termination will be remitted by the Trust to the Participants in cash only, in the usual manner.

Rules and Regulations

The Trust may from time to time adopt rules and regulations to facilitate the administration of the DRIP. The Trust also reserves the right to regulate and interpret the DRIP as it deems necessary or desirable to ensure the efficient and equitable operation of the DRIP.

Proration in Certain Events

The Trust reserves the right to determine, promptly following each Distribution Record Date, the amount of new equity, if any, to be made available under the DRIP on the Distribution Payment Date to which such record date relates. No assurances can be made that new Trust Units will be made available under the DRIP on a regular basis, or at all.

If on any Distribution Payment Date the Trust determines not to issue any equity through the DRIP, or the availability of new Trust Units is prorated in accordance with the terms of the DRIP, or for any other reason a Distribution cannot be reinvested under the DRIP, in whole or in part, then Participants will be entitled to receive from the Trust the full amount of the regular Distribution for each Trust Unit in respect of which the Distribution is payable but cannot be reinvested under the DRIP in accordance with the applicable election.

Price of Trust Units

On each Distribution Payment Date, the Trust shall promptly pay to the account of the Participants, all cash distributions paid on their Trust Units, which shall be immediately applied to purchase additional Trust Units from treasury (with no action upon the part of the Trust Unitholder) at the then applicable DRIP Unit Price as determined by the Trust. The Trust shall retain such portion of the cash concurrently with the issuance of additional Trust Units from treasury to the Participants.

Costs

There shall not be any commissions, service charges or brokerage fees payable in connection with the issuance of Trust Units under the DRIP. All administrative costs of the DRIP shall be borne by the Trust.

Reports

Registered Participants

An account will be maintained by the Trust for each Participant with respect to purchases of Trust Units under the DRIP for the account of such Participant. An unaudited statement of account regarding purchases under the DRIP will be sent on an annual basis to each Participant who is a registered holder of Trust Units. These statements of account are a Participant's continuing record of purchases of Trust Units made on behalf of such Participant pursuant to the DRIP and should be retained for income tax purposes. Unitholders are responsible for calculating and monitoring their own adjusted cost base in Trust Units for income tax purposes, as certain averaging rules may apply and such calculations may depend on the cost of other Trust Units held by a Trust Unitholder.

Non-Registered Participants

Non-Registered Unitholders who have enrolled in the DRIP may receive statements of account from their intermediary in accordance with the intermediary's administrative practices. Such statements will constitute such Non-Registered Trust Unitholder's continuing record of the date and valuation of the acquisition of DRIP Trust Units issued pursuant to the DRIP and should be retained for income tax purposes. Non-Registered Unitholders should contact their intermediary to determine the procedures for requesting current statements.

No Certificates

No certificates representing Trust Units issued pursuant to the DRIP will be provided to Participants, unless requested by the Participant.

Withdrawals

Registered Participants

Trust Units purchased under the DRIP will be issued to the Participants by the Trust and evidenced on the Trust's register of Trust Units. Certificates for such Trust Units will not be issued to Participants unless specifically requested in writing.

A Participant that is a registered holder of Trust Units may request a certificate for any number of Trust Units held by the Participant without terminating participation in the DRIP in writing from the Trust. Normally, a certificate will be sent to a Participant within three weeks of receipt by the Trust of a Participant's request. Any remaining Trust Units will continue to be held for the Participant's account under the DRIP.

Non-Registered Unitholders

Unitholders who have enrolled in the DRIP should contact their intermediary to determine the procedures for withdrawing their participation in the DRIP.

Responsibilities of the Trust

The Trust shall not be liable for any act, or any omission to act, in connection with the operation of the DRIP including, without limitation, any claims for liability:

- (a) relating to the prices at which Trust Units are purchased or sold for the Participant's account and the times such purchases are made; and

- (b) arising in connection with income taxes (together with any applicable interest and/or penalties) payable by Participants in connection with their participation in the DRIP.

Participants should recognize that the Trust cannot assure a profit or protection against a loss on the Trust Units purchased or sold under the DRIP.

Personal Liability

The Trustees are entering into the DRIP solely in their capacities as trustees or as agents, as the case may be, on behalf of the Trust and the obligations of the Trust hereunder are not personally binding upon the Trustees, or any of the registered or beneficial Unitholders or any annuitant or beneficiary under a plan of which a Trust Unitholder is a trustee or carrier (an “**annuitant**”) and that any recourse against the Trust, the Trustees, or any Trust Unitholder or annuitant in any manner in respect of any indebtedness, obligation or liability of the Trust arising hereunder or arising in connection herewith or from the matters to which the DRIP relates, if any, including without limitation claims based on negligence or otherwise tortious behaviour, is limited to, and is to be satisfied only out of, the Trust Assets as defined in the Declaration of Trust.

Compliance with Laws

The operation and implementation of the DRIP is subject to compliance with all applicable legal requirements, including obtaining all appropriate regulatory approvals and exemptions from registration and prospectus requirements. The Trust may limit the Trust Units issuable under the DRIP in connection with discretionary exemptive relief relating to the DRIP granted by any securities regulatory authority.

Notices

All notices required to be given under the DRIP shall be sent to a Participant at the address shown on the records of the Trust or at a more recent address as furnished by the Participant or the Participant’s investment dealer, as the case may be.

Notices to the Trust shall be sent to:

Suite 200A, 1 Nelson Street W., Brampton, Ontario L6W 3E4
T: 1-855-452-1305
Email: inquiry@pulisinvestments.com

ITEM 5 - DIRECTORS, MANAGEMENT, PROMOTERS AND PRINCIPAL HOLDERS

5.1 Compensation and Securities Held

The Trust

The following tables set out information about each of the Trustees and the Initial Unitholder of the Trust and each person who, directly or indirectly, beneficially owns or controls 10% or more of any Trust Units:

Name and municipality of principal residence	Position held and date of obtaining that position ⁽¹⁾	Compensation paid by the Trust since inception and the compensation anticipated to be paid in current financial year	Number, type and percentage of securities of the Trust held after completion of the Minimum Offering	Number, type and percentage of securities of the Trust held after completion of the Maximum Offering
Brian Pulis Brampton, Ontario	Initial Unitholder	Nil ⁽²⁾	1 ⁽³⁾	1 ⁽³⁾
Computershare Trust Company of Canada	Trustee	\$10,000 ⁽⁴⁾		
Pulis Real Estate Adminco Inc.	Administrator	\$500 ⁽⁵⁾	Nil	Nil

Notes:

- Each of Brian Pulis and Computershare Trust Company of Canada have held these positions since the establishment of the Trust on June 20, 2014.
- Brian Pulis will not be directly compensated for his services as Trustee; however, all of the outstanding shares of General Partner are beneficially owned or controlled, directly or indirectly by Brian Pulis and Kyle Pulis, a director of the General Partner. The General Partner is entitled to certain fees, including the Management Fee (which is equal to 1.5% of Fair Market Value of the Partnership payable by the Partnership to the General Partner, estimated and payable quarterly), the Incentive Fee (which is equal to 7.0% of the Adjusted Net Operating Income to be paid in Trust Units, from the previous Fiscal Year) and the Acquisition Fee (equal to 1.0% of the total purchase price of each of the Properties acquired by the Partnership and which is paid to the General Partner upon completion of the purchase of each of the Properties) pursuant to the Partnership Agreement, which will be paid, as applicable, from funds raised from this Offering until such time as the Partnership receives a positive return from the disposition of Properties acquired by it See "Partnership Agreement- Fees of the General Partner". Consequently, Brian Pulis will indirectly share in those distributions to the General Partner.
- Notwithstanding any other provisions in the Declaration of Trust, immediately after the issuance of one or more additional Trust Units, the Initial Trust Unit shall cease to have voting rights and shall cease to participate in distributions from the Trust (whether of income of the Trust, net realized capital gains or other amounts) and shall cease to participate in any net assets of the Trust in the event of termination or winding-up of the Trust, except that the Initial Trust Unit may receive the amount of its initial contribution. At any time following the issuance of one or more additional Trust Units, the Trust may redeem the Initial Trust Unit for a purchase price of \$100.00 and, upon the completion of such purchase and sale, the Initial Trust Unit shall be cancelled and shall no longer be outstanding for any of the purposes set out in the Declaration of Trust.
- Computershare Trust Company of Canada will be paid an annual fee for acting as Trustee of the Trust. Pursuant to the Declaration of Trust, Computershare Trust Company of Canada will act as the transfer agent and registrar of the Trust and will be paid a fee of approximately \$3.75 for each Trust Unit Certificate issued by the Trust. These costs will be borne by the Partnership pursuant to the Funding Agreement.
- The Administrator receives \$500 per year as the fee pursuant to the terms of the Administration Agreement. These costs will be borne by the Partnership pursuant to the Funding Agreement.

The General Partner

The following tables set out information about each of the directors and executive officers of the General Partner and each person or entity who, directly or indirectly, beneficially owns or controls 10% or more of any voting shares of the General Partner:

Name and municipality of principal residence	Position held and date of obtaining that position	Compensation paid by the General Partner since inception and the compensation anticipated to be paid in current financial year	Number, type and percentage of securities of the General Partner held after completion of the Minimum Offering	Number, type and percentage of securities of the General Partner held after completion of the Maximum Offering
Brian Pulis Brampton, Ontario	Director and Chief Executive Officer	\$0 ⁽¹⁾	100 Common Shares ⁽³⁾	100 Common Shares ⁽³⁾
Kyle Pulis Brampton, Ontario	Director, President and Secretary	\$0 ⁽¹⁾	100 Common Shares ⁽⁴⁾	100 Common Shares ⁽⁴⁾
Jason Priest Toronto, Ontario	Director	\$9,000 ⁽²⁾	Nil	Nil
Peter VanSickle Oakville, Ontario	Director	\$9,000 ⁽²⁾	Nil	Nil

Notes:

- Brian Pulis and Kyle Pulis, two directors of the General Partner, however, all of the outstanding shares of General Partner are beneficially owned or controlled, directly or indirectly by Brian Pulis and Kyle Pulis. The General Partner is entitled to certain fees, including the Management Fee (which is equal to 1.5% of Fair Market Value of the Partnership payable by the Partnership to the General Partner, estimated and payable quarterly), the Incentive Fee (which is equal to 7.0% of the Adjusted Net Operating Income to be paid in Trust

Units, from the previous Fiscal Year) and the Acquisition Fee (equal to 1.0% of the total purchase price of each of the Properties acquired by the Partnership and which is paid to the General Partner upon completion of the purchase of each of the Properties) pursuant to the Partnership Agreement, which will be paid, as applicable, from funds raised from this Offering until such time as the Partnership receives a positive return from the disposition of Properties acquired by it See “Partnership Agreement - Fees of the General Partner”. Consequently, Brian Pulis and Kyle Pulis will indirectly share in those distributions to the General Partner.

2. Jason Priest and Peter VanSickle will be paid an annual fee for acting as directors of the General Partner.
3. The common shares are held by 844732 Ontario Inc., a holding company 100% solely owned by Brian Pulis.
4. The common shares are held by 2212157 Ontario Inc., a holding company 100% solely owned by Kyle Pulis.
5. The Trust will reimburse the officers, directors and their affiliates for any expenses paid or incurred on behalf of the Partnership, including all reasonable travel, promotional and other business expenses incurred by them in the performance of their duties.

5.2 Management Experience

The names, municipalities of residence, offices held with the General Partner, and principal occupations of the director and officers of the General Partner for the past 5 years are as follows:

Name and Position Held	Principal occupation and related experience
Brian Pulis Director & Chief Executive Officer	<p>Brian is the co-founder and President of Pulis Investment Group. Brian launched and ran several successful retail, service and investment companies before turning his attention in 2002 to building a solid-performing portfolio of multi-family residential properties in specific strategic markets in Ontario. With an instinct and passion for serving unmet needs, Brian focused on underserved markets—tremendous untapped opportunities. By delivering an unprecedented level of value to tenants in underserved markets and maintaining a disciplined focus on multi-family residential properties, Brian’s investment portfolio has consistently delivered value to stakeholders.</p> <p>Brian has received several accolades and awards over the years, most notably from the Real Estate Investment Network (“REIN”) where he is an active member, speaker and contributor as both a writer and an advisor. Brian also contributes regularly to other investment-related trade publications and shows.</p>
Kyle Pulis President & Secretary	<p>Kyle has over 12 years of senior operations experience in real estate. Passion and commitment to maximizing returns through superior strategies, efficiencies and tenant relations form the cornerstone of Kyle’s leadership role as co-founder of Pulis Investments. With an eye for location and a knack for acquisition, Kyle is first out of the gate identifying and filling gaps in underserved markets. An instinct for design and renovation allows him to take the lead in those markets with unique, desirable multi-family residential properties. Finally, his expert approach to project management, building efficiency and tenant relations gives him the wherewithal to maintain and grow that lead over time, even as his keen eye is scoping out the next market opportunity.</p> <p>Kyle is a member and a regular contributor of REIN. In addition to being a frequent speaker at REIN events, Kyle is also a member of its Advisory Board. Kyle is also a member of the Executive Board of the Brampton Downtown Development Corporation.</p> <p>Kyle holds an Honours Business Degree from Wilfrid Laurier University and actively served in the Canadian Armed Forces Reserves as recently as 2013.</p>

Jason Priest Director	Jason has owned and managed J. Priest Investment Management Inc., a boutique portfolio management firm in Toronto, since 2009. A graduate of Acadia University, Jason began his career as a Financial Planner with one of Canada's largest insurance companies and quickly became a specialist in investments and financial markets. He earned his Canadian Investment Administrator (CIM) and Certified Financial Planner (CFP) designations in 2001, Derivatives Market Specialist (DMS) in 2003, became a Chartered Financial Analyst (CFA) in 2004 and obtained the Financial Risk Manager (FRM) designation in 2005. Mr. Priest is a member of the CFA Institute and the Global Association of Risk Professionals (GARP) and has extensive analytical and risk assessment experience. He serves as the Ultimate Designated Person and Chief Compliance Officer for J. Priest Investment Management Inc., a registered Portfolio Manager, Investment Fund Manager and Exempt Market Dealer.
Peter VanSickle Director	Peter G. VanSickle, BComm. FCIB, MBA(Financial Services) Peter has been the President of the Brampton Downtown Development Corporation, a not for profit corporation since 2011. He started his career with Ivanhoe Cambridge and was responsible for the development of a number of Regional Shopping Centers. He was responsible for land assembly and leasing activities. He worked for Hudson's Bay Co. in development and later moved to Bank of Montreal and was responsible for the Canadian Retail Branch Portfolio and was employed by Scotiabank for Real Estate Strategy. He managed the design team responsible for the development of Roger's communications and has directed a number of retail design projects for major North American Retailers. Peter is the Past President of CoreNet a 5,000 member organization focussed globally on Corporate Real Estate matters. He is the Co-Chair of the Western GTA Summit a non-partisan entity dealing with transportation and development issues facing the region.

5.3 Penalties, Sanctions and Bankruptcy

There is no penalty or sanction that has been in effect during the last ten (10) years, and no cease trade order that has been in effect for a period of more than 30 consecutive days during the last ten (10) years, against any executive officer, director or the Trustees, the Trust or the General Partner or against an issuer of which any of the foregoing was an executive officer, director or control person at the time.

No declaration of bankruptcy, voluntary assignment in bankruptcy, proposal under any bankruptcy or insolvency legislation, proceedings, arrangement or compromise with creditors or appointment of a receiver, receiver Administrator or trustee to hold assets, has been in effect during the last ten (10) years with regard to any executive officer, director or the Trustees, the Trust or the General Partner or any issuer of which any of the foregoing was an executive officer, director or control person at that time.

5.4 Loans

There is no outstanding indebtedness between the Trust, the Trustees, or individual officers or directors of the General Partner.

ITEM 6 - CAPITAL STRUCTURE

6.1 Trust's Capital

The following table sets out the capitalization of the Trust as at February 6, 2015, both before and after giving effect to this Offering.

Description of Security	Number Authorized to be Issued	Price Per Security	Number Outstanding as at February 6, 2015	Number Outstanding After Minimum Offering	Number Outstanding After Maximum Offering

Trust Units	unlimited	\$100	1 ⁽¹⁾	N/A	500,001
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Notes:

1. Notwithstanding any other provisions in the Declaration of Trust, immediately after the issuance of one or more additional Trust Units, the Initial Trust Unit shall cease to have voting rights and shall cease to participate in distributions from the Trust (whether of income of the Trust, net realized capital gains or other amounts) and shall cease to participate in any net assets of the Trust in the event of termination or winding-up of the Trust, except that the Initial Trust Unit may receive the amount of its initial contribution. At any time following the issuance of one or more additional Trust Units, the Trust may redeem the Initial Trust Unit for a purchase price of \$100.00 and, upon the completion of such purchase and sale, the Initial Trust Unit shall be cancelled and shall no longer be outstanding for any of the purposes set out in the Declaration of Trust.

6.2 Long-Term Debt

As of the date of this Offering Memorandum, neither the Trust nor the Partnership has any debt.

6.3 Prior Sales

Except for the issuance of the one Trust Unit (for \$100) to the Initial Unitholder on the formation of the Trust, the Trust has not issued any Trust Units during the last 12 months.

Except for the issuance of the initial limited partnership unit to the initial LP Unit holder on the formation of the Partnership and the unit to the General Partner, the Partnership has not issued any LP Units during the last 12 months.

ITEM 7 - DESCRIPTION OF UNITS

7.1 Terms of Trust Units

The interest of each Trust Unitholder shall be determined by the number of Trust Units registered in the name of the Trust Unitholder; and subject to Section 6.5 of the Declaration of Trust each Trust Unit represents an equal undivided beneficial interest in any distribution from the Trust (whether of Income of the Trust, Net Realized Capital Gains or other amounts) and in any net assets of the Trust in the event of termination or winding-up of the Trust. All Trust Units shall rank among themselves equally and rateably without discrimination, preference or priority, whatever may be the actual date or terms of issue thereof. Each Trust Unit shall entitle the holder of record thereof to one vote at all meetings of Trust Unitholders or in respect of any written resolution of Trust Unitholders. Fractions of Units shall not be issued, except pursuant to distributions of additional Units to all Trust Unitholders pursuant to the Declaration of Trust. Fractions of Units will not be entitled to vote at meetings of Trust Unitholders. There is no limit to the number of Trust Units or Series that may be issued.

The Trust Units do not represent a traditional investment and should not be viewed by investors as “shares” in the Trust. The Unitholders will not have the statutory rights normally associated with ownership of shares of a corporation including, for example, the right to bring “oppression” or “derivative” actions. The price per Trust Unit will not be a function of anticipated distributable income from the Trust and the ability of the Trust to effect long-term growth in the value of the Trust. Instead, the value per Trust Unit will be a function of the Trust’s ability to generate income and effect long-term growth in the value of the Partnership and other entities now or hereinafter owned, directly or indirectly, by the Trust. See Risk Factors.

7.2 Calculation of Fair Market Value

As of 4:00 p.m. (Toronto time) on each Valuation Date, the Administrator shall determine the fair market value of the Trust (the “**Fair Market Value of the Trust**”) and the Fair Market Value per Unit. The Administrator has engaged the Third Party Administrator to calculate such fair market values in accordance with the provisions of the Declaration of Trust.

The Fair Market Value of the Trust as of any date will mean the fair market value of the Trust’s investment in the Partnership plus the value of the Trust’s investment assets and the Trust’s other assets, less all liabilities, costs, and expenses accrued or payable of every kind and nature, including Management Fees, Performance Fees and distributions due but not yet paid or made. In determining the Trust’s liabilities, the Administrator may estimate expenses of a regular or recurring nature in advance, and may accrue the same into one or more valuation periods, any such accrual to be binding and conclusive on all Unitholders, irrespective of whether such accrual subsequently

proves to have been incorrect in amount (in which case any adjustments shall be made in the valuation period when such error is recognized).

The Fair Market Value of the Partnership as of any date will mean the value of the Partnership's investment assets and the Partnership's other assets, less all liabilities, costs, and expenses accrued or payable of every kind and nature, including fees and distributions due but not yet paid or made. In determining the Partnership's liabilities, the Third Party Administrator may estimate expenses of a regular or recurring nature in advance, and may accrue the same into one or more valuation periods, any such accrual to be binding and conclusive on all Unitholders, irrespective of whether such accrual subsequently proves to have been incorrect in amount (in which case any adjustments shall be made in the valuation period when such error is recognized).

The valuation procedures will vary depending on the increase in valuation of the Properties in a given Fiscal Year. If the Property has experienced an increase of up to 20% of its base purchase price then a realtor may confirm in writing the fair market value of the Property. If the Property has experienced an increase of more than 20% of its base purchase price then an appraisal from an accredited appraiser will be obtained in writing.

The Third Party Administrator may determine such other rules as it deems necessary from time to time, which rules may deviate from Canadian generally accepted accounting principles ("GAAP"), provided that such deviations are in the best interest of the Trust and are consistent with industry practices for investment funds similar to the Trust and the Partnership.

The fair market value of the Trust Units will increase or decrease proportionately with the increase and decrease in the Fair Market Value of the Partnership, and the fair market value per Partnership Unit shall be determined by dividing the number of Partnership Units by Fair Market Value of the Partnership. The fair market value of the Trust's investment in the Partnership will be calculated accordingly from time to time.

The Fair Market Value of the Trust Unit will increase or decrease proportionately with the increase and decrease in the Fair Market Value of the Trust, and the Fair Market Value per Trust Unit shall be determined by dividing the Fair Market Value of the Trust by the number of Trust Units then outstanding.

7.3 Distributions of Trust Units (Cash and Additional Trust Units)

The Administrator may, on or before each Distribution Record Date, declare payable to the Unitholders on such Distribution Record Date all or any part of the Cash Flow of the Trust for the Distribution Period.

The Declaration of Trust provides that December 31 of each year, the Trust's income that has not otherwise been distributed will be payable for such amount that the Trust will not be liable for ordinary income taxes for such year. The Trustees, on behalf of the Trust, will review the Trust's distribution policy from time to time. The actual amount of cash, if any, distributed will be dependent on various economic factors and is at the discretion of the Trustees.

It is currently intended that the Trust will make Distributions to Unitholders in the form of additional Trust Units or cash or a combination of Trust Units and cash, as determined by the Trustees, in their sole discretion, from time to time. Any Trust Units issued to Unitholders pursuant to a distribution in specie will be subject to resale and transfer restrictions and cannot be resold or transferred except as permitted by applicable securities law.

The Trust has established the DRIP, which is a distribution reinvestment plan for the purposes of offering Eligible Holders a convenient method to reinvest distributions on Trust Units declared and payable to them. See "Distribution Reinvestment Plan".

7.4 Rights of Redemption

Each holder of Trust Units shall be entitled to require the Trust, on the demand of such holder of Trust Units, to redeem all or any part of the Trust Units registered in the name of such holder of Trust Units at the Redemption Price (See Material Contracts – Summary of Declaration of Trust – Redemption of Trust Units for the specific terms of Unitholder's rights of redemption).

7.5 Subscription Procedure

Subscriptions for Trust Units may be placed by investors through registered dealers in the Offering Jurisdictions, as may be required or permitted by applicable securities laws. Prospective investors who wish to subscribe for Trust Units must complete, execute and deliver the Subscription Agreement which accompanies this Offering Memorandum, including all applicable exhibits and/or schedules thereto to the Administrator or an agent and tender the purchase price in a manner acceptable to the Administrator, attached hereto as Schedule A.

Subscriptions will be processed on the first business day of each month and on such other days as the Administrator may permit (each, a “**Subscription Date**”). A fully completed subscription agreement and subscription proceeds must be received by the Administrator no later than 4:00 p.m. (Toronto time) on the business day prior to the relevant Subscription Date in order for the subscription to be accepted as at that date; otherwise the subscription will be processed as at the next Subscription Date. Monies received before a Subscription Date will be held in a segregated account in trust for the Subscriber.

The Trust has established a DRIP that provides for the automatic reinvestment of distributions into Trust Units. If you want to register in the DRIP you may do so at the time of your subscription for Trust Units or at a later time. See “Distribution Reinvestment Plan” for further information.

The offering price of the Trust Units pursuant to the Offering is \$95 up to and including June 30, 2015. The price per LP Unit shall be \$100 on or after July 1, 2015.

All subscriptions for Trust Units are subject to acceptance or rejection by the Administrator and the right is reserved to reject any subscription. All subscriptions for Trust Units are to be forwarded by dealers, without charge, the same day that they are received, to the Administrator on behalf of the Trust. The decision to accept or reject any subscription for Trust Units will be made promptly. In the event that a subscription for Trust Units is rejected, all money received with the subscription will be returned immediately to the subscriber without interest or deduction.

A Subscriber will become a Unitholder of the Trust following the acceptance of a Subscription Agreement by Administrator. If a subscription is withdrawn or is not accepted by the Administrator, all documents will be returned to the Subscriber within thirty (30) days following such withdrawal or rejection without interest or deduction.

Neither the Trust, the Trustees, Administrator nor any other Pulis Party or any affiliate or associate of the foregoing is responsible for, and undertakes no obligation to, determine the general investment needs and objectives of a potential investor and the suitability of the Trust Units having regard to any such investment needs and objectives of the potential investor.

ITEM 8 - CANADIAN FEDERAL INCOME TAX CONSEQUENCES AND RRSP ELIGIBILITY

You should consult your own professional advisors to obtain advice on the tax consequences that apply to you. All investors will be responsible for the preparation and filing of their own tax returns in respect of this investment.

In the opinion of Gowling Lafleur Henderson LLP, counsel to the Trust, the following, as of the date of this Offering Memorandum, describes the principal Canadian federal income tax considerations generally applicable under the Tax Act to a person who acquires Trust Units pursuant to this Offering Memorandum and who, for purposes of the Tax Act, is resident in Canada (or if the person is a partnership, is a “Canadian partnership” for purposes of the Tax Act), deals at arm’s length and is not affiliated with the Trust or the Trustee and holds the Trust Units as capital property (all for purposes of the Act). Generally, Trust Units will be considered to be capital property to a Unitholder provided that the Unitholder does not hold the Trust Units in the course of carrying on a business and has not acquired them in one or more transactions considered to be an adventure in the nature of trade. Certain Unitholders who might not otherwise be considered to hold their Trust Units as capital property may, in certain circumstances, be entitled to have them treated as capital property by making the irrevocable election permitted by subsection 39(4) of the Tax Act. This summary is not applicable to a Unitholder (i) that is a “financial institution” (as defined in the Tax Act for purposes of the mark-to-market rules), (ii) that is a “specified financial institution” (as defined in the Tax Act), (iii) an interest in which is a “tax shelter investment” (as defined in the Tax Act) or (iv) to whom the functional currency reporting rules in section 261 of the Tax Act apply. In addition, this summary does not address the deductibility of interest by a Unitholder who has borrowed money to acquire Trust Units.

This summary is based upon the facts set out in this Offering Memorandum, certificates of the Trustee regarding certain factual matters, the provisions of the Tax Act in force as of the date of hereof, all specific proposals to amend the Tax Act that have been publicly announced prior to the date hereof by the Minister of Finance (Canada) (“**Tax Proposals**”) and counsel’s understanding of the current administrative policies and assessing practices of the Canada Revenue Agency (“**CRA**”) publicly available prior to the date of this Offering Memorandum. This summary is not exhaustive of all possible Canadian federal income tax considerations, and does not take into account or anticipate any changes in the law, other than the Tax Proposals, whether by legislative, governmental or judicial action, nor does it take into account provincial, territorial or foreign tax considerations, which may differ significantly from those discussed herein.

This summary is of a general nature only and is not intended to be legal or tax advice to any particular purchaser of Trust Units. Consequently, prospective purchasers should seek independent professional advice regarding the tax consequences of investing in the Trust Units, based upon their own particular circumstances.

As noted, this summary does not address any Canadian federal income tax considerations applicable to non-residents of Canada, and non-residents should consult their own tax advisors regarding the tax consequences of acquiring and holding Trust Units. All payments to non-residents of Canada of distributions on the Trust Units will be net of any applicable withholding taxes.

8.1 Status of the Trust – Mutual Fund Trust

This summary is based on the assumption that the Trust will qualify as a “unit trust” and a “mutual fund trust”, as these terms are defined in the Tax Act, from the beginning of its first taxation year and will thereafter continuously qualify as a unit trust and a mutual fund trust at all relevant times. The qualification of the Trust as a mutual fund trust from the beginning of its first taxation year requires that the Trust elect to be deemed to be a “mutual fund trust” from the date it is established and that certain factual conditions generally be met throughout its existence. The Trust has advised that it will make such an election and that the ongoing requirements will be satisfied so that the Trust will so qualify. If the Trust were not to qualify as a mutual fund trust, the income tax considerations described herein would, in some respects, be materially different.

In order for the Trust to qualify as a mutual fund trust, it must satisfy various requirements, including a requirement that the Trust must not have been established or maintained primarily for the benefit of non-residents of Canada. If draft amendments to the Tax Act released by the Department of Finance (Canada) on September 16, 2004 are enacted as proposed, the Trust may cease to qualify as a mutual fund trust for purposes of the Tax Act if, at any time, the Fair Market Value of all of its Trust Units held by non-residents of Canada and partnerships which are not “Canadian partnerships” for purposes of the Tax Act is more than 50% of the Fair Market Value of all issued and outstanding Trust Units at that time. A partnership will only qualify as a “Canadian partnership” at a particular time if all of its members at that time are resident in Canada. Both the existing legislation and the draft amendments do not currently provide any means of rectifying a loss of mutual fund trust status such that if, at any time, the Trust loses its mutual fund trust status as a result of the application of this provision in the Tax Act, the Trust would permanently cease to be a mutual fund trust. On December 6, 2004, the Department of Finance (Canada) tabled a Notice of Ways and Means Motion which did not include these draft amendments. The Department of Finance (Canada) has suspended implementation of these draft amendments pending further consultation with interested parties.

One of the requirements for the Trust to qualify as a mutual fund trust is that it will have at least 150 separate holders of Trust Units, each holding no less than one block of units (meaning 10 Trust Units if the Fair Market Value is at least \$100 per Unit), with an aggregate value of at least \$500 worth of Trust Units. The Trust may hold Closings of the Offering prior to this requirement being met and there is no guarantee that this requirement will be met. See “ITEM 10 - Risk Factors”.

This summary also assumes that the Trust will at no time be a “SIFT trust” as defined in the Tax Act. If the Trust is a SIFT trust, then there may be adverse tax consequences. One of the conditions for a trust to be a SIFT trust is that investments in the trust must be listed or traded on a stock exchange or other public market, which includes a trading system or other organized facility on which securities that are qualified for public distribution are listed or traded, but does not include a facility that is operated solely to carry out the issuance of a security or its redemption, acquisition or cancellation by the issuer. The Trustee has advised counsel that the Trust Units will not be listed or traded on a stock exchange or other public market. Based on this advice and assuming the Trust Units will not otherwise be listed or traded on such a system or facility, the Trust should not be a SIFT trust.

8.2 Taxation of the Trust

The Tax Act requires that the Trust compute its income or loss for a taxation year as though it were an individual resident in Canada. The taxation year of the Trust is the calendar year. In each taxation year, the Trust will be subject to tax under Part I of the Tax Act on its taxable income for the year, including income allocated to it by the Partnership and net realized taxable capital gains less the portion thereof that it deducts in respect of the amounts paid or payable in the year to Unitholders and is otherwise deductible under the Tax Act. An amount will not be considered to be payable to a Unitholder in a taxation year unless the Unitholder is entitled in that year to enforce payment of the amount.

In computing its income, the Trust may deduct reasonable administrative costs, interest and other expenses incurred by it for the purpose of earning income.

Each year, the Trust intends to make sufficient distributions of its net income for tax purposes and net realized taxable capital gains so that the Trust will generally not be liable in that year for income tax under Part I of the Tax Act other than such tax on net realized capital gains that will be recoverable by the Trust in respect of such year by reason of the capital gains refund mechanism. Losses incurred by the Trust cannot be allocated to Unitholders but may be deducted by the Trust subject to and in accordance with the Tax Act.

8.3 Taxation of the Partnership

The Partnership is not itself liable for income tax, however, it is required to compute its income or loss for each of its fiscal periods as if it were a separate person resident in Canada. The fiscal period of the Partnership ends on December 31 of each year.

In computing its income or loss the Partnership will be entitled to deduct expenses incurred by it in the fiscal period in which they are incurred to the extent such expenses are reasonable in amount and their deduction is permitted by the Tax Act. In some cases, outlays and expenses may have to be capitalized and added to the cost amount of its property.

8.4 Taxation of Unitholders

Distributions

A Unitholder will generally be required to include in income for a particular taxation year the portion of the net income of the Trust for a taxation year, including the taxable portion of net realized capital gains, that is paid or payable to the Unitholder in the particular taxation year, whether that amount is received in cash, additional Trust Units, promissory notes, in specie distributions or otherwise. Income of a Unitholder from the Trust Units will generally be considered to be income from property. Any loss of the Trust for purposes of the Tax Act cannot be allocated to, or treated as a loss of, a Unitholder. Provided that appropriate designations are made by the Trust, such portion of (i) the net realized taxable capital gains of the Trust, and (ii) taxable dividends received or deemed to be received by the Trust on shares of taxable Canadian corporations, as is paid or becomes payable to a Unitholder will effectively retain their character and will be treated as such in the hands of the Unitholder for purposes of the Tax Act. Such dividends will be subject, inter alia, to the gross-up and dividend tax credit provisions in respect of individuals, the refundable tax under Part IV of the Tax Act applicable to “private corporations” and “subject corporations” (as defined under the Tax Act), and the deduction in computing taxable in respect of dividends received by taxable Canadian corporations. An additional 6 2/3% tax will be payable by Unitholders that are Canadian-controlled private corporations in certain circumstances.

The non-taxable portion of any net realized capital gains of the Trust that is paid or payable to a Unitholder in a taxation year will not be included in computing the Unitholder’s income for the year. Any other amount in excess of the net income of the Trust that is paid or payable to a Unitholder in that year will not generally be included in the Unitholder’s income for the year. However, where such an amount is paid or payable to a Unitholder (other than as proceeds in respect of the redemption of Trust Units), the Unitholder will be required to reduce the adjusted cost base of the Trust Units by that amount, except to the extent that the amount represents the Unitholder’s share of the non-taxable portion of the net realized capital gains of the Trust for the year, the taxable portion of which was designated by the Trust in respect of the Unitholder. To the extent that the adjusted cost base of a Unit would otherwise be a negative amount, the negative amount will be deemed to be a capital gain and the adjusted cost base of the Unit to the Unitholder will then be nil.

Trust Units issued to a Unitholder as a non-cash distribution of income will have a cost amount equal to the amount of such income and will be averaged with the adjusted cost base of all other Trust Units held by the Unitholder at that time as capital property in order to determine the adjusted cost base of each Unit.

Disposition of Trust Units

On the disposition or deemed disposition of a Unit, whether on a redemption or otherwise, the Unitholder will realize a capital gain (or a capital loss) equal to the amount by which the Unitholder's proceeds of disposition exceed (or are less than) the aggregate of the adjusted cost base of the Unit and any reasonable costs of disposition. Proceeds of disposition will not include an amount payable by the Trust that is otherwise required to be included in the Unitholder's income, including any capital gain realized by the Trust as a result of a redemption which has been designated by the Trust to the redeeming Unitholder.

The adjusted cost base of a Unit to a Unitholder will include all amounts paid or payable by the Unitholder for the Unit, with certain adjustments. The cost to a Unitholder of additional Trust Units received in lieu of a cash distribution of income will be the amount of income distributed by the issue of those Trust Units. For the purpose of determining the adjusted cost base to a Unitholder of Trust Units, when a Unit is acquired, the cost of the newly-acquired Unit will be averaged with the adjusted cost base of all of the Trust Units owned by Unitholder as capital property immediately before that acquisition. A consolidation of Trust Units following a distribution paid in the form of additional Trust Units will not be regarded as a disposition of Trust Units.

The redemption of Trust Units in consideration for cash or promissory notes, whether issued by the Trust, or the Partnership, as the case may be, will be a disposition of such Trust Units for proceeds of disposition equal to the amount of such cash or the Fair Market Value of such notes, less any portion thereof that is considered to be a distribution out of the income of the Trust. Where Trust Units are redeemed and the redemption price is paid by the delivery of Trust Property to the redeeming Unitholder, the proceeds of disposition to the Unitholder of the Trust Units will be equal to the Fair Market Value of the Trust Property so distributed less any gain realized by the Trust in connection with the disposition of those Trust Property. Where any income or capital gain realized by the Trust in connection with the distribution of Trust Property on the redemption of Trust Units has been designated by the Trust to a redeeming Unitholder, the Unitholder will be required to include in income the income or taxable portion of the capital gain so designated.

The receipt of Trust Property in substitution for Trust Units may result in a change in the income tax characterization of distributions. Holders of promissory notes received on a redemption of Trust Units generally will be required to include in income, interest that is received or receivable (depending on whether the holder is an individual, corporation or trust) on such promissory notes. The cost to a Unitholder of any Trust Property distributed to a Unitholder by the Trust will be deemed to be equal to the Fair Market Value of such property at the time of distribution less, in the case of notes, any accrued interest thereon. Unitholders should consult with their own tax advisors as to the consequences of receiving Trust Property on a redemption.

Unitholders are advised to consult their own tax advisors prior to exercising their redemption rights.

Capital Gains and Capital Losses

One-half of any capital gain (a "**taxable capital gain**") realized by a Unitholder on a disposition or deemed disposition of Trust Units and the amount of any net taxable capital gains designated by the Trust in respect of a Unitholder will be included in the Unitholder's income as a taxable capital gain. One-half of any capital loss realized by a Unitholder on a disposition or deemed disposition of Trust Units may generally be deducted only from taxable capital gains of the Unitholder in accordance with the provisions of the Tax Act. A Unitholder that is a "Canadian-controlled private corporation" as defined in the Tax Act may be liable to pay a refundable tax of 6 2/3% on certain investment income, including taxable capital gains.

Alternative Minimum Tax

In general terms, net income of the Trust paid or payable to a Unitholder who is an individual that is designated as net taxable capital gains or eligible dividends and capital gains realized on the disposition of Trust Units may increase the Unitholder's liability for alternative minimum tax.

Eligibility for Investment by Deferred Plans

Provided the Trust qualifies as a mutual fund trust within the meaning of the Tax Act, the Trust Units, when issued, will be a qualified investment under the Tax Act for Deferred Plans and, as such, any distributions paid or payable

on Trust Units or gains realized upon a disposition or deemed disposition of Trust Units will not be taxable to Deferred Plans.

Generally, if the Trust does not qualify or ceases to qualify as a mutual fund trust at any time, the Trust Units will not be, or will cease to be, qualified investments for Deferred Plans at that time. One of the requirements for the Trust to qualify as a mutual fund trust is that it will have at least 150 separate holders of Trust Units, each holding no less than one block of Trust Units as defined in the Tax Act. The Trust may hold Closings of the Offering prior to this requirement being met and there is no guarantee that this requirement will be met. Promissory notes and Trust Property received as a result of redemptions of Trust Units may not be qualified investments for Deferred Plans. Where a Deferred Plan acquires a promissory note or a Trust Property that is not a qualified investment, or acquires or holds a Unit that is not, or that ceases to be, a qualified investment, adverse tax consequences may arise to the Deferred Plan and the annuitant under the Deferred Plan. Accordingly, Deferred Plans that propose to invest in Trust Units should consult their own tax advisors before deciding to purchase Trust Units and again before deciding to exercise their redemption rights attached to such Trust Units.

If at any time the Trust Units are a prohibited investment for an RRSP, RRIF or TFSA, the annuitant may be subject to adverse tax consequences. Generally, Trust Units should not be a prohibited investment under the Tax Act for an RRSP, an RRIF or a TFSA, provided that the annuitant deals (i) at “arm’s length” with the Trust, and (ii) does not have a “significant interest” in the Trust. Generally, an annuitant will not have a significant interest in the Trust or any corporation, partnership or trust that does not deal at arm’s length with the Trust, provided the annuitant, or the annuitant together with persons and partnerships with whom the annuitant does not deal at arm’s length, does not own (nor is deemed to own pursuant to the Tax Act), directly or indirectly, 10% or more of the issued Trust Units or of the shares of or interests in any corporation, partnership or trust that does not deal at arm’s length with the Trust (all for purposes of the Tax Act).

ITEM 9 - COMPENSATION PAID TO SELLERS AND FINDERS

The Trust reserves the right to retain agents to, and/or pay persons who, effect sales of the Trust Units. Commissions of up to 10% of the Gross Proceeds from the sale of the Trust Units pursuant to this Offering is payable to parties who sell the Trust Units and who are entitled to receive such commissions under applicable securities laws (“**Selling Commissions**”). Where Selling Commissions are payable by the Trust to EMDs, 2% shall be paid to the EMD and 8% shall be paid to the EMD dealing representative responsible for affecting the sale of the Trust Units.

The Trust will pay a fee of up to a maximum of 2% of the Gross Proceeds raised in this Offering (the “**Marketing Fee**”) for marketing services marketing agents, including Pinnacle Wealth Brokers Inc.

The Trust will pay a trailer fee of up to 1% of Gross Proceeds realized on the sale of Trust Units by the EMD, dealer or dealing representative for Trust Units outstanding after the fifth (5) year of such Unitholder's Subscription payable by the Trust payable by the Trust to such dealer (“**Trailing Fee**”).

All expenses of the Offering, including the Selling Commissions and Marketing Fees and the Trailing Fee, will be borne by the Partnership pursuant to the Funding Agreement. See “Material Contracts – Funding Agreement”.

ITEM 10 - RISK FACTORS

An investment in the Trust is speculative and contains certain risks. Prospective investors should carefully consider, among other factors, the matters described below, each of which could have an adverse effect on the value of the Trust Units. As a result of these factors, as well as other risks inherent in any investment, there can be no assurance that the Trust will meet its business objectives. The Trust’s returns may be unpredictable and, accordingly, the Trust Units are not suitable as the sole investment vehicle for an investor or for an investor that is looking for a predictable source of cash flow. An investor should only invest in the Trust as part of an overall investment strategy. Based on, among others, the factors described below, the possibility of partial or total loss of capital will exist and investors should not subscribe unless they can readily bear the consequences of such loss.

10.1 Risks Factors - Trust Units

Restrictions on redemption and transfer; Illiquidity of Trust Units

It is intended that the Trust will continue for an indefinite term. As a result, a Unitholders will have limited sources of liquidity for its Trust Units. Unitholders should be aware that redemption rights in their favour are subject to

significant limitations and restrictions. There will be no public market for the Trust Units and an application for listing of the Trust Units on a stock exchange will not be made. Trust Units in the Trust are highly illiquid investments and should only be acquired by investors able to bear the economic risk of an investment in the Trust Units for an indefinite period of time. The Trust Units are being sold on a “private placement” basis in reliance upon exemptions from prospectus and registration requirements of applicable securities laws and therefore are subject to significant statutory restrictions on transfer or sale. The Trust Units will be subject to “hold periods” under applicable securities legislation and, as the Trust is currently not a “reporting issuer” in any province or territory in Canada, the “hold periods” may never expire. Additionally, Unitholders will not be permitted to transfer or sell their Trust Units without the consent of the Trustees, which may be withheld in the Trustees’ sole discretion, and may be subject to the satisfaction of certain other conditions, including the provision of an opinion of counsel that such a transfer would not subject the Trust or the Unitholders to any regulatory or tax burdens or result in violation of any applicable law or governmental regulation.

Distribution of income

The Trust will distribute Trust income and Trust capital gains for each taxation year, so that Trust income and Trust capital gains may be taxable to Unitholders and the Trust will not have any obligation to pay tax under the Tax Act. Payment of distributions is intended to be made in cash, but the Trust may, in certain circumstances, make distributions by distributing additional Trust Units. See ITEM 4 - Material Agreements - Summary of the Declaration of Trust “Distributions”. In the event that the Trust does not make cash distributions, Unitholders will have to rely solely on the redemption of their Trust Units to obtain a cash return on their investment in Trust Units.

Nature of Trust Units

Each Unit represents an equal undivided beneficial interest in the Trust. The Trust Units do not represent debt instruments and there is no principal amount owing to Unitholders under the Trust Units, and the Trust Units are not insured against loss through the Canadian Deposit Insurance Corporation.

Trust Units are intended to be held by taxable and tax exempt investors

The Trust Units are intended to be held by taxable and tax exempt investors. Taxable investors may be subject to tax as a result of holding Trust Units. The Trust intends to make all taxable income of the Trust payable to Unitholders each year and to distribute such income by distributing cash or Trust Units. In addition, income allocated by the Trust to Unitholders may exceed the amount payable to them on a redemption of their Trust Units. Investors should consult their own tax advisors respecting the tax consequences of owning the Trust Units.

Mutual fund trust status

To qualify as a mutual fund trust, the sole undertaking of the Trust must be the investing of its funds in property (other than certain real property or interests in real property), the Trust must comply on a continuous basis with certain requirements relating to maintaining a diversity of investments, the qualification of the Trust Units for distribution to the public, the number of Unitholders and the dispersal of ownership of Trust Units and the Trust must not be reasonably considered to have been established or maintained primarily for the benefit of non-residents of Canada. If the Trust fails or ceases to qualify as a “mutual fund trust”, there may be adverse tax consequences to the Trust and Unitholders.

Eligibility of Trust Units for investment by deferred plans

If the Trust fails or ceases to qualify as a “mutual fund trust” the Trust Units may not be or may cease to be qualified investments for Deferred Plans which will have adverse tax consequences to Deferred Plans and their annuitants, holders or beneficiaries. If the Trust Units are or become a prohibited investment for trusts governed by the Deferred Plans, adverse tax consequences may result to the holder of the Deferred Plans.

Trust Property or Redemption Notes received as a result of a distribution or redemption of Trust Units may not be a qualified investment for Deferred Plans, which may give rise to adverse consequences to a Deferred Plan or the annuitant, holder or beneficiary thereunder.

Tax treatment of Trust Units and Unitholders

Canadian federal or provincial income tax legislation may be amended, or their interpretation changed, so as to alter fundamentally the tax consequences of holding or disposing of Trust Units or the investments held by the Trust. The alternative minimum tax could limit tax benefits available to Unitholders.

There is no assurance that income tax laws or administrative practices of tax officials in the various jurisdictions of Canada will not be changed in a manner which will adversely alter the tax treatment of Unitholders.

Tax characterization of Trust Income and Trust Capital Gains

The designation of income or gains realized by the Trust to Unitholders, including the designation of gains realized on the disposition of investments as capital gains will depend largely on factual considerations. Management will endeavor to make appropriate characterizations of income or gains realized by the Trust for purposes of designating such income or gains to Unitholders based on information reasonably available to it. However, there is no certainty that the manner in which the Trust characterizes such income or gains will be accepted by the CRA. If it is subsequently determined that the Trust's characterization of a particular amount was incorrect, Unitholders might suffer material adverse tax consequences as a result.

SIFT Status

If investments in the Trust are listed or traded on a stock exchange or other public market, the Trust may be taxable as a "SIFT trust" under the Tax Act, which will have adverse tax consequences to the Unitholders and the Trust and the Canadian federal income tax considerations of investing in the Trust will be materially different from those described herein.

10.2 Risks Factors - the Trust

Nature of investment

An investment in the Trust requires a long-term commitment, with no certainty of return. Investments made by the Trust, including in the Partnership, may not generate current income.

No assurance of investment return

The success of the Trust and, accordingly, a return on investment for a purchaser of Trust Units, is entirely dependent upon the success of the Partnership's real estate investment strategy. As a result, there is no assurance or guarantee that the Trust and, correspondingly, the purchasers of Trust Units pursuant to this Offering, will earn a return on their investment. Unitholders could lose the entire amount of their investment.

Concentration of investments

The Trust's investments will be limited to that of a single business (being the Partnership) operating in a single industry (being the real estate investment business in the Provinces of Ontario, Saskatchewan, Alberta and British Columbia). Concentration of the Trust's investments in such a manner involves greater risk to an investor in Trust Units than the exposure generally associated with more diversified investment funds, and may result in greater fluctuations in returns.

Conflicts of interest

There may be occasions when the Pulis Parties encounter conflicts of interest in connection with the Trust's activities. There may be conflicts in allocating business opportunities among the Partnership and other Pulis Parties. In a bankruptcy proceeding, it is possible that the Trust's interests may be subordinated or otherwise adversely affected by virtue of the involvement or actions of such other participants.

There is no independent committee or other persons representing the Unitholders in situations involving conflicts of interests between the Pulis Parties and/or the Unitholders. Accordingly, the Unitholders are relying on the ability, honesty and integrity of the Pulis Parties to resolve any such material conflicts of interests, which resolutions might have been different had the interests of Unitholders been represented by independent persons in such circumstances.

May not be the only Limited Partner

The Trust may not be the only Limited Partner in the Partnership. If the funds raised by this Offering are not sufficient to raise the Maximum in the Partnership Offering, the Partnership will seek additional investments by Persons other than the Trust directly into the Partnership. The Partnership may, from time to time, permit contributions by Person's other than the Trust into the Partnership. The direct investment by Person's other than the Trust may dilute the Trust's interest in the Partnership.

Reliance on Administrator

All decisions with respect to the Trust Property and the operations of the Trust are expected to be made exclusively by the Trustees. The Trustees have delegated that authority to the Administrator pursuant to the Administration Agreement. Unitholders will have no right to make any decisions with respect to the Trust's business and affairs. No prospective investor should purchase a Unit in the Trust unless such prospective investor is willing to entrust all aspects of the management of the Trust to Administrator.

Dependence on key personnel

The success of the Trust will depend in large part upon the services of key personnel employed by the Partnership. The loss of any of these individuals, for any reason, could have a material adverse affect on the prospects of the Partnership and, as a result, the Trust. Failure to retain or to attract additional key employees with necessary skills could have a material adverse impact upon the Partnership's growth and profitability. The contributions of these individuals to the immediate future operations of the Partnership is likely to be of central importance and the loss of any one of these individuals could have a material adverse affect on the business of the Partnership and, as a result, the Trust. There can be no assurance that such personnel will remain with the Partnership.

Lack of operating history

The Trust and the Partnership have been established in connection with the Partnership Offering, including this Offering, and have no operating history and no history of earnings. The past performance of any of the Pulis Parties in the real estate investment business in the Provinces of Ontario, Saskatchewan, Alberta and British Columbia should not be construed as a guarantee or expectation of future results of any investment in the Trust. Accordingly, there is no operating history upon which to base an evaluation of the Trust or the Partnership or their business or prospects. The Trust and the Partnership are in the early stages of their business and therefore are subject to the risks associated with early stage entities, including start-up losses, uncertainty of revenues, markets and profitability, the need to raise additional funding, the evolving and unpredictable nature of their business and the ability to identify, attract and retain qualified personnel. There can be no assurance that the Trust or the Partnership will be successful in doing what they are required to do to overcome these risks. No assurance can be given that the Trust's or the Partnership's business activities will be successful. Total loss of an investment in Trust Units is possible.

Limited working capital

The Trust will have a limited amount of working capital, as all or substantially all of the Available Funds of the Offering will be used to acquire LP Units from the Partnership.

Termination of the Trust

Although the Trust is expected to continue until 2050, Unitholders may, by Extraordinary Resolution, vote to terminate the Trust at any meeting of Unitholders duly called by the Trustees or the Unitholders for the purpose of considering termination of the Trust, following which the Trustees will commence winding-up of the Trust. Such Extraordinary Resolution may contain directions to the Trustees as the Unitholders determine, including a direction to distribute the Securities held by the Trust, or all of them, in specie. If the termination occurs earlier than the term of the Trust, the Trust may not have been in existence for the period of time necessary to achieve the business objectives of the Trust.

Leverage of the Trust

The Trust may borrow or incur indebtedness for any purpose, including for the purposes of acquiring investments, distributing Trust income or Trust capital gains or redeeming Trust Units. The requirement to repay principal and pay the associated debt service costs could impair the Trust's ability to make distributions to Unitholders, particularly if the value of the Trust's investments decline and/or the Trust is unable to liquidate some or all of its investments to refinance any such borrowings. If the Trust is unable to generate sufficient cash flow to meet principal and interest payments on its indebtedness, the ability of the Trust to make distributions would be impaired and the value of the Trust Units could be significantly reduced or even eliminated.

In addition, if the borrowings are used to acquire investments, the interest expense and banking fees incurred in respect of any such loans may exceed the incremental capital gains and tax benefits generated by the investments. There can be no assurance that the borrowing strategy employed by the Trust will enhance returns.

Risks relating to redemption

If holders of a substantial number of Trust Units exercise their redemption rights, the number of Trust Units outstanding could be significantly reduced. In any such circumstance, the Trustees may at any time terminate the Trust without the approval of the Unitholders if, in the opinion of the Trustees, it is no longer economically feasible to continue the Trust or the Trustees determines that it would be in the best interests of Unitholders to terminate the Trust.

Lack of independent counsel representing Unitholders

The Trust has consulted with and retained for their benefit legal counsel to advise them in connection with the formation and terms of the Trust and the offering of Trust Units. Unitholders have not, however, as a group been represented by independent legal counsel. Therefore, to the extent that the Unitholders could benefit by further independent review, such benefit will not be available unless individual Unitholders retain their own legal counsel.

Liability for return of distributions

Generally, the Unitholders do not have personal liability for the obligations of the Trust. However, under applicable law, Unitholders could be required to return distributions previously made by the Trust if it is determined that such distributions were wrongfully made or in certain other circumstances under the terms of the Declaration of Trust. Where a Unitholder has received the return of all or part of the amount contributed to the Trust, the Unitholder is nevertheless liable to the Trust or, where the Trust is terminated, to its creditors for any amount, not in excess of the amount returned with interest, necessary to discharge the liabilities of the Trust to all creditors who extended credit or whose claims otherwise arose before the return of the contribution. Additionally, Unitholders may have to return all or a portion of distributions made to them to the extent the Trust has an obligation to withhold any amounts from such distribution for tax purposes.

Recourse to the Trust's assets

The Trust's assets, including any investments made by the Trust and any capital held by the Trust, are available to satisfy all liabilities and other obligations of the Trust. If the Trust itself becomes subject to a liability, parties seeking to have the liability satisfied may have recourse to the Trust's assets generally and not be limited to any particular asset, such as the investment giving rise to the liability.

Indemnification

The Trustees, each former Trustee and each officer of the Trust and each former officer of the Trust is entitled to indemnification and reimbursement out of the Trust Property, except under certain circumstances, from the Trust. Such indemnification obligations could decrease the returns which would otherwise be available to the Unitholders of the Trust.

Effect of expenses on returns

Although the Partnership has agreed to bear all costs and expenses related to the activities and business of the Trust, the Trust generally remains responsible to pay the same. Accordingly, if the Partnership were to fail or refuse to pay any such costs or expenses, the Trust would remain liable to pay the same, and if it were to do so, such costs and expenses would reduce, and could eliminate, the actual returns to the Unitholders.

Lack of regulatory oversight

The Trust is not subject to any regulatory oversight in Canada.

10.3 Risk Factors – Business of Partnership

Properties have not been identified; appropriate properties may not be available; investment of available funds may be delayed

There can be no assurance that the Partnership will identify Properties that meet its investment criteria that the Partnership will be successful in acquiring or improving Properties that may be identified, or that any such Properties will produce a return on the Partnership's investment. The Partnership intends to focus its efforts on areas in which it might acquire Properties in the Provinces of Ontario, Saskatchewan, Alberta and British Columbia; however, there is no assurance that the Partnership will acquire any specific assets or Properties, or, if it does, what the terms of such acquisitions might include. The Partnership expects to engage in a number of acquisitions, sales, exchanges, developments, improvements, and dispositions of Properties and loans. There is no firm information

available with respect to the future assets of the Partnership that an investor can evaluate when determining the merits of the Partnership. Moreover, because the General Partner has not yet identified the Partnership's Properties to be acquired, the General Partner will have broad authority to invest the net proceeds of the Offering in whatever assets the General Partner deems appropriate. The General Partner will have great latitude in determining the types of assets it may decide are proper investments for the Partnership. No assurance can be made that the General Partner's decisions in this regard will result in a profit for the Partnership.

Real estate is illiquid and value is dependent on conditions beyond Partnership's control

Real estate investments are relatively illiquid. The ability of the Partnership to vary its investments in response to changes in economic and other conditions will be limited. Further, no assurances can be given that the Fair Market Value of any assets acquired by the Partnership will not decrease in the future. The underlying value of the assets and the Partnership's income and ability to make distributions to Partners are dependent upon the ability of the General Partner to manage the assets in a manner sufficient to achieve a return in excess of operating expenses. Revenues may be adversely affected by adverse changes in national or local economic conditions, changes in interest rates and in the availability, cost and terms of financing, costs and terms of development, the impact of present or future environmental legislation and compliance with environmental laws, changes in real estate tax rates and other operating expenses, adverse changes in governmental rules and fiscal policies, civil unrest, acts of God, including earthquakes, hurricanes and other natural disasters (which may result in uninsured losses), acts of war, acts of terrorism, adverse changes in zoning laws, and other factors which are beyond the control of the Partnership.

Possible conflicts of interest

It is possible that conflicts of interest may arise among the General Partner, affiliates of the General Partner and the Partnership, which may result in decisions that do not fully reflect the best interests of all Partners. For example:

- (a) Under the terms of the Partnership Agreement, the management responsibility of the Partnership and its assets is vested solely in the General Partner of the Partnership. An investor acquiring Trust Units will have little or no voice or vote in the management and other operational decisions of the Partnership, including, without limitation, decisions to acquire, maintain, market, sell or otherwise dispose of property and assets, decisions regarding distributions to the Partners, or entering into certain related (or affiliate) transactions with the General Partner or its affiliates.
- (b) In addition, the General Partner Fees payable to the General Partner and the other fees payable to parties related to the General Partner as described herein may create an incentive for the General Partner to acquire Properties that are riskier or more speculative than might otherwise be made with a lesser incentive to achieve high returns.
- (c) In the event certain additional services, goods or products provided to the Partnership by one or more affiliates of the General Partner or the members of the General Partner, such affiliates would be entitled to receive certain fees from the Partnership. While the compensation payable to the General Partner, or its affiliates, for services performed for the Partnership may be reasonable based on established commercial practices, it will not be the result of arm's length negotiations. The General Partner, on behalf of the Partnership, will be vested with the authority to amend or modify such agreements.
- (d) It is expressly acknowledged that the principals and affiliates of the General Partner may have interests and businesses which are competitive to those of the Partnership.

No obligation to devote full time efforts

The General Partner will devote such time as it believes, in its discretion, is necessary to carry out the operations of the Partnership. Moreover, officers and employees of the General Partner and its affiliates are not obligated to devote full time efforts to the Partnership's efforts, and they may have conflicts in their allocation of time between the Partnership and other unrelated activities.

The Partnership's success is dependent on key personnel

The Partnership believes that its success will depend to a significant extent upon the experience of key management personnel of the General Partner. The continued service of some of these key management personnel cannot be guaranteed. However, while the General Partner believes that it could replace these key personnel, the loss of any such persons or the loss of all of such persons at a single point in time could have a material adverse effect on the operations of the Partnership through a diminished ability to obtain investment opportunities and to structure and

execute the Partnership's potential investments and business plan. In addition, the Partnership may not successfully recruit additional personnel and any additional personnel that are recruited may not have the requisite skills; knowledge or experience necessary or desirable to enhance the incumbent management.

Joint ventures

The Partnership may enter into one or more joint ventures with strategic partners, including with affiliates of the General Partner. Investments with joint venture partners may involve carried interests and/or fees payable to such joint venture partners, as the General Partner may deem appropriate, in its sole discretion. Any joint venture contemplated by the Partnership will be reviewed and shall only proceed if approved by the board of directors of the General Partner, which shall require the approval of both independent members of the board of directors of the General Partners.

Initial lack of geographic diversification could subject the Partnership to concentration of risk

The Partnership's success is dependent upon the general economic conditions in the geographic areas in which a substantial number of Properties are located. The Partnership intends to focus its real estate holdings within the Provinces of Ontario, Saskatchewan, Alberta and British Columbia. The Partnership will therefore be subject to any adverse economic, political or business developments in those areas, including natural hazard risks, which may adversely affect the value of the Partnership assets.

The Partnership's Properties will be subject to environmental risks

The Partnership's operating costs may be affected by the obligation to pay for the cost of complying with existing environmental laws, ordinances and regulations, as well as the cost of complying with future legislation with respect to its assets. In the due diligence process, to the extent the General Partner deems the same appropriate, efforts will be made by the General Partner to identify potential environmental liabilities prior to acquisition of assets, including identification of hazardous substances or wastes, contaminants, pollutants or sources thereof. These efforts may or may not include the performance of Environmental Site Assessments or Phase I reviews. In the event environmental contamination is discovered, the cost of investigations, remediation and removal of substances may be substantial and the presence of such substances may affect the Partnership's ability to sell such Property. Some environmental laws create a lien on the contaminated site in favor of the government for damages and the costs it incurs in connection with the contamination. In addition, the Partnership may be subject to common law claims by third parties based on damages and costs resulting from environmental contamination.

The Partnership's investment in debt secured by real property

The Partnership may acquire debt interests which are secured by real property. In addition to the risks of borrower default, the collateral may be mismanaged or otherwise decline in value during periods in which the Partnership is seeking to obtain control of the underlying real estate. In addition, borrowers may contest enforcement of foreclosure or other remedies, seek bankruptcy protection against such enforcement and/or bring claims for lender liability in response to actions to enforce mortgage obligations. If any of the above occurred, the Partnership's ability to obtain such real property will be affected. As a lender, the Partnership may also be subject to penalties for violations of state usury limitations, which penalties may be triggered by contracting for, charging or receiving usurious interest.

Non-performing loans; foreclosure

Real estate loans acquired by the Partnership may be nonperforming for a wide variety of reasons. Such nonperforming real estate loans may require a substantial amount of workout negotiations and/or restructuring, which may entail, among other things, a reduction in the interest rate and a write-down of the principal of such loan. However, even if a restructuring were successfully accomplished, a risk exists that, upon maturity of such real estate loan, replacement "takeout" financing will not be available. It is possible that the Partnership may find it necessary or desirable to foreclose on collateral securing one or more real estate loans it originated or purchased. The foreclosure process can be lengthy and expensive. Borrowers often resist foreclosure actions by asserting numerous claims, counterclaims and defenses against the holder of a real estate loan including lender liability claims and defenses, even when such assertions may have no basis in fact, in an effort to prolong the foreclosure process. In some jurisdictions, foreclosure actions can take several years or more to conclude and borrowers may file for bankruptcy protection at any time, staying the foreclosure action and further delaying the foreclosure process. Foreclosure litigation tends to create a negative public image of the underlying collateral and may disrupt ongoing leasing and management of the underlying collateral.

Risks of leverage

The General Partner has the right to borrow and to pledge and encumber the Properties to secure a working capital line of credit. The use of leverage exposes the Partnership to certain risks including interest charges and the possible loss of the Properties if the Partnership is unable to pay such indebtedness on a timely basis or comply with the terms of any loan documents evidencing such indebtedness. Any such Financing will likely place limits and restrictions on the Partnership's discretion in conducting business.

Risks relating to redemption

If holders of a substantial number of LP Units exercise their redemption rights, the number of LP Units outstanding could be significantly reduced and the Partnership may not be able to meet its investment objectives.

The risk of uninsured losses will be borne by the Partnership

The Partnership expects to maintain insurance coverage against liability to third parties and property damage as is customary for similar businesses, insofar as the General Partner deems the same necessary or appropriate, in its sole discretion. There can be no assurance that insurance will be available or sufficient to cover all such risks. Insurance against certain risks may be unavailable or commercially infeasible. Uninsured losses will be borne by the Partnership.

Newly-formed Partnership

The Partnership has no operating history, no material net worth and its operating policies and strategies are untried. The Partnership will be dependent upon the experience and expertise of the General Partner in administering its day-to-day operations. The General Partner and its affiliates have experience investing in and managing real estate-related assets; however, there can be no assurance that the General Partner will be able to implement successfully the strategies that the Partnership intends to pursue.

Past performance not a predictor of future results

The track record of senior management shall not imply or predict (directly or indirectly) any level of future performance of the General Partner or the Partnership. Management's performance and the performance of the Partnership is dependent on future events and is, therefore, inherently uncertain. Past performance cannot be relied upon to predict future events for a variety of factors, including, without limitation, varying business strategies, different local and national economic circumstances, different supply and demand characteristics relevant to buyers and sellers of assets, varying degrees of competition and varying circumstances pertaining to the capital markets.

Investments longer than term

The General Partner intends that Properties will either be disposed of prior to dissolution or be suitable for in-kind distribution at dissolution. However, the Partnership may have to sell, distribute or otherwise dispose of Properties at a disadvantageous time as a result of dissolution.

The foregoing list of risk factors does not purport to be a complete enumeration or explanation of the risks involved in an investment in the Trust. Prospective investors should read this entire Offering Memorandum and consult their own counsel and financial advisors before deciding to invest in the Trust.

Neither the Trust, the Trustees, the General Partner, Administrator nor any other Pulis Party or any affiliate or associate of the foregoing is responsible for, and undertakes no obligation to, determine the general or specific investment needs and objectives of a potential investor and the suitability of the Trust Units having regard to any such investment needs and objectives of the potential investor.

ITEM 11 - REPORTING OBLIGATIONS

The Trust will send to Unitholders within six months of the Fiscal Year end and, in any event, on or before any earlier date prescribed by Applicable Laws, annual financial statements of the Trust for the Fiscal Year ended immediately prior to such period, which information shall consist of a balance sheet, income statement and statement of cash flows.

The Trustees will, within the time frame required under the Tax Act, forward to each Unitholder who received distributions from the Trust in the prior calendar year, such information and forms as may be needed by the Unitholder in order to complete its income tax return in respect of the prior calendar year under the Tax Act and equivalent provincial legislation in Canada.

The Trust is not a “reporting issuer” or equivalent under the securities legislation of any jurisdiction. Accordingly, the Trust is not subject to the “continuous disclosure” requirements of any securities legislation and there is therefore no requirement that the Trust make ongoing disclosure of its affairs including, without limitation, the disclosure of financial information on a quarterly basis or the disclosure of material changes in the business or affairs of the Trust. **We are not required to send you any documents on an annual or ongoing basis.**

The Trust will deliver to prospective investors certain documents, including this Offering Memorandum, a subscription agreement and any updates or amendments to the Offering Memorandum required by law, from time to time by way of facsimile or e-mail. In accordance with the terms of the subscription agreement provided to prospective investors, delivery of such documents by email or facsimile shall constitute valid and effective delivery of such documents unless the Trust receives actual notice that such electronic delivery failed. Unless the Trust receives actual notice that the electronic delivery failed, the Trust is entitled assume that the facsimile or e-mail and the attached documents were actually received by the prospective investor and the Trust will have no obligation to verify actual receipt of such electronic delivery by the prospective investor.

ITEM 12 - RESALE RESTRICTIONS

12.1 General

The Trust Units will be subject to a number of resale restrictions, including restrictions on trading. Until the restriction on trading expires, you will not be able to trade the Trust Units unless you comply with an exemption from the prospectus and registration requirements under securities legislation. Additionally, Unitholders will not be permitted to transfer their Trust Units without the consent of the Trustees. See ITEM 4 - Material Agreements - Summary of the Declaration of Trust - “Transfer of Trust Units” and “Restrictions on Non-Resident Ownership”.

12.2 Restricted Period

Unless permitted under securities legislation, a Unitholder cannot trade the Trust Units before the date that is four months and a day after the date the Trust becomes a reporting issuer in any province or territory in Canada. Since the Trust is not a reporting issuer in any province or territory, the applicable hold period for Subscribers may never expire, and if no further exemption may be relied upon and if no discretionary order is obtained, this could result in a Subscriber having to hold the Trust Units acquired under the Offering for an indefinite period of time.

12.3 Manitoba Resale Restrictions

In addition to the above, for subscribers resident in Manitoba, unless permitted under securities legislation, a Unitholder must not trade the Trust Units without the prior written consent of the regulator in Manitoba, unless

- (a) the Trust has filed a prospectus with the regulator in Manitoba with respect to the Trust Units and the regulator in Manitoba has issued a receipt for that prospectus, or
- (b) the Unitholder has held the Trust Units for at least 12 months.

The regulator in Manitoba will consent to such a trade if the regulator is of the opinion that to do so is not prejudicial to the public interest.

The Trustees must approve of any proposed disposition. It is the responsibility of each individual Subscriber to ensure that all forms required by the applicable securities legislation are filed as required upon disposition of the Trust Units acquired pursuant to this Offering.

The foregoing is a summary only of resale restrictions relevant to a purchaser of the securities offered hereunder. It is not intended to be exhaustive. All subscribers under this Offering should consult with their legal advisors to determine the applicable restrictions governing resale of the securities purchased hereunder including the extent of the applicable hold period and the possibilities of utilizing any further statutory exemptions or obtaining a discretionary order.

ITEM 13 - PURCHASERS' RIGHTS

If you purchase these Trust Units you will have certain rights, some of which are described below. For information about your rights you should consult a lawyer.

13.1 Two Day Cancellation Right

You can cancel your agreement to purchase these Trust Units. To do so, you must send a notice to us by midnight on the second (2nd) business day after you sign the agreement to buy the Trust Units.

13.2 Statutory Rights of Action in the Event of a Misrepresentation

Securities legislation in certain of the provinces of Canada provides purchasers with a statutory right of action for damages or rescission in cases where an offering memorandum or any amendment thereto contains an untrue statement of a material fact or omits to state a material fact that is required to be stated or is necessary to make any statement contained therein not misleading in light of the circumstances in which it was made (a “misrepresentation”). These rights, or notice with respect thereto, must be exercised or delivered, as the case may be, by purchasers within the time limits prescribed and are subject to the defences and limitations contained under the applicable securities legislation. Purchasers of Trust Units resident in provinces of Canada that do not provide for such statutory rights will be granted a contractual right similar to the statutory right of action and rescission described below for purchasers resident in Ontario and such right will form part of the subscription agreement to be entered into between each such purchaser and the Trust in connection with this Offering.

The following summaries are subject to the express provisions of the securities legislation applicable in each of the provinces of Canada and the regulations, rules and policy statements thereunder. Purchasers should refer to the securities legislation applicable in their province along with the regulations, rules and policy statements thereunder for the complete text of these provisions or should consult with their legal advisor. The contractual and statutory rights of action described in this Offering Memorandum are in addition to and without derogation from any other right or remedy that purchasers may have at law.

Rights of Purchasers in Alberta

If you are a resident of Alberta, and if there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue:

- (a) the Trust to cancel your agreement to buy these securities, or
- (b) for damages against the Trust, every Person who was a Trustee at the date of this Offering Memorandum and every other Person who signed this Offering Memorandum.

This statutory right to sue is available to you whether or not you relied on the misrepresentation. However, there are various defences available to the Persons or companies that you have a right to sue. In particular, they have a defence if you knew of the misrepresentation when you purchased the securities. Additionally, if you elect to exercise a right of rescission against the Trust, you will have no right of action against the Persons described in (b) above.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days after the date that you purchased the securities. You must commence your action for damages within the earlier of 180 days after you first had knowledge of the facts giving rise to the cause of action and three years after the day you purchased the securities.

Rights of Purchasers in British Columbia

If you are a resident of British Columbia, and if there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue:

- (a) the Trust to cancel your agreement to buy these securities, or
- (b) for damages against the Trust, every Person who was a Trustee at the date of this Offering Memorandum and every other Person who signed this Offering Memorandum.

This statutory right to sue is available to you whether or not you relied on the misrepresentation. However, there are various defences available to the Persons or companies that you have a right to sue. In particular, they have a defence if you knew of the misrepresentation when you purchased the securities. Additionally, if you elect to exercise a right of rescission against the Trust, you will have no right of action against the Persons described in (b) above.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days after the date that you purchased the securities.

You must commence your action for damages within the earlier of 180 days after you first had knowledge of the facts giving rise to the cause of action and three years after the day you purchased the securities.

Rights of Purchasers in Saskatchewan

If you are a resident of Saskatchewan and if there is a misrepresentation in this Offering Memorandum, or any amendment thereto, you have a statutory right to sue:

- (a) the Trust to cancel your agreement to buy these securities, or
- (b) for damages against the Trust, every promoter of the Trust, every Person who was a Trustee at the date of this Offering Memorandum, every Person whose consent has been filed respecting the offering but only with respect to reports, opinions and statements made by that Person, and every other Person who signed this Offering Memorandum.

These statutory rights to sue are available to you whether or not you relied on the misrepresentation. However, there are various defences available to the Persons or companies that you have a right to sue. In particular, they have a defence if you knew of the misrepresentation when you purchased the securities. Additionally, if you elect to exercise a right of rescission against the Trust, you will have no right of action against the Persons described in (b) above.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days after the date that you purchased the securities. You must commence your action for damages within the earlier of one year after you first had knowledge of the facts giving rise to the cause of action and six years after the day you purchased the securities.

Rights of Purchasers in Manitoba

If you are a resident of Manitoba, and if there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue:

- (a) the Trust to rescind your agreement to buy these securities, or
- (b) for damages against the Trust, every Person who was a Trustee at the date of this Offering Memorandum and every other Person who signed this Offering Memorandum.

These statutory rights to sue are available to you whether or not you relied on the misrepresentation. However, there are various defences available to the Persons or companies that you have a right to sue. In particular, they have a defence if you knew of the misrepresentation when you purchased the securities. Additionally, if you elect to exercise a right of rescission against the Trust, you will have no right of action against the Persons described in (b) above.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to rescind the agreement within 180 days after the date that you purchased the securities. You must commence your action for damages within the earlier of 180 days after you first had knowledge of the facts giving rise to the cause of action or 2 years after the day you purchased the securities.

Rights of Purchasers in Ontario

If you are a resident of Ontario, and if there is a misrepresentation in this Offering Memorandum, a purchaser who purchases a security offered by this Offering Memorandum during the period of distribution has, without regard to whether the purchaser relied on the misrepresentation, the following rights:

- (a) the purchaser has a right of action for damages against the Trust and a selling securityholder on whose behalf the distribution is made, or
- (b) where the purchaser purchased the securities from a Person or the Trust referred to in clause (a), the purchaser may elect to exercise a right of rescission against the Person or the Trust, in which case the purchaser shall have no right of action for damages against such Person or the Trust.

The Trust will not be held liable under this paragraph if the subscriber purchased the securities with the knowledge of the misrepresentation. In an action for damages, the Trust will not be liable for all or any portion of such damages that it proves do not represent the depreciation in value of the securities as a result of the misrepresentation relied

upon and in no case will the amount recoverable under this paragraph exceed the price at which the securities were sold to the subscriber.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days after the date that you purchased the securities. You must commence your action for damages within the earlier of 180 days after you first had knowledge of the facts giving rise to the cause of action and three years after the day you purchased the securities.

Rights of Purchasers in Nova Scotia

If you are a resident of Nova Scotia and if there is a misrepresentation in this Offering Memorandum, or any amendment thereto, you have a statutory right to sue:

- (a) the Trust to cancel your agreement to buy these securities, or
- (b) for damages against the Trust, every Person who was a Trustee at the date of this Offering Memorandum and every other Person who signed this Offering Memorandum.

These statutory rights to sue are available to you whether or not you relied on the misrepresentation. However, there are various defences available to the Persons or companies that you have a right to sue. In particular, they have a defence if you knew of the misrepresentation when you purchased the securities. Additionally, if you elect to exercise a right of rescission against the Trust, you will have no right of action against the Persons described in (b) above.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days after the date that you purchased the securities. You must commence your action for damages within the earlier of 180 days after you first had knowledge of the facts giving rise to the cause of action and three years after the day you purchased the securities.

Rights of Purchasers in New Brunswick

If you are a resident of New Brunswick and if there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue:

- (a) the Trust to cancel your agreement to buy these securities, or
- (b) for damages against the Trust or the seller.

The Trust will not be held liable under this paragraph if the subscriber purchased the securities with the knowledge of the misrepresentation. In an action for damages, the Trust will not be liable for all or any portion of such damages that it proves do not represent the depreciation in value of the securities as a result of the misrepresentation relied upon and in no case will the amount recoverable under this paragraph exceed the price at which the securities were sold to the subscriber. Additionally, if you elect to exercise a right of rescission against the Trust, you will have no right of action against the Persons described in (b) above.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days after the date that you purchased the securities. You must commence your action for damages within the earlier of one year after you first had knowledge of the facts giving rise to the cause of action and six years after the day you purchased the securities.

Rights of Purchasers in Newfoundland and Labrador, Northwest Territories, Nunavut or Prince Edward Island

If you are a resident of Newfoundland and Labrador, Northwest Territories, Nunavut or Prince Edward Island, and if there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue:

- (a) the Trust to rescind your agreement to buy these securities, or
- (b) for damages against the Trust, the selling security holder on whose behalf the distribution is made, every Person who was a Trustee at the date of this Offering Memorandum and every other Person who signed this Offering Memorandum.

These statutory rights to sue are available to you whether or not you relied on the misrepresentation. However, there are various defences available to the Persons or companies that you have a right to sue. In particular, they have a

defence if you knew of the misrepresentation when you purchased the securities. Additionally, if you elect to exercise a right of rescission against the Trust, you will have no right of action against the Persons described in (b) above.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to rescind the agreement within 180 days after the date that you purchased the securities. You must commence your action for damages within the earlier of 180 days after you first had knowledge of the facts giving rise to the cause of action or 3 years after the day you purchased the securities.

ITEM 14 - FINANCIAL STATEMENTS

14.1 The Trust

Pulis Real Estate Trust
Financial Statements
For the period from inception, June 20, 2014,
to December 31, 2014

Pulis Real Estate Trust
Financial Statements
For the period from inception, June 20, 2014, to December 31, 2014

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Independent Auditors' Report

To the Unitholders of Pulis Real Estate Trust

We have audited the accompanying financial statements of Pulis Real Estate Trust (the "Trust"), which comprise the statement of financial position as at December 31, 2014, and the statements of comprehensive income, changes in net assets attributable to holders of redeemable units and cash flows for the period from inception, June 20, 2014, to December 31, 2014, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Trust's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Trust as at December 31, 2014 and its financial performance and its cash flows for the period from inception, June 20, 2014, to December 31, 2014 in accordance with International Financial Reporting Standards.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

Burlington, Ontario
February 4, 2015

Pulis Real Estate Trust
Statement of Financial Position

December 31, 2014

Asset

Investment	\$ 100
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Liabilities

Total liabilities (excluding net assets attributable to holders of redeemable units)	<u>\$ -</u>
--	-------------

Net assets attributable to holders of redeemable units (Note 4)	\$ 100
--	---------------

Net assets attributable to holders of redeemable units per unit	\$ 100
--	---------------

The accompanying notes are an integral part of these financial statements.

Pulis Real Estate Trust

**Statement of Changes in Net Assets Attributable to Holders of
Redeemable Units**

For the period from inception, June 20, 2014, to December 31, 2014

Net assets attributable to holders of redeemable units, beginning of period	\$	-
Issuance of redeemable units		100
Increase in net assets attributable to holders of redeemable units		<u>-</u>
Net assets attributable to holders of redeemable units, end of period	\$	<u>100</u>

Pulis Real Estate Trust
Statement of Comprehensive Income

For the period from inception, June 20, 2014, to December 31, 2014

Increase in net assets attributable to holders of redeemable units	\$	-
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The accompanying notes are an integral part of these financial statements.

Pulis Real Estate Trust
Statement of Cash Flows

For the period from inception, June 20, 2014, to December 31, 2014

Cash flows from operating activity	
Increase in net assets attributable to holders of redeemable units	\$ -
Cash flows from investing activity	
Purchase of investment	(100)
Cash flows from financing activity	
Proceeds on issuance of redeemable units	<u>100</u>
Increase in cash during the period	-
Cash, beginning of period	<u>-</u>
Cash, end of period	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

Pulis Real Estate Trust

Notes to Financial Statements

December 31, 2014

1. General Business Description

Pulis Real Estate Trust (the "Trust") is an unincorporated, open-ended trust established by the Trust's Declaration of Trust dated June 20, 2014, amended and restated on July 30, 2014. The Trust intends to be a "mutual fund trust" for the purposes of the Income Tax Act (Canada).

The Trust was formed to raise funds pursuant to an offering (Note 4) for the purposes of acquiring units in Pulis Real Estate LP 2 (the "Partnership"), an Ontario limited partnership. The Partnership is considered a related party due to common officers and directors of the Administrator. The Partnership intends to invest in residential properties in Ontario, Saskatchewan, Alberta and British Columbia (the "Properties").

The Trustee of the Trust is Computershare Trust Company of Canada (the "Trustee"). The Administrator of the Trust is Pulis Real Estate Adminco Inc. (the "Administrator").

The proposed business of the Trust involves a high degree of risk and there is no assurance that the Trust will be able to raise the amount of funds to finance its activities as disclosed in Note 4.

The address of the Trust is 1 Nelson Street West, Suite 200A, Brampton, Ontario, L6X 3E4.

2. Significant Accounting Policies

Statement of Compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

These financial statements were authorized for issue by the Administrator of the Trust on February 4, 2015.

Functional and Presentation Currency

These financial statements are presented in Canadian dollars, which is the Trust's functional currency.

Use of Estimates

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may vary from these estimates.

Estimates and judgements are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. Accounting estimates will, by definition, seldom equal the actual results. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future years affected.

Pulis Real Estate Trust Notes to Financial Statements

December 31, 2014

2. Significant Accounting Policies(Continued)

Financial Assets and Financial Liabilities

Recognition and Classification

Financial assets and financial liabilities are initially measured at fair value and are subsequently accounted for based on their classification as described below. The classification depends on the purpose for which the financial instruments were acquired and their characteristics. Except in very limited circumstances, the classification is not changed subsequent to initial recognition.

Financial Assets

Financial assets are classified into one of four categories:

- i) Held-to-maturity ("HTM");
- ii) Fair value through profit or loss ("FVTPL");
- iii) Loans and receivables; and
- iv) Available-for-sale ("AFS").

Held-to-maturity

Financial assets that have a fixed maturity date and which the Trust has positive intention and the ability to hold to maturity are classified as held-to-maturity and are initially recognized at fair value and subsequently at amortized cost using the effective interest rate method. Transaction costs incurred to acquire held-to-maturity financial instruments are included in the underlying balance. The Trust does not have any financial assets classified as held-to-maturity.

Financial Assets at Fair Value Through Profit or Loss

A financial asset is classified at fair value through profit or loss if it is classified as held-for-trading or designated as such upon initial recognition. Financial assets are designated as at FVTPL if the Trust manages such assets and makes purchase and sale decisions based on their fair value in accordance with the Trust's risk management strategy. These instruments are accounted for at fair value with the change in the fair value recognized in the statement of comprehensive income during the period. Attributable transaction costs are recognized in the statement of comprehensive income when incurred. The Trust does not have any financial assets classified as fair value through profit and loss.

Pulis Real Estate Trust Notes to Financial Statements

December 31, 2014

2. Significant Accounting Policies (Continued)

Financial Assets and Financial Liabilities (continued)

Loans and Receivables

Loans and receivables are non-derivative financial assets and fixed or determinable payments that are not quoted on an active market. Loans and receivables are initially recognized at fair value and subsequently at amortized cost using the effective interest rate method. Transaction costs incurred to acquire loans and receivables financial instruments are included in the underlying balance. Impairment provisions are recognized when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the Trust will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. On confirmation that the amounts receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision. No financial assets were classified as loans and receivables.

Available-for-sale

Available-for-sale assets are non-derivative financial assets that are either designated in this category or not classified in any other categories. Financial assets classified as available-for-sale are carried at fair value with the changes in fair value recorded in other comprehensive income. When fair value is not reliably determinable, investments in equity instruments should be measured at cost. Interest on available-for-sale assets is calculated using the effective interest rate method and is recognized in the statement of comprehensive income. Transaction costs incurred to acquire the available-for-sale financial instruments are included in the underlying balance. When a decline in fair value is determined to be other-than temporary, the cumulative loss included in accumulated other comprehensive income is removed and recognized in the statement of comprehensive income. Gains and losses realized on disposal of available-for-sale securities are recognized in the statement of comprehensive loss. No financial assets were classified as available-for-sale.

Financial Liabilities

Financial liabilities are classified into one of two categories:

- i) Fair value through profit or loss; and
- ii) Other financial liabilities.

Financial Liabilities at Fair Value Through Profit or Loss (FVTPL)

Financial liabilities that are incurred with the intention of generating profits in the near term are classified as fair value through profit or loss. These instruments are accounted for at fair value with the change in the fair value recognized in the statement of comprehensive income during the period. Attributable transaction costs are recognized in the statement of comprehensive income when incurred. No financial liabilities are classified as fair value through profit or loss.

Other Financial Liabilities

Other liabilities are accounted for at amortized cost using the effective interest rate method. Transaction costs are included in the underlying balance. No financial liabilities are classified as other financial liabilities.

Pulis Real Estate Trust Notes to Financial Statements

December 31, 2014

2. Significant Accounting Policies (Continued)

Financial Assets and Financial Liabilities (continued)

Determination of Fair Value

The fair value of a financial instrument on initial recognition is the transaction price, which is the fair value of the consideration given or received. Subsequent to initial recognition, fair value is determined by management using available market information or other valuation methodologies.

Fair Value Hierarchy

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3).

The three levels of the fair value hierarchy are as follows:

- Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2: Inputs other than quoted prices included in level 1 that are observable for the asset or liability either directly or indirectly; and
- Level 3: Inputs that are not based on observable market data.

As at period end, the Trust did not have any assets measured at fair value.

Derecognition

The Trust derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or when it transfers the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

The Trust derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired.

Offsetting

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Trust has a legal right to set off the recognized amounts and it intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Redeemable Units

The Trust's units are redeemable at the option of the holder and, therefore, are considered puttable instruments. Puttable instruments are required to be accounted for as financial liabilities, except where certain conditions are met, in which case, the puttable instrument may be presented as equity. The Trust's units did not meet the conditions for presentation as equity, and have therefore been presented as liabilities at the redemption amount. Costs incurred in connection with the offering of Trust units are reflected as a reduction of Net Assets Attributable to Holders of Redeemable Units.

Pulis Real Estate Trust Notes to Financial Statements

December 31, 2014

2. Significant Accounting Policies (Continued)

Impairment of Non-financial Assets

The carrying amounts of the Trust's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is recognized if the carrying amount of an asset exceeds its estimated recoverable amount.

Impairment of Financial Assets

At each reporting date, the Trust assesses whether there is objective evidence that financial assets not carried at fair value through profit or loss are impaired. A financial asset or a group of financial assets is impaired when objective evidence demonstrates that a loss event has occurred after the initial recognition of the asset, and that the loss event has impact on the future cash flows of the asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include significant financial difficulty of the borrower or issuer, default or delinquency by a borrower, restructuring of a loan or receivable by the Trust on terms that the Trust would not otherwise consider, indications that a borrower or issuer will enter bankruptcy, or other observable data relating to a group of assets such as adverse changes in the payment status of borrowers or issuers in the group, or economic conditions that correlate with defaults in the group.

The Trust considers evidence of impairment for loans and receivables at both a specific asset and collective level. The Trust has no impairment loss from financial assets.

Income Taxes

It is the intention of the Trust to qualify as a mutual fund trust under the Income Tax Act (Canada). All of the Trust's net income for tax purposes and sufficient capital gains realized in any period are required to be distributed to unitholders such that no tax is payable by the fund. As a result, the Trust does not record income taxes. Since the Trust does not record income taxes, the tax benefit of capital and non-capital losses has not been reflected in the statements of financial position as a deferred income tax asset.

Pulis Real Estate Trust Notes to Financial Statements

December 31, 2014

2. Significant Accounting Policies (Continued)

Provisions

Provisions are recognized when the Trust has a present legal or constructive obligation as a result of a past event, it is probable that the Trust will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

Where discounting is used, the increase in the provision due to passage of time is recognized as a financial cost and included in interest expense.

Related Parties

For the purpose of these financial statements, a party is considered related to the Trust if such party or the Trust has the ability to, directly or indirectly, control or exercise significant influence over the other entity's financial and operating decisions, or if the Trust and such party are subject to common significant influence. Related parties may be individuals or other entities.

New Standards, Interpretations and Amendments not yet Adopted

A number of new standards, amendments to standards and interpretations have been issued but are not yet effective for the period ended December 31, 2014, and have not been applied in preparing these financial statements. None of these are expected to have an effect on the financial statements of the Trust, with the exception of:

IFRS 9, Financial Instruments ("IFRS 9") was issued by the International Accounting Standards Board ("IASB") on October 28, 2010, and will replace IAS 39, Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 uses a single approach and IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. IFRS 9 is effective for annual periods beginning on or after January 1, 2015. The Trust is currently evaluating the impact of IFRS 9 on its financial statements.

Pulis Real Estate Trust

Notes to Financial Statements

December 31, 2014

3. Capital Management

The Trust's capital is comprised of redeemable units. The Trust's capital management policy is to maintain a strong capital base that optimizes the Trust's ability to grow, maintain advisor and creditor confidence and to provide a platform to create value for its unitholders. The Trust intends to maintain a flexible capital structure to maximize its ability to pursue additional investment opportunities, which considers the Trust's early stage of development and the requirement to sustain future development of the business.

The Trust will manage its capital structure and make changes to it in light of changes to economic conditions and the risk characteristics of the nature of the business. In order to maintain or adjust the capital structure, the Trust may from time to time issue units, seek debt financing and adjust its capital spending to manage its current and projected capital structure.

The Trust does not have any specific capital requirements on the subscription and redemption of units, other than certain minimum subscription requirements.

4. Redeemable Units

The Declaration of Trust provides an unlimited number of trust units (the "Units") may be issued. Each Unit represents an equal undivided beneficial interest in any distributions of the Trust and in the net assets of the Trust in the event of termination or winding up of the Trust. Each Unit entitles the holder thereof to participate equally in the distributions and to one vote at all meetings of unitholders for each whole unit held. The issued Units are not subject to future calls or assessments.

Each unitholder shall be entitled to require the Trust to redeem all or any part of their Units. The redemption price shall be valued at the fair market value of the Trust's investment in the Partnership plus the value of the Trust's investment assets and the Trust's other assets, less all liabilities, costs and expenses accrued or payable of every kind and nature, and distributions due but not yet paid or made ("Net Asset Value"), as determined by the Administrator or Trust within 30 business days of receipt of the redemption notice; calculated as follows:

- Within 12 months or the date of issue, 90% of the Net Asset Value per Unit;
- Within 24 months, and greater than 12 months of the date of issue, 92% of the Net Value per Unit;
- Within 36 months, and greater than 24 months of the date of issue, 94% of the Net Asset Value per Unit;
- Within 48 months, and greater than 36 months of the date of issue, 96% of the Net Asset Value per Unit;
- Within 60 months, and greater than 48 months of the date of issue, 98% of the Net Asset Value per Unit; and
- At any time following 60 months of the date of issue, an amount equal to the Net Asset Value per Unit.

Pulis Real Estate Trust

Notes to Financial Statements

December 31, 2014

4. Redeemable Units (Continued)

The Trust may be required to redeem up to \$100,000 of Units in any given fiscal year, in the form of cash (the "Annual Limit"). The cash payment of the redemption shall occur on the last day of the fiscal year in which the Units were tendered for redemption. Subject to regulatory approval, the Trust may redeem Units in excess of the Annual Limit by distributing unsecured notes having an interest rate equal to 5% simple interest payable annually in arrears, subject to earlier prepayment without penalty, being due and payable on the third anniversary of the date of issuance.

Offering

The Trust has prepared an offering memorandum (the "Offering") for the offer of Units with up to an aggregate maximum gross proceeds of \$50,000,000 and minimum gross proceeds of \$250,000. The price per Unit shall be \$95 up to and including the last day of February 2015, and a price per Unit of \$100 on or after March 1, 2015.

The Trust reserves the right to pay finder's fees in an amount up to 10% of the gross proceeds of the offering provided that sales involving payment of finder's fees are conducted in accordance with National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. The Trust may also pay a marketing fee of up to 2% for marketing agents, including Pinnacle Wealth Brokers Inc., and a trailer fee of up to 1% of gross proceeds of the offering to exempt market dealers, dealer or dealing representative for Units outstanding after the fifth year of such Unit's issuance date.

The offering may be closed in stages after the minimum offering is subscribed for. The first closing is expected to occur when the minimum offering is subscribed for, with other closings to occur thereafter from time to time.

The net proceeds of the offering will be used to purchase units of the Partnership. The Partnership intends to invest in the Properties.

Administration Agreement

The Trust and the Administrator entered into an agreement whereby the Administrator will perform management and administrative services on behalf of the Trust. The fee paid to the Administrator will be \$500 per annum, and the Trust will be required to reimburse the expenses incurred by the Administrator in performing its functions.

Trustee Fees

The Trust will pay a fee of \$10,000 per annum to the Trustee of the Trust, and the Trust will be required to reimburse the expenses incurred by the Trustee in performing its functions. In addition, the Trustee will act as transfer agent and registrar of the Trust and will be paid a fee of approximately \$3.75 for each Unit certificate issued by the Trust.

Funding Agreement

The Trust has entered into a funding agreement with the Partnership, whereby the Partnership has agreed to pay for all costs, fees and selling commissions associated with the offering of the Trust.

14.2 The Partnership

Pulis Real Estate LP 2
Financial Statements
For the period from establishment, June 20, 2014,
to December 31, 2014

Pulis Real Estate LP 2

Financial Statements

For the period from establishment, June 20, 2014, to December 31, 2014

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BDO Canada LLP
3115 Harvester Road, Suite 400
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Independent Auditors' Report

To the Partners of Pulis Real Estate LP 2

We have audited the accompanying financial statements of Pulis Real Estate LP 2 (the "Partnership"), which comprise the statement of financial position as at December 31, 2014, and the statements of comprehensive income, changes in net assets attributable to holders of redeemable units and cash flows for the period from establishment, June 20, 2014, to December 31, 2014, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Partnership's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Partnership's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Partnership as at December 31, 2014 and its financial performance and its cash flows for the period from establishment, June 20, 2014, to December 31, 2014 in accordance with International Financial Reporting Standards.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

Burlington, Ontario
February 4, 2015

Pulis Real Estate LP 2
Statement of Financial Position

December 31, 2014

Assets

Current	
Cash	\$ 101
Deferred financing costs	<u>304,401</u>
	<u>\$ 304,502</u>

Liabilities

Current	
Due to related party (Note 5)	<u>\$ 304,402</u>
Total liabilities (excluding net assets attributable to holders of redeemable units)	<u>304,402</u>
Net assets attributable to holders of redeemable units (Note 6)	<u>\$ 100</u>
Net assets attributable to holders of redeemable units per unit	<u>\$ 100</u>

The accompanying notes are an integral part of these financial statements.

Pulis Real Estate LP 2

**Statement of Changes in Net Assets Attributable to Holders of
Redeemable Units**

For the period from establishment, June 20, 2014, to December 31, 2014

Net assets attributable to holders of redeemable units, beginning of period	\$ -
Issuance of redeemable units	100
Increase in net assets attributable to holders of redeemable units	-
Net assets attributable to holders of redeemable units, end of period	\$ 100

Pulis Real Estate LP 2
Statement of Comprehensive Income

For the period from establishment, June 20, 2014, to December 31, 2014

Increase in net assets attributable to holders of redeemable units	\$	-
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The accompanying notes are an integral part of these financial statements.

Pulis Real Estate LP 2
Statement of Cash Flows

For the period from establishment, June 20, 2014, to December 31, 2014

Cash flows from operating activity	
Increase in net assets attributable to holders of redeemable units	\$ -
Cash flows from financing activities	
Advances from related party	304,402
Proceeds from issuance of redeemable units	100
Deferred financing costs	<u>(304,401)</u>
	<u>101</u>
Increase in cash during the period	101
Cash, beginning of period	<u>-</u>
Cash, end of period	\$ 101

The accompanying notes are an integral part of these financial statements.

Pulis Real Estate LP 2

Notes to Financial Statements

December 31, 2014

1. General Business Description

Pulis Real Estate LP 2 (the "Partnership") is a limited partnership formed under the laws of the Province of Ontario by certificate amended and restated on July 30, 2014 and governed by the Limited Partnership Agreement executed on June 20, 2014. The Partnership was formed for the purposes of investing directly or indirectly in residential properties in Ontario, Saskatchewan, Alberta and British Columbia (the "Properties").

The address of the Partnership is 1 Nelson Street West, Suite 200A, Brampton, Ontario, L6X 3E4.

The general partner of the Partnership is Pulis Real Estate GP 2 Inc. (the "General Partner") and is responsible for the management, operation and administration of the affairs of the Partnership.

2. Summary of Significant Accounting Policies

Statement of Compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

These financial statements were authorized for issue by the General Partner of the Partnership on February 4, 2015.

Basis of Measurement

The financial statements have been prepared on an historical cost basis.

Functional and Presentation Currency

The financial statements are presented in Canadian dollars, which is the Partnership's functional currency.

Use of Estimates

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may vary from these estimates.

Estimates and judgements are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. Accounting estimates will, by definition, seldom equal the actual results. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future years affected.

Pulis Real Estate LP 2

Notes to Financial Statements

December 31, 2014

2. Summary of Significant Accounting Policies(Continued)

Financial Assets and Financial Liabilities

Recognition and Classification

Financial assets and financial liabilities are initially measured at fair value and are subsequently accounted for based on their classification as described below. The classification depends on the purpose for which the financial instruments were acquired and their characteristics. Except in very limited circumstances, the classification is not changed subsequent to initial recognition.

Financial Assets

Financial assets are classified into one of four categories:

- i) Held-to-maturity ("HTM");
- ii) Fair value through profit or loss ("FVTPL");
- iii) Loans and receivables; and
- iv) Available-for-sale ("AFS").

Held-to-maturity

Financial assets that have a fixed maturity date and which the Partnership has positive intention and the ability to hold to maturity are classified as held-to-maturity and are initially recognized at fair value and subsequently at amortized cost using the effective interest rate method. Transaction costs incurred to acquire held-to-maturity financial instruments are included in the underlying balance. The Partnership does not have any financial assets classified as held-to-maturity.

Financial Assets at Fair Value Through Profit or Loss

A financial asset is classified at fair value through profit or loss if it is classified as held-for-trading or designated as such upon initial recognition. Financial assets are designated as at FVTPL if the Partnership manages such assets and makes purchase and sale decisions based on their fair value in accordance with the Partnership's risk management strategy. These instruments are accounted for at fair value with the change in the fair value recognized in the statement of comprehensive income during the period. Attributable transaction costs are recognized in the statement of comprehensive income when incurred. The Partnership does not have any financial assets classified as fair value through profit and loss.

Pulis Real Estate LP 2

Notes to Financial Statements

December 31, 2014

2. Significant Accounting Policies (Continued)

Financial Assets and Financial Liabilities (continued)

Loans and Receivables

Loans and receivables are non-derivative financial assets and fixed or determinable payments that are not quoted on an active market. Loans and receivables are initially recognized at fair value and subsequently at amortized cost using the effective interest rate method. Transaction costs incurred to acquire loans and receivables financial instruments are included in the underlying balance. Impairment provisions are recognized when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the Partnership will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. On confirmation that the amounts receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision. The Partnership has cash classified as loans and receivables.

Available-for-sale

Available-for-sale assets are non-derivative financial assets that are either designated in this category or not classified in any other categories. Financial assets classified as available-for-sale are carried at fair value with the changes in fair value recorded in other comprehensive income. When fair value is not reliably determinable, investments in equity instruments should be measured at cost. Interest on available-for-sale assets is calculated using the effective interest rate method and is recognized in the statement of comprehensive income. Transaction costs incurred to acquire the available-for-sale financial instruments are included in the underlying balance. When a decline in fair value is determined to be other-than temporary, the cumulative loss included in accumulated other comprehensive income is removed and recognized in the statement of comprehensive income. Gains and losses realized on disposal of available-for-sale securities are recognized in the statement of comprehensive loss. No financial assets were classified as available-for-sale.

Financial Liabilities

Financial liabilities are classified into one of two categories:

- i) Fair value through profit or loss; and
- ii) Other financial liabilities.

Financial Liabilities at Fair Value Through Profit or Loss (FVTPL)

Financial liabilities that are incurred with the intention of generating profits in the near term are classified as fair value through profit or loss. These instruments are accounted for at fair value with the change in the fair value recognized in the statement of comprehensive income during the period. Attributable transaction costs are recognized in the statement of comprehensive income when incurred. No financial liabilities are classified as fair value through profit or loss.

Other Financial Liabilities

Other liabilities are accounted for at amortized cost using the effective interest rate method. Transaction costs are included in the underlying balance. The Partnership has accounts payable and accrued liabilities that are classified as other financial liabilities.

Pulis Real Estate LP 2

Notes to Financial Statements

December 31, 2014

2. Significant Accounting Policies (Continued)

Financial Assets and Financial Liabilities (continued)

Determination of Fair Value

The fair value of a financial instrument on initial recognition is the transaction price, which is the fair value of the consideration given or received. Subsequent to initial recognition, fair value is determined by management using available market information or other valuation methodologies.

Fair Value Hierarchy

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3).

The three levels of the fair value hierarchy are as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2: Inputs other than quoted prices included in level 1 that are observable for the asset or liability either directly or indirectly; and

Level 3: Inputs that are not based on observable market data.

As at period end, the Partnership did not have any assets measured at fair value.

Derecognition

The Partnership derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or when it transfers the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

The Partnership derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire.

Offsetting

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Partnership has a legal right to set off the recognized amounts and it intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Redeemable Units

The Partnership's units are redeemable at the option of the holder and, therefore, are considered puttable instruments. Puttable instruments are required to be accounted for as financial liabilities, except where certain conditions are met, in which case, the puttable instrument may be presented as equity. The Partnership's units did not meet the conditions for presentation as equity, and have therefore been presented as liabilities at the redemption amount. Costs incurred in connection with the offering of Partnership units are reflected as a reduction of Net Assets Attributable to Holders of Redeemable Units.

Pulis Real Estate LP 2

Notes to Financial Statements

December 31, 2014

2. Significant Accounting Policies (Continued)

Impairment of Non-financial Assets

The carrying amounts of the Partnership's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is recognized if the carrying amount of an asset exceeds its estimated recoverable amount.

Impairment of Financial Assets

At each reporting date, the Partnership assesses whether there is objective evidence that financial assets not carried at fair value through profit or loss are impaired. A financial asset or a group of financial assets is impaired when objective evidence demonstrates that a loss event has occurred after the initial recognition of the asset, and that the loss event has impact on the future cash flows of the asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include significant financial difficulty of the borrower or issuer, default or delinquency by a borrower, restructuring of a loan or receivable by the Partnership on terms that the Partnership would not otherwise consider, indications that a borrower or issuer will enter bankruptcy, or other observable data relating to a group of assets such as adverse changes in the payment status of borrowers or issuers in the group, or economic conditions that correlate with defaults in the group.

The Partnership considers evidence of impairment for loans and receivables at both a specific asset and collective level. The Partnership has no impairment loss from financial assets.

Provisions

Provisions are recognized when the Partnership has a present legal or constructive obligation as a result of a past event, it is probable that the Partnership will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

Where discounting is used, the increase in the provision due to passage of time is recognized as a financial cost and included in interest expense.

Related Parties

For the purpose of these financial statements, a party is considered related to the Partnership if such party or the Partnership has the ability to, directly or indirectly, control or exercise significant influence over the other entity's financial and operating decisions, or if the Partnership and such party are subject to common significant influence. Related parties may be individuals or other entities.

Pulis Real Estate LP 2

Notes to Financial Statements

December 31, 2014

2. Significant Accounting Policies (Continued)

New Standards, Interpretations and Amendments not yet Adopted

A number of new standards, amendments to standards and interpretations have been issued but are not yet effective for the period ended December 31, 2014, and have not been applied in preparing these financial statements. None of these are expected to have an effect on the financial statements of the Partnership, with the exception of:

IFRS 9, Financial Instruments ("IFRS 9") was issued by the International Accounting Standards Board ("IASB") on October 28, 2010, and will replace IAS 39, Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 uses a single approach and IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. IFRS 9 is effective for annual periods beginning on or after January 1, 2015. The Partnership is currently evaluating the impact of IFRS 9 on its financial statements.

3. Financial Instrument and Risk Management

The Partnership's planned operations will expose it to a variety of financial risks that arise as a result of its operating and financing activities including credit risk, liquidity risk and market risk.

This note presents information about the Partnership's exposure to each of the above risks; the Partnership's objectives, policies and processes for measuring and managing risks; and the Partnership's management of capital.

The Partnership employs risk management strategies and policies to ensure that any exposure to risk is in compliance with the Partnership's business objectives and risk tolerance levels. While the Directors have the overall responsibility for the establishment and oversight of the Partnership's risk management framework, management has the responsibility to administer and monitor these risks.

Credit Risk

Credit risk is the risk of financial loss to the Partnership if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Partnership is exposed to credit risk on its cash bank balances. The Partnership manages the credit exposure related to cash by selecting financial institutions with high credit ratings. Given these credit ratings, management does not expect any counterparty to fail to meet its obligations.

Liquidity Risk

Liquidity risk is the risk that the Partnership will not be able to meet its financial obligations as they are due. The Partnership is exposed to liquidity risk on its accounts payable and accrued liabilities as well as cash redemptions of redeemable units. The Partnership's approach to managing liquidity is to ensure it will have sufficient liquidity to meet its liabilities when due. The Partnership's ongoing liquidity will be impacted by various external events and conditions. All financial liabilities are due within a year. Redeemable units are redeemable on demand at the holder's option. However, the Partnership does not expect that the contractual maturity will be representative of the actual cash outflows, as holders of these instruments typically retain them for longer periods.

Pulis Real Estate LP 2

Notes to Financial Statements

December 31, 2014

4. Capital Management

The Partnership defines capital that it manages as the aggregate of its redeemable units. The Partnership's capital management policy is to maintain a strong capital base that optimizes the Partnership's ability to grow, maintain advisor and creditor confidence and to provide a platform to create value for its unitholders. The Partnership intends to maintain a flexible capital structure to maximize its ability to pursue additional investment opportunities, which considers the Partnership's early stage of development and the requirement to sustain future development of the business.

The Partnership will manage its capital structure and make changes to it in light of changes to economic conditions and the risk characteristics of the nature of the business. In order to maintain or adjust the capital structure, the Partnership may from time to time issue units, seek debt financing and adjust its capital spending to manage its current and projected capital structure.

The Partnership does not have any specific capital requirements on the subscription and redemption of units, other than certain minimum subscription requirements.

5. Due to Related Party

The amounts due to a related party are due to BKP Holdings Inc., a related entity through common officers and directors of the General Partner. The amount is unsecured, non-interest bearing and are expected to be repaid from the net proceeds of the offering (Note 6).

6. Redeemable Units

As at December 31, 2014, the Partnership was authorized to issue an unlimited number of limited partnership units (the "Units").

The initial limited partner acquired 1 Unit for \$100 and the General Partner acquired 1 Unit for \$1 during the period ended December 31, 2014. Income or loss of the Partnership is allocated on a proportionate basis to the General Partner and to the limited partners.

Net income or net loss of the Partnership shall be allocated to each unitholder of record on December 31 of each year of the Partnership.

The General Partner shall make distributions of distributable cash to the limited partner unitholders ("Limited Partner") in accordance with their proportionate interest, on a quarterly basis subject to certain restrictions. If the calculation of distributable cash is less than zero, then the General Partner will not make any distribution to the Limited Partners.

The right to transfer Units shall be restricted such that no Limited Partner shall be entitled to transfer Units to any person unless it first offers to sell its Units to the General Partner by written offer. The transfer or resale of Units (which does not include a redemption of Units) is also subject to restrictions under applicable securities legislation.

Pulis Real Estate LP 2

Notes to Financial Statements

December 31, 2014

6. Redeemable Units (Continued)

Each unitholder shall be entitled to require the Partnership to redeem all or any part of their Units. The redemption price shall be valued at the fair market value of the Partnership, and, when the reference so requires, of investments, determined by reference to IAS 40 and by the most recent, annual fair market appraisal conducted by an independent, third-party appraiser selected by the General Partner in its sole discretion (or, if the applicable Property was acquired by the Partnership after the most recent annual appraisal prepared for by the Partnership, then the appraised value shall be any appraisal thereof obtained by the General Partner) less all liabilities, costs and expenses accrued or payable of every kind and nature, and distributions due but not yet paid or made ("Net Asset Value"), as determined by the General Partner in its sole discretion, within 30 business days of receipt of the redemption notice; calculated as follows:

- Within 12 months or the date of issue, 90% of the Net Asset Value per Unit;
- Within 24 months, and greater than 12 months of the date of issue, 92% of the Net Value per Unit;
- Within 36 months, and greater than 24 months of the date of issue, 94% of the Net Asset Value per Unit;
- Within 48 months, and greater than 36 months of the date of issue, 96% of the Net Asset Value per Unit;
- Within 60 months, and greater than 48 months of the date of issue, 98% of the Net Asset Value per Unit; and
- At any time following 60 months of the date of issue, an amount equal to the Net Asset Value per Unit.

The Partnership may be required to redeem up to \$100,000 of Units in any given fiscal year, in the form of cash (the "Annual Limit"). The cash payment of the redemption shall occur on the last day of the fiscal year in which the Partnership Units were tendered for redemption. Subject to regulatory approval, the Partnership may redeem Units in excess of the Annual Limit by distributing unsecured notes having an interest rate equal to 5% simple interest payable annually in arrears, subject to earlier prepayment without penalty, being due and payable on the third anniversary of the date of issuance.

Pulis Real Estate LP 2

Notes to Financial Statements

December 31, 2014

6. Redeemable Units (Continued)

Offering

The Partnership has prepared an offering memorandum (the "Offering") for the offer of Units with up to an aggregate maximum gross proceeds of \$50,000,000 and minimum gross proceeds of \$250,000. The price per Unit shall be \$95 up to and including the last day of February 2015, and a price per Unit of \$100 on or after March 1, 2015.

The Partnership reserves the right to pay finder's fees in an amount up to 10% of the gross proceeds of the offering provided that sales involving payment of finder's fees are conducted in accordance with National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. The Partnership may also pay a marketing fee of up to 2% for marketing agents, including Pinnacle Wealth Brokers Inc., and a trailer fee of up to 1% of gross proceeds of the offering to exempt market dealers, dealer or dealing representative for Units outstanding after the fifth year of such Unit outstanding.

The offering may be closed in stages after the minimum offering is subscribed for. The first closing is expected to occur when the minimum offering is subscribed for, with other closings to occur thereafter from time to time.

Pulis Real Estate Trust (the "Trust") has prepared an offering to raise funds with the intent of acquiring Units in the Partnership. The Partnership is economically dependent on the Trust and the ability of the Trust to raise funds, and subsequently acquire additional Units of the Partnership.

General Partner Fees

The Partnership shall, during the term of the Partnership, distribute to the General Partner, an amount to be calculated on an annual basis, determined as follows:

- A quarterly fee to be paid in advance and calculated as an amount equal to 1.5% of the Net Asset Value, on the last date of each fiscal year (if such amount is negative, the fee shall be zero);
- An amount equal to 1.0% of the acquisition prices of the Properties acquired by the Partnership, excluding costs of acquisition (including but not limited to taxes and legal costs) in the relevant fiscal year, payable upon closing of the purchase of Property; and
- An amount equal to 7.0% of the net operating income of the Partnership plus amounts paid for the Properties repairs and maintenance to be paid by the purchase of Trust Units by the Partnership.

The Partnership will be responsible for all costs, charges and expenses directly reasonable and properly incurred by the General Partner, or incurred on behalf of the Partnership, in the performance of its duties of this agreement

Funding Agreement

The Partnership has entered into a funding agreement with the Trust whereby the Partnership has agreed to pay for all costs, fees and selling commissions associated with the offering of the Trust.

14.3 The General Partner

Pulis Real Estate GP2 Inc.
Financial Statements
For the period from inception, April 11, 2014,
to December 31, 2014

Pulis Real Estate GP2 Inc.

Financial Statements

For the period from inception, April 11, 2014, to December 31, 2014

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BDO Canada LLP
3115 Harvester Road, Suite 400
Burlington ON L7N 3N8 Canada

Independent Auditors' Report

To the Shareholders of Pulis Real Estate GP2 Inc.

We have audited the accompanying financial statements of Pulis Real Estate GP2 Inc. (the "Corporation"), which comprise the statement of financial position as at December 31, 2014, and the statements of comprehensive income, changes in shareholders' equity and cash flows for the period from inception, April 11, 2014, to December 31, 2014, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Corporation's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Corporation as at December 31, 2014 and its financial performance and its cash flows for the period from inception, April 11, 2014, to December 31, 2014 in accordance with International Financial Reporting Standards.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

Burlington, Ontario
February 4, 2015

Pulis Real Estate GP2 Inc.
Statement of Financial Position

December 31, 2014

Assets

Current

Cash

\$ 200

Shareholders' Equity

Share capital

\$ 200

The accompanying notes are an integral part of these financial statements.

Pulis Real Estate GP2 Inc.
Statement of Changes in Shareholders' Equity

For the period from inception, April 11, 2014, to December 31, 2014

Share capital

Balance, beginning of period	\$ -
Common shares issued on incorporation	<u>200</u>
Balance, end of period	<u>200</u>

Retained earnings

Balance, beginning of period	-
Comprehensive income for the period	<u>-</u>
Balance, end of period	<u>-</u>

Total shareholders' equity	\$ 200
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Pulis Real Estate GP2 Inc.
Statement of Comprehensive Income

For the period from inception, April 11, 2014, to December 31, 2014

Comprehensive income for the period	\$ -
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Pulis Real Estate GP2 Inc.
Statement of Cash Flows

For the period from inception, April 11, 2014, to December 31, 2014

Cash flows from operating activity	
Comprehensive income for the period	\$ -
Cash flows from financing activity	
Proceeds from issuance of share capital	<u>200</u>
Increase in cash during the period	200
Cash, beginning of period	<u>-</u>
Cash, end of period	\$ 200

The accompanying notes are an integral part of these financial statements.

Pulis Real Estate GP2 Inc. Notes to Financial Statements

December 31, 2014

1. General Business Description

Pulis Real Estate GP2 Inc. (the "Corporation") was incorporated under the laws of the Province of Ontario on April 11, 2014. The Corporation was formed to operate as the general partner for Pulis Real Estate LP 2 (the "Partnership").

The address of the Corporation is 1 Nelson Street West, Suite 200A, Brampton, Ontario, L6X 3E4.

2. Significant Accounting Policies

Statement of Compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

These financial statements were authorized for issue by the Directors of the Corporation on February 4, 2015.

Functional and Presentation Currency

These financial statements are presented in Canadian dollars, which is the Corporation's functional currency.

Use of Estimates

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may vary from these estimates.

Estimates and judgements are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. Accounting estimates will, by definition, seldom equal the actual results. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future years affected.

Pulis Real Estate GP2 Inc. Notes to Financial Statements

December 31, 2014

2. Significant Accounting Policies(Continued)

Financial Assets and Financial Liabilities

Recognition and Classification

Financial assets and financial liabilities are initially measured at fair value and are subsequently accounted for based on their classification as described below. The classification depends on the purpose for which the financial instruments were acquired and their characteristics. Except in very limited circumstances, the classification is not changed subsequent to initial recognition.

Financial Assets

Financial assets are classified into one of four categories:

- i) Held-to-maturity ("HTM");
- ii) Fair value through profit or loss ("FVTPL");
- iii) Loans and receivables; and
- iv) Available-for-sale ("AFS").

Held-to-maturity

Financial assets that have a fixed maturity date and which the Corporation has positive intention and the ability to hold to maturity are classified as held-to-maturity and are initially recognized at fair value and subsequently at amortized cost using the effective interest rate method. Transaction costs incurred to acquire held-to-maturity financial instruments are included in the underlying balance. The Corporation does not have any financial assets classified as held-to-maturity.

Financial Assets at Fair Value Through Profit or Loss

A financial asset is classified at fair value through profit or loss if it is classified as held-for-trading or designated as such upon initial recognition. Financial assets are designated as at FVTPL if the Corporation manages such assets and makes purchase and sale decisions based on their fair value in accordance with the Corporation's risk management strategy. These instruments are accounted for at fair value with the change in the fair value recognized in the statement of comprehensive income during the period. Attributable transaction costs are recognized in the statement of comprehensive income when incurred. The Corporation does not have any financial assets classified as fair value through profit and loss.

Pulis Real Estate GP2 Inc.

Notes to Financial Statements

December 31, 2014

2. Significant Accounting Policies (Continued)

Financial Assets and Financial Liabilities (continued)

Loans and Receivables

Loans and receivables are non-derivative financial assets and fixed or determinable payments that are not quoted on an active market. Loans and receivables are initially recognized at fair value and subsequently at amortized cost using the effective interest rate method. Transaction costs incurred to acquire loans and receivables financial instruments are included in the underlying balance. Impairment provisions are recognized when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the Corporation will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. On confirmation that the amounts receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision. The Corporation has cash classified as loans and receivables.

Available-for-sale

Available-for-sale assets are non-derivative financial assets that are either designated in this category or not classified in any other categories. Financial assets classified as available-for-sale are carried at fair value with the changes in fair value recorded in other comprehensive income. When fair value is not reliably determinable, investments in equity instruments should be measured at cost. Interest on available-for-sale assets is calculated using the effective interest rate method and is recognized in the statement of comprehensive income. Transaction costs incurred to acquire the available-for-sale financial instruments are included in the underlying balance. When a decline in fair value is determined to be other-than temporary, the cumulative loss included in accumulated other comprehensive income is removed and recognized in the statement of comprehensive income. Gains and losses realized on disposal of available-for-sale securities are recognized in the statement of comprehensive loss. No financial assets were classified as available-for-sale.

Financial Liabilities

Financial liabilities are classified into one of two categories:

- i) Fair value through profit or loss; and
- ii) Other financial liabilities.

Financial Liabilities at Fair Value Through Profit or Loss (FVTPL)

Financial liabilities that are incurred with the intention of generating profits in the near term are classified as fair value through profit or loss. These instruments are accounted for at fair value with the change in the fair value recognized in the statement of comprehensive income during the period. Attributable transaction costs are recognized in the statement of comprehensive income when incurred. No financial liabilities are classified as fair value through profit or loss.

Other Financial Liabilities

Other liabilities are accounted for at amortized cost using the effective interest rate method. Transaction costs are included in the underlying balance. No financial liabilities are classified as other financial liabilities.

Pulis Real Estate GP2 Inc. Notes to Financial Statements

December 31, 2014

2. Significant Accounting Policies (Continued)

Financial Assets and Financial Liabilities (continued)

Determination of Fair Value

The fair value of a financial instrument on initial recognition is the transaction price, which is the fair value of the consideration given or received. Subsequent to initial recognition, fair value is determined by management using available market information or other valuation methodologies.

Fair Value Hierarchy

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3).

The three levels of the fair value hierarchy are as follows:

- Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2: Inputs other than quoted prices included in level 1 that are observable for the asset or liability either directly or indirectly; and
- Level 3: Inputs that are not based on observable market data.

As at period end, the Corporation did not have any assets measured at fair value.

Derecognition

The Corporation derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or when it transfers the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

The Corporation derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire.

Offsetting

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Corporation has a legal right to set off the recognized amounts and it intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Share Capital and Dividends

Common shares are classified as equity. Incremental costs directly attributable to the common shares are recognized as a deduction from equity, net of any tax effects. Dividends on Common shares are recognized in the Corporations financial statements in the period in which the dividends are approved by the Board of Directors.

Pulis Real Estate GP2 Inc. Notes to Financial Statements

December 31, 2014

2. Significant Accounting Policies (Continued)

Impairment of Non-financial Assets

The carrying amounts of the Corporation's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is recognized if the carrying amount of an asset exceeds its estimated recoverable amount.

Impairment of Financial Assets

At each reporting date, the Corporation assesses whether there is objective evidence that financial assets not carried at fair value through profit or loss are impaired. A financial asset or a group of financial assets is impaired when objective evidence demonstrates that a loss event has occurred after the initial recognition of the asset, and that the loss event has impact on the future cash flows of the asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include significant financial difficulty of the borrower or issuer, default or delinquency by a borrower, restructuring of a loan or receivable by the Corporation on terms that the Corporation would not otherwise consider, indications that a borrower or issuer will enter bankruptcy, or other observable data relating to a group of assets such as adverse changes in the payment status of borrowers or issuers in the group, or economic conditions that correlate with defaults in the group.

The Corporation considers evidence of impairment for loans and receivables at both a specific asset and collective level. The Corporation has no impairment loss from financial assets.

Income Taxes

Income tax expense comprises of current and deferred taxes. Current taxes and deferred taxes are recognized in net income except to the extent that it relates to a business combination, or items recognized directly in equity or in comprehensive income.

Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the year end date.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting or taxable profit or loss.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting period, the Corporation reassesses unrecognized deferred tax assets. The Corporation recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Pulis Real Estate GP2 Inc. Notes to Financial Statements

December 31, 2014

2. Significant Accounting Policies (Continued)

Income Taxes (Continued)

The amount of the deferred tax asset or liability is measured at the amount expected to be recovered from or paid to the taxation authorities. This amount is determined using tax rates and tax laws that have been enacted or substantively enacted by the year end date and are expected to apply when the liabilities/(assets) are settled/(recovered).

Provisions

Provisions are recognized when the Corporation has a present legal or constructive obligation as a result of a past event, it is probable that the Corporation will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

Where discounting is used, the increase in the provision due to passage of time is recognized as a financial cost and included in interest expense.

Related Parties

For the purpose of these financial statements, a party is considered related to the Corporation if such party or the Corporation has the ability to, directly or indirectly, control or exercise significant influence over the other entity's financial and operating decisions, or if the Corporation and such party are subject to common significant influence. Related parties may be individuals or other entities.

New Standards, Interpretations and Amendments not yet Adopted

A number of new standards, amendments to standards and interpretations have been issued but are not yet effective for the period ended December 31, 2014, and have not been applied in preparing these financial statements. None of these are expected to have an effect on the financial statements of the Corporation, with the exception of:

IFRS 9, Financial Instruments ("IFRS 9") was issued by the International Accounting Standards Board ("IASB") on October 28, 2010, and will replace IAS 39, Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 uses a single approach and IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. IFRS 9 is effective for annual periods beginning on or after January 1, 2015. The Corporation is currently evaluating the impact of IFRS 9 on its financial statements.

Pulis Real Estate GP2 Inc. Notes to Financial Statements

December 31, 2014

3. Capital Management

The Corporation's capital is comprised of shareholders' equity of \$200. The Corporation's capital management policy is to maintain a strong capital base that optimizes the Corporation's ability to grow, maintain advisor and creditor confidence and to provide a platform to create value for its unitholders. The Corporation intends to maintain a flexible capital structure to maximize its ability to pursue additional investment opportunities, which considers the Corporation's early stage of development and the requirement to sustain future development of the business.

The Corporation will manage its capital structure and make changes to it in light of changes to economic conditions and the risk characteristics of the nature of the business. In order to maintain or adjust the capital structure, the Corporation may from time to time issue shares, seek debt financing and adjust its capital spending to manage its current and projected capital structure.

The Corporation is not subject to externally imposed capital requirements.

4. Share Capital

Authorized

Unlimited number of common shares

Issued

200 Common shares

\$ 200

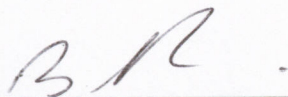
The Corporation was formed on April 11, 2014 with 200 common shares issued at \$1 per share.

DATE AND CERTIFICATE

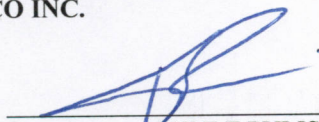
Dated: February 6, 2015

This Offering Memorandum does not contain a misrepresentation.

**PULIS REAL ESTATE TRUST, by its Administrator,
PULIS REAL ESTATE ADMINCO INC.**



BRIAN PULIS
Acting Chief Executive Officer and
Director

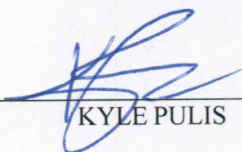


KYLE PULIS
Acting Chief Financial Officer and
Director

PROMOTERS



BRIAN PULIS



KYLE PULIS

PULIS REAL ESTATE GP2 INC.



(Signed) Brian Pulis
Chief Executive Officer

**SCHEDULE A
SUBSCRIPTION AGREEMENT**

**PULIS REAL ESTATE TRUST
INSTRUCTION FORM FOR SUBSCRIPTION AGREEMENT**

IMPORTANT: The following items in the attached Subscription Agreement must be completed and executed:

All Purchasers

<input type="checkbox"/>	Complete and execute all applicable lines on pages 1, 2 and 3 of the Subscription Agreement.
<input type="checkbox"/>	Provide a certified cheque, or bank draft or proof of wire transfer (bank receipt required), made payable to Pulis Real Estate Trust for the Total Subscription Price indicated on page 1 of the Subscription Agreement. Provide a cheque marked "VOID" from the account to which distributions are to be made, if you have selected cash distributions.
<u>Purchasers Resident in Any Province or Territory of Canada other than Ontario</u>	
<input type="checkbox"/>	If an "accredited investor", complete and execute Schedule A – Accredited Investor Status Certificate, indicating which category is applicable. You do not need to complete Schedule B, C, D or E if Schedule A is completed.
<input type="checkbox"/>	If relying on the "Family, Friends and Business Associates" exemption, complete and execute Schedule B – Family, Friends and Business Associates Status Certificate, indicating which category is applicable. You do not need to complete Schedule A, C, D or E if Schedule B is completed. If you are resident in Saskatchewan, you must also complete Exhibit A to Schedule B. This exemption is not available to residents of Quebec.
<input type="checkbox"/>	If relying on the "Offering Memorandum" exemption, complete and execute Schedule D – Eligible Investor Status Certificate and Exhibit A attached thereto. You do not need to complete Schedule A, B, C or E if Schedule D is completed unless Schedule D specifically provides that you must complete one of Schedule A or Schedule B. This exemption is not available to residents of Quebec.
<u>Purchasers Resident in Ontario</u>	
<input type="checkbox"/>	If an "accredited investor", complete and execute Schedule A – Accredited Investor Status Certificate, indicating which category is applicable. You do not need to complete Schedule B, C, D or E if Schedule A is completed.
<input type="checkbox"/>	If not an "accredited investor" and relying on the "Founder, Control Person and Family" exemption, complete and execute Schedule E – Founder, Control Person and Family Status Certificate. You do not need to complete Schedule A, B, C or D if Schedule E is completed.
<input type="checkbox"/>	If not an "accredited investor" and relying on the "Minimum Amount Investment" exemption, complete and execute Schedule C – Minimum Amount Investment Status Certificate. You do not need to complete Schedule A, B, D or E if Schedule C is completed.

A completed and originally executed copy of this Subscription Agreement, including this instruction sheet and the items required to be completed as set out above is to be returned to Pulis Real Estate Trust, 1 Nelson Street W., Suite 200A, Brampton, Ontario L6W 3E4, Tel: 1-855-452-1305, Attention: Brian Pulis.

SUBSCRIPTION AGREEMENT

TO: PULIS REAL ESTATE TRUST (the "Trust")

The undersigned (the "**Purchaser**"), on its own behalf, and, if applicable, on behalf of those for whom the undersigned is contracting hereunder, hereby irrevocably subscribes for and agrees to purchase from the Trust that number of trust units of the Trust (the "**Trust Units**") set out below to be issued for the aggregate consideration set out below, subject to the following terms and conditions. This agreement, which for greater certainty includes and incorporates the attached Schedules, is referred to herein as the "**Subscription Agreement**". The Purchaser agrees to be bound by the terms and conditions set forth in the attached **Terms and Conditions of Subscription** including, without limitation, the representations, warranties and covenants set forth in the schedules attached thereto. The Purchaser further agrees, without limitation, that the Trust and its legal counsel may rely on the Purchaser's representations, warranties and covenants contained in such documents.

Issuer: Pulis Real Estate Trust

Issue: Trust Units

Total Subscription Amount: \$ _____

DATED: this _____ day of _____, 20____.

Name and Address of Purchaser(s)

Name of Purchaser - please print

Purchaser(s) Address

Name of Co-Purchaser (if applicable) - Please Print

By:

Official Capacity or Title - please print

Telephone Number

Authorized Signature 1

Email Address

Authorized Signature 2

Email Address

(Please print name of individual whose signature appears above on the "Authorized Signature 2" line, if different than the printed name on the "Name of Purchaser" line above.)

Purchaser SIN; or BIN (if business entity)

Co-Purchaser SIN; or BIN (if business entity)

TO BE COMPLETED BY SUBSCRIBERS:

The Subscriber is ☐ or is not ☐ a registrant as defined in the *Securities Act* (British Columbia). [Please check applicable box]

Selection of Distributions Option

Subscriber wishes to receive distributions in (mark with an "X"):

- ☐ All cash - Direct Deposit
- ☐ All Trust Units - DRIP (Distribution Reinvestment Plan)
- ☐ Part cash and part Trust Units. ____ Percent of total amount of distributions on the Trust Units should be in cash with the remainder in Trust Units.

Details of Beneficial Purchaser (if the Purchaser is purchasing as agent for a principal and is not purchasing as agent or trustee for accounts fully managed by it):

Name – please print

Beneficial Purchaser's Address

(If space is inadequate please attach a schedule containing the necessary information.)

Registration Instructions:

Delivery Instructions:

Name

Beneficial Purchaser's Address

Account reference (if applicable)

Account reference (if applicable)

Address

Contact Name

Address

Telephone Number

Facsimile Number

Purchaser SIN or BIN

THIS PAGE FOR PULIS USE ONLY

Closing Date: _____

Price Per Unit on Closing Date: _____

Number of Trust Units Issued: _____

ACCEPTANCE

The foregoing is acknowledged, accepted and agreed to this ____ day of _____, 20____.

PULIS REAL ESTATE TRUST, by its
administrator

PULIS REAL ESTATE ADMINCO INC.

Per: _____
Authorized Signing Officer

THIS PAGE FOR ADVISOR USE ONLY

Dealer Name:	<hr/>
Dealer FundSERV Code (If Applicable):	<hr/>
Representative Name:	<hr/>
Representative Code:	<hr/>
Representative Phone:	<hr/>
Representative Email:	<hr/>

TERMS AND CONDITIONS OF SUBSCRIPTION

1. Subscription. The Purchaser hereby tenders to the Trust this Subscription Agreement which, upon acceptance by the Trust, will constitute an irrevocable agreement of the Purchaser to purchase from the Trust and, of the Trust to sell to the Purchaser, the number of trust units of the Trust (the “**Trust Units**”), determined by dividing the “**Total Subscription Amount**” by the posted price per Unit on the **Closing Date** (the “**Purchase Price**”) such numbers of the Trust Units being the “**Purchaser's Scurities**” for purposes of this Subscription Agreement, all on and subject to the terms and conditions set out in this Subscription Agreement.

2. Definitions. In this Subscription Agreement, unless the context otherwise requires:

- (a) “**Act**” means the *Securities Act* (Ontario);
- (b) “**affiliate**”, “**associate**” and “**distribution**” have the respective meanings ascribed to them in the Act;
- (c) “**Closing**” means the completion of the issue and sale by the Trust and the purchase by the Purchaser pursuant to the provisions of this Subscription Agreement;
- (d) “**Closing Date**” has the meaning ascribed thereto in section 4 hereof;
- (e) “**Closing Notice**” has the meaning ascribed thereto in section 4 hereof;
- (f) “**Closing Time**” means 10:00 a.m. (Toronto time) on the Closing Date or such other time as the Trust and the Purchaser may agree pursuant to the provisions of this Subscription Agreement;
- (g) “**Declaration of Trust**” means the declaration of trust of the Trust dated June 20, 2014, as amended on July 30, 2014 and February [●], 2015, and which may be further amended from time to time;
- (h) “**Designated Provinces**” means all of the provinces of Canada, to the extent that any Purchaser is resident therein;
- (i) “**Eligibility Adviser**” means
 - (i) a person that is registered as an investment dealer and authorized to give advice with respect to the type of security being distributed, and
 - (ii) in Saskatchewan or Manitoba, “**Eligibility Adviser**” also means a lawyer who is a practicing member in good standing with a law society in a jurisdiction of Canada or a public accountant who is a member in good standing of an institute or association of chartered accountants, certified general accountants or certified management accountants in a jurisdiction of Canada provided that the lawyer or public accountant does not:
 - 1. have a professional, business or personal relationship with the Trust, or any of its Trustees, executive officers, founders, or control persons, and
 - 2. act or has not acted for or been retained personally or otherwise as an employee, executive officer, director, associate or partner of a person that has acted for or been retained by the Trust or any of its trustees, executive officers, founders or control persons within the previous 12 months;
- (j) “**Eligible Investor**” means:
 - (i) a Purchaser whose

1. net assets, alone or with a spouse, in the case of an individual, exceed \$400,000,
 2. net income before taxes exceeded \$75,000 in each of the 2 most recent calendar years and who reasonably expects to exceed that income level in the current calendar year, or
 3. net income before taxes, alone or with a spouse, in the case of an individual, exceeded \$125,000 in each of the 2 most recent calendar years and who reasonably expects to exceed that income level in the current calendar year,
- (ii) a Purchaser of which a majority of the voting securities are beneficially owned by Eligible Investors or a majority of the directors are Eligible Investors,
 - (iii) a Purchaser that is a general partnership of which all of the partners are Eligible Investors,
 - (iv) a Purchaser that is a limited partnership of which the majority of the general partners are Eligible Investors,
 - (v) a Purchaser that is a trust or estate in which all of the beneficiaries or a majority of the trustees or executors are Eligible Investors,
 - (vi) a Purchaser that is an “accredited investor” as that term is defined in NI 45-106,
 - (vii) a Purchaser that is a trustee, executive officer or control person of the Trust, or of an affiliate of the Trust,
 - (viii) a Purchaser that is a spouse, parent, grandparent, brother, sister, child or grandchild of a trustee, executive officer or control person of the Trust, or of an affiliate of the Trust,
 - (ix) a Purchaser that is a parent, grandparent, brother, sister, child or grandchild of the spouse of a trustee, executive officer or control person of the Trust or of an affiliate of the Trust,
 - (x) a Purchaser that is a close personal friend of a trustee, executive officer or control person of the Trust, or of an affiliate of the Trust,
 - (xi) a Purchaser that is a close business associate of a trustee, executive officer or control person of the Trust, or of an affiliate of the Trust,
 - (xii) a Purchaser that is a founder of the Trust or a spouse, parent, grandparent, brother, sister, child, grandchild, close personal friend or close business associate of a founder of the Trust,
 - (xiii) a Purchaser that is a parent, grandparent, brother, sister, child or grandchild of a spouse of a founder of the Trust,
 - (xiv) a Purchaser that is a person of which a majority of the voting securities are beneficially owned by, or a majority of the directors are, persons described in paragraphs (vii) to (xiii),
 - (xv) a Purchaser that is a trust or estate of which all of the beneficiaries or a majority of the trustees or executors are persons described in paragraphs (vii) to (xiii), or

- (xvi) a Purchaser that has obtained advice regarding the suitability of the investment and, if the person is resident in a jurisdiction of Canada, that advice has been obtained from an Eligibility Adviser;
- (k) “**International Jurisdiction**” has the meaning ascribed thereto in section 7(s);
- (l) “**material**” means material in relation to the Trust and its Subsidiaries considered on a consolidated basis;
- (m) “**Offering Memorandum**” means a current, unexpired confidential offering memorandum of the Trust delivered to the Purchaser, together with all appendices thereto.
- (n) “**NI 45-106**” means National Instrument 45-106 *Prospectus and Registration Exemptions* as such instrument is in effect (if applicable) at Closing in the Designated Province in which the Purchaser resides;
- (o) “**OSC**” means the Ontario Securities Commission;
- (p) “**PCMLA**” means the Proceeds of Crime (Money Laundering) Act (Canada);
- (q) “**Personal Information**” means any information about a Purchaser disclosed by the Purchaser in this Subscription Agreement and the Schedules thereto;
- (r) “**Purchase Price**” has the meaning ascribed thereto in section 1 hereof;
- (s) “**Purchaser**” means the person or persons or company named as Purchaser on the face page of this Subscription Agreement, and if more than one person is so named, means all of them jointly and severally;
- (t) “**Purchaser's Securities**” has the meaning ascribed thereto in section 1;
- (u) “**Qualifying Transaction**” means the qualification of the Trust as a mutual fund trust within the meaning of the *Income Tax Act* (Canada);
- (v) “**Securities Commissions**” means, collectively, the applicable securities commissions or other securities regulatory authorities, as applicable, in each of the Designated Provinces;
- (w) “**Securities Laws**” means, collectively, the applicable securities laws of each of the Designated Provinces and the regulations and rules made and forms prescribed thereunder together with all applicable and legally enforceable published policy statements, multilateral or national instruments, blanket orders, rulings and notices of the Securities Commissions;
- (x) “**Trust**” means Pulis Real Estate Trust;
- (y) “**United States**” means the United States of America, its territories and possessions, any State of the United States and the District of Columbia;
- (z) “**Trust Units**” means the trust units of the Trust;
- (aa) “**U.S. Person**” means a U.S. person as defined in Rule 902(k) of Regulation S under the U.S. Securities Act; and
- (bb) “**U.S. Securities Act**” means the United States Securities Act of 1933, as amended.

3. Delivery and Payment. The Purchaser agrees that the following shall be delivered to the Trust, at such time, date and place as the Trust may advise:

- (a) a completed and duly signed copy of this Subscription Agreement;
- (b) if the Purchaser is resident in or otherwise subject to the laws of the Provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, Nova Scotia, New Brunswick, Prince Edward Island or Newfoundland and Labrador, or the territories of the Northwest Territories, Yukon or Nunavut and is purchasing the Purchaser's Securities as an "accredited investor" as defined in NI 45-106, a duly completed and executed copy of the Accredited Investor Status Certificate in the form attached hereto as Schedule A;
- (c) if the Purchaser is resident in or otherwise subject to the laws of the **Provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Nova Scotia, New Brunswick, Prince Edward Island or Newfoundland and Labrador, or the territories of the Northwest Territories, Yukon or Nunavut** and is purchasing the Purchaser's Securities in reliance on the "Family, Friends and Business Associates" exemption provided under section 2.5 of NI 45-106, a duly completed and executed Family, Friends and Business Associates Status Certificate (including Exhibit A thereto if applicable) in the form attached hereto as Schedule B;
- (d) if the Purchaser is resident in or otherwise subject to the laws of the **Provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Nova Scotia, New Brunswick, Prince Edward Island or Newfoundland and Labrador, or the territories of the Northwest Territories, Yukon or Nunavut** and is purchasing the Purchaser's Securities as principal and is purchasing a sufficient number of Trust Units so that the aggregate Purchase Price payable by the Purchaser in respect of the Purchaser's Securities will not be less than \$150,000, a "Minimum Amount Investment" Status Certificate in the form attached hereto as Schedule C;
- (e) if the Purchaser is resident in or otherwise subject to the laws of the **Provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Nova Scotia, New Brunswick, Prince Edward Island or Newfoundland and Labrador, or the territories of the Northwest Territories, Yukon or Nunavut** and is relying on the "Offering Memorandum" exemption provided under section 2.9 of NI 45-106, a duly completed and executed Eligible Investor Status Certificate in the form attached hereto as Schedule D as well as the Risk Acknowledgement attached thereto as Exhibit A;
- (f) if the Purchaser is resident in or otherwise subject to the laws of the **Province of Ontario**, is not an "accredited investor" as defined in NI 45-106, is not relying on the "Minimum Amount Investment" exemption as described in NI 45-106 and is purchasing the Purchaser's Securities in reliance on the "**Founder, Control Person and Family**" exemption provided under section 2.7 of NI 45-106, a duly completed and executed Founder, Control Person and Family Status Certificate in the form attached hereto as Schedule E;
- (g) a certified cheque, or bank draft or proof of wire transfer (bank receipt required) made payable on or before the Closing Date (or such other date as the Trust may advise) in same day freely transferable Canadian funds at par in Toronto, Ontario to "Pulis Real Estate Trust" representing the aggregate Purchase Price payable by the Purchaser for the Purchaser's Securities, or such other method of payment of the same amount against delivery of the Purchaser's Securities as the Trust may request; and
- (h) any other documents required by the Securities Laws or that the Trust requests.

The Purchaser, and each beneficial purchaser, if any, for whom it is acting as trustee or agent acknowledge and agree that such documents, when executed and delivered by the Purchaser, will form part of and will be incorporated into this Subscription Agreement with the same effect as if each constituted a representation and

warranty or covenant of the Purchaser hereunder in favour of the Trust. The Purchaser and each such beneficial purchaser consent to the filing of such documents as may be required to be filed in connection with the transactions contemplated hereby. The Purchaser and each such beneficial purchaser acknowledge that they have received a copy of the Declaration of Trust.

4. Closing. The transactions contemplated hereby will be completed on the day on which the Trust gives notice in writing to the Purchaser (the “**Closing Notice**”) that each of the conditions precedent to Closing have been met or waived by the Trust (the “**Closing Date**”) at the “**Closing Time**” at the offices of the Trust.

Except as otherwise indicated, all documents included in this Subscription Agreement or otherwise required pursuant to the provisions of such documents should be completed and executed in their entirety by the Purchaser. All information should be typed or printed in ink. For more information or for assistance in completing this Subscription Agreement, please call: 1-855-452-1305 or email inquiry@pulisinvestments.com.

It is suggested that the Purchaser make and retain copies of the completed subscription and related documents. **Only original documents will be considered for acceptance.**

Purchasers are required to obtain independent legal advice in connection with any subscription for an interest in the Trust. Purchasers are also strongly encouraged to seek tax and other investment advice concerning their investment in the Trust. The Purchaser and the “**disclosed beneficial purchaser**” have obtained such legal and tax advice as he/she/it consider appropriate in connection with the offer, sale and issuance of the Trust Units and the execution, delivery and performance by he/she/it of this Subscription Agreement and the transactions contemplated by this Subscription Agreement. The Purchaser and any disclosed beneficial purchaser are not relying on the Trust, its affiliates or counsel in this regard.

5. Conditions of Closing. The Purchaser acknowledges that the Trust's obligation to sell the Trust Units to the Purchaser is subject to, among other things, the following conditions that:

- (a) the Purchaser or beneficial purchaser, if any, for whom the Purchaser is acting as trustee or agent executes and returns to the Trust all documents required by applicable “**Securities Laws**” for delivery on behalf of the Purchaser or beneficial purchaser, if any, for whom the Purchaser is acting as trustee or agent including, without limitation, all applicable Schedules attached hereto on or before the Closing Time;
- (b)) the issue and sale and delivery of the Purchaser's Securities are exempt from the requirements to file a prospectus (as defined in applicable Securities Laws, including “**OSC**” Rule 14-501 – *Local Definitions*) or any similar document under applicable Securities Laws and other applicable securities laws relating to the sale of the Purchaser's Securities, or that the Trust has received such orders, consents or approvals as may be required to permit such sale without the requirement of filing a prospectus; and
- (c) the representations and warranties set out herein, including in the Schedules hereto, of the Purchaser are true and correct as at the Closing Time.

The Purchaser acknowledges and agrees that as the sale of the Purchaser's Securities will not be qualified by a prospectus, such sale is subject to the condition that the Purchaser (or, if applicable, any others for whom the Purchaser is contracting hereunder) sign and return to the Trust all relevant documentation required by the Securities Laws.

The Purchaser acknowledges and agrees that the Trust will be required to provide to the “**Securities Commissions**” a list setting out the identities of the beneficial purchasers of the Trust Units. Notwithstanding that the Purchaser may be purchasing Trust Units as an agent on behalf of an undisclosed beneficial purchaser (if permissible under the relevant securities laws), the Purchaser agrees to provide, on request, particulars as to the identity of such undisclosed beneficial purchaser as may be required by the Trust in order to comply with the foregoing and Securities Laws.

6. Acceptance or Rejection. The Trust will have the right, in its sole discretion, to accept or reject this Subscription Agreement in whole or in part at any time at or prior to the Closing Time. The Trust will be deemed to have accepted this Subscription Agreement upon the Trust's execution of the acceptance form at page 4 of this Subscription Agreement and the delivery at the Closing of one or more unit certificates representing the Purchaser's Securities.

7. Purchaser's Representations and Warranties. The Purchaser represents and warrants to the Trust as follows and acknowledges that the Trust is relying on such representations and warranties in connection with the transactions contemplated in this Subscription Agreement:

- (a) **Offering Memorandum Reliance.** In the Purchaser's decision to execute this Subscription Agreement and purchase the **Purchaser's Securities** agreed to be purchased hereunder, it has relied solely upon the Offering Memorandum and this Subscription Agreement;
- (b) **Authorization and Effectiveness.** If the Purchaser is an individual, he or she is of the full age of majority and has all requisite legal capacity and competence to execute and deliver this Subscription Agreement, to subscribe for the Purchaser's Securities and to observe and perform his or her covenants and obligations hereunder, or if the Purchaser is a corporation, the Purchaser is duly incorporated and is a valid and existing corporation, has the necessary corporate capacity and authority to execute and deliver this Subscription Agreement, to subscribe for the Purchaser's Securities and to observe and perform its covenants and obligations hereunder and has taken all necessary corporate action in respect thereof, or, if the Purchaser is a partnership, syndicate or other form of unincorporated organization, the Purchaser has the necessary legal capacity and authority to execute and deliver this Subscription Agreement, to subscribe for the Purchaser's Securities and to observe and perform its covenants and obligations hereunder and has obtained all necessary approvals in respect thereof, and, in any case, upon acceptance by the Trust, this Subscription Agreement will constitute a legal, valid and binding agreement of the Purchaser enforceable against the Purchaser in accordance with its terms and will not result in a violation of or create a state of facts which, after notice, lapse of time or both, would constitute a default or breach of any of the Purchaser's constating documents, by-laws or authorizing resolutions (if applicable), any agreement to which the Purchaser is a party or by which it is bound or any law applicable to the Purchaser or any judgment, decree, order, statute, rule or regulation applicable to the Purchaser;
- (c) **Residence.** The Purchaser, or each beneficial purchaser, if any, for whom the Purchaser is acting as trustee or agent, has been offered the Purchaser's Securities in, and is a resident of, the jurisdiction referred to under **Name and Address of Purchaser** and **Details of Beneficial Purchaser**, respectively, set out on the face page and page 2 hereof, and intends that the Securities Laws of that jurisdiction do and shall govern the subscription of the Purchaser or any beneficial purchaser for whom it is contracting hereunder and that such addresses were not created and are not used solely for the purpose of acquiring the Purchaser's Securities;
- (d) **Private Placement Exemptions.** The Purchaser has properly completed, executed and delivered to the Trust the status certificate(s) (dated as of the date hereof) applicable to the Purchaser set forth in Schedules A through E attached hereto and the information contained therein is true and correct and the representations, warranties and covenants contained in the applicable Schedules attached hereto will be true and correct both as of the date of execution of this Subscription Agreement and as at the Closing Time;
- (e) **Purchasing as Principal.** Unless paragraph (g) below applies, the Purchaser is purchasing the Purchaser's Securities as principal (as defined in all applicable Securities Laws) for its own account, and not for the benefit of any other person;
- (f) **Purchasing for Investment Only.** Unless paragraph (g) below applies, the Purchaser is purchasing the Purchaser's Securities for investment only and not with a view to resale or distribution of all or any of the Purchaser's Securities;

(g) **Purchasing as Agent or Trustee.**

- (i) In the case of the purchase by the Purchaser of the Purchaser's Securities as agent or trustee for any principal whose identity is disclosed or identified(the “**disclosed beneficial purchaser**”, each disclosed beneficial purchaser of the Purchaser's Securities for whom the Purchaser is acting, is purchasing its Purchaser's Securities: (1) as principal for its own account and not for the benefit of any other person; (2) for investment only and not with a view to resale or distribution and was not created or used solely to purchase or hold securities in reliance on the “**Minimum Amount Investment**” exemption provided under section 2.10 of NI 45-106 and the Purchaser existed prior to the date of the Offering and has a *bona fide* purpose other than investment in the Trust Units; and (3) one of the following applies (A) at an aggregate acquisition cost to such beneficial purchaser of not less than \$150,000, (B) the beneficial purchaser is an “accredited investor” as defined in NI 45-106; (C) the beneficial purchaser is eligible to rely on the “Family, Friends and Business Associates” exemption provided under section 2.5 of NI 45-106; (D) the beneficial purchaser is resident in British Columbia, New Brunswick, Nova Scotia or Newfoundland and Labrador and is an “**Eligible Investor**” or is resident in Alberta, Manitoba, Northwest Territories, Nunavut, Prince Edward Island, Saskatchewan or the Yukon and is either (i) an “eligible investor”; or (ii) whose Total Subscription Amount as shown on page 2 hereof; or (E) the beneficial purchaser is eligible to rely on the “Founder, Control Person and Family” exemption provided under section 2.7 of NI 45-106;
- (ii) In the case of the purchase by the Purchaser of the Purchaser's Securities as agent or trustee for any principal, the Purchaser is the duly authorized trustee or agent of such disclosed beneficial purchaser with due and proper power and authority to execute and deliver, on behalf of each such beneficial purchaser, this Subscription Agreement and all other documentation in connection with the purchase of the Purchaser's Securities hereunder, to agree to the terms and conditions herein and therein set out and to make the representations, warranties, acknowledgements and covenants herein and therein contained, all as if each such beneficial purchaser was the Purchaser and the Purchaser's actions as trustee or agent are in compliance with applicable law and the Purchaser and each beneficial purchaser acknowledge that the Trust is required by law to disclose to certain regulatory authorities the identity of each beneficial purchaser of Purchaser's Securities for whom it may be acting; and
- (iii) In the case of the purchase by the Purchaser of the Purchaser's Securities on behalf of an undisclosed beneficial purchaser, the Purchaser is deemed under applicable Securities Laws to be purchasing as principal;

(h) **Broker.** There is no person acting or purporting to act in connection with the transactions contemplated herein who is entitled to any brokerage or finder's fee and if any person establishes a claim that any fee or other compensation is payable in connection with this subscription for the Purchaser's Securities, the Purchaser covenants to indemnify and hold harmless the Trust with respect thereto and with respect to all costs reasonably incurred in the defence thereof;

(i) **Illegal Use of Funds.** None of the funds being used to purchase the Purchaser's Securities are to the Purchaser's knowledge proceeds obtained or derived directly or indirectly as a result of illegal activities. The funds being used to purchase the Purchaser's Securities which will be advanced by the Purchaser to the Trust hereunder will not represent proceeds of crime for the purposes of the “PCMLA” and the Purchaser acknowledges that the Trust may in the future be required by law to disclose the Purchaser's name and other information relating to this Subscription Agreement and the Purchaser's subscription hereunder, on a confidential basis, pursuant to the PCMLA. To the best of its knowledge: (i) none of the funds to be provided by the Purchaser are being tendered on behalf of a person or entity who has not been identified to the Purchaser, and (ii) it shall promptly

notify the Trust if the Purchaser discovers that any of such representations cease to be true, and to provide the Trust with appropriate information in connection therewith;

- (j) **Resale Restrictions.** The Purchaser, and each beneficial purchaser for whom it is contracting hereunder, have consulted their own legal advisors with respect to trading in the Purchaser's Securities and the resale restrictions imposed by the Securities Laws of the province in which the Purchaser or any beneficial purchaser for whom it is contracting hereunder resides and other applicable securities laws, and acknowledge that (other than as expressly provided in this Subscription Agreement or in the Offering Memorandum) no representation has been made respecting the applicable hold periods imposed by the Securities Laws or other resale restrictions applicable to such securities which restrict the ability of the Purchaser, or any beneficial purchaser for whom it is contracting hereunder, to resell such securities, and that the Purchaser, or any beneficial purchaser for whom it is contracting, hereunder is solely responsible to obtain definitive legal advice with respect to these restrictions and the Purchaser, or any beneficial purchaser for whom it is contracting hereunder, is solely responsible (and the Trust shall be in no way responsible) for compliance with applicable resale restrictions and the Purchaser is aware that it, or any beneficial purchaser for whom it is contracting hereunder, may not be able to resell such securities except in accordance with limited exemptions under the Securities Laws and other applicable securities laws;
- (k) **No Purchase or Offer in United States.** The Purchaser, or beneficial purchaser, if any, for whom it is acting as trustee or agent:
- (i) is a discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-U.S. Person by a professional fiduciary organized, incorporated, or (if an individual) resident in the United States; or
 - (ii) is not, and is not purchasing the Purchaser's Securities for the account or benefit of, a U.S. Person under the U.S. Securities Act or for resale in the United States or to a U.S. Person in violation of United States federal or state securities laws, was not offered the Purchaser's Securities in the United States, at the time the purchase order originated was outside the United States, did not execute or deliver this Subscription Agreement or related documents in the United States and confirms that no act, solicitation, conduct or negotiation directly or indirectly in furtherance of the purchase of the Purchaser's Securities hereunder has occurred in the United States;

and acknowledges that the Purchaser's Securities have not been, nor will they be, registered under the U.S. Securities Act or the securities laws of any state, and may not be offered or sold in the United States or to a U.S. Person, unless an exemption from the registration requirements under the U.S. Securities Act and applicable state securities laws is available, and agrees not to offer, or sell the Purchaser's Securities in the United States or to a U.S. Person, unless the Trust consents to such offer or sale and an exemption from registration under the U.S. Securities Act and applicable state securities laws is available;

- (l) **Trust or Unincorporated Organization.** If the Purchaser, or any beneficial purchaser for whom it is acting as trustee or agent, is a corporation or a partnership, syndicate, trust, association, or any other form of unincorporated organization or organized group of persons, the Purchaser or such beneficial purchaser was not created or being used solely to permit purchases of or to hold securities without a prospectus in reliance on a prospectus exemption;
- (m) **Purchaser Acknowledgements.** The Purchaser, on its own behalf and (if applicable) on behalf of others for whom it is contracting hereunder, acknowledges and agrees that it has read and fully understands the Offering Memorandum and has had an opportunity to ask and have answered questions with respect to the Trust and the sale of the Trust Units. The Purchaser has consulted to the extent it deems appropriate with the Purchaser's own advisors as to the financial, tax, legal and related matters concerning an investment in the Trust Units and on that basis the Purchaser

believes that an investment in the Trust Units is suitable and appropriate for the Purchaser. The Purchaser on its own behalf and (if applicable) on behalf of others for whom it is contracting hereunder, further acknowledges and agrees that other than the Offering Memorandum, the Purchaser has not requested access to and does not need to receive any other information concerning the Trust;

- (n) **Investment Suitability.** The Purchaser, or beneficial purchaser, if any, for whom the Purchaser is acting as trustee or agent, has such knowledge and experience in financial and business affairs as to be capable of evaluating the merits and risks of the investment hereunder in the Purchaser's Securities and is able to bear the economic risk of total loss of such investment;
- (o) **Not a "Control Person" or "Founder".** The Purchaser, or beneficial purchaser, if any, for whom the Purchaser is acting as trustee or agent, who is not relying on the "Founder, Control Person and Family" exemption provided under section 2.7 of NI 45-106, is not a "control person" or "founder" of the Trust, as those terms are defined in applicable Securities Laws, and will not become a "control person" of the Trust by virtue of the purchase of the Purchaser's Securities under this Subscription Agreement and does not act or intend to act in concert with any other person to form a control group in respect of the Trust;
- (p) **TRUST NOT A REPORTING ISSUER. THE PURCHASER, OR THE BENEFICIAL PURCHASER, IF ANY, FOR WHOM THE PURCHASER IS ACTING AS TRUSTEE OR AGENT, FULLY UNDERSTANDS THAT: (1) THE TRUST IS NOT, AND CURRENTLY HAS NO INTENTION OF BECOMING, A REPORTING ISSUER UNDER THE SECURITIES LAWS AND AS A RESULT, APART FROM THE REDEMPTION RIGHTS OF EACH HOLDER OF UNITS SET OUT IN THE DECLARATION OF TRUST, THE UNITS HAVE AN INDEFINITE STATUTORY HOLD PERIOD; AND (2) THE PURCHASER WILL BE A MINORITY HOLDER OF UNITS IN A PRIVATE ENTITY WITH LIMITED ABILITY TO RESELL SUCH SECURITIES.**
- (q) **Other Documents.** The Purchaser, or beneficial purchaser, if any, for whom the Purchaser is acting as trustee or agent, will execute and deliver any other documents required by applicable Securities Laws to permit the purchase of the Purchaser's Securities on the terms herein set forth which the Trust may request from time to time;
- (r) **Personal Information.** The Purchaser acknowledges that this Subscription Agreement requires the Purchaser to provide certain "**Personal Information**" to the Trust. Such information is being collected and will be used by the Trust for the purposes of completing the offering of Trust Units pursuant to this Subscription Agreement, which includes, without limitation, determining the Purchaser's eligibility to purchase the Purchaser's Securities under applicable Securities Laws, preparing and registering certificates representing the Purchaser's Securities and completing filings required by the Securities Commissions. The Purchaser agrees that the Purchaser's Personal Information may be disclosed by the Trust to: (a) stock exchanges and applicable securities regulatory authorities, (b) the Trust's registrar and transfer agent, and (c) any of the other parties involved in the offering of Trust Units, including legal counsel, and may be included in record books in connection with offering of Trust Units. By executing this Subscription Agreement, the Purchaser consents to the foregoing collection, use and disclosure of the Personal Information. The Purchaser also consents to the filing of copies or originals of any of the Purchaser's documents described in paragraph 3 hereof as may be required to be filed with any stock exchange or securities regulatory authority in connection with the transactions contemplated hereby or the completion of the "**Qualifying Transaction**" in the future;
- (s) **International Purchasers.** If the Purchaser is a resident of a country other than Canada or the United States (an "**International Jurisdiction**") then in addition to the other representations and warranties contained herein, the Purchaser represents and warrants that:

- (i) the Purchaser is knowledgeable of, or has been independently advised as to, the applicable securities laws of the International Jurisdiction which would apply to this Subscription Agreement, if any;
- (ii) the Purchaser is purchasing the Purchaser's Securities pursuant to exemptions from the prospectus and registration requirements under the applicable securities laws of that International Jurisdiction or, if such is not applicable, the Purchaser is permitted to purchase the Purchaser's Securities under the applicable securities laws of the International Jurisdiction without the need to rely on an exemption;
- (iii) the applicable securities laws do not require the Trust to file a prospectus or similar document or to register the Trust Units or to make any filings or seek any approvals of any kind whatsoever from any regulatory authority of any kind whatsoever in the International Jurisdiction;
- (iv) the delivery of this Subscription Agreement, the acceptance of it by the Trust and the issuance of the Trust Units to the Purchaser complies with all applicable laws of the Purchaser's jurisdiction of residence or domicile and all other applicable laws and will not cause the Trust to become subject to or comply with any disclosure, prospectus or reporting requirements under any such applicable laws;
- (t) **Eligibility.** The Purchaser (and any disclosed beneficial purchaser) is eligible to purchase the Trust Units pursuant to an exemption from the prospectus and registration requirements of Securities Laws. The Purchaser has completed and delivered to the Trust the applicable certificate contained in Schedule A, B, C, D or E evidencing the Purchaser's (and any disclosed beneficial purchaser's) status under Securities Laws and confirms the truth and accuracy of all statements made in such certificate as of the date of this Subscription Agreement and as of the Closing Time;
- (u) **Arm's Length.** The Purchaser (and any disclosed beneficial purchaser) is at arm's-length, within the meaning of Securities Laws, with the Trust;
- (v) **No Financial Assistance.** The Purchaser (and any disclosed beneficial purchaser) has not received, nor does it expect to receive any financial assistance from the Trust, directly or indirectly, in respect of the Purchasers' purchase of Trust Units; and
- (w) **Certain Representations.** No person has made any oral or written representations to the Purchaser: (i) that any person will resell or repurchase the Purchaser's Securities; (ii) that any person will refund the Purchase Price of the Purchaser's Securities; or (iii) as to the future value or price of any of the Trust Units.

The Purchaser acknowledges and agrees that the foregoing representations and warranties are made by it with the intention that they may be relied upon by the Trust in determining the Purchaser's eligibility or (if applicable) the eligibility of others on whose behalf it is contracting hereunder to purchase the Purchaser's Securities under Securities Laws. The Purchaser further agrees that by accepting delivery of the Purchaser's Securities on the Closing Date, it shall be representing and warranting that the foregoing representations and warranties are true and correct as at the Closing Time with the same force and effect as if they had been made by the Purchaser at the Closing Time and that they shall survive the purchase by the Purchaser of the Purchaser's Securities and shall continue in full force and effect notwithstanding any subsequent disposition by the Purchaser of the Trust Units. The Purchaser undertakes to notify the Trust immediately of any change in any representation, warranty or other information relating to the Purchaser set out in this Subscription Agreement which takes place prior to the Closing Time.

8. Purchaser's Acknowledgements. The Purchaser acknowledges and agrees that:

- (a) **AN INVESTMENT IN THE SECURITIES IS NOT WITHOUT RISK AND THE PURCHASER (AND ANY DISCLOSED BENEFICIAL PURCHASER) MAY LOSE HIS, HER OR ITS ENTIRE INVESTMENT;**
- (b) (i) no agency, governmental authority, regulatory body, stock exchange or other entity has made any finding or determination as to the merit for investment of, nor have any such agencies or governmental authorities made any recommendation or endorsement with respect to the Purchaser's Securities or the offering thereof; (ii) there is no government or other insurance covering the Purchaser's Securities; and (iii) there are risks associated with the purchase of the Purchaser's Securities;
- (c) the purchase of the Purchaser's Securities has not been or will not be (as applicable) made through, or as a result of, and the distribution of the Purchaser's Securities is not being accompanied by, a general solicitation or advertisement including articles, notices or other communications published in any newspaper, magazine or similar media or broadcast over radio or television, or any seminar or meeting whose attendees have been invited by general solicitation or general advertising;
- (d) no prospectus or other offering document has been filed by the Trust with a securities commission or other securities regulatory authority in any province of Canada, or any other jurisdiction in or outside of Canada in connection with the issuance of the Purchaser's Securities, and such issuances are exempt from the prospectus requirements otherwise applicable under the provisions of Securities Laws and, as a result, in connection with its purchase of the Purchaser's Securities hereunder, as applicable:
- (i) the Purchaser is restricted from using most of the protections, rights and remedies available under Securities Laws including, without limitation, statutory rights of rescission or damages;
- (ii) the Purchaser will not receive information that may otherwise be required to be provided to the Purchaser under applicable Securities Laws or contained in a prospectus prepared in accordance with applicable Securities Laws; and
- (iii) the Trust is relieved from certain obligations that would otherwise apply under such applicable Securities Laws;
- (e) the Purchaser's Securities are being offered for sale only on a private placement basis;
- (f) except as otherwise provided, all costs and expenses incurred by the Purchaser (including any fees and disbursements of legal counsel retained by the Purchaser) relating to the purchase of the Purchaser's Securities shall be borne solely by the Purchaser;
- (g) the Purchaser's Securities will be subject to certain resale restrictions under the Securities Laws and the Purchaser agrees to comply with such restrictions. The Purchaser also acknowledges that it has been advised to consult its own legal advisors with respect to applicable resale restrictions and that it is solely responsible (and the Trust shall be in no way responsible) for complying with such restrictions. For the purposes of complying with the Securities Laws and Multilateral Instrument 45-102 *Resale of Securities*, the Purchaser understands and acknowledges that upon the issuance of the Purchaser's Securities, all the certificates representing the Purchaser's Securities shall bear a legend substantially in the following form:

“UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE THE DATE THAT IS 4 MONTHS AND A DAY AFTER THE DATE THE ISSUER BECAME A REPORTING ISSUER IN ANY PROVINCE OR TERRITORY.”

- (h) the Purchaser, and (if applicable) others for whom it is contracting hereunder, is solely responsible for obtaining such legal advice and tax advice it considers appropriate in connection with the execution, delivery and performance by it of this Subscription Agreement and the completion of the transactions contemplated hereby;
- (i) the Trust may complete additional financings in the future in order to develop the business of the Trust and fund its ongoing development, and such future financings may have a dilutive effect on current security holders of the Trust, including the Purchaser but there is no assurance that such financing will be available, on reasonable terms or at all, and if not available, the Trust may be unable to fund its ongoing development;
- (j) the Trust has the right to accept or reject the Purchaser's subscription in whole or in part; and
- (k) **THE TRUST IS NOT A REPORTING ISSUER. A PURCHASER, OR BENEFICIAL PURCHASER, IF ANY, FOR WHOM THE PURCHASER IS ACTING AS TRUSTEE OR AGENT, FULLY UNDERSTANDS THAT: (1) THE TRUST IS NOT, AND CURRENTLY HAS NO INTENTION OF BECOMING, A REPORTING ISSUER UNDER THE SECURITIES LAWS AND AS A RESULT, APART FROM THE REDEMPTION RIGHTS OF EACH HOLDER OF UNITS SET OUT IN THE DECLARATION OF TRUST, THE UNITS HAVE AN INDEFINITE STATUTORY HOLD PERIOD; AND (2) THE PURCHASER WILL BE A MINORITY HOLDER OF UNITS IN A PRIVATE ENTITY WITH LIMITED ABILITY TO RESELL SUCH SECURITIES.**

9. Further Acknowledgements of the Purchaser. The Purchaser hereby acknowledges, agrees and consents to:

- (a) the disclosure of Personal Information to each of the Trust and the Securities Commissions;
- (b) the collection, use and disclosure of Personal Information by any exchange on which the Trust Units may at any time be listed for trading;
- (c) the collection, use and disclosure of Personal Information by the Trust for corporate finance and shareholder communication purposes or such other purposes as are necessary to the Trust's business; and
- (d) the filing of this Subscription Agreement on SEDAR by the Trust, if applicable.

If the Purchaser is resident or otherwise subject to the securities law of the Province of Ontario, the Purchaser acknowledges and agrees that the Purchaser has been notified by the Trust: (i) of the delivery to the OSC of Personal Information pertaining to the Purchaser, including, without limitation, the full name, residential address and telephone number of the Purchaser, the number and type of securities purchased and the total Purchase Price paid in respect of the Purchaser's Securities, (ii) that this Personal Information is being collected indirectly by the OSC under the authority granted to it in securities legislation, (iii) that this Personal Information is being collected for the purposes of the administration and enforcement of the securities legislation of Ontario, and (iv) that the title, business address and business telephone number of the public official in Ontario who can answer questions about the OSC's indirect collection of the Personal Information is the Administrative Assistant to the Director of Corporate Finance, the Ontario Securities Commission, Suite 1903, Box 5520 Queen Street West, Toronto, Ontario M5H 3S8, Telephone: (416) 593-8086, Facsimile: (416) 593-8252, and (v) has authorized the indirect collection of the Personal Information by the OSC.

10. No Revocation. The Purchaser agrees that this Subscription Agreement is made for valuable consideration and may not be withdrawn, cancelled, terminated or revoked by the Purchaser without the consent of the Trust. Further, the Purchaser expressly waives and releases the Trust from all rights of withdrawal or rescission to which the Purchaser might otherwise be entitled pursuant to the Securities Laws or otherwise at law.

11. Indemnity. The Purchaser agrees to indemnify and hold harmless the Trust and its respective Trustees, directors, officers, employees, agents, advisers and Unitholders from and against any and all loss, liability, claim, damage and expense whatsoever (including, but not limited to, any and all fees, costs and expenses whatsoever reasonably incurred in investigating, preparing or defending against any claim, lawsuit, administrative proceeding or investigation whether commenced or threatened) arising out of or based upon any representation or warranty of the Purchaser contained herein or in any document furnished by the Purchaser to the Trust in connection herewith being untrue in any material respect or any breach or failure by the Purchaser to comply with any covenant or agreement made by the Purchaser herein or in any document furnished by the Purchaser to the Trust in connection herewith.

12. Modification. Subject to the terms hereof, neither this Subscription Agreement nor any provision hereof shall be modified, changed, discharged or terminated except by an instrument in writing signed by the party against whom any waiver, change, discharge or termination is sought.

13. Assignment. The terms and provisions of this Subscription Agreement shall be binding upon and enure to the benefit of the Purchaser, the Trust and their respective successors and assigns; provided that this Subscription Agreement shall not be assignable by any party without the prior written consent of the other parties. For greater certainty this Subscription Agreement may only be transferred or assigned by the Purchaser subject to compliance with applicable laws (including, without limitation, applicable Securities Laws).

14. Miscellaneous and Counterparts. All representations, warranties, agreements and covenants made or deemed to be made by the Purchaser, and (if applicable) others for whom it is contracting hereunder, herein will survive the execution and delivery, and acceptance, of this Subscription Agreement and the Closing. This Subscription Agreement may be executed in any number of counterparts, each of which when delivered, either in original facsimile form, or other electronic means shall be deemed to be an original and all of which together shall constitute one and the same document.

15. Governing Law. This Subscription Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. The Purchaser hereby irrevocably attorns to the jurisdiction of the courts of the Province of Ontario with respect to any matters arising out of this Subscription Agreement.

16. Facsimile Subscriptions. The Trust shall be entitled to rely on delivery by facsimile machine or other electronic means of an executed copy of this Subscription Agreement, including the completed Schedules hereto, and acceptance by the Trust of such facsimile copy shall be legally effective to create a valid and binding agreement between the Purchaser and the Trust in accordance with the terms hereof.

17. Entire Agreement. This Subscription Agreement, including the Schedules hereto, contains the entire agreement of the parties hereto relating to the subject matter hereof and there are no representations, covenants or other agreements relating to the subject matter hereof except as stated or referred to herein. This Subscription Agreement may be amended or modified in any respect by written instrument only.

18. Language. In connection with the offering of the Purchaser's Securities, the undersigned hereby requests that all documentation available, including the Subscription Agreement, be prepared and forwarded in the English language only. Dans le cadre du placement proposé d'obligations d'Pulis Real Estate Trust, le soussigné consent par les présentes à ce que la documentation relative à ce placement proposé, y compris la convention de souscription, soit rédigée et soumise en la langue anglaise seulement.

19. Time of Essence. Time shall be of the essence of this Subscription Agreement.

20. Currency. All dollar amounts referred to in this Subscription Agreement are in Canadian dollars.

SCHEDULE A

ACCREDITED INVESTOR STATUS CERTIFICATE

TO BE COMPLETED BY BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN, MANITOBA, ONTARIO, QUÉBEC, NEWFOUNDLAND AND LABRADOR, NOVA SCOTIA, NEW BRUNSWICK AND PRINCE EDWARD ISLAND, NORTHWEST TERRITORIES, YUKON AND NUNAVUT “ACCREDITED INVESTORS”

The categories listed herein contain certain specifically defined terms. If you are unsure as to the meanings of those terms, or are unsure as to the applicability of any category below, please contact your broker and/or legal advisor before completing this certificate. Capitalized terms not otherwise defined herein having the meanings ascribed thereto in the Subscription Agreement.

In connection with the purchase by the undersigned Purchaser of the Purchaser's Securities, the Purchaser, on its own behalf and on behalf of each of the beneficial purchasers for whom the Purchaser is acting, hereby represents, warrants, covenants and certifies to the Trust (and acknowledges that the Trust and its counsel are relying thereon) that:

- (a) the Purchaser, or each of the beneficial purchasers for whom the Purchaser is acting, is resident in or otherwise subject to the securities laws of one of the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, Newfoundland and Labrador, Nova Scotia, New Brunswick or Prince Edward Island, or the territories of Northwest Territories, Yukon or Nunavut;
- (b) the Purchaser, or each of the beneficial purchasers for whom the Purchaser is acting, is purchasing the Purchaser's Securities as principal for its own account and not for the benefit of any other person;
- (c) the Purchaser, or each of the beneficial purchasers for whom the Purchaser is acting, is an “accredited investor” within the meaning of NI 45-106 on the basis that the undersigned fits within the category of an “accredited investor” reproduced below beside which the undersigned has indicated the undersigned belongs to such category; and
- (d) upon execution of this Schedule A by the Purchaser, this Schedule A shall be incorporated into and form a part of the Subscription Agreement.

(PLEASE CHECK THE BOX OF THE APPLICABLE CATEGORY OF ACCREDITED INVESTOR)

- ☐ (a) a Canadian financial institution, or a Schedule III bank;
- ☐ (b) the Business Development Bank of Canada incorporated under the *Business Development Bank of Canada Act* (Canada);
- ☐ (c) a subsidiary of any person referred to in paragraphs (a) or (b), if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of that subsidiary;
- ☐ (d) a person registered under the securities legislation of a jurisdiction of Canada as an adviser or dealer, other than a person registered solely as a limited market dealer under one or both of the *Securities Act* (Ontario) or the *Securities Act* (Newfoundland and Labrador);
- ☐ (e) an individual registered or formerly registered under the securities legislation of a jurisdiction of Canada as a representative of a person referred to in paragraph (d);

- ☐ (f) the Government of Canada or a jurisdiction of Canada, or any crown corporation, agency or wholly owned entity of the Government of Canada or a jurisdiction of Canada;
- ☐ (g) any national, federal, state, provincial, territorial or municipal government of or in any foreign jurisdiction, or any agency of that government;) a municipality, public board or commission in Canada and a metropolitan community, school board, the Comité de gestion de la taxe scolaire de l'île de Montréal or an intermunicipal management board in Québec;
- ☐ (h) any national, federal, state, provincial, territorial or municipal government of or in any foreign jurisdiction, or any agency of that government;
- ☐ (i) a pension fund that is regulated by either the Office of the Superintendent of Financial Institutions (Canada) or a pension commission or similar regulatory authority of a jurisdiction of Canada;
- ☐ (j) an individual who, either alone or with a spouse, beneficially owns, directly or indirectly, financial assets having an aggregate realizable value that before taxes, but net of any related liabilities, exceeds \$1,000,000;
- ☐ (k) an individual whose net income before taxes exceeded \$200,000 in each of the two most recent calendar years or whose net income before taxes combined with that of a spouse exceeded \$300,000 in each of the two most recent calendar years and who, in either case, reasonably expects to exceed that net income level in the current calendar year;
- ☐ (l) an individual who, either alone or with a spouse, has net assets of at least \$5,000,000;
- ☐ (m) a person, other than an individual or investment fund, that has net assets of at least \$5,000,000 as shown on its most recently prepared financial statements and that has not been created or used solely to purchase or hold securities as an accredited investor as defined in this paragraph (m);
- ☐ (n) an investment fund that distributes or has distributed its securities only to (i) a person that is or was an accredited investor at the time of the distribution, (ii) a person that acquires or acquired securities in the circumstances referred to in sections 2.10 (*Minimum amount investment*) and 2.19 (*Additional investment in investment funds*) of NI 45-106, or (iii) a person described in paragraph (i) or (ii) that acquires or acquired securities under section 2.18 (*Investment fund reinvestment*) of NI 45-106;
- ☐ (o) an investment fund that distributes or has distributed securities under a prospectus in a jurisdiction of Canada for which the regulator or, in Québec, the securities regulatory authority, has issued a receipt;
- ☐ (p) a trust company or trust corporation registered or authorized to carry on business under the Trust and Loan Companies Act (Canada) or under comparable legislation in a jurisdiction of Canada or a foreign jurisdiction, acting on behalf of a fully managed account managed by the Trust company or trust corporation, as the case may be;
- ☐ (q) a person acting on behalf of a fully managed account managed by that person, if that person (i) is registered or authorized to carry on business as an adviser or the equivalent under the securities legislation of a jurisdiction of Canada or a foreign jurisdiction, and (ii) in Ontario, is purchasing a security that is not a security of an investment fund;
- ☐ (r) a registered charity under the *Income Tax Act* (Canada) that, in regard to the trade, has obtained advice from an eligibility adviser or an adviser registered under the securities legislation of the jurisdiction of the registered charity to give advice on the securities being traded;
- ☐ (s) an entity organized in a foreign jurisdiction that is analogous to any of the entities referred to in

paragraphs (a) to (d) or paragraph (i) in form and function;

- ☐ (t) a person in respect of which all of the owners of interests, direct, indirect or beneficial, except the voting securities required by law to be owned by directors, are persons that are accredited investors;
- ☐ (u) an investment fund that is advised by a person registered as an adviser or a person that is exempt from registration as an adviser, or
- ☐ (v) a person that is recognized or designated by the securities regulatory authority or, except in Ontario and Québec, the regulator as (i) an accredited investor, or (ii) an exempt purchaser in Alberta or British Columbia after NI 45-106 comes into force.

For the purposes hereof, the following definitions are included for convenience:

- (a) **“Canadian financial institution”** means (i) an association governed by the Cooperative Credit Associations Act (Canada) or a central cooperative credit society for which an order has been made under section 473(1) of that Act, or (ii) a bank, loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services cooperative, or league that, in each case, is authorized by an enactment of Canada or a jurisdiction of Canada to carry on business in Canada or a jurisdiction of Canada;
- (b) **“control person”** has the same meaning as in securities legislation except in Manitoba, Newfoundland and Labrador, Northwest Territories, Nova Scotia, Nunavut, Ontario, Prince Edward Island and Québec where control person means any person that holds or is one of a combination of persons that holds (i) a sufficient number of any of the securities of an issuer so as to affect materially the control of the issuer, or (ii) more than 20% of the outstanding voting securities of an issuer except where there is evidence showing that the holding of those securities does not affect materially the control of the issuer;
- (c) **“eligibility adviser”** means
 - (i) a person that is registered as an investment dealer or in an equivalent category of registration under the securities legislation of the jurisdiction of a purchaser and authorized to give advice with respect to the type of security being distributed, and
 - (ii) in Saskatchewan or Manitoba, also means a lawyer who is a practicing member in good standing with a law society of a jurisdiction of Canada or a public accountant who is a member in good standing of an institute or association of chartered accountants, certified general accountants or certified management accountants in a jurisdiction of Canada provided that the lawyer or public accountant must not:
 - 1. have a professional, business or personal relationship with the issuer, or any of its directors, executive officers, founders, or control persons, and
 - 2. have acted for or been retained personally or otherwise as an employee, executive officer, director, associate or partner of a person that has acted for or been retained by the issuer or any of its directors, executive officers, founders or control persons within the previous 12 months;
- (d) **“entity”** means a company, syndicate, partnership, trust or unincorporated organization;
- (e) **“executive officer”** means, for an issuer, an individual who is
 - (i) a chair, vice-chair or president,

- (ii) a vice-president in charge of a principal business unit, division or function including sales, finance or production,
 - (iii) an officer of the issuer or any of its subsidiaries and who performs a policy-making function in respect of the issuer, or
 - (iv) performing a policy-making function in respect of the issuer;
- (f) “**financial assets**” means cash, securities, or any a contract of insurance, a deposit or an evidence of a deposit that is not a security for the purposes of securities legislation;
- (g) “**founder**” means, in respect of an issuer, a person who, (i) acting alone, in conjunction, or in concert with one or more persons, directly or indirectly, takes the initiative in founding, organizing or substantially reorganizing the business of the issuer, and (ii) at the time of the trade is actively involved in the business of the issuer;
- (h) “**fully managed account**” means an account of a client for which a person makes the investment decisions if that person has full discretion to trade in securities for the account without requiring the client's express consent to a transaction;
- (i) “**investment fund**” has the same meaning as in National Instrument 81-106 Investment Fund Continuous Disclosure;
- (j) “**person**” includes
 - (i) an individual,
 - (ii) a corporation,
 - (iii) a partnership, trust, fund and an association, syndicate, organization or other organized group of persons, whether incorporated or not, and
 - (iv) an individual or other person in that person's capacity as a trustee, executor, administrator or personal or other legal representative;
- (k) “**related liabilities**” means liabilities incurred or assumed for the purpose of financing the acquisition or ownership of financial assets and liabilities that are secured by financial assets;
- (l) “**Schedule III bank**” means an authorized foreign bank named in Schedule III of the *Bank Act* (Canada);
- (m) “**spouse**” means an individual who (i) is married to another individual and is not living separate and apart within the meaning of the *Divorce Act* (Canada), from the other individual, (ii) is living with another individual in a marriage-like relationship, including a marriage-like relationship between individuals of the same gender, or (iii) in Alberta, is an individual referred to in (i) or (ii), or is an adult interdependent partner within the meaning of the *Adult Interdependent Relationships Act* (Alberta); and
- (n) “**subsidiary**” means an issuer that is controlled directly or indirectly by another issuer and includes a subsidiary of that subsidiary.

In NI 45-106, and this Schedule A, a person or trust is considered to be an affiliated entity of another person or trust if one is a subsidiary entity of the other, or if both are subsidiary entities of the same person or trust, or if each of them is controlled by the same person or trust.

In NI 45-106, and this Schedule A, a person (first person) is considered to control another person (second person) if (a) the first person, directly or indirectly, beneficially owns or exercises control or direction over securities of the second person carrying votes which, if exercised, would entitle the first person to elect a majority of the directors of the second person, unless that first person holds the voting securities only to secure an obligation, (b) the second person is a partnership, other than a limited partnership, and the first person holds more than 50% of the interests of the partnership, or (c) the second person is a limited partnership and the general partner of the limited partnership is the first person.

The foregoing representations contained in this certificate are true and accurate as of the date of this certificate and will be true and accurate as of the Closing Time. If any such representations shall not be true and accurate prior to the Closing Time, the undersigned shall give immediate written notice of such fact to the Trust prior to the Closing Time.

Dated: _____

Signature of Purchaser or Authorized Signing Officer

Signature of Witness (If Purchaser is an Individual)

Signature of Co-Purchaser (if applicable)

Print Name of Witness

Print Name of Purchaser

Print Name of Co-Purchaser (if applicable)

If Purchaser is a Corporation, Print Name and Title of Authorized Signing Officer

SCHEDULE B
FAMILY, FRIENDS AND BUSINESS ASSOCIATES STATUS CERTIFICATE

TO BE COMPLETED BY BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN, MANITOBA, NEWFOUNDLAND AND LABRADOR, NOVA SCOTIA, NEW BRUNSWICK, PRINCE EDWARD ISLAND, NORTHWEST TERRITORIES, YUKON AND NUNAVUT PURCHASERS THAT ARE SUBSCRIBING AS “FAMILY, FRIENDS AND BUSINESS ASSOCIATES”

The categories listed herein contain certain specifically defined terms. If you are unsure as to the meanings of those terms, or are unsure as to the applicability of any category below, please contact your broker and/or legal advisor before completing this certificate. Capitalized terms not otherwise defined herein having the meanings ascribed thereto in the Subscription Agreement.

In connection with the purchase by the undersigned Purchaser of the Purchaser's Securities, the Purchaser hereby represents, warrants, covenants and certifies to the Trust (and acknowledges that the Trust and its counsel are relying thereon) that:

- (o) the Purchaser is resident in or subject to the securities laws of one of the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Newfoundland and Labrador, Nova Scotia, New Brunswick or Prince Edward Island, or the territories of Northwest Territories, Yukon or Nunavut;
- (p) the Purchaser is purchasing the Purchaser's Securities as principal for its own account and not for the benefit of any other person;
- (q) the Purchaser is relying on the registration and prospectus exemptions provided under Section 2.5 “Family, Friends and Business Associates” of NI 45-106 on the basis that the undersigned fits within the category of “family, friends and business associates” reproduced below beside which the undersigned has indicated the undersigned belongs to such category; and
- (r) upon execution of this Schedule B by the Purchaser, this Schedule B shall be incorporated into and form a part of the Subscription Agreement.

(PLEASE CHECK THE BOX OF THE APPLICABLE CATEGORY)

- ☐ (a) a director, executive officer or control person of the issuer, or of an affiliate of the Trust;
- ☐ (b) a spouse, parent, grandparent, brother, sister or child of a director, executive officer or control person of the Trust, or of an affiliate of the Trust;
- ☐ (c) a parent, grandparent, brother, sister or child of the spouse of a director, executive officer or control person of the Trust or of an affiliate of the Trust;
- ☐ (d) a close personal friend of a director, executive officer or control person of the Trust or of an affiliate of the Trust;
- ☐ (e) a close business associate of a director, executive officer or control person of the Trust or of an affiliate of the Trust;
- ☐ (f) a founder of the Trust or a spouse, parent, grandparent, brother, sister, child, close personal friend or close business associate of a founder of the Trust;
- ☐ (g) a parent, grandparent, brother, sister or child of a spouse of a founder of the Trust;
- ☐ (h) a person of which a majority of the voting securities are beneficially owned by, or a majority of the directors are, persons described in paragraphs (a) to (g), or

- ☐ (i) a trust or estate of which all of the beneficiaries or a majority of the trustees or executors are persons described in paragraphs (a) to (g).

If the Purchaser is resident in or otherwise subject to securities laws of the Province of Saskatchewan and is acquiring the Purchaser's Securities under the "Family, Friends and Business Associates" exemption under NI 45-106, the Purchaser must duly complete and execute a risk acknowledgement form (in the form attached hereto as Exhibit A) where:

- (a) the Purchaser is acquiring the Purchaser's Securities under one of the categories identified in paragraphs (d) or (e) above;
- (b) where the Purchaser is a close personal friend or close business associate of a founder of the Trust; or
- (c) the Purchaser is a person described in paragraphs (h) or (i) above, if the trade is based in whole or in part on a close personal friendship or close business association.

For the purposes hereof, the following definitions are included for convenience:

- (a) "**control person**" has the same meaning as in securities legislation except in Manitoba, Newfoundland and Labrador, Northwest Territories, Nova Scotia, Nunavut, Ontario, Prince Edward Island and Québec where control person means any person that holds or is one of a combination of persons that holds:
 - (i) a sufficient number of any of the securities of an issuer so as to affect materially the control of the issuer, or
 - (ii) more than 20% of the outstanding voting securities of an issuer except where there is evidence showing that the holding of those securities does not affect materially the control of the issuer;
- (b) "**director**" means:
 - (i) a member of the board of directors of a trust or an individual who performs similar functions for a trust, and
 - (ii) with respect to a person that is not a trust, an individual who performs functions similar to those of a director of a trust;
- (c) "**executive officer**" means, for an issuer, an individual who is:
 - (i) a chair, vice-chair or president,
 - (ii) a vice-president in charge of a principal business unit, division or function including sales, finance or production,
 - (iii) an officer of the issuer or any of its subsidiaries and who performs a policy-making function in respect of the issuer, or
 - (iv) performing a policy-making function in respect of the issuer;
- (d) "**founder**" means, in respect of an issuer, a person who:
 - (i) acting alone, in conjunction, or in concert with one or more persons, directly or indirectly, takes the initiative in founding, organizing or substantially reorganizing the business of the issuer, and

- (ii) at the time of the trade is actively involved in the business of the issuer;
- (e) “**spouse**” means an individual who:
 - (i) is married to another individual and is not living separate and apart within the meaning of the Divorce Act (Canada), from the other individual,
 - (ii) is living with another individual in a marriage-like relationship, including a marriage-like relationship between individuals of the same gender, or
 - (iii) in Alberta, is an individual referred to in paragraph (i) or (ii), or is an adult interdependent partner within the meaning of the *Adult Interdependent Relationships Act* (Alberta).

In NI 45-106, and this Schedule B, a person or trust is considered to be an affiliated entity of another person or trust if one is a subsidiary entity of the other, or if both are subsidiary entities of the same person or trust, or if each of them is controlled by the same person or trust.

The foregoing representations contained in this certificate are true and accurate as of the date of this certificate and will be true and accurate as of the Closing Time. If any such representations shall not be true and accurate prior to the Closing Time, the undersigned shall give immediate written notice of such fact to the Trust prior to the Closing Time.

Dated: _____

Signature of Purchaser or Authorized Signing Officer

Signature of Witness (If Purchaser is an Individual)

Signature of Co-Purchaser (if applicable)

Print Name of Witness

Print Name of Purchaser

Print Name of Co-Purchaser (if applicable)

If Purchaser is a Corporation, Print Name and Title of Authorized Signing Officer

**EXHIBIT A
(TO SCHEDULE B)**

**RISK ACKNOWLEDGEMENT
SASKATCHEWAN CLOSE PERSONAL FRIENDS AND CLOSE BUSINESS
ASSOCIATES**

(THIS FORM MUST BE COMPLETED IN DUPLICATE BY INVESTORS)

ISSUER'S COPY – TO BE SUBMITTED WITH EXECUTED SUBSCRIPTION AGREEMENT

I acknowledge that this is a risky investment:

- I am investing entirely at my own risk.
- No securities regulatory authority has evaluated or endorsed the merits of these securities.
- I will not be able to sell these securities except in very limited circumstances.
- I will not be able to sell these securities for 4 months.
- I could lose all the money I invest.
- I do not have a 2-day right to cancel my purchase of these securities or the statutory rights of action for misrepresentation I would have if I were purchasing the securities under a prospectus.

I am investing \$_____ [total consideration] in total; this includes any amount I am obliged to pay in future.

I am a close personal friend or close business associate of _____ [state name], who is a _____ [state title - founder, director, senior officer or control person] of _____ [state name of issuer or its affiliate - if an affiliate state "an affiliate of the issuer" and give the issuer's name].

I acknowledge that I am purchasing based on my close relationship with _____ [state name of founder, director, senior officer or control person] whom I know well enough and for a sufficient period of time to be able to assess her/his capabilities and trustworthiness.

I acknowledge that this is a risky investment and that I could lose all the money I invest.

Date

Signature of Purchaser

Print name of Purchaser

You are buying Exempt Market Securities

They are called exempt market securities because two parts of securities law do not apply to them. If an issuer wants to sell *exempt market securities* to you:

- the issuer does not have to give you a prospectus (a document that describes the investment in detail and gives you some legal protections); and
- the securities do not have to be sold by an investment dealer registered with a securities regulatory authority.

There are restrictions on your ability to resell exempt market securities. Exempt market securities are more risky than other securities.

You may not receive any written information about the issuer or its business

If you have any questions about the issuer or its business, ask for written clarification before you purchase the securities. You should consult your own professional advisers before investing in the securities.

For more information on the exempt market, refer to the Saskatchewan Financial Services Commission's website at <http://www.sfsc.gov.sk.ca>

Instruction: The purchaser must sign 2 copies of this form. The purchaser and the issuer must each receive a signed copy.

**EXHIBIT A
(TO SCHEDULE B)**

**RISK ACKNOWLEDGEMENT
SASKATCHEWAN CLOSE PERSONAL FRIENDS AND CLOSE BUSINESS
ASSOCIATES**

(THIS FORM MUST BE COMPLETED IN DUPLICATE BY INVESTORS)

INVESTOR'S COPY – RETAIN THIS COPY FOR YOUR RECORDS

I acknowledge that this is a risky investment:

- I am investing entirely at my own risk.
- No securities regulatory authority has evaluated or endorsed the merits of these securities.
- I will not be able to sell these securities except in very limited circumstances.
- I will not be able to sell these securities for 4 months.
- I could lose all the money I invest.
- I do not have a 2-day right to cancel my purchase of these securities or the statutory rights of action for misrepresentation I would have if I were purchasing the securities under a prospectus.

I am investing \$_____ [total consideration] in total; this includes any amount I am obliged to pay in future.

I am a close personal friend or close business associate of _____ [state name], who is a _____ [state title - founder, director, senior officer or control person] of _____ [state name of issuer or its affiliate - if an affiliate state "an affiliate of the issuer" and give the issuer's name].

I acknowledge that I am purchasing based on my close relationship with _____ [state name of founder, director, senior officer or control person] whom I know well enough and for a sufficient period of time to be able to assess her/his capabilities and trustworthiness.

I acknowledge that this is a risky investment and that I could lose all the money I invest.

Date

Signature of Purchaser

Print name of Purchaser

You are buying Exempt Market Securities

They are called exempt market securities because two parts of securities law do not apply to them. If an issuer wants to sell *exempt market securities* to you:

- the issuer does not have to give you a prospectus (a document that describes the investment in detail and gives you some legal protections); and
- the securities do not have to be sold by an investment dealer registered with a securities regulatory authority.

There are restrictions on your ability to resell exempt market securities. Exempt market securities are more risky than other securities.

You may not receive any written information about the issuer or its business

If you have any questions about the issuer or its business, ask for written clarification before you purchase the securities. You should consult your own professional advisers before investing in the securities.

For more information on the exempt market, refer to the Saskatchewan Financial Services Commission's website at <http://www.sfsc.gov.sk.ca>

Instruction: The purchaser must sign 2 copies of this form. The purchaser and the issuer must each receive a signed copy.

SCHEDULE C
MINIMUM AMOUNT INVESTMENT STATUS CERTIFICATE

TO BE COMPLETED BY BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN, MANITOBA, ONTARIO, NEWFOUNDLAND AND LABRADOR, NOVA SCOTIA, NEW BRUNSWICK, PRINCE EDWARD ISLAND, NORTHWEST TERRITORIES, YUKON AND NUNAVUT PURCHASERS THAT ARE SUBSCRIBING UNDER THE “MINIMUM AMOUNT INVESTMENT” EXEMPTION

In connection with the purchase by the undersigned Purchaser of the Purchaser's Securities, the Purchaser, on its own behalf and on behalf of each of the beneficial purchasers for whom the Purchaser is acting, hereby represents, warrants, covenants and certifies to the Trust (and acknowledges that the Trust and its counsel are relying thereon) that:

- (a) the Purchaser is resident in or subject to the securities laws of one of the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Newfoundland and Labrador, Nova Scotia, New Brunswick or Prince Edward Island or the territories of Northwest Territories, Yukon and Nunavut;
- (b) the Purchaser is purchasing the Purchaser's Securities as principal for its own account and not for the benefit of any other person;
- (c) the Purchaser's Securities have an acquisition cost to the Purchaser of not less than \$150,000, payable in cash on the Closing Date;
- (d) the Purchaser's Securities are a security of a single issuer;
- (e) the Purchaser was not created and is not being used solely to purchase or hold securities in reliance on the registration and prospectus exemptions provided under Section 2.10 “Minimum Investment Amount” of NI 45-106, it pre-existed the offering of Trust Units pursuant to the Subscription Agreement and has a bona fide purpose other than investment in the Trust Units; and
- (f) upon execution of this Schedule C by the Purchaser, this Schedule C shall be incorporated into and form a part of the Subscription Agreement.

The foregoing representations contained in this certificate are true and accurate as of the date of this certificate and will be true and accurate as of the Closing Time. If any such representations shall not be true and accurate prior to the Closing Time, the undersigned shall give immediate written notice of such fact to the Trust prior to the Closing Time.

Dated: _____

Signature of Purchaser or Authorized Signing Officer

Signature of Witness (If Purchaser is an Individual)

Signature of Co-Purchaser (if applicable)

Print Name of Witness

Print Name of Purchaser

Print Name of Co-Purchaser (if applicable)

If Purchaser is a Corporation, Print Name and Title of Authorized Signing Officer

SCHEDULE D
ELIGIBLE INVESTOR STATUS CERTIFICATE

TO BE COMPLETED BY BRITISH COLUMBIA, NEW BRUNSWICK, NOVA SCOTIA AND NEWFOUNDLAND AND LABRADOR BY PURCHASERS RELYING ON THE “OFFERING MEMORANDUM” EXEMPTION

TO BE COMPLETED BY ALBERTA, MANITOBA, NORTHWEST TERRITORIES, NUNAVUT, PRINCE EDWARD ISLAND, SASKATCHEWAN AND YUKON PURCHASERS WHO HAVE AN ACQUISITION COST OF MORE THAN \$10,000

The categories listed herein contain certain specifically defined terms. If you are unsure as to the meanings of those terms, or are unsure as to the applicability of any category below, please contact your broker and/or legal advisor before completing this certificate. Capitalized terms not otherwise defined herein having the meanings ascribed thereto in the Subscription Agreement.

In connection with the purchase by the undersigned Purchaser of the Purchaser's Securities, the Purchaser, on its own behalf and on behalf of each of the beneficial purchasers for whom the Purchaser is acting, hereby represents, warrants, covenants and certifies to the Trust (and acknowledges that the Trust and its counsel are relying thereon) that:

- (a) the Purchaser, or each of the beneficial purchasers for whom the Purchaser is acting, is resident in or otherwise subject to the securities laws of one of the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Newfoundland and Labrador, Nova Scotia, New Brunswick or Prince Edward Island, the Northwest Territories, Yukon or Nunavut;
- (b) the Purchaser, or each of the beneficial purchasers for whom the Purchaser is acting, is purchasing the Purchaser's Securities as principal for its own account and not for the benefit of any other person;
- (c) if the Purchaser, or any beneficial purchasers for whom the Purchaser is acting, is resident in Alberta, Manitoba, Northwest Territories, Nunavut, Prince Edward Island, , Saskatchewan or Yukon, the Purchaser, or each of such beneficial purchasers for whom the Purchaser is acting, is either:
 - (i) purchasing securities having an acquisition cost of not more than \$10,000; or
 - (ii) an “eligible investor” within the meaning of NI 45-106, on the basis that the undersigned fits within the category of an “eligible investor” reproduced below beside which the undersigned has indicated the undersigned belongs to such category;
- (d) the Purchaser was not created and is not being used solely to purchase or hold securities in reliance on the prospectus exemptions provided under Section 2.9 “Offering Memorandum” of NI 45-106, it pre-existed the offering of Trust Units pursuant to the Subscription Agreement and has a bona fide purpose other than investment in the Trust Units; and
- (e) upon execution of this Schedule D by the Purchaser, this Schedule D shall be incorporated into and form a part of the Subscription Agreement.

IF THE PURCHASER OR ANY BENEFICIAL PURCHASER FOR WHOM THE PURCHASER IS ACTING IS RESIDENT IN ALBERTA, MANITOBA, NORTHWEST TERRITORIES, NUNAVUT, PRINCE EDWARD ISLAND, SASKATCHEWAN AND YUKON AND IS PURCHASING SECURITIES HAVING AN AGGREGATE ACQUISITION COST OF GREATER THAN \$10,000, PLEASE CHECK THE BOX OF THE APPLICABLE CATEGORY OF ELIGIBLE INVESTOR COMMENCING ON PAGE D-2.

ALL PURCHASERS UNDER THE OFFERING MEMORANDUM EXEMPTION MUST COMPLETE AND EXECUTE TWO COPIES OF THE RISK ACKNOWLEDGEMENT ATTACHED AS EXHIBIT A TO

THIS SCHEDULE D AND DELIVER ONE COPY TO THE TRUST AND RETAIN ONE COPY FOR THEIR OWN RECORDS.

- ☐ (a) a Purchaser whose:
 - (i) net assets, alone or with spouse, in the case of an individual, exceed \$400,000,
 - (ii) net income before taxes exceeded \$75 000 in each of the 2 most recent calendar years and who reasonably expects to exceed that income level in the current calendar year, or
 - (iii) net income before taxes, alone or with a spouse, in the case of an individual, exceeded \$125,000 in each of the 2 most recent calendar years and who reasonably expects to exceed that income level in the current calendar year;
- ☐ (b) a Purchaser of which a majority of the voting securities are beneficially owned by Eligible Investors or a majority of the directors are Eligible Investors;
- ☐ (c) a Purchaser that is a general partnership of which all of the partners are Eligible Investors;
- ☐ (d) a Purchaser that is a limited partnership of which the majority of the general partners are Eligible Investors;
- ☐ (e) a Purchaser that is a trust or estate in which all of the beneficiaries or a majority of the trustees or executors are Eligible Investors;
- ☐ (f) a Purchaser that is an “accredited investor” as that term is defined in NI 45-106, **[NOTE: IF YOU CHECK THIS BOX, YOU MUST ALSO COMPLETE THE ACCREDITED INVESTOR CERTIFICATE ATTACHED AS SCHEDULE A TO THE SUBSCRIPTION AGREEMENT]**
- ☐ (g) a Purchaser that is a director, executive officer or control person of the Trust, or of an affiliate of the Trust;
- ☐ (h) a Purchaser that is a spouse, parent, grandparent, brother, sister, child or grandchild of a director, executive officer or control person of the Trust, or of an affiliate of the Trust;
- ☐ (i) a Purchaser that is a parent, grandparent, brother, sister, child or grandchild of the spouse of a director, executive officer or control person of the Trust or of an affiliate of the Trust;
- ☐ (j) a Purchaser that is a close personal friend of a director, executive officer or control person of the Trust, or of an affiliate of the Trust; **[NOTE: IF YOU CHECK THIS BOX, YOU MUST ALSO COMPLETE THE FAMILY, FRIENDS AND BUSINESS ASSOCIATES STATUS CERTIFICATE ATTACHED AS SCHEDULE B TO THE SUBSCRIPTION AGREEMENT]**
- ☐ (k) a Purchaser that is close business associate of a director, executive officer or control person of the Trust, or of an affiliate of the Trust; **[NOTE: IF YOU CHECK THIS BOX, YOU MUST ALSO COMPLETE THE FAMILY, FRIENDS AND BUSINESS ASSOCIATES STATUS CERTIFICATE ATTACHED AS SCHEDULE B TO THE SUBSCRIPTION AGREEMENT]**
- ☐ (l) a Purchaser that is a founder of the Trust or a spouse, parent, grandparent, brother, sister, child, grandchild, close personal friend or close business associate of a founder of the Trust;
- ☐ (m) a Purchaser that is a parent, grandparent, brother, sister, child or grandchild of a spouse of a

founder of the Trust;

- ☐ (n) a Purchaser that is a person of which a majority of the voting securities are beneficially owned by, or a majority of the directors are, persons described in paragraphs (g) to (m);
- ☐ (o) a Purchaser that is a trust or estate of which all of the beneficiaries or a majority of the trustees or executors are persons described in paragraphs (g) to (m); or
- ☐ (p) a Purchaser that has obtained advice regarding the suitability of the investment and, if the person is resident in a jurisdiction of Canada, that advice has been obtained from an Eligibility Adviser;

For the purposes hereof, the following definitions are included for convenience:

- (a) “**control person**” has the same meaning as in securities legislation except in Manitoba, Newfoundland and Labrador, Northwest Territories, Nova Scotia, Nunavut, Ontario, Prince Edward Island and Québec where control person means any person that holds or is one of a combination of persons that holds (i) a sufficient number of any of the securities of an issuer so as to affect materially the control of the issuer, or (ii) more than 20% of the outstanding voting securities of an issuer except where there is evidence showing that the holding of those securities does not affect materially the control of the issuer;
- (b) “**eligibility adviser**” means a person that is registered as an investment dealer or in an equivalent category of registration under the securities legislation of the jurisdiction of a purchaser and authorized to give advice with respect to the type of security being distributed, and in Saskatchewan or Manitoba, also means a lawyer who is a practicing member in good standing with a law society of a jurisdiction of Canada or a public accountant who is a member in good standing of an institute or association of chartered accountants, certified general accountants or certified management accountants in a jurisdiction of Canada provided that the lawyer or public accountant must not:
 - (i) have a professional, business or personal relationship with the issuer, or any of its directors, executive officers, founders, or control persons, and
 - (ii) have acted for or been retained personally or otherwise as an employee, executive officer, director, associate or partner of a person that has acted for or been retained by the issuer or any of its directors, executive officers, founders or control persons within the previous 12 months;
- (c) “**executive officer**” means, for an issuer, an individual who is, (i) a chair, vice-chair or president, (ii) a vice-president in charge of a principal business unit, division or function including sales, finance or production, (iii) an officer of the issuer or any of its subsidiaries and who performs a policy-making function in respect of the issuer, or (iv) performing a policy-making function in respect of the issuer;
- (d) “**founder**” means, in respect of an issuer, a person who, (i) acting alone, in conjunction, or in concert with one or more persons, directly or indirectly, takes the initiative in founding, organizing or substantially reorganizing the business of the issuer, and (ii) at the time of the trade is actively involved in the business of the issuer;
- (e) “**person**” includes (i) an individual, (ii) a corporation, (iii) a partnership, trust, fund and an association, syndicate, organization or other organized group of persons, whether incorporated or not, and (iv) an individual or other person in that person's capacity as a trustee, executor, administrator or personal or other legal representative;

- (f) “**spouse**” means an individual who, (i) is married to another individual and is not living separate and apart within the meaning of the Divorce Act (Canada), from the other individual, (ii) is living with another individual in a marriage-like relationship, including a marriage-like relationship between individuals of the same gender, or (iii) in Alberta, is an individual referred to in paragraph (i) or (ii), or is an adult interdependent partner within the meaning of the *Adult Interdependent Relationships Act* (Alberta); and
- (g) “**subsidiary**” means an issuer that is controlled directly or indirectly by another issuer and includes a subsidiary of that subsidiary.

In NI 45-106, and this Schedule D, a person or trust is considered to be an affiliated entity of another person or trust if one is a subsidiary entity of the other, or if both are subsidiary entities of the same person or trust, or if each of them is controlled by the same person or trust.

In NI 45-106, and this Schedule D a person (first person) is considered to control another person (second person) if (a) the first person, directly or indirectly, beneficially owns or exercises control or direction over securities of the second person carrying votes which, if exercised, would entitle the first person to elect a majority of the directors of the second person, unless that first person holds the voting securities only to secure an obligation, (b) the second person is a partnership, other than a limited partnership, and the first person holds more than 50% of the interests of the partnership, or (c) the second person is a limited partnership and the general partner of the limited partnership is the first person.

The foregoing representations contained in this certificate are true and accurate as of the date of this certificate and will be true and accurate as of the Closing Time. If any such representations shall not be true and accurate prior to the Closing Time, the undersigned shall give immediate written notice of such fact to the Trust prior to the Closing Time.

Dated: _____

Signature of Purchaser or Authorized Signing Officer

Signature of Witness (If Purchaser is an Individual)

Signature of Co-Purchaser (if applicable)

Print Name of Witness

Print Name of Purchaser

Print Name of Co-Purchaser (if applicable)

If Purchaser is a Corporation, Print Name and Title of Authorized Signing Officer

**EXHIBIT A
(TO SCHEDULE D)**

**OFFERING MEMORANDUM RISK ACKNOWLEDGEMENT
(THIS FORM MUST BE COMPLETED IN DUPLICATE BY INVESTORS)**

ISSUER'S COPY – TO BE SUBMITTED WITH EXECUTED SUBSCRIPTION AGREEMENT

TO BE COMPLETED BY BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN, MANITOBA, NEWFOUNDLAND AND LABRADOR, NOVA SCOTIA, NEW BRUNSWICK, PRINCE EDWARD ISLAND, NORTHWEST TERRITORIES, YUKON AND NUNAVUT PURCHASERS UNDER THE OFFERING MEMORANDUM EXEMPTION IN SECTION 2.9 OF NATIONAL INSTRUMENT 45-106 – PROSPECTUS AND REGISTRATION EXEMPTIONS

Risk Acknowledgement

- I acknowledge that this is a risky investment.
- I am investing entirely at my own risk.
- No securities regulatory authority or regulator has evaluated or endorsed the merits of these securities or the disclosure in the offering memorandum.
- I will not be able to sell these securities except in very limited circumstances. I may never be able to sell these securities.
- The securities are redeemable, but I may only be able to redeem them in limited circumstances.
- I could lose all the money I invest.

I am investing \$_____ [total consideration] in total; this includes any amount I am obliged to pay in future. Pulis Real Estate Trust will pay ____% of this to _____ [insert name of your Dealer, if any] as a fee or commission.

I acknowledge that this is a risky investment and that I could lose all the money I invest.

Date

Signature of Purchaser

Print name of Purchaser

Sign 2 copies of this document. Keep one copy for your records.

WARNING

You have 2 business days to cancel your purchase

To do so, send a notice to Pulis Real Estate Trust stating that you want to cancel your purchase. You must send the notice before midnight on the 2nd business day after you sign the agreement to purchase the securities. You can send the notice by fax or email or deliver it in person to Pulis Real Estate Trust at its business address. Keep a copy of the notice for your records.

Issuer Name and Address:

Pulis Real Estate Trust
Suite 200A, 1 Nelson Street W.
Brampton, Ontario L6W 3E4
Phone No.: 1-855-452-1305
E-mail: inquiry@pulisinvestments.com
Fax No.: 647-724-8565

You are buying Exempt Market Securities

They are called *exempt market securities* because two parts of securities law do not apply to them. If an issuer wants to sell *exempt market securities* to you:

- the issuer does not have to give you a prospectus (a document that describes the investment in detail and gives you some legal protections), and
- the securities do not have to be sold by an investment dealer registered with a securities regulatory authority or regulator.

There are restrictions on your ability to resell exempt market securities. Exempt market securities are more risky than other securities.

You will receive an offering memorandum

Read the offering memorandum carefully because it has important information about the issuer and its securities. Keep the offering memorandum because you have rights based on it. Talk to a lawyer for details about these rights.

You will not receive advice

You will not get professional advice about whether the investment is suitable for you. But you can still seek that advice from a registered adviser or registered dealer. In Alberta, Manitoba, Northwest Territories, Nunavut, Prince Edward Island, , Saskatchewan and Yukon to qualify as an eligible investor, you may be required to obtain that advice.

The securities you are buying are not listed

The securities you are buying are not listed on any stock exchange, and they may never be listed. You may never be able to sell these securities.

The issuer of your securities is a non-reporting issuer

A non-reporting issuer does not have to publish financial information or notify the public of changes in its business. You may not receive on-going information about this issuer.

For more information on the exempt market, call your local securities regulatory authority or regulator or:

**British Columbia Securities
Commission**

P.O. Box 10142, Pacific Centre
701 West Georgia Street
Vancouver, British Columbia V7Y 1L2
Telephone: (604) 899-6500
Toll free in British Columbia and
Alberta
1-800-373-6393
Facsimile: (604) 899-6506

Alberta Securities Commission

4th Floor, 300 – 5th Avenue SW
Calgary, Alberta T2P 3C4
Telephone: (403) 297-6454
Facsimile: (403) 297-6156

**Saskatchewan Financial Services
Commission**

6th Floor, 1919 Saskatchewan Drive
Regina, Saskatchewan S4P 3V7
Telephone: (306) 787-5879
Facsimile: (306) 787-5899

The Manitoba Securities Commission

500-400 St. Mary Avenue Winnipeg
Manitoba R3C 4K5
Telephone: (204) 945-2548
Facsimile: (204) 945-0330

Nova Scotia Securities Commission

2nd Floor, Joseph Howe Building
1690 Hollis Street
Halifax, Nova Scotia B3J 3J9
Telephone: (902) 424-7768
Facsimile: (902) 424-4625

Government of Yukon

Department of Community Services
Law Centre, 3rd Floor 2130 Second
Avenue Whitehorse, YT Y1A 5H6
Telephone: (867) 667-5314
Facsimile: (867) 393-6251

Autorité des marchés financiers

800, Square Victoria, 22e étage
C.P. 246, Tour de la Bourse
Montréal, Québec H4Z 1G3
Telephone: (514) 395-0337
Or 1 877 525-0337
Facsimile: (514) 864-3681

**Prince Edward Island
Securities Office**

95 Rochford Street, P.O. Box
2000
Charlottetown, Prince Edward
Island C1A 7N8
Telephone: (902) 368-4569
Facsimile: (902) 368-5283

**Government of Northwest
Territories**

Department of Justice
Securities Registry
1st Floor Stuart M. Hodgson
Building
5009 – 49th Street
Yellowknife, Northwest
Territories X1A 2L9
Telephone: (867) 920-3318
Facsimile: (867) 873-0243

**New Brunswick Securities
Commission**

133 Prince William Street, Suite 606
Saint John, New Brunswick E2L
2B5
Telephone: (506) 658-3060
Facsimile: (506) 658-3059

**Securities Commission of
Newfoundland and Labrador**

P.O. Box 8700 2nd Floor, West
Block Confederation Building
St. John's, Newfoundland and
Labrador A1B 4J6
Telephone: (709) 729-4189
Facsimile: (709) 729-6187

Government of Nunavut

Department of Justice
Legal Registries Division
P.O. Box 1000 – Station 570
1st Floor, Brown Building
Iqaluit, Nunavut X0A 0H0
Telephone: (867) 975-6190
Facsimile: (867) 975-6194

You must sign 2 copies of this form. You and Pulis Real Estate Trust must each receive a signed copy

**EXHIBIT B
(TO SCHEDULE D)**

**OFFERING MEMORANDUM RISK ACKNOWLEDGEMENT
(THIS FORM MUST BE COMPLETED IN DUPLICATE BY INVESTORS)**

PURCHASER'S COPY – RETAIN THIS COPY FOR YOUR RECORDS

TO BE COMPLETED BY BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN, MANITOBA, NEWFOUNDLAND AND LABRADOR, NOVA SCOTIA, NEW BRUNSWICK, PRINCE EDWARD ISLAND, NORTHWEST TERRITORIES, YUKON AND NUNAVUT PURCHASERS UNDER THE OFFERING MEMORANDUM EXEMPTION IN SECTION 2.9 OF NATIONAL INSTRUMENT 45-106 – PROSPECTUS AND REGISTRATION EXEMPTIONS

Risk Acknowledgement

- I acknowledge that this is a risky investment.
- I am investing entirely at my own risk.
- No securities regulatory authority or regulator has evaluated or endorsed the merits of these securities or the disclosure in the offering memorandum.
- I will not be able to sell these securities except in very limited circumstances. I may never be able to sell these securities.
- The securities are redeemable, but I may only be able to redeem them in limited circumstances.
- I could lose all the money I invest.

I am investing \$_____ [total consideration] in total; this includes any amount I am obliged to pay in future. Pulis Real Estate Trust will pay ____% of this to _____ [insert name of your Dealer, if any] as a fee or commission.

I acknowledge that this is a risky investment and that I could lose all the money I invest.

Date

Signature of Purchaser

Print name of Purchaser

Sign 2 copies of this document. Keep one copy for your records.

WARNING

You have 2 business days to cancel your purchase

To do so, send a notice to Pulis Real Estate Trust stating that you want to cancel your purchase. You must send the notice before midnight on the 2nd business day after you sign the agreement to purchase the securities. You can send the notice by fax or email or deliver it in person to Pulis Real Estate Trust at its business address. Keep a copy of the notice for your records.

Issuer Name and Address:

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Suite 200A, 1 Nelson Street W.
Brampton, Ontario L6W 3E4
Phone No.: 1-855-452-1305
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Fax No.: 647-724-8565

You are buying Exempt Market Securities

They are called *exempt market securities* because two parts of securities law do not apply to them. If an issuer wants to sell *exempt market securities* to you:

- the issuer does not have to give you a prospectus (a document that describes the investment in detail and gives you some legal protections), and
- the securities do not have to be sold by an investment dealer registered with a securities regulatory authority or regulator.

There are restrictions on your ability to resell exempt market securities. Exempt market securities are more risky than other securities.

You will receive an offering memorandum

Read the offering memorandum carefully because it has important information about the issuer and its securities. Keep the offering memorandum because you have rights based on it. Talk to a lawyer for details about these rights.

You will not receive advice

You will not get professional advice about whether the investment is suitable for you. But you can still seek that advice from a registered adviser or registered dealer. In Alberta, Manitoba, Northwest Territories, Nunavut, Prince Edward Island, , Saskatchewan and Yukon to qualify as an eligible investor, you may be required to obtain that advice.

The securities you are buying are not listed

The securities you are buying are not listed on any stock exchange, and they may never be listed. You may never be able to sell these securities.

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A non-reporting issuer does not have to publish financial information or notify the public of changes in its business. You may not receive on-going information about this issuer.

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Alberta
1-800-373-6393
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Alberta Securities Commission

4th Floor, 300 – 5th Avenue SW
Calgary, Alberta T2P 3C4
Telephone: (403) 297-6454
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**Saskatchewan Financial Services
Commission**

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Telephone: (306) 787-5879
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The Manitoba Securities Commission

500-400 St. Mary Avenue Winnipeg
Manitoba R3C 4K5
Telephone: (204) 945-2548
Facsimile: (204) 945-0330

Nova Scotia Securities Commission

2nd Floor, Joseph Howe Building
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Telephone: (902) 424-7768
Facsimile: (902) 424-4625

Government of Yukon

Department of Community Services
Law Centre, 3rd Floor 2130 Second
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Autorité des marchés financiers

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Montréal, Québec H4Z 1G3
Telephone: (514) 395-0337
Or 1 877 525-0337
Facsimile: (514) 864-3681

**Prince Edward Island
Securities Office**

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Charlottetown, Prince Edward
Island C1A 7N8
Telephone: (902) 368-4569
Facsimile: (902) 368-5283

**Government of Northwest
Territories**

Department of Justice
Securities Registry
1st Floor Stuart M. Hodgson
Building
5009 – 49th Street
Yellowknife, Northwest
Territories X1A 2L9
Telephone: (867) 920-3318
Facsimile: (867) 873-0243

**New Brunswick Securities
Commission**

133 Prince William Street, Suite 606
Saint John, New Brunswick E2L
2B5
Telephone: (506) 658-3060
Facsimile: (506) 658-3059

**Securities Commission of
Newfoundland and Labrador**

P.O. Box 8700 2nd Floor, West
Block Confederation Building
St. John's, Newfoundland and
Labrador A1B 4J6
Telephone: (709) 729-4189
Facsimile: (709) 729-6187

Government of Nunavut

Department of Justice
Legal Registries Division
P.O. Box 1000 – Station 570
1st Floor, Brown Building
Iqaluit, Nunavut X0A 0H0
Telephone: (867) 975-6190
Facsimile: (867) 975-6194

SCHEDULE E
FOUNDER, CONTROL PERSON AND FAMILY STATUS CERTIFICATE

TO BE COMPLETED BY ONTARIO PURCHASERS THAT ARE SUBSCRIBING AS “FOUNDERS, CONTROL PERSONS AND FAMILY”

The categories listed herein contain certain specifically defined terms. If you are unsure as to the meanings of those terms, or are unsure as to the applicability of any category below, please contact your broker and/or legal advisor before completing this certificate.

In connection with the purchase by the undersigned Purchaser of the Purchaser's Securities, the Purchaser hereby represents, warrants, covenants and certifies to the Trust (and acknowledges that the Trust and its counsel are relying thereon) that:

- (a) the Purchaser is resident in or subject to the securities laws of the province of Ontario;
- (b) the Purchaser is purchasing the Purchaser's Securities as principal for its own account and not for the benefit of any other person;
- (c) the Purchaser is relying on the registration and prospectus exemptions provided under Section 2.7 “Founder, Control Person and family - Ontario” of NI 45-106 on the basis that the undersigned fits within the category of “founder, control person and family” reproduced below beside which the undersigned has indicated the undersigned belongs to such category; and
- (d) upon execution of this Schedule E by the Purchaser, this Schedule E shall be incorporated into and form a part of the Subscription Agreement.

(PLEASE CHECK THE BOX OF THE APPLICABLE CATEGORY)

- ☐ (a) a founder of the Trust;
- ☐ (b) an affiliate of a founder of the Trust;
- ☐ (c) a spouse, parent, brother, sister, grandparent or child of an executive officer, director or founder of the Trust; or
- ☐ (d) a person that is a control person of the Trust.

For the purposes hereof, the following definitions are included for convenience

- (a) **“control person”** means any person that holds or is one of a combination of persons that holds
 - (i) a sufficient number of any of the securities of an issuer so as to affect materially the control of the issuer, or
 - (ii) more than 20% of the outstanding voting securities of an issuer except where there is evidence showing that the holding of those securities does not affect materially the control of the issuer;
- (b) **“director”** means
 - (i) a member of the board of directors of a trust or an individual who performs similar functions for a trust, and
 - (ii) with respect to a person that is not a trust, an individual who performs functions similar to those of a director of a trust;
- (c) **“executive officer”** means, for an issuer, an individual who is:
 - (i) a chair, vice-chair or president,
 - (ii) a vice-president in charge of a principal business unit, division or function including sales, finance or production,

- (iii) an officer of the issuer or any of its subsidiaries and who performs a policy-making function in respect of the issuer, or
 - (iv) performing a policy-making function in respect of the issuer;
- (d) “**founder**” means, in respect of an issuer, a person who:
 - (i) acting alone, in conjunction, or in concert with one or more persons, directly or indirectly, takes the initiative in founding, organizing or substantially reorganizing the business of the issuer, and
 - (ii) at the time of the trade is actively involved in the business of the issuer; and
- (e) “**spouse**” means an individual who:
 - (i) is married to another individual and is not living separate and apart within the meaning of the *Divorce Act* (Canada), from the other individual,
 - (ii) is living with another individual in a marriage-like relationship, including a marriage-like relationship between individuals of the same gender, or
 - (iii) in Alberta, is an individual referred to in paragraph (i) or (ii), or is an adult interdependent partner within the meaning of the *Adult Interdependent Relationships Act* (Alberta).

In NI 45-106, and this Schedule E, a person or trust is considered to be an affiliated entity of another person or trust if one is a subsidiary entity of the other, or if both are subsidiary entities of the same person or trust, or if each of them is controlled by the same person or trust.

The foregoing representations contained in this certificate are true and accurate as of the date of this certificate and will be true and accurate as of the Closing Time. If any such representations shall not be true and accurate prior to the Closing Time, the undersigned shall give immediate written notice of such fact to the Trust prior to the Closing Time.

Dated: _____

Signature of Witness (If Purchaser is an Individual)

Signature of Purchaser or Authorized Signing Officer

Print Name of Witness

Print Name of Purchaser

If Purchaser is a Corporation, Print Name and Title of Authorized Signing Officer

SCHEDULE F
PARTNERSHIP OFFERING MEMORANDUM

**PULIS REAL ESTATE LP 2
OFFERING MEMORANDUM**

No securities regulatory authority or regulatory has assessed the merits of these securities or reviewed this Offering Memorandum. Any representation to the contrary is an offence. The information disclosed on this page is a summary only. Purchasers should read the entire Offering Memorandum for full details about the Offering. This is a risky investment. See "Risk Factors".

DATE: February 6, 2015

THE ISSUER: Pulis Real Estate LP 2 (the "**Partnership**")
Suite 200A, 1 Nelson Street W.
Brampton, Ontario L6W 3E4
Tel: 1-855-452-1305 Fax: 647-724-8565
Email Address: inquiry@pulisinvestments.com

Currently Listed or Quoted: No. **These securities do not trade on any exchange or market.**

Reporting Issuer: No.

SEDAR Filer: No.

THE OFFERING

Securities Offered: Partnership units ("**LP Units**").

Price per Security: The price per LP Unit shall be \$95 up to and including June 30, 2015. The price per LP Unit shall be \$100 on or after July 1, 2015.

Minimum/Maximum Offering: **There is no minimum offering. You may be the only Investor. Funds available under the Offering may not be sufficient to accomplish our proposed objectives.**

Minimum Subscription Amount: \$5,000.00

Payment Terms: Personal cheque, certified cheque, bank draft or wire transfer.

Proposed Closing Date: The Offering may be closed in stages. The first closing is expected to occur on or around February 6, 2015, with other closings to occur thereafter from time to time.

Tax Consequences: There are important tax considerations relating to the ownership of these securities. All Subscribers will be responsible for the preparation and filing of their own tax returns in respect of this investment. See "Canadian Federal Income Tax Consequences".

Selling Agent Fees: The Partnership reserves the right to pay finder's fees in an amount up to 10% of the Gross Proceeds of the Offering provided that sales involving payment of finder's fees are conducted in accordance with applicable securities laws. The Partnership may also pay the Marketing Fee of up to 2% and a Trailer Fee of up to 1% of Gross Proceeds of the Offering. See "Compensation Paid to Sellers and Finders".

Purpose: All or substantially all of the Available Funds of the Offering will be used to acquire real estate properties in the Provinces of Ontario, Saskatchewan, Alberta and British Columbia. See - "Use of Available Funds" and "Business of the Partnership". All potential acquisitions will be structured to meet the investment strategy and investment guidelines that management determines necessary to optimize returns for Limited Partners.

Redemption Restrictions: The maximum aggregate redemption proceeds shall not exceed the greater of \$100,000 or 5% of the Fair Market Value of the Partnership in cash per Fiscal Year; provided that, in the General Partner's sole and unfettered discretion, the Partnership may pay in excess of the greater of \$100,000 or 5% of the Fair Market Value of the Partnership in cash per Fiscal Year, so long as, in the General Partner's opinion (in their sole discretion), the Partnership does not have insufficient liquid assets to fund such redemptions or that the liquidation of assets at such time would be to the detriment of the remaining holders of LP Units or the Partnership generally. See "Material Agreements" – "Partnership Agreement" – "Redemption of LP Units".

Resale Restrictions You will be restricted from selling your securities for an indefinite period. There will be no market for the LP Units. See "Resale Restrictions".

Purchaser's Rights You have two Business Days to cancel your Subscription Agreement to purchase LP Units. If there is a misrepresentation in this Offering Memorandum, you have the right to sue either for damages or to cancel your Subscription Agreement. See "Purchasers' Rights".

Capitalized terms used but not otherwise defined above have the respective meanings ascribed to them under "Glossary of Terms" in this confidential offering memorandum.

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The information contained in this Offering Memorandum is intended only for the persons to whom it is transmitted for the purposes of evaluating the securities offered hereby. Prospective investors should only rely on the information in this Offering Memorandum. No persons are authorized to give any information or make any representation in respect of the Partnership or the securities offered herein and any such information or representation must not be relied upon.

INVESTMENT NOT LIQUID

The LP Units offered hereunder will be subject to a number of resale restrictions, including a restriction on trading. Until the restriction on trading expires, if ever, a Limited Partner will not be able to trade the LP Units unless it complies with very limited exemptions from the prospectus and registration requirements under applicable securities legislation. As the Partnership has no intention of becoming a reporting issuer in any jurisdiction in Canada, these trading restrictions will not expire. Consequently, Limited Partners may not be able to liquidate their LP Units in a timely manner, if at all, or pledge their LP Units as collateral for loans. There is no market through which the LP Units may be sold. See ITEM 12 - "Resale Restrictions" and Item 11 - "Risk Factors" in this Offering Memorandum.

FORWARD-LOOKING STATEMENTS

Certain information regarding the Partnership set forth in this Offering Memorandum, including the Partnership's future plans and business, contains forward-looking statements that involve substantial known and unknown risks and uncertainties. The use of any of the words "anticipate", "believe", "continue", "estimate", "expect", "intend", "plan", "potential", "predict", "project", "seek" or other similar words, or statements that certain events or conditions "may", "might", "could", "should" or "will" occur are intended to identify forward looking statements. Such statements represent the General Partner's internal projections, estimates or beliefs concerning, among other things, future growth, results of operations, business opportunities, future expenditures, plans for and results of business prospects and opportunities. These statements are only predictions and actual events or results may differ materially. Although that the expectations reflected in the forward-looking statements are reasonable, future results, levels of activity, performance or achievement cannot be guaranteed since such expectations are inherently subject to significant business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Partnership's actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, the Partnership.

Forward-looking statements included in this Offering Memorandum include, but are not limited to, statements with respect to: use of proceeds of the Offering; the business to be conducted by the Partnership; the ability to make and the timing and payment of distributions; payment of fees to the General Partner; the Partnership's and the Partnership's business objectives; treatment under governmental regulatory regimes and tax laws; financial and business prospects and financial outlook; and timing of dissolution of the Partnership; possibility of extension of the dissolution date of the Partnership; results of operations, the timing thereof and the methods of funding.

These forward-looking statements are subject to numerous risks and uncertainties, including but not limited to the risks discussed under "Risk Factors" and other factors, many of which are beyond the control of the Partnership. Readers are cautioned that the foregoing list of factors is not exhaustive.

The forward-looking statements contained in this Offering Memorandum are based on a number of assumptions, including those relating to:

- the Partnership's business strategy and operations;
- the ability of the Partnership to achieve or continue to achieve its business objectives;
- the Partnership's expected financial performance, condition and ability to generate distributions;
- the Partnership, including its business strategy, operations, financial performance, condition and ability to generate distributions;
- factors and outcomes associated with the real estate sector in the Provinces of Ontario, Saskatchewan, Alberta and British Columbia, including competition and competitive conditions;
- concentration of investments of the Partnership in a single business (being the LP Units of the Partnership) operating in a single industry (being the real estate business in the Provinces of Ontario, Saskatchewan,

Alberta and British Columbia) which results in the Partnership's investments being less diversified than other investment funds;

- the possibility of the Partnership being unable to acquire or dispose of illiquid securities;
- possibility of substantial redemptions of LP Units
- taxation of the Partnership;
- the impact on the Partnership of future changes in applicable legislation;
- application of legislation and regulations applicable to the Partnership; and
- availability of and dependence upon certain key employees of the General Partner.

Although the forward-looking statements contained in this Offering Memorandum are based upon assumptions believed to be reasonable, the Partnership cannot assure investors that actual results will be consistent with these forward-looking statements.

The Partnership has included the above summary of risks related to forward-looking information provided in this Offering Memorandum in order to provide Limited Partners with a more complete perspective on the Partnership's current and future operations and such information may not be appropriate for other purposes. The Partnership's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits the Partnership will derive therefrom. These forward-looking statements are made as of the date of this Offering Memorandum and the Partnership disclaims any intent or obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.

SUBSCRIPTION PROCEDURE AND CHECKLIST

Applicable Canadian securities laws prescribe the documentation that must be completed in order to subscribe for LP Units. The documentation that you must complete will depend on the jurisdiction in which you are resident and the prospectus exemption relied upon. A summary of the documentation requirements is set forth below:

IMPORTANT: **The following items in the Subscription Agreement must be completed and executed (please initial above each applicable line to confirm completion) attached hereto as Schedule A:**

All Purchasers

Complete and execute all applicable lines on pages 1, 2 and 3 of the Subscription Agreement.

Provide a certified cheque, or bank draft or wire transfer made payable to Pulis Real Estate LP 2 for the Total Subscription Price indicated on page 1 of the Subscription Agreement. Provide a separate cheque marked "VOID" from the account to which distributions should be credited

Purchasers Resident in Any Province or Territory of Canada other than Ontario

If an "accredited investor", complete and execute Schedule A - Accredited Investor Status Certificate, indicating which category is applicable. You do not need to complete Schedule B, C, D or E if Schedule A is completed.

If relying on the "Family, Friends and Business Associates" exemption complete and execute Schedule B - Family, Friends and Business Associates Status Certificate, indicating which category is applicable. You do not need to complete Schedule A, C, D or E if Schedule B is completed. If you are resident in Saskatchewan, you must also complete Exhibit A to Schedule B. This exemption is not available to residents of Quebec.

If relying on the "Offering Memorandum" exemption, complete and execute Schedule D - Eligible Investor Status Certificate and Exhibit A attached thereto. You do not need to complete Schedule A, B, C or E if Schedule D is completed unless Schedule D specifically provides that you must complete one of Schedule A or Schedule B. This exemption is not available to residents of Quebec.

Purchasers Resident in Ontario

If an "accredited investor", complete and execute Schedule A - Accredited Investor Status Certificate, indicating which category is applicable. You do not need to complete Schedule B, C, D or E if Schedule A is completed.

If not an "accredited investor" and relying on the "Founder, Control Person and Family" exemption, complete and execute Schedule E - Founder, Control Person and Family Status Certificate. You do not need to complete Schedule A, B, C or D if Schedule E is completed.

If not an "accredited investor" and relying on the "Minimum Amount Investment" exemption, complete and execute Schedule C - Minimum Amount Investment Status Certificate. You do not need to complete Schedule A, B, D or E if Schedule C is completed.

A completed and originally executed copy of this Subscription Agreement are required to be completed as set out above.

SUMMARY OF OFFERING

Prospective investors are encouraged to consult their own professional advisors as to the tax and legal consequences of investing in the Partnership. The following is a summary only and is qualified by the more detailed information contained in this Offering Memorandum.

The Partnership:	Pulis Real Estate LP 2 (the “ Partnership ”) is a limited partnership formed under the laws of Ontario, by certificate dated June 30, 2014, and governed by a limited partnership agreement dated June 20, 2014, as amended and restated on July 30, 2014 (the “ Partnership Agreement ”). See “The Partnership”.
LP Units	Units of the Partnership (“ LP Units ”) may be issued on terms and conditions as the General Partner in its discretion determines and in accordance with the Partnership Agreement.
Investment Objective and Strategies:	The Partnership intends to invest substantially all of its assets in acquiring real estate properties in the Provinces of Ontario, Saskatchewan, Alberta and British Columbia. The Partnership’s objective is to maximize returns from ownership of a portfolio of residential real estate properties, which properties may include single family houses, row houses, townhouses, condominium properties, multiplexes, apartment buildings and mixed-use commercial/residential buildings. Some of the Partnership’s assets may be kept in cash or cash equivalents. See “The Partnership – Long Term Objectives”.
The General Partner:	Pulis Real Estate GP2 Inc., (the “ General Partner ”) a corporation established under the laws of the Province of Ontario, is responsible for the day-to-day activities of the Partnership and monitoring the Partnership’s various service providers. See “The Partnership – The General Partner”.
The Offering:	An unlimited number of beneficial interests in the Partnership, referred to herein as LP Units (the “ LP Units ”), are hereby offered (the “ Offering ”). Investors in the Partnership are referred to as “ Limited Partners ”. See “The Partnership” and “Description of Units”.
Subscription Price:	LP Units will be issued under the Offering at a price of \$95 per LP Unit up to and including June 30, 2015. The price per LP Unit shall be \$100 on or after July 1, 2015. See “Description of LP Units”.
Offering Jurisdictions:	All provinces and territories except Quebec (the “ Offering Jurisdictions ”). LP Units are being distributed only pursuant to available exemptions in the Offering Jurisdictions.
Minimum Individual Subscription:	Each additional investment must be in an amount that is not less than \$5,000 (subject to the General Partner's discretion to waive or increase this minimum amount at any time).
Finder’s Fees:	The Partnership reserves the right to pay finder’s fees in an amount up to 10% of the Gross Proceeds of the Offering provided that sales involving payment of finder’s fees are conducted in accordance with NI 31-103. The Partnership may also pay the Marketing Fee of up to 2% and a Trailer Fee of up to 1% of Gross Proceeds of the Offering. See “Compensation Paid to Sellers and Finders”.

Calculation of Fair Market Value of the Partnership:

The Fair Market Value of each issuance of LP Units will be based on their pro rata share of the Fair Market Value of the Partnership. The valuation techniques adopted in calculating the Fair Market Value of the Partnership will be in accordance with industry practice and IFRS. See “Calculation of Fair Market Value”.

Fees Payable by the Partnership:

No fees will be payable by the Partnership to the General Partner in respect of LP Units held by the General Partner. However, the General Partner will receive an Acquisition Fee, Management Fee and Incentive Fee. See “The Partnership – “Fees”.

Partnership Expenses:

The Partnership is responsible for all costs and operating expenses actually incurred in connection with the organization of the Partnership and the ongoing activities of the Partnership. See “The Partnership – Partnership Expenses”. In addition, pursuant to the Funding Agreement, the Partnership has agreed to pay the offering costs associated with the Trust Offering. See “Material Contracts – Funding Agreement”

Redemptions:

A Limited Partner may redeem LP Units providing the General Partner with a Redemption Notice.

The Limited Partner who tenders LP Units for redemption shall be entitled to receive:

- (i) within 12 months from the date of the LP Unit Certificate representing the LP Units to be redeemed (the "**Issuance Anniversary**"), a price per LP Unit to be redeemed that shall be equal to 90% of the Fair Market Value of the LP Units to be redeemed;
- (ii) within 2 years of the Issuance Anniversary, a price per LP Unit to be redeemed that shall be equal to 92% of the Fair Market Value of the LP Units to be redeemed;
- (iii) within 3 years of the Issuance Anniversary, a price per LP Unit to be redeemed that shall be equal to 94% of the Fair Market Value of the LP Units to be redeemed;
- (iv) within 4 years of the Issuance Anniversary, a price per LP Unit to be redeemed that shall be equal to 96% of the Fair Market Value of the LP Units to be redeemed;
- (v) within 5 years of the Issuance Anniversary, a price per LP Unit to be redeemed that shall be equal to 98% of the Fair Market Value of the LP Units to be redeemed; and
- (vi) at anytime following the 5th Issuance Anniversary, a price per LP Unit to be redeemed that shall be equal to the Fair Market Value of the LP Units to be redeemed;

as determined by the General Partner within 30 business days of receipt of the redemption notice, having reference to Fair Market Value of the Partnership (hereinafter, called the "**Redemption Price**"). See “Partnership Agreement – Redemption of LP Units”.

The maximum aggregate redemption proceeds shall not exceed the greater of \$100,000 or 5% of the Fair Market Value of the Partnership in cash per Fiscal Year; provided that, in the General Partner's sole and unfettered discretion the Partnership

may pay in excess of the greater of \$100,000 or 5% of the Fair Market Value of the Partnership in cash per Fiscal Year, so long as, in the General Partner's opinion (in their sole discretion), the Partnership does not have insufficient liquid assets to fund such redemptions or that the liquidation of assets at such time would be to the detriment of the remaining holders of LP Units or the Partnership generally.

Net Income and Net Loss Allocations:	Net Income or Net Loss of the Partnership for a Fiscal Year shall be allocated to each Partner of record on the last day of the Fiscal Year. See "The Partnership – Allocations for Tax Purposes".
Transfer or Resale of LP Units:	The right to transfer LP Units hereunder is restricted such that no Limited Partner shall be entitled to transfer LP Units to any person unless it first offers to sell its LP Units to the General Partner by written offer. The transfer or resale of LP Units (which does not include a redemption of LP Units) is also subject to restrictions under applicable securities legislation. It is not anticipated that a market will develop for the LP Units. Accordingly, redemption of the LP Units in accordance with the provisions set out herein is likely to be the only means of liquidating an investment in the Partnership. See "Partnership Agreement – Sale, Transfer and Assignment of Units".
Distributions:	The General Partner shall make distributions of Distributable Cash to the Limited Partners in accordance with their Proportionate Interest, on a quarterly basis subject to certain restrictions. If the calculation of Distributable Cash is less than zero, then the General Partner will not make any distribution to the Limited Partners.
Partnership's Fiscal Year End:	The first fiscal period for the Partnership shall end on December 31, 2015. The General Partner shall determine the fiscal years thereafter.
Term:	The Partnership shall continue for a term ending on December 31, 2050, unless dissolved earlier in accordance with the terms of the Partnership Agreement.
Financial Reporting:	As soon as practicable, but in no event later than 90 days after the end of each Fiscal Year, the General Partner will cause to be mailed to each Limited Partner as of a date selected by the General Partner in its sole Discretion, an annual report containing financial statements of the Partnership prepared on an audited basis in accordance with GAAP or International Financial Reporting Standards as determined by the General Partner in its Discretion.
Tax Considerations:	Investors are urged to consult with their tax advisors to determine the tax consequences of an investment in the Partnership and the holding and disposition or redemption of LP Units.

GLOSSARY OF TERMS

The following terms and abbreviations used throughout this Offering Memorandum have the following meanings:

“Acquisition Fee” means an acquisition fee of 1.0% of the total purchase price of each of the Properties acquired by the Partnership and which is paid to the General Partner upon completion of the purchase of each of the Properties;

“Adjusted Net Operating Income” means the remainder of the Net Operating Income of the Partnership, for the preceding 12 month period, after increasing Net Operating Income by the amount paid for the Properties repairs, improvements and renovations;

“Administration Agreement” means the agreement, dated June 20, 2014, between the Administrator, the Trustee, and the Trust as amended, supplemented or amended and restated from time to time;

“Administrator” means Pulis Real Estate Adminco Inc., as administrator of the Trust under the Administration Agreement, or such other person properly appointed as administrator of the Trust pursuant to the Declaration of Trust;

“affiliate” shall have the meaning ascribed thereto in the Securities Act;

“Aggregate Contributed Capital” means the total amount of all Capital Contribution contributed by the Limited Partners to the Partnership;

“Applicable Laws” means all applicable provisions of law, domestic or foreign, including the Securities Act;

“Approvals” means any directive, order, consent, exemption, waiver, consent order or consent decree of or from, or notice to, action by or filing with, any Governmental Authority;

“associate” shall have the meaning ascribed thereto in the Securities Act;

“Auditors” means BDO Canada LLP or such other firm of chartered accountants as may be appointed as auditor or auditors of the Trust from time to time;

“Business Day” means a day which is not a Saturday, Sunday or statutory holiday in the City of Brampton, in the Province of Ontario;

“Capital Contribution”, with respect to any Limited Partner, means the amount of capital contributed by such Limited Partner to the Partnership in accordance with the Partnership Agreement;

“Closing” means a closing of the Offering;

“Counsel” means a law firm acceptable to the General Partner;

“CRA” means the Canada Revenue Agency;

“Declaration of Trust” means the Declaration of Trust dated June 20, 2014 by and between Computershare Trust Company of Canada as Trustee, and Brian Pulis, as the Initial Unitholder, and the Administrator governing the business and affairs of the Trust, as amended and restated on July 30, 2014 and February 6, 2015, a copy of which is available for examination at the offices of the Trust;

“discretion” means sole, absolute and unfettered discretion;

“Distributable Cash” means with respect to a particular period, the amount by which the Partnership’s cash on hand or to be received in respect of that period (excluding any proceeds from any Financing) exceeds:

- (i) unpaid administration expenses of the Partnership including any unpaid amounts with respect to the General Partner Fees;
- (ii) amounts required for the business and operations of the Partnership, including operating expenses and capital expenditures;
- (iii) amounts required in order to meet all debts, liabilities and obligations in respect of any Financing, including reserves to ensure compliance with agreements to which the Partnership is subject; and
- (iv) any amounts which the General Partner in its Discretion determines is necessary to satisfy the Partnership's current and anticipated requirements of the Partnership and its commitments and anticipated commitments, debts, liabilities and obligations and to comply with applicable laws;

“Distribution Period” means each quarterly period ending on March 31, June 30, September 30 and December 31, or such other periods as may be hereafter determined from time to time by the General Partner, from and including the first day thereof and to and including the last day thereof;

“DRIP” The Partnership’s distribution reinvestment plan. See “Distribution Reinvestment Plan”;

“DRIP Enrollment Form” The enrollment form indicating that the Unitholder elects to participate in the DRIP (which may be included in the Unitholder’s subscription agreement in respect of a subscription for LP Units).

“DRIP Unit Price” A price per LP Unit equal to the most recent subscription price per LP Unit that the LP Units were offered to investors for purchase.

“EMD” means a person or company registered as an exempt market dealer pursuant to NI 31-103;

“Fair Market Value of the Partnership” shall mean the fair market value of Partnership, including capital received for the issuance of LP Units, and, when the reference so requires, of investments, determined by reference to IAS 40 and by the most recent, fair market valuation conducted by an independent third-party selected by the General Partner in its sole discretion (or, if the applicable Property was acquired by the Partnership after the most recent annual valuation prepared for the Partnership, then the value shall be any valuation thereof obtained by the General Partner) less all liabilities, costs, and expenses accrued or payable of every kind and nature, and distributions due but not yet paid or made;

“Financing” means any credit facility granted or extended to or for the benefit of, or investment by way of debt in, the Partnership whereby or pursuant to which money, credit or other financial accommodation has been or may be provided, made available or extended to the Partnership by way of borrowed money, the purchase of debt instruments or securities, bankers acceptances, letters of credit, overdraft or other forms of credit and financial accommodation, and includes any and all trust deeds, indentures, mortgages, bonds or debentures (whether issued and delivered as security or sold to a purchaser), security agreements and other deeds, instruments or documents in respect thereof;

“Fiscal Year” means a fiscal year of the Trust (or portion thereof), which ends on December 31 in each calendar year, except in the case of a deemed year end on the dissolution of the Partnership;

“Funding Agreement” means the agreement entered into between the Trust and the Partnership which provides that the Partnership will pay all costs, fees, Selling Commissions and expenses incurred by the Trust in connection with the Trust Offering;

“General Partner” means Pulis Real Estate GP2 Inc., a corporation established under the laws of the Province of Ontario, or any successor or permitted assignee thereof;

“General Partner Fees” means the Management Fee, Acquisition Fee and the Incentive Fee;

“Governmental Authority” means (i) any nation, province, territory, state, county, city or other jurisdiction; (ii) any federal, provincial, territorial, state, local, municipal, foreign or other government; (iii) any governmental or quasi-governmental authority of any nature (including any agency, branch, department, board, commission, court, tribunal or other entity exercising governmental or quasi-governmental power); (iv) anybody exercising, or entitled or purporting to exercise, any administrative, executive, judicial, legislative, regulatory or taxing authority or power; or (v) any official of the foregoing;

“Gross Proceeds” means, at any time, the aggregate gross proceeds of this Offering;

“GST” means any applicable Canadian federal or provincial goods and services tax or harmonized sales tax;

“Incentive Fee” means an amount equal to 7.0% of the Adjusted Net Operating Income to be paid in LP Units, from the previous Fiscal Year;

“include”, “including” and “includes” mean “include, without limitation”, “including, without limitation” and “includes without limitation”, respectively;

“Initial Unitholder” means Brian Pulis, an individual resident in the City of Brampton, in the Province of Ontario, as the initial holder of Trust Units;

“Issuance Anniversary” shall have the meaning ascribed to it in section 4.1;

“Limited Partner” means any person who is admitted to the Partnership as a limited partner for as long as they are registered holder(s) of at least one LP Unit;

“LP Unit” means a limited partnership unit of beneficial interest in the Partnership issued from time to time in accordance with the Partnership Agreement and having the rights, privileges, restrictions and conditions set out in the Partnership Agreement;

“Management Fee” means the management fee of 1.5% of Fair Market Value of the Partnership payable by the Partnership to the General Partner, estimated and payable quarterly. See Material Contracts – Summary of the Management Agreement;

“Marketing Fee” means the fee, up to a maximum of 2% of the Gross Proceeds raised in this Offering, payable by the Partnership for marketing services to marketing agents, including Pinnacle Wealth Brokers Inc.;

“Maximum Offering” means the maximum offering hereunder of LP Units having an aggregate purchase price of \$50,000,000;

“Net Operating Income” means the Partnership’s operating income, for the preceding Fiscal Year, after credit losses and operating expenses (management, legal, accounting, insurance, janitorial, repairs, maintenance, supplies, utilities, property taxes) are deducted, but before amortization of loan payment, income taxes, capital expenditures, principal and interest, or depreciation are deducted;

“Available Funds” means, at any time, the gross proceeds of the Offering less any finder's fees paid at the discretion of the Partnership and the expenses of the Offering, as indicated in the table under "Use of Available Funds – Available Funds and Available Funds";

“NI 31-103” means National Instrument 31-103- *“Registration Requirements, Exemptions and Ongoing Registrant Obligations”*;

“Non-Resident” means a Person who is not a resident of Canada and a partnership that is not a Canadian partnership, for purposes of the Tax Act;

“OBCA” means the *Business Corporations Act* (Ontario), as amended from time to time;

“Offering” means the private placement of the LP Units by the Partnership under this Offering Memorandum and for certainty includes any subscription by the Trust of LP Units pursuant to the Trust Offering;

“Offering Memorandum” means this private placement offering memorandum of the Partnership as the same may be amended, supplemented or replaced from time to time;

“Trust Offering” means the private placement of up to \$50,000,000 worth of Trust Units by the Trust under the Trust Offering Memorandum;

“Trust Offering Memorandum” means the private placement offering memorandum of the Trust dated February 6, 2015, as the same may be amended, supplemented or replaced from time to time;

“Participant” An Eligible Holder who has elected, in accordance with the terms of the DRIP, to participate in the DRIP and includes both Registered Participants and Non-Registered Participants;

“Partnership” means Pulis Real Estate LP 2, a limited partnership established under the laws of the Province of Ontario, or any successor or permitted assignee thereof;

“Partnership Act” means the *Limited Partnerships Act* (Ontario) as amended and in force from time to time;

“Partnership Agreement” means the amended and restated limited partnership agreement dated July 30, 2014 respecting the Partnership, between Pulis Real Estate GP2 Inc. as general partner and Pulis Real Estate Trust, as the initial limited partner, as may be further amended, supplement or restated from time to time, a copy of which is available for examination at the offices of the Partnership;

“Person” means any individual, company, corporation, limited partnership, general partnership, firm, joint venture, syndicate, trust, joint stock company, limited liability company, association, bank, pension fund, business trust or other organization, whether or not a legal entity, and any government agency or political subdivision thereof or any other form of entity or organization;

“Properties” shall have the meaning specified in ITEM 3 - Business of the Partnership and Investment Objectives;

“Proportionate Interest” of any amount at any time, means a fraction equal to the number of LP Units of which a limited partner is the registered holder at that time divided by the total number of issued and outstanding LP Units at that time;

“Proposed Amendments” means all specific proposals to amend the Tax Act that have been publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof;

“pro rata share” of any particular amount in respect of a Unitholder at any time shall be the product obtained by multiplying the number of LP Units that are outstanding and owned by that Unitholder at such time by the amount obtained when the particular amount is divided by the total number of all LP Units that are issued and outstanding at that time;

“Pulis Parties” means the General Partner, any affiliates and subcontractors of the General Partner, the Administrator, and any directors, officers, employees and individual shareholders of the foregoing, and **“Pulis Party”** means any one of them;

“Redemption Price” shall have the meaning ascribed to it in section 4.1;

“Registered Participant” A Participant who is a registered holder of LP Units at any time and from time to time, as shown on the register maintained by or on behalf of the Partnership for outstanding LP Units and who has enrolled in the DRIP;

“Securities” means bonds, debentures, notes or other evidence or instruments of indebtedness, shares, stocks, options, warrants, special warrants, installment receipts, subscription receipts, rights, subscriptions, partnership interests, units or other evidence of title to or interest in the capital, assets, property, profits, earnings or royalties, of any Person;

“Securities Act” means the *Securities Act* (Ontario), as amended from time to time, together with all regulations, rules, policy statements, rulings, notices, orders or other instruments promulgated thereunder;

“Selling Commissions” means the commissions of up to 10% of the Gross Proceeds from the sale of the LP Units pursuant to this Offering payable to parties who sell the LP Units and who are entitled to receive such commissions under applicable securities laws. Where compensation is payable by the Partnership to an EMD, 2% shall be paid to the EMD and 8% shall be paid to the EMD dealing representative responsible for affecting the sale of the LP Units. See ITEM 9 - Compensation Paid to Sellers and Finders;

“Special Resolution of the Partnership” means:

- (i) a resolution approved through the votes cast in person or by proxy at a duly constituted meeting of Limited Partners or at any adjournment thereof called in accordance with this Agreement and representing 66⅔% or more of the votes attaching to the LP Units cast in person or by proxy in accordance with Section 10.9 of the Partnership Agreement; or
- (ii) a written resolution in one or more counterparts signed by Limited Partners holding in the aggregate 66⅔% or more of the votes attaching to the LP Units in accordance with Section 10.9 of the Partnership Agreement;

“Subscribers” means those persons subscribing for LP Units pursuant to this Offering;

“Subscription Agreement” means a subscription agreement to be executed by each Subscriber providing for the purchase by such Subscriber of LP Units, in the form attached hereto as Schedule “A”;

“subsidiary” shall have the meaning ascribed thereto in the Securities Act;

“Tax Act” means the *Income Tax Act* (Canada) and the regulation thereunder, as amended from time to time;

“Third Party Administrator” means such Person as may from time to time be appointed by the General Partner to provide certain services to each of or both of the Partnership or the General Partner;

“Trailer Fee” means a fee of up to 1% of Gross Proceeds realized on the sale of LP Units by the EMD, dealer or dealing representative for LP Units outstanding after the fifth (5) year of such Unitholder's Subscription payable by the Partnership to such dealer;

“Transfer Agent” means such Person as may from time to time be appointed by the Partnership to act as registrar and transfer agent of the LP Units, together with any sub-transfer agent duly appointed by the Transfer Agent;

“Trust” means Pulis Real Estate Trust, a trust constituted by the Declaration of Trust, as the same may be amended, supplemented or restated from time to time;

“Trust Unit” means a trust unit of the Trust which represents an interest in the Trust as provided for in the Declaration of Trust and has the rights, privileges, restrictions and conditions set forth in the Declaration of Trust and shall not include fractional Trust Units;

“Trustee” means a trustee of the Trust at that time including without limitation so long as such persons remain as trustees and **“Trustees”** means, at any time, all the individuals, each of whom is at that time a Trustee;

“Unitholders” means at any time the Persons who are the holders of record at that time of one or more LP Units, as shown on the registers of such holders maintained by the Transfer Agent on behalf of the Partnership; and

“\$” means Canadian Dollars.

ITEM 1 - USE OF AVAILABLE FUNDS

1.1 Available Funds

The Available Funds and funds which will be available to the Partnership upon completing of the Offering are as follows:

	Assuming Minimum Offering	Assuming Maximum Offering
A. Amount to be raised under the Offering	-	\$50,000,000
B. Selling commissions and Fees ⁽¹⁾⁽²⁾	-	\$6,500,000
C. Estimated Offering costs (including legal, accounting, advertising, audit, transfer agent fees etc.) to be paid by the Partnership ⁽²⁾	-	\$400,000
D. Fee to the Administrator and Trustee ⁽³⁾	-	\$10,500
E. Available Funds: $E = A - (B+C+D)$	-	\$48,089,500
F. Additional sources of funding required	-	\$0
G. Working capital deficiency	-	\$0
H. Total: $H = (E+F) - G$	-	\$48,089,500

Notes:

1. The LP Units will be offered for sale by the Partnership. The Partnership may pay a Selling Commission, Marketing Fee and Trailer Fee to selling agents. See "Compensation Paid to Sellers and Finders".
2. All expenses, fees and Selling Commissions related to the Trust Offering will be also borne by the Partnership rather than the Trust pursuant to the terms of the Funding Agreement. The estimated Offering costs disclosed above is the aggregate of the costs estimated to be associated with the Offering and the Trust Offering.
3. The fees associated with payments of fees to the Administrator and the trustee of the Trust, Computershare Trust Company of Canada will be borne by the Partnership pursuant to the Funding Agreement.

1.2 Use of Available Funds

All of the Available Funds will be used to acquire real estate assets in the Provinces of Ontario, Saskatchewan, Alberta and British Columbia. The Partnership intends to use the first \$10,000,000 of the Available Funds realized by the Offering to invest solely in real estate assets in Ontario. The Partnership intends to invest no more than 20% of the Available Funds realized by the Offering in excess of \$10,000,000 in real estate assets located outside of Ontario.

The Partnership will pay the costs and a fee set out in "Available Funds" above and expects to use the Available Funds as follows:

Description of intended use of available funds listed in order of priority	Assuming Minimum Offering	Assuming Maximum Offering
Acquire real estate assets in the Provinces of Ontario, Saskatchewan, Alberta and British Columbia ⁽¹⁾	-	\$50,000,000 ⁽²⁾

Notes:

1. In the conduct of its business the Partnership estimates that it will incur expenses relating to investors relations, marketing, directors' compensation, accounting, audit, EMD due diligence, office rental, insurance, legal and travel expenses (collectively "operating and administration expenses"), all of which will be paid from funds raised from this Offering until such time as the Partnership receives a positive return from the disposition of Properties acquired by it. The Partnership estimates that if the Maximum Offering amount is raised and the Partnership fully deploys the maximum amount of working capital in the acquisition of Properties, that these expenses will total approximately \$400,000. The total amount of administration and operating costs that will be incurred by the Partnership are dependent

upon: (i) the funds raised under this Offering; (ii) the number and nature of Properties acquired by the Partnership; and (iii) external factors which cannot be anticipated or controlled by the Partnership. As a result the Partnership is unable to accurately estimate these costs at this time.

2. In the conduct of its business the Partnership will also incur expenses relating to the fees payable to the General Partner. The General Partner will be paid the Management Fee, the Incentive Fee and the Acquisition Fee pursuant to the Partnership Agreement, which will be paid, as applicable, from funds raised from this Offering until such time as the Partnership receives a positive return from the disposition of Properties acquired by it. The total amount of the fees payable to the General Partner that will be incurred by the Partnership are dependent upon: (i) the funds raised under this Offering; (ii) the number and nature of Properties acquired by the Partnership; and (iii) external factors which cannot be anticipated or controlled by the Partnership. As a result the Partnership is unable to accurately estimate these costs at this time. See “Partnership Agreement- Fees of the General Partner”.

1.3 Reallocation

The Partnership intends to spend the Available Funds as stated above. The Partnership will reallocate funds only for sound business reasons and in accordance with the Partnership Agreement.

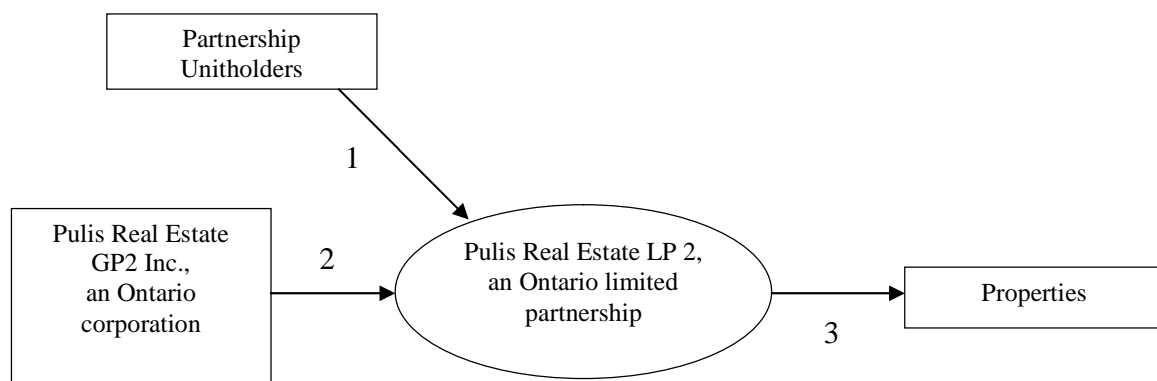
1.4 Working Capital Deficiency

As at the date of this Offering Memorandum, the Partnership does not have a working capital deficiency.

ITEM 2 - THE STRUCTURE OF THE PARTNERSHIP

2.1 Structure of the Partnership

The following diagram and the sections that illustrate and describe the Partnership’s business structure:



1. Investors under this Offering will be Limited Partners. The Trust is currently the only Limited Partner of the Partnership.
2. Pulis Real Estate GP2 Inc. is the General Partner of the Partnership.
3. The Partnership will acquire Properties located in the Provinces of Ontario, Saskatchewan, Alberta and British Columbia.

2.2 The Partnership

The Partnership is a limited partnership established under the laws of the Province of Ontario on June 30, 2014. It was registered under the *Limited Partnerships Act* on June 30, 2014 in Ontario, upon filing of the Partnership certificate. The Partnership’s head office is located in Brampton, Ontario. The Partnership was established to carry on a real estate investment and development business, as described in more detail under “Business of the Partnership – Our Business” below.

The initial limited partner of the Partnership is Pulis Real Estate Trust, formed by the Declaration of Trust, under the Laws of the Province of Ontario.

2.3 Management of the Partnership – General Partner

The General Partner of the Partnership is Pulis Real Estate GP2 Inc., a corporation established under the laws of the Province of Ontario. The General Partner is owned and controlled by 844732 Ontario Inc. (as to a 50% interest) and

2212157 Ontario Inc. (as to a 50% interest). These corporations are solely owned corporations, controlled by Brian Pulis and Kyle Pulis, respectively. See “Directors, Promoters and Principal Holders”.

The General Partner has, to the exclusion of the Limited Partners, the sole power and exclusive authority to manage the business and affairs of the Partnership, to make all decisions regarding the business of the Partnership and to bind the Partnership. The General Partner is to exercise its powers and discharge its duties honestly, in good faith and in the best interests of the Partnership and shall, in discharging its duties, exercise the degree of care, the diligence and the skill that a reasonably prudent Person would exercise in similar circumstances. Certain restrictions are imposed on the General Partner and certain actions may not be taken by it without the approval of the Limited Partners by Special Resolution of the Partnership. The General Partner cannot dissolve the Partnership or wind up its affairs except in accordance with the provisions of the Partnership Agreement.

Pursuant to the General Partner's constating documents, bylaws and the OBCA, any resolution of the directors of the General Partner must be passed: (i) at a meeting of the directors of the General Partner, by a majority of the directors entitled to vote on that resolution at such meeting; or (ii) in writing by all the directors entitled to vote on that resolution at a meeting. The Chairperson of the board of directors of the General Partner does not have a casting vote. Further, the General Partner's bylaws state that the chairperson of the board of directors of the General Partner must be independent as such term is defined in National Instrument 58-101 – *Disclosure of Corporate Governance Practices*. Currently, the board of directors of the General Partner contains two independent directors being, Jason Priest and Peter VanSickle. See “Directors, Promoters and Principal Holders”.

The Partnership will make distributions of Distributable Cash to the Limited Partners pursuant to the terms of the Partnership Agreement.

If the General Partner determines to make a distribution of Distributable Cash, the General Partner will distribute Distributable Cash to the Partners whose names appear on the Register on the date on which such distribution is being made. Distributions made under the Partnership Agreement will be net of any tax required by law to be withheld by the General Partner on behalf of the Partnership.

2.4 The Trust Offering

The Trust is conducting the Trust Offering concurrently with this Offering. The Trust will use the available funds of the Trust Offering to subscribe for LP Units under this Offering. The Available Funds will include any of the available funds which are raised under the Trust Offering. The Trust may subscribe for up to the Maximum Offering.

ITEM 3 - BUSINESS OF THE PARTNERSHIP AND INVESTMENT OBJECTIVES

3.1 Business of the Partnership

The Partnership is in a start-up phase of development and has carried on limited business prior to this Offering and has limited financial and development history. Since its creation, the Partnership has been engaged in the preparation of this Offering including the Trust Offering, which has included, amongst other things, establishing the Partnership and retaining legal counsel.

The Partnership intends to invest substantially all of its assets in acquiring real estate properties in the Provinces of Ontario, Saskatchewan, Alberta and British Columbia. The Partnership's objective is to maximize returns from ownership of a portfolio of residential real estate properties, which properties may include single family houses, row houses, townhouses, condominium properties, multiplexes, apartment buildings and mixed-use commercial/residential buildings. Some of the Partnership's assets may be kept in cash or cash equivalents.

The Partnership will exercise control (directly or indirectly) over each property acquired by the Partnership and Brian Pulis and/or Kyle Pulis will be actively involved in the management of each property.

3.2 Business, Strategies and Investment Philosophy of the Partnership

The Partnership was formed to:

- (i) acquire a portfolio of residential real estate properties, which properties may include single family houses, row houses, townhouses, condominium properties, multiplexes, apartment buildings and mixed-use commercial/residential buildings (each a “**Property**” or collectively, the “**Properties**”) located in the Provinces of Ontario, Saskatchewan, Alberta and British Columbia;

- (ii) acquire a portion of the Properties on a buy and hold basis, whereby the Partnership will acquire Properties that are under-valued and/or under-utilized for the purposes of repositioning these Properties within the market for future sale to third party purchasers; and
- (iii) engage in any other lawful activities permitted under applicable law that the General Partner determines, in its sole discretion, to be necessary or advisable in furtherance of the foregoing. The Partnership shall invest, directly or indirectly, primarily in Properties located in the Provinces of Ontario, Saskatchewan, Alberta and British Columbia.

Investment Philosophy

The Partnership believes that research combined with professional management expertise is the cornerstone to a superior real estate investment program. The Partnership aims to create value by investing in properties that the General Partner identifies as having the potential to create value by:

- (i) purchasing undervalued, undermanaged or underutilized Properties from third-party vendors;
- (ii) performing strategic renovations and other capital improvements to the Properties, if required, to improve marketability, rental income and occupancy levels thereby causing forced appreciation;
- (iii) refinancing Properties (where appropriate) to realize immediate market value gains; and
- (iv) redeploy funds to acquire additional Properties.

The Partnership intends to operate pursuant to the following principles:

- (i) that well-located Properties in areas with solid economic fundamentals have historically appreciated in value over time;
- (ii) that the current low interest rate environment enables real estate owners to obtain historically low Financing;
- (iii) that when total income from a Property meets or exceeds the Property carrying costs, there is an opportunity to gain positive leverage which increases the overall return on equity invested;
- (iv) that the current low financing costs provide investment opportunity in real estate with attractive leveraged yields that are not available from many other investment alternatives; and
- (v) that real estate investment is also likely to provide an opportunity for greater returns through leveraged capital appreciation.

The Partnership also believes that Properties may still be acquired at attractive prices as a result of market inefficiencies, sub-optimal management practices or incompatibility with a current owner's investment strategy. The Partnership believes that value can be found in many types of Properties. The Partnership will consider and acquire mid-rise, high-rise, and townhome complex Properties that will generally contain 30 or more units.

By providing experienced management, the Partnership anticipates to increase the profitability of these Properties over time. The Partnership believes that the increased value can be realized through a variety of techniques such as strategic renovations, restructuring, refinancing, re-branding and decorating, implementing tenant-centric property management practices, re-leasing, renegotiating existing leases, change of use or capital improvements, or market repositioning.

Investment Mandate

The Partnership will focus on acquiring Properties which may be purchased for less than what the General Partner believes is the intrinsic or potential value of such Properties. The General Partner will endeavour to identify Properties that fall in between the market segment occupied by individual real estate investors and the market segment occupied by pension funds, REITs and public real estate companies.

The Partnership believes there is an opportunity to purchase Properties in this niche either before they come to market, at valuations below those that would be paid in an open bidding process, or when analysis suggests an undervaluation.

Canadian real estate markets are continually reviewed to assess the potential for new opportunities by the General Partner.

Economic fundamentals are the key drivers to the selection of areas and Properties by the Partnership. As the Partnership's available funds grow, the Partnership anticipates that its real estate portfolio will be expanded to include Properties that can benefit from economies of scale and Properties that fit within the General Partnership's investment philosophy.

Investment Strategy

The Partnership intends to make acquisitions that represent an opportunity to establish and improve the overall quality of the Properties' portfolio, minimize and mitigate the risk(s) associated with any investment and enhance the sustainability of the long term investment strategy of the Partnership.

The Partnership intends to focus on acquiring Properties which it believes to be operating below their potential realizable value.

The General Partner will be tasked with identifying Properties for possible acquisition in growth markets and aggressively manage and reposition those Properties with the view to preserving Partnership capital, and enhancing the potential for increased income and capital gains. The Partnership aims to hold each Property for at least five years, and potentially much longer if appropriate.

The Partnership intends to focus on acquiring Properties in the Provinces of Ontario, Saskatchewan, Alberta and British Columbia and repositioning existing Properties where opportunities exist. This will allow the Partnership to capitalize on operational efficiencies and further increase our presence and critical mass in these markets.

The Partnership intends to use the first \$10,000,000 dollars of the Available Funds realized by the Offering to invest solely in Properties located in Ontario. The Partnership intends to invest no more than 20% of the Available Funds realized by the Offering in excess of \$10,000,000 dollars in Properties located outside of Ontario, at the General Partner's discretion.

The General Partner will be tasked with working to capitalize on market inefficiencies by combining a service-oriented tenant-centric focus with undervalued assets. The Partnership may also expand, renovate or take advantage of the development opportunities presented by a Property to enhance the return on Partnership capital while retaining a diversified portfolio and conservative risk profile as a whole.

Multi-tenant residential properties reduce the risk of vacancies and are more likely to provide consistent cash flow while preserving invested capital whereas single family properties provide the highest potential for significant capital appreciation.

While it is not the primary focus of the Partnership, the General Partner may purchase mixed commercial/residential buildings from time to time to provide diversification should such building(s) ultimately enhance the performance of the Properties.

Consistent cash flow creates the ability to pay interest on the debt incurred to purchase Properties. Excess cash flow will be re-invested into the Portfolio, utilized to pay down any Financing on the Properties and/or distributed to shareholders.

Investment Process

The Partnership intends to use the Available Funds realized from this Offering together with any proceeds obtained from any direct investment into the Partnership and the proceeds from periodic remortgaging of its Properties and positive cash flow to acquire assets and manage/operate the portfolio of Properties.

The Partnership will purchase Properties at prices and on terms negotiated with vendors. In some cases the Partnership might acquire an investment under an agreement initiated by the General Partner or parties associated with the General Partner, or its nominee, with arm's length third party vendors, which agreement will be assigned to the Partnership who will reimburse any deposits and due diligence or other out-of-pocket expenses incurred by the General Partner before the assignment.

From time to time, there may be a fee charged for property assignments by agents.

In addition to the above, the Partnership may also purchase Properties from the officers and directors of the General Partner or from corporations associated with such parties at a price equal to the average of the value established by a certified appraisal obtained from an independent appraiser with respect to the Investment in question and a single market valuation obtained from an independent realtor or realtors with respect to the Property.

The General Partner will identify and evaluate potential acquisitions. When the General Partner decides that an acquisition is worth considering, the General Partner will perform a thorough analysis that may make use of due diligence tools and sources of information, as appropriate, such as a building inspection report, a building valuation, an environmental assessment report (phase one and/or phase two), a fire prevention report, and possibly others. The General Partner may obtain independent property, environmental and structural reports even if not required by lenders.

After the purchase of a Property, the General Partner will implement a value enhancement process that consists of value-increasing and revenue augmentation activities including strategic capital improvements and the implementation of value-added tenant services.

The Partnership will focus on achieving operational cost savings. The Properties will be monitored by the General Partner on a constant basis to gauge the effectiveness of the management process on cash flows and tenant satisfaction. As well, through analysis of market rental rates, the General Partner will determine where capital expenditures will permit the largest increase in rents and when a Property's rate of return has been maximized. The Partnership can then decide whether to re-deploy capital into opportunities that will provide increased returns.

Disposition Guidelines

The Partnership may sell a Property when it determines that the associated capital can be more efficiently deployed. This is an ongoing monitoring process, where economic, political and demographic trends are taken into account.

The Partnership may also sell Properties to the officers and directors of the General Partner or to corporations or limited partnerships associated with such parties at a price equal to the average of the value established by a certified appraisal obtained from an independent appraiser with respect to the Property in question and a single market valuation obtained from an independent realtor or realtors with respect to the Property.

The Partnership may, at its discretion and without notice to the Limited Partners, reallocate the Partnership's assets to new projects recommended by the General Partner, or allocate cash flows from the Partnership's assets to alternative near-cash short-term investment vehicles.

Debt Financing

The Partnership may finance a part of the purchase price and the operating cost of any of the Properties it acquires. The Partnership may refinance any acquisition financing where more favourable financing becomes available from third party lenders such as banks, trust companies, mortgage syndicates or other providers of mortgage funding. The Partnership expects that generally any mortgage loan charging a Property will not exceed 85% of the appraised value of the Property, although occasionally higher leverage may be desired or assumed from the seller. On a fund-level basis, the total mortgage amounts outstanding may not exceed 75% of the fund's gross asset value. Additional funds may be required for the property management reserve account which may be required by the applicable lenders. The Partnership will typically finance new acquisitions with mortgages with two or three year terms and variable interest rates, but take on longer-term mortgages through any subsequent refinancing.

Vendor take-back financing may be used to facilitate the sale of Properties in some instances. Any financing offered will be registered on title to the Property being sold, have a maturity not exceeding five years, and a loan-to-value ratio of no more than 85%. The aggregate value of vendor take-back financing outstanding will not exceed 20% of the total assets of the Partnership.

Cash Flow Payments

The Partnership will apply cash flow toward the operating expenses, provision of reasonable reserves for working capital, renovations and upgrades to Properties, and the payment of interest and annual principal payments on the mortgage loans of the Partnership's Properties.

Property Management

Unless the General Partner assumes the responsibility, the Partnership will engage one or more licensed (where required) property management companies to manage its Properties.

The General Partner, at its discretion, may contract with a party related to the General Partner to provide management and or renovations services with respect to one or more of the Properties. Fees paid to such a party will be at industry standard management rates.

Approvals and By-Laws

Should the Partnership acquire a Property and elect to stratify title to such a Property, the conversion of that Property into individually titled condominiums will require approval of the Planning and Building Departments of the municipality in which the Property is located. An architectural report would be obtained to outline any building code deficiencies of the respective Property.

Building permits are then obtained to resolve these building code deficiencies. Once the building code requirements have been met, then a municipal inspector will grant a building permit. After the final approval is given by the inspector, a strata plan will be drawn up by a surveyor and that plan is used to create separate title to the units comprising the Property.

Stratification of a Property could be completed within 12-18 months of the property acquisition date.

3.3 Long Term Objectives

The long-term objectives of the Partnership, are to achieve positive cash flows and generate steady returns to its Limited Partners.

The Partnership's objective is to maximize long-term results, while continuing to reinvest operating profits in Properties to preserve the Partnership's assets. The Partnership will acquire Properties as long as the relevant market and investment fundamentals allow for appropriate returns to be generated.

By combining a service-oriented focus with acquiring undervalued assets, the Partnership expects to increase the cash flow from its Portfolio thereby providing an increasing rate of return to its Limited Partners. Toward these ends the Partnership intends:

- (i) to improve the overall value of the Partnership by acquiring revenue producing Properties that add value to the overall Portfolio;
- (ii) to operate and maintain the Properties with the intention of creating profitability on a sustainable basis;
- (iii) to engage in activities to increase the value and returns of the Properties;
- (iv) to reinvest operating profits and the proceeds of any refinancing of the Properties acquired by the Partnership in the furtherance of the business objectives of the Partnership;
- (v) to enhance return on capital and yield through limited investment in real estate development opportunities;
- (vi) to provide an investment which has the likely probability of long-term capital appreciation;
- (vii) to preserve the value of the LP Units;
- (viii) to improve the overall value of the Partnership's enterprise through the effective management of the Partnership's business and finances and value added improvements to its Properties;
- (ix) to maintain a private structure that is not subject to the volatility of the public equity and debt markets; and
- (x) to maintain a cost structure aligned solely with the interests of smaller retail investors.

The Partnership's business strategy anticipates that the Partnership will be able to increase the revenue from and/or the value of Properties it acquires. Achieving these goals will depend in part on successfully consolidating functions and integrating operations, procedures and personnel required in the operation and management of the Properties in a timely and efficient manner. Failure to achieve one or more of those goals may result in the Partnership not achieving the anticipated benefits of acquiring and owning Properties. See "Risk Factors".

No particular costs are attributable to the achievement of the foregoing objectives. If any of the above-listed events do not occur and it results in the Partnership's long-term objectives not being met, it could have an adverse effect on your investment in the Partnership. See - "Risk Factors".

3.4 Development of Business

The Partnership's short term objective is to raise \$50,000,000 under this Offering and to seek the acquisition of Properties located in Ontario, British Columbia, Alberta, Saskatchewan, with the objective of generating returns to the Limited Partners. Part of the Offering includes the Trust Offering. The Trust is concurrently raising funds of a minimum of \$250,000 and up to \$50,000,000 to acquire LP Units in the Partnership. In the event that the Trust raises the maximum under the Trust Offering all of the Units of the Partnership will be held by the Trust. The total amount of LP Units that will be held by the Trust after completion of the Maximum Offering is dependent upon the funds that are raised under the Trust Offering. To the extent that the Trust Offering does not raise the maximum under the Trust Offering, LP Units will be held by other Limited Partners.

All or substantially all of the Available Funds of the Offering will be used to acquire Properties. The ability to acquire Properties will be contingent on the amount of the funds raised pursuant to this Offering. Investments in the Trust should be considered long-term in nature.

The costs, expenses and Selling Commissions together with the Marketing Fee associated with this Offering and the Trust Offering are estimated to be up to \$6,500,000. All expenses of the Offering will be borne by the Partnership, including the expenses related to the Trust Offering pursuant to the Funding Agreement (See "Material Contracts – Funding Agreement"). Selling Commissions and the Marketing Fee associated with the Trust Offering will not be payable on the Trust's subscription of LP Units. Selling Commissions and the Marketing Fee will be instead be payable on such funds upon subscription by Trust Unit subscribers to the Trust Offering.

The Partnership plans to purchase Properties located in the Provinces of Ontario, Saskatchewan, Alberta and British Columbia. The Partnership intends to use the first \$10,000,000 of the Available Funds realized by the Offering to invest solely in Properties located in Ontario. The Partnership intends to invest no more than 20% of the Available Funds realized by the Offering in excess of \$10,000,000 in Properties located outside of Ontario, at the General Partner's discretion.

3.5 Short Term Objectives and How We Intend to Achieve Them

The Partnership's objectives during the next 12 months are:

What we must do and how we will do it	Target Completion Date	Cost to Complete
Raise \$50,000,000 through this Offering	Ongoing	\$6,730,500 ⁽¹⁾
Continue seeking the acquisition of a portfolio of Properties located primarily in British Columbia, Alberta, Saskatchewan and/or Ontario.	Ongoing	\$43,189,500

Notes:

1. All expenses, fees and Selling Commissions related to the Trust Offering will be also borne by the Partnership rather than the Trust pursuant to the terms of the Funding Agreement. The estimated Offering costs disclosed above is the aggregate of the costs estimated to be associated with the Offering and the Trust Offering.

If any of the Partnership's objectives over the next 12 months are not met, the proposed activities of the Partnership may not proceed or may experience delays. This could have an adverse effect on your investment in the Partnership. See "Risk Factors".

3.6 Insufficient Funds

The proceeds of this Offering may not be sufficient to accomplish all of the Partnership's proposed objectives and there is no assurance that alternative financing will be available. See "Risk Factors".

The Partnership intends that all or substantially all of the Available Funds of the Offering, after payment of all costs, expenses and Selling Commission associated with this Offering, will be used in the business of acquiring real estate assets in the Provinces of Ontario, Saskatchewan, Alberta and British Columbia and to pay for the operating and administration expenses of the Partnership. The Partnership does not intend to hold any significant cash reserves.

The proceeds of this Offering may not be sufficient to accomplish all of the Partnership's proposed objectives and there is no assurance that alternative financing will be available. See "Risk Factors".

ITEM 4 - MATERIAL AGREEMENTS

The following is a description of each material agreement with respect to the entities in the structure and a summary of those material agreements and the key terms governing the entities in the structure. Material agreements are made available on request at the offices of the General Partner at 1 Nelson Street W., Suite 200A, Brampton, Ontario L6W 3E4, Tel: 1-855-452-1305, Attention: Brian Pulis.

4.1 Partnership Agreement

The following is a summary of certain provisions of the Partnership Agreement of the Partnership. The summary does not purport to be complete and is subject to the more detailed provisions of the Partnership Agreement. Prospective subscribers should review the complete text of the Limited Partnership Agreement, a copy of which is a copy of which is attached hereto as Schedule "G". Capitalized terms used herein not otherwise defined shall have the meanings ascribed thereto in the Limited Partnership Agreement.

Duties of the General Partner

The General Partner has:

- (i) unlimited liability for the debts, liabilities and obligations of the Partnership;
- (ii) subject to the terms of this Agreement, and to any applicable limitations set forth in the Act and applicable similar legislation, the full and exclusive right, power and authority to manage, control, administer and operate the business and affairs and to make decisions regarding the undertaking and business of the Partnership; and
- (iii) the full and exclusive right, power and authority to do any act, take any proceeding, make any decision and execute and deliver any instrument, deed, agreement or document necessary for or incidental to carrying out the business of the Partnership.

An action taken by the General Partner on behalf of the Partnership is deemed to be the act of the Partnership and binds the Partnership. Notwithstanding any other agreement the Partnership or the General Partner may enter into, all material transactions or agreements entered into by the Partnership must be approved by the board of directors of the General Partner.

Distributions

General Partner shall make distributions of Distributable Cash to the Limited Partners in accordance with their Proportionate Interest, for each Distribution Period. If the calculation of Distributable Cash is less than zero, then the General Partner will not make any distribution to the Limited Partner.

Fees of the General Partner

The Partnership shall, during the term of the Partnership, distribute to the General Partner, an amount to be calculated on an annual basis, determined as follows:

- (a) a quarterly fee to be paid in advance and estimated and calculated as an amount equal to 1.5% of the Fair Market Value of the Partnership on the last date of each Fiscal Year (if such amount is negative, the Management Fee shall be zero) (the "**Management Fee**");
- (b) an amount equal to 1.0% of the acquisition price of the Properties acquired by the Partnership, excluding costs of acquisition (including but not limited to taxes and legal costs) in the relevant Fiscal Year, payable upon closing of the purchase of the Property ("**Acquisition Fee**"); and

- (c) an amount equal to 7.0% of the Adjusted Net Operating Income (the “**Incentive Fee**”) . The Incentive Fee shall be paid by the purchase of Trust Units by the Limited Partnership on behalf of the General Partner.

Fees payable by the Partnership to the General Partner are subject to GST (and may be subject to HST in part) and will be deducted as an expense of the Partnership in the calculation of the net profits of the Partnership.

Expenses of the General Partner

The General Partner shall be reimbursed by the Partnership for all corporate expenses incurred by the General Partner in carrying out its obligations or duties under the Partnership Agreement. The General Partner shall calculate the corporate expenses for each month and by the 15th day of the month following the end of such month (or on such other basis as the General Partner determine) shall invoice the Partnership for such expenses, such invoice to include details of the Services provided for that period, plus GST and HST, as applicable. Such amounts shall be paid by the Partnership not later than 30 days after receipt of such invoice.

LP Unit Redemptions (Cash and LP Units)

LP Units are redeemable at any time on demand by a Limited Partner on delivery to the Partnership of a duly completed and properly executed notice requesting redemption specifying the number of LP Units to be redeemed and enclosing any Unit Certificate(s).

Upon receipt by the General Partner of a redemption notice from the Limited Partner, the Limited Partner is entitled to receive:

- (i) within 12 months from the date of the Unit Certificate representing the LP Units to be redeemed (the “**Issuance Anniversary**”), a price per LP Unit to be redeemed that shall be equal to 90% of the Fair Market Value of the LP Units to be redeemed;
- (ii) within 2 years of the Issuance Anniversary, a price per LP Unit to be redeemed that shall be equal to 92% of the Fair Market Value of the LP Units to be redeemed;
- (iii) within 3 years of the Issuance Anniversary, a price per LP Unit to be redeemed that shall be equal to 94% of the Fair Market Value of the LP Units to be redeemed;
- (iv) within 4 years of the Issuance Anniversary, a price per LP Unit to be redeemed that shall be equal to 96% of the Fair Market Value of the LP Units to be redeemed;
- (v) within 5 years of the Issuance Anniversary, a price per LP Unit to be redeemed that shall be equal to 98% of the Fair Market Value of the LP Units to be redeemed; and
- (vi) at anytime following the 5th Issuance Anniversary, a price per LP Unit to be redeemed that shall be equal to the Fair Market Value of the LP Units to be redeemed;

as determined by the General Partner or Partnership within 30 business days of receipt of the redemption notice, having reference to Fair Market Value of the Partnership (hereinafter, called the “**Redemption Price**”). The Redemption Price will be paid by cheque, drawn on a Canadian chartered bank or a trust company in lawful money of Canada, payable to or to the order of the redeeming Limited Partner. The Redemption Price payable in respect of the LP Units surrendered for redemption shall be satisfied by way of a cash payment on the last day of the Fiscal Year in which the LP Units were tendered for redemption.

There may be deducted from redemption proceeds of a Partnership Unit and retained in the Partnership all costs to the Partnership associated with the redemption, including costs of liquidation of portfolio assets, up to a maximum amount equal to 2% of the Fair Market Value of the Partnership Units being redeemed. It is within the discretion of the General Partner to apply or waive this deduction based on liquidity of the Partnership’s investment portfolio.

The Partnership shall not be required to make a payment in cash of the Redemption Price with respect to LP Units tendered to for redemption pursuant to a Redemption Notice if in the General Partner’s opinion (in their sole discretion), the Partnership has insufficient liquid assets to fund such redemptions or that the liquidation of assets at

such time would be to the detriment of the remaining holders of LP Units or the Partnership generally, or if the total amount payable by the Partnership pursuant to the above in respect of such LP Units and all other LP Units tendered for redemption in the same Fiscal Year exceeds the greater of \$100,000 or 5% of the Fair Market Value of the Partnership in cash per Fiscal Year (the "**Annual Limit**"); provided that the General Partner may, in its sole discretion, waive such limitation in respect of all LP Units tendered for redemption in any Fiscal Year. LP Units tendered for redemption in any Fiscal Year in which the total amount payable by the Partnership exceeds the Annual Limit will be redeemed for cash on a pro-rata basis up to the Annual Limit and, unless any applicable regulatory approvals are required, by a distribution under Section 4.5, of Redemption Notes, for the balance.

Meetings

The General Partner may call a general meeting of Limited Partners at a time and a place as it deems appropriate in its absolute discretion for the purpose of considering any matters set forth in the notice of meeting.

Consents without Meeting

The General Partner may secure the consent or agreement of any Limited Partner to any matter requiring consent or agreement in writing, and the consents or agreements in writing may be used in conjunction with votes given at a meeting of Limited Partners or without a meeting of Limited Partners to secure the necessary consent or agreement to the matter.

Place of Meeting

Every meeting of Limited Partners shall be held in the City of Brampton, Ontario, or at such other place as the General Partner may designate.

Notice of Meetings

Notice of any meeting of Limited Partners is to be given to each Limited Partner not less than seven days (but not more than 45 days) prior to such meeting, and to be valid for the purposes hereof, must state:

- (a) the time, date and place of such meeting; and
- (b) in general terms, the nature of the business to be transacted at the meeting in sufficient detail to permit a Limited Partner to make a reasoned decision thereon.

Quorum

At any meeting of the Limited Partners, subject as hereinafter provided, a quorum shall consist of two or more individuals present in person either holding personally or representing as proxies not less in aggregate than 5% of the votes attached to all outstanding Units. In the event of such quorum not being present at the appointed place on the date for which the meeting is called within 30 minutes after the time fixed for the holding of such meeting, the meeting, if called by request of Limited Partners, shall be terminated and, if otherwise called, shall stand adjourned to such day being not less than 7 days later and to such place and time as may be appointed by the chair of the meeting. If at such adjourned meeting a quorum as above defined is not present, the Limited Partners then present either personally or by proxy shall form a quorum, and any business may be brought before or dealt with at such an adjourned meeting which might have been brought before or dealt with at the original meeting in accordance with the notice calling the same.

Resolutions Binding

Any Ordinary Resolution passed in accordance with the Limited Partnership Agreement will be binding on all Partners and their respective heirs, executors, administrators, successors and assigns, whether or not the Limited Partner was present or represented by proxy at the meeting at which the Ordinary Resolution was passed and whether or not the Partner voted against the resolution.

Powers Exercisable by Special Resolution

The following powers are only exercisable by Special Resolution passed by the Limited Partners:

- (a) dissolving the Partnership, except as otherwise provided for in the Partnership Agreement;
- (b) removing the General Partner and electing a new general partner;
- (c) the sale of all or substantially all of the assets of the Partnership;
- (d) amending, modifying, altering or repealing any Special Resolution previously passed by the Limited Partners;
- (e) amending this Partnership Agreement; and
- (f) determining to reconstitute the Partnership..

4.2 Funding Agreement

The Partnership and the Trust have entered into the Funding Agreement pursuant to which the Partnership has agreed to pay all costs, fees and Selling Commissions associated with this Offering.

4.3 Transfer Agent Agreement

The GP has retained Computershare Trust Company of Canada to act as transfer agent for the Partnership pursuant to a Transfer Agent Agreement.

4.4 Third Party Administrator - Pinnacle Fund Agreement

The General Partner and the Administrator has retained Pinnacle Canada Fund Administration Ltd. (the “**Third Party Administrator**”) to provide fund accounting and record keeping services to both the Trust and the Partnership. The fees for such services provided will be paid by the Trust or the Partnership, as applicable. The Third Party Administrator is not related to or affiliated with Pinnacle Wealth Brokers Inc.

4.5 Subscription Agreements between the Trust and the Partnership

Upon each Closing, the Trust will acquire LP Units from the Partnership pursuant to the form of subscription agreement required by the Partnership. Under that form of subscription agreement, the Trust will agree to acquire LP Units at a price of \$95 per LP Unit up to and including June 30, 2015. The price per LP Unit shall be \$100 on or after July 1, 2015 and will provide to the General Partner a power of attorney to act on the Trust's behalf and to sign certain documentation on the Trust's behalf as a limited partner of the Partnership. Further, under the form of subscription agreement, the Trust will provide certain representations and warranties to the Partnership as to, among other things, its ability to rely on certain prospectus and registration exemptions in its acquisition of the LP Units.

4.6 Distribution Reinvestment Plan

The Partnership has established the DRIP, which is a distribution reinvestment plan with an effective date of February 6, 2015, for the purposes of offering Eligible Holders a convenient method to reinvest distributions on LP Units declared and payable to them.

Features

Under the DRIP, a Participant may purchase additional LP Units with the cash distributions paid on the Eligible LP Units which are registered in the name of the Registered Participant or held in a Non-Registered Participant's account maintained pursuant to the DRIP. The price at which LP Units will be issued from treasury under the DRIP will be calculated by reference to the DRIP Unit Price. No commissions, service charges or brokerage fees are payable by Participants in connection with the DRIP.

Distributions in respect of whole and fractional LP Units (up to six decimal places) purchased under the DRIP will be credited to a Participant's account and will be automatically invested under the DRIP in additional LP Units until such time as the Participant's participation in the DRIP is terminated.

The Partnership shall determine the number of LP Units available to be issued under the DRIP at any time.

Participation and Enrollment in the DRIP

Provisions of the DRIP apply to all Participants, but are subject to the administrative practices and requirements of intermediaries through whom LP Units are held by Non-Registered Unitholders. Those administrative practices and requirements may vary, and Non-Registered Unitholders should contact their intermediary to determine the requirements of such intermediary regarding participation in the DRIP.

In order to be eligible to participate in the DRIP, a holder must be an Eligible Holder. An Eligible Holder who is a registered holder of LP Units of record may enrol in the DRIP at any time by duly completing and returning a DRIP Enrollment Form to the Partnership by Close of Business on the fifth Business Day prior to a Distribution Record Date for it to be effective on such Distribution Payment Date. Any DRIP Enrollment Form received after such time will be applied to the next applicable Distribution Record Date.

Eligible Holders who are Non-Registered Unitholders may request Enrollment in the DRIP through such broker or investment dealer. Once a Participant has enrolled in the DRIP, participation continues automatically unless terminated in accordance with the terms of the DRIP.

Once a Participant is enrolled, on each Distribution Payment Date, the Partnership shall promptly pay to the account of the Participants, all cash distributions paid on their LP Units, which shall be immediately applied to purchase additional LP Units from treasury (with no action upon the part of the Unitholder) at the then applicable DRIP Unit Price as determined by the Partnership. The Partnership shall retain such portion of the cash concurrently with the issuance of additional LP Units from treasury to the Participants.

If any LP Units are held by a non-resident of Canada, such Partnership Unitholder is not eligible to participate in the DRIP. Upon ceasing to be a resident of Canada, a Participant shall forthwith notify the Partnership of same and shall automatically be deemed to cease to be a Participant as of the date the Participant ceased to be a resident of Canada.

A DRIP Enrollment Form may be obtained from the Partnership any time upon written request addressed to the Partnership.

No interest will be paid to Participants on any funds held for investment under the DRIP.

Transfer of Participation Rights

The right to participate in the DRIP may not be transferred by a Participant.

Termination of Participation

Participation in the DRIP may be terminated by a Registered Participant once per calendar year, effective as of the first Distribution Record Date of the following year by notice in writing to the Partnership. Non-Registered Participants can terminate their participation in the DRIP by notifying the broker or other investment dealer with whom they hold their LP Units.

Following such termination, a certificate for the number of whole LP Units issued to the Registered Participant under the DRIP will be issued to, and in the name of, such Participant, together with a cheque for the value of any remaining fraction of a Partnership Unit held for the account of such Participant. The amount of the payment for any such fraction will be determined by the prevailing DRIP Unit Value on the day of termination.

If the notice of termination is received by the Close of Business on the last Business day of the calendar year, termination of the Participant's participation in the DRIP will be effective in respect of the next Distribution Record Date of the following year. Otherwise, the termination will be effective in respect of the next succeeding year.

For greater certainty, termination by a Participant will not prevent such Partnership Unitholder from participating in the DRIP at a later date. No termination requests will be processed between a Distribution Record Date and the

related Distribution Payment Date. Normally, a certificate will be sent to a Participant within three weeks of receipt by the Partnership of a Participant's termination request.

After termination of participation in the DRIP, all subsequent distributions will be paid to the former Participant in cash in the usual manner.

Amendment, Suspension or Termination of the DRIP

The Partnership reserves the right to amend, suspend or terminate the DRIP at any time, but such action shall have no retroactive effect that would prejudice the interest of the Participants. Participants will be sent written notice of any such amendment, suspension or termination.

In the event of suspension or termination of the DRIP by the Partnership, no investment in additional LP Units on behalf of Participants will be made on the Distribution Payment Date immediately following the effective date of such suspension or termination.

Any Partnership Unit distribution subject to the DRIP and paid after the effective date of any such suspension or termination will be remitted by the Partnership to the Participants in cash only, in the usual manner.

Rules and Regulations

The Partnership may from time to time adopt rules and regulations to facilitate the administration of the DRIP. The Partnership also reserves the right to regulate and interpret the DRIP as it deems necessary or desirable to ensure the efficient and equitable operation of the DRIP.

Proration in Certain Events

The Partnership reserves the right to determine, promptly following each Distribution Record Date, the amount of new equity, if any, to be made available under the DRIP on the Distribution Payment Date to which such record date relates. No assurances can be made that new LP Units will be made available under the DRIP on a regular basis, or at all.

If on any Distribution Payment Date the Partnership determines not to issue any equity through the DRIP, or the availability of new LP Units is prorated in accordance with the terms of the DRIP, or for any other reason a Distribution cannot be reinvested under the DRIP, in whole or in part, then Participants will be entitled to receive from the Partnership the full amount of the regular Distribution for each Partnership Unit in respect of which the Distribution is payable but cannot be reinvested under the DRIP in accordance with the applicable election.

Price of LP Units

On each Distribution Payment Date, the Partnership shall promptly pay to the account of the Participants, all cash distributions paid on their LP Units, which shall be immediately applied to purchase additional LP Units from treasury (with no action upon the part of the Partnership Unitholder) at the then applicable DRIP Unit Price as determined by the Partnership. The Partnership shall retain such portion of the cash concurrently with the issuance of additional LP Units from treasury to the Participants.

Costs

There shall not be any commissions, service charges or brokerage fees payable in connection with the issuance of LP Units under the DRIP. All administrative costs of the DRIP shall be borne by the Partnership.

Reports

Registered Participants

An account will be maintained by the Partnership for each Participant with respect to purchases of LP Units under the DRIP for the account of such Participant. An unaudited statement of account regarding purchases under the DRIP will be sent on an annual basis to each Participant who is a registered holder of LP Units. These statements of account are a Participant's continuing record of purchases of LP Units made on behalf of such Participant pursuant to the DRIP and should be retained for income tax purposes. Unitholders are responsible for calculating and monitoring their own adjusted cost base in LP Units for income tax purposes, as certain averaging rules may apply and such calculations may depend on the cost of other LP Units held by a Partnership Unitholder.

Non-Registered Participants

Non-Registered Unitholders who have enrolled in the DRIP may receive statements of account from their intermediary in accordance with the intermediary's administrative practices. Such statements will constitute such Non-Registered Partnership Unitholder's continuing record of the date and valuation of the acquisition of DRIP LP Units issued pursuant to the DRIP and should be retained for income tax purposes. Non-Registered Unitholders should contact their intermediary to determine the procedures for requesting current statements.

No Certificates

No certificates representing LP Units issued pursuant to the DRIP will be provided to Participants, unless requested by the Participant.

Withdrawals

Registered Participants

LP Units purchased under the DRIP will be issued to the Participants by the Partnership and evidenced on the Partnership's register of LP Units. Certificates for such LP Units will not be issued to Participants unless specifically requested in writing.

A Participant that is a registered holder of LP Units may request a certificate for any number of LP Units held by the Participant without terminating participation in the DRIP in writing from the Partnership. Normally, a certificate will be sent to a Participant within three weeks of receipt by the Partnership of a Participant's request. Any remaining LP Units will continue to be held for the Participant's account under the DRIP.

Non-Registered Unitholders

Unitholders who have enrolled in the DRIP should contact their intermediary to determine the procedures for withdrawing their participation in the DRIP.

Responsibilities of the Partnership

The Partnership shall not be liable for any act, or any omission to act, in connection with the operation of the DRIP including, without limitation, any claims for liability:

- (a) relating to the prices at which LP Units are purchased or sold for the Participant's account and the times such purchases are made; and
- (b) arising in connection with income taxes (together with any applicable interest and/or penalties) payable by Participants in connection with their participation in the DRIP.

Participants should recognize that the Partnership cannot assure a profit or protection against a loss on the LP Units purchased or sold under the DRIP.

Personal Liability

The General Partner is entering into this Plan, on behalf of the Partnership and the obligations of the Partnership hereunder are not personally binding upon the General Partner, or any of the registered or beneficial LP Unitholders or any annuitant or beneficiary under a plan of which a LP Unitholder is a trustee or carrier (an “**annuitant**”) and that any recourse against the Partnership, the General Partner, or any LP Unitholder or annuitant in any manner in respect of any indebtedness, obligation or liability of the Partnership arising hereunder or arising in connection herewith or from the matters to which this Plan relates, if any, including without limitation claims based on negligence or otherwise tortious behaviour, is limited to, and is to be satisfied only out of, the Partnership Assets as defined in the Declaration of Partnership.

Compliance with Laws

The operation and implementation of the DRIP is subject to compliance with all applicable legal requirements, including obtaining all appropriate regulatory approvals and exemptions from registration and prospectus requirements. The Partnership may limit the LP Units issuable under the DRIP in connection with discretionary exemptive relief relating to the DRIP granted by any securities regulatory authority.

Notices

All notices required to be given under the DRIP shall be sent to a Participant at the address shown on the records of the Partnership or at a more recent address as furnished by the Participant or the Participant’s investment dealer, as the case may be.

Notices to the Partnership shall be sent to:

Suite 200A, 1 Nelson Street W., Brampton, Ontario L6W 3E4
T: 1-855-452-1305
Email: inquiry@pulisinvestments.com

ITEM 5 - DIRECTORS, MANAGEMENT, PROMOTERS AND PRINCIPAL HOLDERS

5.1 Compensation and Securities Held

The Partnership

The following tables set out information about each of the Limited Partners of the Partnership and each person who, directly or indirectly, beneficially owns or controls 10% or more of any LP Units:

Name and municipality of principal residence	Position held and date of obtaining that position ⁽¹⁾	Compensation paid by the Partnership since inception and the compensation anticipated to be paid in current financial year	Number, type and percentage of securities of the Partnership held after completion of the Minimum Offering	Number, type and percentage of securities of the Trust held after completion of the Maximum Offering
Pulis Real Estate Trust	Initial Limited Partner	Nil	Up to 5001 LP Units ⁽¹⁾ (99.998) %	Up to 500,001 LP Units ⁽¹⁾ (99.9998%)
Pulis Real Estate GP2 Inc.	General Partner	Fees determined in accordance with the Partnership Agreement ⁽²⁾	1 LP Unit (0.002%)	1 LP Unit (0.0002%)

Notes:

1. Pursuant to the Trust Offering the Trust is raising funds of a minimum of \$250,000 and up to \$50,000,000 to acquire LP Units in the Partnership. In the event that the Trust raises the maximum under the Trust Offering all of the Units of the Partnership will be held by the Trust. The total amount of LP Units that will be held by the Trust after completion of the Maximum Offering is dependent upon the funds that are raised under the Trust Offering. As a result the Partnership is unable to accurately estimate these costs at this time. To the extent that the Trust Offering does not raise the maximum under the Trust Offering, LP Units will be held by other Limited Partners.
2. The General Partner will be paid the Management Fee, the Incentive Fee and the Acquisition Fee pursuant to the Partnership Agreement, which will be paid, as applicable, from funds raised from this Offering until such time as the Partnership receives a positive return from the disposition of Properties acquired by it. The total amount of the fees payable to the General Partner that will be incurred by the Partnership are dependent upon: (i) the funds raised under this Offering; (ii) the number and nature of Properties acquired by the Partnership; and (iii) external factors which cannot be anticipated or controlled by the Partnership. As a result the Partnership is unable to accurately estimate these costs at this time. See "Partnership Agreement- Fees of the General Partner". Brian Pulis and Kyle Pulis, two directors of the General Partner, indirectly control or beneficially own all of the outstanding securities of the General Partner and consequently, will indirectly share in those distributions to the General Partner.

The General Partner

The following tables set out information about each of the directors and executive officers of the General Partner and each person or entity who, directly or indirectly, beneficially owns or controls 10% or more of any voting shares of the General Partner:

Name and municipality of principal residence	Position held and date of obtaining that position	Compensation paid by the General Partner since inception and the compensation anticipated to be paid in current financial year	Number, type and percentage of securities of the General Partner held after completion of the Minimum Offering	Number, type and percentage of securities of the General Partner held after completion of the Maximum Offering
Brian Pulis Brampton, Ontario	Director and Chief Executive Officer	\$0 ⁽¹⁾	100 Common Shares ⁽³⁾	100 Common Shares ⁽³⁾
Kyle Pulis Brampton, Ontario	Director, President and Secretary	\$0 ⁽¹⁾	100 Common Shares ⁽⁴⁾	100 Common Shares ⁽⁴⁾
Jason Priest Toronto, Ontario	Director	\$9,000 ⁽²⁾	Nil	Nil
Peter VanSickle Oakville, Ontario	Director	\$9,000 ⁽²⁾	Nil	Nil

Notes:

1. Brian Pulis and Kyle Pulis, two directors of the General Partner, will not be directly compensated for their services; however, all of the outstanding shares of General Partner are beneficially owned or controlled, directly or indirectly by Brian Pulis and Kyle Pulis. The General Partner is entitled to certain fees, including the Management Fee (which is equal to 1.5% of Fair Market Value of the Partnership payable by the Partnership to the General Partner, estimated and payable quarterly), the Incentive Fee (which is equal to 7.0% of the Adjusted Net Operating Income to be paid in Trust Units, from the previous Fiscal Year) and the Acquisition Fee (equal to of 1.0% of the total purchase price of each of the Properties acquired by the Partnership and which is paid to the General Partner upon completion of the purchase of each of the Properties) pursuant to the Partnership Agreement, which will be paid, as applicable, from funds raised from this Offering until such time as the Partnership receives a positive return from the disposition of Properties acquired by it See "Partnership Agreement- Fees of the General Partner". Consequently, Brian Pulis and Kyle Pulis will indirectly share in those distributions to the General Partner.
2. Jason Priest and Peter VanSickle will be paid an annual fee for acting as directors of the General Partner.
3. The common shares are held by 844732 Ontario Inc., a holding company 100% solely owned by Brian Pulis.
4. The common shares are held by 2212157 Ontario Inc., a holding company 100% solely owned by Kyle Pulis.
5. The Partnership will reimburse the officers, directors and their affiliates for any expenses paid or incurred on behalf of the Partnership, including all reasonable travel, promotional and other business expenses incurred by them in the performance of their duties.

5.2 Management Experience

The names, municipalities of residence, offices held with the General Partner, and principal occupations of the director and officers of the General Partner for the past 5 years are as follows:

Name and Position Held	Principal occupation and related experience
<p>Brian Pulis Director & Chief Executive Officer</p>	<p>Brian is the co-founder and President of Pulis Investment Group. Brian launched and ran several successful retail, service and investment companies before turning his attention in 2002 to building a solid-performing portfolio of multi-family residential properties in specific strategic markets in Ontario. With an instinct and passion for serving unmet needs, Brian focused on underserved markets—tremendous untapped opportunities. By delivering an unprecedented level of value to tenants in underserved markets and maintaining a disciplined focus on multi-family residential properties, Brian's investment portfolio has consistently delivered value to stakeholders.</p> <p>Brian has received several accolades and awards over the years, most notably from the Real Estate Investment Network ("REIN") where he is an active member, speaker and contributor as both a writer and an advisor. Brian also contributes regularly to other investment-related trade publications and shows.</p>
<p>Kyle Pulis President & Secretary</p>	<p>Kyle has over 12 years of senior operations experience in real estate. Passion and commitment to maximizing returns through superior strategies, efficiencies and tenant relations form the cornerstone of Kyle's leadership role as co-founder of Pulis Investments. With an eye for location and a knack for acquisition, Kyle is first out of the gate identifying and filling gaps in underserved markets. An instinct for design and renovation allows him to take the lead in those markets with unique, desirable multi-family residential properties. Finally, his expert approach to project management, building efficiency and tenant relations gives him the wherewithal to maintain and grow that lead over time, even as his keen eye is scoping out the next market opportunity.</p> <p>Kyle is a member and a regular contributor of REIN. In addition to being a frequent speaker at REIN events, Kyle is also a member of its Advisory Board. Kyle is also a member of the Executive Board of the Brampton Downtown Development Corporation.</p> <p>Kyle holds an Honours Business Degree from Wilfrid Laurier University and actively served in the Canadian Armed Forces Reserves as recently as 2013.</p>
<p>Jason Priest Director</p>	<p>Jason has owned and managed J. Priest Investment Management Inc., a boutique portfolio management firm in Toronto, since 2009. A graduate of Acadia University, Jason began his career as a Financial Planner with one of Canada's largest insurance companies and quickly became a specialist in investments and financial markets. He earned his Canadian Investment Administrator (CIM) and Certified Financial Planner (CFP) designations in 2001, Derivatives Market Specialist (DMS) in 2003, became a Chartered Financial Analyst (CFA) in 2004 and obtained the Financial Risk Manager (FRM) designation in 2005. Mr. Priest is a member of the CFA Institute and the Global Association of Risk Professionals (GARP) and has extensive analytical and risk assessment experience. He serves as the Ultimate Designated Person and Chief Compliance Officer for J. Priest Investment Management Inc., a registered Portfolio Manager, Investment Fund Manager and Exempt Market Dealer.</p>

Peter VanSickle Director	<p>Peter G. VanSickle, BComm. FCIB, MBA(Financial Services)</p> <p>Peter has been the President of the Brampton Downtown Development Corporation, a not for profit corporation since 2011. He started his career with Ivanhoe Cambridge and was responsible for the development of a number of Regional Shopping Centers. He was responsible for land assembly and leasing activities. He worked for Hudson's Bay Co. in development and later moved to Bank of Montreal and was responsible for the Canadian Retail Branch Portfolio and was employed by Scotiabank for Real Estate Strategy. He managed the design team responsible for the development of Roger's communications and has directed a number of retail design projects for major North American Retailers.</p> <p>Peter is the Past President of CoreNet a 5,000 member organization focussed globally on Corporate Real Estate matters. He is the Co-Chair of the Western GTA Summit a non-partisan entity dealing with transportation and development issues facing the region.</p>
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5.3 Penalties, Sanctions and Bankruptcy

There is no penalty or sanction that has been in effect during the last ten (10) years, and no cease trade order that has been in effect for a period of more than 30 consecutive days during the last ten (10) years, against any executive officer, director or the Trustees, the Trust or the General Partner or against an issuer of which any of the foregoing was an executive officer, director or control person at the time.

No declaration of bankruptcy, voluntary assignment in bankruptcy, proposal under any bankruptcy or insolvency legislation, proceedings, arrangement or compromise with creditors or appointment of a receiver, receiver Administrator or trustee to hold assets, has been in effect during the last ten (10) years with regard to any executive officer, director or the Trustees, the Trust or the General Partner or any issuer of which any of the foregoing was an executive officer, director or control person at that time.

5.4 Loans

There is no outstanding indebtedness between the Partnership, its General Partner or individual officers or directors of the General Partner.

ITEM 6 - CAPITAL STRUCTURE

6.1 Partnership's Capital

The following table sets out the capitalization of the Partnership as at February 6, 2015, both before and after giving effect to this Offering.

Description of Security	Number Authorized to be Issued	Price Per Security	Number Outstanding as at February 6, 2015	Number Outstanding After Minimum Offering	Number Outstanding After Maximum Offering
LP Units	unlimited	\$100	1	N/A	500,002

6.2 Long-Term Debt

As of the date of this Offering Memorandum, the Partnership does not have any debt.

6.3 Prior Sales

Except for the issuance of the initial limited partnership unit to the initial LP Unit holder on the formation of the Partnership, the Partnership has not issued any LP Units during the last 12 months.

ITEM 7 - DESCRIPTION OF UNITS

7.1 Terms of LP Units

The interest of each Limited Partner shall be determined by the number of LP Units registered in the name of the Limited Partner, subject to the rights, privileges, restrictions and conditions referred to in the Partnership Agreement. All LP Units shall rank among themselves equally and rateably without discrimination, preference or priority, whatever may be the actual date or terms of issue thereof. Each LP Unit shall entitle the holder of record thereof to one vote at all meetings of Limited Partners or in respect of any written resolution of Limited Partners. There is no limit to the number of LP Units. Each Limited Partner shall have voting rights proportionate to the number of Units held by such Limited Partner as at the record date in relation to the aggregate of the LP Units issued and outstanding as at the record date.

The LP Units do not represent a traditional investment and should not be viewed by investors as “shares” in the Partnership. The Limited Partners will not have the statutory rights normally associated with ownership of shares of a corporation including, for example, the right to bring “oppression” or “derivative” actions. The price per LP Unit will not be a function of anticipated distributable income from the Partnership and the ability of the Partnership to effect long-term growth in the value of the Partnership. Instead, the value per LP Unit will be a function of the Partnership’s ability to generate income and effect long-term growth in the value of the Partnership and other entities now or hereinafter owned, directly or indirectly, by the Partnership. See “*Risk Factors*”.

7.2 Calculation of Fair Market Value

The price or value of the Units issued to Limited Partners at the time of issuance will be determined by the General Partner with reference to the Fair Market Value of the Partnership and Fair Market Value of the Units. See “Partnership Agreement”.

The Fair Market Value of the Partnership as of any date will mean the fair market value of Partnership, including capital received for the issuance of LP Units, and, when the reference so requires, of investments, determined by reference to IAS 40 and by the most recent, fair market valuation conducted by an independent third-party selected by the General Partner in its sole discretion (or, if the applicable Property was acquired by the Partnership after the most recent annual valuation prepared for the Partnership, then the value shall be any valuation thereof obtained by the General Partner) less all liabilities, costs, and expenses accrued or payable of every kind and nature, and distributions due but not yet paid or made.

The valuation procedures will vary depending on the increase in valuation of the Properties in a given Fiscal Year. If the Property has experienced an increase of up to 20% of its base purchase price then a realtor may confirm in writing the fair market value of the Property. If the Property has experienced an increase of more than 20% of its base purchase price then an appraisal from an accredited appraiser will be obtained in writing.

The General Partner may determine such other rules as it deems necessary from time to time, which rules may deviate from Canadian generally accepted accounting principles (“GAAP”), provided that such deviations are in the best interest of the Partnership and are consistent with industry practices for investment funds similar to the Partnership.

The fair market value of the LP Units will increase or decrease proportionately with the increase and decrease in the Fair Market Value of the Partnership, and the fair market value per Partnership Unit shall be determined by dividing the number of Partnership Units by Fair Market Value of the Partnership. The fair market value of the Trust’s investment in the Partnership will be calculated accordingly from time to time.

7.3 Distributions of LP Units (Cash and Additional LP Units)

The General Partner will make distributions of Distributable Cash to the Limited Partners in accordance with their Proportionate Interest, for each Distribution Period. If the calculation of Distributable Cash is less than zero, then the General Partner will not make any distribution to the Limited Partner. The General Partner will distribute Distributable Cash to the Partners whose names appear on the Register on the date on which such distribution is being made. Distributions made under this Agreement will be net of any tax required by law to be withheld by the General Partner on behalf of the Partnership.

The General Partner will not make distributions to the Limited Partners, to the extent that, to the General Partner's knowledge, they would cause the adjusted cost base of the Limited Partners' Units to become negative for purposes of the Tax Act. Any amount paid to the Limited Partners in excess of the Limited Partners' adjusted cost base, or any

amount determined, at the discretion of the General Partner to be paid to a Limited Partners otherwise than as a Distribution, shall be an advance on the Limited Partners' entitlement, if any, to receive a Distribution after the particular Fiscal Year of the Partnership ends, and shall be repayable in the event that the Partnership's income for the year is less than the aggregate amount of such advances.

The Partnership has established the DRIP, which is a distribution reinvestment plan for the purposes of offering Eligible Holders a convenient method to reinvest distributions on LP Units declared and payable to them. See "Distribution Reinvestment Plan".

7.4 Subscription Procedure

Subscriptions for LP Units may be placed by investors through registered dealers in the Offering Jurisdictions, as may be required or permitted by applicable securities laws. Prospective investors who wish to subscribe for LP Units must complete, execute and deliver the Subscription Agreement which accompanies this Offering Memorandum, including all applicable exhibits and/or schedules thereto to the General Partner or an agent and tender the purchase price in a manner acceptable to the General Partner, attached hereto as Schedule A.

Subscriptions will be processed on the first business day of each month and on such other days as the General Partner may permit (each, a "**Subscription Date**"). A fully completed subscription agreement and subscription proceeds must be received by the General Partner no later than 4:00 p.m. (Toronto time) on the business day prior to the relevant Subscription Date in order for the subscription to be accepted as at that date; otherwise the subscription will be processed as at the next Subscription Date. Monies received before a Subscription Date will be held in a segregated account in trust for the Subscriber.

The Partnership has established a DRIP that provides for the automatic reinvestment of distributions into LP Units. If you want to register in the DRIP you may do so at the time of your subscription for LP Units or at a later time. See "Distribution Reinvestment Plan" for further information.

The offering price of the LP Units pursuant to the Offering is \$95 up to and including June 30, 2015. The price per LP Unit shall be \$100 on or after July 1, 2015.

All subscriptions for LP Units are subject to acceptance or rejection by the General Partner and the right is reserved to reject any subscription. All subscriptions for LP Units are to be forwarded by dealers, without charge, the same day that they are received, to the General Partner on behalf of the Partnership. The decision to accept or reject any subscription for LP Units will be made promptly. In the event that a subscription for LP Units is rejected, all money received with the subscription will be returned immediately to the subscriber without interest or deduction.

A Subscriber will become a Limited Partner of the Partnership following the acceptance of a Subscription Agreement by General Partner. If a subscription is withdrawn or is not accepted by the General Partner, all documents will be returned to the Subscriber within thirty (30) days following such withdrawal or rejection without interest or deduction.

Neither the Partnership, General Partner nor any other Pulis Party or any affiliate or associate of the foregoing is responsible for, and undertakes no obligation to, determine the general investment needs and objectives of a potential investor and the suitability of the LP Units having regard to any such investment needs and objectives of the potential investor.

ITEM 8 - CANADIAN FEDERAL INCOME TAX CONSEQUENCES

You should consult your own professional advisors to obtain advice on the tax consequences that apply to you. All investors will be responsible for the preparation and filing of their own tax returns in respect of this investment.

In the opinion of Gowling Lafleur Henderson LLP, counsel to the Partnership, the following is a fair summary of the principal Canadian federal income tax considerations of acquiring, holding and disposing of LP Units generally applicable to a Subscriber (who acquires LP Units under this Offering Memorandum) who is an individual, other than a trust, and who, for the purposes of the Tax Act is, or is deemed to be, a resident of Canada, deals at arm's length with the Partnership and is not affiliated with the Partnership, holds the LP Units as capital property and has not made a foreign currency reporting election under the Tax Act. Generally, LP Units will be considered to be capital property to a Subscriber provided the Subscriber does not hold the LP Units in the course of carrying on a business and has not acquired the LP Units in one or more transactions considered to be an adventure in the nature of trade.

This summary assumes that at all material times no interest in any Subscriber will be a "tax shelter investment" as defined in the Tax Act, that LP Units will not be acquired with financing for which recourse is, or is deemed to be, limited for purposes of the Tax Act and that no more than 50% of the LP Units will be held by "financial institutions" as defined in the Tax Act. Financing is deemed to be limited recourse for purposes of the Tax Act unless: (i) *bona fide* arrangements were made in writing at the time the financing was obtained providing for repayment within a reasonable period, not exceeding 10 years; (ii) interest is payable at least annually at a rate that is not less than the rate prescribed under the Tax Act; and (iii) interest is paid no later than 60 days after the end of each taxation year. If an interest in a Subscriber becomes a tax shelter investment, a Subscriber finances an acquisition of LP Units with limited recourse financing or if more than 50% of the LP Units are held by "financial institutions" there may be adverse tax consequences to the Partnership and its members.

This summary assumes that at all material times the Partnership will not be a "SIFT partnership" as defined in the Tax Act. If investments in the Partnership are listed or traded on a stock exchange or other public market then the Partnership, if it holds one or more non-portfolio properties, which generally does not include real property situated outside of Canada, may be a SIFT partnership and the Canadian federal income tax considerations described below will be materially different. This summary also assumes that the LP Units will not be listed or traded on a stock exchange or other public market for the purposes of the Tax Act.

This summary is based upon the facts set out in this Offering Memorandum, the provisions of the Tax Act in force as of the date hereof, all specific proposals to amend the Tax Act that have been publicly announced prior to the date hereof by the Minister of Finance (Canada) (the "**Tax Proposals**") and counsel's understanding of the current administrative policies and assessing practices of the Canada Revenue Agency publicly available prior to the date hereof. This summary is not exhaustive of all possible Canadian federal income tax considerations and, except for the Tax Proposals, does not take into account or anticipate any changes in the law, whether by legislative, governmental or judicial action, nor does it take into account provincial, territorial or foreign tax considerations, which may differ significantly from those discussed herein.

This summary is of a general nature only and is not intended to be legal or tax advice to any particular purchaser of LP Units. Consequently, prospective purchasers should seek independent professional advice regarding the income tax consequences of investing in the LP Units, having regard to their own particular circumstances.

References to "income" or "loss" in this summary mean income or loss as determined for purposes of the Tax Act.

Computation of Income

The Partnership is not itself generally liable for income tax. However, the Partnership must compute its income or loss for each fiscal period as though it was a separate person resident in Canada and file an annual information return. The fiscal period of the Partnership ends on December 31 each year. Subject to the comments below, each Limited Partner will be required to include (or be entitled to deduct) in computing his income (or loss), his share of the income (or loss) of the Partnership allocated to him pursuant to the Partnership Agreement for the fiscal period of the Partnership ending in the Limited Partner's taxation year, regardless of whether such income has been distributed to him.

The income of the Partnership as determined for purposes of the Tax Act may differ from its income as determined for accounting purposes and may not be matched by cash distributions. In computing the income or loss of the Partnership, deductions may be claimed in respect of reasonable administrative costs, interest and other expenses incurred by the Partnership for the purposes of earning income, subject to the relevant provisions of the Tax Act.

Losses allocated by the Partnership to a Limited Partner are deductible only to the extent the Limited Partner has an "at-risk amount" within the meaning of the Tax Act. Losses from the Partnership that are not deductible by a Limited Partner because they exceed the Limited Partner's at-risk amount at the particular time generally may be carried forward indefinitely and may be deducted against income only to the extent the Limited Partner has an at-risk amount in a subsequent year. In general, a Limited Partner's at-risk amount will be the adjusted cost base of his LP Units at the relevant time (plus, where that time is the end of the Partnership's fiscal period, income allocated to the Limited Partner for that fiscal period), less any amounts owing by the Limited Partner (or to a person or

partnership that does not deal at arm's length with the Limited Partner) to the Partnership (or to a person or partnership that does not deal at arm's length with the Partnership) and less any amount or benefit provided to the Limited Partner (or to a person or partnership that does not deal at arm's length with the Limited Partner) for the purpose of protecting the Limited Partner against any loss the Limited Partner may sustain as a consequence of being a member of the Partnership or holding or disposing of an LP Unit.

On October 31, 2003, the Minister of Finance (Canada) released proposed amendments to the Tax Act that would require, for taxation years commencing after 2004, that there be a "reasonable expectation of profit" from a business or property in order for a taxpayer to realize a loss from the business or property. The 2005 federal budget stated that these proposals would be replaced by a "more modest legislative initiative," however, no replacement proposal has yet been released. Accordingly, it is possible that legislation could be enacted that could deny a deduction for losses from the Partnership.

Subject to the comments above, a Limited Partner may apply his share of losses allocated to him by the Partnership to reduce net income for the relevant taxation year and, to the extent such losses exceed net income for the year, they may generally be applied in the three previous taxation years or the twenty subsequent taxation years.

Disposition of LP Units

A disposition or deemed disposition by a Subscriber of his LP Units should generally result in a capital gain (or capital loss) to the Subscriber to the extent the proceeds of disposition of such LP Units, net of reasonable disposition costs, exceed (or are exceeded by) the adjusted cost base of the LP Units. In general, the adjusted cost base of a Limited Partner's LP Units at a particular time will be equal to the subscription price of the LP Units, plus income of the Partnership that has been allocated to the Limited Partner for completed fiscal periods, minus losses of the Partnership allocated to the Limited Partner for completed fiscal periods and minus distributions received by the Limited Partner from the Partnership. Under the Tax Proposals, where a Limited Partner disposes of all of its LP Units in a fiscal period of the Partnership, any income or loss allocated to the Limited Partner for such fiscal period will be taken into account in determining the adjusted cost base of the Limited Partner's LP Units. Losses which are not deductible because a Limited Partner does not have a sufficient at-risk amount will not reduce the adjusted cost base of LP Units.

If a Limited Partner disposes of LP Units and a person who is exempt from tax under the Tax Act, or who is a non-resident of Canada for purposes of the Tax Act, directly or indirectly through a partnership or a trust of which a tax exempt person or non-resident is a member or a beneficiary, as the case may be, acquires the LP Units as part of a transaction or event, or series of transactions or events, then the gain may be taxed as ordinary income of the Limited Partner.

If, at the end of any fiscal period of the Partnership, the deductions in computing the adjusted cost base of a Limited Partner's LP Units exceed the subscription price and additions in computing such adjusted cost base, such negative amount will be deemed to be a capital gain of the Limited Partner from a disposition of the LP Units and the adjusted cost base of the Limited Partner's LP Units will be nil at the beginning of the next fiscal period of the Partnership.

Capital Gains and Losses

One-half of the capital gain realized by a holder from a disposition or deemed disposition of LP Units must be included in computing the holder's income as a taxable capital gain. One-half of a capital loss realized in a taxation year from a disposition or deemed disposition of LP Units will be deductible as an allowable capital loss against taxable capital gains realized in that year, and to the extent such allowable capital losses exceed taxable capital gains in the year, may be applied in the three previous taxation years or any subsequent taxation year, subject to certain restrictions contained in the Tax Act.

A holder may be liable to pay alternative minimum tax as a result of realizing a capital gain.

Not Eligible For Investment By Deferred Plans

The LP Units will not constitute a qualified investment for the purposes of the Tax Act for deferred plans such as a trust governed by a registered retirement savings plan (including a locked-in retirement account or a locked-in retirement savings plan), a registered retirement income fund (including a life income fund or a locked-in retirement income fund), a registered education savings plan, a deferred profit sharing plan, a registered disability savings plan and a tax-free savings account and, in order to avoid adverse tax consequences, should not be acquired by such plans.

ITEM 9 - COMPENSATION PAID TO SELLERS AND FINDERS

The Partnership reserves the right to retain agents to, and/or pay persons who, effect sales of the LP Units. Commissions of up to 10% of the Gross Proceeds from the sale of the LP Units pursuant to this Offering is payable to parties who sell the LP Units and who are entitled to receive such commissions under applicable securities laws (“**Selling Commissions**”). Where Selling Commissions are payable by the Partnership to EMDs, 2% shall be paid to the EMD and 8% shall be paid to the EMD dealing representative responsible for affecting the sale of the LP Units.

The Partnership will pay a fee of up to a maximum of 2% of the Gross Proceeds raised in this Offering (the “**Marketing Fee**”) for marketing services marketing agents, including Pinnacle Wealth Brokers Inc.

The Partnership will pay a trailer fee of up to 1% of Gross Proceeds realized on the sale of LP Units by the EMD, dealer or dealing representative for LP Units outstanding after the fifth (5) year of such Limited Partner's Subscription payable by the Partnership to such dealer (“**Trailing Fee**”).

All expenses of the Offering will be borne by the Partnership, including the expenses related to the Trust Offering pursuant to the Funding Agreement (See “Material Contracts – Funding Agreement”). Selling Commissions and the Marketing Fee and the Trailing Fee which are associated with the Trust Offering will not be payable on the Trust's subscription of LP Units. Selling Commissions and the Marketing Fee will be instead be payable on such funds upon subscription by Trust Unit subscribers to the Trust Offering. The Trailing Fee will not be payable on LP Units held by the Trust, as the Trust will instead pay a trailer fee of up to 1% of gross proceeds realized on the sale of Trust Units by the EMD, dealer or dealing representative for the Trust Units outstanding after the fifth (5) year of such holder of Trust Units Subscription payable by the Trust to such dealer.

ITEM 10 - RISK FACTORS

An investment in the Partnership is speculative and contains certain risks. Prospective investors should carefully consider, among other factors, the matters described below, each of which could have an adverse effect on the value of the LP Units. As a result of these factors, as well as other risks inherent in any investment, there can be no assurance that the Partnership will meet its business objectives. The Partnership's returns may be unpredictable and, accordingly, the LP Units are not suitable as the sole investment vehicle for an investor or for an investor that is looking for a predictable source of cash flow. An investor should only invest in the Partnership as part of an overall investment strategy. Based on, among others, the factors described below, the possibility of partial or total loss of capital will exist and investors should not subscribe unless they can readily bear the consequences of such loss.

10.1 Risks Factors - LP Units

Restrictions on redemption and transfer; Illiquidity of LP Units

It is intended that the Partnership will continue until December 31, 2050. As a result, a Limited Partners will have limited sources of liquidity for its LP Units. Limited Partners should be aware that redemption rights in their favour are subject to significant limitations and restrictions. There will be no public market for the LP Units and an application for listing of the LP Units on a stock exchange will not be made. LP Units in the Partnership are highly illiquid investments and should only be acquired by investors able to bear the economic risk of an investment in the LP Units for an indefinite period of time. The LP Units are being sold on a “private placement” basis in reliance upon exemptions from prospectus and registration requirements of applicable securities laws and therefore are subject to significant statutory restrictions on transfer or sale. The LP Units will be subject to “hold periods” under applicable securities legislation and, as the Partnership is currently not a “reporting issuer” in any province or territory in Canada, the “hold periods” may never expire. Additionally, Limited Partners will not be permitted to transfer their LP Units without first offering to sell the subject LP Units to the General Partner in accordance with

Article 6 of the Partnership Agreement, subject to certain exceptions, including the provision of an opinion of counsel that such a transfer would not subject the Partnership or the Limited Partners to any regulatory or tax burdens or result in violation of any applicable law or governmental regulation.

Nature of LP Units

Each Unit represents an equal undivided beneficial interest in the Partnership. The LP Units do not represent debt instruments and there is no principal amount owing to Limited Partners under the LP Units, and the LP Units are not insured against loss through the Canadian Deposit Insurance Corporation.

Tax Aspects

Canadian federal and provincial tax aspects should be considered prior to investing in the Units (see "ITEM 8 - – Certain Canadian Federal Income Tax Consequences"). The return on a Subscriber's investment may be affected by changes in Canadian tax laws. The discussion of income tax considerations in this Offering Memorandum is based upon current income tax laws and regulations. There can be no assurance that (a) tax laws, regulations or judicial or administrative interpretations will not be changed, (b) applicable tax authorities will not take a different view as to the interpretation or the application of tax laws and regulations than the Partnership or than as set out in this Offering Memorandum, (c) applicable tax authorities will not challenge allocations by the Partnership of income, losses, gains or deductions or disallow certain deductions against income, or (d) the facts upon which the tax discussions set out in this Offering Memorandum are materially correct. Any of the preceding may fundamentally alter, in a negative way, the tax consequences to investors of holding or disposing of Units.

If an interest in a Limited Partner is or becomes a "tax shelter investment", if a Limited Partner finances the acquisition of its Units with limited recourse financing, or if more than 50% of the Units are held by "financial institutions" for the purposes of the Tax Act, there may be adverse tax consequences to all Limited Partners and the Partnership. If investments in the Partnership are listed or traded on a stock exchange or other public market and the Partnership holds one or more "non-portfolio properties", as defined in the Tax Act, then the Partnership may be a SIFT Partnership and the Canadian federal income tax considerations will be materially different than those described herein. "ITEM 8 - – Certain Canadian Federal Income Tax Consequences".

The discussion of certain Canadian federal income tax considerations contained in this Offering Memorandum is provided for information purposes only and is not a complete analysis or discussion of all potential tax considerations that may be relevant to the acquisition of Units. Prospective investors are urged to consult their own tax advisors, prior to investing in the Partnership, with respect to the specific tax consequences to them from the acquisition of Units.

10.2 Risks Factors - the Partnership

Nature of investment

An investment in the Partnership requires a long-term commitment, with no certainty of return. Investments made by the Partnership may not generate current income.

No assurance of investment return

The success of the Partnership and, accordingly, a return on investment for a purchaser of LP Units, is entirely dependent upon the success of the Partnership's real estate investment strategy. As a result, there is no assurance or guarantee that the Partnership and, correspondingly, the purchasers of LP Units pursuant to this Offering, will earn a return on their investment. Limited Partners could lose the entire amount of their investment.

Concentration of investments

The Partnership's investments will be limited to that of a single business operating in a single industry (being the real estate investment business in the Provinces of Ontario, Saskatchewan, Alberta and British Columbia). Concentration of the Partnership's investments in such a manner involves greater risk to an investor in LP Units than the exposure generally associated with more diversified investment funds, and may result in greater fluctuations in returns.

Conflicts of interest

There may be occasions when the Pulis Parties encounter conflicts of interest in connection with the Partnership's activities. There may be conflicts in allocating business opportunities among the Partnership and other Pulis Parties.

In a bankruptcy proceeding, it is possible that the Partnership's interests may be subordinated or otherwise adversely affected by virtue of the involvement or actions of such other participants.

There is no independent committee or other persons representing the Limited Partners in situations involving conflicts of interests between the Pulis Parties and/or the Limited Partners. Accordingly, the Limited Partners are relying on the ability, honesty and integrity of the Pulis Parties to resolve any such material conflicts of interests, which resolutions might have been different had the interests of Limited Partners been represented by independent persons in such circumstances.

Reliance on General Partner

All decisions with respect to the Partnership Property and the operations of the Partnership are expected to be made exclusively by the General Partner. Limited Partners will have no right to make any decisions with respect to the Partnership's business and affairs. No prospective investor should purchase an LP Unit in the Partnership unless such prospective investor is willing to entrust all aspects of the management of the Partnership to the General Partner.

Dependence on key personnel

The success of the Partnership will depend in large part upon the services of key personnel employed by the Partnership. The loss of any of these individuals, for any reason, could have a material adverse affect on the prospects of the Partnership. Failure to retain or to attract additional key employees with necessary skills could have a material adverse impact upon the Partnership's growth and profitability. The contributions of these individuals to the immediate future operations of the Partnership is likely to be of central importance and the loss of any one of these individuals could have a material adverse affect on the business of the Partnership. There can be no assurance that such personnel will remain with the Partnership.

Lack of operating history

The Partnership have been established in connection with the Trust Offering and this Offering and have no operating history and no history of earnings. The past performance of any of the Pulis Parties in the real estate investment business in the Provinces of Ontario, Saskatchewan, Alberta and British Columbia should not be construed as a guarantee or expectation of future results of any investment in the Partnership. Accordingly, there is no operating history upon which to base an evaluation of the Trust or the Partnership or their business or prospects. The Partnership is in the early stages of its business and therefore is subject to the risks associated with early stage entities, including start-up losses, uncertainty of revenues, markets and profitability, the need to raise additional funding, the evolving and unpredictable nature of their business and the ability to identify, attract and retain qualified personnel. There can be no assurance that the Partnership will be successful in doing what they are required to do to overcome these risks. No assurance can be given that the Partnership's business activities will be successful. Total loss of an investment in LP Units is possible.

Limited working capital

The Partnership will have a limited amount of working capital, as all or substantially all of the Available Funds of the Offering will be used to acquire Properties.

Termination of the Partnership

Although the Partnership is expected to continue until 2050, the Partnership may be dissolved upon the completion of all matters set forth in the Partnership Agreement, being:

- (a) the Partnership is dissolved or wound-up by the express written mutual agreement of the Partners;
or
- (b) upon the occurrence of any of the following events whereupon the Partnership will follow the procedure for dissolution established in the Partnership Agreement:
 - (i) the election of the General Partner to dissolve the Partnership, if approved by a Special Resolution;
 - (ii) the removal or resignation of the General Partner unless the General Partner is replaced as provided in the Partnership Agreement; or

- (iii) except as otherwise provided herein, any event which causes the dissolution of a limited partnership under the laws of the Province of Ontario.

Leverage of the Partnership

The Partnership may borrow or incur indebtedness for any purpose, in the discretion of the General Partner. The requirement to repay principal and pay the associated debt service costs could impair the Partnership's ability to make distributions to Limited Partners, particularly if the value of the Partnership's investments decline and/or the Partnership is unable to liquidate some or all of its investments to refinance any such borrowings. If the Partnership is unable to generate sufficient cash flow to meet principal and interest payments on its indebtedness, the ability of the Partnership to make distributions of Distributable Cash would be impaired and the value of the LP Units could be significantly reduced or even eliminated.

In addition, if the borrowings are used to acquire investments, the interest expense and banking fees incurred in respect of any such loans may exceed the incremental capital gains and tax benefits generated by the investments. There can be no assurance that the borrowing strategy employed by the Partnership will enhance returns.

Risks relating to redemption

If holders of a substantial number of LP Units exercise their redemption rights, the number of LP Units outstanding could be significantly reduced and the Partnership may not be able to meet its investment objectives.

Lack of independent counsel representing Limited Partners

The Partnership has consulted with and retained for their benefit legal counsel to advise them in connection with the formation and terms of the Partnership and the offering of LP Units. Limited Partners have not, however, as a group been represented by independent legal counsel. Therefore, to the extent that the Limited Partners could benefit by further independent review, such benefit will not be available unless individual Limited Partners retain their own legal counsel.

Liability for return of distributions

Generally, the Limited Partners do not have personal liability for the obligations of the Partnership, except in respect of the value of money and other property the Limited Partner has contributed to the Partnership.

Recourse to the Partnership's assets

The Partnership's assets, including any investments made by the Partnership and any capital held by the Partnership, are available to satisfy all liabilities and other obligations of the Partnership. If the Partnership itself becomes subject to a liability, parties seeking to have the liability satisfied may have recourse to the Partnership's assets generally and not be limited to any particular asset, such as the investment giving rise to the liability.

Indemnification

The General Partner, each former General Partner and each officer of the General Partner and each former officer of the General Partner is entitled to indemnification and reimbursement out of the Partnership, except under certain circumstances. Such indemnification obligations could decrease the returns which would otherwise be available to the Limited Partners.

Lack of regulatory oversight

The Partnership is not subject to any regulatory oversight in Canada.

10.3 Risk Factors – Business of Partnership

Properties have not been identified; appropriate properties may not be available; investment of available funds may be delayed

There can be no assurance that the Partnership will identify Properties that meet its investment criteria that the Partnership will be successful in acquiring or improving Properties that may be identified, or that any such Properties will produce a return on the Partnership's investment. The Partnership intends to focus its efforts on areas in which it might acquire Properties in the Provinces of Ontario, Saskatchewan, Alberta and British Columbia; however, there is no assurance that the Partnership will acquire any specific assets or Properties, or, if it does, what the terms of such acquisitions might include. The Partnership expects to engage in a number of acquisitions, sales,

exchanges, developments, improvements, and dispositions of Properties and loans. There is no firm information available with respect to the future assets of the Partnership that an investor can evaluate when determining the merits of the Partnership. Moreover, because the General Partner has not yet identified the Partnership's Properties to be acquired, the General Partner will have broad authority to invest the available funds of the Offering in whatever assets the General Partner deems appropriate. The General Partner will have great latitude in determining the types of assets it may decide are proper investments for the Partnership. No assurance can be made that the General Partner's decisions in this regard will result in a profit for the Partnership.

Real estate is illiquid and value is dependent on conditions beyond Partnership's control

Real estate investments are relatively illiquid. The ability of the Partnership to vary its investments in response to changes in economic and other conditions will be limited. Further, no assurances can be given that the Fair Market Value of any assets acquired by the Partnership will not decrease in the future. The underlying value of the assets and the Partnership's income and ability to make distributions to Partners are dependent upon the ability of the General Partner to manage the assets in a manner sufficient to achieve a return in excess of operating expenses. Revenues may be adversely affected by adverse changes in national or local economic conditions, changes in interest rates and in the availability, cost and terms of financing, costs and terms of development, the impact of present or future environmental legislation and compliance with environmental laws, changes in real estate tax rates and other operating expenses, adverse changes in governmental rules and fiscal policies, civil unrest, acts of God, including earthquakes, hurricanes and other natural disasters (which may result in uninsured losses), acts of war, acts of terrorism, adverse changes in zoning laws, and other factors which are beyond the control of the Partnership.

Possible conflicts of interest

It is possible that conflicts of interest may arise among the General Partner, affiliates of the General Partner and the Partnership, which may result in decisions that do not fully reflect the best interests of all Partners. For example:

- (a) Under the terms of the Partnership Agreement, the management responsibility of the Partnership and its assets is vested solely in the General Partner of the Partnership. An investor acquiring LP Units will have little or no voice or vote in the management and other operational decisions of the Partnership, including, without limitation, decisions to acquire, maintain, market, sell or otherwise dispose of property and assets, decisions regarding distributions to the Partners, or entering into certain related (or affiliate) transactions with the General Partner or its affiliates.
- (b) In addition, the General Partner Fees payable to the General Partner and the other fees payable to parties related to the General Partner as described herein may create an incentive for the General Partner to acquire Properties that are riskier or more speculative than might otherwise be made with a lesser incentive to achieve high returns.
- (c) In the event certain additional services, goods or products provided to the Partnership by one or more affiliates of the General Partner or the members of the General Partner, such affiliates would be entitled to receive certain fees from the Partnership. While the compensation payable to the General Partner, or its affiliates, for services performed for the Partnership may be reasonable based on established commercial practices, it will not be the result of arm's length negotiations. The General Partner, on behalf of the Partnership, will be vested with the authority to amend or modify such agreements.
- (d) It is expressly acknowledged that the principals and affiliates of the General Partner may have interests and businesses which are competitive to those of the Partnership.

No obligation to devote full time efforts

The General Partner will devote such time as it believes, in its discretion, is necessary to carry out the operations of the Partnership. Moreover, officers and employees of the General Partner and its affiliates are not obligated to devote full time efforts to the Partnership's efforts, and they may have conflicts in their allocation of time between the Partnership and other unrelated activities.

The Partnership's success is dependent on key personnel

The Partnership believes that its success will depend to a significant extent upon the experience of key management personnel of the General Partner. The continued service of some of these key management personnel cannot be guaranteed. However, while the General Partner believes that it could replace these key personnel, the loss of any

such persons or the loss of all of such persons at a single point in time could have a material adverse effect on the operations of the Partnership through a diminished ability to obtain investment opportunities and to structure and execute the Partnership's potential investments and business plan. In addition, the Partnership may not successfully recruit additional personnel and any additional personnel that are recruited may not have the requisite skills; knowledge or experience necessary or desirable to enhance the incumbent management.

Joint ventures

The Partnership may enter into one or more joint ventures with strategic partners, including with affiliates of the General Partner. Investments with joint venture partners may involve carried interests and/or fees payable to such joint venture partners, as the General Partner may deem appropriate, in its sole discretion. Any joint venture contemplated by the Partnership will be reviewed and shall only proceed if approved by the board of directors of the General Partner, which shall require the approval of both independent members of the board of directors of the General Partner.

Initial lack of geographic diversification could subject the Partnership to concentration of risk

The Partnership's success is dependent upon the general economic conditions in the geographic areas in which a substantial number of Properties are located. The Partnership intends to focus its real estate holdings within the Provinces of Ontario, Saskatchewan, Alberta and British Columbia. The Partnership will therefore be subject to any adverse economic, political or business developments in those areas, including natural hazard risks, which may adversely affect the value of the Partnership assets.

The Partnership's Properties will be subject to environmental risks

The Partnership's operating costs may be affected by the obligation to pay for the cost of complying with existing environmental laws, ordinances and regulations, as well as the cost of complying with future legislation with respect to its assets. In the due diligence process, to the extent the General Partner deems the same appropriate, efforts will be made by the General Partner to identify potential environmental liabilities prior to acquisition of assets, including identification of hazardous substances or wastes, contaminants, pollutants or sources thereof. These efforts may or may not include the performance of Environmental Site Assessments or Phase I reviews. In the event environmental contamination is discovered, the cost of investigations, remediation and removal of substances may be substantial and the presence of such substances may affect the Partnership's ability to sell such Property. Some environmental laws create a lien on the contaminated site in favor of the government for damages and the costs it incurs in connection with the contamination. In addition, the Partnership may be subject to common law claims by third parties based on damages and costs resulting from environmental contamination.

The Partnership's investment in debt secured by real property

The Partnership may acquire debt interests which are secured by real property. In addition to the risks of borrower default, the collateral may be mismanaged or otherwise decline in value during periods in which the Partnership is seeking to obtain control of the underlying real estate. In addition, borrowers may contest enforcement of foreclosure or other remedies, seek bankruptcy protection against such enforcement and/or bring claims for lender liability in response to actions to enforce mortgage obligations. If any of the above occurred, the Partnership's ability to obtain such real property will be affected. As a lender, the Partnership may also be subject to penalties for violations of state usury limitations, which penalties may be triggered by contracting for, charging or receiving usurious interest.

Non-performing loans; foreclosure

Real estate loans acquired by the Partnership may be nonperforming for a wide variety of reasons. Such nonperforming real estate loans may require a substantial amount of workout negotiations and/or restructuring, which may entail, among other things, a reduction in the interest rate and a write-down of the principal of such loan. However, even if a restructuring were successfully accomplished, a risk exists that, upon maturity of such real estate loan, replacement "takeout" financing will not be available. It is possible that the Partnership may find it necessary or desirable to foreclose on collateral securing one or more real estate loans it originated or purchased. The foreclosure process can be lengthy and expensive. Borrowers often resist foreclosure actions by asserting numerous claims, counterclaims and defenses against the holder of a real estate loan including lender liability claims and defenses, even when such assertions may have no basis in fact, in an effort to prolong the foreclosure process. In some jurisdictions, foreclosure actions can take several years or more to conclude and borrowers may file for bankruptcy protection at any time, staying the foreclosure action and further delaying the foreclosure process.

Foreclosure litigation tends to create a negative public image of the underlying collateral and may disrupt ongoing leasing and management of the underlying collateral.

Risks of leverage

The General Partner has the right to borrow and to pledge and encumber the Properties to secure a working capital line of credit. The use of leverage exposes the Partnership to certain risks including interest charges and the possible loss of the Properties if the Partnership is unable to pay such indebtedness on a timely basis or comply with the terms of any loan documents evidencing such indebtedness. Any such Financing will likely place limits and restrictions on the Partnership's discretion in conducting business.

The risk of uninsured losses will be borne by the Partnership

The Partnership expects to maintain insurance coverage against liability to third parties and property damage as is customary for similar businesses, insofar as the General Partner deems the same necessary or appropriate, in its sole discretion. There can be no assurance that insurance will be available or sufficient to cover all such risks. Insurance against certain risks may be unavailable or commercially infeasible. Uninsured losses will be borne by the Partnership.

Newly-formed Partnership

The Partnership has no operating history, no material net worth and its operating policies and strategies are untried. The Partnership will be dependent upon the experience and expertise of the General Partner in administering its day-to-day operations. The General Partner and its affiliates have experience investing in and managing real estate-related assets; however, there can be no assurance that the General Partner will be able to implement successfully the strategies that the Partnership intends to pursue.

Past performance not a predictor of future results

The track record of senior management shall not imply or predict (directly or indirectly) any level of future performance of the General Partner or the Partnership. Management's performance and the performance of the Partnership is dependent on future events and is, therefore, inherently uncertain. Past performance cannot be relied upon to predict future events for a variety of factors, including, without limitation, varying business strategies, different local and national economic circumstances, different supply and demand characteristics relevant to buyers and sellers of assets, varying degrees of competition and varying circumstances pertaining to the capital markets.

Investments longer than term

The General Partner intends that Properties will either be disposed of prior to dissolution or be suitable for in-kind distribution at dissolution. However, the Partnership may have to sell, distribute or otherwise dispose of Properties at a disadvantageous time as a result of dissolution.

The foregoing list of risk factors does not purport to be a complete enumeration or explanation of the risks involved in an investment in the Partnership. Prospective investors should read this entire Offering Memorandum and consult their own counsel and financial advisors before deciding to invest in the Partnership.

Neither the Partnership, the General Partner, nor any other Party or any affiliate or associate of the foregoing is responsible for, and undertakes no obligation to, determine the general or specific investment needs and objectives of a potential investor and the suitability of the LP Units having regard to any such investment needs and objectives of the potential investor.

ITEM 11 - REPORTING OBLIGATIONS

The Partnership will send to Limited Partners within **90** days of the Fiscal Year end and, in any event, on or before any earlier date prescribed by Applicable Laws, annual financial statements of the Partnership for the Fiscal Year ended immediately prior to such period, which information shall consist of a balance sheet, income statement and statement of cash flows.

The General Partner will, within the time frame required under the Tax Act, forward to each Limited Partner who received distributions from the Partnership in the prior calendar year, such information and forms as may be needed by the Limited Partner in order to complete its income tax return in respect of the prior calendar year under the Tax Act and equivalent provincial legislation in Canada.

The Partnership is not a “reporting issuer” or equivalent under the securities legislation of any jurisdiction. Accordingly, the Partnership is not subject to the “continuous disclosure” requirements of any securities legislation and there is therefore no requirement that the Partnership make ongoing disclosure of its affairs including, without limitation, the disclosure of financial information on a quarterly basis or the disclosure of material changes in the business or affairs of the Partnership. **We are not required to send you any documents on an annual or ongoing basis.**

The Partnership will deliver to prospective investors certain documents, including this Offering Memorandum, a subscription agreement and any updates or amendments to the Offering Memorandum required by law, from time to time by way of facsimile or e-mail. In accordance with the terms of the subscription agreement provided to prospective investors, delivery of such documents by email or facsimile shall constitute valid and effective delivery of such documents unless the Partnership receives actual notice that such electronic delivery failed. Unless the Partnership receives actual notice that the electronic delivery failed, the Partnership is entitled to assume that the facsimile or e-mail and the attached documents were actually received by the prospective investor and the Partnership will have no obligation to verify actual receipt of such electronic delivery by the prospective investor.

ITEM 12 - RESALE RESTRICTIONS

12.1 General

The LP Units will be subject to a number of resale restrictions, including restrictions on trading. Until the restriction on trading expires, you will not be able to trade the LP Units unless you comply with an exemption from the prospectus and registration requirements under securities legislation. Additionally, Limited Partners will not be permitted to transfer their LP Units without first offering to sell the subject LP Units to the General Partner in accordance with Article 6 of the Partnership Agreement, subject to certain exceptions. See ITEM 4 - Material Agreements - Summary of the Partnership Agreement - “Transfer of LP Units” and “Restrictions on Non-Resident Ownership”.

12.2 Restricted Period

Unless permitted under securities legislation, a Limited Partner cannot trade the LP Units before the date that is four months and a day after the date the Partnership becomes a reporting issuer in any province or territory in Canada. Since the Partnership is not a reporting issuer in any province or territory, the applicable hold period for Subscribers may never expire, and if no further exemption may be relied upon and if no discretionary order is obtained, this could result in a Subscriber having to hold the LP Units acquired under the Offering for an indefinite period of time.

12.3 Manitoba Resale Restrictions

In addition to the above, for subscribers resident in Manitoba, unless permitted under securities legislation, a Limited Partner must not trade the LP Units without the prior written consent of the regulator in Manitoba, unless

- (a) the Partnership has filed a prospectus with the regulator in Manitoba with respect to the LP Units and the regulator in Manitoba has issued a receipt for that prospectus, or
- (b) the Limited Partner has held the LP Units for at least 12 months.

The regulator in Manitoba will consent to such a trade if the regulator is of the opinion that to do so is not prejudicial to the public interest.

The General Partner must approve of any proposed disposition. It is the responsibility of each individual Subscriber to ensure that all forms required by the applicable securities legislation are filed as required upon disposition of the LP Units acquired pursuant to this Offering.

The foregoing is a summary only of resale restrictions relevant to a purchaser of the securities offered hereunder. It is not intended to be exhaustive. All subscribers under this Offering should consult with their legal advisors to determine the applicable restrictions governing resale of the securities purchased hereunder including the extent of the applicable hold period and the possibilities of utilizing any further statutory exemptions or obtaining a discretionary order.

ITEM 13 - PURCHASERS' RIGHTS

If you purchase these LP Units you will have certain rights, some of which are described below. For information about your rights you should consult a lawyer.

13.1 Two Day Cancellation Right

You can cancel your agreement to purchase these LP Units. To do so, you must send a notice to us by midnight on the second (2) business day after you sign the agreement to buy the LP Units.

13.2 Statutory Rights of Action in the Event of a Misrepresentation

Securities legislation in certain of the provinces of Canada provides purchasers with a statutory right of action for damages or rescission in cases where an offering memorandum or any amendment thereto contains an untrue statement of a material fact or omits to state a material fact that is required to be stated or is necessary to make any statement contained therein not misleading in light of the circumstances in which it was made (a “**misrepresentation**”). These rights, or notice with respect thereto, must be exercised or delivered, as the case may be, by purchasers within the time limits prescribed and are subject to the defences and limitations contained under the applicable securities legislation. Purchasers of LP Units resident in provinces of Canada that do not provide for such statutory rights will be granted a contractual right similar to the statutory right of action and rescission described below for purchasers resident in Ontario and such right will form part of the subscription agreement to be entered into between each such purchaser and the Partnership in connection with this Offering.

The following summaries are subject to the express provisions of the securities legislation applicable in each of the provinces of Canada and the regulations, rules and policy statements thereunder. Purchasers should refer to the securities legislation applicable in their province along with the regulations, rules and policy statements thereunder for the complete text of these provisions or should consult with their legal advisor. The contractual and statutory rights of action described in this Offering Memorandum are in addition to and without derogation from any other right or remedy that purchasers may have at law.

Rights of Purchasers in Alberta

If you are a resident of Alberta, and if there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue:

- (a) the Partnership to cancel your agreement to buy these securities, or
- (b) for damages against the Partnership, every Person who was a General Partner at the date of this Offering Memorandum and every other Person who signed this Offering Memorandum.

This statutory right to sue is available to you whether or not you relied on the misrepresentation. However, there are various defences available to the Persons or companies that you have a right to sue. In particular, they have a defence if you knew of the misrepresentation when you purchased the securities. Additionally, if you elect to exercise a right of rescission against the Partnership, you will have no right of action against the Persons described in (b) above.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days after the date that you purchased the securities. You must commence your action for damages within the earlier of 180 days after you first had knowledge of the facts giving rise to the cause of action and three years after the day you purchased the securities.

Rights of Purchasers in British Columbia

If you are a resident of British Columbia, and if there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue:

- (a) the Partnership to cancel your agreement to buy these securities, or
- (b) for damages against the Partnership, every Person who was a General Partner at the date of this Offering Memorandum and every other Person who signed this Offering Memorandum.

This statutory right to sue is available to you whether or not you relied on the misrepresentation. However, there are various defences available to the Persons or companies that you have a right to sue. In particular, they have a defence if you knew of the misrepresentation when you purchased the securities. Additionally, if you elect to exercise a right of rescission against the Partnership, you will have no right of action against the Persons described in (b) above.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days after the date that you purchased the securities.

You must commence your action for damages within the earlier of 180 days after you first had knowledge of the facts giving rise to the cause of action and three years after the day you purchased the securities.

Rights of Purchasers in Saskatchewan

If you are a resident of Saskatchewan and if there is a misrepresentation in this Offering Memorandum, or any amendment thereto, you have a statutory right to sue:

- (a) the Partnership to cancel your agreement to buy these securities, or
- (b) for damages against the Partnership, every promoter of the Partnership, every Person who was a General Partner at the date of this Offering Memorandum, every Person whose consent has been filed respecting the offering but only with respect to reports, opinions and statements made by that Person, and every other Person who signed this Offering Memorandum.

These statutory rights to sue are available to you whether or not you relied on the misrepresentation. However, there are various defences available to the Persons or companies that you have a right to sue. In particular, they have a defence if you knew of the misrepresentation when you purchased the securities. Additionally, if you elect to exercise a right of rescission against the Partnership, you will have no right of action against the Persons described in (b) above.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days after the date that you purchased the securities. You must commence your action for damages within the earlier of one year after you first had knowledge of the facts giving rise to the cause of action and six years after the day you purchased the securities.

Rights of Purchasers in Manitoba

If you are a resident of Manitoba, and if there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue:

- (a) the Partnership to rescind your agreement to buy these securities, or
- (b) for damages against the Partnership, every Person who was a General Partner at the date of this Offering Memorandum and every other Person who signed this Offering Memorandum.

These statutory rights to sue are available to you whether or not you relied on the misrepresentation. However, there are various defences available to the Persons or companies that you have a right to sue. In particular, they have a defence if you knew of the misrepresentation when you purchased the securities. Additionally, if you elect to exercise a right of rescission against the Partnership, you will have no right of action against the Persons described in (b) above.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to rescind the agreement within 180 days after the date that you purchased the securities. You must commence your action for damages within the earlier of 180 days after you first had knowledge of the facts giving rise to the cause of action or 2 years after the day you purchased the securities.

Rights of Purchasers in Ontario

If you are a resident of Ontario, and if there is a misrepresentation in this Offering Memorandum, a purchaser who purchases a security offered by this Offering Memorandum during the period of distribution has, without regard to whether the purchaser relied on the misrepresentation, the following rights:

- (a) the purchaser has a right of action for damages against the Partnership and a selling securityholder on whose behalf the distribution is made, or
- (b) where the purchaser purchased the securities from a Person or the Partnership referred to in clause (a), the purchaser may elect to exercise a right of rescission against the Person or the Partnership, in which case the purchaser shall have no right of action for damages against such Person or the Partnership.

The Partnership will not be held liable under this paragraph if the subscriber purchased the securities with the knowledge of the misrepresentation. In an action for damages, the Partnership will not be liable for all or any portion of such damages that it proves do not represent the depreciation in value of the securities as a result of the

misrepresentation relied upon and in no case will the amount recoverable under this paragraph exceed the price at which the securities were sold to the subscriber.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days after the date that you purchased the securities. You must commence your action for damages within the earlier of 180 days after you first had knowledge of the facts giving rise to the cause of action and three years after the day you purchased the securities.

Rights of Purchasers in Nova Scotia

If you are a resident of Nova Scotia and if there is a misrepresentation in this Offering Memorandum, or any amendment thereto, you have a statutory right to sue:

- (a) the Partnership to cancel your agreement to buy these securities, or
- (b) for damages against the Partnership, every Person who was a General Partner at the date of this Offering Memorandum and every other Person who signed this Offering Memorandum.

These statutory rights to sue are available to you whether or not you relied on the misrepresentation. However, there are various defences available to the Persons or companies that you have a right to sue. In particular, they have a defence if you knew of the misrepresentation when you purchased the securities. Additionally, if you elect to exercise a right of rescission against the Partnership, you will have no right of action against the Persons described in (b) above.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days after the date that you purchased the securities. You must commence your action for damages within the earlier of 180 days after you first had knowledge of the facts giving rise to the cause of action and three years after the day you purchased the securities.

Rights of Purchasers in New Brunswick

If you are a resident of New Brunswick and if there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue:

- (a) the Partnership to cancel your agreement to buy these securities, or
- (b) for damages against the Partnership or the seller.

The Partnership will not be held liable under this paragraph if the subscriber purchased the securities with the knowledge of the misrepresentation. In an action for damages, the Partnership will not be liable for all or any portion of such damages that it proves do not represent the depreciation in value of the securities as a result of the misrepresentation relied upon and in no case will the amount recoverable under this paragraph exceed the price at which the securities were sold to the subscriber. Additionally, if you elect to exercise a right of rescission against the Partnership, you will have no right of action against the Persons described in (b) above.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days after the date that you purchased the securities. You must commence your action for damages within the earlier of one year after you first had knowledge of the facts giving rise to the cause of action and six years after the day you purchased the securities.

Rights of Purchasers in Newfoundland and Labrador, Northwest Territories, Nunavut or Prince Edward Island

If you are a resident of Newfoundland and Labrador, Northwest Territories, Nunavut or Prince Edward Island, and if there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue:

- (a) the Partnership to rescind your agreement to buy these securities, or
- (b) for damages against the Partnership, the selling security holder on whose behalf the distribution is made, every Person who was a General Partner at the date of this Offering Memorandum and every other Person who signed this Offering Memorandum.

These statutory rights to sue are available to you whether or not you relied on the misrepresentation. However, there are various defences available to the Persons or companies that you have a right to sue. In particular, they have a

defence if you knew of the misrepresentation when you purchased the securities. Additionally, if you elect to exercise a right of rescission against the Partnership, you will have no right of action against the Persons described in (b) above.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to rescind the agreement within 180 days after the date that you purchased the securities. You must commence your action for damages within the earlier of 180 days after you first had knowledge of the facts giving rise to the cause of action or 3 years after the day you purchased the securities.

ITEM 14 - FINANCIAL STATEMENTS

14.1 The Partnership

Pulis Real Estate LP 2
Financial Statements
For the period from establishment, June 20, 2014,
to December 31, 2014

Pulis Real Estate LP 2

Financial Statements

For the period from establishment, June 20, 2014, to December 31, 2014

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Independent Auditors' Report

To the Partners of Pulis Real Estate LP 2

We have audited the accompanying financial statements of Pulis Real Estate LP 2 (the "Partnership"), which comprise the statement of financial position as at December 31, 2014, and the statements of comprehensive income, changes in net assets attributable to holders of redeemable units and cash flows for the period from establishment, June 20, 2014, to December 31, 2014, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Partnership's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Partnership's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Partnership as at December 31, 2014 and its financial performance and its cash flows for the period from establishment, June 20, 2014, to December 31, 2014 in accordance with International Financial Reporting Standards.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

Burlington, Ontario
February 4, 2015

Pulis Real Estate LP 2
Statement of Financial Position

December 31, 2014

Assets

Current	
Cash	\$ 101
Deferred financing costs	<u>304,401</u>
	<u>\$ 304,502</u>

Liabilities

Current	
Due to related party (Note 5)	<u>\$ 304,402</u>
Total liabilities (excluding net assets attributable to holders of redeemable units)	<u>304,402</u>
Net assets attributable to holders of redeemable units (Note 6)	<u>\$ 100</u>
Net assets attributable to holders of redeemable units per unit	<u>\$ 100</u>

The accompanying notes are an integral part of these financial statements.

Pulis Real Estate LP 2

**Statement of Changes in Net Assets Attributable to Holders of
Redeemable Units**

For the period from establishment, June 20, 2014, to December 31, 2014

Net assets attributable to holders of redeemable units, beginning of period	\$ -
Issuance of redeemable units	100
Increase in net assets attributable to holders of redeemable units	-
Net assets attributable to holders of redeemable units, end of period	\$ 100

Pulis Real Estate LP 2
Statement of Comprehensive Income

For the period from establishment, June 20, 2014, to December 31, 2014

Increase in net assets attributable to holders of redeemable units	\$	-
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The accompanying notes are an integral part of these financial statements.

Pulis Real Estate LP 2
Statement of Cash Flows

For the period from establishment, June 20, 2014, to December 31, 2014

Cash flows from operating activity	
Increase in net assets attributable to holders of redeemable units	\$ -
Cash flows from financing activities	
Advances from related party	304,402
Proceeds from issuance of redeemable units	100
Deferred financing costs	<u>(304,401)</u>
	<u>101</u>
Increase in cash during the period	101
Cash, beginning of period	<u>-</u>
Cash, end of period	\$ 101

The accompanying notes are an integral part of these financial statements.

Pulis Real Estate LP 2

Notes to Financial Statements

December 31, 2014

1. General Business Description

Pulis Real Estate LP 2 (the "Partnership") is a limited partnership formed under the laws of the Province of Ontario by certificate amended and restated on July 30, 2014 and governed by the Limited Partnership Agreement executed on June 20, 2014. The Partnership was formed for the purposes of investing directly or indirectly in residential properties in Ontario, Saskatchewan, Alberta and British Columbia (the "Properties").

The address of the Partnership is 1 Nelson Street West, Suite 200A, Brampton, Ontario, L6X 3E4.

The general partner of the Partnership is Pulis Real Estate GP 2 Inc. (the "General Partner") and is responsible for the management, operation and administration of the affairs of the Partnership.

2. Summary of Significant Accounting Policies

Statement of Compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

These financial statements were authorized for issue by the General Partner of the Partnership on February 4, 2015.

Basis of Measurement

The financial statements have been prepared on an historical cost basis.

Functional and Presentation Currency

The financial statements are presented in Canadian dollars, which is the Partnership's functional currency.

Use of Estimates

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may vary from these estimates.

Estimates and judgements are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. Accounting estimates will, by definition, seldom equal the actual results. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future years affected.

Pulis Real Estate LP 2

Notes to Financial Statements

December 31, 2014

2. Summary of Significant Accounting Policies(Continued)

Financial Assets and Financial Liabilities

Recognition and Classification

Financial assets and financial liabilities are initially measured at fair value and are subsequently accounted for based on their classification as described below. The classification depends on the purpose for which the financial instruments were acquired and their characteristics. Except in very limited circumstances, the classification is not changed subsequent to initial recognition.

Financial Assets

Financial assets are classified into one of four categories:

- i) Held-to-maturity ("HTM");
- ii) Fair value through profit or loss ("FVTPL");
- iii) Loans and receivables; and
- iv) Available-for-sale ("AFS").

Held-to-maturity

Financial assets that have a fixed maturity date and which the Partnership has positive intention and the ability to hold to maturity are classified as held-to-maturity and are initially recognized at fair value and subsequently at amortized cost using the effective interest rate method. Transaction costs incurred to acquire held-to-maturity financial instruments are included in the underlying balance. The Partnership does not have any financial assets classified as held-to-maturity.

Financial Assets at Fair Value Through Profit or Loss

A financial asset is classified at fair value through profit or loss if it is classified as held-for-trading or designated as such upon initial recognition. Financial assets are designated as at FVTPL if the Partnership manages such assets and makes purchase and sale decisions based on their fair value in accordance with the Partnership's risk management strategy. These instruments are accounted for at fair value with the change in the fair value recognized in the statement of comprehensive income during the period. Attributable transaction costs are recognized in the statement of comprehensive income when incurred. The Partnership does not have any financial assets classified as fair value through profit and loss.

Pulis Real Estate LP 2

Notes to Financial Statements

December 31, 2014

2. Significant Accounting Policies (Continued)

Financial Assets and Financial Liabilities (continued)

Loans and Receivables

Loans and receivables are non-derivative financial assets and fixed or determinable payments that are not quoted on an active market. Loans and receivables are initially recognized at fair value and subsequently at amortized cost using the effective interest rate method. Transaction costs incurred to acquire loans and receivables financial instruments are included in the underlying balance. Impairment provisions are recognized when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the Partnership will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. On confirmation that the amounts receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision. The Partnership has cash classified as loans and receivables.

Available-for-sale

Available-for-sale assets are non-derivative financial assets that are either designated in this category or not classified in any other categories. Financial assets classified as available-for-sale are carried at fair value with the changes in fair value recorded in other comprehensive income. When fair value is not reliably determinable, investments in equity instruments should be measured at cost. Interest on available-for-sale assets is calculated using the effective interest rate method and is recognized in the statement of comprehensive income. Transaction costs incurred to acquire the available-for-sale financial instruments are included in the underlying balance. When a decline in fair value is determined to be other-than temporary, the cumulative loss included in accumulated other comprehensive income is removed and recognized in the statement of comprehensive income. Gains and losses realized on disposal of available-for-sale securities are recognized in the statement of comprehensive loss. No financial assets were classified as available-for-sale.

Financial Liabilities

Financial liabilities are classified into one of two categories:

- i) Fair value through profit or loss; and
- ii) Other financial liabilities.

Financial Liabilities at Fair Value Through Profit or Loss (FVTPL)

Financial liabilities that are incurred with the intention of generating profits in the near term are classified as fair value through profit or loss. These instruments are accounted for at fair value with the change in the fair value recognized in the statement of comprehensive income during the period. Attributable transaction costs are recognized in the statement of comprehensive income when incurred. No financial liabilities are classified as fair value through profit or loss.

Other Financial Liabilities

Other liabilities are accounted for at amortized cost using the effective interest rate method. Transaction costs are included in the underlying balance. The Partnership has accounts payable and accrued liabilities that are classified as other financial liabilities.

Pulis Real Estate LP 2

Notes to Financial Statements

December 31, 2014

2. Significant Accounting Policies (Continued)

Financial Assets and Financial Liabilities (continued)

Determination of Fair Value

The fair value of a financial instrument on initial recognition is the transaction price, which is the fair value of the consideration given or received. Subsequent to initial recognition, fair value is determined by management using available market information or other valuation methodologies.

Fair Value Hierarchy

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3).

The three levels of the fair value hierarchy are as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2: Inputs other than quoted prices included in level 1 that are observable for the asset or liability either directly or indirectly; and

Level 3: Inputs that are not based on observable market data.

As at period end, the Partnership did not have any assets measured at fair value.

Derecognition

The Partnership derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or when it transfers the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

The Partnership derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire.

Offsetting

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Partnership has a legal right to set off the recognized amounts and it intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Redeemable Units

The Partnership's units are redeemable at the option of the holder and, therefore, are considered puttable instruments. Puttable instruments are required to be accounted for as financial liabilities, except where certain conditions are met, in which case, the puttable instrument may be presented as equity. The Partnership's units did not meet the conditions for presentation as equity, and have therefore been presented as liabilities at the redemption amount. Costs incurred in connection with the offering of Partnership units are reflected as a reduction of Net Assets Attributable to Holders of Redeemable Units.

Pulis Real Estate LP 2

Notes to Financial Statements

December 31, 2014

2. Significant Accounting Policies (Continued)

Impairment of Non-financial Assets

The carrying amounts of the Partnership's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is recognized if the carrying amount of an asset exceeds its estimated recoverable amount.

Impairment of Financial Assets

At each reporting date, the Partnership assesses whether there is objective evidence that financial assets not carried at fair value through profit or loss are impaired. A financial asset or a group of financial assets is impaired when objective evidence demonstrates that a loss event has occurred after the initial recognition of the asset, and that the loss event has impact on the future cash flows of the asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include significant financial difficulty of the borrower or issuer, default or delinquency by a borrower, restructuring of a loan or receivable by the Partnership on terms that the Partnership would not otherwise consider, indications that a borrower or issuer will enter bankruptcy, or other observable data relating to a group of assets such as adverse changes in the payment status of borrowers or issuers in the group, or economic conditions that correlate with defaults in the group.

The Partnership considers evidence of impairment for loans and receivables at both a specific asset and collective level. The Partnership has no impairment loss from financial assets.

Provisions

Provisions are recognized when the Partnership has a present legal or constructive obligation as a result of a past event, it is probable that the Partnership will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

Where discounting is used, the increase in the provision due to passage of time is recognized as a financial cost and included in interest expense.

Related Parties

For the purpose of these financial statements, a party is considered related to the Partnership if such party or the Partnership has the ability to, directly or indirectly, control or exercise significant influence over the other entity's financial and operating decisions, or if the Partnership and such party are subject to common significant influence. Related parties may be individuals or other entities.

Pulis Real Estate LP 2

Notes to Financial Statements

December 31, 2014

2. Significant Accounting Policies (Continued)

New Standards, Interpretations and Amendments not yet Adopted

A number of new standards, amendments to standards and interpretations have been issued but are not yet effective for the period ended December 31, 2014, and have not been applied in preparing these financial statements. None of these are expected to have an effect on the financial statements of the Partnership, with the exception of:

IFRS 9, Financial Instruments ("IFRS 9") was issued by the International Accounting Standards Board ("IASB") on October 28, 2010, and will replace IAS 39, Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 uses a single approach and IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. IFRS 9 is effective for annual periods beginning on or after January 1, 2015. The Partnership is currently evaluating the impact of IFRS 9 on its financial statements.

3. Financial Instrument and Risk Management

The Partnership's planned operations will expose it to a variety of financial risks that arise as a result of its operating and financing activities including credit risk, liquidity risk and market risk.

This note presents information about the Partnership's exposure to each of the above risks; the Partnership's objectives, policies and processes for measuring and managing risks; and the Partnership's management of capital.

The Partnership employs risk management strategies and policies to ensure that any exposure to risk is in compliance with the Partnership's business objectives and risk tolerance levels. While the Directors have the overall responsibility for the establishment and oversight of the Partnership's risk management framework, management has the responsibility to administer and monitor these risks.

Credit Risk

Credit risk is the risk of financial loss to the Partnership if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Partnership is exposed to credit risk on its cash bank balances. The Partnership manages the credit exposure related to cash by selecting financial institutions with high credit ratings. Given these credit ratings, management does not expect any counterparty to fail to meet its obligations.

Liquidity Risk

Liquidity risk is the risk that the Partnership will not be able to meet its financial obligations as they are due. The Partnership is exposed to liquidity risk on its accounts payable and accrued liabilities as well as cash redemptions of redeemable units. The Partnership's approach to managing liquidity is to ensure it will have sufficient liquidity to meet its liabilities when due. The Partnership's ongoing liquidity will be impacted by various external events and conditions. All financial liabilities are due within a year. Redeemable units are redeemable on demand at the holder's option. However, the Partnership does not expect that the contractual maturity will be representative of the actual cash outflows, as holders of these instruments typically retain them for longer periods.

Pulis Real Estate LP 2

Notes to Financial Statements

December 31, 2014

4. Capital Management

The Partnership defines capital that it manages as the aggregate of its redeemable units. The Partnership's capital management policy is to maintain a strong capital base that optimizes the Partnership's ability to grow, maintain advisor and creditor confidence and to provide a platform to create value for its unitholders. The Partnership intends to maintain a flexible capital structure to maximize its ability to pursue additional investment opportunities, which considers the Partnership's early stage of development and the requirement to sustain future development of the business.

The Partnership will manage its capital structure and make changes to it in light of changes to economic conditions and the risk characteristics of the nature of the business. In order to maintain or adjust the capital structure, the Partnership may from time to time issue units, seek debt financing and adjust its capital spending to manage its current and projected capital structure.

The Partnership does not have any specific capital requirements on the subscription and redemption of units, other than certain minimum subscription requirements.

5. Due to Related Party

The amounts due to a related party are due to BKP Holdings Inc., a related entity through common officers and directors of the General Partner. The amount is unsecured, non-interest bearing and are expected to be repaid from the net proceeds of the offering (Note 6).

6. Redeemable Units

As at December 31, 2014, the Partnership was authorized to issue an unlimited number of limited partnership units (the "Units").

The initial limited partner acquired 1 Unit for \$100 and the General Partner acquired 1 Unit for \$1 during the period ended December 31, 2014. Income or loss of the Partnership is allocated on a proportionate basis to the General Partner and to the limited partners.

Net income or net loss of the Partnership shall be allocated to each unitholder of record on December 31 of each year of the Partnership.

The General Partner shall make distributions of distributable cash to the limited partner unitholders ("Limited Partner") in accordance with their proportionate interest, on a quarterly basis subject to certain restrictions. If the calculation of distributable cash is less than zero, then the General Partner will not make any distribution to the Limited Partners.

The right to transfer Units shall be restricted such that no Limited Partner shall be entitled to transfer Units to any person unless it first offers to sell its Units to the General Partner by written offer. The transfer or resale of Units (which does not include a redemption of Units) is also subject to restrictions under applicable securities legislation.

Pulis Real Estate LP 2

Notes to Financial Statements

December 31, 2014

6. Redeemable Units (Continued)

Each unitholder shall be entitled to require the Partnership to redeem all or any part of their Units. The redemption price shall be valued at the fair market value of the Partnership, and, when the reference so requires, of investments, determined by reference to IAS 40 and by the most recent, annual fair market appraisal conducted by an independent, third-party appraiser selected by the General Partner in its sole discretion (or, if the applicable Property was acquired by the Partnership after the most recent annual appraisal prepared for by the Partnership, then the appraised value shall be any appraisal thereof obtained by the General Partner) less all liabilities, costs and expenses accrued or payable of every kind and nature, and distributions due but not yet paid or made ("Net Asset Value"), as determined by the General Partner in its sole discretion, within 30 business days of receipt of the redemption notice; calculated as follows:

- Within 12 months or the date of issue, 90% of the Net Asset Value per Unit;
- Within 24 months, and greater than 12 months of the date of issue, 92% of the Net Value per Unit;
- Within 36 months, and greater than 24 months of the date of issue, 94% of the Net Asset Value per Unit;
- Within 48 months, and greater than 36 months of the date of issue, 96% of the Net Asset Value per Unit;
- Within 60 months, and greater than 48 months of the date of issue, 98% of the Net Asset Value per Unit; and
- At any time following 60 months of the date of issue, an amount equal to the Net Asset Value per Unit.

The Partnership may be required to redeem up to \$100,000 of Units in any given fiscal year, in the form of cash (the "Annual Limit"). The cash payment of the redemption shall occur on the last day of the fiscal year in which the Partnership Units were tendered for redemption. Subject to regulatory approval, the Partnership may redeem Units in excess of the Annual Limit by distributing unsecured notes having an interest rate equal to 5% simple interest payable annually in arrears, subject to earlier prepayment without penalty, being due and payable on the third anniversary of the date of issuance.

Pulis Real Estate LP 2

Notes to Financial Statements

December 31, 2014

6. Redeemable Units (Continued)

Offering

The Partnership has prepared an offering memorandum (the "Offering") for the offer of Units with up to an aggregate maximum gross proceeds of \$50,000,000 and minimum gross proceeds of \$250,000. The price per Unit shall be \$95 up to and including the last day of February 2015, and a price per Unit of \$100 on or after March 1, 2015.

The Partnership reserves the right to pay finder's fees in an amount up to 10% of the gross proceeds of the offering provided that sales involving payment of finder's fees are conducted in accordance with National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. The Partnership may also pay a marketing fee of up to 2% for marketing agents, including Pinnacle Wealth Brokers Inc., and a trailer fee of up to 1% of gross proceeds of the offering to exempt market dealers, dealer or dealing representative for Units outstanding after the fifth year of such Unit outstanding.

The offering may be closed in stages after the minimum offering is subscribed for. The first closing is expected to occur when the minimum offering is subscribed for, with other closings to occur thereafter from time to time.

Pulis Real Estate Trust (the "Trust") has prepared an offering to raise funds with the intent of acquiring Units in the Partnership. The Partnership is economically dependent on the Trust and the ability of the Trust to raise funds, and subsequently acquire additional Units of the Partnership.

General Partner Fees

The Partnership shall, during the term of the Partnership, distribute to the General Partner, an amount to be calculated on an annual basis, determined as follows:

- A quarterly fee to be paid in advance and calculated as an amount equal to 1.5% of the Net Asset Value, on the last date of each fiscal year (if such amount is negative, the fee shall be zero);
- An amount equal to 1.0% of the acquisition prices of the Properties acquired by the Partnership, excluding costs of acquisition (including but not limited to taxes and legal costs) in the relevant fiscal year, payable upon closing of the purchase of Property; and
- An amount equal to 7.0% of the net operating income of the Partnership plus amounts paid for the Properties repairs and maintenance to be paid by the purchase of Trust Units by the Partnership.

The Partnership will be responsible for all costs, charges and expenses directly reasonable and properly incurred by the General Partner, or incurred on behalf of the Partnership, in the performance of its duties of this agreement

Funding Agreement

The Partnership has entered into a funding agreement with the Trust whereby the Partnership has agreed to pay for all costs, fees and selling commissions associated with the offering of the Trust.

14.2 The General Partner

Pulis Real Estate GP2 Inc.
Financial Statements
For the period from inception, April 11, 2014,
to December 31, 2014

Pulis Real Estate GP2 Inc.

Financial Statements

For the period from inception, April 11, 2014, to December 31, 2014

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Toll-free: 888 236 2383
www.bdo.ca

BDO Canada LLP
3115 Harvester Road, Suite 400
Burlington ON L7N 3N8 Canada

Independent Auditors' Report

To the Shareholders of
Pulis Real Estate GP2 Inc.

We have audited the accompanying financial statements of Pulis Real Estate GP2 Inc. (the "Corporation"), which comprise the statement of financial position as at December 31, 2014, and the statements of comprehensive income, changes in shareholders' equity and cash flows for the period from inception, April 11, 2014, to December 31, 2014, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Corporation's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Corporation as at December 31, 2014 and its financial performance and its cash flows for the period from inception, April 11, 2014, to December 31, 2014 in accordance with International Financial Reporting Standards.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

Burlington, Ontario
February 4, 2015

Pulis Real Estate GP2 Inc.
Statement of Financial Position

December 31, 2014

Assets

Current

Cash

\$ 200

Shareholders' Equity

Share capital

\$ 200

The accompanying notes are an integral part of these financial statements.

Pulis Real Estate GP2 Inc.
Statement of Changes in Shareholders' Equity

For the period from inception, April 11, 2014, to December 31, 2014

Share capital

Balance, beginning of period	\$ -
Common shares issued on incorporation	<u>200</u>
Balance, end of period	<u>200</u>

Retained earnings

Balance, beginning of period	-
Comprehensive income for the period	<u>-</u>
Balance, end of period	<u>-</u>

Total shareholders' equity	\$ 200
-----------------------------------	---------------

Pulis Real Estate GP2 Inc.
Statement of Comprehensive Income

For the period from inception, April 11, 2014, to December 31, 2014

Comprehensive income for the period	\$ -
--	-------------

The accompanying notes are an integral part of these financial statements.

Pulis Real Estate GP2 Inc.
Statement of Cash Flows

For the period from inception, April 11, 2014, to December 31, 2014

Cash flows from operating activity	
Comprehensive income for the period	\$ -
Cash flows from financing activity	
Proceeds from issuance of share capital	<u>200</u>
Increase in cash during the period	200
Cash, beginning of period	<u>-</u>
Cash, end of period	\$ 200

The accompanying notes are an integral part of these financial statements.

Pulis Real Estate GP2 Inc. Notes to Financial Statements

December 31, 2014

1. General Business Description

Pulis Real Estate GP2 Inc. (the "Corporation") was incorporated under the laws of the Province of Ontario on April 11, 2014. The Corporation was formed to operate as the general partner for Pulis Real Estate LP 2 (the "Partnership").

The address of the Corporation is 1 Nelson Street West, Suite 200A, Brampton, Ontario, L6X 3E4.

2. Significant Accounting Policies

Statement of Compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

These financial statements were authorized for issue by the Directors of the Corporation on February 4, 2015.

Functional and Presentation Currency

These financial statements are presented in Canadian dollars, which is the Corporation's functional currency.

Use of Estimates

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may vary from these estimates.

Estimates and judgements are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. Accounting estimates will, by definition, seldom equal the actual results. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future years affected.

Pulis Real Estate GP2 Inc. Notes to Financial Statements

December 31, 2014

2. Significant Accounting Policies(Continued)

Financial Assets and Financial Liabilities

Recognition and Classification

Financial assets and financial liabilities are initially measured at fair value and are subsequently accounted for based on their classification as described below. The classification depends on the purpose for which the financial instruments were acquired and their characteristics. Except in very limited circumstances, the classification is not changed subsequent to initial recognition.

Financial Assets

Financial assets are classified into one of four categories:

- i) Held-to-maturity ("HTM");
- ii) Fair value through profit or loss ("FVTPL");
- iii) Loans and receivables; and
- iv) Available-for-sale ("AFS").

Held-to-maturity

Financial assets that have a fixed maturity date and which the Corporation has positive intention and the ability to hold to maturity are classified as held-to-maturity and are initially recognized at fair value and subsequently at amortized cost using the effective interest rate method. Transaction costs incurred to acquire held-to-maturity financial instruments are included in the underlying balance. The Corporation does not have any financial assets classified as held-to-maturity.

Financial Assets at Fair Value Through Profit or Loss

A financial asset is classified at fair value through profit or loss if it is classified as held-for-trading or designated as such upon initial recognition. Financial assets are designated as at FVTPL if the Corporation manages such assets and makes purchase and sale decisions based on their fair value in accordance with the Corporation's risk management strategy. These instruments are accounted for at fair value with the change in the fair value recognized in the statement of comprehensive income during the period. Attributable transaction costs are recognized in the statement of comprehensive income when incurred. The Corporation does not have any financial assets classified as fair value through profit and loss.

Pulis Real Estate GP2 Inc. Notes to Financial Statements

December 31, 2014

2. Significant Accounting Policies (Continued)

Financial Assets and Financial Liabilities (continued)

Loans and Receivables

Loans and receivables are non-derivative financial assets and fixed or determinable payments that are not quoted on an active market. Loans and receivables are initially recognized at fair value and subsequently at amortized cost using the effective interest rate method. Transaction costs incurred to acquire loans and receivables financial instruments are included in the underlying balance. Impairment provisions are recognized when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the Corporation will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. On confirmation that the amounts receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision. The Corporation has cash classified as loans and receivables.

Available-for-sale

Available-for-sale assets are non-derivative financial assets that are either designated in this category or not classified in any other categories. Financial assets classified as available-for-sale are carried at fair value with the changes in fair value recorded in other comprehensive income. When fair value is not reliably determinable, investments in equity instruments should be measured at cost. Interest on available-for-sale assets is calculated using the effective interest rate method and is recognized in the statement of comprehensive income. Transaction costs incurred to acquire the available-for-sale financial instruments are included in the underlying balance. When a decline in fair value is determined to be other-than temporary, the cumulative loss included in accumulated other comprehensive income is removed and recognized in the statement of comprehensive income. Gains and losses realized on disposal of available-for-sale securities are recognized in the statement of comprehensive loss. No financial assets were classified as available-for-sale.

Financial Liabilities

Financial liabilities are classified into one of two categories:

- i) Fair value through profit or loss; and
- ii) Other financial liabilities.

Financial Liabilities at Fair Value Through Profit or Loss (FVTPL)

Financial liabilities that are incurred with the intention of generating profits in the near term are classified as fair value through profit or loss. These instruments are accounted for at fair value with the change in the fair value recognized in the statement of comprehensive income during the period. Attributable transaction costs are recognized in the statement of comprehensive income when incurred. No financial liabilities are classified as fair value through profit or loss.

Other Financial Liabilities

Other liabilities are accounted for at amortized cost using the effective interest rate method. Transaction costs are included in the underlying balance. No financial liabilities are classified as other financial liabilities.

Pulis Real Estate GP2 Inc. Notes to Financial Statements

December 31, 2014

2. Significant Accounting Policies (Continued)

Financial Assets and Financial Liabilities (continued)

Determination of Fair Value

The fair value of a financial instrument on initial recognition is the transaction price, which is the fair value of the consideration given or received. Subsequent to initial recognition, fair value is determined by management using available market information or other valuation methodologies.

Fair Value Hierarchy

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3).

The three levels of the fair value hierarchy are as follows:

- Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2: Inputs other than quoted prices included in level 1 that are observable for the asset or liability either directly or indirectly; and
- Level 3: Inputs that are not based on observable market data.

As at period end, the Corporation did not have any assets measured at fair value.

Derecognition

The Corporation derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or when it transfers the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

The Corporation derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire.

Offsetting

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Corporation has a legal right to set off the recognized amounts and it intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Share Capital and Dividends

Common shares are classified as equity. Incremental costs directly attributable to the common shares are recognized as a deduction from equity, net of any tax effects. Dividends on Common shares are recognized in the Corporations financial statements in the period in which the dividends are approved by the Board of Directors.

Pulis Real Estate GP2 Inc. Notes to Financial Statements

December 31, 2014

2. Significant Accounting Policies (Continued)

Impairment of Non-financial Assets

The carrying amounts of the Corporation's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is recognized if the carrying amount of an asset exceeds its estimated recoverable amount.

Impairment of Financial Assets

At each reporting date, the Corporation assesses whether there is objective evidence that financial assets not carried at fair value through profit or loss are impaired. A financial asset or a group of financial assets is impaired when objective evidence demonstrates that a loss event has occurred after the initial recognition of the asset, and that the loss event has impact on the future cash flows of the asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include significant financial difficulty of the borrower or issuer, default or delinquency by a borrower, restructuring of a loan or receivable by the Corporation on terms that the Corporation would not otherwise consider, indications that a borrower or issuer will enter bankruptcy, or other observable data relating to a group of assets such as adverse changes in the payment status of borrowers or issuers in the group, or economic conditions that correlate with defaults in the group.

The Corporation considers evidence of impairment for loans and receivables at both a specific asset and collective level. The Corporation has no impairment loss from financial assets.

Income Taxes

Income tax expense comprises of current and deferred taxes. Current taxes and deferred taxes are recognized in net income except to the extent that it relates to a business combination, or items recognized directly in equity or in comprehensive income.

Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the year end date.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting or taxable profit or loss.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting period, the Corporation reassesses unrecognized deferred tax assets. The Corporation recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Pulis Real Estate GP2 Inc. Notes to Financial Statements

December 31, 2014

2. Significant Accounting Policies (Continued)

Income Taxes (Continued)

The amount of the deferred tax asset or liability is measured at the amount expected to be recovered from or paid to the taxation authorities. This amount is determined using tax rates and tax laws that have been enacted or substantively enacted by the year end date and are expected to apply when the liabilities/(assets) are settled/(recovered).

Provisions

Provisions are recognized when the Corporation has a present legal or constructive obligation as a result of a past event, it is probable that the Corporation will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

Where discounting is used, the increase in the provision due to passage of time is recognized as a financial cost and included in interest expense.

Related Parties

For the purpose of these financial statements, a party is considered related to the Corporation if such party or the Corporation has the ability to, directly or indirectly, control or exercise significant influence over the other entity's financial and operating decisions, or if the Corporation and such party are subject to common significant influence. Related parties may be individuals or other entities.

New Standards, Interpretations and Amendments not yet Adopted

A number of new standards, amendments to standards and interpretations have been issued but are not yet effective for the period ended December 31, 2014, and have not been applied in preparing these financial statements. None of these are expected to have an effect on the financial statements of the Corporation, with the exception of:

IFRS 9, Financial Instruments ("IFRS 9") was issued by the International Accounting Standards Board ("IASB") on October 28, 2010, and will replace IAS 39, Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 uses a single approach and IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. IFRS 9 is effective for annual periods beginning on or after January 1, 2015. The Corporation is currently evaluating the impact of IFRS 9 on its financial statements.

Pulis Real Estate GP2 Inc. Notes to Financial Statements

December 31, 2014

3. Capital Management

The Corporation's capital is comprised of shareholders' equity of \$200. The Corporation's capital management policy is to maintain a strong capital base that optimizes the Corporation's ability to grow, maintain advisor and creditor confidence and to provide a platform to create value for its unitholders. The Corporation intends to maintain a flexible capital structure to maximize its ability to pursue additional investment opportunities, which considers the Corporation's early stage of development and the requirement to sustain future development of the business.

The Corporation will manage its capital structure and make changes to it in light of changes to economic conditions and the risk characteristics of the nature of the business. In order to maintain or adjust the capital structure, the Corporation may from time to time issue shares, seek debt financing and adjust its capital spending to manage its current and projected capital structure.

The Corporation is not subject to externally imposed capital requirements.

4. Share Capital

Authorized

Unlimited number of common shares

Issued

200 Common shares

\$ 200

The Corporation was formed on April 11, 2014 with 200 common shares issued at \$1 per share.

DATE AND CERTIFICATE

Dated: February 6, 2015

This Offering Memorandum does not contain a misrepresentation.

**PULIS REAL ESTATE LP 2, by its General Partner,
PULIS REAL ESTATE GP2 INC.**

(Signed) Brian Pulis
BRIAN PULIS
Chief Executive Officer

(Signed) Kyle Pulis
KYLE PULIS
Acting Chief Financial Officer

**BY THE BOARD OF DIRECTORS OF
PULIS REAL ESTATE GP2 INC.**

(Signed) Jason Priest
JASON PRIEST
Director

(Signed) Peter Vansickle
PETER VANSICKLE
Director

PROMOTERS

(Signed) Brian Pulis
BRIAN PULIS

(Signed) Kyle Pulis
KYLE PULIS

PULIS REAL ESTATE TRUST,
by its Administrator,
PULIS REAL ESTATE ADMINCO INC.
(Signed) Brian Pulis
Acting Chief Executive Officer

**SCHEDULE A
SUBSCRIPTION AGREEMENT**

**PULIS REAL ESTATE LP 2
INSTRUCTION FORM FOR SUBSCRIPTION AGREEMENT**

IMPORTANT: The following items in the attached Subscription Agreement must be completed and executed:

All Purchasers

<input type="checkbox"/>	Complete and execute all applicable lines on pages 1, 2 and 3 of the Subscription Agreement.
<input type="checkbox"/>	Provide a certified cheque, or bank draft or proof of wire transfer (bank receipt required), made payable to Pulis Real Estate LP 2 for the Total Subscription Price indicated on page 1 of the Subscription Agreement. Provide a cheque marked "VOID" from the account to which distributions are to be made, if you have selected cash distributions.
<u>Purchasers Resident in Any Province or Territory of Canada other than Ontario</u>	
<input type="checkbox"/>	If an "accredited investor", complete and execute Schedule A – Accredited Investor Status Certificate, indicating which category is applicable. You do not need to complete Schedule B, C, D or E if Schedule A is completed.
<input type="checkbox"/>	If relying on the "Family, Friends and Business Associates" exemption, complete and execute Schedule B – Family, Friends and Business Associates Status Certificate, indicating which category is applicable. You do not need to complete Schedule A, C, D or E if Schedule B is completed. If you are resident in Saskatchewan, you must also complete Exhibit A to Schedule B. This exemption is not available to residents of Quebec.
<input type="checkbox"/>	If relying on the "Offering Memorandum" exemption, complete and execute Schedule D – Eligible Investor Status Certificate and Exhibit A attached thereto. You do not need to complete Schedule A, B, C or E if Schedule D is completed unless Schedule D specifically provides that you must complete one of Schedule A or Schedule B. This exemption is not available to residents of Quebec.
<u>Purchasers Resident in Ontario</u>	
<input type="checkbox"/>	If an "accredited investor", complete and execute Schedule A – Accredited Investor Status Certificate, indicating which category is applicable. You do not need to complete Schedule B, C, D or E if Schedule A is completed.
<input type="checkbox"/>	If not an "accredited investor" and relying on the "Founder, Control Person and Family" exemption, complete and execute Schedule E – Founder, Control Person and Family Status Certificate. You do not need to complete Schedule A, B, C or D if Schedule E is completed.
<input type="checkbox"/>	If not an "accredited investor" and relying on the "Minimum Amount Investment" exemption, complete and execute Schedule C – Minimum Amount Investment Status Certificate. You do not need to complete Schedule A, B, D or E if Schedule C is completed.

A completed and originally executed copy of this Subscription Agreement, including this instruction sheet and the items required to be completed as set out above is to be returned to Pulis Real Estate LP 2, 1 Nelson Street W., Suite 200A, Brampton, Ontario L6W 3E4, Tel: 1-855-452-1305, Attention: Brian Pulis.

SUBSCRIPTION AGREEMENT

TO: PULIS REAL ESTATE LP 2 (the "Partnership")

The undersigned (the "**Purchaser**"), on its own behalf, and, if applicable, on behalf of those for whom the undersigned is contracting hereunder, hereby irrevocably subscribes for and agrees to purchase from the Partnership that number of trust units of the Partnership (the "**LP Units**") set out below to be issued for the aggregate consideration set out below, subject to the following terms and conditions. This agreement, which for greater certainty includes and incorporates the attached Schedules, is referred to herein as the "**Subscription Agreement**". The Purchaser agrees to be bound by the terms and conditions set forth in the attached **Terms and Conditions of Subscription** including, without limitation, the representations, warranties and covenants set forth in the schedules attached thereto. The Purchaser further agrees, without limitation, that the Partnership and its legal counsel may rely on the Purchaser's representations, warranties and covenants contained in such documents.

Issuer: Pulis Real Estate LP 2

Issue: LP Units

Total Subscription Amount: \$ _____

DATED: this _____ day of _____, 20____.

Name and Address of Purchaser(s)

Name of Purchaser - please print

Purchaser(s) Address

Name of Co-Purchaser (if applicable) - Please Print

By:

Official Capacity or Title - please print

Telephone Number

Authorized Signature 1

Email Address

Authorized Signature 2

Email Address

(Please print name of individual whose signature appears above on the "Authorized Signature 2" line, if different than the printed name on the "Name of Purchaser" line above.)

Purchaser SIN; or BIN (if business entity)

Co-Purchaser SIN; or BIN (if business entity)

TO BE COMPLETED BY SUBSCRIBERS:

The Subscriber is ☐ or is not ☐ a registrant as defined in the *Securities Act* (British Columbia). [Please check applicable box]

The Subscriber is ☐ or is not ☐ an insider as defined under applicable securities laws of the Partnership. [Please check applicable box]

If the Subscriber is a registrant or an insider, the Subscriber currently owns, directly or indirectly, the following number of Securities (including shares, options and other convertible Securities, but excluding LP Units subscribed for hereunder)

Number: _____ Description of Securities: _____

Selection of Distributions Option

Subscriber wishes to receive distributions in (mark with an "X"):

- ☐ All cash - Direct Deposit
- ☐ All LP Units - DRIP (Distribution Reinvestment Plan)
- ☐ Part cash and part LP Units. ____ Percent of total amount of distributions on the LP Units should be in cash with the remainder in LP Units.

Details of Beneficial Purchaser (if the Purchaser is purchasing as agent for a principal and is not purchasing as agent or trustee for accounts fully managed by it):

Name – please print

Beneficial Purchaser's Address

(If space is inadequate please attach a schedule containing the necessary information.)

Registration Instructions:

Delivery Instructions:

Name

Beneficial Purchaser's Address

Account reference (if applicable)

Account reference (if applicable)

Address

Contact Name

Address

Telephone Number

Facsimile Number

Purchaser SIN or BIN

THIS PAGE FOR PULIS USE ONLY

Closing Date: _____

Price Per Unit on Closing Date: _____

Number of LP Units Issued: _____

ACCEPTANCE

The foregoing is acknowledged, accepted and agreed to this ____ day of _____, 20____.

PULIS REAL ESTATE LP 2, by its General
Partner

Pulis Real Estate GP2 Inc.

Per: _____
Authorized Signing Officer

THIS PAGE FOR ADVISOR USE ONLY

Dealer Name:	<hr/>
Dealer FundSERV Code (If Applicable):	<hr/>
Representative Name:	<hr/>
Representative Code:	<hr/>
Representative Phone:	<hr/>
Representative Email:	<hr/>

TERMS AND CONDITIONS OF SUBSCRIPTION

1. Subscription. The Purchaser hereby tenders to the Partnership this Subscription Agreement which, upon acceptance by the Partnership, will constitute an irrevocable agreement of the Purchaser to purchase from the Partnership and, of the Partnership to sell to the Purchaser, the number of Limited Partnership units of the Partnership (the "**LP Units**"), determined by dividing the "**Total Subscription Amount**" by the posted price per Unit on the **Closing Date** (the "**Purchase Price**") such numbers of the LP Units being the "**Purchaser's Securities**" for purposes of this Subscription Agreement, all on and subject to the terms and conditions set out in this Subscription Agreement.

2. Definitions. In this Subscription Agreement, unless the context otherwise requires:

- (a) "**Act**" means the *Securities Act* (Ontario);
- (b) "**affiliate**", "**associate**" and "**distribution**" have the respective meanings ascribed to them in the Act;
- (c) "**Closing**" means the completion of the issue and sale by the Partnership and the purchase by the Purchaser pursuant to the provisions of this Subscription Agreement;
- (d) "**Closing Date**" has the meaning ascribed thereto in section 4 hereof;
- (e) "**Closing Notice**" has the meaning ascribed thereto in section 4 hereof;
- (f) "**Closing Time**" means 10:00 a.m. (Toronto time) on the Closing Date or such other time as the Trust and the Purchaser may agree pursuant to the provisions of this Subscription Agreement;
- (g) "**Designated Provinces**" means all of the provinces of Canada, to the extent that any Purchaser is resident therein;
- (h) "**Eligibility Adviser**" means
 - (i) a person that is registered as an investment dealer and authorized to give advice with respect to the type of security being distributed, and
 - (ii) in Saskatchewan or Manitoba, "**Eligibility Adviser**" also means a lawyer who is a practicing member in good standing with a law society in a jurisdiction of Canada or a public accountant who is a member in good standing of an institute or association of chartered accountants, certified general accountants or certified management accountants in a jurisdiction of Canada provided that the lawyer or public accountant does not:
 - 1. have a professional, business or personal relationship with the Trust, or any of its Trustees, executive officers, founders, or control persons, and
 - 2. act or has not acted for or been retained personally or otherwise as an employee, executive officer, director, associate or partner of a person that has acted for or been retained by the Trust or any of its trustees, executive officers, founders or control persons within the previous 12 months;
- (i) "**Eligible Investor**" means:
 - (i) a Purchaser whose
 - 1. net assets, alone or with a spouse, in the case of an individual, exceed \$400,000,

2. net income before taxes exceeded \$75,000 in each of the 2 most recent calendar years and who reasonably expects to exceed that income level in the current calendar year, or
 3. net income before taxes, alone or with a spouse, in the case of an individual, exceeded \$125,000 in each of the 2 most recent calendar years and who reasonably expects to exceed that income level in the current calendar year,
- (ii) a Purchaser of which a majority of the voting securities are beneficially owned by Eligible Investors or a majority of the directors are Eligible Investors,
 - (iii) a Purchaser that is a general partnership of which all of the partners are Eligible Investors,
 - (iv) a Purchaser that is a limited partnership of which the majority of the general partners are Eligible Investors,
 - (v) a Purchaser that is a trust or estate in which all of the beneficiaries or a majority of the trustees or executors are Eligible Investors,
 - (vi) a Purchaser that is an "accredited investor" as that term is defined in NI 45-106,
 - (vii) a Purchaser that is a trustee, executive officer or control person of the Trust, or of an affiliate of the Trust,
 - (viii) a Purchaser that is a spouse, parent, grandparent, brother, sister, child or grandchild of a trustee, executive officer or control person of the Trust, or of an affiliate of the Trust,
 - (ix) a Purchaser that is a parent, grandparent, brother, sister, child or grandchild of the spouse of a trustee, executive officer or control person of the Trust or of an affiliate of the Trust,
 - (x) a Purchaser that is a close personal friend of a trustee, executive officer or control person of the Trust, or of an affiliate of the Trust,
 - (xi) a Purchaser that is a close business associate of a trustee, executive officer or control person of the Trust, or of an affiliate of the Trust,
 - (xii) a Purchaser that is a founder of the Trust or a spouse, parent, grandparent, brother, sister, child, grandchild, close personal friend or close business associate of a founder of the Trust,
 - (xiii) a Purchaser that is a parent, grandparent, brother, sister, child or grandchild of a spouse of a founder of the Trust,
 - (xiv) a Purchaser that is a person of which a majority of the voting securities are beneficially owned by, or a majority of the directors are, persons described in paragraphs (vii) to (xiii),
 - (xv) a Purchaser that is a trust or estate of which all of the beneficiaries or a majority of the trustees or executors are persons described in paragraphs (vii) to (xiii), or
 - (xvi) a Purchaser that has obtained advice regarding the suitability of the investment and, if the person is resident in a jurisdiction of Canada, that advice has been obtained from an Eligibility Adviser;

- (j) **"International Jurisdiction"** has the meaning ascribed thereto in section 7(s);
- (k) **"material"** means material in relation to the Trust and its Subsidiaries considered on a consolidated basis;
- (l) **"Offering Memorandum"** means a current, unexpired confidential offering memorandum of the Partnership delivered to the Purchaser, together with all appendices thereto.
- (m) **"NI 45-106"** means National Instrument 45-106 *Prospectus and Registration Exemptions* as such instrument is in effect (if applicable) at Closing in the Designated Province in which the Purchaser resides;
- (n) **"OSC"** means the Ontario Securities Commission;
- (o) **"Partnership"** means Pulis Real Estate LP2;
- (p) **"PCMLA"** means the Proceeds of Crime (Money Laundering) Act (Canada);
- (q) **"Personal Information"** means any information about a Purchaser disclosed by the Purchaser in this Subscription Agreement and the Schedules thereto;
- (r) **"Purchase Price"** has the meaning ascribed thereto in section 1 hereof;
- (s) **"Purchaser"** means the person or persons or company named as Purchaser on the face page of this Subscription Agreement, and if more than one person is so named, means all of them jointly and severally;
- (t) **"Purchaser's Securities"** has the meaning ascribed thereto in section 1;
- (u) **"Qualifying Transaction"** means the qualification of the Trust as a mutual fund trust within the meaning of the *Income Tax Act* (Canada);
- (v) **"Securities Commissions"** means, collectively, the applicable securities commissions or other securities regulatory authorities, as applicable, in each of the Designated Provinces;
- (w) **"Securities Laws"** means, collectively, the applicable securities laws of each of the Designated Provinces and the regulations and rules made and forms prescribed thereunder together with all applicable and legally enforceable published policy statements, multilateral or national instruments, blanket orders, rulings and notices of the Securities Commissions;
- (x) **"United States"** means the United States of America, its territories and possessions, any State of the United States and the District of Columbia;
- (y) **"LP Units"** means the trust units of the Partnership;
- (z) **"U.S. Person"** means a U.S. person as defined in Rule 902(k) of Regulation S under the U.S. Securities Act; and
- (aa) **"U.S. Securities Act"** means the United States Securities Act of 1933, as amended.

3. Delivery and Payment. The Purchaser agrees that the following shall be delivered to the Partnership, at such time, date and place as the Partnership may advise:

- (a) a completed and duly signed copy of this Subscription Agreement;

- (b) if the Purchaser is resident in or otherwise subject to the laws of the Provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, Nova Scotia, New Brunswick, Prince Edward Island or Newfoundland and Labrador, or the territories of the Northwest Territories, Yukon or Nunavut and is purchasing the Purchaser's Securities as an "accredited investor" as defined in NI 45-106, a duly completed and executed copy of the Accredited Investor Status Certificate in the form attached hereto as Schedule A;
- (c) if the Purchaser is resident in or otherwise subject to the laws of the **Provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Nova Scotia, New Brunswick, Prince Edward Island or Newfoundland and Labrador, or the territories of the Northwest Territories, Yukon or Nunavut** and is purchasing the Purchaser's Securities in reliance on the "Family, Friends and Business Associates" exemption provided under section 2.5 of NI 45-106, a duly completed and executed Family, Friends and Business Associates Status Certificate (including Exhibit A thereto if applicable) in the form attached hereto as Schedule B;
- (d) if the Purchaser is resident in or otherwise subject to the laws of the **Provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Nova Scotia, New Brunswick, Prince Edward Island or Newfoundland and Labrador, or the territories of the Northwest Territories, Yukon or Nunavut** and is purchasing the Purchaser's Securities as principal and is purchasing a sufficient number of LP Units so that the aggregate Purchase Price payable by the Purchaser in respect of the Purchaser's Securities will not be less than \$150,000, a "Minimum Amount Investment" Status Certificate in the form attached hereto as Schedule C;
- (e) if the Purchaser is resident in or otherwise subject to the laws of the **Provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Nova Scotia, New Brunswick, Prince Edward Island or Newfoundland and Labrador, or the territories of the Northwest Territories, Yukon or Nunavut** and is relying on the "Offering Memorandum" exemption provided under section 2.9 of NI 45-106, a duly completed and executed Eligible Investor Status Certificate in the form attached hereto as Schedule D as well as the Risk Acknowledgement attached thereto as Exhibit A;
- (f) if the Purchaser is resident in or otherwise subject to the laws of the **Province of Ontario**, is not an "accredited investor" as defined in NI 45-106, is not relying on the "Minimum Amount Investment" exemption as described in NI 45-106 and is purchasing the Purchaser's Securities in reliance on the "**Founder, Control Person and Family**" exemption provided under section 2.7 of NI 45-106, a duly completed and executed Founder, Control Person and Family Status Certificate in the form attached hereto as Schedule E;
- (g) a certified cheque, or bank draft or proof of wire transfer (bank receipt required) made payable on or before the Closing Date (or such other date as the Partnership may advise) in same day freely transferable Canadian funds at par in Toronto, Ontario to "Pulis Real Estate LP 2" representing the aggregate Purchase Price payable by the Purchaser for the Purchaser's Securities, or such other method of payment of the same amount against delivery of the Purchaser's Securities as the Partnership may request; and
- (h) any other documents required by the Securities Laws or that the Partnership requests.

The Purchaser, and each beneficial purchaser, if any, for whom it is acting as trustee or agent acknowledge and agree that such documents, when executed and delivered by the Purchaser, will form part of and will be incorporated into this Subscription Agreement with the same effect as if each constituted a representation and warranty or covenant of the Purchaser hereunder in favour of the Partnership. The Purchaser and each such beneficial purchaser consent to the filing of such documents as may be required to be filed in connection with the transactions contemplated hereby. The Purchaser and each such beneficial purchaser acknowledge that they have received a copy of the Partnership Agreement.

4. Closing. The transactions contemplated hereby will be completed on the day on which the Partnership gives notice in writing to the Purchaser (the "**Closing Notice**") that each of the conditions precedent to Closing have been met or waived by the Partnership (the "**Closing Date**") at the "**Closing Time**" at the offices of the Partnership.

Except as otherwise indicated, all documents included in this Subscription Agreement or otherwise required pursuant to the provisions of such documents should be completed and executed in their entirety by the Purchaser. All information should be typed or printed in ink. For more information or for assistance in completing this Subscription Agreement, please call: 1-855-452-1305 or email inquiry@pulisinvestments.com.

It is suggested that the Purchaser make and retain copies of the completed subscription and related documents. **Only original documents will be considered for acceptance.**

Purchasers are required to obtain independent legal advice in connection with any subscription for an interest in the Partnership. Purchasers are also strongly encouraged to seek tax and other investment advice concerning their investment in the Partnership. The Purchaser and the "**disclosed beneficial purchaser**" have obtained such legal and tax advice as he/she/it consider appropriate in connection with the offer, sale and issuance of the LP Units and the execution, delivery and performance by he/she/it of this Subscription Agreement and the transactions contemplated by this Subscription Agreement. The Purchaser and any disclosed beneficial purchaser are not relying on the Partnership, its affiliates or counsel in this regard.

5. Conditions of Closing. The Purchaser acknowledges that the Partnership's obligation to sell the LP Units to the Purchaser is subject to, among other things, the following conditions that:

- (a) the Purchaser or beneficial purchaser, if any, for whom the Purchaser is acting as trustee or agent executes and returns to the Partnership all documents required by applicable "**Securities Laws**" for delivery on behalf of the Purchaser or beneficial purchaser, if any, for whom the Purchaser is acting as trustee or agent including, without limitation, all applicable Schedules attached hereto on or before the Closing Time;
- (b) the issue and sale and delivery of the Purchaser's Securities are exempt from the requirements to file a prospectus (as defined in applicable Securities Laws, including "**OSC**" Rule 14-501 – *Local Definitions*) or any similar document under applicable Securities Laws and other applicable securities laws relating to the sale of the Purchaser's Securities, or that the Partnership has received such orders, consents or approvals as may be required to permit such sale without the requirement of filing a prospectus; and
- (c) the representations and warranties set out herein, including in the Schedules hereto, of the Purchaser are true and correct as at the Closing Time.

The Purchaser acknowledges and agrees that as the sale of the Purchaser's Securities will not be qualified by a prospectus, such sale is subject to the condition that the Purchaser (or, if applicable, any others for whom the Purchaser is contracting hereunder) sign and return to the Partnership all relevant documentation required by the Securities Laws.

The Purchaser acknowledges and agrees that the Partnership will be required to provide to the "**Securities Commissions**" a list setting out the identities of the beneficial purchasers of the LP Units. Notwithstanding that the Purchaser may be purchasing LP Units as an agent on behalf of an undisclosed beneficial purchaser (if permissible under the relevant securities laws), the Purchaser agrees to provide, on request, particulars as to the identity of such undisclosed beneficial purchaser as may be required by the Partnership in order to comply with the foregoing and Securities Laws.

6. Acceptance or Rejection. The Partnership will have the right, in its sole discretion, to accept or reject this Subscription Agreement in whole or in part at any time at or prior to the Closing Time. The Partnership will be deemed to have accepted this Subscription Agreement upon the Partnership's execution of the acceptance form at

page 4 of this Subscription Agreement and the delivery at the Closing of one or more unit certificates representing the Purchaser's Securities.

7. Purchaser's Representations and Warranties. The Purchaser represents and warrants to the Partnership as follows and acknowledges that the Partnership is relying on such representations and warranties in connection with the transactions contemplated in this Subscription Agreement:

- (a) **Offering Memorandum Reliance.** In the Purchaser's decision to execute this Subscription Agreement and purchase the **Purchaser's Securities** agreed to be purchased hereunder, it has relied solely upon the Offering Memorandum and this Subscription Agreement;
- (b) **Authorization and Effectiveness.** If the Purchaser is an individual, he or she is of the full age of majority and has all requisite legal capacity and competence to execute and deliver this Subscription Agreement, to subscribe for the Purchaser's Securities and to observe and perform his or her covenants and obligations hereunder, or if the Purchaser is a corporation, the Purchaser is duly incorporated and is a valid and existing corporation, has the necessary corporate capacity and authority to execute and deliver this Subscription Agreement, to subscribe for the Purchaser's Securities and to observe and perform its covenants and obligations hereunder and has taken all necessary corporate action in respect thereof, or, if the Purchaser is a partnership, syndicate or other form of unincorporated organization, the Purchaser has the necessary legal capacity and authority to execute and deliver this Subscription Agreement, to subscribe for the Purchaser's Securities and to observe and perform its covenants and obligations hereunder and has obtained all necessary approvals in respect thereof, and, in any case, upon acceptance by the Partnership, this Subscription Agreement will constitute a legal, valid and binding agreement of the Purchaser enforceable against the Purchaser in accordance with its terms and will not result in a violation of or create a state of facts which, after notice, lapse of time or both, would constitute a default or breach of any of the Purchaser's constituting documents, by-laws or authorizing resolutions (if applicable), any agreement to which the Purchaser is a party or by which it is bound or any law applicable to the Purchaser or any judgment, decree, order, statute, rule or regulation applicable to the Purchaser;
- (c) **Residence.** The Purchaser, or each beneficial purchaser, if any, for whom the Purchaser is acting as trustee or agent, has been offered the Purchaser's Securities in, and is a resident of, the jurisdiction referred to under **Name and Address of Purchaser** and **Details of Beneficial Purchaser**, respectively, set out on the face page and page 2 hereof, and intends that the Securities Laws of that jurisdiction do and shall govern the subscription of the Purchaser or any beneficial purchaser for whom it is contracting hereunder and that such addresses were not created and are not used solely for the purpose of acquiring the Purchaser's Securities;
- (d) **Private Placement Exemptions.** The Purchaser has properly completed, executed and delivered to the Partnership the status certificate(s) (dated as of the date hereof) applicable to the Purchaser set forth in Schedules A through E attached hereto and the information contained therein is true and correct and the representations, warranties and covenants contained in the applicable Schedules attached hereto will be true and correct both as of the date of execution of this Subscription Agreement and as at the Closing Time;
- (e) **Purchasing as Principal.** Unless paragraph (g) below applies, the Purchaser is purchasing the Purchaser's Securities as principal (as defined in all applicable Securities Laws) for its own account, and not for the benefit of any other person;
- (f) **Purchasing for Investment Only.** Unless paragraph (g) below applies, the Purchaser is purchasing the Purchaser's Securities for investment only and not with a view to resale or distribution of all or any of the Purchaser's Securities;
- (g) **Purchasing as Agent or Trustee.**

- (i) In the case of the purchase by the Purchaser of the Purchaser's Securities as agent or trustee for any principal whose identity is disclosed or identified(the "**disclosed beneficial purchaser**", each disclosed beneficial purchaser of the Purchaser's Securities for whom the Purchaser is acting, is purchasing its Purchaser's Securities: (1) as principal for its own account and not for the benefit of any other person; (2) for investment only and not with a view to resale or distribution and was not created or used solely to purchase or hold securities in reliance on the "**Minimum Amount Investment**" exemption provided under section 2.10 of NI 45-106 and the Purchaser existed prior to the date of the Offering and has a *bona fide* purpose other than investment in the LP Units; and (3) one of the following applies (A) at an aggregate acquisition cost to such beneficial purchaser of not less than \$150,000, (B) the beneficial purchaser is an "accredited investor" as defined in NI 45-106; (C) the beneficial purchaser is eligible to rely on the "Family, Friends and Business Associates" exemption provided under section 2.5 of NI 45-106; (D) the beneficial purchaser is resident in British Columbia, New Brunswick, Nova Scotia or Newfoundland and Labrador and is an "**Eligible Investor**" or is resident in Alberta, Manitoba, Northwest Territories, Nunavut, Prince Edward Island, Saskatchewan or the Yukon and is either (i) an "eligible investor"; or (ii) whose Total Subscription Amount as shown on page 2 hereof; or (E) the beneficial purchaser is eligible to rely on the "Founder, Control Person and Family" exemption provided under section 2.7 of NI 45-106;
- (ii) In the case of the purchase by the Purchaser of the Purchaser's Securities as agent or trustee for any principal, the Purchaser is the duly authorized trustee or agent of such disclosed beneficial purchaser with due and proper power and authority to execute and deliver, on behalf of each such beneficial purchaser, this Subscription Agreement and all other documentation in connection with the purchase of the Purchaser's Securities hereunder, to agree to the terms and conditions herein and therein set out and to make the representations, warranties, acknowledgements and covenants herein and therein contained, all as if each such beneficial purchaser was the Purchaser and the Purchaser's actions as trustee or agent are in compliance with applicable law and the Purchaser and each beneficial purchaser acknowledge that the Partnership is required by law to disclose to certain regulatory authorities the identity of each beneficial purchaser of Purchaser's Securities for whom it may be acting; and
- (iii) In the case of the purchase by the Purchaser of the Purchaser's Securities on behalf of an undisclosed beneficial purchaser, the Purchaser is deemed under applicable Securities Laws to be purchasing as principal;
- (h) **Broker.** There is no person acting or purporting to act in connection with the transactions contemplated herein who is entitled to any brokerage or finder's fee and if any person establishes a claim that any fee or other compensation is payable in connection with this subscription for the Purchaser's Securities, the Purchaser covenants to indemnify and hold harmless the Partnership with respect thereto and with respect to all costs reasonably incurred in the defence thereof;
- (i) **Illegal Use of Funds.** None of the funds being used to purchase the Purchaser's Securities are to the Purchaser's knowledge proceeds obtained or derived directly or indirectly as a result of illegal activities. The funds being used to purchase the Purchaser's Securities which will be advanced by the Purchaser to the Partnership hereunder will not represent proceeds of crime for the purposes of the "**PCMLA**" and the Purchaser acknowledges that the Partnership may in the future be required by law to disclose the Purchaser's name and other information relating to this Subscription Agreement and the Purchaser's subscription hereunder, on a confidential basis, pursuant to the PCMLA. To the best of its knowledge: (i) none of the funds to be provided by the Purchaser are being tendered on behalf of a person or entity who has not been identified to the Purchaser, and (ii) it shall promptly notify the Partnership if the Purchaser discovers that any of such representations cease to be true, and to provide the Partnership with appropriate information in connection therewith;

- (j) **Resale Restrictions.** The Purchaser, and each beneficial purchaser for whom it is contracting hereunder, have consulted their own legal advisors with respect to trading in the Purchaser's Securities and the resale restrictions imposed by the Securities Laws of the province in which the Purchaser or any beneficial purchaser for whom it is contracting hereunder resides and other applicable securities laws, and acknowledge that (other than as expressly provided in this Subscription Agreement or in the Offering Memorandum) no representation has been made respecting the applicable hold periods imposed by the Securities Laws or other resale restrictions applicable to such securities which restrict the ability of the Purchaser, or any beneficial purchaser for whom it is contracting hereunder, to resell such securities, and that the Purchaser, or any beneficial purchaser for whom it is contracting hereunder, is solely responsible to obtain definitive legal advice with respect to these restrictions and the Purchaser, or any beneficial purchaser for whom it is contracting hereunder, is solely responsible (and the Partnership shall be in no way responsible) for compliance with applicable resale restrictions and the Purchaser is aware that it, or any beneficial purchaser for whom it is contracting hereunder, may not be able to resell such securities except in accordance with limited exemptions under the Securities Laws and other applicable securities laws;
- (k) **No Purchase or Offer in United States.** The Purchaser, or beneficial purchaser, if any, for whom it is acting as trustee or agent:
- (i) is a discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-U.S. Person by a professional fiduciary organized, incorporated, or (if an individual) resident in the United States; or
 - (ii) is not, and is not purchasing the Purchaser's Securities for the account or benefit of, a U.S. Person under the U.S. Securities Act or for resale in the United States or to a U.S. Person in violation of United States federal or state securities laws, was not offered the Purchaser's Securities in the United States, at the time the purchase order originated was outside the United States, did not execute or deliver this Subscription Agreement or related documents in the United States and confirms that no act, solicitation, conduct or negotiation directly or indirectly in furtherance of the purchase of the Purchaser's Securities hereunder has occurred in the United States;
- and acknowledges that the Purchaser's Securities have not been, nor will they be, registered under the U.S. Securities Act or the securities laws of any state, and may not be offered or sold in the United States or to a U.S. Person, unless an exemption from the registration requirements under the U.S. Securities Act and applicable state securities laws is available, and agrees not to offer, or sell the Purchaser's Securities in the United States or to a U.S. Person, unless the Partnership consents to such offer or sale and an exemption from registration under the U.S. Securities Act and applicable state securities laws is available;
- (l) **Trust or Unincorporated Organization.** If the Purchaser, or any beneficial purchaser for whom it is acting as trustee or agent, is a corporation or a partnership, syndicate, trust, association, or any other form of unincorporated organization or organized group of persons, the Purchaser or such beneficial purchaser was not created or being used solely to permit purchases of or to hold securities without a prospectus in reliance on a prospectus exemption;
- (m) **Purchaser Acknowledgements.** The Purchaser, on its own behalf and (if applicable) on behalf of others for whom it is contracting hereunder, acknowledges and agrees that it has read and fully understands the Offering Memorandum and has had an opportunity to ask and have answered questions with respect to the Partnership and the sale of the LP Units. The Purchaser has consulted to the extent it deems appropriate with the Purchaser's own advisors as to the financial, tax, legal and related matters concerning an investment in the LP Units and on that basis the Purchaser believes that an investment in the LP Units is suitable and appropriate for the Purchaser. The Purchaser on its own behalf and (if applicable) on behalf of others for whom it is contracting hereunder, further acknowledges and agrees that other than the Offering Memorandum, the

Purchaser has not requested access to and does not need to receive any other information concerning the Partnership;

- (n) **Investment Suitability.** The Purchaser, or beneficial purchaser, if any, for whom the Purchaser is acting as trustee or agent, has such knowledge and experience in financial and business affairs as to be capable of evaluating the merits and risks of the investment hereunder in the Purchaser's Securities and is able to bear the economic risk of total loss of such investment;
- (o) **Not a "Control Person" or "Founder".** The Purchaser, or beneficial purchaser, if any, for whom the Purchaser is acting as trustee or agent, who is not relying on the "Founder, Control Person and Family" exemption provided under section 2.7 of NI 45-106, is not a "control person" or "founder" of the Partnership, as those terms are defined in applicable Securities Laws, and will not become a "control person" of the Partnership by virtue of the purchase of the Purchaser's Securities under this Subscription Agreement and does not act or intend to act in concert with any other person to form a control group in respect of the Partnership;
- (p) **PARTNERSHIP NOT A REPORTING ISSUER. THE PURCHASER, OR THE BENEFICIAL PURCHASER, IF ANY, FOR WHOM THE PURCHASER IS ACTING AS TRUSTEE OR AGENT, FULLY UNDERSTANDS THAT: (1) THE PARTNERSHIP IS NOT, AND CURRENTLY HAS NO INTENTION OF BECOMING, A REPORTING ISSUER UNDER THE SECURITIES LAWS AND AS A RESULT, THE UNITS HAVE AN INDEFINITE STATUTORY HOLD PERIOD; AND (2) THE PURCHASER WILL BE A MINORITY HOLDER OF UNITS IN A PRIVATE ENTITY WITH LIMITED ABILITY TO RESELL SUCH SECURITIES.**
- (q) **Other Documents.** The Purchaser, or beneficial purchaser, if any, for whom the Purchaser is acting as trustee or agent, will execute and deliver any other documents required by applicable Securities Laws to permit the purchase of the Purchaser's Securities on the terms herein set forth which the Partnership may request from time to time;
- (r) **Personal Information.** The Purchaser acknowledges that this Subscription Agreement requires the Purchaser to provide certain "**Personal Information**" to the Partnership. Such information is being collected and will be used by the Partnership for the purposes of completing the offering of LP Units pursuant to this Subscription Agreement, which includes, without limitation, determining the Purchaser's eligibility to purchase the Purchaser's Securities under applicable Securities Laws, preparing and registering certificates representing the Purchaser's Securities and completing filings required by the Securities Commissions. The Purchaser agrees that the Purchaser's Personal Information may be disclosed by the Partnership to: (a) stock exchanges and applicable securities regulatory authorities, (b) the Partnership's registrar and transfer agent, and (c) any of the other parties involved in the offering of LP Units, including legal counsel, and may be included in record books in connection with offering of LP Units. By executing this Subscription Agreement, the Purchaser consents to the foregoing collection, use and disclosure of the Personal Information. The Purchaser also consents to the filing of copies or originals of any of the Purchaser's documents described in paragraph 3 hereof as may be required to be filed with any stock exchange or securities regulatory authority in connection with the transactions contemplated hereby or the completion of the "**Qualifying Transaction**" in the future;
- (s) **International Purchasers.** If the Purchaser is a resident of a country other than Canada or the United States (an "**International Jurisdiction**") then in addition to the other representations and warranties contained herein, the Purchaser represents and warrants that:
 - (i) the Purchaser is knowledgeable of, or has been independently advised as to, the applicable securities laws of the International Jurisdiction which would apply to this Subscription Agreement, if any;

- (ii) the Purchaser is purchasing the Purchaser's Securities pursuant to exemptions from the prospectus and registration requirements under the applicable securities laws of that International Jurisdiction or, if such is not applicable, the Purchaser is permitted to purchase the Purchaser's Securities under the applicable securities laws of the International Jurisdiction without the need to rely on an exemption;
- (iii) the applicable securities laws do not require the Partnership to file a prospectus or similar document or to register the LP Units or to make any filings or seek any approvals of any kind whatsoever from any regulatory authority of any kind whatsoever in the International Jurisdiction;
- (iv) the delivery of this Subscription Agreement, the acceptance of it by the Partnership and the issuance of the LP Units to the Purchaser complies with all applicable laws of the Purchaser's jurisdiction of residence or domicile and all other applicable laws and will not cause the Partnership to become subject to or comply with any disclosure, prospectus or reporting requirements under any such applicable laws;
- (t) **Eligibility.** The Purchaser (and any disclosed beneficial purchaser) is eligible to purchase the LP Units pursuant to an exemption from the prospectus and registration requirements of Securities Laws. The Purchaser has completed and delivered to the Partnership the applicable certificate contained in Schedule A, B, C, D or E evidencing the Purchaser's (and any disclosed beneficial purchaser's) status under Securities Laws and confirms the truth and accuracy of all statements made in such certificate as of the date of this Subscription Agreement and as of the Closing Time;
- (u) **Arm's Length.** The Purchaser (and any disclosed beneficial purchaser) is at arm's-length, within the meaning of Securities Laws, with the Partnership;
- (v) **No Financial Assistance.** The Purchaser (and any disclosed beneficial purchaser) has not received, nor does it expect to receive any financial assistance from the Partnership, directly or indirectly, in respect of the Purchasers' purchase of LP Units; and
- (w) **Certain Representations.** No person has made any oral or written representations to the Purchaser: (i) that any person will resell or repurchase the Purchaser's Securities; (ii) that any person will refund the Purchase Price of the Purchaser's Securities; or (iii) as to the future value or price of any of the LP Units.

The Purchaser acknowledges and agrees that the foregoing representations and warranties are made by it with the intention that they may be relied upon by the Partnership in determining the Purchaser's eligibility or (if applicable) the eligibility of others on whose behalf it is contracting hereunder to purchase the Purchaser's Securities under Securities Laws. The Purchaser further agrees that by accepting delivery of the Purchaser's Securities on the Closing Date, it shall be representing and warranting that the foregoing representations and warranties are true and correct as at the Closing Time with the same force and effect as if they had been made by the Purchaser at the Closing Time and that they shall survive the purchase by the Purchaser of the Purchaser's Securities and shall continue in full force and effect notwithstanding any subsequent disposition by the Purchaser of the LP Units. The Purchaser undertakes to notify the Partnership immediately of any change in any representation, warranty or other information relating to the Purchaser set out in this Subscription Agreement which takes place prior to the Closing Time.

8. Purchaser's Acknowledgements. The Purchaser acknowledges and agrees that:

- (a) **AN INVESTMENT IN THE SECURITIES IS NOT WITHOUT RISK AND THE PURCHASER (AND ANY DISCLOSED BENEFICIAL PURCHASER) MAY LOSE HIS, HER OR ITS ENTIRE INVESTMENT;**

- (b) (i) no agency, governmental authority, regulatory body, stock exchange or other entity has made any finding or determination as to the merit for investment of, nor have any such agencies or governmental authorities made any recommendation or endorsement with respect to the Purchaser's Securities or the offering thereof; (ii) there is no government or other insurance covering the Purchaser's Securities; and (iii) there are risks associated with the purchase of the Purchaser's Securities;
- (c) the purchase of the Purchaser's Securities has not been or will not be (as applicable) made through, or as a result of, and the distribution of the Purchaser's Securities is not being accompanied by, a general solicitation or advertisement including articles, notices or other communications published in any newspaper, magazine or similar media or broadcast over radio or television, or any seminar or meeting whose attendees have been invited by general solicitation or general advertising;
- (d) no prospectus or other offering document has been filed by the Partnership with a securities commission or other securities regulatory authority in any province of Canada, or any other jurisdiction in or outside of Canada in connection with the issuance of the Purchaser's Securities, and such issuances are exempt from the prospectus requirements otherwise applicable under the provisions of Securities Laws and, as a result, in connection with its purchase of the Purchaser's Securities hereunder, as applicable:
 - (i) the Purchaser is restricted from using most of the protections, rights and remedies available under Securities Laws including, without limitation, statutory rights of rescission or damages;
 - (ii) the Purchaser will not receive information that may otherwise be required to be provided to the Purchaser under applicable Securities Laws or contained in a prospectus prepared in accordance with applicable Securities Laws; and
 - (iii) the Partnership is relieved from certain obligations that would otherwise apply under such applicable Securities Laws;
- (e) the Purchaser's Securities are being offered for sale only on a private placement basis;
- (f) except as otherwise provided, all costs and expenses incurred by the Purchaser (including any fees and disbursements of legal counsel retained by the Purchaser) relating to the purchase of the Purchaser's Securities shall be borne solely by the Purchaser;
- (g) the Purchaser's Securities will be subject to certain resale restrictions under the Securities Laws and the Purchaser agrees to comply with such restrictions. The Purchaser also acknowledges that it has been advised to consult its own legal advisors with respect to applicable resale restrictions and that it is solely responsible (and the Partnership shall be in no way responsible) for complying with such restrictions. For the purposes of complying with the Securities Laws and Multilateral Instrument 45-102 *Resale of Securities*, the Purchaser understands and acknowledges that upon the issuance of the Purchaser's Securities, all the certificates representing the Purchaser's Securities shall bear a legend substantially in the following form:

**"UNLESS PERMITTED UNDER SECURITIES LEGISLATION,
THE HOLDER OF THIS SECURITY MUST NOT TRADE THE
SECURITY BEFORE THE DATE THAT IS 4 MONTHS AND A
DAY AFTER THE DATE THE ISSUER BECAME A
REPORTING ISSUER IN ANY PROVINCE OR TERRITORY."**
- (h) the Purchaser, and (if applicable) others for whom it is contracting hereunder, is solely responsible for obtaining such legal advice and tax advice it considers appropriate in connection with the

execution, delivery and performance by it of this Subscription Agreement and the completion of the transactions contemplated hereby;

- (i) the Partnership may complete additional financings in the future in order to develop the business of the Partnership and fund its ongoing development, and such future financings may have a dilutive effect on current security holders of the Partnership, including the Purchaser but there is no assurance that such financing will be available, on reasonable terms or at all, and if not available, the Partnership may be unable to fund its ongoing development;
- (j) the Partnership has the right to accept or reject the Purchaser's subscription in whole or in part; and
- (k) **THE PARTNERSHIP IS NOT A REPORTING ISSUER. A PURCHASER, OR BENEFICIAL PURCHASER, IF ANY, FOR WHOM THE PURCHASER IS ACTING AS TRUSTEE OR AGENT, FULLY UNDERSTANDS THAT: (1) THE PARTNERSHIP IS NOT, AND CURRENTLY HAS NO INTENTION OF BECOMING, A REPORTING ISSUER UNDER THE SECURITIES LAWS AND AS A RESULT, THE UNITS HAVE AN INDEFINITE STATUTORY HOLD PERIOD; AND (2) THE PURCHASER WILL BE A MINORITY HOLDER OF UNITS IN A PRIVATE ENTITY WITH LIMITED ABILITY TO RESELL SUCH SECURITIES.**

9. Further Acknowledgements of the Purchaser. The Purchaser hereby acknowledges, agrees and consents to:

- (a) the disclosure of Personal Information to each of the Partnership and the Securities Commissions;
- (b) the collection, use and disclosure of Personal Information by any exchange on which the LP Units may at any time be listed for trading;
- (c) the collection, use and disclosure of Personal Information by the Partnership for corporate finance and shareholder communication purposes or such other purposes as are necessary to the Partnership's business; and
- (d) the filing of this Subscription Agreement on SEDAR by the Partnership, if applicable.

If the Purchaser is resident or otherwise subject to the securities law of the Province of Ontario, the Purchaser acknowledges and agrees that the Purchaser has been notified by the Partnership: (i) of the delivery to the OSC of Personal Information pertaining to the Purchaser, including, without limitation, the full name, residential address and telephone number of the Purchaser, the number and type of securities purchased and the total Purchase Price paid in respect of the Purchaser's Securities, (ii) that this Personal Information is being collected indirectly by the OSC under the authority granted to it in securities legislation, (iii) that this Personal Information is being collected for the purposes of the administration and enforcement of the securities legislation of Ontario, and (iv) that the title, business address and business telephone number of the public official in Ontario who can answer questions about the OSC's indirect collection of the Personal Information is the Administrative Assistant to the Director of Corporate Finance, the Ontario Securities Commission, Suite 1903, Box 5520 Queen Street West, Toronto, Ontario M5H 3S8, Telephone: (416) 593-8086, Facsimile: (416) 593-8252, and (v) has authorized the indirect collection of the Personal Information by the OSC.

10. No Revocation. The Purchaser agrees that this Subscription Agreement is made for valuable consideration and may not be withdrawn, cancelled, terminated or revoked by the Purchaser without the consent of the Partnership. Further, the Purchaser expressly waives and releases the Partnership from all rights of withdrawal or rescission to which the Purchaser might otherwise be entitled pursuant to the Securities Laws or otherwise at law.

11. Indemnity. The Purchaser agrees to indemnify and hold harmless the Partnership and its respective General Partner, directors, officers, employees, agents, advisers and Limited Partners from and against any and all loss, liability, claim, damage and expense whatsoever (including, but not limited to, any and all fees, costs and

expenses whatsoever reasonably incurred in investigating, preparing or defending against any claim, lawsuit, administrative proceeding or investigation whether commenced or threatened) arising out of or based upon any representation or warranty of the Purchaser contained herein or in any document furnished by the Purchaser to the Partnership in connection herewith being untrue in any material respect or any breach or failure by the Purchaser to comply with any covenant or agreement made by the Purchaser herein or in any document furnished by the Purchaser to the Partnership in connection herewith.

12. Modification. Subject to the terms hereof, neither this Subscription Agreement nor any provision hereof shall be modified, changed, discharged or terminated except by an instrument in writing signed by the party against whom any waiver, change, discharge or termination is sought.

13. Assignment. The terms and provisions of this Subscription Agreement shall be binding upon and enure to the benefit of the Purchaser, the Partnership and their respective successors and assigns; provided that this Subscription Agreement shall not be assignable by any party without the prior written consent of the other parties. For greater certainty this Subscription Agreement may only be transferred or assigned by the Purchaser subject to compliance with applicable laws (including, without limitation, applicable Securities Laws).

14. Miscellaneous and Counterparts. All representations, warranties, agreements and covenants made or deemed to be made by the Purchaser, and (if applicable) others for whom it is contracting hereunder, herein will survive the execution and delivery, and acceptance, of this Subscription Agreement and the Closing. This Subscription Agreement may be executed in any number of counterparts, each of which when delivered, either in original facsimile form, or other electronic means shall be deemed to be an original and all of which together shall constitute one and the same document.

15. Governing Law. This Subscription Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. The Purchaser hereby irrevocably attorns to the jurisdiction of the courts of the Province of Ontario with respect to any matters arising out of this Subscription Agreement.

16. Facsimile Subscriptions. The Partnership shall be entitled to rely on delivery by facsimile machine or other electronic means of an executed copy of this Subscription Agreement, including the completed Schedules hereto, and acceptance by the Partnership of such facsimile copy shall be legally effective to create a valid and binding agreement between the Purchaser and the Partnership in accordance with the terms hereof.

17. Entire Agreement. This Subscription Agreement, including the Schedules hereto, contains the entire agreement of the parties hereto relating to the subject matter hereof and there are no representations, covenants or other agreements relating to the subject matter hereof except as stated or referred to herein. This Subscription Agreement may be amended or modified in any respect by written instrument only.

18. Language. In connection with the offering of the Purchaser's Securities, the undersigned hereby requests that all documentation available, including the Subscription Agreement, be prepared and forwarded in the English language only. Dans le cadre du placement propose d'obligations d' Pulis Real Estate LP 2, le soussigné consent par les présentes à ce que la documentation relative à ce placement proposé, y compris la convention de souscription, soit rédigée et soumise en la langue anglaise seulement.

19. Time of Essence. Time shall be of the essence of this Subscription Agreement.

20. Currency. All dollar amounts referred to in this Subscription Agreement are in Canadian dollars.

SCHEDULE A

ACCREDITED INVESTOR STATUS CERTIFICATE

TO BE COMPLETED BY BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN, MANITOBA, ONTARIO, QUÉBEC, NEWFOUNDLAND AND LABRADOR, NOVA SCOTIA, NEW BRUNSWICK AND

PRINCE EDWARD ISLAND, NORTHWEST TERRITORIES, YUKON AND NUNAVUT "ACCREDITED INVESTORS"

The categories listed herein contain certain specifically defined terms. If you are unsure as to the meanings of those terms, or are unsure as to the applicability of any category below, please contact your broker and/or legal advisor before completing this certificate. Capitalized terms not otherwise defined herein having the meanings ascribed thereto in the Subscription Agreement.

In connection with the purchase by the undersigned Purchaser of the Purchaser's Securities, the Purchaser, on its own behalf and on behalf of each of the beneficial purchasers for whom the Purchaser is acting, hereby represents, warrants, covenants and certifies to the Partnership (and acknowledges that the Partnership and its counsel are relying thereon) that:

- (a) the Purchaser, or each of the beneficial purchasers for whom the Purchaser is acting, is resident in or otherwise subject to the securities laws of one of the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, Newfoundland and Labrador, Nova Scotia, New Brunswick or Prince Edward Island, or the territories of Northwest Territories, Yukon or Nunavut;
- (b) the Purchaser, or each of the beneficial purchasers for whom the Purchaser is acting, is purchasing the Purchaser's Securities as principal for its own account and not for the benefit of any other person;
- (c) the Purchaser, or each of the beneficial purchasers for whom the Purchaser is acting, is an "accredited investor" within the meaning of NI 45-106 on the basis that the undersigned fits within the category of an "accredited investor" reproduced below beside which the undersigned has indicated the undersigned belongs to such category; and
- (d) upon execution of this Schedule A by the Purchaser, this Schedule A shall be incorporated into and form a part of the Subscription Agreement.

(PLEASE CHECK THE BOX OF THE APPLICABLE CATEGORY OF ACCREDITED INVESTOR)

- ☐ (a) a Canadian financial institution, or a Schedule III bank;
- ☐ (b) the Business Development Bank of Canada incorporated under the *Business Development Bank of Canada Act* (Canada);
- ☐ (c) a subsidiary of any person referred to in paragraphs (a) or (b), if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of that subsidiary;
- ☐ (d) a person registered under the securities legislation of a jurisdiction of Canada as an adviser or dealer, other than a person registered solely as a limited market dealer under one or both of the *Securities Act* (Ontario) or the *Securities Act* (Newfoundland and Labrador);
- ☐ (e) an individual registered or formerly registered under the securities legislation of a jurisdiction of Canada as a representative of a person referred to in paragraph (d);

- ☐ (f) the Government of Canada or a jurisdiction of Canada, or any crown corporation, agency or wholly owned entity of the Government of Canada or a jurisdiction of Canada;
- ☐ (g) any national, federal, state, provincial, territorial or municipal government of or in any foreign jurisdiction, or any agency of that government;) a municipality, public board or commission in Canada and a metropolitan community, school board, the Comité de gestion de la taxe scolaire de l'île de Montréal or an intermunicipal management board in Québec;
- ☐ (h) any national, federal, state, provincial, territorial or municipal government of or in any foreign jurisdiction, or any agency of that government;
- ☐ (i) a pension fund that is regulated by either the Office of the Superintendent of Financial Institutions (Canada) or a pension commission or similar regulatory authority of a jurisdiction of Canada;
- ☐ (j) an individual who, either alone or with a spouse, beneficially owns, directly or indirectly, financial assets having an aggregate realizable value that before taxes, but net of any related liabilities, exceeds \$1,000,000;
- ☐ (k) an individual whose net income before taxes exceeded \$200,000 in each of the two most recent calendar years or whose net income before taxes combined with that of a spouse exceeded \$300,000 in each of the two most recent calendar years and who, in either case, reasonably expects to exceed that net income level in the current calendar year;
- ☐ (l) an individual who, either alone or with a spouse, has net assets of at least \$5,000,000;
- ☐ (m) a person, other than an individual or investment fund, that has net assets of at least \$5,000,000 as shown on its most recently prepared financial statements and that has not been created or used solely to purchase or hold securities as an accredited investor as defined in this paragraph (m);
- ☐ (n) an investment fund that distributes or has distributed its securities only to (i) a person that is or was an accredited investor at the time of the distribution, (ii) a person that acquires or acquired securities in the circumstances referred to in sections 2.10 (*Minimum amount investment*) and 2.19 (*Additional investment in investment funds*) of NI 45-106, or (iii) a person described in paragraph (i) or (ii) that acquires or acquired securities under section 2.18 (*Investment fund reinvestment*) of NI 45-106;
- ☐ (o) an investment fund that distributes or has distributed securities under a prospectus in a jurisdiction of Canada for which the regulator or, in Québec, the securities regulatory authority, has issued a receipt;
- ☐ (p) a trust company or trust corporation registered or authorized to carry on business under the Trust and Loan Companies Act (Canada) or under comparable legislation in a jurisdiction of Canada or a foreign jurisdiction, acting on behalf of a fully managed account managed by the Trust company or trust corporation, as the case may be;
- ☐ (q) a person acting on behalf of a fully managed account managed by that person, if that person (i) is registered or authorized to carry on business as an adviser or the equivalent under the securities legislation of a jurisdiction of Canada or a foreign jurisdiction, and (ii) in Ontario, is purchasing a security that is not a security of an investment fund;
- ☐ (r) a registered charity under the *Income Tax Act* (Canada) that, in regard to the trade, has obtained advice from an eligibility adviser or an adviser registered under the securities legislation of the jurisdiction of the registered charity to give advice on the securities being traded;
- ☐ (s) an entity organized in a foreign jurisdiction that is analogous to any of the entities referred to in

paragraphs (a) to (d) or paragraph (i) in form and function;

- ☐ (t) a person in respect of which all of the owners of interests, direct, indirect or beneficial, except the voting securities required by law to be owned by directors, are persons that are accredited investors;
- ☐ (u) an investment fund that is advised by a person registered as an adviser or a person that is exempt from registration as an adviser, or
- ☐ (v) a person that is recognized or designated by the securities regulatory authority or, except in Ontario and Québec, the regulator as (i) an accredited investor, or (ii) an exempt purchaser in Alberta or British Columbia after NI 45-106 comes into force.

For the purposes hereof, the following definitions are included for convenience:

- (a) **"Canadian financial institution"** means (i) an association governed by the Cooperative Credit Associations Act (Canada) or a central cooperative credit society for which an order has been made under section 473(1) of that Act, or (ii) a bank, loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services cooperative, or league that, in each case, is authorized by an enactment of Canada or a jurisdiction of Canada to carry on business in Canada or a jurisdiction of Canada;
- (b) **"control person"** has the same meaning as in securities legislation except in Manitoba, Newfoundland and Labrador, Northwest Territories, Nova Scotia, Nunavut, Ontario, Prince Edward Island and Québec where control person means any person that holds or is one of a combination of persons that holds (i) a sufficient number of any of the securities of an issuer so as to affect materially the control of the issuer, or (ii) more than 20% of the outstanding voting securities of an issuer except where there is evidence showing that the holding of those securities does not affect materially the control of the issuer;
- (c) **"eligibility adviser"** means
 - (i) a person that is registered as an investment dealer or in an equivalent category of registration under the securities legislation of the jurisdiction of a purchaser and authorized to give advice with respect to the type of security being distributed, and
 - (ii) in Saskatchewan or Manitoba, also means a lawyer who is a practicing member in good standing with a law society of a jurisdiction of Canada or a public accountant who is a member in good standing of an institute or association of chartered accountants, certified general accountants or certified management accountants in a jurisdiction of Canada provided that the lawyer or public accountant must not:
 - 1. have a professional, business or personal relationship with the issuer, or any of its directors, executive officers, founders, or control persons, and
 - 2. have acted for or been retained personally or otherwise as an employee, executive officer, director, associate or partner of a person that has acted for or been retained by the issuer or any of its directors, executive officers, founders or control persons within the previous 12 months;
- (d) **"entity"** means a company, syndicate, partnership, trust or unincorporated organization;
- (e) **"executive officer"** means, for an issuer, an individual who is
 - (i) a chair, vice-chair or president,

- (ii) a vice-president in charge of a principal business unit, division or function including sales, finance or production,
 - (iii) an officer of the issuer or any of its subsidiaries and who performs a policy-making function in respect of the issuer, or
 - (iv) performing a policy-making function in respect of the issuer;
- (f) "**financial assets**" means cash, securities, or any a contract of insurance, a deposit or an evidence of a deposit that is not a security for the purposes of securities legislation;
- (g) "**founder**" means, in respect of an issuer, a person who, (i) acting alone, in conjunction, or in concert with one or more persons, directly or indirectly, takes the initiative in founding, organizing or substantially reorganizing the business of the issuer, and (ii) at the time of the trade is actively involved in the business of the issuer;
- (h) "**fully managed account**" means an account of a client for which a person makes the investment decisions if that person has full discretion to trade in securities for the account without requiring the client's express consent to a transaction;
- (i) "**investment fund**" has the same meaning as in National Instrument 81-106 Investment Fund Continuous Disclosure;
- (j) "**person**" includes
 - (i) an individual,
 - (ii) a corporation,
 - (iii) a partnership, trust, fund and an association, syndicate, organization or other organized group of persons, whether incorporated or not, and
 - (iv) an individual or other person in that person's capacity as a trustee, executor, administrator or personal or other legal representative;
- (k) "**related liabilities**" means liabilities incurred or assumed for the purpose of financing the acquisition or ownership of financial assets and liabilities that are secured by financial assets;
- (l) "**Schedule III bank**" means an authorized foreign bank named in Schedule III of the *Bank Act* (Canada);
- (m) "**spouse**" means an individual who (i) is married to another individual and is not living separate and apart within the meaning of the *Divorce Act* (Canada), from the other individual, (ii) is living with another individual in a marriage-like relationship, including a marriage-like relationship between individuals of the same gender, or (iii) in Alberta, is an individual referred to in (i) or (ii), or is an adult interdependent partner within the meaning of the *Adult Interdependent Relationships Act* (Alberta); and
- (n) "**subsidiary**" means an issuer that is controlled directly or indirectly by another issuer and includes a subsidiary of that subsidiary.

In NI 45-106, and this Schedule A, a person or trust is considered to be an affiliated entity of another person or trust if one is a subsidiary entity of the other, or if both are subsidiary entities of the same person or trust, or if each of them is controlled by the same person or trust.

In NI 45-106, and this Schedule A, a person (first person) is considered to control another person (second person) if (a) the first person, directly or indirectly, beneficially owns or exercises control or direction over securities of the second person carrying votes which, if exercised, would entitle the first person to elect a majority of the directors of the second person, unless that first person holds the voting securities only to secure an obligation, (b) the second person is a partnership, other than a limited partnership, and the first person holds more than 50% of the interests of the partnership, or (c) the second person is a limited partnership and the general partner of the limited partnership is the first person.

The foregoing representations contained in this certificate are true and accurate as of the date of this certificate and will be true and accurate as of the Closing Time. If any such representations shall not be true and accurate prior to the Closing Time, the undersigned shall give immediate written notice of such fact to the Partnership prior to the Closing Time.

Dated: _____

Signature of Purchaser or Authorized Signing Officer

Signature of Witness (If Purchaser is an Individual)

Signature of Co-Purchaser (if applicable)

Print Name of Witness

Print Name of Purchaser

Print Name of Co-Purchaser (if applicable)

If Purchaser is a Corporation, Print Name and Title of Authorized Signing Officer

SCHEDULE B
FAMILY, FRIENDS AND BUSINESS ASSOCIATES STATUS CERTIFICATE

TO BE COMPLETED BY BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN, MANITOBA, NEWFOUNDLAND AND LABRADOR, NOVA SCOTIA, NEW BRUNSWICK, PRINCE EDWARD ISLAND, NORTHWEST TERRITORIES, YUKON AND NUNAVUT PURCHASERS THAT ARE SUBSCRIBING AS "FAMILY, FRIENDS AND BUSINESS ASSOCIATES"

The categories listed herein contain certain specifically defined terms. If you are unsure as to the meanings of those terms, or are unsure as to the applicability of any category below, please contact your broker and/or legal advisor before completing this certificate. Capitalized terms not otherwise defined herein having the meanings ascribed thereto in the Subscription Agreement.

In connection with the purchase by the undersigned Purchaser of the Purchaser's Securities, the Purchaser hereby represents, warrants, covenants and certifies to the Partnership (and acknowledges that the Partnership and its counsel are relying thereon) that:

- (o) the Purchaser is resident in or subject to the securities laws of one of the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Newfoundland and Labrador, Nova Scotia, New Brunswick or Prince Edward Island, or the territories of Northwest Territories, Yukon or Nunavut;
- (p) the Purchaser is purchasing the Purchaser's Securities as principal for its own account and not for the benefit of any other person;
- (q) the Purchaser is relying on the registration and prospectus exemptions provided under Section 2.5 "Family, Friends and Business Associates" of NI 45-106 on the basis that the undersigned fits within the category of "family, friends and business associates" reproduced below beside which the undersigned has indicated the undersigned belongs to such category; and
- (r) upon execution of this Schedule B by the Purchaser, this Schedule B shall be incorporated into and form a part of the Subscription Agreement.

(PLEASE CHECK THE BOX OF THE APPLICABLE CATEGORY)

- ☐ (a) a director, executive officer or control person of the issuer, or of an affiliate of the Partnership;
- ☐ (b) a spouse, parent, grandparent, brother, sister or child of a director, executive officer or control person of the Partnership, or of an affiliate of the Partnership;
- ☐ (c) a parent, grandparent, brother, sister or child of the spouse of a director, executive officer or control person of the Partnership or of an affiliate of the Partnership;
- ☐ (d) a close personal friend of a director, executive officer or control person of the Partnership or of an affiliate of the Partnership;
- ☐ (e) a close business associate of a director, executive officer or control person of the Partnership or of an affiliate of the Partnership;
- ☐ (f) a founder of the Partnership or a spouse, parent, grandparent, brother, sister, child, close personal friend or close business associate of a founder of the Partnership;
- ☐ (g) a parent, grandparent, brother, sister or child of a spouse of a founder of the Partnership;
- ☐ (h) a person of which a majority of the voting securities are beneficially owned by, or a majority of the directors are, persons described in paragraphs (a) to (g), or

- ☐ (i) a trust or estate of which all of the beneficiaries or a majority of the trustees or executors are persons described in paragraphs (a) to (g).

If the Purchaser is resident in or otherwise subject to securities laws of the Province of Saskatchewan and is acquiring the Purchaser's Securities under the "Family, Friends and Business Associates" exemption under NI 45-106, the Purchaser must duly complete and execute a risk acknowledgement form (in the form attached hereto as Exhibit A) where:

- (a) the Purchaser is acquiring the Purchaser's Securities under one of the categories identified in paragraphs (d) or (e) above;
- (b) where the Purchaser is a close personal friend or close business associate of a founder of the Partnership; or
- (c) the Purchaser is a person described in paragraphs (h) or (i) above, if the trade is based in whole or in part on a close personal friendship or close business association.

For the purposes hereof, the following definitions are included for convenience:

- (a) "**control person**" has the same meaning as in securities legislation except in Manitoba, Newfoundland and Labrador, Northwest Territories, Nova Scotia, Nunavut, Ontario, Prince Edward Island and Québec where control person means any person that holds or is one of a combination of persons that holds:
 - (i) a sufficient number of any of the securities of an issuer so as to affect materially the control of the issuer, or
 - (ii) more than 20% of the outstanding voting securities of an issuer except where there is evidence showing that the holding of those securities does not affect materially the control of the issuer;
- (b) "**director**" means:
 - (i) a member of the board of directors of a trust or an individual who performs similar functions for a trust, and
 - (ii) with respect to a person that is not a trust, an individual who performs functions similar to those of a director of a trust;
- (c) "**executive officer**" means, for an issuer, an individual who is:
 - (i) a chair, vice-chair or president,
 - (ii) a vice-president in charge of a principal business unit, division or function including sales, finance or production,
 - (iii) an officer of the issuer or any of its subsidiaries and who performs a policy-making function in respect of the issuer, or
 - (iv) performing a policy-making function in respect of the issuer;
- (d) "**founder**" means, in respect of an issuer, a person who:
 - (i) acting alone, in conjunction, or in concert with one or more persons, directly or indirectly, takes the initiative in founding, organizing or substantially reorganizing the business of the issuer, and

- (ii) at the time of the trade is actively involved in the business of the issuer;
- (e) "**spouse**" means an individual who:
 - (i) is married to another individual and is not living separate and apart within the meaning of the Divorce Act (Canada), from the other individual,
 - (ii) is living with another individual in a marriage-like relationship, including a marriage-like relationship between individuals of the same gender, or
 - (iii) in Alberta, is an individual referred to in paragraph (i) or (ii), or is an adult interdependent partner within the meaning of the *Adult Interdependent Relationships Act* (Alberta).

In NI 45-106, and this Schedule B, a person or trust is considered to be an affiliated entity of another person or trust if one is a subsidiary entity of the other, or if both are subsidiary entities of the same person or trust, or if each of them is controlled by the same person or trust.

The foregoing representations contained in this certificate are true and accurate as of the date of this certificate and will be true and accurate as of the Closing Time. If any such representations shall not be true and accurate prior to the Closing Time, the undersigned shall give immediate written notice of such fact to the Partnership prior to the Closing Time.

Dated: _____

Signature of Purchaser or Authorized Signing Officer

Signature of Witness (If Purchaser is an Individual)

Signature of Co-Purchaser (if applicable)

Print Name of Witness

Print Name of Purchaser

Print Name of Co-Purchaser (if applicable)

If Purchaser is a Corporation, Print Name and Title of Authorized Signing Officer

**EXHIBIT A
(TO SCHEDULE B)**

**RISK ACKNOWLEDGEMENT
SASKATCHEWAN CLOSE PERSONAL FRIENDS AND CLOSE BUSINESS
ASSOCIATES**

(THIS FORM MUST BE COMPLETED IN DUPLICATE BY INVESTORS)

ISSUER'S COPY – TO BE SUBMITTED WITH EXECUTED SUBSCRIPTION AGREEMENT

I acknowledge that this is a risky investment:

- I am investing entirely at my own risk.
- No securities regulatory authority has evaluated or endorsed the merits of these securities.
- I will not be able to sell these securities except in very limited circumstances.
- I will not be able to sell these securities for 4 months.
- I could lose all the money I invest.
- I do not have a 2-day right to cancel my purchase of these securities or the statutory rights of action for misrepresentation I would have if I were purchasing the securities under a prospectus.

I am investing \$_____ [total consideration] in total; this includes any amount I am obliged to pay in future.

I am a close personal friend or close business associate of _____ [state name], who is a _____ [state title - founder, director, senior officer or control person] of _____ [state name of issuer or its affiliate - if an affiliate state "an affiliate of the issuer" and give the issuer's name].

I acknowledge that I am purchasing based on my close relationship with _____ [state name of founder, director, senior officer or control person] whom I know well enough and for a sufficient period of time to be able to assess her/his capabilities and trustworthiness.

I acknowledge that this is a risky investment and that I could lose all the money I invest.

Date

Signature of Purchaser

Print name of Purchaser

You are buying Exempt Market Securities

They are called exempt market securities because two parts of securities law do not apply to them. If an issuer wants to sell *exempt market securities* to you:

- the issuer does not have to give you a prospectus (a document that describes the investment in detail and gives you some legal protections); and
- the securities do not have to be sold by an investment dealer registered with a securities regulatory authority.

There are restrictions on your ability to resell exempt market securities. Exempt market securities are more risky than other securities.

You may not receive any written information about the issuer or its business

If you have any questions about the issuer or its business, ask for written clarification before you purchase the securities. You should consult your own professional advisers before investing in the securities.

For more information on the exempt market, refer to the Saskatchewan Financial Services Commission's website at <http://www.sfsc.gov.sk.ca>

Instruction: The purchaser must sign 2 copies of this form. The purchaser and the issuer must each receive a signed copy.

**EXHIBIT A
(TO SCHEDULE B)**

**RISK ACKNOWLEDGEMENT
SASKATCHEWAN CLOSE PERSONAL FRIENDS AND CLOSE BUSINESS
ASSOCIATES**

(THIS FORM MUST BE COMPLETED IN DUPLICATE BY INVESTORS)

INVESTOR'S COPY – RETAIN THIS COPY FOR YOUR RECORDS

I acknowledge that this is a risky investment:

- I am investing entirely at my own risk.
- No securities regulatory authority has evaluated or endorsed the merits of these securities.
- I will not be able to sell these securities except in very limited circumstances.
- I will not be able to sell these securities for 4 months.
- I could lose all the money I invest.
- I do not have a 2-day right to cancel my purchase of these securities or the statutory rights of action for misrepresentation I would have if I were purchasing the securities under a prospectus.

I am investing \$_____ [total consideration] in total; this includes any amount I am obliged to pay in future.

I am a close personal friend or close business associate of _____ [state name], who is a _____ [state title - founder, director, senior officer or control person] of _____ [state name of issuer or its affiliate - if an affiliate state "an affiliate of the issuer" and give the issuer's name].

I acknowledge that I am purchasing based on my close relationship with _____ [state name of founder, director, senior officer or control person] whom I know well enough and for a sufficient period of time to be able to assess her/his capabilities and trustworthiness.

I acknowledge that this is a risky investment and that I could lose all the money I invest.

Date

Signature of Purchaser

Print name of Purchaser

You are buying Exempt Market Securities

They are called exempt market securities because two parts of securities law do not apply to them. If an issuer wants to sell *exempt market securities* to you:

- the issuer does not have to give you a prospectus (a document that describes the investment in detail and gives you some legal protections); and
- the securities do not have to be sold by an investment dealer registered with a securities regulatory authority.

There are restrictions on your ability to resell exempt market securities. Exempt market securities are more risky than other securities.

You may not receive any written information about the issuer or its business

If you have any questions about the issuer or its business, ask for written clarification before you purchase the securities. You should consult your own professional advisers before investing in the securities.

For more information on the exempt market, refer to the Saskatchewan Financial Services Commission's website at <http://www.sfsc.gov.sk.ca>

Instruction: The purchaser must sign 2 copies of this form. The purchaser and the issuer must each receive a signed copy.

SCHEDULE C
MINIMUM AMOUNT INVESTMENT STATUS CERTIFICATE

TO BE COMPLETED BY BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN, MANITOBA, ONTARIO, NEWFOUNDLAND AND LABRADOR, NOVA SCOTIA, NEW BRUNSWICK, PRINCE EDWARD ISLAND, NORTHWEST TERRITORIES, YUKON AND NUNAVUT PURCHASERS THAT ARE SUBSCRIBING UNDER THE "MINIMUM AMOUNT INVESTMENT" EXEMPTION

In connection with the purchase by the undersigned Purchaser of the Purchaser's Securities, the Purchaser, on its own behalf and on behalf of each of the beneficial purchasers for whom the Purchaser is acting, hereby represents, warrants, covenants and certifies to the Partnership (and acknowledges that the Partnership and its counsel are relying thereon) that:

- (a) the Purchaser is resident in or subject to the securities laws of one of the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Newfoundland and Labrador, Nova Scotia, New Brunswick or Prince Edward Island or the territories of Northwest Territories, Yukon and Nunavut;
- (b) the Purchaser is purchasing the Purchaser's Securities as principal for its own account and not for the benefit of any other person;
- (c) the Purchaser's Securities have an acquisition cost to the Purchaser of not less than \$150,000, payable in cash on the Closing Date;
- (d) the Purchaser's Securities are a security of a single issuer;
- (e) the Purchaser was not created and is not being used solely to purchase or hold securities in reliance on the registration and prospectus exemptions provided under Section 2.10 "Minimum Investment Amount" of NI 45-106, it pre-existed the offering of LP Units pursuant to the Subscription Agreement and has a bona fide purpose other than investment in the LP Units; and
- (f) upon execution of this Schedule C by the Purchaser, this Schedule C shall be incorporated into and form a part of the Subscription Agreement.

The foregoing representations contained in this certificate are true and accurate as of the date of this certificate and will be true and accurate as of the Closing Time. If any such representations shall not be true and accurate prior to the Closing Time, the undersigned shall give immediate written notice of such fact to the Partnership prior to the Closing Time.

Dated: _____

Signature of Purchaser or Authorized Signing Officer

Signature of Witness (If Purchaser is an Individual)

Signature of Co-Purchaser (if applicable)

Print Name of Witness

Print Name of Purchaser

Print Name of Co-Purchaser (if applicable)

If Purchaser is a Corporation, Print Name and Title of Authorized Signing Officer

SCHEDULE D
ELIGIBLE INVESTOR STATUS CERTIFICATE

TO BE COMPLETED BY BRITISH COLUMBIA, NEW BRUNSWICK, NOVA SCOTIA AND NEWFOUNDLAND AND LABRADOR BY PURCHASERS RELYING ON THE "OFFERING MEMORANDUM" EXEMPTION

TO BE COMPLETED BY ALBERTA, MANITOBA, NORTHWEST TERRITORIES, NUNAVUT, PRINCE EDWARD ISLAND, SASKATCHEWAN AND YUKON PURCHASERS WHO HAVE AN ACQUISITION COST OF MORE THAN \$10,000

The categories listed herein contain certain specifically defined terms. If you are unsure as to the meanings of those terms, or are unsure as to the applicability of any category below, please contact your broker and/or legal advisor before completing this certificate. Capitalized terms not otherwise defined herein having the meanings ascribed thereto in the Subscription Agreement.

In connection with the purchase by the undersigned Purchaser of the Purchaser's Securities, the Purchaser, on its own behalf and on behalf of each of the beneficial purchasers for whom the Purchaser is acting, hereby represents, warrants, covenants and certifies to the Partnership (and acknowledges that the Partnership and its counsel are relying thereon) that:

- (a) the Purchaser, or each of the beneficial purchasers for whom the Purchaser is acting, is resident in or otherwise subject to the securities laws of one of the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Newfoundland and Labrador, Nova Scotia, New Brunswick or Prince Edward Island, the Northwest Territories, Yukon or Nunavut;
- (b) the Purchaser, or each of the beneficial purchasers for whom the Purchaser is acting, is purchasing the Purchaser's Securities as principal for its own account and not for the benefit of any other person;
- (c) if the Purchaser, or any beneficial purchasers for whom the Purchaser is acting, is resident in Alberta, Manitoba, Northwest Territories, Nunavut, Prince Edward Island, Saskatchewan or Yukon, the Purchaser, or each of such beneficial purchasers for whom the Purchaser is acting, is either:
 - (i) purchasing securities having an acquisition cost of not more than \$10,000; or
 - (ii) an "eligible investor" within the meaning of NI 45-106, on the basis that the undersigned fits within the category of an "eligible investor" reproduced below beside which the undersigned has indicated the undersigned belongs to such category;
- (d) the Purchaser was not created and is not being used solely to purchase or hold securities in reliance on the prospectus exemptions provided under Section 2.9 "Offering Memorandum" of NI 45-106, it pre-existed the offering of LP Units pursuant to the Subscription Agreement and has a bona fide purpose other than investment in the LP Units; and
- (e) upon execution of this Schedule D by the Purchaser, this Schedule D shall be incorporated into and form a part of the Subscription Agreement.

IF THE PURCHASER OR ANY BENEFICIAL PURCHASER FOR WHOM THE PURCHASER IS ACTING IS RESIDENT IN ALBERTA, MANITOBA, NORTHWEST TERRITORIES, NUNAVUT, PRINCE EDWARD ISLAND, SASKATCHEWAN AND YUKON AND IS PURCHASING SECURITIES HAVING AN AGGREGATE ACQUISITION COST OF GREATER THAN \$10,000, PLEASE CHECK THE BOX OF THE APPLICABLE CATEGORY OF ELIGIBLE INVESTOR COMMENCING ON PAGE D-2.

ALL PURCHASERS UNDER THE OFFERING MEMORANDUM EXEMPTION MUST COMPLETE AND EXECUTE TWO COPIES OF THE RISK ACKNOWLEDGEMENT ATTACHED AS EXHIBIT A TO

THIS SCHEDULE D AND DELIVER ONE COPY TO THE TRUST AND RETAIN ONE COPY FOR THEIR OWN RECORDS.

- ☐ (a) a Purchaser whose:
 - (i) net assets, alone or with spouse, in the case of an individual, exceed \$400,000,
 - (ii) net income before taxes exceeded \$75 000 in each of the 2 most recent calendar years and who reasonably expects to exceed that income level in the current calendar year, or
 - (iii) net income before taxes, alone or with a spouse, in the case of an individual, exceeded \$125,000 in each of the 2 most recent calendar years and who reasonably expects to exceed that income level in the current calendar year;
- ☐ (b) a Purchaser of which a majority of the voting securities are beneficially owned by Eligible Investors or a majority of the directors are Eligible Investors;
- ☐ (c) a Purchaser that is a general partnership of which all of the partners are Eligible Investors;
- ☐ (d) a Purchaser that is a limited partnership of which the majority of the general partners are Eligible Investors;
- ☐ (e) a Purchaser that is a trust or estate in which all of the beneficiaries or a majority of the trustees or executors are Eligible Investors;
- ☐ (f) a Purchaser that is an "accredited investor" as that term is defined in NI 45-106, **[NOTE: IF YOU CHECK THIS BOX, YOU MUST ALSO COMPLETE THE ACCREDITED INVESTOR CERTIFICATE ATTACHED AS SCHEDULE A TO THE SUBSCRIPTION AGREEMENT]**
- ☐ (g) a Purchaser that is a director, executive officer or control person of the Partnership, or of an affiliate of the Partnership;
- ☐ (h) a Purchaser that is a spouse, parent, grandparent, brother, sister, child or grandchild of a director, executive officer or control person of the Partnership, or of an affiliate of the Partnership;
- ☐ (i) a Purchaser that is a parent, grandparent, brother, sister, child or grandchild of the spouse of a director, executive officer or control person of the Partnership or of an affiliate of the Partnership;
- ☐ (j) a Purchaser that is a close personal friend of a director, executive officer or control person of the Partnership, or of an affiliate of the Partnership; **[NOTE: IF YOU CHECK THIS BOX, YOU MUST ALSO COMPLETE THE FAMILY, FRIENDS AND BUSINESS ASSOCIATES STATUS CERTIFICATE ATTACHED AS SCHEDULE B TO THE SUBSCRIPTION AGREEMENT]**
- ☐ (k) a Purchaser that is close business associate of a director, executive officer or control person of the Partnership, or of an affiliate of the Partnership; **[NOTE: IF YOU CHECK THIS BOX, YOU MUST ALSO COMPLETE THE FAMILY, FRIENDS AND BUSINESS ASSOCIATES STATUS CERTIFICATE ATTACHED AS SCHEDULE B TO THE SUBSCRIPTION AGREEMENT]**

- ☐ (l) a Purchaser that is a founder of the Partnership or a spouse, parent, grandparent, brother, sister, child, grandchild, close personal friend or close business associate of a founder of the Partnership;
- ☐ (m) a Purchaser that is a parent, grandparent, brother, sister, child or grandchild of a spouse of a founder of the Partnership;
- ☐ (n) a Purchaser that is a person of which a majority of the voting securities are beneficially owned by, or a majority of the directors are, persons described in paragraphs (g) to (m);
- ☐ (o) a Purchaser that is a trust or estate of which all of the beneficiaries or a majority of the trustees or executors are persons described in paragraphs (g) to (m); or
- ☐ (p) a Purchaser that has obtained advice regarding the suitability of the investment and, if the person is resident in a jurisdiction of Canada, that advice has been obtained from an Eligibility Adviser;

For the purposes hereof, the following definitions are included for convenience:

- (a) "**control person**" has the same meaning as in securities legislation except in Manitoba, Newfoundland and Labrador, Northwest Territories, Nova Scotia, Nunavut, Ontario, Prince Edward Island and Québec where control person means any person that holds or is one of a combination of persons that holds (i) a sufficient number of any of the securities of an issuer so as to affect materially the control of the issuer, or (ii) more than 20% of the outstanding voting securities of an issuer except where there is evidence showing that the holding of those securities does not affect materially the control of the issuer;
- (b) "**eligibility adviser**" means a person that is registered as an investment dealer or in an equivalent category of registration under the securities legislation of the jurisdiction of a purchaser and authorized to give advice with respect to the type of security being distributed, and in Saskatchewan or Manitoba, also means a lawyer who is a practicing member in good standing with a law society of a jurisdiction of Canada or a public accountant who is a member in good standing of an institute or association of chartered accountants, certified general accountants or certified management accountants in a jurisdiction of Canada provided that the lawyer or public accountant must not:
 - (i) have a professional, business or personal relationship with the issuer, or any of its directors, executive officers, founders, or control persons, and
 - (ii) have acted for or been retained personally or otherwise as an employee, executive officer, director, associate or partner of a person that has acted for or been retained by the issuer or any of its directors, executive officers, founders or control persons within the previous 12 months;
- (c) "**executive officer**" means, for an issuer, an individual who is, (i) a chair, vice-chair or president, (ii) a vice-president in charge of a principal business unit, division or function including sales, finance or production, (iii) an officer of the issuer or any of its subsidiaries and who performs a policy-making function in respect of the issuer, or (iv) performing a policy-making function in respect of the issuer;
- (d) "**founder**" means, in respect of an issuer, a person who, (i) acting alone, in conjunction, or in concert with one or more persons, directly or indirectly, takes the initiative in founding, organizing or substantially reorganizing the business of the issuer, and (ii) at the time of the trade is actively involved in the business of the issuer;

- (e) "**person**" includes (i) an individual, (ii) a corporation, (iii) a partnership, trust, fund and an association, syndicate, organization or other organized group of persons, whether incorporated or not, and (iv) an individual or other person in that person's capacity as a trustee, executor, administrator or personal or other legal representative;
- (f) "**spouse**" means an individual who, (i) is married to another individual and is not living separate and apart within the meaning of the Divorce Act (Canada), from the other individual, (ii) is living with another individual in a marriage-like relationship, including a marriage-like relationship between individuals of the same gender, or (iii) in Alberta, is an individual referred to in paragraph (i) or (ii), or is an adult interdependent partner within the meaning of the *Adult Interdependent Relationships Act* (Alberta); and
- (g) "**subsidiary**" means an issuer that is controlled directly or indirectly by another issuer and includes a subsidiary of that subsidiary.

In NI 45-106, and this Schedule D, a person or trust is considered to be an affiliated entity of another person or trust if one is a subsidiary entity of the other, or if both are subsidiary entities of the same person or trust, or if each of them is controlled by the same person or trust.

In NI 45-106, and this Schedule D a person (first person) is considered to control another person (second person) if (a) the first person, directly or indirectly, beneficially owns or exercises control or direction over securities of the second person carrying votes which, if exercised, would entitle the first person to elect a majority of the directors of the second person, unless that first person holds the voting securities only to secure an obligation, (b) the second person is a partnership, other than a limited partnership, and the first person holds more than 50% of the interests of the partnership, or (c) the second person is a limited partnership and the general partner of the limited partnership is the first person.

The foregoing representations contained in this certificate are true and accurate as of the date of this certificate and will be true and accurate as of the Closing Time. If any such representations shall not be true and accurate prior to the Closing Time, the undersigned shall give immediate written notice of such fact to the Partnership prior to the Closing Time.

Dated: _____

Signature of Purchaser or Authorized Signing Officer

Signature of Witness (If Purchaser is an Individual)

Signature of Co-Purchaser (if applicable)

Print Name of Witness

Print Name of Purchaser

Print Name of Co-Purchaser (if applicable)

If Purchaser is a Corporation, Print Name and Title of Authorized Signing Officer

**EXHIBIT A
(TO SCHEDULE D)**

**OFFERING MEMORANDUM RISK ACKNOWLEDGEMENT
(THIS FORM MUST BE COMPLETED IN DUPLICATE BY INVESTORS)**

ISSUER'S COPY – TO BE SUBMITTED WITH EXECUTED SUBSCRIPTION AGREEMENT

TO BE COMPLETED BY BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN, MANITOBA, NEWFOUNDLAND AND LABRADOR, NOVA SCOTIA, NEW BRUNSWICK, PRINCE EDWARD ISLAND, NORTHWEST TERRITORIES, YUKON AND NUNAVUT PURCHASERS UNDER THE OFFERING MEMORANDUM EXEMPTION IN SECTION 2.9 OF NATIONAL INSTRUMENT 45-106 – PROSPECTUS AND REGISTRATION EXEMPTIONS

Risk Acknowledgement

- I acknowledge that this is a risky investment.
- I am investing entirely at my own risk.
- No securities regulatory authority or regulator has evaluated or endorsed the merits of these securities or the disclosure in the offering memorandum.
- I will not be able to sell these securities except in very limited circumstances. I may never be able to sell these securities.
- The securities are redeemable, but I may only be able to redeem them in limited circumstances.
- I could lose all the money I invest.

I am investing \$_____ [total consideration] in total; this includes any amount I am obliged to pay in future. Pulis Real Estate LP 2 will pay ____% of this to _____ [insert name of your Dealer, if any] as a fee or commission.

I acknowledge that this is a risky investment and that I could lose all the money I invest.

Date

Signature of Purchaser

Print name of Purchaser

Sign 2 copies of this document. Keep one copy for your records.

WARNING

You have 2 business days to cancel your purchase

To do so, send a notice to Pulis Real Estate LP 2 stating that you want to cancel your purchase. You must send the notice before midnight on the 2nd business day after you sign the agreement to purchase the securities. You can send the notice by fax or email or deliver it in person to Pulis Real Estate LP 2 at its business address. Keep a copy of the notice for your records.

Issuer Name and Address:

Pulis Real Estate LP 2
Suite 200A, 1 Nelson Street W.
Brampton, Ontario L6W 3E4
Phone No.: 1-855-452-1305
E-mail: inquiry@pulisinvestments.com
Fax No.: 647-724-8565

You are buying Exempt Market Securities

They are called *exempt market securities* because two parts of securities law do not apply to them. If an issuer wants to sell *exempt market securities* to you:

- the issuer does not have to give you a prospectus (a document that describes the investment in detail and gives you some legal protections), and
- the securities do not have to be sold by an investment dealer registered with a securities regulatory authority or regulator.

There are restrictions on your ability to resell exempt market securities. Exempt market securities are more risky than other securities.

You will receive an offering memorandum

Read the offering memorandum carefully because it has important information about the issuer and its securities. Keep the offering memorandum because you have rights based on it. Talk to a lawyer for details about these rights.

You will not receive advice

You will not get professional advice about whether the investment is suitable for you. But you can still seek that advice from a registered adviser or registered dealer. In Alberta, Manitoba, Northwest Territories, Nunavut, Prince Edward Island, , Saskatchewan and Yukon to qualify as an eligible investor, you may be required to obtain that advice.

The securities you are buying are not listed

The securities you are buying are not listed on any stock exchange, and they may never be listed. You may never be able to sell these securities.

The issuer of your securities is a non-reporting issuer

A non-reporting issuer does not have to publish financial information or notify the public of changes in its business. You may not receive on-going information about this issuer.

For more information on the exempt market, call your local securities regulatory authority or regulator or:

British Columbia Securities Commission

P.O. Box 10142, Pacific Centre
701 West Georgia Street
Vancouver, British Columbia V7Y 1L2
Telephone: (604) 899-6500
Toll free in British Columbia and Alberta
1-800-373-6393
Facsimile: (604) 899-6506

Alberta Securities Commission

4th Floor, 300 – 5th Avenue SW
Calgary, Alberta T2P 3C4
Telephone: (403) 297-6454
Facsimile: (403) 297-6156

Saskatchewan Financial Services Commission

6th Floor, 1919 Saskatchewan Drive
Regina, Saskatchewan S4P 3V7
Telephone: (306) 787-5879
Facsimile: (306) 787-5899

The Manitoba Securities Commission

500-400 St. Mary Avenue Winnipeg
Manitoba R3C 4K5
Telephone: (204) 945-2548
Facsimile: (204) 945-0330

Nova Scotia Securities Commission

2nd Floor, Joseph Howe Building
1690 Hollis Street
Halifax, Nova Scotia B3J 3J9
Telephone: (902) 424-7768
Facsimile: (902) 424-4625

Government of Yukon

Department of Community Services
Law Centre, 3rd Floor 2130 Second
Avenue Whitehorse, YT Y1A 5H6
Telephone: (867) 667-5314
Facsimile: (867) 393-6251

Autorité des marchés financiers

800, Square Victoria, 22e étage
C.P. 246, Tour de la Bourse
Montréal, Québec H4Z 1G3
Telephone: (514) 395-0337
Or 1 877 525-0337
Facsimile: (514) 864-3681

**Prince Edward Island
Securities Office**

95 Rochford Street, P.O. Box
2000
Charlottetown, Prince Edward
Island C1A 7N8
Telephone: (902) 368-4569
Facsimile: (902) 368-5283

**Government of Northwest
Territories**

Department of Justice
Securities Registry
1st Floor Stuart M. Hodgson
Building
5009 – 49th Street
Yellowknife, Northwest
Territories X1A 2L9
Telephone: (867) 920-3318
Facsimile: (867) 873-0243

**New Brunswick Securities
Commission**

133 Prince William Street, Suite 606
Saint John, New Brunswick E2L
2B5
Telephone: (506) 658-3060
Facsimile: (506) 658-3059

**Securities Commission of
Newfoundland and Labrador**

P.O. Box 8700 2nd Floor, West
Block Confederation Building
St. John's, Newfoundland and
Labrador A1B 4J6
Telephone: (709) 729-4189
Facsimile: (709) 729-6187

Government of Nunavut

Department of Justice
Legal Registries Division
P.O. Box 1000 – Station 570
1st Floor, Brown Building
Iqaluit, Nunavut X0A 0H0
Telephone: (867) 975-6190
Facsimile: (867) 975-6194

You must sign 2 copies of this form. You and Pulis Real Estate LP 2 must each receive a signed copy

**EXHIBIT B
(TO SCHEDULE D)**

**OFFERING MEMORANDUM RISK ACKNOWLEDGEMENT
(THIS FORM MUST BE COMPLETED IN DUPLICATE BY INVESTORS)**

PURCHASER'S COPY – RETAIN THIS COPY FOR YOUR RECORDS

TO BE COMPLETED BY BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN, MANITOBA, NEWFOUNDLAND AND LABRADOR, NOVA SCOTIA, NEW BRUNSWICK, PRINCE EDWARD ISLAND, NORTHWEST TERRITORIES, YUKON AND NUNAVUT PURCHASERS UNDER THE OFFERING MEMORANDUM EXEMPTION IN SECTION 2.9 OF NATIONAL INSTRUMENT 45-106 – PROSPECTUS AND REGISTRATION EXEMPTIONS

Risk Acknowledgement

- I acknowledge that this is a risky investment.
- I am investing entirely at my own risk.
- No securities regulatory authority or regulator has evaluated or endorsed the merits of these securities or the disclosure in the offering memorandum.
- I will not be able to sell these securities except in very limited circumstances. I may never be able to sell these securities.
- The securities are redeemable, but I may only be able to redeem them in limited circumstances.
- I could lose all the money I invest.

I am investing \$_____ [total consideration] in total; this includes any amount I am obliged to pay in future. Pulis Real Estate LP 2 will pay ____% of this to _____ [insert name of your Dealer, if any] as a fee or commission.

I acknowledge that this is a risky investment and that I could lose all the money I invest.

Date

Signature of Purchaser

Print name of Purchaser

Sign 2 copies of this document. Keep one copy for your records.

WARNING

You have 2 business days to cancel your purchase

To do so, send a notice to Pulis Real Estate LP 2 stating that you want to cancel your purchase. You must send the notice before midnight on the 2nd business day after you sign the agreement to purchase the securities. You can send the notice by fax or email or deliver it in person to Pulis Real Estate LP 2 at its business address. Keep a copy of the notice for your records.

Issuer Name and Address:

Pulis Real Estate LP 2
Suite 200A, 1 Nelson Street W.
Brampton, Ontario L6W 3E4
Phone No.: 1-855-452-1305
E-mail: inquiry@pulisinvestments.com
Fax No.: 647-724-8565

You are buying Exempt Market Securities

They are called *exempt market securities* because two parts of securities law do not apply to them. If an issuer wants to sell *exempt market securities* to you:

- the issuer does not have to give you a prospectus (a document that describes the investment in detail and gives you some legal protections), and
- the securities do not have to be sold by an investment dealer registered with a securities regulatory authority or regulator.

There are restrictions on your ability to resell exempt market securities. Exempt market securities are more risky than other securities.

You will receive an offering memorandum

Read the offering memorandum carefully because it has important information about the issuer and its securities. Keep the offering memorandum because you have rights based on it. Talk to a lawyer for details about these rights.

You will not receive advice

You will not get professional advice about whether the investment is suitable for you. But you can still seek that advice from a registered adviser or registered dealer. In Alberta, Manitoba, Northwest Territories, Nunavut, Prince Edward Island, , Saskatchewan and Yukon to qualify as an eligible investor, you may be required to obtain that advice.

The securities you are buying are not listed

The securities you are buying are not listed on any stock exchange, and they may never be listed. You may never be able to sell these securities.

The issuer of your securities is a non-reporting issuer

A non-reporting issuer does not have to publish financial information or notify the public of changes in its business. You may not receive on-going information about this issuer.

For more information on the exempt market, call your local securities regulatory authority or regulator or:

British Columbia Securities Commission

P.O. Box 10142, Pacific Centre
701 West Georgia Street
Vancouver, British Columbia V7Y 1L2
Telephone: (604) 899-6500
Toll free in British Columbia and
Alberta
1-800-373-6393
Facsimile: (604) 899-6506

Alberta Securities Commission

4th Floor, 300 – 5th Avenue SW
Calgary, Alberta T2P 3C4
Telephone: (403) 297-6454
Facsimile: (403) 297-6156

Saskatchewan Financial Services Commission

6th Floor, 1919 Saskatchewan Drive
Regina, Saskatchewan S4P 3V7
Telephone: (306) 787-5879
Facsimile: (306) 787-5899

The Manitoba Securities Commission

500-400 St. Mary Avenue Winnipeg
Manitoba R3C 4K5
Telephone: (204) 945-2548
Facsimile: (204) 945-0330

Nova Scotia Securities Commission

2nd Floor, Joseph Howe Building
1690 Hollis Street
Halifax, Nova Scotia B3J 3J9
Telephone: (902) 424-7768
Facsimile: (902) 424-4625

Government of Yukon

Department of Community Services
Law Centre, 3rd Floor 2130 Second
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Montréal, Québec H4Z 1G3
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Or 1 877 525-0337
Facsimile: (514) 864-3681

**Prince Edward Island
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95 Rochford Street, P.O. Box
2000
Charlottetown, Prince Edward
Island C1A 7N8
Telephone: (902) 368-4569
Facsimile: (902) 368-5283

**Government of Northwest
Territories**

Department of Justice
Securities Registry
1st Floor Stuart M. Hodgson
Building
5009 – 49th Street
Yellowknife, Northwest
Territories X1A 2L9
Telephone: (867) 920-3318
Facsimile: (867) 873-0243

**New Brunswick Securities
Commission**

133 Prince William Street, Suite 606
Saint John, New Brunswick E2L
2B5
Telephone: (506) 658-3060
Facsimile: (506) 658-3059

**Securities Commission of
Newfoundland and Labrador**

P.O. Box 8700 2nd Floor, West
Block Confederation Building
St. John's, Newfoundland and
Labrador A1B 4J6
Telephone: (709) 729-4189
Facsimile: (709) 729-6187

Government of Nunavut

Department of Justice
Legal Registries Division
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SCHEDULE E
FOUNDER, CONTROL PERSON AND FAMILY STATUS CERTIFICATE

TO BE COMPLETED BY ONTARIO PURCHASERS THAT ARE SUBSCRIBING AS "FOUNDERS, CONTROL PERSONS AND FAMILY"

The categories listed herein contain certain specifically defined terms. If you are unsure as to the meanings of those terms, or are unsure as to the applicability of any category below, please contact your broker and/or legal advisor before completing this certificate.

In connection with the purchase by the undersigned Purchaser of the Purchaser's Securities, the Purchaser hereby represents, warrants, covenants and certifies to the Partnership (and acknowledges that the Partnership and its counsel are relying thereon) that:

- (a) the Purchaser is resident in or subject to the securities laws of the province of Ontario;
- (b) the Purchaser is purchasing the Purchaser's Securities as principal for its own account and not for the benefit of any other person;
- (c) the Purchaser is relying on the registration and prospectus exemptions provided under Section 2.7 "Founder, Control Person and family - Ontario" of NI 45-106 on the basis that the undersigned fits within the category of "founder, control person and family" reproduced below beside which the undersigned has indicated the undersigned belongs to such category; and
- (d) upon execution of this Schedule E by the Purchaser, this Schedule E shall be incorporated into and form a part of the Subscription Agreement.

(PLEASE CHECK THE BOX OF THE APPLICABLE CATEGORY)

- ☐ (a) a founder of the Partnership;
- ☐ (b) an affiliate of a founder of the Partnership;
- ☐ (c) a spouse, parent, brother, sister, grandparent or child of an executive officer, director or founder of the Partnership; or
- ☐ (d) a person that is a control person of the Partnership.

For the purposes hereof, the following definitions are included for convenience

- (a) **"control person"** means any person that holds or is one of a combination of persons that holds
 - (i) a sufficient number of any of the securities of an issuer so as to affect materially the control of the issuer, or
 - (ii) more than 20% of the outstanding voting securities of an issuer except where there is evidence showing that the holding of those securities does not affect materially the control of the issuer;
- (b) **"director"** means
 - (i) a member of the board of directors of a trust or an individual who performs similar functions for a trust, and
 - (ii) with respect to a person that is not a trust, an individual who performs functions similar to those of a director of a trust;
- (c) **"executive officer"** means, for an issuer, an individual who is:
 - (i) a chair, vice-chair or president,
 - (ii) a vice-president in charge of a principal business unit, division or function including sales, finance or production,

- (iii) an officer of the issuer or any of its subsidiaries and who performs a policy-making function in respect of the issuer, or
 - (iv) performing a policy-making function in respect of the issuer;
- (d) **"founder"** means, in respect of an issuer, a person who:
 - (i) acting alone, in conjunction, or in concert with one or more persons, directly or indirectly, takes the initiative in founding, organizing or substantially reorganizing the business of the issuer, and
 - (ii) at the time of the trade is actively involved in the business of the issuer; and
- (e) **"spouse"** means an individual who:
 - (i) is married to another individual and is not living separate and apart within the meaning of the *Divorce Act* (Canada), from the other individual,
 - (ii) is living with another individual in a marriage-like relationship, including a marriage-like relationship between individuals of the same gender, or
 - (iii) in Alberta, is an individual referred to in paragraph (i) or (ii), or is an adult interdependent partner within the meaning of the *Adult Interdependent Relationships Act* (Alberta).

In NI 45-106, and this Schedule E, a person or trust is considered to be an affiliated entity of another person or trust if one is a subsidiary entity of the other, or if both are subsidiary entities of the same person or trust, or if each of them is controlled by the same person or trust.

The foregoing representations contained in this certificate are true and accurate as of the date of this certificate and will be true and accurate as of the Closing Time. If any such representations shall not be true and accurate prior to the Closing Time, the undersigned shall give immediate written notice of such fact to the Partnership prior to the Closing Time.

Dated: _____

Signature of Witness (If Purchaser is an Individual)

Signature of Purchaser or Authorized Signing Officer

Print Name of Witness

Print Name of Purchaser

If Purchaser is a Corporation, Print Name and Title of Authorized Signing Officer

SCHEDULE F
LIMITED PARTNERSHIP AGREEMENT

PULIS REAL ESTATE LP 2
AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT
BETWEEN
- PULIS REAL ESTATE GP2 INC. –
AND
- PULIS REAL ESTATE TRUST –
AND EACH PERSON WHO IS ADMITTED TO THE PARTNERSHIP AS A LIMITED
PARTNER IN ACCORDANCE WITH THE TERMS HEREOF

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PULIS REAL ESTATE LP 2

AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT

THIS AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT dated as of the ____ day of _____, 2014, and made between Pulis Real Estate GP2 Inc., a corporation incorporated under the laws of the Province of Ontario, as General Partner and Pulis Real Estate Trust, a trust established under the laws of the Province of Ontario, as initial Limited Partner and each person who is admitted to the Partnership as a Limited Partner in accordance with the terms hereof.

IN CONSIDERATION of the covenants and agreements contained in this Agreement, the Partners agree with each other as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Agreement, the following words have the following meanings:

- (a) "**Acquisition Fee**" shall have the meaning as defined in section 8.3 herein;
- (b) "**Act**" means the *Limited Partnerships Act* (Ontario), as amended;
- (c) "**Adjusted Net Operating Income**" means the remainder of the Net Operating Income of the Partnership, for the preceding twelve (12) month period, after increasing Net Operating Income by the amount paid for the Properties repairs, improvements and renovations;
- (d) "**Administration Agreement**" means the agreement, dated June 20, 2014, between the Administrator, the Computershare Trust Company of Canada as Trustee, and the Trust as amended, supplemented or amended and restated from time to time;
- (e) "**Administrator**" means Pulis Real Estate Adminco Inc., as administrator of the Trust and the Partnership under the Administration Agreement, or such other person properly appointed as administrator of the Trust pursuant to the Declaration of Trust;
- (f) "**Affiliate**" where used to indicate a relationship with any Person, has the meaning ascribed thereto in the *Business Corporations Act* (Ontario);
- (g) "**Agreed Value**" means in respect of a Limited Partner, at the time and from time to time, the amount in such Partner's Capital Account as at such date, plus the amount of any Distributable Cash due to such Partner, if any, for the previous full Fiscal Quarter, to the extent such amount has been determined to be made by the General Partner pursuant to Section 6.3(a) but has not yet been paid, less any amounts of every nature and kind due by the Limited Partner to the Partnership, including reasonable costs of the Partnership or General Partner incurred in connection with the transaction contemplated in Section 2.8. For clarity, the Agreed Value shall not include any amount in respect of Distributable Cash accrued during the Fiscal Quarter in which the calculation of the Agreed Value is made;

- (h) "**Agreement**" or "**Partnership Agreement**" means this Amended and Restated Limited Partnership Agreement dated as of the ____ day of _____, 2014 and made between Pulis Real Estate GP2 Inc., a corporation incorporated under the laws of the Province of Ontario, as General Partner and Pulis Real Estate Trust, a trust established under the laws of the Province of Ontario, as initial Limited Partner and those parties referred to as Limited Partners herein, as from time to time amended, supplemented or restated;
- (i) "**Alternative Vehicle**" shall have the meaning specified in paragraph 2.2(c);
- (j) "**Annual Limit**" shall have the meaning ascribed to thereto in Section 4.2(a);
- (k) "**Applicable Laws**" means any statute, bylaw, rule or regulation or any judgment, order, writ, injunction or decree of any Governmental Authority to which a specified person or property is subject;
- (l) "**Associate**" where used to indicate a relationship with any Person, has the meaning ascribed thereto in the *Securities Act* (Ontario);
- (m) "**Auditor**" means a member, in good standing, of the Canadian Institute of Chartered Accountants and who has been appointed as auditor of the Partnership;
- (n) "**Capital Contribution**" shall have the meaning ascribed thereto in Section 5.4;
- (o) "**Certificate**" means the certificate of limited partnership for the Partnership to be filed under the Act and all amendments thereto and renewals, replacements or restatements thereof;
- (p) "**Current Accounts**" means the accounts established pursuant to Section 5.7;
- (q) "**Declaration of Trust**" means the Declaration of Trust dated June 20, 2014 by and between Computershare Trust Company of Canada as Trustee, and Brian Pulis, as the Initial Unitholder, and the Administrator governing the business and affairs of the Trust, as amended and restated on July 30, 2014, and as may be further amended, supplemented or restated from time to time, a copy of which is available for examination at the offices of the Trust;
- (r) "**Discretion**" means the sole, absolute and unfettered discretion without any requirement to be reasonable or to maintain an even hand, to be exercised as, when and however (including retroactively) deemed fit by the General Partner;
- (s) "**Distributable Cash**" means with respect to a particular period, the amount by which the Partnership's cash on hand or to be received in respect of that period (excluding any proceeds from any Financing) exceeds:
 - (i) unpaid administration expenses of the Partnership including any unpaid amounts with respect to the General Partner Fees;
 - (ii) amounts required for the business and operations of the Partnership, including operating expenses and capital expenditures;

- (iii) amounts required in order to meet all debts, liabilities and obligations in respect of any Financing, including reserves to ensure compliance with agreements to which the Partnership is subject; and
- (iv) any amounts which the General Partner in its Discretion determines is necessary to satisfy the Partnership's current and anticipated requirements of the Partnership and its commitments and anticipated commitments, debts, liabilities and obligations and to comply with applicable laws;
- (t) **"Distribution Period"** means each quarterly period ending on March 31, June 30, September 30 and December 31, or such other periods as may be hereafter determined from time to time by the General Partner;
- (u) **"Fair Market Value of the Partnership"** shall mean the fair market value of Partnership, including capital received for the issuance of LP Units, and, when the reference so requires, of investments, determined by reference to IAS 40 and by the most recent, fair market valuation conducted by an independent third-party selected by the General Partner in its sole discretion (or, if the applicable Property was acquired by the Partnership after the most recent annual valuation prepared for the Partnership, then the value shall be any valuation thereof obtained by the General Partner) less all liabilities, costs, and expenses accrued or payable of every kind and nature, and distributions due but not yet paid or made;
- (v) **"Fair Market Value of the Unit"** at a particular time, means the amount of the Fair Market Value of the Partnership divided by the number of issued and outstanding Units at that time;
- (w) **"Financing"** means any credit facility granted or extended to or for the benefit of, or investment by way of debt in, the Partnership whereby or pursuant to which money, credit or other financial accommodation has been or may be provided, made available or extended to the Partnership by way of borrowed money, the purchase of debt instruments or securities, bankers acceptances, letters of credit, overdraft or other forms of credit and financial accommodation, and includes any and all trust deeds, indentures, mortgages, bonds or debentures (whether issued and delivered as security or sold to a purchaser), security agreements and other deeds, instruments or documents in respect thereof;
- (x) **"Fiscal Year"** has the meaning ascribed thereto in Section 2.5 and **"Fiscal Quarter"** means a quarter of the Fiscal Year;
- (y) **"Force Majeure"** means any act of God, flood, earthquake, lightning or other natural physical disaster, explosion, fire, act of war, act of terrorism, riot, rebellion or civil unrest, and regional strikes or similar labour disputes which prevents the conduct of the business of the Partnership;
- (z) **"GAAP"** means, at any time, accounting principles generally accepted in Canada, including those set out in the Handbook of the Canadian Institute of Chartered Accountants;
- (aa) **"General Partner"** means the general partner of the Partnership;

- (bb) **"General Partner Fees"** means the Management Fee, the Acquisition Fee and the Incentive Fee;
- (cc) **"Governmental Authority"** means any applicable court or tribunal in any jurisdiction or any federal, provincial, municipal or other governmental entity, agency, authority, department, commission, stock exchange, board, instrumentality official or tribunal thereof;
- (dd) **"Incentive Fee"** shall have the meaning as defined in section 8.3 herein;
- (ee) **"Investment Period"** shall mean the period beginning on June 20, 2014 and ending on the third (3rd) anniversary thereafter;
- (ff) **"Issuance Anniversary"** shall have the meaning ascribed to thereto in Section 4.3(a)(i);
- (gg) **"Limited Partner"** means any Person who is admitted to the Partnership as a Limited Partner from time to time by subscription for or by succession to or as transferee of a Unit as long as they are registered holders of at least one Unit;
- (hh) **"Management Fee"** shall have the meaning as defined in section 8.3 herein;
- (ii) **"Net Income"** or **"Net Loss"** for a Fiscal Period of the Partnership means the net income or net loss, as the case may be, of the Partnership for that period determined in the financial statements of the Partnership; and for income tax purposes, means the income or loss of the Partnership determined under all applicable income tax statutes and regulations after applying the following principles, subject to a determination by the General Partner that such an application generally would be in the best interest of the Limited Partners:
 - (i) deductions in arriving at income will be taken at the earliest time and to the maximum extent permitted by applicable income tax statutes and regulations but without creating or increasing a Net Loss for income tax purposes; and
 - (ii) the recognition of income will be deferred to the maximum extent permitted by applicable income tax statutes and regulations;
- (jj) **"Net Operating Income"** means the Partnership's operating income, for the preceding Fiscal Year, after credit losses and operating expenses (management, legal, accounting, insurance, janitorial, repairs, maintenance, supplies, utilities, property taxes) are deducted, but before amortization of loan payment, income taxes, capital expenditures, principal and interest, or depreciation are deducted;
- (kk) **"OBCA"** means the *Business Corporations Act* (Ontario), R.S.A. 2000, c. B-9 as amended, including the regulations promulgated thereunder;
- (ll) **"Ordinary Resolution"** means:
 - (i) a resolution approved through the votes cast in person or by proxy at a duly constituted meeting of Limited Partners holding Units or at any adjournment thereof called in accordance with this Agreement and representing more than

50% of the votes attaching to the Units cast in person or by proxy in accordance with Section 11.9; or

- (ii) a written resolution in one or more counterparts signed by the Limited Partners holding in the aggregate more than 50% of the votes attaching to the Units in accordance with Section 11.9;
- (mm) "**Partners**" means the General Partner and the Limited Partners and "**Partner**" means any one of them;
- (nn) "**Partnership**" means Pulis Real Estate 2 LP formed under the laws of the Province of Ontario as a limited partnership by the filing of the Certificate under the Act;
- (oo) "**Person**" includes any individual, partnership, limited partnership, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, limited liability company, unincorporated association, trust (including any beneficiary thereof), trustee, executor, administrator or other legal personal representative, Governmental Authority, or entity however designated or constituted;
- (pp) "**Property**" or "**Properties**" shall have the meaning ascribed to it in Section 2.2 herein;
- (qq) "**Proportionate Interest**" of any amount, at any time, means a fraction equal to the number of Units of which a Limited Partner is a registered holder at that time divided by the number of issued and outstanding Units at that time;
- (rr) "**Portfolio**" means collectively the Properties owned by the Partnership;
- (ss) "**Redemption Notes**" shall have the meaning ascribed to thereto in Section 4.5;
- (tt) "**Redemption Notice**" shall have the meaning ascribed to thereto in Section 4.2(a);
- (uu) "**Redemption Price**" shall have the meaning ascribed to thereto in Section 4.3(a);
- (vv) "**Register**" means the register indicating the names and addresses of the Limited Partners and the number of Units held by them, to be kept by the General Partner;
- (ww) "**Requisitioning Partners**" has the meaning ascribed thereto in Section 11.1;
- (xx) "**Reserves**" means reasonable reserves which the General Partner determines are necessary or desirable to withhold from any advance or distribution to Limited Partners having regard to the current and anticipated cash requirements of the Partnership, including for operating expenses, maintenance expenses, upgrade, renovation and renewal expenditures, payments in respect of any Financing or other commitments, obligations in respect of incentive plans of the Partnership, and reserves to ensure compliance with the agreements to which the Partnership is subject (including any Financing);
- (yy) "**Special Resolution**" means:
 - (i) a resolution approved through the votes cast in person or by proxy at a duly constituted meeting of Limited Partners or at any adjournment thereof called in

accordance with this Agreement and representing 66⅔ % or more of the votes attaching to the Units cast in person or by proxy in accordance with Section 11.9;
or

- (ii) a written resolution in one or more counterparts signed by Limited Partners holding in the aggregate 66⅔ % or more of the votes attaching to the Units in accordance with Section 11.9;
- (zz) "**Tax Act**" means the *Income Tax Act* (Canada);
- (aaa) "**Taxable Income**" or "**Tax Loss**", means in respect of any fiscal period, respectively, the amount of income or loss for tax purposes of the Partnership for such period as determined in accordance with this Agreement and the provisions of the Tax Act (including the amount of the taxable capital gain or allowable capital loss from the disposition of capital property of the Partnership);
- (bbb) "**Transfer Form**" means a transfer form substantially in the form set out in Exhibit 1 hereto or in any other form or forms as may be approved by the General Partner;
- (ccc) "**Trust**" means Pulis Real Estate Trust, a trust constituted by the Declaration of Trust agreement dated June 20, 2014 between , as the same may be amended, supplemented or restated from time to time;
- (ddd) "**Trust Unit**" means a trust unit of the Trust which represents an interest in the Trust as provided for in the Declaration of Trust and has the rights, privileges, restrictions and conditions set forth in the Declaration of Trust and shall not include fractional Trust Units;
- (eee) "**Unit Certificate**" means a certificate for Units in such form as approved by the General Partner from time to time;
- (fff) "**Units**" means a single undivided interest of a Limited Partner in a Partnership consisting of the rights granted under this Agreement.

1.2 Headings

In this Agreement, the headings are for convenience of reference only, do not form a part of this Agreement and are not to be considered in the interpretation of this Agreement.

1.3 Expanded Meanings

- (a) words importing the masculine gender include the feminine and neuter genders, corporations, partnerships and other Persons, and words in the singular include the plural, and vice versa, wherever the context requires;
- (b) all references to designated Articles, Sections and other subdivisions are to be designated Articles, Sections and other subdivisions of this Agreement;
- (c) all accounting terms not otherwise defined have the meanings assigned to them by, and all computations to be made will be made in accordance with, generally accepted accounting principles in Canada;

- (d) any reference to a statute includes and is deemed to be a reference to the regulations made pursuant to it, and to all amendments made to the statute and regulations in force from time to time, and to any statute or regulation that may be passed which has the effect of supplementing or superseding the statute referred to or the relevant regulation;
- (e) any reference to a Person includes and is deemed to be a reference to any Person that is a successor to that Person;
- (f) business day is deemed to be a reference to any day which is not a Saturday, Sunday or a day which is generally observed as a holiday in Ontario;
- (g) the words "**include**" or "**including**", when following any general term or statement, are not to be construed as limiting the general term or statement to the specific items or matters set forth or to similar items or matters, but rather as permitting such general term or statement to refer to all other items or matters that could reasonably fall within its broadest possible scope; and
- (h) "**hereof**", "**hereto**", "**herein**", "**hereby**" and "**hereunder**" mean and refer to this Agreement and not to any particular Article, Section or other subdivision.

1.4 Currency

All references to currency herein are references to lawful money of Canada.

ARTICLE 2 RELATIONSHIP AMONG PARTNERS

2.1 Formation and Name of Partnership

The General Partner and the Limited Partner agreed to form a limited partnership under the laws of the Province of Ontario and the provisions of this Agreement to carry on business in common with a view to profit under the firm name and style of Pulis Real Estate LP 2 or any other name or names as the General Partner may determine from time to time. The Partnership is effective as a limited partnership from the date on which the Certificate is registered in accordance with the Act. The General Partner has the right to change the name of the Partnership and to file an amendment to the Certificate recording the change of name of the Partnership.

2.2 Business of the Partnership

- (a) The Partnership was formed to:
 - (i) acquire a portfolio of residential real estate assets, which properties may include single family houses, row houses, townhouses, condominium properties, multiplexes, apartment buildings or mixed-use commercial/residential buildings (the "**Properties**") located in the Provinces of Ontario, Saskatchewan, Alberta and British Columbia;
 - (ii) acquire securities in entities that own or operate Properties;
 - (iii) in the sole Discretion of the General Partner, acquire Properties from parties related to the General Partner, at such purchase price as is determined by a

unrelated certified commercial property appraiser as selected by the General Partner, which such Discretion shall be evidenced by a resolution passed by the directors of the General Partner in accordance with the OBCA;

- (iv) acquire, own, hold (whether, individually, jointly with others or via an Alternative Vehicle), maintain, manage, market, sell, transfer or otherwise dispose of Properties;
 - (v) loan funds to any Alternative Vehicle on terms to be determined by the General Partner in its sole Discretion; and
 - (vi) conduct any other business or activity incidental, ancillary or related thereto.
- (b) In carrying on its business, the Partnership may enter into joint ventures or partnerships with unrelated partnerships or parties in the acquisition of a Property. The Partnership may also enter into joint ventures or partnerships related to the officers and directors of the General Partner in the acquisition of a Property.
- (c) If the General Partner determines in good faith that for legal, tax, regulatory or other reasons it is in the best interests of the Partnership for the Partnership to own or hold Property in a separate structure, the General Partner is authorized to cause the Partnership to form the same ("**Alternative Vehicle**") and to contribute and/or make available, funds necessary for such Alternative Vehicle to acquire, own, maintain, improve, operate or dispose of such Property.
- (d) The Partnership shall have the power to do any and every act and thing necessary, proper, convenient or incidental to the accomplishment of its business and purposes.
- (e) The purposes of the Partnership set forth in this Section are to be construed as both purposes and powers of the Partnership.

2.3 Business in Other Jurisdictions

- (a) The Partnership will not carry on business in any jurisdiction unless the General Partner has taken all steps which may be required by the laws of that jurisdiction for the Limited Partners to benefit from limited liability to the same extent that such Limited Partners enjoy limited liability under the Act. The Partnership will not carry on business in any jurisdiction in which the laws do not recognize the liability of the Limited Partners to be limited unless, in the opinion of the General Partner, the risks associated with the possible absence of limited liability in such jurisdiction are not significant considering the relevant circumstances.
- (b) The Partnership will carry on business in such a manner as to ensure, to the greatest extent possible, the limited liability of the Limited Partners, and the General Partner will register the Partnership in other jurisdictions where the General Partner considers it appropriate to do so.

2.4 Office of the Partnership

The principal place of business of the Partnership is Brampton, Ontario, or such other place as the General Partner may designate in writing from time to time to the Limited Partners.

2.5 Fiscal Year

The first fiscal period for the Partnership shall end on December 31, 2014. The General Partner shall determine the fiscal years thereafter. Each such fiscal period is herein referred to as a "**Fiscal Year**".

2.6 Status of Partners and Conduct of Partnership Business

- (a) The General Partner represents, warrants, covenants and agrees with each Limited Partner that the General Partner:
 - (i) is a corporation incorporated under the laws of the Province of Ontario and is validly subsisting under such laws;
 - (ii) is not a "**non-resident**" of Canada for the purposes of the Tax Act;
 - (iii) has the capacity and corporate authority to act as a general partner and to perform its obligations under this Agreement, and such obligations do not conflict with nor do they result in a breach of any of its constating documents, by-laws or any agreement by which it is bound;
 - (iv) will act in a manner which it believes to be in, or not opposed to, the best interests of the Partnership, subject to the provisions of this Agreement;
 - (v) will, at the necessary times, hold and maintain the registrations necessary for the conduct of its business and has and will continue to have all licences and permits necessary to carry on its business as the general partner of the Partnership in all jurisdictions where the activities of the Partnership require such licensing or other form of registration of the General Partner; and
 - (vi) will devote as much time as is reasonably necessary for the conduct and prudent management of the business and affairs of the Partnership.
- (b) Each of the Limited Partners severally represents, warrants, covenants and agrees with each other Partner that such Limited Partner:
 - (i) if a corporation, is a corporation incorporated under the laws of its incorporating jurisdiction, and is duly registered in all jurisdictions necessary in order to enter into this Agreement and perform its obligations hereunder, has the capacity and corporate authority to enter into this Agreement and perform its obligations hereunder and such obligations do not conflict with nor do they result in a breach of any of its constating documents, by-laws or any agreement by which it is bound;
 - (ii) is not acquiring Units and will not hold Units as a tax shelter investment for the purposes of the Tax Act, is not a Person an interest in which would be a tax shelter investment for the purposes of the Tax Act, is not a "**non-resident**" of Canada for the purposes of the Tax Act;
 - (iii) meets all requirements under Applicable Laws and of any Governmental Authority, in any way, directly or indirectly, related to the Limited Partner's ownership of Units in the Partnership; and

- (iv) will ensure that its status is not modified with the result that, at any time and from time to time, it would be unable to represent and warrant as set forth in subparagraphs (i), (ii) and (iii), and such Limited Partner will not transfer its Units, or any beneficial interest therein, in whole or in part to a Person who is not able to make these representations, warranties and covenants.

2.7 Survival of Representations, Warranties and Covenants

- (a) The representations, warranties and covenants made pursuant to Section 2.6 above survive execution of this Agreement and each Partner covenants and agrees to ensure that each representation, warranty and covenant made pursuant to Section 2.6 remains true so long as such Partner remains a Partner, and upon request by the General Partner, provide within five (5) Business Days of the date of such request, written evidence to the General Partner that such representations, warranties and covenants of such Limited Partner are true.
- (b) If at any time any Limited Partner becomes aware that the Limited Partner will be unable to represent and warrant the matters in Section 2.6(b), such Limited Partner covenants, agrees and undertakes that it will: (a) immediately notify the General Partner of that fact (prior to becoming unable to so represent) and (b) comply with the provisions of Section 2.8.

2.8 Sale of Affected Units

- (a) If, at any time a Limited Partner:
 - (i) is unable to make the representations and warranties or breaches any of its covenants set out in Section 2.6(b); or
 - (ii) fails to comply with its obligations pursuant to Section 2.7(a) or (b); or
 - (iii) the General Partner otherwise determines that a Person has become a Limited Partner in contravention of Section 2.6(b)(iv), the General Partner, by written notice (a "**Sell Notice**") to such Limited Partner (the "**Affected Partner**") may, in its sole discretion, require the Affected Partner to sell to the Partnership on the date set out in the Sell Notice (the "**Transfer Date**") the Affected Partner's entire interest in all Units held by the Affected Partner (the "**Affected Units**") for (A) the Agreed Value as determined by the General Partner, or (B) at the sole Discretion of the General Partner, the amount determined pursuant to Section 2.8(c). On the Transfer Date, the Affected Partner shall deliver to the General Partner the Unit Certificate(s) representing the Affected Units duly endorsed for transfer to the Partnership. Upon receipt of such Unit Certificate(s), the Partnership shall deliver the Agreed Value or the amount set out in Section 2.8(c) to the Affected Partner.
- (b) If, on the Transfer Date, the Affected Partner fails to complete the subject transaction of purchase and sale as contemplated in Section 2.8(a), the General Partner shall have the right to execute and deliver, on behalf of and in the name of the Affected Partner, the Unit Certificate(s) and other documents that may be necessary to complete the subject transaction and the Affected Partner hereby irrevocably appoints the General Partner as its attorney in that behalf.

- (c) If the Agreed Value of the Affected Units is greater than the Fair Market Value of the Units thereof, the General Partner may, at its sole option, pay the Limited Partner the Fair Market Value of the Units thereof rather than the Agreed Value. The Fair Market Value of the Units shall be determined by an independent valuator selected by the General Partner and such determination shall be final and binding. There shall be no obligation on the General Partner to conduct any valuation if the General Partner determines to pay the Agreed Value to the Affected Partner.

2.9 Limitation on Authority of Limited Partners

No Limited Partner (except a Limited Partner who is also the General Partner) will or will be entitled to:

- (a) take an active part in the business of the Partnership or take part in the administration, operation, management or control of the business of the Partnership or exercise any power in connection therewith;
- (b) transact any business on behalf of the Partnership or make any commitment on behalf of, or otherwise obligate or bind, the Partnership;
- (c) execute any document which binds or purports to bind the Partnership or any other Partner;
- (d) hold himself, herself or itself out as having the power or authority to bind any other Partner or the Partnership;
- (e) have any authority to act for or undertake any obligation or responsibility on behalf of any other Partner or the Partnership;
- (f) bring any action for partition or sale or otherwise in connection with any interest in any of the property and assets of the Partnership;
- (g) bring any action for partition or sale or otherwise in connection with the Partnership, any interest in any property of the Partnership, whether real or personal, tangible or intangible, or file or register or permit to be filed, registered or remain un-discharged any lien or charge in respect of any property of the Partnership; or
- (h) take any action that will jeopardize or eliminate the status of the Partnership as a limited partnership.

2.10 Power of Attorney

Each Limited Partner hereby irrevocably nominates, constitutes and appoints the General Partner, with full power of substitution, as his or her agent and true and lawful attorney to act on his or her behalf with full power and authority in his or her name, place and stead to execute and record or file as and where required:

- (a) this Agreement, any amendment to this Agreement and any other instruments or documents required to continue and keep in good standing the Partnership as a limited partnership under the Act, or otherwise to comply with the laws of any jurisdiction in which the Partnership may carry on business or own or lease property in any jurisdiction where the General Partner considers it prudent to be registered in order to maintain the

limited liability of the Limited Partners and to comply with the applicable laws of such jurisdiction (including such amendments to the Register or the Certificate as may be necessary to reflect the admission to the Partnership of subscribers for or transferees of Units as contemplated by this Agreement);

- (b) all instruments and any amendments to or renewals, replacements or restatements of the Certificate necessary to reflect any amendment to this Agreement;
- (c) any instrument required in connection with the dissolution and termination of the Partnership in accordance with the provisions of this Agreement, including any elections, determinations or designations under the Tax Act and under any similar legislation;
- (d) the documents necessary to be filed with the appropriate Governmental Authority in connection with the business, property, assets and undertaking of the Partnership;
- (e) such documents as may be necessary to give effect to the business of the Partnership as described in Section 2.2;
- (f) such documents as may be necessary to give effect to the provisions of Section 2.8 hereof;
- (g) any election, determination, designation, information return or similar document or instrument as may be required at any time under the Tax Act or under any other taxation legislation or laws of like import of Canada or of any province, territory or jurisdiction which relates to the affairs of the Partnership or the interest of any Person in the Partnership; and
- (h) all other instruments and documents on his or her behalf and in his or her name or in the name of the Partnership as may be deemed necessary by the General Partner to carry out fully this Agreement in accordance with its terms.

The power of attorney granted herein is irrevocable, is a power coupled with an interest and survives the transfer or assignment by a Limited Partner, to the extent of the obligations of a Limited Partner hereunder, of the whole or any part of the interest of the Limited Partner in the Partnership, extends to the legal representatives and successors, transferees and assigns of the Limited Partner, and may be exercised by the General Partner on behalf of each Limited Partner in executing any instrument by a facsimile signature or by listing all the Limited Partners and executing such instrument with a single signature as attorney and agent for all of them. Each Limited Partner agrees to be bound by any representations or actions made or taken by the General Partner pursuant to this power of attorney and hereby waives any and all defences which may be available to contest, negate or disaffirm the action of the General Partner taken in good faith under this power of attorney.

This power of attorney continues in respect of the General Partner so long as it is the general partner of the Partnership, and terminates thereafter, but continues in respect of a new General Partner as if the new General Partner were the original attorney.

A transferee of a Unit, upon becoming a Limited Partner, is conclusively deemed to have acknowledged and agreed to be bound by the provisions of this Agreement as a Limited Partner, and is conclusively deemed to have provided the General Partner with the power of attorney described in this Section 2.10.

2.11 General Partner May Hold Units

The General Partner may subscribe for and acquire Units or purchase Units by private contract or in the market and is to be shown on the Register as a Limited Partner in respect of the number of Units held by the General Partner from time to time.

2.12 Limited Liability of Limited Partners

Subject to the provisions of the Act, the liability of a Limited Partner for the indebtedness, liabilities and obligations of the Partnership will be limited to its Capital Contribution paid or contributed or agreed to be paid or contributed by such Limited Partner in respect of the Units plus its share of any undistributed income of the Partnership and a Limited Partner will not be liable for any further claims, assessments or contributions to the Partnership. The Partnership will operate in a manner as to ensure to the greatest extent possible the limited liability of the Limited Partners.

2.13 Indemnity of Limited Partners

The General Partner will indemnify and hold harmless each Limited Partner (including former Limited Partners) for all costs, expenses, damages or liabilities suffered or incurred by the Limited Partner if the limited liability of such Limited Partner is lost for or by reason of the gross negligence or wilful misconduct of the General Partner in performing its duties and obligations hereunder. The foregoing indemnification shall only cover, in respect of each Limited Partner, the amount in excess of such Limited Partner's liability as described in Section 2.12.

ARTICLE 3 LIMITED PARTNER INTEREST AND UNITS

3.1 Interest of Limited Partners

The interests of the Limited Partners will be divided into and represented by Units having the rights, privileges, restrictions and conditions referred to herein.

3.2 Issuance of Units

- (a) The General Partner is authorized to, in its Discretion, cause the Partnership to issue at any time and from time to time, an unlimited number of Units, on such terms and conditions of the offering and sale of Units as the General Partner, in its Discretion, may determine including accepting payment of consideration therefore in the form of cash, property and/or past services, and may do all things in that regard, including preparing and filing prospectuses, offering memoranda and other documents.
- (b) The General Partner may do all things necessary or advisable in connection with the issue of Units from time to time including determining the requirements for a satisfactory subscription form, preparing and filing prospectuses, offering memoranda and other documents, paying the expenses of issue and entering into agreements with any Person for a commission or fee.
- (c) Upon acceptance by the General Partner of any subscription for Units, all Partners are deemed to consent to the admission of the subscriber as a Limited Partner, the General Partner will cause the Register to be amended, and such other documents as may be required by the Act or under legislation similar to the Act in other provinces or the

territories to be filed or amended, specifying the prescribed information and will cause the foregoing information in respect of the new Limited Partner to be included in Partnership books and records.

3.3 Unit Certificates

A Limited Partner is entitled, without charge, to a Unit Certificate or Unit Certificates evidencing the Units held by such Limited Partner. Every Unit Certificate must be signed by at least one officer or director of the General Partner. If any Unit Certificate is lost, mutilated, stolen or destroyed, the General Partner will, upon request by a Limited Partner, issue a replacement Unit Certificate to the Limited Partner upon receipt of evidence satisfactory to the General Partner of such loss, mutilation or destruction, and upon receiving such indemnification (including an indemnity bond provided at the expense of the Limited Partner) as it deems appropriate in the circumstances. The General Partner upon request by a transferee will issue a new Unit Certificate for any Units transferred, as the case may be. In the case of a transfer of less than all of the Units represented by a Unit Certificate, the General Partner, upon request by the transferor, will issue a new Unit Certificate for the balance of the Units retained by the transferor.

3.4 Subscription for Units

No Person will be admitted to the Partnership as a Limited Partner unless such Person delivered to the General Partner:

- (i) a subscription in such form as may be prescribed or accepted by the General Partner (either in respect of such Person or otherwise) from time to time completed and executed in a manner acceptable to the General Partner;
- (ii) payment by bank draft or certified cheque or in such other form as the General Partner may accept in respect of such subscription of the amount to be contributed to the capital of the Partnership in respect of such Units to be acquired; and
- (iii) such other instruments, declarations, assurances and documents as the General Partner may require to effect such subscription.

No subscription may be made or will be accepted for a fraction of a Unit. The General Partner will be deemed to have accepted a subscription for Units when a Unit Certificate in the name of such subscriber representing the number and class of Units for which such subscriber has subscribed is delivered to such subscriber. Upon the acceptance of such subscription by the General Partner, the General Partner will cause the name of the subscriber to be entered on the Register along with the number and class of Units held by such subscriber as a result of such subscription.

3.5 Transfer of Units

- (a) No Limited Partner may transfer any of the Units owned by it except to Persons under the manner expressly permitted in this Agreement. Any attempted transfer of Units made in violation of this Agreement will be null and void and the General Partner will not approve any transfer of Units made in contravention of this Agreement.
- (b) A Unit is not transferable in part and no transfer of a Unit will be accepted by the General Partner unless:

- (i) a Limited Partner has complied with the provisions of Article 6 in respect of the transfer of its Units (other than a transfer by a Limited Partner to an Affiliate that is a corporation);
 - (ii) a Transfer Form, duly completed and signed by the registered holder of the Units and the transferee and any Unit Certificate held by the registered holder representing the Units being transferred have been remitted to the General Partner;
 - (iii) the transferee is able to make the representations and warranties set forth in Section 2.6(b);
 - (iv) the transfer is in compliance with all applicable securities laws;
 - (v) the transferee pays such costs, expenses and disbursements, including legal fees, as they are reasonably incurred by the Partnership by reason of the transfer; and
 - (vi) the General Partner has consented to the transfer.
- (c) Where the transferee complies with all applicable provisions and is entitled to become a Limited Partner pursuant to the provisions of this Agreement, the General Partner is authorized to admit the transferee to the Partnership as a Limited Partner and the Limited Partners hereby consent to the admission of, and will admit, the transferee to the Partnership as a Limited Partner, without further act of the Limited Partners.
- (d) A transferee of Units transferred in accordance with this Agreement will automatically become bound by the provisions of this Agreement without execution of further instruments.
- (e) No transfer of Units will be accepted by the General Partner after any notice of dissolution of the Partnership has been given to the Limited Partners in accordance with this Agreement.

3.6 Register and Other Records

The General Partner will:

- (a) maintain a registered office for the Partnership;
- (b) maintain and update, either directly or indirectly, the Register;
- (c) maintain and update such other records in respect of the Partnership as may be required by law;
- (d) make on behalf of the Partnership all recordings or filings with any governmental authority that are required to be made by the Partnership; and
- (e) keep a copy of the Certificate and a copy of this Agreement.

The General Partner will be authorized to make such rules and regulations as the General Partner may from time to time consider necessary or desirable in connection with the foregoing, including the form

and content of the Register, the times when the Register may be closed, the establishment of record dates and the documentation required to record assignments of Units and other matters.

3.7 Amendment of Certificate or Record

The General Partner, on behalf of the Partnership, will from time to time promptly effect filings, recordings, registrations and amendments to the Register and the Certificate and to any other documents and at any places as are necessary or advisable to reflect changes in the membership of the Partnership, transfers of Units and to constitute a transferee as a Limited Partner. Subject to the provisions of this Agreement, no change of name or address of a Partner, no transfer of Units and no admission of an additional Partner will be effective until all requirements set out in Section 3.4 and 3.5 (as applicable) have been satisfied and such change, transfer, substitution or addition is duly reflected in the Register and the Certificate.

3.8 Bankruptcy or Insolvency; Renunciation of Interest

Where a Person becomes entitled to Units on the insolvency or bankruptcy of a Limited Partner, or otherwise by operation of law, in addition to the requirements of this Article 3, none of the Partnership, the General Partner or any of the Limited Partners will recognize such entitlement and the General Partner will make no entry into the Register or amendment to the Certificate until such Person:

- (a) has produced evidence satisfactory to the General Partner of such entitlement;
- (b) has agreed in writing to be bound by the terms of this Agreement and to assume the obligations of a Limited Partner under this Agreement; and
- (c) has delivered such other evidence, approvals and consents in respect to such entitlement as the General Partner may require, as may be required by law, and as may be required by this Agreement.

ARTICLE 4 REDEMPTION OF UNITS

4.1 Right of Redemption

Each holder of Units shall be entitled to require the Partnership to redeem at any time or from time to time at the demand of such holder of Units all or any part of the Units registered in the name of such holder of Units at the prices determined and payable in accordance with the terms and conditions hereinafter provided.

4.2 Exercise of Redemption Right

- (a) To exercise a right to require redemption of Units under this article 4, a duly completed and properly executed notice (each a "**Redemption Notice**") requesting the Partnership to redeem Units, in a form acceptable to the General Partner, acting reasonably, specifying the identity, capacity or authority of the person giving such notice and number of Units to be so redeemed, along with the Unit Certificate representing the Units to be so redeemed, shall be sent by a holder of Units to the General Partner at the offices of the General Partner. The General Partner may request such further information or evidence, as it deems necessary, acting reasonably, to act on such Redemption Notice; and

- (b) upon receipt by the General Partner on behalf of the Partnership of the notice to redeem Units, the holder of Units shall thereafter cease to have any rights with respect to the Units tendered for redemption (other than to receive the redemption payment therefor unless the redemption payment is not made as provided for herein) including the right to receive any distributions thereon which are declared payable to the holders of Units of record on a date which is subsequent to the day of receipt by the Partnership of such notice. Units shall be considered to be tendered for redemption on the date that the General Partner has, to its satisfaction, received the notice and other required documents or evidence as aforesaid.

4.3 Cash Redemption

- (a) Subject to Section 4.4 and Section 4.5, upon receipt by the General Partner on behalf of the Partnership of the notice to redeem Units in accordance with Section 4.2, the holder of the Units tendered for redemption shall be entitled to receive:
 - (i) within 12 months from the date of the Unit Certificate representing the Units to be redeemed (the "**Issuance Anniversary**"), a price per Unit to be redeemed that shall be equal to 90% of the Fair Market Value of the Units to be redeemed;
 - (ii) within 2 years of the Issuance Anniversary, a price per Unit to be redeemed that shall be equal to 92% of the Fair Market Value of the Units to be redeemed;
 - (iii) within 3 years of the Issuance Anniversary, a price per Unit to be redeemed that shall be equal to 94% of the Fair Market Value of the Units to be redeemed;
 - (iv) within 4 years of the Issuance Anniversary, a price per Unit to be redeemed that shall be equal to 96% of the Fair Market Value of the Units to be redeemed;
 - (v) within 5 years of the Issuance Anniversary, a price per Unit to be redeemed that shall be equal to 98% of the Fair Market Value of the Units to be redeemed; and
 - (vi) at anytime following the 5th Issuance Anniversary, a price per Unit to be redeemed that shall be equal to the Fair Market Value of the Units to be redeemed;

as determined by the General Partner or Partnership within 30 business days of receipt of the Redemption Notice (hereinafter, called the "**Redemption Price**").
- (b) Subject to Section 4.4 and Section 4.5, the Redemption Price payable in respect of the Units surrendered for redemption shall be satisfied by way of a cash payment on the last day of the Fiscal Year in which the Units were tendered for redemption. Payments made by the Partnership of the Redemption Price are conclusively deemed to have been made upon the mailing of a cheque in a postage prepaid envelope addressed to the former holder of Units unless such cheque is dishonoured upon presentment. Upon such payment, the Partnership shall be discharged from all liability to the former holders of Units in respect of the Units so redeemed.

4.4 No Cash Redemption in Certain Circumstances

Section 4.3 shall not be applicable to the Units tendered for redemption by a holder of Units if the total amount payable by the Partnership pursuant to Section 4.3 in respect of such Units and all other Units tendered for redemption in the same Fiscal Year exceeds \$100,000 (the "**Annual Limit**"); provided that the General Partner may, in its sole discretion, waive such limitation in respect of all Units tendered for redemption in any Fiscal Year. Units tendered for redemption in any Fiscal Year in which the total amount payable by the Partnership pursuant to Subsection 4.3(a) exceeds the Annual Limit will be redeemed for cash on a pro-rata basis up to the Annual Limit and, unless any applicable regulatory approvals are required, by a distribution under Section 4.5, of Redemption Notes, for the balance.

4.5 Redemption Price Paid by Redemption Notes

If pursuant to Section 4.4 a cash payment is not applicable for the whole of all the Units tendered for redemption by a Unitholder, then the General Partner, as soon as reasonably practicable after receipt of a notice from the General Partner advising of the same, shall advise the Unitholders in writing that the Redemption Price for the Units tendered for redemption pursuant to Section 4.2 will be paid in whole or in part by the Partnership Issuing Promissory Notes ("**Redemption Notes**"), and such Unitholders have 15 Business Days from the date of the General Partner's notice hereunder to rescind their redemption. If not rescinded, the Redemption Price shall, subject to all necessary regulatory approvals, be paid and satisfied by the Partnership issuing Redemption Notes.

Redemption Notes shall be promissory notes issued in series, or otherwise, by the Partnership and issued to redeeming Unitholders in principal amounts equal to the Redemption Price per Unit multiplied by the number of Units to be redeemed and having the following terms and conditions:

- (a) unsecured and bearing interest from and including the issue date of each such note at five percent (5%), payable annually in arrears (with interest after as well as before maturity, default and judgment, and interest on overdue interest at such rate);
- (b) subordinated and postponed to all senior indebtedness and which may be subject to specific subordination and postponement agreements to be entered into by the General Partner or General Partner with holders of senior indebtedness;
- (c) subject to earlier prepayment without penalty, being due and payable on the third anniversary of the date of issuance; and
- (d) subject to the other standard terms and conditions as would be included in a promissory note of this kind, as may be approved by the General Partner.

ARTICLE 5 CAPITAL CONTRIBUTIONS AND ACCOUNTS

5.1 Capital

The capital of the Partnership consists of the aggregate of all sums of money or other property contributed by the Limited Partners as Capital Contributions and not withdrawn or returned to them.

5.2 Capital Accounts

The General Partner will establish separate capital accounts on the books of the Partnership for the General Partner and each of the Limited Partners (the "**Capital Accounts**"), to which contributions of capital will be credited and amounts distributed as a return of capital to the General Partner and the

Limited Partners will be debited. No Limited Partner is responsible for any losses of any other Limited Partner, nor will it share in the allocation of Net Income or Net Loss attributable to the Units of any other Limited Partner.

5.3 Limited Partner Contributions

- (a) The contribution of capital by each Limited Partner is the total amount of money or property paid to the Partnership in respect of Units held by such Limited Partner, or a predecessor Limited Partner ("**Capital Contribution**"), which Capital Contribution may be increased or reduced from time to time pursuant to the provisions of this Agreement.
- (b) The initial Limited Partner has made the following initial Capital Contribution to the capital of the Partnership:

Pulis Real Estate Trust	\$100.00
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5.4 General Partner Contribution

Initially, the General Partner shall pay ONE DOLLAR (CDN\$1.00) to the Partnership to acquire ONE (1) Unit. The General Partner may acquire additional Units from the Partnership on the terms and conditions determined by the General Partner in its capacity as general partner of the Partnership.

5.5 Further Capital Contributions

Except as otherwise agreed in an instrument in writing executed by the General Partner and the Limited Partners, no Limited Partner is obligated to make any additional contributions to the capital of the Partnership.

5.6 Fair Market Value Determination

The price or value of the Units issued to Limited Partners at the time of issuance will be determined by the General Partner with reference to the Fair Market Value of the Partnership and Fair Market Value of the Units.

5.7 Current Accounts

The General Partner will establish an account (a "**Current Account**") on the books of the Partnership for each Partner to which Net Income will be credited and to which Net Loss and advances or distributions to Partners will be charged.

5.8 No Right to Withdraw Amounts

No Partner will have any right to withdraw any amount or receive any advance or distribution from the Partnership except as expressly provided for in this Agreement and no advance or distribution to any Partner will be deemed a return or withdrawal of amounts contributed to the capital of the Partnership except as expressly provided in this Agreement, but if any court of competent jurisdiction at any time determines that notwithstanding the provisions of this Agreement a Limited Partner is obligated to pay any amount distributed to such Limited Partner to or for the account of the Partnership or to any creditor of the Partnership such obligation will be the obligation of such Limited Partner.

5.9 No Interest Payable on Capital or Current Accounts

No Partner will have the right to receive interest on any capital or any credit balance in the Capital Account or Current Account of such Partner. No Partner will be liable to pay interest to the Partnership on any capital returned to such Partner or on any authorized negative balance in the Capital Account or Current Account of such Partner.

5.10 Negative Balance in Capital or Current Accounts

The interest of a Partner in the Partnership will not terminate by reason of the return of amounts contributed to the capital of the Partnership or a negative balance in the Capital Account or Current Account of such Partner.

5.11 Set-Off

The Partnership may set-off against and withhold from any amount that would otherwise be distributed to a Limited Partner, any amount that may be due and owing to the Partnership by such Limited Partner.

ARTICLE 6 ALLOCATIONS, ADVANCES OR DISTRIBUTIONS

6.1 Allocation of Net Income or Net Loss

Net Income or Net Loss of the Partnership for a Fiscal Year shall be allocated to each Partner of record on the last day of the Fiscal Year in the same proportion as Taxable Income or Tax Loss of the Partnership as provided in Section 6.2.

6.2 Allocation of Taxable Income or Tax Losses

In all circumstances Taxable Income or Tax Loss for a given Fiscal Year of the Partnership is to be allocated as determined by the General Partner, acting in good faith, with the intention that Taxable Income or Tax Loss be allocated proportionately with allocations of Distributable Cash as provided in Section 6.3.

6.3 Distributable Cash

- (a) The General Partner shall make distributions of Distributable Cash to the Limited Partners in accordance with their Proportionate Interest, for each Distribution Period. If the calculation of Distributable Cash is less than zero, then the General Partner will not make any distribution to the Limited Partner.
- (b) The General Partner will distribute Distributable Cash pursuant to Section 6.3(a) above to the Partners whose names appear on the Register on the date on which such distribution is being made. Distributions made under this Agreement will be net of any tax required by law to be withheld by the General Partner on behalf of the Partnership.
- (c) The General Partner will not make distributions to the Limited Partner, to the extent that, to the General Partner's knowledge, they would cause the adjusted cost base of the Limited Partner's Units to become negative for purposes of the Tax Act. Any amount paid to the Limited Partner in excess of the Limited Partner's adjusted cost base, or any amount determined, at the discretion of the General Partner to be paid to a Limited

Partner otherwise than as a Distribution, shall be an advance on the Limited Partner's entitlement, if any, to receive a Distribution after the particular Fiscal Year of the Partnership ends, and shall be repayable in the event that the Partnership's income for the year is less than the aggregate amount of such advances.

6.4 Other Advances or Distributions

Subject to and in the same priority as set forth in Section 6.3, the General Partner may, in addition to the advances or distributions described in Section 6.3, advance or distribute Distributable Cash at any other time and establish a record date for making of such advance or distribution. Notwithstanding the foregoing, the General Partner will not make any such advance or distribution if and to the extent such advance or distribution would be contrary to any provision of any other agreement to which the Partnership is a party, or by which the Partnership is bound (including any loan agreement) or to any applicable law.

6.5 General Partner's Discretion to Return Capital

- (a) The General Partner may, in its Discretion at any time, make return to the Limited Partners their Capital Contribution (less the amount of cash or the agreed value of property which has been previously paid or distributed in respect of such Unit on account of capital) in such amounts as the General Partner may determine, pro rata in proportion to the number of Units held by each Limited Partner; provided that the General Partner may not make any such advance or distribution if and to the extent:
 - (i) any Partner's share thereof would exceed the Capital Contribution of such Partner (less the amount of cash or the agreed value of property which has been previously paid or distributed in respect of such Unit on account of capital); or
 - (ii) such distribution would be contrary to any provision of any agreement to which the Partnership is a party or by which the Partnership is bound (including any financing) or to any applicable law.

6.6 Determination of Taxable Income and Tax Loss

For the purpose of determining Taxable Income or Tax Loss in respect of any fiscal period, the General Partner may claim capital cost allowances in respect of the property of the Partnership and other discretionary deductions and reserves in such amounts as the General Partner may determine.

6.7 Repayment of Excess Distribution

If, as determined by the General Partner, it appears that any Partner has received an amount under this Article 5 which is in excess of that Partner's entitlement, the Partner will, forthwith upon notice from the General Partner, reimburse the Partnership to the extent of the excess, and failing immediate reimbursement, the General Partner may withhold the amount of the excess (with interest at the rate of 12% per annum calculated and compounded monthly) from further distributions otherwise due the Partner.

ARTICLE 7
SALE, TRANSFER AND ASSIGNMENT OF UNITS

7.1 Right of First Refusal

- (a) Except in respect of a transfer to an Affiliate that is a corporation, no Limited Partner holding Units may sell, assign, transfer or otherwise dispose of any of its Units (the "**Offered Units**") unless it (the "**Offeror**") first offers to sell its Units to the General Partner by written offer (the "**Offer**") setting out the Offered Units offered to be sold, the consideration for the Offered Units expressed and payable entirely in lawful money of Canada and the terms and conditions of sale which the Offeror is willing to accept. The Offer shall be sent in accordance with the notice provisions contained herein.
- (b) The General Partner shall be required to notify the Offeror within 20 days of the date of receipt of the Offer of the General Partner's intent to purchase Offered Units under the Offer (the "**General Partner Intent to Purchase**").
- (c) The General Partner Intent to Purchase shall indicate the number of Offered Units the General Partner wishes to acquire. In the event no General Partner Intent to Purchase is received from the General Partner within such 20 day period, the Offer shall be deemed to have been refused or rejected by the General Partner and the General Partner shall have no further rights to purchase the Offered Units under that Offer.
 - (i) Unaccepted Units
 - (A) If any Offered Units still remain unaccepted after the process set out in Section 7.1(a), the Offeror may:
 - (1) within 60 days from the expiry of the period set out in Section 7.1(c) sell some or all of the remaining Offered Units to the third party purchaser (a "**New Purchaser**") at a price and upon the terms no more favourable than those set out in the Offer subject to the satisfaction by the New Purchaser of the terms relating to a transfer of Units contained elsewhere in this Agreement; or
 - (2) if it does not wish to sell any of the remaining Offered Units, unilaterally revoke any Offers relating to the remaining Offered Units, in which case those Offers shall be null and void and the Offeror shall be released from all obligations in respect thereof.
- (d) Closing
 - (i) The closing of any transaction of purchase and sale contemplated by this Section 7.1 shall take place at the offices of the Partnership on the fourteenth (14th) day following the receipt by the Offeror of the General Partner Intent to Purchase for the Offered Units (the "**Closing Date**").
 - (ii) On the Closing Date:

- (A) the Offeror shall deliver to General Partner and/or the New Purchaser(s) each of the following documents: a duly endorsed transfer in blank of the Offered Units acceptable in form and content to the General Partner, which transfer shall contain, among other things, a representation and warranty of the Offeror that it has legal and beneficial title to the Offered Units, that it has the power and authority to sell and transfer the Offered Units, that it is not insolvent or subject to any insolvency or bankruptcy proceedings and that the Offered Units are free and clear of any and all liens, encumbrances, claims, charges and rights of first refusal; and B, the New Purchasers shall provide to the General Partner a certified cheque or money order, payable to the Offeror for the number of Offered Units allocated to and to be purchased by the Offeree along with instructions to release such funds to the Offeror against delivery of the Offeror's deliveries set out in this Section 7.1(d)(ii)(A) above.

ARTICLE 8

EXPENSES AND FEES OF THE GENERAL PARTNER AND RELATED PARTIES

8.1 Expenses of the Partnership

The Partnership will reimburse the General Partner for all direct costs and expenses incurred by the General Partner prior to the formation of the Partnership and all direct costs and expenses incurred by the General Partner on behalf of or for the benefit of the Partnership (which costs and expenses are the Partnership's responsibility) and any expenses and compensation related to the directors of the General Partner, but excluding any general and administrative costs of the General Partner.

The Partnership will, at the request of the General Partner (which request, in order to be valid, must include a written estimate of all such costs and expenses), compensate the General Partner in advance for such costs and expenses. For greater certainty, such costs and expenses for which the General Partner is to be reimbursed include the Partnership's direct general and administrative expenses, including legal and audit fees, Limited Partner information costs, consulting and advisory fees incurred in connection with the Partnership's business or the evaluation of investment opportunities by the Partnership and expenses associated with the issuance of Units, but for greater certainty shall not include any salary expenses of the General Partner.

8.2 Organization of Partnership

The Partnership will pay all costs, disbursements and other fees and expenses incurred in connection with the organization of the Partnership and the registration of the Partnership under the Act and under similar legislation of other jurisdictions, including without limitation legal, accounting and consulting expenses.

8.3 General Partner Fees

As consideration for services provided by the General Partner to the Partnership the Partnership shall, during the term of the Partnership, pay to the General Partner, the following fees, calculated on an annual basis:

- (a) a quarterly fee to be paid in advance and calculated as an amount equal to 1.5% of the Fair Market Value of the Partnership on the last date of each Fiscal Year (if such amount is negative, the Management Fee shall be zero) (the “**Management Fee**”);

- (b) an amount equal to 1.0% of the acquisition price of the Properties acquired by the Partnership, excluding costs of acquisition (including but not limited to taxes and legal costs) in the relevant Fiscal Year and which is paid to the General Partner upon completion of the purchase of each of the Properties (“**Acquisition Fee**”); and
- (c) an amount equal to 7.0% of the Adjusted Net Operating Income from the previous Fiscal Year (the “**Incentive Fee**”). The Incentive Fee shall be paid by the purchase of Trust Units by the Limited Partnership on behalf of the General Partner.

ARTICLE 9

POWERS, DUTIES AND OBLIGATIONS OF GENERAL PARTNER

9.1 Powers, Duties and Obligations

- (a) The General Partner has:
 - (i) unlimited liability for the debts, liabilities and obligations of the Partnership;
 - (ii) subject to the terms of this Agreement, and to any applicable limitations set forth in the Act and applicable similar legislation, the full and exclusive right, power and authority to manage, control, administer and operate the business and affairs and to make decisions regarding the undertaking and business of the Partnership; and
 - (iii) the full and exclusive right, power and authority to do any act, take any proceeding, make any decision and execute and deliver any instrument, deed, agreement or document necessary for or incidental to carrying out the business of the Partnership.

An action taken by the General Partner on behalf of the Partnership is deemed to be the act of the Partnership and binds the Partnership, except for actions that are contrary to this Agreement.

- (b) Notwithstanding any other agreement the Partnership or the General Partner may enter into, all material transactions or agreements entered into by the Partnership must be approved by the board of directors of the General Partner.

9.2 Specific Powers and Duties

Without limiting the generality of Section 9.1, subject to the scope of the authority conferred on the General Partner by this Agreement, the General Partner has full power and authority for and on behalf of and in the name of the Partnership to:

- (a) negotiate, execute and perform all agreements which require execution by or on behalf of the Partnership involving matters or transactions with respect to the Partnership's business (and such agreements may limit the liability of the Partnership to the assets of the Partnership, with the other party to have no recourse to the assets of the General Partner, even if the same results in the terms of the agreement being less favourable to the Partnership);

- (b) open and manage bank accounts in the name of the Partnership and spend the capital of the Partnership in the exercise of any right or power exercisable by the General Partner hereunder;
- (c) borrow funds in the name of the Partnership from time to time, from financial institutions or other lenders as the General Partner may determine without limitation with regard to amount, cost or conditions of reimbursement of such loan;
- (d) guarantee the debts, liabilities and obligations of a third party;
- (e) mortgage, charge, assign, hypothecate, pledge or otherwise create a security interest in all or any property of the Partnership now owned or hereafter acquired, to secure any present and future borrowings and related expenses of the Partnership and to sell all or any of such property pursuant to a foreclosure or other realization upon the foregoing encumbrances;
- (f) see to the sound management of the Partnership, and to manage, control and develop all the activities of the Partnership and take all measures necessary or appropriate for the business of the Partnership or ancillary thereto;
- (g) acquire, maintain, improve, upgrade, expand or dispose of the assets of the Partnership from time to time;
- (h) incur all costs and expenses in connection with the Partnership;
- (i) employ, retain, engage or dismiss from employment, personnel, agents, representatives or professionals or other investment participants with the powers and duties upon the terms and for the compensation as in the Discretion of the General Partner may be necessary or advisable in the carrying on of the business of the Partnership;
- (j) engage agents or subcontract administrative functions, to assist the General Partner to carry out its management obligations to the Partnership;
- (k) invest cash assets of the Partnership that are not immediately required for the business of the Partnership in investments which the General Partner considers appropriate;
- (l) act as attorney in fact or agent of the Partnership in disbursing and collecting moneys for the Partnership, paying debts and fulfilling the obligations of the Partnership and handling and settling any claims of the Partnership;
- (m) commence or defend any action or proceeding in connection with the Partnership;
- (n) file returns or other documents required by any governmental or like authority;
- (o) retain legal counsel, experts, advisors or consultants as the General Partner considers appropriate and rely upon the advice of such Persons;
- (p) do anything that is in furtherance of or incidental to the business of the Partnership or that is provided for in this Agreement;

- (q) execute, acknowledge and deliver the documents necessary to effectuate any or all of the foregoing or otherwise in connection with the business of the Partnership;
- (r) obtain any insurance coverage; and
- (s) generally carry out the objectives, purposes and business of the Partnership.

No Person dealing with the Partnership is required to enquire into the authority of the General Partner to do any act, take any proceeding, make any decision or execute and deliver any instrument, deed, agreement or document for or on behalf of or in the name of the Partnership. The General Partner may insert, and may cause agents of the Partnership to insert, the following clause in any contracts or agreements to which the Partnership is a party or by which it is bound:

"Pulis Real Estate 2 LP is a limited partnership formed under the *Limited Partnerships Act* (Ontario), a limited partner of which is only liable for any of its liabilities or any of its losses to the extent of the amount that it has contributed or agreed to contribute to its capital and its pro rata share of any undistributed income."

9.3 Borrowings

Where the directors of the General Partner, acting in their sole discretion, approve any borrowing by the Partnership as being in the best interests of the Partnership, the General Partner may make a borrowing as approved by the board of directors. Borrowings by the Partnership in accordance with the approval of the directors of the General Partner do not constitute a breach of fiduciary duty by the General Partner to the Partnership.

9.4 Title to Property

The General Partner will hold legal title to any of the assets or property of the Partnership in its name for the benefit of the Partnership.

9.5 Exercise of Duties

The General Partner will exercise its powers and discharge its duties under this Agreement honestly and in the best interests of the Partnership and in connection therewith will exercise the care, diligence and skill that a reasonably prudent Person would exercise in comparable circumstances.

9.6 Indemnity of Partnership

The General Partner hereby indemnifies and holds harmless the Partnership and each Limited Partner from and against all costs, expenses, damages or liabilities suffered or incurred by the Partnership or such Limited Partners by reason of an act of wilful misconduct or gross negligence by the General Partner or of any act or omission not believed by the General Partner in good faith to be within the scope of the authority conferred on the General Partner by this Agreement.

9.7 Limitation of Liability

- (a) The General Partner is not personally liable for the return of any Capital Contribution made by a Limited Partner to the Partnership.

- (b) Subject to Section 2.3, the General Partner will not be liable to a Limited Partner for any act, omission or error in judgment taken or made hereunder by the General Partner honestly and in good faith in the conduct of the business of the Partnership.
- (c) The General Partner may rely, and is protected in acting or refraining from acting, upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, bond, debenture, or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties.
- (d) The General Partner may consult with legal counsel, accountants, appraisers, management consultants, investment bankers and other consultants and advisers selected by it, and any act taken or omitted in reliance upon the opinion (including, without limitation, an opinion of counsel) of such Persons as to matters that the General Partner reasonably believes to be within such Person's professional or expert competence will be conclusively presumed to have been done or omitted in good faith and in accordance with such opinion.
- (e) The General Partner may exercise any of the powers or authority granted to it by this Agreement and perform any of the duties imposed upon it hereunder either directly or by or through its agents (as contemplated in Section 9.2(j)), and the General Partner is not responsible for any misconduct or negligence on the part of any such agent appointed by the General Partner in good faith.
- (f) Any standard of care or duty imposed under the Act or any applicable law shall be modified, waived or limited as required to permit the General Partner to act under this Agreement or any other agreement contemplated by this Agreement and to make any decision pursuant to the power or authority prescribed in this Agreement, so long as such action is reasonably believed by the General Partner to be in, or not opposed to, the best interests of the Partnership.

9.8 Indemnity of General Partner

- (a) To the fullest extent permitted by law but subject to the limitations expressly provided in this Agreement, each General Partner, any former General Partner (a "**Departing Partner**"), any Person who is or was an Affiliate of the General Partner or any Departing Partner, any Person who is or was an officer, director, employee, partner, agent or trustee of the General Partner or any Departing Partner or any such Affiliate, or any Person who is or was serving at the request of the General Partner or any Departing Partner or any such Affiliate as a director, officer, employee, partner, agent or trustee of another Person (collectively, an "**Indemnitee**") is indemnified and held harmless by the Partnership from and against any and all losses, claims, damages, liabilities (joint or several), expenses (including, without limitation, legal fees and expenses), judgments, fines, settlements and other amounts arising from any and all claims, demands, actions, suits or proceedings, whether civil, criminal, administrative or investigative, in which any Indemnitee may be involved, or is threatened to be involved, as a party or otherwise, by reason of its status as: (i) the General Partner, a Departing Partner or any of their Affiliates; (ii) an officer, director, employee, partner, agent or trustee of the General Partner, any Departing Partner or any of their Affiliates; or (iii) a Person serving at the request of the General Partner, any Departing Partner or any of their Affiliates as a director, officer, employee, agent or trustee of another Person; provided, that in each case the Indemnitee acted in good faith, in a manner which such Indemnitee believed to be in, or not opposed to, the best interests

of the Partnership and, with respect to any criminal proceeding, had no reasonable cause to believe its conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement or conviction does not create a presumption that the Indemnatee acted in a manner contrary to that specified above. Any indemnification pursuant to this Section 9.8 is to be made only out of the assets of the Partnership.

- (b) To the fullest extent permitted by law, expenses (including, without limitation, legal fees and expenses) incurred by an Indemnatee in defending any claim, demand, action, suit or proceeding are to be, from time to time, advanced by the Partnership prior to the final disposition of such claim, demand, action, suit or proceeding upon receipt by the Partnership of an undertaking by or on behalf of the Indemnatee to repay such amount if it is determined that the Indemnatee is not entitled to be indemnified as authorized in this Section 9.8(a).
- (c) The indemnification provided by this Section 9.8(a) is in addition to any other rights to which an Indemnatee may be entitled under any agreement, pursuant to any vote of the Partners, as a matter of law or otherwise, both as to actions in the Indemnatee's capacity as: (i) the General Partner, a Departing Partner or an Affiliate thereof, (ii) an officer, director, employee, partner, agent or trustee of the General Partner, any Departing Partner or an Affiliate thereof, or (iii) a Person serving at the request of the General Partner, any Departing Partner or any of their Affiliates as a director, officer, employee, agent or trustee of another Person, and shall continue as to an Indemnatee who has ceased to serve in such capacity and as to actions in any other capacity.
- (d) The Partnership may purchase and maintain insurance (or reimburse the General Partner or its Affiliates for the cost of insurance), on behalf of the General Partner and such other Persons as the General Partner determines, against any liability that may be asserted against or expense that may be incurred by such Person in connection with the Partnership's activities, whether or not the Partnership would have the power to indemnify such Person against such liabilities under the provisions of this Agreement.

9.9 Other Activities of General Partner

Affiliates, Associates, directors or officers of the General Partner may engage in businesses, ventures, investments and activities which may be similar to or competitive with those in which the Partnership is or might be engaged and neither the General Partner nor any such Affiliate, Associate, director or officer is required to offer or make available to the Partnership any other business or investment opportunity which any such Person may acquire or be engaged in for its own account. The Partners acknowledge and agree that the General Partner may act as a general partner for one or more other limited partnerships (which may but are not required to be formed under the Act), and the business purpose and powers of such other limited partnerships may or may not be the same as those of the Partnership. In addition, the General Partner may hold any shares, units or other interest in any corporation or partnership which conducts business similar to that of the Partnership which shall not be a conflict of interest.

9.10 Restrictions upon the General Partner

The General Partner's power and authority does not extend to any powers, actions or authority not enumerated in Sections 9.1 and 9.2 or that is otherwise *ultra vires* the powers and purposes of the Partnership as set out in Section 2 of this Agreement, unless and until the requisite Special Resolution is passed by the Partners. Further, the General Partner will not:

- (a) commingle the funds of the Partnership with the funds of the General Partner or any of its Affiliates, Associates or with the funds of any other Person;
- (b) dissolve the affairs of the Partnership except in accordance with the provisions of Section 12 hereof; or
- (c) withdraw as General Partner except in accordance with the provisions of Section 9.13 hereof.

9.11 Employment of an Affiliate or Associate

The General Partner may employ or retain Affiliates or Associates of the General Partner or the Limited Partners on behalf of the Partnership to provide goods or services to the Partnership provided that, if the Partnership is to reimburse the General Partner for the costs and expenses of such goods or services, the costs of such goods or services must be reasonable and competitive with the costs of similar goods and services provided by independent third parties.

9.12 Removal of General Partner

The General Partner may not be removed as general partner of the Partnership, except as follows:

- (a) the occurrence of any of the following events which has not been cured by the General Partner within thirty (30) days of the occurrence thereof:
 - (i) the passing of any resolution of the directors or shareholders of the General Partner requiring or relating to the bankruptcy or the making of any assignment for the benefit of creditors of the General Partner (or the commencement of any act or proceeding in connection with any of the foregoing which is not contested in good faith by the General Partner); or
 - (ii) the appointment of a receiver of all or substantially all of the assets and undertakings of the General Partner; or
- (b) the occurrence of any gross negligence, wilful misconduct or fraud on the part of the General Partner, and the passing of a Special Resolution by the Limited Partners for the removal of the General Partner. Upon the occurrence of any of the preceding events and the passing of a Special Resolution by the Limited Partners for the removal of the General Partner, the General Partner shall be removed as the General Partner of the Partnership effective upon the appointment of a new general partner and acceptance of such appointment. Any such action by the Limited Partners for removal of the General Partner must also provide for the election and succession of a new general partner.

9.13 Voluntary Withdrawal of General Partner

The General Partner has agreed not to voluntarily withdraw as general partner, provided that the General Partner may withdraw if such withdrawal is approved by a Special Resolution, after which time the General Partner may withdraw as such by giving 90 days' notice.

9.14 Transfer of General Partner Interest

The General Partner may transfer all, but not less than all, of its general partner interest in the Partnership:

- (a) without the approval of the Limited Partners:
 - (i) in connection with the General Partner's merger or amalgamation with or into another entity; or
 - (ii) to the purchaser of all or substantially all of its assets; or
- (b) if such transfer is approved by a Special Resolution; in all cases provided that such transferee assumes the rights and duties of the General Partner and agrees to be bound by the provisions of this Agreement, as general partner.

9.15 Condition Precedent

As a condition precedent to the resignation or removal of the General Partner, the Partnership will pay all amounts payable by the Partnership to the General Partner pursuant to this Agreement accrued to the date of resignation or removal subject to any claims or liabilities of the General Partner to the Partnership.

9.16 Transfer to New General Partner

On the admission of a new general partner to the Partnership on the resignation or removal of the General Partner, the resigning or retiring General Partner will do all things and take all steps to transfer the administration, management, control and operation of the business of the Partnership and the books, records and accounts of the Partnership to the new general partner and will execute and deliver all deeds, certificates, declarations and other documents necessary or desirable to effect such transfer in a timely fashion. In addition, the resigning or retiring General Partner will, at the cost of the Partnership, transfer title to the Partnership's property to such new general partner and will execute and deliver all deeds, certificates, declarations and other documents necessary or desirable to effect such transfer in a timely fashion.

9.17 Release by Partnership

On the resignation or removal of the General Partner, the Partnership will release and hold harmless the General Partner resigning or being removed, from any costs, expenses, damages or liabilities suffered or incurred by the General Partner as a result of or arising out of events which occur in relation to the Partnership after such resignation or removal.

9.18 New General Partner

A new general partner is not to be a "**non-resident**" of Canada within the meaning of the Tax Act and will become a party to this Agreement by signing a counterpart hereof and will agree to be bound by all of the provisions hereof and to assume the obligations, duties and liabilities of the General Partner hereunder as from the date the new general partner becomes a party to this Agreement.

ARTICLE 10 FINANCIAL INFORMATION

10.1 Books and Records

The General Partner will keep or cause to be kept at the principal office of the Partnership appropriate books and records with respect to the Partnership's business. Any books and records maintained by or on behalf of the Partnership in the regular course of its business, including, without limitation, books of

account and records of Partnership proceedings, may be kept on, or be in the form of cloud storage, computer disks, hard disks, magnetic tape, or any other information storage device, provided, that the books and records so maintained are convertible into clearly legible written form within a reasonable period of time. The books of the Partnership are to be maintained, for financial reporting purposes, on an accrual basis in accordance with generally accepted accounting principles.

10.2 Reports

As soon as practicable, but in no event later than 90 days after the end of each Fiscal Year, the General Partner will cause to be mailed to each Limited Partner as of a date selected by the General Partner in its sole Discretion, an annual report containing financial statements of the Partnership prepared on an audited basis in accordance with GAAP or International Financial Reporting Standards as determined by the General Partner in its Discretion.

10.3 Income Tax Information

The General Partner will use reasonable efforts to send or cause to be sent to each Person who is a Limited Partner during the previous Fiscal Year, or at the date of dissolution of the Partnership, within 90 days after the end of such previous Fiscal Year or within 90 days of dissolution, as the case may be, or within such other shorter period of time as may be required by applicable law, all information, in suitable form, relating to the Partnership necessary for such Person to prepare his Canadian Federal and Provincial income tax returns. The General Partner will file, on behalf of itself and the Limited Partners, annual Partnership information returns and any other information returns required to be filed under the Tax Act and any other applicable tax legislation in respect of the Partnership.

10.4 Right to Inspect Partnership Books and Records

In addition to other rights provided by this Agreement or by applicable law, each Limited Partner has the right, upon reasonable demand and at such Limited Partner's own expense, to have furnished to it copies of this Agreement, the Certificate, and amendments thereto.

10.5 Accounting Policies

The General Partner is authorized to establish from time to time accounting policies with respect to the financial statements of the Partnership and to change from time to time any policy that has been so established so long as such policies are consistent with the provisions of this Agreement and with generally accepted accounting principles in Canada.

10.6 Appointment of Auditor

The General Partner may select an Auditor on behalf of the Partnership to review and report to the Partners upon the financial statements of the Partnership for and as at the end of each Fiscal Year.

ARTICLE 11 MEETINGS OF THE LIMITED PARTNERS

11.1 Requisitions of Meetings

The General Partner may call a general meeting of Limited Partners at such time and place as it deems appropriate in its absolute Discretion for the purpose of considering any matter set forth in the notice of meeting. In addition, where Limited Partners holding not less than 50% of the outstanding Units (the

"**Requisitioning Partners**") give notice signed by each of them to the General Partner, requesting a meeting of the Limited Partners and stating the proposed business to be transacted at the meeting in reasonable detail sufficient to give valid notice, the General Partner will, within 45 days of receipt of such notice, convene such meeting, and if it fails to do so, any Requisitioning Partners may convene such meeting by giving notice in accordance with this Agreement. Every meeting of Limited Partners, however convened, must be conducted in accordance with this Agreement.

11.2 Place of Meeting

Every meeting of Limited Partners is to be held in Brampton, Ontario or at such other place in Canada as the General Partner (or Requisitioning Partners, if the General Partner fails to call such meeting in accordance with Section 11.1) may designate.

11.3 Notice of Meeting

Notice of any meeting of Limited Partners is to be given to each Limited Partner not less than seven days (but not more than 45 days) prior to such meeting, and to be valid for the purposes hereof, must state:

- (a) the time, date and place of such meeting; and
- (b) in general terms, the nature of the business to be transacted at the meeting in sufficient detail to permit a Limited Partner to make a reasoned decision thereon.

Notice of an adjourned meeting of Limited Partners need not be given if the adjourned meeting is held within 14 days of the original meeting. Otherwise, but subject to Section 11.8, notice of adjourned meetings is to be given not less than five days in advance of the adjourned meeting and otherwise in accordance with this section, except that the notice need not specify the nature of the business to be transacted if unchanged from the original meeting.

11.4 Record Dates

For the purpose of determining the Limited Partners who are entitled to vote or act at any meeting of Limited Partners or any adjournment thereof or for the purpose of any other action, the General Partner may give a date not more than 45 days prior to the date of any meeting of Limited Partners or other action as a record date for the determination of Limited Partners entitled to vote at such meeting or any adjournment thereof or to be treated as Limited Partners of record for purposes of such other action, and any Limited Partner who was a Limited Partner at the time so fixed is to be entitled to vote at such meeting or any adjournment thereof even though he or she has since that date disposed of his or her Units, and no Limited Partner becoming such after that date is a Limited Partner of record for purposes of such action. A Person is a Limited Partner of record at the relevant time if the Person's name appears in the Certificate as amended and supplemented at such time. The General Partner will file an amendment to the Certificate required by the Act no later than the close of business on the day immediately preceding the record date established in respect of any meeting of Limited Partners.

11.5 Corporations

A Limited Partner which is a corporation may appoint an officer, director or other authorized person as its representative to attend, vote and act on its behalf at a meeting of Limited Partners.

11.6 Attendance of Others

In addition to the Limited Partners and the General Partner, any officer or director of the General Partner, legal counsel for the General Partner and the Partnership and representatives of the Auditor may attend any meeting of Limited Partners. The General Partner has the right to authorize the presence of any Person at a meeting regardless of whether the Person is a Limited Partner. With the approval of the General Partner, that Person is entitled to address the meeting.

11.7 Chairman

The General Partner may nominate a Person, including, without limitation, an officer or director of the General Partner (who need not be a Limited Partner), to be chairman of a meeting of Limited Partners and the person nominated by the General Partner is the chairman of such meeting unless the Limited Partners elect another chairman by Special Resolution.

11.8 Quorum

At any meeting of the Limited Partners, subject as hereinafter provided, a quorum shall consist of two or more individuals present in person either holding personally or representing as proxies not less in aggregate than 5% of the votes attached to all outstanding Units. In the event of such quorum not being present at the appointed place on the date for which the meeting is called within 30 minutes after the time fixed for the holding of such meeting, the meeting, if called by request of Limited Partners, shall be terminated and, if otherwise called, shall stand adjourned to such day being not less than 7 days later and to such place and time as may be appointed by the chair of the meeting. If at such adjourned meeting a quorum as above defined is not present, the Limited Partners then present either personally or by proxy shall form a quorum, and any business may be brought before or dealt with at such an adjourned meeting which might have been brought before or dealt with at the original meeting in accordance with the notice calling the same.

11.9 Voting Rights attaching to Units

In respect of all matters which require a resolution to be passed by the Limited Partners (whether by Special Resolution or Ordinary Resolution), each Limited Partner shall have voting rights proportionate to the number of Units held by such Limited Partner as at the record date in relation to the aggregate of the Units issued and outstanding as at the record date.

11.10 Voting Procedure

- (a) Every question submitted to a meeting of Limited Partners (whether in respect of a Special Resolution or an Ordinary Resolution) shall be decided by a poll. In the case of an equality of votes, the chairman does not have a casting vote and the resolution is deemed to be defeated. On any vote at a meeting of Limited Partners, a declaration of the chairman concerning the result of the vote is conclusive.
- (b) On a poll, each Limited Partner present or represented by proxy at the meeting shall have voting rights for each Unit in respect of which he is shown on the Certificate as the Limited Partner at the record date as provided in Section 11.9. If Units are held jointly by two or more persons and only one of them is present or represented by proxy at a meeting of Limited Partners, such Limited Partner may, in the absence of the other or others, vote with respect thereto, but if more than one of them is present or represented by proxy, they shall vote together on the whole Units held jointly.

- (c) The General Partner, as such, is not entitled to vote at any meeting of Limited Partners. Any Limited Partner who is in default of payment of the subscription price for its Units is not entitled to vote in respect of any of its Units.

11.11 Powers of Limited Partners, Resolutions Binding

The Limited Partners have only the powers set forth in this Agreement and any additional powers provided by law. Subject to the foregoing sentence, any resolution passed in accordance with this Agreement is binding on all the Partners and their respective heirs, executors, administrators, successors and assigns, whether or not any such Partner was present in person or by proxy or voted against any resolution so passed.

11.12 Powers Exercisable by Special Resolution

The following powers are only exercisable by Special Resolution passed by the Limited Partners:

- (a) dissolving the Partnership, except as otherwise provided for under Section 12.2(b);
- (b) removing the General Partner and electing a new general partner as provided for in accordance with the terms of Section 9.12;
- (c) the sale of all or substantially all of the assets of the Partnership;
- (d) amending, modifying, altering or repealing any Special Resolution previously passed by the Limited Partners;
- (e) amending this Agreement pursuant to Section 13.1; and
- (f) determining to reconstitute the Partnership under Section 12.4.

11.13 Minutes

The General Partner will cause minutes to be kept of all proceedings and resolutions at every meeting and will cause all such minutes and all resolutions of the Limited Partners consented to in writing to be made and entered into books to be kept for that purpose. Any minutes of a meeting signed by the chairman of the meeting are deemed to evidence the matters stated in them and such meeting is deemed to have been duly convened and held and all resolutions and proceedings shown in them are deemed to have been duly passed and taken.

11.14 Additional Rules and Procedures

To the extent that the rules and procedures for the conduct of a meeting of the Limited Partners are not prescribed in this Agreement (including rules pertaining to the right of Limited Partners to vote by proxy and the appointment, validity and revocation of proxies), the rules and procedures will be determined by the General Partner.

ARTICLE 12

TERM, DISSOLUTION AND LIQUIDATION

12.1 Term

Subject to the terms and conditions of Section 12.2 below, the term for which the Partnership shall exist until December 31, 2050.

12.2 Events of Dissolution

Notwithstanding Section 12.1 above, the Partnership will be dissolved upon the occurrence of any of the following events:

- (a) the Partnership is dissolved or wound-up by the express written mutual agreement of the Partners; or
- (b) upon the occurrence of any of the following events whereupon the Partnership will follow the procedure for dissolution established in Section 12.5:
 - (i) the election of the General Partner to dissolve the Partnership, if approved by a Special Resolution;
 - (ii) the removal or resignation of the General Partner unless the General Partner is replaced as provided in Sections 9.12 or 9.13; or
 - (iii) except as otherwise provided herein, any event which causes the dissolution of a limited partnership under the laws of the Province of Ontario.

12.3 No Dissolution

The Partnership does not come to an end by reason of the death, bankruptcy, assignment of property for the benefit of creditors, insolvency, mental incompetency or other disability of any Limited Partner or upon transfer of any Units or upon the issue or conversion of Units.

12.4 Continuation After Event of Dissolution

Upon the occurrence of an event described in Section 12.2, if within 90 days thereafter, holders of Units by a Special Resolution so elect, the Limited Partners will reconstitute the Partnership and continue its business on the same terms and conditions set forth in this Agreement by forming a new limited partnership on terms identical to those set forth in this Agreement and having as a general partner a Person approved by the holders pursuant to the Special Resolution. Upon any such election by Special Resolution, all Partners are bound thereby and are deemed to have approved thereof. Unless such an election is made within the applicable time period as set forth above, the Partnership will conduct only activities necessary to wind up its affairs. If such an election is so made, then:

- (a) the reconstituted Partnership will continue until the end of the term set forth in Section 12.1 unless earlier dissolved in accordance with this Section 12; and
- (b) all necessary steps shall be taken to cancel this Agreement and the Certificate and to enter into and, as necessary, to file a new partnership agreement and certificate of limited partnership, and the successor general partner may for this purpose exercise the powers of

attorney granted the General Partner pursuant to Section 2.10; provided that the right of holders of Units by a Special Resolution to approve a successor general partner and to reconstitute and to continue the business of the Partnership shall not exist and may not be exercised unless the Partnership has received an opinion of counsel that the exercise of the right would not result in the loss of limited liability of any Limited Partner.

12.5 Procedure on Dissolution

Upon the occurrence of any of the events set forth in Section 12.2(a) or (b), the General Partner (or in the event of an occurrence specified in Section 12.2(b)(ii), such other Person as may be appointed by Ordinary Resolution of the Limited Partners) will act as receiver and liquidator of the assets of the Partnership and is empowered hereby to:

- (a) sell or otherwise dispose of such part of the Partnership's assets as the receiver considers appropriate;
- (b) pay or provide for the payment of the debts and liabilities of the Partnership and liquidation expenses;
- (c) if there are any assets of the Partners remaining, distribute such remaining assets 100% to the Limited Partners in accordance with their Proportionate Interests.
- (d) file the notice of dissolution prescribed by the Act and satisfy all applicable formalities in such circumstances as may be prescribed by the laws of other jurisdictions where the Partnership is registered. In addition, the General Partner will give prior notice of the dissolution of the Partnership by mailing to each Limited Partner such notice at least 21 days prior to the filing of the declaration of dissolution prescribed by the Act; and
- (e) file any elections, determinations or designations under the Tax Act or under any similar legislation which may be necessary or desirable.

12.6 Dissolution

The Partnership is dissolved upon the completion of all matters set forth in Section 12.5.

12.7 No Right to Dissolve

Except as provided for in Section 12.2, no Limited Partner has the right to ask for the dissolution of the Partnership, the winding-up of its affairs or the distribution of its assets.

12.8 Agreement Continues

Notwithstanding the dissolution of the Partnership, this Agreement does not terminate until the provisions of Section 12.5 have been satisfied.

ARTICLE 13 AMENDMENTS

13.1 Amendment Procedures

Except as provided in Section 13.3, all amendments to this Agreement are to be made in accordance with the following requirements. To be valid for the purposes hereof, each such proposal must contain the text

of the proposed amendment. If an amendment is proposed, the General Partner will seek the approval of the Limited Partners by a Special Resolution.

13.2 Amendment Requirements

Notwithstanding the provisions of Sections 13.1 and 13.3, no amendment to this Agreement may: (i) reduce the term of the Partnership as provided in Section 12.1; (ii) give any Person the right to dissolve the Partnership, other than the General Partner's right to dissolve the Partnership with the approval of the Limited Partners by a Special Resolution; or (iii) modify the amendment provisions in Article 12, without the express prior written consent of the General Partner, which consent may be unreasonably withheld.

13.3 Amendment by General Partner

Each Limited Partner agrees that the General Partner without the approval of any Limited Partner may amend any provision of this Agreement, and execute, swear to, acknowledge, deliver, file and record whatever documents may be required in connection therewith, to reflect:

- (a) a change in the name of the Partnership or the location of the principal place of business of the Partnership or the registered office of the Partnership;
- (b) admission, substitution, withdrawal or removal of Limited Partners in accordance with this Agreement;
- (c) a change that, in the sole Discretion of the General Partner, is reasonable and necessary or appropriate to qualify or continue the qualification of the Partnership as a limited partnership in which the Limited Partners have limited liability under the applicable laws;
- (d) a change that, in the sole Discretion of the General Partner, is reasonable and necessary or appropriate to enable Partners to take advantage of, or not be detrimentally affected by, changes in the Tax Act or other taxation laws; and
- (e) a change that, in the sole Discretion of the General Partner, does not materially adversely affect the Limited Partners in any respect.

13.4 Notice of Amendments

The General Partner will notify the Limited Partners in writing of the full details of any amendment to this Agreement within 30 days of the effective date of the amendment.

ARTICLE 14 NOTICES

14.1 Address

Any notice or other written communication which must be given or sent under this Agreement shall be given by first-class mail, email or personal delivery or by email to the General Partner and to the Limited Partners as follows:

in the case of the General Partner, to:

Suite 200A 1 Nelson Street West
Brampton, Ontario L6X 3E4

Attention: President
Email: kylepulis@pulisinvestments.com

in the case of Limited Partners, to the postal address or email address inscribed in the Register maintained by the General Partner, or any other new address following a change of address in conformity with Section 14.2.

14.2 Change of Address

A Limited Partner may, at any time, change his address for the purpose of service by written notice to the General Partner. The General Partner may change its address for the purpose of service by written notice to all the Limited Partners.

14.3 Accidental Failure

An accidental omission in the giving of, or failure to give, a notice required by this Agreement will not invalidate or affect in any way the legality of any meeting or other proceeding in respect of which such notice was or was intended to be given.

14.4 Disruption in Mail

In the event of any disruption, strike or interruption in the Canadian postal service after mailing and before receipt or deemed receipt of a document, it will be deemed to have been received on the sixth business day following full resumption of the Canadian postal service.

14.5 Receipt of Notice

Subject to Section 14.4, notices given by first-class mail are deemed to have been received on the fifth business day following the deposit of such notice in the mail, notices given by personal delivery or facsimile shall be deemed to have been received on the date of their delivery or date of facsimile transmission and notices given by email shall be deemed to have been received upon the date on which a receipt of delivery is received with respect to an email notice.

14.6 Undelivered Notices

If the General Partner sends a notice or document to a Limited Partner in accordance with Section 14.1 and the notice or document is returned on three consecutive occasions because the Limited Partner cannot be found, the General Partner is not required to send any further notices or documents to the Limited Partner until the Limited Partner informs the General Partner in writing of the Limited Partner's new address.

ARTICLE 15 GENERAL

15.1 Binding Agreement

Subject to the restrictions on assignment and transfer herein contained, this Agreement enures to the benefit of and is binding upon the parties hereto and their respective heirs, executors, administrators and other legal representatives, successors and assigns.

15.2 Time

Time is of the essence hereof.

15.3 Counterparts

This Agreement, or any amendment to it, may be executed in multiple counterparts, each of which is deemed an original agreement. This Agreement may also be executed and adopted in any subscription form, transfer form or similar instrument acceptable to the General Partner and signed by a Limited Partner with the same effect as if such Limited Partner had executed as counterparts of this Agreement. All counterparts and adopting instruments shall be construed together and shall constitute one and the same agreement.

15.4 Governing Law

This Agreement and the Schedules hereto are governed and construed exclusively according to the laws of the Province of Ontario and the laws of Canada applicable thereto and the parties hereto irrevocably attorn to the non-exclusive jurisdiction of the courts of the Province of Ontario.

15.5 Severability

If any part of this Agreement is declared invalid or unenforceable, then such part is deemed to be severable from the Agreement and does not affect the remainder of this Agreement.

15.6 Further Acts

The parties will perform and cause to be performed such further and other acts and things and execute and deliver or cause to be executed and delivered such further and other documents as counsel to the Partnership considers necessary or desirable to carry out the terms and intent of this Agreement.

15.7 Entire Agreement

This Agreement together with the acknowledgements and undertakings of Unit transferees, if any, constitutes the entire agreement among the parties hereto with respect to the subject matter hereof, and supersedes all prior agreements.

15.8 Limited Partner Not a General Partner

If any provision of this Agreement has the effect of imposing upon any Limited Partner (other than the General Partner) any of the liabilities or obligations of a general partner under the Act, such provision is of no force and effect.

[Remainder of this page intentionally left blank; signature page follows.]

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the date set out above.

PULIS REAL ESTATE TRUST, by its
administrator, **PULIS REAL ESTATE**
ADMINCO INC.

PULIS REAL ESTATE GP2 INC. in its
capacity as the General Partner

Per: Brian Pulis
Name: Brian Pulis
Title: Director

Per: Brian Pulis
Name: Brian Pulis
Title: Director

Per: Kyle Pulis
Name: Kyle Pulis
Title: Director

Per: Kyle Pulis
Name: Kyle Pulis
Title: Director

EXHIBIT 1

PULIS REAL ESTATE LP 2

TRANSFER FORM

The undersigned limited partner (the "**Limited Partner**") of Pulis Real Estate LP 2 (the "**Partnership**"), hereby transfers, assigns and sells to:

(Name of Transferee)

(Address)

(the "**Transferee**"),

all of its right, title and interest as a Limited Partner in the Partnership and constitutes the above-named Transferee as a substituted Limited Partner to the extent of _____ Class _____ Units in the Partnership and agrees to execute and deliver to the General Partner any documents required to effect a valid transfer of the said interest in the Partnership (and rights) as necessary or advisable, in the opinion of the General Partner, to preserve the status of the Partnership as a limited partnership. The undersigned Limited Partner agrees that the power of attorney previously granted the General Partner together with the power of attorney granted under the Partnership Agreement continues until all certificates, amendments to certificates or other instruments necessary to give effect to this transfer have been executed and filed as required.

DATED this _____ day of _____, 20__.

Limited Partner:

Per: _____
(Print Name of Limited Partner)

Per: _____
(Signature of authorized signatory)

The Transferee acknowledges that it has read the limited partnership agreement for Pulis Real Estate 2 LP dated _____, 2014, as amended from time to time, (the "**Partnership Agreement**") and accepts this transfer and agrees to be bound, as a limited partner in the Partnership, by the terms of the Partnership Agreement.

The Transferee represents, warrants, covenants and agrees with each other Partner that such Transferee:

- (i) if the Transferee is a corporation, it is incorporated under the laws of its incorporating jurisdiction, and is duly registered in all jurisdictions necessary in

order to enter into this Transfer Form and the Partnership Agreement and perform its obligations hereunder and thereunder;

- (ii) has the capacity and corporate authority to enter into this Transfer Form and the Partnership Agreement and perform its obligations hereunder and thereunder and such obligations do not conflict with nor do they result in a breach of any of its constating documents, by-laws or any agreement by which it is bound;
- (iii) is not acquiring Units and will not hold Units as a tax shelter investment for the purposes of the Tax Act, is not a Person an interest in which would be a tax shelter investment for the purposes of the Tax Act, is not a "**non-resident**" of Canada for the purposes of the Tax Act;
- (iv) meets all requirements under Applicable Laws and of any Governmental Authority, in any way, directly or indirectly, related to the Transferee's ownership of Units in the Partnership; and
- (v) such Transferee will ensure that its status is not modified with the result that, at any time and from time to time, it would be unable to represent and warrant as set forth in subparagraphs (i), (ii) (iii) and (iv), and such Transferee will not transfer its Units, or any beneficial interest therein, in whole or in part to a Person who is not able to make these representations, warranties and covenants.

Without limiting the application of the Partnership Agreement, the Transferee hereby irrevocably constitutes, nominates and appoints the General Partner, with full power of substitution, as his or her agent and true and lawful attorney to act on his or her behalf with full power and authority in his or her name, place and stead to execute and record or file as and where required:

- (a) the Partnership Agreement, any amendment to the Partnership Agreement and any other instruments or documents required to continue and keep in good standing the Partnership as a limited partnership under the Act, or otherwise to comply with the laws of any jurisdiction in which the Partnership may carry on business or own or lease property in any jurisdiction where the General Partner considers it prudent to be registered in order to maintain the limited liability of the Limited Partners and to comply with the applicable laws of such jurisdiction (including such amendments to the Register or the Certificate as may be necessary to reflect the admission to the Partnership of subscribers for or transferees of Units as contemplated by the Partnership Agreement);
- (b) all instruments and any amendments to or renewals, replacements or restatements of the Certificate necessary to reflect any amendment to the Partnership Agreement;
- (c) any instrument required in connection with the dissolution and termination of the Partnership in accordance with the provisions of the Partnership Agreement, including any elections, determinations or designations under the Tax Act and under any similar legislation;
- (d) the documents necessary to be filed with the appropriate Governmental Authority in connection with the business, property, assets and undertakings of the Partnership;
- (e) such documents as may be necessary to give effect to the business of the Partnership as described in the Partnership Agreement;

- (f) such documents as may be necessary to give effect to the provisions of Section 2.8 of the Partnership Agreement;
- (g) any election, determination, designation, information return or similar document or instrument as may be required at any time under the Tax Act or under any other taxation legislation or laws of like import of Canada or of any province, territory or jurisdiction which relates to the affairs of the Partnership or the interest of any Person in the Partnership; and
- (h) all other instruments and documents on his or her behalf and in his or her name or in the name of the Partnership as may be deemed necessary by the General Partner to carry out fully the Partnership Agreement in accordance with its terms.

The power of attorney granted herein is irrevocable, is a power coupled with an interest and survives the transfer or assignment by the Transferee, to the extent of the obligations of the Transferee under the Partnership Agreement, of the whole or any part of the interest of the Transferee in the Partnership, extends to the legal representatives and successors, transferees and assigns of the Transferee, and may be exercised by the General Partner on behalf of the Transferee in executing any instrument by a facsimile signature or by listing all the Limited Partners and executing such instrument with a single signature as attorney and agent for all of them. The Transferee agrees to be bound by any representations or actions made or taken by the General Partner pursuant to this power of attorney and hereby waives any and all defences which may be available to contest, negate or disaffirm the action of the General Partner taken in good faith under this power of attorney.

This power of attorney continues in respect of the General Partner so long as it is the general partner of the Partnership, and terminates thereafter, but continues in respect of a new General Partner as if the new General Partner were the original attorney.

The Transferee hereby agrees and acknowledges that, upon acceptance of this transfer and the declaration by the General Partner of the Transferee's status as a Limited Partner (as defined in the Partnership Agreement), it shall become a limited partner of the Partnership on the effective date thereof and that as a Limited Partner, the Transferee is bound by the provisions of the Partnership Agreement and by any representations and actions made or taken by the General Partner and any successor thereto, while acting in good faith pursuant to this power of attorney hereby granted and will make contributions of capital as required pursuant to the Partnership Agreement, all notwithstanding the date of amendment to the Register (as defined in the Partnership Agreement) or amendment of the Certificate (as defined in the Limited Partnership Agreement) reflecting this transfer.

The effective date of this transfer is the day on which the General Partner declares the Transferee's status as a Limited Partner, notwithstanding the date that the Register is updated or the date of amendment of the Certificate to evidence to this transfer, which effective date is the date this transfer is accepted by the General Partner (or such other time as the General Partner may declare), and the undersigned acknowledges and agrees that the General Partner is not be required to recognize the undersigned as a "**substituted limited partner**" for the purposes of the *Partnership Act* (Ontario) until the effective date of filing the amendment of the Certificate to evidence to this transfer.

All capitalized terms utilized but not otherwise defined in this Transfer Form shall have the meaning ascribed thereto in the Partnership Agreement.

DATED this ____ day of _____, 20__.

Transferee

(Name of Limited Partner)

Per: _____
(Signature of authorized signatory)

ACCEPTANCE OF TRANSFER BY GENERAL PARTNER

This transfer is accepted by the General Partner in the City of _____, in the Province of _____, on the ____ day of _____, 20__.

Pulis Real Estate GP2 Inc. *in its capacity as*
General Partner of Pulis Real Estate LP 2

Per: _____
Name:
Title: