MATERIAL CHANGE REPORT

PURSUANT TO SECTION 7.1 OF NATIONAL INSTRUMENT 51-102

1. **Name and Address of Company:**

   Exchange Industrial Income Fund (the "Fund")
   1067 Sherwin Road
   Winnipeg, Manitoba R3H 0T8

2. **Date of Material Change:**

   September 26, 2008

3. **News Release:**

   The Trust issued a press release regarding the material change on September 26, 2008, a copy of which is attached hereto.

4. **Summary of Material Change:**

   On September 26, 2008, the Trust sold 5 Year 9% Series E Subordinate Secured Debentures in the aggregate principal amount of $2,191,000 (the "Offering"). Wellington West Capital Inc. acted as agent for the Offering on a best efforts basis.

5. **Full Description Of Material Change:**

   See the press release dated September 26, 2008 attached Schedule "A" hereto.

6. **Reliance on subsection 7.1(2) or (3) of National Instrument 51-102:**

   Not Applicable.

7. **Omitted Information:**

   Not Applicable.

8. **Executive Officer:**

   Michael Pyle, Chief Executive Officer
   Tel: (204) 982-1850

DATED at Winnipeg, Manitoba this 26th day of September, 2008.

Exchange Industrial Income Fund

Per: *"Michael Pyle"*
Michael Pyle, Chief Executive Officer

SCHEDULE "A"

NOT FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES

FOR IMMEDIATE RELEASE September 26, 2008

EXCHANGE INDUSTRIAL INCOME FUND ANNOUNCES SECOND CLOSING OF OFFERING

Exchange Industrial Income Fund (TSX:EIF.UN) (the "Fund") announced today that it has completed the second closing of its previously announced public offering (the **"Offering"**) of 5 Year 9% Series E Subordinate Secured Debentures (the **"Debentures"**), pursuant to which the Fund has issued 2,191 Debentures for the aggregate principal amount of $2,191,000. At the first closing of the Offering on August 13, 2008, the Fund issued 7,500 Debentures for the aggregate principal amount of $7,500,000.

The Offering was completed on a commercially reasonable best efforts basis by Wellington West Capital Inc. as agent.

The Fund intends to use a portion of the net proceeds of the Offering to fund its acquisition of airplane hangars in Winnipeg and Island Lake, Manitoba as well as certain assets of a discontinued airline and certain other aviation related assets. These assets were acquired by the Fund's wholly-owned subsidiaries, Perimeter Aviation Ltd. and Keewatin Air Limited. The remainder of the net proceeds of the Offering will be used to fund future asset purchases by the Fund and for general corporate purposes.

The statements contained in this news release that are forward-looking are based on current expectations and are subject to a number of uncertainties and risks, and actual results may differ materially. These uncertainties and risks include, but are not limited to, the dependence of Exchange Industrial Income Fund on the operations and assets currently owned by it, the degree to which its subsidiaries are leveraged, the fact that cash distributions are not guaranteed and will fluctuate with the Fund's financial performance, dilution, restrictions on potential future growth, the risk of unitholder liability, competitive pressures (including price competition), changes in market activity, the cyclicality of the industries, seasonality of the businesses, poor weather conditions, and foreign currency fluctuations, legal proceedings, commodity prices and raw material exposure, dependence on key personnel, and environmental, health and safety and other regulatory requirements. Further information about these and other risks and uncertainties can be found in the disclosure documents filed by Exchange Industrial Income Fund with the securities regulatory authorities, available at www.sedar.com*.*

The Toronto Stock Exchange has neither approved nor disapproved the contents of this press release.

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