SUBVERSIVE REAL ESTATE ACQUISITION REIT LP

UNAUDITED INTERIM FINANCIAL STATEMENTS

AS AT MARCH 31, 2020

(Expressed in U.S. Dollars)

SUBVERSIVE REAL ESTATE ACQUISITION REIT LP

UNAUDITED BALANCE SHEET

(expressed in U.S. dollars)

	As at March 31, 2020 U.S.$	As at December 31, 2019 U.S.$
Assets		
Cash	1,643,171	25,011
Prepaid expenses and other assets	174,552	-
Securities held in Escrow Account	225,648,598	-
Total Assets	**227,466,321**	**25,011**
Liabilities and Unitholders' Equity		
Accrued Expenses	166,315	-
Class A Restricted Voting Units subject to redemption (Note 6)	207,623,955	-
Total Liabilities	**207,790,270**	**-**
Equity		
Unit capital, net	24,944,677	25,011
Deficit	(5,268,626)	-
Total Unitholders' Equity	**19,676,051**	**25,011**
Total Liabilities and Unitholders' Equity	**227,466,321**	**25,011**

The accompanying notes are an integral part of these financial statements

SUBVERSIVE REAL ESTATE ACQUISITION REIT LP

UNAUDITED STATEMENT OF INCOME (LOSS)

(expressed in U.S. dollars)

	For the period from January 1, 2020 to March 31, 2020 U.S.$
Revenue	
Interest	648,598
Total Revenue	**648,598**
Expenses	
Amortization of issue costs on Class A rights (Note 6)	4,910,420
General and administrative (Note 12)	356,174
Interest allocated to Class A Units	650,630
Total Expenses	**5,917,224**
Net loss	**(5,268,626)**
Weighted average units outstanding, basic and diluted [1]	582,063
Net loss per unit - basic and diluted	**(9.05)**

1. Includes Class B Units, Proportionate Voting Units and the General Partnership Unit.

UNAUDITED STATEMENT OF CASH FLOW

(expressed in U.S. dollars)

	For the period from January 1, 2020 to March 31, 2020 U.S.$
Operating Activities	
Net loss for the period	(5,268,626)
Amortization of issue costs on Class A Units	4,910,420
Prepaid Expenses	(174,551)
Accrued Expenses	166,315
Cash used in operating activities	**(366,442)**
Investing Activities	
Securities held in Escrow	(225,000,000)
Cash used in investing activities	**(225,000,000)**
Financing Activities	
Issuance of Class B Units	5,245,000
Issuance of Class A Units	225,000,000
Transaction Costs allocated to Class A Units	(2,946,522)
Transaction Costs allocated to Class B Units	(26,341)
Transaction costs allocated to Rights	(287,535)
Cash provided by financing activities	**226,984,602**
Net increase in cash during the period	**1,618,160**
Cash, beginning of period	25,011
Cash, end of period	1,643,171

The accompanying notes are an integral part of these financial statements

SUBVERSIVE REAL ESTATE ACQUISITION REIT LP

STATEMENT OF EQUITY

For the period from January 1, 2020 to March 31, 2020
(expressed in U.S. dollars, except for number of units outstanding amounts)

General partner	**General partnership Unit**	
	Units	**Amount**
CAPITAL		
Outstanding, beginning of period	1	10
Outstanding, end of period	**1**	**10**

Limited Partner	**Proportionate Voting Units**		**Class A Rights**		**Class B Units**			**Total Unitholders' Equity**
	Units	**Amount**	**Rights**	**Amount**	**Units**	**Amount**	**Deficit**	
Outstanding, beginning of period	58,821	25,011	-	-	-	-	-	25,011
Relinquishment	(1,259)	-	-	-	-	-	-	-
Issuance of Class B Units to Sponsor	-	-	-	-	524,500	5,245,000	-	5,245,000
Value assigned to Class A Rights	-	-	22,500,000	19,988,541	-	-	-	19,988,541
Transaction Costs assigned to Class B units	-	-	-	-	-	(26,341)	-	(26,341)
Transaction Costs assigned to Class A Rights	-	-	-	(287,534)	-	-	-	(287,534)
Retained Deficit	-	-	-	-	-	-	(5,268,626)	(5,268,626)
Balance - March 31, 2020	**57,562**	**25,011**	**22,500,000**	**19,701,007**	**524,500**	**5,218,659**	**(5,268,626)**	**19,676,051**

The accompanying notes are an integral part of these financial statements

SUBVERSIVE REAL ESTATE ACQUISITION REIT LP
NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS
As at March 31, 2020 (expressed in U.S. dollars)

1. CORPORATE INFORMATION

Subversive Real Estate Acquisition REIT LP (the "**REIT LP**", "**we**", "**our**" or "**us**") is a limited partnership formed under the laws of the Province of Ontario for the purpose of effecting, directly or indirectly, an acquisition of one or more businesses or assets, by way of a merger, amalgamation, arrangement, equity exchange, asset acquisition, equity purchase, reorganization, or any other similar business combination involving the REIT LP, which we refer to as our "Qualifying Transaction". Subversive Real Estate Sponsor LLC ("**Subversive Sponsor**"), Inception Altanova Sponsor, LLC and CG Investments Inc. IV are sponsors of the REIT LP (collectively, the "**Sponsors**"). The amended and restated limited partnership agreement (the "**A&R LPA**") of the REIT LP is filed on SEDAR at www.sedar.com.

The REIT LP was established under the *Limited Partnership Act* (Ontario) on November 12, 2019. The REIT LP's head office is located at 135 Grand Street, 2nd Floor, New York, New York 10013 and its registered office is located at 333 Bay Street, Suite 3400, Toronto, Ontario, M5H 2S7, Canada.

The financial statements were authorized for issuance by the Board of Directors of the General Partner of the REIT LP on May 12, 2020.

2. SIGNIFICANT EVENTS

On November 12, 2019, the REIT LP issued the general partner interest to Subversive Real Estate Acquisition REIT (GP) Inc. (the "**General Partner**"), the REIT LP's General Partner, in exchange for proceeds of U.S.$10.00. The General Partner is responsible for the management and control of the REIT LP in accordance with the A&R LPA. On November 12, 2019, the REIT LP issued one proportionate voting unit ("**Proportionate Voting Unit**") to Subversive Sponsor. On December 31, 2019, the REIT LP issued 58,820 Proportionate Voting Units of the REIT LP to the Founders ("**Founders' Proportionate Voting Units**") at approximately U.S.$0.425 per Proportionate Voting Unit for aggregate proceeds of U.S.$25,000. Our Sponsors and the General Partners' directors and officers, Michael Auerbach, Leland Hensch, Richard Acosta, Omar Mangalji, Scott Baker, Octavio Boccalandro, Craig Hatkoff, Anne Sullivan, Eric Clarke, Michael Miller, Dylan Marcoot and Dylan Hart, comprise our Founders.

On January 8, 2020, the REIT LP closed its initial public offering (the "**Offering**") of 20,000,000 Class A Restricted Voting units (the "**Class A Restricted Voting Units**") at U.S.$10.00 per Class A Restricted Voting Unit, for gross proceeds of U.S.$200,000,000. Each Class A Restricted Voting Unit consists of one restricted voting unit of the REIT LP (each, a "**Restricted Voting Unit**") and one right of the REIT LP (each, a "**Right**"). Each Restricted Voting Unit, unless previously redeemed, will be automatically renamed "Limited Partnership Units" following the closing of a Qualifying Transaction. Each Right represents the entitlement to automatically receive, for no additional consideration, one-eighth (1/8) of one Restricted Voting Unit (which at such time will represent one-eighth (1/8) of a Limited Partnership Unit, subject to adjustment under the terms of the Qualifying Transaction). The REIT LP's Class A Restricted Voting Units commenced trading on the Exchange under the symbol SVX.UN on January 8, 2020. The Class A Restricted Voting Units separated into Restricted Voting Units and Rights on February 18, 2020, and trade under the symbols "SVX.U" and "SVX.RT.U", respectively.

In connection with the Offering, the REIT LP granted the underwriters a 30-day non-transferable option to purchase up to an additional 3,000,000 Class A Restricted Voting Units, at a price of U.S.$10.00 per Class A Restricted Voting Unit, to cover over-allotments, if any, and for market stabilization purposes. The underwriters partially exercised the over-allotment option to acquire 2,500,000 Class A Restricted Voting Units and the over-allotment closed on January 23, 2020. Due to the partial exercise of the over-allotment option, an aggregate of 1,259 Proportionate Voting Units were relinquished without compensation by the

Sponsors on January 23, 2020. As a result, following the exercise of the over-allotment option and relinquishment of the 1,259 Proportionate Voting Units, the Founders own an aggregate of 57,561 Proportionate Voting Units (excluding Proportionate Voting Units underlying the Class B Units).

Concurrent with the closing of the Offering, the Sponsors purchased an aggregate of 512,000 class B Units ("**Class B Units**") at an offering price of U.S.$10.00 per Class B Unit, for gross proceeds of U.S.$5,120,000. Each Class B Unit consists of 1/100 of a Proportionate Voting Unit and one Right. In connection with the partial exercise of the over-allotment, the Sponsors purchased an aggregate of 12,500 additional Class B Units, for additional gross proceeds of U.S.$125,000.

The proceeds of U.S.$225,000,000 from the Offering and over-allotment are held by Olympia Trust Company, as escrow agent, in an escrow account at a Canadian chartered bank (the "**Escrow Account**") or subsidiary thereof, in accordance with the escrow agreement. Subject to applicable law and payment of certain taxes, permitted redemptions and certain expenses, as further described herein, none of the funds held in the Escrow Account will be released to the REIT LP prior to the closing of a Qualifying Transaction. The escrowed funds will be held to enable the REIT LP to (i) satisfy redemptions made by holders of Restricted Voting Units (including in the event of a Qualifying Transaction or an extension to the Permitted Timeline or up to 15 months with unitholders approval from the holders of Restricted Voting Units and the General Partner's board of directors, or in the event a Qualifying Transaction does not occur within the Permitted Timeline), (ii) fund a Qualifying Transaction with the net proceeds following payment of any such redemptions and deferred underwriting commissions, and/or (iii) pay taxes on amounts earned on the escrowed funds and certain permitted expenses. Such escrowed funds and all amounts earned, subject to such obligations and applicable law, will be assets of the REIT LP.

If we are unable to consummate a Qualifying Transaction within the Permitted Timeline of 12 months from the closing date of the Offering (the "**Closing Date**") (or 15 months from the Closing Date if we have executed a definitive agreement for a Qualifying Transaction within 12 months from the Closing Date but have not completed the Qualifying Transaction within such 12-month period), we will be required to redeem each of the outstanding Restricted Voting Units, for an amount per unit, payable in cash, equal to the pro-rata portion (per Restricted Voting Unit) of: (A) the escrowed funds available in the escrow account, including any interest and other amounts earned thereon, less (B) an amount equal to the total of (i) any applicable taxes payable by the REIT LP on such interest and other amounts earned in the escrow account, and (ii) up to a maximum of U.S.$50,000 of interest and other amounts earned from the proceeds in the escrow account to pay actual and expected winding-up expenses and certain other related costs (as described in the Prospectus), each as reasonably determined by the General Partner. In such event, the Rights will expire and be worthless. The underwriters of the Offering will have no right to the deferred underwriting commission held in the escrow account in such circumstances.

Such Permitted Timeline, however, could be extended to up to 36 months with unitholder approval, by ordinary resolution of holders of Restricted Voting Units, with approval by the board of directors of the General Partner. If such approvals are obtained, holders of Restricted Voting Units, irrespective of whether such holders voted for or against, or did not vote on, the extension of the Permitted Timeline, would be permitted to deposit all or a portion of their units for redemption prior to the second business day before the meeting of the holders of Restricted Voting Units in respect of the extension. Upon the requisite approval of the extension of the Permitted Timeline, and subject to applicable law, we will be required to redeem such Restricted Voting Units so deposited at an amount per unit, payable in cash, equal to the pro-rata portion (per Restricted Voting Unit) of: (A) the escrowed funds available in the escrow account at the time of the meeting in respect of the extension, including any interest and other amounts earned thereon, less (B) an amount equal to the total of (i) any applicable taxes payable by the REIT LP on such interest and other amounts earned in the escrow account; and (ii) actual and expected expenses directly related to the redemption, each as reasonably determined by the General Partner. For greater certainty, such amount will not be reduced by the deferred underwriting commission per Restricted Voting Unit held in the escrow account.

Consummation of the Qualifying Transaction will require approval by a majority of the General Partner's directors unrelated to the Qualifying Transaction. In connection with seeking to complete a Qualifying Transaction, we will provide holders of our Restricted Voting Units with the opportunity to redeem all or a portion of their Restricted Voting Units, provided that they deposit their units for redemption prior to the deadline specified by the REIT LP, following public disclosure of the details of the Qualifying Transaction and prior to the closing of the Qualifying Transaction, of which prior notice had been provided to the holders of the Restricted Voting Units by any means permitted by the Exchange, not less than 21 days nor more than 60 days in advance of such deadline, in each case, with effect, subject to applicable law, immediately prior to the closing of our Qualifying Transaction, for an amount per unit, payable in cash, equal to the pro-rata portion (per Restricted Voting Unit) of: (A) the escrowed funds available in the escrow account at the time immediately prior to the redemption deposit deadline, including interest and other amounts earned thereon; less (B) an amount equal to the total of (i) any applicable taxes payable by the REIT LP on such interest and other amounts earned in the escrow account, and (ii) actual and expected expenses directly related to the redemption, each as reasonably determined by the General Partner, subject to the limitations described in the Prospectus. For greater certainty, such amount will not be reduced by the deferred underwriting commission per Restricted Voting Unit held in escrow. If approval of the Qualifying Transaction by unitholders is otherwise required under applicable law, holders of Restricted Voting Units shall have the option to redeem their Restricted Voting Units irrespective of whether they vote for or against, or do not vote on, the Qualifying Transaction at any meeting of the REIT LP's unitholders to be held, if required under applicable law, to vote on our Qualifying Transaction (a "**Qualifying Transaction Meeting**"), as further described in the Prospectus under "Qualifying Transaction – Redemption Rights" and "Description of Securities – Restricted Voting Units and Proportionate Voting Units" in the Prospectus. Holders of Restricted Voting Units will be given not less than 21 days' notice of the Qualifying Transaction Meeting (if such meeting is required under applicable law) and of the corresponding redemption deposit deadline if such Qualifying Transaction Meeting is required. Participants through CDS Clearing and Depositary Services Inc. ("**CDS**") may have earlier deadlines for accepting deposits of Restricted Voting Units for redemption. If a CDS participant's deadline is not met by a holder of Restricted Voting Units, such holder's Restricted Voting Units may not be eligible for redemption.

Our Founders will not be entitled to redeem the Founders' Proportionate Voting Units (as defined in the Prospectus) or Class B Units (including their underlying securities) in connection with a Qualifying Transaction or an extension to the Permitted Timeline or entitled to access the escrow account should a Qualifying Transaction not occur within the Permitted Timeline, as further described in the Prospectus. Our Founders (including our Sponsors) will, however, participate in any liquidation distribution with respect to any Restricted Voting Units they acquired in connection with the Offering through possible purchases on the secondary market.

3. BASIS OF PREPARATION

Basis of preparation

These unaudited interim financial statements of the REIT LP as at March 31, 2020 and for the period from January 1, 2020 through March 31, 2020 have been prepared by management in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board and with interpretation of the International Financial Reporting Interpretations Committee. These financial statements meet the requirements of International Accounting Standard 34, "Interim Financial Reporting". The REIT LP was established on November 12, 2019 and accordingly no comparatives have been provided for the income statements and cash flows.

Basis of measurement

The unaudited interim financial statements of the Company have been prepared on a historical cost basis. The REIT LP's functional and presentation currency is the U.S. dollar.

Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Significant assumptions were used in determining the fair value of Rights attached to the Class A Restricted Voting Units at inception.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial instruments

Financial assets and liabilities are recognized when the REIT LP becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or are assigned, and the REIT LP has transferred substantially all risks and rewards of ownership in respect of the asset. Financial liabilities are derecognized when the related obligation is discharged, cancelled or when it expires.

Management determines the classification of financial instruments at initial recognition with reflection of the business model and cash flow characteristics of the financial instruments. Financial assets are classified at fair value through profit or loss (''**FVTPL**'') or at amortized cost. Financial liabilities are classified at amortized cost.

Financial instruments classified as FVTPL are carried at fair value in the statement of financial position and any gains or losses are recorded in net income in the period in which they arise. There were no items classified as FVTPL. Financial instruments classified at amortized cost include securities held in escrow. The Class A Restricted Voting Units subject to redemption have been classified as liabilities for accounting purposes and are recorded at amortized cost.

Impairment of financial asset at amortized cost

At each financial statement reporting date, the REIT LP assesses whether there is objective evidence that a recorded financial asset is impaired. Impairment exists if one or more events have occurred after the initial recognition of the asset and those events have objectively given rise to an expected negative impact on the estimated future cash flows of the financial asset that can be reliably estimated. The REIT LP recognizes impairment if the expected undiscounted future cash flows is less than the carrying amount of the asset. The amount of this difference is recognized as the impaired amount and is recorded as profit or loss. An impairment of a financial asset carried at amortized cost is reversed in subsequent periods if the amount of the loss decreased and the decrease can be related objectively to an event occurring after the impairment was recognized.

Income tax

Pursuant to the Limited Partnership Agreement, all of the investment income, expense and realized capital gains and losses of the Partnership are allocated to the limited partners and the General Partner. These financial statements do not provide for income taxes as the limited partners and the General Partner are taxed individually on their share of the Partnership's income.

Per unit information

Basic income or loss per Class B Unit is calculated by dividing the net income or loss by the weighted average number of Class B Units, Proportionate Voting Units and General Partnership Unit outstanding during the period. The calculation excludes the effect of Class A Restricted Voting Units, as the Class A Restricted Voting Units have been classified in these financial statements as financial liabilities.

5. RESTRICTED CASH HELD IN ESCROW

The following cash balances were held in escrow at a Canadian trust company as at March 31, 2020:

	AS AT MARCH 31, 2020
Canadian Treasury Bills (USD)	$146,274,309
Export Development Canada	$79,373,451
Cash (in escrow)	$838
	$225,648,598

These balances are valued at amortized cost which approximates fair value due to the short-term nature of the items.

6. CLASS A RESTRICTED VOTING UNITS SUBJECT TO REDEMPTION

Authorization

The REIT LP is authorized to issue an unlimited number of Class A Restricted Voting Units. The holders of Class A Restricted Voting Units have no pre-emptive rights or other subscription rights and there are no sinking fund provisions applicable to these units.

Voting Rights

The holders of the Class A Restricted Voting Units are entitled to vote on and receive notice of meetings on all matters requiring unitholder approval (including any proposed extension to the permitted timeline and approval of a Qualifying Transaction if otherwise required under applicable law) other than the election and/or removal of directors of the General Partner and auditors of the REIT LP prior to closing of a Qualified Transaction. Prior to a Qualifying Transaction, holders of the Class A Restricted Voting Units are not entitled to vote at (or receive notice of or meeting materials in connection with) meetings held only to consider the election and/or removal of directors and auditors.

Redemption Rights

Only holders of Class A Restricted Voting Units are entitled to have their units redeemed and receive the escrow proceeds (net of applicable taxes and other permitted deductions) in the event a Qualifying Transaction does not occur within the permitted timeline, in the event of a Qualifying Transaction, and in the event of an extension to the permitted timeline. The Rights which were issued with the Class A Restricted Voting units have no redemption rights.

Classification

The REIT LP has classified its Class A Restricted Voting Units as financial liabilities within the unaudited balance sheet. The REIT LP recorded a discount to the $225,000,000 of gross proceeds from the Offering in the amount of $19,988,541, representing the fair value of the Rights, and $2,946,522, representing the transaction costs associated with the Class A Restricted Voting Units. The fair value of the Rights was arrived at by dividing the $225,000,000 of Class A Restricted Voting Unit gross proceeds by the fully diluted unit value of the REIT LP and dividing the quotient by eight. The difference between the estimated fair value of the Rights and the Class A Restricted Voting Unit value at the time of the Offering is allocated to the Class A Restricted Voting Unit liability within the unaudited balance sheet. The aggregate discount of $22,935,063 is being amortized over 12 months using the effective interest rate method. For the period from January 1, 2020 through March 31, 2020, the Company recorded $4,910,420 of amortization of the issue costs in connection with the Rights. Interest earned on the escrow funds of $648,598 has been credited to the Class A Restricted Voting Units.

7. UNITHOLDERS' EQUITY

The REIT LP is authorized to issue an unlimited number of Class B Units. The holders of Class B Units have no pre-emptive rights or other subscription rights and there are no sinking fund provisions applicable to these units.

Voting Rights

The holders of the Class B Units are entitled to vote at all meetings of unitholders and on all matters requiring a unitholder vote, with the exception of an extension of the permitted timeline, which will only be voted upon by holders of Class A Restricted Voting Units.

Redemption Rights

Holders of Class B Units, being the Founders, do not have access to, and cannot benefit from, any proceeds held in the escrow account, and as such, do not have any redemption rights with respect to their Class B Units. The Founders (including the Sponsor) will, however, be entitled to such redemption rights using proceeds from the escrow account with respect to any Class A Restricted Voting Units they may acquire pursuant to or following the Offering.

8. TRANSACTION COSTS

Transaction costs are directly related to the Offering and consist mainly of legal, accounting, printing, filing and underwriting costs. Transaction costs incurred from January 1, 2020 through March 31, 2020 were allocated between Unitholders' Equity and units subject to redemption on the following basis:

SUBVERSIVE REAL ESTATE ACQUISITION REIT LP
NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS
As at March 31, 2020 (expressed in U.S. dollars)

	Class A Restricted Voting Units	Class A Rights	Class B Units	Total
Professional fees (legal, accounting, etc.)	$ 847,411	$ 82,622	$ 21,784	$ 951,817
Underwriters' commission	1,765,763	172,161	-	1,937,924
Listing	156,070	15,467	-	171,537
Other	177,279	17,284	4,557	199,120
Total	$ 2,946,522	$ 287,535	$ 26,341	$3,260,398

The Underwriters are entitled to an underwriting commission equal up to $12,375,000 or 5.5% of the gross proceeds of the Class A Restricted Voting Units issued under the Offering. The REIT LP paid $1,938,005 to the Underwriters at the closing of the Offering, of which $1,413,750 was used to settle CG Investment Inc. IV's Class B Unit sponsor share purchase obligation. The balance of the underwriting commission of $10,436,995, or 4.6% of the gross proceeds (the "**Deferred Amount**") of the Class A Restricted Voting Units, has been deferred and will only be paid upon successful completion of a Qualifying Transaction as follows: (A) as to 3.6% of the gross proceeds to the Underwriters; and (B) as to 1.0% of the gross proceeds, released only at the General Partner's sole discretion, in whole or in part, as it sees fit, for payment to parties of the General Partner's choosing and may be paid to the Underwriters. If no Qualifying Transaction is consummated within the permitted timeline, no Deferred Amount shall be payable. Due to its association with an uncertain future Qualifying Transaction, the contingent liability of deferred underwriting commission balance has not been recorded in the Interim Financial Statements. Transaction costs were prorated between Class A Restricted Voting Units, Class A Rights and Class B Units by the amount of proceeds received.

9. FINANCIAL INSTRUMENTS

All financial instruments for which fair value is recognized or disclosed are categorized within a fair value hierarchy, described as follows:

Level 1 − Quoted market prices in an active market (that are unadjusted) for identical assets or liabilities.

Level 2 − Valuation techniques based on inputs that are quoted prices of similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; inputs other than quoted prices used in a valuation model that are observable for that instrument; and inputs that are derived from or corroborated by observable market data by correlation or other means.

Level 3 − valuation techniques with significant unobservable market inputs.

The cash and cash balance held in escrow are measured using level 1 inputs.

10. FINANCIAL RISK MANAGEMENT

Market risk

Market risk is the risk that a material loss arises from fluctuations in a financial instrument's fair value. For purposes of this disclosure, the REIT LP segregates market risk into two categories: fair value risk and interest rate risk.

Fair value risk

Fair value risk is the potential for loss from an adverse movement in market prices. The REIT LP has minimal fair value risk as the only financial instruments carried at fair value are cash and cash and securities held in escrow.

As at March 31, 2020 (expressed in U.S. dollars)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in interest rates. The REIT LP's exposure to interest rate risk is nominal.

11. CAPITAL MANAGEMENT

The REIT LP defines the capital that it manages as its Class A Restricted Voting Units and its Unitholders' Equity.

	As at March 31, 2020
Class A Restricted Voting Units	$ 207,623,955
Unitholders' Equity	19,676,051

The REIT LP's primary objective in managing capital is to ensure capital preservation in order to benefit from acquisition opportunities as they arise. To the extent that the REIT LP requires additional funding for general ongoing expenses or in connection with a Qualifying Transaction, the REIT LP may seek funding by way of unsecured loans from the Sponsor and/or its affiliates, which loans would bear interest at no more than the U.S. dollar prime rate plus 1.0%. The lender under the loans would not have recourse against the funds held in the escrow account, and thus the loans will not reduce the value thereof. Such loans will collectively be subject to a maximum aggregate principal amount equal to 10% of the escrowed funds and may only be repayable in cash no earlier than the closing of the Qualifying Transaction. Such loans may only be convertible into units and/or Rights in connection with the closing of the Qualifying Transaction. The REIT LP may also seek to raise additional funds through a rights offering in respect of units available to our unitholders, in accordance with the requirements of applicable securities legislation and the Exchange's rules, and subject to the consent of the Underwriters, subject to the conditions outlined further in the Prospectus.

12. GENERAL AND ADMINISTRATIVE EXPENSES

The REIT LP had the following general and administrative expenses for the period from January 1, 2020 through March 31, 2020:

Fees connected to qualifying transaction	**$**	**322,634**
Fees related to public vehicle		**-**
Regulatory		**25,694**
Administrative		**354**
Miscellaneous		**7,492**
Total	**$**	**356,174**

13. RELATED PARTY TRANSACTIONS

On March 12, 2020 the REIT LP formally engaged Atlas Management, LLC ("**Atlas**") as an independent contractor for the provision of consulting services (the "**Services**"). Such Services include assistance with the identification and evaluation of real estate assets as potential acquisition targets for our Qualifying Transaction; and the negotiation, execution and closing of such acquisitions, together with such ancillary services as may reasonably be requested from time to time by the REIT LP. Atlas has agreed to make its "Management Team" available to perform the Services. Its Management Team includes Richard Acosta, Michael Miller, Eric Clarke, Dylan Marcoot and Dylan Hart, all of whom are Founders of the REIT LP. The term of the REIT LP's engagement with Atlas will continue until the REIT LP successfully closes a Qualifying Transaction, or if no such transaction takes place on or prior to such time, at the end of any period (including any extensions) permitted for the REIT LP to complete the Qualifying Transaction. During the term, the REIT LP shall pay a consulting fee of $62,500 per month (inclusive of applicable taxes) to Atlas.

The REIT LP has executed an administrative services agreement with Subversive Sponsor, which will make available to the REIT LP administrative support and certain related services as may be required by the REIT LP, including the utilization of office space and utilities. Pursuant to the agreement, in exchange for the administrative services the REIT LP shall pay to Subversive Sponsor a payment of $10,000 per month. For the period from January 1, 2020 to March 31, 2020, the REIT LP did not make any payments to Subversive Sponsor. The REIT LP did accrue for the obligation, recording $30,000 of administrative fees, which such amount is included in General & Administrative expenses in the REIT LP's statement of income and in Accrued Expenses in the REIT LP's balance sheet.