



dream 
impact trust

Dream Impact Trust

Annual Information Form

March 28, 2024

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GLOSSARY OF TERMS

When used in this annual information form, the following terms have the meanings set forth below unless expressly indicated otherwise.

“34 Madison” means the 8,000 square foot commercial building slated for redevelopment in the Annex neighbourhood of downtown Toronto in which the Trust had a 40% ownership interest as at December 31, 2023.

“49 Ontario” means the 88,000 square foot commercial property located in downtown Toronto, slated for redevelopment, in which the Trust had a 100% ownership interest at December 31, 2023.

“68-70 Claremont Street” means the 30,000 square foot commercial property located in Toronto, Ontario, in which the Trust had a 100% ownership interest at December 31, 2023.

“70 Park” has the meaning given under “General Development of the Business – Investments and Development Completions”.

“76 Stafford Street” means the 25,000 square foot commercial property located in Toronto, Ontario, in which the Trust had a 100% ownership interest at December 31, 2023.

“111 Cosburn” has the meaning given under “General Development of the Business – Investments and Development Completions”.

“262 Jarvis” means the 71-unit, Art Deco style apartment building located near Ryerson University in downtown Toronto in which the Trust had a 33.3% ownership interest as at December 31, 2023.

“673 Warden” means the 30,000 square foot commercial building in Scarborough, Ontario, in which the Trust had a 2.5% ownership interest as at December 31, 2023.

“786 Southwood” has the meaning given under “General Development of the Business – Investments and Development Completions”.

“2021 Debentures” has the meaning given under “General Development of the Business – Equity and Debt Offerings”.

“2022 Debentures” has the meaning given under “General Development of the Business – Equity and Debt Offerings”.

“2022 Impact Report” has the meaning given under “General Development of the Business – Impact Reporting”.

“2022 NCIB” has the meaning given under “General Development of the Business – Normal Course Issuer Bids”.

“2023 Financial Statements” means the annual audited consolidated financial statements of the Trust as at and for the year ended December 31, 2023, a copy of which has been filed on SEDAR+.

“2023 MD&A” means the Trust’s management’s discussion and analysis of financial condition and results of operations in respect of our 2023 financial year, a copy of which has been filed on SEDAR+.

“2023 NCIB” has the meaning given under “General Development of the Business – Normal Course Issuer Bids”.

“**2024 NCIB**” has the meaning given under “Recent Developments – Normal Course Issuer Bid”.

“**Adjusted Partners’ Equity**” means, at any time, the aggregate of: (a) the amount of the partners’ equity in Master LP; and (b) the amount of accumulated depreciation and amortization recorded on the books and records of Master LP in respect of the assets held by Master LP and its Subsidiaries, in each case calculated in accordance with IFRS Accounting Standards.

“**Affiliate**” has the meaning given to such term in NI 45-106.

“**AIF**” means this annual information form of the Trust.

“**ASP Plan**” has the meaning given under “General Development of the Business – Normal Course Issuer Bids”.

“**Berkeley Land Assembly**” means the five commercial properties located at 72 Berkeley Street, 74 Berkeley Street, 76 Berkeley Street, 78 Berkeley Street, and 80-82 Berkeley Street, in which the Trust had a 100% ownership interest as at December 31, 2023.

“**Brightwater Development**” means the 72-acre waterfront development in Mississauga’s Port Credit in which the Trust had a 23.3% ownership interest as at December 31, 2023.

“**Business Day**” means a day, other than a Saturday, Sunday or statutory holiday, on which Canadian chartered banks are generally open in Toronto, Ontario for the transaction of banking business.

“**CBCA**” means the *Canada Business Corporations Act*, as amended from time to time.

“**CDS**” means CDS Clearing and Depository Services Inc.

“**Co-Development Projects**” has the meaning given under “Management and Advisory Services and Co-Developments – Framework Agreement”.

“**CRA**” means the Canada Revenue Agency.

“**DAM**” means Dream Asset Management Corporation, a corporation governed by the laws of the Province of British Columbia and a Subsidiary of Dream.

“**Declaration of Trust**” means the amended and restated declaration of trust of the Trust dated June 7, 2021, as it may be further amended or amended and restated from time to time.

“**Deferred Unit Incentive Plan**” means the deferred unit incentive plan adopted by the Trust on July 8, 2014.

“**DILP Limited Partnership Agreement**” means the amended and restated limited partnership agreement between Master GP and the Trust dated November 18, 2020 in respect of Master LP.

“**DILP Units**” means, collectively, the LP A Units and the LP B Units.

“**Directors**” means the directors of the GP Board from time to time, and “**Director**” means any one of them.

“**Distribution Date**” means each date on which the Trust Board has determined that a distribution will be made by the Trust to the Unitholders.

“Distribution Record Date” means, unless otherwise determined by the Trust Board, the last Business Day of each month of each year, except for the month of December where the Distribution Record Date shall be December 31.

“DOMC” means Dream Office Management Corp., a corporation governed by the laws of the Province of Ontario and a Subsidiary of Dream Office REIT.

“Dream” means Dream Unlimited Corp., a corporation governed by the laws of the Province of Ontario.

“Dream Entities” means, collectively, Dream, Dream Office REIT, Dream Industrial REIT, Dream Residential REIT and the Trust.

“Dream Impact” means the Trust together with Master GP, Master LP and their Subsidiaries.

“Dream Impact Fund” means Dream Impact Fund LP, an open-ended fund governed by the laws of the Province of Ontario, in which DAM has a 38.3% ownership interest as at December 31, 2023.

“Dream Industrial REIT” means Dream Industrial Real Estate Investment Trust, an unincorporated open-ended real estate investment trust governed by the laws of the Province of Ontario.

“Dream LeBreton” has the meaning given under “General Development of the Business – Investments and Development Completions”.

“Dream Office REIT” means Dream Office Real Estate Investment Trust, an unincorporated open-ended real estate investment trust governed by the laws of the Province of Ontario.

“Dream Residential REIT” means Dream Residential Real Estate Investment Trust, an open-ended real estate investment trust formed under the laws of the Province of Ontario.

“DRIP” means the Trust’s distribution reinvestment and unit purchase plan pursuant to which holders of Units were entitled to elect to have cash distributions in respect of such Units automatically reinvested in additional Units and to make optional cash purchases of additional Units, which was suspended on February 12, 2024.

“ESG” has the meaning given in “General Development of the Business – Environmental, Social and Governance”.

“Forma” means the Frank Gehry designed Mirvish-King West development located at the intersection of King Street West and Duncan Street in downtown Toronto in which the Trust had an approximate 25% ownership interest as at December 31, 2023.

“Framework Agreement” has the meaning given under “Management and Advisory Services and Co-Developments – Framework Agreement”.

“GHG” means greenhouse gas.

“GLA” means gross leasable area, but excludes gross leasable area resulting from parking space, where applicable.

“GP Board” means the board of directors of Master GP.

“GP Interest” has the meaning given under “Description of Master LP – General”.

“GRESB” means the Global Real Estate Sustainability Benchmark.

“**Gross Asset Value**” has the meaning given under “Management and Advisory Services and Co-Developments – Management Agreement – Management Services Fees and Expenses”.

“**GTA**” means Greater Toronto Area.

“**IFRS Accounting Standards**” means IFRS Accounting Standards as issued by the International Accounting Standards Board and as adopted by the Chartered Professional Accountants of Canada in Part I of The Chartered Professional Accountants Canada Handbook – Accounting, as amended from time to time.

“**Indebtedness**” means all indebtedness of Master LP and its Subsidiaries and its or their, as the case may be, proportionate share of all indebtedness relating to assets in which Master LP or any of its Subsidiaries owns or has an interest in accordance with IFRS Accounting Standards.

“**Indemnities**” has the meaning given under “Trustees, Directors and Named Executive Officers – Trustees’ Liability Insurance”.

“**Independent Director**” means a Director that is independent within the meaning of NI 58-101.

“**Initial Assets**” means the real property, mortgages secured by real property, loans secured by, or that provide a participating interest in, real property or participations in such mortgages or loans, together with partial ownership positions in real property by way of a limited partnership or co-ownership investment or otherwise, and such other assets that Master LP acquired, directly or indirectly, pursuant to the Reorganization.

“**Letter Agreement**” has the meaning given under “Management and Advisory Services and Co-Developments – Management Agreement – Management Services Fees and Expenses”.

“**LP A Units**” means the authorized LP A limited partnership units of Master LP.

“**LP B Units**” means the authorized LP B limited partnership units of Master LP, none of which have been issued as of March 28, 2024.

“**Management Agreement**” means the second amended and restated management agreement between DAM, the Trust and Master LP dated February 13, 2023.

“**Master GP**” means Dream Impact Master GP Inc., a corporation governed by the laws of the Province of Ontario and the general partner of Master LP and a wholly-owned Subsidiary of DAM.

“**Master LP**” means Dream Impact Master LP, a limited partnership formed under the laws of the Province of Ontario.

“**Named Executive Officers**” means the named executive officers of the Trust, by virtue of the duties each of them performs in respect of the Trust as an executive officer or employee of DAM, being Michael Cooper and Meaghan Peloso as at March 28, 2024.

“**NI 45-106**” means National Instrument 45-106 – *Prospectus Exemptions*.

“**NI 52-109**” means National Instrument 52-109 – *Certification of Disclosure in Issuers’ Annual and Interim Filings*.

“**NI 52-110**” means National Instrument 52-110 – *Audit Committees*.

“**NI 58-101**” means National Instrument 58-101 – *Disclosure of Corporate Governance Practices*.

“**Non-Resident**” means a non-resident of Canada within the meaning of the Tax Act.

“**Offeror**” has the meaning given to such term in section 1.1 of National Instrument 62-104 - *Take-Over Bids and Issuer Bids*.

“**Partnership Net Income**” means the amount of net income (or loss) of Master LP computed in accordance with IFRS Accounting Standards, as adjusted to exclude all fair value adjustments to the carrying-value of assets and liabilities, to include realized gains and losses on the disposition of assets, computed with reference to the historical cost of the assets disposed of and to exclude distributions to Master GP and as adjusted by any other adjustments as may be determined by Master GP, acting reasonably.

“**Person**” includes an individual, body corporate, partnership, limited partnership, joint venture, trust or unincorporated organization, the Crown or any agency or instrumentality thereof, or any other entity recognized by law.

“**Plans**” means, collectively, trusts governed by registered retirement savings plans, registered retirement income funds, deferred profit-sharing plans, registered disability savings plans, tax-free savings accounts and registered education savings plans under the Tax Act.

“**Plaza Bathurst**” means the investment in two properties located in downtown Toronto at 6035 Bathurst Street and 388-390 Dupont Street in which the Trust had a 40% equity ownership interest as at December 31, 2023.

“**Plaza Imperial**” means the investment in two properties located in downtown Toronto at 25 Imperial Street and 374 Dupont Street in which the Trust had a 40% ownership interest as at December 31, 2023.

“**Preferred Units**” means the authorized preferred units of the Trust, none of which have been issued as of March 28, 2024.

“**Quayside**” has the meaning given under “General Development of the Business – Investments and Development Completions”.

“**Redemption Date**” has the meaning given under “Declaration of Trust and Description of Trust Units – Unit Redemption Right”.

“**Redemption Price**” has the meaning given under “Declaration of Trust and Description of Trust Units – Unit Redemption Right”.

“**REIT**” means a real estate investment trust.

“**Remaining Distribution**” has the meaning given under “Description of Master LP – Distributions”.

“**Reorganization**” means the multi-stage transaction involving the reorganization of the ROI Funds that occurred on July 8, 2014 and pursuant to which, among other things, Master LP acquired the Initial Assets.

“**Robinwood Portfolio**” means the 285 units located at 161 St. George Street, 177 St. George Street, 391 Sherbourne Street, 107 Redpath Avenue, 608 Church Street, 83/85 Silver Birch Avenue, 723 Bloor Street West and 372 Davenport Road in which the Trust had a 33.3% ownership interest as at December 31, 2023.

“**ROI Funds**” means, collectively, ROI Canadian High Income Mortgage Fund, ROI Canadian Mortgage Income Fund, ROI Canadian Real Estate Fund, ROI Institutional Private Placement Fund, ROI Private Trust, ROI Private Capital Trust, ROI Strategic Capital Trust and ROI IPP LP.

“**Scarborough Junction**” means the 26-acre land assembly adjacent to the Scarborough GO Station, in which the Trust had a 45% ownership interest at December 31, 2023.

“**Second Letter Agreement**” has the meaning given under “Management and Advisory Services and Co-Developments – Management Agreement – Management Services Fees and Expenses”.

“**SEDAR+**” means the System for Electronic Data Analysis and Retrieval + at www.sedarplus.com or any successor or replacement thereof.

“**Services Agreement**” means the services agreement between the Trust, Master LP and DOMC dated July 8, 2014.

“**SIFT Legislation**” means the provisions of the Tax Act that apply to a SIFT trust, taking into account all tax proposals with respect to such provisions.

“**SIFT trust**” means a specified investment flow-through trust for the purpose of the Tax Act.

“**Special Trust Units**” means units in the Trust (other than Units and Preferred Units) authorized under the Declaration of Trust for issuance to a holder of securities which are exchangeable for Units, including the LP B Units, entitling the holder to one vote per Special Trust Unit at meetings of unitholders of the Trust, but without any entitlement to distributions from the Trust, none of which are issued or outstanding as of March 28, 2024.

“**square feet**” means square feet of GLA, unless otherwise indicated.

“**Subsidiary**” has the meaning given to such term in NI 45-106.

“**Subsidiary Securities**” means securities of Master LP or securities of a Subsidiary of Master LP, as the Trust Board may determine from time to time.

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

“**Trust**” means Dream Impact Trust, an unincorporated open-ended trust formed under the laws of the Province of Ontario.

“**Trust Board**” means the board of trustees of the Trust.

“**Trust Units**” means, collectively, the Units and the Special Trust Units.

“**Trustees**” means trustees of the Trust from time to time, and “**Trustee**” means any one of them.

“**TSX**” means the Toronto Stock Exchange.

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

“**Unit**” means a unit representing an interest in the Trust (other than Special Trust Units and Preferred Units) authorized and issued under the Declaration of Trust.

“**Unitholder**” means a holder of Units, but “**unitholder**”, when used in lower case type, refers to all holders of Trust Units.

“**Weston Common**” means the two-tower 841-unit, multi-family apartment building that includes 42,800 square feet of commercial space and an 8,800 square foot community hub in which the Trust had a 33.3% ownership interest as at December 31, 2023.

“**Zibi**” means the 34-acre mixed-used waterfront development along the Ottawa River in Gatineau, Quebec and Ottawa, Ontario in which the Trust had a 50% ownership interest as at December 31, 2023.

“**Zibi Community Utility**” has the meaning given under “General Development of the Business – Investments and Development Completions”.

GENERAL

Dream Impact Trust is an unincorporated open-ended trust governed by the laws of the Province of Ontario and originally established under the Declaration of Trust on April 28, 2014. The Trust is a “mutual fund trust” as defined in the Tax Act but is not a “mutual fund” within the meaning of applicable Canadian securities legislation. Our head and registered office is located at 30 Adelaide Street East, Suite 301, Toronto, Ontario, M5C 3H1.

Dream Impact Master LP is a limited partnership established on April 28, 2014 under the laws of the Province of Ontario and is currently governed by the DILP Limited Partnership Agreement. All of the outstanding LP A Units are held by the Trust and represent a 99.999% partnership interest in Master LP. The GP Interest, representing a 0.001% partnership interest in Master LP, is held by Master GP, a wholly-owned Subsidiary of DAM.

Our asset manager is DAM, a subsidiary of Dream Unlimited Corp., which is one of Canada’s leading real estate companies, with approximately \$24 billion of assets under management in North America and Europe as at December 31, 2023.

Our investment and operating activities are limited because our operating activities are carried out by Master LP and its Subsidiaries. For simplicity, we use terms in this AIF to refer to our investments and operations as a whole. Accordingly, in this AIF, unless the context otherwise requires, when we use terms such as “Dream Impact”, “we”, “us” and “our”, we are referring to the Trust, Master GP, Master LP and its Subsidiaries. When we refer to Master LP, we are referring to Master LP and its Subsidiaries. When we use expressions such as “our investments” or “our operations”, we are referring to the investments and operations of the Trust, Master GP, Master LP and its Subsidiaries, as a whole. When we use expressions such as “our properties”, “our mortgages”, “our assets”, “our portfolio” or “we own” in relation to our assets, we are referring to our ownership of and investment in our assets indirectly through Master LP and its Subsidiaries. When we refer to the “Trust”, we are referring only to Dream Impact Trust. When we refer to “DAM”, we are referring to Dream Asset Management Corporation, a Subsidiary of Dream, together with its Subsidiaries other than Master GP and its Subsidiaries. When we refer to “management”, we are referring to the Dream Impact management team at DAM, our asset manager.

Unless otherwise specified, all references to “dollars” or to “\$” are to Canadian dollars.

Unless otherwise specified, all information in this AIF is presented as at December 31, 2023. Unless otherwise specified, all Unit amounts presented in respect of a period prior to June 16, 2023 are presented on a pre-Unit Consolidation basis. See “General Development of the Business – Unit Consolidation”.

FORWARD-LOOKING INFORMATION

Certain information in this AIF may constitute “forward-looking information” within the meaning of applicable securities legislation. Specific forward-looking information in this AIF includes, but is not limited to, statements regarding our ability to achieve our impact and sustainability goals; our intent to wind down or exit remaining non-impact investments; our expectations regarding our commitment to achieving net zero Scope 1 and 2, and select Scope 3 GHG emissions (operational and development) by 2035; our expectations for approximately 70% of our portfolio to be comprised of recurring income assets; our growth targets; statements related to the Trust’s distribution policy; expectations with respect to total unit capacity and number of affordable housing units at Quayside; expectations with respect to the future performance of our development segment, including portfolio resilience over time; expectations with respect to potential future acquisitions, future investments and opportunities to develop residential and mixed-use developments; our expectations with respect to timing on repayment of outstanding debt obligations and lending portfolio composition over time; our plans and proposals for current and future development and recurring income projects, including equity accounted investments and income properties redevelopment projects, including development milestones; and expectations regarding future

purchases of Units by the Trust under our 2024 NCIB and ASP Plan. The forward-looking information in this AIF is presented for the purpose of providing disclosure of the current expectations of our future events or results, having regard to current plans, objectives and proposals, and such information may not be appropriate for other purposes. Forward-looking information may also include information regarding our respective future plans or objectives and other information that is not comprised of historical fact. Forward-looking information is predictive in nature and depends upon or refers to future events or conditions; as such, this AIF uses words such as “may”, “would”, “could”, “should”, “will”, “likely”, “expect”, “anticipate”, “believe”, “intend”, “plan”, “project”, “estimate”, “continue”, “objective” and similar expressions suggesting future outcomes or events to identify forward-looking information.

Any such forward-looking information is based on information currently available to us, and is based on assumptions and analyses made by us in light of our respective experiences and perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate in the circumstances, including but not limited to: that no unforeseen changes in the legislative and operating framework for our business will occur, including unforeseen changes to tax laws; that we will meet our future objectives, priorities and growth targets; that we receive the licenses, permits or approvals necessary in connection with our projects; that we will have access to adequate capital to fund our future projects, plans and any potential future acquisitions; that our future projects and plans will proceed as anticipated; that we are able to identify high quality investment opportunities; that competition for and availability of acquisitions remains consistent with the current climate; that we find suitable partners with which to enter into joint ventures or partnerships; that we are able to integrate acquisitions and joint ventures into our operations; that inflation and interest rates will not materially increase beyond current market expectations; that we continue to be able to refinance our debts as they mature; that we do not incur any material environmental liabilities and there will be no material change to environmental regulations that may adversely impact our business; that valuation assumptions including market rents, leasing costs, vacancy rates, discount rates and cap rates remain in line with management’s expectations; and that future market and economic conditions will occur as expected and that geopolitical events, including disputes between nations, will not disrupt global economies.

However, whether actual results and developments will conform with the expectations and predictions contained in the forward-looking information is subject to a number of risks and uncertainties, many of which are beyond our control, and the effects of which can be difficult to predict. Factors that could cause actual results or events to differ materially from those described in the forward-looking information include, but are not limited to: liquidity risk; risks relating to access to capital; interest rate risk; economic environment risks; general investments risks; development risk; multi-family rental business risk; joint venture or partnership risk; general real estate risk; credit risk and concentration risk; lending portfolio default risk; impact investing strategy risk; environmental and climate change risks; unexpected capital expenditures and other fixed costs; the risk of undisclosed defects and obligations; the lack of a consistent framework to measure our ESG performance; the risk that developments may not be completed on the anticipated timelines, budgets or at all; risks relating to geographic concentration; the risk of adverse global market, economic and political conditions and health crises; cyber security risks; information technology systems risk; the risk of changes in government laws and regulations; tax risks; proposed amendments to tax legislation risk; insurance risks; the Trust’s reliance on DAM and Master LP; third party risks; risks relating to breaches of contracts; potential conflicts of interest; risks relating to the Trust’s internal controls and procedures; market fluctuations and restrictions on redemption; risks relating to ownership of Units including potential dilution; risks relating to regulatory approvals; and risks relating to insolvency events.

In evaluating any forward-looking information contained, or incorporated by reference, in this AIF, we caution readers not to place undue reliance on any such forward-looking information. Any forward-looking information speaks only as of the date on which it was made. Unless otherwise required by applicable securities laws, we do not intend, nor do we undertake any obligation, to update or revise any forward-looking information contained, or incorporated by reference, in this AIF to reflect subsequent information, events, results, circumstances or otherwise.

NON-IFRS MEASURES

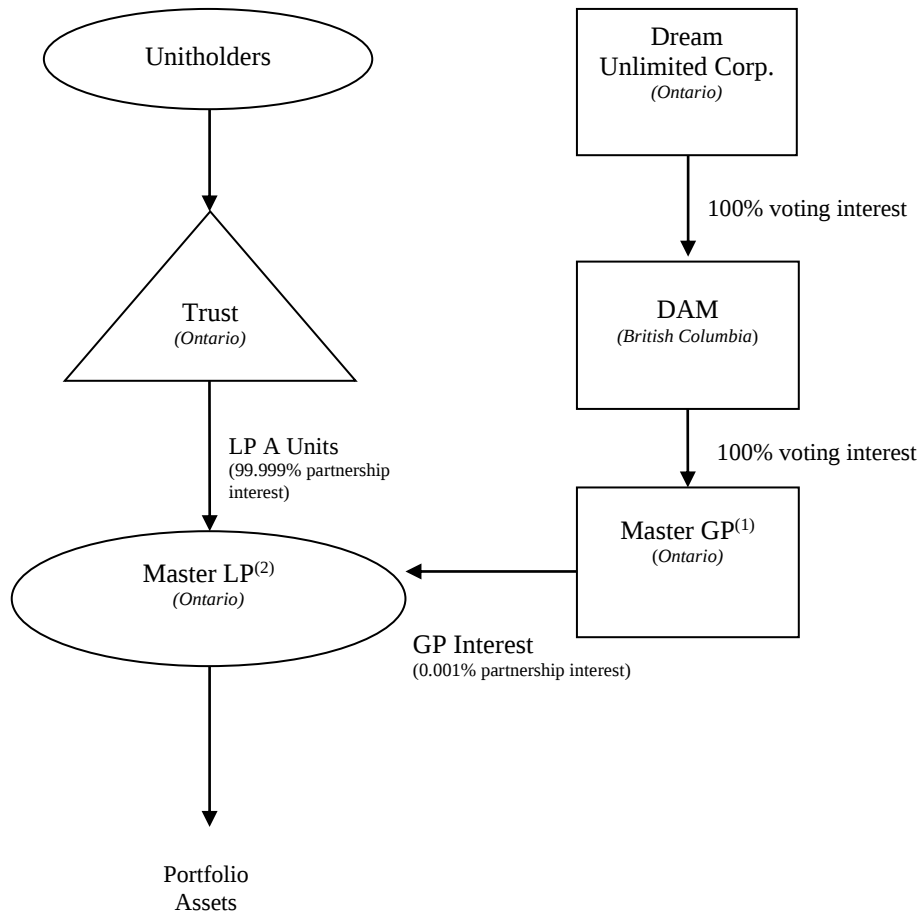
The Trust's consolidated financial statements are prepared in accordance with IFRS Accounting Standards. In this AIF, the Trust may refer to certain non-IFRS financial measures. These non-IFRS financial measures are not defined by IFRS Accounting Standards and do not have a standardized meaning under IFRS Accounting Standards. The Trust's method of calculating these non-IFRS financial measures and ratios may differ from other issuers and may not be comparable with similar measures presented by other issuers. The Trust has presented such non-IFRS measures as management believes they are relevant measures of our underlying operating performance and debt management.

Non-IFRS measures should not be considered as alternatives to total unitholder's equity or comparable metrics determined in accordance with IFRS Accounting Standards as indicators of the Trust's performance, liquidity, cash flow and profitability.

For a full description of these financial measures and, where applicable, a reconciliation to the most directly comparable measure calculated in accordance with IFRS Accounting Standards please refer to the "Specified Financial Measures and Other Disclosures" section in our 2023 MD&A, which information is incorporated by reference herein. The 2023 MD&A is available on SEDAR+ at www.sedarplus.com.

OUR STRUCTURE

The following chart is a simplified illustration of our organizational structure as at December 31, 2023:



Notes:

- (1) Master GP is the general partner of Master LP. It is a wholly-owned Subsidiary of DAM and holds a 0.001% partnership interest in Master LP. The Trust is the sole limited partner of Master LP and holds a 99.999% partnership interest in such partnership.
- (2) Master LP holds the portfolio assets through various limited partnerships. Other than in respect of the equity accounted investments, Master LP holds a 99.99% partnership interest in each of such limited partnerships and the general partner of each such limited partnership is a wholly-owned Subsidiary of Master LP, holding a 0.01% partnership interest. The equity accounted investments comprise Ivy Condominiums (Mutual Street), Victory Silos (Lakeshore East), Axis Condominiums (Church/Wood Residences), Plaza Bathurst, Plaza Imperial, Zibi, Brightwater, Forma, Seaton, 100 Steeles, Queen & Mutual, West Don Lands (Maple House at Canary Landing, Cherry House at Canary Landing, Block 20), Dream LeBreton, Birch House at Canary Landing (Canary Block 10), Scarborough Junction, 34 Madison, 673 Warden, Zibi Community Utility, Weston Common, 262 Jarvis, the Robinwood Portfolio, 111 Cosburn, 70 Park, 786 Southwood and Quayside.

GENERAL DEVELOPMENT OF THE BUSINESS

Strategy

We work towards our objectives by operating our business under two distinct segments: recurring income and development and investment holdings. In line with our overarching strategy to be a dedicated impact investment vehicle, we utilize assets in both operating segments to generate positive impact across our verticals. These verticals are aligned with the widely recognized and accepted United Nations Sustainable Development Goals and are:

- **Environmental sustainability and resilience** – develop sustainable real estate that optimizes energy use, limits GHG emissions, and reduces water use and waste while also creating resiliency against natural disasters and major climatic events.
- **Attainable and affordable housing** – invest in mixed-income communities that are transit-oriented, located close to employment opportunities, and support an overall lower relative cost of living with high quality of life.
- **Inclusive communities** – intentionally design and program communities that are safe and inclusive for everyone. This includes creating spaces that encourage mental and physical health, and wellness.

As of December 31, 2023, substantially all of our portfolio qualified under the Trust's definition of an impact investment or were in the impact planning stage. Over the next few years, we intend to wind down or exit remaining non-impact investments and increase our financial flexibility from our build-to-sell assets.

Impact Reporting

On May 3, 2021, the Dream group of companies (including the Trust, Dream Unlimited Corp., Dream Office REIT and Dream Industrial REIT) released its inaugural Impact Report outlining the Dream Impact Management System.

On May 31, 2023, the Dream group of companies released its third annual Impact Report (the “**2022 Impact Report**”) highlighting the Trust's decarbonization and net zero initiatives, affordable housing case studies, inclusivity programs and annual impact metrics. The 2022 Impact Report is available on our website. The information contained on our website and in the 2022 Impact Report is not incorporated by reference into this AIF.

Acquisitions/Investment and Dispositions

The Trust's operating segments are recurring income and development and investment holdings.

Acquisitions

From January 1, 2021 to December 31, 2023, the Trust acquired the following properties set out below:

Property	Ownership (%)	Operating Segment	Date Acquired
68-70 Claremont Street; Toronto, ON ⁽¹⁾	100	Recurring Income	February 17, 2021
76 Stafford Street; Toronto, ON ⁽¹⁾	100	Recurring Income	February 22, 2021
262 Jarvis; Toronto, ON	33	Recurring Income	August 25, 2021
Weston Common; Toronto, ON	33	Recurring Income	September 29, 2021
34 Madison; Toronto, ON	40	Development and Investment Holdings	October 13, 2021
78 Berkeley Street (part of Berkeley Land Assembly); Toronto, ON ⁽¹⁾	100	Recurring Income	December 14, 2021
Robinwood Portfolio; Toronto, ON	33	Recurring Income	December 22, 2021

Property	Ownership (%)	Operating Segment	Date Acquired
177 St. George (part of Robinwood Portfolio); Toronto, ON	33	Recurring Income	March 15, 2022
673 Warden; Toronto, ON	3	Development and Investment Holdings	March 30, 2022
Dream LeBreton; Ottawa, ON	33	Development and Investment Holdings	April 29, 2022
111 Cosburn; Toronto, ON	50	Recurring Income	June 28, 2022
70 Park; Toronto, ON	50	Recurring Income	July 11, 2022
Berkeley Land Assembly; Toronto, ON ⁽¹⁾	100	Recurring Income	September 29, 2022
Quayside; Toronto, ON	12.5	Development and Investment Holdings	March 1, 2023
786 Southwood; Woodstock, ON	50.0	Recurring Income	April 17, 2023

(1) Included under Income Properties in the consolidated statements of financial position. Remaining properties acquired were disclosed as equity accounted investments.

Investments and Development Completions

In the year ended December 31, 2021, we made the following investments:

We, along with DAM, acquired the remaining third-party interest in the Zibi development, increasing our equity ownership from 44.5% to 50% in the project.

Along with DAM and Dream Impact Fund, we acquired Weston Common, 262 Jarvis, and the Robinwood Portfolio, a portfolio of seven multi-family rental assets in the City of Toronto, adding 1,140 multi-family rental units to our portfolio for \$56.8 million, including transaction costs, for a 33.3% interest in each investment.

We, along with DAM, completed two commercial buildings at Zibi, 15 Rue Jos-Montferrand (Block 2-3) and the Natural Sciences Building (Block 211), which achieved commercial occupancy and were transferred from the development segment to the recurring income segment.

Along with Dream Impact Fund, we acquired 34 Madison, a commercial building in downtown Toronto, for \$1.4 million, including transaction costs. The Trust has a 40% interest in this investment.

We acquired a 100% interest in three commercial properties in Toronto: 68-70 Claremont Street, 76 Stafford Street, and 78 Berkeley Street (latter is part of the Berkeley Land Assembly).

In the year ended December 31, 2022, we made the following investments:

Along with DAM and Dream Impact Fund, we acquired Dream LeBreton, a development site located in Ottawa, Ontario, adjacent to Zibi ("**Dream LeBreton**"). The project will be part of Canada's largest residential zero-carbon project with approximately 600 new rental housing units, of which 40% will be affordable and 31% will be accessible. We invested \$1.4 million for a 33.3% interest in the investment, including transaction costs.

We, along with DAM, completed a commercial property, 310 Miwate Private (Block 208), and a multi-family rental building, Aalto Suites (Block 10) at Zibi, which achieved tenant occupancy and were transferred from the development segment to the recurring income segment.

We acquired 177 St. George, a multi-family rental building in Toronto, Ontario, for \$2.7 million including transaction costs. The asset is part of the Robinwood Portfolio, and the Trust has a 33.3% ownership interest.

Our net-zero carbon heating and cooling system at Zibi ("**Zibi Community Utility**") was completed and transferred from the development segment to the recurring income segment. We have a 20% interest in the investment.

We, along with Dream Impact Fund, acquired 111 Cosburn, a 23-unit multi-family rental building located in Toronto's East York neighbourhood ("**111 Cosburn**"), positioned next to the planned Ontario Subway Line, for \$1.6 million, including transaction costs. We have a 50% interest in the investment.

In 2022, sales for the East tower at Forma launched. Located in the heart of downtown Toronto in the entertainment district, the development will feature two towers at 84 and 73 storeys, comprising over 2,000 units. The buildings will include unique views, luxurious finishes and elevated lifestyle amenities including entertainment, co-working and wellness spaces.

We, along with Dream Impact Fund, acquired 70 Park, a 210-unit multi-family rental building adjacent to the Port Credit GO station and in close proximity to our Brightwater Development ("**70 Park**"), for \$19.6 million, including transaction costs. We have a 50% interest in the investment.

We completed the acquisition of the Berkeley Land Assembly, which comprises five income properties adjacent to our commercial asset, 49 Ontario, located in downtown Toronto.

In the year ended December 31, 2023, we made the following investments:

We, along with DAM, Dream Impact Fund and Great Gulf Group, acquired phase one of the Quayside Development site in downtown Toronto, comprising 4.5 acres ("**Quayside**"). Upon full build-out of the 12-acre site, Quayside is expected to provide over 4,000 residential units, including more than 800 affordable housing units with an emphasis on family sized accommodations, 3.5 acres of public green space and Canada's largest residential mass timber structure. We have a 12.5% interest in the project.

We, along with DAM, Kilmer Van Nostrand Co. Ltd., Diamond Corp. and FRAM + Slokker, completed Brightwater I, a 76-unit condominium building in Port Credit. Brightwater I is the first building to welcome residents to the waterfront community. Sales for the building were originally launched in September 2020. As at December 31, 2023, nearly all the units at Brightwater I were occupied.

We, along with DAM, Dream Impact Fund, Kilmer Van Nostrand Co. Ltd. and Tricon Residential Inc., completed Maple House at Canary Landing, which consists of 770 multi-family rental units, located in the Canary Landing neighbourhood near downtown Toronto, in which we have 25% ownership interest.

We, along with DAM, commenced occupancy at Aalto II (formerly Zibi Block 11), a 148-unit multi-family rental building located adjacent to Aalto Suites, which was completed in 2022.

We, along with Dream Impact Fund, completed the acquisition of 786 Southwood, a 23-unit multi-family rental, located in Woodstock, Ontario.

Dispositions

From January 1, 2021 to December 31, 2023, we did not dispose of any properties.

Normal Course Issuer Bids

In January 2022, we filed with the TSX a notice of intention to make a normal course issuer bid, which commenced on January 20, 2022 and expired on January 19, 2023 (the "**2022 NCIB**"). Under the 2022 NCIB, we had the ability to purchase for cancellation up to a maximum of 4,625,500 Units (representing 10% of our public float of 46,255,009 Units at the time of commencement of the bid through the facilities of the TSX). Daily purchases under the 2022 NCIB were limited to 9,747 Units (representing 25% of the average daily trading volume during the six calendar months preceding the approval of the bid, being 38,991 Units per day), other than purchases pursuant to applicable block purchase exceptions. Under the 2022 NCIB we purchased for cancellation 124,000 Units at an average price of \$6.00 per Unit for a total cost of \$0.7 million.

In January 2023, we filed with the TSX a notice of intention to make a normal course issuer bid, which commenced on February 1, 2023 and expired on January 31, 2024 (the “**2023 NCIB**”). Under the 2023 NCIB, we had the ability to purchase for cancellation up to a maximum of 4,648,812 Units (representing 10% of our public float of 46,488,128 Units at the time of entering the bid through the facilities of the TSX). Daily purchases under the 2023 NCIB were limited to 12,580 Units (representing 25% of the average daily trading volume during the six calendar months preceding the approval of the bid, being 50,320 Units per day), other than purchases pursuant to applicable block purchase exceptions. Under the 2023 NCIB we purchased for cancellation 111,937 Units at an average price of \$10.60 per Unit for a total cost of \$1.2 million.

In January 2022, we entered into an automatic securities repurchase plan (the “**ASP Plan**”) in order to facilitate purchases of our Units under the 2022 NCIB. The ASP Plan terminated on January 19, 2023 concurrent with the termination of the 2022 NCIB, following which we renewed the ASP Plan in connection with the 2023 NCIB and expired on January 31, 2024.

Unit Consolidation

Effective June 16, 2023, the Trust completed a unit consolidation of all of the issued and outstanding Trust Units on the basis of one post-consolidation Trust Unit for every four pre-consolidation Trust Units (the “**Unit Consolidation**”). The Unit Consolidation was authorized by the unitholders of the Trust at the annual meeting of the Trust held on June 6, 2023. Registered holders of the 2021 Debentures and 2022 Debentures were also notified of the effect of the Unit Consolidation pursuant to the Trust Indentures dated August 3, 2021 and June 9, 2022. See “Indebtedness – Convertible Debentures”.

As a result of the Unit Consolidation, the monthly distributions of the Trust of \$0.01333 per Unit on a pre-consolidation basis were adjusted to \$0.05333 per Unit on a post-consolidation basis, representing annualized distributions of \$0.64 per Unit on a post-consolidation basis.

Financing

On January 31, 2023, we closed on the refinancing of 49 Ontario Street for gross proceeds of \$80 million in the form of a non-revolving facility with a term of two years and bears interest at the Bankers’ Acceptance (“**BA**”) rate plus 2.65% or at the bank’s prime rate plus 1.65% payable monthly, for which the interest rate is fully hedged. The loan is secured by the 49 Ontario Street and the adjacent Berkeley land assembly.

In addition, we amended our credit facility, reducing the borrowing capacity from \$50 million to \$25 million and extending the maturity date to April 30, 2025. The facility bears interest at the BA rate plus 2.25%, or at the bank’s prime rate plus 1.25% payable monthly, and is secured by a general security agreement over certain of our income properties.

On February 28, 2023, we closed on the refinancing of Victory Silos and increased the in-place loan from \$35 million to \$150 million (at 100% project level). The debt matures at the end of 2025 and is fully hedged. In conjunction with this refinancing, the majority of our share of the excess cash proceeds were advanced to us in the form of a promissory note from the project for \$30.5 million. The promissory note is due on demand; however, we do not expect repayment in the near term. We have a 37.5% interest in Victory Silos.

Distribution Policy

On February 13, 2023, the Trust announced a revision to our monthly distribution from \$0.40 per Unit to \$0.16 per Unit, on an annualized basis. The decrease in distributions was effective beginning with the February 2023 distribution payable on March 15, 2023 to unitholders of record on February 28, 2023. On February 12, 2024, the Trust announced the suspension of the monthly distribution. See “Recent Developments – Distribution Policy and DRIP”.

Reinstatement and Suspension of DRIP

On August 2, 2022, the Trust announced the reinstatement of the DRIP, allowing unitholders to reinvest their distributions into new Units of the Trust, with no bonus distribution and no commissions. On February 12, 2024, the Trust announced the suspension of the DRIP. See “Recent Developments – Distribution Policy and DRIP”.

Equity and Debt Offerings

On August 3, 2021, the Trust completed a private placement offering of \$30 million aggregate principal amount of impact convertible unsecured subordinated debentures (the “**2021 Debentures**”), convertible at the holder’s option into Units at a conversion price of approximately \$31.00 per Unit, representing a conversion rate of 32.2373 Units per \$0.001 million principal amount of 2021 Debentures (taking into account the Unit Consolidation). The 2021 Debentures bear interest at a rate of 5.50% per annum and mature on July 31, 2026. The private placement was one of Canada’s first impact-dedicated bond offerings. See “Indebtedness – Convertible Debentures”.

On December 2, 2021, we filed and obtained a receipt for a final base shelf prospectus. The final base shelf prospectus was filed with securities regulatory authorities in each of the provinces and territories of Canada. The final base shelf prospectus is valid for a 25-month period, during which time we may offer and issue, from time to time, Units, subscription receipts and debt securities, or any combination thereof, having an aggregate offering price of up to \$500 million. The specific terms of any offering of securities will be contained in a shelf prospectus supplement filed at the time of an offering.

On June 9, 2022, the Trust closed a public offering of \$40 million aggregate principal amount of impact 5.75% convertible unsecured subordinated debentures (the “**2022 Debentures**”), before transaction costs of \$2 million. The 2022 Debentures bear a coupon interest rate of 5.75% per annum and mature on December 31, 2027. The 2022 Debentures are convertible at the holder’s option into units at a conversion price of \$32.00 per unit, representing a conversion rate of 31.25 units per \$0.001 million principal amount of 2022 Debentures, convertible at the holder’s option at any time before the maturity date. See “Indebtedness – Convertible Debentures”.

Environmental, Social and Governance

In 2021, we made our inaugural submission to the GRESB⁽¹⁾ assessment. We achieved a five-star rating of 90/100, one of the best first year scores, placing us in the top 20% of the global benchmark.

On December 8, 2021, the Dream group of companies (including the Trust, Dream Unlimited Corp., Dream Office REIT and Dream Industrial REIT) published its inaugural 2020-2021 Sustainability Report, highlighting its progress in environmental, social and governance (“**ESG**”) matters.

During 2022, the Trust, jointly with Dream Unlimited Corp. and Dream Industrial REIT, published its Net Zero by 2035 Action Plan. Under the plan, we indicated our commitment to achieving net zero scope 1 and 2 and select scope 3 (operational and development) GHG emissions by the year 2035. Our plan to meet this goal includes transitioning to lower carbon energy sources; increasing building energy efficiency; on-premises energy generation, where possible; and the purchasing of carbon offsets.

⁽¹⁾ All intellectual property rights to this data belong exclusively to GRESB B.V. All rights reserved. GRESB B.V. has no liability to any person (including a natural person, corporate or unincorporated body) for any losses, damages, costs, expenses, or other liabilities suffered as a result of any use of or reliance on any of the information which may be attributed to it.

During 2022, we made our second submission to the GRESB⁽¹⁾ assessment. We again achieved a five-star rating, which is recognition of our placement in the top 20% global benchmark with an overall score of 88/100. Our score was attributable to excellent performance in Leadership, Policies, Reporting, Targets and Data Monitoring and Review.

In June 2023, we made our third submission to the GRESB⁽¹⁾ assessment. We achieved our third consecutive Green Star with an overall GRESB⁽¹⁾ score of 81/100. Our score was helped by excellent performance in Leadership, Policies, Reporting, Targets and Data Monitoring and Review. However, our acquisition of assets that we intend to make more energy, water and GHG emission efficient negatively affects our score in the short term.

In September 2023, the Dream group of companies (including the Trust, Dream Unlimited Corp., Dream Office REIT, Dream Industrial REIT and Dream Residential REIT) made its first submission to the United Nations Principles for Responsible Investment.

On May 31, 2023, the Dream group of companies published its 2022 Sustainability Report and 2022 Impact Report, which provides a summary of our key performance indicators, initiatives and commitments for the year ended December 31, 2022. The 2022 Sustainability Report and 2022 Impact Report are each available on our website. The information contained on our website and in each of the 2022 Sustainability Report and 2022 Impact Report are not incorporated by reference into this AIF.

RECENT DEVELOPMENTS

Distribution Policy and DRIP

On February 12, 2024, the Trust announced the suspension of the Trust's monthly distributions, and distribution reinvestment and purchase plan, beginning with the Trust's distribution that would have otherwise been declared for the month of February 2024 and would have otherwise been payable to unitholders in March 2024. The last distribution declared prior to the suspension was paid on February 15, 2024.

Normal Course Issuer Bid

In January 2024, we renewed our normal course issuer bid (the “**2024 NCIB**”), which commenced on February 1, 2024, and is to remain in effect until the earlier of January 31, 2025, or the date on which we purchase the maximum number of Units permitted under the 2024 NCIB. Under the 2024 NCIB, we have the ability to purchase for cancellation up to a maximum of 1,135,041 Units (representing 10% of our public float of 11,350,415 Units at the time of commencement of the bid through the facilities of the TSX). Daily repurchases under the 2024 NCIB are limited to 5,360 Units (representing 25% of the average daily trading volume of the Units on the TSX during the last six calendar months being 21,441 Units per day), other than purchases pursuant to applicable block purchase exceptions. As of March 28, 2024, under the 2024 NCIB, no Units have been purchased for cancellation.

In January 2024 in connection with the NCIB renewal, we entered into an ASP Plan with our designated broker in order to facilitate purchases of our Units under the 2024 NCIB. The ASP Plan allows for purchases by us of Units at any time including, without limitation, times when we would ordinarily not be permitted to make purchases due to regulatory restrictions or self-imposed blackout periods. Purchases will be made by us based upon the parameters prescribed by the TSX and the terms of the parties' written agreement. Outside of such restricted or blackout periods, Units may also be purchased in accordance with management's discretion. The ASP Plan will terminate on January 31, 2025.

Current Discussions Regarding Partnerships and Dispositions

In the normal course of business, we are engaged in discussions with regards to potential partnerships and possible acquisitions of new properties and dispositions of existing properties in our portfolio. However,

there can be no assurance that any of these discussions will result in a definitive agreement and, if they do, what the terms or timing of any partnerships, acquisitions or dispositions would be. We expect to continue current discussions and actively pursue other partnership and disposition opportunities.

DESCRIPTION OF THE BUSINESS

Dream Impact is an open-ended trust dedicated to impact investing. Impact investing is the intention of creating measurable positive, social or environmental change in our communities and for our stakeholders, while generating attractive financial returns.

Objectives

Our fundamental objectives are to:

- Create positive and lasting impacts for our stakeholders through our three impact verticals: environmental sustainability and resilience, attainable and affordable housing, and inclusive communities;
- Balance the growth and stability of the portfolio, increasing cash flow and unitholders' equity over time; and
- Provide investors with a portfolio of high-quality real estate assets, concentrated in core geographic markets, leveraging an experienced management team.

Competitive Conditions

A description of the competitive conditions relevant to our business is set out in the 2023 MD&A under "Risks and Risk Management". The disclosure in that section is incorporated by reference into this AIF. The 2023 MD&A has been filed and is available under our profile on SEDAR+ at www.sedarplus.com.

OPERATING SEGMENTS

Overview of the Operating Segments

As of December 31, 2023, the Trust's operating segments consist of the following:

- **Recurring income** – comprised of a portfolio of commercial real estate income properties and multi-family rental assets in the GTA and Ottawa/Gatineau, a utility asset, and interest-paying corporate loans; and
- **Development and investment holdings** – comprised of direct and indirect investments in residential and mixed-use developments, a hospitality asset, and participating mortgage receivables.

Recurring Income

Recurring income is important to our business as it provides stable returns in order to fund our ongoing fixed operating costs and interest costs. Over time, we expect this segment to grow and represent approximately 70% of our portfolio, as we build out our extensive development pipeline and further invest in best-in class income properties.

We hold a direct investment in eleven income properties across the GTA, as well as indirect investments in multi-family rental, retail, and commercial properties held through various joint venture partnerships. Revenue from these income properties includes base rents, recoverable operating expenses and property tax recoveries, lease termination fees, parking income and ancillary income.

Our lending portfolio includes investments in loans secured by different types of residential and commercial real estate property that represent an acceptable underwriting risk. We expect the lending portfolio to wind down over time as loans are repaid.

For more information on our portfolio of recurring income assets, see our 2023 MD&A under the heading “Recurring Income”, which disclosure is incorporated by reference in this AIF. The 2023 MD&A has been filed and is available under our profile on SEDAR+ at www.sedarplus.com.

Development

We believe our development segment represents a portfolio of high-quality assets located in core geographic markets that would not otherwise be accessible in a public vehicle. These assets represent a significant source of growth for the Trust, which we expect will generate future income and cash flows over time as the projects are developed. Assets may be built for sale or built to hold for the long term. Due to the nature of development, we expect fluctuations in earnings from period to period from this segment. Typically, assets may be acquired and held for a number of years before development commences or contribution to net income is realized. However, depending on a variety of factors, including location, market conditions, density and asset class, the value of these projects may appreciate as we progress through the rezoning and pre-development process. Our development segment is expected to generate attractive returns and value creation over time. We also believe our portfolio will be more resilient and valuable because it is comprised of assets that are considered impact investments.

INDEBTEDNESS

The Trust’s various mortgage payables and the Trust’s revolving credit facility contain debt covenant requirements that are monitored by the Trust to ensure there are no defaults. These covenants include debt-to-asset value ratios, minimum unitholders’ equity balances, and debt service coverage ratios and are measured at the subsidiary limited partnership level. During the year ended December 31, 2023, the Trust did not breach any of its loan covenants, nor did it default on any other of its obligations under its loan agreements. For more information on the indebtedness of the Trust, see the section titled “Capital Resources and Liquidity” in our 2023 MD&A which section is incorporated by reference. The 2023 MD&A has been filed and is available under our profile on SEDAR+ at www.sedarplus.com.

Mortgage Financing

Our strategy is to maintain a balanced debt profile, taking into account market conditions and the financial characteristics of each income property. Our debt strategy is to maintain an appropriate mix of fixed and variable-rate debt, manage maturities of fixed-rate debt, match the nature of the debt with the cash flow characteristics of the underlying asset, and undertake hedging strategies where appropriate. Our preference is to have staggered debt maturities to mitigate interest rate risk and limit refinancing exposure in any particular period. We also intend to enter into long-term loans at fixed rates when borrowing conditions are favourable.

Convertible Debentures

On August 3, 2021, the Trust completed a private placement offering of \$30 million aggregate principal amount of 2021 Debentures, convertible at the holder’s option into Units at a conversion price of approximately \$31.00 per Unit, representing a conversion rate of 32.2373 Units per \$1,000 principal amount of 2021 Debentures (taking into account the Unit Consolidation). The 2021 Debentures bear interest at a rate of 5.50% per annum and an effective interest rate of 6.2% per annum, payable semi-annually on July 31 and January 31 of each year. The 2021 Debentures mature on July 31, 2026 and are redeemable at the holders’ option before the maturity date. An amount equal to the proceeds from 2021 Debentures was used for eligible impact investments as described in the Impact Financing Framework.

The Impact Financing Framework is available on our website. The information contained on our website and in the Impact Financing Framework is not incorporated by reference into this AIF.

On June 9, 2022, the Trust closed a public offering of \$40 million aggregate principal amount of 2022 Debentures, before transaction costs of \$2 million. The 2022 Debentures bear a coupon interest rate of 5.75% per annum and an effective interest rate of 6.0% per annum, payable semi-annually on June 30 and December 31 of each year, commencing on December 31, 2022 and mature on December 31, 2027. The 2022 Debentures are convertible at the holder's option into units at a conversion price of approximately \$32.00 per Unit, representing a conversion rate of 31.25 units per \$1,000 principal amount of 2022 Debentures (taking into account the Unit Consolidation), convertible at the holder's option at any time before the maturity date. The net proceeds were used for eligible impact investments as described in the Impact Financing Framework.

Debt Maturities

The Trust's existing debt payable is characterized by a staggered maturity profile. The following table sets out the maturity balances on the debt payable to be repaid each year as of December 31, 2023. All dollar amounts are expressed in thousands of dollars:

Debt maturities	Total maturity balance and principal repayments	% of total debt maturities and principal repayments	Weighted average interest rate (face)	Weighted average effective interest rate
Total debt payable				
2024	\$ 30,450 ⁽¹⁾	11.2%	6.4%	6.4%
2025	80,000	29.3%	6.4%	6.4%
2026	57,500	21.1%	4.2%	4.6%
2027	105,115	38.4%	5.4%	5.5%
Subtotal before undernoted	\$ 273,065	100.0%	5.5%	5.6%
Unamortized discount on host instrument of convertible debentures	(820)			
Conversion feature	7			
Unamortized balance of deferred financing costs	(2,196)			
Total debt	\$ 270,056			

(1) Balance relates to a promissory note that is due on demand, which is not expected to be repaid in 12 months. This is a loan of excess cash from one of the Trust's joint ventures.

Revolving Credit Facility

During the year ended December 31, 2023, the Trust amended its credit facility, reducing the borrowing capacity from \$50.0 million to \$25.0 million, and extending the maturity to April 30, 2025. As at December 31, 2023, the facility was available to the Trust up to a formula-based maximum of \$25.0 million. The facility bears interest at the Bankers' Acceptance rate plus 2.25%, or at the bank's prime rate plus 1.25%, payable monthly. The facility is secured by registered debentures over certain of the Trust's income properties. We have discretion on the use of borrowings, which includes but is not limited to: repayment of debt, investment in existing or future properties and/or funding Unit repurchases. As at December 31, 2023, \$nil was drawn on the credit facility, and funds available under the facility were \$16.7 million, net of \$0.3 million of letters of credit issued against the credit facility.

Additional Financing

We may seek additional financing with one or more financial institutions from time to time. Such financing will be used for general trust purposes, which may include the funding of our operations or future property acquisitions.

TRUSTEES, DIRECTORS AND NAMED EXECUTIVE OFFICERS

Trustees of the Trust Board

Pursuant to the Declaration of Trust, the Trust may have between three and ten Trustees at any given time and a majority of the Trustees must be resident Canadians. Dream Impact Trust currently has five Trustees, the majority of whom are resident Canadians. Each trustee is elected annually to serve until the next meeting of unitholders at which an election of trustees is proposed or until a successor is elected.

Each of the Trustees is required to exercise the powers and discharge the duties of his or her office honestly and in good faith with a view to the best interests of the Trust and its unitholders and, in connection with doing so, exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

The Trustees are elected at each annual meeting of our unitholders for a term expiring at the conclusion of the next annual meeting or until their successors are elected or appointed and will be eligible for re-election. A Trustee appointed by the Trustees between meetings of unitholders or to fill a vacancy will be appointed for a term expiring at the conclusion of the next annual meeting of our unitholders or until his or her successor is elected or appointed and will be eligible for election or re-election.

The Declaration of Trust provides that a Trustee may resign upon written notice to the Chair of the Trust Board or if there is no Chair, each other Trustee, and may be removed with or without cause by a majority of the votes cast at a meeting of unitholders called for that purpose or with cause by two-thirds of the remaining Trustees.

A vacancy occurring among the Trustees may be filled by resolution of the remaining Trustees, so long as they constitute a quorum, or by the unitholders at a meeting of the unitholders.

Directors of the GP Board

The Directors of Master GP oversee the management of the Trust's operating assets, which are held through Master LP. DAM is the sole shareholder of Master GP.

The Directors of Master GP are appointed annually by DAM, the sole shareholder of Master GP, and such Directors hold office for a term expiring at the close of the subsequent annual meeting following appointment or re-appointment, as applicable, or until their respective successors are appointed.

The GP Board must consist of a minimum of one and a maximum of ten Directors, at least 25% of whom must be resident Canadians. The GP Board currently has eight Directors, the majority of whom are resident Canadians.

A majority of the members of the GP Board are "independent" within the meaning of NI 58-101. This is in order to promote an alignment of the interests of the GP Board with the interests of the Trust and the unitholders. Similarly, the committees of the GP Board are comprised entirely of Independent Directors.

Trustee, Director and Named Executive Officer Information

The following table sets forth, as at March 28, 2024, the name, province or state and country of residence, position with the Trust and Master GP and principal occupation for each of the Trustees, Directors and Named Executive Officers.

Name, Province or State and Country of Residence	Positions Held	Independent	Principal Occupation
Pauline Alimchandani Ontario, Canada	Director since April 28, 2014	Yes	Corporate Director
Amar Bhalla ⁽¹⁾ Ontario, Canada	Trustee and Director since May 8, 2017	Yes	President of Capit Investment Corp., a private real estate company
Dr. Catherine Brownstein ⁽²⁾ Massachusetts, United States	Trustee and Director since January 31, 2022	Yes	Associate Professor, Harvard Medical School
Michael Cooper Ontario, Canada	Director since April 28, 2014	No	President and Chief Responsible Officer of Dream and DAM, real estate companies
Joanne Ferstman ⁽³⁾ Ontario, Canada	Director since July 8, 2014	Yes	Corporate Director
Robert G. Goodall ⁽⁴⁾ Ontario, Canada	Trustee and Director since March 28, 2022	Yes	President, Canadian Mortgage Capital Corporation, a mortgage brokerage company
Jennifer Koss ⁽²⁾ Ontario, Canada	Trustee and Director since June 6, 2023	Yes	Co-Founder, BRIKA, a retail platform for contemporary, elevated craft
Karine MacIndoe ⁽⁵⁾ Ontario, Canada	Trustee and Director since May 17, 2018	Yes	Corporate Director
Meaghan Peloso Ontario, Canada	Chief Financial Officer of Master GP	No	Chief Financial Officer of Master GP and Senior Vice President, Impact of Dream and DAM, real estate companies

Notes:

- (1) Chair of the Trust Board, Chair of the GP Board, member of the Audit Committee of the Trust Board, member of the Audit Committee of the GP Board.
- (2) Member of the Governance, Compensation and Environmental Committee of the GP Board.
- (3) Member of the Audit Committee of the GP Board and Chair of the Governance, Compensation and Environmental Committee of the GP Board.
- (4) Member of the Audit Committee of the Trust Board, member of the Audit Committee of the GP Board, member of the Governance, Compensation and Environmental Committee of the GP Board.
- (5) Chair of the Audit Committee of the Trust Board, Chair of the Audit Committee of the GP Board, member of the Governance, Compensation and Environmental Committee of the GP Board.

Each of the foregoing has held his or her present principal occupation or other offices with the same company or its predecessors or affiliates for the past five years except for Ms. Pauline Alimchandani, who, prior to April 9, 2020, was the Executive Vice President and Chief Financial Officer of Dream

Unlimited Corp., a position she held since 2013. Ms. Alimchandani also previously served as Chief Financial Officer of Dream Impact Trust.

As at December 31, 2023, the Trustees, Directors and Named Executive Officers beneficially owned, controlled or directed, directly or indirectly, as a group, 6,213,058 Units, which represent approximately 35% of the outstanding Units. As at such date, there were no Special Trust Units or Preferred Units outstanding.

Audit Committee of the Trust Board

The Trust Board has one committee, being the Audit Committee of the Trust Board. Applicable law and the Declaration of Trust requires the Trust Board to have an audit committee consisting of at least three Trustees, each of whom must be “independent” and “financially literate”. At March 28, 2024, the Audit Committee of the Trust Board was comprised of three Trustees, Amar Bhalla, Robert Goodall and Karine MacIndoe (Chair), each of whom is considered “independent” within the meaning of NI 52-110. The Trust Board has determined that each of the members of the Audit Committee of the Trust Board is “financially literate” within the meaning of NI 52-110.

While the Trust Board retains overall responsibility for corporate governance matters, the Audit Committee of the Trust Board has specific responsibilities for certain aspects of corporate governance, in addition to its other responsibilities. The Audit Committee of the Trust Board is responsible for accounting and financial reporting practices and procedures, adequacy of internal accounting and financial reporting controls and procedures, and quality and integrity of financial statements of the Trust.

The Audit Committee of the Trust Board has adopted a charter, a copy of which is attached as Schedule A to this AIF. See our most recent management information circular for a further description of the Audit Committee of the Trust Board.

Relevant Education and Experience

Each member of the Audit Committee of the Trust Board possesses considerable education and experience relevant to the performance of his or her responsibilities as a member of the Audit Committee of the Trust Board.

Mr. Amar Bhalla is the President of Capit Investment Corp., a private real estate company that owns and manages a portfolio of apartment buildings, commercial sites, and development projects in the GTA. He has over 20 years of experience in the acquisition, repositioning and redevelopment of GTA based real estate across asset classes. Prior to his role at Capit, Mr. Bhalla chaired Carlaw Capital Group, a Toronto based merchant bank focused on technology businesses and was the CEO of Crescent Logic, a business application software firm. Mr. Bhalla has and continues to serve on the boards of several TSX and TSX-V listed businesses across technology and mineral industries and is the current Chair of the Independent Review Committee for BristolGate Capital Partners and was formerly the Chair of Aston Hill Asset Management’s Independent Review Committee. Mr. Bhalla is a Chartered Financial Accountant, a member of the Institute of Corporate Directors and holds a Bachelor of Arts in Economics from McGill University.

Mr. Robert Goodall is the President and founder of Canadian Mortgage Capital Corporation, a company which operates various real estate debt and equity platforms and has a total of \$2.4 billion of assets under management. Mr. Goodall is also President and CEO of Atrium Mortgage Investment Corporation, a \$875 million non-bank lender which trades on the TSX. CMCC’s head office is in downtown Toronto, and the company has branch offices in Calgary and Vancouver. In its history, CMCC has funded more than \$3.5 billion of loans, and made over \$450 million in equity investments across Canada. Prior to founding CMCC, Mr. Goodall spent seven years with Royal Trust, where the last three years were served as National Managing Director of the Real Estate Finance Group with a portfolio of \$1.4 billion in commercial and multi-residential real estate loans. Mr. Goodall is a director/trustee of three public

companies and a former director of a registered charity, Jump Math. Mr. Goodall has an HBA from the Ivey Business School, and an MBA from the Schulich School of Business.

Ms. Karine MacIndoe is a corporate director and has over 25 years of professional experience, mostly in real estate and capital markets, and almost ten years of public board experience. She is currently also on the boards of Killam Apartment REIT (TSX:KMP.UN) and Dream Office REIT (TSX:D.UN). Her sub-committee responsibilities include chairing the Audit Committees of the Trust and Killam, serving on the Audit Committee at Dream Office REIT, Compensation Committees at Killam and Dream Office REIT, and the Governance, Compensation and Environmental Committee at Dream Impact Master GP Inc. Prior to these board roles, Ms. MacIndoe was a Managing Director and Senior Equity Research Analyst at BMO Capital Markets covering Real Estate and REITs across all property types (retail, office, industrial, multi-residential, seniors housing and hotels). During her career at BMO she was consistently ranked as a top analyst in the Brendan Wood Canadian Equity Research Survey; both for the quality of her research and strength of client relationships. Her prior work experience also includes M&A Advisory at NM Rothschild & Sons, and management of sales planning at Canadian Airlines International. Ms. MacIndoe has a Masters of Business Administration from the Richard Ivey School of Business (graduated an Ivey Scholar) and a Bachelor of Commerce from the University of Calgary (Honor Society).

Pre-Approval Policies and Procedures

The Audit Committee of the Trust Board charter requires that all non-audit services to be provided to the Trust by the external auditor or any of their Affiliates which are not covered by pre-approval policies and procedures that are approved by the committee are subject to pre-approval by the committee.

Auditor's Fees

The aggregate fees billed by PricewaterhouseCoopers LLP, the Trust's external auditor, or fees accrued by the Trust in 2023 and 2022 for professional services, are presented below:

	Year ended December 31, 2023	Year ended December 31, 2022
Audit fees⁽¹⁾		
Audit fees	\$ 194,600	\$ 180,500
Review of interim financial statements	94,500	87,000
Other assurance, MD&A comforting and related services	65,600	57,000
Audit-related fees⁽²⁾		
ESG assurance services	36,800	-
Tax fees⁽³⁾		
Tax fees (advisory and compliance)	28,100	48,250
All other fees⁽⁴⁾	-	-
Total	\$ 419,600	\$ 372,750

Notes:

- (1) "Audit fees" are aggregate fees billed by the Trust's external auditor in 2023 and 2022 relating to the audit and review of the Trust's consolidated financial statements. It also includes other assurance, MD&A comforting and related services.
- (2) "Audit-related fees" are aggregate fees billed by the Trust's external auditor in 2023 and 2022 for ESG assurance services.
- (3) "Tax fees" include the aggregate fees paid to the external auditor for tax compliance, tax advice, tax planning and advisory services.
- (4) "All other fees" aggregate fees billed in 2023 and 2022 for products and services provided by our external auditor, other than the services reported under "Audit fees", "Audit-related fees" and "Tax fees" in the table above.

Committees of the GP Board

As at March 28, 2024, the GP Board had two committees: the Audit Committee of the GP Board and the Governance, Compensation and Environmental Committee. Each member of a committee of the GP Board serves on such committee until such member resigns from such committee or is replaced by the GP Board or otherwise ceases to be a Director.

Audit Committee of the GP Board

The Audit Committee of the GP Board is responsible for monitoring Master LP's systems and procedures for financial reporting and internal controls and the performance of the external auditor. The Audit Committee of the GP Board is responsible for recommending to the GP Board the firm of chartered professional accountants to be nominated for appointment as the external auditor, and for approving the assignment of any non-audit work to be performed by the external auditor. The Audit Committee of the GP Board meets regularly in private session with the external auditor, without any representatives of DAM present, to discuss and review specific issues as appropriate.

As at March 28, 2024, the Audit Committee of the GP Board was comprised of four Directors, Amar Bhalla, Joanne Ferstman, Robert Goodall and Karine MacIndoe (Chair), each of whom is an Independent Director. The GP Board has determined that each of the members of the Audit Committee of the GP Board is "financially literate" and "independent" within the meaning of NI 52-110.

The relevant education and experience of each such Audit Committee of the GP Board members is described below under "– Relevant Education and Experience". The Audit Committee of the GP Board has also adopted a charter, a copy of which is attached as Schedule B to this AIF. See our most recent management information circular for a further description of the Audit Committee of the GP Board.

Relevant Education and Experience

Each member of the Audit Committee of the GP Board possesses considerable education and experience relevant to the performance of his or her responsibilities as a member of the Audit Committee of the GP Board.

Ms. Joanne Ferstman is a corporate director. Over an 18-year period and until her retirement in June 2012, Ms. Ferstman held a variety of executive positions with the Dundee Group of Companies. Most recently, Ms. Ferstman was the President and Chief Executive Officer of Dundee Capital Markets Inc., a full service investment dealer with principal businesses including investment banking, institutional sales and trading and private client financial advisory. Prior to January 31, 2011, Ms. Ferstman was Vice-Chair and Head of Capital Markets of DundeeWealth Inc., a diversified wealth management company. Prior to 2009, Ms. Ferstman was Executive Vice President and Chief Financial Officer of DundeeWealth Inc. and Executive Vice President, Chief Financial Officer and Corporate Secretary of Dundee Corporation. In these senior financial roles, Ms. Ferstman was actively involved in all corporate strategy, including acquisitions and financings, and was responsible for all public financial reporting. In addition, Ms. Ferstman regularly represented Dundee Corporation on investee company boards and audit committees across various sectors. Prior to joining the Dundee Group of Companies, Ms. Ferstman spent four years as Chief Financial Officer for a national securities firm and five years at a major international accounting firm. Ms. Ferstman earned a Bachelor of Commerce and a Graduate degree in Public Accountancy from McGill University and is a Chartered Professional Accountant. Ms. Ferstman also sits on the board of directors of Dream Unlimited Corp.

Mr. Amar Bhalla, Mr. Robert Goodall and Ms. Karine MacIndoe are also members of the Audit Committee of the Trust Board, whose experience is described above under "Audit Committee of the Trust Board – Relevant Education and Experience".

Governance, Compensation and Environmental Committee

The Governance, Compensation and Environmental Committee must be comprised of at least three Directors, all of whom must be Independent Directors. As at March 28, 2024, the Governance, Compensation and Environmental Committee is comprised of the following five Directors: Dr. Catherine Brownstein, Joanne Ferstman (Chair), Robert Goodall, Jennifer Koss and Karine MacIndoe, each of whom is an Independent Director.

Governance

It is the responsibility of the Governance, Compensation and Environmental Committee, in consultation with the Chair of the GP Board, to assess from time to time the size and composition of the GP Board and the committees of the GP Board; to review the effectiveness of the GP Board's operations and its relations with DAM; to organize an orientation program for new Directors, including the creation of a "Director Orientation Binder" to provide a comprehensive understanding of both the underlying principles governing Master LP's activities and the role of the GP Board, and an education program that is expected to include regular industry briefings, presentations by industry experts and attendance at industry events to ensure that the Directors maintain the skill and knowledge necessary to meet their obligations as Directors; to assess on not less than an annual basis the performance of the GP Board, the committees of the GP Board and individual Directors; to review from time to time Master LP's statement of corporate governance practices; and to review and recommend on an annual basis the compensation for the Directors.

The Governance, Compensation and Environmental Committee reviews the performance of the GP Board, the committees of the GP Board and the contribution of individual Directors on an annual basis. The GP Board has adopted a formal procedure for evaluating the performance of the GP Board, the committees of the GP Board and individual Directors, consisting of questionnaires, private interviews by the Chair of the Governance, Compensation and Environmental Committee with each Director, and a report from the Chair of the Governance, Compensation and Environmental Committee to the full GP Board.

The Governance, Compensation and Environmental Committee is responsible for reviewing the credentials of proposed nominees for election or appointment to the GP Board, and for recommending candidates for the GP Board membership. To do this, the Governance, Compensation and Environmental Committee together with the Chair of the GP Board regularly considers and meets with potential Director nominees to ensure outstanding candidates with the needed skills can be quickly identified to fill planned or unplanned vacancies. Candidates are assessed in relation to the criteria that is established by the GP Board to ensure that the GP Board has the appropriate mix of talent, quality, skills and other requirements necessary to promote sound governance and effectiveness of the GP Board. Nominees for election as Directors are proposed by the Governance, Compensation and Environmental Committee annually, or more frequently as the needs of the GP Board may require.

The Governance, Compensation and Environmental Committee of the GP Board reviews, at least once per year, the composition of the GP Board and its committees to ensure that committee membership complies with the relevant governance guidelines, that the workload for its Independent Directors is balanced, and that committee positions are rotated as appropriate. In doing so, the Governance, Compensation and Environmental Committee consults with the Chair of the GP Board and makes recommendations to the GP Board which appoints committee members.

Environmental

The Governance, Compensation and Environmental Committee is responsible for reviewing the environmental state of any real property investments owned directly or indirectly by Master LP, and for establishing policies and procedures to review and monitor the environmental exposure of Master LP.

Compensation

The Governance, Compensation and Environmental Committee is responsible for reviewing and making recommendations to the GP Board with respect to the compensation of Directors.

The Governance, Compensation and Environmental Committee reviews and recommends to the GP Board the terms upon which the Directors, the Chair of the GP Board, and the committee Chairs are compensated (including the level and nature of such compensation) to ensure that such compensation adequately reflects the responsibilities they are assuming.

See our most recent management information circular for a further description of the Governance, Compensation and Environmental Committee.

Management

The Trust does not have any executive officers. As at March 28, 2024, Michael Cooper and Meaghan Peloso were the Named Executive Officers of the Trust, by virtue of the duties they perform in respect of the Trust as an officer or employee of DAM, as the asset manager of the Trust. Certain details regarding Michael Cooper and Meaghan Peloso can be found above under “Trustee, Director and Named Executive Officer Information”.

The Trust has no employment agreements with its Named Executive Officers and does not pay any cash compensation to any Named Executive Officers, directly or indirectly. On a yearly basis, the Named Executive Officers are awarded deferred trust units. The Trust pays certain asset management and other fees to DAM pursuant to the Management Agreement. The Named Executive Officers receive cash compensation from DAM attributable to the services that such Named Executive Officers provide to the Trust. The Trust Board, on an annual basis, reviews the amount of this allocated compensation to assess how such amount compares to the amount the Trustees believe the Trust would be required to pay if it was required to employ directly individuals with comparable skills and industry and other experience to perform the services currently provided by such Named Executive Officers pursuant to the Management Agreement. As a result of the Trust’s arrangements with DAM, and because the Trust has no employees or executive officers, the Trust Board does not have a compensation committee. Instead, the Trust Board as a whole is responsible for compensation matters, to the extent applicable, including the granting of awards under the Deferred Unit Incentive Plan.

Cease Trade Orders, Bankruptcies, Penalties and Sanctions

Corporate Cease Trade Orders and Bankruptcies

None of the trustees of the Trust or the directors of Master GP are, as at the date of this AIF, or have been within the 10 years before the date of this AIF, a director, chief executive officer or chief financial officer of any company that (a) was subject to an order that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer, or (b) was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer. None of the trustees or directors of Master GP are, and to the best of the Trust’s knowledge, no unitholder holding a sufficient number of the Trust’s securities to affect materially the control of the Trust is, or have been within the 10 years before the date of this AIF, a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceeding, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets. For the purposes of this paragraph, “order” means a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, in each case, that was in effect for a period of more than 30 consecutive days.

Individual Bankruptcies

None of the trustees of the Trust or directors of Master GP, and to the best of the Trust's knowledge, no unitholder holding a sufficient number of the Trust's securities to affect materially the control of the Trust, have, within the 10 years prior to the date of this AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver-manager or trustee appointed to hold the assets of that individual.

Penalties or Sanctions

None of the trustees of the Trust or directors of Master GP, and to the best of the Trust's knowledge, no unitholder holding a sufficient number of the Trust's securities to affect materially the control of the Trust, have been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or have entered into a settlement agreement before a court relating to securities legislation or with a securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor making an investment decision.

Conflict of Interest Restrictions and Provisions

The Declaration of Trust contains "conflict of interest" provisions similar to those applicable to corporations under section 132 of the *Business Corporations Act* (Ontario) which serve to protect unitholders without creating undue limitations on us. Given that the Trustees and other representatives are engaged in a wide range of real estate and other business activities, the Declaration of Trust requires each of the Trustees and other specified representatives to disclose to us if he or she is a party to a material contract or transaction or proposed material contract or transaction with us or the fact that such Person is a director or officer of or otherwise has a material interest in any Person who is a party to a material contract or transaction or proposed material contract or transaction with us. Such disclosure is required to be made by a Trustee: (a) at the first meeting of the Trust Board or the applicable committee thereof, as the case may be, at which a proposed contract or transaction is first considered; (b) if the Trustee was not then interested in a proposed contract or transaction, at the first such meeting after a Trustee becomes so interested; (c) if the Trustee becomes interested after a contract is made or a transaction is entered into, at the first such meeting after the Trustee becomes so interested; and (d) at the first meeting after an interested party becomes a Trustee. Disclosure is required to be made by each other Person covered by the policy as soon as such individual becomes aware that a contract or transaction or proposed contract or transaction is to be, or has been, considered by the Trust Board or applicable committee thereof, as soon as such individual becomes aware of his or her interest in a contract or transaction. In the event that a material contract or transaction or proposed material contract or transaction is one that in the ordinary course would not require approval by the Trust Board or unitholders, that Trustee or other Person covered by the policy, as applicable, is required to disclose in writing to the Trust Board or applicable committee thereof or request to have entered into the minutes of the meeting of the Trust Board or applicable committee thereof the nature and extent of his or her interest forthwith after the Trustee or other Person covered by the policy, as applicable, becomes aware of the contract or transaction or proposed contract or transaction. In any case, a Trustee who has made disclosure to the foregoing effect is not entitled to vote on any resolution to approve the contract or transaction unless the contract or transaction is one relating primarily to his or her remuneration for serving as our Trustee or agent or one for indemnity under the indemnity provisions of the Declaration of Trust or the purchase of liability insurance. See "Risk Factors".

Trustees' Liability Insurance

We carry trustees' liability insurance with a total annual aggregate policy limit of \$40 million (comprised of a \$10 million primary policy and three \$10 million excess policies). The Trust also carries an

additional \$10 million of Side A difference in conditions (D.I.C.) coverage. Under this insurance coverage, the Trust will be reimbursed for payments made under indemnity provisions on behalf of Trustees contained in the Declaration of Trust, and pursuant to individual indemnity agreements between the Trust and each Trustee (the “**Indemnities**”) subject to a deductible payable by the Trust of \$50,000 for securities claims and indemnifiable losses. The Declaration of Trust and the Indemnities provide for the indemnification in certain circumstances of Trustees from and against liability and costs in respect of any action or suit against them in respect of the execution of their duties of office.

MANAGEMENT AND ADVISORY SERVICES AND CO-DEVELOPMENTS

Overview

We have entered into the following arrangements with respect to the management of our activities and affairs:

- (a) DAM provides us with management services and may provide us with certain administrative services pursuant to the Management Agreement;
- (b) we co-invest with DAM in various development projects in accordance with the terms of the Framework Agreement; and
- (c) DOMC also provides us with certain administrative and support services on a cost recovery basis pursuant to the Services Agreement.

Management Agreement

Asset Management Services

The asset manager of each of the Trust and Master LP (and any subsidiary of Master LP who agrees to be bound by the Management Agreement), is DAM, who is responsible for the overall management of our investments and advising the Trust Board and the GP Board on strategic matters, including acquisitions, dispositions, strategic planning, investment plan preparation, deal structuring and financing.

Pursuant to the Management Agreement, DAM provides management services to the Trust, including:

- (a) providing the services of senior executives to the Trust acting in capacities similar to those of a chief executive officer and chief financial officer, respectively;
- (b) making recommendations to the Trust Board with respect to the payment of distributions;
- (c) providing advice to the Trust Board in connection with the preparation of investment plans and annual budgets, the implementation of such plans and budgets and the monitoring of our financial performance;
- (d) advising and assisting the Trust with borrowings, issuances of securities and other capital requirements, including assistance in dealings with banks and other lenders, investment dealers, institutions and investors;
- (e) advising the Trust Board with respect to investor relations strategies and activities; and
- (f) advising the Trust Board with respect to regulatory compliance requirements, risk management policies and certain litigation matters.

Pursuant to the Management Agreement, DAM also provides management services to Master LP, including:

- (a) providing strategic advice, direction and oversight to Master LP and any entity in which Master LP holds, directly or indirectly, an equity interest and who is designated by Master LP to be bound by the Management Agreement with respect to the assets and business operations including, where required: (a) arranging for and overseeing property management, leasing, capital expenditure and development projects; and (b) assisting with governance, accounting, budgeting, planning and controls;
- (b) arranging for market studies in relevant markets, including leasing market research and analysis for Master LP and any entity in which Master LP holds, directly or indirectly, an equity interest and who is designated by Master LP to be bound by the Management Agreement;
- (c) To the extent that DAM does not act as development manager for the assets, oversee, on behalf of Master LP and any entity in which Master LP holds, directly or indirectly, an equity interest and who is designated by Master LP to be bound by the Management Agreement, the development or proposed development of assets including: (a) selecting and engaging best-in-class development managers, including customary due diligence on potential development partners; (b) coordinating with and overseeing development managers; (c) coordinating with development managers in connection with preparation of project budgets; (d) coordinating with development managers on project planning and required modifications to project plans from time to time; and (e) coordinating with development managers in connection with project financing;
- (d) assisting Master LP and any entity in which Master LP holds, directly or indirectly, an equity interest and who is designated by Master LP to be bound by the Management Agreement in developing and implementing strategies for improving operations, winding-up operations and facilitating sale of assets;
- (e) preparing valuation of assets and business models for Master LP and any entity in which Master LP holds, directly or indirectly, an equity interest and who is designated by Master LP to be bound by the Management Agreement;
- (f) providing the services of a senior management team to the GP Board to provide advisory, consultation and investment management services and to monitor financial performance;
- (g) advising the GP Board on strategic matters, including potential acquisitions, dispositions, financings and development of Master LP's assets;
- (h) identifying, evaluating, recommending and assisting the GP Board in the structuring of acquisition, disposition and other transactions involving assets or otherwise; provided that DAM will require the approval of the GP Board prior to engaging in any transaction that involves the acquisition (excluding the assumption of any Indebtedness) of assets or disposition (excluding any existing Indebtedness) of assets representing more than 5% of the Adjusted Partners' Equity in any calendar year;
- (i) advising and assisting Master LP with borrowings, issuances of securities and other capital requirements, including assisting in dealings with banks and other lenders, investment dealers, institutions and investors;
- (j) making recommendations to the GP Board with respect to the payment of distributions by Master LP to the Trust;
- (k) providing advice to the GP Board in connection with the preparation of investment plans and annual budgets, the implementation of such plans and budgets and the monitoring of Master LP's financial performance;

- (l) advising the GP Board with respect to investor relations strategies and activities; and
- (m) advising the GP Board with respect to regulatory compliance requirements, risk management policies and certain litigation matters.

Management Services Fees and Expenses

DAM is entitled to the following fees for its management services under the Management Agreement:

- base annual management fee, calculated and payable in cash on a monthly basis in arrears, equal to 1.00% per annum of Gross Asset Value of the total assets of Master LP under management. For purposes of this calculation, “**Gross Asset Value**” means: (w) the gross fair market value of the Initial Assets as of July 8, 2014 (i.e. the closing date of the Reorganization) (including all Indebtedness); plus (x) the gross cost of any asset (including an allocation of acquisition and/or transaction costs relating to such asset where IFRS Accounting Standards would otherwise require such costs to be expensed and all Indebtedness) acquired or originated by Master LP on the date of such acquisition or origination; plus (y) the gross amount invested in assets of Master LP following the acquisition of such assets; less (z) the gross amount previously included in the calculation of this fee in respect of any asset disposed of by or repaid to, in the case of a loan, Master LP;
- acquisition/origination fee equal to: (a) 0.40% of the principal amount of any loan originated by Master LP having an expected term of less than five years; (b) 1.00% of the principal amount of any loan originated by Master LP having an expected term of five years or more; and (c) 1.00% of the gross cost of any asset (including an allocation of acquisition and/or transaction costs relating to such asset where IFRS Accounting Standards would otherwise require such costs to be expensed and all Indebtedness) acquired or originated by Master LP represented by all other investments, assets or projects, provided that in connection with the acquisition of an asset that will be a development or redevelopment project for Master LP for which DAM earns a development management fee, any amounts invested in such asset following the acquisition of such asset shall not be included in the gross cost of such asset; and
- disposition fee equal to 0.25% of the gross sale proceeds of any asset (including all Indebtedness) sold by Master LP represented by loans, investments, assets or projects disposed of during the fiscal year, excluding the repayment of loans; provided that such disposition fee shall not be payable: (a) in connection with the disposition of an asset that was acquired within the 12 immediately preceding calendar months unless such disposition has been approved by a majority of the Independent Directors, provided, however, that such requirement for Independent Director approval shall not apply to the disposition of any part of the Initial Assets, and such disposition fee will be payable in connection with any such transaction; or (b) in connection with the disposition of individual loans having a term to maturity of 12 months or less, provided, however, that such disposition fee will be payable in connection with the disposition of a portfolio of loans notwithstanding that certain loans contained in such portfolio may have a term to maturity of 12 months or less.

Pursuant to the Management Agreement, DAM is to allocate the fees between Master LP and any entity in which Master LP holds, directly or indirectly, an equity interest and who is designated by Master LP to be bound by the Management Agreement based on DAM’s determination of the party that received its services. The fees payable by Master LP are to be reduced by the amount of fees that DAM charges any of the limited partnerships that is a Subsidiary of Master LP.

Effective April 1, 2019, as part of a strategic plan to narrow the gap between the trading price of the Trust’s Units and NAV while continuing to build underlying value of the business, we agreed to settle the asset management fees payable pursuant to the Management Agreement in Units of the Trust. The Trust

entered into an agreement (the “**Letter Agreement**”) dated April 22, 2019 with Master LP and DAM, providing that for the period from April 1, 2019 to December 31, 2020, the management fees payable to DAM pursuant to the Management Agreement would be satisfied by the delivery of up to 3,000,000 Units, valued at \$8.74 per Unit for purposes of determining the number of Units to be issued. The Letter Agreement and the issuance of units to DAM thereunder was approved by a majority of the Unitholders voting at a meeting on June 17, 2019 and by the TSX. DAM and its associates and affiliates did not vote on the resolution because of their interest in the transaction. For the year ended December 31, 2020, the Trust settled the management fee payable through the issuance of 1,108,424 Units.

On April 15, 2021, the Trust entered into a second letter agreement (the “**Second Letter Agreement**”) with Master LP and DAM, providing that for the period from January 1, 2021 to December 31, 2023, the management fees payable to DAM pursuant to the Management Agreement would be satisfied by the delivery of up to 5,000,000 Units, valued at the most recent year-end NAV per Unit for purposes of determining the number of Units to be issued. The Second Letter Agreement and the issuance of units to DAM thereunder was approved by a majority of the Unitholders on June 7, 2021 and by the TSX. DAM and its associates and affiliates did not vote on the resolution because of their interest in the transaction. For the year ended December 31, 2023, the Trust settled the management fee payable through the issuance of 447,712 Units. Subsequent to December 31, 2023, the Trust settled a portion of its management fee to DAM with the issuance of 73,000 Units. As of the date of this AIF, the Trust is currently in discussion with DAM, subject to unitholder approval, to extend the fee settlement arrangement effective January 1, 2024.

In addition to the aforementioned fees, we reimburse DAM for out-of-pocket costs and expenses incurred and third-party fees paid by DAM, in each case, in connection with all management services performed under the Management Agreement. In addition, we reimburse DAM for costs and expenses incurred (including a reasonable allocation for overhead) in providing administrative and support services pursuant to the Management Agreement.

Other Services, Fees and Expenses

DAM also provides services to us, such as administrative, legal and regulatory, tax advisory, internal audit and control, communications, risk management, process improvements and branding, as agreed from time to time, for which DAM is compensated for the reasonable costs and expenses of providing such services. In addition, DAM may provide certain services in connection with business transformation projects across the Dream Entities as agreed from time to time, the fees in respect of which would be shared by us and the other Dream Entities participating in such projects.

DAM also provides any additional services as may from time to time be agreed to in writing by DAM, the Trust and Master LP (and any subsidiary of Master LP who agrees to be bound by the Management Agreement), for which DAM is compensated: (a) for the reasonable costs and expenses including out-of-pocket expenses incurred in providing such services if they are administrative in nature; or (b) on market terms agreed by the parties and approved by the Independent Directors or Trustees (as applicable) for additional advisory services or for other services not contemplated by the Management Agreement in connection with an investment by Master LP in any development or other project undertaken by DAM, or in connection with a request by Master LP in writing that DAM undertake such a project on its behalf.

Administrative Services under the Management Agreement

Pursuant to the Management Agreement, DAM provides certain administrative services to us (and any subsidiary of Master LP who agrees to be bound by the Management Agreement), including: the preparation of budgets, financial forecasts, valuations and leasing analysis and amounts outstanding with respect to all receipts, disbursements and investments; the keeping and maintaining of all books and records; the preparation of regulatory filings, including our annual information forms, management information circulars, insider trading reports, financial statements, management’s discussion and analysis,

business acquisition reports and press releases; the preparation of financing documents, such as prospectuses; investor relations services, including the preparation of annual and quarterly reports, investor presentations and marketing materials; the holding of annual and/or special meetings and the preparation of, and arrangement for, the distribution of all materials (including notices of meetings and information circulars); the preparation of reports and other disclosure documents for the Trust Board and unitholders; ensuring compliance by us with all applicable laws and stock exchange rules, including continuous disclosure obligations; the preparation of returns, designations, allocations, elections and determinations to be made in connection with our income and capital gains for tax and accounting purposes; the preparation of operational reporting, such as cash flow by property and by asset types; and the preparation of executive summaries by asset type outlining asset issues along with various other matters and development reporting costs; and, subject to applicable law, the execution of any of the foregoing where reasonably required by us or where required by applicable law.

We pay DAM an annual fee sufficient to reimburse it for the reasonable costs and expenses, including out-of-pocket expenses, incurred in providing such administrative services under the Management Agreement. Such costs and expenses do not include a profit component for DAM but do include all costs of DAM relating to making available its employees to provide such services, together with the reasonable costs incurred by DAM for office space, computer services, and accounting and other services that are reasonably allocated by DAM as costs for support of any of DAM's employees that are required to provide such services. Where such costs and expenses may reasonably be attributed partly to the provision of services under the Management Agreement and partly to another activity of DAM, the Management Agreement provides that DAM will allocate to us only that portion of such cost or expense as may reasonably be attributed to the provision of the services to be provided pursuant to the Management Agreement. Such costs and expenses are not subject to a cap, but the Management Agreement provides that we may request and approve an annual budget with respect to such costs and expenses, and it includes a dispute resolution mechanism in the event of any disagreement between us and DAM over the costs incurred in the preceding year.

Non-Competition Covenant and Trust Investment Opportunities

The Management Agreement prohibits DAM and its Subsidiaries (other than Master GP) from investing on its own behalf, directly or indirectly, in: (a) a development loan to a third party; (b) a real estate loan, or (c) a real estate development not managed by DAM, unless such opportunity has first been offered to us by a notice in writing advising us of such opportunity. Notwithstanding the foregoing, DAM and its Subsidiaries are not restricted from making, and have no obligation to offer to us, any of the following investments: (x) any investment relating to DAM's lines of business as of July 8, 2014 (i.e., the closing date of the Reorganization), or which is required to be presented for consideration as an investment in accordance with the terms of an agreement with an existing client of DAM as of July 8, 2014 (i.e. the closing date of the Reorganization) or in respect of which DAM is the developer of such investment, including vacant land, master planned communities, single residential and multi-residential housing developments, condominium developments, commercial properties and retail developments; (y) any investment in any property used by DAM; or (z) any investment that results from the realization of a loan secured by the applicable investment by DAM or a Subsidiary of DAM.

The Management Agreement also provides that DAM will provide us with: (a) advice with respect to investments in income properties, subject to DAM's fiduciary and other obligations to its other clients; and (b) the opportunity to invest, on market terms, in any real property or project not otherwise subject to the right of first offer under the Management Agreement for which DAM is seeking external capital, subject to applicable laws relating to related party transactions and, to the extent required, to the prior approval of the board of directors of DAM. For the avoidance of doubt, nothing in the Management Agreement prohibits DAM or any of its clients from co-investing in any opportunities identified by DAM with our agreement and, if we elect not to invest in any opportunity presented to us by DAM, DAM will not be restricted in offering it to other investors.

Term and Termination

The term of the Management Agreement commenced on July 8, 2014 (i.e., the closing date of the Reorganization) and will continue until it is terminated in accordance with its terms. DAM may terminate the Management Agreement: (a) with 180 days' prior written notice of termination to Master LP and the Trust if Master LP and/or the Trust defaults in the performance or observance of any material term, condition or agreement of the Management Agreement in a manner that results in material harm to DAM and such default continues unremedied for a period of 60 days after notice is given by DAM to the Trust or Master LP, as the case may be; or (b) at any time if the Trust or Master LP makes a general assignment for the benefit of its creditors, institutes proceedings to be adjudicated voluntarily bankrupt, consents to the filing of a petition of bankruptcy or other similar proceedings.

Master LP has the right to terminate the Management Agreement for "fault" where: (a) DAM defaults in the performance or observance of any material term, condition or covenant contained in the Management Agreement in a manner that results in material harm to Master LP and the default continues unremedied for a period of 60 days after written notice of the breach is given to DAM by Master LP; (b) DAM engages in any act of fraud, misappropriation of funds or embezzlement against Master LP and such act results in material harm to Master LP; (c) DAM is grossly negligent in the performance of its duties under the Management Agreement and such gross negligence results in material harm to Master LP; or (d) certain events relating to the bankruptcy or insolvency of DAM occur. The Management Agreement may not be terminated by Master LP for any other reason, including if DAM, either directly or indirectly, undergoes a change of control, and the Management Agreement may not be terminated by Master LP due solely to the poor performance or the underperformance of Master LP's operations or any investment made by Master LP. Any termination of the Management Agreement by Master LP must be by the general partner of Master LP on behalf of Master LP, but only with the prior approval of the Trust, which approval will require the unanimous approval of the Trust Board.

The Trust has the right to terminate the Management Agreement solely in respect of the rights and obligations of the Trust (and, for the avoidance of doubt, not in respect of the rights or obligations of Master LP) at any time effective upon 60 days' prior written notice of termination to DAM and Master LP without payment of any termination fee.

Framework Agreement

Effective January 1, 2018, the Trust, Master LP and DAM entered into a framework agreement (the "**Framework Agreement**") that sets out the principal terms upon which DAM and Master LP have the right to work together (with or without additional parties) for the purpose of co-developing, owning, operating, leasing and/or selling or otherwise monetizing certain development properties ("**Co-Development Projects**") that may be identified by DAM from time to time and approved by Master LP and to undertake certain activities in connection with such properties, with a view to maximizing the value of such properties for Dream Impact and DAM.

Under the terms of the Framework Agreement, DAM identifies potential opportunities for Dream Impact and DAM to jointly invest in Co-Development Projects which meet the investment criteria of Dream Impact from time to time. Co-Development Projects may include properties owned by third parties or existing properties that are owned by DAM. If a Co-Development Project is approved by Dream Impact, the Framework Agreement sets out the parties' intention with respect to structuring and governance of potential Co-Development Projects. It is expected that each Co-Development Project would be held through a separate holding structure with Dream Impact's equity interest ranging between 50% to 100% and DAM's interest ranging between 0% to 50%.

In connection with each Co-Development Project, DAM will act as the developer. On a project by project basis, the development fee that the Trust will pay to DAM in respect of projects exclusive to the Trust and DAM will be equal to 3.75% of total net revenues of the development investment projects. For projects

involving third parties, the development fee will be negotiated on a case by case basis with the parties involved. For rental properties, the development fee is expected to be based on the fair value of the project at substantial completion rather than net revenues. The commencement of such fees will vary depending on certain milestones being met, such as construction or sales commencement. DAM shall also provide customary accounting, corporate and back-office related services for the Co-Development Projects at no further charge.

The Framework Agreement may be terminated by DAM or Master LP upon 60 days prior written notice to the other party.

Services Agreement

Pursuant to the Services Agreement, DOMC may provide us with certain administrative and support services, including: providing office space, office equipment and communications services and computer systems; providing secretarial support personnel and reception and telephone answering services; installing and maintaining signage and promotional materials; and providing such other administrative services as may be reasonably required from time to time.

We pay DOMC an annual fee sufficient to reimburse it for reasonable costs and expenses, including out-of-pocket expenses, incurred in providing such administrative and support services or any business transformation project. Such costs and expenses are not subject to a cap, but the Services Agreement provides that we may request and approve an annual budget with respect to such costs and expenses and it includes a dispute resolution mechanism in the event of any disagreement between us and DOMC over the costs incurred in the preceding year. Such costs and expenses are allocated to us (where applicable) in a manner substantially similar to the allocation of overhead for the administrative services provided by DAM under the Management Agreement.

The term of the Services Agreement commenced on July 8, 2014 (i.e., the closing date of the Reorganization) for one year and will be automatically renewed for further one-year terms. Notwithstanding the foregoing, the Services Agreement or any of the services thereunder may be terminated by us at any time during the term upon 30 days' prior notice without payment of any termination fees to DOMC. DOMC has the right to terminate the Services Agreement with 12 months' notice after the expiration of the initial one-year term.

The Services Agreement contains an acknowledgement that DOMC and its Affiliates and associates may engage in other businesses that may be similar to or in competition with our affairs. In the event of a conflict, DOMC will provide us with notice of the conflict and we will be entitled to retain one or more third-parties to perform the administrative services to which the conflict relates and to deduct from the fees otherwise payable to DOMC under the Services Agreement the fees payable to such third-parties.

EMPLOYEES

The Trust currently does not have and does not expect to have any executive officers or employees. The Trust relies on DAM to provide any required services pursuant to the Management Agreement.

INVESTMENT GUIDELINES AND OPERATING POLICIES

Our investment and operating activities are limited because our operating business is carried out by Master LP. The investment guidelines governing our investments in real estate and other assets and the operating policies governing our investments are set out below.

Investment Guidelines of the Trust

Pursuant to the Declaration of Trust, our assets may be invested only in accordance with the following investment guidelines:

- (a) the Trust will only invest in units, notes and securities of Master LP, and amounts receivable in respect of such units, notes and securities, cash and similar deposits in a Canadian chartered bank or trust company and, subject to certain limitations summarized in paragraph (b) below, such other investments as the Trustees deem advisable from time to time; and
- (b) the Trust will not make any investment that would result in:
 - (i) the Units being disqualified for investment by Plans;
 - (ii) the Trust being liable under the Tax Act to pay a tax imposed under Part XII.2 of the Tax Act; or
 - (iii) the Trust ceasing to qualify as a “mutual fund trust” for purposes of the Tax Act.

The Declaration of Trust provides that the investment guidelines set forth above may only be amended with the approval of at least 66⅔% of the votes cast at a meeting of Unitholders called for that purpose except for certain amendments that may be undertaken by the Trust Board pursuant to the Declaration of Trust.

Investment Guidelines of Master LP

The DILP Limited Partnership Agreement provides for certain restrictions on investments which may be made by or on behalf of Master LP. These investment guidelines are set out below.

- (a) notwithstanding any of the other guidelines set out below, Master LP will not make or permit any of its Subsidiaries to make, and Subsidiaries of Master LP will not make, any investment that would result in:
 - (i) the Units being disqualified for investment by Plans; or
 - (ii) the Trust ceasing to qualify as a “mutual fund trust” for purposes of the Tax Act;
- (b) subject to paragraph (d) below, Master LP will focus its investment activities and those of its Subsidiaries on investments relating to real estate and real estate lending;
- (c) Master LP will not invest, or permit its Subsidiaries to invest, an aggregate amount (such amount being the purchase price of such asset less the amount of any indebtedness assumed or incurred by Master LP or its Subsidiaries and secured by a mortgage on such asset) equal to more than 20% of the Adjusted Partners’ Equity in any one investment or asset, provided that the foregoing limitation shall only be applied to the ultimate investment or asset, and not to the investment in any Person holding such investment or asset; and
- (d) Master LP and its Subsidiaries may invest an aggregate amount of up to 25% of the Adjusted Partners’ Equity in investments, assets or transactions which do not otherwise comply with paragraph (b) above, so long as the investment, asset or transaction does not contravene paragraph (a) above.

For the purpose of the foregoing restrictions, the assets, liabilities and transactions of a corporation, trust, partnership or other entity in which we have an interest will be deemed to be those of Master LP on a proportionate consolidated basis. In addition, any references in the foregoing to an investment in real property will be deemed to include an investment in a joint venture arrangement that holds real property.

Pursuant to the DILP Limited Partnership Agreement, no amendment to the investment guidelines set forth above or operating policies set forth below under “Operating Policies of Master LP” or any other material change to such agreement may be made without the approval of 66 $\frac{2}{3}$ % of the votes cast by the limited partner(s) entitled to vote at a meeting called for such purpose or the written approval of holders holding not less than 66 $\frac{2}{3}$ % of the outstanding limited partnership units entitled to vote. The Declaration of Trust provides that the Trust will not agree to or approve any material change to the DILP Limited Partnership Agreement (including, for the avoidance of doubt, any amendment to Master LP’s investment guidelines or operating policies) without the approval of at least 66 $\frac{2}{3}$ % of the votes cast at a meeting of unitholders called for such purpose.

Operating Policies of the Trust

The Declaration of Trust and other documents governing us provide that our operations and affairs must be conducted in accordance with the following operating policies:

- (a)
 - (i) any written instrument creating an obligation which is or includes the granting by the Trust of a mortgage; or
 - (ii) to the extent the members of the Trust Board determine to be practicable and consistent with their fiduciary duty to act in the best interests of the Trust and its unitholders, any written instrument which in the judgment of our Trustees creates a material obligation;

must, in each case, contain a provision or be subject to an acknowledgement to the effect that the obligation being created is not personally binding upon, and that resort will not be had to, nor will recourse or satisfaction be sought from the private property of any of the Trustees, unitholders, annuitants or beneficiaries under a plan of which a unitholder acts as a trustee or carrier or officers, employees or agents of the Trust, but that only property of ours or a specific portion thereof will be bound; and
- (b) the Trust will not directly guarantee the obligations of Master LP or any of its Subsidiaries where such guarantee would cause the Trust to cease to qualify as a “mutual fund trust” for the purposes of the Tax Act.

The Declaration of Trust provides that the operating policies set forth above may only be amended with the approval of a majority of the votes cast at a meeting of unitholders called for that purpose.

Operating Policies of Master LP

The DILP Limited Partnership Agreement provides that the operations and affairs of Master LP must be conducted in accordance with the following operating policies and that Master LP will not permit any Subsidiary to conduct its operations and affairs other than in accordance with the following operating policies:

- (a) Master LP will not directly or indirectly guarantee any indebtedness or liabilities of any of its Subsidiaries or any other Person if doing so would contravene paragraph (a) of the investment guidelines of Master LP as set forth above under “Investment Guidelines of Master LP”;

- (b) Master LP may engage in construction or development of real property provided such real property meets our investment guidelines and operating policies;
- (c) title to each real property shall be held by and registered in the name of Master LP, Master GP or a corporation or other entity wholly-owned, directly or indirectly, by a Subsidiary of Master LP or jointly-owned, directly or indirectly, by a Subsidiary of Master LP with joint venturers; provided that where land tenure will not provide fee simple title, Master LP, Master GP or a corporation or other entity wholly-owned, directly or indirectly, by Master LP or jointly-owned, directly or indirectly, by Master LP with joint venturers will hold a land lease as appropriate under the land tenure system in the relevant jurisdiction;
- (d) for real properties acquired or real estate lending made, Master LP will have conducted or reviewed such diligence as is commercially reasonable in the circumstance on each real property it intends to acquire or finance with respect to the physical condition thereof, including required capital replacement programs;
- (e) Master LP or its Subsidiaries will obtain and maintain at all times insurance coverage in respect of potential liabilities of Master LP and its Subsidiaries and the accidental loss of value of the assets of Master LP or its Subsidiaries from risks, in amounts, with such insurers, and on such terms as the GP Board considers appropriate, taking into account all relevant factors including the practices of owners of comparable properties; and
- (f) for real properties acquired or real estate lending made, Master LP will have conducted or reviewed a phase I environmental site assessment of each real property to be acquired or financed by it and, if the phase I environmental site assessment report recommends that further environmental site assessments be conducted, Master LP shall have conducted such further environmental site assessments, in each case by an independent and experienced environmental consultant; such site assessment as a condition to any acquisition shall be satisfactory to Master GP.

For the purpose of the foregoing operating policies, the assets, liabilities and transactions of a corporation, trust, partnership or other entity in which we have an interest will be deemed to be those of Master LP on a proportionate consolidated basis. In addition, any references in the foregoing to investment in property will be deemed to include an investment in a joint venture arrangement.

DISTRIBUTION POLICY OF THE TRUST

The following outlines the distribution policy of the Trust as contained in the Declaration of Trust, but is not intended to be a complete description. You should refer to the Declaration of Trust, a copy of which has been filed on SEDAR+, for the full text of the distribution policy. The Trust's distribution policy may be amended only with the approval of a majority of the votes cast at a meeting of unitholders.

General

From August 2014 to January 2023 (paid on February 15, 2023), our cash distribution rate was \$0.13332 per Unit per month. From February 2023 to May 2023 (paid on June 15, 2023), our cash distribution rate was \$0.05333 per Unit per month (taking into account the Unit Consolidation). From June 2023 to January 2024 (paid on February 15, 2024), our cash distribution rate was \$0.05333 per Unit per month. On February 12, 2024, we announced the suspension of the Trust's monthly distributions. See "Recent Developments – Distribution Policy and DRIP".

Distributions made by us were authorized by the Trustees in their sole discretion out of funds legally available for distribution to Unitholders and were dependent upon the receipt of distributions from Master LP as well as a number of other factors, including restrictions under applicable law and other factors

described below. We believe that our estimate of cash flows constituted a reasonable basis for setting our distribution rate; however, we cannot assure you that the estimate will prove accurate, and actual distributions, if any, may therefore be significantly different from the expected distributions.

We cannot assure you that any estimated distributions will be made or sustained. Any distributions we pay in the future will depend upon our actual results of operations, economic conditions, debt service requirements and other factors that could differ materially from our expectations. Our actual results of operations will be affected by a number of factors, including the revenue we receive from our properties, our operating expenses, interest expense, the ability of our tenants to meet their obligations and unanticipated expenditures. For more information regarding risk factors that could materially adversely affect our actual results of operations, please see “Risk Factors”.

Distributions in respect of a month were paid on or about each Distribution Date to Unitholders of record as at the close of business on the corresponding Distribution Record Date. This means that the distribution for any month was generally paid to Unitholders of record at the close of business on the last Business Day of the month on or about the 15th day of the following month. Notwithstanding the foregoing, the Trustees have the right to determine a record date that is other than the last Business Day of each month. Special Trust Units do not have any entitlement with respect to distributions of the Trust.

Where the Trustees determines that we do not have available cash in an amount sufficient to make payment of the full amount of any distribution which has been declared to be payable on the due date for such payment, the payment may, at the option of the Trustees, include the issuance of additional Units, as the case may be, or fractions of such Units, as the case may be, if necessary, having a fair market value as determined by the Trustees equal to the difference between the amount of such distribution and the amount of cash which has been determined by the Trustees to be available for the payment of such distribution in the case of the Units. Immediately after any such *pro rata* distribution of additional Units to Unitholders, the number of outstanding Units will automatically be consolidated such that each of such holders will hold after the consolidation the same number of Units as such holder held before the distribution of additional Units. Each Unit certificate representing the number of Units prior to the distribution of additional Units will be deemed to represent the same number of Units after the non-cash distribution of additional Units and the consolidation.

Notwithstanding the foregoing, where tax is required to be withheld from a Unitholder’s share of the distribution, the consolidation will result in such Unitholder holding that number of Units equal to: (a) the number of Units held by such Unitholder prior to the distribution plus the number of Units received by such Unitholder in connection with the distribution (net of the number of whole and part Units withheld on account of withholding taxes) multiplied by (b) the fraction obtained by dividing the aggregate number of Units outstanding prior to the distribution by the aggregate number of Units that would be outstanding following the distribution and before the consolidation if no withholding tax was required in respect of any part of the distribution payable to any Unitholder. Such Unitholder will be required to surrender the Unit certificates, if any, representing such Unitholder’s original Units, in exchange for a Unit certificate representing such Unitholder’s post-consolidation Units.

DRIP

During 2023, we had a DRIP entitling Unitholders to reinvest all cash distributions made by the Trust in additional Units. As discussed under “Recent Developments – Distribution Policy and DRIP”, on February 12, 2024, we announced the suspension of our DRIP in conjunction with the suspension of the monthly distributions.

The Trust Board intends to review the distribution policy of the Trust over time.

DECLARATION OF TRUST AND DESCRIPTION OF TRUST UNITS

The Trust is governed by the Declaration of Trust and, unless earlier terminated in accordance with the Declaration of Trust, it shall continue in full force and effect so long as any property of the Trust is held by the Trustees. Unitholders have all of the material protections, rights and remedies a shareholder would have under the CBCA, except for (i) the right to dissent and be paid the fair value of its Trust Units that would be available if the Trust were a corporation governed by the CBCA and the Trust were to effect certain transactions, including amending its constating documents to add, change or remove any provisions restricting or constraining the issue, transfer or ownership of shares or to add, change or remove any restriction on the activities that the Trust may carry on; selling, leasing or exchanging all or substantially all its property; or carrying out a going-private transaction or squeeze-out transaction (as such terms are defined in the CBCA or the regulations thereunder); (ii) the right to apply to a court to order the liquidation or dissolution of the Trust; and (iii) the ability to bring “oppression” or “derivative” actions. The protections, rights and remedies available to a unitholder are contained in the Declaration of Trust. The following is a summary, which does not purport to be complete, of certain terms of the Declaration of Trust and the Trust Units. You should refer to the Declaration of Trust, a copy of which has been filed on SEDAR+, for the full text of its provisions and a complete description of the Trust Units.

The Declaration of Trust authorizes the issuance of an unlimited number of two classes of Trust Units: Units and Special Trust Units. Trust Units shall be issued only as fully paid and non-assessable. Each Trust Unit, when issued, shall vest indefeasibly in the holder thereof. As at December 31, 2023, there were 17,571,967 Units and no Special Trust Units issued and outstanding.

Issued and outstanding Units may be subdivided or consolidated from time to time by the Trust Board with the approval of a majority of unitholders entitled to vote. Unitholder approval will not be required for an automatic consolidation as described under “Distribution Policy of the Trust - General”.

No certificates are issued for fractional Trust Units and such fractional Trust Units do not entitle the holders thereof to vote, except to the extent such fractional Trust Units represent in the aggregate one or more whole Trust Units.

The *Trust Beneficiaries’ Liabilities Act, 2004* (Ontario) provides that holders of units of a trust are not, as beneficiaries, liable for any act, default, obligation or liability of the trust if, when the act or default occurs or the liability arises: (a) the trust is a reporting issuer under the *Securities Act* (Ontario); and (b) the trust is governed by the laws of the Province of Ontario. The Trust is a reporting issuer under the *Securities Act* (Ontario) and is governed by the laws of the Province of Ontario by virtue of the provisions of the Declaration of Trust.

Units

Each Unit represents an undivided beneficial interest in the Trust and in distributions made by the Trust, whether of net income, net realized capital gains or other amounts and, in the event of the termination or winding-up of the Trust, in its net assets remaining after the satisfaction of all its liabilities. The Units rank among themselves equally and rateably without discrimination, preference or priority. The distribution entitlement of the Units is derived from the securities held by the Trust.

Each Unit entitles the holder thereof to one vote at all meetings of unitholders.

The Units are not “deposits” within the meaning of the *Canada Deposit Insurance Corporation Act* and are not insured under the provisions of such act or any other legislation. Furthermore, we are not a trust company and, accordingly, we are not registered under any trust and loan company legislation as we do not carry on nor intend to carry on the business of a trust company.

Special Trust Units

The Special Trust Units may only be issued in connection with the issuance of securities exchangeable for Units, including LP B Units, and will be used to provide voting rights with respect to the Trust to Persons holding such exchangeable securities. Holders of Special Trust Units are not entitled to any share of or interest in the net assets of the Trust. The Special Trust Units are not transferable separately from the exchangeable securities to which they relate. Upon any transfer of any exchangeable securities, the corresponding Special Trust Units will automatically be transferred to the transferee of such exchangeable securities. The Special Trust Units may only be transferred to permitted transferees of Special Trust Units. In addition, as exchangeable securities are exchanged by a holder, the corresponding Special Trust Units will be automatically cancelled. Special Trust Units do not have any entitlement with respect to distributions of the Trust. Each Special Trust Unit entitles the holder thereof to one vote at all meetings of unitholders.

Preferred Units

Preferred Units may from time to time be created and issued by the Trust Board by executing an amendment to the Declaration of Trust containing a description of such Preferred Units. Only after Preferred Units of a class have been created pursuant to the execution of such an amendment will such class become a class of Trust Units under the Declaration of Trust.

The Preferred Units may from time to time be created and issued in one or more classes (each of which may be comprised of unlimited series), and the Trust Board may fix from time to time before such issuance the number of Preferred Units which is to comprise each class and series and the designation, rights, privileges, restrictions and conditions attaching to each class and series of Preferred Units including, without limiting the generality of the foregoing, any voting rights, the rate or amount of distributions (which may be cumulative or non-cumulative and variable or fixed) or the method of calculating distributions, the dates of payment thereof, the terms and conditions of redemption, purchase and conversion, if any, any rights on the liquidation, dissolution or winding-up of the Trust, and any sinking fund or other provisions.

The Preferred Units of each class and series shall, with respect to the payment of distributions (other than distributions paid solely through the distribution of additional Units or Special Trust Units) and the distribution of assets of the Trust or return of capital in the event of liquidation, dissolution or winding-up of the Trust, whether voluntary or involuntary, or any other return of capital or distribution of assets of the Trust among its Unitholders for the purpose of winding-up its affairs, be entitled to preference over the Units and Special Trust Units ranking by their terms junior to the Preferred Units. The Preferred Units of any series may also be given such other preferences, not inconsistent with the Declaration of Trust, over the Units ranking by their terms junior to the Preferred Units.

If any cumulative distributions or amounts payable on the return of capital in respect of a class or series of Preferred Units are not paid in full, all classes and series of Preferred Units of equal ranking shall participate rateably in respect of accumulated distributions and return of capital, based on the accumulated distributions and return of capital of a class and series of Preferred Units as a proportion of the accumulated distributions and return of capital of all classes and series of Preferred Units of equal ranking.

We have no present intention of issuing Preferred Units, but wish to have the flexibility to do so in the future as a means of seeking an alternate source of equity financing. We will not create or issue Preferred Units for anti-take-over purposes.

Issuance of Trust Units

We may allot and issue new Trust Units from time to time as the Trust Board determines, including for cash, through public offerings, through rights offerings to existing unitholders (i.e. in which unitholders receive rights to subscribe for new Trust Units in proportion to their existing holdings of Trust Units, which rights may be exercised or sold to other investors) or through private placements (i.e. offerings to specific investors which are not made generally available to the public or existing unitholders). In certain instances, we may issue new Trust Units as consideration for, or in connection with, the acquisition of new properties or assets. The price or the value of the consideration for which new Trust Units may be issued will be determined by the Trust Board in its sole discretion. Trust Units are generally issued in consultation with investment dealers or brokers who may act as underwriters or agents in connection with offerings of Units.

Purchase of Units

We may from time to time purchase for cancellation Units at a price per Unit and on a basis determined by the Trustees in accordance with applicable securities legislation and the rules and policies of any applicable stock exchange.

Unit Redemption Right

Units are redeemable at any time on demand by the holders thereof by sending a notice to the Trust at our head office in a form approved by the Trustees or their delegates and completed and executed in a manner satisfactory to the Trust Board, who may require supporting documentation as to identity, capacity or authority. A Unitholder not otherwise holding a fully registered Unit certificate who wishes to exercise the redemption right will be required to obtain a redemption notice from his or her investment dealer or other intermediary who will be required to deliver the completed redemption form to the Trust. Upon receipt by us of a written redemption notice and other documents that may be required, all in a manner satisfactory to the Trustees or their delegates, a Unitholder shall cease to have any rights with respect to the tendered Units, including any right to receive any distributions thereon which are declared payable after receipt of the redemption notice by us, and the holder thereof shall be entitled to receive a price per Unit (the “**Redemption Price**”) equal to the lesser of:

- (a) 90% of the “market price” of the Units on the principal exchange or market on which the Units are quoted for trading on the trading day prior to the day on which the Units were surrendered to the Trust for redemption (the “**Redemption Date**”); and
- (b) 100% of the “closing market price” of the Units on the principal exchange or market on which the Units are quoted for trading on the Redemption Date.

For the purposes of this calculation, the “market price” in respect of Units shall be an amount equal to the weighted average closing price of the Units on the principal exchange or market on which the Units are listed or quoted for trading during the period of 20 consecutive trading days ending on such date; provided that if the applicable exchange or market does not provide a closing price, but only provides the highest and lowest prices of the Units traded on a particular day, the “market price” as at a specified date will be an amount equal to the weighted average of the highest and lowest prices of the Units on the principal exchange or market on which the Units are listed or quoted for trading during the period of 20 consecutive trading days ending on such date; and provided further that if there was trading on the applicable exchange or market for fewer than five of the 20 trading days, the “market price” shall be an amount equal to the weighted average of the following prices established for each of the 20 trading days: (a) the weighted average of the last bid and last asking prices of the Units for each day on which there was no trading; (b) the closing price of the Units for each day on which there was trading if the exchange or market provides a closing price; and (c) the weighted average of the highest and lowest prices of Units

for each day that there was trading if the exchange or market provides only the highest and lowest prices of Units traded on a particular day.

The “closing market price” in respect of the Units as at a specified date will be: (a) an amount equal to the closing price of Units if there was a trade on the date and the exchange or market provides a closing price; (b) an amount equal to the weighted average of the highest and lowest prices of Units if there was trading and the exchange or other market does not provide a closing price but provides only the highest and lowest trading prices of Units traded on a particular day; or (c) the weighted average of the last bid and last asking price of Units if there was no trading on the date.

The aggregate Redemption Price payable by us in respect of any Units tendered for redemption during any calendar month will be satisfied by way of a cheque drawn on a Canadian chartered bank or a trust company in Canadian funds, payable no later than the last day of the calendar month following the month in which the Units were tendered for redemption, provided that the entitlement of Unitholders to receive cash upon the redemption of their Units is subject to the limitations that:

- (a) the total amount payable by us in respect of such Units and all other Units tendered for redemption in the same calendar month shall not exceed \$50,000, provided that the Trustees may, in their sole discretion, waive such limitation in respect of all Units tendered for redemption in any particular calendar month;
- (b) at the time such Units are tendered for redemption, the outstanding Units shall be listed for trading or quoted on a stock exchange or market which the Trustees consider, in its sole discretion, provides representative fair market value prices for the Units; or
- (c) the normal trading of outstanding Units is not suspended or halted on any stock exchange on which the Units are listed (or, if not listed on a stock exchange, on any market on which the Units of such series are quoted for trading) on the Redemption Date for the Units or for more than five trading days during the ten trading day period commencing immediately after the Redemption Date for the Units.

If a Unitholder is not entitled to receive cash upon the redemption of Units as a result of the foregoing limitations in paragraphs (b) and (c) above, then each Unit tendered for redemption shall, subject to obtaining all applicable regulatory approvals, be redeemed by way of a distribution *in specie* of Subsidiary Securities. The fair market value of such Subsidiary Securities would be equal to the product remainder of the Redemption Price per Unit payable by us and the number of Units tendered. However, no Subsidiary Securities with a fair market value of less than \$100 will be distributed and, where the fair market value of Subsidiary Securities to be received by the former Unitholder upon redemption *in specie* would otherwise include a Subsidiary Security with a fair market value of less than a multiple of \$100, such amount will be rounded down to the next lowest multiple of \$100 and the excess will be paid in cash.

If a Unitholder is not entitled to receive cash upon the redemption of Units as a result of the limitation in paragraph (a) above, the holder will receive a combination of cash and, subject to obtaining all applicable regulatory approvals, Subsidiary Securities, determined in accordance with the Declaration of Trust.

It is anticipated that the redemption right described above will not be the primary mechanism for Unitholders to dispose of their Units. Subsidiary Securities which may be distributed to Unitholders *in specie* in connection with a redemption will not be listed on any stock exchange, no market is expected to develop and such securities may be subject to an indefinite “hold period” or other resale restrictions under applicable securities laws. The Subsidiary Securities so distributed may not be qualified investments for Plans depending upon the circumstances at the time.

Meetings of Unitholders

The Declaration of Trust provides that meetings of unitholders must be called and held for, among other things, the election or removal of Trustees, the appointing or changing of our auditor, the approval of amendments to the Declaration of Trust (except as described below under “Amendments to the Declaration of Trust and Other Documents”), the sale of our assets as an entirety or substantially as an entirety (other than as part of an internal reorganization of our assets as approved by the Trust Board) and the termination of the Trust. Meetings of unitholders will be called and held annually, within 180 days after the end of the fiscal year of the Trust.

The Trustees have the power at any time to call special meetings of unitholders at such time and place in Canada as the Trustees determine. Unitholders holding in the aggregate not less than 5% of the outstanding Trust Units entitled to vote at such meeting (on a fully-exchanged basis) may requisition the Trustees in writing to call a special meeting of the unitholders and the Trustees shall, subject to certain limitations, call a meeting of unitholders. A requisition must state in reasonable detail the business proposed to be transacted at the meeting. Unitholders have the right to obtain a list of unitholders to the same extent and upon the same conditions as those which apply to shareholders of a corporation governed by the CBCA.

Unitholders may attend and vote at meetings of unitholders either in person or by proxy and a proxyholder need not be a unitholder. Two Persons present in person or represented by proxy and representing in the aggregate at least 10% of the votes attaching to all outstanding Trust Units (on a fully-diluted basis) shall constitute a quorum for the transaction of business at all such meetings. If no quorum is present at any meeting of unitholders when called, the meeting, if convened on the requisition of unitholders, will be dissolved, but in any other case will be adjourned for not less than 10 days, and at the adjourned meeting, the unitholders then present in person or represented by proxy will constitute the necessary quorum.

The Declaration of Trust contains provisions as to the notice required and other procedures with respect to the calling and holding of meetings of unitholders.

Book-Based System for Units

Units may be represented in the form of one or more fully registered unit certificates held by, or on behalf of, CDS, as custodian of such certificates for the participants of CDS, registered in the name of CDS or its nominee, and registration of ownership and transfers of such Units may be effected through the book-based system administered by CDS.

Limitation on Non-Resident Ownership

In order for the Trust to maintain its status as a “mutual fund trust” under the Tax Act, it must not be established or maintained primarily for the benefit of Non-Residents. Accordingly, the Declaration of Trust provides that at no time may Non-Residents be the beneficial owners of more than 49% of the Units or 49% of the Special Trust Units then outstanding. The Trust Board may require declarations as to the jurisdictions in which beneficial owners of Trust Units are resident or declarations from unitholders as to whether such Trust Units are held for the benefit of Non-Residents. We monitor ownership of Units which are held by Non-Residents by periodically obtaining and reviewing Unit ownership reports from our transfer agent or other service providers.

If the Trustees become aware that the beneficial owners of more than 49% of the Units or more than 49% of the Special Trust Units then outstanding are, or may be, Non-Residents or that such a situation is imminent, the Trustees may make a public announcement thereof and shall not accept a subscription for Trust Units from or issue or register a transfer of Trust Units to a Person unless the Person provides a declaration that he or she is not a Non-Resident and does not hold his or her Trust Units for the benefit of

a Non-Resident. If, notwithstanding the foregoing, the Trustees determine that more than 49% of the Units or more than 49% of the Special Trust Units then outstanding are held by or beneficially owned by Non-Residents, the Trustees may send a notice to Non-Resident Unitholders and unitholders for the benefit of Non-Residents, selected in inverse order to the order of acquisition or registration or in such other manner as the Trustees may consider equitable and practicable, requiring them to sell or redeem, within a specified period of not more than 60 days, all or a portion of their Trust Units. If the unitholders receiving such notice have not sold or redeemed the specified number of Trust Units or provided the Trustees with satisfactory evidence that they are not Non-Residents and do not hold their Trust Units for the benefit of a Non-Resident within such period, the Trustees may, on behalf of such unitholder, and shall have the power of attorney of such holder to, sell or redeem such Trust Units, and, in the interim, the voting and distribution rights attached to such Trust Units shall be suspended. Upon such sale or redemption, the affected holders shall cease to be holders of the Trust Units and their rights shall be limited to receiving the net proceeds of such sale upon surrender of the certificates representing such Trust Units.

Amendments to the Declaration of Trust and Other Documents

The Declaration of Trust may be amended or altered from time to time. Certain amendments (including the termination of the Trust) require approval by at least 66⅔% of the votes cast at a meeting of unitholders called for such purpose. Other amendments to the Declaration of Trust require approval by a majority of the votes cast at a meeting of unitholders called for such purpose.

The following amendments require the approval of at least 66⅔% of the votes cast by unitholders at a meeting called for that purpose:

- (a) any amendment to the Declaration of Trust (subject to the exceptions outlined in the Declaration of Trust);
- (b) the sale of the property or assets of the Trust as an entirety or substantially as an entirety (other than as part of an internal reorganization of the Trust's assets approved by the Trust Board);
- (c) the termination of the Trust by the unitholders;
- (d) an exchange, reclassification or cancellation of all or part of the Trust Units;
- (e) the addition, change or removal of the rights, privileges, restrictions or conditions attached to the Trust Units, including, without limiting the generality of the foregoing:
 - (i) the removal or change of rights to distributions attached to the Trust Units; or
 - (ii) the addition or removal of or change to conversion privileges, redemption privileges, voting, transfer or pre-emptive rights attached to the Trust Units;
- (f) the creation of new rights or privileges attaching to certain of the Trust Units;
- (g) any change to the existing constraints on the issue, transfer or ownership of the Trust Units; and
- (h) the combination, amalgamation, merger or arrangement of the Trust with any other entity.

A majority of the Trust Board may, without the approval of the unitholders, make certain amendments to the Declaration of Trust, including amendments:

- (a) to the extent deemed by the Trust Board in good faith to be necessary to remove any conflicts or other inconsistencies which may exist between any of the terms of the Declaration of Trust and the provisions of any applicable law;
- (b) which, in the opinion of the Trust Board, acting reasonably, are necessary to maintain the rights of the unitholders set out in the Declaration of Trust;
- (c) to the extent determined by the Trustees in good faith to be necessary to make any change or correction in the Declaration of Trust which is a typographical change or correction or which the Trustees have been advised by legal counsel is required for the purpose of curing any ambiguity or defect or inconsistent provision or clerical omission or mistake or manifest error contained therein;
- (d)
 - (i) to create and issue one or more new classes of Preferred Units (each of which may be comprised of unlimited series) that rank in priority to the Units (in payment of distributions and in connection with any termination or winding-up of the Trust); and/or
 - (ii) to remove the redemption right attaching to the Units and convert the Trust into a closed-end limited purpose trust, in each case at least 10 days following the issuance of a news release announcing such amendments;
- (e) for the purpose of ensuring continuing compliance with applicable laws (including the Tax Act), regulations, requirements or policies of any governmental authority having jurisdiction over: (i) the Trustees or the Trust; (ii) the status of the Trust as a “mutual fund trust” under the Tax Act; or (iii) the distribution of Units;
- (f) which are determined by the Trustees to be necessary or advisable to ensure that the Trust has not been established nor maintained primarily for the benefit of Persons who are not resident in Canada for purposes of the Tax Act; and
- (g) as otherwise deemed by the Trustees in good faith to be necessary or desirable.

Effect of Termination

The Trust will continue in full force and effect until such time as it is terminated by either the Trustees or unitholders. The Trust may be terminated by the vote of at least 66⅔% of the votes cast at a meeting of the unitholders called for that purpose. The unitholders shall participate *pro rata* in any remaining distributions by the Trust.

Take-Over Bids

The Declaration of Trust contains provisions to the effect that if a take-over bid, as defined under the *Securities Act* (Ontario), is made for the Units and, within 120 days after the date of such take-over bid, not less than 90% of the outstanding Units (including Units issuable upon the surrender or exchange of any securities for Units but not including any Units held at the date of the take-over bid by or on behalf of the Offeror or Affiliates and associates of the Offeror) have been or are legally required to be taken up and paid for by the Offeror, the Offeror will be entitled to acquire the Units held by the remaining unitholders who did not accept the take-over bid by requiring such unitholders to elect (a) to transfer their Units to the Offeror on the terms on which the Offeror acquired the Units of the offerees who accepted the take-over bid, or (b) to demand payment of the fair value of the Units.

Information and Reports

We will furnish to unitholders, in accordance with and subject to applicable securities legislation, our consolidated financial statements (including quarterly and annual consolidated financial statements) and

other reports as are from time to time required by applicable law, including forms needed for the completion of unitholders' tax returns under the Tax Act and equivalent provincial legislation.

Prior to each annual or any special meeting of unitholders, the Trust Board will provide unitholders (along with notice of such meeting) all such information as is required by applicable law and the Declaration of Trust to be provided to such holders.

DESCRIPTION OF MASTER LP

General

Master LP is a limited partnership formed under the laws of the Province of Ontario on April 28, 2014 and is governed by the DILP Limited Partnership Agreement. Master LP acquired, as part of the Reorganization, directly or indirectly, all of the Initial Assets. Master LP owns and carries out all activities in connection with or ancillary or incidental to the Trust's portfolio assets. The sole general partner of Master LP is Master GP, which is a wholly-owned Subsidiary of DAM, and the sole limited partner of Master LP is the Trust. The sole shareholder of Master GP elects the GP Board.

As at March 28, 2024, all of the outstanding LP A Units are held by the Trust and represent a 99.999% partnership interest. Master GP has an uncertificated 0.001% partnership interest in Master LP (the "**GP Interest**"). Master GP is authorized to create and issue LP B Units. The designations, rights, privileges, restrictions and other terms and conditions attaching to such LP B Units will be determined by Master GP at the time the applicable LP B Units are created and issued, provided that the LP B Units shall be exchangeable for Units, shall rank *pari passu* with the LP A Units, shall be entitled to a distribution per unit not greater than the distribution per unit on the LP A Units and the Units; and provided further that holders of LP B Units shall not be entitled to vote at any meeting of limited partners of Master LP except as specifically contemplated by the DILP Limited Partnership Agreement.

Operation

The business and affairs of Master LP are managed and controlled by Master GP and Master GP makes all decisions regarding the business and activities of Master LP, provided that Master GP is bound by the investment guidelines and operating policies applicable to Master LP. See "Investment Guidelines and Operating Policies".

Master LP reimburses Master GP for all expenses incurred by Master GP in the performance of its duties as general partner of Master LP.

The Trust, as limited partner, is not entitled to take part in the management or control of the business or affairs of Master LP in a manner that would jeopardize its status as a limited partner of Master LP and Master GP will operate and carry on the business of Master LP in a manner to ensure, to the greatest extent possible, the limited liability of the Trust as limited partner. However, the Trust may lose its limited liability in certain circumstances. If the limited liability of the Trust is lost by reason of the negligence of Master GP in performing its duties and obligations under the DILP Limited Partnership Agreement, Master GP will indemnify the Trust against all claims arising from assertions that its liabilities are not limited as intended by the DILP Limited Partnership Agreement. Master GP, however, is not expected to have any significant assets or financial resources other than its distribution entitlements from Master LP. Accordingly, this indemnity may only be of nominal value.

Distributions

The following outlines the distribution policy of Master LP as contained in the DILP Limited Partnership Agreement but is not intended to be a complete description. You should refer to the DILP Limited

Partnership Agreement, a copy of which has been filed on SEDAR+, for the full text of our distribution policy.

Master LP made monthly cash distributions to its partners within 15 days of the end of each month, such that distributions were received by the Trust prior to its monthly cash distribution to Unitholders. Master LP's distribution policy provides that the intention is to distribute from Master LP the amount of cash on hand that is not necessary to maintain the value of its assets or investments, implement the then-current approved investment plan or to otherwise fund its ongoing operations. Distributions to the Trust by Master LP are determined by the GP Board having regard to, among other things, the interest income, net rental income and other income earned on the assets held by Master LP, net of interest expense, general and administrative expenses, other corporate and servicing costs, taxes, provision for capital expenditures, working capital and reserves, and the management fees payable to DAM. These distributions are dependent upon a number of factors, including restrictions under applicable law, the actual results of operations and investments in assets held by Master LP, economic conditions, debt service requirements and other factors that could differ materially from our expectations. The actual results of operations of Master LP will be affected by a number of factors, including the revenue received by Master LP, its operating expenses, interest expense, the ability of its tenants and mortgagees to meet their respective obligations and the need to make unanticipated expenditures. See "Risk Factors".

Master GP, as sole holder of the GP Interest, receives distributions from Master LP equal to 0.001% of the distributions made by Master LP in a given month in priority to the distributions made to the holders of LP A Units (and holders of LP B Units, if any), who will receive the remaining 99.999% of the distributions made by Master LP in such month (the "**Remaining Distribution**"). Of the Remaining Distribution, Master LP will first make a distribution to the holder of the LP A Units in the amount required to account for all costs and expenses incurred directly by the Trust, as determined by Master GP, and the distributions for such costs and expenses will be made in priority to any distribution to holders of the LP A Units and LP B Units. Following such distribution, the remaining amount (if any) of the Remaining Distribution will be made to holders of LP A Units and LP B Units (if any have been issued) on a per unit basis. Distributions to be made on the LP B Units, if any have been issued, will be equal to the distributions that the holders of the LP B Units would have received if they were holding Units of the Trust instead of LP B Units.

Notwithstanding the distribution policy of Master LP, the GP Board retains full discretion with respect to the timing and amount of distributions made by Master LP. The payment of distributions by Master LP is therefore not guaranteed.

Allocation of Partnership Net Income

Partnership Net Income is allocated at the end of each fiscal year in the following manner:

- (a) first, an allocation of Partnership Net Income to Master GP, as holder of the GP Interest, generally equal to all amounts distributed to the holder of the GP Interest in the fiscal year; and
- (b) the balance, first as to an amount necessary to account for expenses incurred by the Trust as determined by Master GP and then any residual amount among the holders of the LP A Units and the LP B Units (if any have been issued) based on their proportionate share of distributions received or receivable for such fiscal year.

Transfer of DILP Units

The transfer of LP A Units is subject to a number of restrictions, including: (a) LP A Units may not be transferred to a Person or partnership who is a Non-Resident; (b) no partial LP A Units will be transferable; (c) no transfer of LP A Units will be accepted by Master GP if such transfer would cause

Master LP or any of its Subsidiaries to be liable for tax under subsection 197(2) or paragraph 122(1)(b) of the Tax Act; and (d) no transfer of LP A Units will be accepted by Master GP unless a transfer form, duly completed and signed by the registered holder of such LP A Units has been remitted to the registrar and transfer agent of Master LP, which may be Master GP or a trust company or other qualified corporation engaged by Master GP for such purpose. In addition, a transferee of LP A Units must provide to Master GP such other instruments and documents as Master GP may require, in appropriate form, completed and executed in a manner acceptable to Master GP. A transferee of an LP A Unit will not become a partner or be admitted to Master LP and will not be subject to the obligations and entitled to the rights of a partner under the DILP Limited Partnership Agreement until the foregoing conditions are satisfied and such transferee is recorded on Master LP's register of partners. The restrictions on the transfer of LP B Units, if any, will be determined by Master GP at the time such units are created and issued.

Amendments to the DILP Limited Partnership Agreement

Master GP may make amendments to the DILP Limited Partnership Agreement without the approval or consent of the limited partners to reflect, among other things: (a) a change in the name of Master LP or the location of the principal place of business or registered office of Master LP; (b) the admission, substitution, withdrawal or removal of limited partners in accordance with the DILP Limited Partnership Agreement; (c) a change that, as determined by Master GP, is reasonable and necessary or appropriate to qualify or continue the qualification of Master LP as a limited partnership in which the limited partners have limited liability under applicable laws; (d) a change that, as determined by Master GP, is reasonable and necessary or appropriate to enable Master LP to take advantage of, or not be detrimentally affected by, changes in the Tax Act or other taxation laws; or (e) a change to amend or add any provision, or to cure any ambiguity or to correct or supplement any provisions contained in the DILP Limited Partnership Agreement which may be defective or inconsistent with any other provision contained in the DILP Limited Partnership Agreement or which should be made to make the DILP Limited Partnership Agreement consistent with the disclosure set out in the final prospectus dated July 4, 2014 issued by the Trust in connection with its initial public offering. Except for the foregoing amendments, the DILP Limited Partnership Agreement may be amended only with the prior consent of the holders of at least 66⅔% of LP A Units voted on the amendment at a duly constituted meeting of holders of LP A Units or by a written resolution of partners holding more than 66⅔% of LP A Units entitled to vote at a duly constituted meeting of holders of LP A Units, provided that: (i) no amendment which would adversely affect the rights and obligations of Master GP, as a general partner, may be made without the consent of Master GP; and (ii) no amendment which would adversely affect the rights and obligations of any other holders of limited partnership units in Master LP or any class of limited partner differently than any other class of limited partner may be made without the consent of such holder or class.

Furthermore, the unanimous approval of the holders of LP A Units is required for certain amendments including: (a) changing the liability of any limited partner; (b) changing the right of a limited partner to vote at any meeting of holders DILP Units; and (c) changing Master LP from a limited partnership to a general partnership.

In addition, the Declaration of Trust provides that the Trust (which is currently the sole holder of LP A Units) will not agree to or approve any material amendment to the DILP Limited Partnership Agreement (including any amendment to the investment guidelines or operating policies of Master LP) without the approval of not less than two-thirds of the votes cast at a meeting of unitholders called for such purpose (or by written resolution in lieu thereof).

Removal of General Partner

The DILP Limited Partnership Agreement provides that Master GP will be deemed to resign as general partner upon: (a) ceasing to be a Canadian resident within the meaning of the Tax Act; (b) filing a voluntary petition for bankruptcy; (c) the appointment of a trustee, receiver or liquidator in respect of Master GP; (d) having entered against it an order for relief in a bankruptcy or insolvency proceeding

which is not stayed, vacated or dismissed within 120 days; (e) being involuntarily dissolved, liquidated or wound up; or (f) the commencement of any act or proceeding in connection with dissolution, liquidation or winding up, whether voluntary or involuntary, and which, if involuntary, is not contested in good faith by Master GP. Such deemed resignation shall not be effective until the earlier of the date of appointment of a new general partner by majority vote of the limited partners or 120 days after the occurrence of such event, except a deemed resignation arising as a result of (a), above, which shall be effective immediately before Master GP ceased to be a resident of Canada. Master GP is permitted to resign as general partner, or to transfer the GP Interest, only on 45 days' prior written notice to Master LP and the limited partners, provided that any resignation by Master GP will only be effective following the appointment of a replacement general partner.

Master GP may be removed and replaced with another Person as general partner of Master LP with the prior consent of the holders of at least 66⅔% of LP A Units voted on the amendment at a duly constituted meeting of holders of LP A Units or by a written resolution of partners holding more than 66⅔% of LP A Units entitled to vote at a duly constituted meeting of holders of LP A Units, as a result of Master GP's fraud, wilful misconduct, breach of its fiduciary duties or for wilful breach of the DILP Limited Partnership Agreement that, in each case, results in material harm to Master LP. The Declaration of Trust provides that the Trust will not request, agree to or approve any removal of Master GP without the approval of at least 66⅔% of the votes cast at a meeting of unitholders of the Trust called for such purpose.

RISK FACTORS

Risks inherent in an investment in Units include but are not limited to the following.

Liquidity risk

Our ability to meet our financial obligations as they become due represents our exposure to liquidity risk. Our principal liquidity needs arise from investments in developments and equity accounted investments, debt principal repayments, interest payments, costs of attracting and retaining tenants, recurring property maintenance and major property improvement costs.

Our ability to meet our future obligations may be impacted by the liquidity risk associated with receiving repayments of our loans, distributions from equity accounted investments, amounts receivable and other, deposits, and cash equivalents on time and in full and the realization of fair value on any disposition of our non-core properties and investments. If we are unable to meet our obligations as they come due or otherwise renegotiate such obligations, our ability to continue as a going concern may be adversely affected.

Real property investments tend to be relatively illiquid, with the degree of liquidity generally fluctuating in relation to demand for and the perceived desirability of such investments. In recent years, the level of transaction activity and general liquidity in our primary markets has decreased considerably. Such illiquidity may limit our ability to vary our portfolio promptly in response to changing economic or investment conditions and may impact our ability to successfully execute on our business strategies. If we were required to liquidate our real property investments, the proceeds to us might be significantly less than the aggregate carrying value of our properties.

The failure of the Trust to adequately manage its liquidity risk could have an adverse effect on our financial condition and results of operation and cause the price of our units to decrease. The Trust's liquidity risk may also be impacted by unforeseen increases in development costs not anticipated at the time of construction commencement.

Financing risks, leverage and restrictive covenants

Ownership of certain of our assets and the industries in which we operate are capital intensive. We will require access to capital to maintain the real estate assets in which we have an interest, as well as to fund our growth strategy and significant capital expenditures from time to time. There is no assurance that capital will be available when needed or on favourable terms. Our access to third-party financing will be subject to a number of factors, including general market conditions; the market's perception of our growth potential; our current and expected future earnings; our cash flow and cash distributions, and cash interest payments; and the market price of our Units. Our failure to access required capital and access such capital on favorable terms could materially adversely impact our investments, cash flows, operating results or financial condition, and our ability to implement our growth strategy.

A significant portion of our financing is debt, including project-level debt in our equity accounted investments, which, under IFRS Accounting Standards, is not explicitly consolidated on our balance sheet. Accordingly, we are subject to the risks associated with debt financing, including the risk that our cash flows will be insufficient to meet required payments of principal and interest, and that, on maturities of such debt, we may not be able to refinance the outstanding principal under such debt or that the terms of such refinancing will be more onerous than those of the existing debt. If we are unable to refinance debt at maturity on terms acceptable to us or at all, we may be forced to dispose of one or more of our properties on disadvantageous terms, which may result in losses and could alter our debt-to-equity ratio or be dilutive to Unitholders. Such losses could have a material adverse effect on our financial position or cash flows. If we are unable to meet interest or principal payments as they become due, we could also be required to renegotiate such payments or obtain additional equity, debt or other financing. The failure of the Trust to make or renegotiate interest or principal payments or obtain additional equity, debt or other financing on favourable terms, or at all, could adversely impact the Trust's financial condition and results of operations.

Our credit facility, certain financial guarantees and certain mortgages on income properties contain covenants that require us and our subsidiaries to maintain certain financial ratios and financial condition tests on a consolidated basis. A failure to comply with such obligations could result in a default that, if not cured or waived, could result in acceleration of the relevant indebtedness. The acceleration of our indebtedness under one agreement may permit acceleration of indebtedness under other agreements that contain cross-default or cross-acceleration provisions.

The degree to which we are leveraged could have important consequences to our operations. A high level of debt may limit our flexibility in planning for and reacting to changes in the economy and in the industry, and increase our vulnerability to general adverse economic and industry conditions; limit our ability to borrow additional funds, dispose of assets, encumber our assets and make potential investments; place us at a competitive disadvantage compared to other owners of similar assets that are less leveraged and, therefore, may be able to take advantage of opportunities that our indebtedness would prevent us from pursuing; make it more likely that a reduction in our borrowing base following a periodic valuation (or redetermination) could require us to repay a portion of then outstanding borrowings; and impair our ability to obtain additional financing in the future for working capital, capital expenditures, acquisitions, general trust or other purposes.

Interest rate risk

When negotiating or amending and extending such debt financing agreements and instruments, we also depend on our ability to agree on terms, including in respect of interest payments and amortization. In addition, we have entered into, and we may continue to enter into, financing agreements with variable interest rates. To the extent the Trust utilizes variable rate debt, this will result in fluctuations in our cost of borrowing as an increase in interest rates could result in a significant increase in the amount paid by us to service debt that could materially adversely affect our cash flows.

We have entered into certain interest rate hedging arrangements to mitigate the impact of rising interest rates on our business. Hedging transactions involve the risk that counterparties, which are generally financial institutions, may be unable to satisfy their obligations. If any counterparties default on their obligations under the hedging contracts or seek bankruptcy protection, it could have an adverse effect on the Trust's cost of borrowing on variable rate loans. Our obligations under hedging arrangements may be secured by all or a portion of our assets or cash, the value of which generally must cover the fair value of the transactions outstanding under the facility by some multiple. If we are unable to provide adequate security to support hedging arrangements, the Trust will remain exposed to interest rate fluctuations. We may from time to time implement other hedging programs in order to offset the risk of revenue losses and to provide more certainty on our cash flows, should current variable interest rates increase. However, to the extent that we fail to adequately manage these risks, our financial results and our ability to make interest payments under future financings may be adversely affected. Increases in interest rates generally cause a decrease in demand for properties. Higher interest rates and more stringent borrowing requirements, whether mandated by law or required by financial institutions, could have a material adverse effect on our ability to sell any of our investments.

Economic environment risks

Uncertainty over whether the economy will be adversely affected by inflation or stagflation, and the systematic impact of volatile energy costs and geopolitical issues, may contribute to increased market volatility. Such economic uncertainties and market challenges, which may result from a continued or exacerbated general economic slowdown, and their effects could materially and adversely affect the Trust's ability to generate revenues, thereby reducing its operating income and earnings. A difficult operating environment could have a material adverse effect on the ability of the Trust to maintain occupancy rates at its commercial and multi-family rental properties, which could harm the Trust's financial condition.

Increased inflation could have a more pronounced negative impact on development costs and any variable rate debt the Trust is subject to or incurs in the future and on its results of operations. Similarly, during periods of high inflation, annual rent increases may be less than the rate of inflation on a continued basis. Substantial inflationary pressures and increased costs may have an adverse impact on the Trust's tenants if increases in their operating expenses exceed increases in revenue. This may adversely affect the tenants' ability to pay rent, which could negatively affect the Trust's financial condition.

General investments risk

Our investments include direct and indirect investments in real estate, mortgages and other loans, and development and investment holdings, each of which can be relatively illiquid. While investments in illiquid assets have the potential to produce above-average growth opportunities, they may be difficult to value or sell at the time and price preferred by the owner. Accordingly, there is a risk that we would be unable to dispose of our illiquid assets in a timely way in response to changing economic or investment conditions, which may impact our ability to successfully execute on our business strategies. In recessionary times it may be difficult to dispose of certain of our assets, including certain types of real estate. The costs of holding certain of our assets, including real estate, are considerable and during an economic recession we may be faced with ongoing expenditures with a declining prospect of rental income. In such circumstances, it may be necessary for us to dispose of properties, or interests in properties, at discounted prices in order to generate sufficient cash for operations and making distributions. Where we are unable to dispose of illiquid assets or we are forced to sell such assets at a discounted price, our ability to make cash distributions, our financial results and the value of our units may be adversely affected.

The Trust may undertake strategic property dispositions from time to time in order to recycle its capital and maintain an optimal portfolio composition but may experience significant delays in the repositioning of our portfolio as a result of certain illiquid assets. The Trust may also be subject to unexpected costs or

liabilities related to such dispositions, which could adversely affect the Trust's financial position and results of operations and its ability to meet its obligations.

Development risk

A significant source of internal growth of the Trust is the build-out of the Trust's development pipeline. The Trust is involved in several residential and mixed-use development projects, often set up as joint ventures or partnerships. These developments are often carried out with an experienced developer or co-developers as the Trust's co-venturers/partners. The Trust expects to be increasingly involved in investments that develop residential and mixed-use developments.

Before a development project generates any revenues, material expenditures are incurred. This includes, but is not limited to, expenditures incurred to acquire land, obtain development approvals and construct significant portions of project infrastructure, amenities, model suites and sales facilities. It generally takes several fiscal periods for a development to achieve cumulative positive cash flow. If the development projects in which we participate are not developed and marketed successfully or costs of development exceed original estimates and do not generate positive cash flows in a timely manner, this may have a material adverse effect on our business and results of operations.

There are also several factors that impact development risk, including, but not limited to, rising construction costs and development charges, shortage of experienced labour in certain construction-related trades, and structure for municipal zoning approvals due to its unclear mandate at an early stage of development. These factors could impact our development profit margin or development yield potential and may be beyond our control. As a result, there can be no assurance that all of our proposed residential projects as described herein will be undertaken, and if so, with what mix of residential and commercial development, at what costs, and generating what profit margin or development yield. There could also be changes to the mix of condominium versus multi-family rental units for certain projects. As well, any change in the revenue or costing estimates or development timeline could have a significant impact on the value of the development and investment holdings.

In addition, purchaser demand with regards to residential condominiums is cyclical and is significantly affected by changes in general and local economic and industry conditions, such as employment levels, availability of financing for home buyers, interest rates, consumer confidence, levels of new and existing homes for sale, demographic trends and housing demand. As well, an oversupply of homes or residential condominium units in the market, such as resale properties, including properties held for sale by investors and speculators, foreclosed homes and rental properties, may reduce the Trust's ability to sell residential development units and may depress prices and reduce margins from the sale of residential development units.

The Trust is also subject to the risk that purchasers of such properties may become unable or unwilling to meet their obligations or that the Trust may not be able to close the sale of a significant number of units in a development project on economically favourable terms. To mitigate these risks, the Trust monitors the market trends and development risks to adapt to any changes to market conditions.

Multi-family rental business risk

As a landlord in its properties that include rental apartments, the Trust is subject to the risks inherent in the multi-family rental business, including, but not limited to, fluctuations in occupancy levels, individual credit risk, heightened reputation risk, tenant privacy concerns, potential changes to rent control regulations, increases in operating costs, including the costs of utilities, and the imposition of new taxes or increased property taxes. In addition, multi-family rental properties are subject to rent control legislation in Ontario. The legislation in various degrees imposes restrictions on the ability of a landlord to increase rents above an annually prescribed guideline or requires 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 lack of availability of affordable housing and related housing policy and regulations is continuing to increase in prominence as a topic of concern at the various levels of government. The Trust may be exposed to the risk of the implementation of, or amendments to, existing legislative rent controls in the markets in which it operates, which may have an adverse impact on our operations and we may incur costs that will not be fully recoverable from rents charged to tenants. Multi-family rental business risk may result in a significant loss of earnings to the Trust; however, to mitigate these risks, the Trust's portfolio includes well located and professionally managed properties.

Joint venture or partnership risk

Several investments, including the Trust's property developments and income properties, are often made or developed as joint ventures or partnerships with third parties. These structures involve certain additional risks, including, but not limited to, co-venturers/partners that might experience financial difficulties or fail to fund their share of required capital contributions or suffer reputational damage that could have an adverse impact on the Trust. Similarly, although under most of our joint venture arrangements the Trust has the discretion to elect to continue or discontinue funding of such joint venture activities at various point in time; however, under certain of the Trust's joint venture arrangements, a decision to discontinue funding may result in penalties against non-funding investors, such as dilution or above market interest rates. Should the Trust determine to discontinue the funding of any such joint venture, the value of the Trust's investment may be adversely affected.

In addition, our co-venturers/partners may, at any time, have economic or business interests inconsistent with ours and we may be required to take actions that are in the interest of the partners collectively, but not in the Trust's sole best interests. Accordingly, we may not be able to favourably resolve issues with respect to such decisions or we could become engaged in a dispute with any of them that might affect our ability to develop or operate the business or assets in question efficiently. Any failure of the Trust or our co-venturers and partners to meet their obligations, or disagreements with respect to strategic decision making, could have an adverse effect on the joint ventures or partnerships, which may have an adverse effect on the Trust.

We attempt to mitigate these risks by performing due diligence procedures on potential partners and contractual arrangements, and by closely monitoring and supervising the joint ventures or partnerships.

General real estate risk

Returns on real estate and real estate related assets and investments are generally subject to a number of factors and risks, including changes in general economic conditions (which could affect the availability, terms and cost of mortgage financings and other types of credit), changes in local economic conditions (such as an oversupply of properties or a reduction in demand for real estate in a particular area), the attractiveness of properties to potential tenants or purchasers, competition with other landlords with similar available space, and the ability of the owner to provide adequate maintenance at competitive costs.

These factors and risks could cause fluctuations in the value of the real estate and real estate related assets and investments owned by us, or in the value of the real estate securing mortgages and other loans we issue. These fluctuations could materially adversely affect us.

The income-producing properties in our investment portfolio generate income through rent payments made by our tenants. Upon the expiry of any lease, there can be no assurance that the lease will be renewed or that the tenant will be replaced. Furthermore, the terms of any subsequent lease may be less favourable than those of the existing lease. The Trust's income and cash flows would be adversely affected if we were unable to lease a significant amount of the available space in any particular property on economically favourable lease terms or on a timely basis.

In the event of default by a tenant, we may experience delays or limitations in enforcing our rights as the lessor and incur substantial costs in protecting our investment. Furthermore, at any time, a tenant may

seek the protection of bankruptcy, insolvency or similar laws which could result in the rejection and termination of the lease of the tenant and, thereby, cause a reduction in the cash flows available to us which may adversely affect us. The Trust mitigates this risk by attracting tenants of sound financial standing and by diversifying its tenant mix. A deterioration in the economy may impact the ability of tenants to meet their obligations under their leases or contracts.

Further, the Trust's development projects related commitments are subject to those risks usually attributable to construction projects, which may include: (i) construction or other unforeseen delays; (ii) cost overruns; and (iii) an increase in interest rates during the life of the development. Where the Trust's development commitments relate to properties intended for sale, such as certain residential projects, the Trust is also subject to the risk that purchasers of such properties may become unable or unwilling to meet their obligations or that the Trust may not be able to close the sale of a significant number of units in a development project on economically favourable terms.

Credit risk and concentration risk

There is a risk that a borrower or issuer of an investment security will not make a payment on debt or that an originating lender will not make its payment on a loan participation interest purchased by us or that an issuer or an investment security or an originating lender retaining the original loan in which it grants participations may suffer adverse changes in financial condition, lowering the credit quality of its security or participation and increasing the volatility of the security or participation price. Such changes in the credit quality of a security or participation can affect its liquidity and make it more difficult to sell if we wish to do so. In addition, with respect to loans made or held by us, a change in the financial condition of a borrower could have a negative financial impact on us.

Credit risk may also arise from a borrower that may not be able to honour its debt commitments as a result of a negative change in market conditions that could result in a loss to the Trust. Credit risk related to financial guarantees provided by the Trust arises from the possibility that counterparties default on their financial obligations. The Trust mitigates these risks by actively monitoring the mortgage receivables, loan investment and financial guarantees, and initiating recovery procedures in a timely manner when required.

While our intention is to diversify our investments, our current investments are relatively concentrated in a limited number of market sectors or asset types or in a limited number of issuers. An investment in the Trust may therefore involve greater risk and volatility than an investment in an issuer with a broader portfolio of assets since the performance of one particular industry, market or issuer could significantly and adversely affect the overall performance of the Trust.

Lending portfolio default risk

If a borrower under a loan defaults under any terms of the loan, we may have the ability to exercise our enforcement remedies in respect of the loan. Exercising enforcement remedies is a process that requires a significant amount of time to complete, which could adversely impact our cash flow. In addition, as a result of potential declines in real estate values, there is no assurance that we will be able to recover all or substantially all of the outstanding principal and interest owed to us in respect of such loans by exercising our enforcement remedies. Our inability to recover the amounts owed to us in respect of such loans could materially adversely affect us.

Impact investing strategy risk

Our ability to achieve our impact investment objectives will be dependent on our ability to successfully identify and realize investment opportunities that align with our investment framework. There can be no assurance that we will achieve these objectives or that our impact investments or developments will generate positive returns in a timely manner. In addition, we adapted our own impact investing framework, which we believe is aligned with existing frameworks in this field. However, these may or

may not be interpreted differently from other issuers or other participants in the impact investing space. While the Trust intends to responsibly create positive social and environmental change in our communities, the success of our impact investment strategy and our ability to generate market returns will be based on various and unpredictable factors, including investor perceptions and reactions and future economic or investment conditions.

Environmental and climate change risks

Our assets may include real estate that contains ground contamination, hazardous substances, and/or other residual pollution and environmental risks. Buildings and their fixtures might contain asbestos or other hazardous substances such as polychlorinated biphenyl, dichlorodiphenyltrichloroethane, pentachlorophenol or lindane above the allowable or recommended thresholds. Other environmental risks could also be associated with the buildings in our investment portfolio.

To the extent that this is the case, we will bear the risk of cost-intensive assessment, remediation or removal of such ground contamination, hazardous substances or other residual pollution. The discovery of any such residual pollution on the real estate and/or in the buildings in which we have an interest could trigger claims for rent reductions or termination of leases for cause, for damages and other breach of warranty claims against us. The remediation of any pollution and the related additional measures we would have to undertake could have a materially adverse effect on us and could involve considerable additional costs that we may have to bear. We will also be exposed to the risk that recourse against the polluter or the previous owners of the properties might not be possible, for example, because they cannot be identified, no longer exist or have become insolvent. Moreover, the existence or even the mere suspicion of the existence of ground contamination, hazardous materials or other residual pollution can materially adversely affect the value of a property and therefore our ability to lease or sell such a property or our interest in such a property and any such pollution on a property which secures a mortgage investment or on a neighbouring property may also have an adverse effect on us.

As an owner of real estate, we are subject to various federal, provincial, municipal and state laws relating to environmental matters. Such laws provide that we could be liable for the costs of removal and remediation of certain hazardous, toxic substances released on or in our properties or disposed of at other locations, as well as potentially significant penalties. The presence of such substances, if any, or the failure to monitor, remove or remediate such substances, could materially adversely affect our ability or our property or asset manager's ability to sell or redevelop such real estate or to borrow using such real estate as collateral and, potentially, could also result in civil claims against us. Some of the properties in which we have an interest currently have or have had occupants that use hazardous substances or create waste. Such uses can potentially create environmental liabilities. To obtain financing for the purchase of a new property through traditional channels, we may be requested to arrange for an environmental site assessment to be conducted. Although environmental assessment provides us some assurance, we may become liable for undetected pollution or other environmental hazards on our properties against which we cannot insure, or against which we, acting on the recommendations of DAM, may elect not to insure where premium costs are disproportionate to our perception of relative risk.

We have formal policies and procedures which cause the review and monitoring of environmental exposure. These policies include the requirement to conduct a Phase I environmental site assessment or review a current Phase I before acquiring real properties.

Asbestos containing materials, underground storage tanks, petroleum hydrocarbons and lead paint may be present at certain of our real estate assets. Where circumstances so warrant, designated substance surveys and/or phase II environmental site assessments have been or will be conducted to determine the presence and/or extent of these or any other materials or potential environmental hazards. If appropriate, we will remediate such situations. Notwithstanding the above, we are not aware of any environmental conditions with respect to any of our real estate assets that we believe would involve material expenditure by us.

We have insurance in place to mitigate against certain environmental liabilities in respect of our real estate assets, with limits which we believe are customary for portfolios similar to our real estate assets. In addition, certain of the existing tenant leases in respect of our real estate assets specify that the tenant will conduct its business in accordance with applicable environmental laws and regulations and will be responsible for any liabilities arising out of infractions to such laws and regulations.

Environmental laws and regulations can change, and we may become subject to more stringent environmental laws and regulations (or more stringent enforcement or administration of existing requirements) in the future.

Climate change continues to attract the focus of governments and the general public as an important threat. We face the risk that our properties will be subject to government initiatives aimed at countering climate change, such as reduction of GHG emissions, which could impose constraints on our operational flexibility or cause us to incur financial costs to comply with various reforms. Any failure to adhere and adapt to climate change reform could result in fines or adversely affect our reputation, operations or financial performance. Furthermore, our properties may be exposed to the impact of events caused by climate change, such as natural disasters and increasingly frequent and severe weather conditions. Such events could interrupt our operations and activities, damage our properties and may potentially decrease our property values or require us to incur additional expenses including an increase in insurance costs to insure our properties against natural disasters and severe weather.

Unexpected capital expenditures and other fixed costs

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 the property is producing sufficient income to pay such expenses. This may include expenditures to fulfill mandatory requirements for energy efficiency. In order to retain desirable rentable space and to generate adequate revenue over the long term, the condition of the properties in which we have an interest must be maintained or, in some cases, improved to meet market demand. Maintaining or upgrading a rental property in accordance with market standards can entail significant costs, which we may not be able to pass on to our 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 a property in which we have an interest exceed our estimates, or if hidden defects are discovered during maintenance or upgrading which are not covered by insurance or contractual warranties, or if we are not permitted to raise rents due to legal constraints, we will incur additional and unexpected costs. If competing properties of a similar type are built in the area where one of our properties is located or similar properties located in the vicinity of one of our properties are substantially refurbished, the net operating income derived from and the value of such property could be reduced.

Any failure to undertake appropriate maintenance and refurbishment work in response to the factors described above could materially adversely affect the rental income that we earn from such properties; for example, such a failure could entitle tenants to withhold or reduce rental payments or even to terminate existing leases. Any such event could have a material adverse effect on our cash flows, financial condition and results of operations and our ability to make distributions on Units.

Acquisitions of real estate may expose us to undisclosed defects and obligations

Our external growth prospects depend in large part on identifying suitable investment opportunities, pursuing such opportunities and consummating acquisitions, including direct or indirect acquisitions of real estate.

Notwithstanding pre-acquisition due diligence, it is not possible to fully understand a property before it is owned and operated for an extended period of time and there may be undisclosed or unknown liabilities concerning the acquired properties, and the Trust may not be indemnified for some or all of these liabilities. To mitigate this risk, our asset manager conducts an appropriate level of due diligence and investigation in connection with its acquisition of properties and seeks through, contractual arrangements, to ensure that risks lie with the appropriate party.

There is currently no legal, regulatory or market consensus with respect to impact reporting standards or as to what constitutes a “green”, “social” or “sustainable” investment

There are currently no universal or impact reporting standards and no assurance can be given that such standards will develop over time or, if such standards develop in the future, that our practices will align with such standards. Accordingly, no assurance is or can be given to investors that our focus on goals and key performance indicators developed in accordance with the Dream Impact Management System, our ESG framework or otherwise will meet investor expectations regarding ESG-related or impact investing. Similarly, there is no legal, regulatory or market definition of or standardized criteria for what constitutes a “green”, “social”, “sustainable” or other equivalently labeled investment and any such designations made by third parties may not be suitable for the investment criteria of an investor. No assurance can be given that such definitions or consensus will develop over time or, if such definitions or consensus develop in the future, that initiatives undertaken by us in accordance with the Dream Impact Management System, our ESG framework or otherwise will meet such definitions or consensus. Accordingly, an investment in Units may not meet any or all investor expectations regarding “green”, “social”, “sustainable” or other equivalently labeled performance objectives.

Interests in real estate that are under development may not be completed on the anticipated timelines, budgets or at all

Our assets may include interests in real estate under construction or held for development. We may commit to making further investments in respect of our interest in these types of properties, including through the provision of construction and completion guarantees by the co-owners to project lenders or otherwise. Our involvement in such development activities is subject to related risks that include:

- (a) construction or other unforeseen delays including municipal approvals;
- (b) the potential insolvency of a developer;
- (c) the developer’s failure to use advanced funds in payment of construction costs;
- (d) construction or unanticipated delays;
- (e) incurring construction costs before ensuring rental revenues will be earned from a project;
- (f) cost over-runs on a project; and
- (g) the failure of purchasers to close on purchase transactions or the failure of tenants to occupy and pay rent in accordance with lease arrangements.

Such risks are minimized, but not avoided, by generally not commencing construction until satisfactory levels of preleasing or sales, as applicable, are achieved. Dream Impact also seeks to undertake such projects with DAM and other established developers. In addition, Dream Impact uses a staggered approach in its development program to avoid unnecessary concentration of development projects in a single period of time so as to manage our development risk exposure and properly allocate our capital and personnel resources and monitor ongoing market trends.

Our properties may be geographically concentrated

A substantial portion of the Trust's portfolio (including our income properties and development and investment holdings segments) are located in Toronto and around the GTA. We have invested significantly in this region through both condominium and mixed-use developments and our investment in office properties. Accordingly, any negative fluctuation in Toronto market fundamentals could result in a greater impact on our financial condition or results of operations than they might have on other companies that have a more diversified portfolio of operations.

Our operations may be affected by adverse global market, economic and political conditions, health crises and other events beyond our control

Adverse Canadian, U.S. and global market, economic and political conditions, including dislocations and volatility in the credit markets and general global economic uncertainty, unexpected or ongoing geopolitical events, including disputes between nations, war, terrorism or other acts of violence, and international sanctions, could have a material adverse effect on our business, results of operations and financial condition with the potential to impact, among others: (i) the value of our properties; (ii) the availability or the terms of financing that we have or may anticipate utilizing; (iii) our ability to make principal and interest payments on, or refinance, any outstanding debt when due; (iv) the occupancy rates in our properties; and (v) the ability of our tenants to enter into new leasing transactions or to satisfy rental payments under existing leases.

Continued concerns about the uncertainty over whether the economy will be adversely affected by geopolitical events may contribute to increased market volatility and weakened business and consumer confidence. The occurrence of war or hostilities between countries, including the conflict between Russia and Ukraine, or threat of terrorist activities and the responses to and results of these activities, could adversely impact the Trust, its tenants and facilities, the financial markets and general economic conditions. In response to the conflict between Russia and Ukraine, countries in which we operate have implemented economic sanctions against Russia and may impose further sanctions or other restrictive actions against governmental or other entities in Russia or elsewhere. Any of the above factors, including sanctions and other governmental actions, could affect the financial condition of our tenants and may have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our Units to decline.

Cyber security risks could result in disruptions in business operations

Cyber security has become an increasing area of focus for issuers and businesses in Canada and globally, as reliance on digital technologies to conduct business operations has grown significantly. As we continue to increase our dependence on information technologies to conduct our operations, the risks associated with cyber security also increase. We rely on management information systems and computer control systems. Business interruptions, utility outages, and information technology system and network disruptions due to cyber-attacks could seriously harm our operations and materially adversely affect our operating results. Cyber attacks against organizations are increasing in sophistication and can include but are not limited to intrusions into operating systems, theft of personal or other sensitive data and/or cause disruptions to business operations. Such cyber attacks could compromise the Trust's confidential information as well as that of the Trust's employees, customers and third parties with whom the Trust interacts and may result in negative consequences, including remediation costs, loss of revenue, additional regulatory scrutiny, litigation and reputational damage.

Our exposure to cyber security risks includes exposure through third parties on whose systems we place significant reliance for the conduct of our business. We have implemented security procedures and measures in order to protect our systems and information from being vulnerable to cyber-attacks. However, we may not have the resources or technical sophistication to anticipate, prevent, or recover

from rapidly evolving types of cyber-attacks. Compromises to our information and control systems could have severe financial and other business implications.

Information technology systems risk

Our businesses depend on information technology systems for day-to-day operations. If we are unable to operate our systems or make enhancements as needed or if our systems go down, it could have an adverse effect on our ability to service tenants, manage our operation or meet our obligations, which in turn could have an adverse impact on our results and financial position. Important processes such as roll-outs, software and equipment upgrades and information security procedures are continually being assessed to ensure they are as effective as possible in order to support management in achieving our strategic objectives.

Government and regulatory risks

We are subject to laws and regulations governing the development, ownership, operation and leasing of certain of our assets, employment standards, environmental matters, taxes and other matters. It is possible that future changes in applicable federal, provincial, municipal, state, local or common laws or regulations, or changes in their enforcement or regulatory interpretation, could result in changes in the legal requirements affecting us (including with retroactive effect). Any changes in the laws to which we are subject could materially adversely affect the distributions received by the Trust from Master LP or by Unitholders from the Trust. It is not possible to predict whether there will be any further changes in any regulatory regime to which we are subject or the effect of any such change on our investments.

The real estate development process is subject to a variety of laws and regulations. In particular, governmental authorities regulate such matters as zoning and permitted land uses, levels of density and building standards. We will have to continue to obtain approvals from various governmental authorities and comply with local, provincial and federal laws, including laws and regulations concerning the protection of the environment in connection with such development projects. Obtaining such approvals and complying with such laws and regulations may result in delays which may cause us to incur additional costs that impact the profitability of a development project or may restrict development activity altogether with respect to a particular project.

An investment in the Trust is subject to certain Canadian tax risks

We intend to continue to qualify as a “mutual fund trust” for purposes of the Tax Act. There can be no assurance that Canadian federal income tax laws and the administrative policies and assessing practices of the CRA respecting the treatment of “mutual fund trusts” will not be changed in a manner that adversely affects Unitholders. If we cease to qualify as a “mutual fund trust” under the Tax Act, the income tax considerations applicable to us would be materially and adversely different in certain respects, including that Units may cease to be qualified investments for Plans.

Although we are of the view that all expenses to be claimed by us will be reasonable and deductible and that the cost amount and capital cost allowance claims of entities indirectly owned by us will have been correctly determined, there can be no assurance that the Tax Act, or the interpretation of the Tax Act, will not change, or that the CRA will agree with our determinations. If the CRA successfully challenges the deductibility of such expenses, our taxable income will increase or change.

The extent to which distributions will be non-taxable in the future will depend in part on the extent to which entities indirectly owned by us are able to deduct depreciation, interest and loan expenses relating to our investments for purposes of the Tax Act.

We will endeavour to ensure that Units continue to be qualified investments for Plans; however, there can be no assurance that this will occur. The Tax Act imposes penalties for the acquisition or holding of non-qualified investments.

We are subject to tax audits from various government and regulatory agencies on an ongoing basis. As a result, from time to time, taxing authorities may disagree with the interpretation and application of tax laws taken by the Trust, which could lead to reassessments. These reassessments could have a material impact on the Trust in future periods.

The SIFT Legislation, which relates to the federal income taxation of certain publicly-traded trusts and certain other publicly-traded flow-through entities, was enacted on June 22, 2007. Generally, under the SIFT Legislation, certain distributions from a “SIFT trust” will not be deductible in computing the trust’s taxable income, and the trust will be subject to tax on such distributions at a rate that is comparable to the general tax rate applicable to a Canadian corporation. To the extent that a distribution attracts this tax, it will be taxed in the hands of the receiving Unitholder as a taxable dividend from a taxable Canadian corporation, which dividend will be eligible for the enhanced dividend tax credit.

Tax laws or other law or government incentive programs or regulations may change

Although we have been structured with the objective of providing tax efficient distributions to unitholders, tax charges and withholding taxes in various jurisdictions in which we invest will affect the level of distributions made to us and accordingly to Unitholders. No assurance can be given as to the level of taxation suffered by us, or our Subsidiaries. Currently, we have an investment in the Hard Rock/Virgin Hotels Las Vegas in Las Vegas, Nevada, U.S., which will subject us to legal and political risks specific to the U.S., factors that could adversely impact our investments, cash flows, operating results or financial condition, our ability to make distributions on the Units and our ability to implement our growth strategy.

Changes in tax legislation, the interpretation thereof, administrative practice or case law could have adverse tax consequences for us. Despite a general principle prohibiting retroactive changes, amendments to applicable laws, orders and regulations can be issued or altered with retroactive effect. Additionally, divergent interpretations of tax laws by the tax authorities or the tax courts are possible. These interpretations may be changed at any time with adverse effects on our taxation. Furthermore, court decisions are often overruled by the tax authorities by way of issuing non-application decrees. As a result, uncertainties exist with regard to the taxation rules applicable to us and our Subsidiaries. Deviating views adopted by the tax authorities or the tax courts might lead to a higher tax burden for us. Additionally, if adverse changes in the tax framework should occur, or if we are subject to tax audits or reassessments that result in the imposition of taxes individually or together, this could adversely impact our investments, cash flows, operating results or financial condition, our ability to make distributions on the Units and our ability to implement our growth strategy.

Proposed amendments to the Tax Act will, if the amendments are passed in their current form, have the effect of denying the deductibility of net interest and financing expenses that are in excess of allowable amounts, in the computation of taxable income by a trust. As a result of these proposed amendments, the amount of interest and finance expenses deducted by the Trust may be reduced and/or the Trust may be required to include in its income its share of denied net interest and financing expenses of its subsidiary partnerships.

Proposed amendments to the Tax Act will, if passed in their current form, impose a 2% tax to the extent that amounts paid on the redemption, acquisition or cancellation of units of the Trust in a taxation year exceeds the amount received on the issuance of units of the Trust in the taxation year.

Insurance risks

We carry, or cause to be carried, general liability, umbrella liability and excess liability insurance with limits which are typically obtained for similar operations in Canada and otherwise acceptable to the Trust Board on the recommendation of DAM. For the property risks, we cause “All Risks” property insurance, including, but not limited to, flood, earthquake and loss of rental income insurance (with at least a 24-month indemnity period), to be carried. We also cause boiler and machinery insurance covering all boilers, pressure vessels, HVAC systems and equipment breakdown, to be carried. There are, however,

certain types of risks (generally of a catastrophic nature such as from war or nuclear accident) which are uninsurable under any insurance policy. Furthermore, there are other risks that are not economically viable to insure at this time. Should an uninsured or underinsured loss occur, we could lose our investment in, and anticipated profits and cash flows from, one or more of our properties, but we would continue to be obligated to repay any recourse mortgage indebtedness on such properties. We may carry, or may cause to be carried, title insurance on certain of our real estate assets but will not necessarily insure all titles. If a loss occurs resulting from a title defect with respect to a property where there is no title insurance, or the loss is in excess of insured limits, we could lose all or part of our investment in, and anticipated profits and cash flows from, such property.

Reliance on DAM for management services

We rely on DAM with respect to the asset management of our investments. Consequently, our ability to achieve our investment objectives depends in large part on DAM and its ability to properly advise us. Although the Management Agreement does not have a fixed term, DAM has the right to terminate the Management Agreement with 180 days' prior written notice if Master LP and/or the Trust defaults in the performance or observance of any material term, condition or agreement of the Management Agreement in a manner that results in material harm and such default continues unremedied for a period of 60 days. The Management Agreement may also be terminated in other circumstances, such as upon the occurrence of an event of default or insolvency of DAM within the meaning of such agreement. Accordingly, there can be no assurance that DAM will continue to be our asset manager. If DAM should cease for any reason to be our asset manager, our ability to meet our objectives and execute our strategy may be adversely affected. We may be unable to duplicate the quality and depth of management available to DAM by becoming a self-managed Trust or by hiring another asset manager. In addition, the cost of obtaining substitute services may be greater than the fees we will pay DAM under the Management Agreement.

We depend on the management and administration services provided by DAM under the Management Agreement. DAM personnel and support staff that provide services to us under the Management Agreement are not required to have as their primary responsibility the management and administration of the Trust or Master LP or to act exclusively for either of us, and the Management Agreement does not require that the services we receive be provided to us by any specific individuals employed by DAM. Any failure to effectively manage our operations or to implement our strategy could materially adversely affect us.

DAM controls Master LP

DAM is the sole shareholder of Master GP. As a result of its ownership of Master GP, DAM is able to control the appointment and removal of the Directors. In addition, the Trust holds its interest in our assets through its limited partnership interest in Master LP. As a limited partner, the Trust does not have a right to participate in the management or activities of Master LP.

Reliance on Master LP

The Trust's sole material asset is its limited partnership interest in Master LP. The ability of Master LP to make other payments or advances to us may be subject to contractual restrictions contained in any instruments governing the indebtedness of Master LP or investments held by it. The ability of Master LP to make other payments or advances is also dependent on the ability of Master LP's Subsidiaries to pay distributions or make other payments or advances to Master LP. The Trust depends on distributions and other payments from Master LP and, indirectly, its Subsidiaries and investments, to provide the Trust with the funds necessary to meet its financial obligations.

Master GP, Master LP and its Subsidiaries are legally distinct from the Trust and some of them are or may become restricted in their ability to pay dividends and distributions or otherwise make funds available to the Trust pursuant to law, regulatory requirements and their respective contractual agreements. Any other Persons through which we may conduct operations in the future will also be

legally distinct from the Trust and may be similarly restricted in their ability to pay dividends and distributions or otherwise make funds available to the Trust under certain conditions.

We anticipate that the only distributions the Trust will receive in respect of our limited partnership interest in Master LP will consist of amounts that are intended to assist the Trust in making future distributions, if any, to Unitholders in accordance with the Trust's distribution policy and to allow the Trust to pay its expenses and other costs as they become due. On February 12, 2024, the Trust announced the suspension of its monthly distribution. The Trust Board intends to review the distribution policy of the Trust over time to ensure the distribution policy is reflective of the Trust's business and asset profile.

Third-party risks

We rely on third-parties to, among other things, act as partners in investments as well as to actively manage real estate in which we directly or indirectly invest. The loss of, or degradation in, relationships with one or more of these third-parties could adversely affect the availability of investments to Dream Impact or the return generated by our investments. Furthermore, these third-parties are independent of Dream Impact and may act in a manner that is contrary to our wishes or best interests.

Our ability to enforce breaches of contracts may be limited

From time to time we may enter into contracts with third parties who make representations and warranties to us with respect to certain matters or agree to indemnify us if certain circumstances should occur. There can be no assurance that we will be fully protected in the event of a breach of such representations and warranties or if such circumstances should occur or that such party will be in a position to indemnify us in any such event. We may not be able to successfully enforce an indemnity contained in an agreement against such party or any such indemnity may not be sufficient to fully indemnify us from third party claims. In addition, we may be subject to undisclosed liability to third parties and such liability may be material, which could negatively impact our financial condition and results of operations.

Our Trustees, Directors and DAM may be put in a position of conflict as a result of their positions held and interests in other businesses

The Trustees and the Directors may also be trustees, directors and/or officers of other entities, including DAM, or are otherwise engaged, and will continue to be engaged, in activities that may put them in conflict with our investment strategy. Consequently, these positions could create, or appear to create, conflicts of interest with respect to matters involving us. Pursuant to the Declaration of Trust, all decisions to be made by the Trust Board which involve us will be required to be made in accordance with the Trustee's duties and obligations to act honestly and in good faith with a view to the best interests of the Trust and the Unitholders. In addition, our Trustees are required to declare their interests in, and such Trustees are required to refrain from voting on, any matter in which they may have a material conflict of interest. Applicable corporate law imposes similar obligations on the Directors. However, there can be no assurance that potential conflicts of interest or that such actual or potential conflicts of interest will be adequately addressed or be resolved in our favour.

DAM acts as the asset manager for Dream Industrial REIT and Dream Residential REIT and also provides management services to Dream Office REIT and other public and private companies. As asset manager and service provider for other entities and on its own behalf, DAM will pursue other business opportunities, including but not limited to real estate and development business opportunities outside of the Trust and Master LP. These multiple responsibilities to public entities and other businesses could create competition for the time and efforts of DAM which materially adversely affect our cash flows, operating results and financial condition.

Controls and procedures may not perform as intended

The Trust has established internal controls over financial reporting and disclosure controls and procedures are designed in accordance with NI 52-109. A control system, no matter how well conceived and

operated, can provide only reasonable and not absolute assurance that the objectives of the control system are met. As a result of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues, including instances of fraud, if any, have been detected. These inherent limitations include, amongst other items: (i) that management's assumptions and judgments could ultimately prove to be incorrect under varying conditions and circumstances; and (ii) the impact of isolated errors. In addition, controls may be circumvented by the unauthorized acts of individuals, by collusion of two or more people, or by management override. The design of any system of controls is also based, in part, upon certain assumptions about the likelihood of future events, and there can be no assurance that any design procedures will succeed in achieving its stated goals under all potential (future) conditions.

Market for securities and prices of securities may fluctuate

The Trust is an unincorporated open-ended trust and its Units are listed on the TSX. There can be no assurance that an active trading market in the Units will be sustained. A publicly traded trust does not necessarily trade at values determined solely by reference to the underlying value of its assets. Instead, the Units may trade at a premium or a discount to such values. A number of factors may influence the market price of the Units, including general market conditions, fluctuations in the markets for equity and/or debt securities, short-term supply and demand factors for real estate companies and numerous other factors beyond our control.

Ability of Unitholders to redeem Units is subject to restrictions on redemption

It is anticipated that the redemption right attached to Units will not be the primary mechanism by which Unitholders will liquidate their investments. The entitlement of Unitholders to receive cash upon the redemption of their Units is subject to the limitations that: (a) the total amount payable by us in respect of such Units and all other Units tendered for redemption in the same calendar month shall not exceed \$50,000 (provided that such limitations may be waived at the discretion of the Trust Board); (b) at the time such Units are tendered for redemption, the outstanding Units shall be listed for trading on a stock exchange or traded or quoted on another market that the Trust Board believes, in its sole discretion, is able to provide representative fair market value prices for such Units; and (c) the normal trading of Units is not suspended or halted on any stock exchange on which such Units are listed (or, if not listed on a stock exchange, on any market on which such Units are quoted for trading) on the Redemption Date or for more than five trading days during the 20-day trading period commencing immediately after the Redemption Date.

Unitholders do not have legal rights normally associated with ownership of shares of a corporation

Unitholders do not have all of 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 or "dissent rights" in the context of certain transactions. The 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, we are not a trust company and, accordingly, are not registered under any trust and loan company legislation as we do not carry on or intend to carry on the business of a trust company.

Unitholder liability

The Declaration of Trust provides that no unitholder will be subject to any personal liability whatsoever to any Person in connection with the holding of a Trust Unit. In addition, legislation has been enacted in the Province of Ontario that is intended to provide unitholders with limited liability. However, there remains risk, which is considered by the Trust to be remote in the circumstances, that a unitholder could be held personally liable for the obligations of the Trust to the extent that claims are not satisfied out of the assets of the Trust. It is intended that the affairs of the Trust will be conducted to seek to minimize such risk wherever possible.

The issuance of additional Units will result in dilution and the market price of Units may be volatile

The number of Units we are authorized to issue is unlimited. We may, in our sole discretion, issue additional Units from time to time. Any issuance of Units, including Units issued in consideration for properties acquired by us or Units issued to the Asset Manager pursuant to the Management Agreement, will have a dilutive effect on existing unitholders. In addition, the market price for the Units may be volatile and subject to wide fluctuations in response to numerous factors, many of which are beyond the Trust's control.

Regulatory approvals may be required in connection with a distribution of securities on a redemption of Units or our termination

Upon a redemption of Units or termination of the Trust, the Trust Board may distribute securities directly to the Unitholders, subject to obtaining any required regulatory approvals. No established market may exist for the securities so distributed at the time of the distribution and no market may ever develop. In addition, the securities so distributed may not be qualified investments for Plans, depending upon the circumstances at the time.

The rights of unitholders may be subordinated to the rights of creditors in certain insolvency events

In the event of a bankruptcy, liquidation or reorganization of Master LP or its subsidiaries, holders of certain of their indebtedness and certain trade creditors will generally be entitled to payment of their claims from the assets from such entities before any assets are made available for upstream distribution, eventually to the Trust. Units will be effectively subordinated to our credit facilities and potentially future financings and most of the other indebtedness and liabilities of Master LP and its subsidiaries.

MARKET FOR SECURITIES

Trading Price and Volume

The Units are listed on the TSX under the symbol "MPCT.UN". The following table sets forth the high and low reported trading prices and the trading volume of the Units on the TSX for each month of the most recently completed financial year:

<u>Period</u>	<u>High (\$)</u>	<u>Low (\$)</u>	<u>Volume</u>
January 2023	4.55	3.92	1,181,023
February 2023	4.97	3.45	2,812,304
March 2023.....	3.52	2.90	1,951,011
April 2023	3.14	2.67	964,031
May 2023.....	2.90	2.35	1,575,509
June 2023	10.53	2.44	831,026
July 2023	10.46	9.00	327,408
August 2023	9.79	9.26	147,128
September 2023	9.82	7.69	303,142
October 2023.....	7.75	4.89	451,286
November 2023	6.63	5.15	737,907
December 2023	6.79	5.53	749,753

Prior Sales of Unlisted Securities

The Special Trust Units of the Trust are not listed or quoted on any marketplace, and may only be issued to holders of securities which are exchangeable for Units, including the LP B Units. See “Declaration of Trust and Description of Trust Units”. In 2023, no LP B Units and Special Trust Units were issued for these purposes.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Except as described below or elsewhere in this AIF, no Trustee or Director, or Unitholder that beneficially owns, or controls or directs, directly or indirectly, more than 10% of the Trust Units, or any associate or Affiliate of any of the foregoing Persons, has or has had any material interest, direct or indirect, in any transaction within the last three years or during the current financial year that has materially affected or is reasonably expected to materially affect the Trust, Master LP or any of its Subsidiaries.

Dream Office REIT is the co-owner of one income-producing property in the Trust’s office portfolio. This asset is managed by DOMC. Pursuant to a property management agreement, DOMC performs property management services including tenant administration, leasing services, accounting, etc., for a fee of 3.5% of income property revenues. The property management agreement can be terminated upon an unremedied default by the property manager, DOMC, if there is a change in the ownership of the property or upon 120 days’ notice. DAM is an associate of Michael Cooper and Michael Cooper is an officer of DOMC and is a trustee and the Chief Executive Officer of Dream Office REIT.

On April 15, 2021, the Trust entered into the Second Letter Agreement, providing that for the period from January 1, 2021 to December 31, 2023, the management fees payable to DAM pursuant to the Management Agreement would be satisfied by the delivery of up to 5,000,000 Units, valued at the most recent year-end NAV per Unit for purposes of determining the number of Units to be issued. See the section titled “Management and Advisory Services and Co-Developments – Management Agreement” for more information. As at December 31, 2023, the Trust’s asset manager, DAM, owns 6,063,115 Units, representing approximately 35% of the issued and outstanding Units.

MATERIAL CONTRACTS

The only material contracts, other than contracts entered into in the ordinary course of business, that have been entered into by the Trust and are still in effect are as follows:

- (a) the Declaration of Trust described under “Declaration of Trust and Description of Trust Units”;
- (b) the DILP Limited Partnership Agreement described under “Description of Master LP”;
- (c) the Management Agreement and the Second Letter Agreement described under “Management and Advisory Services and Co-Developments – Management Agreement”;
- (d) the Services Agreement described under “Management and Advisory Services and Co-Developments – Services Agreement”;
- (e) the Trust Indenture between Computershare and Dream Impact Trust dated August 3, 2021 providing for the issuance of the 2021 Debentures by the Trust described under “General Development of the Business – Equity and Debt Offerings”; and
- (f) the Trust Indenture between Computershare and Dream Impact Trust dated June 9, 2022 providing the issuance of the 2022 Debentures by the Trust described under “General Development of the Business – Equity and Debt Offerings”.

Copies of the foregoing documents have been filed and are available on SEDAR+ at www.sedarplus.com.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

As at March 28, 2024, none of the Trust nor Master LP or any of its Subsidiaries, nor any of the property of the Trust or the property of Master LP or its subsidiaries, is involved in or was the subject of any outstanding, threatened or pending litigation or regulatory action that would, if determined adversely, have a material adverse effect on the Trust, nor, to the knowledge of the Trust nor Master LP, is any such litigation or regulatory action contemplated.

INTEREST OF EXPERTS

Our auditor is PricewaterhouseCoopers LLP, Chartered Professional Accountants, who has prepared an independent auditor's report dated February 12, 2024 in respect of the Trust's consolidated financial statements as at December 31, 2023 and December 31, 2022 and for the years then ended. PricewaterhouseCoopers LLP has advised that they are independent with respect to the Trust within the meaning of the Chartered Professional Accountants of Ontario CPA Code of Professional Conduct.

TRANSFER AGENT AND REGISTRAR

The transfer agent and registrar for the Units is Computershare Trust Company of Canada at its principal office located in Toronto, Ontario.

ADDITIONAL INFORMATION

Additional information relating to the Trust may be found on SEDAR+ at www.sedarplus.com. Additional information, including with respect to Trustees' and Directors' remuneration and indebtedness, principal holders of the Trust's securities and units authorized for issuance under equity compensation plans, is contained in the Trust's information circular for its most recent annual meeting of unitholders that involved the election of Trustees.

Additional financial information is provided in the 2023 MD&A and the 2023 Financial Statements.

SCHEDULE A

DREAM IMPACT TRUST

AUDIT COMMITTEE CHARTER

PURPOSE

The Audit Committee (the “**Committee**”) is a standing committee appointed by the board of trustees (the “**Trust Board**”) of Dream Impact Trust (the “**Trust**”). The Committee is established to fulfill applicable securities law obligations respecting audit committees and to assist the Trust Board in fulfilling its oversight responsibilities with respect to financial reporting, including to:

- oversee the integrity of the Trust’s financial statements and financial reporting process, including the audit process and the Trust’s internal accounting controls and procedures and compliance with related legal and regulatory requirements;
- oversee the work, qualifications and independence of the external auditors;
- oversee the work of the representatives of the Trust’s asset manager with responsibility for financial and internal controls function, and external auditors in these areas; and
- provide an open avenue of communication between the external auditors, the Trust Board, the asset manager of the Trust and any of its representatives in the course of performing their duties for or on behalf of the Trust.

The function of the Committee is oversight. It is not the duty or responsibility of the Committee or its members: (a) to plan or conduct audits; (b) to determine that the Trust’s financial statements are complete and accurate and are in accordance with International Financial Reporting Standards; or (c) to conduct other types of auditing or accounting reviews or similar procedures or investigations. The Committee, its chair and its audit committee financial expert member(s) are members of the Trust Board, appointed to the Committee to provide broad oversight of the financial, risk and control related activities of the Trust, and are specifically not accountable or responsible for the day to day operation or performance of such activities. In particular, the member or members identified as audit committee financial experts shall not be accountable for giving professional opinions on the internal or external audit of the Trust’s financial information.

Representatives of the Trust’s asset manager are responsible for the preparation, presentation and integrity of the Trust’s financial statements. Representatives of the Trust’s asset manager are also responsible for maintaining appropriate accounting and financial reporting principles and policies and systems of risk assessment and internal controls and procedures designed to provide reasonable assurance that assets are safeguarded and transactions are properly authorized, recorded and reported and to assure the effectiveness and efficiency of operations, the reliability of financial reporting and compliance with accounting standards and applicable laws and regulations. Representatives of the Trust’s asset manager are also responsible for monitoring and reporting on the adequacy and effectiveness of the system of internal controls. The external auditors are responsible for planning and carrying out an audit of the Trust’s annual financial statements in accordance with generally accepted auditing standards to provide reasonable assurance that, among other things, such financial statements are in accordance with International Financial Reporting Standards.

Procedures, Powers and Duties

The Committee shall have the following procedures, powers and duties:

General

- (a) *Composition* – The Committee shall consist of at least three members, all of whom shall be independent within the meaning of that term in National Instrument 52-110 – Audit Committees. All members of the Committee must be or, within a reasonable period following appointment, become financially literate, meaning that each has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Trust’s financial statements.
- (b) *Separate Meetings* – The Committee shall meet periodically with representatives of the Trust’s asset manager with responsibility for financial and internal controls function and the external auditors in separate sessions to discuss any matters that the Committee or each of these groups believes should be discussed privately and such persons shall have access to the Committee to bring forward matters requiring its attention. However, the Committee shall also meet periodically without representatives of the Trust’s asset manager present.
- (c) *Professional Assistance* – The Committee may require the external auditors and the internal controls function to perform such supplemental reviews or audits as the Committee may deem desirable. In addition, the Committee may retain such special legal, accounting, financial or other consultants as the Committee may determine to be necessary to carry out the Committee’s duties at the Trust’s expense.
- (d) *Reliance* – Absent actual knowledge to the contrary (which shall be promptly reported to the Trust Board), each member of the Committee shall be entitled to rely on (i) the integrity of those persons or organizations within and outside the Trust, including representatives of the Trust’s asset manager, from which it receives information, (ii) the accuracy of the financial and other information provided to the Committee by such persons or organizations and (iii) representations made by representatives of the Trust’s asset manager and the external auditors as to any information technology, internal audit, internal controls and other non-audit services provided by the external auditors to the Trust.
- (e) *Reporting to the Trust Board* – The Committee will report through the chair of the Committee to the Trust Board following meetings of the Committee on matters considered by the Committee, its activities and compliance with this Charter.
- (f) *Procedure* – The Committee meetings shall be conducted as follows: (i) questions arising at any meeting shall be decided by a majority of the votes cast; (ii) decisions may be taken by written consent signed by all members of the Committee; and (iii) meetings may be called by the external auditors of the Trust or any member of the Committee upon not less than 48 hours notice, unless such notice requirement is waived by the Committee members. The external auditors of the Trust are entitled to receive notice of every meeting of the Committee and, at the expense of the Trust, to attend and be heard thereat and, if so requested by a member of the Committee, shall attend any meeting of the Committee held during the term of office of the external auditors.
- (g) *Access* – the Committee will have unrestricted access to representatives of the Trust’s asset manager who provide services to the Trust and to Trust information

Appointment and Replacement of Committee Members

1. Any member of the Committee may be removed or replaced at any time by the Trust Board and shall automatically cease to be a member of the Committee upon ceasing to be a trustee. The Trust Board shall fill any vacancy if the membership of the Committee is less than three trustees.

Whenever there is a vacancy on the Committee, the remaining members may exercise its powers as long as a quorum remains in office. Subject to the foregoing, the members of the Committee shall be appointed by the Trust Board annually and each member of the Committee shall remain on the Committee until his or her successor shall be duly appointed and qualified or his or her earlier resignation or removal.

Committee Chair

2. Unless a chair of the Committee is designated by the full Trust Board, the members of the Committee may designate a chair of the Committee by majority vote of the full Committee. The chair of the Committee shall be responsible for leadership of the Committee and reporting to the Trust Board. If the chair of the Committee is not present at any meeting of the Committee, one of the other members of the Committee who is present shall be chosen by the Committee to preside at the meeting. The Committee will report through chair of the Committee to the Trust Board following meetings of the Committee on matters considered by the Committee, its activities and compliance with this Charter.

Conflicts of Interest

3. If a Committee member faces a potential or actual conflict of interest relating to a matter before the Committee, other than matters relating to the compensation of Trustees, that member shall be responsible for alerting the chair of the Committee. If the chair of the Committee faces a potential or actual conflict of interest, the chair of the Committee shall advise the Chair. If the chair of the Committee, or the Chair, as the case may be, concurs that a potential or actual conflict of interest exists, the member faced with such conflict shall disclose to the Committee the member's interest and shall not vote on the matter.

AUDIT RESPONSIBILITIES OF THE COMMITTEE

Selection and Oversight of the External Auditors

4. The external auditors are ultimately accountable to the Committee and the Trust Board as the representatives of the unitholders of the Trust and shall report to the Committee and the Committee shall so instruct the external auditors. The Committee shall evaluate the performance of the external auditors and make recommendations to the Trust Board on the reappointment or appointment of the external auditors of the Trust to be proposed in the Trust's management information circular for approval of the unitholders of the Trust and the compensation to be paid by the Trust to the external auditors. If a change in external auditors is proposed, the Committee shall review the reasons for the change and any other significant issues related to the change, including the response of the incumbent auditors, and enquire on the qualifications of the proposed auditors before making its recommendation to the Trust Board.
5. The Committee shall approve in advance the terms of engagement of the external auditors with respect to the conduct of the annual audit. The Committee may approve policies and procedures for the pre-approval of services to be rendered by the external auditors, including de minimis exceptions, which policies and procedures shall include reasonable detail with respect to the services covered. All non-audit services to be provided to the Trust by the external auditors or any of their affiliates which are not covered by pre-approval policies and procedures approved by the Committee shall be subject to pre-approval by the Committee. The Committee will review disclosure respecting fees paid to the external auditors for audit and non-audit services. Any services under pre-approval will be reported at the following meeting.

6. The Committee shall review the independence of the external auditors and shall make recommendations to the Trust Board on appropriate actions to be taken which the Committee deems necessary to protect and enhance the independence of the external auditors. In connection with such review, the Committee shall:
 - (a) actively engage in a dialogue with the external auditors about all relationships or services that may impact the objectivity and independence of the external auditors;
 - (b) require that the external auditors submit to it on a periodic basis, and at least annually, a formal written statement delineating all relationships between the Trust, on the one hand, and the external auditors and their affiliates on the other hand;
 - (c) consider the auditor independence standards promulgated by applicable auditing regulatory and professional bodies; and
 - (d) ensure periodic rotation of the lead audit partner.
7. The Committee shall require the external auditors to provide to the Committee, and the Committee shall review and discuss with the external auditors, all reports which the external auditors are required to provide to the Committee or the Trust Board under rules, policies or practices of professional or regulatory bodies applicable to the external auditors, and any other reports which the Committee may require.
8. The Committee is responsible for resolving disagreements between representatives of the Trust's asset manager and the external auditors regarding financial reporting and the application of any accounting principles or practices. The Committee shall discuss with the external auditors any difficulties that arose with such representatives during the course of the audit and the adequacy of such representatives' responses in correcting audit-related deficiencies.

Appointment and Oversight of Internal Controls Function

9. The Committee shall obtain from the internal controls function and shall review summaries of the significant reports to senior management of the Trust's asset manager, prepared by the internal controls function, or the actual reports if requested by the Committee, and any responses to such reports.
10. The Committee shall, as it deems necessary, communicate with the internal controls function with respect to their reports and recommendations, the extent to which prior recommendations have been implemented and any other matters that the internal controls function bring to the attention of the Committee. The head of the internal controls function for the Trust shall have unrestricted access to the Committee.
11. The Committee shall, annually or more frequently as it deems necessary, evaluate the internal controls function including their activities, organizational structure and qualifications and effectiveness and communicate the results of such review to the Trust Board and to the Trust's asset manager.

Oversight and Monitoring of Audits

12. The Committee shall review with the external auditors, the internal controls function and senior management of the Trust's asset manager, the audit function generally, the objectives, staffing, locations, co-ordination, reliance upon representatives of the Trust's asset manager and internal controls function and general audit approach and scope of proposed audits of the financial statements of the Trust, the overall audit plans, the responsibilities of the senior management of the Trust's asset manager, the internal controls function and the external auditors, the audit procedures to be used and the timing and estimated budgets of the audits.
13. The Committee shall meet periodically with the internal controls function to discuss the progress of their activities and any significant findings stemming from internal audits or internal controls testing and any difficulties or disputes that arise with other representatives of the Trust's asset manager and the adequacy of such representatives' responses in correcting audit-related deficiencies.
14. The Committee shall review with senior management of the Trust's asset manager the results of internal and external audits.
15. The Committee shall take such other reasonable steps as it may deem necessary to satisfy itself that the audit was conducted in a manner consistent with all applicable legal requirements and auditing standards of applicable professional or regulatory bodies.

Oversight and Review of Accounting Principles and Practices

16. The Committee shall, as it deems necessary, oversee, review and discuss with senior management of the Trust's asset manager, the external auditors and the internal controls function:
 - (a) the quality, appropriateness and acceptability of the Trust's accounting principles and practices used in its financial reporting, changes in the Trust's accounting principles or practices and the application of particular accounting principles and disclosure practices by management to new transactions or events;
 - (b) all significant financial reporting issues and judgements made in connection with the financial statements, including the effect of any alternative treatment within International Financial Reporting Standards;
 - (c) any material change to the Trust's auditing and accounting principles and practices as recommended by senior management of the Trust's asset manager, the external auditors or the internal controls function or which may result from proposed changes to applicable International Financial Reporting Standards;
 - (d) the effect of regulatory or accounting limitations on the Trust's financial reporting;
 - (e) any reserves, accruals, provisions, estimates or Trust programs and policies, including factors that affect asset and liability carrying values and the timing of revenue and expense recognition, that may have a material effect upon the financial statements of the Trust;
 - (f) any legal matter, claim or contingency that could have a significant impact on the financial statements and any material reports, inquiries or correspondence from regulators or governmental authorities regarding compliance with applicable requirements and any analysis respecting disclosure with regard to any such legal matter, claim or contingency in the financial statements;

- (g) the treatment for financial reporting purposes of any significant transactions which are not a normal part of the Trust's operations;
- (h) the use of any "pro-forma" or "adjusted" information not in accordance with International Financial Reporting Standards; and
- (i) determinations of goodwill impairment, if any, as required by applicable accounting standards

Oversight and Monitoring of Internal Controls

17. The Committee shall, as it deems necessary, exercise oversight of, review and discuss with senior management of the Trust's asset manager, the external auditors and the internal controls function:
 - (a) the adequacy and effectiveness of the Trust's internal accounting and financial controls and the recommendations of senior management of the Trust's asset manager, the external auditors and the internal controls function for the improvement of accounting practices and internal controls;
 - (b) any material weaknesses in the internal control environment, including with respect to computerized information system controls and security; and
 - (c) the Trust's asset manager's compliance with the Trust's processes, procedures and internal controls.

Communications with Others

18. The Committee shall establish and monitor procedures, such as a Whistleblower Policy for the receipt and treatment of complaints received by the Trust regarding accounting, internal accounting controls or audit matters and the anonymous submission by employees of the Trust's asset manager of concerns regarding questionable accounting or auditing matters and review periodically with senior management of the Trust's asset manager and the internal controls function these procedures and any significant complaints received.

Oversight and Monitoring of the Trust's Financial Disclosures

19. The Committee shall:
 - (a) review with the external auditors and senior management of the Trust's asset manager and recommend to the Trust Board for approval the audited annual financial statements and the notes and management's discussion and analysis accompanying such financial statements, and the Trust's annual report;
 - (b) review with the external auditors and senior management of the Trust's asset manager each set of interim financial statements and the notes and management's discussion and analysis accompanying such financial statements; and
 - (c) if requested by the Board, review with the external auditors and senior management of the Trust's asset manager any financial statements included or to be included in a prospectus, any financial information of the Trust contained in any management information circular of the Trust, and any other disclosure documents or regulatory filings of the Trust containing or accompanying financial information of the Trust.

Such reviews shall be conducted prior to the release of any summary of the financial results or the filing of such reports with applicable regulators.

20. Prior to their distribution, the Committee shall discuss earnings press releases, as well as financial information and earnings guidance, if any, provided to analysts and ratings agencies, it being understood that such discussions may, in the discretion of the Committee, be done generally (i.e. by discussing the types of information to be disclosed and the type of presentation to be made) and that the Committee need not discuss in advance each earnings release or each instance in which the Trust gives earning guidance.
21. The Committee shall review with senior management of the Trust's asset manager the assessment of the Trust's disclosure controls and procedures and material changes in their design.

Oversight of Finance Matters

22. The Committee shall receive and review:
 - (a) periodic reports on compliance with requirements regarding statutory deductions and remittances, the nature and extent of any non-compliance together with the reasons therefor and the plan and timetable of senior management of the Trust's asset manager to correct any deficiencies;
 - (b) material policies and practices of the Trust respecting cash management and material financing strategies or policies or proposed financing arrangements and objectives of the Trust; and
 - (c) material tax policies and tax planning initiatives, tax payments and reporting and any pending tax audits or assessments.
23. The Committee shall meet periodically with senior management of the Trust's asset manager to review and discuss the Trust's major financial risk exposures and the policy steps the Trust's asset manager has taken to monitor and control such exposures, including the use of financial derivatives and hedging activities.
24. The Committee shall meet with senior management of the Trust's asset manager to review the process and systems in place for ensuring the reliability of public disclosure documents that contain audited and unaudited financial information and their effectiveness.

Additional Responsibilities

25. The Committee shall review any significant or material transactions outside the Trust's ordinary activities.
26. If requested by the Board, the Committee shall review and make recommendations to the Trust Board concerning the financial condition of the Trust, including with respect to annual budgets, corporate borrowings, investments, capital expenditures, long term commitments and the issuance and/or repurchase of securities.
27. The Committee shall review and/or approve any other matter specifically delegated to the Committee by the Trust Board and undertake on behalf of the Trust Board such other activities as may be necessary or desirable to assist the Trust Board in fulfilling its oversight responsibilities with respect to financial reporting.

Audit Committee Charter

28. The Committee shall review and reassess the adequacy of this Charter at least annually and otherwise as it deems appropriate and recommend changes to the Trust Board. The performance of the Committee shall be evaluated with reference to this Charter annually.
29. The Committee shall ensure that this Charter or a summary of it which has been approved by the Committee is disclosed in accordance with all applicable securities laws or regulatory requirements in the annual management information circular or annual information form of the Trust.

SCHEDULE B
DREAM IMPACT MASTER GP INC.
(the “Corporation”)

AUDIT COMMITTEE CHARTER
(the “Charter”)

PURPOSE

The Audit Committee (the “**Committee**”) is a standing committee appointed by the board of directors of the Corporation (the “**Board**”). The Committee is established to fulfill applicable securities law obligations respecting audit committees and to assist the Board in fulfilling its oversight responsibilities with respect to financial reporting, including to:

- oversee the integrity of the Corporation’s and Dream Impact Master LP’s financial statements and financial reporting process, including the audit process and the Corporation’s and Dream Impact Master LP’s internal accounting controls and procedures and compliance with related legal and regulatory requirements;
- oversee the qualifications and independence of the external auditors;
- oversee the work of the representatives of Dream Impact Master LP’s asset manager with responsibility for financial and internal controls function, and external auditors in these areas; and
- provide an open avenue of communication between the external auditors, the Board, the Corporation and representatives of Dream Impact Master LP’s asset manager.

The function of the Committee is oversight. It is not the duty or responsibility of the Committee or its members (a) to plan or conduct audits, (b) to determine that the Corporation’s or Dream Impact Master LP’s financial statements are complete and accurate and are in accordance with International Financial Reporting Standards or (c) to conduct other types of auditing or accounting reviews or similar procedures or investigations. The Committee, its chair and its audit committee financial expert members are members of the Board, appointed to the Committee to provide broad oversight of the financial, risk and control related activities of the Corporation and Dream Impact Master LP, and are specifically not accountable or responsible for the day to day operation or performance of such activities. In particular, the member or members identified as audit committee financial experts shall not be accountable for giving professional opinions on the internal or external audit of the Corporation’s or Dream Impact Master LP’s financial information.

Representatives of Dream Impact Master LP’s asset manager are responsible for the preparation, presentation and integrity of the Corporation’s and Dream Impact Master LP’s financial statements. Representatives of Dream Impact Master LP’s asset manager are also responsible for maintaining appropriate accounting and financial reporting principles and policies and systems of risk assessment and internal controls and procedures designed to provide reasonable assurance that assets are safeguarded and transactions are properly authorized, recorded and reported and to assure the effectiveness and efficiency of operations, the reliability

of financial reporting and compliance with accounting standards and applicable laws and regulations. Representatives of Dream Impact Master LP's asset manager are responsible for monitoring and reporting on the adequacy and effectiveness of the system of internal controls. The external auditors are responsible for planning and carrying out an audit of the Corporation's and Dream Impact Master LP's annual financial statements in accordance with generally accepted auditing standards to provide reasonable assurance that, among other things, such financial statements are in accordance with International Financial Reporting Standards.

PROCEDURES, POWERS AND DUTIES

The Committee shall have the following procedures, powers and duties:

General

- (a) *Composition* – The Committee shall consist of at least three members, all of whom shall be independent within the meaning of National Instrument 52-110 – *Audit Committees* and a majority of whom shall be resident Canadians. All members of the Committee must be or, within a reasonable period following appointment, become financially literate, meaning that each has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's and Dream Impact Master LP's financial statements.
- (b) *Separate Executive Meetings* – The Committee shall meet periodically with representatives of Dream Impact Master LP's asset manager with responsibility for financial and internal controls function and the external auditors in separate executive sessions to discuss any matters that the Committee or each of these groups believes should be discussed privately and such persons shall have access to the Committee to bring forward matters requiring its attention. However, the Committee shall also meet periodically without representatives of Dream Impact Master LP's asset manager present.
- (c) *Professional Assistance* – The Committee may require the external auditors and the internal controls function to perform such supplemental reviews or audits as the Committee may deem desirable. In addition, the Committee may retain such special legal, accounting, financial or other consultants as the Committee may determine to be necessary to carry out the Committee's duties at Dream Impact Master LP's expense.
- (d) *Reliance* – Absent actual knowledge to the contrary (which shall be promptly reported to the Board), each member of the Committee shall be entitled to rely on (i) the integrity of those persons or organizations within and outside the Corporation, including representatives of Dream Impact Master LP's asset manager from which it receives information, (ii) the accuracy of the financial and other information provided to the Committee by such persons or organizations and (iii) representations made by representatives of Dream Impact Master LP's asset manager and the external auditors as to any information technology, internal audit, internal controls and other non-audit services provided by the external auditors to the Corporation, Dream Impact Master LP and their respective subsidiaries.

- (e) *Reporting to the Board* – The Committee will report through the chair of the Committee to the Board following meetings of the Committee on matters considered by the Committee, its activities and compliance with this Charter.
- (f) *Procedure* – The Committee meetings shall be conducted as follows: (i) questions arising at any meeting shall be decided by a majority of the votes cast; (ii) decisions may be taken by written consent signed by all members of the Committee; and (iii) meetings may be called by the external auditors of Dream Impact Master LP and the Corporation or any member of the Committee upon not less than 48 hours notice, unless such notice requirement is waived by the Committee members. The external auditors of Dream Impact Master LP and the Corporation are entitled to receive notice of every meeting of the Committee and, at the expense of Dream Impact Master LP, to attend and be heard thereat and, if so requested by a member of the Committee, shall attend any meeting of the Committee held during the term of office of the external auditors.
- (g) *Access* – The Committee shall have unrestricted access to representatives of Dream Impact Master LP’s asset manager who provide services to Dream Impact Master LP and the Corporation, and to the Corporation and Dream Impact Master LP information.

Appointment and Replacement of Committee Members

- 1. Any member of the Committee may be removed or replaced at any time by the Board and shall automatically cease to be a member of the Committee upon ceasing to be a director. The Board shall fill any vacancy if the membership of the Committee is less than three directors. Whenever there is a vacancy on the Committee, the remaining members may exercise its powers as long as a quorum remains in office. Subject to the foregoing, the members of the Committee shall be appointed by the Board annually and each member of the Committee shall remain on the Committee until his or her successor shall be duly appointed and qualified or his or her earlier resignation or removal.

Committee Chair

- 2. Unless a chair of the Committee is designated by the full Board, the members of the Committee may designate a chair of the Committee by majority vote of the full Committee. The chair of the Committee shall be responsible for leadership of the Committee and reporting to the Board. If the chair of the Committee is not present at any meeting of the Committee, one of the other members of the Committee who is present shall be chosen by the Committee to preside at the meeting. The Committee will report through chair of the Committee to the Board following meetings of the Committee on matters considered by the Committee, its activities and compliance with this Charter.

Conflicts of Interest

- 3. If a Committee member faces a potential or actual conflict of interest relating to a matter before the Committee, other than matters relating to the compensation of directors, that member shall be responsible for alerting the chair of the Committee. If the chair of the Committee faces a potential or actual conflict of interest, the chair of the Committee shall advise the Chair. If the chair of the Committee, or the Chair, as the case may be, concurs

that a potential or actual conflict of interest exists, the member faced with such conflict shall disclose to the Committee the member's interest and shall not vote on the matter.

AUDIT RESPONSIBILITIES OF THE COMMITTEE

Selection and Oversight of the External Auditors

4. The external auditors are ultimately accountable to the Committee and the Board as the representatives of the shareholder of the Corporation and the partners of Dream Impact Master LP and shall report to the Committee and the Committee shall so instruct the external auditors. The Committee shall evaluate the performance of the external auditors and make recommendations to the Board on the reappointment or appointment of the external auditors of the Corporation and Dream Impact Master LP and the compensation to be paid by the Corporation and Dream Impact Master LP to the external auditors. If a change in external auditors is proposed, the Committee shall review the reasons for the change and any other significant issues related to the change, including the response of the incumbent auditors, and enquire on the qualifications of the proposed auditors before making its recommendation to the Board.
5. The Committee shall approve in advance the terms of engagement of the external auditors with respect to the conduct of the annual audit. The Committee may approve policies and procedures for the pre-approval of services to be rendered by the external auditors, including *de minimis* exceptions, which policies and procedures shall include reasonable detail with respect to the services covered. All non-audit services to be provided to the Corporation, Dream Impact Master LP or any of their respective subsidiaries by the external auditors or any of their affiliates which are not covered by pre-approval policies and procedures approved by the Committee shall be subject to pre-approval by the Committee. Any services under pre-approval will be reported at the following meeting.
6. The Committee shall review the independence of the external auditors and shall make recommendations to the Board on appropriate actions to be taken which the Committee deems necessary to protect and enhance the independence of the external auditors. In connection with such review, the Committee shall:
 - (a) actively engage in a dialogue with the external auditors about all relationships or services that may impact the objectivity and independence of the external auditors;
 - (b) require that the external auditors submit to it on a periodic basis, and at least annually, a formal written statement delineating all relationships between the Corporation, Dream Impact Master LP and their respective subsidiaries, on the one hand, and the external auditors and their affiliates on the other hand;
 - (c) consider the auditor independence standards promulgated by applicable auditing regulatory and professional bodies; and
 - (d) ensure periodic rotation of lead audit partner.

7. The Committee shall establish and monitor clear policies for the hiring by the Corporation or Dream Impact Master LP of employees or former employees of the external auditors.
8. The Committee shall require the external auditors to provide to the Committee, and the Committee shall review and discuss with the external auditors, all reports which the external auditors are required to provide to the Committee or the Board under rules, policies or practices of professional or regulatory bodies applicable to the external auditors, and any other reports which the Committee may require.
9. The Committee is responsible for resolving disagreements between representatives of Dream Impact Master LP's asset manager and the external auditors regarding financial reporting and the application of any accounting principles or practices. The Committee shall discuss with the external auditors any difficulties that arose with such representatives during the course of the audit and the adequacy of such representatives' responses in correcting audit-related deficiencies.

Oversight of Internal Controls Function

10. The Committee shall obtain from the internal controls function and shall review summaries of the significant reports to senior management of Dream Impact Master LP's asset manager prepared by the internal controls function, or the actual reports if requested by the Committee, and any responses to such reports.
11. The Committee shall, as it deems necessary, communicate with the internal controls function with respect to their reports and recommendations, the extent to which prior recommendations have been implemented and any other matters that the internal controls function brings to the attention of the Committee. The head of the internal controls function shall have unrestricted access to the Committee.
12. The Committee shall, annually or more frequently as it deems necessary, evaluate the internal controls function including their activities, organizational structure and qualifications and effectiveness and communicate the results of such review to the Board and Dream Impact Master LP's asset manager.

Oversight and Monitoring of Audits

13. The Committee shall review with the external auditors, the internal controls function and senior management of Dream Impact Master LP's asset manager the audit function generally, the objectives, staffing, locations, co-ordination, reliance upon representatives of Dream Impact Master LP's asset manager and internal audit and general audit approach and scope of proposed audits of the financial statements of the Corporation and Dream Impact Master LP and their respective subsidiaries, the overall audit plans, the responsibilities of senior management of Dream Impact Master LP, the internal controls function and the external auditors, the audit procedures to be used and the timing and estimated budgets of the audits.
14. The Committee shall meet periodically with the internal controls function to discuss the progress of their activities and any significant findings stemming from any internal audits

or internal controls testing and any difficulties or disputes that arise with other representatives of Dream Impact Master LP's asset manager and the adequacy of such representatives' responses in correcting audit-related deficiencies.

15. The Committee shall review with senior management of Dream Impact Master LP's asset manager the results of internal and external audits.
16. The Committee shall take such other reasonable steps as it may deem necessary to satisfy itself that the audit was conducted in a manner consistent with all applicable legal requirements and auditing standards of applicable professional or regulatory bodies.

Oversight and Review of Accounting Principles and Practices

17. The Committee shall, as it deems necessary, oversee, review and discuss with senior management of Dream Impact Master LP's asset manager, the external auditors and the internal controls function:
 - (a) the quality, appropriateness and acceptability of the Corporation's and Dream Impact Master LP's accounting principles and practices used in its financial reporting, changes in the Corporation's and Dream Impact Master LP's accounting principles or practices and the application of particular accounting principles and disclosure practices by representatives of Dream Impact Master LP's asset manager to new transactions or events;
 - (b) all significant financial reporting issues and judgements made in connection with the financial statements, including the effect of any alternative treatment within International Financial Reporting Standards;
 - (c) any material change to the Corporation or Dream Impact Master LP's auditing and accounting principles and practices as recommended by senior management of Dream Impact Master LP's asset manager, the external auditors or the internal controls function or which may result from proposed changes to applicable International Financial Reporting Standards;
 - (d) the effect of regulatory or accounting limitations on the Corporation's or Dream Impact Master LP's financial reporting;
 - (e) any reserves, accruals, provisions, estimates or programs and policies of the Corporation or Dream Impact Master LP, including factors that affect asset and liability carrying values and the timing of revenue and expense recognition, that may have a material effect upon the financial statements of the Corporation or Dream Impact Master LP;
 - (f) any legal matter, claim or contingency that could have a significant impact on the financial statements and any material reports, inquiries or correspondence from regulators or governmental authorities regarding compliance with applicable requirements and any analysis respecting disclosure with regard to any such legal matter, claim or contingency in the financial statements;

- (g) the treatment for financial reporting purposes of any significant transactions which are not a normal part of the Corporation's or Dream Impact Master LP's operations;
- (h) the use of any "pro-forma" or "adjusted" information not in accordance with International Financial Reporting Standards; and
- (i) determination of goodwill impairment, if any, as required by applicable accounting standards.

Oversight and Monitoring of Internal Controls

18. The Committee shall, as it deems necessary, exercise oversight of, review and discuss with senior management of Dream Impact Master LP's asset manager, the external auditors and the internal controls function:
 - (a) the adequacy and effectiveness of the Corporation's and Dream Impact Master LP's internal accounting and financial controls and the recommendations of senior management of Dream Impact Master LP's asset manager, the external auditors and the internal controls function for the improvement of accounting practices and internal controls;
 - (b) any material weaknesses in the internal control environment, including with respect to computerized information system controls and security; and
 - (c) Dream Impact Master LP's asset manager's compliance with the Corporation's and Dream Impact Master LP's processes, procedures and internal controls.

Communications with Others

19. The Committee shall:
 - (a) periodically review the whistleblower policy of Dream Impact Trust (the "**Trust**") or similar document applicable to directors, officers and employees of the Corporation or Dream Impact Master LP; and
 - (b) review and report the monitoring of compliance with such policy by directors, officers and employees of the Corporation and Dream Impact Master LP to the Board.

Oversight of Finance Matters

20. Appointments of the key financial executives involved in the financial reporting process of the Corporation or Dream Impact Master LP, including the chief financial officer, shall require the prior review of the Committee.
21. The Committee shall receive and review:
 - (a) periodic reports on compliance with requirements regarding statutory deductions and remittances, the nature and extent of any non-compliance together with the

reasons therefor and the plan and timetable of senior management of Dream Impact Master LP's asset manager to correct any deficiencies;

- (b) material policies and practices of the Corporation or Dream Impact Master LP respecting cash management and material financing strategies or policies or proposed financing arrangements and objectives of the Corporation or Dream Impact Master LP; and
 - (c) material tax policies and tax planning initiatives, tax payments and reporting and any pending tax audits or assessments.
22. The Committee shall meet periodically with senior management of Dream Impact Master LP's asset manager to review and discuss Dream Impact Master LP's major financial risk exposures and the policy steps Dream Impact Master LP's asset manager has taken to monitor and control such exposures, including the use of financial derivatives and hedging activities.
23. The Committee shall meet with senior management of Dream Impact Master LP's asset manager to review the process and systems in place for ensuring the reliability of public disclosure documents that contain audited and unaudited financial information and their effectiveness.

Additional Responsibilities

24. The Committee shall review any significant or material transactions outside the Corporation's or Dream Impact Master LP's ordinary activities.
25. If requested by the Board, the Committee shall review and make recommendations to the Board concerning the financial condition of the Corporation, Dream Impact Master LP and its subsidiaries, including with respect to annual budgets, corporate borrowings, investments, capital expenditures and long term commitments.
26. The Committee shall review and/or approve any other matter specifically delegated to the Committee by the Board and undertake on behalf of the Board such other activities as may be necessary or desirable to assist the Board in fulfilling its oversight responsibilities with respect to financial reporting.

AUDIT COMMITTEE CHARTER

27. The Committee shall review and reassess the adequacy of this Charter at least annually and otherwise as it deems appropriate and recommend changes to the Board. The performance of the Committee shall be evaluated with reference to this Charter annually.