

This Offering Memorandum constitutes an offering of securities only in those jurisdictions and to those persons where and to whom they may be lawfully offered for sale. This Offering Memorandum is not, and under no circumstances is to be construed as, a prospectus or advertisement or a public offering of these securities. No person has been authorized to give any information or to make any representation not contained in this Offering Memorandum. Any such information or representation, which is given or received, must not be relied upon.

No securities regulatory authority or regulator has assessed the merits of these securities or reviewed this Offering Memorandum. Any representation to the contrary is an offence. This is a risky investment. See "[Item 10 - Risk Factors](#)".

Continuous Private Placement  
Offering

## OFFERING MEMORANDUM

April 30, 2024



PROPERTY  
PARTNERS TRUST

**ICM Property Partners Trust**  
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**These securities do not trade on any exchange or market. ICM Property Partners Trust (the "Trust") is not a reporting issuer.**

<b>The Issuer:</b>	The Trust is a private open-ended investment trust established under the laws of Alberta on May 14, 2018.
<b>Securities Offered:</b>	The offering (the " <b>Offering</b> ") consists of Series B trust units (" <b>Series B Trust Units</b> "), Series C trust units (" <b>Series C Trust Units</b> ") and Series US\$ trust units (" <b>Series US\$ Trust Units</b> ") of the Trust. The Trust Units are the same in all respects with the exception of selling commissions, redemption terms, setup and offering costs, management fees and servicing fees paid or to be paid to Selling Agents. See " <a href="#">Item 9 - Selling Agents and Compensation Paid to Sellers and Finders</a> ".
<b>Price per Security:</b>	The price per Series B Trust Unit, Series C Trust Unit and Series US\$ Trust Unit will be determined by ICM Investment Management Inc. (" <b>ICM IM</b> "), the Manager of the Trust (ICM IM in such capacity is referred to as the " <b>Manager</b> "), from time to time, and will be set forth in the subscription agreement entered into between the subscriber and the Trust, in each case. The Series B Trust Units and Series C Trust Units will be issued in Canadian dollars. The Series US\$ Trust Units will be issued in U.S. dollars. The price per Trust Unit may change over time and will be determined by the Manager based on the Net Asset Value of the Trust.
<b>Minimum/Maximum Offering:</b>	<b>There is no minimum or maximum Offering. You may be the only purchaser.</b>
<b>Minimum Subscription Amount:</b>	The minimum subscription amount is \$5,000 for Series B Trust Units, \$200,000 for Series C Trust Units and US\$25,000 for Series US\$ Trust Units. The Manager, on behalf of the Trust, may in its sole discretion lower these minimum subscription amounts.
<b>Payment Terms:</b>	Full payment of the subscription price will be due upon execution and delivery of the subscription agreement and related subscription documentation. Payment should be made as directed in the subscription agreement. See " <a href="#">Item 5.2 - Subscription Procedure</a> ".
<b>Proposed Closing Date(s):</b>	Closings will occur on the last Business Day of each month, on subscriptions received up to the date that is three (3) Business Days prior to any such closing, unless otherwise determined by the Manager in its sole discretion. See " <a href="#">Item 5.2 - Subscription Procedure</a> " for a full listing of the proposed Closing Dates.
<b>Income Tax Consequences:</b>	There are important tax consequences to the ownership of these securities. Provided that the Trust qualifies as a "mutual fund trust" for the purposes of the <i>Income Tax Act</i> (Canada) (the " <b>Tax Act</b> "), the Trust Units will constitute a "qualified investment" for the purposes of the Tax Act for certain tax-

deferred plans. You should consult your own professional tax advisors to obtain advice respecting any tax consequences to you. See "Item 8 - Income Tax Consequences and Registered Plan Eligibility".

**Insufficient Funds:** **Funds available under the Offering may not be sufficient to accomplish our proposed objectives. See "Item 2.6 - Insufficient Funds" and "Item 10 - Risk Factors".**

**Selling Agents and Compensation Paid to Sellers and Finders:** A person has received or will receive compensation for the sale of securities under this Offering. See "Item 9 - Selling Agents and Compensation Paid to Sellers and Finders".

The Trust will use Selling Agents in respect of the distribution and sale of the Trust Units. In addition, ICM IM, a registered exempt market dealer, may also act as a Selling Agent.

The Trust is a connected issuer and a related issuer, of ICM IM as certain principals of ICM IM are the same as those of the Trustee and will be the same as the general partners of the Limited Partnerships in which the Trust invests. See "Item 2.1 - Structure - Relationship between the Trust, the Trustee and ICM IM".

**Concurrent Offerings:** In addition to Series B Trust Units, Series C Trust Units and Series US\$ Trust Units, the Trust may, from time to time, also offer other securities of the Trust, including series Adv trust units, series F trust units, Series F-US\$ trust units and series I trust units. Such securities may have different rights and obligations, including with respect to distributions, redemptions and commissions and fees payable. The Limited Partnerships (as defined herein) may also offer additional securities to other investors.

For additional information about the series Adv trust units, series F trust units, Series F-US\$ trust units and series I trust units of the Trust, ask your Selling Agent, who may provide you with a separate offering memorandum or other offering materials related thereto.

**Resale Restrictions:** The Trust Units are subject to restrictions on resale. You will be restricted from selling your Series B Trust Units, Series C Trust Units and Series US\$ Trust Units for an indefinite period. You will not be able to sell these securities except in very limited circumstances. You may never be able to resell these securities. See "Item 12 - Resale Restrictions".

**Payments to Related Party:** Some of your investment will be paid to a related party of the Trust. See "Item 1.2 - Use of Available Funds".

**Certain Related Party Transactions:** This offering memorandum contains disclosure with respect to one or more transactions between the Trust and a related party. In each transaction, there was no material difference between the amount of consideration paid by the Trust and the amount of consideration paid by the related party. See "Item 2.8 - Related Party Transactions".

**Certain Dividends or Distributions:** The Trust has paid dividends or distributions that exceeded cash flow from operations. See "Item 7 - Certain Dividends or Distributions".

**Conditions on Redemptions:** An investment in Trust Units should be considered a long-term investment. Even if the Manager's investment objectives and strategy are successful, the Manager anticipates that Unitholders will need to hold their investment for five (5) years or more before Unitholders may achieve a total target return of 8.0-12.0% per annum. Unitholders will not have any expected liquidity event in the short-term other than receiving cash distributions from the Trust.

**You will have a right to require the issuer to repurchase the securities from you, but this right is qualified by a specified price and restrictions and fees. As a result, you might not receive the amount of proceeds that you want. See "Item 5.1 - Terms of Securities".**

The Redemption Price payable to Unitholders redeeming Trust Units may be lower than the price per Trust Unit paid by the Unitholder for such Trust Unit. Once the monthly Trust Unit redemption threshold of one percent (1%) of the total number of Trust Units issued and outstanding at the beginning of such calendar month is reached, redeeming Unitholders may receive from the Trust (in lieu of cash), Redemption Notes. Redemption Notes will be unsecured and subordinated debt securities of the Trust. There will be no market for Redemption Notes. Redemption Notes will not be qualified investments for Registered Plans. In addition, the Trustee, on the advice of the Manager, and with the unanimous approval of the Independent Review Committee (as defined herein), may suspend the redemption of Trust Units or payment of redemption proceeds. See "Item 5.1 - Terms of Securities - Redemption of Trust Units" and "Item 10 - Risk Factors".

You will have a right to require the issuer to repurchase the securities from you, but this right is qualified by a specified price and restrictions and fees. As a result, you might not receive the amount of proceeds that you want. See "*Item 5.1 - Terms of Securities*".

**Purchaser's Rights:**

If you are purchasing Trust Units pursuant to the offering memorandum exemption contained in Section 2.9 of NI 45-106, you have two (2) Business Days to cancel your agreement to purchase these securities. If there is a misrepresentation in this Offering Memorandum, you have a right to damages or to cancel the agreement. See "*Item 13 - Purchasers' Rights*".

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## CAUTIONARY STATEMENTS

This Offering Memorandum constitutes an offering of securities only in those jurisdictions and only to those persons to whom they may be lawfully offered for sale. This Offering Memorandum is not, and under no circumstances is to be construed as, a prospectus or advertisement or a public offering of these securities. This Offering is being made pursuant to certain prospectus exemptions contained in NI 45-106. Under no circumstances will the Trust accept a subscription for Trust Units if its distribution cannot be made in reliance on any such exemption.

This Offering Memorandum does not constitute an offer to sell or the solicitation of an offer to buy securities within the U.S. or by residents of the U.S. These securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”), or any applicable state securities laws. Accordingly, except pursuant to an exemption from the registration requirements of the U.S. Securities Act and state securities laws, these securities may not be offered or sold within the U.S. or to, or for the account of benefit of, “U.S. persons” (as such term is defined in Regulation S under the U.S. Securities Act).

Prospective investors should only rely on the information in this Offering Memorandum or any related OM marketing materials and should not rely on some parts of this Offering Memorandum or OM marketing materials to the exclusion of others. No person has been 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 that is given or received must not be relied upon.

An investment in Trust Units is speculative. A potential investor should purchase Trust Units only if it is able to bear the loss of its entire investment. Potential investors should read “Item 10 – Risk Factors” prior to making an investment in Trust Units.

In this Offering Memorandum, unless otherwise indicated, all dollar amounts are expressed in Canadian dollars. References to “\$” or “C\$” are to Canadian dollars and references to “US\$” or “U.S. dollars” are to U.S. dollars.

### Forward-Looking Statements

Certain statements or information contained in this Offering Memorandum constitute “forward-looking statements” within the meaning of that phrase under applicable Canadian securities laws. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as “expects”, “does not expect”, “is expected”, “anticipates”, “does not anticipate”, “plans”, “estimates”, “believes”, “does not believe”, “continues”, “predicts”, “projects”, “seeks”, “targets”, “aims” or “intends”, or stating that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or achieved) are not statements of historical fact and may be “forward-looking statements”.

Forward-looking statements in this Offering Memorandum include, but are not limited to, statements with respect to how the available funds are anticipated to be used by the Trust; the investment criteria, objectives, restrictions and strategies of the Trust; the type of investments that will be made by the Limited Partnerships; the long term and short term objectives of the Trust; statements regarding competition faced by the Trust and the Limited Partnerships; the cost to complete the objectives of the Trust; expectations with respect to the total target return to Unitholders; when and the amount of distributions (payable in cash or by DRIP) that are anticipated to be made to the Unitholders and the Manager; the payment of the Acquisition Fee and the Management Fee, the payment of commissions and fees to sellers and finders, including the Series B Servicing Fee, Series C Servicing Fee and Series US\$ Servicing Fee; the future offering price of the Trust Units; treatment under governmental regulatory regimes and tax laws; statements with regard to the expected development timeline of certain Investments; the Manager’s identification of and the Trust’s focus on investing new capital into certain Investment Themes; the sustainable growth of the Trust’s portfolio of Investments; anticipated demand increase for U.S. imports and exports from Mexico; the continued yield from self-storage assets; financial and business prospects and financial outlook. In developing the forward-looking statements, the Manager has made assumptions with respect to, among other things, the Trust’s qualification as a “mutual fund trust” and not a SIFT Trust under the Tax Act, the economic environment and its impact on real estate prices and occupancy levels in

the markets where the Manager will invest the capital of the Trust, the state of debt capital markets and its impact on the Manager's ability to source mortgages and lend to borrowers, and the expectation that there will be a market for the Manager to be able to dispose of assets on behalf of the Trust.

In addition to other factors and assumptions which may be identified in this Offering Memorandum, assumptions have been made regarding, among other things: general economic, market, business and geopolitical conditions; that the global economy, financial markets and economic conditions in Canada and the U.S. will not, in the long-term, be adversely impacted by COVID-19; the Trust's qualification as a "mutual fund trust" and not a "SIFT trust" under the Tax Act; the use of proceeds of the Offering; the retention of sellers and finders in connection with the Offering and payment of service fees (including the Series B Servicing Fee, Series C Servicing Fee and Series US\$ Servicing Fee) to such sellers and finders; the business to be conducted by the Trust and the Limited Partnerships; the general stability of the economic and political environment in which the Trust and the Limited Partnerships operate; the Trust's Investment Objectives and Investment Themes; timing and payment of distributions; amendments to environmental legislation; treatment under governmental regulatory regimes, securities laws and tax laws; the ability of the Manager to obtain and keep qualified staff, equipment and services in a timely and cost efficient manner; the valuation of the Trust's and the Limited Partnerships' Investments; the possibility of substantial redemptions of Trust Units; and currency, exchange and interest rates.

Forward-looking statements are based on the current expectations, estimates and projections of the Trust and the Manager and involve a number of known and unknown risks and uncertainties which would cause actual results or events to differ materially from those presently anticipated, including those risks described under "Item 10 - Risk Factors". Factors which could cause actual results, events, circumstances, expectations or performance to differ materially from those expressed or implied in forward-looking statements include, but are not limited to, availability of investments that meet the Trust's investment objectives; general economic, political, market and business factors and conditions; interest rate fluctuations; actual, potential or perceived conflicts of interest; statutory and regulatory developments; unexpected judicial or regulatory proceedings; catastrophic events; and other factors set out under the heading "Item 10 - Risk Factors". Except as otherwise required by law, the Trust does not intend to, and assumes no obligation to, update or revise these or other forward-looking statements it may provide, whether as a result of new information, plans or events or otherwise. Readers are cautioned not to place undue reliance on these forward-looking statements as there can be no assurance that the condition, events, plans and assumptions on which they are based will occur.

This Offering Memorandum and certain of the documents (or part thereof) incorporated by reference contain future-oriented financial information and financial outlook information (collectively, "**FOFI**") about the Trust's prospective results, which are subject to the same assumptions, risk factors, limitations and qualifications as set forth in the above paragraphs. FOFI contained in this Offering Memorandum and certain of the documents (or part thereof) incorporated by reference are made as of the date of this Offering Memorandum or the document incorporated by reference, as applicable, and is provided for the purpose of providing further information about the Trust's business operations and the anticipated effects of the Trust's Investments. Readers are cautioned that the FOFI contained in this Offering Memorandum or in any document (or part thereof) incorporated by reference should not be used for purposes other than for which it is disclosed herein.

Although the Trust and the Manager believe that the expectations reflected in the forward-looking statements and FOFI are reasonable, they cannot guarantee future results, levels of activity, performance or achievement. The Trust's actual results, performance or achievement could differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, the Trust. 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 and the Limited Partnerships will derive therefrom. Because of the risks, uncertainties and assumptions set forth in the above paragraphs, prospective investors should not place undue reliance on forward-looking statements or FOFI.

The Manager has included the above summary of forward-looking statements 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. These forward-looking statements and FOFI are made as of the date of this Offering Memorandum and the Trust and the Manager disclaim any intent or obligation to update publicly any forward-looking statements or FOFI, whether as a result of new information, future events or results or

otherwise, other than as required by applicable securities laws. Investors should read this entire Offering Memorandum and all consult with their own professional advisors to ascertain and access the income tax, legal, risks and other aspects of their investment in the Trust Units. The forward-looking statements and FOFI contained or incorporated by reference in this Offering Memorandum are expressly qualified by the foregoing cautionary statements.

## **Marketing Materials**

Any “**OM marketing materials**” (as such term is defined in NI 45-106) related to each distribution under this Offering Memorandum and delivered or made reasonably available to a prospective purchaser before the termination of such distribution will be, and will be deemed to be, incorporated by reference into this Offering Memorandum, provided that any OM marketing materials to be incorporated by reference into this Offering Memorandum are not part of the Offering Memorandum to the extent that the contents of such OM marketing materials have been modified or superseded by a statement contained in an amended and restated Offering Memorandum or OM marketing materials subsequently delivered or made reasonably available to a prospective purchaser prior to the execution of the subscription agreement by the purchaser. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement is not deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded is not deemed, except as so modified or superseded, to constitute a part of this Offering Memorandum.

## **Industry and Market Data**

This Offering Memorandum, and OM marketing materials incorporated by reference herein, may contain statistical data, market research and industry forecasts that were obtained from government or other industry publications and reports or are based on estimates derived from such publications and reports. Government and industry publications and reports generally indicate that they have obtained their information from sources believed to be reliable, but do not guarantee the accuracy and completeness of their information. While the Trust believes this data to be reliable, market and industry data is subject to variations and cannot be verified with complete certainty due to limits on the availability and reliability of raw data, the voluntary nature of the data gathering process and other limitations and uncertainties inherent in any statistical survey. The Trust has not independently verified any of the data from independent third party sources referred to in this Offering Memorandum or ascertained the underlying assumptions relied upon by such sources.

## **Supplementary Financial Information**

In addition to using financial measures prescribed by IFRS, this Offering Memorandum contains references to “LTV” and “LTC” which are measures that do not have standardized meanings as prescribed by IFRS and are not represented in the financial statements of the Trust. These measures are not necessarily comparable to similar measures presented by other issuers in similar or different industries and should be considered as supplemental in nature and not as substitutes for related financial information prepared in accordance with IFRS.

The Manager uses “LTV” and “LTC” to aid in assessing the relative debt risk of the Trust and/or a property or mortgage, held by a Limited Partnership and provides this additional measure so that readers may do the same. The Manager believes references to “LTV” and “LTC” supplement IFRS measures and provide readers with a more comprehensive understanding of the Manager’s perspective on the Trust’s debt levels and financing risk. Caution should be used if any comparisons are made to other issuers. Loan-to-value ratio (“**LTV**”) and Loan-to-cost ratio (“**LTC**”) with respect to a property is a measure of risk calculated as: (a) the total mortgage loan amount (current principal balance plus accrued interest) in respect of a property portfolio or any property, divided by (b) in the case of LTV, the estimated value of the property portfolio or any property or (c) in the case of LTC, the estimated cost of construction of the property portfolio or any property at acquisition. The Manager uses LTV to determine the level of exposure to the risk of the property portfolio or any property held by a Limited Partnership. LTV with respect to mortgages is a measure of risk calculated as: (a) the total mortgage amount (current principal balance plus accrued interest) in respect of the mortgage portfolio or any mortgage, divided by (b) the estimated value of



the subject real estate securing the mortgage portfolio or any mortgage. The Manager uses LTV to determine the level of exposure to the risk of the mortgage portfolio or any mortgage held by a Limited Partnership. The Manager uses LTC to determine the level of exposure to the risk of the property portfolio or any property to be acquired by a Limited Partnership. However, LTV and LTC are not reliable indicators of the Trust's future performance and future performance may not compare to the performance in previous periods.

## GLOSSARY

In addition to certain other terms defined elsewhere in the Offering Memorandum, when used in this Offering Memorandum, the following terms have the following meanings:

**"Acquisition Fee"** means the fee payable to the Manager equal to: (a) one percent (1.0%) of the purchase price of any property acquired by a Limited Partnership; or (b) one percent (1.0%) of the capital committed to any other investment made by a Limited Partnership; in each case, multiplied by the percentage interest of such Limited Partnership held by the Trust at the time of acquisition or capital commitment.

**"Advantaged DRIP™ Strategy"** shall have the meaning ascribed thereto in "Item 5.1 - Terms of Securities - Distribution Reinvestment Plan".

**"Applicable Laws"** means all applicable provisions of law, domestic or foreign, including, without limitation, the *Securities Act* (Alberta).

**"Auditor"** means the firm of chartered accountants appointed as the auditors of the Trust from time to time, which is currently KPMG LLP.

**"Basic Strategy"** shall have the meaning ascribed thereto in "Item 5.1 - Terms of Securities - Distribution Reinvestment Plan".

**"Business Day"** means any day which is not a Saturday, Sunday or statutory holiday in the Province of Alberta.

**"Canada-U.S. IGA"** shall have the meaning ascribed thereto in "Item 8.2 - Canadian Federal Income Tax Considerations - International Information Reporting Requirements".

**"Cash Flow of the Trust"** means, for, or in respect of, any Distribution Period, the sum of all cash amounts which are received by the Trust for, and in respect of, the Distribution Period, including, without limitation, interest, dividends, distributions, proceeds from the disposition of Securities, returns of capital and repayments of indebtedness and all amounts received by the Trust in any prior Distribution Period to the extent those amounts were not included in the calculation of Cash Flow of the Trust in that prior Distribution Period and were not previously distributed; less the sum of: (a) all costs, expenses, liabilities, obligations or amounts of the Trust which, in the opinion of the Trustee, may reasonably be considered to have accrued and become owing by the Trust in respect of, or which relate to, such Distribution Period or a prior Distribution Period if not accrued or deducted in determining the Cash Flow of the Trust in that prior period, including, without limitation, any tax liabilities of the Trust; (b) all amounts which relate to the redemption or repurchase of Trust Units or other Securities of the Trust by the Trust and which have been paid or became payable in cash by the Trust in such Distribution Period; and (c) the net proceeds of any issuance of Trust Units or Securities of the Trust after deducting any associated expenses or commissions.

**"conflict of interest matter"** shall have the meaning ascribed thereto in "Item 3.6 - Conflicts of Interest and Duties of the Independent Review Committee".

**"CORRA"** means the Canadian Overnight Repo Rate Average administered and published by the Bank of Canada (or any successor administrator).

**"COVID-19"** means the COVID-19 coronavirus, which the World Health Organization declared to be a pandemic on March 11, 2020.

**"CRA"** means the Canada Revenue Agency.

**"Credit Facility"** shall have the meaning ascribed thereto in "Item 4.2 - Indebtedness".

**"Deed of Trust"** means the amended and restated deed of trust dated December 1, 2022 among the Trustee, as settlor, and all persons who become holders of Trust Units as provided therein, as the same may be supplemented, amended or amended and restated from time to time.

**“Determination Time”** means the particular time on a date which the Net Asset Value and each Series Net Asset Value are determined.

**“Distributable Income”** means, for, or in respect of, a Distribution Period, the Cash Flow of the Trust for such Distribution Period less any amount which the Trustee may reasonably consider to be necessary to: (a) provide for the payment of any costs, expenses, liabilities, obligations or amounts which are reasonably expected to be incurred by the Trust (including Management Fees); (b) be retained by the Trust to comply with such limits or restrictions as may be agreed to between the Trustee and any lender(s) of the Trust or contained in any loan agreement(s) entered into by the Trust or any subsidiary or affiliate of the Trust; (c) be retained for a reserve to stabilize distributions; (d) make allowances for contingencies or for working capital, investments or acquisitions; and (e) provide for the payment of any income tax liability of the Trust.

**“Distribution Amount”** shall have the meaning ascribed thereto in “Item 5.1 – Terms of Securities – Distributions”.

**“Distribution Payment Date”** means a date on which the Trustee has determined to make a distribution of Distributable Income, which date shall be on or about the 15<sup>th</sup> day of the next calendar month immediately following the end of a Distribution Period or, if any such day is not a Business Day, the next following Business Day or such other date as may be determined from time to time by the Trustee or Manager.

**“Distribution Period”** means the period between two (2) consecutive Distribution Record Dates commencing from and including the day next following the first Distribution Record Date to and including the second Distribution Record Date.

**“Distribution Record Date”** means the last calendar day of each month, or such other dates as may be determined from time to time by the Trustee.

**“DRIP”** means the distribution reinvestment plan of the Trust.

**“Extraordinary Resolution”** means a resolution proposed to be passed as an extraordinary resolution at a meeting of Unitholders (including an adjourned meeting) duly convened for that purpose and held in accordance with the provisions of the Deed of Trust at which two (2) or more individuals are present in person either holding personally or representing by proxy in aggregate not less than ten percent (10%) of all votes entitled to be voted at the meeting and passed by the affirmative votes of the holders of more than sixty-six and two-thirds percent (66 $\frac{2}{3}$ %) of the votes cast by the Unitholders of the particular class or series of Trust Units entitled to vote on such resolution and represented at the meeting and voted on a poll upon such resolution or approved in writing in one or more counterparts by Unitholders holding at least sixty-six and two-thirds percent (66 $\frac{2}{3}$ %) of the votes represented by the class or series of Trust Units entitled to vote on such resolutions.

**“FATCA”** shall have the meaning ascribed thereto in “Item 8.2 – Canadian Federal Income Tax Considerations – International Information Reporting Requirements”.

**“Governmental Authority”** shall mean: (a) any nation, province, state, county, city or other jurisdiction; (b) any federal, provincial, state, local, municipal, foreign or other government; (c) 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); (d) any body exercising, or entitled or purporting to exercise, any administrative, executive, judicial, legislative, regulatory or taxing authority or power; or (e) any official of the foregoing.

**“Gross Subscription Proceeds”** means the gross subscription proceeds received by the Trust in respect of the issuance of one or more series of Trust Units under this Offering, as applicable.

**“ICM Asset Management”** means ICM Asset Management Corporation, the sole shareholder of the Manager.

**“ICM Distribution Amount”** shall have the meaning ascribed thereto in “Item 5.1 – Terms of Securities – Distributions”.

**“ICM IM”** means ICM Investment Management Inc.

**"ICM LPs"** means, collectively, Limited Partnerships and any subsidiary limited partnerships.

**"ICM Participating Factor"** means one (1) minus the applicable ICM Participating Interest as of the Distribution Record Date.

**"ICM Participating Interest"** means the five percent (5%) interest of the Distributable Income and equity of the Trust that the holder of the Series ICM Trust Unit is entitled to.

**"ICM Parties"** or **"ICM"** means, collectively, the Manager, any affiliates, associates and sub-contractors of the Manager and any directors, officers, employees and individual shareholders of the foregoing, and **"ICM Party"** means any one of them.

**"IFRS"** means international financial reporting standards.

**"Independent Review Committee"** means the independent review committee established and maintained by the Manager comprised of not less than two (2) independent members. At all times, all members of the independent review committee shall be "independent" as such term is defined in NI 81-107. For clarity, NI 81-107 does not apply to the Trust but is being referred to for definitional purposes for the meaning of the term "independent" or "independence". See "Item 3.6 - Conflicts of Interest and Duties of the Independent Review Committee".

**"Investment(s)"** means any investment, direct or indirect, in real property or real property-based yield generating investments.

**"Investment Objectives"** shall have the meaning ascribed thereto in "Item 2.2 - The Trust's Business - Investment Objectives".

**"Investment Restrictions"** shall have the meaning ascribed thereto in "Item 2.2 - The Trust's Business - Investment Restrictions".

**"Investment Theme"** and **"Investment Themes"** shall have the meanings ascribed thereto in "Item 2.2 - The Trust's Business - Investment Themes".

**"Limited Partnerships"** means limited partnerships through or by which the Trust invests the proceeds of the Offering, as determined by the Manager in its sole discretion. The Manager will control and/or have significant influence over each Limited Partnership.

**"Limited Partnership Units"** means any unit of an ICM LP.

**"LTC"** means loan-to-cost.

**"LTV"** means loan-to value.

**"Manager"** means ICM IM, in its capacity as investment fund and portfolio manager of the Trust pursuant to the Portfolio Management Agreement, or such other Person or Persons as the Trustee may appoint as investment fund and portfolio manager from time to time in place of ICM IM.

**"Management Fee"** means the portfolio and investment fund management fee, calculated and payable monthly, to be paid to the Manager for investment fund and portfolio management and administrative services described in the Portfolio Management Agreement in an amount equal to: (a) 1.90% annually of the Series Net Asset Value of the Series B Trust Units; (b) 1.65% annually of the Series Net Asset Value of the Series C Trust Units and (c) 1.90% annually of the Series Net Asset Value of the Series US\$ Trust Units. The Management Fee is treated as an expense attributed to a particular series.

**"Net Asset Value"** or **"NAV"**, as of any Determination Time, shall equal: (a) the fair market value of the Trust Assets, including its interests in affiliates, as of that Determination Time, less the value of the Trust Liabilities; (b) multiplied by the ICM Participating Factor; as of that Determination Time as determined by the Manager or Trustee, acting

reasonably and in good faith, having reference to financial statements and such other information as the Trustee or Manager may consider appropriate.

**"NI 45-106"** means National Instrument 45-106 - *Prospectus Exemptions*.

**"NI 81-107"** means National Instrument 81-107 - *Independent Review Committee for Investment Funds*.

**"Non-Residents"** means: (a) a Person (other than a partnership) who is not resident in Canada for purposes of the Tax Act; and (b) a partnership other than a "Canadian partnership" within the meaning of the Tax Act.

**"Offering"** means the offering of Series B Trust Units, Series C Trust Units and Series US\$ Trust Units, pursuant to this Offering Memorandum.

**"Offering Costs"** means expenses associated with the sale of Series B Trust Units, Series C Trust Units, and Series US\$ Trust Units which shall not exceed two percent (2.0%) of the Gross Subscription Proceeds received under this Offering. Offering Costs include legal, accounting, audit, printing, filing, transfer agent, marketing, wholesaling and other costs and fees associated with the Offering, including the preparation of the Offering Memorandum. A portion of the Offering Costs, including legal, transfer agency, marketing and wholesaling costs may be performed by the ICM Parties, and recovered by the Manager from the Trust at rates not to exceed market rates, with such recovery to be unanimously approved by the Independent Review Committee.

**"Offering Memorandum"** means this offering memorandum of the Trust, prepared in connection with the Offering of Series B Trust Units, Series C Trust Units, and Series US\$ Trust Units by the Trust.

**"Operating Costs"** means expenses associated with the ongoing operation of the Trust or a Limited Partnership, as applicable, and include legal, accounting, audit, printing, filing, transfer agency, marketing, transaction costs and other costs and fees associated with the operation of the Trust or a Limited Partnership, as applicable. Operating Costs relating to legal and transfer agency matters may be performed by ICM Parties, and recovered by the Manager from the Trust at rates not to exceed market rates, with such recovery to be unanimously approved by the Independent Review Committee.

**"Person"** means any individual, company, corporation, limited partnership, general partnership, firm, joint venture, syndicate, trust, joint stock company, limited liability corporation, association, bank, pension fund, business trust or other organization, whether or not a legal entity, and any Governmental Authority or any other form of entity or organization.

**"Portfolio Management Agreement"** means the amended and restated portfolio and investment fund management agreement between the Trust and the Manager dated December 31, 2020.

**"Redemption Date"** means the last Business Day of any calendar month.

**"Redemption Notes"** means promissory notes issued in series, or otherwise, by the Trust pursuant to a note indenture or note certificate and issued to redeeming Unitholders in principal amounts equal to the Redemption Price of the Trust Units to be redeemed (as applicable) and having the following terms and conditions:

- (a) unsecured and bearing interest from and including the issue date of each such note at the rate of interest per annum equal to the rate which the Canadian Imperial Bank of Commerce in Calgary, Alberta quotes, publishes and refers to as its "prime rate" and which is its reference rate of interest for loans in Canadian dollars made in Canada to Canadian borrowers plus 25bps determined at the time of issuance by the Manager, and payable monthly 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 with holders of such Senior Indebtedness;

- (c) subject to earlier prepayment, having maturity dates as set by the Manager, provided however that such maturity dates shall not be later than eighteen (18) months from the date of issue of the Redemption Note; and
- (d) subject to such other standard terms and conditions as would be included in a note indenture or certificate for promissory notes of this kind, as may be approved by the Manager.

**"Redemption Note Issuance Notice"** shall have the meaning ascribed thereto in "Item 5.1 - Terms of Securities - No Cash Redemption in Certain Circumstances".

**"Redemption Price"** for:

- (a) a Series B Trust Unit and Series US\$ Trust Unit shall be equal to ninety percent (90%) of the Series Net Asset Value per Unit until the end of the first (1<sup>st</sup>) year, ninety-two percent (92%) of the Series Net Asset Value per Unit until the end of the second (2<sup>nd</sup>) year, ninety-four percent (94%) of the Series Net Asset Value per Unit until the end of the third (3<sup>rd</sup>) year, ninety-six percent (96%) of the Series Net Asset Value per Unit until the end of the fourth (4<sup>th</sup>) year, ninety-eight percent (98%) of the Series Net Asset Value per Unit until the end of the fifth (5<sup>th</sup>) year following the purchase or acquisition of the Trust Units from the Trust, and one-hundred percent (100%) thereafter; and
- (b) a Series C Trust Unit shall be equal to ninety percent (90%) of the Series Net Asset Value per Unit until the end of the first (1<sup>st</sup>) year, ninety-two and a half percent (92.5%) of the Series Net Asset Value per Unit until the end of the second (2<sup>nd</sup>) year, ninety-five percent (95%) of the Series Net Asset Value per Unit until the end of the third (3<sup>rd</sup>) year, ninety-seven and a half percent (97.5%) of the Series Net Asset Value per Unit until the end of the fourth (4<sup>th</sup>) year following the purchase or acquisition of the Trust Units from the Trust, and one-hundred percent (100%) thereafter.

**"Registered Plan"** means a trust governed by a registered retirement savings plan ("**RRSP**"), registered retirement income fund ("**RRIF**"), deferred profit sharing plan, registered disability savings plan ("**RDSP**"), registered education saving plan ("**RESP**"), tax-free savings account ("**TFSA**") or first home savings account ("**FHSA**"), each as defined in the Tax Act, and collectively herein referred to as "**Registered Plans**".

**"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.

**"related party"** has the meaning ascribed thereto in NI 45-106.

**"Selling Agents"** means registered dealers, financial advisors, sales persons, wholesalers, brokers, intermediaries or other eligible persons offering the Trust Units for sale pursuant to this Offering Memorandum, including ICM IM.

**"Senior Indebtedness"** means, at any time, all indebtedness, liabilities and obligations of the Trust which, by the terms of the instrument creating or evidencing the same, is not expressed to rank in right of payment in subordination to or *pari passu* with the indebtedness evidenced by the Redemption Notes or any of them.

**"Series A Trust Unit"** means a series A trust unit of the Trust.

**"Series Adv Trust Unit"** means a series Adv trust unit of the Trust.

**"Series B Servicing Fee"** shall have the meaning ascribed thereto in "Item 9 - Selling Agents and Compensation Paid to Sellers and Finders".

**"Series B Trust Unit"** means a series B trust unit of the Trust.

**“Series C Servicing Fee”** shall have the meaning ascribed thereto in “Item 9 – Selling Agents and Compensation Paid to Sellers and Finders”.

**“Series C Trust Unit”** means a series C trust unit of the Trust.

**“Series D Trust Unit”** means a series D trust unit of the Trust.

**“Series Distribution Amount”** shall have the meaning ascribed thereto in “Item 5.1 – Terms of Securities – Distributions”.

**“Series E Trust Unit”** means a series E trust unit of the Trust.

**“Series Expenses”** means, in respect of any particular series of Trust Units, the expenses of such series of Trust Units for the Distribution Period that are referable specifically to that series.

**“Series F Trust Unit”** means a series F trust unit of the Trust.

**“Series F-US\$ Trust Unit”** means a series F-US\$ trust unit of the Trust.

**“Series I Trust Unit”** means a series I trust unit of the Trust.

**“Series ICM Trust Unit”** means a series ICM trust unit of the Trust.

**“Series Liabilities”** means, in respect of any particular series of Trust Units, the liabilities of such series of Trust Units for the Distribution Period that are referable specifically to that series.

**“Series Net Asset Value”**, as of the Determination Time on the date of determination (the **“Relevant Time”**) shall be equal to: (a)(i) the Series Net Asset Value calculated in respect of that series on the immediately preceding Determination Time (the **“Previous Time”**), determined without reference to the ICM Participating Factor; (ii) plus the increase in Trust Assets due to Trust Unit issuances in respect of Trust Units of that series (net of commissions and other fees paid to selling agents, and net of offering costs associated with such series) issued after the Previous Time; (iii) minus the decrease in Trust Assets due to redemptions of Trust Units of that series redeemed after the Previous Time; (iv) minus the aggregate of additional Series Expenses, including Management Fees, and any Series Liabilities in respect of that series of Trust Units accrued at the Relevant Time; (v) minus any amounts paid since the Previous Time by way of cash distributions to Unitholders of that series; and (vi) plus or minus that series’ share (as determined by the ratio of the Series Net Asset Value calculated in respect of that series as at the Previous Time to the Net Asset Value of the Trust at the Previous Time) of market appreciation or depreciation of the Trust Assets on the Relevant Time from the Previous Time; (b) multiplied by the ICM Participating Factor.

**“Series Net Asset Value per Unit”** means, in respect of any particular series of Trust Units, the Series Net Asset Value of such series in effect at that time, divided by the number of Trust Units of such series outstanding at such time.

**“Series Ratio”** means the product of:

- (a) the Series Net Asset Value calculated in respect of that series as at the applicable Determination Date, divided by Net Asset Value as at the applicable Determination Date; and
- (b) the ICM Participating Factor.

**“Series US\$ Trust Unit”** means a series US\$ trust unit of the Trust.

**“Series US\$ Servicing Fee”** shall have the meaning ascribed thereto in “Item 9 – Selling Agents and Compensation Paid to Sellers and Finders”.

**“SIFT Trust”** shall have the meaning ascribed thereto in “Item 8.2 – Canadian Federal Income Tax Considerations – SIFT Measures”.

**“Tax Act”** means the *Income Tax Act* (Canada), as amended from time to time.

**“Trust”** means ICM Property Partners Trust, an unincorporated, open-ended investment trust formed in the Province of Alberta on May 14, 2018.

**“Trust Assets”**, at any time, means all monies, properties and other assets as are at such time held by the Trustee on behalf of the Trust including, without limitation: (a) the initial contribution; (b) all funds or property realized from the issuance or sale of Trust Units or any other Securities of the Trust or cash received from time to time; (c) all Securities held by the Trustee on behalf of the Trust, including Investments; (d) permitted investments, including units of Limited Partnerships; (e) any Securities issued to the Trust as distributions in respect of the Securities held by the Trustee on behalf of the Trust; (f) any proceeds of disposition of any of the foregoing property; and (g) all income, interest, dividends, returns of capital, profit, gains and accretions and all substituted assets, rights and benefits of any kind or nature whatsoever arising directly or indirectly from or in connection with or accruing to such foregoing property or such proceeds of disposition.

**“Trust Liabilities”** means any liability, direct or indirect, absolute or contingent, in contract or in tort or of any other kind to any person in connection with: (a) the Trust Assets or the ownership, use, operation, acquisition or disposition thereof or the exercise or enjoyment of the rights, privileges, conditions or benefits attached thereto, associated therewith or derived therefrom; (b) the obligations or the activities or affairs of the Trust; (c) any actual or alleged act or omission of the Trustee or by any other person in respect of the activities or affairs of the Trust (whether or not authorized by or pursuant to the Deed of Trust); (d) any act or omission of the Trustee or any other person in the performance or exercise, or purported or attempted performance or exercise, of any obligation, power, discretion or authority conferred upon the Trustee or such other person in respect of the activities or affairs of the Trust (whether or not authorized by or pursuant to the Deed of Trust); (e) any transaction entered into by the Trustee or by any other person in respect of the activities or affairs of the Trust (whether or not authorized by or pursuant to the Deed of Trust); or (f) except in respect to withholding taxes, any taxes, levies, imposts or charges or fines, penalties or interest in respect thereof or in addition thereto payable by the Trust or by the Trustee or by any other Person on behalf of or in connection with the activities or affairs of the Trust.

**“Trust Units”** means collectively, the Series A Trust Units, Series Adv Trust Units, Series B Trust Units, Series C Trust Units, Series D Trust Units, Series E Trust Units, Series F Trust Units, Series F-US\$ Trust Units, Series I Trust Units, Series US\$ Trust Units and Series ICM Trust Unit of beneficial interest in the Trust and includes a fraction of a unit of the Trust.

**“Trustee”** means ICM Property Partners Trustee Inc., a corporation incorporated under the laws of the Province of Alberta, as the initial trustee of the Trust.

**“Unitholder”** means a holder of record of any Trust Unit.

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



## SUMMARY OF THIS OFFERING MEMORANDUM

The following is a summary of the principal features of this Offering Memorandum and should be read together with the more detailed information contained elsewhere in this Offering Memorandum.

### **The Trust and the Limited Partnerships:**

The Trust is an unincorporated, open-ended investment trust created on May 14, 2018, and is governed by the Deed of Trust and the laws of the Province of Alberta. The Trust has been established for the principal purpose of investing directly or indirectly in real property or real property-based yield generating investments, through the use of Limited Partnerships. Since inception, the Trust has raised approximately \$447.3 million. As of April 30, 2024, the Trust holds varying interests in 57 properties, including debt and equity interests.

Although it is intended that the Trust qualify as a “mutual fund trust” pursuant to the Tax Act, the Trust will not be a “mutual fund” or “investment fund” under applicable securities laws.

See “Item 2.1 - Structure - The Trust”, “Item 2.2 - The Trust’s Business” and “Item 2.3 - General Development of the Trust”.

### **Investment Objectives and Strategy:**

The Trust’s Investment Objectives are to:

1. protect and diversify Unitholder capital;
2. generate monthly distributions, payable in cash or by DRIP, equal to 5.0-6.0% per annum, depending on the series of Trust Units in which a Unitholder invests, beginning in the month of such Unitholder’s investment in the Trust; and
3. generate medium to long-term capital growth such that Unitholders achieve a total target return of 8.0-12.0% per annum, subject to the Unitholder holding its Trust Units for a hold period of five (5) years or more, depending on the series of Trust Units in which a Unitholder invests and the DRIP strategy that such Unitholder elects to pursue.

The Manager implements a three-phase investment strategy on behalf of the Trust:

1. **Identify an investment theme and allocate capital:** The Manager seeks high population, job and wage growth markets with compelling supply/demand fundamentals for specific property types, and identifies Investment Themes that are underpinned by long-term and/or event driven real estate trends and that it believes will generate strong risk-adjusted returns (collectively, the “**Investment Themes**” and each an “**Investment Theme**”). Upon identification of an Investment Theme, the Manager seeks off-market opportunities to invest in generally institutional quality properties or projects, and retains control features in each deal. Each project is underwritten by the Manager based on its knowledge and analysis of markets, property types, capital markets, and other unique characteristics, with each project having a bespoke business plan or investment strategy that the Manager and/or its partners seek to successfully execute.
2. **Execute project strategy:** After making an investment, the Manager takes an active management approach, regularly monitoring the project and market fundamentals, and continuously communicating with partners about deal strategy and any project adaptations as may be required. The Manager leverages its strong relationships with local real estate communities to maximize project success.
3. **Realize returns:** On an ongoing basis, the Manager performs sell/hold analysis of each asset in the Trust’s portfolio based on its continual re-evaluation of the underlying Investment Themes that it believes are appropriate from time to time and its assessment of the particular attributes of each project amid evolving global and regional real estate markets. As it believes appropriate, the Manager will seek liquidity for certain assets via either disposition or refinancing, with a view to then redeploying

capital into new projects in Investment Themes that the Manager believes will outperform.

The Trust is currently focused on investing new capital into four high conviction Investment Themes:

1. Industrial: Nearshoring and E-Commerce;
2. Residential: Undersupplied Growth Markets;
3. Hospitality: Iconic Destinations; and
4. Self-Storage: Class A Canadian.

The Trust also holds office assets in the U.S. Sunbelt. However, the Trust is currently not investing further additional capital in office properties.

See “Item 2.2 - The Trust’s Business - Investment Objectives” and “Item 2.2 - The Trust’s Business - Investment Themes”.

**The information and expectations presented above are forward-looking statements and are based on the Manager’s reasonable assumptions as at the date of this Offering Memorandum. There can be no assurance that the conditions, events, plans and assumptions on which such forward-looking statements are based will occur.**

See “Item 10 - Risk Factors”.

**Assets Held:**

As at April 30, 2024, the Trust, through its investments in the Limited Partnerships, had exposure to 57 Investments across its Investment Themes, including debt and equity interests. The chart below shows the allocation of the Trust’s Investments to the Investment Themes as at April 30, 2024. Such allocation will change over time as the Manager allocates capital to investment opportunities.



**Industrial: Nearshoring and E-Commerce**

As at April 30, 2024, the Trust, through its investments in the Limited Partnerships, had exposure to 11 Investments in the “Industrial: Nearshoring and E-Commerce” Investment Theme. The Trust aims to create value for its investors by capitalizing on the amplified demand for industrial space due to the accelerated adoption of e-commerce and the reshaping of supply chains. The Investments are located in Canada, Mexico and the U.S.

**Residential: Undersupplied Growth Markets**

As at April 30, 2024, the Trust, through its investments in the Limited Partnerships, had exposure to 19 Investments in the “Residential: Undersupplied Growth Markets” Investment Theme. The Trust aims to create value for its investors by capitalizing on strong population growth trends while addressing housing shortages. The Investments are located in Canada, Mexico and the U.S.

#### **Hospitality: Iconic Destinations**

As at April 30, 2024, the Trust, through its investments in the Limited Partnerships, had exposure to 4 Investments in the “Hospitality: Iconic Destinations” Investment Theme. The Trust aims to create value for its investors by capitalizing on the demand for unique and immersive travel experiences. The Investments are located in Canada, Mexico and the U.S.

#### **Self-Storage: Class A Canadian**

As at April 30, 2024, the Trust, through its investments in the Limited Partnerships, had exposure to 10 Investments in the “Self-Storage: Class A Canadian” Investment Theme. The Trust aims to create value for its investors by capitalizing on being an early mover in a significantly underdeveloped self-storage market. All Investments are located in Canada.

#### **Office: U.S. Sunbelt**

As at April 30, 2024, the Trust, through its investments in the Limited Partnerships, had exposure to 5 Investments in the “Office: U.S. Sunbelt” Investment Theme. Although the Trust is currently not investing further capital into office properties, the Trust aims to create value for its investors by capitalizing on strong population and job growth projections, coupled with a gradual return to office-based work. All Investments are located in the U.S.

#### **Portfolio Performance:**

For a summary of the performance of Trust Units, including historical returns and historical distributions, see “*Item 2.2 - The Trust’s Business - Performance of the Trust*” and “*Item 2.2 - The Trust’s Business - Distribution History*”.

Past performance is not indicative of future results. See also “*Item 10 - Risk Factors*”. For more information, see the financial statements of the Trust attached to this Offering Memorandum.

#### **The Offering:**

Trust Units are offered to persons resident in Canada pursuant to certain exemptions from the prospectus requirements contained in the securities legislation of Canada. Under no circumstances will the Manager accept a subscription for Trust Units if its distribution cannot be made in reliance on any such exemption.

Any monies received with a rejected order will be promptly refunded without any interest.

See “*Item 5.2 - Subscription Procedure*”.

#### **Securities Offered:**

The Offering consists of Series B Trust Units, Series C Trust Units and Series US\$ Trust Units.

The Trust Units are the same in all respects with the exception of selling commissions, redemption terms, setup and offering costs, management fees and servicing fees paid or to be paid to Selling Agents. See “*Item 9 - Selling Agents and Compensation Paid to Sellers and Finders*”.

#### **Price per Security:**

The price per Series B Trust Unit, Series C Trust Unit and Series US\$ Trust Unit will be determined by the Manager from time to time, and will be set forth in the subscription agreement entered into between the subscriber and the Trust, in each case. The Series B Trust Units and Series C Trust Units will be issued in Canadian dollars. The Series US\$ Trust Units will be issued in U.S. dollars. The price per Trust Unit may change over time and will be determined by the Manager based on the Net Asset Value of the Trust.

<b>Minimum/Maximum Offering:</b>	<b>There is no minimum or maximum offering. You may be the only purchaser.</b>
<b>Minimum Subscription Amount:</b>	The minimum subscription amount is \$5,000 for Series B Trust Units, \$200,000 for Series C Trust Units and US\$25,000 for Series US\$ Trust Units. The Manager, on behalf of the Trust, may in its sole discretion lower these minimum subscription amounts.  See <u>"Item 5.2 - Subscription Procedure"</u> .
<b>Payment Terms:</b>	Full payment of the subscription price will be due upon execution and delivery of the subscription agreement and related subscription documentation. Payment should be made as directed in the subscription agreement.  See <u>"Item 5.2 - Subscription Procedure"</u> .
<b>Proposed Closing Date(s):</b>	Closings will occur on the last Business Day of each month, on subscriptions received up to the date that is three (3) Business Days prior to any such closing, unless otherwise determined by the Manager in its sole discretion. See <u>"Item 5.2 - Subscription Procedure"</u> for a full listing of the proposed Closing Dates.
<b>Insufficient Funds:</b>	<b>Funds available under the Offering may not be sufficient to accomplish the proposed objectives.</b>  See <u>"Item 2.6 - Insufficient Funds"</u> and <u>"Item 10 - Risk Factors"</u> .
<b>Distribution Policy:</b>	The Trustee or the Manager, on behalf of the Trust, shall, on or before each Distribution Record Date, declare payable, to the Unitholders of record on such Distribution Record Date, the Distribution Amount.  The portion of the Distribution Amount payable for each series of Trust Units except for the Series ICM Trust Unit shall be the Series Distribution Amount. The portion of the Distribution Amount payable for the Series ICM Trust Unit shall be the ICM Distribution Amount. Each Unitholder of a series, other than the holder of the Series ICM Trust Unit, shall be entitled to a portion of the Series Distribution Amount equal to the product of (a) the number of Trust Units of such series held by such Unitholder divided by the total Trust Units in respect of that series, and (b) the Series Distribution Amount of such series. The holder of the Series ICM Trust Unit shall be entitled to the ICM Distribution Amount.  The Series Distribution Amount and the ICM Distribution Amount which have been declared to be payable to Unitholders of record in respect of a Distribution Period shall be paid in cash on the Distribution Payment Date in respect of such Distribution Period.  See <u>"Item 5.1 - Terms of Securities - Distributions"</u> and <u>"Item 10.1 - Risks Associated with the Series B Trust Units, Series C Trust Units and Series US\$ Trust Units - Distributions"</u> .
<b>DRIP:</b>	The Trust has adopted the "Advantaged DRIP™" distribution reinvestment plan that will allow eligible Unitholders to elect to have their monthly cash distributions reinvested entirely or partially in additional Trust Units on the Distribution Payment Date with a view to providing Unitholders maximum flexibility in the characteristics of their investment in the Trust. The monthly DRIP issuance price for Series B Trust Units, Series C Trust Units and Series US\$ Trust Units during the offering period and subsequent thereto shall be ninety-seven percent (97%) of NAV.  See <u>"Item 5.1 - Terms of Securities - Distribution Reinvestment Plan"</u> .
<b>Redemption and Retraction Rights:</b>	<b>You will have a right to redeem Trust Units, but this right is qualified by the Redemption Price, restrictions and fees set forth herein.</b>  An investment in Trust Units is only suitable for Subscribers who are able to make a long-term investment and do not need full liquidity with respect to this investment. Redemption rights

under the Deed of Trust are restricted and provide limited opportunity for purchasers to liquidate their investment in Trust Units.

### **Right of Redemption**

A Unitholder may redeem Trust Units in accordance with the terms of the Deed of Trust, a summary of which is set out below.

### **Exercise of Redemption Right**

Each Unitholder will be entitled to require the Trust to redeem, on a monthly basis, all or any part of the Trust Units held by it, subject to certain restrictions, by providing a duly executed notice of redemption, together with any Trust Unit certificate in respect of such Trust Units to be redeemed, if applicable, and all other supporting documentation or evidence to the transfer agent not less than ten (10) Business Days prior to the applicable Redemption Date. The Manager may waive the requirement for notice of redemption in its sole discretion. Once the Trust has received a notice to redeem from a Unitholder, the Unitholder ceases, effective the Redemption Date, to have any rights with respect to such Trust Units, other than the right to receive the redemption payment and the right to receive any distributions declared payable to the Unitholders of record on a date which is subsequent to the day of receipt by the transfer agent of such notice and before the Redemption Date.

### **Redemption Price**

The Redemption Price for a Series B Trust Unit and Series US\$ Trust Unit shall be equal to ninety percent (90%) of the Series Net Asset Value per Unit until the end of the first (1<sup>st</sup>) year, ninety-two percent (92%) of the Series Net Asset Value per Unit until the end of the second (2<sup>nd</sup>) year, ninety-four percent (94%) of the Series Net Asset Value per Unit until the end of the third (3<sup>rd</sup>) year, ninety-six percent (96%) of the Series Net Asset Value per Unit until the end of the fourth (4<sup>th</sup>) year, ninety-eight percent (98%) of the Series Net Asset Value per Unit until the end of the fifth (5<sup>th</sup>) year following the purchase or acquisition of the Trust Units from the Trust, and one-hundred percent (100%) thereafter.

The Redemption Price for a Series C Trust Unit shall be equal to ninety percent (90%) of the Series Net Asset Value per Unit until the end of the first (1<sup>st</sup>) year, ninety-two and a half percent (92.5%) of the Series Net Asset Value per Unit until the end of the second (2<sup>nd</sup>) year, ninety-five percent (95%) of the Series Net Asset Value per Unit until the end of the third (3<sup>rd</sup>) year, ninety-seven and a half percent (97.5%) of the Series Net Asset Value per Unit until the end of the fourth (4<sup>th</sup>) year following the purchase or acquisition of the Trust Units from the Trust, and one-hundred percent (100%) thereafter.

### **Cash Redemption**

Subject to the Trust's right to suspend redemptions in certain circumstances and the Trustee's right to elect to satisfy the Redemption Price by distributing Trust Assets or issuing Redemption Notes, Unitholders that have tendered Trust Units for redemption shall be entitled to receive the Redemption Price for such Trust Units in cash within ten (10) Business Days after the applicable Redemption Date.

### **No Cash Redemption in Certain Circumstances**

At the election of the Trustee, on the advice of the Manager, the Redemption Price payable in respect of Trust Units tendered for redemption by a Unitholder may be paid by the Trust by distributing or issuing any combination of the Trust Assets and/or Redemption Notes having an aggregate fair market value equal to the aggregate Redemption Price of the Trust Units tendered for redemption. Upon such distribution of assets and/or issuance of Redemption Notes, the Trust shall be discharged from all liability to the former Unitholder in respect of the

redeemed Trust Units other than any liability pursuant to any Redemption Notes held by a former Unitholder.

### **Redemption Limit**

Except as otherwise determined by the Manager, in its sole discretion, for any calendar month, other than the calendar month in which the Trust is terminated and wound up, the maximum aggregate number of Trust Units that may be redeemed by the Trust shall not exceed one percent (1%) of the total number of Trust Units issued and outstanding at the beginning of such calendar month. To the extent that the Trust has received notices of redemption where the aggregate number of Trust Units would exceed this threshold, the Trust shall redeem only such number of Trust Units as to require the redemption of an aggregate number of Trust Units in respect of redemptions equal to one percent (1%) of the total number of Trust Units issued and outstanding at the beginning of such calendar month. The Manager, on behalf of the Trustee, shall administer the foregoing and any cutbacks on a proportionate basis with respect to the aggregate number of Trust Units represented by redemption notices. Any redemption notices (or portions thereof) which are not honoured shall be honoured at the next following Redemption Date, subject in all cases to the Trust's right to suspend redemptions and the one percent (1%) per calendar month threshold described herein.

### **Redemption of Trust Units by the Trust**

At the Trustee's discretion, on the advice of the Manager, the Trust may, at any time and from time to time, provide notice to a Unitholder causing such holder to redeem its Trust Units. Any Unitholder receiving such notice shall tender its Trust Units for redemption within ten (10) Business Days at the applicable Redemption Price as determined in accordance with the Deed of Trust. Factors that the Trustee may consider in making the determination to redeem Trust Units shall include, but are not limited to, ensuring that the composition and tax-profile of the Unitholders remains such that the principal objectives of the Deed of Trust are achieved, and reducing administrative burden on the Trustee and the Manager, as applicable. For greater certainty, the Trustee may exercise its optional redemption right upon the death of a Unitholder.

### **Suspension of Redemptions**

The Trustee, on the advice of the Manager, and with the unanimous approval of the Independent Review Committee, may suspend the redemption of Trust Units or payment of redemption proceeds for any period not exceeding three-hundred sixty-five (365) days if the Trustee determines that conditions exist which render impractical the sale of Trust Assets or which impair the ability of the Trustee to accurately determine the fair market value of the Trust Units. Such conditions may include (but are not limited to) changes affecting financial markets, the private capital markets or the real estate market generally (or any sector thereof) or a material adverse change in the business and affairs of the Trust. Such suspension of redemptions will apply to all requests for redemption received prior to the suspension date but as to which payment has not been made, as well as to all requests received while the suspension is in effect. All Unitholders making such requests shall be advised by the Manager, on behalf of the Trustee, of the suspension and all such requests for redemption made during such suspension period shall be considered void and withdrawn.

See "Item 5.1 - Terms of Securities - Redemption of Trust Units", "Item 10.1 - Risks Associated with the Series B Trust Units, Series C Trust Units and Series US\$ Trust Units - Limitation on Payment of Redemption Price in Cash" and "Item 10.1 - Risks Associated with the Series B Trust Units, Series C Trust Units and Series US\$ Trust Units - Payment of Redemption Price - Issuance of Redemption Notes".

**Restriction on Transfer of Units:** Trust Units are transferable only with the consent of the Manager or the Trustee and must be recorded on the register maintained by the transfer agent in order to be binding upon the Trustee or the Trust.

See "Item 5.1 – Terms of Securities – Transfer of Trust Units".

**Fees and Expenses:** The Trust will pay the Acquisition Fee and the Management Fee to the Manager. In addition, the Manager, as the holder of the Series ICM Trust Unit, will receive the ICM Participating Interest.

#### **Management Fee and Acquisition Fee**

For providing investment fund and portfolio management and administrative services to the Trust pursuant to the Portfolio Management Agreement, the Manager will be entitled to receive:

- The Management Fee, which is calculated and payable monthly, in an amount equal to 1.90% annually of the Series Net Asset Value of the Series B Trust Units, 1.65% annually of the Series Net Asset Value of the Series C Trust Units, and 1.90% annually of the Series Net Asset Value of the Series US\$ Trust Units. The Management Fee is treated as an expense attributed to a particular series.
- The Acquisition Fee equal to: (i) one percent (1.0%) of the purchase price of any property acquired by a Limited Partnership; or (ii) one percent (1.0%) of the capital committed to any other investment made by a Limited Partnership; in each case, multiplied by the percentage interest of such Limited Partnership held by the Trust at the time of acquisition or capital commitment.

To the extent the Manager, or an affiliate thereof, performs any property management, leasing or capital project management that would not typically fall under the services described in the Portfolio Management Agreement, it may earn additional fees at market rates for such services provided and such fees shall be unanimously approved by the Independent Review Committee. See "Item 2.7 – Material Contracts – Portfolio Management Agreement".

#### **ICM Participating Interest**

One (1) Series ICM Trust Unit has been issued to the Manager, allowing the Manager to receive the ICM Participating Interest. The ICM Participating Interest entitles the Manager to a five percent (5%) interest of the Distributable Income and equity of the Trust, including a portion of the proceeds when Trust Units are redeemed.

#### **Fees and Expenses of Limited Partnerships**

There may be fees and expenses payable by the Limited Partnerships whose securities are held by the Trust, in addition to the fees and expenses directly payable by the Trust. Accordingly, the Trust bears its share of such fees and expenses. The fees and expenses of the Limited Partnerships may be higher than the fees and expenses payable by the Trust. To the extent that management fees, acquisition fees or the carried interest will be paid to the Manager or its affiliates by a Limited Partnership or other Persons whose securities are held by the Trust, the Management Fee, the Acquisition Fee and the ICM Participating Interest will be reduced to the extent that, to a reasonable person, the payment of such fees/interest would duplicate a fee payable by a Limited Partnership or other Persons whose securities are held by the Trust. No sales charges or redemption fees are payable by the Trust in relation to its purchases or redemptions of securities of the Limited Partnerships that are managed by the Manager or any of its affiliates or that, to a reasonable person, would duplicate a fee payable by Unitholders.

## Operating Costs

The Trust and the Limited Partnerships will pay for all Operating Costs. It is expected that all Operating Costs related to the management and administration of the Trust and the Limited Partnerships, including the making of Investments, will be conducted by the Manager in consideration for the Management Fee and the Acquisition Fee, provided that Operating Costs relating to legal and transfer agency matters may be performed by ICM Parties, and recovered by the Manager from the Trust at rates not to exceed market rates, with such recovery to be unanimously approved by the Independent Review Committee.

Further, the Trust shall be responsible and shall reimburse the Portfolio Manager for the costs and expenses of the Portfolio Manager directly related to the operation of the Trust to the extent that the Trust is responsible for such costs and expenses. See "Item 2.7 - Material Contracts - Portfolio Management Agreement - Fees and Expenses".

## Offering Costs

The Trust and the Limited Partnerships will pay for all Offering Costs. A portion of the Offering Costs, including legal, transfer agency, marketing and wholesaling costs may be performed by employees of the Manager, and recovered by the Manager from the Trust at rates not to exceed market rates, with such recovery to be unanimously approved by the Independent Review Committee, provided that the Manager will pay, without reimbursement, any Offering Costs in excess of two percent (2.0%), respectively, of the Gross Subscription Proceeds from the sale of Series B Trust Units, Series C Trust Units and Series US\$ Trust Units.

## Trustee Expenses

ICM Property Partners Trustee Inc. will not be entitled to compensation for acting as Trustee. However, disbursements made and expenses incurred (including out-of-pocket expenses and third-party disbursements) by the Trustee in the performance of its duties and obligations under the Deed of Trust shall be paid by the Trust, unless such compensation, disbursements or expenses have been first paid by the Manager.

See "Item 3.2 - Fees and Expenses".

## Relationship with the Trustee and the Manager and Conflicts of Interest:

The Trust is a connected issuer and a related issuer of the Manager. The Trust has retained the Manager, a registered exempt market dealer, as a Selling Agent in respect of the sale and distribution of the Trust Units hereunder. In addition to acting as the Manager of the Trust, the Manager owns all of the shares of the Trustee.

The services of the ICM Parties are not exclusive to the Trust. The ICM Parties are (and are permitted to be by the Deed of Trust) engaged in the promotion, management and investment management of other investment vehicles, some of which may be competitive with the activities and investments of the Trust. The ICM Parties may take actions to resolve a material conflict of interest matter without the approval of the Unitholders or the Trustee provided that each of the ICM Parties use reasonable best efforts to resolve any such conflict of interest as equitably as possible under the prevailing facts and circumstances and such conflict of interest matters are unanimously approved by the Independent Review Committee.

The unanimous approval of the Independent Review Committee shall be required to consent to or approve conflict of interest matters.

See "Item 2.1 - Structure - Relationship between the Trust, the Trustee and ICM IM" and "Item 3.6 - Conflicts of Interest and Duties of the Independent Review Committee".



**Independent Review Committee**

The Manager shall maintain an independent review committee comprised of not less than two individuals that are “independent” as such term is defined in NI 81-107. For clarity, NI 81-107 does not apply to the Trust but is being used solely as a reference for the meaning of the term “independent”.

The unanimous approval of the Independent Review Committee shall be required to consent to or approve the following matters:

- (a) any “conflict of interest matter” regarding the business of the Trust and the Limited Partnerships, including but not limited to approval of expenses, fees or other costs and any related-party transactions or contracts involving the Trust or the Limited Partnerships or related-party transactions or contracts involving their directors, officers, shareholders or affiliates, provided that any conflict of interest matters concerning the business of a Limited Partnership shall only be subject to the consent or unanimous approval of the Independent Review Committee if the Trust has an ownership interest of twenty percent (20%) or greater in such Limited Partnership; and
- (b) the reallocation of the use of proceeds from the Offering for any purpose that is materially different than the articulated use of proceeds set out in this Offering Memorandum.

A “conflict of interest matter” means a situation where a reasonable person would consider the person or entity in question, or an entity related to such person or entity, to have an interest which may conflict with their ability act in good faith and in the best interests of the Trust.

See “Item 3.6 - Conflicts of Interest and Duties of the Independent Review Committee”.

**Term of the Trust:**

Subject to the Deed of Trust, the Trust shall continue in full force and effect so long as the Trustee holds any Trust Assets on behalf of the Trust, and the Trustee shall have all the power and discretion, expressed and implied, conferred upon it by law or by the Deed of Trust. See Item “2.7 - Material Contracts - Deed of Trust - Termination of the Trust”.

**Income Tax Consequences:**

There are important tax consequences to the ownership of Trust Units. Provided that the Trust qualifies as a “mutual fund trust” for the purposes of the Tax Act, the Trust Units will constitute a “qualified investment” for the purposes of the Tax Act for certain tax-deferred plans. You should consult your own professional tax advisors to obtain advice respecting any tax consequences to you.

See “Item 8 - Income Tax Consequences and Registered Plan Eligibility”.

**Selling Agents and Compensation Paid to Sellers and Finders:**

A person has received or will receive compensation for the sale of securities under this Offering. Specifically, the Trust will retain several Selling Agents to effect sales of Trust Units. Where allowed by applicable securities legislation, Selling Agents who distribute Trust Units may be paid fees. Any fees (including any sales commissions, servicing fees and administration fees) on the Trust Units, whether acquired under the Offering or pursuant to the DRIP, are paid by the Trust to the Selling Agent.

The Trust is a connected issuer and a related issuer, of ICM IM. The Trust has retained ICM IM as the Manager and a Selling Agent in respect of the distribution and sale of the Trust Units and the Trust may choose to retain additional Selling Agents. Certain principals of ICM IM are the same as those of the Trustee and will be the same as the general partners of the Limited Partnerships which will be formed prior to the acquisition of an Investment.

See “Item 9 - Selling Agents and Compensation Paid to Sellers and Finders” and “Item 2.1 - Structure - Relationship between the Trust, the Trustee and ICM IM”.

**Concurrent and  
Subsequent  
Offerings:**

In addition to Series B Trust Units, Series C Trust Units and Series US\$ Trust Units, the Trust may, from time to time, also offer other securities of the Trust, including series Adv trust units, series F trust units, Series F-US\$ trust units and series I trust units. Such securities may have different rights and obligations, including with respect to distributions, redemptions and commissions and fees payable. The Limited Partnerships may also offer additional securities to other investors.

See "Item 4 - Capital Structure" and "Item 5 - Securities Offered".

**Risk Factors:**

**It is strongly recommended that each subscriber, in order to assess tax, legal and other aspects of an investment in Trust Units, obtain independent advice with respect to the Offering and this Offering Memorandum. An investment in the Trust Units is subject to significant risk from, among other things, changing economic and market conditions. There is a risk that an investment in the Trust will be lost entirely. Only purchasers who do not require immediate liquidity of their investment and who can afford the loss of their entire investment should consider the purchase of the Trust Units.**

See "Item 10 - Risk Factors".

## ITEM 1 – USE OF AVAILABLE FUNDS

### 1.1 Funds

The proceeds available to the Trust pursuant to this Offering are as follows:

	<b>Assuming \$0 Offering</b>	<b>Assuming \$50,000,000 Offering</b>
Amount to be raised by this Offering	\$0	\$50,000,000
Selling Commissions and Fees <sup>(1)</sup>	\$0	\$2,750,000
Estimated Offering Costs (including legal, accounting and audit) <sup>(2)</sup>	\$0	\$1,000,000
<b>Available Funds</b>	<b>\$0</b>	<b>\$46,250,000</b>
Additional Sources of Funding Required: <sup>(3)</sup>	\$0	\$0
Working Capital Deficiency	\$0	\$0
<b>Total Available Proceeds<sup>(4)</sup></b>	<b>\$0</b>	<b>\$46,250,000</b>

**Notes:**

- (1) The selling commissions and fees outlined in the table above are based on the assumption that one-hundred percent (100%) of the Gross Subscription Proceeds are raised through the sale of Series B Trust Units and that all purchasers select the Advantaged DRIP™ Strategy. These costs do not include the Series B Servicing Fee. If this is not the case, the selling commissions may be less or more than the amount outlined above. See *"Item 9 – Selling Agents and Compensation Paid to Sellers and Finders"*.
- (2) Offering Costs include legal, accounting, audit, printing, filing, transfer agent, marketing, wholesaling and other costs and fees associated with the Offering. The estimated Offering Costs outlined in the table above are based on the assumption that one-hundred percent (100%) of the Gross Subscription Proceeds are raised through the sale of Series B Trust Units. If this is not the case, the Offering Costs may be less or more than the amount outlined above. Offering Costs associated with the sale of the Series B Trust Units, Series C Trust Units and Series US\$ Trust Units shall not exceed two percent (2.0%) of the Gross Subscription Proceeds received under this Offering from the sale of the Series B Trust Units, Series C Trust Units and Series US\$ Trust Units. The Manager will pay, without reimbursement, any Offering Costs in excess of two percent (2.0%) of such Gross Subscription Proceeds received under this Offering from the sale of the Series B Trust Units, Series C Trust Units and Series US\$ Trust Units. A portion of the Offering Costs, including legal, transfer agency, marketing and wholesaling costs may be performed by employees of the Manager, and recovered by the Manager from the Trust at rates not to exceed market rates, with such recovery to be unanimously approved by the Independent Review Committee.
- (3) The Manager will make investments in the Limited Partnerships, which will in turn use the proceeds from the Trust to acquire Investments. The Limited Partnerships may take on mortgages to finance a portion of the acquisition of properties. The amount of any such mortgages cannot reasonably be known at this time. The Investment Restrictions prohibit certain leverage thresholds being exceeded by the Trust. See *"Item 2.2 – The Trust's Business – Leverage Restrictions"*.
- (4) The Total Available Proceeds represent the capital available to the Trust arising solely from the Offering, which will be used to make investments in Limited Partnerships, which will in turn use the proceeds from the Trust to acquire Investments. See *"Item 1.2 – Use of Available Funds"* and *"Item 2.1 – Structure – Diagram"*.

### 1.2 Use of Available Funds

The Trust will use the net proceeds from the Offering to make Investments in Limited Partnerships, which shall use the proceeds of such investment by the Trust as follows:

	<b>Assuming \$0 Offering</b>	<b>Assuming \$50,000,000 Offering</b>
<b>Description of intended use of available funds listed in order of priority</b>		
Making of Investments and Payment of Acquisition Fees and Management Fees <sup>(1)</sup>	\$0	44,750,000
Closing Costs <sup>(2)</sup>	\$0	\$500,000
Working Capital Reserve <sup>(3)</sup>	\$0	\$1,000,000
<b>Total</b>	<b>\$0</b>	<b>\$46,250,000</b>

**Notes:**

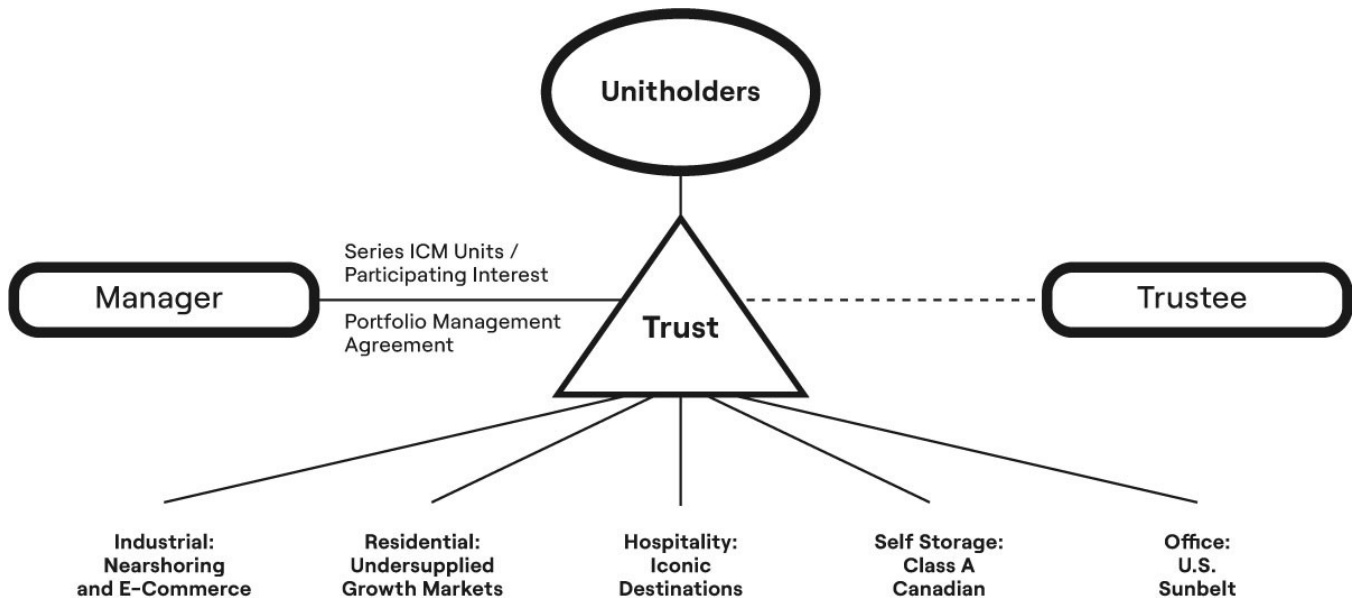
- (1) The Manager, a related party of the Trust, will receive the Acquisition Fees and Management Fees pursuant to the provisions of the Portfolio Management Agreement. See “*Item 3.2 - Fees and Expenses - Management Fee and Acquisition Fee*”.
- (2) The exact amount of the closing costs associated with investments to be made by the Limited Partnerships is not known at this time. Such amounts will be paid to various third-party service providers including, but not limited to lenders, law firms, brokerages, engineering firms and environmental firms for services provided in association with due diligence and eventual closing of Investments of the Trust.
- (3) The working capital reserve represents, in aggregate, the amount that the Manager will set aside in the Trust and the Limited Partnerships for purposes including, but not limited to, ongoing administrative and Operating Costs and for any other purposes that the Manager reasonably considers necessary to assist in the attainment of the Investment Objectives.

**ITEM 2 - BUSINESS OF THE ISSUER AND OTHER INFORMATION AND TRANSACTIONS**

**2.1 Structure**

**Diagram**

The following diagram sets out the structure of the Trust and the relationship among the Trust, the Trustee, the Limited Partnerships, the Manager and certain other entities involved in this Offering.



**The Trust**

The Trust is an unincorporated, open-ended investment trust created on May 14, 2018, and is governed by the Deed of Trust and the laws of the Province of Alberta. ICM Property Partners Trustee Inc., (the “**Trustee**”) is the trustee of the Trust and was incorporated pursuant to the *Business Corporations Act* (Alberta) on April 19, 2018. The Trust has been established for the principal purpose of issuing Trust Units and investing directly or indirectly in Investments, including through the Limited Partnerships. The Manager has been delegated the full authority and responsibility to manage the business and affairs of the Trust.

Although it is intended that the Trust qualify as a “mutual fund trust” pursuant to the Tax Act, the Trust will not be a “mutual fund” or “investment fund” under applicable securities laws.

**The Limited Partnerships**

The Trust intends to achieve its Investment Objectives by making investments in real property or real property-based yield generating investments, through the use of Limited Partnerships. Each Limited Partnership

will hold an Investment that corresponds to specific real estate related Investment Themes developed by the Manager from time to time. For additional details regarding the current Investment Themes of the Limited Partnerships, see "Item 2.2 - The Trust's Business - Investment Themes".

The Limited Partnerships will make investments in properties by allocating capital to projects sponsored by qualified real estate operating partners, including the Manager and its affiliates. In instances where capital is allocated to third party sponsors, the Manager and its affiliates may not be exclusively tasked with day-to-day decisions with respect to such properties.

The Manager also intends to seek investment from institutional investors and family offices. Accordingly, certain of the Limited Partnerships may be majority owned by the Trust, while the Trust may be a minority unitholder of other Limited Partnerships.

### **ICM IM - The Manager**

The Manager was incorporated on September 30, 2016 under the *Business Corporations Act* (Alberta) and extra-provincially registered in Saskatchewan, British Columbia, Ontario and Québec and will manage the Trust and each of the Limited Partnerships. Certain Limited Partnerships may be managed by affiliates of the Manager. On May 2, 2019 the Manager changed its name from ICM Asset Management Inc. to ICM Investment Management Inc. The Manager is registered as a portfolio manager in the Province of Alberta, as an investment fund manager in the Provinces of Alberta, Ontario and Québec, and as an exempt market dealer in the Provinces of Alberta, British Columbia, Manitoba, Saskatchewan, Ontario and Québec.

The Manager will, among other things: (i) evaluate and assess prospective Investments; and (ii) invest the capital of the Trust in accordance with its investment objectives and strategies; and (iii) administer the day-to-day operations of the Trust. See "Item 2.7 - Portfolio Management Agreement".

The Manager will receive the Management Fee and the Acquisition Fee pursuant to the provisions of the Portfolio Management Agreement. In addition, the Manager and/or certain of its affiliates may receive other fees and/or expense reimbursements from the Trust and the Limited Partnerships. To the extent the Manager, or an affiliate thereof, performs any property management, leasing or capital project management that would not typically fall under the services described in the Portfolio Management Agreement, it may earn additional fees at market rates for such services provided and such fees shall be unanimously approved by the Independent Review Committee. See "Item 3.2 - Fees and Expenses".

The Trust is not a "mutual fund" or "investment fund" under applicable securities laws. However, the Trust has retained the Manager to, among other things, provide general administrative and support services, portfolio management, investment advisory and investment management services, administrative and other services to the Trust and the Manager will also provide the Trust with office facilities, equipment and staff as required.

### **Relationship between the Trust, the Trustee and ICM IM**

The Trust is a connected issuer and a related issuer of ICM IM. The Trust has retained ICM IM, a registered exempt market dealer, as a Selling Agent in respect of the sale and distribution of the Trust Units hereunder.

The Trust is a connected issuer and a related issuer of ICM IM due to various factors, including that John Courtliff, Spencer Coupland, David Vankka, Spencer Patton and Scott Myers beneficially own all of the shares of ICM IM. ICM IM acts as the Manager of the Trust and owns all of the shares of the Trustee. Further, John Courtliff, Spencer Coupland and David Vankka are directors and officers of both the Trustee and ICM IM.

A portion of the proceeds of the Offering will be used by the Trust to pay commissions and certain fees in respect of administrative matters in connection with the Offering to Selling Agents, including ICM IM. ICM IM, as the Manager, is entitled to receive the Management Fee, the Acquisition Fee and the ICM Participating Interest. See "Item 3.2 - Fees and Expenses".

The unanimous approval of the Independent Review Committee shall be required to consent to or approve conflict of interest matters. See "[Item 3.6 - Conflicts of Interest and Duties of the Independent Review Committee](#)".

The services of the ICM Parties are not exclusive to the Trust. The ICM Parties are (and are permitted to be by the Deed of Trust) engaged in the promotion, management and investment management of other investment vehicles, some of which may be competitive with the activities and investments of the Trust. The ICM Parties may take actions to resolve a material conflict of interest matter without the approval of the Unitholders or the Trustee provided that each of the ICM Parties use reasonable best efforts to resolve any such conflict of interest as equitably as possible under the prevailing facts and circumstances and such conflict of interest matters are unanimously approved by the Independent Review Committee.

## **2.2 The Trust's Business**

The Trust has been established for the principal purpose of issuing Trust Units and investing directly or indirectly in real property or real property-based yield generating investments, through the use of Limited Partnerships. Each Limited Partnership will pursue investments related to varying real estate Investment Themes developed by the Manager from time to time and informed by global and regional real estate trends as described in greater detail below. These Investment Themes guide how the Limited Partnerships invest in a variety of real estate assets including investment through various lending strategies.

The Manager will assess the Trust's investment in each Limited Partnership in the context of the Investment Objectives and Investment Restrictions outlined by the Trust, and will allocate the proceeds from this Offering to the Limited Partnerships with a view to continuing to grow the diversified portfolio of quality real estate based holdings for Unitholders of the Trust. Further, the Manager will evaluate the portfolio of the Trust on an ongoing basis in the context of the Trust's Investment Objectives and Investment Restrictions and rebalance its allocations accordingly. See "[Item 2.2 - The Trust's Business - Investment Themes](#)".

### **Investment Objectives**

The Trust's investment objectives ("**Investment Objectives**") are to:

1. protect and diversify Unitholder capital;
2. generate monthly distributions, payable in cash or by DRIP, equal to 5.0–6.0% per annum, depending on the series of Trust Units in which a Unitholder invests, beginning in the month of such Unitholder's investment in the Trust; and
3. generate medium to long-term capital growth such that Unitholders achieve a total target return of 8.0–12.0% per annum, subject to the Unitholder holding its Trust Units for five (5) or more years, depending on the series of Trust Units in which a Unitholder invests and the DRIP strategy that such Unitholder elects to pursue.

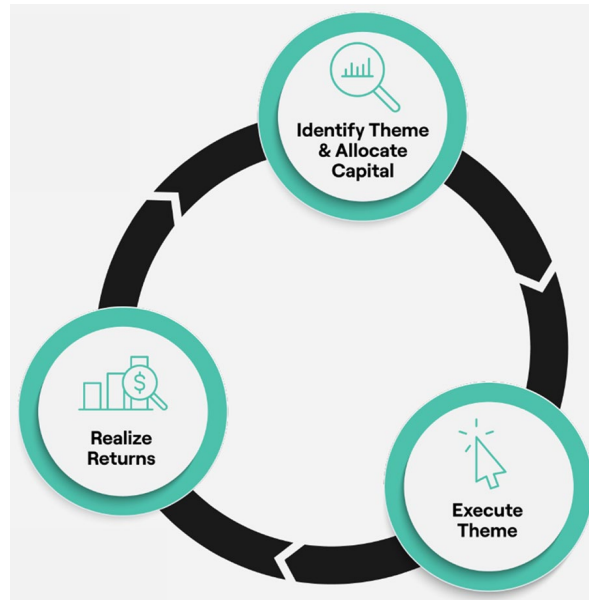
### **Investment Themes**

The Manager implements a three-phase investment strategy on behalf of the Trust:

1. **Identify an investment theme and allocate capital:** The Manager seeks high population, job and wage growth markets with compelling supply/demand fundamentals for specific property types, and identifies Investment Themes that are underpinned by long-term and/or event driven real estate trends and that it believes will generate strong risk-adjusted returns (collectively, the "**Investment Themes**" and each an "**Investment Theme**"). Upon identification of an Investment Theme, the Manager seeks off-market opportunities to invest in generally institutional quality properties or projects, and retains control features in each deal. Each project is underwritten by the Manager based on its knowledge and analysis of markets, property types, capital markets, and other unique characteristics, with each project having a bespoke business plan or investment strategy that the Manager and/or its partners seek to successfully execute.
2. **Execute project strategy:** After making an investment, the Manager takes an active management approach, regularly monitoring the project and market fundamentals, and continuously communicating

with partners about deal strategy and any project adaptations as may be required. The Manager leverages its strong relationships with local real estate communities to maximize project success.

3. **Realize returns:** On an ongoing basis, the Manager performs sell/hold analysis of each asset in the Trust's portfolio based on its continual re-evaluation of the underlying Investment Themes that it believes are appropriate from time to time and its assessment of the particular attributes of each project amid evolving global and regional real estate markets. As it believes appropriate, the Manager will seek liquidity for certain assets via either disposition or refinancing, with a view to then redeploying capital into new projects in Investment Themes that the Manager believes will outperform.



The Trust is currently focused on investing new capital into four high conviction Investment Themes:

1. Industrial: Nearshoring and E-Commerce;
2. Residential: Undersupplied Growth Markets;
3. Hospitality: Iconic Destinations; and
4. Self-Storage: Class A Canadian.

The Trust also holds office assets in the U.S. Sunbelt. However, the Trust is currently not investing further additional capital in office properties.

### ***Industrial: Nearshoring & E-Commerce***

#### Investment Theme Description:

The Trust's industrial investments have long been guided by the trends of nearshoring, a trend gaining momentum as global supply chains undergo transformative shifts. The accelerated adoption of e-commerce, alongside the reshaping of supply chains has amplified the demand for industrial space. From the U.S. Sunbelt to key industrial markets in Mexico, the Trust's strategic investments are positioned to capitalize on this evolving landscape, supported by factors such as population growth and anticipated construction slowdowns. These trends not only bolster the value proposition of the Trust's existing projects but also inform its pipeline development strategies, ensuring sustainable growth in the years ahead.

#### Key Drivers

1. Demonstrated demand: Growth in the e-commerce sector in combination with U.S. industrial vacancy rates well below the historical average.<sup>1</sup>
2. Less construction starts: Anticipated contracting of new building deliveries will lead to rent growth for existing and new product.
3. Nearshoring / reshoring: As supply lines shift away from Asia, demand is anticipated to increase for U.S. imports and exports from Mexico.
4. Population growth: Southern U.S. markets are undergoing large population growth relative the rest of the U.S.<sup>2</sup>

### ***Residential: Undersupplied Growth Markets***

#### Investment Theme Description:

In several markets across North America, the demand for rental housing continues to outpace supply. From Alberta to the U.S. Sunbelt and Mexico City, strong population growth trends highlight the resilience of residential properties in the Trust's portfolio. By leveraging long-term fixed-rate debt and strategically developing single-family rental communities, the Trust aims to address housing shortages while delivering attractive returns for investors.

#### Key Drivers

1. Population growth: Focus on markets where new supply lags behind population growth.
2. Supply shortage: Markets across North America are experiencing housing supply shortages, exacerbating low vacancy and rental growth driven by population growth.
3. Affordability: Housing affordability is near 40-year lows, rental housing has become the most affordable option for many.<sup>3</sup>

### ***Hospitality: Iconic Destinations***

#### Investment Theme Description

In the realm of hospitality, the Trust's focus extends beyond accommodation. The Trust's current aim is to curate new experiences for travelers. As the tourism industry rebounds post-pandemic, the Trust's investments in high-quality destinations in Latin America and Canada position it at the forefront of experiential travel. With a keen eye on emerging trends and consumer preferences, the Trust aims to capitalize on the demand for unique and immersive travel experiences, driving value creation for its investors.

#### Key Drivers

1. Post-COVID-19 rebound: Tourism industry is experiencing a rebound in the wake of the pandemic.<sup>4</sup>
2. Premium on experiences: Gen Z and millennials are more inclined to spend disposable income on experiences than materials, making unique hotels more desirable.<sup>5</sup>

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<sup>1</sup> Cushman & Wakefield U.S. National Marketbeat – Industrial Q1 2024. Retrieved on April 25, 2024, from <https://www.cushmanwakefield.com/en/united-states/insights/us-marketbeats/us-industrial-marketbeat>.

<sup>2</sup> Clarion Partners – The Rise of the U.S. Sunbelt. Retrieved on April 25, 2024, from <https://www.clarionpartners.com/insights/sun-belt-apartments-multifamily>.

<sup>3</sup> National Bank – Housing Affordability Monitor Q4 2023. Retrieved on April 25, 2024, from <https://www.nbc.ca/content/dam/bnc/taux-analyses/analyse-eco/logement/housing-affordability.pdf>; Business Insider – CHART OF THE DAY: Housing market affordability plunges to lowest level since 1985. Retrieved on April 25, 2024, from <https://markets.businessinsider.com/news/stocks/housing-market-affordability-index-chart-mortgage-rates-home-prices-inventory-2023-10>.

<sup>4</sup> Visual Capitalist, Charted: Global Tourism Rebounds to Pre-Pandemic Levels. Retrieved on April 25, 2024 from <https://www.visualcapitalist.com/charted-global-tourism-rebounds-to-pre-pandemic-levels/>.

<sup>5</sup> CNBC, "More millennials are turning 40 – and they're changing travel as we know it." Retrieved on April 25, 2024, from <https://www.cnbc.com/2023/03/27/millennials-are-turning-40-and-theyre-changing-travel-as-we-know-it.html>.



3. Desirable locations: The Trust's pipeline of hotels are in desirable locations anticipated to see tourism growth.

### ***Self-Storage: Class A Canadian***

#### Investment Theme Description

Amid economic uncertainties, the defensive nature of self-storage assets offers a stable anchor in the Trust's portfolio. With Canada's self-storage market significantly underdeveloped compared to the U.S., the Trust's early mover advantage positions it for sustained growth. As population densities increase and demand for storage solutions rises, it is anticipated that there will be continued yield from this resilient asset class.

#### Key Drivers

1. Underdeveloped market: Relative to the U.S. the Canadian market is very underdeveloped on square foot per capita basis, allowing the Trust to be a first mover.<sup>6</sup>
2. Population growth: As cities grow and densify self-storage demand will grow.
3. Defensive asset class: The "six D's" of storage drive its defensive properties that have historically outperformed other asset classes in a downturn.<sup>7</sup> The six D's are: density, disaster, dislocation, divorce, downsizing and death.

### ***Office: U.S. Sunbelt***

#### Investment Theme Description:

The Trust is not investing further capital in office properties. However, the following information is included to provide an overview of why the Manager believes that the Trust's current office properties are well positioned in the current environment.

Despite broader market challenges, the Trust's strategic investments in office properties, particularly in the US Sunbelt, continue to demonstrate potential. Strong population and job growth projections, coupled with a gradual return to office-based work, underpin the value proposition of the Trust's office portfolio. The Trust has written down existing property equity by 33%, and forward looking returns on the Trust's office portfolio are reasonable based on conservative underwriting parameters. This recent valuation reset, combined with forward-looking returns, offers a positive outlook for this sector, further reinforcing confidence in its long-term viability.

#### Key Drivers

1. Strong population & job growth: Sunbelt markets are seeing surging population and job growth.<sup>8</sup>
2. Remaining liquidity: Atlanta & Dallas were 2 of the top 6 markets in the U.S. for deal volume in 2023.<sup>9</sup>
3. Return to work: Two-thirds (2/3) of CEO's surveyed by JLL anticipate full time in the office by 2026.<sup>10</sup>
4. Adjusted valuations: The valuation adjustment experienced across the sector provides reasonable forward looking returns.

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<sup>6</sup> CIBC Equity Research – High Growth in Store, December 13, 2021.

<sup>7</sup> Nareit, Annual Index Values & Returns. Retrieved on April 25, 2024, from <https://www.reit.com/data-research/reit-indexes/annual-index-values-returns>.

<sup>8</sup> RealPage Analytics – These U.S. Markets Added the Most Jobs in the Past Five Years. Retrieved on April 25, 2024, from <https://www.realpage.com/analytics/job-growth-leaders-five-years/>.

<sup>9</sup> GlobeSt – Here Are the Five Top Markets for CRE Transactions. Retrieved on April 25, 2024, from <https://www.globest.com/2024/01/30/here-are-the-five-top-markets-for-cre-transactions/>.

<sup>10</sup> JLL – Return to Office Trends December 2023. Retrieved on April 25, 2024, from <https://www.us.jll.com/en/trends-and-insights/research/office-research-snapshot-12-15-2023>.

## Types of Investments

The chart below describes the types of real property and real property based yield generating investments the Trust may make in each Investment Theme, including risk and return expectations for each category.

Real Property Investments					Real Property Based Yield Generating Investments	
Type of Assets	Core	Core Plus	Value Add	Opportunistic	High Yield	Low Yield
Description of Assets	Stable, fully leased multi-tenant properties in strong, diversified metropolitan centres.	Core properties requiring modest enhancement or value added elements.	Core or non-core properties requiring significant enhancement or value add elements.	Tactical investments in properties requiring a high-degree of enhancement, including development, entitled or raw land, distressed mortgage notes etc.	Investments in secured or unsecured income producing securities tied to real property assets, including second mortgages, mezzanine debt, preferred equity, etc.	Investments in secured or unsecured income producing securities tied to real property assets predominantly first mortgages.
Projected Trust Allocation	Little to None	High			None	
Risk - Return Expectations <sup>(1)</sup>	Low risk Low return	Moderate risk Moderate return	Medium risk Medium return	High risk High return	Medium risk Medium return	Low risk Low return

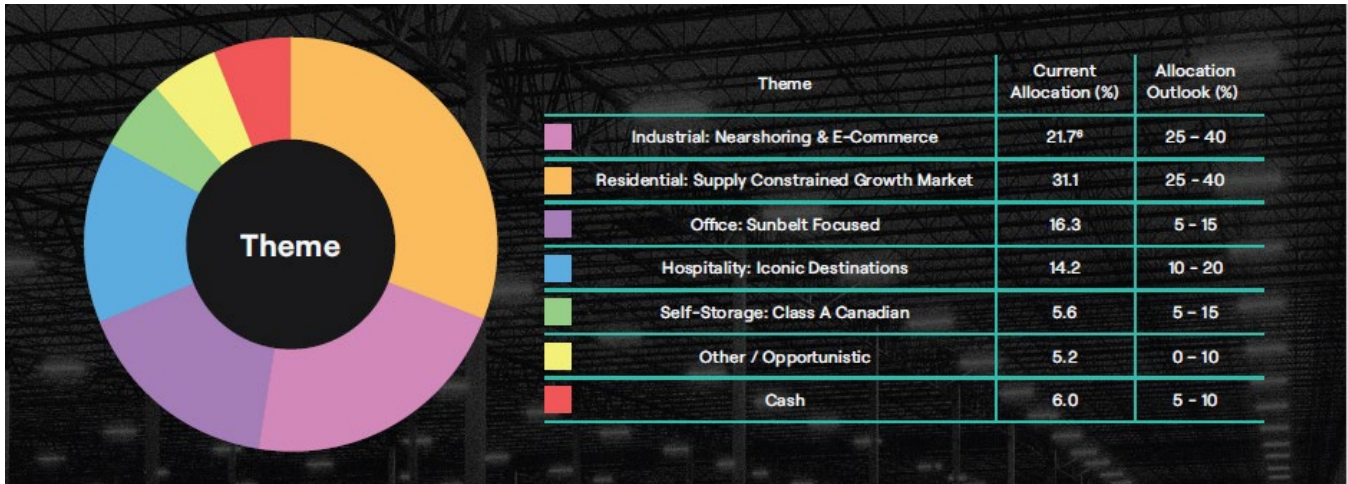
### Note:

- (1) The risk and return expectations in this row have been determined by the Manager and represent the risk and return expectations of a particular category of investments relative to other categories of investments in the chart above. The Manager uses the categories above to determine whether any particular investment fits within the Trust's investment criteria. However, the categories of investments above do not have a standardized meaning and therefore may not be comparable for similar categories used by other companies.

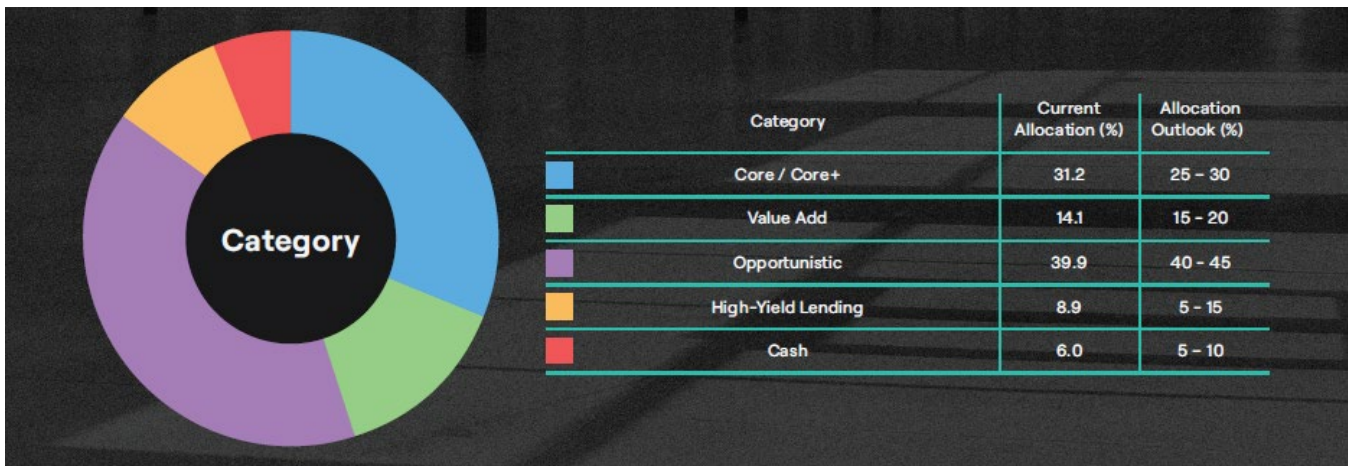
## Asset Allocation

As at April 30, 2024, the Trust, through its investments in the Limited Partnerships, had exposure to 57 Investments, including debt and equity interests. Considering the breadth of the Trust's portfolio of Investments, no single Investment is significant relative to the Trust's portfolio of Investments, taken as a whole. The following tables and graphics set out the details of the Trust's portfolio of Investments with regard to asset allocation, Investment Theme, location and category:

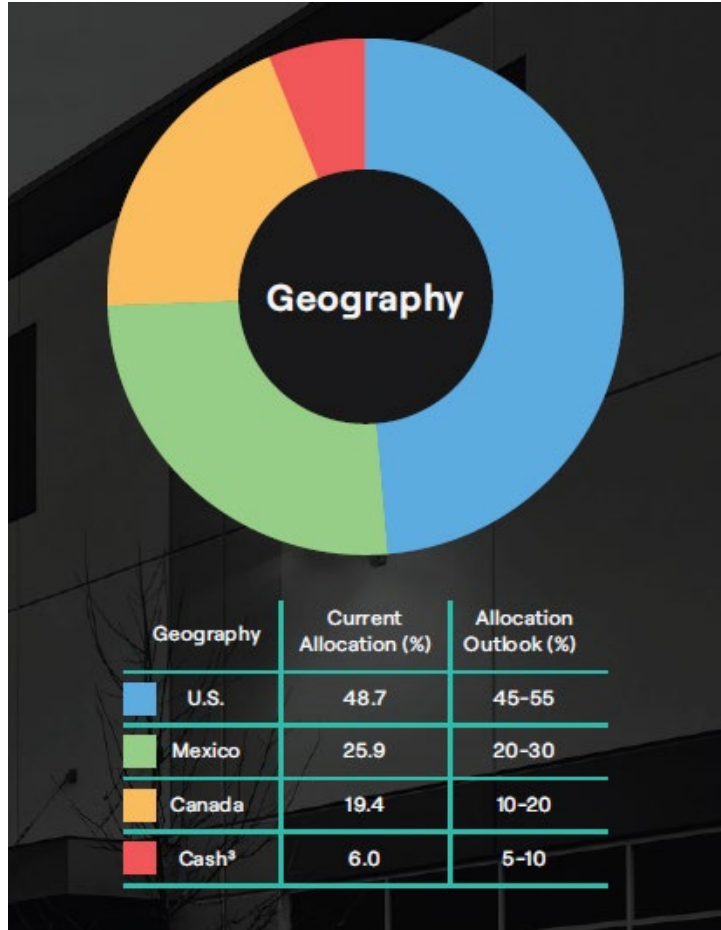
### Allocation by Theme



### Allocation by Category



**Allocation by Geography**



Investment Theme	No. of Investments	Category Allocations	Locations										
Industrial: Nearshoring and e- Commerce	11	<table border="1"> <thead> <tr> <th>Category</th> <th>Allocation (%)</th> </tr> </thead> <tbody> <tr> <td>Opportunistic</td> <td>39.8%</td> </tr> <tr> <td>Core / Core+</td> <td>32.8%</td> </tr> <tr> <td>Value Add</td> <td>23.4%</td> </tr> <tr> <td>High-Yield Lending</td> <td>4.1%</td> </tr> </tbody> </table>	Category	Allocation (%)	Opportunistic	39.8%	Core / Core+	32.8%	Value Add	23.4%	High-Yield Lending	4.1%	Phoenix, Spartanburg, Atlanta, Guadalajara, Calimesa, Calgary, Toronto
Category	Allocation (%)												
Opportunistic	39.8%												
Core / Core+	32.8%												
Value Add	23.4%												
High-Yield Lending	4.1%												

Investment Theme	No. of Investments	Category Allocations	Locations										
Residential: Undersupplied Growth Markets	19	<table border="1"> <thead> <tr> <th>Category</th> <th>Allocation (%)</th> </tr> </thead> <tbody> <tr> <td>Opportunistic</td> <td>65.6%</td> </tr> <tr> <td>Core / Core +</td> <td>27.1%</td> </tr> <tr> <td>Value Add</td> <td>0.0%</td> </tr> <tr> <td>High-Yield Lending</td> <td>7.4%</td> </tr> </tbody> </table>	Category	Allocation (%)	Opportunistic	65.6%	Core / Core +	27.1%	Value Add	0.0%	High-Yield Lending	7.4%	Flagstaff, Mexico City, Calgary, Sedona, Edmonton
Category	Allocation (%)												
Opportunistic	65.6%												
Core / Core +	27.1%												
Value Add	0.0%												
High-Yield Lending	7.4%												
Hospitality: Iconic destinations	4	<table border="1"> <thead> <tr> <th>Category</th> <th>Allocation (%)</th> </tr> </thead> <tbody> <tr> <td>Opportunistic</td> <td>74.1%</td> </tr> <tr> <td>Core / Core +</td> <td>0.0%</td> </tr> <tr> <td>Value Add</td> <td>0.0%</td> </tr> <tr> <td>High-Yield Lending</td> <td>25.9%</td> </tr> </tbody> </table>	Category	Allocation (%)	Opportunistic	74.1%	Core / Core +	0.0%	Value Add	0.0%	High-Yield Lending	25.9%	Mexico City, Revelstoke, Golden
Category	Allocation (%)												
Opportunistic	74.1%												
Core / Core +	0.0%												
Value Add	0.0%												
High-Yield Lending	25.9%												
Storage: Class A Canadian	10	<table border="1"> <thead> <tr> <th>Category</th> <th>Allocation (%)</th> </tr> </thead> <tbody> <tr> <td>Opportunistic</td> <td>65.6%</td> </tr> <tr> <td>Core / Core +</td> <td>27.1%</td> </tr> <tr> <td>Value Add</td> <td>0.0%</td> </tr> <tr> <td>High-Yield Lending</td> <td>7.4%</td> </tr> </tbody> </table>	Category	Allocation (%)	Opportunistic	65.6%	Core / Core +	27.1%	Value Add	0.0%	High-Yield Lending	7.4%	Calgary, Toronto, Victoria, Quebec City
Category	Allocation (%)												
Opportunistic	65.6%												
Core / Core +	27.1%												
Value Add	0.0%												
High-Yield Lending	7.4%												
Office: Sunbelt Focus	5	<table border="1"> <thead> <tr> <th>Category</th> <th>Allocation (%)</th> </tr> </thead> <tbody> <tr> <td>Opportunistic</td> <td>0.0%</td> </tr> <tr> <td>Core / Core +</td> <td>82.3%</td> </tr> <tr> <td>Value Add</td> <td>17.7%</td> </tr> <tr> <td>High-Yield Lending</td> <td>0.0%</td> </tr> </tbody> </table>	Category	Allocation (%)	Opportunistic	0.0%	Core / Core +	82.3%	Value Add	17.7%	High-Yield Lending	0.0%	Atlanta, Dallas
Category	Allocation (%)												
Opportunistic	0.0%												
Core / Core +	82.3%												
Value Add	17.7%												
High-Yield Lending	0.0%												

Investment Theme	No. of Investments	Category Allocations	Locations
Other / Opportunistic	11		Minneapolis, Atlanta, Calgary, Edmonton, Mexico City, Washington DC

## Performance of the Trust

The chart below shows the annual performance of the Trust Units for each of the periods shown, and illustrates how the performance has changed from period to period. The chart shows, in percentage terms, how an investment made on January 1 of a particular year would have increased or decreased by December 31 of that same year, unless otherwise indicated. *Past performance does not necessarily indicate how the Trust Units will perform in the future.*

Calendar Year Returns								
Series		2018 <sup>(1)</sup>	2019	2020	2021	2022	2023	YTD <sup>(2)</sup>
B	Cash	6.53%	7.79%	6.31%	5.05%	13.66%	6.67%	1.61%
	DRIP	7.26%	8.56%	6.81%	5.81%	13.75%	6.42%	1.57%
C	Cash	7.09%	8.52%	6.94%	5.68%	14.46%	7.29%	1.80%
	DRIP	7.94%	9.40%	7.50%	6.50%	14.51%	7.02%	1.75%
US\$	Cash	N/A	4.32%	6.94%	8.51%	13.54%	6.43%	1.77%
	DRIP	N/A	4.55%	7.32%	9.17%	13.52%	6.22%	1.73%

(1) Partial year return as the Trust was formed in 2018.

(2) YTD returns for 2024 are as of April 30, 2024.

## Distribution History

The chart below shows the distributions made on Trust Units for each of the periods shown. Distributions are not guaranteed. See "[Item 5.1 – Terms of Securities – Distribution Policy of the Trust](#)".

	Distributions Per Series B Trust Unit				
	2020	2021	2022	2023	2024
January	0.0	0.0417	0.0417	0.0417	0.0417
February	0.0	0.0417	0.0417	0.0417	0.0417
March	0.1250	0.0417	0.0417	0.0417	0.0417
April	0.0417	0.0417	0.0417	0.0417	
May	0.0417	0.0417	0.0417	0.0417	
June	0.0417	0.0417	0.0417	0.0417	

July	0.0417	0.0417	0.0417	0.0417	
August	0.0417	0.0417	0.0417	0.0417	
September	0.0417	0.0417	0.0417	0.0417	
October	0.0417	0.0417	0.0417	0.0417	
November	0.0417	0.0417	0.0417	0.0417	
December	0.0417	0.0417	0.0417	0.0417	

	<b>Distributions Per Series C Trust Unit</b>				
	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
January	0.0	0.0467	0.0467	0.0467	0.0467
February	0.0	0.0467	0.0467	0.0467	0.0467
March	0.1400	0.0467	0.0467	0.0467	0.0467
April	0.0467	0.0467	0.0467	0.0467	
May	0.0467	0.0467	0.0467	0.0467	
June	0.0467	0.0467	0.0467	0.0467	
July	0.0467	0.0467	0.0467	0.0467	
August	0.0467	0.0467	0.0467	0.0467	
September	0.0467	0.0467	0.0467	0.0467	
October	0.0467	0.0467	0.0467	0.0467	
November	0.0467	0.0467	0.0467	0.0467	
December	0.0467	0.0467	0.0467	0.0467	

	<b>Distributions Per Series US\$ Trust Unit</b>				
	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
January	0.0	0.0467	0.0467	0.0467	0.0467
February	0.0	0.0467	0.0467	0.0467	0.0467
March	0.1400	0.0467	0.0467	0.0467	0.0467
April	0.0467	0.0467	0.0467	0.0467	
May	0.0467	0.0467	0.0467	0.0467	
June	0.0467	0.0467	0.0467	0.0467	
July	0.0467	0.0467	0.0467	0.0467	
August	0.0467	0.0467	0.0467	0.0467	
September	0.0467	0.0467	0.0467	0.0467	
October	0.0467	0.0467	0.0467	0.0467	
November	0.0467	0.0467	0.0467	0.0467	
December	0.0467	0.0467	0.0467	0.0467	

### **Investment Restrictions**

The Manager will indirectly, through the Limited Partnerships, invest the proceeds of the Offering according to the following investment restrictions ("**Investment Restrictions**"), according to the greater of Net Asset Value or the Gross Subscription Proceeds of the Offering:

### **Portfolio Concentration Restrictions**

1. Not greater than 80% shall be invested in any single country;
2. Not less than 50% shall be invested in real property investments;
3. Not greater than 30% shall be invested outside of the U.S. and Canada;
4. Not greater than 30% shall be invested in any individual market, defined by metropolitan statistical area or equivalent;

5. Not greater than 50% shall be invested in any single investment strategy;
6. Not greater than 15% shall be invested in investments that would not be characterized as Core Plus, Value Add, Opportunistic Real Property Investments, and High Yield Generating Investments; and
7. Not greater than 10% shall be invested in publicly traded Securities of real estate issuers or other passive investments intended to provide for liquidity for the Trust.

### **Leverage Restrictions**

The Trust will evaluate leverage on a portfolio basis, focusing not only on debt of the Trust but also on the debts of the Limited Partnerships in which it invests, and the debt of each asset held by each such Limited Partnership. The Trust will abide by the following restrictions, at the time of any loan, with respect to leverage:

#### ***Leverage Restrictions for Property Investments***

1. The portfolio of property investments shall not exceed a LTV of 65%;
2. Individual property investments, other than as outlined in Item 3 and 4 below, shall not exceed 70% LTV at the time of financing;
3. Individual property investments in development and re-development projects, and certain multi-family assets shall not exceed an LTV at the time of financing of 85%; and
4. Properties that receive government subsidized financing may have leverage up to the amount allowable under the specific financing program.

#### ***Leverage Restrictions for Property Based Lending Investments***

1. The portfolio of debt investments shall not exceed an LTC/LTV of 75%;
2. Individual debt investments shall not exceed an LTC of 85%, or an LTV of 75%;
3. Debts senior to the Trust's position, other than as outlines in Item 4 and 5 below, shall not exceed an LTC of 75%, or an LTV of 70%;
4. Debts senior to the Trust's position in developments and re-development projects, and certain multi-family assets shall not exceed an LTC of 85%; and
5. Debts senior to the Trust's position in projects that receive government subsidized financing may have leverage up to the amount allowable under the specific financing program.

#### ***Leverage Restrictions for Trust Debt***

1. If the portfolio of property investments or the portfolio of debt investments are collectively below the maximum thresholds noted above, the Trust may leverage its equity interests, with any such portfolio debt not to exceed 10% of the total Net Asset Value of the Trust.
2. The Trust has no obligation to rebalance the portfolio if the leverage restrictions are exceeded at any time other than on the date such loan/leverage was provided.

### **Competition**

In addition to competing with investment managers for capital, real estate ownership is highly fragmented, and the Trust competes for real estate assets and for the purchase, development and sale of desirable real estate properties with both international and domestic investors, developers, owners of properties, limited partnerships, real estate investment trusts, corporations, life insurance companies and pension plans. The Trust competes with regional, national and global operators and developers in identifying opportunities and deploying capital. Once an asset has been purchased or developed, the Trust must continue to compete with other investors, managers and owners of properties in seeking tenants and charging competitive rates while maintaining favourable operating results. Availability of investment funds and an increase in interest in real property investments may increase competition for real property investments, thereby increasing purchase prices, but should the availability of capital and demand for real estate decrease, there would be a negative impact



on real estate prices. Increasing interest rates have result in increased costs of borrowing, potentially reducing returns on investments, which can have a constraining effect on the real estate market as well as result in higher capitalization rates and consequently decreased real estate prices and values. See “Item 10.3 - Risks Associated with the Business - Competition”.

**Competitive Advantage**

ICM Asset Management is a premier alternative investment management firm that seeks to deliver investor results using innovative strategies and strives to elevate its clients’ experience through collaboration and exceptional service. ICM Asset Management has over twenty years of experience investing in real estate on behalf of clients and has a strong track record of successfully identifying opportunities, executing on investment strategies related to specific real estate projects and successfully exiting investments. ICM Asset Management’s offices in Canada, the U.S., and Mexico gives it a local presence and results in strong relationships with the real estate communities where it is active. ICM Asset Management has a long history of successfully partnering with diverse groups in the real estate industry to collaborate on projects and add value for its clients.

**2.3 General Development of the Trust**

The Trust was established for the purpose of making Investments in the Limited Partnerships. Its principal business is to issue Trust Units and make Investments.

The Trust has continued to execute on the Investment Themes, shifting asset allocations based on global and regional trends with a focus on acquisitions in the Trust’s key investment themes while reducing exposure to office. Since 2022, the Trust added investments in five new markets, including Victoria, Revelstoke, Golden and Quebec City in Canada and Flagstaff in the United States.

Since inception, the Trust has raised approximately \$447.3 million. As of April 30, 2024, the Trust holds varying interests in 57 properties, including debt and equity interests.

**2.4 Long Term Objectives**

It is the objective of the Trust to earn a return from its Investments such that it is able to achieve its Investment Objectives for Unitholders on an ongoing basis. An investment in Trust Units is intended to provide Unitholders with the opportunity to receive distributions originating from the ongoing operation of the Trust.

The Trust does not specifically intend to provide for a liquidity event for investors. Depending on the series of Trust Unit, investors will be able to achieve liquidity through redemption at Net Asset Value without penalty after five (5) years following their investment in the Trust. The ability of the Trust to achieve its Investment Objectives is, in part, dependent on investors holding their Trust Units for a minimum of five (5) years. See “Item 2.2 - The Trust’s Business - Investment Objectives”.

**2.5 Short Term Objectives**

The Trust’s objectives for the next twelve (12) months are primarily to raise capital and to make Investments that will allow it to meet its Investment Objectives.

Actions To Be Taken	Target Completion Date	Cost to Complete <sup>(1)</sup>
Raise proceeds from the Offering	On-going	Up to \$44,750,000
Deploy the net proceeds from this Offering in a manner consistent with the Trust’s Investment Objectives, Investment Themes, and Investment Restrictions	On-going	Up to \$46,250,000 <sup>(2)</sup>

**Notes:**

- (1) These costs are based on the assumption that \$50,000,000 is raised from the Offering and one-hundred percent (100%) of the Gross Subscription Proceeds are raised through the sale of Series B Trust Units and that all purchasers select the Advantaged DRIP™ Strategy. These costs do not include the Series B Servicing Fee. If this is not the case, anticipated costs may be less or more than the amount outlined above. See "*Item 1.1 – Funds*".
- (2) See "*Item 1.2 – Use of Available Funds*".

**2.6 Insufficient Funds**

The proceeds of the Offering may not be sufficient to allow the Trust to abide by the Investment Restrictions, though the Trust anticipates being able to achieve the Investment Objectives irrespective of the proceeds raised. See "*Item 2.2 – The Trust’s Business – Investment Restrictions*".

**2.7 Material Contracts**

The following summarizes all formal, written agreements or commercial instruments that can reasonably be regarded as material, currently or upon being entered into, to the Trust in connection with the Offering or with a related party:

- (a) Deed of Trust; and
- (b) Portfolio Management Agreement.

A summary of the terms of each material contract is set out below. Prospective investors may obtain a copy of each of the material contracts listed above by requesting the same from the Manager at [investments@icmgroup.ca](mailto:investments@icmgroup.ca), or in person during normal business hours at the offices of the Manager, located at 700, 404 – 6 Ave SW, Calgary, Alberta T2P 0R9.

**Deed of Trust**

**The following is a summary only of certain terms in the Deed of Trust which, together with other summaries of additional terms of the Deed of Trust appearing elsewhere in this Offering Memorandum, are qualified in their entirety by reference to the actual text of the Deed of Trust, a review of which is recommended to investors.**

**General**

The Trust is an unincorporated, open-ended, limited purpose investment trust, that intends to qualify as a mutual fund trust. The Trust is not, is not intended to be, shall not be deemed to be and shall not be treated as, a general partnership, limited partnership, society, syndicate, association, joint venture, company, corporation or joint stock company, nor shall the Trustee or the Unitholders or any of them or any person be, or be deemed to be, treated in any way whatsoever as liable or responsible hereunder as partners or joint venturers. The Trustee shall not be, or be deemed to be, the agents of the Unitholders. The relationship of the Unitholders to the Trustee shall be solely that of beneficiaries of the Trust and their rights shall be limited to those conferred upon them by the Deed of Trust. Except as provided in the Deed of Trust, the Trustee will have sole responsibility for the conservation and protection of the Trust Assets. Unitholders will have no responsibility for the conservation or protection of the Trust Assets, and nothing herein will have the effect of constituting the Unitholders as associates in a joint enterprise for the conduct of business.

**Trust Units**

The beneficial interests of the Trust shall be represented and constituted by an unlimited number of Trust Units of a single class divided into an unlimited number of series, described and designated as "Series A Trust Units", "Series Adv Trust Units", "Series B Trust Units", "Series C Trust Units", "Series D Trust Units", "Series E Trust Units", "Series F Trust Units", "Series F-US\$ Trust Units", "Series I Trust Units", "Series US\$ Trust Units" and the "Series ICM Trust Unit", provided additional series of Trust Units may be established and created from time to time

in accordance with the provisions of the Deed of Trust. Unless otherwise specified in the Deed of Trust, the Series A Trust Units, Series Adv Trust Units, Series B Trust Units, Series C Trust Units, Series D Trust Units, Series E Trust Units, Series F Trust Units, Series F-US\$ Trust Units, Series I Trust Units and Series US\$ Trust Units carry identical rights and are subject to the same limitations, restrictions and conditions set out in the Deed of Trust and the *pro rata* interest in the Trust of each Unitholder, in relation to the aggregate interest of all Unitholders of the same series, shall be determined by the number of such Trust Units registered in the name of such Unitholder and recorded on the register. The commission and offering costs may vary among the series of Trust Units based on channels of distribution. The Series A Trust Units, Series Adv Trust Units, Series B Trust Units, Series C Trust Units, Series D Trust Units, Series E Trust Units, Series F Trust Units and Series I Trust Units are denominated in (and distributions will be paid in) C\$ and Series F-US\$ Trust Units and Series US\$ Trust Units are denominated in (and distributions will be paid in) US\$.

The Manager, as the holder of the Series ICM Trust Unit, is entitled to the ICM Participating Interest and is further entitled to receive notice of and to attend any meetings of Unitholders. The Series ICM Trust Unit entitles the Manager to a number of votes equal to five percent (5%) of the total number of votes attaching to all outstanding Trust Units to be cast at any meeting of Unitholders.

All Trust Units of the same series shall rank among themselves equally and rateably without discrimination, preference or priority. Each Trust Unit, other than the Series ICM Trust Unit, shall entitle the holder thereof to one vote at all meetings of Unitholders or in respect of any written resolution of Unitholders, unless the terms of any class or series of Trust Units specifically provides otherwise. The issued and outstanding Trust Units may be subdivided or consolidated from time to time by the Trustee without notice to or approval from the Unitholders.

### **Net Asset Value**

The Net Asset Value and each Series Net Asset Value shall be determined as at the Determination Time on each Distribution Record Date and each Redemption Date, or such other dates as the Trustee or the Manager may determine. The Net Asset Value and each Series Net Asset Value determined at a Distribution Record Date shall remain in effect until the next time the Net Asset Value each Series Net Asset Value are determined.

The Trust is responsible for the costs of the initial organization of the Trust and the offering of Trust Units, including, without limitation, fees and expenses of legal counsel and other service providers, and offering costs associated with the issuance of Trust Units. For the purposes of calculating Net Asset Value, Series Net Asset Value and Series Net Asset Value per Unit, such costs and expenses will be capitalized and then amortized over a five (5) year period. IFRS does not permit the amortization of such costs and expenses and, as such, such amortization will cause a difference between the Trust's published Net Asset Value, Series Net Asset Value and Series Net Asset Value per Unit and the net asset value, series net asset value and series net asset value per unit for financial statement reporting purposes. The Trustee or the Manager may, in its discretion, make reasonable adjustments to the Net Asset Value, Series Net Asset Value and any Series Net Asset Value per Unit, and other items set forth above in order to reflect any other matters that the Trustee or the Manager, in its discretion, considers equitable.

The Net Asset Value, Series Net Asset Value and any Series Net Asset Value per Unit established at any time and from time to time in accordance with the Deed of Trust by the Trustee or the Manager shall be conclusive and binding upon all Unitholders.

The Trustee or the Manager may, in its discretion, make reasonable adjustments to the Net Asset Value, Series Net Asset Values and any Series Net Asset Value per Unit, and other items set forth above in order to reflect any other matters that the Trustee or the Manager, in its discretion, considers equitable.

### **Distributions**

The distribution entitlement of the Trust Units are set forth in "*Item 5.1 - Terms of Securities - Distributions*".

### ***Redemption of Trust Units***

The redemption rights of the Trust Units are set forth in "*Item 5.1 - Terms of Securities - Redemption of Trust Units*".

### ***Transfer of Trust Units***

Trust Units are transferable only with the consent of the Manager or the Trustee and must be recorded on the register maintained by the transfer agent in order to be binding upon the Trustee or the Trust. See "*Item 5.1 - Terms of Securities - Transfer of Trust Units*" and "*Item 10 - Risk Factors*".

### ***Fees and Expenses***

The Trustee shall not be entitled to compensation for performance of its duties and obligations hereunder.

The Manager will receive the Management Fee and the Acquisition Fee and the holder of the Series ICM Trust Unit will receive the ICM Participating Interest. See "*Item 3.2 - Fees and Expenses*".

Except as otherwise provided in the Deed of Trust, all expenses of the Trust shall be paid from the Trust, including but not limited to: (a) fees and expenses relating to the acquisition, management and disposition of Trust Assets; (b) any taxes payable by the Trust or to which the Trust may be subject or other governmental charges levied against the Trust; (c) interest expense, if any; (d) any management fees or distributions payable by the Trust; (e) custody and safekeeping charges relating to the Trust's activities; (f) all costs relating to providing information to Unitholders, including annual and interim financial reports; (g) all audit and legal fees of the Trust and of the Trustee, if attributable to the Trust; (h) all costs of the establishment of the Trust and preparing qualifying disclosure documents and forwarding these documents to Unitholders in compliance with Applicable Laws; (i) all expenses of conducting meetings of Unitholders; (j) all costs of bookkeeping, accounting and tax preparation, including a reasonable allocation of compensation expenses for employees of the Manager providing such services to the Trust; (k) all costs of registry and transfer agent services, to the extent such costs are not attributable to any one Unitholder; (l) all expenses incurred upon termination of the Trust; (m) all legal, accounting and audit fees and fees and expenses of the Trustee, custodian or any sub-custodian which are incurred in respect of matters not in the normal course of the Trust's activities; (n) all expenses incurred in connection with the fulfilment of statutory or other compliance requirements; (o) all operating and administrative fees, costs and expenses; (p) all expenses relating to the issuance, redesignation and redemption of Trust Units; (q) subject to the terms of the Deed of Trust, all indemnification amounts paid or payable to an indemnitee and all expenses relating to litigation or to the enforcement and protection of rights relating to the Trust (other than litigation or the enforcement and protection of rights relating to the Trust against an indemnitee for which indemnification is not provided); and (r) any regulatory fees and expenses payable by the Manager in connection with its acting as Manager of the Trust.

### ***Appointment and Removal of the Trustee***

The Trustee is hereby appointed as the trustee of the Trust for an initial term of office which shall continue until the earlier of the date of the termination of the Trust or Trustee ceases to hold office pursuant to the Deed of Trust. The Manager may appoint one or more Trustees to fill a vacancy among the Trustees for a term to expire upon the earlier of the date of the termination of the Trust or Trustee ceases to hold office pursuant to the Deed of Trust.

The Unitholders may remove the Trustee or any trustees from office, by resolution at a meeting of Unitholders called for that purpose at which two (2) or more individuals are present in person either holding personally or representing by proxy in aggregate not less than ten percent (10%) of all votes entitled to be voted at the meeting and passed by the affirmative votes of the Unitholders holding more than seventy five percent (75%) of the votes in respect of all of the outstanding Trust Units or by the written resolution of the Unitholders holding in the aggregate not less than seventy five percent (75%) of the votes in respect of all of the outstanding Trust Units.

### **Functions and Powers of the Trustee**

The Deed of Trust provides that, specific limitations contained in the Deed of Trust and any delegation power contained elsewhere in the Deed of Trust, the Trustee shall have, 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 Assets 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 Assets in its own right, to do all acts and things as in its sole judgment and discretion are necessary or incidental to, or desirable for, carrying out the trust created under the Deed of Trust.

### **Delegation of Trustee's Powers to the Manager**

Pursuant to the Deed of Trust, the Manager has been delegated the full authority and responsibility to manage the business and affairs of the Trust, including, without limitation, to provide to the Trust all necessary investment management and all clerical, administrative, and operational services as set forth in the Deed of Trust. Along with the powers and duties of the Trustee being delegated to the Manager, the Manager will have the power, without limitation, to retain and instruct such appropriate experts or advisors to perform those duties and obligations granted or delegated to the Manager which it is not qualified or able to perform. The Trustee may, in its discretion, authorize the Manager, or its delegate, to further sub-delegate any powers or authorities.

### **Standard of Care**

The Trustee and all officers of the Trust shall act honestly and in good faith with a view to the best interests of the Trust and the Unitholders and, in connection therewith, shall exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Unless otherwise required by Applicable Law, the Trustee and any officers of the Trust shall not be required to give bond, surety or security in any jurisdiction for the performance of any duties or obligations hereunder. The Trustee and officers of the Trust shall not be required to devote their entire time to the investments, business or affairs of the Trust.

### **Liability of Unitholders**

No Unitholder, in its capacity as such, shall incur or be subject to any liability, direct or indirect, absolute or contingent, in contract or in tort or of any other kind to any Person in connection with the Trust Assets, the obligations or activities of the Trust, any acts or omissions of the Trustee, any transactions entered into by the Trustee on behalf of the Trust, or any taxes, levies, fines or penalties payable by the Trust or the Trustee on behalf of the Trust. Unitholders shall not be liable to indemnify the Trustee in respect of any liabilities of the Trust. To the extent any Unitholder may be found liable in respect of any liabilities of the Trust, such liability shall only be enforceable against the Unitholder's share of the Trust's assets represented by its Trust Units.

### **Limitations on Liability of Trustee, Manager and Officers**

Subject to the standard of care described above, none of the Trustee, the Manager nor any officers thereof shall be liable to any Unitholder for any action taken or not taken in good faith in reliance on any documents that are, *prima facie*, properly executed; any depreciation of, or loss to, the Trust incurred by reason of the sale of any asset; the loss or disposition of monies or Securities; or any other action or failure to act including, without limitation, the failure to compel in any way any former trustee(s) or manager to redress any breach of trust or any failure by any Person to perform the duties delegated to it, except for actions constituting gross negligence, fraud or wilful misconduct. If the Trustee has retained an appropriate expert, advisor or legal counsel with respect to any matter connected with its duties, the Trustee may act or refuse to act (and will not be liable for doing so) based on the advice of such expert, advisor or legal counsel.

None of the Trustee, the Manager nor the officers thereof nor any agent of the Trust shall be subject to any liability whatsoever in tort, contract or otherwise, in connection with the Trust Assets or the affairs of the Trust, including in respect of any loss or diminution in value of any Trust Assets, to the Trust or to the Unitholders or to any other Person for anything done or permitted to be done by the Trustee or the Manager. The Trustee and the Manager shall not be subject to any liability for any debts, liabilities, obligations, claims, demands, judgments, costs, charges or expenses against or with respect to the Trust arising out of anything done or permitted or

omitted to be done in respect of the execution of the duties of the office of Trustee or Manager for or in respect to the affairs of the Trust. No property or assets of the Trustee or the Manager, owned in their respective capacities or otherwise, will be subject to any levy, execution or other enforcement procedure with regard to any obligations under the Deed of Trust or under any other related agreements. No recourse may be had or taken, directly or indirectly, against the Trustee or the Manager in their respective capacities or any successor of the Trustee or Manager.

The Trust shall be solely liable therefor and resort shall be had solely to the Trust Assets for payment or performance thereof. In the exercise of the powers, authorities or discretion conferred upon the Trustee and the Manager under the Deed of Trust, the Trustee and the Manager are and shall be conclusively deemed to be acting as Trustee and Manager of the Trust Assets.

### ***Indemnification***

Each Trustee, each former Trustee, the Manager, each officer and former officer thereof will be indemnified and reimbursed out of the Trust Assets in respect of any and all taxes (other than taxes on compensation), penalties or interest in respect of unpaid taxes or other governmental charges imposed upon the Trustee, former Trustee, the Manager, officer or former officer in connection with his or her performance of his or her duties under the Deed of Trust and in respect of any and all costs, charges and expenses, including amounts paid to settle an action or satisfy a judgment reasonably incurred in respect of any civil, criminal or administrative action or proceeding to which the Trustee, former Trustee, the Manager, officer or former officer is made a party or against whom any such claim, action or proceeding is commenced or proposed by reason of being or having been a Trustee, the Manager, officer, or former officer or, at the request of the Trust, a director or officer of any direct or indirect subsidiary of the Trust; provided that no such Person will be indemnified out of the Trust Assets in respect of unpaid taxes or other governmental charges or in respect of such costs, charges and expenses that arise principally and directly out of his or her gross negligence, willful misconduct or fraud. A Trustee, former Trustee, officer or former officer shall not be entitled to satisfy any right of indemnity or reimbursement granted under the Deed of Trust, or otherwise existing under Applicable Law, except out of the Trust Assets, and no Unitholder or other Trustee, the Manager, officer or former officer will be liable to any Person with respect to any claim for such indemnity or reimbursement. The Trustee and any former trustee are entitled to satisfy any right of indemnity or reimbursement under the Deed of Trust from the Manager.

### ***Conflicts of Interest***

Notwithstanding that the Deed of Trust provides that certain activities and facts including those described below shall not constitute a conflict of interest or breach of fiduciary duty to the Trust or the Unitholders, all conflict of interest matters shall be unanimously approved by the Independent Review Committee or they shall not be undertaken. See "*Item 3.6 - Conflicts of Interest and Duties of the Independent Review Committee*". Any subscriber to the Offering shall be deemed to have accepted the terms of the Deed of Trust, in which the Unitholders consent to such activities and waive, relinquish and renounce any right to participate in, and any other claim whatsoever with respect to, any such activities. Furthermore, neither the Manager nor any other party referred to herein will be required to account to the Trust or the Unitholders for any benefit or profit derived from any such activities or from such similar or competing activity or any transactions relating thereto by reason of any conflict of interest matter or the fiduciary relationship created by virtue of the position of the Manager or any other party described below unless such activity is contrary to the Deed of Trust or Applicable Laws.

- The ICM Parties may be and shall be permitted to be engaged in and continue, either directly or indirectly, in the real estate investment business and other businesses in which the Trust may or may not have an interest and which may be competitive with the activities and investments of the Trust and, without limitation, any of the ICM Parties may be and are permitted to act as a partner, shareholder, director, joint venturer, advisor, manager or in any other capacity or role whatsoever of, with, or to other entities;
- Activities of the Trust may lead to the incidental result of providing additional information with respect to, or augmenting the value of securities, assets or properties in which the ICM Parties have, or in which they subsequently acquire, either a direct or indirect interest of any kind, including other investment funds

managed by the ICM Parties (or any of them) which may be engaged in all or some of the aspects of the business of the Trust and may be in competition with the Trust;

- The ICM Parties do presently and will in the future have an interest in various other properties and other real estate investment funds;
- The ICM Parties are, and will continue in the future to be, associated with other real estate investment funds, which funds have, or may have in the future, similar investment objectives as the Trust. The Trust shall not have priority with respect to the allocation of investment opportunities and other investment funds may participate in such investment in priority to the Trust;
- The ICM Parties may represent, or may retain, engage or appoint any person as a member of the board of directors or other committee of any entity in which the Trust has an interest. In all cases where any of the ICM Parties are sitting on such boards or committees, any fees or other cash remuneration received as a result of any such services shall be paid to or retained by such person and shall not be required to be paid to the Trust. Any stock options granted by any company or other entity to any of the ICM Parties, as a director, officer or member of any committee of such company or other entity shall be retained by such ICM Party; and
- The ICM Parties may take actions to resolve a material conflict of interest matter without the approval of the Unitholders or the Trustee provided that each of the ICM Parties uses reasonable best efforts to resolve any such conflict of interest as equitably as possible under the prevailing facts and circumstances and such conflict of interest matters are unanimously approved by the Independent Review Committee.

### ***Audit, Accounting and Reporting***

The Trust will deliver and make available, at the head office of the Trust, to Unitholders, financial information of the Trust, which information shall include: detailed performance reports, relevant market conditions and details of any investment plan adjustment.

### ***Restrictions on Non-Resident Ownership***

At no time will the Trust be established or maintained primarily for the benefit of Non-Residents and at no time may Non-Residents be the beneficial owners of, or have rights to acquire, more than forty-five percent (45%) of the Trust Units on a non-diluted and fully diluted basis. The Trustee and the Manager will use commercially reasonable efforts to monitor the beneficial ownership of the Trust Units (or rights to acquire Trust Units) and may require declarations as to the jurisdictions in which beneficial owners of the Trust Units are resident. If the Trustee or the Manager become aware that the beneficial owners of forty-five percent (45%) or more of the Trust Units (or rights to acquire Trust Units) then outstanding are, or may be, Non-Residents or that such a situation is imminent, the Trustee or the Manager will decline a subscription for Trust Units from, or issue or register a transfer of Trust Units to, a Person unless such Person provides a declaration in form and content satisfactory to the Trustee or the Manager that such Person and, if applicable, the proposed beneficial owner of such Trust Units, is not a Non-Resident. If, notwithstanding the foregoing, the Trustee or the Manager determines that more than forty-five percent (45%) of the Trust Units on a non-diluted and fully diluted basis, are held by Non-Residents, the Trustee or Manager may, send a notice to the registered holders of the Trust Units beneficially owned by Non-Residents requiring them to sell their Trust Units, or a specified portion thereof to persons who are not Non-Residents within a specified period of not more than sixty (60) days. If the Unitholders receiving such notice have not, within such period, sold the specified number of Trust Units to persons who are not Non-Residents or provided the Trustee or the Manager with satisfactory evidence that the beneficial owners of such Trust Units are not Non-Residents, the Trustee or Manager may, as agent and attorney acting on behalf of such Unitholders and/or such beneficial owners, sell such Trust Units and, in the interim, the Trustee will suspend the voting and distribution rights attached to those Trust Units. Upon the sale of the Trust Units, the affected Unitholders will cease to be holders of the relevant Trust Units and their rights will be limited to receiving the net proceeds of sale upon surrender of their Trust Unit certificates, if any. Notwithstanding the above, the Trustee or Manager may also elect to redeem the Trust Units held by such Non-Resident Unitholders as if such Trust Units were tendered by the applicable Unitholder for redemption.

### **Termination of the Trust**

Subject to the Deed of Trust, the Trust shall continue in full force and effect so long as the Trustee holds any Trust Assets on behalf of the Trust, and the Trustee shall have all the power and discretion, expressed and implied, conferred upon it by law or by the Deed of Trust.

The Trustee may at any time terminate and dissolve the Trust by delivering to each Unitholder written notice of its intention to terminate at least ninety (90) days before the date on which the Trust is to be terminated. Additionally, the Unitholders may vote by Extraordinary Resolution to terminate the Trust at any meeting of Unitholders duly called by the Trustee for the purpose of considering termination of the Trust, following which the Trustee shall commence winding-up the affairs of the Trust as soon as reasonably practicable. Such Extraordinary Resolution may contain such directions to the Trustee as the Unitholders determine, including a direction to distribute the Securities held by the Trust, or all of them, *in specie*.

The Trust shall terminate when all of the Trust Assets have been sold or otherwise disposed of and all other known debts, liabilities and obligations of the Trust have been paid, retired, discharged or provided for.

### **Meetings**

The Trust is not required to hold regular annual meetings of the Unitholders; however, meetings of the Unitholders may be called at any time by the Trustee upon a written request of Unitholders holding in the aggregate not less than ten percent (10%) of all votes entitled to be voted at any meetings of the Unitholders, such request to be sent to the Trustee at the head office of the Trust specifying in reasonable detail the purpose or purposes for which such meeting is to be called.

### **Auditor**

Unitholders may elect the Auditors at a meeting of Unitholders. Provided the Unitholders have not otherwise elected an Auditor, the Trustee may appoint a firm of chartered accountants to act as the auditors of the Trust. The Auditors will receive such remuneration as may be approved by the Trustee.

### **Resolutions Binding the Trustee**

Unitholders are entitled to pass resolutions that will bind the Trustee or the Trust with respect to appointing or removing a trustee, consenting to certain amendments to the Deed of Trust, appointing an inspector to investigate the performance of the Trustee, terminating the Trust and appointing and removing auditors or any other matters required by Applicable Laws to be submitted to Unitholders.

Except with respect to the above matters above, no action taken by the Unitholders or any resolution of the Unitholders at any meeting shall in any way bind the Trustee.

### **Voting Rights of Unitholders**

Only Unitholders of record on the applicable record date are entitled to vote, provided the Unitholder is of a class or series of Trust Units that is entitled to vote on such matter. With respect to a question submitted to a meeting of Unitholders, each whole Trust Unit shall be entitled to the number of votes set out under "Trust Units" above. Unitholders may vote by proxy and a proxyholder need not be a Unitholder, provided that such proxy was received and verified by the Manager or transfer agent at least twenty-four (24) hours before the start of the meeting or such earlier time as the chairman of the meeting may determine. For any Trust Unit jointly held by several Persons, any one of them may vote at any meeting in person or by proxy in respect of such Trust Unit, but should there be more than one joint owner present or represented by proxy and such joint owners or their proxies disagree as to the vote to be cast, the joint owner present or represented whose name appears first in the register of Unitholders shall be entitled to cast the vote. Proxies may be revoked, in writing, at any time up to and including the last Business Day preceding the day of the meeting, or by depositing it with the meeting chairman on the day of the meeting.



In the event that any decision or matter that requires the approval of Unitholders, whether at a meeting of Unitholders or otherwise, that will affect the rights and obligations of a class or series of Unitholders in a manner unique or specific to such class or series, then such matter shall require the approval at the meeting of Unitholders of such specific class or series of Unitholders, in addition to any other approval required by the Deed of Trust.

### ***Power of Attorney***

The Deed of Trust includes an irrevocable power of attorney authorizing the Trustee, on behalf of the Unitholders, among other things, to execute the Deed of Trust, any amendment or supplement to the Deed of Trust and any other instrument required or desirable to qualify, continue and keep in good standing the Trust as a mutual fund trust; any instrument, deed, agreement or document in connection with carrying on the activities and affairs of the Trust as authorized in the Deed of Trust, including all conveyances, transfers and other documents required to facilitate any sale or disposition of Trust Units required in the Deed of Trust; all conveyances and other documents required in connection with the dissolution or liquidation of the Trust in accordance with the terms of the Deed of Trust; any and all elections, determinations or designations, whether jointly with third parties or otherwise, under the Tax Act or any other taxation or other legislation or similar laws of Canada or of any other jurisdiction in respect of the affairs of the Trust or of a Unitholder's interest in the Trust; and any instrument, certificate and other documents necessary or appropriate to reflect and give effect to any amendment to the Deed of Trust which is authorized from time to time by the Deed of Trust.

### ***Amendments to the Deed of Trust***

The provisions of the Deed of Trust, except where specifically provided otherwise, may be amended by the Trustee only with the consent of the Unitholders evidenced by an Extraordinary Resolution; provided that the provisions of the Deed of Trust may be amended by the Trustee, at any time and from time to time, without the consent, approval or ratification of the Unitholders or any other Person at any time for the purpose of:

- (a) making amendments which, in the opinion of the Trustee, are necessary in order for the Trust to qualify or continue to qualify as a "mutual fund trust" for the purposes of the Tax Act;
- (b) making amendments which, in the opinion of the Trustee, are necessary in order for the Trust not to qualify as a "SIFT trust" within the meaning of section 122.1 of the Tax Act;
- (c) ensuring continuing compliance with Applicable Laws (including the Tax Act), regulations, requirements or policies of any Governmental Authority having jurisdiction over the Trustee or the Trust;
- (d) making amendments which, in the opinion of the Trustee, provide additional protection or added benefits for the Unitholders;
- (e) removing any conflicts or inconsistencies in the Deed of Trust or making minor changes or corrections including the correction or rectification of any ambiguities, defective provisions, errors, mistakes or omissions, which are, in the opinion of the Trustee, necessary or desirable and not prejudicial to the Unitholders;
- (f) making amendments which, in the opinion of the Trustee, are necessary or desirable and in the interests of the Unitholders as a result of changes in taxation laws or policies of any Governmental Authority having jurisdiction over the Trustee or the Trust;
- (g) for any purpose (except one in respect of which a vote by Unitholders is specifically otherwise required) if the Trustee is of the opinion that the amendment is not prejudicial to Unitholders and is necessary or desirable; or
- (h) to provide for the electronic delivery by the Trust to the Unitholders of documents relating to the Trust (including financial statements and proxy-related materials) in accordance with Applicable Laws from time to time.

Notwithstanding the foregoing, no such amendment shall be adopted which causes: (a) the Trust to fail to qualify as a “mutual fund trust” under the Tax Act; or (b) the Trust to be a “SIFT trust” under the Tax Act, without the consent of the Unitholders given as set out above.

For greater certainty, the Unitholders may at any time by Extraordinary Resolution approve any amendment to the Deed of Trust which is consented to by the Manager, including any such amendment for the purpose of effecting:

- (a) an exchange, reclassification or cancellation of all or part of a class or series of Trust Units;
- (b) the addition, change or removal of the rights, restrictions or conditions attached to a class or series of Trust Units and, including, without limiting the generality of the foregoing,
  - (i) the removal or change of rights to distributions;
  - (ii) the addition or removal of or change to conversion privileges, options, voting, transfer or pre-emptive rights; or
  - (iii) the reduction or removal of a distribution preference or liquidation preference;
- (c) the creation of new rights, restrictions or conditions attaching to a class or series of Trust Units;
- (d) the constraint on the issue, transfer or ownership of a class or series of Trust Units or the change or removal of such constraint; or
- (e) any other amendment to the Deed of Trust.

No such amendment shall limit, reduce, impair or negate any privilege, right, benefit or indemnity provided to the Trustee herein without the consent of the Trustee.

### **Portfolio Management Agreement**

**The following is a summary only of certain terms in the Portfolio Management Agreement which, together with other summaries of additional terms of the Portfolio Management Agreement appearing elsewhere in this Offering Memorandum, are qualified in their entirety by reference to the actual text of the Portfolio Management Agreement, a review of which is recommended to investors.**

#### ***General***

The Trust and the Manager entered into the Portfolio Management Agreement on December 31, 2020.

Pursuant to the Portfolio Management Agreement, ICM IM, the Manager, was appointed as portfolio manager to the Trust. The Manager will perform certain management and administrative functions of the Trust as described below.

#### ***Fees and Expenses***

The Manager’s entitlement to the Management Fee and Acquisition Fee are set forth in “*Item 3.2 - Fees and Expenses - Management Fee and Acquisition Fee*”.

The Manager shall pay and be responsible for all of its day-to-day operating and administrative expenses, including expenses incurred for rent, furnishings, utilities, supplies, general marketing of the Manager and other similar overhead expenses and compensation of its employees, provided that the Trust shall be responsible and shall reimburse the Manager for the costs and expenses of the Manager directly related to the operation of the Trust to the extent that the Trust is responsible for such costs and expenses.

### **Portfolio Management Services**

The Manager shall manage the Trust Assets and day-to-day operations and affairs of the Trust in accordance with the terms and conditions of the Portfolio Management Agreement and on a basis that is consistent in all respects with the provisions of the Deed of Trust. Without limiting the generality of the foregoing, the Manager shall:

- (a) administer the day-to-day operations of the Trust, including the maintenance of proper and complete books and records in connection with the management and administration of the affairs of the Trust;
- (b) invest the capital of the Trust in accordance with the Investment Objectives and Investment Restrictions determined in accordance with the Deed of Trust;
- (c) sell by private contract or at public auction and exchange, convey, transfer, or otherwise dispose of any Trust Assets and other property held by the Trust in accordance with the investment guidelines set out in or otherwise determined from time to time in accordance with the Deed of Trust;
- (d) formulate a recommendation to the Trustee whether and in what manner to vote, and execute or cause to be executed proxies respecting the voting of, securities held by the Trust at all meetings of holders of such securities;
- (e) consider, for the benefit of the Trust, all potential Investments that come to the attention of the Manager that meet the Investment Objectives and Investment Restrictions set out in the Deed of Trust, including investments that come to the attention of any subsidiaries of the Trust;
- (f) conduct due diligence and financial analysis in relation to the Trust Assets or other proposed Investments of the Trust;
- (g) conduct and coordinate relations on behalf of the Trust with other persons as required in order to perform its duties hereunder, including lawyers, auditors, technical consultants and other experts, and select the markets, dealers or brokers and negotiate, where applicable, commissions or service charges in connection with transactions on behalf of the Trust;
- (h) calculate the Net Asset Value of the Trust (including on a per Trust Unit basis) in accordance with the Deed of Trust and furnish each such calculation to the Trustee;
- (i) prepare a quarterly written commentary outlining the highlights of the Trust's activities and furnish same to the Trustee;
- (j) make or incur and pay expenses on behalf of the Trust as it reasonably considers necessary in the discharge of its responsibilities hereunder;
- (k) act as agent of the Trust in obtaining for the Trust such services as may be required in connection with the Trust Assets;
- (l) manage and employ the capital of the Trust in the exercise of the duties of the Manager set out herein, including the payment of operating expenses and the investment of capital on the instructions of the Trustee, in accordance with the terms of the Portfolio Management Agreement and the Deed of Trust;
- (m) manage, conduct and coordinate compliance obligations on behalf of the Trust with the Alberta Securities Commission or other applicable authorities;
- (n) manage, administer, and hold for safekeeping the assets of the Trust in conjunction with the Trustee in accordance with this Portfolio Management Agreement and the Deed of Trust;

- (o) co-ordinate and oversee the preparation, printing, and distribution of the Offering Memorandum, including acting as liaison with legal counsel and accounting advisors to assist with the foregoing;
- (p) oversee the sale of the Trust Units and the completion of all matters related to the closing of subscriptions for Trust Units;
- (q) respond to inquiries from financial agents, investors and others as they may arise from time to time;
- (r) prepare and file all reports required in the jurisdictions in which Trust Units have been sold in order to comply with applicable securities legislation;
- (s) in conjunction with the Trustee, execute any and all other deeds, documents and instruments and do all acts as may be necessary or desirable to carry out the intent and purpose of this Agreement upon the reasonable request of the Trustee; and
- (t) complete all such other tasks and matters as may be necessary in respect of the foregoing.

### ***Standard of Care and Indemnification***

Pursuant to the Portfolio Management Agreement, the Manager agrees to act honestly and in good faith with a view to the best interests of the Trust, and in connection therewith, to exercise the degree of care, diligence and skill that a diligent portfolio manager would exercise in similar circumstances.

The Trust shall indemnify and hold harmless the Manager and its directors, officers, employees, agents, affiliates and associates against any and all actions, causes of action, losses, claims and expenses and the like related to the activities of the Manager in relation to the Trust, except in cases where such activity is a material breach of the Portfolio Management Agreement or in cases of gross negligence or wilful misconduct by the Manager.

The Manager shall indemnify and hold harmless the Trustee, on behalf of the Trust, and its respective directors, officers, employees, agents, affiliates and associates against any and all actions, causes of action, losses, claims and expenses and the like related to the activities of the Manager in relation to the Trust (as the case may be), except in cases where such activity is a material breach of the Portfolio Management Agreement or the Deed of Trust or in cases of gross negligence or wilful misconduct by the Trustee.

### ***Term and Termination***

The Portfolio Management Agreement, unless terminated as described below, will continue until the dissolution of the Trust.

The Manager may terminate the Portfolio Management Agreement if: (a) the Trust commits any act constituting fraud, wilful misconduct, negligence or a wilful and material violation of Applicable Laws; (b) there is a material breach of the Portfolio Management Agreement that is not cured within 90 days of the receipt from the Manager of written notice of such breach; or (c) there is a dissolution, liquidation, bankruptcy, insolvency or winding-up of the Trust or the Trustee.

The Trustee may terminate the Portfolio Management Agreement if: (a) there is a material breach of the Portfolio Management Agreement by the Manager that is not cured within 90 days from the receipt from the Trustee of written notice of such breach; (b) the Manager commits any act constituting fraud, wilful misconduct, negligence or a wilful and material violation of Applicable Laws; (c) there is a dissolution, liquidation, bankruptcy, insolvency or winding-up of the Manager; (d) the Manager's registration as a portfolio manager or an investment fund manager is suspended or adversely modified, revoked or terminated and such status is not cured within 90 days; or (e) it gives not less than one-hundred eighty (180) days written notice to the Manager of such termination for whatever reason.

In the event that the Portfolio Management Agreement is terminated with the Manager, the Trust shall appoint a successor investment fund manager and portfolio manager to carry out the activities of the Manager.

## 2.8 Related Party Transactions

The following table sets out the details of all purchase and sale transactions between the Trust and a related party:

Description of Business or Asset	Date of Transfer	Legal Name of Seller	Legal Name of Buyer	Amount and Form of Consideration Exchanged in Connection with Transfer
6,400 Class M LP Units of ICM Real Estate Income Strategies LP, 2,425 Class M LP Units of ICM U.S. Real Estate Opportunities LP, 109.735363 Class M LP Units of ICM U.S. Co-Investment Real Estate LP, 4,992 Class M LP Units of ICM Mexico Real Estate Opportunities LP, 6.85848% ownership in Midnapore Investments Limited Partnership and 1,872,675 Class A LP Units of ICM (IX) LP	June 28, 2019	ICM (IX) Real Estate Trust	ICM Property Partners Trust	\$48,757,550.32 <sup>(1)</sup>
3,435,218.61 Class F Units of ICM (VII) USD LP	December 31, 2020	ICM (VII) U.S. Core Plus Realty Trust	ICM Property Partners Trust	\$45,786,541.46 <sup>(2)</sup>
590,777 Class A Units, 133,075 Class B Units and 44,582 Class C Units of ICM Balanced Real Estate Trust	January 1, 2024	ICM Balanced Real Estate Trust	ICM Property Partners Trust	\$10,332,493.18 <sup>(3)</sup>

### Notes:

- (1) On June 28, 2019, the Trust and ICM (IX) Real Estate Trust underwent a reorganization whereby the Trust acquired all of the assets of ICM (IX) Real Estate Trust in exchange for Trust Units. This transaction effectively combined ICM (IX) Real Estate Trust with the Trust, which had common investment objectives. The transaction was intended to benefit the unitholders of ICM (IX) Real Estate Trust and the Trust, which benefits included: (a) cost savings from managing a single investment structure; (b) lower total fees; (c) more investor friendly redemption schedule; and (d) greater diversification through scale. The transaction was approved by the unitholders of ICM (IX) Real Estate Trust and also received approval of the Independent Review Committee. The consideration of the transaction was established using the same valuation methodology for both funds and was approved by the Independent Review Committee. Such consideration was paid by the Trust via the issuance of 1,021,678.3239 Series C Trust Units, 3,799,416.0740 Series D Trust Units, 314,899.1140 Series F Trust Units, 30,306.1750 Series Adv Trust Units, 385,483.4350 Series US\$ Trust Units and 27,272.0800 Series F-

US\$ Trust Units at a price of CAD\$8.75 per unit for Series C Trust Units, CAD\$8.30 per unit for Series D Trust Units, CAD\$9.37 per units for Series F Trust Units, CAD\$9.34 per unit for Series Adv Trust Units, USD\$9.32 per unit for Series US\$ Trust Units and USD\$9.73 per unit for Series F-US\$ Trust Units.

- (2) On December 31, 2020, the Trust and ICM (VII) U.S. Core Plus Realty Trust underwent a reorganization whereby the Trust acquired all of the assets of ICM (VII) U.S. Core Realty Trust in exchange for Trust Units. This transaction effectively combined ICM (VII) U.S. Core Plus Realty Trust with the Trust, which had common investment objectives. The transaction was intended to benefit the unitholders of ICM (VII) U.S. Core Plus Realty Trust and the Trust, which benefits included: (a) cost savings from managing a single investment structure; (b) lower annual management fees; (c) more investor friendly redemption schedule; and (d) greater diversification through scale. The transaction was approved by the unitholders of ICM (VII) U.S. Core Plus Realty Trust and also received approval of the Independent Review Committee. The consideration of the transaction was established using the same valuation methodology for both funds and was approved by the Independent Review Committee. Such consideration was paid by the Trust via the issuance of 5,568,844 Series E Trust Units, 32,022.6 Series C Trust Units and 214,761.75 Series I Trust Units at a price of CAD\$7.80 per unit for Series E Trust Units, CAD\$8.78 per unit for Series C Trust Units and CAD\$8.91 per unit for Series I Trust Units and deemed repayment of bona fide accounts receivable in the amount of \$154,560.64.
- (3) On January 1, 2024, the Trust and ICM Balanced Real Estate Trust underwent a reorganization whereby the Trust acquired all of the assets of ICM Balanced Real Estate Trust in exchange for Trust Units. This transaction effectively combined ICM Balanced Real Estate Trust with the Trust, which had common investment objectives. The transaction was intended to benefit the unitholders of ICM Balanced Real Estate Trust and the Trust, which benefits included: (a) cost savings as a percentage of total capital; (b) lower basic annual management fees; (c) more investor friendly redemption schedule; (d) greater diversification through scale; and (e) lower carried interest in higher return scenarios. The transaction was approved by the unitholders of ICM Balanced Real Estate Trust and also received approval of the Independent Review Committee. The consideration of the transaction was established using the same valuation methodology for both funds and was approved by the Independent Review Committee. Such consideration was paid by the Trust via the issuance of 993,508.96 Series C Trust Units at a price of CAD\$10.40 per Series C Trust Unit.

### ITEM 3 – COMPENSATION AND SECURITY HOLDINGS OF CERTAIN PARTIES

#### 3.1 Compensation and Securities Held

The following table sets out information about each director and officer of the Trustee, the promoter of the Trust and each person that has beneficial ownership of, or direct or indirect control over, or a combination of beneficial ownership and direct or indirect control over, ten percent (10%) or more of any class or series of voting securities of the Trust, and any related party that received compensation in the most recently completed financial year or is expected by the Trust to receive compensation in the current financial year.

Full Legal Name and Place of Residence or, if Not an Individual, Jurisdiction of Organization	Position Held and the Date of Obtaining That Position	Compensation	
		Most Recently Completed Financial Year / Expected for Current Financial Year	Number of Trust Units Held
John Courtliff Calgary, Alberta	President and Chief Executive Officer of the Trustee since January 14, 2022, Chief Financial Officer and a Director of the Trustee since April 19, 2018, Portfolio Manager of the Manager since June 30, 2017, Managing Director and a Director of the Manager since September 30, 2016 and Chief Executive Officer of the Manager since January 14, 2022	Nil <sup>(1)(2)</sup>	Nil
Spencer M. Coupland Calgary, Alberta	Managing Director, Corporate Secretary and a Director of the Trustee since April 19, 2018 and Chief Operating Officer, General	Nil <sup>(1)(2)</sup>	Nil

Full Legal Name and Place of Residence or, if Not an Individual, Jurisdiction of Organization	Position Held and the Date of Obtaining That Position	Compensation	
		Most Recently Completed Financial Year / Expected for Current Financial Year	Number of Trust Units Held
	Counsel and a Director of the Manager since September 30, 2016		
David Vankka Calgary, Alberta	Managing Director and Director of the Trustee since April 19, 2018, Portfolio Manager, Managing Director and a Director of the Manager since June 1, 2017 and President and Chief Financial Officer of the Manager since January 14, 2022	Nil <sup>(1)(2)</sup>	Nil
ICM Investment Management Inc. Calgary, Alberta	Manager	Management Fee and Acquisition Fee <sup>(1)(2)</sup>	1 Series ICM Trust Unit <sup>(3)</sup> , 10,687.9456 Series A Trust Units, 15,806.4074 Series B Trust Units, 20,460.3366 Series C Trust Units, 6,748.1148 Series US\$, 54,325.0821 Series D Trust Units, 962.8798 Series E Trust Units, 1,359.7842 Series Adv Trust Units, 18,598.3897 Series F Trust Units, 100,111.7611 Series I Trust Units and 1,639.1388 Series F-US\$ Trust Units

**Notes:**

- (1) No director or officer of the Trustee will be paid by the Trust or the Trustee. The Manager will earn fees from the Trust and its subsidiaries, including the Limited Partnerships, as outlined in this Offering Memorandum. Such fees, along with revenues from ICM IM's existing business activities, will be used to compensate directors and officers of the Trustee and the Manager.
- (2) The Trustee and the Manager are owned, indirectly, by John Courtliff, Spencer Coupland, David Vankka, Spencer Patton and Scott Myers. The Manager is entitled to the Management Fee, the Acquisition Fee and the ICM Participating Interest. The Trustee shall have priority over distributions to holders of Trust Units in respect of amounts payable or reimbursable to the Trustee.
- (3) The one Series ICM Trust Unit owned by the Manager allows the Manager to participate in the ICM Participating Interest.

**3.2 Fees and Expenses**

The Trust will pay the Acquisition Fee and the Management Fee to the Manager. In addition, the Manager, as the holder of the Series ICM Trust Unit, will receive the ICM Participating Interest.

To the extent that management fees, acquisition fees or the carried interest will be paid to the Manager or its affiliates by the Limited Partnerships or other Persons whose securities are held by the Trust (including for greater certainty, any fees payable pursuant to the Portfolio Management Agreement), the Management Fee, the Acquisition Fee and the ICM Participating Interest will be reduced to the extent that, to a reasonable person, the payment of such fees/interest would duplicate a fee payable by the Limited Partnerships or other Persons whose securities are held by the Trust.

### **Management Fee and Acquisition Fee**

For providing investment fund and portfolio management and administrative services to the Trust pursuant to the Portfolio Management Agreement, the Manager will be entitled to receive:

- The Management Fee, which is calculated and payable monthly, in an amount equal to 1.90% annually of the Series Net Asset Value of the Series B Trust Units, 1.65% annually of the Series Net Asset Value of the Series C Trust Units, and 1.90% annually of the Series Net Asset Value of the Series US\$ Trust Units. The Management Fee is treated as an expense attributed to a particular series.
- The Acquisition Fee equal to: (i) one percent (1.0%) of the purchase price of any property acquired by a Limited Partnership; or (ii) one percent (1.0%) of the capital committed to any other investment made by a Limited Partnership; in each case, multiplied by the percentage interest of such Limited Partnership held by the Trust at the time of acquisition or capital commitment.

To the extent the Manager, or an affiliate thereof, performs any property management, leasing or capital project management that would not typically fall under the services described in the Portfolio Management Agreement, it may earn additional fees at market rates for such services provided and such fees shall be unanimously approved by the Independent Review Committee. See "Item 2.7 - Material Contracts - Portfolio Management Agreement".

### **ICM Participating Interest**

One (1) Series ICM Trust Unit has been issued to the Manager, allowing the Manager to participate in a five percent (5%) interest of the Distributable Income and equity of the Trust, including a portion of the proceeds when Trust Units are redeemed (the **"ICM Participating Interest"**).

Through the Series ICM Trust Unit, the Manager will receive earned equity in lieu of a traditional carried interest model that would provide for twenty percent (20%) to ninety percent (90%) of profits over a specified preferred return being paid to the Manager. While the Manager believes that the preferred return and carried interest model provides for stronger alignment of interest for investment funds with a shorter term or defined investment horizon, the Manager believes that an earned equity model more closely aligns the interests of the Manager with that of Unitholders over the long-term, and thus is more appropriate for the Trust and the Limited Partnerships. The Manager believes this to be true due to commonly accepted misalignment problems with traditional carried interest structures, many of which are accentuated in instances where a fund has a longer-term investment horizon, as does the Trust. Such misalignment in traditional carried interest structures includes:

- If a fund performs well in the near to medium term, the manager may be incentivized to reduce the risk in the portfolio to reduce the risk of eroding any unpaid carried interest earned up to that point in time until such time as the gain is realized. Such a reduction of risk may be contrary to the stated investment objectives of the fund, and for funds with an indefinite horizon, no realization may occur.
- If a fund performs poorly at any point in time, the manager may: (a) take excessive risk to try to recover earlier losses and "catch up" to the preferred return, effectively gambling with investor capital because it has nothing to lose; or (b) struggle to retain talented individuals to oversee the investments of the fund because the incentive typically provided by the carried interest will not exist.
- For funds with a longer-term horizon, the fund will certainly experience both expansive and contractionary economic cycles. A fixed annual preferred return of eight percent (8%) may be



appropriate in an expansive cycle, but be highly punitive in a contractionary cycle where the manager might outperform the market and its peers, but fall short of an annual eight percent (8%) return for macro-economic reasons beyond its control.

- Perpetually chasing a preferred return introduces challenges in pursuing longer-term, good value assets in favour of shorter-term transactional assets where the internal rate of return may be higher, but the long-term total return multiple may be lower.

In contrast, the ICM Participating Interest provides strong alignment for the Manager for the following reasons:

- The Trust is intended to be a long-term investment vehicle. Under a traditional carried interest model, the Manager may never realize upon any such carried interest because the Trust does not have a planned liquidity and wind up date.
- The ICM Participating Interest fully aligns the Manager and Unitholders in all scenarios because the Manager will participate in any growth or loss in the Trust in a manner that is directly proportionate to Unitholders.
- The ICM Participating Interest encourages the Manager to continually take appropriate levels of risk in order to achieve the stated investment objectives of the Trust.
- The ICM Participating Interest encourages the Manager to consider the economic cycle and appropriately plan the portfolio in order to succeed on a relative risk-adjusted basis regardless of current macro-economic conditions.

In the event that ICM IM or its affiliates are removed or terminated as the Manager, the ICM Participating Interest shall survive such removal or termination.

### **Fees and Expenses of Limited Partnerships**

There may be fees and expenses payable by the Limited Partnerships whose securities are held by the Trust, in addition to the fees and expenses directly payable by the Trust. Accordingly, the Trust bears its share of such fees and expenses. The fees and expenses of the Limited Partnerships may be higher than the fees and expenses payable by the Trust. To the extent that management fees, acquisition fees or the carried interest will be paid to the Manager or its affiliates by a Limited Partnership or other Persons whose securities are held by the Trust, the Management Fee, the Acquisition Fee and the ICM Participating Interest will be reduced to the extent that, to a reasonable person, the payment of such fees/interest would duplicate a fee payable by a Limited Partnership or other Persons whose securities are held by the Trust. No sales charges or redemption fees are payable by the Trust in relation to its purchases or redemptions of securities of the Limited Partnerships that are managed by the Manager or any of its affiliates or that, to a reasonable person, would duplicate a fee payable by Unitholders.

### **Operating Costs**

The Trust and the Limited Partnerships will pay for all Operating Costs. It is expected that all Operating Costs related to the management and administration of the Trust and the Limited Partnerships, including the making of Investments, will be conducted by the Manager in consideration for the Management Fee and the Acquisition Fee, provided that Operating Costs relating to legal and transfer agency matters may be performed by ICM Parties, and recovered by the Manager from the Trust at rates not to exceed market rates, with such recovery to be unanimously approved by the Independent Review Committee.

Further, the Trust shall be responsible and shall reimburse the Portfolio Manager for the costs and expenses of the Portfolio Manager directly related to the operation of the Trust to the extent that the Trust is responsible for such costs and expenses. See "[Item 2.7 - Material Contracts - Portfolio Management Agreement - Fees and Expenses](#)".

## Offering Costs

The Trust and the Limited Partnerships will pay for all Offering Costs. A portion of the Offering Costs, including legal, transfer agency, marketing and wholesaling costs may be performed by employees of the Manager, and recovered by the Manager from the Trust at rates not to exceed market rates, with such recovery to be unanimously approved by the Independent Review Committee, provided that the Manager will pay, without reimbursement, any Offering Costs in excess of two percent (2.0%), respectively, of the Gross Subscription Proceeds from the sale of Series B Trust Units, Series C Trust Units and Series US\$ Trust Units.

## Trustee Expenses

ICM Property Partners Trustee Inc. will not be entitled to compensation for acting as Trustee. However, disbursements made and expenses incurred (including out-of-pocket expenses and third-party disbursements) by the Trustee in the performance of its duties and obligations under the Deed of Trust shall be paid by the Trust, unless such compensation, disbursements or expenses have been first paid by the Manager.

### 3.3 Management's Experience

The following table discloses the principal occupations of the directors and officers of the Trustee and the Manager over the past five years.

<b>Full Legal Name</b>	<b>Office Held</b>	<b>Principal Occupation and Description of Experience Associated with the Occupation</b>
John Courtliff	President, Chief Executive Officer, Chief Financial Officer and a Director of the Trustee and Chief Executive Officer, Portfolio Manager and a Director of the Manager	John has been working with ICM since 2011. John has been Managing Director and a Director of the Manager since September 30, 2016, Portfolio Manager of the Manager since June 30, 2017 and the Chief Financial Officer and a Director of the Trustee since April 19, 2018. Prior to joining ICM, John was Vice President and associate portfolio manager of a registered investment fund manager and portfolio manager headquartered in Calgary. John has over sixteen (16) years of experience in investment management and the Canadian capital markets, beginning his career in investment banking before transitioning to real estate investment management. John is fluent in both French and English and is conversational in Spanish. He earned his Bachelor of Commerce in Finance from the University of Calgary as a four (4) year Academic All Canadian, including studies at the Vienna University of Economics and Business, Wirtschafts Universitat Wien. John holds the Chartered Financial Analyst designation. John is a member the board of directors of Calgary United Soccer Association, an organization responsible for operating soccer leagues in Calgary for over 300 teams and 9,000 adult participants.
Spencer M. Coupland	Managing Director, Corporate Secretary and a Director of the Trustee and Chief Operating Officer, General Counsel and a Director of the Manager	Spencer joined ICM in 2016 as the General Counsel and a Director of the Manager. Spencer is responsible for all legal matters at ICM IM including the assessment and acquisition of investment opportunities as well as aspects related to securities offerings on behalf of the funds managed by ICM IM. Prior thereto, Spencer was the Chief Legal Officer of a registered investment fund manager and portfolio manager (2013-2016) and a corporate securities lawyer at Bennett Jones LLP (2010-2013). In his corporate and securities law practice, he advised clients on private equity fund formation, registration matters, structuring private equity investments such as leveraged buyouts, venture capital, mezzanine capital and the creation of private equity investment funds, private and public mergers and acquisitions, equity and debt related

Full Legal Name	Office Held	Principal Occupation and Description of Experience Associated with the Occupation
David Vankka	Managing Director and a Director of the Trustee and President, Chief Financial Officer, Portfolio Manager, Managing Director and a Director of the Manager	<p>corporate finance transactions (acting for both issuers and underwriters), corporate reorganizations and recapitalizations, NYSE, TSX and TSX Venture Exchange original listings and graduations, initial public offerings, takeover bids and capital pool company transactions. Prior to practicing law, Spencer worked in private equity. Spencer holds a Bachelor of Education (with distinction) and LLB from the University of Calgary. Spencer is a member of the Alternative Investment Management Association's (AIMA) Investor Engagement Committee and Western Regional Committee as well as a member of the National Board of Directors of the Private Capital Markets Association of Canada. Spencer is also a Past Chair of the Lindsay Park Sports Society (LPSS) Board of Governors. The LPSS is a non-profit society that manages the Repsol Sport Centre on behalf of the people of Calgary.</p> <p>David joined ICM IM in 2017 and is responsible for the management of ICM IM's private equity platform and asset management activities. He has extensive advisory experience in portfolio management, domestic and cross-border mergers &amp; acquisitions, equity and debt origination, due diligence, structured product management, strategic planning, risk management and proprietary trading. David was Managing Director, Investment Banking at Canaccord Genuity Corp. from November 2012 to January 2016 as well as Managing Director, Investment Banking at Dundee Securities Ltd. from April 2011 to July 2012. Prior to that David also was a Portfolio Manager and Vice President, Risk Management at Gluskin Sheff + Associates, a wealth management firm founded in 1994 serving high net worth private clients and institutional investors. David was a founder of global energy investment bank Tristone Capital Inc. in 2002 which was ultimately sold to Macquarie Group in 2009 while he was Managing Director, Institutional Sales and Trading. Prior thereto, David was Co-Head, Institutional Trading as well as a Principal, Corporate Finance at Peters &amp; Co. Limited, a full-service investment dealer that has specialized in the Canadian oil and natural gas, midstream and oilfield services industries since 1971. David was with Deloitte &amp; Touche in Calgary and the Cayman Islands from 1992 to 1996. David holds Chartered Financial Analyst, Canadian Investment Manager, Chartered Professional Accountant and Chartered Accountant designations. David is registered as a Portfolio Manager with the Alberta Securities Commission and holds a Bachelor of Commerce with distinction from the University of Calgary. He is a former director of the Calgary CFA Society and former section chair for the United Way of Calgary. David is currently a director of Clearview Resources Ltd., a privately held oil and natural gas producing company based in Calgary.</p>

### Key Members of ICM

While the individuals discussed below are not directors or officers of the Trustee or Manager, they are key members of the executive team of the Manager's regional affiliates and are significantly involved in the identification, acquisition and ongoing management of the Investments that the Limited Partnerships will make that have been and ultimately will be, indirectly, acquired by the Trust.

**Spencer Y. Patton, Managing Director, USA**

Spencer joined ICM in 2011 and is responsible for sourcing future investment opportunities and directing the company's activities throughout the U.S. Spencer has over twenty-five (25) years of experience in business development, acquisition, underwriting, management and fund-raising activities for both real estate and private equity transactions. Spencer has held senior positions at Songy Partners (Senior Vice President), Wells Real Estate Funds (Director/Senior Vice President), The Walker companies (Chief Financial Officer and Director of Real Estate) and Wachovia Bank. Spencer was responsible for sourcing, securing, underwriting and closing core, core plus, value added and development office, hospitality and mixed-use real estate transactions across the U.S. Additionally, he assisted in fund raising, asset management, dispositions and capital planning. During his career he has closed real-estate transactions valued in excess of \$1.9 billion. Spencer has a bachelor of sciences in Business Administration from Washington and Lee University and earned his Masters of Business Administration from Emory University, Goizueta School of Business.

### **Scott Myers, Managing Director, Latin America**

Scott has been working in association with ICM since 2016 and is responsible for sourcing and managing ICM's investment activities in Mexico, where he maintains an extensive network of partners in the areas of real estate development, finance, law, and taxation. Scott has more than thirty (30) years of experience in the real estate industry as a developer and builder of residential and commercial properties in the U.S. and Mexico. As the owner of his own development company, Scott built and sold more than 4,000 residential lots and 1,000 residential units in California and Nevada, with a total sales value in excess of \$500 million. In association with ICM's Mexican development partners, Scott has directed our initial investments in Mexico, overseeing the legal, tax, entitlement, design, and construction aspects of those investments on behalf of ICM. Scott received a Bachelor's Degree in International Relations from the University of California at Los Angeles and is a licensed general contractor in the State of California. Scott is fluent in English and Spanish and has been traveling to Mexico for business and pleasure since 1967.

### **3.4 Penalties, Sanctions, Bankruptcy, Insolvency and Criminal or Quasi-Criminal Matters**

During the last ten (10) years preceding the date hereof, with respect to: (a) any director, executive officer or control person of the Trust, the Trustee and the Manager; or (b) any other issuer with which they have acted as director, executive officer or control person, there has been: (i) no penalty or other sanction imposed by a court relating to a contravention of securities legislation; (ii) no penalty or other sanction imposed by a regulatory body relating to a contravention of securities legislation; and (iii) no order restricting trading in securities, not including an order that was in effect for less than thirty (30) consecutive days; (iv) no declaration of bankruptcy; (v) no voluntary assignment in bankruptcy; (vi) no proposal under bankruptcy or insolvency legislation; and (vii) no proceeding, arrangement or compromise with creditors or appointment of a receiver, receiver manager or trustee to hold assets.

With respect to the Trust, the Trustee and the Manager or any director, executive officer or control person of the Trust, the Trustee and the Manager, none have ever pled guilty to or been found guilty of: (a) a summary conviction or indictable offence under the *Criminal Code* (Canada); (b) a quasi-criminal offence in any jurisdiction of Canada or a foreign jurisdiction; (c) a misdemeanour or felony under the criminal legislation of the U.S., or any state or territory of the U.S.; or (d) an offence under the criminal legislation of any other foreign jurisdiction.

### **3.5 Certain loans**

The Trust may invest into the Limited Partnerships with the use of debt. Such Limited Partnerships are controlled by the Manager, which may result in the Limited Partnerships being treated as a related party. Loans from the Trust to the Limited Partnerships are made on market terms and for tax planning purposes. No director, officer or control person of the Manager has any material interest in the Limited Partnerships other than through the Trust.

Other than the above, no debenture, bond or loan agreement is outstanding between the Trust or a Limited Partnership and a related party, respectively.

### **3.6 Conflicts of Interest and Duties of the Independent Review Committee**

The unanimous approval of the Independent Review Committee shall be required to consent to or approve the following matters:

- (a) any “conflict of interest matter” regarding the business of the Trust and the Limited Partnerships, including but not limited to approval of expenses, fees or other costs and any related-party transactions or contracts involving the Trust or the Limited Partnerships or related-party transactions or contracts involving their directors, officers, shareholders or affiliates, provided that any conflict of interest matters concerning the business of a Limited Partnership shall only be subject to the consent or unanimous approval of the Independent Review Committee if the Trust has an ownership interest of twenty percent (20%) or greater in such Limited Partnership; and
- (b) the reallocation of the use of proceeds from the Offering for any purpose that is materially different than the articulated use of proceeds set out in this Offering Memorandum.

A “**conflict of interest matter**” means a situation where a reasonable person would consider the person or entity in question, or an entity related to such person or entity, to have an interest which may conflict with their ability act in good faith and in the best interests of the Trust.

The Independent Review Committee may grant approvals for any matters that may give rise to a conflict of interest or potential conflict of interest pursuant to the guidelines, policies or procedures adopted by the Independent Review Committee from time to time with the unanimous approval of the members of the Independent Review Committee, and, if and to the extent that such matters are permitted by such guidelines, policies or procedures, no further special approval will be required in connection with such matter permitted thereby.

#### **Members of the Independent Review Committee**

The Independent Review Committee is comprised of the following individuals:

##### ***Terri Troy***

Terri is Co-Founder of Placemore Capital Inc., a registered exempt market dealer. She has more than twenty-five (25) years of experience in investment management, pensions, corporate strategy, and mergers and acquisitions, previously acting as CEO of the Halifax Regional Municipality Pension Plan. Terri has held positions as a member of Investor Advisory Committees for various global private investments including UK, European and U.S. private equity; UK, Australian and Canadian infrastructure; European, UK, Asian, U.S. and Canadian real estate; and European, UK, and U.S. private debt. Prior to the Halifax Regional Municipality Pension Plan, Terri was responsible for the investment strategy for RBC’s thirty-three (33) global pension plans between 2000–2006. Prior to RBC, Terri held various roles at CIBC including corporate strategy, mergers & acquisitions, and wealth management. Terri has held various leadership roles in the pension industry including being a board member of the Pension Investment Association of Canada (PIAC), Chair of PIAC, Chair of PIAC’s Investment Practices Committee and Chair of PIAC’s Government Relations Committee. Over the course of her career, Terri has received many awards including the Leading Pension Plan Sponsor Award and the Top 25 Most Influential Plan Sponsors. Terri has an MBA from York University and an HBBA from Wilfrid Laurier. She also holds the CFA charter and completed the ICD Rotman, Directors Education Program. Currently, Terri is on the Teaching Faculty for the International Limited Partnership Association and teaches ILPA’s Private Equity for Trustee course and Private Equity for the LP course.

##### ***Stuart Olley***

Stuart is a senior partner in Gowling WLG’s Capital Markets, M&A and Private Equity groups in Calgary and head of Calgary’s Business Law Group and the National Natural Resources Group. Stuart has worked for a variety of issuers and underwriters in transactions in industries including oil & gas, mining, real estate and technology. He has extensive experience in international financing and merger transactions, including work in

investments and acquisitions in Africa, Central and South America, and Asia. Domestically, Stuart has assisted clients in the extractive sector with financings, business combinations, (including contested proxy fights, hostile and friendly take-over bids, and restructuring transactions under the CCAA and the ABCA), corporate governance matters and regulatory compliance. Stuart is a past member of the Securities Advisory Council of the Alberta Securities Commission. He holds a master's degree in law from Osgoode Hall Law School at York University (securities speciality), a law degree and MBA from the University of Alberta, and a bachelor's degree in arts from the University of Toronto. Stuart has served on the board of directors of various public companies and is BV Peer Review rated by Martindale-Hubbell as well as being recognized by Lexpert for expertise in Mining and Corporate Commercial work.

## ITEM 4 - CAPITAL STRUCTURE

### 4.1 Unit Capital of the Trust

The following table sets out information about the capitalization of the Trust as at April 30, 2024:

Description of Security	Number Authorized to be Issued	Price per Security	Number Outstanding as at April 30, 2024 and assuming \$0 Offering	Number Outstanding as at April 30, 2024 and assuming \$50,000,000 Offering <sup>(1)</sup>
Series A Trust Units	unlimited	C\$8.31-\$10.42	1,447,961.9774	1,447,961.9774
Series B Trust Units	unlimited	C\$8.34-\$10.42	3,718,452.8897	8,516,917.38 <sup>(2)</sup>
Series C Trust Units	unlimited	C\$8.40-\$10.42	3,026,227.0794	7,824,691.57 <sup>(3)</sup>
Series D Trust Units	unlimited	C\$7.22-\$9.16	3,166,385.4989	3,166,385.4989
Series E Trust Units	unlimited	C\$7.52-\$9.79	4,721,870.9370	4,721,870.9370
Series US\$ Trust Units	unlimited	US\$8.43-\$10.60	734,632.0208	7,183,881.59 <sup>(4)</sup>
Series Adv Trust Units	unlimited	C\$9.68-\$11.65	820,336.2348	5,112,181.73 <sup>(5)</sup>
Series F Trust Units	unlimited	C\$9.92-\$11.60	1,306,335.7328	5,616,680.56 <sup>(6)</sup>
Series I Trust Units	unlimited	C\$8.91-\$11.71	21,681,842.6660	25,951,697.49 <sup>(7)</sup>
Series F-US\$ Trust Units	unlimited	US\$9.51-\$10.99	332,862.3067	6,553,248.60 <sup>(8)</sup>
Series ICM Trust Unit	1	nil	1	1 <sup>(9)</sup>

#### Notes:

- (1) There is no minimum or maximum Offering. The Trust may complete the issue and sale of Offered Units at any time and from time to time at one or more Closings until the Offering is terminated.
- (2) Assumes all sales are Series B Trust Units at C\$10.42.
- (3) Assumes all sales are Series C Trust Units at C\$10.42.
- (4) Assumes all sales are Series US\$ Trust Units at US\$10.60.
- (5) Assumes all sales are Series Adv Trust Units at C\$11.65 under an anticipated concurrent offering of Series Adv Trust Units.
- (6) Assumes all sales are Series F Trust Units at C\$11.60 under an anticipated concurrent offering of Series F Trust Units.
- (7) Assumes all sales are Series I Trust Units at C\$11.71 under an anticipated concurrent offering of Series I Trust Units.
- (8) Assumes all sales are Series F-US\$ Trust Units at US\$10.99 under an anticipated concurrent offering of Series F-US\$ Trust Units.
- (9) The one Series ICM Trust Unit owned by the Manager allows the Manager to participate in the ICM Participating Interest.

## 4.2 Indebtedness

As of the date hereof, the Trust has the following indebtedness outstanding (the “**Credit Facility**”):

Description of Debt	Interest Rate	Repayment Terms	Amount Outstanding as of April 30, 2024	Amount Payable Within 12 Months
Revolving Credit Facility (secured)	See Note 1	Due on December 8, 2024	\$30,026,500	\$30,026,500

**Note:**

(1) The Credit Facility bears interest at a variable rate based on the CORRA plus 5.8% per annum on the principal outstanding and a fixed standby fee of 0.3% on undisbursed funds, payable monthly.

On December 8, 2023, the Trust obtained the revolving Credit Facility from an arm’s length party in the amount of \$40,000,000. The Trust obtained an advance in the amount of \$5,000,000 on December 13, 2023.

The Credit Facility is secured by a general security agreement on the Trust’s present and future personal property, a limited recourse guarantee from the Manager on Trust Units owned, and a pledge of units of certain Limited Partnerships in which the Trust owns an interest. The Credit Facility has various financial and reporting covenants including that the Trust must maintain a debt service coverage ratio, on income generating properties, equal or greater than 1.20:1; net subscription proceeds (calculating on a trailing four financial quarter basis) equal to or greater than \$25 million each financial quarter ended after December 31, 2023; a leverage ratio equal to or less than 12% at all times; a development projects ratio equal to or less than 50% at all times; a total debt ratio equal to or less than 65%; and a Trust net asset value equal or greater than \$300 million. As at the date hereof, the Trust is in compliance with these covenants, a failure to comply with any of the covenants under the Credit Facility could result in an event of default which, if not cured or waived, would permit the administrative agent or the lenders to cancel all credit availability and demand repayment of the Credit Facility in full. See “Item 10.2 - Risks Associated with the Trust - Debt Related Risks”.

In connection with the acquisitions of property investments by the Limited Partnerships. The Limited Partnerships may enter into mortgages and loans payable that are secured by such property and/or other assets. The Limited Partnerships may also have subordinated debt and operating lines secured by real property or are unsecured. The LTV of the Trust’s portfolio of property investments as of April 30, 2024 is 47.6%. The Trust is also compliant with the leverage restrictions for property investments set out in “Item 2.2 - The Trust’s Business - Leverage Restrictions”. Mortgage amounts payable within 12 months are expected to be renewed, refinanced or repaid in the normal course of business.

## 4.3 Prior Sales

The following table sets out information about the Trust Units under this Offering issued by the Trust within the last twelve (12) months of the date hereof:

### Trust Units

#### Series B Trust Units

Date of Issuance	Type of Security Issued	Number of Securities Issued	Price per Security (CAD\$)	Total Funds Received (CAD\$)
May 31 2023 <sup>(1)</sup>	Series B Trust Units	9,791.0452	10.07	98,595.82
May 31 2023	Series B Trust Units	5,741.8111	10.38	59,600.00

<b>Date of Issuance</b>	<b>Type of Security Issued</b>	<b>Number of Securities Issued</b>	<b>Price per Security (CAD\$)</b>	<b>Total Funds Received (CAD\$)</b>
May 31 2023 <sup>(2)</sup>	Series B Trust Units	321.6048	10.93	3,515.14
June 30 2023 <sup>(1)</sup>	Series B Trust Units	9,833.5304	10.07	99,023.64
June 30 2023	Series B Trust Units	15,844.1232	10.38	164,462.00
June 30 2023 <sup>(2)</sup>	Series B Trust Units	198.6587	10.93	2,171.34
July 31 2023 <sup>(1)</sup>	Series B Trust Units	9,855.9812	10.09	99,446.84
July 31 2023	Series B Trust Units	65,889.4846	10.40	685,250.66
July 31 2023 <sup>(2)</sup>	Series B Trust Units	305.9188	10.95	3,349.81
August 31 2023 <sup>(1)</sup>	Series B Trust Units	10,004.2061	10.09	100,942.44
August 31 2023	Series B Trust Units	54,835.5771	10.40	570,290.00
August 31 2023 <sup>(2)</sup>	Series B Trust Units	190.2503	10.95	2,083.24
September 30 2023 <sup>(1)</sup>	Series B Trust Units	10,181.8658	10.09	102,735.03
September 30 2023	Series B Trust Units	66,043.2697	10.40	686,850.00
October 31 2023 <sup>(1)</sup>	Series B Trust Units	10,265.0747	10.09	103,574.59
October 31 2023	Series B Trust Units	25,450.6731	10.40	264,687.00
November 30 2023 <sup>(1)</sup>	Series B Trust Units	10,350.7164	10.09	104,438.72
November 30 2023	Series B Trust Units	91,548.2689	10.40	952,102.00
December 31 2023 <sup>(1)</sup>	Series B Trust Units	10,480.4131	10.11	105,956.99
December 31 2023	Series B Trust Units	91,711.1321	10.42	955,630.00
January 31 2024 <sup>(1)</sup>	Series B Trust Units	10,709.6009	10.11	108,274.07
January 31 2024	Series B Trust Units	40,863.7232	10.42	425,800.00
February 29 2024 <sup>(1)</sup>	Series B Trust Units	10,713.2844	10.11	108,311.32
February 29 2024	Series B Trust Units	37,284.0684	10.42	388,499.99
March 28, 2024	Series B Trust Units	76,031.6695	10.42	792,250.00
March 31, 2024 <sup>(1)</sup>	Series B Trust Units	10,808.8492	10.11	109,277.47
April 30, 2024	Series B Trust Units	27,649.1188	10.42	288,103.82
	<b>Total</b>	<b>712,903.9197</b>		<b>7,385,221.93</b>

#### **Series C Trust Units**

<b>Date of Issuance</b>	<b>Type of Security Issued</b>	<b>Number of Securities Issued</b>	<b>Price per Security (CAD\$)</b>	<b>Total Funds Received (CAD\$)</b>
May 31 2023 <sup>(2)</sup>	Series C Trust Units	976.6158	10.93	10,674.41



<b>Date of Issuance</b>	<b>Type of Security Issued</b>	<b>Number of Securities Issued</b>	<b>Price per Security (CAD\$)</b>	<b>Total Funds Received (CAD\$)</b>
May 31 2023 <sup>(1)</sup>	Series C Trust Units	4,932.9206	10.07	49,674.50
June 30 2023 <sup>(2)</sup>	Series C Trust Units	34.7896	10.93	380.25
June 30 2023 <sup>(1)</sup>	Series C Trust Units	4,960.3034	10.07	49,950.26
July 31 2023 <sup>(2)</sup>	Series C Trust Units	346.8237	10.95	3,797.72
July 31 2023 <sup>(1)</sup>	Series C Trust Units	4,880.0928	10.09	49,240.14
August 31 2023 <sup>(2)</sup>	Series C Trust Units	1,538.5005	10.95	16,846.58
August 31 2023 <sup>(1)</sup>	Series C Trust Units	4,909.0359	10.09	49,532.17
September 30 2023 <sup>(1)</sup>	Series C Trust Units	4,938.8548	10.09	49,833.04
September 30 2023	Series C Trust Units	96,153.8462	10.40	1,000,000.00
September 30 2023 <sup>(4)</sup>	Series C Trust Units	1,486.9151	10.09	15,000.00
October 31 2023 <sup>(1)</sup>	Series C Trust Units	5,351.9733	10.09	54,001.41
October 31 2023 <sup>(4)</sup>	Series C Trust Units	49.5638	10.09	500.00
October 31 2023	Series C Trust Units	4,807.6923	10.40	50,000.00
November 30 2023 <sup>(1)</sup>	Series C Trust Units	5,351.9952	10.09	54,001.63
November 30 2023 <sup>(4)</sup>	Series C Trust Units	123.9096	10.09	1,250.00
November 30 2023	Series C Trust Units	12,019.2308	10.40	125,000.00
December 31 2023 <sup>(1)</sup>	Series C Trust Units	5,336.9910	10.11	53,956.98
December 31 2023 <sup>(4)</sup>	Series C Trust Units	86.0755	10.11	870.00
December 31 2023	Series C Trust Units	8,349.3282	10.42	87,000.00
January 1, 2024	Series C Trust Units	993,508.9600	10.40	10,332,493.18
January 31 2024 <sup>(1)</sup>	Series C Trust Units	6,958.3617	10.11	70,349.04
February 29 2024 <sup>(1)</sup>	Series C Trust Units	6,794.2534	10.11	68,689.90
March 31, 2024	Series C Trust Units	6,866.8865	10.11	69,424.22
	<b>Total</b>	<b>1,180,763.92</b>		<b>12,262,465.43</b>

#### **Series US\$ Trust Units**

<b>Date of Issuance</b>	<b>Type of Security Issued</b>	<b>Number of Securities Issued</b>	<b>Price per Security (USD\$)</b>	<b>Total Funds Received (USD\$)</b>
May 31 2023 <sup>(1)</sup>	Series US\$ Trust Units	1,499.1402	10.26	15,381.18
May 31 2023 <sup>(2)</sup>	Series US\$ Trust Units	91.0000	11.14	1,013.74

<b>Date of Issuance</b>	<b>Type of Security Issued</b>	<b>Number of Securities Issued</b>	<b>Price per Security (USD\$)</b>	<b>Total Funds Received (USD\$)</b>
June 30 2023 <sup>(1)</sup>	Series US\$ Trust Units	1,506.3756	10.26	15,455.41
June 30 2023 <sup>(2)</sup>	Series US\$ Trust Units	227.5000	11.14	2,534.35
July 31 2023 <sup>(1)</sup>	Series US\$ Trust Units	1,511.3122	10.28	15,536.29
August 31 2023 <sup>(1)</sup>	Series US\$ Trust Units	1,518.1732	10.28	15,606.82
September 30 2023 <sup>(1)</sup>	Series US\$ Trust Units	1,511.2675	10.28	15,535.84
October 31 2023 <sup>(1)</sup>	Series US\$ Trust Units	1,518.1307	10.28	15,606.38
October 31 2023	Series US\$ Trust Units	1,176.2113	10.60	12,467.84
November 30 2023 <sup>(1)</sup>	Series US\$ Trust Units	1,530.3618	10.28	15,732.12
December 31 2023	Series US\$ Trust Units	19,276.3537	10.60	204,329.35
December 31 2023 <sup>(1)</sup>	Series US\$ Trust Units	1,537.3076	10.28	15,803.52
December 31 2023 <sup>(3)</sup>	Series US\$ Trust Units	389.0294	10.28	4,000.00
January 31 2024	Series US\$ Trust Units	9,433.9622	10.60	100,000.00
January 31 2024 <sup>(1)</sup>	Series US\$ Trust Units	1,651.7154	10.28	16,979.63
January 31 2024 <sup>(3)</sup>	Series US\$ Trust Units	97.2573	10.28	1,000.00
February 29 2024 <sup>(1)</sup>	Series US\$ Trust Units	1,695.0524	10.28	17,425.14
March 28, 2024	Series US\$ Trust Units	4,716.9811	10.6	50,000.00
March 31, 2024 <sup>(1)</sup>	Series US\$ Trust Units	1,702.7481	10.28	17,504.25
March 31 2024 <sup>(3)</sup>	Series US\$ Trust Units	48.6287	10.28	500
	<b>Total</b>	<b>52,638.5084</b>		<b>552,411.86</b>

**Notes:**

(1) These Trust Units were issued pursuant to the DRIP.

(2) These Trust Units were issued to the Manager on account of the ICM Participating Interest upon a distribution in respect of, or redemption of, Trust Units.

- (3) These Trust Units were issued as management fee rebates to select advisors, sellers and distributors.
- (4) These Trust Units were issued as commission fee rebates to select advisors, sellers and distributors.

## ITEM 5 - SECURITIES OFFERED

### 5.1 Terms of Securities

The beneficial interests of the Trust are currently represented and constituted by an unlimited number of Trust Units of a single class divided into an unlimited number of series, described and designated as "Series A Trust Units", "Series Adv Trust Units", "Series B Trust Units", "Series C Trust Units", "Series D Trust Units", "Series E Trust Units", "Series F Trust Units", "Series F-US\$ Trust Units", "Series I Trust Units", "Series US\$ Trust Units" and the "Series ICM Trust Unit", provided additional series of Trust Units may be established and created from time to time in accordance with the provisions of the Deed of Trust. Other than as specified herein, the Series A Trust Units, Series Adv Trust Units, Series B Trust Units, Series C Trust Units, Series D Trust Units, Series E Trust Units, Series F Trust Units, Series F-US\$ Trust Units, Series I Trust Units, and Series US\$ Trust Units carry identical rights and are subject to the same limitations, restrictions and conditions set out in the Deed of Trust and the *pro rata* interest in the Trust of each Unitholder, in relation to the aggregate interest of all Unitholders of the same series, shall be determined by the number of such Trust Units registered in the name of such Unitholder and recorded on the Register. The commission and offering cost may vary among the series of Trust Units based on channels of distribution. The Series A Trust Units, Series Adv Trust Units, Series B Trust Units, Series C Trust Units, Series D Trust Units, Series E Trust Units, Series F Trust Units and Series I Trust Units are denominated in (and distributions will be paid in) C\$ and Series F-US\$ Trust Units and Series US\$ Trust Units are denominated in (and distributions will be paid in) US\$.

All Trust Units of the same series shall rank among themselves equally and rateably without discrimination, preference or priority. Each Trust Unit shall entitle the holder thereof to one vote at all meetings of Unitholders or in respect of any written resolution of Unitholders, unless the terms of any class or series of Trust Units specifically provides otherwise. The issued and outstanding Trust Units may be subdivided or consolidated from time to time by the Trustee without notice to or approval from the Unitholders. The rights and obligations of the Unitholders are governed by the Deed of Trust. See "Item 2.7 - Material Contracts - Deed of Trust" for a summary of certain terms of the Trust Units.

In addition to Series B Trust Units, Series C Trust Units and Series US\$ Trust Units, the Trust will, from time to time, also be distributing other securities of the Trust, including Series Adv Trust Units, Series F Trust Units, Series F-US\$ Trust Units, and Series I Trust Units. The Series Adv Trust Units, Series F Trust Units, Series F-US\$ Trust Units, and Series I Trust Units have different rights and obligations, including with respect to distributions, redemption rights and commissions payable. The Limited Partnerships may also offer additional securities to other investors.

For additional information about the Series Adv Trust Units, Series F Trust Units, Series F-US\$ Trust Units, and Series I Trust Units, ask your Selling Agent, who may provide you with a separate offering memorandum related thereto.

### Distributions

The Trustee or the Manager, on behalf of the Trust, shall, on or before each Distribution Record Date, declare payable, to the Unitholders of record on such Distribution Record Date, such portion of the Distributable Income for the Distribution Period which includes such Distribution Record Date, as the Trustee, on advice of the Manager, determines (the "**Distribution Amount**").

The portion of the Distribution Amount payable for each series of Trust Units shall be as follows:

- (a) for every series of Trust Units except the Series ICM Trust Unit, the portion of the Distribution Amount payable for such series shall be equal to the Distribution Amount multiplied by the Series Ratio (for each series, the "**Series Distribution Amount**"); and

- (b) for the Series ICM Trust Unit, the portion of the Distribution Amount payable for the Series ICM Trust Unit shall be equal to the Distribution Amount multiplied by the ICM Participating Interest (the “**ICM Distribution Amount**”).

Each Unitholder of a series, other than the holder of the Series ICM Trust Unit, shall be entitled to a portion of the Series Distribution Amount equal to the product of:

- (a) the number of Trust Units of such series held by such Unitholder divided by the total Trust Units in respect of that series; and
- (b) the Series Distribution Amount of such series.

The holder of the Series ICM Trust Unit shall be entitled to the ICM Distribution Amount.

The Series Distribution Amount and the ICM Distribution Amount which have been declared to be payable to Unitholders of record in respect of a Distribution Period shall be paid in cash on the Distribution Payment Date in respect of such Distribution Period.

### ***Distribution Policy of the Trust***

The Trust’s objective is to make cash distributions on a monthly basis, with sufficient funds to maintain a 5.0–6.0% annual distribution rate and a target total return of 8.0–12.0% per annum, subject to the Unitholder holding its Trust Units for a hold period of five (5) or more years, and depending on the series of Trust Units in which a Unitholder invests and the DRIP strategy that such Unitholder elects to pursue.<sup>11</sup>

The Trust intends to make distributions in accordance with the Deed of Trust. Although it is the Trust’s intention that distributions be primarily paid from cash flow from the Investments, in certain circumstances, payments and distributions may exceed the cash flow of the Trust for any particular Distribution Period. In such circumstances, distributions to Unitholders may consist, directly or indirectly, of the proceeds from the sale of securities by the Trust (including this Offering).

**The return on an investment in the Trust Units is not comparable to the return on an investment in fixed-income securities.** Cash distributions to Unitholders are not guaranteed and are not fixed obligations of the Trust. Any receipt of cash distributions by a Unitholder is at any time subject to the terms of the Deed of Trust. Any anticipated return on investment is based upon many performance assumptions. Although the Trust intends to distribute its Distributable Income to Unitholders, cash distributions may be reduced or suspended at any time and from time to time. The ability of the Trust to make cash distributions and the actual Distribution Amount depends on the performance of the Investments acquired by the Trust and the Limited Partnerships, and will be subject to various factors including those referenced in “*Item 10 – Risk Factors*”. The value of the Trust Units may decline if the Trust is unable to meet its cash distribution targets in the future and that decline may be significant.

It is important for investors to consider the particular risk factors that may affect the industry in which they are investing, and therefore the stability of the distributions that Unitholders receive. See, for example “*Item 10.3 – Risks Associated with the Business*”, which sections also describes the Trust’s assessment of those risk factors, as well as the potential consequences to a Unitholder if the events contemplated by a particular risk factor should occur.

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<sup>11</sup> Distributions are not guaranteed. The total return target includes monthly cash distributions as well as appreciation on the value of the Trust’s Investments, before taxes. The total return target is provided based on an investment in the Series B Trust Units. Individual investor returns will vary from the total return target based on the timing of the investor’s investments and the series of Trust Units purchased. The expectation, timing and payment of distributions and the total return target is an estimate and is based on various assumptions that the Manager believes are reasonable as at the date of this Offering Memorandum, including assumptions regarding the cash flow and capital appreciation of the Trust’s Investments. Actual results may be materially different from those presented, and are subject to various risk factors identified in “*Item 10 – Risk Factors*”.

## Distribution Reinvestment Plan

The Trust has adopted the “Advantaged DRIP™” distribution reinvestment plan that will allow eligible Unitholders to elect to have their monthly cash distributions reinvested entirely or partially in additional Trust Units on the Distribution Payment Date with a view to providing Unitholders maximum flexibility in the characteristics of their investment in the Trust, as outlined in the table below:

	<b>Meaning</b>
<b>Advantaged DRIP™ Strategy</b>	Unitholder will receive one-hundred percent (100%) of their monthly distribution amount in additional Trust Units through the DRIP.
<b>Basic Strategy</b>	Unitholder will receive one-hundred percent (100%) of their monthly distribution amount in cash.

At any point in time, the Manager may determine, in its sole discretion and upon thirty (30) days-notice, that subscriptions for any class or series of Trust Units selecting the Basic Strategy may not be accepted.

Upon making an initial selection, Unitholders who select an Advantaged DRIP™ Strategy will be locked-in for the first three (3) years of their investment term. After the three-year lock-in period, Unitholders may freely move into and out of the Advantaged DRIP™ Strategy and Basic Strategy on a monthly basis by notifying the Manager at least ten (10) Business Days prior to the end of each month. Unitholders who select the Basic Strategy will not be locked in for any period.

Unitholders selecting an Advantaged DRIP™ Strategy will benefit from the opportunity to acquire DRIP Trust Units at a discounted price relative to the then available issue price or, subsequently, the Series Net Asset Value per Unit.

The monthly DRIP issuance price for Series B Trust Units, Series C Trust Units and Series US\$ Trust Units during the offering period and subsequent thereto shall be ninety-seven percent (97%) of NAV.

All Unitholders resident in Canada are eligible to participate in the DRIP. Unitholders who do not enroll in the DRIP via selecting the Advantaged DRIP™ Strategy will receive their regular cash distributions. The Manager reserves the right to limit the number of new Trust Units available under the DRIP on any particular Distribution Payment Date. Accordingly, participation may be prorated in certain circumstances. In the event of proration or if for any other reason all or a portion of the distributions cannot be reinvested under the DRIP, Unitholders enrolled in the DRIP will receive their regular cash distributions.

Participation in the DRIP does not relieve Unitholders of any liability for any income or other taxes that may be payable on or in respect of the distributions that are reinvested for their account under the DRIP. The Trustee will endeavour to make cash distributions to Unitholders such that they are able to pay any taxes that may be payable as a result of receiving distributions, from time to time. An account will be maintained by the Manager on behalf of the Trust, for each participant with respect to purchases of Trust Units made under the DRIP for the participant’s account.

## Redemption of Trust Units

### ***Exercise of Redemption Right***

Each Unitholder will be entitled to require the Trust to redeem, on a monthly basis, all or any part of the Trust Units held by it, subject to certain restrictions, by providing a duly executed notice of redemption, together with any Trust Unit certificate in respect of such Trust Units to be redeemed, if applicable, and all other supporting documentation or evidence to the transfer agent not less than ten (10) Business Days prior to the applicable Redemption Date. The Manager may waive the requirement for notice of redemption in its sole discretion. Once the Trust has received a notice to redeem from a Unitholder, the Unitholder ceases, effective the Redemption Date, to have any rights with respect to such Trust Units, other than the right to receive the redemption payment

and the right to receive any distributions declared payable to the Unitholders of record on a date which is subsequent to the day of receipt by the transfer agent of such notice and before the Redemption Date.

### **Redemption Price**

The Redemption Price for a Series B Trust Unit and Series US\$ Trust Unit shall be equal to ninety percent (90%) of the Series Net Asset Value per Unit until the end of the first (1<sup>st</sup>) year, ninety-two percent (92%) of the Series Net Asset Value per Unit until the end of the second (2<sup>nd</sup>) year, ninety-four percent (94%) of the Series Net Asset Value per Unit until the end of the third (3<sup>rd</sup>) year, ninety-six percent (96%) of the Series Net Asset Value per Unit until the end of the fourth (4<sup>th</sup>) year, ninety-eight percent (98%) of the Series Net Asset Value per Unit until the end of the fifth (5<sup>th</sup>) year following the purchase or acquisition of the Trust Units from the Trust, and one-hundred percent (100%) thereafter.

The Redemption Price for a Series C Trust Unit shall be equal to ninety percent (90%) of the Series Net Asset Value per Unit until the end of the first (1<sup>st</sup>) year, ninety-two and a half percent (92.5%) of the Series Net Asset Value per Unit until the end of the second (2<sup>nd</sup>) year, ninety-five percent (95%) of the Series Net Asset Value per Unit until the end of the third (3<sup>rd</sup>) year, ninety-seven and a half percent (97.5%) of the Series Net Asset Value per Unit until the end of the fourth (4<sup>th</sup>) year following the purchase or acquisition of the Trust Units from the Trust, and one-hundred percent (100%) thereafter.

### **Sample Calculation**

Redemption Price shall be calculated as follows:

$$\text{Redemption Price} = \# \text{ of Units Redeemed} \times \text{Series Net Asset Value} \times \text{Early Redemption Factor}$$

### **Early Redemption Factor**

For Series B Trust Units and Series US\$ Trust Units issued on or after July 31, 2023: 90% until the end of the first year, 92% until the end of the second year, 94% the end of the third year, 96% until the end of the fourth year, 98% until the end of the fifth year following the purchase or acquisition of the Trust Units from the Trust, and 100% thereafter.

For Series C Trust Units issued on or after July 31, 2023: 90% until the end of the first year, 92.5% until the end of the second year, 95% the end of the third year, 97.5% until the end of the fourth year, and 100% thereafter.

As an example, 100 Series B Trust Units purchased on April 30, 2024, electing for cash distributions and redeeming on April 30, 2028 with a Series Net Asset Value of Series B Trust Units of \$16 would result in a Redemption Price of \$1,568.00.

$$\text{Redemption Price} = 100 \times \$16 \times 98\% = \$1,568.00$$

### **Cash Redemption**

Subject to the Trust's right to suspend redemptions in certain circumstances and the Trustee's right to elect to satisfy the Redemption Price by distributing Trust Assets or issuing Redemption Notes, Unitholders that have tendered Trust Units for redemption shall be entitled to receive the Redemption Price within ten (10) Business Days after the Redemption Date.

### **No Cash Redemption in Certain Circumstances**

The Redemption Price payable in respect of Trust Units tendered for redemption by a Unitholder, respectively, may be paid by the Trust in cash or, at the election of the Trustee, on the advice of the Manager, by distributing or issuing any combination of the Trust Assets and/or Redemption Notes having an aggregate fair market value equal to the aggregate Redemption Price of the Trust Units tendered for redemption. Upon such distribution of assets and/or issuance of Redemption Notes, the Trust shall be discharged from all liability to the

former Unitholder in respect of the redeemed Trust Units other than any liability pursuant to any Redemption Notes held by a former Unitholder.

**Subscribers should note that Redemption Notes will not be a qualified investment for Registered Plans.**

See “Item 8 - Income Tax Consequences and Registered Plan Eligibility” and “Item 10.1 - Risks Associated with the Series B Trust Units, Series C Trust Units and Series USS Trust Units - Payment of Redemption Price - Issuance of Redemption Notes”.

In the event that the Trust issues Redemption Notes to redeeming Unitholders, the Trust shall comply with the following:

- (a) the Trustee, on behalf of the Trust, shall only issue Redemption Notes in compliance with the terms and conditions of the Deed of Trust;
- (b) the form of the Redemption Notes to be issued by the Trust shall be unanimously approved by the Independent Review Committee;
- (c) the Trustee, on behalf of the Trust, shall advise redeeming Unitholders as soon as practicable in writing (the **“Redemption Note Issuance Notice”**) that the Redemption Price for the Trust Units tendered for redemption will be paid in whole or in part by Redemption Notes, and such Unitholders have fifteen (15) Business Days from the date of the Redemption Note Issuance Notice to rescind their redemption request, if desired; and
- (d) the Redemption Note Issuance Notice shall include: (i) the form of the Redemption Note; (ii) a reference to the ineligibility of Redemption Notes as a qualified investment for Registered Plans and the general tax consequences to a Unitholder holding a “non-qualified investment”, such as a Redemption Note in a Registered Plan; (iii) a discussion of options available to a Unitholder and a Registered Plan trustee of a Unitholder, as a result of receiving a non-qualified investment in a Registered Plan as issued by the Trust; (iv) a discussion of potential priority issues of between holders of Redemption Notes, whether held inside or outside a Registered Plan, as applicable and Unitholders, upon the occurrence of the liquidation or potential liquidation of the Trust Assets; and (v) a statement that the Unitholder consult with their legal counsel and tax advisors regarding points (i)-(iv) above.

**Redemption Limit**

Except as otherwise determined by the Manager, in its sole discretion, for any calendar month, other than the calendar month in which the Trust is terminated and wound up, the maximum aggregate number of Trust Units that may be redeemed by the Trust shall not exceed one percent (1%) of the total number of Trust Units issued and outstanding at the beginning of such calendar month. To the extent that the Trust has received notices of redemption where the aggregate number of Trust Units would exceed this threshold, the Trust shall redeem only such number of Trust Units as to require the redemption of an aggregate number of Trust Units in respect of redemptions equal to one percent (1%) of the total number of Trust Units issued and outstanding at the beginning of such calendar month. The Manager, on behalf of the Trustee, shall administer the foregoing and any cutbacks on a proportionate basis with respect to the aggregate number of Trust Units represented by redemption notices. Any redemption notices (or portions thereof) which are not honoured shall be honoured at the next following Redemption Date, subject in all cases to the Trust’s right to suspend redemptions and the one percent (1%) per calendar month threshold described herein.

**ICM Participating Interest**

Concurrently with the payment of the Redemption Price to a redeeming Unitholder, the Trust shall pay to the holder of the Series ICM Trust Unit, an amount equal to the Series Net Asset Value per Trust Unit with respect to each Trust Unit being redeemed (determined without reference to the ICM Participating Factor), multiplied by the ICM Participating Interest, which amount shall be payable by, at the election of the holder of the Series ICM Trust Unit, any combination of (a) cash or Redemption Notes in the same proportion as is being received by the redeeming Unitholder in satisfaction of the Redemption Price; and (b) the issuance by the Trust a number of Trust

Units of the same series as the Unit being redeemed at an issue price per Unit equal to the Series Net Asset Value per Unit (determined without reference to the ICM Participating Factor).

### ***Redemption of Trust Units by the Trust***

At the Trustee's discretion, on the advice of the Manager, the Trust may, at any time and from time to time, provide notice to a Unitholder causing such holder to redeem its Trust Units. Any Unitholder receiving such notice shall tender its Trust Units for redemption within ten (10) Business Days at the applicable Redemption Price as determined in accordance with the Deed of Trust. Factors that the Trustee may consider in making the determination to redeem Trust Units shall include, but are not limited to, ensuring that the composition and tax-profile of the Unitholders remains such that the principal objectives of the Deed of Trust are achieved, and reducing administrative burden on the Trustee and the Manager, as applicable. For greater certainty, the Trustee may exercise its optional redemption right upon the death of a Unitholder.

### ***Suspension of Redemptions***

The Trustee, on the advice of the Manager, and with the unanimous approval of the Independent Review Committee, may suspend the redemption of Trust Units or payment of redemption proceeds for any period not exceeding three-hundred sixty-five (365) days if the Trustee determines that conditions exist which render impractical the sale of Trust Assets or which impair the ability of the Trustee to accurately determine the fair market value of the Trust Units. Such conditions may include (but are not limited to) changes affecting financial markets, the private capital markets or the real estate market generally (or any sector thereof) or a material adverse change in the business and affairs of the Trust. Such suspension of redemptions will apply to all requests for redemption received prior to the suspension date but as to which payment has not been made, as well as to all requests received while the suspension is in effect. All Unitholders making such requests shall be advised by the Manager, on behalf of the Trustee, of the suspension and all such requests for redemption made during such suspension period shall be considered void and withdrawn.

### ***Voting Rights of Unitholders***

Only Unitholders of record on the applicable record date are entitled to vote, provided the Unitholder is of a class or series of Trust Units that is entitled to vote on such matter. With respect to a question submitted to a meeting of Unitholders, each whole Trust Unit, other than the Series ICM Trust Unit, shall be entitled to one (1) vote. The Series ICM Unit entitles the Manager to a number of votes equal to five percent (5%) of the total number of votes attaching to all outstanding Trust Units at any meeting of Unitholders. Unitholders may vote by proxy and a proxyholder need not be a Unitholder, provided that such proxy was received and verified by the Manager or transfer agent at least twenty-four (24) hours before the start of the meeting or such earlier time as the chairman of the meeting may determine. For any Trust Unit jointly held by several Persons, any one of them may vote at any meeting in person or by proxy in respect of such Trust Unit, but should there be more than one joint owner present or represented by proxy and such joint owners or their proxies disagree as to the vote to be cast, the joint owner present or represented whose name appears first in the register of Unitholders shall be entitled to cast the vote. Proxies may be revoked, in writing, at any time up to and including the last Business Day preceding the day of the meeting, or by depositing it with the meeting chairman on the day of the meeting.

In the event that any decision or matter that requires the approval of Unitholders, whether at a meeting of Unitholders or otherwise, that will affect the rights and obligations of a class or series of Unitholders in a manner unique or specific to such class or series, then such matter shall require the approval at the meeting of Unitholders of such specific class or series of Unitholders, in addition to any other approval required within the Deed of Trust.

### ***Transfer of Trust Units***

Trust Units may only be transferred in accordance with Applicable Laws and the Deed of Trust. The Deed of Trust provides that Trust Units shall only be transferable with the prior consent of the Trustee or Manager and, in such event, shall be fully transferable without charge as between Persons, but no transfer of Trust Units shall be effective as against the Trustee or the Trust or shall be in any way binding upon the Trustee or the Trust until the transfer has been recorded on the register or one of the branch transfer registers maintained by the transfer agent. No transfer of a Trust Unit shall be recognized unless such transfer is of a whole Trust Unit.



Transfers of Trust Units will only be recorded on the register or branch transfer registers upon the delivery to the Trust or the transfer agent of a Trust Unit certificate representing the transferred Trust Units, if any, 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 Applicable Law, together with such evidence of the genuineness of such endorsement, execution and authorization, and other matters that may reasonably be required by the Trustee or the transfer agent. See "Item 10 - Risk Factors" and "Item 12 - Resale Restrictions".

### **Participation Upon Liquidation or Winding Up**

In the event of the liquidation, dissolution or winding up of the Trust or other distribution of Trust Assets among its Unitholders for the purpose of winding up the affairs of the Trust, Unitholders shall be entitled to participate in the distribution.

After paying, retiring or discharging or making provision for the payment, retirement or discharge of all known liabilities and obligations of the Trust and providing for indemnity against any other outstanding liabilities and obligations, the Trustee shall, subject to Applicable Laws and after obtaining all necessary approvals, distribute the remaining part of the proceeds of the sale of the Securities and other assets together with any cash forming part of the Trust Assets among the Unitholders in accordance with their *pro rata* share.

### **Rights of Unitholders**

Unitholders are NOT shareholders and do not enjoy all of the protections, rights and remedies generally offered to shareholders of a corporation incorporated under the *Business Corporations Act* (Alberta) (the "**ABCA**"). Although the Deed of Trust confers upon a Unitholder some of the same protections, rights and remedies as a voting shareholder of a corporation governed by the ABCA, significant differences do exist.

Unitholders do not have recourse to a dissent right under which shareholders of an ABCA corporation are entitled to receive the fair value of their shares where certain fundamental changes affecting the corporation are undertaken, such as an amalgamation, a continuance under the laws of another jurisdiction, the sale of all or substantially all of its assets, a going private transaction or the addition, change or removal of provisions restricting: (a) the business or businesses that the corporation can carry on, or (b) the issue, transfer or ownership of shares. As an alternative, Unitholders seeking to terminate their investment in the Trust are entitled to redeem their Trust Units, subject to certain conditions and limitations, as described under "Item 5.1 - Terms of Securities - Redemption of Trust Units".

Unitholders do not have recourse to the statutory oppression remedy that is available to shareholders of an ABCA corporation where the corporation undertakes actions that are oppressive or unfairly prejudicial to shareholders. Shareholders of an ABCA corporation may also apply to a court to order the liquidation and dissolution of the corporation in those circumstances, whereas Unitholders cannot. Shareholders of an ABCA corporation may also apply to a court for the appointment of an inspector to investigate the manner in which the business of the corporation and its affiliates is being carried on where there is reason to believe that fraudulent, dishonest or oppressive conduct has occurred. The ABCA also permits shareholders to bring derivative actions in the name of the corporation or defend, in the name and on behalf of the corporation, a proceeding brought against the corporation, in each case with leave of a court. The Deed of Trust does not include a comparable right of Unitholders to commence or participate in legal proceedings with respect to the Trust.

For further information on terms contained in the Deed of Trust which affect the rights of Unitholders, see "Item 2.7 - Material Contracts - Deed of Trust".

### **5.2 Subscription Procedure**

The minimum subscription amount is \$5,000 for Series B Trust Units, \$200,000 for Series C Trust Units and US\$25,000 for Series US\$ Trust Units. The Manager, on behalf of the Trust, may in its sole discretion lower these minimum subscription amounts. Closings will occur on the last Business Day of each month, on subscriptions received up to the date that is three (3) Business Days prior to any such closing, unless otherwise determined by the Manager in its sole discretion. Below is a table setting out the Closing Dates through to May 2025, subject to change at the discretion of the Manager.

<b>2024/2025 Close Dates</b>
April 30, 2024
May 31, 2024
June 28, 2024
July 31, 2024
August 30, 2024
September 30, 2024
October 31, 2024
November 29, 2024
December 31, 2024
January 31, 2025
February 28, 2025
March 31, 2025
April 30, 2025

An investor who wishes to subscribe for Trust Units must:

1. Complete and execute the subscription agreement which accompanies this Offering Memorandum, including all applicable Schedules thereto.
2. Pay the subscription price as directed in the subscription agreement made payable to either “ICM Property Partners Trust” or as the Trustee may otherwise direct.
3. Complete and execute any other documents deemed necessary by the Trustee or Manager to comply with applicable securities laws.
4. Deliver the foregoing to the Manager in the manner directed in the subscription agreement. If the subscription is not completed, all documents and subscription funds will be returned to the subscribers without interest or deduction.

Subject to the rights of rescission described in *“Item 13 – Purchasers’ Rights”*, a subscription for Series B Trust Units, Series C Trust Units and/or Series US\$ Trust Units, as evidenced by a fully completed and signed subscription agreement delivered to the Manager, is irrevocable. No prospective investor has any right to withdraw his or her subscription for Series B Trust Units, Series C Trust Units and/or Series US\$ Trust Units unless the Trust terminates the Offering or does not accept the subscription.

Where Trust Units are being subscribed for in reliance on the offering memorandum exemption contained in Section 2.9 of NI 45-106, the Manager will hold the aggregate subscription funds in trust until at least midnight on the second business day after the day on which the corresponding subscription agreement was signed, after which time the aggregate subscription funds will be held in trust until the Manager has accepted or rejected such subscription, in whole or in part, in connection with a closing of the Offering. Holding such aggregate subscription funds in this manner does not constitute acceptance of a subscription for Trust Units. The Manager has the right, in its sole and absolute discretion, to reject any subscription for Trust Units, in whole or in part, for any reason. No interest will be paid to or accrued for the benefit of an investor on any portion of such investor’s aggregate subscription funds held in trust prior to a closing of the Offering. Any interest earned on such aggregate subscription funds belongs to the Trust irrespective of whether it ultimately accepts or rejects the subscription for Trust Units. Any monies received with a rejected order will be promptly refunded without any interest.

The Trust may suspend or conclude the Offering at any time without notice. Any subscription funds for subscriptions that the Trust does not accept will be returned promptly without interest or deduction after the Trust has determined not to accept such subscription.

**Neither the Trust, the Trustee nor ICM IM 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.**

This Offering Memorandum constitutes an offering of securities only in those jurisdictions and only to those persons to whom they may be lawfully offered for sale. By executing a subscription agreement for Trust Units, each investor will make the representation that the investor meets the conditions of the applicable prospectus exemption in purchasing Trust Units pursuant to this Offering and is thus entitled under such prospectus exemption to purchase such securities without the benefit of a prospectus qualified under applicable securities laws. Under no circumstances will the Trust accept a subscription for Trust Units if its distribution cannot be made in reliance on a prospectus exemption. This Offering Memorandum does not constitute an offer to sell or the solicitation of an offer to buy securities within the U.S. or by residents of the U.S. There shall be no sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

## **ITEM 6 - REDEMPTION REQUESTS**

The following table sets out information about the redemption rights exercised by Unitholders for the two (2) most recently completed financial years of the Trust:

<b>Description of Security</b>	<b>Date of End of Financial year</b>	<b>Number of Securities with Outstanding Redemption Requests on the First Day of the Year</b>	<b>Number of Securities for which Investors made Redemption Requests during the Year<sup>(1)</sup></b>	<b>Number of Securities Redeemed during the Year</b>	<b>Average Price Paid for the Redeemed Securities</b>	<b>Source of Funds used to Complete the Redemptions</b>	<b>Number of Securities with Outstanding Redemption Requests on the Last Day of the Year</b>
Series A	2022-12-31	0	132,019.8405	132,019.8405	9.75	Working Capital	N/A
Series A	2023-12-31	0	71,097.1864	71,097.1864	10.33	Working Capital	N/A
Series B	2022-12-31	0	183,676.0342	183,676.0342	9.64	Working Capital	N/A
Series B	2023-12-31	0	104,389.7873	104,389.7873	10.35	Working Capital	N/A
Series C	2022-12-31	0	154,194.2237	154,194.2237	9.91	Working Capital	N/A
Series C	2023-12-31	0	213,840.4711	213,840.4711	10.30	Working Capital	N/A
Series D	2022-12-31	0	385,627.2535	385,627.2535	8.57	Working Capital	N/A
Series D	2023-12-31	0	496,052.5970	496,052.5970	9.08	Working Capital	N/A
Series E	2022-12-31	0	95,343.3955	95,343.3955	9.24	Working Capital	N/A
Series E	2023-12-31	0	557,625.8098	557,625.8098	9.67	Working Capital	N/A
Series F	2022-12-31	0	122,843.8741	122,843.8741	10.85	Working Capital	N/A
Series F	2023-12-31	0	60,079.4029	60,079.4029	11.49	Working Capital	N/A
Series I	2022-12-31	0	1,448,631.6712	1,488,631.6712	10.96	Working Capital	N/A
Series I	2023-12-31	0	1,116,946.7530	1,116,946.7530	11.64	Working Capital	N/A

Description of Security	Date of End of Financial year	Number of Securities with Outstanding Redemption Requests on the First Day of the Year	Number of Securities for which Investors made Redemption Requests during the Year <sup>(1)</sup>	Number of Securities Redeemed during the Year	Average Price Paid for the Redeemed Securities	Source of Funds used to Complete the Redemptions	Number of Securities with Outstanding Redemption Requests on the Last Day of the Year
Series Adv	2022-12-31	0	5,497.6500	5,497.6500	11.46	Working Capital	N/A
Series Adv	2023-12-31	0	10,558.1718	10,558.1718	11.60	Working Capital	N/A
Series US\$	2022-12-31	0	29,393.7149	29,393.7149	10.20	Working Capital	N/A
Series US\$	2023-12-31	0	65,686.4016	65,686.4016	10.54	Working Capital	N/A
Series F-US\$	2022-12-31	0	11,822.8366	11,822.8366	10.78	Working Capital	N/A
Series F-US\$	2023-12-31	0	15,359.4922	15,359.4922	10.97	Working Capital	N/A

**Notes:**

- (1) The amounts in this column represent the number of Trust Units for which redemption requests were received for a Redemption Date that occurred in such year. Pursuant to the Deed of Trust, a Unitholder may redeem Trust Units on a Redemption Date, subject to certain restrictions, by providing written notice to the Trustee not less than 10 Business Days prior to the Redemption Date. For example, if a redemption request is received on December 25, 2022, such request would be included in this column for the year ended December 31, 2023 because the Redemption Date for such request is the last Business Day of January 2023.
- (2) Trust Units are considered redeemed as of the last Business Day of the calendar month, being the Redemption Date. Payment for redeemed Trust Units is made within 10 Business Days of the Redemption Date. Unitholders that make a redemption request with a Redemption Date of December 31 may not be paid until 10 Business Days following December 31. Payment for all Trust Units represented in this column was made in cash within the required 10 Business Day period.

The following table sets out information about the redemption rights exercised by Unitholders for the period after the end of the Trust's most recently completed financial year and up to April 15, 2024:

Description of Security	Beginning and End Dates of the Period	Number of Securities with Outstanding Redemption Requests on the First Day of the Period	Number of Securities for which Investors made Redemption Requests during the Period <sup>(1)</sup>	Number of Securities Redeemed during the Period	Average Price Paid for the Redeemed Securities <sup>(2)</sup>	Source of Funds used to Complete the Redemptions	Number of Securities with Outstanding Redemption Requests on the Last Day of the Period
Series A	2024-01-01-2024-04-15	0	30,647.3482	30,647.3482	10.42	Working Capital	N/A
Series B	2024-01-01-2024-04-15	0	41,421.2383	41,421.2383	10.42	Working Capital	N/A
Series C	2024-01-01-2024-04-15	0	48,782.1178	48,782.1178	10.42	Working Capital	N/A
Series D	2024-01-01-2024-04-15	0	116,690.2070	116,690.2070	9.16	Working Capital	N/A
Series E	2024-01-01-2024-04-15	0	130,149.4927	130,149.4927	9.79	Working Capital	N/A

Description of Security	Beginning and End Dates of the Period	Number of Securities with Outstanding Redemption Requests on the First Day of the Period	Number of Securities for which Investors made Redemption Requests during the Period <sup>(1)</sup>	Number of Securities Redeemed during the Period	Average Price Paid for the Redeemed Securities <sup>(2)</sup>	Source of Funds used to Complete the Redemptions	Number of Securities with Outstanding Redemption Requests on the Last Day of the Period
Series F	2024-01-01-2024-04-15	0	119,439.1349	119,439.1349	11.60	Working Capital	N/A
Series I	2024-01-01-2024-04-15	0	665,960.9434	665,960.9434	11.71	Working Capital	N/A
Series Adv	2024-01-01-2024-04-15	0	17,144.8271	17,144.8271	11.65	Working Capital	N/A
Series US\$	2024-01-01-2024-04-15	0	10,251.9128	10,251.9128	10.60	Working Capital	N/A
Series F-US\$	2024-01-01-2024-04-15	0	0	0	N/A	N/A	N/A

**Notes:**

- (1) The amounts in this column represent the number of Trust Units for which redemption requests were received for a Redemption Date that occurred in such period. Pursuant to the Deed of Trust, a Unitholder may redeem Trust Units on a Redemption Date, subject to certain restrictions, by providing written notice to the Trustee not less than 10 Business Days prior to the Redemption Date. For example, if a redemption request is received on March 25, 2024, such request would not be included in this column because the Redemption Date for such request is the last Business Day of April 2024.
- (2) Trust Units are considered redeemed as of the last Business Day of the calendar month, being the Redemption Date. Payment for redeemed Trust Units is made within 10 Business Days of the Redemption Date. Unitholders that make a redemption request with a Redemption Date of March 31 may not be paid until 10 Business Days following March 31. Payment for all Trust Units represented in this column was made in cash within the required 10 Business Day period.

## **ITEM 7 - CERTAIN DIVIDENDS OR DISTRIBUTIONS**

During 2022, 2023 and the interim period ended March 31, 2024 the Trust paid distributions that exceeded the Trust's cash flow from its investments. The Trust then distributed such distributions to Unitholders. Such payments that exceed the Trust's cash flow from its investments were paid from the cash on hand at the Trust, which partially consists of the proceeds of the sale of securities of the Trust and the disposition of certain Limited Partnerships' assets.

## **ITEM 8 - INCOME TAX CONSEQUENCES AND REGISTERED PLAN ELIGIBILITY**

### **8.1 General**

You should consult your own professional advisers to obtain advice on the income tax consequences that apply to you.

### **8.2 Canadian Federal Income Tax Considerations**

The following is a summary prepared by Norton Rose Fulbright Canada LLP, as of the date of the Offering Memorandum, of the principal Canadian federal income tax considerations generally applicable to the acquisition, holding and disposition of Trust Units by a Unitholder who is an individual (other than a trust), acquires Trust Units pursuant to the Offering Memorandum and, for purposes of the Tax Act and at all relevant times, is resident in Canada, deals at arm's length and is not affiliated with the Trust and holds their Trust Units as capital property. Generally, the Trust Units will be considered to be capital property of a Unitholder provided that the Unitholder

does not hold such Trust Units in the course of carrying on a business of trading or dealing in securities and has not acquired them in one or more transactions considered to be an adventure or concern in the nature of trade. Provided that the Trust qualifies as a “mutual fund trust” under the Tax Act, certain Unitholders (other than traders or dealers in securities) who might not otherwise be considered to hold their Trust Units as capital property may, in certain circumstances, be entitled to make the irrevocable election permitted by subsection 39(4) of the Tax Act to have their Trust Units and all other “Canadian securities” (as defined in the Tax Act) owned or subsequently acquired by them treated as capital property. Unitholders considering making such an election should consult their own tax advisors regarding their particular circumstances.

This summary is not applicable to a Unitholder that is: (a) a “financial institution” for purposes of the “mark-to-market” rules in the Tax Act; (b) a partnership; (c) a person an interest in which is a “tax shelter investment”; (d) a person who has made a “functional currency” reporting election under section 261 of the Tax Act; or (e) a person that has entered into or will enter into, in respect of the Trust Units, a “derivative forward arrangement” or a “synthetic disposition arrangement”, all as defined in the Tax Act. This summary does not address the tax considerations of Unitholders borrowing money to acquire Trust Units. All such Unitholders should consult their own tax advisors to determine the tax consequences to them of the acquisition, holding and disposition of the Trust Units acquired pursuant to the Offering Memorandum.

This summary is based on the facts set out in the Offering Memorandum, the provisions of the Tax Act and the regulations (the “**Regulations**”) thereunder in force as of the date of the Offering Memorandum and the publicly available administrative policies and assessing practices of the Canada Revenue Agency (the “**CRA**”) published prior to the date of the Offering Memorandum. This summary takes into account all specific proposals to amend the Tax Act and the Regulations thereunder which have been publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date of the Offering Memorandum (the “**Proposed Amendments**”). There can be no assurance that the Proposed Amendments will be enacted in their current form or at all, or that the CRA will not change its administrative policies and assessing practices.

Except for the Proposed Amendments, this summary does not otherwise take into account or anticipate any changes in law, whether by legislative, governmental or judicial decision or action. There can be no assurances that such changes, if made, might not be retroactive. **This summary also does not take into account provincial, territorial or foreign tax legislation or considerations, which may differ significantly from those discussed in this summary.**

**This summary is of a general nature only and is not exhaustive of all possible Canadian federal tax considerations applicable to an investment in Trust Units. The income and other tax consequences of acquiring, holding or disposing of Trust Units will vary depending on the particular circumstances applicable to each Unitholder. This summary is not intended to be legal or tax advice to any prospective purchaser of Trust Units. The Trust has not obtained, nor sought, an advance tax ruling from the CRA in respect of the Offering.**

**Unitholders and prospective purchasers of Trust Units should consult their own tax advisors with respect to the tax consequences of an investment in Trust Units based on their particular circumstances. You should consult your own professional advisers to obtain advice on the income tax consequences that apply to you.**

## **Status of the Trust**

### ***Qualification as a “Mutual Fund Trust”***

This summary assumes that the Trust will qualify as a “mutual fund trust” (as defined in the Tax Act), at all relevant times. If the Trust does not qualify or ceases to qualify as a mutual fund trust, the Canadian federal income tax considerations described below would, in some respects, be materially and adversely different.

### ***SIFT Measures***

The Tax Act contains rules regarding the taxation of certain flow-through entities, including certain mutual fund trusts and partnerships, referred to as “specified investment flow-through entities” or “**SIFTs**”, and the distributions from such entities (the “**SIFT Measures**”).

With respect to trusts, the SIFT Measures apply to Canadian resident trusts that hold one or more “non-portfolio properties” (as defined in the Tax Act), and the “investments” (as defined in the Tax Act) in which are listed or traded on a stock exchange or other public market (a “**SIFT Trust**”). A SIFT Trust is effectively subject to tax on its “non-portfolio earnings” (as defined in the Tax Act), where such earnings are distributed or allocated to Unitholders of the SIFT Trust, at a rate comparable to the combined federal and provincial corporate income tax rate (the “**SIFT Tax**”). Distributions to a Unitholder from a SIFT Trust which are attributable to the SIFT Trust’s non-portfolio earnings are not deductible in computing the SIFT Trust’s income and must also be included in the Unitholder’s income as though it were a taxable dividend from a “taxable Canadian corporation” (as defined in the Tax Act), subject to the detailed provisions of the Tax Act. A SIFT Trust’s non-portfolio earnings for a taxation year generally includes income from carrying on business in Canada and income (other than taxable dividends) from, or net taxable capital gains realized on, non-portfolio properties in the taxation year.

This summary assumes that the Trust Units will not, at all relevant times, be listed or traded on a stock exchange or other public market and, accordingly, that the Trust will not be liable for the SIFT Tax. If the Trust is liable for the SIFT Tax, the Canadian federal income tax considerations will be materially different from those described in this summary.

### ***Taxation of the Trust***

In each taxation year, the Trust will be subject to tax on its income for the year, including net realized taxable capital gains, less the portion thereof that it deducts in respect of the amounts paid or made payable in the year to Unitholders. An amount will be considered to be made payable to a Unitholder in a taxation year if it is paid to the Unitholder in the year by the Trust or if the Unitholder is entitled in that year to enforce payment of the amount. Counsel has been advised that it is in the intention of the Trustee to cause the Trust to distribute to Unitholders sufficient of its net income and net realized capital gains, if any, to ensure that the Trust will not be liable to pay income tax under Part I of the Tax Act. However, no assurance can be provided in this regard.

In computing its income for the purposes of the Tax Act, the Trust is generally required to include its share of the income of a Limited Partnership for the fiscal period of the Limited Partnership ending on or before the fiscal year end of the Trust. The Trust may generally deduct reasonable administrative costs, interest and other expenses of a current nature incurred by it for the purpose of earning income. The Trust will also be entitled to deduct reasonable expenses incurred by it in the course of issuing Trust Units on a five-year straight line basis (subject to pro-rata for short taxation years).

The Trust may also realize a capital gain or loss on the disposition or deemed disposition of Limited Partnership Units (including from any distribution in specie of Limited Partnership Units), from the disposition of foreign currency or upon the allocation of a capital gain or loss relating to any Limited Partnership, as described below under “*Taxation of the Limited Partnerships*”.

The adjusted cost base of the Trust’s interests in a Limited Partnership will be increased at a particular time by the Trust’s share of the income of the Limited Partnership for a fiscal period of the Limited Partnership ended before that time, and will be reduced by Trust’s share of the losses of the Limited Partnership for a fiscal period of the Limited Partnership ended before that time and all distributions of cash or other property made by the Limited Partnership to the Trust before that time. If at the end of any fiscal period of a Limited Partnership, the adjusted cost base of the Limited Partnership Units held by the Trust would otherwise be less than zero, the Trust will be deemed to have realized a capital gain equal to the negative amount, and the Trust’s adjusted cost base of such Limited Partnership Units will be deemed to be nil immediately thereafter.

A distribution by the Trust of Limited Partnership Units or other property upon redemption of Trust Units will be, for purposes of the Tax Act, a disposition by the Trust of the property so distributed for proceeds of disposition equal to its fair market value. Assuming that the Limited Partnership Units or other property are held by the Trust as capital property for purposes of the Tax Act, the Trust will realize a capital gain (or a capital loss) on the property so distributed to the extent that the proceeds of disposition of such property exceed (or are less than) the adjusted cost base of the property and any reasonable costs of disposition. The Deed of Trust provides that the Trust may designate for purposes of the Tax Act any income or capital gains arising on or in connection with an *in specie* redemption of Trust Units as being paid to the redeeming Unitholder, with the result that the taxable portion of such gains may generally be deductible by the Trust.

The Deed of Trust provides that, to the extent cash of the Trust is unavailable for distribution, and the income of the Trust in a taxation year exceeds the cumulative cash distributions for that year, such excess income may be distributed to Unitholders in the form of additional Trust Units, Trust Assets or promissory notes of the Trust. Income of the Trust that is paid or made payable to Unitholders, whether in cash, additional Trust Units, Trust Assets, promissory notes of the Trust, or otherwise, will generally be deductible by the Trust in computing its taxable income.

Losses incurred by the Trust in a particular taxation year may be deducted by the Trust, in the case of non-capital losses in the particular year and in the ensuing twenty (20) taxation years, and in the case of capital losses in the particular year and in any future taxation year to the extent of capital gains, in computing taxable income of the Trust in accordance with, and subject to, applicable provisions of the Tax Act.

The Trust will be entitled for each taxation year to reduce (or receive a refund in respect of) its liability, if any, for tax on its net realized taxable capital gains by an amount determined under the Tax Act based on the redemption of Trust Units during the year (the “**capital gains refund**”). In certain circumstances, the capital gains refund in a particular taxation year may not completely offset the Trust’s tax liability for that taxation year arising in connection with the distribution of its property on the redemption of Trust Units. The Deed of Trust provides that all or a portion of taxable capital gain realized by the Trust as a result of that redemption may, at the discretion of the Trustee, be treated as a taxable capital gain paid to, and designated as a taxable capital gain of, the redeeming Unitholders, and thus generally deductible by the Trust in computing its income.

### **Taxation of the Limited Partnerships**

The Limited Partnerships and any subsidiary limited partnerships thereof (collectively, the “**ICM LPs**”) are not subject to tax under the Tax Act. Each partner of the ICM LPs (including the Trust) is required to include in computing the partner’s income for a particular taxation year the partner’s share of the income or loss of the partnership for the fiscal period of the partnership ending on or before the year-end of the partner, whether or not any of that income or loss is distributed to the partner. For this purpose, the income or loss of each ICM LP must be computed for each fiscal period as if each was a separate person resident in Canada, and allocated to their partners on the basis of their respective shares of that income or loss as provided for in the respective limited partnership agreements, subject to certain provisions of the Tax Act in that regard.

The adjusted cost base of an interest in an ICM LP held by a partner of such ICM LP will be increased by the partner’s share of the income of the ICM LP for a fiscal period of the ICM LP ended before that time, and will be reduced by the partner’s share of the loss of the ICM LP for a fiscal period of the ICM LP ended before that time, and all distributions of cash or other property made by the ICM LP to the partner before that time. If at the end of any fiscal period of an ICM LP, the adjusted cost base of the ICM LP interest held by the partner would otherwise be less than zero, the partner (or if applicable the Trust) will be deemed to have realized a capital gain equal to the negative amount, and the partner’s adjusted cost base of such interest will be deemed to be nil immediately thereafter.

If any of the ICM LPs incurs losses for purposes of the Tax Act, a partner of such ICM LP, including the Trust, will be entitled to deduct in the computation of its income its share of such losses to the extent of that limited partner’s “at-risk amount” in respect of the relevant partnership, as determined under the Tax Act.

An ICM LP that disposes of a capital property (other than a depreciable capital property) for purposes of the Tax Act will generally realize a capital gain to the extent that the proceeds of disposition of such property exceed the adjusted cost base to the ICM LP of that property.

An ICM LP that disposes of a depreciable capital property for purposes of the Tax Act will generally be required to deduct the lesser of the proceeds of disposition allocable to a particular class of depreciable capital property and the original cost of the property in computing the balance of the undepreciated capital cost of such class. If at the end of the fiscal period of an ICM LP the balance of any class of depreciable capital property is negative, the balance is included in computing the income of the ICM LP. If an ICM LP has disposed of the last property of a particular class of depreciable capital property and there remains a positive balance of the undepreciated capital cost in that class at the end of the year, the ICM LP may, subject to detailed rules of the Tax Act, be entitled to deduct the remaining positive balance as a terminal loss in computing its income.



## **Taxation of Unitholders**

### ***Distributions***

A Unitholder will generally be required to include in computing income for a particular taxation year, all net income and net realized taxable capital gains of the Trust, if any, that is paid or made payable by the Trust to the Unitholder in the particular taxation year, whether that amount is paid in cash, additional Trust Units, Trust Assets, promissory notes of the Trust, or otherwise.

Provided that the appropriate designations are made by the Trust, such portion of the Trust's net taxable capital gains and taxable income from a foreign source that are paid or payable to a Unitholder, as the case may be, will effectively retain their character and be treated as such in the hands of the Unitholder for the purposes of the Tax Act. Such amounts will generally be included in determining the Unitholder's entitlement to foreign tax credits.

The non-taxable portion of any net realized capital gains of the Trust (currently one-half thereof) that is paid or payable to a Unitholder in a taxation year will not be required to be included in computing the Unitholder's income for the year and should not reduce the adjusted cost base of Trust Units held by the Unitholder. Any other amount paid or payable by the Trust in that year (other than as proceeds of disposition in respect of the redemption of Trust Units) that is in excess of the Trust's net income for that year will not generally be required to be included in the Unitholder's income for the year. However, where such an amount is paid or payable to a Unitholder, the Unitholder will be required to reduce the adjusted cost base of the Trust Units by that amount. To the extent that the adjusted cost base of a Trust 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 Trust Unit to the Unitholder will immediately thereafter be deemed to be nil.

### ***Purchases of Trust Units***

A purchaser of a Trust Unit may become taxable on a portion of the net income or capital gains of the Trust that accrued or were realized by the Trust in a period before the time the Trust Unit was purchased but which was not paid or made payable to Unitholders until the end of the period and after the time the Trust Unit was purchased.

### ***Dispositions of Trust Units***

On the disposition or deemed disposition of Trust Units by a Unitholder, whether on a redemption or otherwise, the Unitholder will realize a capital gain (or capital loss) equal to the amount by which the proceeds of disposition (excluding any amount payable by the Trust which represents an amount that must otherwise be included in the Unitholder's income as described herein) are greater (or less) than the aggregate of the adjusted cost base of the Trust Units immediately before such disposition and any reasonable costs of disposition.

The adjusted cost base of a Trust Unit to a Unitholder will be the subscription price of the Trust Unit, subject to certain adjustments. Trust Units issued to a Unitholder in lieu of a cash distribution (including net capital gains) will have a cost to the Unitholder equal to the amount of income (including the applicable non-taxable portion of net capital gains) distributed by the issuance of such Trust Units. Under the Tax Act, the adjusted cost base of Trust Units issued to a Unitholder in lieu of a cash distribution will be averaged with the adjusted cost base of all other Trust Units already owned by the Unitholder in order to determine the respective adjusted cost base of each such Trust Unit. The adjusted cost base of Trust Units disposed of is based on such average calculation immediately prior to the disposition.

If a Unitholder redeems Trust Units, the Trust may distribute income or capital gains realized by the Trust in the year to the Unitholder as partial payment of the redemption price. Any income or capital gains so distributed must be included in the calculation of the Unitholder's income in the manner described above. The Trust will generally not be entitled to deduct in computing its income (a) the portion of a capital gain of the Trust distributed to a Unitholder on a redemption of Trust Units that is greater than the Unitholder's accrued gain, and (b) any income distributed to a Unitholder on a redemption of Trust Units, where, in each case, the Unitholders' proceeds of disposition are reduced by the distribution.

If Trust Units are redeemed and the Redemption Price is paid by the delivery of Limited Partnership Units 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 Limited Partnership Units so distributed less any income or capital gain realized by the Trust in connection with such redemption which has been designated by the Trust to the Unitholder. Any income or capital gain realized by the Trust on a disposition of Limited Partnership Units to effect a redemption of Trust Units will generally be designated to the redeeming Unitholder such that the Unitholder will be required to include in computing its income the income or taxable portion of the capital gain so designated.

If Trust Units are redeemed and the Redemption Price is paid by the delivery of Limited Partnership Units as described above, a redeeming Unitholder will be required to include in income its share of income or loss of the Limited Partnership for the year that includes the redemption (and the Unitholder's share of income or loss of the Limited Partnership for all years during which the Unitholder holds the Limited Partnership Units), in accordance with the provisions of the limited partnership agreement governing the relevant Limited Partnership and the detailed rules of in the Tax Act. In the case of the Unitholder's share of loss of a Limited Partnership for any given fiscal year, the Unitholder will be entitled to deduct in the computation of its income such losses to the extent of its "at-risk amount" in respect of the relevant partnership as described above under "Taxation of the Limited Partnerships". The cost of any Limited Partnership Units distributed by the Trust to a Unitholder upon a redemption of Trust Units will be equal to the fair market value of those units at the time of the distribution.

### ***Taxation of Capital Gains and Capital Losses***

Generally, one-half of any 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 must be included in the Unitholder's income as a taxable capital gain in the taxation year in which the disposition occurs or in respect of which a net taxable capital gains designation is made by the Trust. One-half of any capital loss realized by a Unitholder on a disposition or deemed disposition of Trust Units generally must be deducted by the Unitholder against taxable capital gains of the Unitholder in the year of disposition, and to the extent such losses exceed such gains, may be deducted against taxable capital gains of the Unitholder in the three (3) preceding taxation years or in any subsequent taxation year in accordance with the provisions of the Tax Act.

Tax proposals released on April 16, 2024 as part of Canada's 2024 Federal Budget propose to generally increase the proportion of a capital gain that would be included in income as a taxable capital gain, or the proportion of a capital loss that would constitute an allowable capital loss, from one-half to two-thirds, effective for dispositions on or after June 25, 2024 (the "**Budget Proposal**"). The Budget Proposal generally provides that the one-half inclusion of capital gains will continue to apply to individuals (other than trusts) up to a maximum of \$250,000 of net capital gains per year. For tax years that begin before and end on or after June 25, 2024, two different inclusion rates will apply and transitional rules will apply to separately identify capital gains and losses realized before and after that date. The Budget Proposal also contemplates adjustments of carried forward or carried back allowable capital losses to account for changes in the relevant inclusion rates. However, no draft legislation to implement the Budget Proposal (including transitional rules) has been publicly released by the Minister of Finance (Canada). **Unitholders should consult their own tax advisors regarding the impact, in their particular circumstances, of the Budget Proposal.**

If a Unitholder disposes of Trust Units, and the Unitholder, the Unitholder's spouse or another person affiliated with the Unitholder (including a corporation controlled by the Unitholder) has acquired Trust Units of any series within thirty (30) days before or after the Unitholder disposes of the Trust Units (such newly acquired Trust Units being considered "substituted property"), the Unitholder's capital loss may be deemed to be a "superficial loss". If so, the Unitholder's loss will be deemed to be nil and the amount of the loss will instead be added to the adjusted cost base of the Trust Units which are "substituted property".

### ***Alternative Minimum Tax***

The Tax Act provides for "alternative minimum tax" applicable to individuals and certain trusts, depending on the amount of their "adjusted taxable income". In general terms, adjusted taxable income of a Unitholder who is an individual or a trust (and therefore the exposure of such Unitholder to liability for alternative minimum tax) may be increased by, among other things, capital gains realized by such Unitholder on the disposition of Trust

Units and by any net income of the Trust that is paid or payable to such Unitholder and that has been designated as a taxable dividend or as a taxable capital gain.

### **Currency**

A Unitholder's cost and proceeds of disposition of Series US\$ Trust Units, as well as any distributions received in respect of Series US\$ Trust Units, are required to be determined for purposes of the Tax Act in Canadian dollars, converted at the exchange rate quoted by the Bank of Canada on the relevant day or at such other rate of exchange as is acceptable to the Minister of National Revenue.

### **International Information Reporting Requirements**

Under the terms of the intergovernmental agreement between Canada and the U.S. (the "**Canada-U.S. IGA**") to provide for the implementation of the Foreign Account Tax Compliance provisions of the U.S. Hiring Incentives to Restore Employment Act of 2010 (or "**FATCA**"), and its implementing provisions under the Tax Act, the Trust will be treated as complying with FATCA and not subject to the thirty percent (30%) withholding tax if the Trust complies with the terms of the Canada-U.S. IGA. Under the terms of the Canada-U.S. IGA, the Trust will be required to identify and report information, including certain financial information, on accounts held by investors that fail to provide information to their financial advisor or dealer related to their citizenship and residency for tax purposes and/or investors that are identified as, or in the case of certain entities as having one or more controlling persons who are U.S. persons owning, directly or indirectly, an interest in the Trust, to the CRA. The CRA will in turn provide such information to the U.S. Internal Revenue Service (the "**IRS**").

The Trust will endeavor to comply with the requirements imposed under the Canada-U.S. IGA and its implementing provision under the Tax Act. However, if the Trust cannot satisfy the applicable requirements under the Canada-U.S. IGA or its implementing provisions under the Tax Act and is unable to comply with the requirements under FATCA, the Trust may be subject to U.S. withholding tax on U.S. and certain non-U.S. source income and gross proceeds. The Trust may also be subject to the penalty provisions of the Tax Act. Any potential U.S. withholding taxes or penalties associated with such failure to comply would reduce the Net Asset Value of the Trust.

In addition, to meet the objectives of the Organization for Economic Co-operation and Development Common Reporting Standards (the "**CRS**"), the Trust is required under the Tax Act to report to the CRA certain information (including residency details and financial information such as account balances) relating to investments held by Unitholders or by the "controlling persons" of certain entities who are resident in a country other than Canada or the U.S. The information would then be available for sharing with CRS participating jurisdiction in which the securityholder resides for tax purposes under the provision and safeguards of the Multilateral Administrative Assistance in Tax Matters or the relevant bilateral tax treaty.

### **8.3 Eligibility for Investment**

Provided that the Trust qualifies as a "mutual fund trust" (as defined in the Tax Act) at all relevant times, the Trust Units, when issued will be a "qualified investment" under the Tax Act for Registered Plans.

Trust Units will generally not be a "prohibited investment" (as defined in the Tax Act) for a RRSP, RRIF, RDSP, RESP, TFSA or FHSA if the holder, annuitant or subscriber thereunder: (a) deals at arm's length with the Trust for the purposes of the Tax Act; and (b) does not hold a "significant interest" (as defined in the Tax Act) in the Trust. **Prospective purchasers who intend to hold their Trust Units in a RRSP, RRIF, RDSP, RESP, TFSA or FHSA should consult with their own tax advisors regarding the application of the prohibited investment rules having regard to their particular circumstances.**

Limited Partnership Units, Trust Assets and other property that may be distributed by the Trust to Unitholders, including Redemption Notes, will not be a "qualified investment" under the Tax Act for Registered Plans. Unitholders holding their Trust Units in a Registered Plan should consult with their own tax advisors prior to redeeming Trust Units to determine the consequences to them of a redemption satisfied by any such Trust property.

## ITEM 9 – SELLING AGENTS AND COMPENSATION PAID TO SELLERS AND FINDERS

The Trust will use Selling Agents in respect of the distribution and sale of the Trust Units.

In respect of Series B Trust Units, the Trust will pay commissions and certain fees in respect of administrative matters in connection with the Offering of: (a) up to five and a half percent (5.5%) (see below) of the Gross Subscription Proceeds realized on the Series B Trust Units sold directly by Selling Agents; and (b) an annual servicing fee of one percent (1%), paid quarterly, of Series Net Asset Value of such Series B Trust Units, calculated at the beginning of each fiscal quarter and payable in respect of both Series B Trust Units sold by a Selling Agent and Series B Trust Units acquired pursuant to the DRIP, to a person that remains a holder of Series B Trust Units at the end of each applicable fiscal quarter (as applicable, the “**Series B Servicing Fee**”). Specifically, a five and a half percent (5.5%) commission will be paid if a Unitholder selects the Advantaged DRIP™ Strategy and a four and a half percent (4.5%) commission will be paid if a Unitholder selects the Basic Strategy.

In respect of Series C Trust Units, the Trust will pay commissions and certain fees in respect of administrative matters in connection with the Offering of: (a) up to four percent (4.0%) of the Gross Subscription Proceeds realized on the Series C Trust Units sold directly by Selling Agents; and (b) an annual servicing fee of three quarters of a percent (0.75%), paid quarterly, of Net Asset Value of such Series C Trust Units, calculated at the beginning of each fiscal quarter and payable in respect of both Series C Trust Units sold by a Selling Agent and Series C Trust Units acquired pursuant to the DRIP, to a person that remains a holder of Series C Trust Units at the end of each applicable fiscal quarter (as applicable, the “**Series C Servicing Fee**”).

In respect of Series US\$ Trust Units, the Trust will pay commissions and certain fees in respect of administrative matters in connection with the Offering of: (a) up to five and a half percent (5.5%) (see below) of the Gross Subscription Proceeds realized on the Series US\$ Trust Units sold directly by Selling Agents; and (b) an annual servicing fee of three quarters of a percent (0.75%), paid quarterly, of Series Net Asset Value of such Series US\$ Trust Units, calculated at the beginning of each fiscal quarter and payable in respect of both Series US\$ Trust Units sold by a Selling Agent and Series US\$ Trust Units acquired pursuant to the DRIP, to a person that remains a holder of Series US\$ Trust Units at the end of each applicable fiscal quarter (as applicable, the “**Series US\$ Servicing Fee**”). Specifically, a five and a half percent (5.5%) commission will be paid if a Unitholder selects the Advantaged DRIP™ Strategy and a four and a half percent (4.5%) commission will be paid if a Unitholder selects the Basic Strategy.

To the extent a Selling Agent is no longer able to service a client or receive payment for such servicing, ICM IM may take on the responsibility of servicing such client in exchange for payment of the Series B Servicing Fee, Series C Servicing Fee or Series US\$ Servicing Fee, as applicable.

ICM IM, a registered exempt market dealer, may act as a Selling Agent. The Trust is a connected issuer and a related issuer of ICM IM as certain principals of ICM IM are the same as those of the Trustee and the general partners of the Limited Partnerships. See “*Item 2.1 – Structure – Relationship between the Trust, the Trustee and ICM IM*”.

## ITEM 10 – RISK FACTORS

**In addition to factors set forth elsewhere in this Offering Memorandum, potential investors should carefully consider the following risk factors in making a decision to subscribe for Trust Units and obtain independent legal and financial advice with respect to the Offering and this Offering Memorandum and the associated risks. The following is a summary of only the material risk factors involved in an investment in the Trust Units and does not purport to be a complete summary of all risks associate and an investment in the Trust Units.**

An investment in the Trust Units is highly speculative and involves a number of risk factors inherent in an investment in the Trust Units and in the activities of the Trust, including the following, which subscribers should carefully consider, after consultation with independent qualified sources of investment and tax advice, before subscribing for the Trust Units. Although Investments made by the Trust will be carefully chosen by the Manager, there is no representation made by the Manager that such Investments will have a guaranteed return to

Unitholders nor that losses will not be suffered by the Trust from such Investments. This Offering is not suitable for investors who cannot afford to assume significant risks in connection with their investments.

### **10.1 Risks Associated with the Series B Trust Units, Series C Trust Units and Series US\$ Trust Units**

#### **Speculative Offering - No Guaranteed Return**

The recovery of a Unitholder's initial investment is at risk, and the anticipated return on a Unitholder's investment is based on many performance assumptions. The success of the Trust will depend on the ability of the Manager to identify, select, close, grow and exit appropriate Investments. The task of identifying investment opportunities, monitoring such investments and realizing a significant return for Unitholders is difficult. Many organizations operated by individuals of competence and integrity have been unable to make, manage and realize on such investments successfully. A return on, or of, investment in Trust Units is dependent upon the success of the Investments that involve risks that could materially and adversely affect the Trust's ability to meet its Investment Objectives. As a result, there is no assurance or guarantee that the Trust and, correspondingly, the purchasers of Trust Units pursuant to the Offering will earn a return on their investment. A potential subscriber should purchase Trust Units only if able to bear the risk of the entire loss of the investment. An investment in the Trust Units should not constitute a significant portion of an investor's portfolio.

#### **Distributions are Not Guaranteed**

While the Trust intends to make distributions to its Unitholders, no assurance can be given that Trust will be able to achieve its distribution targets and that such distributions, if made, will continue or that they will not be reduced or eliminated. The ability of the Trust to make distributions on Trust Units will be completely dependent upon the Limited Partnerships receiving payments from Investments.

Although it is the Trust's intention that distributions be primarily paid from cash flow from the business and operations of the Limited Partnerships, in certain circumstances, distributions may exceed the cash flow of the Trust for any particular distribution period. Distributable Income may be impacted by items such as principal repayments and capital expenditures of any Limited Partnership and, accordingly, may exceed actual cash available to the Trust or such Limited Partnership from time to time. The Trust may be required to use part of its debt capacity or raise additional equity (including proceeds from the sale of securities in this Offering) in order to accommodate such items, and there can be no assurance that funds from such sources will be available on favourable terms or at all. In such circumstances, distributions may be reduced or suspended. Accordingly, cash distributions are not guaranteed and cannot be assured.

Distributable Income is calculated in accordance with the Deed of Trust. Distributable Income is not a measure recognized under Canadian generally accepted accounting principles and does not have a standardized meaning prescribed by IFRS. Distributable Income is presented herein because management of the Trust believes this non-IFRS measure is a relevant measure of the ability of the Trust to earn and distribute cash returns to Unitholders. Distributable Income as computed by the Trust may differ from similar computations as reported by other similar organizations and, accordingly, may not be comparable to distributable income as reported by such organizations.

#### **Dilution**

The Trust is authorized to issue an unlimited number of Trust Units. Any issuance of additional Trust Units may have a dilutive effect on the Unitholders.

#### **Less than Full Offering**

There is no minimum offering size. There can be no assurance that any particular level of subscription by investors or any level of proceeds under the Offering will be reached. The Trust may issue and sell Trust Units under the Offering from time to time until the Offering is terminated. However, there can be no assurance that the Offering will provide funding that is sufficient to permit the Trust to accomplish the Investment Objectives. If an insufficient amount of proceeds are raised pursuant to this Offering, the Trust's business development plans

and prospects could be adversely affected and the Trust's ability to provide diversification to investors will be impacted as the Manager may not be able to pursue a sufficient number of Investments.

### **Trust Units are Not Liquid**

There is currently no market through which the Trust Units may be sold and it is very unlikely that one will develop. Subscribers may not be able to resell the Trust Units purchased under this Offering Memorandum. The Trust intends to restrict the transfer of Trust Units to prevent the development of a market for the Trust Units. None of the Trust Units will be listed or posted for trading on a recognized stock exchange or other trading or quotation system. The Trust has not prepared, filed or delivered to potential investors a prospectus. The Trust Units are subject to a number of restrictions respecting transferability and resale, including a restriction on trading imposed by applicable securities laws. 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 and the Deed of Trust.

Unless permitted under securities legislation, no Unitholder can trade 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 of Canada. The Trust is not, and currently has no intention of becoming, a reporting issuer in any province or territory of Canada, and therefore the Trust Units will be subject to an indefinite hold period. The Trust Units may only be transferred under limited exemptions under applicable securities laws. Consequently, Unitholders may not be able to sell the Trust Units readily or at all, and they may not be accepted as collateral for a loan. Unitholders should be prepared to hold the Trust Units indefinitely and cannot expect to be able to liquidate their investment even in the case of an emergency. Accordingly, an investment in Trust Units is suitable solely for sophisticated investors who are able to make and bear the economic risk of a long-term investment and do not need full or immediate liquidity with respect to this investment.

As stated above, none of the Trust Units may be sold, assigned or transferred by a Unitholder, in whole or in part: (a) without prior written consent of the Trustees; or (b) as otherwise expressly provided in the Deed of Trust, subject to compliance with applicable law (including applicable securities laws and regulatory policy) and the transfer requirements in the Deed of Trust.

### **Early Redemption Penalties**

The Redemption Price payable to investors redeeming Trust Units may be lower than the price per Trust Unit paid by the investor for such Trust Unit, as a Unitholder will receive a lower Redemption Price if such Unitholder redeems his or her Trust Units within a certain period of time from the date of investment (depending on the series of Trust Unit held by the Unitholder). This is intended to protect the Trust and existing Unitholders from a reduction in the value of the Trust due to the payment of selling commissions and offering costs. There is no assurance that investors will be paid the full amount of their investment through any exercise of redemption rights.

### **Limitation on Payment of Redemption Price in Cash**

Except as otherwise determined by the Manager, in its sole discretion, for any calendar month (other than the calendar month in which the Trust is terminated and wound-up), the maximum aggregate number of Trust Units that may be redeemed by the Trust shall not exceed one percent (1%) of the total number of Trust Units issued and outstanding at the beginning of each calendar month. Further, the Trustee, on the advice of the Manager, and with the unanimous approval of the Independent Review Committee, may suspend the redemption of Trust Units or payment of redemption proceeds for any period not exceeding three-hundred sixty-five (365) days if the Trustee determines that conditions exist which render impractical the sale of Trust Assets or which impair the ability of the Trustee to accurately determine the fair market value of the Trust Units. See "[Item 5.1 - Terms of Securities - Redemption of Trust Units](#)".

### **Payment of Redemption Price - Issuance of Redemption Notes**

The redemption of Trust Units may be paid and satisfied by way of Redemption Notes, as determined by the Manager or the Trustee in its discretion, to the redeeming Unitholder. Redemption Notes will not be liquid and

will not be a qualified investment for Registered Plans and will be a prohibited investment for Registered Plans. Adverse tax consequences generally may apply to a Unitholder, or Registered Plan and/or the annuitant, subscriber or holder thereof, as a result of the redemption of Trust Units which is satisfied by way of Redemption Notes. Accordingly, investors that propose to invest in Trust Units through Registered Plans should consult their own tax advisors before doing so to understand the potential tax consequences of exercising their redemption rights attached to such Trust Units.

### **Redemption Notes will be Unsecured**

Redemption Notes issued by the Trust will be unsecured debt obligations of the Trust and may be subordinated to other financing obtained by the Trust.

### **Payment of Redemption Notes**

The Trust will create a reserve fund for interest payable with respect to Redemption Notes issued by the Trust. In the event that the Trust is unable to pay out a Redemption Note on maturity it may borrow funds from related and unrelated parties or seek to extend the terms of the Redemption Note. Notwithstanding the aforesaid, circumstances may arise which results in the Trust not having sufficient funds available to pay on maturity the principal balance and accrued unpaid interest under any Redemption Notes issued.

### **Priority of Redemption Notes over Trust Units**

Redemption Notes, if issued by the Trust, may, in certain circumstances, have priority over Trust Units in the event of the liquidation of the assets of the Trust. There are various considerations with respect to creditor rights and bankruptcy law that will need to be considered both at the time Redemption Notes are issued and at the time of any liquidation of the assets of the Trust in order to determine if such a priority exists.

### **Substantial Redemption of Trust Units**

If holders of a substantial number of Trust Units exercise their redemption rights, the number of Trust Units outstanding could be significantly reduced, which may adversely affect the available capital required by the Trust to carry out its investment objectives.

### **Nature of Trust Units**

Ownership of Trust Units does not represent a direct investment in real property or real property-based yield generating investments and should not be viewed by Unitholders as a direct interest in such real property or real property-based yield generating investments, but instead as an investment in equity securities, being the Trust Units. The Trust will not be directly investing in real property or real property-based yield generating investments, but will be subscribing for Limited Partnership Units of the Limited Partnerships. The Trust will not have a direct interest in any real property or real property-based yield generating investments. As holders of Trust Units, 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 Trust is not generally regulated by established corporate law and Unitholders' rights are governed primarily by the specific provisions of the Trust Indenture. Unitholders do not have all the statutory rights normally associated with ownership of shares of a corporation including, for example, the right to bring "oppression" or "derivative" actions against the Trust. Further, in the event of insolvency or restructuring under the *Bankruptcy and Insolvency Act* (Canada) or the *Companies Creditors Arrangement Act* (Canada), a Unitholder's position may be quite different than that of a shareholder of a corporation.

The Trust Units are not "deposits" within the meaning of the *Canada Deposit Insurance Corporation Act* and are not insured under the provisions of that act or any other legislation. Furthermore, the Trust is not a trust company and, accordingly, is not registered under any trust and loan company legislation as it does not carry on or intend to carry on the business of a trust company.

## **Trust Unitholders have Limited Voting Rights**

Subject to the Deed of Trust, Unitholders have rights to attend and vote at meetings of Unitholders. However, the Trust may, but is not required to, hold annual meetings of Unitholders or any Unitholder meetings on a periodic basis.

The Trust Unitholders have no right to remove the Manager or to terminate the Portfolio Management Agreement.

## **Inability to Remove or Affect Management of Manager or General Partner**

Although the Unitholders have a right to remove the Trustees pursuant to the Deed of Trust, there is no guarantee that the Unitholders will be able to meet the voting thresholds necessary to do so.

Furthermore, the Unitholders do not have a right to appoint new directors to the Trustee's or the Manager's board of directors, to remove existing directors from the Trustee's or the Manager's board of directors or to prevent a change of control of the Trustee or the Manager. As a result, unlike shareholders of most corporations, Unitholders do not possess a general mechanism to influence the direction of the Trust or the Limited Partnerships, including their policies and procedures, or to cause a change in their management, even if they are unsatisfied with the performance of the Trust or the Limited Partnerships.

## **Liability of Unitholders**

There is a risk that a Unitholder could be held personally liable for obligations in connection with the Trust (to the extent that claims are not satisfied by the Trust). The Deed of Trust provides that no Unitholder shall be held to have any personal liability as such for satisfaction of any obligation in respect of, or claim arising out of, or in connection with any contract or obligation of the Trust or the Trustee (to the extent that claims are not satisfied by the Trust). In any event, the Deed of Trust requires the Trustee to make all reasonable efforts to include as a specific term of such obligations or liabilities, a contractual provision to the effect that neither the Unitholders, the Trustee nor the Manager have any personal liability or obligations in respect thereof. The omission of such a provision from any such written instrument shall not operate to impose personal liability on the Trustee, Manager or any Unitholder. If, notwithstanding this provision, the Trustee or any Unitholder shall be held liable to any Person by reason of the omission of such statement from any such agreement, undertaking or obligation, the Trustee or such Unitholder shall be entitled to indemnity and reimbursement out of the Trust Assets to the full extent of such liability. Notwithstanding the foregoing, there remains some risk that a Unitholder may be personally liable in respect of certain liabilities and obligations of the Trust.

Unitholders will not have the benefit of the *Income Trusts Liability Act* (Alberta) as the Trust is not a reporting issuer as defined under the *Securities Act* (Alberta).

The limited liability of the Trust, as a limited partner of the Limited Partnerships, may be lost in certain circumstances, including where it takes part in the control or management of the business of any Limited Partnership or through non-compliance with the Partnership Act (Alberta). In addition, limited partners may lose their limited liability to the extent the principles of Canadian law recognizing the limitation of liability of limited partners have not been authoritatively established with respect to limited partnerships formed under the laws of one province but operating, owning property or incurring obligations in another province or country.

## **Securities Commissions Do Not Review the Offering Memorandum**

Unitholders will not have the benefit of a prior review of this Offering Memorandum or any other documents in relation to the Offering by the Alberta Securities Commission or any other provincial regulatory authorities.

## **No Independent Counsel**

The Trust, the Trustees and the Manager have 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. No



independent counsel was retained on behalf of the Unitholders with respect to this Offering. There has been no review by independent counsel on behalf of the Unitholders of the Offering Memorandum, or any other documentation in relation to the Offering. No due diligence has been conducted on behalf of Unitholders by 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.

## **10.2 Risks Associated with the Trust**

### **Reputation**

The growth of the Trust's and the Limited Partnerships' businesses rely on continuous fundraising for various alternative investment products. The Trust depends on the Manager's business relationships and reputation for integrity to attract and retain investors, and to pursue investment opportunities. If the Trust is unable to continue to raise capital from third-party investors or otherwise unable to pursue its investment opportunities, this could materially reduce the Trust's revenue and cash flow and adversely affect its financial condition. Poor performance of any kind by the Trust or other entities managed by the Manager could damage the Trust's reputation with current and potential investors, making it more difficult to raise new capital.

Subject to the Independent Review Committee Mandate, the Trust may be subject to a number of actual, potential or perceived conflicts of interest. It is also possible that actual, potential or perceived conflicts of interest could give rise to investor dissatisfaction, litigation, regulatory enforcement actions or other detrimental outcomes. Appropriately dealing with conflicts of interest is complex and difficult and the Trust's reputation could be damaged if it fails, or appears to fail, to deal appropriately with actual, potential or perceived conflicts of interest. Further, regulatory scrutiny of, or litigation in connection with, conflicts of interest could have a material adverse effect on the Trust's reputation, business, financial condition or results of operations in a number of ways, including a reluctance of counterparties to do business with the Trust.

Reputational damage could also arise from allegations of misconduct from private litigants or regulators, whether the allegations are valid or invalid and whether the outcome is favourable or unfavourable. Such allegations may result in negative publicity and press speculation about the Manager or the Trust, their investment activities or the private capital markets in general, in each case potentially harming the Trust's business.

Implementation of new investment and growth strategies involves a number of risks that could result in losses and harm to the Trust's professional reputation, including the risk that the expected results are not achieved, that new strategies are not appropriately planned for or integrated, and that the investment process, controls and procedures that the Trust has developed will prove insufficient or inadequate.

### **Future Investments**

Future investments that the Trust and the Limited Partnerships will seek to make have not been determined and Unitholders will not have an opportunity to evaluate additional investments in which the proceeds of this Offering will ultimately be invested or the terms of such purchases. In addition, there is no certainty that the Trust or the Limited Partnerships will be able to identify suitable or sufficient opportunities that meet its investment criteria and be able to acquire additional high-quality assets at attractive prices to supplement its growth in a timely manner, or at all. Even if investments are identified and the acquisition of the same or an interest therein is determined to be in the best interest of the Trust or the Limited Partnership, it may fail to value opportunities accurately or to consider all relevant factors that may be necessary or helpful in evaluating an opportunity, or it may underestimate the costs necessary to bring an acquisition up to standards established for its intended market position, may be exposed to unexpected risks and costs associated with Investments, and/or be unable to quickly and effectively integrate new acquisitions into its existing operations or exit from the Investment on favorable terms. If the Trust or the Limited Partnerships are unable to identify and acquire suitable investments, its business, operating results and financial condition could be adversely affected.

## **Management's Experience is not Indicative of the Future Results of an Investment in Trust Units**

While the officers and directors of the Manager and of the Trustee have experience in the real estate investment and development industries, there is no assurance that any success achieved by those individuals in their prior opportunities will be similarly enjoyed by the Trust or the Limited Partnerships.

Historical successes of past projects experienced by the officers and directors of the Manager and of the Trustee have been based on different investment models and relate to assets that will not be acquired by the Trust or the Limited Partnerships. These historical successes cannot, and should not, be viewed as indicative of future performance of the Trust and the Trust Units and must not be relied upon as a forecast or projection of the anticipated returns, if any, on an investment in the Trust Units offered under this Offering Memorandum.

## **Achievement of Investment Objectives**

There can be no assurance that the Trust's investment strategies will be successful, that its Investment Objectives will be achieved or that it will be able to make distributions due to factors outside the control of the Limited Partnerships', the Trust's, or the Manger's control. Such factors include that the ability of the Trust to achieve its Investment Objectives is, in part, dependent on Investors holding their Trust Units for a minimum of five (5) years. There is a risk that the Manager may not invest all proceeds of the Offering in Investments and may not be able to generate sufficient funds to meet the Investment Objectives of the Trust. There is no time constraint for the full investment of the net proceeds of the Offering in Investments and the timing of such Investments will depend upon the Manager's identification of Investments meeting the criteria for acquisition. There is a possibility that the Trust will realize substantial losses.

## **Reliance on Manager**

Prospective purchasers assessing the risks and rewards of this investment should appreciate that they will, in large part, be relying on the good faith and expertise of the Manager. In particular, prospective purchasers will have to rely on the discretion and ability of the Manager and its principals in determining the composition of the portfolio of properties, and in negotiating the pricing and other terms of the agreements leading to the acquisition of properties. If the Manager loses the services of key individuals, the business, financial condition and results of operations of the Trust may be materially adversely affected. There is no guarantee that the directors and officers of the Manager will remain unchanged. It is contemplated that the directors, officers and employees of the Manager will devote to the Trust's affairs only such time as may be reasonably necessary to conduct its business. Unitholders will have no right to make any decisions with respect to the management, disposition or other realization of any Investment, or other decisions regarding the Trust's business and affairs. The past performance of the Manager in prior transactions and business ventures does not guarantee success or similar returns with respect to the businesses of the Trust or the Limited Partnerships. No prospective investor should purchase Trust Units unless such prospective investor is willing to entrust all aspects of the management of the Trust to the Manager.

## **Dependence on Staff and Key Personnel**

The success of the Trust and the Limited Partnerships will depend on the continued service of personnel and support staff of the Manager, who are not obligated to remain employed with the Manager. In particular, the Trust, the Limited Partnerships and the General Partner are highly dependent on the individuals set out in "Item 3.3 - Management's Experience" to implement their respective business plans, including with respect to identifying potential Investments, negotiating the pricing and other terms of the agreements leading to the acquisition of Investments. The ability of the Trust to successfully implement its investment strategy will depend in large part on the continued employment and involvement of the support staff and key executives and the loss of their services or the failure to appoint qualified or effective successors in the event of such departure may materially adversely affect the business, financial condition and results of operations of the Trust. There can be no assurance that any of the key individuals of the Manager will remain in their current positions.

## Conflicts of Interest

The Trust may be subject to various conflicts of interest because certain directors and officers of the Trustee are also directors or officers of the Manager. The Trust may become involved in transactions which conflict with the interests of one or more of the foregoing entities or individuals.

The Manager's services are not exclusive to the Trust and its subsidiaries and the Manager's personnel will not be devoting all of its time to the affairs of the Trust but will be devoting such time as required to effectively manage the Trust. The Manager and the directors and officers of the Manager are each engaged in a wide range of investment, real estate and other business activities. There may be occasions when the officers and directors of the Trustee or Manager encounter conflicts of interest in connection with the Trust's activities, including where the Manager is providing advisory (or other business) services to other entities, has another business relationship with regards to an investment or are engaged in other investment management and real estate-related business activities. There may be conflicts in allocating investment opportunities among the Trust and other funds managed by the Managers.

The Trust's organizational and ownership structure and strategy involve a number of relationships that may give rise to conflicts of interest between the investors and the Manager. In certain circumstances, the interests of the Manager may differ from the interests of the investors, including with respect to the types of acquisition opportunities pursued, the timing and amount of distributions by the Trust, the reinvestment of returns generated by the Trust's Investments, the use of leverage when making acquisitions and the appointment of outside advisors and service providers. In addition, the Manager receives the Management Fee and the Acquisition Fee as consideration for services provided to the Trust pursuant to the Portfolio Management Agreement.

**All conflict of interest matters shall be unanimously approved by the Independent Review Committee prior to any matter involving a conflict of interest is undertaken.**

## Debt Related Risks

The Trust will be required to comply with covenants under the documentation for the Credit Facility and any other credit facilities entered into by the Trust. In the event that such parties do not comply with such covenants, access to capital could be restricted or repayment could be required on an accelerated basis by the lender, and the ability to make distributions to Unitholders may be restricted. The Credit Facility is secured by a general security agreement on the Trust's present and future personal property and real property, second mortgages on certain properties owned indirectly by the Trust through investments in Limited Partnerships, and a pledge of units of certain Limited Partnerships in which the Trust owns an interest. Amounts paid in respect of interest and principal on debt may reduce distributions. Variations in interest rates and scheduled principal repayments could result in significant changes in the amount required to be applied to debt service before payment of distributions by the Limited Partnerships to the Trust. Although the Manager believes the Credit Facility will be sufficient for the near term, there can be no assurance that the amount will be adequate for the parties' future financial obligations or that additional funds will be able to be obtained. Failure to obtain financing may result in the Trust not being able to pursue acquisition opportunities and/or a decrease in distributions. The Credit Facility contains certain covenants which affect and, in some cases, significantly limit, among other things, the activities in which the Trust may engage. For more information, see "[Item 4.2 - Indebtedness](#)".

A high level of indebtedness increases the risk that the Trust may default on its debt obligations. Such parties' ability to meet their debt obligations and to reduce their level of indebtedness depends on future performance. General economic conditions, business and other factors affect operations and future performance. Many of these factors are beyond the control of such parties. The Trust and/or the Limited Partnerships may not be able to generate sufficient cash flows to pay the interest on debt and future working capital or to repay all or part of their indebtedness and borrowings or equity financing may not be available to pay or refinance such debt on commercially reasonable terms. Factors that will affect the ability to raise cash through an offering of units or a refinancing of debt include financial market conditions, the value of units, the value of assets and performance at the time the Trust and/or any of the Limited Partnerships need capital. The occurrence of any of these events could have a material adverse effect on the results of operations and financial condition

of the Trust and/or the Limited Partnerships, which in turn could negatively affect the amount of distributions paid to Unitholders.

There is a risk that the Credit Facility will not be renewed for the same principal amount or on the same terms. Any of these events could materially adversely affect the ability of the Trust and/or the Limited Partnerships to fund ongoing operations and the ability of the Trust to distribute cash to Unitholders.

### **Effect of Fees and Expenses on Returns**

The Trust and the Limited Partnerships will pay for all fees and expenses set out in "Item 3.2 - Fees and Expenses" and such expenses will reduce the actual returns to the Unitholders. Most of the expenses will be paid regardless of whether the Trust and the Limited Partnerships produce positive investment returns. If the Trust and the Limited Partnerships do not produce significant positive investment returns, these expenses could result in a Unitholder incurring a net loss in its investment.

### **Internal Controls**

Effective internal controls are necessary for the Trust to provide reliable financial reports and to help prevent fraud. Although the Manager will undertake a number of procedures and implement a number of safeguards in order to help ensure the reliability of the Trust's, the Limited Partnerships' and the Manager's financial reports, including those imposed on the Trust under Canadian securities law, the Trust cannot be certain that such measures will ensure that the Trust will maintain adequate control over financial processes and reporting. Failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm the Trust's results of operations or cause it to fail to meet its reporting obligations. If the Trust or its Auditors discover a material weakness, the disclosure of that fact, even if quickly remedied, could reduce the market's confidence in the Trust's financial statements and harm the value of the Trust Units.

### **Status of the Trust**

The Trust is not a "mutual fund" or an "investment fund" for securities law purposes. As a result, some of the protections provided under such laws to those that invest in mutual funds or investment funds will not be available to investors who invest in the Trust Units and certain restrictions imposed on mutual funds and investment funds under Canadian securities laws, including National Instrument 81-102 *Investment Funds*, will not apply to the Trust.

### **SIFT Trust Status**

It is possible that the Trust could become a SIFT Trust for the purposes of the Tax Act if the Trust Units become listed for trading or if a public market is created on which the Trust Units are traded. If the Trust became a SIFT Trust adverse tax consequences could result to the Trust and the Unitholders. There is no intention to list the Trust Units.

### **Risks Associated with the Level of Foreign Ownership**

Subject to certain exceptions, in order for a trust to qualify as a mutual fund trust under the Tax Act, the Trust cannot reasonably be considered to have been established or maintained primarily for the benefit of Non-Residents. The Deed of Trust contains a limitation on Non-Resident ownership which provides that at no time may Non-Residents be the beneficial owners of more than 45% of the Trust Units outstanding. The Deed of Trust provides powers to the Trustees to enforce this limitation, including by selling the Trust Units of a Non-Resident without their consent or requiring such Non-Resident to redeem their Trust Units. The exercise of the Trustee's powers to enforce such Non-Resident ownership limitation may have an adverse effect on one or more Unitholders or the Trust.

### **Indemnification**

The Trustee, each former Trustee, the Manager and its directors, officers (current and former), employees, agents, affiliates and associates are entitled to indemnification and reimbursement out of the Trust

Assets, except under certain circumstances, from the Trust. Such indemnification obligations could decrease the returns which would otherwise be available to the Unitholders.

### **Securities Regulatory Risks**

In the ordinary course of business, the Trust may be subject to ongoing reviews by the securities regulators, who have broad powers to pass, interpret, amend and change the interpretation of securities laws from time to time and have broad powers to protect the public interest and to impose terms, conditions, restrictions or requirements regarding registration under securities laws. Further, the securities regulators have the authority to retroactively deny the benefit of an exemption from prospectus or registration requirements otherwise provided for in the securities laws where the regulator considers it necessary to do so to protect investors or the public interest.

While the Trust and the Manager believe that its position regarding compliance with securities laws is appropriate and supportable, it is possible that securities matters may be reviewed and challenged by the securities authorities. If such challenge were to succeed, it could have a material adverse effect on the Trust. There can be no assurance that applicable securities laws or the securities regulators' interpretation thereof or the practices of the securities regulators will not be changed or re-interpreted in a manner that adversely affects the Trust.

### **Changes in Applicable Law**

Legal, tax and regulatory changes in law may occur that can adversely affect the Trust and Unitholders. There can be no assurance that income tax, securities and other laws will not be changed in a manner which adversely affects the distributions received by the Trust or by the Unitholders. There can be no assurance that Canadian federal income tax laws and the administrative policies and assessing practices of the Canada Revenue Agency respecting the treatment of mutual fund trusts will not be changed in a manner which adversely affects the Unitholders.

### **Canadian Tax Related Risk Factors**

If the Trust does not qualify or ceases to qualify as a "mutual fund trust" under the Tax Act, adverse consequences may arise including that: (a) the Trust may become liable to pay certain additional tax liabilities (with the result that the amount of cash available for distribution by the non-qualifying trust would be reduced and Unitholders may otherwise be adversely affected), and (b) the Trust Units may not be or may cease to be a qualified investment for Registered Plans (with the result that a Registered Plan and/or its annuitant, subscriber or holder will generally become subject to additional tax or penalties or may be otherwise adversely affected).

The tax treatment of investment and real estate activities of the Trust and the ICM LPs have a material effect on the advisability of an investment in the Trust Units. See "[Item 8 - Income Tax Consequences and Registered Plan Eligibility](#)".

The after-tax return from an investment in Trust Units to Unitholders who are subject to Canadian federal income tax can be made up of both a return on and a return of capital, and will depend in part on the composition for purposes of the Tax Act of distributions paid by the Trust (portions of which distributions may be fully or partially taxable or may be tax-deferred). Income of the Trust distributed to a Unitholder is generally taxed in the hands of the Unitholder as ordinary income, capital gains, or dividends. Amounts in excess of the income of the Trust that are paid or payable by the Trust to a Unitholder are generally non-taxable to a Unitholder (but reduce the Unitholder's adjusted cost base of the Trust Units for purposes of the Tax Act). The extent to which distributions will be tax-deferred in the future will depend on the extent to which the Trust can reduce its taxable income by claiming available non-cash deductions. Unitholders are advised to consult their own tax advisors with respect to the implications of the foregoing in their own circumstances.

The after-tax return from an investment in Trust Units to Unitholders who are subject to Canadian federal income tax may also depend in part on Unitholders' ability to recognize for purposes of the Tax Act any foreign taxes paid by the Trust or by the Unitholder through foreign tax credits or foreign tax deductions under the Tax Act. A Unitholder's ability to recognize foreign taxes through foreign tax credits or foreign tax deductions may be

affected where the Unitholder has other foreign source income or losses, has paid other foreign taxes or, in certain circumstances, has not filed a foreign income tax return. Furthermore, foreign tax credits or foreign tax deductions will be dependent upon the Canadian federal and provincial and foreign income tax rates that will prevail in future years to apply to applicable sources of income. Unitholders are therefore advised to consult their own tax advisors in regard to foreign tax credits and foreign tax deductions.

The Deed of Trust provides that the Trust shall, subject to the Trustee resolving otherwise, distribute to Unitholders in each year an amount of net income and net realized capital gains in order to eliminate the Trust's liability for tax under Part I of the Tax Act. Where the amount of net income and net realized capital gains of the Trust in a taxation year exceeds the cash available to the Trust for distribution in the year, such excess net income and net realized capital gains may be distributed to Unitholders in the form of additional Trust Units. Unitholders will generally be required to include an amount equal to the fair market value of those Trust Units in their taxable income notwithstanding that they do not directly receive a cash distribution.

There can be no assurance that Canadian federal income tax laws (or the judicial interpretation thereof or the administrative policies and assessing practices of the CRA) and/or the treatment of mutual fund trusts, SIFTs or limited partnerships will not be changed in a manner which would adversely affect the Trust, the ICM LPs or the Unitholders, including on a retroactive basis.

Prospective investors should consult their own professional advisors as to the tax consequences to them of making an investment in, and of holding, Trust Units offered herein.

### **U.S. Withholding Tax Risk**

Generally, FATCA impose a 30% withholding tax on "withholdable payments" made to an investment entity, unless the investment entity enters into a FATCA agreement with the IRS (or is subject to an intergovernmental agreement as described below) to comply with certain information reporting and other requirements. Compliance with FATCA will in certain cases require an investment entity to obtain certain information from certain investors and (where applicable) their beneficial owners (including information regarding their identity, residency and citizenship) and to disclose such information, including account balances, and documentation to the IRS.

Under the terms of the Canada-U.S. IGA, and its implementing provisions under the Tax Act, the Trust will be treated as complying with FATCA and not subject to the 30% withholding tax if the Trust complies with the terms of the Canada-U.S. IGA. Under the terms of the Canada-U.S. IGA, the Trust will not have to enter into an individual FATCA agreement with the IRS but the Trust will be required to report information, including certain financial information, on accounts held by investors that fail to provide information to their financial advisor or dealer related to their citizenship and residency for tax purposes and/or investors that are identified as, or in the case of certain entities as having one or more controlling persons who are, U.S. persons owning, directly or indirectly, an interest in the Trust to the CRA. The CRA will in turn provide such information to the IRS under the existing provisions of the Canada-U.S. Income Tax Convention. The Canada-U.S. IGA sets out specific accounts that are exempt from being reported, including certain tax deferred plans. By investing in the Trust, the investor is deemed to consent to the Trust disclosing such information to the CRA. If the Trust is unable to comply with any of its obligations under the Canada-U.S. IGA, the imposition of the 30% U.S. withholding tax may affect the Net Asset Value of the Trust and may result in reduced investment returns to Unitholders. It is possible that the administrative costs arising from compliance with FATCA and/or the Canada-U.S. IGA and future guidance may also cause an increase in the operating expenses of the Trust.

Withholdable payments include (a) certain U.S. source income (such as interest, dividends and other passive income) and (b) gross proceeds from the sale or disposition of property that can produce U.S. source interest or dividends. The thirty percent (30%) withholding tax may also apply to any "foreign passthru payments" paid by an investment entity to certain investors. The scope of foreign passthru payments will be determined under the U.S. Treasury regulations that have yet to be issued.

The foregoing rules and requirements may be modified by future amendments of the Canada-U.S. IGA, and its implementation provisions under the Tax Act, future U.S. Treasury regulations, and other guidance. The CRA and the Department of Finance (Canada) have engaged with the IRS in relation to the possibility of exempting

a trust governed by a FHSA from the FATCA due diligence and reporting obligations imposed under Part XVIII of the Tax Act.

### **Foreign Jurisdiction Tax Related Risk Factors**

The income tax treatment of the Trust, the Limited Partnerships and the ICM LPs could have a material effect on the advisability of an investment in the Trust Units. In the event that the Limited Partnerships or ICM LPs are required to pay additional taxes in excess of those that are known or projected at the time of any investment by the Trust, a Limited Partnership or an ICM LP, those taxes likely would reduce funds available to make distributions to the Unitholders. Given the highly complex nature of tax rules and the possibility of future changes in those rules, no assurances can be given that the Trust, the Limited Partnerships or the ICM LPs will continue to qualify for treaty deductions or other exemptions.

The Limited Partnerships and the Trust may make withholding certificate applications to foreign tax authorities to request a reduction in federal income tax withholdings that would otherwise apply to an amount that more closely approximates the actual tax liability. No assurance can be given that such foreign tax authority will approve a withholding certificate application.

Prospective investors should consult their own tax advisors to determine the tax consequences, reporting and any other requirements applicable to their particular situations.

### **10.3 Risks Associated with the Business**

#### **Risk of Real Estate Investments**

All real estate investments are subject to a degree of risk and uncertainty. Such risks include the highly competitive nature of the real estate industry, changes in general economic conditions (such as the availability, terms and cost of mortgage capital and other types of credit), local real estate markets and conditions (such as an oversupply of space or a reduction in demand for real estate in the markets the Trust operates), the attractiveness of the properties to tenants, demand for leased premises, competition from other landlords, the Trust's ability to provide adequate maintenance at an economical cost, government regulation and changes therein (such as zoning, taxation of property and environmental legislation), the political environment in the jurisdictions in which the properties are located and various other factors. In addition, each segment of the real estate industry is capital intensive and typically sensitive to interest rates. There is also no assurance that the stabilized properties in which the Trust has invested can be maintained and operated profitably. The market for real property can be affected adversely by economic factors, which may be regional, national, or international in scope.

The Limited Partnerships will be required to make certain expenditures in respect of their activities, including, but not limited to, the payment of property taxes, maintenance costs, insurance costs and related charges regardless of whether or not the Investments are producing sufficient income to service such expenses. If the Limited Partnerships are unable or unwilling to meet such payment obligations, losses could be sustained as a result of the exercise by creditors of rights of foreclosure or sale.

The value of real property and any improvements thereto may also depend on the credit and financial stability of the tenants. Income and funds available for distributions to its security holders may be adversely affected if one or more major tenants or a significant number of tenants of the properties held by the Limited Partnerships were to become unable to meet their obligations under their leases or if a significant amount of available space in the properties is not able to be leased on economically favourable lease terms. During periods of high inflation, contractual annual rent increases may be less than the rate of inflation on a continual basis, adversely affecting the financial performance of individual properties.

Certain circumstances, such as a market disruption, may prevent the Trust from disposing of its investments quickly or at prices that represent fair market value of such investments. Real property investments tend to be relatively illiquid, with the degree of liquidity generally fluctuating in relationship with demand for and the perceived desirability of such investments. Such illiquidity will tend to limit the Trust's ability to vary its portfolio promptly in response to changing economic or investment conditions. If for whatever reason, liquidation of assets

is required, there is a risk that sale proceeds realized might be less than the current book value of the Trust's investments or that market conditions would prevent prompt disposition of assets. The Trust may, in the future, be exposed to a general decline of demand by tenants for space in properties. As well, certain leases of the properties may have early termination provisions which, if exercised, would reduce the average lease term.

## **Competition**

The Trust's ability to acquire and access investment opportunities could be significantly affected by the activities of other industry participants. The Trust may be competing for investment opportunities with other investors, developers, and owners of properties for the sale of desirable real estate properties. An increase in the availability of investment funds and an increase in interest in real property investments may tend to increase competition for real property investments, thereby increasing purchase prices and/or reducing the yield on such real property investments. Many of the competitors of the Trust's investments will have economic resources greater than those of the Trust or its investments. Some competitors may become larger and pose an additional competitive threat to the businesses of the Trust's investments. A competitor may reduce the price of its investments in an attempt to gain increased sales, and the corresponding pricing pressure placed on the Trust's investments may result in reduced profit margins or cash flow. A loss of business may occur if the Trust's investments do not meet competitive prices that fall below its profitability targets. There can be no assurance that other businesses in the industries of the Trust's investments will not be attracted to enter this market that could have greater financial, technological and marketing resources than the Trust's investments. As a result of this competition, there can be no assurance that the Trust will be able to locate suitable investment opportunities, acquire them for an appropriate level of consideration, and achieve its targeted rate of return. In addition, if the Trust makes only a limited number of Investments, the aggregate returns realized could be adversely affected in a material manner by the unfavourable performance of even one such Investment.

Other property developers, managers and owners of properties compete with the Trust in seeking tenants. The existence of competing property developers, managers and owners for tenants could have an adverse effect on the Trust's ability to lease its properties and on the amount of rent charged for such properties.

## **Rental Income Risk**

Rental income is dependent on payments made by the tenants of the rental properties. Upon the expiry of any lease, there can be no assurance that such lease will be renewed or the tenant replaced. The terms of any subsequent lease may be less favorable to the Trust than the existing lease.

In the event of default by a tenant, delays or limitations in enforcing rights as lessor may be experienced and substantial costs in protecting the Limited Partnerships' investment may be incurred. The ability to rent unleased space in the properties will be affected by many factors. Significant costs may be incurred in making improvements or repairs to property required to maintain the property or to obtain a new tenant and the Trust may not have the cash to finance the improvements. A prolonged deterioration in economic conditions could increase and exacerbate the foregoing risks. The failure to rent unleased space on a timely basis or at all would likely have an adverse effect on the Trust's financial condition. Certain significant expenditures, including property taxes, maintenance costs, mortgage payments, insurance costs and related charges must be made throughout the period of ownership of real property regardless of whether a property is producing sufficient income to service these expenses.

Continuation of rental income is dependent on favorable leasing markets to ensure expiring leases are renewed and new tenants are found promptly to fill vacancies. It is possible that the Trust may face a disproportionate amount of space expiring in any one year. Additionally, rental rates could decline, tenant bankruptcies could increase, and tenant renewals may not be achieved, particularly in the event of an economic slowdown.

## **Development Risks**

The Trust may, indirectly, through its investment in the Limited Partnerships, invest in real estate development projects. Such real estate development projects are cyclical and significantly affected by changes in general and local economic and industry conditions, such as consumer confidence, employment levels,



availability of financing, household debt, demographic trends and demand. Any existing or future development investments will entail certain risks, including the expenditure of funds on and devotion of management's time to evaluating projects that may not come to fruition; the risk that development costs of a project may exceed original estimates, possibly making the project uneconomical; the risk of construction delays, cost overruns or other unforeseeable delays, during which the interest rate and leasing risk may fluctuate; the risk that occupancy rates and rents at a completed project will be less than anticipated or that there will be vacant space at the project; the risk that expenses at a completed development will be higher than anticipated; the risk that permits and other governmental approvals will not be obtained; and the risk that encumbrances, conditions or covenants on the property will slow or prevent completion of any development. Real estate markets are highly uncertain, and the value of undeveloped land has fluctuated significantly and may continue to fluctuate. In addition, land carrying costs can be significant and can result in losses or reduced profitability. In addition, the future real estate development projects may require a significant investment of capital. The Trust or a Limited Partnership may be required to obtain funds for its capital expenditures and operating activities, if any, through cash flow from operations, property sales or financings. If the Trust or a Limited Partnership is unable to obtain such funds, it may have to defer or otherwise limit certain development activities.

### **Development is Seasonal**

Real estate development in certain regions of Canada, the U.S. and Mexico, including in regions where the Limited Partnerships may make investments, is seasonal and progress in respect of any real estate development project may be adversely affected by factors outside the Limited Partnerships' control, including weather conditions. In addition, natural disasters such as tornados, floods, hurricanes, earthquakes or snowstorms could adversely impact a real estate development project. The Limited Partnerships may incur additional costs to remedy damages caused by such disruptions and the real estate development project so affected may be unable to be completed on schedule or within budget.

### **Interest Rate Risk**

The Trust and the Limited Partnerships may be impacted by increases to prime interest rates, as interest expenses may represent a significant cost in the ownership of real property. In an effort to slow the rate of inflation attributed to forces such as the rising cost of labour, energy, food, motor vehicles and housing, geopolitical uncertainty and continued global supply-chain disruptions, central banks in the jurisdictions in which the Trust and the Limited Partnerships operate began materially increasing prime interest rates in 2022 and 2023. Central banks have signaled that prime interest rates may remain at an elevated level for an extended period of time. Although central banks have held rates steady since July 2023, a continued increase in interest rates may result in a significant increase in the amount paid by the Limited Partnerships to service debt. This may adversely affect the Limited Partnerships' financial condition and results of operations and the Trust's ability to make distributions to Unitholders.

Furthermore, consistently high or increasing interest rates may have an adverse effect on the Trust and the Limited Partnerships as the Trust would be subject to the risk that the target distribution yield would become less attractive to investors relative to other investments. The Trust's Investments are subject to interest rate risk as increases in interest rates would result in increased costs of borrowing (including variable rate debt that may be incurred in the future), potentially reducing returns on Investments, which can have a constraining effect on the real estate market as well as result in higher capitalization rates and consequently decreased real estate prices and values. Additionally, in a rising interest rate environment, the cost of acquiring, financing, developing, expanding and renovating real property also increases, and together with upward pressure on capitalization rates and decreased investment property demand, the value of the Trust's Investments may decline as a result. Fluctuating interest rates may also impact the discount rate used by the Manager in the analysis and valuation of the current and forecasted value of prospective or current Investments of the Trust and the Limited Partnerships. Interest rates are highly sensitive to factors beyond the Trust's and the Limited Partnerships' control, including, among others, governmental monetary and tax policies and domestic and international economic and political conditions.

The Trust's and the Limited Partnership's agreements with creditors may also contain covenants that require the Trust and the Limited Partnerships to maintain certain financial ratios on a consolidated basis. If the

Trust or the Limited Partnerships do not maintain such ratios, their ability to make distributions may be limited or suspended.

### **Inflation Risk**

The rate of inflation impacts the general economic and business environment in which the Limited Partnerships operate. Continued inflationary pressures experienced domestically and globally, tight labour markets and strong demand for goods and resources, together with the imposition by governments of higher interest rates or wage and price controls as a means of curbing inflationary increases, will put pressure on the Limited Partnerships' development, financing, operation and labour costs and could negatively impact levels of demand for real property. Accordingly, continued inflationary pressures and the resulting economic impacts may adversely affect the Limited Partnerships' financial condition, results of operations and the ability for the Trust to make distributions to Unitholders.

If inflation at elevated levels persists and interest rates continue to increase, an economic contraction may result. Higher inflation and the prospect of moderated growth also negatively impacts the debt and equity markets in which the Limited Partnerships seek capital, and in turn might impact the Limited Partnerships' ability to obtain capital in the future on favourable terms, or at all. There can be no assurances regarding the impact of a significant economic contraction on the business, operations and financial performance of the Limited Partnerships and their tenants.

### **Risk of Significant Capital Expenditures and Other Fixed Costs**

Certain significant expenditures, including property taxes, maintenance costs, mortgage payments, insurance costs and related charges, are made throughout the period of ownership of real property, regardless of whether the property is producing sufficient income to pay such expenses. In order to retain desirable rentable space and to generate adequate revenue over the long term, the Limited Partnerships must maintain or, in some cases, improve each property's condition to meet market demand. Maintaining rental properties in accordance with market standards may entail significant costs, which the Limited Partnerships may not be able to pass on to tenants. Numerous factors, including the age of the relevant building structure, the material and substances used at the time of construction or currently unknown building code violations, could result in substantial unbudgeted costs for refurbishment or modernization.

If the actual costs of maintaining or upgrading the properties exceed the Manager's estimates, or if hidden defects are discovered during maintenance or upgrading which are not covered by insurance or contractual warranties, or if the Limited Partnerships are not permitted to raise the rents due to legal constraints, additional and unexpected costs will be incurred. If competing properties of a similar type are built in the area where one of the properties is located or similar properties located in the vicinity of one of the properties is substantially refurbished, the net operating income derived from and the value of such property could be reduced.

Any failure by the Limited Partnerships to undertake appropriate maintenance and refurbishment work in response to the factors described above could materially adversely affect the rental income that is earned from such properties. Any such event could have a material adverse effect on the Trust's and the Limited Partnerships' cash flow, financial condition and results of operation and the ability to make distributions on the Trust Units.

### **Access to Capital**

The Limited Partnerships will require access to capital to fund their growth strategies and significant capital expenditures from time to time. The Manager has the discretion to incur indebtedness to fund Investments. The use of financial leverage adds financial risk to any investment. There is no assurance that the Manager will be able to obtain sufficient loan proceeds to finance the acquisition of properties, or, if available, that the Manager will be able to obtain loans on commercially acceptable terms. Further, there is no assurance or guarantee that any loans, if obtained, will be renewed when they mature or, if renewed, are renewed on the same terms and conditions (including the rate of interest). In the absence of mortgage financing, the number of properties which the Trust is able to indirectly purchase will decrease and the projected return from the ownership of properties may be reduced. Even if the Manager is successful in obtaining adequate loans, the Manager may

not be able to generate sufficient funds through the operation of the properties to service the loans. If a default occurs under any of the loans, one or more of the lenders could exercise its rights including, without limitation, foreclosure or sale of the properties.

### **Reliance on External Sources of Capital**

The Limited Partnerships may not be able to fund all of their future capital needs, including capital for acquisitions and development, with income from operations. The Limited Partnerships may have to rely on third-party sources of capital, which may or may not be available on favourable terms, if at all. The Limited Partnerships' access to third-party sources of capital depend on a number of factors, including the market's perception of their growth potential and their current and potential future earnings. If the Limited Partnerships are unable to obtain third-party sources of capital, they may not be able to acquire or develop properties when strategic opportunities are presented, satisfy their debt obligations or make regular distributions to the Trust.

### **Builder Contract Risk**

The success of any real estate development project is to a certain extent dependent upon the ability to attract builders with successful track records in sales and construction. In the event that any of the builders that are contracted with in connection with any real estate development project should cease operating in connection with such project or not comply with their obligations to the Limited Partnerships under the applicable agreements, the financial performance of the Limited Partnerships will in part depend upon their ability and/or the Manager's ability to find a replacement builder or builders. There can be no guarantee that the Limited Partnerships or the Manager will find suitable builders on a timely basis or on terms that are advantageous to the Limited Partnerships, or that the Limited Partnerships will not be liable with respect to unpaid obligations to builders, contractors and tradespersons.

### **Reliance on Trades and Suppliers**

The real estate development industry may from time to time experienced significant difficulties in the supply of materials and services such as shortages of qualified trades people, labor disputes, shortages of building materials, unforeseen environmental and engineering problems and increases in the cost of certain materials (particularly increases in the price of lumber, wall board and cement, which may be significant components of construction costs). Should any of these difficulties occur, it may cause delays and increase the cost of property development and construction, adversely affecting the Limited Partnerships' operations.

### **Reliance on Third-Party Management**

The Manager may rely on third parties, including independent management companies, external consultants and property managers to perform certain real estate activities, including property management functions in respect of certain of the Limited Partnerships' properties. To the extent the Manager relies on such management companies, the employees of such management companies will devote as much of their time to the management of the properties as in their judgement is reasonably required and may have conflicts of interest in allocating management time, services and functions among the properties and their other development, investment and/or management activities.

### **Acquisition Risks**

The Limited Partnerships' strategy includes growth through identifying suitable acquisition opportunities, pursuing such opportunities, consummating acquisitions and effectively operating and leasing such properties. It is not possible to manage all risks associated with such acquisitions in the terms and conditions contained in commercial agreements pertaining to such Investments. The real estate assets may be subject to unknown, unexpected or undisclosed liabilities that may materially and adversely affect operations, financial condition and results. The Trust may not be indemnified for some or all of such liabilities. The vendor representations and warranties, if any, given by arm's length third parties may not adequately protect against these liabilities and any recourse against third parties may be limited by the financial capacity of such third parties. Moreover, real estate assets acquired may not meet expectations of operational or financial performance due to unexpected costs associated with developing an acquired property, as well as the general investment risks inherent in any real estate

investment. Unitholders will be reliant on the Manager's due diligence process for determining the investment quality of the Investments acquired by the Trust. There is generally little or no publicly available information about any target, and the Manager must rely on the diligence of its employees and consultants to obtain the information necessary to make a decision regarding an investment in such target. While the Manager undertakes substantial due diligence on all Investments, there can be no assurance that the diligence efforts of the Manager will uncover all material information or potential risks about a target necessary for the Manager to make a fully informed investment decision.

While the Trust may, indirectly through its investment in the Limited Partnerships, enter into non-binding letters of intent with respect to future properties under review, there can be no assurance that such properties will be acquired. Accordingly, while the Trust anticipates that the Manager will be able to identify and complete the purchase of future properties on an on-going basis that will enable the Trust to meet the Investment Objectives and achieves acceptable returns, there can be no assurance that the Trust will be able to acquire future properties at all or at its targeted rate of return.

### **Government Regulation**

There are many laws, governmental rules and regulations that apply to the Trust. Changes in these laws, rules and regulations, or their interpretation by governmental agencies or the courts, could adversely affect the Trust's business, assets or prospects, or those of customers, clients or partners. The failure of the Trust to comply with these laws, rules and regulations could adversely affect its reputation and financial condition.

The Trust may have interests in developments and development properties located in Canada, the U.S. and Mexico. The nature of development, construction and operation is such that the Trust must comply with extensive and complex municipal, state or provincial, national and international regulations, including, rental legislation and other legislation relating to, among other things, environmental and fire safety standards, which are continually evolving. These regulations can result in uncertainty and delays, and impose on the Trust additional costs, which may adversely affect its results of operations. Changes in these laws may negatively impact the Trust's business or may benefit competitors or their businesses.

Multi-unit residential rental properties are subject to rent control legislation in most provinces in Canada. Each province in which the Trust and the Limited Partnerships operate maintains distinct regulations with respect to tenants' and landlords' rights and obligations. The legislation in various degrees provides restrictions on the ability of a landlord to increase rents above an annually prescribed guideline or require the landlord to give tenants sufficient notice prior to an increase in rent or restricts the frequency of rent increases permitted during the year. The annual rent increase guidelines as per applicable legislation attempts to link the annual rent increases to some measure of changes in the cost-of-living index over the previous year. The legislation also, in most cases, provides for a mechanism to ensure rents can be increased above the guideline increases for extraordinary costs. As a result of rent controls, the Trust and the Limited Partnerships may incur property capital investments in the future that will not be fully recoverable from rents charged to tenants. Applicable legislation may be further amended in a manner that may adversely affect the ability of the Trust and the Limited Partnerships to maintain the historical level of cash flow from their Investments. In addition, applicable legislation provides for compliance with several regulatory matters involving, among other things, tenant evictions, work orders, health and safety issues and fire and maintenance standards.

Additionally, liability under such laws, rules and regulations may occur without fault of the Trust or the Limited Partnerships. In certain cases, parties can pursue legal actions against the Trust or the Limited Partnerships to enforce compliance as well as seek damages for non-compliance or for personal injury or property damage. The Trust's or the Limited Partnerships' insurance may not provide sufficient coverage in the event that a successful claim is made against it.

### **Use of Property Appraisals**

Caution should be exercised in relying on appraisals received in respect of any properties. An appraisal is an estimate of market value. It is not a precise measure of value but is based on a subjective comparison of related activity taking place in the real estate market. The appraisals are based on various assumptions of future

expectations and while the appraiser's internal forecasts are considered to be reasonable at the current time, some of the assumptions may not materialize or may differ materially from actual experience in the future.

### **No Guarantee of Sale Proceeds at Disposition**

The Limited Partnerships may acquire assets with the use of leverage. The suppliers of such leverage will have a priority ranking over the Limited Partnership investors, including the Trust. In the event that properties acquired by the Limited Partnerships are disposed of at a discount to their acquisition value, the sale proceeds from such disposition could be less than the amount invested. Investments are not guaranteed.

### **Ability to Manage Growth**

The Trust intends to grow its portfolio of Investments. In order to effectively deploy its capital and monitor its Investments in the future, the Manager may need to retain additional personnel and may be required to augment, improve or replace existing systems and controls, each of which can divert the attention of management from their other responsibilities and present numerous challenges. As a result, there can be no assurance that the Trust would be able to effectively manage its growth and, if unable to do so, the Trust's portfolio of Investments may be materially adversely affected.

### **Environmental Matters**

Environmental and ecological legislation has become increasingly politically important and generally restrictive. Property in North America may be subject to various federal, state, provincial and municipal laws relating to environmental matters. Such laws may provide liability for the costs of removal of certain hazardous substances and remediation of certain hazardous locations or other environmental impacts. The failure to remove such substances or remediate such locations, if required, could adversely affect the ability to sell such real estate or to borrow using such real estate as collateral and could potentially also result in claims against the owner by private plaintiffs. Further liability may be incurred by the Limited Partnerships with respect to the release of such substances from the Limited Partnerships' properties to properties owned by third parties, including properties adjacent to the Limited Partnerships' properties. The presence and migration of such substances (or even the mere suspicion of the presence or migration of such substances) and the failure to remove, remediate or otherwise address such substances, if any, could adversely affect a Limited Partnerships' abilities to sell its real property or to borrow using real property as collateral, and could potentially also result in civil claims for rent reductions or termination of leases for cause as well as for damages, statutory prosecutions, administrative orders or other proceedings against a Limited Partnership and in a reduction of property value.

The Manager has policies and procedures to review and monitor environmental exposure. The Manager will make the necessary capital and operating expenditures to ensure compliance with environmental laws and regulations. Environmental laws and regulations can change and properties may become subject to more stringent environmental laws and regulations with more rigorous enforcement in the future. Compliance with more stringent environmental laws and regulations, the identification of currently unknown environmental issues or an increase in the costs required to address a currently known condition could have an adverse effect on its business, financial condition or results of operations.

### **General Economic Conditions**

Changes in general economic conditions may affect the Trust and the Limited Partnerships. The Trust and the Limited Partnerships are exposed to local, regional, national and international economic conditions and other events and occurrences beyond their control, including, but not limited to the following: credit and capital market volatility, volatile energy costs, business investment levels, government spending levels, consumer spending levels, changes in laws, rules or regulations, trade barriers, commodity prices, credit availability, job security and unemployment, corporate taxation, currency exchange rates and controls, national and international political circumstances (including trade protectionism, wars, terrorist acts or security operations), changes in interest rates, inflation, local real estate markets (including the supply of space and demand for real estate), the rate and direction of economic growth, and general economic uncertainty. Changes in any of the above may have a material adverse effect on the performance of the Investments. No assurance can be given as to the effect of these events on the Investments or the Investment Objectives.

Economic conditions in North America and globally may be affected, directly or indirectly, by political events throughout the world including the continued strategic competition between the U.S. and China (and the resulting greater global fragmentation as both seek to reinforce their autonomy, limit any vulnerabilities and insulate their technology sectors), the United States–Mexico–Canada Agreement that came into effect on July 1, 2020 and certain other international trade agreements as well as conflicts such as the Israeli–Palestine conflict in the Middle East, the attacks on Red Sea shipping lanes by Houthi rebels, Russia’s invasion of Ukraine and any restrictive actions that are or may be taken by Canada, the U.S. and other countries in response thereto, such as sanctions or export controls, or, conversely, peaceful developments, arising in the Middle East, the Korean Peninsula or Eastern Europe and other areas of the world that have a significant impact on the price of important commodities can have a significant impact on financial markets and the global economy. Any such negative impacts could have a material adverse effect on the business, financial condition, results of operations and cash flows of the Trust and the Limited Partnerships. In the event that the global economy slows significantly and/or debt capital is no longer available to the Trust, the Manager will fund Investments with a higher proportion of equity, which could cause short-term returns to be impacted. Such events could also cause deterioration in the credit quality of tenants in any buildings indirectly acquired by the Trust.

### **Climate Change and Transition to a Lower Carbon Economy**

Climate change could pose significant environmental, social and business risks. If environmental laws and regulations change, the Limited Partnerships could be subject to more stringent environmental laws and regulations in the future. Compliance with more stringent environmental laws and regulations could have an adverse effect on the Limited Partnerships’ business, financial condition or results of operation. Physical risks from climate change that may result in damage to the Limited Partnerships’ Investments may include natural disasters and severe weather, such as floods and rising temperatures. The extent of the Trust’s casualty losses and loss in operating income in connection with such events is a function of the severity of the event and the total amount of exposure in the affected area.

The Limited Partnerships are also exposed to risks associated with inclement winter weather, including increased need for maintenance and repair of their buildings. In addition, the physical impacts from climate change, including changing weather patterns, could have effects on the Limited Partnerships’ businesses by increasing the cost of property insurance, and/or energy at their properties. As a result, the consequences of natural disasters, severe weather and climate change could increase the Trust’s costs and reduce cash flow. The Trust is evaluating all of its assets to understand how the physical risks from climate change could impact the portfolio and is taking a proactive and precautionary approach to mitigate potential impacts.

Furthermore, transitioning to a lower-carbon economy may entail extensive policy, legal, technological, and market changes to address mitigation and adaption requirements related to climate change. Depending on the nature, speed, and focus of these changes, transition risks may pose varying levels of financial and reputational risk to the Trust or the tenants of the properties. Policy action around climate change such as implementing carbon-pricing mechanisms to reduce green house gas emission, shifting energy use toward lower emission sources, adopting energy-efficiency solutions, encouraging greater water efficiency measures, and promoting more sustainable land-use practices can result in financial impacts to both Trust and the tenants of the properties, including additional costs of auditing and reporting such data. Alterations to third-party certifications/ratings may impact investor or tenant demand and consequential valuation for buildings with lower scoring. Climate related litigation claims can result in financial and reputational damage. Technology improvements or innovations that support the transition to a lower-carbon, energy efficient economic system and shifts in supply and demand for certain commodities, products, and services as climate-related risks and opportunities are increasingly taken into account may affect the strength and competitiveness of our tenants’ business, and ultimately their ability to meet their rental obligations. Climate change has also been identified as a potential source of reputational risk tied to changing customer or community perceptions of an organization’s contribution to or detractor from the transition to a lower-carbon economy.

### **Disease Outbreaks**

A local, regional, national or international outbreak of a contagious disease, including, but not limited to, COVID-19, Middle East Respiratory Syndrome, Severe Acute Respiratory Syndrome, H1N1 influenza virus, avian flu, or any other similar illness or their variants (each a “**Disease Outbreak**”) could materially adversely impact the

Trust's ability to pay distributions to Unitholders, the Limited Partnerships' businesses and their tenants' ability to meet their rent obligations. A Disease Outbreak could further result in a general or acute decline in economic activity in the regions in which the Trust and the Limited Partnerships operate, increased unemployment, staff shortages, reduced tenant traffic, mobility restrictions and other quarantine measures, supply shortages, increased government regulation and the quarantine or contamination of one or more of the Limited Partnerships' properties. Contagion in a property or market in which the Limited Partnerships operate could negatively impact occupancy, reputation or attractiveness. All of these occurrences may have a material adverse effect on the Limited Partnerships' businesses and the Trust's cash flows, financial condition and results of operations and the ability to make distributions to Unitholders.

### **Foreign Exchange Risk**

A material portion of the Trust Assets and the revenues of the Limited Partnerships originate outside Canada (U.S. and Mexico) and consequently are subject to foreign currency risk due to potential fluctuations in exchange rates between these currencies and the Canadian dollar. As a result, the Trust's financial position is subject to foreign currency fluctuation risk, which could have a material adverse effect on the Trust's and the Limited Partnerships' operating results and cash flows. Although the Trust may enter into currency hedging arrangements in respect of its foreign currency cash flows, there can be no assurance that the Trust will do so or, if they do, that the full amount of the foreign currency exposure will be hedged at any time.

### **Risks Associated with Operations in Mexico**

Operations of the Limited Partnerships in Mexico will be exposed to various levels of political, economic, legal and regulatory risks specific to Mexico, that are outside of the Limited Partnerships', the Trust's and the Manager's control, including but not limited to the general condition of the Mexican economy, the devaluation of the Mexican peso as compared to other currencies, Mexican inflation, interest rates, regulation, confiscatory taxation and regulation, expropriation, social and political instability and social and economic developments in Mexico. Mexico has suffered significant economic, political and social crises in the past, and these events may occur again in the future. Instability in the region has been caused by many different factors, including: significant governmental influence over local economies; substantial fluctuations in economic growth; high levels of inflation; changes in currency values; exchange controls or restrictions on expatriation of earnings; high domestic interest rates; wage and price controls; changes in governmental economic or tax policies; imposition of trade barriers; unexpected changes in regulation; and overall political, social and economic instability. There can be no assurance that future developments in the Mexican economic, political or social environment will not have a material adverse effect on the businesses of the Limited Partnerships and the Trust's results of operations, financial condition or its ability to make distributions do Unitholders.

The Mexican federal government has exercised, and continues to exercise, significant influence over the Mexican economy. Accordingly, Mexican federal governmental actions and policies concerning the economy, state-owned enterprises and state controlled, funded or influenced financial institutions could have a significant impact on private sector entities in general and on the businesses of the Limited Partnerships which may operate in Mexico. The Mexican government has in the past intervened in the local economy and occasionally makes significant changes in policies and regulations, which it could continue to do in the future. Such actions to control inflation and other regulations and policies have involved, among other measures, increases in interest rates, changes in tax policies, price controls, currency devaluations, capital controls, limits on imports and other actions. In Mexico, 2024 will be marked by presidential, state and local elections as the country faces the biggest election in its history due to the number of posts that will be contested. During the current administration, several laws, policies, and regulations, as well as certain legislative proposals, have differed from those in effect in previous administrations and there is no certainty that such policies will be given continuity by any incoming administration. Additionally, emission caps per industrial sector in line with Mexico's greenhouse gas emissions reduction targets are expected to come into effect in 2024. Furthermore, an increase of "green" taxes in Mexican jurisdictions in which the Limited Partnerships operate has come into effect or is expected and it is unclear whether any such laws and regulations undergoing constitutional challenges will prevail. Mexico has also experienced significant government regulation with respect to, but not limited to, currency remittance, income and other taxes, expropriation of property, foreign investment, the environment, land use, land claims of local people and water use. Changes in investment policies or shifts in political attitude in any of the regions of Mexico in which the Limited Partnerships operate, such as changes to regulations governing real estate and foreign ownership,

including as a result of periodic elections, could increase the costs related to the Limited Partnerships' activities and may adversely affect the Limited Partnerships' operations and profitability.

The businesses of Limited Partnerships which may operate in Mexico are dependent on the economic conditions in Mexico, characterized by unstable exchange rates, high inflation, high interest rates, economic contraction, reduction of flow of international capital, reduction of liquidity in the banking sector, high unemployment rates and reduced investor confidence, among others. In the past, Mexico has experienced prolonged periods of weak economic conditions. It cannot be assured that such conditions will not return or that such conditions will not have a material and adverse effect on the businesses of the Limited Partnerships which may operate in Mexico or the Trust's financial condition.

Mexico has experienced periods of crime, civil unrest and labor unrest. As such, the Limited Partnerships' operations in Mexico may be exposed to the risk of political violence and increased social tension. Actions taken, or conversely, the failure to take action, by Mexican government authorities, as well as acts of political violence, could have a material adverse effect on the Limited Partnerships' business, financial condition and ability to operate in Mexico. In recent years, there has been a marked increase in the level of violence and crime relating to drug cartels in certain regions of Mexico, including regions in which the Limited Partnerships may operate. Such violence and crime may disrupt the Limited Partnerships' ability to operate and affect the safety and security of their employees and contractors.

### **Renovation Risks**

The Limited Partnerships may be subject to the financial risk of having unoccupied units during extended periods of renovations. During renovations, these properties are unavailable for occupancy and do not generate income. Certain significant expenditures, including property taxes, maintenance costs, interest payments, insurance costs and related charges must be made throughout the period of ownership of real estate property regardless of whether the property is producing revenue. Delays in the renovation of a building or individual units as a result of labour shortage and similar risks could delay the renting of such building or units resulting in an increased period of time where the building is not producing revenue or produces less revenue than a fully-tenanted building.

### **Allocation Risk**

The Trust's investment performance depends upon how its investments are allocated and reallocated. There is a risk that the Manager may make less than optimal or poor asset allocation decisions. The Manager employs an active approach to make opportunistic investments, but there is no guarantee that such investment techniques will produce the desired results. It is possible that the Manager will focus on an Investment Theme that performs poorly or underperforms other Investment Themes under various market conditions.

### **Laws Benefitting Disabled Persons**

Laws benefiting disabled persons may result in unanticipated expenses in respect of properties. Under the Americans with Disabilities Act of 1990 (the "ADA"), all places intended to be used by the public are required to meet certain federal requirements related to access and use by disabled persons. For those projects receiving federal funds, the Rehabilitation Act of 1973 (the "RA") also has requirements regarding disabled access. These and other federal, state, provincial and local laws in which the Trust, the Limited Partnerships and its Investments operate may require modifications to properties, or affect renovations of properties. Non-compliance with these laws could result in the imposition of fines or an award of damages to private litigants and also could result in an order to correct any non-complying feature, which could result in substantial capital expenditures. Although all of the properties currently owned are in compliance with the present requirements, the Manager may incur unanticipated expenses to comply with the ADA, the RA and other federal, state, provincial and local laws in connection with future acquisitions.

### **Insured and Uninsured Losses**

The Manager will attempt to obtain adequate insurance to cover significant areas of risk to it as an entity and to its properties, with a view to maintaining appropriate insurance coverage on its assets at a commercially



reasonable cost and on suitable terms. However, there are types of losses at the property level, generally catastrophic in nature, such as losses due to wars, acts of terrorism, earthquakes, floods, hurricanes, pollution or environmental matters, which are uninsurable or not economically insurable, or may be insured subject to limitations, such as large deductibles or co-payments. This may result in insurance coverage that, in the event of a substantial loss, would not be sufficient to pay the full current market value or current replacement cost of its assets. If any of the properties incurs a casualty loss that is not fully insured, the value of the Trust Assets will be reduced by any such uninsured loss. In addition, other than any working capital reserve or other reserves the Manager may establish, it has no source of funding to repair or reconstruct any uninsured damaged property. A judgment against the Trust or any Limited Partnership in excess of available insurance or in respect of which insurance is not available could have a material adverse effect on the Trust's business and financial condition. Further, to the extent the Manager must pay unexpectedly large amounts for insurance, it could suffer reduced earnings that would result in lower distributions to Unitholders.

### **Insurance Renewals**

There is a possibility that the Limited Partnerships may not be able to renew their current insurance policies or obtain new insurance policies in the future for their properties once they expire. The current terms and levels of coverage may not be available to the Limited Partnerships for property and casualty insurance, as well as insurance against natural disasters. In addition, the premiums that insurance companies may charge in the future may be significantly greater than they are currently. If the Limited Partnerships are unable to obtain adequate insurance for their properties, the Limited Partnerships could be in default under certain contractual commitments that they have made. The Limited Partnerships may also be subject to a greater risk of not being covered should damages to their properties occur, therefore affecting the Limited Partnerships' businesses, cash flows, financial conditions, results of operations and the Trust's ability to make distributions to Unitholders.

### **General Litigation Risk**

The Trust may become involved in legal disputes that could adversely impact its financial performance and reputation. In the normal course of the Trust's operations, whether directly or indirectly, it may become involved in, named as a party to or become the subject of, various legal proceedings, including regulatory proceedings, tax proceedings and legal actions in relation to personal injuries, property damage, property taxes, land rights, the environment, contract and other commercial disputes. The investment decisions the Trust makes may subject it to the risk of third-party litigation. The final outcome with respect to outstanding, pending or future proceedings cannot be predicted with certainty and may be determined in a manner adverse to the Trust and as a result, could have a material adverse effect of the Trust Assets, Trust Liabilities, business, financial condition and results of operations. Even if the Trust prevails in any such legal proceedings, the proceedings could be costly and time-consuming and may divert the attention of management and key personnel from the Trust's business operations, and that time and the devotion of these resources to litigation may, at times, be disproportionate to the amounts at stake in the litigation. Even if ultimately unsuccessful against the Trust, any litigation has the potential to adversely affect its business, reputation, cash flow, financial condition and results of operations and ability to make distributions to Unitholders. This risk may be heightened for the Trust as compared to other Canadian real estate investment trusts without properties located in the U.S. because the legal climate in the U.S., in comparison to that in Canada, tends to give rise to a greater number of claims and larger damages awards.

### **Cyber Security and Information Technology Risk**

The Trust and Limited Partnerships collect, store, process and/or transmit sensitive data belonging to Unitholders, Investments, vendors, employees and consultants, as well as, proprietary business information and intellectual property of the Trust and the Limited Partnerships. The secure processing, maintenance and transmission of this information is critical to the business of the Trust and the Limited Partnerships.

A cybersecurity incident is an intentional attack or an unintentional event including, but not limited to, malicious software, attempts to gain unauthorized access to data or information systems, and other electronic security breaches that could lead to disruptions in critical systems, unauthorized release of confidential or otherwise protected information and corruption of data. Cybersecurity incidents vary in technique and sources, are persistent, frequently change and are increasingly becoming more sophisticated and targeted. Given the use

of emerging technologies, such as advanced forms of artificial intelligence and quantum computing, cyber-threats and cyber-attacks have become increasingly more difficult to detect and prevent.

The Manager has implemented a secure operating framework which includes policies and governance, prevention and detection technologies, backup and recovery processes and other procedures and technology in the protection of its data, software and infrastructure assets from loss, theft, unauthorized access, vandalism, cyber-attacks, or events such as power outages or surges, floods, fires or other natural disasters. Despite such security measures, data, systems and infrastructure may be vulnerable to cyber-attacks or breached due to employee error, malfeasance or other disruptions.

A cybersecurity incident could materially compromise information, disrupt business operations or cause the Trust or the Limited Partnerships to breach obligations, thereby exposing the Trust and/or the Limited Partnerships to liability, reputational harm, significant remediation costs and/or fines. A theft, loss, corruption, exposure, fraudulent use or misuse of information whether by third parties or as a result of employee malfeasance could result in significant remediation and other costs, fines, litigation or regulatory actions against the Trust and the Limited Partnerships, as well as, cause reputational harm, negatively impact the competitive position and affect financial results. The Trust and Limited Partnerships rely on third party data storage providers, including cloud storage solution providers, resulting in less direct control over data and system processing. Such third parties may also be vulnerable to security breaches for which the Trust and Limited Partnerships may not be indemnified and which could cause materially adverse harm to the Trust's or the Limited Partnerships' reputation and competitive position or affect the Trust's or Limited Partnerships' financial results.

#### **ITEM 11 - REPORTING OBLIGATIONS**

The Trust will send to Unitholders within one-hundred twenty (120) days of the Trust's fiscal year end, and in any event, on or before any earlier date prescribed by Applicable Laws: (a) annual audited financial statements of the Trust, together with comparative audited financial statements for the preceding fiscal year, and the auditor's report thereof; and (b) so long as required by applicable securities laws, a notice of the Trust disclosing in reasonable detail the use of the aggregate gross proceeds raised by the Trust and in New Brunswick, Nova Scotia and Ontario to make available a notice of specified key events under section 2.9 of NI 45-106. In addition, the Independent Review Committee is also required to make an annual report reasonably available to the Unitholders at the same time as it provides investors with its annual audited financial statements.

The Trust shall send to Unitholders (or make available if sending is not required by Applicable Laws) a notice of specified events under subsection 2.9(17.20) of NI 45-106.

The Trust will, within the time 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. The Trust files information with SEDAR+ only as required pursuant to section 2.9 of NI 45-106, which information is available electronically from SEDAR+ ([www.sedarplus.com](http://www.sedarplus.com)).

#### **ITEM 12 - RESALE RESTRICTIONS**

These securities will be subject to a number of resale restrictions, including a restriction on trading. Until the restriction on trading expires, a Unitholder will not be able to trade the securities unless it complies with an exemption from the prospectus requirements under securities legislation. Unless permitted under securities legislation, a Unitholder cannot trade the securities 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. The Trust is not, and currently has no intention of becoming, a reporting issuer in any province or territory of Canada and, as such, the restriction on

trading in the Trust Units will not expire. There is no market over which the Trust Units can be transferred and it is very unlikely that one will develop.

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 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 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.

Additionally, Unitholders will not be permitted to transfer their Trust Units except in compliance with the Deed of Trust. See "*Item 2.7 - Material Contracts - Deed of Trust - Transfer of Trust Units*".

***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

### **13.1 Statements Regarding Purchasers' Rights**

If you purchase these Trust Units you will have certain rights, some of which are described below. These rights may not be available to you if you purchase the Trust Units pursuant to an exemption from the prospectus requirements other than the offering memorandum exemption in Section 2.9 of NI 45-106. For complete information about your rights you should consult a lawyer.

#### **Two Day Cancellation Right**

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

#### **Statutory Rights of Action in the Event of a Misrepresentation**

Securities legislation in certain of the provinces and territories 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 defenses and limitations contained under the applicable securities legislation.

The following summaries are subject to the express provisions of the securities legislation applicable in each of the provinces and territories 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 director of the Manager at the date of this Offering Memorandum and every person or company who signed this Offering Memorandum.

If you elect to exercise a right to cancel your agreement to buy these securities against the Trust, you will have no right of action against the persons described in (b) above.

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. In an action for damages, the amount recoverable shall not exceed the price at which the securities were offered and the defendant will not be liable for all or any portion of such damages that the defendant proves does not represent the depreciation in value of the securities as a result of the misrepresentation.

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 one-hundred eighty (180) days after the date that you purchased the securities. You must commence your action for damages within the earlier of one-hundred eighty (180) days after you first had knowledge of the facts giving rise to the cause of action and three (3) years after the date 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 director of the Manager at the date of this Offering Memorandum and every person who signed this Offering Memorandum.

If you elect to exercise a right to cancel your agreement to buy these securities against the Trust, you will have no right of action against the Trust.

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. In an action for damages, the amount recoverable shall not exceed the price at which the securities were offered and the defendant will not be liable for all or any portion of such damages that the defendant proves does not represent the depreciation in value of the securities as a result of the misrepresentation.

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 one-hundred eighty (180) days after the date that you purchased the securities. You must commence your action for damages within the earlier of one-hundred eighty (180) days after you first had knowledge of the facts giving rise to the cause of action and three (3) years after the date 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, 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 director of the Manager at the date of this Offering Memorandum, every person or company whose consent has been filed respecting the offering but only with respect to reports, opinions or statements that have been made by them, every person who or company that signed this Offering

Memorandum and every person who or company that sells securities on behalf of the Trust under this Offering Memorandum.

If you elect to exercise a right to cancel your agreement to buy these securities against the Trust, you will have no right of action against the Trust.

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. In an action for damages, the amount recoverable shall not exceed the price at which the securities were offered and the defendant will not be liable for all or any portion of such damages that the defendant proves does not represent the depreciation in value of the securities as a result of the misrepresentation.

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 one-hundred eighty (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 (6) years after the date 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 director of the Manager at the date of this Offering Memorandum and every person or company who signed this Offering Memorandum.

If you elect to exercise a right to cancel your agreement to buy these securities against the Trust, you will have no right of action against the persons described in (b) above.

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. In an action for damages, the amount recoverable shall not exceed the price at which the securities were offered and the defendant will not be liable for all or any portion of such damages that the defendant proves does not represent the depreciation in value of the securities as a result of the misrepresentation.

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 one-hundred eighty (180) days after the date that you purchased the securities. You must commence your action for damages within the earlier of one-hundred eighty (180) days after you first had knowledge of the facts giving rise to the cause of action or two (2) years after the date 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, 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.

If you elect to exercise a right to cancel your agreement to buy these securities against the Trust, you will have no right of action against the Trust.

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. In an action for damages, the amount recoverable shall not exceed the price at which the securities were offered and the defendant will not be liable for all or any portion of such damages that the defendant proves does not represent the depreciation in value of the securities as a result of the misrepresentation.

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 one-hundred eighty (180) days after the date that you purchased the securities. You must commence your action for damages within the earlier of one-hundred eighty (180) days after you first had knowledge of the facts giving rise to the cause of action and three years after the date you purchased the securities.

Securities legislation in Ontario does not extend the statutory rights of action for damages or rescission to a purchaser who is purchasing the securities in reliance on the “accredited investor” exemption set out in Section 2.3 of National Instrument 45-106 if the purchaser is: (a) a “Canadian Financial Institution” or a “Schedule III Bank” (each as defined under applicable securities laws); (b) the Business Development Bank of Canada; or (c) a subsidiary of any person referred to in (a) or (b), if the person owns all the voting securities of the subsidiary, except the voting securities required by law to be owned by the directors of that subsidiary (collectively, the “**Excluded Ontario Purchasers**”). The Excluded Ontario Purchasers will be entitled to a contractual right of action for damages or rescission that is equivalent to the statutory right of action for damages or rescission available to purchasers resident in Ontario as described above (including insofar as such rights may be subject to the defences and limitations provided for under the *Securities Act* (Ontario)).

### ***Rights of Purchasers in Québec***

If you are a resident of Québec 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 director or officer of the Manager at the date of this Offering Memorandum, the dealer under contract to the Trust, every person who signed this Offering Memorandum and any expert whose opinion, containing a misrepresentation, appeared, with the expert’s consent in this Offering Memorandum.

If you elect to exercise a right to cancel your agreement to buy these securities against the Trust, you will have no right of action against the persons described in (b) above.

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.

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 three (3) years after the date that you purchased the securities. You must commence your action for damages within the earlier of three (3) years after you first had knowledge of the facts giving rise to the cause of action and five (5) years after the date of filing this Offering Memorandum with the Autorité des marchés financiers.

### ***Rights of Purchasers in Nova Scotia***

If you are a resident of Nova Scotia 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 director of the Manager at the date of this Offering Memorandum and every person who signed this Offering Memorandum.

If you elect to exercise a right to cancel your agreement to buy these securities against the Trust, you will have no right of action against the persons described in (b) above.

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. In an action for damages, the amount recoverable shall not exceed the price at which the securities were offered and the defendant will not be liable for all or any portion of such damages that the defendant proves does not represent the depreciation in value of the securities as a result of the misrepresentation.

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 enforce the right of action discussed above not later than one-hundred twenty (120) days after the date on which payment was made for the securities or after the date on which the initial payment for the securities was made where payments subsequent to the initial payment are made pursuant to a contractual commitment assumed prior to, or concurrently with, the initial payment.

### ***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, every person who was a director of the Manager at the date of this Offering Memorandum and every person who signed this Offering Memorandum.

If you elect to exercise a right to cancel your agreement to buy these securities against the Trust, you will have no right of action against the Trust.

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. In an action for damages, the amount recoverable shall not exceed the price at which the securities were offered and the defendant will not be liable for all or any portion of such damages that the defendant proves does not represent the depreciation in value of the securities as a result of the misrepresentation.

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 one-hundred eighty (180) days after the date that you purchased the securities. You must commence your action for damages within the earlier of one (1) year after you first had knowledge of the facts giving rise to the cause of action and six (6) years after the date you purchased the securities.

### ***Rights of Purchasers in Newfoundland and Labrador***

If you are a resident of Newfoundland and Labrador 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 director of the Manager at the date of this Offering Memorandum and every person or company who signed this Offering Memorandum.

If you elect to exercise a right to cancel your agreement to buy these securities against the Trust, you will have no right of action against the persons described in (b) above.

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. In an action for damages, the amount recoverable shall not exceed the price at which the securities were offered and the defendant will not be liable for all or any portion of such damages that the defendant proves does not represent the depreciation in value of the securities as a result of the misrepresentation.

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 one-hundred eighty (180) days after the date that you purchased the securities. You must commence your action for damages within the earlier of one-hundred eighty (180) days after you first had knowledge of the facts giving rise to the cause of action or three years after the date you purchased the securities.

### ***Rights of Purchasers in Prince Edward Island, Northwest Territories, Yukon and Nunavut***

If you are a resident of Prince Edward Island, Northwest Territories, Yukon or Nunavut 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 director of the Manager at the date of this Offering Memorandum and every person who signed this Offering Memorandum.

If you elect to exercise a right to cancel your agreement to buy these securities against the Trust, you will have no right of action against the persons described in (b) above.

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. In an action for damages, the amount recoverable shall not exceed the price at which the securities were offered and the defendant will not be liable for all or any portion of such damages that the defendant proves does not represent the depreciation in value of the securities as a result of the misrepresentation.

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 one-hundred eighty (180) days after the date that you purchased the securities. You must commence your action for damages within the earlier of one-hundred eighty (180) days after you first had knowledge of the facts giving rise to the cause of action or three years after the date you purchased the securities.

### ***13.2 Cautionary Statement Regarding Report, Statement or Opinion by Expert***

This Offering Memorandum includes: (a) the section entitled “Income Tax Consequences and Registered Plan Eligibility” prepared by Norton Rose Fulbright Canada LLP, effective as of the date of this Offering Memorandum; and (b) the audited financial statements of the Trust for the year ended December 31, 2023 with comparative information for the period ended December 31, 2022 and accompanying independent auditors’ report prepared by KPMG LLP. You do not have a statutory right of action against these parties for a misrepresentation in the Offering Memorandum. You should consult with a legal adviser for further information.



## **ITEM 14 - FINANCIAL STATEMENTS**

Audited consolidated financial statements of the Trust are set out below.

Financial Statements of

**ICM PROPERTY PARTNERS TRUST**

And Independent Auditor's Report thereon

Year ended December 31, 2023

(Expressed in Canadian dollars)



KPMG LLP  
205 5th Avenue SW  
Suite 3100  
Calgary AB T2P 4B9  
Tel 403-691-8000  
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## INDEPENDENT AUDITOR'S REPORT

To the Unitholders of ICM Property Partners Trust

### **Opinion**

We have audited the financial statements of ICM Property Partners Trust (the Entity), which comprise:

- the statement of financial position as at December 31, 2023;
- the statement of comprehensive income for the year then ended;
- the statement of changes in net assets attributable to unitholders for the year then ended;
- the statement of cash flows for the year then ended;
- and notes to the financial statements, including a summary of material accounting policy information;

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2023, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

### **Basis for Opinion**

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "**Auditor's Responsibilities for the Audit of the Financial Statements**" section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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



## ***Responsibilities of Management and Those Charged with Governance for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, 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.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

## ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*KPMG LLP*

Chartered Professional Accountants

Calgary, Canada  
April 29, 2024

# ICM PROPERTY PARTNERS TRUST

## Statement of Financial Position

As at December 31, 2023, with comparative information for 2022  
(Expressed in Canadian dollars)

	2023	2022
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 18,756,142	\$ 21,925,694
Due from related parties (note 5)	2,583,045	1,077,086
Subscriptions receivable	2,285,275	4,359,076
Refundable deposits	200,000	100,000
Tax refund receivable	96,164	98,474
Other receivable	–	4,782,500
	<u>23,920,626</u>	<u>32,342,830</u>
Investments, at fair value through profit or loss (note 6)	400,801,205	423,971,993
	<u>\$ 424,721,831</u>	<u>\$ 456,314,823</u>

## Liabilities and Net Assets Attributable to Unitholders

Current liabilities:		
Trade and other payables (note 7)	\$ 2,574,647	\$ 10,233,549
Distributions payable	1,021,231	882,925
Loans and notes payable (note 8)	5,000,000	5,282,160
	<u>8,595,878</u>	<u>16,398,634</u>
Loans and notes payable (note 8)	–	40,390,742
Net assets attributable to unitholders (note 9)	416,125,953	399,525,447
	<u>\$ 424,721,831</u>	<u>\$ 456,314,823</u>

Commitments (note 13)  
Subsequent event (note 14)

See accompanying notes to financial statements.

Approved by the Trustee:

Signed "John Courtliff", Trustee

# ICM PROPERTY PARTNERS TRUST

## Statement of Comprehensive Income

For the year ended December 31, 2023, with comparative information for 2022  
(Expressed in Canadian dollars)

	2023	2022
Revenue:		
Change in unrealized gain on investments	\$ 19,403,213	\$ 65,620,052
Administration income	404,910	675,029
Interest income	461,061	225,773
	<u>20,269,184</u>	<u>66,520,854</u>
Expenses:		
General and administrative (note 10(b))	8,892,433	6,865,201
Interest	3,764,869	2,298,864
Servicing fees	1,033,964	846,729
Financing fees	690,415	297,643
Acquisition fees (note 10(b))	137,604	287,856
Foreign exchange (gain) loss	113,732	(236,778)
	<u>14,633,017</u>	<u>10,359,515</u>
Net income and comprehensive income for the year	<u>\$ 5,636,167</u>	<u>\$ 56,161,339</u>

See accompanying notes to financial statements.

# ICM PROPERTY PARTNERS TRUST

## Statement of Changes in Net Assets Attributable to Unitholders

For the year ended December 31, 2023, with comparative information for 2022  
(Expressed in Canadian dollars)

	Series A	Series B	Series C	Series D	Series E	Series F	Series I	Series Adv	Series US\$	Series F-US\$	Series ICM	Total
Balance at December 31, 2021	\$ 13,914,147	\$ 26,538,304	\$ 19,264,188	\$ 33,151,485	\$ 48,082,381	\$ 11,699,889	\$ 144,680,707	\$ 5,577,528	\$ 9,339,617	\$ 2,941,534	1	\$ 315,189,781
Issuance of units	408,917	1,549,707	540,064	174,520	-	2,785,564	62,151,875	1,384,800	137,108	266,400	-	69,398,955
Issuance costs	(52,122)	(139,329)	(27,522)	-	-	(63,370)	(1,505,811)	(30,325)	(15,041)	(9,531)	-	(1,843,051)
Unitholder distributions (note 10)	(2,646,783)	(5,248,575)	(3,913,123)	(6,422,595)	(9,014,566)	(2,512,124)	(36,171,760)	(1,175,071)	(1,822,507)	(608,901)	(1,002,006)	(70,538,011)
Reinvested distributions	2,431,058	4,814,042	3,123,994	4,853,652	7,263,121	1,958,632	30,272,002	1,099,871	1,460,633	406,225	-	57,683,230
Redemption of units (note 10)	(1,301,893)	(1,782,465)	(1,410,596)	(3,163,304)	(759,668)	(1,830,258)	(15,535,014)	(221,178)	(364,489)	(157,931)	-	(26,526,796)
Net income and comprehensive income	2,219,709	3,991,996	2,999,284	5,173,583	7,649,746	1,988,509	28,326,973	901,716	1,411,849	495,968	1,002,006	56,161,339
Balance at December 31, 2022	14,973,033	29,723,680	20,576,289	33,767,341	53,221,014	14,026,842	212,218,972	7,537,341	10,147,170	3,333,764	1	399,525,447
Issuance of units	23,401	6,690,456	2,403,485	213,145	9,585	1,857,346	39,606,102	1,648,999	824,055	1,434,711	-	54,711,285
Issuance costs	-	(541,903)	(136,620)	-	-	(35,778)	(781,573)	(32,908)	(51,685)	(30,311)	-	(1,610,778)
Unitholder distributions (note 10)	(797,803)	(1,517,567)	(1,190,051)	(2,039,806)	(2,758,442)	(915,990)	(14,737,893)	(425,598)	(564,720)	(277,297)	(1,191,509)	(26,416,676)
Reinvested distributions	598,473	1,190,644	608,979	733,853	501,035	495,317	8,418,400	359,478	246,523	103,582	-	13,256,284
Redemption of units (note 10)	(794,270)	(1,184,905)	(2,232,100)	(4,614,432)	(5,065,977)	(691,704)	(12,904,114)	(312,931)	(942,369)	(232,974)	-	(28,975,776)
Net income and comprehensive income	159,283	(66,559)	96,943	368,875	505,260	187,136	3,113,418	18,651	32,182	29,469	1,191,509	5,636,167
Balance at December 31, 2023	\$ 14,162,117	\$ 34,293,846	\$ 20,126,925	\$ 28,428,976	\$ 46,412,475	\$ 14,923,169	\$ 234,933,312	\$ 8,793,032	\$ 9,691,156	\$ 4,360,944	1	\$ 416,125,953

See accompanying notes to financial statements.



# ICM PROPERTY PARTNERS TRUST

## Statement of Cash Flows

For the year ended December 31, 2023, with comparative information for 2022  
(Expressed in Canadian dollars)

	2023	2022
Cash provided by (used in) the following activities:		
Operating:		
Net income and comprehensive income for the year	\$ 5,636,167	\$ 56,161,339
Acquisition of investments	(18,446,480)	(71,608,387)
Distributions received from investments	60,069,480	46,591,150
Items not affecting cash:		
Change in unrealized gain on investments	(19,403,213)	(65,620,052)
Amortization of financing fees	690,415	297,643
Non-cash investment transactions	951,000	–
Unrealized foreign exchange (gain) loss	(2,112)	(10,947)
Net change in non-cash working capital:		
Tax refund receivable	2,310	252,726
Refundable deposits	(100,000)	(100,000)
Other receivables	4,782,500	(4,782,500)
Due from related parties	(1,505,959)	(1,077,086)
Trade and other payables	(378,549)	(472,380)
Loans and notes payable	(5,282,160)	–
	27,013,399	(40,368,494)
Financing:		
Issuance of units	56,785,087	67,685,140
Issuance costs	(1,610,778)	(1,843,051)
Unitholder distributions	(13,022,089)	(12,761,896)
Redemption of units	(36,256,126)	(17,619,728)
Repayment of notes payable	(41,081,157)	–
Issuance of loans and notes payable	5,000,000	20,523,525
Financing fees	–	(315,305)
	(30,185,063)	55,668,685
Increase (decrease) in cash and cash equivalents	(3,171,664)	15,300,191
Cash and cash equivalents, beginning of year	21,925,694	6,614,556
Foreign exchange fluctuation on cash held	2,112	10,947
Cash and cash equivalents, end of year	\$ 18,756,142	\$ 21,925,694

See accompanying notes to financial statements.

# ICM PROPERTY PARTNERS TRUST

## Notes to Financial Statements

For the year ended December 31, 2023, with comparative information for 2022  
(Expressed in Canadian Dollars)

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### 1. Nature of the Trust:

ICM Property Partners Trust (the “Trust”) is an unincorporated, open-ended trust. The address of the registered office is 700, 404 – 6 Ave SW, Calgary, Alberta T2P 0R9.

The Trust has been established for the principal purpose of investing directly or indirectly in property-related investments through the use of limited partnerships. It is the intention of the Trust that such investments will be focused primarily on office, retail, industrial or multi-family properties, through lending strategies and equity investments currently within Canada, the United States, and Mexico. It is the objective of the Trust to provide unitholders with monthly distributions and capital gains upon redemption by a unitholder of its investment in the Trust.

The trustee is ICM Property Partners Trustee Inc. (the “Trustee”). The Trust and its affiliates, including the general partners of the limited partnerships (collectively, “General Partner”), are collectively managed by ICM Investment Management Inc. (the “Manager”). The Trust has retained the Manager as the portfolio manager to provide portfolio management, investment advisory and investment management services and general administration services.

The Trustee, General Partner and Manager are all subject to common control.

The intent is that the Trust will continue for an indefinite term. The Trust's continuing operations, as intended, are dependent upon its ability to identify, evaluate and negotiate an acquisition of assets or businesses, or an interest therein. Where an acquisition is warranted, additional funding may be required. The ability of the Trust to fund its potential future operations and investments will be dependent upon the ability of the Trust to obtain additional financing.

### 2. Basis of preparation:

#### (a) Statement of compliance:

These financial statements have been prepared in accordance with IFRS Accounting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

The financial statements were authorized for issue by the Trustee on April 29, 2024.

#### (b) Basis of measurement:

These financial statements are prepared on a going concern basis, on an historical cost basis, except for investments which are measured at fair value through profit or loss.

#### (c) Functional and presentation currency:

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

# ICM PROPERTY PARTNERS TRUST

Notes to Financial Statements, page 2

For the year ended December 31, 2023, with comparative information for 2022  
(Expressed in Canadian Dollars)

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## 2. Basis of preparation (continued):

### (d) Use of estimates and judgments:

The preparation of the financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. Actual results could differ from these estimates. Areas where estimates and judgments are significant to the financial statements are disclosed in notes 3 (b) and 4.

## 3. Material accounting policy information:

### (a) Cash and cash equivalents:

Cash and cash equivalents consist of cash held with Canadian financial institutions.

### (b) Financial instruments:

#### (i) Recognition and initial measurement:

Financial assets and financial liabilities at fair value through profit or loss ("FVTPL") are initially recognized on the trade date, which is the date on which the Trust becomes a party to the contractual provisions of the instrument. Other financial assets and liabilities are recognized on the date on which they are originated. Financial assets and liabilities at FVTPL are initially recognized at fair value, with transaction costs recognized in profit or loss.

# ICM PROPERTY PARTNERS TRUST

Notes to Financial Statements, page 3

For the year ended December 31, 2023, with comparative information for 2022  
(Expressed in Canadian Dollars)

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## 3. Material accounting policy information (continued):

### (b) Financial instruments (continued):

#### (ii) Classification:

Classification and measurement categories are amortized cost, fair value through other comprehensive income (“FVOCI”), and FVTPL. To determine the appropriate classification and measurement category, an entity must consider the business model for managing financial instruments and the contractual cash flow characteristics associated with the financial instruments. Cash and cash equivalents, subscriptions receivable, other receivable, amounts due from related parties, trade and other payables, distributions payable, and loans and notes payable are classified and measured at amortized cost. Investments are classified and measured at FVTPL.

#### (iii) Impairment:

IFRS 9 requires that an entity recognize a loss allowance for expected credit losses on financial assets which are measured at amortized cost or FVOCI, except for investments in equity instruments. Financial assets held by the Trust which are measured at FVTPL are not subject to these impairment requirements.

With respect to financial assets at amortized cost, the Trust considers both historical analysis and forward-looking information in determining any expected credit loss. As at the financial statement date, all financial assets at amortized cost are due to be settled within the short term. The Trust considers the probability of default to be close to zero as these instruments have a low risk of default and the counterparties have a strong capacity to meet their contractual obligation in the near term. Given the limited exposure of the Trust to credit risk, no loss allowance has been recognized as any such impairment will not have a significant impact on the financial statements.

#### (iv) Fair value measurement:

The fair value of a financial instrument is the amount at which the instrument could be exchanged in a current transaction between willing market participants, other than in a forced or liquidation sale.

The Trust establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurement).

# ICM PROPERTY PARTNERS TRUST

Notes to Financial Statements, page 4

For the year ended December 31, 2023, with comparative information for 2022  
(Expressed in Canadian Dollars)

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### 3. Material accounting policy information (continued):

(b) Financial instruments (continued):

(iv) Fair value measurement (continued):

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

- Level 1 – Quoted market prices: financial instruments with quoted prices for identical instruments in active markets.
- Level 2 – Valuation technique using observable inputs: financial instruments with quoted prices or similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable.
- Level 3 – Valuation technique with significant unobservable inputs: financial instruments valued using valuation techniques where one or more significant inputs are unobservable.

The fair values of the investments are determined by management. In determining the fair value of the investments, the most critical estimate is the fair value of the real estate properties indirectly held in the investments. The fair value of the real estate property is determined by management, in conjunction with independent real estate valuation experts, where applicable, using recognized valuation techniques.

For investments with holdings other than real estate properties, management applies valuation techniques including net present value and discounted cash flow models, comparison with similar instruments for which observable market prices exist and other valuation models.

(v) Amortized cost measurement:

The amortized cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition, being fair value, minus principal payments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount recognized and the maturity amount, minus any reduction for impairment.

# ICM PROPERTY PARTNERS TRUST

Notes to Financial Statements, page 5

For the year ended December 31, 2023, with comparative information for 2022  
(Expressed in Canadian Dollars)

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### 3. Material accounting policy information (continued):

(c) Foreign currency transactions:

Transactions denominated in foreign currencies are translated into their functional currency equivalents at exchange rates prevailing at the transaction dates. Carrying values of the monetary assets and liabilities are translated into their functional currency equivalents using the exchange rates in effect on the reporting date. Gains or losses on translation or settlement are included in the determination of net income for the year.

(d) Revenue recognition:

The Trust earns investment income through distributions from its investments. Investment income from the investments is recognized when the Trust's right to receive payment is established. Distribution income is shown as part of the change in unrealized gain on investments in the statement of comprehensive income

Realized gains and losses from the investment transactions are calculated based on the difference between the sale proceeds and the cost determined on an average cost basis. Change in unrealized gain on investments is calculated with reference to the average cost of the related investments. Investment income received by the Trust from foreign sources may be subject to foreign taxes withheld at the source. Such income is recorded on a gross basis and the related withholding taxes are shown separately in the statement of comprehensive income

(e) Income taxes:

The Trust qualifies as a mutual fund trust for Canadian income tax purposes and, accordingly, the Trust is taxable only on taxable income not allocated to the unitholders. As the Trust's policy is to distribute all of its taxable income to its unitholders, no provision for income taxes has been made in these financial statements.

# ICM PROPERTY PARTNERS TRUST

Notes to Financial Statements, page 6

For the year ended December 31, 2023, with comparative information for 2022  
(Expressed in Canadian Dollars)

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## 4. Significant accounting estimates and assumptions:

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The key sources of estimation uncertainty that have a significant risk of causing material adjustment to the amounts recognized in the financial statements are:

### (a) Determination of investment entity status:

The most significant judgment made in preparing the financial statements is the determination that the Trust is an investment entity. In accordance with IFRS 10, an investment entity is an entity that obtains funds from one or more investors for the purpose of providing them with investment management services, commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both, and measures and evaluates the performance of substantially all of its investments on a fair value basis.

Management has determined that the Trust is an investment entity as defined by IFRS 10 and accordingly, measures its investments at FVTPL under IFRS 9. Part of the assessment in relation to meeting the business purpose aspects of the IFRS 10 criteria requires consideration of exit strategies. Given the Trust does not intend to hold the property investments indefinitely, management has determined that the Trust's investment plans support its business purpose as an investment entity.

### (b) Classification of units issued:

In determining whether the units issued by the Trust should be classified as liabilities or equity, management has assessed whether the units contain a contractual agreement to deliver cash or another financial asset to another entity, whether the units are puttable, and whether the criteria in IAS 32 Financial instruments: Presentation, which permit classification of a puttable instrument as equity, have been satisfied. As the various series of Trust Units (note 9) have non-identical features, not all criteria under IAS 32 are met, and the units have been determined to be classified as financial liabilities.

# ICM PROPERTY PARTNERS TRUST

Notes to Financial Statements, page 7

For the year ended December 31, 2023, with comparative information for 2022  
(Expressed in Canadian Dollars)

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## 4. Significant accounting estimates and assumptions (continued):

### (c) Fair value of investments:

The determination of the fair value of real estate property requires the use of estimates such as future cash flows from assets (such as tenant profiles, future revenue streams and overall repair and condition of the property), capitalization rates, terminal capitalization rates, and discount rates applicable to those assets. These estimates are based on market conditions existing at the reporting date. The following approaches, either individually or in combination, are used by management, together with the appraisers, in their determination of the fair value of the real estate property: (i) the Income Approach; and (ii) the Direct Comparison Approach. The Income Approach derives market value by estimating the future cash flows that will be generated by the property and then applying an appropriate capitalization rate or discount rate to those cash flows. This approach can utilize the direct capitalization method and/or the discounted cash flow analysis. The Direct Comparison Approach involves comparing or contrasting the recent sale, listing or optioned prices of properties comparable to the subject property and adjusting for any significant differences between them. Management reviews each appraisal and ensures the assumptions used by the appraisers are reasonable and the final fair value amount reflects those assumptions used in the various approaches above. Where an appraisal is not obtained at the reporting date, management reviews the approaches described above, for each real estate property, and estimates the fair value. The significant assumptions used by management in estimating the fair value of the investments, including the real estate property, are set out in note 6.

For the determination of fair value measurements other than real estate, assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, and related items. Some of the significant inputs into these models may not be observable in the market and are derived from market prices or rates or are based on assumptions. Valuation models that employ significant unobservable inputs require a higher degree of management judgment and estimation in the determination of fair value. Management judgment and estimation are usually required for the selection of the appropriate valuation model to be used, determination of expected future cash flows on the financial instrument being valued, determination of the probability of counterparty default, and selection of appropriate discount rates.



# ICM PROPERTY PARTNERS TRUST

Notes to Financial Statements, page 8

For the year ended December 31, 2023, with comparative information for 2022  
(Expressed in Canadian Dollars)

## 5. Due from related parties:

	2023	2022
Loan and interest receivable	\$ 1,429,471	\$ –
Distribution receivable from investment	663,535	901,640
Due from Manager	490,039	175,446
	<u>\$ 2,583,045</u>	<u>\$ 1,077,086</u>

On September 22, 2023, the Trust issued a note payable to ICM U.S. Co-Investment Real Estate LP in the amount of \$1,372,248. The note bear interests at 15% per annum and is due on demand. The Trust and ICM U.S. Co-Investment Real Estate LP are related by virtue of common control through the general partner of ICM U.S. Co-Investment Real Estate LP and the Manager.

## 6. Investments, at fair value through profit or loss (“FVTPL”):

At December 31, 2023, the Trust has invested in nine limited partnerships (2022 – eight limited partnerships). As an investment entity, the Trust accounts for its investments at FVTPL.

The following table summarizes the fair value hierarchy of the investment in the limited partnerships:

	Level 1	Level 2	Level 3	2023 Total
ICM Real Estate				
Income Strategies LP	\$ –	\$ 36,616,527	\$ –	\$ 36,616,527
ICM Canada Real Estate Opportunities LP	–	–	27,161,213	27,161,213
ICM U.S. Co-Investment Real Estate LP	–	–	18,491,122	18,491,122
ICM U.S. Co-Investment Real Estate No. 2 LP	–	–	78,932,108	78,932,108
ICM Mexico Real Estate Opportunities LP	–	–	49,327,554	49,327,554
ICM Mexico Real Estate Opportunities No. 2 LP	–	–	60,384,176	60,384,176
ICM (VII) USD Limited Partnership	–	–	111,086,593	111,086,593
Midnapore Investments Limited Partnership	–	–	4,581,046	4,581,046
ICM Bluebird Canada Self Storage LP	–	–	14,220,866	14,220,866
	<u>\$</u>	<u>\$ 36,616,527</u>	<u>\$ 364,184,678</u>	<u>\$ 400,801,205</u>

# ICM PROPERTY PARTNERS TRUST

Notes to Financial Statements, page 9

For the year ended December 31, 2023, with comparative information for 2022  
(Expressed in Canadian Dollars)

## 6. Investments, at fair value through profit or loss (“FVTPL”) (continued):

	Level 1	Level 2	Level 3	2022 Total
ICM Real Estate				
Income Strategies LP	\$ –	\$ 40,550,039	\$ –	\$ 40,550,039
ICM Canada Real Estate Opportunities LP	–	–	14,655,996	14,655,996
ICM U.S. Co-Investment Real Estate LP	–	–	20,277,653	20,277,653
ICM U.S. Co-Investment Real Estate No. 2 LP	–	–	56,642,659	56,642,659
ICM Mexico Real Estate Opportunities LP	–	–	46,751,422	46,751,422
ICM Mexico Real Estate Opportunities No. 2 LP	–	–	111,118,937	111,118,937
ICM (VII) USD Limited Partnership	–	–	127,500,287	127,500,287
Midnapore Investments Limited Partnership	–	–	6,475,000	6,475,000
	\$ –	\$ 40,550,039	\$383,421,954	\$ 423,971,993

# ICM PROPERTY PARTNERS TRUST

Notes to Financial Statements, page 10

For the year ended December 31, 2023, with comparative information for 2022  
(Expressed in Canadian Dollars)

## 6. Investments, at fair value through profit or loss (“FVTPL”) (continued):

The following table summarizes the cost and the fair value of the Partnership’s investments:

2023	Cost	Fair Value
ICM Real Estate		
Income Strategies LP	\$ 25,398,707	\$ 36,616,527
ICM Canada Real		
Estate Opportunities LP	18,109,400	27,161,213
ICM U.S. Co-Investment		
Real Estate LP	1,613,630	18,491,122
ICM U.S. Co-Investment		
Real Estate No. 2 LP	14,245,696	78,932,108
ICM Mexico Real Estate		
Opportunities LP	32,173,778	49,327,554
ICM Mexico Real Estate		
Opportunities No. 2 LP	17,916,800	60,384,176
ICM (VII) USD Limited		
Partnership	125,503,308	111,086,593
Midnapore Investments		
Limited Partnership	3,819,591	4,581,046
ICM Bluebird Canada Self		
Storage LP	12,300,000	14,220,866
	<b>\$ 251,080,910</b>	<b>\$ 400,801,205</b>
2022	Cost	Fair Value
ICM Real Estate		
Income Strategies LP	\$ 33,701,742	\$ 40,550,039
ICM Canada Real		
Estate Opportunities LP	14,622,065	14,655,996
ICM U.S. Co-Investment		
Real Estate LP	1,613,630	20,277,653
ICM U.S. Co-Investment		
Real Estate No. 2 LP	–	56,642,659
ICM Mexico Real Estate		
Opportunities LP	32,173,778	46,751,422
ICM Mexico Real Estate		
Opportunities No. 2 LP	85,438,000	111,118,937
ICM (VII) USD Limited		
Partnership	122,334,162	127,500,287
Midnapore Investments		
Limited Partnership	3,819,591	6,475,000
	<b>\$ 293,702,968</b>	<b>\$ 423,971,993</b>

# ICM PROPERTY PARTNERS TRUST

Notes to Financial Statements, page 11

For the year ended December 31, 2023, with comparative information for 2022  
(Expressed in Canadian Dollars)

## 6. Investments, at fair value through profit or loss (“FVTPL”) (continued):

The following table reconciles the fair value of the Trust’s Level 3 investments:

Balance at December 31, 2021	\$ 310,312,594
Acquisition of investments	54,588,385
Distributions received from investments	(43,928,121)
Change in unrealized gain on investments	62,449,096
Balance at December 31, 2022	383,421,954
Acquisition of investments	21,496,480
Distributions received from investments	(55,767,445)
Change in unrealized gain on investments	15,033,689
Balance at December 31, 2023	\$ 364,184,678

The Trust’s investment in ICM Real Estate Income Strategies LP is classified as Level 2 within the fair value hierarchy, as the underlying assets are substantially comprised of loans receivable and there is sufficient information available to measure the fair values of these assets based on observable market interest rates. The loans are due on demand with annual interest rates ranging from 10% to 12% compounded monthly. The fair value of the investment approximates its book value due to the short-term nature of the loans.

All of the Trust’s remaining investments are classified as Level 3 within the fair value hierarchy, as the underlying assets are substantially comprised of real estate properties. The fair value of these investments at December 31, 2023 and 2022 has been determined to be equal to the net working capital of the investments plus fair value of the real estate properties held by the investments less the carrying amount of the loans of the real estate properties. Due to the short-term nature of the assets and liabilities, the fair value of net working capital in the investments was determined to be equal to its carrying value. The fair values of the real estate properties were determined by obtaining third-party or internal management appraisals, using a fundamental analysis model, or in the instances where the real estate properties were acquired in arms-length transactions close to year end, by the purchase price of the real estate property. A fundamental analysis model entails reviewing the investment summary of the underlying development project, held indirectly by the Partnership, including project budgets, market analysis and exit price. As all loans on the real estate properties were obtained under prevailing market conditions, the fair value of the loans was determined to be equal to their carrying value.

# ICM PROPERTY PARTNERS TRUST

Notes to Financial Statements, page 12

For the year ended December 31, 2023, with comparative information for 2022  
(Expressed in Canadian Dollars)

## 6. Investments, at fair value through profit or loss (“FVTPL”) (continued):

Where third-party appraisals were performed on real estate properties held by the investments in the table above, the appraisers determined fair values using an Income Approach. Under this approach the appraiser used both the direct capitalization method and a discounted cash flow analysis to determine a range of estimated fair values. Direct capitalization is a method used to convert a single year’s estimated stable net operating income into a value indication. A discounted cash flow analysis involves discounting the expected future cash flows generated by the commercial real estate property, including a terminal value based on the application of a terminal capitalization rate to the assumed final year’s estimated cash flows. The final appraised fair value was set at an average fair value using both methods. Management reviewed the appraisals and ensured that the assumptions used are reasonable.

Where a fundamental analysis model was used on real estate properties held by the investments in the table above, the fair values were determined using a Discounted Cash Flow approach. Under this approach, a discounted cash flow analysis was used to determine a range of estimated fair values. A discounted cash flow analysis involves discounting the expected future cash flows generated by the real estate property, including a terminal value based on the application of a terminal capitalization rate or final stabilized value to the assumed final year’s estimated cash flows.

The calculation of the fair values of the Trust’s investments in the limited partnership categorized as Level 3 in the fair value hierarchy at December 31, 2023 used internal preferred return rates ranging from 8.00% to 10.17% (2022 – 8.00% to 18.00%), discount rates ranging from 0.15% to 26.17% (2022 – 5.25% to 15.00%), and terminal capitalization rates ranging from 4.38% to 9.25% (2022 – 3.50% to 8.25%). As at December 31, 2023, the impact of a 25-basis point movement of the internal preferred return rates used would impact net assets of the Trust by \$183,474 (2022 – \$947,732). As at December 31, 2023, the impact of a 25-basis point movement of the discount rates used would impact net assets of the Trust by \$6,132,710 (2022 – \$7,501,519). As at December 31, 2023, the impact of a 25-basis point movement of the terminal capitalization rates used would impact net assets of the Trust by \$12,872,238 (2022 – \$20,133,566).

## 7. Trade and other payables:

	2023	2022
Trade payables	\$ 384,720	\$ 458,366
Due to Manager (note 10)	223,317	308,167
Redemptions payable	1,936,502	9,216,855
Interest payable	30,108	250,061
Due to related parties	–	100
	<u>\$ 2,574,647</u>	<u>\$10,233,549</u>

# ICM PROPERTY PARTNERS TRUST

Notes to Financial Statements, page 13

For the year ended December 31, 2023, with comparative information for 2022  
(Expressed in Canadian Dollars)

## 8. Loans and notes payable:

	2023	2022
Current:		
Line of credit payable	\$ 5,000,000	\$ –
Note payable to ICM U.S. Co-Investment Real Estate No. 2 LP	–	5,282,160
Long-term:		
Loan payable	–	41,081,157
Financing fees, net of accumulated amortization	–	(690,415)
	–	40,390,742
	<u>\$ 5,000,000</u>	<u>\$ 45,672,902</u>

On December 8, 2023, the Trust obtained a line of credit facility from an arm's length party in the amount of \$40,000,000. On December 13, 2023, the Trust obtained an advance on the credit facility of \$5,000,000. The line of credit is secured by a general security agreement on the Trust's present and future personal property, a limited recourse guarantee from the Manager on Trust units owned, and a pledge of units of certain limited partnerships in which the Trust owns an interest. The loan bears interest at a variable rate based on the Canadian Overnight Repo Rate Average ("CORRA") plus 5.80% per annum on the principal outstanding and a fixed standby fee of 0.30% on the undisbursed funds, payable monthly, and is due on December 8, 2024. As at December 31, 2023, \$5,000,000 principal is outstanding and \$35,000,000 is available to be drawn on the line of credit facility.

The credit facility has various financial and reporting covenants including the Trust must maintain a debt service coverage ratio, on income generating properties, equal or greater than 1.20:1; net subscription proceeds (calculated on a trailing four financial quarter basis) equal to or greater than \$15 million for quarters ended in 2023 and \$25 million for each financial quarter thereafter; a leverage ratio equal to or less than 12% at all times: a development projects ratio equal to or less than 50% at all times; a total debt ratio equal to or less than 65%; and a Trust net asset value equal or greater than \$300 million. As at December 31, 2023 the Trust is in compliance with these covenants.

# ICM PROPERTY PARTNERS TRUST

Notes to Financial Statements, page 14

For the year ended December 31, 2023, with comparative information for 2022  
(Expressed in Canadian Dollars)

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## 8. Loans and notes payable: (continued)

On May 27, 2021, the Trust obtained a loan from an arm's length party in the amount of \$25,839,793. On December 20, 2022, the loan was amended and an incremental amount of \$15,241,364 was obtained. The loan is secured by a general security agreement on the Trust's present and future personal property and real property, second mortgages on certain properties owned indirectly by the Trust through investments in limited partnerships, and a pledge of units of certain limited partnerships in which the Trust owns an interest. The loan bears interest at 9.90% (2022 – 8.65%) per annum, payable monthly, and is due on May 27, 2024. The loan was repaid in full on November 30, 2023.

On December 31, 2022, the Trust issued a note payable to ICM U.S. Co-Investment Real Estate No. 2 LP in the amount of US\$3,900,000. The note was secured, did not bear interest, and was due on demand. The Trust and ICM U.S. Co-Investment Real Estate No. 2 LP are related by virtue of common control through the general partner of ICM U.S. Co-Investment Real Estate No. 2 LP and the Manager. The promissory note was repaid in full on March 16, 2023.

# ICM PROPERTY PARTNERS TRUST

Notes to Financial Statements, page 13

For the year ended December 31, 2023, with comparative information for 2022  
(Expressed in Canadian Dollars)

## 9. Net assets attributable to unitholders:

### (a) Authorized:

The Trust is authorized to issue an unlimited number of Series A, Series B, Series C, Series D, Series E, Series F, Series I, Series Adv, Series US\$, and Series F-US\$ Trust units and is authorized to issue one Series ICM Trust unit.

### (b) Units issued and outstanding:

	Series A	Series B	Series C	Series D	Series E	Series F	Series I	Series Adv	Series US\$	Series F-US\$	Series ICM	Total
Balance, December 31, 2021	1,499,079	2,802,956	2,021,391	3,914,830	5,389,861	1,100,109	13,349,058	514,258	716,797	220,977	1	31,529,317
Issuance of units	40,378	151,813	52,604	19,281	–	254,065	5,666,053	122,772	10,110	19,830	–	6,336,906
Units issued under distribution plan (note 9 (d))	67,397	117,170	62,349	106,623	49,775	37,760	669,584	24,314	16,948	2,254	–	1,154,174
Redemption of units	(132,020)	(183,676)	(154,194)	(385,627)	(97,343)	(183,939)	(1,448,632)	(22,550)	(29,394)	(11,823)	–	(2,649,198)
Balance, December 31, 2022	1,474,834	2,888,263	1,982,150	3,655,107	5,342,293	1,207,995	18,236,063	638,794	714,461	231,238	1	36,371,199
Issuance of units	2,160	645,956	231,961	22,302	932	162,173	3,412,394	143,032	58,932	97,130	–	4,776,972
Units issued under distribution plan (note 9 (d))	59,571	118,485	60,610	83,159	53,130	44,344	746,708	32,037	17,831	7,213	–	1,223,088
Redemption of units	(72,670)	(106,890)	(213,840)	(497,088)	(557,626)	(60,080)	(1,116,946)	(26,499)	(65,686)	(15,359)	–	(2,732,684)
Balance, December 31, 2023	1,463,895	3,545,814	2,060,881	3,263,480	4,838,729	1,354,432	21,278,219	787,364	725,538	320,222	1	39,638,575



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For the year ended December 31, 2023, with comparative information for 2022  
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## 9. Net assets attributable to unitholders (continued):

### (b) Issued and outstanding (continued):

The beneficial interests in the Trust are divided into eleven series described and designated as Series A, Series B, Series C, Series D, Series E, Series F, Series I, Series Adv, Series US\$, Series F-US\$ and Series ICM Trust Units (the "Trust Units"). Each Trust Unit, other than Series ICM Units, is transferable and represents an undivided pro rata share, as described below, in any distribution from the Trust and in any of the Trust assets net of the Trust liabilities or any other net assets of the Trust in the event of the termination or winding-up of the Trust. All Trust Units of the same series shall rank among themselves equally and ratably without discrimination, preference or priority. Each Trust Unit shall entitle the holder thereof to one vote at all meetings of unitholders or in respect of any written resolution of unitholders, unless the terms of any series of units specifically provides otherwise. The Series ICM Trust Unit entitles the holder, being the Manager, to a number of votes equal to 5% of the total number of votes attaching to all outstanding units.

The pro rata share of any particular amount in respect of a unitholder at any time shall be equal to:

- (i) the series net asset value ("NAV") calculated in respect of that series, divided by NAV;
- (ii) multiplied by one minus the ICM Participating Interest (note 10).

During the year ended December 31, 2023, total distributions of \$26,416,676 (2022 – \$70,538,011) were declared.

### (c) Unit redemption:

Trust Units, other than Series E Trust Units, issued prior to July 31, 2022 are redeemable monthly at a price equal to 90% of the series NAV per unit, as defined in the deed of trust dated May 14, 2018 and amended most recently on December 1, 2022 (the "Deed of Trust"), of the Trust Unit until the end of the first year following the purchase or acquisition of Trust Units from the Trust, 95% in the second and third years following the purchase or acquisition of Trust Units from the Trust, and 100% thereafter. Series E Trust Units are redeemable monthly at a price 95% of the series NAV per unit during 2022, and 100% thereafter.

Trust Units issued on or after July 31, 2022 are redeemable monthly as follows:

Series A Units, Series B Units, and Series US\$ Units are redeemable at a price equal to 90% of the series NAV per unit until the end of the first year, 92% until the end of the second year, 94% until the end of the third year, 96% until the end of the fourth year, 98% until the end of the fifth year, and 100% thereafter.

# ICM PROPERTY PARTNERS TRUST

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For the year ended December 31, 2023, with comparative information for 2022  
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## 9. Net assets attributable to unitholders (continued):

### (c) Unit redemption (continued):

Series C Units are redeemable at a price equal to 90% of the series NAV per unit until the end of the first year, 92.5% until the end of the second year, 95% until the end of the third year, 97.5% until the end of the fourth year, and 100% thereafter.

Series D Units, Series Adv Units, Series F Units, Series F-US\$ Units, and Series I Units are redeemable monthly at a price equal to 90% of the series NAV per unit until the end of the first year following the purchase or acquisition of Trust Units from the Trust, 95% in the second and third years following the purchase or acquisition of Trust Units from the Trust, and 100% thereafter.

The maximum aggregate number of units of a series that may be redeemed by the Trust during each month shall not exceed 1% of the total number of units of such series issued and outstanding at the beginning of such month. The Trustee may suspend the redemption of Trust Units or payment of redemption proceeds for up to 365 days if the Trustee determines that conditions exist which render impractical the sale of Trust assets or which impair the ability of the Trustee to accurately determine the fair market value of the Trust Units.

Concurrently with the payment of the Redemption Price to a redeeming Unitholder, the Trust shall pay to the holder of the Series ICM Trust Unit, an amount equal to the Series Net Asset Value per Unit with respect to each Unit being redeemed (determined without reference to the ICM Participating Factor), multiplied by the ICM Participating Interest, which amount shall be payable by, at the election of the holder of the Series ICM Trust Unit, any combination of (i) cash or Redemption Notes in the same proportion as is being received by the redeeming Unitholder in satisfaction of the Redemption Price; and (ii) the issuance by the Trust a number of Trust Units of the same series as the Unit being redeemed at an issue price per Unit equal to the Series Net Asset Value per Unit (determined without reference to the ICM Participating Factor).

### (d) Distribution reinvestment plan:

The Trust has a distribution reinvestment plan, which allows unitholders to receive their distributions in the form of Trust units, rather than cash. During the year ended December 31, 2023, the Trust issued 1,223,088 (2022 – 1,154,174) units under the distribution reinvestment plan.

# ICM PROPERTY PARTNERS TRUST

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## 10. Related party transactions:

In addition to related party transactions disclosed elsewhere in the financial statements:

### (a) Offering costs:

The Trust estimates it will incur offering expenses associated with the sale of Series A Trust Units of 4%, offering expenses associated with the sale of Series B Trust Units of 3%, and offering expenses associated with the sale of Series C Trust Units, Series F Trust Units, Series I Trust Units, Series Adv Trust Units, Series US\$ Trust Units, and Series F-US\$ Trust Units of 2%, respectively, of the gross subscription proceeds. Any costs incurred in excess of these amounts may be allocated to future closings or will be reimbursed to the Trust from the Manager. As at December 31, 2023, \$490,039 (2022 – \$67,939) is due from the Manager and is included in amounts due from related parties.

During the year ended December 31, 2023, offering costs of \$691,029 (2022 – \$800,817) were paid to the Manager and are included in unit issuance costs, of which \$29,889 is included in trade and other payables as at December 31, 2023 (2022 – \$78,858).

### (b) Payment to Manager:

The Trust has retained the Manager to, among other things, provide general administrative and support services, portfolio management, investment advisory and investment management services and other services to the Trust.

The Manager will be entitled to the portfolio management fee, calculated and payable monthly, of: (i) 1.90% annually of the NAV of the Series A Trust Units, the Series B Trust Units, and the Series US\$ Trust Units; (ii) 1.65% annually of the NAV of the Series C Trust Units, the Series D Trust Units, the Series E Trust Units, the Series F Trust Units, the Series Adv Trust Units, and the Series F-US\$ Trust Units; and (iii) 1.40% annually of the NAV of the Series I Trust Units. During the year ended December 31, 2023, portfolio management fees of \$6,725,827 (2022 – \$6,115,736) were incurred and are included in general and administrative expense, of which \$55,824 was included in trade and other payables as at December 31, 2023 (2022 – \$13,062).

The Manager will be entitled to the acquisition fee equal to: (i) 1.0% of the purchase price of any property acquired by a limited partnership; or (ii) 1.0% of the capital committed to any other investment. During the year ended December 31, 2023, acquisition fees of \$137,604 (2022 – \$287,856) were paid to the Manager.

# ICM PROPERTY PARTNERS TRUST

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For the year ended December 31, 2023, with comparative information for 2022  
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## 10. Related party transactions (continued):

### (b) Payment to Manager (continued):

One Series ICM Trust Unit has been issued to the Manager, allowing the Manager to participate in a percentage of the distributable cash and net assets of the Trust as well as a portion of the proceeds when Trust Units are redeemed ("ICM Participating Interest"). The ICM Participating Interest will vest in stages, with 1% vested on May 14, 2018, 1% vested on January 1, 2019, 1% vested on January 1, 2020, 1% vested on January 1, 2021, and 1% vested on January 1, 2022, bringing the final ICM Participating Interest to 5%. During the year ended December 31, 2023, distributions of \$1,191,509 (2022 – \$1,002,006) were paid to the Manager. As at December 31, 2023, the fair value of the ICM Participating Interest is \$17,817,374 (2022 – \$15,458,232). If the Trust were to be liquidated at its current carrying value, the Series ICM unit would be allocated its participating interest of \$17,817,374 (2022 – \$15,458,232). During the year ended December 31, 2023, the Manager was issued \$770,953 of units and \$525,935 of cash from Trust Units being redeemed as part of the ICM Participating Interest (2022 – \$1,032,414 of units and \$nil of cash).

In exchange for other legal and administrative services provided to the Trust, \$91,350 (2022 – \$139,250) was paid to the Manager during the year ended December 31, 2022 and is included in general and administrative expense, of which \$70,791 was included in trade and other payables as at December 31, 2023 (2022 – \$126,462).

## 11. Capital management:

The Trust defines capital resources as the aggregate of net assets attributable to unitholders and loans and notes payable. The Trust's capital management framework is designed to maintain a level of capital that allows it to implement its business strategy and to continue to build long-term unitholder value while maintaining a sufficient capital contingency. The main components of the Trust's capital allocation are approved on a regular basis by the Trustee through its annual review of the Trust's strategic plan and budget, supplemented by periodic management and Trustee meetings. Capital adequacy is monitored by the Trust by assessing performance against the approved annual plan throughout the period, which is updated accordingly.

# ICM PROPERTY PARTNERS TRUST

Notes to Financial Statements, page 18

For the year ended December 31, 2023, with comparative information for 2022  
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## 12. Financial instruments:

As at December 31, 2023, the Trust carries financial instruments consisting of cash and cash equivalents, subscriptions receivable, other receivable, due from related parties, trade and other payables, distributions payable, and loans and notes payable.

### Fair value hierarchy

The Trust currently has no financial instruments measured at fair value, other than the investments disclosed in note 6.

### Financial risk management

The Trust's risk management policies are established to identify, analyze, and manage the risks faced by the Trust and to implement appropriate procedures to monitor risks and adhere to established controls. Risk management policies and systems are reviewed periodically in response to the Trust's activities to ensure applicability.

In the normal course of business, the main risks arising from the Trust's use of financial instruments include market risk, credit risk, liquidity risk, interest rate risk, and currency risk. These risks, and the actions taken to manage them, include:

(a) Market risk:

Market risk is the risk that the fair value of financial instruments will fluctuate because of changes in market prices due to fair value fluctuations. The fair value of financial instruments is the amount for which an asset could be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction based on the current market for instruments with the same risks, principal, and remaining maturity. The fair values of the Trust's financial instruments, with the exception of investments measured at FVTPL and net assets attributable to unitholders, approximate their carrying amounts in the statement of financial position due to the relatively short periods to maturity of these financial instruments; therefore, the Trust has minimal market risk. The impacts of discount rate changes on investments measured at FVTPL are disclosed in note 6.

(b) Credit risk:

Credit risk is the risk of financial loss if a counterparty to a financial instrument fails to meet its contractual obligations. The Trust minimizes credit risk associated with its cash by maintaining bank balances in major financial institutions. The Trust's maximum exposure to credit risk associated with financial assets is equivalent to the carrying value of cash and cash equivalents and subscriptions receivable. The Trust mitigates credit risk relating to subscriptions receivable by setting adequate credit policies and collection procedures.

The Trust is also exposed to credit risk through its indirect investment in limited partnerships. At December 31, 2023, the Trust has issued guarantees to certain banks in respect of loans granted to six underlying properties owned by its limited partnerships (see note 13).

# ICM PROPERTY PARTNERS TRUST

Notes to Financial Statements, page 19

For the year ended December 31, 2023, with comparative information for 2022  
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## 12. Financial instruments (continued):

### Financial risk management (continued):

#### (c) Liquidity risk:

Liquidity risk is the risk that the Trust will encounter difficulties in meeting its financial obligations as they become due, which includes the risk presented by significant redemptions of net assets attributable to unitholders. The Trust manages liquidity risk through monitoring forecasted and actual cash flows, including monthly redemption limits (note 9(c)). As at December 31, 2023, the Trust has working capital of \$15,324,748 (2022 –\$15,944,196).

#### (d) Interest rate risk:

Interest rate risk is the risk that the fair value of, or cash flows related to, a financial instrument will vary as a result of changes in market interest rates. The Trust manages its financial instruments with the objective of mitigating any potential interest rate risks. As at December 31, 2023 and 2022, the Trust is exposed to interest rate risk through its interest-bearing financial instruments with variable interest rates. A reasonably possible change of 1% in interest rates at the reporting date, with all factors remaining constant, would have decreased net assets by \$2,603 (2022 - \$nil). The Trust is exposed to interest rate risk through its investment in the limited partnerships as the underlying assets include real estate properties which carry loans with variable interest rates.

#### (e) Currency risk:

Currency risk is the risk that the value of financial assets and liabilities denominated in currencies other than the functional currency of the Trust will fluctuate due to changes in foreign currency exchange rates. As at December 31, 2023 and 2022, the following financial instruments are denominated in U.S. dollars (amounts shown in Canadian dollar equivalents):

	2023	2022
Cash and cash equivalents	\$ 13,803,687	\$ 225,861
Tax refund receivable	96,164	98,474
Subscription receivable	5,726	–
Trade and other payables	(129,722)	(120,332)
Investments, at fair value through profit or loss	208,509,823	204,420,599
Loans and notes payable	–	5,282,160
	<u>\$ 222,285,678</u>	<u>\$ 209,906,762</u>

# ICM PROPERTY PARTNERS TRUST

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For the year ended December 31, 2023, with comparative information for 2022  
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## 12. Financial instruments (continued):

### Financial risk management (continued):

#### (e) Currency risk:

A 1% change in the U.S. dollar foreign exchange rate, with all other factors remaining constant, would impact net assets of the Trust by \$2,222,857 (2022 – \$2,099,068).

The Trust is also exposed to currency risk through its investments in ICM Mexico Real Estate Opportunities LP and ICM Mexico Real Estate Opportunities No. 2 LP as most of the underlying financial assets and liabilities and real estate properties are denominated in Mexico pesos. A 1% change in the Mexican peso foreign exchange rate, with all other factors remaining constant, would impact net assets of the Trust by \$1,104,923 (2022 – \$2,386,192).

## 13. Commitments:

The Trust has issued guarantees to certain banks in respect of loans owing by six underlying properties of its limited partnership investments. The maximum amount the Trust is exposed to is \$51,877,028.

The Trust has issued commitments to fund underlying projects for two of its limited partnership investments. The total commitment amounts to US\$54,238,842, of which US\$29,258,521 was funded as of December 31, 2023 and US\$13,502,644 was funded subsequent to year-end.

## 14. Subsequent Event:

On January 1, 2024, the Trust purchased all of the assets of ICM Balanced Real Estate Trust (“IBRET”) in exchange for 993,509 Series C units of the Trust at a price of \$10.40 per unit for a total value of \$10,332,494. The Series C units of the Trust issued to IBRET were subsequently distributed to IBRET’s unitholders according to the applicable class of IBRET units held and the exchange ratio specified in the management information circular for the transaction.

**ITEM 15 – DATE AND CERTIFICATE**

Dated August 1, 2024

**This Offering Memorandum does not contain a misrepresentation as of August 1, 2024, there has been no material change in relation to the issuer that is not disclosed in this Offering Memorandum and this Offering Memorandum when read as of August 1, 2024 provides a reasonable purchaser with sufficient information to make an informed investment decision.**

**ICM PROPERTY PARTNERS TRUST, by its Trustee**

By: (signed) "John Courtliff"  
Chief Executive Officer and Chief Financial Officer

**On behalf of the Manager,  
ICM Investment Management Inc.**

(signed) "John Courtliff"  
Chief Executive Officer

(signed) "David Vankka"  
Chief Financial Officer

On behalf of the board of directors of ICM Investment Management Inc.

(signed) "*David Vankka*"  
Director

(signed) "*Spencer M. Coupland*"  
Director

(signed) "*John Courtliff*"  
Director