This confidential offering memorandum (this "Offering Memorandum") constitutes an offering of securities only in those jurisdictions and to those persons where and to whom they may be lawfully offered for sale and sold. These securities do not trade on any exchange or market. No securities regulatory authority has assessed the merits of these securities or reviewed this Offering Memorandum. Any representation to the contrary is an offence. This Offering Memorandum is not, and under no circumstances is it to be construed as, a prospectus or advertisement or a public offering of these securities. This Offering Memorandum amends and restates all previous confidential information memoranda of Cameron Stephens High Yield Mortgage Trust dated prior to the date set out below.

This Offering Memorandum is for the confidential use of only those persons to whom it is transmitted in connection with this offering. By their acceptance of this Offering Memorandum, recipients agree that they will not transmit, reproduce or make available to any person, other than their professional advisors, this Offering Memorandum or any of the information contained herein. No person has been authorized to give any information or to make any representations not contained in this Offering Memorandum. Any such information or representation which is given or received must not be relied upon by any investor.

CONFIDENTIAL OFFERING MEMORANDUM

Continuous Offering October 16, 2023

CAMERON STEPHENS HIGH YIELD MORTGAGE TRUST

CAMERON STEPHENS

Up to $300,000,000

Offering Price: $10.00 per Unit
Minimum Subscription Amount: $150,000 (15,000 Units)

Cameron Stephens High Yield Mortgage Trust (the "**Fund**" or the "**Trust**") is an unincorporated open-end investment trust established under the laws of Ontario as of July 29, 2019 pursuant to a declaration of trust (as may be amended, modified or restated from time to time, the "**Declaration of Trust**"). The Fund proposes to issue, on a private placement basis, units of the Fund ("**Units**") at a price of $10.00 per Unit. The offering of Units hereunder (the "**Offering**") is subject to a maximum aggregate subscription level of $300,000,000 (unless a higher amount is authorized by the trustees of the Fund). Subject to applicable securities laws and the terms of the Offering, Units are offered at a minimum subscription amount per investor of $150,000 (15,000 Units) unless a lesser amount is authorized by or on behalf of the Fund. See "*Offering*".

The Fund is the sole limited partner in the Cameron Stephens High Yield Mortgage Limited Partnership (the "**Partnership**"). The net proceeds of the Offering will be used by the Fund to subscribe for units in the Partnership thus providing the Partnership with capital to acquire and hold whole, partial, direct or indirect interests in Permitted Investments, primarily direct and indirect interests in Mortgage Loans. The objectives of the Partnership are to provide its limited partner (and ultimately the holders of Units) with stable and secure cash distributions from the Partnership's direct and indirect investments in Mortgage Loans and Permitted Investments. It is intended that the Fund will make monthly cash distributions to Unitholders from monies received from the Partnership and in the ordinary course distribute all of the Distributable Cash of the Fund calculated as described under the heading "*Description of Units - Distribution Policy*". This is a risky investment – see the Risk Factors section of this Offering Memorandum. Investors are urged to review these risks with their professional advisors.

Cameron Stephens Mortgage Capital Ltd. (the "**Manager**"), a corporation established under the laws of the Province of Ontario, is the manager of the Fund and the Partnership and will be responsible for arranging Mortgage Loans for the Partnership and for administering the day-to-day affairs of the Partnership. See "The Manager".

The Units are being offered on a continuous basis to investors resident in the Offering Jurisdictions (as defined herein), pursuant to certain available prospectus exemptions under applicable securities laws. Purchasers of Units will be obliged to

establish their qualification to invest in accordance with the requirements of the securities laws of their province of residence. See "*Offering*".

Subscriptions will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. Closings are expected to take place as and when deemed necessary by the Trustees of the Fund, having regard to the Partnership's capital needs and available lending opportunities. There will be no further closings under the Offering at such time as the maximum aggregate subscription level of $300,000,000 is achieved, unless a higher amount is authorized by the Trustees of the Fund.

The Fund will retain Cameron Stephens Securities Ltd. ("**CSSL**") and may also retain one or more additional registered dealers (together with CSSL, the "**Agents**") to act as agents in connection with the Offering and to offer the Units on a "best efforts" basis. **Under National Instrument 33-105 – Underwriting Conflicts ("NI 33-105"), CSSL is a "related issuer" and a "connected issuer" to the Fund by virtue of (i) S. Scott Cameron, a director and the President, Secretary, Treasurer and an indirect 50% shareholder of CSSL being a trustee of the Fund; (ii) George Frankfort, an indirect 50% shareholder of CSSL being a trustee of the Fund; and (iii) Stephen G. Cameron, a director, Chief Executive Officer and Ultimate Designated Person of CSSL being a trustee of the Fund. In addition, the Manager, which is indirectly owned by George Frankfort and S. Scott Cameron, is the sole shareholder of CSSL. S. Scott Cameron, Stephen G. Cameron and George. Frankfort are directors and officers of the Manager. The Manager receives a fee for providing services to the Partnership (See "*The Manager" – "Manager Fees and Expenses*"). S. Scott Cameron, Stephen G. Cameron and George Frankfort own, directly or indirectly, approximately 0.27% of the Units and may acquire, directly or indirectly, additional Units in the future. Cameron Stephens High Yield Mortgage Trust GP Inc. (the "General Partner") is the general partner of the Partnership. All of the issued and outstanding shares of the General Partner are owned by entities owned by George Frankfort and S. Scott Cameron. S. Scott Cameron is the President, Chief Executive Officer and a director of the General Partner and George Frankfort is the Secretary, Treasurer and a director of the General Partner. The General Partner is responsible for management of the business of the Partnership. The Partnership reimburses the General Partner for all costs incurred by the General Partner in the performance of its duties as General Partner. The Partnership intends to co-invest with Bay Street High Yield Mortgage III Limited Partnership ("BSHY III") and Cameron Stephens Mortgage Investment Corporation ("CSMIC") in connection with new investments. S. Scott Cameron and George Frankfort are directors, officers and indirect shareholders of the general partner of BSHY III and officers, directors and shareholders of CSMIC. S. Scott Cameron holds, directly or indirectly, approximately 3% of the units of BSHY III and George Frankfort holds, directly or indirectly, approximately 30% of the units of BSHY III. S. Scott Cameron holds, directly or indirectly, approximately 1.8% of the shares of CSMIC, Stephen G. Cameron holds, directly or indirectly, approximately 0.3% of the shares of CSMIC and George Frankfort holds, directly or indirectly, approximately 1.2% of the shares of CSMIC. See "*The Manager*", "*Conflicts of Interest*" and "*Related and Connected Issuer*".**

There is no active market through which the Units may be sold, and none is expected to develop. The transfer of the Units is subject to approval by the trustees of the Fund, and the Units are also subject to resale restrictions under applicable securities legislation. See "*Resale Restrictions*". There are rights to redeem the Units which rights may be suspended. Absent an exemption under applicable securities laws, holders of Units will be restricted from selling their Units for an indefinite period of time. Persons who receive this Offering Memorandum must inform themselves of, and observe, all applicable restrictions with respect to the acquisition or disposition of the Units under applicable securities legislation. There are important tax consequences to the purchase and holding of Units. See "C*ertain Canadian Federal Income Tax Considerations*". No securities regulatory authority has assessed the merits of these securities or reviewed this Offering Memorandum. Any representation to the contrary is an offence.

THE OFFERING IS SPECULATIVE AND IT IS ESSENTIAL THAT AN INVESTOR CONSIDER THE RISK FACTORS SET OUT IN THIS OFFERING MEMORANDUM IN ASSESSING THE MERITS OF THE INVESTMENT (SEE "*RISK FACTORS*"). SINCE THE FUND IS NOT A MUTUAL FUND INVESTING IN CONVENTIONAL MORTGAGES FOR PURPOSES OF SECURITIES LEGISLATION, THE FUND IS NOT SUBJECT TO THE INVESTMENT RESTRICTIONS SET FORTH IN NATIONAL POLICY STATEMENT NO. 29 OR NATIONAL INSTRUMENT 81-102 OF THE CANADIAN SECURITIES ADMINISTRATORS.

INVESTORS SHOULD CONSULT THEIR OWN PROFESSIONAL ADVISORS TO ASSESS THE INCOME TAX, LEGAL AND OTHER ASPECTS OF AN INVESTMENT IN UNITS.

All references to currency herein are to Canadian dollars unless otherwise indicated. The Fund is not a trust company and does not carry on business as a trust company and, accordingly, the Fund is not registered under applicable legislation governing trust companies in any jurisdiction. The Units are not "deposits" within the meaning of the *Canada Deposit Insurance Corporation Act* (Canada) and are not insured under that Act or any other legislation.

The price of the Units offered hereby was established by the Trustees.

An investment in Units involves certain risks relating to the nature of the Units (being a security of a non-public issuer) and relating to the nature of the Fund's assets and activities that prospective Subscribers should consider before making an investment decision or a decision to participate. Prospective Subscribers who are not willing to accept these risks should not proceed with an investment in Units. Prospective Subscribers are urged to read this entire Offering Memorandum, and specifically the Risk Factors section, and to review the risks identified with their professional advisors. See "*Risk Factors*".

Subscribers will have two Business Days to cancel their agreement to purchase Units. If there is a misrepresentation in this Offering Memorandum, Subscribers will have the right to sue either for damages or to cancel their agreement to purchase Units. See "*Subscription Procedures*" and "*Purchasers Rights of Action* ".

DISCLAIMERS

This Offering Memorandum does not constitute, and may not be used for or in conjunction with, an offer or solicitation by anyone in any jurisdiction or in any circumstances in which such offer or solicitation is not authorized, or to any person to whom it is unlawful to make such an offer or solicitation. You are directed to inform yourself of and observe such restrictions and all legal requirements of your jurisdiction of residence in respect of the acquisition, holding and disposition of the Units offered hereby.

Subscribers should thoroughly review this Offering Memorandum and are advised to consult with their professional advisors to assess the business, legal, income tax and other aspects of this investment.

The Units will be issued only on the basis of information contained in this Offering Memorandum and provided by the Trustees in writing, and no other information or representation is authorized or may be relied upon as having been authorized by the Trustees and the Fund. Any subscription for the Units made by any person on the basis of statements or representations not contained in this Offering Memorandum or so provided, or inconsistent with the information contained herein or therein, shall be solely at the risk of such person. Neither the delivery of this Offering Memorandum at any time nor any sale to Subscribers of any of the Units shall, under any circumstances, constitute a representation or create any implication that there has been no change in the business and affairs of the Fund since the date of the sale to any Subscriber of the securities offered hereby or that the information contained herein is correct as of any time subsequent to that date. The disclosure regarding U.S. tax related matters contained in this Offering Memorandum is as at July 2023.

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DEFINITIONS

The following terms used in this Offering Memorandum have the meanings set out below:

"**Administration Fees**" means all fees other than Origination Fees paid by a borrower under a mortgage, including "administration fees", "discharge fees" and "NSF fees".

"**Affected Holders**" shall have the meaning ascribed to such term under the heading "*Description of Units – Limitation on Non-Resident Ownership"*.

"**affiliate**" has the meaning ascribed thereto in the Ontario Act.

"**associate**" has the meaning ascribed thereto in the Ontario Act.

"**Board of Trustees**" means the board of Trustees of the Fund.

"**Business Day**" means a day other than a Saturday, Sunday or any day on which the Schedule I Banks located in Toronto, Ontario are not open for business during normal banking hours.

"**Capital Raising Services**" means the services provided to the Fund by CSSL pursuant to the Dealer Agreement.

"**Closing**" means each closing of the Offering.

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

"**CSMIC**" means Cameron Stephens Mortgage Investment Corporation.

"**CSSL**" means Cameron Stephens Securities Limited, a corporation incorporated under the laws of Ontario, and any successor of CSSL under the Dealer Agreement.

"**Dealer Agreement**" means the dealer agreement, dated as of July 31, 2019, between the Partnership, the Manager, the Fund and CSSL pursuant to which CSSL provides Capital Raising Services to the Fund, as the same may be amended, renewed, extended, supplemented or amended and restated from time to time.

"**Declaration of Trust**" means the declaration of trust governing the Fund.

"**Distributable Cash**" means the amount of available cash collected to be distributed by the Fund, calculated as set out under "*Description of Units - Distribution Policy*".

"**Distribution Date**" means the date on or about the 15th day of each calendar month.

"**DPSP**" means a "deferred profit sharing plan" as defined in the Tax Act.

"**DRIP**" shall have the meaning ascribed to such term under the heading "*Description of Units – Reinvestment Right*".

"**DRIP Termination Notice**" means formal written notice by a Unitholder to terminate participation in the DRIP, which shall take effect beginning with the next monthly income distribution date following thirty (30) days after delivery of such notice is received by the Trustees; the Trustees may terminate the DRIP, at any time and without notice, if it determines in its sole discretion that the DRIP is not in the best interest of the Fund.

"**Fair Market Value**" in relation to a Unit, means the fair market value of such Unit as determined by the Trustees from time to time, acting reasonably, but in their sole discretion, based upon the price at which the Units were offered for sale in the most recent offering of Units by the Fund less the net issue costs of such Unit, adjusted as determined by the Trustees including, without limitation, an adjustment for profits and losses up to the date of determination; provided however, that such fair market value shall not exceed the proportionate share of the Net Asset Value of the Fund represented by such Unit.

"**First Mortgage Loan**" means a Mortgage Loan having priority over all other Mortgage Loan interests registered or recorded against the same Real Property used to secure such Mortgage Loan.

"**FSRA**" means the Financial Services Regulatory Authority of Ontario.

"**Fund**" means the Cameron Stephens High Yield Mortgage Trust, an unincorporated investment trust established under the laws of Ontario pursuant to the Declaration of Trust.

"**General Partner**" means Cameron Stephens High Yield Mortgage Trust GP Inc., a corporation incorporated under the laws of Ontario, and any successor as the general partner of the Partnership.

"**IFRS**" means the International Financial Reporting Standards as issued by the International Accounting Standards Board.

"**Investment Committee**" shall have the meaning ascribed to such term under the heading "*Management of the Partnership – Investment Committee*".

"**Limited Partner**" means the holder of a Partnership Unit in the Partnership.

"**Management Agreement**" means the management agreement, dated as of July 31, 2019, between the Partnership and the Manager pursuant to which the Manager provides Mortgage Origination Services to the Partnership.

"**Management Fee**" shall have the meaning ascribed to such term under the heading "*Manager - Manager Fees and Expenses*".

"**Manager**" means Cameron Stephens Mortgage Capital Ltd. and its successors as the manager of the Partnership under the Management Agreement.

"**Material Agreements**" means the contracts referred to under "*Material Agreements*".

"**MBLAA**" means the *Mortgage Brokerages, Lenders and Administrators Act, 2006* (Ontario), including the regulations promulgated thereunder, as amended and replaced from time to time.

"**Mortgage Loan**" means a loan, whether or not evidenced by notes, debentures, bonds, assignments of purchase and sale agreements or other evidences of indebtedness, whether negotiable or non-negotiable, secured by a mortgage, hypothec, deed of trust, lien, charge or other security interest of or in Real Property.

"**Mortgage Loan Portfolio**" means, at any time, collectively the portfolio of Mortgage Loans held directly by or on behalf of the Partnership.

"**Mortgage Origination Services**" means the services provided to the Partnership by the Manager pursuant to the Management Agreement.

"**Net Asset Value**" on any Valuation Date shall be equal to the market value, denominated in Canadian dollars, of the Trust Property as at the Valuation Date, less an amount equal to the total liabilities of the Fund as at the Valuation Date (as more particularly described in the Declaration of Trust);

"**Net Capital Gains**", for any taxation year, mean the amount, if any, by which the aggregate of the capital gains of the Fund in the year exceeds: (i) the aggregate of the capital losses of the Fund in the year; (ii) any capital gains which are realized by the Fund as a result of a redemption of Units; (iii) the amount determined by the Trustees in respect of any net capital losses for prior taxation years which the Fund is permitted by the Tax Act to deduct in computing the taxable income of the Fund for the year; and (iv) any amount in respect of which the Fund is entitled to a capital gains refund under the Tax Act, as determined by the Trustees; provided that, at the discretion of the Trustees, the Net Capital Gains for the year may be calculated without subtracting the full amount of the net capital losses for the year and/or without subtracting the full amount of the net capital losses of the Fund carried forward from previous years.

"**NI 31-103**" means *National Instrument 31-103 - Registration Requirements, Exemptions and Ongoing Registration Requirements.*

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

"**Non-Residents**" shall have the meaning ascribed to such term under the heading "*Description of Units — Limitation on Non-Resident Ownership*".

"**Notice**" means the notice sent by a Unitholder to the Trustees requiring the Fund to redeem the Units so described in the Notice.

"**OBCA**" means the *Business Corporations Act* (Ontario).

"**Offering**" means the offering on a private placement basis of Units for maximum gross proceeds of $300,000,000 described in this Offering Memorandum.

"**Offering Jurisdictions**" means Ontario, British Columbia, Alberta, Saskatchewan, Nova Scotia and Manitoba and any other jurisdiction of Canada where CSSL from time to time is registered as an exempt market dealer, where a Representative is registered as a dealer or where the Fund or CSSL engages a third party agent to distribute the Units.

"**Offering Memorandum**" means this offering memorandum dated as at October 16, 2023.

"**Ontario Act**" means *Securities Act* (Ontario), and the regulations, rules, policies and other instruments promulgated thereunder.

"**Ordinary Resolution**" means a resolution passed by a simple majority of the votes cast by those unitholders who, being entitled to do so, vote in person or by proxy at a duly convened meeting of unitholders, or, subject to applicable laws, regulations and regulatory policies, a written resolution, in one or more counterparts, consented to in writing by unitholders holding not less than 50% plus one of the votes attached to Units or Partnership Units, as applicable, held by all unitholders entitled to vote at that time.

"**Origination Fees**" means the following fees paid by a borrower under a mortgage: "commitment fees", "renewal fees", "extension fees", "amendment fees" or similar fees to cover, *inter alia*, the costs associated with creating, processing and amending such mortgage or any renewal of such mortgage.

"**Partnership**" means Cameron Stephens High Yield Mortgage Limited Partnership, a limited partnership created under the laws of Ontario and governed by the Partnership Agreement.

"**Partnership Agreement**" means the limited partnership agreement governing the Partnership.

"**Partnership Capital**" at any time, means all of the monies, interests, properties and assets of the Partnership, including, without limitation, all monies realized from the sale of assets of the Partnership or borrowing by the Partnership.

"**Partnership Units**" means units of the Partnership issued at a subscription price of $10.00 per Partnership Unit.

"**Partnership's Origination Fees**" means the portion of the Origination Fees allotted to the Partnership (prior to dividing such amounts between the Partnership and the Manager) based on the Partnership's pro-rata interest in the respective mortgage.

"**Permitted Interim Investments**" means, among other things, investments guaranteed by the Government of Canada or by a province or territory of Canada, cash deposits in or receipts, deposit notes, certificates of deposits, acceptances and other similar instruments issued, endorsed or guaranteed by a Schedule I Bank or a Schedule II Bank.

"**Permitted Investments**" means, among other things, Mortgage Loans, Permitted Interim Investments, Workout Investments or the acquiring, holding, maintaining, improving, leasing or managing of any Real Property or an interest in Real Property where determined necessary or desirable, in the General Partner's sole discretion, to preserve, protect or enhance the Partnership or its assets.

"**Person**" means and includes individuals, corporations, limited partnerships, general partnerships, joint stock companies, joint ventures, associations, companies, trusts, banks, trust companies, pension funds, land trusts, business trusts or other organizations, whether or not legal entities and governments and agencies and political subdivisions thereof.

"**Prime Rate**" refers to the Royal Bank of Canada's prime rate.

"**Qualified Appraiser**" means a person who is an appraiser accredited or licensed by the Appraisal Institute of Canada, the American Society of Appraisers or any successors thereof.

"**Real Property**" means property which in law is real property and includes, whether or not the same would in law be real property, leaseholds, Mortgage Loans, undivided joint interests in real property (whether by way of tenancy-in-common, joint tenancy, co-ownership, joint venture or otherwise) and any interests in and to any of the foregoing.

"**Redemption Price**" means the price per Unit equal to the Fair Market Value of the Unit to be redeemed calculated at the Valuation Date immediately preceding the applicable redemption date, plus the pro rata share of any unpaid distributions thereon which have been declared payable to Unitholders but remain unpaid as at the applicable redemption date to the extent same are not otherwise included in the Fair Market Value of the Units to be redeemed.

"**Register**" means that record of the names and addresses of Unitholders together with other pertinent information to be kept by, on behalf of, or under the direction of the Trustees.

"**Registered Plans**" shall have the meaning ascribed to such term under the heading "*Certain Canadian Federal Income Tax Considerations – Eligibility for Investment*".

"**Reinvestment Right**" shall have the meaning ascribed to such term under the heading "*Description of Units – Reinvestment Right*".

"**Representative**" means the duly authorized registered dealer, broker or investment advisor acting as the agent for a Subscriber or Unitholder.

"**RRIF**" means a "registered retirement income fund" as defined in the Tax Act.

"**RRSP**" means a "registered retirement savings plan" as defined in the Tax Act.

"**Schedule I Bank**" means a bank listed in Schedule I of the *Bank Act* (Canada).

"**Second Mortgage Loan**" means a Mortgage Loan having priority over all other Mortgage Loan interests registered or recorded against the same Real Property other than a First Mortgage Loan on such Real Property.

"**SIFT Rules**" shall have the meaning ascribed to such term under the heading "*Certain Canadian Federal Income Tax Considerations – SIFT Rules*".

"**Special Resolution**" means a resolution approved by not less than 66.67% of the votes cast by those unitholders who, being entitled to do so, vote in person or by proxy at a duly convened meeting of unitholders, or, subject to applicable laws, regulations and regulatory policies, a written resolution, in one or more counterparts, consented to in writing by unitholders holding not less than 66.67% of the votes attached to Units or Partnership Units, as applicable, held by all unitholders entitled to vote at that time.

"**Subscribers**" means subscribers for Units hereunder, pursuant to the Offering, whose subscriptions have been accepted by the Trustees, and to whom Units have been issued and not revoked or transferred (individually, a "**Subscriber**").

"**Subscription Agreement**" means the agreement to be entered into between the Fund and Subscribers in furtherance of a subscription for Units under the Offering in such form as approved by the Trustees from time to time.

"**subsidiary**" has the meaning ascribed thereto in the OBCA.

"**Syndication**" means the sharing of ownership in a Mortgage or other investment by more than one Person.

"**Tax Act**" means the *Income Tax Act* (Canada) and the regulations promulgated thereunder, each as amended or replaced from time to time.

"**Tax Proposals**" shall have the meaning ascribed to such term under the heading "*Certain Canadian Federal Income Tax Considerations – General*".

"**TFSA**" means a "tax free savings account" as defined in the Tax Act.

"**Trust Income**" means the income of the trust for any taxation year of the Fund will be the income for such year computed in accordance with the Tax Act less, at the discretion of the Trustees, amounts of any non-capital losses of the Fund for the prior years that are deductible in computing the Fund's taxable income for the year under the Tax Act; provided, however, that capital gains and capital losses will be excluded from the computation of Trust Income; and the Trustees will have the sole discretion to utilize or not utilize such deductions, provisions, and alternative calculations available under the Tax Act, including, without limitation, discretion as to timing and amount, in respect of offering expenses, operating expenses, and discretionary deductions.

"**Trust Management Agreement**" means the Trust Management Agreement dated July 31, 2019, as amended from time to time, entered into between the Manager and the Fund, providing for, among other things, the retention of the Manager by the Fund.

"**Trust Property**", at any time, means: (i) all moneys, securities, property, assets and investments paid or transferred to and accepted by or in any manner acquired by the Trustees and held by the Trustees on behalf of the Fund; (ii) all income accumulated under the powers contained in the Declaration of Trust; and (iii) all moneys, securities, property, assets or investments substituted for or representing all or any part of the foregoing, including, without limitation, the initial contribution made by the settlor of the Fund and all monies realized from the sale of Units or borrowing by the Fund.

"**Trustee Redemption Date**" shall have the meaning ascribed to such term under the heading "*Description of Units - Early Redemption Charge and Cash Distributions*".

"**Trustees**" means the trustees of the Fund.

"**Unit**" means a unit of the Fund.

"**Unitholder**" means a holder of Units.

"**Unitholder Redemption Date**" means the last day of each calendar month, provided that if the last day of a calendar month is not a Business Day, the Unitholder Redemption Date for that calendar month shall be the last Business Day of the calendar month.

"**U.S. Mortgage Loans**" shall have the meaning ascribed to such term under the heading "*Fund*".

"**Valuation Date**" means the last Business Day of each calendar month and any such other days as may be determined from time to time by the Trustees.

"**Workout Investments**" means any evidence of indebtedness, any evidence of ownership in any entity or any other investment made by or at the direction of the General Partner, in the General Partner's sole discretion, on behalf of the Partnership, to preserve or protect the Partnership or its assets, provided that such investments do not, directly or indirectly, cause the Fund to cease to be considered a "unit trust" (as such term is defined under the Tax Act).

Reference to any agreement or other instrument in writing means such agreement or other instrument in writing as amended, modified, replaced, or supplemented from time to time. Any reference to a statute includes and is a reference to such statute and to the regulations made pursuant thereto, with all amendments made thereto and in force from time to time, and to any statute or regulations that may be passed which have the effect of supplementing or superseding such statute or regulations.

SUMMARY OF THE OFFERING

This is a summary only and is qualified by the information appearing elsewhere in this Offering Memorandum. Capitalized terms appearing herein and not otherwise defined have the respective meanings ascribed thereto in the Definitions section or elsewhere in this Offering Memorandum. Unless otherwise indicated, all references to dollar amounts in this Offering Memorandum are to Canadian dollars.

Significant Parties

Fund	Cameron Stephens High Yield Mortgage Trust is an unincorporated open-end investment trust created by the Declaration of Trust. The Fund commenced operations on July 29, 2019. The head office of the Fund is located at: 320 Bay Street, Suite 1700, Toronto, Ontario M5H 4A6.
Trustees	The Trustees of the Fund are S. Scott Cameron, Chairman of the Board of Trustees, George Frankfort, Brandon Frankfort, Stephen G. Cameron and Katie Bonar. Each Trustee is a resident of Ontario.
Partnership	Cameron Stephens High Yield Mortgage Limited Partnership is a limited partnership formed under the laws of Ontario as of July 29, 2019. The Partnership is a provider of real estate finance, the sole limited partner of which is the Fund. In the ordinary course, the Fund makes monthly cash distributions to Unitholders from monies received from the Partnership.
General Partner	Cameron Stephens High Yield Mortgage Trust GP Inc. (the "**General Partner**"), an Ontario corporation, is the general partner of the Partnership. All of the issued and outstanding shares of the General Partner are owned by entities owned by George Frankfort and S. Scott Cameron. S. Scott Cameron, an individual resident in the Province of Ontario and an officer and director of CSSL, is the President, Chief Executive Officer and a director of the General Partner. George Frankfort, an individual resident in the Province of Ontario, is the Secretary, Treasurer and a director of the General Partner. The General Partner is responsible for management of the business of the Partnership.
Manager	Cameron Stephens Mortgage Capital Ltd. (the "**Manager**"), an Ontario corporation, is the mortgage originator and administrator for the Partnership and the agent for the Fund. The Manager is a registered mortgage brokerage and mortgage administrator in Ontario and a registered mortgage broker in Alberta and British Columbia. The Manager, in its capacity as a mortgage broker, provides Mortgage Origination Services to the Partnership. George Frankfort, S. Scott Cameron and Stephen G. Cameron are officers and directors of the Manager.
CSSL	CSSL is a registered exempt market dealer in each of the Offering Jurisdictions. CSSL, in its capacity as an exempt market dealer, provides Capital Raising Services to the Fund. All of the outstanding shares of CSSL are owned by the Manager.

Offering

Offering	Units in the Fund.
Offering Size	The maximum offering size is $300,000,000.
Price	$10.00 per Unit
Attributes of Units	The Units represent the beneficial ownership interests of the holders thereof in the Fund. Each Unit carries one vote at meetings of Unitholders and a holder thereof is entitled to distributions as described under "*Description of Units - Distribution Policy*".
Use of Proceeds	All proceeds from the Offering (after deducting the costs of issue) will be used by the Partnership to acquire Permitted Investments.
Subscription Procedure	Subscribers may subscribe for Units through CSSL.

Other Matters

Certain Income Tax Considerations

Canada

The Canadian income tax summary contained herein addresses the principal Canadian federal income tax considerations of an investment in Units ("**Canadian Tax Commentary**") by non-U.S. persons. Subscribers are cautioned that the Canadian Tax Commentary is a general summary only and does not constitute tax advice to any particular Subscriber. The Canadian Tax Commentary identifies certain tax risks and contains assumptions, limitations, qualifications and caveats. Prospective Subscribers should review these risks, assumptions, limitations and caveats with their professional tax advisors and reach their own conclusion as to the merits and likely tax consequences of an investment in Units.

U.S.

The U.S. income tax summary contained herein addresses the principal U.S. federal income tax considerations of an investment in Units ("**U.S. Tax Commentary**"). Subscribers are cautioned that the U.S. Tax Commentary is a general summary only and does not constitute tax advice to any particular Subscriber. The U.S. Tax Commentary identifies certain tax risks and contains assumptions, limitations, qualifications and caveats. Prospective Subscribers should review these risks, assumptions, limitations and caveats with their professional tax advisors and reach their own conclusion as to the merits and likely tax consequences of an investment in Units.

Rights of Action

Purchasers of Units pursuant to this Offering Memorandum have certain rights to damages and/or rescission as described herein under the heading "*Purchasers Rights of Action"*.

Forward-Looking Statements

This Offering Memorandum may contain certain forward-looking statements. These statements relate to future events or future performance and reflect expectations of management of the Fund regarding the growth, performance values, proceeds of realization and financing and business prospects and opportunities of the Fund. Such forward-looking statements reflect management's current beliefs and are based on information currently available to management. In some cases, forward-looking statements can be identified by terminology such as "may", "will", "should", "expect", "plan", "intend", "anticipate", "believe", "estimate", "predict", "potential", "continue", or the negative of these terms or other comparable terminology. These forward-looking statements include statements regarding business plans and prospects, typical loan terms of Mortgage Loans in its Mortgage Loan Portfolio, mortgage syndication strategy, borrowing strategy, market conditions and anticipated or estimated yield. A number of factors could cause actual events or results to differ materially from the results discussed in the forward-looking statements. In evaluating these statements, prospective purchasers should specifically consider various factors, including the risks outlined in the section of this Offering Memorandum entitled "*Risk Factors*", which may cause actual results to differ materially from any forward-looking statement. Although the forward-looking statements contained in this Offering Memorandum are based upon what management believes to be reasonable assumptions, the Partnership cannot assure investors that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this Offering Memorandum and neither the Partnership nor the Manager assumes any obligation to update or revise them to reflect new events or circumstances, except as required by applicable securities legislation.

FUND

The Fund is an unincorporated open-end investment trust established under the laws of Ontario pursuant to the Declaration of Trust that is intended to qualify as a "unit trust" and as a "mutual fund trust" under the provisions of the Tax Act. See "*Declaration of Trust*", "*Description of Units*" and "*Canadian Federal Income Tax Considerations*". The head office of the Fund is located at 320 Bay Street, Suite 1700, Toronto, Ontario M5H 4A6. The Trustees are responsible for the general control and direction of the Fund.

The Fund is the sole limited partner of the Partnership, a limited partnership established under the laws of Ontario pursuant to the Partnership Agreement. The Fund intends to contribute the net proceeds of the Offering to the Partnership in exchange for Partnership Units to allow the Partnership to acquire and hold whole or partial, direct or indirect interests in Permitted Investments.

The Fund was established for the principal purpose of issuing Units and investing its Trust Property, directly or indirectly, in Permitted Investments with the objective of providing its Unitholders with stable distributions while preserving capital. The Fund intends to continue to finance its activities by selling Units and investing the Trust Property in Partnership Units to enable the investment by the Partnership, directly and indirectly, in Mortgage Loans secured by Real Property situated in Canada and the United States (such loans secured by Real Property situated in the United States, the "**U.S. Mortgage Loans**"). The Fund will derive its income from its investment as the sole limited partner in the Partnership. See "*Declaration of Trust*" and "*Description of Units*". The Fund's long-term objective is to provide Unitholders with stable and secure cash distributions from its indirect investments in Mortgage Loans in its target market segments, with the goal of obtaining favourable yields and maximizing distributions and Unit value through the efficient sourcing and management of a geographically diverse portfolio of Mortgage Loan investments in Canada and the United States.

The Fund is intended to qualify as a "unit trust" and as a "mutual fund trust" under the provisions of the Tax Act and the regulations thereunder as replaced or amended from time to time. As such, the Fund intends to annually distribute substantially all of its net income and net realized capital gains (if any), as monthly distributions during each year or within ninety (90) days of its year-end. Net income for tax purposes may differ from accounting income due to the treatment of certain revenue and expense items under the Tax Act that is different from such treatment under IFRS. The Fund will also provide comparative data on an IFRS basis.

The Declaration of Trust provides for a minimum of 2 and a maximum of 10 Trustees. The Fund currently has five Trustees each of whom are appointed by the Manager.

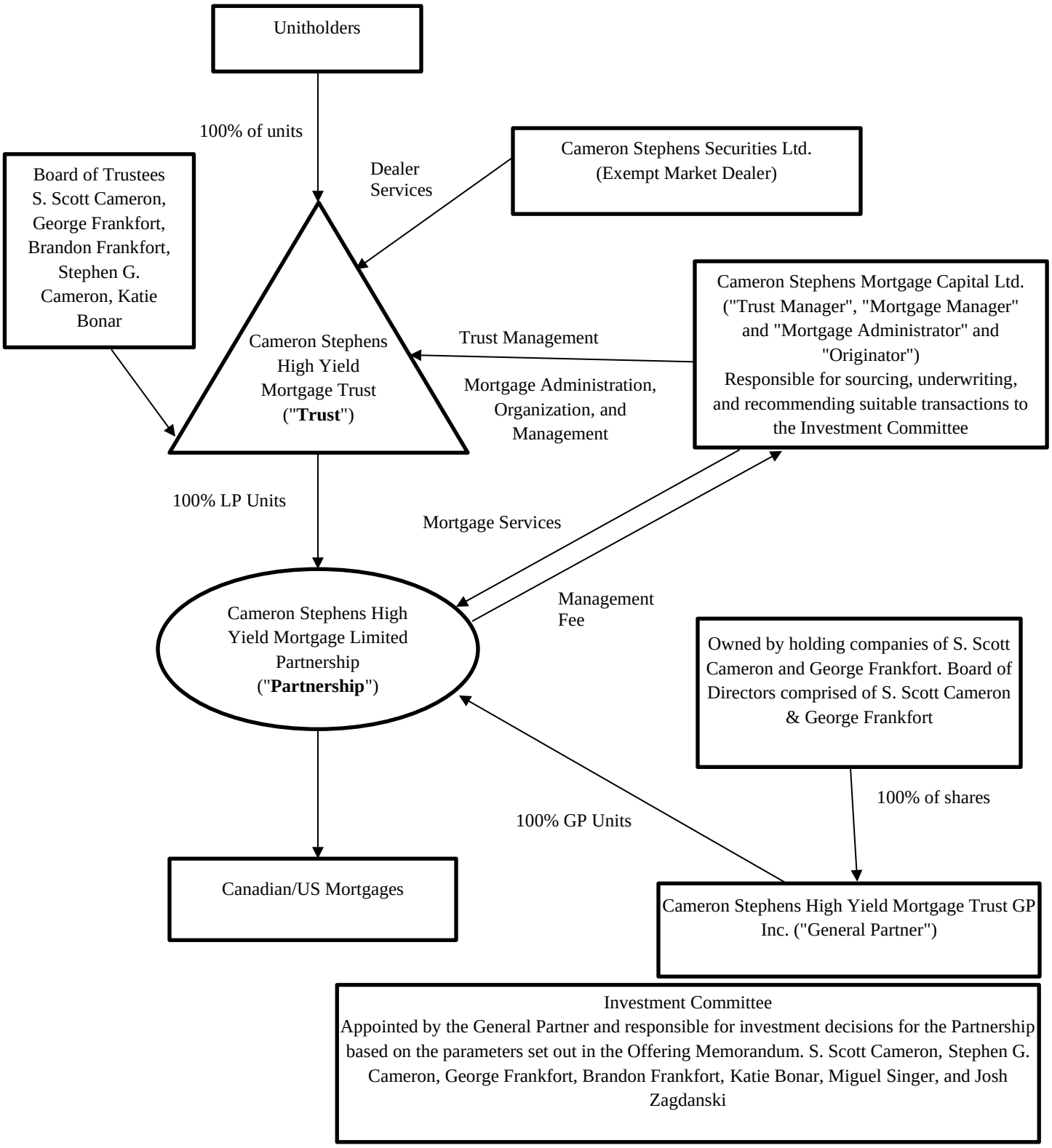
Unless otherwise required by law, the Trustees will not be required to give a bond, surety or security in any jurisdiction for the performance of any duties or obligations under the Declaration of Trust nor will the Trustees be required to devote their entire time to the investments, purpose or affairs of the Fund. The Declaration of Trust provides an indemnity for each Trustee and states that the Trustees shall at all times be indemnified and saved harmless out of the property of the Fund from and against any costs, damages, liabilities or expenses, suffered or incurred by the Trustees, individually, or collectively, resulting from or arising out of any act or omission of the Trustees on behalf of the Fund in furtherance of the execution of their duties as Trustees under the Declaration of Trust unless such costs, damages, liabilities or expenses result from or arise out of any act or omission of the Trustees that constitutes fraud, gross negligence or willful misconduct of the Trustees. Further, the Trustees are not liable to the Fund or to any Unitholder for any loss or diminution in the value of the Fund or its assets in the ordinary course of business.

The Partnership conducts its investment activities under contract with the Manager, a registered mortgage brokerage and mortgage administrator in Ontario and a registered mortgage broker in Alberta and British Columbia. The Manager has the exclusive right to originate, arrange, underwrite, syndicate and service all investments on behalf of the Partnership in accordance with specific investment and operating policies established by the Partnership from time to time. See "*Manager, Management Agreement*" and "*Investment and Operating Policies of the Partnership*".

The objective of the Partnership is to generate income from its Permitted Investments. The Fund will receive its income from the Partnership as a cash distribution on the Partnership Units it owns. From this income, the Trustees calculate, allocate and pay the Fund's Distributable Cash to the Fund's Unitholders on a monthly or other scheduled basis as determined by the Trustees from time to time in accordance with the Declaration of Trust. Currently, the Trustees intend to allocate, distribute and make payments of all of the income of the Fund, a sufficient amount of the net realized capital gains of the Fund and any other applicable amounts, to Unitholders so that the Fund will not have any liability for tax under Part I of the Tax Act in any taxation year.

The Fund was established for an indefinite term. Termination or the sale, or transfer, of all, or substantially, all the assets of the Fund (other than as part of an internal reorganization of the assets of the Fund as approved by the Trustees), can occur upon the instructions of the Manager.

ORGANIZATIONAL STRUCTURE



MANAGEMENT OF THE FUND

The operations of the Fund are subject to the control and direction of the Trustees. The Fund has retained Cameron Stephens Mortgage Capital Ltd. as the Manager to manage the day-to-day operations of the Fund.

Pursuant to the Trust Management Agreement, the duties of the Manager include, without limitation:

1. administering the day-to-day business and affairs of the Fund;
2. maintaining the books and financial records of the Fund;
3. ensuring preparation of reports and other information required to be sent to Unitholders;
4. recommending suitable individuals for nomination as Trustees; and
5. supervising the administration of the payment of interest and distributions to Unitholders.

In accordance with the Trust Management Agreement, the Manager shall pay for certain expenses, including: employment expenses of its personnel, expenses of Trustees and officers of the Fund who also serve as directors, officers and employees of the Manager and its affiliates, other than expenses incurred by such individuals in attending meetings as Trustees, in addition to rent, telephone, utilities, office furniture, and supplies. The Fund shall pay all expenses relating to the operations and activities of the Fund reasonably incurred by the Manager in the performance of the duties of the Manager, including amongst other things, interest and costs of borrowed money of the Fund, fees and expenses of lawyers, accountants, auditors, and bond rating agencies, insurance, and expenses in connection with payments of distributions of Units.

MANAGER

General

The Manager, Cameron Stephens Mortgage Capital Ltd., is a corporation incorporated under the laws of Ontario. The Partnership conducts its mortgage investment activities under contract with the Manager, in its capacity as a registered mortgage administrator (Ontario) and brokerage (Ontario, British Columbia and Alberta). The Manager will originate most and underwrite all Mortgage Loans on behalf of the Partnership, service the Mortgage Loan Portfolio and supervise the Partnership's day-to-day management and operations. See "*Licensing and Legislative Regime – Mortgage Brokerage*".

Manager

The Manager manages approximately $2.9 billion in committed assets, of which $1.7 billion was outstanding as at December 31, 2022. Approximately 80% of such amounts are managed for institutional investors and the balance is managed for private capital. Most of the Partnership's Mortgage Loans will be sourced through the Manager. As a result, the Partnership will fund Mortgage Loans that meet the Partnership's and the Fund's investment criteria, resulting from: (i) using the Manager's lending experience to create various lending and security structures which meet the needs of borrowers; (ii) the reputation, experience and marketing ability of the Manager; and (iii) the timely credit analysis and decision-making processes followed by the Manager.

Pursuant to the terms of the Management Agreement, the Manager acts as the Partnership's sole and exclusive manager and arranges and services the Partnership's Mortgage Loans and directs the Partnership's affairs and manages its business. The Manager is a corporation incorporated under the laws of the Province of Ontario on March 4, 2004. The head and registered office of the Manager is located at 320 Bay Street, Suite 1700, Toronto, Ontario, M5H 4A6.

The Manager has been in the business of originating, underwriting and servicing mortgage loans since 2004. The Manager is licensed by FSRA as a mortgage brokerage and mortgage administrator under the MBLAA and is also licensed by the Real Estate Council of Alberta (RECA) as a mortgage broker under the *Real Estate Act* (Alberta) and by the BC Financial Services Authority (BCFSA) as a mortgage broker under the *Mortgage Brokers Act* (British Columbia). Since the Partnership itself is not licensed under the MBLAA, the *Real Estate Act* (Alberta), or the *Mortgage Brokers Act* (British Columbia), the Partnership cannot carry on the business of lending money on the security of real estate. The Partnership must therefore conduct its mortgage lending activities under contract with a licensed mortgage brokerage such as the Manager. See "*The Business – Licensing and Legislative Regime*". The Manager is well known in the non-bank real estate lending industry in Ontario, and it sources potential transactions principally through its reputation and extensive contacts with mortgage brokers, appraisers, lawyers and other professional service providers relevant to the mortgage lending

business. The Manager employs a team of approximately 50 individuals located in its offices in Toronto, Vancouver, and Calgary with substantial experience in real estate financing and mortgage administration.

The Manager diligently seeks out, reviews and presents the Partnership with mortgage loan opportunities that are consistent with the Partnership's investment policies and objectives and service such mortgages on its behalf. The Manager has successfully originated, underwritten and serviced mortgage investments on behalf of numerous clients over the past nineteen years. The underwriting, investment and operating policies adopted by the Manager have proven to be well suited to the market serviced by the Manager and form the basis for the Partnership's investment policies and objectives. See "*The Business – Investment Policies*".

The Management Agreement does not limit or restrict the Manager, its affiliates, or any of the directors, officers, shareholders or employees of the Manager or its affiliates, from carrying on business ventures for its own account and for the account of others, including acting as a mortgage broker for, or manager of, any other person or entity. See "*Risk Factors – Conflicts of Interest*" and "*Conflicts of Interest*".

The bulk of the private capital that the Manager manages or has managed is from limited partnerships: Bay Street High Yield Mortgage Limited Partnership ("**BSHY I**"), Bay Street High Yield Mortgage II Limited Partnership ("**BSHY II**") and Bay Street High Yield Mortgage III Limited Partnership ("**BSHY III**" and collectively, "**BSHY**"). BSHY is now in its third iteration, BSHY III, with the fund growing and the investor mix changing slightly over the years. BSHY I was wound down in 2017 and BSHY II is in the process of being wound down. BSHY II currently has no invested assets. S. Scott Cameron and George Frankfort have been the general partners of BSHY since its first inception in September of 2003. The Manager also manages a mortgage investment corporation, Cameron Stephens Mortgage Investment Corporation ("**CSMIC**"), which had an outstanding loan balance of approximately $58.8 million as at December 31, 2022.

The net returns for the Manager, BSHY II & III, and CSMIC over the past five years, and the Manager's, BSHY II & III's, and CSMIC's loan losses over the past five years are set forth below under the heading "*Past Performance*". **Note: past returns are not an indication or promise of future returns.**

The Partnership intends to co-invest with BSHY III on a *pari passu* basis for the majority of its loans. As such, it is expected that unlevered returns will closely resemble those of BSHY III. The Partnership will also co-invest with CSMIC on a *pari passu* basis in certain transactions.

The committed capital (inclusive of leverage) of BSHY III as of December 31, 2022 is $350 million. If the Partnership completes the maximum Offering of $300 million (excluding leverage), the total available capital of both groups of investors would be $650 million. The Partnership will benefit from having BSHY III as a partner due to their experience and track record, and BSHY III will benefit from decreasing individual loan exposure and diversifying its investment portfolio through the expanded investor base.

Past Performance

As of December 31, 2022, the Manager managed an outstanding mortgage portfolio of approximately $1.7 billion, having grown it steadily over the last 19 years, and managing the mortgage portfolio of CSMIC since September 2014 and the mortgage portfolio of the Partnership since November 2019. The Manager's historical performance for both its overall portfolio and two portfolios with similar risk profiles to the Partnership (BSHY and CSMIC) are shown below. **The returns set forth herein are provided for illustrative purposes only.**

The Manager's Total Portfolio Net Returns

	Unlevered			Levered		
Year	**Institutional**	**Private**	**Total[1]**	**BSHY**	**CSMIC[2]**	**CSMT[3]**
2018	6.2%	9.3%	7.4%	9.1%	8.2%	**n/a**
2019	6.3%	9.8%	7.9%	9.1%	9.3%	3.9%[4]
2020	5.9%	8.6%	7.0%	10.8%	9.2%	7.6%
2021	5.8%	8.5%	6.8%	10.3%	7.9%	7.4%
2022	6.7%	8.9%	7.5%	10.9%	8.6%	8.0%
Average	**6.2%**	**9.0%**	**7.3%**	**10.0%**	**8.6%**	**6.7%**

[1] Institutional and Private returns above exclude loan losses and recoveries. BSHY, CSMIC & CSMT returns are net of loan losses and recoveries.
[2] For CSMIC, there is no year where leverage has had a greater than 0.3% impact on returns.
[3] For CSMT, leverage was used for four months in 2022. The impact leverage had on the 2022 yield is 0.02%.
[4] The first CSMT issuance occurred on November 15th, 2019, and as such the 2019 distribution yield of 3.90% is based on half of one month's net income.

The returns in the table above are cash-based net returns, which include interest and Origination Fees. All returns are for the respective year ended December 31. **Note that the tables above are not necessarily representative of the future performance or portfolio mix of the Partnership and that the past performance of the Manager and its personnel are not necessarily indicative of future results of the Partnership, and there can be no assurance that targeted returns will be met.**

From 2018-2022, the Manager had only three loan losses. The Manager's average net loan losses during this period were 11 basis points (0.11%) based on the committed portfolio, and 19 basis points (0.19%) based on the funded portfolio. Net loan losses are calculated as total losses less recoveries.

In December 2018, BSHY entered into a credit agreement with a major financial institution to provide meaningful leverage on its portfolio. This credit facility provided increasing leverage from 2019 to 2022, enhancing returns throughout this period. Without this leverage, BSHY's returns more closely approximate those of the Partnership. Throughout 2018-2022, BSHY had only two loan losses. BSHY's average net loan losses during this period were 20 basis points (0.20%) based on the funded portfolio. No other private investor, including CSMIC and the Partnership, had loan losses during this period. As such, CSMC's average private capital net loan losses were only 11 basis points from 2018-2022, based on the funded portfolio.

The historical returns for BSHY II & III and the 2018-2022 returns for CSMIC were achieved based on similar underwriting standards to those that are employed by the Manager for the Partnership. The Partnership will co-invest with BSHY III on a *pari passu* basis for the majority of its loans, and with CSMIC on a *pari passu* basis for certain transactions.

The Manager's portfolio is divided between institutional and private capital. The breakdown of the Manager's committed portfolio between institutional and private capital over the last five years is presented below:

Year	Institutional	Private
2018	69%	31%
2019	66%	34%
2020	70%	30%
2021	73%	27%
2022	81%	19%

As shown in the table above, the Manager has managed to grow institutional partnerships over the past five years while maintaining a strong demand for private capital. It is anticipated that the capital raised through the Partnership will enable the Manager to be more competitive in the private lending space.

Management Team

The name and municipality of residence and the position held with the Manager of the members of the senior management team of the Manager are as follows:

Name and Municipality of Residence	Position with the Manager	Biography
S. Scott Cameron Toronto, Ontario Canada	Director, Chairman of the Board and Chief Executive Officer Broker of Record	Mr. Cameron is Chairman, CEO and Founder of the Manager, a mortgage brokerage specializing in commercial and construction financing. Prior to establishing the Manager in 2004, Mr. Cameron was a founding partner in MCAP, one of Canada's leading mortgage banking firms. Under his leadership, MCAP's assets under management grew from $50 million to $12 billion. A well-known industry speaker and former director of MTC Mortgage Investment Corporation, BILD and Tarion Warranty Corporation, Mr. Cameron holds a BA from the University of Toronto, an MBA from the Richard Ivey School of Business at the University of Western Ontario, and his ICD.D from the Rotman School of Business at the University of Toronto.
George Frankfort Toronto, Ontario Canada	Director and Secretary	Mr. Frankfort is a founding partner of the Alpa Lumber Group, the largest wholesale lumber supplier in Southern Ontario. In addition, Mr. Frankfort is a partner in both Lifetime Developments, a major high-rise condo developer in the Greater Toronto Area with over 6,000 units developed over the past decade, and Falconcrest Homes.
Michael Sheehan North York, Ontario Canada	Chief Financial Officer	Michael Sheehan is the CFO of the Manager and is responsible for finance, accounting, investor relations and technology. Michael has over a decade of real estate and banking experience focused on finance, accounting and compliance. Prior to joining the Manager, Michael was Chief Financial Officer for Slate Office REIT, a TSX listed company, where he oversaw all aspects of corporate finance, financial planning & analysis, financial reporting and debt management.
Giuliana Mauro Toronto, Ontario Canada	Senior Vice President, Underwriting and Portfolio Management	Mrs. Mauro is the Senior Vice President of Underwriting and Portfolio Management at the Manager where she leads a team of underwriting and funding professionals. Giuliana has over 27 years of experience and has built strong relationships with external partners and investors. Prior to joining the Manager, Giuliana was the Funding Manager for Commercial/Construction mortgages at MCAP Financial.

Stephen G. Cameron Toronto, Ontario Canada	Executive Vice President	Mr. Cameron joined the Manager in 2011, working in a number of roles before assuming his current management position specializing in structuring low-rise, high-rise, green-field and infill residential debt solutions for builders and developers. Mr. Cameron also leads the Manager's marketing and advertising division. Prior to his employment at the Manager, Mr. Cameron worked at Home Trust and at Xerox Canada. Mr. Cameron has a Bachelor of Commerce degree from the University of Guelph.
Katie Bonar Toronto, Ontario Canada	Vice President, Capital Markets	Katie Bonar is the Vice President, Capital Markets at the Manager and joined the company in 2012. Katie raises capital for and manages the Manager's two key retail investment vehicles, Cameron Stephens Mortgage Investment Corporation and Cameron Stephens Mortgage Trust, and is directly responsible for the 300+ investors and $130 million+ in assets under management in these two funds. Katie has a Bachelor of Business Administration (BBA) from the Schulich School of Business at York University and has her Chartered Financial Analyst (CFA) designation.
Diana Ratcliffe Newmarket, Ontario Canada	Vice President, Chief Compliance Officer	Diana is Vice President and Chief Compliance Officer, having previously held the position of VP Finance, with over 12 years at the Manager. Prior to arriving at the Manager, Diana was Controller at Corpfinance International Limited, a boutique firm specializing in debt and equity lending. Diana brings over 30 years of mortgage-related experience in administration, accounting and securitization with Manulife and Bank of Montreal. Ms. Ratcliffe is a CPA, CGA.
Daniel Leitch Toronto, Ontario Canada	Vice President, Syndication	Daniel Leitch is the Vice President, Syndication at the Manager and is responsible for all loan syndication to the Manager's many institutional and private lending partners as well as expanding lending partnerships and onboarding new partners. Daniel has over a decade of real estate experience, focused on land, servicing and construction financing. Daniel plays a key role in the deal structuring and credit adjudication process and is responsible for the comprehensive review and assessment of all investment opportunities to ensure conformance with company and investor requirements. Daniel has an Honours Bachelor of Arts (HBA) in Urban Studies from the University of Toronto and has his Chartered Financial Analyst (CFA) designation.

Brad Wise Vancouver, British Columbia Canada	Senior Vice President & Managing Director, Western Canada	Brad Wise is Senior Vice President & Managing Director, Western Canada for the Manager and joined the company in 2021. Brad has over 20 years of real estate debt & equity finance, asset management and transaction experience. Prior to joining the Manager, Brad served 14 years with a Vancouver, BC based real estate investment and asset management firm, serving in the role of President for the past 9 years. Brad has been directly involved in the acquisition, financing, and monetization of over $1.2 billion of real estate assets since 2002. Brad holds a Master of Business Administration degree and a Bachelor of Business Administration degree, both from Simon Fraser University.
Daniel Marchand Toronto, Ontario Canada	Managing Director, Capital Markets	Daniel Marchand is Managing Director, Capital Markets at the Manager. In his role he is responsible for capital raising, marketing, and product development. Beginning his career in financial services over 25 years ago, Daniel has achieved great success in capital raising, product development, and executive leadership across national and global firms. Prior to joining the Manager, Daniel was head of sales and marketing on the capital raising side at several firms including Bentall Green Oak (BGO), Trez Capital, Nuveen, and Lazard. As Managing Director, Capital Markets, Daniel will be instrumental in building the strategy to rapidly grow Cameron Stephens Mortgage Trust. He holds a degree in Economics from Concordia University.

Duties and Services Provided by the Manager

The operations of the Fund are subject to the control and direction of the Trustees. The Fund has retained the Manager to manage the day-to-day operations of the Fund. Pursuant to a Trust Management Agreement, the duties of the Manager include, without limitation:

- administering the day-to-day business and affairs of the Fund;
- maintaining the books and financial records of the Fund;
- ensuring preparation of reports and other information required to be sent to Unitholders;
- ensuring that the Fund complies with applicable law and regulatory requirements, including regulatory and unitholder reporting;
- recommending suitable individuals for nomination as Trustees;
- negotiating contracts and managing interactions with third-party providers of services, including registrars, transfer agents, legal counsel, auditors and printers; and
- supervising the administration of the payment of interest and distributions to Unitholders.

In accordance with the Trust Management Agreement, the Manager shall pay for certain expenses, including: employment expenses of its personnel, expenses of Trustees and officers of the Fund who also serve as directors, officers and employees of the Manager and its affiliates, other than expenses incurred by such individuals in attending meetings as Trustees, in addition to rent, telephone, utilities, office furniture, and supplies. The Fund shall pay all expenses relating to the operations and activities of the Fund reasonably incurred by the Manager in the performance of the duties of the Manager, including

amongst other things, interest and costs of borrowed money of the Fund, fees and expenses of lawyers, accountants, auditors, and bond rating agencies, insurance, and expenses in connection with payments of distributions of Units.

Pursuant to the Management Agreement, the General Partner has also delegated to the Manager the authority to manage certain of the Partnership's affairs. The Manager may delegate certain of its powers to third parties, where, in the discretion of the Manager, it would be in the Partnership's best interests to do so. The Manager's duties and services to the Partnership include:

- sourcing and structuring new Mortgage Loan opportunities;
- undertaking due diligence before issuing a formal commitment to lend;
- providing mortgage servicing duties, including ongoing collection of principal and interest payments, regular assessment of the risk profile of each Mortgage Loan and active collection and pursuit of legal remedies in the event of default;
- administering to the Partnership the components necessary for carrying on the undertaking and business of the Partnership, including office facilities, provisions, and other ordinary office services;
- authorizing the payment of operating expenses;
- preparing financial statements and financial and accounting information of the Partnership;
- ensuring that the Partnership complies with applicable law and regulatory requirements.

Management Agreement

The statements in this Offering Memorandum concerning the Management Agreement are intended to be only a summary of the provisions of such agreement and do not purport to be complete. A copy of the Management Agreement will be provided to each prospective purchaser on request in writing to the Trustees. All capitalized terms in this section not otherwise defined herein shall have the meaning as set out in the Management Agreement.

Pursuant to the Management Agreement, the Manager is required to exercise its powers and discharge its duties diligently, honestly and in good faith and in the best interests of the Partnership and to exercise the standard of care, diligence and skill that a reasonably prudent person would exercise in similar circumstances. The Management Agreement provides that the Manager and its directors, officers, securityholders, employees and agents will not be liable to the Partnership in any way for any default, failure or defect in the Mortgage Loan Portfolio held by the Partnership or for any act performed, or failure to act, by the Manager within the scope of the authority conferred on the Manager by the Management Agreement, if it has satisfied the duties and the standard of care, diligence and skill set forth in the Management Agreement. The Manager will incur liability, however, in cases of wilful misconduct, bad faith, gross negligence or breach of the Manager's standard of care.

The term of the Management Agreement commenced on July 31, 2019 and continues until July 31, 2029 unless renewed or terminated prior thereto. The Management Agreement will be automatically renewed for successive five-year terms at the expiration of the initial term and any renewal term, unless either the Partnership (at the direction of the General Partner) or the Manager notifies the other in writing of non-renewal at least twelve (12) months prior to the expiration of the initial term or a renewal term.

The Management Agreement may be terminated by the Partnership at any time upon approval of the General Partner upon the occurrence of any of the following: (a) in the event of fraud or wilful malfeasance with respect to its duties under the Management Agreement; or (b) if any proceedings in insolvency, bankruptcy, receivership or liquidation are taken against the Manager or if the Manager makes an assignment for the benefit of its creditors, commits any act of bankruptcy within the meaning of the *Bankruptcy and Insolvency Act* (Canada) or declares itself or is declared to be insolvent.

The Management Agreement may be terminated by the Manager at any time: (a) in the event of a breach by the Partnership of any material term of the Management Agreement that is not cured within 60 days of written notice of such breach to the Partnership (or such longer period, not to exceed 120 days, as may be reasonably required in the circumstances to cure such breach if such breach may be cured); or (b) if any proceedings in insolvency, bankruptcy, receivership or liquidation are taken against the Partnership or if the Partnership makes an assignment for the benefit of its creditors, commits any act of bankruptcy within the meaning of the *Bankruptcy and Insolvency Act* (Canada) or declares itself or is declared to be insolvent.

Upon termination of the Management Agreement, the Partnership is required, among other things, to reimburse or pay for and indemnify and save harmless the Manager from the costs and expenses of all services which may have been arranged by the Manager or as a result of the Management Agreement and which may not have been paid by the Partnership at the time of termination, and pay the Manager all fees due and owing as compensation for services rendered pursuant to the Management Agreement or as a result of the termination of the Management Agreement.

Subject to the ability of the Manager to delegate its powers and duties, the Management Agreement (and any interest in the Management Agreement) may not be assigned or subcontracted by either party without the prior written consent of the other party. Any amendment, supplement or modification of the Management Agreement may only be executed by the Partnership if and when approved by the General Partner. In addition, the Manager and each of its directors, officers, securityholders, employees and agents will be indemnified by the Partnership to the fullest extent permitted by law for all liabilities, costs and expenses incurred in connection with any action, suit or proceeding that is proposed or commenced, or other claim that is made against the Manager, or any of its directors, officers, securityholders, employees and agents, in the exercise of its duties under the Management Agreement, except those resulting from the Manager's wilful misconduct, bad faith, gross negligence or breach of the Manager's standard of care.

Any direct or indirect change of control of the Manager will be subject to the prior approval of the General Partner. The management services to be provided by the Manager under the Management Agreement are not exclusive to the Partnership and nothing in the Management Agreement prevents the Manager from providing similar management services to other clients or from engaging in other activities.

Manager Fees and Expenses

In consideration for the services provided to the Partnership by the Manager under the Management Agreement, the Manager is paid a management fee equal to one percent (1.0%) per annum of the aggregate face value of all assets invested in Mortgage Loans by the Partnership, calculated daily, aggregated and paid monthly in arrears (the "**Management Fee**"), plus applicable taxes. In addition, the Manager shall receive 75% of the Partnership's Origination Fees and 100% of Administration Fees.

In accordance with the Dealer Agreement dated July 31, 2019 between the Fund, the Manager and CSSL, CSSL was entitled to receive twenty-five percent (25%) of the Management Fee. Effective June 1, 2021, the Dealer Agreement was amended, eliminating the sharing of Management Fees and limiting the payments received by CSSL to a reimbursement of its expenses.

The Partnership will pay for all expenses that it or the Manager incurs on behalf of the Partnership in connection with the services provided under the Management Agreement.

Under the Management Agreement, the Manager is responsible for employment expenses of its personnel, rent and other office and administrative expenses of the Manager (except as set out above), and all costs and fees associated with maintaining and complying with the applicable provincial licensing requirements.

Unitholders are responsible for all expenses associated with the opening and/or operation of any accounts opened by the Unitholder with any third parties in connection with the holding or issuance of Units.

INVESTMENT STRATEGY

Strategy and Business of the Partnership

The Partnership's primary business is earning income through making residential and commercial Mortgage Loans to borrowers. The investment objectives of the Partnership are: (i) to preserve the Partnership's equity; and (ii) to provide holders of Partnership Units with stable and secure dividends from Mortgage Loans made by the Partnership and within the criteria mandated for a mutual fund trust. The Partnership will not invest in real property other than by way of investment in Mortgage Loans, subject to certain limited exceptions such as the acquisition of real property through foreclosure of a mortgage.

The investment strategy of the Partnership is to invest in Mortgage Loans from borrowers whose financing needs are not being met by the larger financial institutions. The Partnership believes that there are mortgage lending gaps in the market that need to be filled; namely, the Partnership believes that there is an established need for real estate mortgage financing in

Canada and the United States that is not readily provided by banks, trust companies, credit unions and other traditional lenders. The larger financial institutions in Canada and the United States are focused on Mortgage Loans that meet what are often restrictive lending criteria. As a result of the focus of large financial institutions on limited types of Mortgage Loans, opportunities exist in the mortgage finance market. In addition, short term mortgage financing is a continuing need of individuals, builders and real estate developers. As a result of their needs for flexibility and prompt approvals, they often require the services of private lenders and organizations, such as the Partnership.

Generally, the Partnership will fund Mortgage Loans secured by all types of residential and commercial real property located in Ontario, Alberta, and British Columbia, Canada, and the United States, subject to compliance with the Partnership's investment policies. See " *Investment and Operating Policies of the Partnership – Investment Policies* ". The Partnership's basic lending parameters will be as follows, which are subject to the more complete policies and restrictions listed under "*Investment and Operating Policies of the Partnership – Investment Policies*":

- the Partnership will focus on Mortgage Loans that cannot be placed in their entirety with financial institutions, but which represent an acceptable underwriting risk. For greater clarity, it is expected that financial institutions will participate in many of the Partnership's Mortgage Loans, however the Partnership may participate at a loan exposure that is in excess of what the financial institution would approve. At the time of funding each Mortgage Loan, the loan to value of the mortgage will not exceed 85% and the weighted average loan to value of the entire Mortgage Loan Portfolio of the Partnership will not exceed 75%;

- the Partnership expects to invest in Mortgage Loans on all types of residential and commercial real property, which may include but is not limited to residential houses, multi-family residential properties, residential land, mixed-use residential apartments and store-front properties, investment properties, residential and commercial land and development sites and development and construction projects;

- the form of Mortgage Loans made by the Partnership will generally be term and demand loans secured by the various asset classes noted above. All Mortgage Loans will be secured by the underlying real property;

- typical mortgage terms will be for 6 to 24 months, but the Partnership may choose to make Mortgage Loans with terms up to 60 months;

- all Mortgage Loans will be governed by underwriting guidelines and Investment Committee approval as outlined under the heading "*Investment and Operating Policies of the Partnership – Investment Policies*". Mortgage Loans will be recommended by the Manager and approved by the Investment Committee;

- the Partnership may also make cash investments from time to time in Permitted Interim Investments pending investment in Mortgage Loans; and

- the Partnership will not invest in the following:

  – investments that will disqualify the Fund as a mutual fund trust;

  – the securities of the Manager, or the Manager's affiliates or other non-arm's length parties, other than loans originated by the Manager. See "*Conflicts of Interest*"; and

  – investments for the purpose of exercising management control of any entity.

As of December 31, 2022, the Partnership's Mortgage Loan Portfolio had a weighted average gross interest rate of 11.07%, with gross interest rates ranging from 6.5% to 16.0% and terms typically ranging from six to thirty-six months with monthly mortgage payments (either principal and interest or interest only). Mortgage Loan amounts are expected generally to be in the range of $0.1 million to $10.0 million. As of December 31, 2022, the largest exposure the Partnership had to a single loan was $2.4 million, which represents 3.49% of the total Mortgage Loan Portfolio. The Partnership will consider co-lending with one or more private lenders or financial institutions to manage diversification of its Mortgage Loan Portfolio. See "*Investment Strategy – Syndication and Participation Strategy*".

The rate of return the Partnership will earn from its Mortgage Loans will fluctuate with prevailing market demand for short term mortgage financing. In some cases, the Partnership's Mortgage Loans may not meet the financing criteria for conventional mortgages from institutional sources and, as a result, these loans will generally earn a higher rate of return than

that normally attainable from conventional mortgage loans. The Partnership will attempt to minimize risk by being prudent in both its credit decisions and in assessing the value of the underlying real property offered as security. Based on the Manager's experience and the type of loans the Partnership anticipates making in accordance with its investment policies, the Partnership is targeting a sustainable distribution rate of 9.00% per annum, without accounting for any Mortgage Loan Portfolio losses, but taking into account all management expenses. The Partnership's annual returns have exceeded the Prime Rate by an average of 4.48% per annum since its first full year of operations. **However, no specific returns are assured or guaranteed, and the past performance of the Manager or the Partnership is not a guarantee of future results.**

Mortgage Loans that do not fit the general criteria outlined herein may be considered from time to time when there are mitigating factors which reduce the risk profile to acceptable levels. However, the Partnership shall at all times ensure that it qualifies as a mutual fund trust. See "*Certain Canadian Federal Income Tax Considerations - Mutual Fund Trust Status*". All properties will be evaluated on the basis of location, quality, prospects for capital appreciation, and the equity in the underlying real estate. In addition, the credit of the borrower will also be reviewed and, where appropriate, corporate or personal covenants are expected to be obtained. The Partnership may make Mortgage Loans relating to renovations or improvements of existing real property and may also finance or purchase mortgages.

In order to facilitate the making of Mortgage Loans by the Partnership, the Fund and the Partnership have entered into a Management Agreement with the Manager, an experienced mortgage broker and administrator. The Manager will originate most and underwrite all Mortgage Loans on the Partnership's behalf, service the Mortgage Loan Portfolio and supervise the Fund's and the Partnership's day-to-day management and operations, with advice from, and in certain circumstances, approval of the Investment Committee. See "*Manager*". The Manager has originated, underwritten and serviced Mortgage Loans on behalf of numerous investors and institutions since 2004. The underwriting, investment and operating policies adopted by the Manager have proven to be well suited to the market serviced by the Manager and form the basis for the Partnership's investment policies.

History of the Business and Current Mortgage Portfolio

History

The Fund was established by Declaration of Trust on July 29, 2019 and began commercial operations of mortgage lending in November, 2019. The Trust engaged the Manager in November 2019 to facilitate the making of mortgage loans by the Trust. See "*Manager*".

The Trust has completed several financings since 2019 by way of issuance and sale of Units, with the total outstanding unit capital having grown to $68,972,414 as at December 31, 2022. The Trust's unit capital consists of the Units. The purpose of the Offering is to raise funds in order for the Trust to continue operations and expand its mortgage lending business. See "*Use of Proceeds*".

Overview of Mortgage Portfolio

As at December 31, 2022 the Trust's mortgages receivable consisted of $68,578,234 in mortgage loans, and aggregated $68,784,980 (including accrued interest, net of servicing fees and allowance for loan losses).

As of December 31, 2022, the average outstanding mortgage balance (being the total Mortgage Portfolio balance divided by the number of Mortgages, as at the applicable date) was $1,142,971.

As at December 31, 2022, the weighted average loan-to-value in the Fund's Mortgage Portfolio was 63.4% and the weighted average remaining term for the Fund's mortgages receivable was eight months.

As at December 31, 2022, two of the Trust's mortgages were in default where legal remedies were pursued. It is not expected that any loan losses will result. See "*Risk Factors*".

Details of Mortgage Portfolio as at December 31, 2022

The following table provides a description of the Mortgage Portfolio as at December 31, 2022 by category and a breakdown regarding receivables:

December 31, 2022				
Mortgage Category	**# of Mortgages**	**Outstanding Amount**		**% of Portfolio**
Residential Land	25	$	28,159,455	41.1%
Residential Construction	17		18,901,312	27.6%
Commercial Land	5		8,316,500	12.1%
Residential Other	5		6,246,363	9.1%
Residential Single Family	5		3,636,685	5.3%
Commercial Other	3		3,317,920	4.8%
Total Portfolio	**60**	**$**	**68,578,234**	**100.0%**
Accrued Interest Receivable		$	672,346	
Provision for Mortgage Losses			(465,600)	
Total Mortgages Receivable		**$**	**68,784,980**	

The following table provides a description of the Trust's Mortgage Portfolio as at December 31, 2022 by size:

December 31, 2022				
Mortgage Amount	**# of Mortgages**	**Outstanding Amount**		**% of Portfolio**
$0 - $250,000	2	$	400,000	0.6%
$250,001 - $500,000	13		5,686,572	8.3%
$500,001 - $1,000,000	15		12,615,585	18.4%
$1,000,001+	30		49,876,078	72.7%
Total	**60**	**$**	**68,578,234**	**100.0%**

The following table provides a description of the Trust's Mortgage Portfolio as at December 31, 2022 by type of mortgage, nature of the underlying property, and location of the underlying property:

December 31, 2022				
Description	**# of Mortgages**	**Outstanding Amount**	**% of Portfolio**	**Weighted Average Gross Interest Rate**
Type of Mortgage				
First Mortgages	53	$ 55,504,047	80.9%	10.7%
Second Mortgages	7	13,074,187	19.1%	12.6%
Total	**60**	**$ 68,578,234**	**100.0%**	**11.1%**
Nature of Underlying Property				
Residential	52	$ 56,943,814	83.0%	10.9%
Commercial	8	11,634,420	17.0%	12.0%
Total	**60**	**$ 68,578,234**	**100.0%**	**11.1%**
Location of Underlying Property				
Greater Toronto Area	40	$ 46,010,872	67.1%	10.8%
Non-GTA Ontario	16	20,587,510	30.0%	11.3%
Outside Ontario	4	1,979,853	2.9%	14.4%
Total	**60**	**$ 68,578,234**	**100.0%**	**11.1%**

Borrowing Strategy

The Partnership may enter into one or more credit facilities or similar indebtedness with Canadian financial institution(s) for the purposes of, among other things, maintaining liquidity, for general working capital purposes (including dividend or redemption payments), bridging timing differences resulting from loan maturities and new loan origination and generally ensuring efficient operation of the Partnership's affairs and leveraging the returns of the Partnership's Mortgage Loan Portfolio. The Partnership believes that the utilization of such borrowing will enhance the total return to its unitholders. Additionally, the Partnership expects it will earn a positive interest rate spread between the interest earned from investing such borrowings and the interest rate paid by the Partnership on those borrowings. In connection with such indebtedness, the Partnership may grant security over any asset(s) of the Partnership.

The Partnership currently has a $7,000,000 revolving line of credit with Canadian Imperial Bank of Commerce to be used to finance the Partnership's portfolio of eligible mortgage loans. The line of credit has been guaranteed by the General Partner. As additional security the Partnership and the General Partner have entered into general security agreements with the lender and the Partnership has provided an assignment of material agreements. As at the date of this Offering Memorandum the line of credit has a balance of $nil.

The aggregate principal amount outstanding at any time under any credit facility or credit facilities will not exceed 40% of the aggregate value of the Partnership's total assets (including leveraged assets) at any time. Such borrowing is subject to the investment policies of the Partnership, as same may be amended from time to time. See "*Investment and Operating Policies of the Partnership – Investment Policies* ".

Retaining Experience Strategy

The Partnership believes that the following are essential to developing and maintaining a successful Mortgage Loan Portfolio:

- knowledgeable mortgage underwriting;

- ability to source a broad range of mortgage lending opportunities, thereby allowing the Partnership to be prudent when selecting Mortgage Loans; and

- disciplined monitoring, servicing and collection enforcement methods.

Syndication and Participation Strategy

To manage and diversify risk, the Manager may syndicate First and Second Mortgage Loans in which the Partnership participates with one or more third party lenders (such as Canadian chartered banks, trust companies and other mortgage investors). Syndicating mortgages reduces the Partnership's exposure to any one loan it may have.

Syndication may be on a *pari passu* basis, a priority basis or a subordinated basis. Generally, the Partnership will syndicate on a *pari passu* basis where the Mortgage Loan is too large for the Partnership to fund on its own. The Partnership may also syndicate First and Second Mortgage Loans both on a priority and subordinated basis.

If a mortgage is syndicated on a priority basis, the Partnership will syndicate the subordinate tranche to one or more other lenders if the risk profile of the overall first mortgage is beyond the Partnership's risk tolerance. In such circumstances, the Partnership's rights to receive interest payments and repayments of principal will rank in priority to the other lender(s).

If a mortgage is syndicated on a subordinated basis, the rights of the other lender(s) to receive interest payments and the repayment of principal rank in priority to the Partnership's rights to receive a share of the interest payments and the repayment of its principal balance; however, in such circumstances the syndicating lender(s) would have no recourse to the Partnership. If a mortgage is syndicated on a subordinated basis, the third-party lenders participate with a priority ranking but, in return, they take reduced interest rates. Syndication of first and second mortgages on a subordinated basis enables the Partnership to retain a disproportionately large amount of interest revenue when compared to the portions of the mortgages it retains. This practice, sometimes referred to as "tranching", is expected to enable the Partnership to effectively increase its returns while using less capital for each First and Second Mortgage Loan made (thereby facilitating greater diversification for the Partnership) and, in most cases, retaining the Manager's control over administering the entire mortgage. The Partnership expects that, if a first or second mortgage is syndicated on a subordinated basis, its subordinated position will be no less than second priority to the other lender(s).

It should be noted that an investment by the Partnership in a junior position in a syndicated first mortgage (i.e., syndication on a subordinated basis as described above) differs from an investment by the Partnership in a second mortgage in that the second mortgage has a lower priority for repayment to the entire first mortgage and the Manager does not have control over administrating the first mortgage should default occur.

As of December 31, 2022, the Partnership had syndicated 50 of the 60 mortgages in its Mortgage Portfolio. Of the 50 syndicated mortgages, 43 are first mortgages, of which 23 were syndicated on a pari passu basis and 20 were syndicated on a subordinate basis to the other lender(s). The other 7 syndicated mortgages are second mortgages that were syndicated on a pari passu basis. Some of these mortgages were syndicated with a lender (BSHY III) that is affiliated with the Manager. The Partnership is proposing to generally co-invest with BSHY III on a *pari passu* basis on future mortgages. See "*Conflicts of Interest*".

ORIGINATION AND SERVICING OF THE MORTGAGE LOAN PORTFOLIO

The Manager is responsible for originating, arranging, underwriting, servicing and syndicating the Partnership's Mortgage Loan investments pursuant to the Management Agreement. See "*Manager*" and "*Management Agreement*".

INVESTMENT AND OPERATING POLICIES OF THE PARTNERSHIP

Investment Policies

The Partnership has established certain policies and restrictions on investments that the Partnership may make including:

- the Partnership may only invest in:

(i) mortgages or tranches of mortgages (in either case, referred to as "mortgages" in this Offering Memorandum) that are principally secured by single family residences, multi-family residential properties and residential land; and

(ii) mortgages which are principally secured by income-producing properties which have retail, commercial service, office and/or industrial uses and land, zoned for commercial purposes;

- when not invested in mortgages, or tranches of mortgages, on the security of real property situated within Ontario, Alberta, and British Columbia, Canada, or in the United States, the funds of the Partnership will be placed in Permitted Interim Investments;

- approximately 65% of the Mortgage Loans made by or on behalf of the Partnership will be invested in mortgages on the security of real property situated within Ontario, Canada, with the remaining percentage to be invested in mortgages on the security of real property situated within Alberta or British Columbia, Canada or the United States;

- no more than 30% of the total assets of the Partnership may be invested in second mortgages (and, for greater certainty, a junior position in a first ranking mortgage is not considered a second mortgage);

- no more than 10% of the Partnership's total assets will be invested in any single Mortgage Loan or portion of a single Mortgage Loan;

- no single borrower will account for more than 15% of the Partnership's total assets;

- at the time of funding each mortgage, the loan to value of the mortgage will not exceed 85% and the weighted average loan to value of the entire Mortgage Loan Portfolio of the Partnership will not exceed 75%;

- the Partnership will not invest in any Mortgage Loans where the term of the Mortgage Loan is in excess of 60 months;

- the Partnership will not invest in any Mortgage Loans where the term of the Mortgage Loan would cause the weighted average term of the Partnership's Mortgage Loan Portfolio to exceed 36 months;

- the Partnership may participate in Mortgage Loans on a syndication basis, including with affiliates and associates of the Manager;

- the Partnership may enter into one or more credit facilities with Canadian financial institution(s) for the purposes of maintaining liquidity, for general working capital purposes (including dividend or redemption payments), to bridge timing differences resulting from loan maturities and new loan origination and generally leveraging the returns of the Mortgage Loan Portfolio and, in connection therewith, the Partnership may grant security over any asset(s) of the Partnership. The aggregate principal amount outstanding at any time under any such credit facility or credit facilities will not exceed 40% of the aggregate value of the Partnership's total assets (including leveraged assets) at any time. See "*Borrowing Strategy*" above for further details; and

- the Partnership may not make any investment without the approval of the Investment Committee, provided however, the Partnership may invest in Permitted Interim Investments in any amount without prior approval of the Investment Committee.

The above investment policies and restrictions may be changed, or waived in respect of specific Mortgage Loan applications, with the approval of the Investment Committee.

In addition to the policies and restrictions on investment set out above, the Partnership also adheres to the following guidelines regarding investments that the Partnership makes:

- Permitted Investments with direct or indirect exposure to U.S. dollars shall be reviewed on a regular basis for the purposes of determining and implementing prudent Canadian dollar hedging strategies.

The Fund will offer Units from time to time to the extent it is determined that the proceeds of such offerings can be used by the Partnership in a manner consistent with the investment policies summarized above in furtherance of the Partnership's investment objectives.

The Partnership has not yet made any investments in U.S. Mortgage Loans. Prior to making the first of any such investments the Fund will provide Unitholders with not less than 90 days notice thereof.

Operating Policies

The Partnership Agreement provides that the operations and affairs of the Partnership are required to be conducted in accordance with the following operating policies:

- the Partnership may borrow funds on commercially reasonable terms to acquire or invest in specific Permitted Investments;

- in connection with making an investment in, or an acquisition of, a Mortgage Loan or other Permitted Investment, the General Partner will require the Manager to obtain or review an independent appraisal and/or broker opinion of value from a Qualified Appraiser or realtor, as the case may be, on the underlying Real Property which is the primary security for the Mortgage and may or may not obtain additional independent appraisals or audits of the underlying Real Property or any additional collateral and other properties secured by the Mortgage or other Permitted Investment; and

- the legal title to each Permitted Investment may be held by and registered in the name of the General Partner or a corporation or other entity that is an affiliate, associate or subsidiary of the General Partner or its affiliates, associates or subsidiaries. Where the Partnership's interest is held in trust, the trust arrangements must be approved by the General Partner. Where the legal title to a Permitted Investment is held by and registered in the name of an entity wholly-owned by, or affiliated or associated with, the General Partner, or in the name of a person or persons in trust for the Partnership, such entity may hold legal title to such Permitted Investment on behalf of other beneficial owners of such Permitted Investment.

The General Partner may, in its sole discretion, amend, supplement or replace the investment policies and/or the operating policies of the Partnership.

Amendments to Investment and Operating Policies

The investment and/or operating policies of the Partnership set out above may be amended, supplemented or replaced from time to time by the General Partner in its sole discretion without the consent, approval or ratification of the Fund, as the Partnership's sole limited partner, or any other person. Notwithstanding anything else to the contrary set out in the Partnership Agreement, if at any time a government or regulatory authority having jurisdiction over the Partnership or any property of the Partnership will enact any law, regulation or requirement which is in conflict with any investment or operating policy of the Partnership then in force, such policy in conflict will, if the General Partner so resolves, be deemed to have been amended to the extent necessary to resolve any such conflict and, notwithstanding anything to the contrary herein contained.

Notwithstanding the foregoing, no investment and/or operating policies of the Partnership will be amended, supplemented or replaced to allow for the fundamental departure from the Partnership's business of originating and investing in Mortgage Loans in furtherance of its objectives of preserving capital and providing its sole limited partner, the Fund, with stable and secure cash distributions.

LICENSING AND LEGISLATIVE REGIME

Mortgage Brokerage

All provinces throughout Canada have enacted legislation to govern the mortgage broker industry. Under all of these Acts, corporations, partnerships and sole proprietorships that carry on the business of dealing in or trading in mortgages, or carry on business as a mortgage lender, are required to hold a valid brokerage license. A person or entity is a mortgage lender when he, she or it lends money on the security of real property. An individual who deals in mortgages or trades in mortgages is required to be licensed as a mortgage broker or a mortgage agent. A mortgage broker or mortgage agent can only act on

behalf of one specified mortgage brokerage and every brokerage must appoint a principal broker who is licensed as a mortgage broker. Corporations, partnerships and sole proprietorships that carry on the business of administering mortgages are required to hold a valid mortgage administrator's license.

As neither the Fund nor the Partnership is licensed as a mortgage brokerage or administrator and do not employ any mortgage brokers or agents, they cannot engage directly in the business of lending money on the security of real property or administering mortgages, and must therefore conduct their mortgage lending activities under contract with a licensed mortgage brokerage such as the Manager and a licensed mortgage administrator (in Ontario) such as the Manager. A mortgage brokerage and its principal broker must obtain a brokerage and a broker license, respectively, issued by the applicable provincial regulatory body. The Manager, which performs mortgage brokerage and certain other services on the Partnership's behalf pursuant to the Management Agreement, currently holds a valid license with each of the applicable provincial regulatory bodies in the Provinces of Ontario, Alberta, and British Columbia to permit it to carry on the activities contemplated in the Management Agreement and operates in compliance with applicable provincial legislation. The Manager's license with each applicable provincial regulatory body qualifies it to syndicate mortgage loans. The Manager is also licensed as a mortgage administrator where required.

Each provincial regulatory body with whom the Manager is licensed has wide authoritative power over the mortgage brokerage and administrator industry, including the power to grant or renew licenses, the power to revoke licenses, the power to attach conditions to licenses, and the power to investigate complaints made regarding the conduct of registered mortgage brokerages, brokers, agents and administrators. Under each applicable provincial Act, there are several requirements a mortgage brokerage, broker, agent or administrator must meet in order to obtain or renew a license. These Acts also impose a continuing obligation on a registered mortgage broker and/or agent to remain in compliance with applicable legislation, failing which the applicable provincial regulatory body may revoke a license.

Generally, a mortgage brokerage or administrator will not be granted a license or a renewal of a license if, having regard to the financial position of the mortgage brokerage or administrator, it could not reasonably be expected that the mortgage brokerage or administrator would be financially responsible in the conduct of its business. In addition, a license will not be granted or renewed if the past conduct of the applicant is such that it provides reasonable grounds for the applicable provincial regulatory body to believe that the mortgage brokerage or administrator will not conduct business legally and with integrity and honesty. In the case of a corporate mortgage brokerage or administrator, the applicable provincial regulatory body will look to the past conduct of the directors and officers of the corporation.

Securities Activities

CSSL is registered as an exempt market dealer under NI 31-103 in certain of the Offering Jurisdictions. As mandated by NI 31-103, certain employees of CSSL maintain the required proficiency requirements and CSSL meets the stipulated working capital and insurance requirements for exempt market dealers. CSSL, in its capacity as an exempt market dealer, performs dealer and ongoing administrative services for the Fund pursuant to the Dealer Agreement. Diana Ratcliffe serves as the Chief Compliance Officer of CSSL. See "*Conflicts of Interest*".

The Partnership, on behalf of the Fund, is engaged in mortgage lending as its primary activity. Applying the criteria set out in *CSA Staff Notice 31-323 - Guidance Relating to the Registration of Mortgage Investment Entities* (the "**Staff Notice**") to the activities of the Fund and the Partnership on behalf of the Fund, it has been determined that the Fund is a Pooled MIE (as such term is defined in the Staff Notice) and therefore not an investment fund. Consequently, neither CSSL nor the Manager has sought registration as an investment fund manager or as an advisor in connection with the services they provide to the Fund and the Partnership.

MANAGEMENT OF THE PARTNERSHIP

The Partnership is under the general control and direction of the General Partner, including the day-to-day operations of the Partnership, but the origination of the Partnership's investments in Mortgage Loans is carried out by the Manager pursuant to the Management Agreement. George Frankfort and S. Scott Cameron are both officers and directors of the Manager.

The Manager has entered into the Management Agreement with the Fund and the Partnership and is entitled to earn a fee for providing Mortgage Origination Services to the Partnership. The Manager must render its services under the Management Agreement honestly, diligently and in good faith and must use reasonable commercial efforts to perform its duties and responsibilities under the Management Agreement. While the Manager, its directors and officers have committed a significant amount of their time and attention to the business of the Partnership, the Manager, its directors, officers and their

respective affiliates will engage in other business activities, including business activities which may compete directly or indirectly with the Partnership. See "*Management Agreement*" and "*Conflicts of Interest*".

Although none of the directors or officers of the General Partner or the Manager will devote all of his or her full time to the business and affairs of the General Partner and the Partnership, each will devote as much time as is necessary to supervise the management of, and to manage or to advise on the business and affairs of, the Partnership and its business, or in the case of the Manager, to provide the services contemplated under the Management Agreement. Whenever a conflict of interest arises between the Partnership, on the one hand, and the Manager on the other hand, the parties involved in resolving that conflict or determining any action to be taken or not taken will be entitled to consider the relative interests of all of the parties involved in the conflict or that will be affected by such action, any customary or accepted industry practices, and such other matters as the parties deem appropriate in the circumstances. See "*Conflicts of Interest*".

General Partner

The General Partner is a corporation incorporated under the laws of the Province of Ontario. The General Partner acts as the General Partner of the Partnership in accordance with the Partnership Agreement (See "*Partnership Agreement"*) and performs the day-to-day management of the Partnership's business.

The Partnership reimburses the General Partner for all costs incurred by the General Partner in the performance of its duties as General Partner under the Partnership Agreement including, but not limited to, the costs of formation, organization and maintenance of the Partnership, fees and disbursements relating to the business of the Partnership, taxes, interest and all other costs or amounts, if any, incurred with respect to borrowing or the security provided therefore, and all other direct costs of the Partnership, excluding expenses of any action, suit or other proceeding in which or in relation to which the General Partner is adjudged to be in breach of any duty or responsibility imposed on it under the Partnership Agreement. The General Partner, at the expense of the Partnership, retains third parties, including related third parties, to provide assistance to it in providing its services to the Partnership. All of the issued and outstanding shares of the General Partner are owned by entities owned by George Frankfort and S. Scott Cameron. S. Scott Cameron, an individual resident in the Province of Ontario and an officer and director of CSSL, is the President, Chief Executive Officer and a director of the General Partner. George Frankfort, an individual resident in the Province of Ontario, is the Secretary, Treasurer and a director of the General Partner. The General Partner is responsible for management of the business of the Partnership. See "*Conflicts of Interest*".

Investment Committee

The General Partner will establish an investment committee (the "**Investment Committee**") consisting of no less than three (3) and no more than ten (10) members, which Investment Committee shall: (i) have the authority to receive, review, consider and approve mortgage loan proposals (or any extensions, renewals or modifications to existing mortgage loans of the Partnership) on behalf of the Partnership; (ii) adjudicate and advise on transactions involving conflicts of interest or potential conflicts of interest as between the Manager, the Fund and/or the Partnership; and (iii) deal with such other matters as may be referred to the Investment Committee by the General Partner. The members of the Investment Committee are appointed, removed and/or replaced by the General Partner from time to time. On the date hereof, there are seven (7) members of the Investment Committee, consisting of the following: S. Scott Cameron, Stephen G. Cameron, George Frankfort, Brandon Frankfort, Katie Bonar, Miguel Singer, and Josh Zagdanski.

The members of the Investment Committee are not required to devote their full time to the business of the Partnership and do not receive any compensation from the Partnership or the Manager for acting as members of the Investment Committee.

Below are brief profiles of the members of the Investment Committee. Profiles for S. Scott Cameron, Stephen G. Cameron, George Frankfort and Katie Bonar are set out under *"The Manager – Management Team"*. The following is a brief profile of the remaining investment committee members:

Brandon Frankfort

Mr. Frankfort is currently President of Alpa Lumber Group but has worked extensively in partnership with his father, George Frankfort, in their various business interests. Mr. Frankfort is a lawyer, having graduated from DePaul University in Chicago.

Miguel Singer

Mr. Singer is a Principal and President of the Madison Group which owns, develops, and manages landmark residential and commercial properties. Madison's extensive portfolio includes low-rise master planned communities, mixed-use high-rise projects, office, retail, rental, and retirement residences throughout the GTA and New York. Mr. Singer holds an Honours Bachelor of Science from the University of Toronto and a law degree from Osgoode Hall Law School.

Josh Zagdanski

Mr. Zagdanski is the Vice President of High-Rise at the Madison Group and joined the company in 2009. In his current role, Mr. Zagdanski is responsible for the acquisition, financing, development, and construction of mixed-use high-rise condominium projects, which include more than 5,000 homes in various stages of the development cycle across the Greater Toronto Area. Mr. Zagdanski holds an Honours of Business Administration from the Ivey School of Business, at the University of Western Ontario.

DECLARATION OF TRUST

The Fund was settled as an unincorporated open-ended investment trust under the laws of the Province of Ontario on July 29, 2019, pursuant to the Declaration of Trust. The Trustees finance the activities of the Fund by selling Units and investing Trust Property in units of the Partnership and the capital therefrom is used by the Partnership to fund Permitted Investments. The Fund will continue in force and effect so long as any property of the Fund is held by the Trustees, and the Trustees retain the powers conferred on them by law or by the Declaration of Trust. The principal place of business of the Fund is situated at the office of the Manager, which is located at 320 Bay Street, Suite 1700, Toronto, Ontario M5H 4A6. See "*Fund*".

Conflicts of Interest

Conflicts of interest exist, and others may arise, between investors and the directors and officers of the Manager, CSSL, the General Partner and the Fund and their associates and affiliates. The Manager, its affiliates, officers, directors and shareholders, and the Trustees may, from time to time, transact business with the Fund, may transact business with each other and others doing business with the Fund and may earn fees from the Fund in connection therewith.

CSSL, the agent retained in respect of the Offering pursuant to a Dealer Agreement made between CSSL, the Manager and the Fund, is considered to be "connected" to the Fund under applicable law. The dealing representatives of CSSL who are acting on behalf of CSSL in connection with the Offering, are employees of the Manager.

There is no assurance that any conflicts of interest that may arise will be resolved in a manner most favourable to investors. Persons considering a purchase of Units pursuant to this Offering must rely on the judgment and good faith of the directors, trustees, officers and employees of the Manager, CSSL, the General Partner and the Fund in resolving such conflicts of interest as may arise.

The Fund and its Unitholders are dependent in large part upon the experience and good faith of the Manager. The Manager is entitled to act in a similar capacity for other companies with investment criteria similar to those of the Fund. Many of the Partnership's Mortgage Loans may be shared with other investors affiliated or associated with the Manager, which parties may include shareholders, directors or staff of the Manager.

The Fund's investment position may rank either equally with, in priority to, or subordinate to other members of the syndicate or participating investors. See "*Conflicts of Interests*", "*Related and Connected Issuer"* and "*Risk Factors*".

Trustees

The Trustees of the Fund are S. Scott Cameron, Chairman of the Board of Trustees, George Frankfort, Brandon Frankfort, Stephen G. Cameron, and Katie Bonar. Each Trustee is a resident of Ontario. Biographies of the Trustees can be found under the heading "*Management of the Partnership – Investment Committee*".

MATERIAL AGREEMENTS

The following is a list of the material agreements, other than contracts entered into in the ordinary course of business, entered into by the Fund:

- Declaration of Trust;
- Management Agreement;
- Trust Management Agreement;
- Dealer Agreement; and
- Partnership Agreement.

DESCRIPTION OF UNITS

Description of Units

Units are subject to the terms and conditions of the Declaration of Trust. The statements in this Offering Memorandum concerning the Declaration of Trust are intended to be only a summary of the provisions of the Declaration of Trust and do not purport to be complete. A copy of the Declaration of Trust will be provided to each prospective Subscriber on request in writing to the Trustees. Prior to executing a Subscription Agreement, each prospective Subscriber should review with his, her or its advisors the provisions of the Declaration of Trust for the complete details of these provisions and all other provisions thereof. All capitalized terms in this section not otherwise defined herein shall have the meaning as set out in the Declaration of Trust.

The Fund is an unincorporated open-end investment trust created pursuant to the Declaration of Trust and governed by the laws of the Province of Ontario. See "*Fund*".

Rights and Characteristics of the Units

Each Unit has the right to one vote on any resolution of Unitholders, whether conducted at a meeting of Unitholders or in writing. There is no conversion, retraction, redemption, or pre-emptive rights attached to the Units, other than as specifically set out in the Declaration of Trust. The legal ownership of the assets of the Fund and the right to conduct the affairs of the Fund are vested exclusively in the Trustees; thus, Unitholders have no interest therein other than as provided in the Declaration of Trust. Unitholders will have no right to compel any partition, division or distribution of the Fund or any of the assets of the Fund. The Units are personal property and confer upon the Unitholders only the interest and rights specifically set forth in the Declaration of Trust.

Additional classes and series of Units may be created by the Trustees by an amendment to the Declaration of Trust without notice to or approval by the Unitholders. The aggregate number of Units, classes and series of Units, which the Fund may issue, is unlimited. Each Unit when issued shall vest indefeasibly in the holder thereof.

Transfer of Units

A Unit may be transferred to any other person to the extent permitted under the Declaration of Trust and only if in compliance with all applicable securities laws.

Limitation on Non-Resident Ownership

It is the intention of the Trustees to cause the Fund to always qualify as a "unit trust" and a "mutual fund trust" under the provisions of subsection 108(2) and subsection 132(6) of the Tax Act. If non-residents of Canada within the meaning of the Tax Act ("**Non-Residents**") become the beneficial owners of more than 49% of the Units in certain circumstances, the Fund may cease to qualify as a "mutual fund trust". As such, the Trustees may require declarations confirming the jurisdictions wherein all beneficial owners of Units are residents. If the Trustees become aware that the beneficial owners of 49% or more of the Units then outstanding are, or may be, Non-Residents, or that such a situation is imminent, and should the "unit trust" or "mutual fund trust" status of the Fund be threatened by such Non-Resident ownership, the Trustees shall not accept a subscription for Units, nor shall it issue or register a transfer of Units, to a person unless such person provides a declaration in form and content satisfactory to the Trustees that such person is not a Non-Resident. If, notwithstanding the foregoing, the Trustees determine that more than 49% of the Units are held by Non-Residents, subject to all applicable securities and other laws, the Trustees may send a notice to the Non-Resident holders of Units (the "**Affected Holders**"), chosen 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 their Units or a portion thereof to the Fund or to a person who is not a Non-Resident, in the sole discretion of the Trustees, within a specified period of not less than 60 days. If the Unitholders receiving such notice have not sold the specified number of Units or provided the Trustees with satisfactory evidence that they are not Non-Residents within such period, the Trustees may on behalf of such Unitholders sell such Units and, in the interim, suspend the voting and distribution rights attached to such Units.

Upon such sale, the Affected Holders will cease to be holders of Units and their rights will be limited to receiving the net proceeds of the sale. Unless the Trustees are required to do so under the terms of the Declaration of Trust, the Trustees are not bound to do or take any proceeding or action with respect to Non-Resident Unitholders by virtue of the powers conferred on them by the Declaration of Trust. The Trustees will not be deemed to have notice of any violation unless and until they have been given actual notice of such violation and will act only as required by the Declaration of Trust once an indemnity is provided by the Fund. The Trustees are not required to actively monitor the foreign holdings of Units of the Fund. It is acknowledged that the Trustees cannot monitor the Non-Resident holders of the Units where the Units are registered in the name of a broker or other similar intermediary. The Trustees will not be liable for any violation of the Non-Resident ownership restriction which may occur during the term of the Fund.

Unitholder Redemption Rights and Redemption Notice Requirements

Subject to the conditions set out in the Declaration of Trust, each Unitholder is entitled to require the Fund to redeem, at any time and from time to time, at the demand of the Unitholder, all or any part of the Units registered in the name of the Unitholder.

The last day of each month will be the Unitholder Redemption Date. If the last day of a month is not a Business Day, the Unitholder Redemption Date for that period will be the last Business Day of the calendar month. In order to tender Units for redemption, a Unitholder must deliver to the Trustees a duly completed and properly executed Unitholder Redemption Notice (the "**Notice**") that requires the Fund to redeem the Units. No Notice shall be accepted by the Trustees unless such Notice is in all respects satisfactory to the Trustees and is accompanied by any evidence that the Trustees may reasonably require with respect to the identity, capacity or authority of the person giving such Notice.

The Notice must be received by the Trustees at least 30 calendar days before a Unitholder Redemption Date for a redemption to be considered for such Unitholder Redemption Date. If the Notice is not received by the Trustees at least 30 calendar days before a Unitholder Redemption Date, the Trustees will not be required to consider redeeming the Units until the next subsequent Unitholder Redemption Date. The Trustees shall be entitled, in their sole discretion, to accelerate a Unitholder Redemption Date specified by a Unitholder in a Notice or to permit redemptions on any other terms.

Early Redemption Charge and Cash Distributions

The amount paid on Units tendered for redemption on or before the one-year anniversary of their issuance will be reduced by an administration fee of $350. This is a one-time fee charged to the Unitholder regardless of the number of Units tendered for redemption.

The Unitholder will not cease to have rights with respect to the Units tendered for redemption until the Redemption Price for each such Unit has been paid in full.

All notices shall be date stamped on receipt by the Trustees. **The Trustees will not be required to cause the Fund to pay the Redemption Price to a Unitholder for a Unit tendered for redemption on a particular Unitholder Redemption Date if the aggregate amount payable on such Unitholder Redemption Date by the Trust, its affiliates and subsidiaries, to Unitholders who have tendered their Units for redemption prior to such redemption request exceeds 3% of the aggregate Fair Market Value of Units outstanding on the Valuation Date immediately preceding such Unitholder Redemption Date.** If a Unitholder does not receive the Redemption Price for a Unit tendered for redemption on a particular Unitholder Redemption Date due to the application of the above referenced restriction, payment to such Unitholder shall be deferred to the next subsequent Unitholder Redemption Date at which time the above referenced restriction shall again be applied. Payments shall be made to Unitholders in respect of Units tendered for redemption on a priority basis based on the time and date Notices are received by the Trustees. In addition, the Trustees shall be entitled, in their sole discretion, to extend the time for payment of any Redemption Price for a Unit tendered for redemption if, in the reasonable opinion of the Trustees, such payment would be materially prejudicial to the interests of the remaining Unitholders.

The Redemption Price payable in respect of a Unit tendered for redemption will be paid in cash by direct deposit or cheque, drawn on a Canadian chartered bank or trust company in lawful money of Canada, payable at par to, or deposited to the account of the registered Unitholder of the Unit tendered for redemption, or payable or deposited as otherwise instructed in writing by such registered Unitholder. Cash payments of the Redemption Price made by the Fund are conclusively deemed to have been made when deposited by direct deposit or upon the mailing of a cheque in a postage pre-paid envelope addressed to the payee unless such cheque is dishonored upon presentment. Once the Redemption Price for each Unit has been paid in full in accordance with the Declaration of Trust, the Trustees and the Fund will be discharged from all liability to the former registered Unitholder in respect of the Units so redeemed.

Trustees' Redemption Rights

The Trustees may in their sole discretion at any time, by providing a written redemption notice to a Unitholder, redeem all or any of the Units held by such Unitholder at the Redemption Price calculated as at the Valuation Date immediately preceding the redemption date ("**Trustee Redemption Date**"). The Trustee Redemption Date is set by the Trustees and will be a date that is not less than 1 or more than 60 days from the date of the notice, all in accordance with the conditions set out in the Declaration of Trust. From, and after the date of the notice, the holder of the Units to be redeemed will be entitled to exercise any of the rights of a Unitholder in respect thereof until the Redemption Price has been paid in full.

Suspension of Redemption

The Trustees may suspend the right of Unitholders to redeem Units at any time the Trustees are of the opinion, in their sole discretion, that there are insufficient liquid assets in the Fund to fund redemptions or that the liquidation of assets would be to the detriment of the Fund generally, provided that the Trustees shall not suspend redemptions if, as a result, the Fund ceases to qualify as a "unit trust" for the purposes of the Tax Act and any Unitholders would be prejudiced thereby. The Trustees will advise Unitholders who have requested a redemption if redemptions will be limited or suspended on a designated Unitholder Redemption Date. Redemption requests which are rejected as at a designated Unitholder Redemption Date and not withdrawn will be accepted on the next Unitholder Redemption Date on which redemption requests are honoured.

Distribution Policy

The Trustees intend to distribute 100% of the Trustee's estimate of Distributable Cash for the month on the Distribution Date being on or about the 15th day of each month to holders of record on the last day of the preceding month. Distributable Cash is the net income of the Fund determined in accordance with the Tax Act and the Declaration of Trust. Initially, the Fund expects the distribution yield to be 9.00% per annum, net of fees, paid monthly. The Fund reserves the right to change the expected distribution yield without notice to Unitholders.

If the Trustees believe that cash reserves should be provided for any ensuing period and determine that it would be in the best interests of the Fund and the Unitholders, the Trustees may reduce for any calendar month the percentage of Distributable Cash to be distributed to Unitholders. Distributable Cash may reflect adjustments determined by the Trustees in their discretion and Distributable Cash may be estimated whenever the actual amount has not been fully determined. Distributions may be adjusted for amounts paid in prior periods if the actual Distributable Cash for the prior periods is greater than or less than what the Trustees have estimated for the prior periods. In addition to the distribution of Distributable Cash, the following amounts are due to Unitholders of record at the close of business on December 31st in each year:

(a) an amount equal to the amount, if any, by which the Trust Income for such year exceeds the aggregate of the distributions made by the Fund out of Trust Income in such year; and

(b) an amount equal to the amount, if any, by which the Net Capital Gains for such year exceeds the aggregate of the distributions made by the Fund out of Net Capital Gains in such year;

provided that, to the extent that tax in respect to Net Capital Gains will be recoverable by the Fund with respect to the relevant taxation year or other tax refunds or credits will be so recoverable, such deemed distribution amount will be reduced so as to cause the Fund to accrue Net Capital Gains or other Trust Income in the amount required to recover such tax or credits, and further provided that in the event any such amounts are uncertain as at December 31st of the relevant taxation year, the amount of such deemed distribution will be estimated by the Trustees in their sole discretion at that time to maximize the Trust's tax recoveries. Such amounts will be paid to Unitholders on or before the 90th day following the end of the relevant taxation year.

Distributions Declared

Pursuant to the distribution policy of the Fund, the following distributions were declared and paid from November 15, 2019 to December 31, 2022:

Statistic	2019	2020	2021	2022
Cost/Value	$10.00	$10.00	$10.00	$10.00
Distributions Paid	$0.0325	$0.7607	$0.7354	$0.7956
Distribution Yield	3.90%	7.61%	7.35%	7.96%
DRIP Return	**3.90%**	**7.88%**	**7.61%**	**8.25%**

Since the first issuance was held on November 15, 2019, the 2019 distribution yield of 3.90% represents half of one month's net income.

Subsequent to December 31, 2022, a 13th distribution of $0.0106 per unit was declared in March 2023 to unitholders of record as of December 31, 2022. This increased the overall 2022 distribution yield to 7.96%. Unitholders participating in the DRIP improved the returns stated above with monthly compounding. The DRIP return in 2022 was 8.25% (inclusive of the March 2023 distribution noted above).

Allocation

Income and taxable Net Capital Gains for purposes of the Tax Act will be allocated to Unitholders of a particular Class or Series in the same proportions as distributions received by Unitholders of that particular Class or Series, subject to the discretion of the Trustees to adopt an allocation method, which the Trustees consider to be more reasonable in the circumstances.

The Fund may allocate and designate as payable any capital gains realized by the Fund as a result of any disposition of property of the Fund undertaken to permit or facilitate the redemption of Units to a Unitholder whose Units are being redeemed. Any such allocations will reduce the redeeming Unitholder's proceeds of disposition.

Payment of Distributions

Distributions shall be made by cheque payable to or to the order of the Unitholder or by such other manner of payment approved by the Trustees from time-to-time.

Designations

The Trustees shall make such designations for income tax purposes in respect of amounts paid or payable to Unitholders for such amounts that the Trustees consider to be reasonable, including designations relating to the taxable dividends from Canadian corporations, foreign source income or Net Capital Gains, if any, of the Fund in the year.

Reinvestment Right

Subject to all applicable securities laws and to the right of the Trustees to suspend or terminate such right, a Unitholder has the reinvestment right (the "**Reinvestment Right**") at any time and from time to time to enroll in the Distribution Reinvestment Plan ("**DRIP**"). The Manager and Trustees make no recommendation regarding participation in the DRIP nor will they provide any legal, tax or accounting advice regarding the suitability of participation in the DRIP. Unitholders shall assume full responsibility with respect to their decision to participate. The Trustees will determine the purchase price of Units to be purchased by Unitholders in the DRIP. Enrollment in the DRIP will take effect at the time of the first monthly income distribution following receipt and processing by the Manager of a duly executed enrollment form provided that the enrollment form is received at least five business days prior to the record date for such distribution. The Manager makes no warranty concerning such processing time and assumes no responsibility for any processing delay; and the Manager reserves the right to revoke any proposed enrollment in the DRIP without cause.

The Manager, or its agent, will maintain a registry of Units purchased under the DRIP. However, confirmation of the Units purchased on account of the DRIP will not be provided. DRIP purchases will be reflected on the quarterly account statements issued by the Manager, or its agent, to Unitholders.

Participation in the DRIP may be terminated by a Unitholder at any time by delivering a written notice of termination. Such termination shall take effect beginning with the next distribution date following thirty (30) days after delivery of the termination notice to the Trust or its agent by a Unitholder. The Manager can amend, suspend or terminate the DRIP at any time. In such event all participants in the DRIP will be sent written notice of such amendment, suspension or termination.

Register

The Register of Unitholders will be kept under the direction of the Trustees. The Register will contain the names and addresses of all Unitholders, the respective number of Units held by each Unitholder, and a record of all transfers thereof. The Trustees have appointed Odyssey Trust Company to act as transfer agent and as registrar for the Units. The Register will at all reasonable times be open for inspection by the Trustees.

Only persons with Units recorded on the Register are entitled to vote, receive distributions or otherwise exercise or enjoy the rights of Unitholders. The Trustees will have the right to treat the person registered as a Unitholder on the Register as the owner of such Units for all purposes.

Unit Certificates

Certificates for Units will not be issued as the Fund will maintain a book-based system of registration.

Unitholder Liability

The Declaration of Trust provides that no Unitholder will be held to have any personal liability as such, and no resort will be had to, nor will recourse or satisfaction be sought from, the private property of any Unitholder for any liability whatsoever, in tort, contract or otherwise, to any Person in connection with the Fund property or the affairs of the Fund, including, without limitation, for satisfaction of any obligation or claim arising out of or in connection with any contract or obligation of the Fund or of the Trustees or any obligation which a Unitholder would otherwise have to indemnify a Trustee for any personal liability incurred by the Trustee as such, but rather the assets of the Fund only are intended to be liable and subject to levy or execution for satisfaction of such liability. The Fund is the sole limited partner of the Partnership, with the goal of providing enhanced liability protection for Unitholders. As a result of this structure, no business operation will be conducted by the Fund with the intent that the liability of the Fund be limited to its capital contribution as a limited partner in the Partnership.

Notwithstanding the above, to the extent that claims are not satisfied by the Fund, there is a risk that a Unitholder will be held personally liable for obligations of the Fund where the liability is not disclaimed in the contracts or arrangements entered into by the Fund with third parties. Personal liability may also arise in respect of claims against the Fund that do not arise under contracts, including claims in tort, claims for taxes and certain other statutory liabilities. The possibility of any personal liability of this nature arising is considered by the Fund's management to be remote due to the nature of the Fund's activities. In the event that payment of a Fund obligation is required to be made by a Unitholder, such Unitholder is entitled to reimbursement from the available assets of the Fund.

Meetings of Unitholders

The Trustees shall have the power at any time to call a meeting of the Unitholders as a whole or of any particular Class of Units at such time and place as the Trustees may determine. Unitholders holding in the aggregate not less than 30% of the outstanding Units of Classes with voting rights may requisition the Trustees in writing to call a meeting of the Unitholders for the purposes stated in the requisition. The requisition shall state in reasonable detail the business proposed to be transacted at the meeting and shall be sent to the General Partner at the principal office of the Partnership. Notice of all meetings of the Unitholders as a whole or of any Class or Series, as applicable, shall be mailed or delivered by the Trustees to each Unitholder of the Fund, or of each such Class or Series, as applicable, at the Unitholder's address appearing in the register, to each Trustee and to the auditors of the Fund at least 21 days before the meeting. Notice of any meeting of the Unitholders shall state the purposes of the meeting.

A quorum for any meeting of Unitholders shall be individuals present not being less than two in number and being Unitholders together with Unitholders represented by proxy who hold in the aggregate not less than 10% of the total number of outstanding Units of the Fund or of a particular Class or Series of Units, as applicable, provided that if the Trust, or any Class or Series of Units, as applicable, has only one Unitholder the Unitholder present in person or by proxy constitutes a meeting, and a quorum for such meeting. If within 30 minutes from the time appointed for the meeting of Unitholders a quorum is not present, the meeting shall stand adjourned without notice to such day and time, being not less than 14 days thereafter, and to such place as may be appointed by the Trustees, and at such adjourned meeting, the Unitholders present in person or by proxy shall be a quorum.

Any action to be taken by the Unitholders will, except as otherwise required by the Declaration of Trust or by law, be authorized when approved by Ordinary Resolution.

The Declaration of Trust further provides that, subject to all applicable legal and regulatory requirements, a resolution consented to in writing, by the required majority, whether by facsimile or any other method of transmission of legibly recorded messages or other means, is as valid and effectual as if the resolution had been passed at a meeting of Unitholders or Trustees, including committee meetings, duly called and held.

Information and Reports

The Fund is not a "reporting issuer" as defined in the applicable securities legislation and therefore the continuous reporting requirements of those acts do not generally apply to the Fund, although the Fund does file Reports of Exempt Distribution on SEDAR (www.sedar.com) and updated Offering Memorandums as and when required.

By March 31 in each calendar year, the Trustees will forward to each Unitholder who was shown on the Register as a Unitholder at the end of the immediately preceding fiscal period such prescribed forms as are needed for the completion of Unitholders respective tax returns under the Tax Act and equivalent provincial legislation. By April 30th in each year, subject to compliance with applicable laws, the Trustees will make available to each Unitholder who was shown on the Register as a Unitholder at the end of the immediately preceding fiscal period an annual report for the immediately preceding fiscal period containing: (a) audited financial statements of the Fund as at the end of the fiscal period, with comparative financial statements as at the end of and for the immediately preceding fiscal period, if any; and (b) such other information as, in the opinion of the Trustees, is material to the activities of the Fund. A copy of such materials will be provided to a Unitholder upon request in writing to the Trustees.

Prior to each meeting of Unitholders, the Trustees will provide to each Unitholder, together with the notice of the meeting, a form of proxy which can be used by a Unitholder to appoint a proxy, who need not be a Unitholder, to attend and act at the meeting on behalf of the Unitholder, in the manner and to the extent authorized by the proxy and all information required by applicable law.

The Fund will maintain at its principal office or at any other place in Canada designated by the Trustees, records containing: (i) the Declaration of Trust; (ii) minutes of meetings and resolutions of Unitholders; (iii) the Trustees' regulations (if any); and (iv) the Register. The Trustees will also prepare and maintain adequate accounting records and records containing minutes of meetings and resolutions of the Trustees and any committee thereof subject to all applicable privacy and access to information laws in effect from time to time. A Unitholder may examine the Declaration of Trust and any amendments thereto, any regulations adopted by the Trustees in accordance with the Declaration of Trust, the minutes of meetings and resolutions of Unitholders and any other documents or records which the Trustees, in their sole discretion, determine should be available for inspection by such persons, during normal business hours at the principal office of the Fund.

Amendments to the Declaration of Trust

The Declaration of Trust may be amended by the Trustees in their sole discretion without the notice to or approval of the Unitholders for certain non-material matters as specifically set out in the Declaration of Trust. All other amendments to the Declaration of Trust require the approval of Unitholders or the provision of 60 days' prior written notice.

Term and Termination of the Fund

Unless sooner terminated as provided in the Declaration of Trust, the Fund will continue until no property of the Fund is held by the Trustees. The Trustees in their discretion may terminate the Fund or a particular Class or Series of the Fund at any time, with such termination to be effective as of the date determined by the Trustees subject to the delivery of a notice

to Unitholders and satisfaction of other conditions required by applicable securities laws. Prior to termination of the Fund, the Trustees shall discharge the liabilities of the Fund and distribute the net assets of the Fund to Unitholders entitled thereto, which distribution may be made at such time or times and in cash or in kind or partly in both, all as the Trustees in their discretion may determine. On the termination date of the Fund or Class or Series of Units of the Fund, or as soon thereafter as the Trustees deem advisable, the Trustees shall sell all non-cash assets of the Fund, or those attributable to the particular Class or Series of Units, as the case may be. The Trustees shall be entitled to retain out of any monies in its hands full provision for all costs, charges, expenses, claims and demands incurred, made or apprehended by the Trustees in connection with or arising out of the termination of the Fund or Class or Series of Units and the distribution of the assets attributable thereto to affected Unitholders and out of the monies so retained to be indemnified and saved harmless against any such costs, charges, expenses, claims and demands. The Trustees shall distribute from time to time to Unitholders of record affected by the termination as of the termination date their proportionate share of all property and assets of the Fund attributable to the Class or Series of Units held by the Unitholder available at that time for the purpose of such distribution. As of the termination date, the rights of Unitholders with respect to the redemption of Units shall cease. If required by the Trustees, a form of release satisfactory to the Trustees shall be provided by each Unitholder prior to the distribution of the Unitholder's proportionate share of the applicable assets.

CONSOLIDATED CAPITALIZATION

As at December 31, 2022, there were 6,897,242 Units in the capital of the Fund issued and outstanding. The following table sets forth the issuance of Units during the twelve months preceding December 31, 2022:

Units Outstanding as at December 31, 2021	4,868,080
Units Redeemed by Fund	(363,276)
Units Issued During the Year	2,110,303
Units Issued Under the Distribution Reinvestment Plan	282,135
Units Outstanding as at December 31, 2022	**6,897,242**

PARTNERSHIP AGREEMENT

Partnership Units are subject to the terms and conditions of the Partnership Agreement. The statements in this Offering Memorandum concerning the Partnership Agreement are intended to be only a summary of the provisions of the Partnership Agreement and do not purport to be complete. A copy of the Partnership Agreement will be provided to each Unitholder upon a request in writing for same being made to the Trustees.

The Fund is the sole limited partner in the Partnership.

Management of the Partnership

Under the terms of the Partnership Agreement, the General Partner is authorized to carry on the business of the Partnership, with full power and authority to administer, manage, control and operate the business of the Partnership and, except as otherwise provided by the Partnership Agreement, the General Partner will have all power and authority, for and on behalf of and in the name of the Partnership, to do any act, take any proceeding, make any decision and execute and deliver any instrument, deed, agreement or document necessary for or incidental to carrying on the business of the Partnership.

Limitations on Authority of Limited Partners

No Limited Partner will be entitled to take part in the control of the business of the Partnership, to execute any document which binds the Partnership or any other Limited Partner, to purport to have the power or authority to bind the Partnership or any other Limited Partner, or to have any authority to undertake any obligation or responsibility on behalf of the Partnership. No Limited Partner will be entitled to bring any action for distribution or sale in connection with any interest in the property of the Partnership, or permit any lien or charge to be filed or registered against the property of the Partnership. Each Limited Partner nominates, constitutes and appoints the General Partner with full power and authority as its agent and true and lawful attorney.

Liability of the General Partner and Limited Partners

The General Partner will have unlimited liability for the debts, liabilities and obligations of the Partnership. The liability of each Limited Partner for the debts, liabilities and obligations of the Partnership will be limited to the capital account amount contributed by each respective Limited Partner, undistributed distributable cash, and repayment of capital on any distributions of income to the extent capital is reduced, with interest.

The liability of the General Partner is limited to the extent that the General Partner acted honestly and in good faith with the Limited Partners. The General Partner is indemnified and saved harmless from the property of the Partnership from and against any and all costs, damages, liabilities, or expenses suffered or incurred, unless resulted from any act or omission of the General Partner, which act or omission constitutes fraud, gross negligence or willful misconduct of the General Partner.

The General Partner may, in its sole discretion, purchase and pay for, out of assets of the Partnership, insurance contracts and policies insuring the assets of the Partnership against all risks of the Partnership. This includes insurance that covers the Partnership, the Limited Partners and the General Partner against all claims and liabilities of any nature.

Units of the Partnership

The interest in the Partnership of the Limited Partners will be divided into and represented by Partnership Units, which shall be issued for a price of $10 per Partnership Unit. Each Limited Partner will have (i) the right to one vote for each Partnership Unit, (ii) the right to allocate taxable income or loss, and (iii) the right to share in distributions of the Partnership.

Limited Partners will not be entitled to transfer or assign their Partnership Units to any person, except as provided in the Partnership Agreement. The person that acquires the Partnership Units must also deliver to the General Partner: (i) a form of transfer; (ii) a counterpart to the Partnership Agreement; and (iii) all such other documents as the General Partner may consider necessary to effect the transfer and assignment of Partnership Units.

Capital and Other Contributions and Accounts

The General Partner will establish an account on the books of the Partnership for the capital of the General Partner and each of the classes of the capital of the Limited Partners to which respective contributions of capital are credited and to which respective returns of capital are charged. The capital of the Limited Partners will be allocated among the Limited Partners in accordance with the number and class of Partnership Units held by each of the Limited Partners. The General Partner contributed $10 to the capital of the Partnership in consideration for its entitlements under the Partnership Agreement.

None of the Limited Partners will have any right to withdraw any amount or receive any distribution from the Partnership except as expressly provided for in the Partnership Agreement. No partner of the Partnership will have the right to receive interest on any credit balance of capital or any credit balance in the capital accounts except as expressly provided for in the Partnership Agreement. The interest of a Limited Partner in the Partnership will not terminate by reason of there being a negative or zero balance of capital.

Fiscal Year

The fiscal year of the Partnership ends on December 31 of each year.

Voting Rights and General Meetings

The General Partner may, at any time, and will upon receipt of a written request from the Limited Partners holding, in the aggregate, not less than 25% of the Partnership Units of any class, call a meeting of the Limited Partners. At least 21 days' notice will be given prior to any meeting of Limited Partners stating the time and place of the meeting and matters that are the subject of a vote at such meeting. The President, or in his absence, any officer of the General Partner, will be the Chairman of any meeting of Limited Partners. The quorum at any meeting of Limited Partners will be Limited Partners holding in the aggregate, not less than 25% of the Partnership Units. The General Partner and the Manager will not be entitled to vote at any meeting of the Limited Partners.

The following matters must be resolved by a Special Resolution of the Limited Partners:

1. amend the Partnership Agreement;

2. make an election under subsection 98(3) or under any other section or subsection of the Tax Act and under any analogous provincial legislation in connection with the dissolution of the Partnership;

3. approve or disapprove the sale or exchange of all or substantially all the property and assets of the Partnership; or

4. amend or rescind any Special Resolution.

Allocation of Profits and Losses

The distributable cash and taxable income or tax loss of the Partnership for financial and income tax purposes will be allocated, after eliminating any loss carried forward from past years: (i) 99.999% to the Limited Partners; and (ii) 0.001% to the General Partner to a maximum of $100.00 per annum. Except where otherwise expressly provided in the Partnership Agreement, where any amount is to be allocated or distributed among Limited Partners holding Partnership Units without regard to class, such amount will be allocated or distributed among the Limited Partners holding Partnership Units in accordance with the total number of Partnership Units outstanding at the date of such allocation, distribution, payment or contribution, as the case may be, equally in respect of each Partnership Unit.

Distributions

In its discretion, the General Partner may from time to time cause the Partnership to distribute amounts to the Limited Partners either as returns of capital or otherwise. Distributions will be allocated to the Limited Partners as set out above. No distribution of funds of the Partnership will be made which would, in the opinion of the General Partner, result in the Partnership having insufficient working capital or reserves, and the General Partner is expressly authorized to deduct from the funds which might otherwise be available for distribution to the Limited Partners, amounts sufficient to maintain reasonable and adequate working capital and reserves for the Partnership.

Power of Attorney

To facilitate the administration of the Partnership, each Limited Partner is required to irrevocably nominate, constitute and appoint the General Partner as its agent and true and lawful attorney to act on his behalf with full power and authority in his name, place and stead to execute, under seal or otherwise, swear to, acknowledge, deliver and file or record when, as and where required certain documents and matters listed in the Partnership Agreement.

Amendments

The Partnership Agreement may be amended by the General Partner, without notice or consent of the Limited Partners, to reflect the admission, resignation or withdrawal of any Limited Partner, or the assignment by any Limited Partner of the whole or any part of its interest in the Partnership. Unless resolved by Special Resolution, any amendment will result in a continuation of the Partnership. The General Partner may add covenants, restrictions, or provisions necessary for the protection of the Limited Partners or to cure any ambiguity or to correct or supplement any provision of the Partnership Agreement, without the prior notice or consent of any Limited Partner, if such amendment does not and shall not in any manner adversely affect the interests of any Limited Partner as a Limited Partner.

The Partnership Agreement may also be amended at any time by (i) the General Partner with the consent of the Limited Partners given by Special Resolution; or (b) except with respect to a change in the investment objective of the Partnership, the General Partner without the consent of the Limited Partners provided that the Limited Partners are given not less than sixty (60) days' written notice prior to the effective date of the amendment (together with a copy of the amendment and an explanation of the reasons for the amendment). Each Limited Partner shall prior to the effective date of such amendment be given the opportunity to redeem all of such Limited Partner's Units.

No amendment may be made which allows any Limited Partner to take part in the management or control of the business of the Partnership or reduces the interest in the Partnership of any Limited Partner or changes the right of any Limited Partner entitled to vote at meetings or changes the Partnership from a limited partnership to a general partnership, or if the amendment adversely affects the rights or interests of the General Partner.

Change, Resignation, or Removal of the General Partner

The General Partner may resign only upon having provided twenty (20) days' written notice to all the Limited Partners, and such resignation will be effective upon the earlier of: (i) thirty (30) days after such notice is provided; and (ii) the admission of a new general partner by ordinary resolution of the Limited Partners. The General Partner may not otherwise sell, assign, transfer, or otherwise dispose of its interest in the Partnership. The General Partner will be deemed to resign as the general partner of the Partnership upon bankruptcy, insolvency, dissolution, liquidation, or winding-up of the General Partner. The Limited Partners may also remove the General Partner or substitute another person as a general partner of the Partnership by way of a Special Resolution, upon a material breach by the General Partner of any of its duties or obligations under the Partnership Agreement, which breach exists for a period of one-hundred and twenty (120) days from the date of receipt of notice to remedy such breach by any Limited Partner.

Dissolution of the Partnership

The Partnership will be dissolved on the earliest of: (i) a date specified by the General Partner, which date shall not be less than thirty (30) days following the date on which the General Partner gives notice in writing to each Limited Partner of such dissolution of the Partnership; (ii) the date which is sixty (60) days following the removal of the General Partner, unless a new General Partner is appointed prior to such date; or (iii) the date, as confirmed by the General Partner, upon which all of the property of the Partnership is sold, and the net proceeds realized therefrom have been distributed.

On dissolution of the Partnership, the General Partner will act as the receiver of the Partnership. If the General Partner is unable or unwilling to act as the receiver, the Limited Partners will, by ordinary resolution, appoint another appropriate person to act as receiver. The receiver will prepare a statement of financial position of the Partnership, which will be reported to the auditor of the Partnership. Upon dissolution the receiver will wind up the affairs of the Partnership and all property of the Partnership will be liquidated in an orderly manner.

The receiver will distribute the net proceeds from liquidation of the Partnership as follows: (i) first, to pay off the expenses of liquidation and the debts and liabilities of the Partnership; (ii) second, to provide reserves which are necessary for any contingent or unforeseen liability or obligation of the Partnership; and (iii) third, to the Limited Partners of the Partnership in accordance with the provisions of the Partnership Agreement.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

General

The following is, as of the date hereof, a summary of the principal Canadian federal income tax considerations under the Tax Act generally applicable to the acquisition, holding and disposition of Units by a Unitholder who acquires Units pursuant to this Offering. This summary is applicable to a Unitholder who, for the purposes of the Tax Act and at all relevant times, is or is deemed to be resident in Canada, acquires and holds the Units as capital property, deals at arm's length and is not affiliated with the Fund, and is not exempt from tax under Part I of the Tax Act. Generally, Units will be considered to be capital property to a Unitholder provided that the Unitholder does not hold the Units in the course of carrying on a business and has not acquired them in one or more transactions considered to be an adventure or concern in the nature of trade. Unitholders who might not otherwise be considered to hold Units as capital property may, in certain circumstances, be entitled to make an irrevocable election in accordance with subsection 39(4) of the Tax Act to have such Units and any other "Canadian security", as defined in the Tax Act, owned by such Unitholder in the taxation year in which the election is made and in all subsequent taxation years, deemed to be capital property. Unitholders who do not hold their Units as capital property should consult their own tax advisors regarding their particular circumstances.

This summary is not applicable to a Unitholder: (i) that is a "financial institution" for purposes of the "mark-to-market" rules; (ii) an interest in which is a "tax shelter" or "tax shelter investment"; (iii) that is a "specified financial institution"; or (iv) that has elected to determine its Canadian tax results in a foreign currency pursuant to the "functional currency" reporting rules in the Tax Act; as each term is defined in the Tax Act. Any such Unitholder should consult its own tax advisors to determine the tax consequences to them of the acquisition, holding and disposition of Units. In addition, this summary does not address the deductibility of interest by an investor who has borrowed money to acquire Units under this Offering, and assumes that no Unitholder has entered into or will enter into a "derivative forward agreement" (as that term is defined in the Tax Act) with respect to the Units.

This summary is based upon the facts set out in this Offering Memorandum, the provisions of the Tax Act in force as of the date hereof, all specific proposals to amend the Tax Act that have been publicly announced by or on behalf of the Minister

of Finance (Canada) prior to the date hereof (the "**Tax Proposals**") and the Trustees' understanding, based on publicly available published materials as of the date hereof of the current published administrative policies of CRA. This summary assumes that any Tax Proposals will be enacted in the form proposed; however, no assurance can be given that any Tax Proposals will be enacted in the form proposed, if at all.

This summary is not exhaustive of all possible Canadian federal income tax considerations applicable to an investment in Units and, except for the Tax Proposals, does not take into account any changes in the law, whether by legislative, governmental or judicial action, or any changes in the administrative policies of the CRA. There can be no assurances that the CRA will not change its administrative policies. This summary does not take into account provincial, territorial or foreign tax considerations, which may differ significantly from those discussed herein.

This summary is based upon the assumption that the Fund will, at all times, qualify as a "mutual fund trust" within the meaning of the Tax Act. Further, this summary is based on the assumption that the SIFT Rules (defined below) will not apply to the Fund or the Partnership.

THIS SUMMARY IS OF A GENERAL NATURE ONLY AND IS NOT INTENDED TO BE, NOR SHOULD IT BE CONSTRUED TO BE, LEGAL OR TAX ADVICE TO ANY PARTICULAR UNITHOLDER, AND NO REPRESENTATIONS WITH RESPECT TO THE INCOME TAX CONSEQUENCES TO ANY PARTICULAR UNITHOLDER ARE MADE. THE INCOME AND OTHER TAX CONSEQUENCES OF ACQUIRING, HOLDING OR DISPOSING OF UNITS WILL VARY DEPENDING ON A UNITHOLDER'S PARTICULAR STATUS AND CIRCUMSTANCES, INCLUDING THE PROVINCE OR TERRITORY IN WHICH THE UNITHOLDER RESIDES OR CARRIES ON BUSINESS. ACCORDINGLY, PROSPECTIVE UNITHOLDERS SHOULD CONSULT WITH THEIR TAX ADVISORS FOR ADVICE WITH RESPECT TO THE TAX CONSEQUENCES TO THEM HAVING REGARD TO THEIR OWN PARTICULAR CIRCUMSTANCES.

Mutual Fund Trust Status

This summary is based on the assumption that the Fund will qualify, at all times, as a "unit trust" and a "mutual fund trust" within the meaning of the Tax Act.

To qualify as a mutual fund trust at any particular time, a trust must meet the following conditions:

(a) the trust must be a "unit trust" (as defined in the Tax Act) resident in Canada;

(b) the only undertaking of the trust must be limited to the investing of funds in property (other than real property or an interest in real property), or the acquiring, holding, maintaining, improving, leasing or managing of real property (or an interest in real property) that is capital property of the trust, or any combination of such activities; and

(c) the trust must comply with certain prescribed requirements including that the trust units be qualified for distribution to the public and that at all relevant times there must be no fewer than 150 beneficiaries of the trust, each of whom holds at least one block of trust units having an aggregate fair market value of not less than $500 (for these purposes, if the fair market value of a unit is less than $25, a block of units means 100 units).

Currently, a trust will not be considered to be a mutual fund trust if it is established or maintained primarily for the benefit of non-resident persons. This summary assumes that the Fund was not established and is not maintained primarily for the benefit of Non-Residents. The Trustees are of the view that this assumption is reasonable in light of the restrictions on ownership of Units by non-residents, which are contained in the Declaration of Trust. See "*Description of Units – Limitation on Non-Resident Ownership*" for more information.

If the Fund does not qualify or ceases to qualify as a "mutual fund trust", the income tax considerations would, in some respects, be materially and adversely different from those described below. See "*Risk Factors – Mutual Fund Trust Status*".

SIFT Rules

The Tax Act contains rules (the "**SIFT Rules**") which tax certain publicly traded or listed trusts and partnerships in a manner similar to corporations and which tax certain distributions from such trusts and partnerships as taxable dividends from a taxable Canadian corporation.

The SIFT Rules apply to any trust or partnership that is a "SIFT trust" or "SIFT partnership" (each defined in the Tax Act) and its investors. A SIFT trust includes a Canadian resident trust where investments in the trust are listed or traded on a stock exchange or other public market, and the trust holds one or more "non-portfolio properties" (as defined in the Tax Act). A SIFT partnership includes a Canadian resident partnership (as defined in the Tax Act), investments in which are listed or traded on a stock exchange or other public market, which holds one or more non-portfolio properties. "Non-portfolio properties" include certain investments in real properties situated in Canada and certain investments in corporations and trusts resident in Canada and in partnerships with specified connections in Canada.

Pursuant to the SIFT Rules, a SIFT trust cannot deduct any part of the amounts payable to unitholders in respect of (i) aggregate net income from businesses it carries on in Canada; (ii) aggregate net income (other than taxable dividends received by the SIFT trust) from its non-portfolio properties; and (iii) aggregate net taxable capital gains from its disposition of non-portfolio properties. Distributions which a SIFT trust is unable to deduct will be taxed in the SIFT trust at rates of tax designed to emulate the combined federal and provincial corporate tax rates. Generally, distributions that are paid as returns of capital will not attract this tax.

Distributions of a SIFT trust's income that are not deductible by the SIFT trust will be treated as dividends paid to unitholders by a taxable Canadian corporation. Such dividends deemed to be received by a unitholder who is an individual (other than certain trusts) will be included in computing the individual's income for tax purposes and will be subject to the enhanced gross-up and dividend tax credit rules normally applicable to "eligible dividends" (as defined in the Tax Act) received from taxable Canadian corporations. Such dividends deemed to be received by a unitholder that is a corporation generally will be deductible in computing the corporation's taxable income, and generally will qualify as eligible dividends for purposes of computing a Canadian resident corporation's "general rate income pool" or "low rate income pool" (each as defined in the Tax Act). Certain corporations, including "private corporations" or "subject corporations" (as such terms are defined in the Tax Act), may be liable to pay a refundable tax under Part IV of the Tax Act on dividends received or deemed to be received to the extent that such dividends are deductible in computing taxable income.

A trust or partnership will be a SIFT trust or a SIFT partnership, respectively, if, among other conditions, investments in the trust or partnership are listed or traded on a stock exchange or other public market. The SIFT Rules will not apply to the Fund or the Partnership provided that no unit, security or other interest in the Fund or the Partnership is listed or traded on a stock exchange or other public market. The Trustees do not intend to list Units of the Fund, and the General Partner does not intend to list any interest in the Partnership, on a stock exchange or other public market.

This summary assumes that the SIFT Rules will not apply to the Fund or the Partnership.

Taxation of the Fund

The Fund will be subject to tax under Part I of the Tax Act on its income for the year, including net realized taxable capital gains and its allocated share of income of the Partnership for its fiscal period ending on or before the taxation year-end of the Fund, less the portion thereof that it deducts in respect of amounts paid or payable to Unitholders. However, the Fund generally will not be entitled to deduct, in computing its income, the portion of an amount paid or payable, or deemed to be paid or payable, at any time in the taxation year, to a Unitholder on a redemption on the Unitholder's Units where the amount paid or payable reduces the Unitholder's proceeds of disposition in respect of the redemption and (i) the portion is paid or payable out of the ordinary income of the Fund, or (ii) the portion is paid or payable out of the taxable capital gains of the Fund and exceeds the capital gain that would have otherwise been realized by the Unitholder on the redemption. An amount will be considered to be payable to a Unitholder in a taxation year if it is paid to the Unitholder in the year by the Fund or if the Unitholder is entitled in that year to enforce payment of the amount.

The Fund will generally not be subject to tax on any amounts received as distributions from the Partnership. Generally, distributions to the Fund in excess of its allocated share of the income of the Partnership for a fiscal year of the Partnership will result in a reduction of the adjusted cost base of the Fund's Partnership Units by the amount of such excess. If, as a result, the Fund's adjusted cost base of its Partnership Units would otherwise be a negative amount, the Fund would be deemed to realize a capital gain equal to the negative adjusted cost base at the end of the fiscal period and the Fund's adjusted cost base of its Partnership Units at the beginning of the next fiscal period would then be reset to zero. The adjusted

cost base of the Fund's Partnership Units at any time will be increased by the Fund's share of any income of the Partnership (and the non-taxable portion of any capital gains realized by the Partnership) for fiscal periods of the Partnership ending before that time.

In computing its income for purposes of the Tax Act, the Fund may generally deduct reasonable administrative costs, interest and other expenses of a current nature incurred by it for the purpose of earning income. Generally, the Fund may also deduct, on a five-year straight-line basis (subject to pro-ration for short taxation years), reasonable expenses incurred by it in the course of issuing Units.

Generally, under the Declaration of Trust, the Fund is required to distribute or make payable its net income for tax purposes for each taxation year of the Fund to Unitholders to such an extent that the Fund will not be liable in any taxation year for income tax under Part I of the Tax Act on such net income (after taking into account any applicable losses of the Fund). Income of the Fund payable to Unitholders, whether in cash or otherwise, will generally be deductible by the Fund in computing its income.

Losses incurred by the Fund (including losses allocated to the Fund by the Partnership and capable of being deducted by the Fund) cannot be allocated to Unitholders, but may be deducted by the Fund in the year incurred or in future years in accordance with the detailed rules and limitations in the Tax Act.

The Fund will be entitled for each taxation year to reduce (or receive a refund in respect of) its liability, if any, for tax on its net realized taxable capital gains by an amount determined under the Tax Act based on the redemption of Units during the year (the "**capital gains refund**"). In certain circumstances, the capital gains refund in a particular taxation year may not completely offset the Fund's tax liability for that taxation year arising in connection with the distribution of its property on the redemption of Units.

Permitted Investments may include assets that are not denominated in Canadian dollars. Proceeds of disposition of such assets, distributions, interest and all other amounts will be determined for the purposes of the Tax Act in Canadian dollars using the "relevant spot rate" (as defined in the Tax Act) for the day the amount arose. The Fund may realize gains or losses by virtue of the fluctuation in the value of foreign currencies relative to Canadian dollars.

The Fund may derive income (including gains) from investments in the United States of America and, as a result, may be liable to pay income, withholding, or profits tax to the United States of America. To the extent that such foreign tax paid does not exceed 15% of such income and has not been deducted in computing the Fund's income, the Fund may designate a portion of its foreign source income in respect of a Unitholder so that such income, and a corresponding portion of the foreign tax paid by the Fund, may be regarded as foreign source income of, and foreign tax paid by, the Unitholder for the purposes of the foreign tax credit provisions of the Tax Act. To the extent that such foreign tax paid by the Fund exceeds 15% of the amount included in the Fund's income from such investments, such excess may generally be deducted by the Fund in computing its income for the purposes of the Tax Act. The Tax Act contains anti-avoidance rules designed to address certain transactions specifically designed to generate foreign tax credits (the "**FTC Generator Rules**"). Under the FTC Generator Rules, the foreign "business income tax" or "non-business income tax" eligible for a foreign tax credit for a Unitholder for any taxation year may be limited in certain circumstances, including where such Unitholder's direct or indirect share of the income of one or more partnerships under the income tax laws of a country other than Canada (e.g., the U.S.) under whose laws the income of such partnership is subject to taxation, is less than such Unitholder's share of such income for purposes of the Tax Act. Although the FTC Generator Rules are not expected to apply to the Fund or to its Unitholders in respect of the Fund, no assurances can be given in this regard.

Taxation of the Income of the Partnership

Generally, each partner of the Partnership, including the Fund, is required to include in computing the partner's income, the partner's share of the income (or loss) of the Partnership for the Partnership's fiscal year ending in, or coincidentally with, the partner's taxation year end, whether or not any such income is distributed to the partner in the taxation year. For this purpose, the income or loss of the Partnership will be computed for each fiscal year as if the Partnership was a separate person resident in Canada. In computing the income or loss of the Partnership, deductions may generally be claimed in respect of its administrative and other expenses (including interest in respect of the debt of the Partnership, if any) incurred for the purpose of earning income from business or property to the extent the outlays are not capital in nature and do not exceed a reasonable amount.

The income or loss of the Partnership for a fiscal year will be allocated to the partners of the Partnership, including the Fund, on the basis of their respective share of such income or loss as provided in the Partnership Agreement, subject to the

detailed rules in the Tax Act. If the Partnership realizes a loss, the portion of such loss that is allocated to the Fund will be deductible by the Fund in computing its income only to the extent of the Fund's "at-risk amount" (as defined in the Tax Act) in respect of the Partnership.

Taxation of Unitholders

A Unitholder will generally be required to include in computing income for a particular taxation year the portion of the net income for tax purposes of the Fund for a taxation year, including net realized taxable capital gains, that is paid or payable to the Unitholder in the particular taxation year (and that the Fund deducts in computing its income), whether such portion is received in cash or otherwise (including additional Units issued pursuant to the DRIP). Any loss of the Fund for purposes of the Tax Act cannot be allocated to, or be treated as a loss of, the Unitholder.

Provided that appropriate designations are made by the Fund, such portion of the net taxable capital gains, the foreign source income of the Fund and taxable dividends received or deemed to be received on shares of taxable Canadian corporations as are paid or payable, or deemed to be paid or payable, to a Unitholder, will effectively retain their character and be treated as such in the hands of the Unitholder for purposes of the Tax Act. To the extent that amounts are designated as having been paid to Unitholders out of the net taxable capital gains of the Fund, such designated amounts will be deemed for tax purposes to be received by Unitholders in the year as a taxable capital gain and will be subject to the general rules relating to the taxation of capital gains. See the discussion in *Taxation of Capital Gains and Capital Losses* below. To the extent that amounts are designated as having been paid to Unitholders out of taxable dividends received or deemed to be received on shares of taxable Canadian corporations, the normal (or in the case of eligible dividends, the enhanced) gross-up and dividend tax credit rules generally will apply to individuals, the deduction in computing taxable income generally should be available to corporations, and the refundable tax under Part IV of the Tax Act generally will be payable by Unitholders that are "private corporations" or "subject corporations" (as such terms are defined in the Tax Act). However, Unitholders should consult their own tax advisors for advice with respect to the potential application of these provisions.

The non-taxable portion of any net realized capital gains of the Fund, the taxable portion of which was designated in respect of a Unitholder, that is paid or payable to the Unitholder in a taxation year will not be included in computing the Unitholder's income for the year and will not reduce the adjusted cost base to the Unitholder of Units. Any other amount in excess of the net income and net taxable capital gains of the Fund that is paid or payable, or deemed to be paid or payable, by the Fund to a Unitholder in a taxation year will generally not be included in the Unitholder's income for that year. However, where such an amount is paid or payable to a Unitholder (other than as proceeds of disposition or deemed disposition of Units or any part thereof), the Unitholder generally will be required to reduce the adjusted cost base of the Unitholder's Units by that amount. To the extent that the adjusted cost base of a Unit would otherwise be a negative amount, the negative amount will be deemed to be a capital gain realized by the Unitholder and the adjusted cost base of the Unit to the Unitholder will immediately thereafter be nil. See the discussion of *Taxation of Capital Gains and Capital Losses* below.

Purchasers of Units

Since the net income of the Fund will be distributed on an on-going basis, a purchaser of a Unit may become taxable on a portion of the net income or capital gains of the Fund accrued or realized by the Fund in a period before the time the Unit was purchased but which was not paid or made payable to Unitholders until after the time the Unit was purchased. A similar result may apply on an annual basis in respect of a portion of income or capital gains accrued or realized by the Fund in a year before the time the Unit was purchased but which is paid or made payable to Unitholders at year end and after the time the Unit was purchased.

For the purposes of determining the adjusted cost base of a Unit to a Unitholder, when a Unit is acquired, the cost of the newly-acquired Unit will be averaged with the adjusted cost base of all of the Units owned by the Unitholder as capital property immediately before that time to determine the adjusted cost base per Unit.

Disposition of Units

In general, a disposition or deemed disposition of a Unit, whether on a redemption or otherwise, will give rise to the realization of a capital gain (or a capital loss) equal to the amount by which the Unitholder's proceeds of disposition of the Unit exceed (or are exceeded by) the aggregate of the adjusted cost base of the Unit to the Unitholder and any reasonable costs of disposition. Proceeds of disposition will not include an amount payable by the Fund that is otherwise required to be included in the Unitholder's income. See the discussion of Taxation of Capital Gains and Capital Losses below.

The adjusted cost base of a Unit to a Holder will include all amounts paid by the Unitholder for the Unit, subject to certain adjustments. The cost to a Unitholder of additional Units received in lieu of a cash distribution of income (including net capital gains) will be the amount of income (together with the applicable non-taxable portion of the net capital gains) distributed by the issue of those respective Units. For the purpose of determining the adjusted cost base to a Unitholder, when a Unit is acquired, the cost of the newly acquired Unit will be averaged with the adjusted cost base of all of the Units owned by the Unitholder as capital property immediately before the acquisition to determine the adjusted cost base per Unit.

The consolidation of Units of the Fund will not result in a disposition of Units by Unitholders. The aggregate adjusted cost base to a Unitholder of all of the Unitholder's Units will not change as a result of a consolidation of Units; however, the adjusted cost base per Unit will increase.

Taxation of Capital Gains and Capital Losses

One-half of the amount of any capital gain (a "taxable capital gain") realized by a Unitholder on a disposition of a Unit and the amount of any net taxable capital gains designated by the Fund in respect of a Unitholder will generally be included in the Unitholder's income for the year. One-half of the amount of any capital loss (an "**allowable capital loss**") sustained by the Unitholder on the disposition of a Unit must generally be deducted by such Unitholder against taxable capital gains for the year. Any excess allowable capital losses over taxable capital gains of the Unitholder for that year generally may be carried back up to three taxation years or forward indefinitely and deducted against net taxable capital gains in those other years, subject to the detailed provisions of the Tax Act.

The amount of any capital loss otherwise realized by a Unitholder that is a corporation or a trust (other than a mutual fund trust) on the disposition of a Unit may be reduced by the amount of dividends received by the Fund and previously designated by the Fund to the Unitholder except to the extent that a loss on a previous disposition of a Unit has been reduced by such amounts. Similar rules may apply where a corporation or trust (other than a mutual fund trust) is a member of a partnership that disposes of Units. Unitholders to whom these rules may be relevant should consult their own tax advisors.

Alternative Minimum Tax

In general terms, income of the Fund that is paid or becomes payable to a Unitholder who is an individual (other than certain trusts) that is designated as net taxable capital gains, and any taxable capital gains realized on the disposition of Units by such Unitholder, may increase the Unitholder's liability for alternative minimum tax.

Special Tax on Certain Corporations

A Unitholder that is a "Canadian-controlled private corporation" (as defined in the Tax Act) may be liable to pay an additional refundable tax in respect of its "aggregate investment income" (as defined in the Tax Act), including taxable capital gains and income paid or payable to the Unitholder by the Fund (other than distributions designated as dividends from taxable Canadian corporations).

Eligibility for Investment

Based on the current provisions of the Tax Act, provided that the Fund qualifies as a mutual fund trust within the meaning of the Tax Act, the Units will be qualified investments under the Tax Act for trusts governed by, among others, RRSPs, TFSAs and RRIFs (collectively, "**Registered Plans**").

Notwithstanding that the Units may be qualified investments for a Registered Plan, the annuitant (or holder in the case of a TFSA) will be subject to a penalty tax if the Units are a "prohibited investment" for the Registered Plan. A Unit will generally be a "prohibited investment" if the annuitant or holder of the Registered Plan: (i) does not deal at arm's length with the Fund for purposes of the Tax Act; or (ii) has a "significant interest" (as defined for this purpose in the Tax Act) in the Fund. In addition, the Units will generally not be a "prohibited investment" if the Units are "excluded property" (as defined in the Tax Act). Annuitants and holders of Registered Plans should consult with their own tax advisors with regard to the application of these rules in their particular circumstances.

CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS

The disclosure regarding U.S. tax related matters contained in this Offering Memorandum is based on U.S. federal income tax laws, regulations, and decisions in effect or available as at July 2023, all of which are subject to change and may apply retroactively.

The Fund and the Partnership

The following is a summary of certain material U.S. federal income tax considerations applicable to the Fund and the Partnership. This summary is of a general nature only and is not intended to be legal or tax advice to any prospective purchaser of Units. U.S. alternative minimum tax, and state, local, non-U.S. and U.S. federal non-income tax matters are not discussed herein. No legal or U.S. tax opinion is being given, nor will any rulings be sought from the U.S. Internal Revenue Service ("**IRS**"), with respect to any U.S. federal income tax issue. As a result, there can be no assurance that the IRS will not assert positions contrary to the U.S. federal income tax treatment described herein. U.S. federal income tax consequences that are different from those described in this summary, as a result of a successful challenge by the IRS, could negatively impact the cash available for distribution to the Unitholders and the value of the Units.

This summary does not address all possible U.S. federal income tax considerations applicable to the Fund or the Partnership. This summary is based on the U.S. Internal Revenue Code of 1986, as amended ("**Code**"), and the Treasury Regulations promulgated thereunder, IRS rulings and official pronouncements, judicial decisions, and the Convention between the U.S. of America and Canada with Respect to Taxes on Income and Capital, signed September 26, 1980, as amended, including the Fifth Protocol signed September 21, 2007, amending same ("**Treaty**"), all as in effect on the date of this Offering Memorandum and all of which are subject to change, possibly with retroactive effect, or different interpretations, which could affect the accuracy of the analysis set forth below. This summary assumes that the Fund is entitled to Treaty benefits under the "Limitation on Benefits" provision contained in the Treaty.

Non-U.S. Holders

The following is a summary of certain material U.S. federal income tax considerations relating to the Units applicable to Non-U.S. Holders (as defined below). This discussion only applies to Units that are purchased in the Offering by Non-U.S. Holders. This discussion does not deal with all of the U.S. federal income tax consequences that may be relevant to Non-U.S. Holders in light of their particular circumstances or to investors subject to special treatment under U.S. federal income tax laws, nor does it deal with the tax consequences under the laws of any foreign, state or local taxing jurisdictions. This discussion does not purport to address all aspects of U.S. federal income taxation (such as any alternative minimum tax consequences) that may be relevant to holders subject to special treatment under the U.S. federal income tax laws, including: financial institutions; life insurance companies; securities dealers or traders electing mark-to-market treatment; governmental entities; partnerships or any entities treated as partnerships for U.S. federal income tax purposes; tax-exempt organizations; individual retirement accounts, persons that hold the Units as a position in a "straddle" or as part of a synthetic security or "hedge", "conversion transaction" or other integrated investment; investors in pass-through entities that hold Units; U.S. expatriates; persons that own 10 per cent or more of the Units; and persons that own interests in the debt or other financial products issued by the Fund or any of its affiliates.

As used in this discussion, the term "Non-U.S. Holder" means a beneficial owner of Units that is, for U.S. federal income tax purposes:

- a non-resident alien individual (but not a U.S. expatriate),
- a foreign corporation other than a "controlled foreign corporation" or a "passive foreign investment company,"
- an estate whose income is not subject to U.S. federal income tax on a net income basis, or
- a trust if no court within the U.S.is able to exercise primary jurisdiction over its administration or if no U.S. persons have the authority to control all of its substantial decisions, and that does not have a valid election in effect under the applicable Treasury regulations to be treated as a U.S. person, as defined under the Code.

If a partnership (or an entity treated as a partnership for U.S. federal income tax purposes) holds the Units, the tax treatment of a partner will generally depend upon the status of the beneficial owner and the activities of the entity and such beneficial owner. Any such entity and the beneficial owners thereof should consult with their tax advisers about the U.S. federal income tax consequences of holding and disposing of such Units.

Entity Classification of the Fund and the Partnership

We take the position that the Fund will be treated as a corporation and the Partnership will be treated as a partnership for U.S. federal income tax purposes. A successful challenge of the position that the Fund will be treated as a corporation could result in the Fund being treated as a partnership or as a simple trust for U.S. federal income tax purposes, which could result in current U.S. income inclusions to Unitholders with respect to that portion of the Fund's income derived from U.S. Mortgage Loans and gains from the disposition of U.S. real property, and corresponding U.S. income taxes, regardless of whether the Fund's cash is distributed to such Unitholders.

The remainder of this summary assumes that the Fund will be treated as a corporation and the Partnership will be treated as a partnership for U.S. federal income tax purposes. As a result, the Fund will be treated as earning its allocable share of income earned by the Partnership.

Taxation of the Fund

A foreign corporation such as the Fund may be subject to U.S. federal income or withholding tax on its income earned in connection with the Partnership's transactions involving the U.S. Mortgage Loans. The type of tax applicable to a foreign corporation generally depends upon the level of the corporation's (or, if such corporation is a partner in a partnership, the partnership's) participation in the underlying transactions. Absent special circumstances, a foreign corporation may generally fall within one of two tax regimes.

Active Trade or Business in the U.S. – ECI and Permanent Establishment

In general, a non-U.S. corporation that is engaged in a U.S. trade or business is subject to U.S. federal income tax on income that is "effectively connected" with such U.S. trade or business ("**ECI**"). Under an applicable income tax treaty (e.g., the Treaty), a non-U.S. corporation that is engaged in a U.S. trade or business generally is subject to U.S. federal income tax on income that is attributable to a "permanent establishment" maintained by the non-U.S. corporation in the U.S.

A non-U.S. corporation that is a partner in a partnership that is engaged in a U.S. trade or business will itself generally be deemed to be engaged in a U.S. trade or business if the activities of the partnership's agents in the U.S. are considerable, continuous and regular. With respect to mortgage lending activities, a non-U.S. corporation will (through its ownership of an interest in a partnership or otherwise) be considered to be engaged in the active conduct of a banking, financing, or similar business in the U.S. if at some time during the taxable year, the non-U.S. corporation (or a partnership in which the non-U.S. corporation is a partner) is engaged in business in the U.S. and the activities of such business consist of making mortgage loans to the public carried on, in whole or in part, in the U.S. in transactions with persons situated within or outside the U.S.. Further, any U.S.-source interest received by a non-U.S. corporation (through its ownership of an interest in a partnership or otherwise) in the active conduct of a banking, financing, or similar business in the U.S. is treated as ECI only if the securities giving rise to such income are attributable to the U.S. office through which such business is carried on and the securities were acquired in one of the specified manners enumerated in the regulations, which includes making loans to the public.

In an IRS memorandum, the IRS ruled that where a U.S. agent of a non-U.S. corporation does not have authority to conclude lending contracts, but nonetheless performs activities that are a component of the non-U.S. corporation's U.S. lending activities, such as the solicitation of customers, the negotiation of contractual terms and the performance of credit analyses, that such activities performed by the U.S. agent are attributable to the non-U.S. corporation for purposes of determining whether the non-U.S. corporation engages in a trade or business within the U.S. In such case, the IRS ruled that the lending activities of the non-U.S. corporation, which were carried on by the U.S. agent, were considerable, continuous, and regular, and that thus, the non-U.S. corporation was engaged in a U.S. trade or business. Further, the IRS ruled that the interest income that the non-U.S. corporation received with respect to the loans originated in the U.S. was ECI because the non-U.S. corporation was engaged in a banking business and such interest income was attributable to an office in the U.S., even though the U.S. office was that of the U.S. agent, not the non-U.S. corporation. Although the IRS memorandum does not have the force of a statute or regulation and is not binding upon taxpayers, nevertheless, it is indicative of the position that the IRS may take upon an audit of a non-U.S. taxpayer with activities in the U.S. similar to those described in the memorandum.

Permanent Establishment Standard

A non-U.S. corporation that is a partner in a partnership engaged in a U.S. trade or business will itself generally be deemed to be engaged in a U.S. trade or business through a permanent establishment if the partnership itself has a fixed place of business in the U.S. (with certain exceptions), or if such business is carried out by agents in the U.S. who regularly have the authority to conclude contracts on its behalf and habitually exercise such authority. However, a non-U.S. corporation that is a partner in a partnership is not deemed to have a permanent establishment in the U.S. merely because the partnership carries on business in the U.S. through a broker, general commission agent or any other agent of an independent status, provided that such persons are acting in the ordinary course of their business.

An applicable income tax treaty to which the U.S. is a party generally overrides the applicable corresponding provisions of the Code. Thus, if a partnership engaged in a U.S. trade or business is not deemed to be engaged in a U.S. trade or business through a permanent establishment, and the non-U.S. corporation has no other US activities besides its ownership of the partnership interest, then the non-U.S. corporation's allocable share of such ECI should not be attributable to a U.S. permanent establishment and thus not be subject to U.S. federal income tax.

Activities of the Fund

The activities of the Partnership could cause it to be treated as being engaged in a U.S. trade or business and as earning ECI for U.S. federal income tax purposes, and there can be no assurance that the Partnership's activities will not cause it to be so treated. The Partnership, which is classified as a partnership for U.S. federal income tax purposes, will not itself be subject to U.S. federal income tax on income (including ECI), but rather will "flow through" its income, gains, deductions, losses, and credits (and corresponding U.S. federal income taxes) to its partners, including the Fund.

Neither the Partnership nor the Fund intends or will maintain an office or other fixed place of business in the U.S. In addition, the management and control of the Partnership's activities will be in Canada. To the extent that the Partnership engages non-employee agent individuals in the U.S. to perform services in connection with the Partnership's activities in the U.S., for instance, to identify potential U.S. Mortgage Loans and manage relationships with potential and actual U.S. borrowers, such services will generally be of a preparatory nature, and such individuals will not have the ability or the authority to conclude contracts on behalf of, or otherwise bind, the Partnership or the Fund with respect to activities. It is uncertain whether these activities will result in the Partnership being treated as engaged in a U.S. trade or business and as earning ECI. However, even if the Partnership is treated as engaged in a U.S. trade or business and as earning ECI, the Fund's allocable share of such ECI should not be attributable to a U.S. permanent establishment and thus the Fund should not be subject to U.S. federal income tax on such income, so long as the Partnership nor the Fund do not have a fixed place of business in the U.S. and the Partnership's business is not carried out by agents in the U.S. who habitually exercise a given authority to conclude contracts on the Partnership's behalf.

If the Fund or the Partnership were engaged in, or deemed to be engaged in, a U.S. trade or business through a permanent establishment, the Fund (but not any of the Unitholders) would be required to pay tax on its income and gain that is effectively connected with such U.S. trade or business at U.S. corporate tax rate (21%). In such case, the amount of taxable income earned by the Fund may be reduced by applicable deductible expenses incurred in earning the income. In addition, the Fund may be subject to a branch profits tax equal to 30% (or lower applicable branch profits tax rate of 5% under the Treaty) of its effectively connected earnings and profits.

Liability for U.S. State Taxes

Even if there is no permanent establishment under the Treaty, many states establish their own rules for subjecting a non-U.S. entity to various types of state taxes, including and not limited to, corporate income tax, franchise tax, capital tax, and personal property tax. As a result, there is a risk that the affairs and activities of the Fund and the Partnership in such states could create a sufficient nexus to such states to be subject to state taxes. Prospective investors are urged to consult their own tax advisers with respect to the application of applicable state tax rules to the Partnership and the Fund.

Passive Activities in the U.S. – FDAP income

A non-U.S. corporation is subject to a 30% U.S. withholding tax on certain types of U.S. source income which are not ECI, unless the non-U.S. corporation otherwise establishes an exemption from, or a reduced rate of, withholding under an applicable income tax treaty. These types of income generally include passive income such as dividends, rents (that are not otherwise ECI), interest and royalties, and other "fixed or determinable annual or periodic" ("**FDAP**") income. Unless an

exception applies, a non-U.S. corporation will be subject to U.S. withholding tax on the gross amount of any FDAP income and will not be entitled to deductions for any expenses to the extent allocable to FDAP income.

The Fund will be subject to a 30% U.S. withholding tax on the gross amount of (i) any U.S. source interest income that falls outside the portfolio interest exception and other available exceptions to withholding tax, (ii) any U.S. source dividend income or dividend equivalent payments, and (iii) any other U.S. source fixed or determinable annual or periodical gains, profits or income, in each case to the extent such amounts are not effectively connected with a U.S. trade or business. For these purposes, interest will generally qualify for the portfolio interest exception if it is paid on an obligation that is in registered form, provided that the Fund provides certain required certifications, or in certain other circumstances. However, interest on an obligation will not qualify for the portfolio interest exception if (i) the Fund is considered a 10-percent shareholder of the issuer of the obligation, (ii) the Fund is a controlled foreign corporation and is considered to be a related person with respect to the issuer of the obligation or (iii) such interest is determined by reference to certain financial information of the issuer of the obligation (e.g., the issuer's receipts, sales, income or profits) or is otherwise considered to be contingent interest.

FIRPTA

A non-U.S. corporation that owns "U.S. Real Property Interests" ("**USRPI**"), including an interest in a partnership that owns U.S. real property as its primary assets, is subject to U.S. federal income tax (at a rate of 21%) on gains arising on the sale of such real property or on the sale of such partnership interest under the Foreign Investment in Real Property Tax Act of 1980 ("**FIRPTA**") rules under Section 897 of the Code. Pursuant to the FIRPTA rules, withholding of tax equal to 15% (10% in certain circumstances) of the amount realized from the disposition of a USRPI is required under Section 1445 of the Code; although if withholding is made under the Section 1446 rules applicable to income allocable to non-U.S. partners of a partnership engaged in a U.S. trade or business, the FIRPTA withholding rules generally will also be satisfied.

The Code provides that a USRPI does not include an interest in U.S. real property solely as a creditor. However, loans that give the lender any direct or indirect right to share in the appreciation of value of real property or in the gross or net proceeds of the profits generated by real property will generally be treated as a USRPI. Therefore, for the U.S. Mortgage Loans that do not have such shared appreciation or profit-sharing characteristics, it is not anticipated that such U.S. Mortgage Loans will constitute USRPI, and the FIRPTA rules will not apply to such U.S. Mortgage Loans owned by the Partnership or interests in the Partnership held by the Fund. However, in the event that the Partnership forecloses on real property securing a U.S. Mortgage Loan, then there is a risk that any gain recognized from a subsequent disposition of such real property and allocable to the Partnership could be treated as a disposition of a USRPI by the Fund and cause the Fund to be subject to U.S. federal income tax under the FIRPTA rules. Further, in the event that the Partnership forecloses on real property securing a U.S. Mortgage Loan and leases such property, rents earned from such leases will be subject to the ECI or FDAP tax regimes (see "*Active Trade or Business in the U.S.– ECI and Permanent Establishment*" and "*Passive Activities in the U.S.– FDAP*" above) The Partnership may be able to make an election to treat such rent as ECI in order to benefit from allocable eligible deductions.

Interest Expense

As discussed above (see "*Investment Strategy – Borrowing Strategy*"), the Partnership may enter into one or more credit facilities or similar indebtedness with Canadian financial institutions (the "**Partnership Loans**"). If the Partnership Loans are respected as bona fide debt for U.S. federal income tax purposes, the Partnership will be allowed deductions on interest paid to lenders in the event that the Partnership has income attributable to a U.S. trade or business, subject to certain limitations. Specifically, the Code restricts the deductibility of interest paid or accrued by certain businesses (including partnerships) properly allocable to a trade or business ("**Business Interest**"). The deduction for Business Interest generally is limited to the sum of business interest income plus 30% of adjusted taxable income ("**ATI**"). ATI generally is earnings before interest, taxes, depreciation, and amortization ("**EBITDA**") for tax years beginning before 2022 and earnings before interest and taxes ("**EBIT**") for tax years thereafter. Previously disallowed business interest expense may be carried forward indefinitely, subject to certain limitations.

If the Partnership Loans are not respected as bona fide debt, or interest related to such loans is subject to restrictions on deductibility, the Partnership's taxable income for U.S. federal income tax purposes will increase. Consequently, the funds available for distribution and the Units' value would be reduced in circumstances in which the Fund is (through the Partnership) deemed to have income attributable to a trade or business in the U.S. Further, interest expenses incurred at the Fund level could not be deductible against the Partnership's U.S. federal taxable income.

FATCA

The Foreign Account Tax Compliance Act ("**FATCA**") provisions impose reporting by certain "Foreign Financial Institutions" (as defined in the FATCA rules) to the IRS of U.S. persons' direct and indirect ownership of non-U.S. accounts and non-U.S. entities. Under FATCA, payments attributable to certain U.S.-source interest (including original issue discount and portfolio interest), dividends, certain payments with respect to derivative instruments that are determined to be "dividend equivalent" payments, compensation, and certain other amounts, to the Fund will be subject to a 30% withholding tax unless such entity enters into a valid agreement with the U.S. Secretary of the Treasury (if applicable) or meets the requirements of a relevant intergovernmental agreement (or otherwise qualifies for an exemption from the foregoing) that obligates such entity to obtain and verify certain information from investors and comply with certain reporting requirements with respect to certain direct or indirect U.S. investors, as well as meet certain other requirements.

Effective June 30, 2014, Canada is a party to an intergovernmental agreement (the "**IGA**") with the U.S., in order to facilitate compliance of entities like the Fund, with FATCA and avoid the above-described US withholding tax. Under the IGA, some Canadian entities like the Fund will have to provide the Canadian tax authorities with information on the identity, the investments and the income received by their investors. The Canadian tax authorities will then automatically pass the information on to the IRS.

Each Unitholder will be required to provide certain information to the Fund to demonstrate that it qualifies for an exemption from FATCA, has a valid agreement in effect with the U.S. Secretary of the Treasury to comply with certain information, diligence and/or reporting requirements that are mandated by FATCA, or otherwise complies with the rules as provided in FATCA. If a Unitholder or the Fund fails to satisfy these requirements, it may be subject to a 30% withholding tax with respect to its distributive share of withholdable payments. The Fund may disclose any such information described above to the IRS or other parties as necessary to comply with FATCA. Withholding pursuant to FATCA may reduce returns to Unitholders.

The requirements of and exceptions from FATCA are complex and remain subject to material changes resulting from additional guidance. All prospective investors are urged to consult with their own tax advisors about the requirements imposed on investors by FATCA and the effect that such requirements may have on investors.

Taxation of Non-U.S. Holders

Other than as described above regarding FATCA, a Non-U.S. Holder in the Fund generally will not be subject to U.S. federal income tax on distributions paid with respect to, or gains realized on the sale or other disposition of, its Units, unless (i) such distribution or gain is effectively connected income and is attributable to a permanent establishment maintained in the U.S. by such investor, if an applicable income tax treaty so requires as a condition for such investor to be subject to U.S. taxation on a net-income basis in respect of income from or gain from the sale of such Units, in which case the Unitholder generally will be subject to tax in respect of such income or gains at graduated rates, or (ii) in the case of gain realized by an individual Unitholder, the Unitholder is present in the United States for 183 days or more during the taxable year of the sale and certain other conditions are met. Effectively connected income realized by a corporate Non-U.S. Holder may, under certain circumstances, also be subject to an additional 30% (or lower 5% treaty rate) "branch profits" tax.

In general, U.S. federal information reporting and backup withholding will not apply to distributions in respect of Units, although Non-U.S. Holders may be required to establish their exemption from U.S. federal information reporting and backup withholding by certifying their status on the applicable IRS Form W-8. All prospective investors are urged to consult their own tax advisors regarding an investment in the Fund.

OFFERING

Offering

The Offering is for Units at a price of $10.00 per Unit for maximum gross proceeds of $300,000,000. Each Unit represents an undivided beneficial interest in the assets of the Fund.

The Units are being offered in reliance on certain exemptions from the prospectus requirements available under the securities laws of the Offering Jurisdictions.

The proceeds of the Offering may not be sufficient to accomplish all of the Fund's proposed objectives. In addition to alternate financing sources, the Fund may conduct future offerings of Units in order to raise additional funds, which will result in a dilution of the interests of Unitholders in the Fund. There is no assurance that the required financing will be available on terms acceptable to the Fund or at all.

All subscriptions are subject to acceptance by the Fund. See *Subscription Procedure*. The Fund will not generally accept any subscription for less than $150,000. The Fund will not accept any subscription unless the sale of Units to the Subscriber would qualify as an exempt distribution under applicable securities laws. See *Subscription Qualification*.

Additional Information

Prospective Subscribers should address any questions they have regarding the business and financial condition of the Fund and the terms and conditions of this Offering to representatives of CSSL, as agent for the Fund and request such data as may be necessary to enable the prospective Subscriber to make an informed investment decision. Furthermore, upon receipt of a written request from a Unitholder, CSSL, as agent for the Fund, will provide copies of documents referred to in this Offering Memorandum to the extent such documents are in CSSL's possession or can be acquired by CSSL without unreasonable effort or expense.

Use of Proceeds

The net proceeds of the Offering, after deduction of all fees and expenses, will be used to subscribe for Partnership Units thereby allowing the Partnership to have the capital to purchase Permitted Investments. The Partnership, after completion of this Offering, will be able to fund additional investments through its borrowing activities. The net proceeds of this Offering are intended to be used to purchase Mortgage Loan investments and for no other purpose.

Subscription Qualification

The Fund is currently offering the Units in reliance on prospectus exemptions available under the securities laws of the Offering Jurisdictions. Such exemptions relieve the Fund from the provisions under such legislation requiring the Fund to file a prospectus. Accordingly, Subscribers will not receive the benefits associated with purchasing the Units pursuant to a filed prospectus, including the review of the material by the securities commissions or similar regulatory authority in such jurisdictions.

Eligible Subscribers For the Units

Generally, any individual, corporation, partnership or other entity resident in the Offering Jurisdictions may subscribe for the Units. Each Subscriber will be required to execute a Subscription Agreement, which includes certain representations and warranties of the Subscriber, which the Fund will be relying upon if it accepts the subscription. Potential Subscribers are encouraged to familiarize themselves with the representations and warranties contained in the Subscription Agreement.

Ineligible Subscribers For the Units

No individual, corporation, partnership or other entity resident in any jurisdiction other than the Offering Jurisdictions, nor any person in whom there is an interest which is a "tax shelter investment" (as that term is defined in the Tax Act), may subscribe for Units. No person or partnership which is a non-resident of Canada (for purposes of the Tax Act) may subscribe for Units, other than those persons or partnerships resident in jurisdictions outside Canada that have provided satisfactory evidence as to the permissibility of subscribing for Units pursuant to the applicable laws of such jurisdiction absent any action on the part of the Fund.

Plan of Distribution

Subscriptions received are subject to rejection or allotment by the Trustees in whole or in part. The Trustees reserve the right to close the subscription books at any time without notice. If any subscription is not accepted, all applicable Subscription Agreements and subscription proceeds will be returned to the potential Subscribers, without interest or deduction.

There is no market through which the Units may be sold. At the time the Fund was constituted, the Trustees determined the Unit Subscription Price arbitrarily.

Unless relying on an alternate exemption from the prospectus requirements, Subscribers resident in or otherwise subject to the securities laws of the Offering Jurisdictions are required to fall within the definition of "accredited investor" set out under applicable securities laws or be a non-individual purchasing Units for aggregate consideration of at least $150,000 (or such other amount as applicable securities laws may provide for from time to time) in order to purchase the Units.

The Units are currently being offered in the Offering Jurisdictions under various exemptions to the prospectus requirements set out in NI 45-106 (or the complementary exemptions set out in the securities act or securities regulations of certain Offering Jurisdictions).

SUBSCRIPTION PROCEDURE

(a) Subscribers may subscribe for Units through CSSL. Each Subscriber must: complete and sign a Subscription Agreement, including the applicable schedules thereto;

(b) deliver payment of the subscription price for the Units subscribed for to the Fund by way of certified cheque, bank draft or other electronic transfer satisfactory to the Trustees; and

(c) deliver to CSSL the Subscription Agreement with applicable schedules referenced above and any other forms, declarations and documents as may be required by CSSL, if applicable, to complete the subscription.

The Fund will hold the subscription funds in trust pending a Closing under this Offering. See "*Purchasers Rights of Action".*

CSSL, on behalf of the Fund, may collect, use and disclose individual personal information in accordance with the privacy policy of CSSL and will obtain consent to such collection, use and disclosure from time to time as required by its policy and the law.

The Fund anticipates that there will be monthly Closings. The Fund may close any part of the Offering on any date as it may determine in its sole business judgment. The Fund reserves the right to accept or reject in whole or in part any subscription for Units and the right to close the subscription books at any time without notice. Any funds tendered in respect of a subscription that is not accepted will be promptly returned by the Fund. At a Closing of the Offering, the Fund will deliver to Subscribers or their Representative, if applicable, a confirmation of the issuance of the Units, provided the subscription price has been paid in full.

Subscribers should carefully review the terms of the Subscription Agreement accompanying this Offering Memorandum for more detailed information concerning the rights and obligations of Subscribers and the Fund. Execution and delivery of a Subscription Agreement will bind Subscribers to the terms thereof, whether executed by Subscribers or by an agent on their behalf. Subscribers should consult with their own professional advisors.

RESALE RESTRICTIONS

The Units are subject to a number of resale restrictions, including a restriction on trading. Until the restriction on trading expires, subscribers will not be able to trade the Units unless they comply with an exemption from the prospectus and registration requirements under securities legislation. Unless permitted under securities legislation, subscribers cannot trade the Units before the date that is four (4) months and a day after the date the Fund becomes a reporting issuer in any province or territory of Canada.

Subscribers are advised to consult with their legal advisors concerning restrictions on the disposition of their Units and are advised against disposing of any Units until they ascertain that such disposition is in compliance with the requirements of the applicable legislation.

PURCHASERS' RIGHTS OF ACTION

Securities laws in certain jurisdictions of Canada provide Subscribers, in addition to any other rights they may have at law, with rights of action for damages or rescission if an offering memorandum, such as this Offering Memorandum, or any amendment to it and, in certain cases, advertising and sales literature used in connection therewith, contains a misrepresentation. However, these rights must be exercised by the Subscriber within the time limits prescribed by the

applicable securities laws. Each prospective Subscriber should refer to the provisions of the applicable securities laws for a complete text of these rights and/or consult with a legal advisor.

The following is a summary of the statutory rights of action for damages or rescission available to Subscribers resident in certain provinces and territories. These summaries are subject to the express provisions of the applicable securities laws of such jurisdictions and the regulations, rules and policy statements thereunder, and reference is made thereto for the complete texts of such provisions. The rights of action described below are in addition to, and without derogation from, any other right or remedy that a Subscriber may have under applicable laws.

Statutory Rights of Action

Subscribers Resident in Alberta in Reliance on the Minimum Amount Investment Exemption

Alberta Securities Commission Rule 45-511 Local Prospectus Exemptions and Related Requirements provides that the following statutory rights of action apply to information contained in an offering memorandum, such as this Offering Memorandum, that is provided to a Subscriber of securities in respect of a distribution made in reliance only on the "minimum amount investment" exemption in section 2.10 of NI 45-106.

The rights of action for damages or rescission described herein are conferred by section 204 of the *Securities Act* (Alberta) (the "**ASA**") and the time limits specified by section 211 of the ASA in which an action to enforce a right under section 204 must be commenced. If this Offering Memorandum, or any amendment to it, provided in connection with a distribution made in reliance on the "minimum amount investment" exemption contains a misrepresentation, a Subscriber resident in Alberta who purchases under such exemption a security offered by this Offering Memorandum: (a) is deemed to have relied on the misrepresentation if it was a misrepresentation at the time of purchase and, in addition to any other rights the Subscriber may have at law, (b) has a right of action for damages against (i) the Fund, and (ii) each person who signed this Offering Memorandum (each a "**Signatory**" and collectively, the "**Signatories**"). If a Subscriber elects to exercise a right of rescission against the Fund, the Subscriber will have no right of action for damages against the Fund or the Signatories.

If a misrepresentation is contained in a record incorporated by reference in or is deemed to be incorporated into the Offering Memorandum, the misrepresentation is deemed to be contained in the Offering Memorandum.

No action may be commenced to enforce either right of action unless the right is exercised:

(a) in the case of an action for rescission, on notice given to the Fund not later than 180 days from the date of the transaction that gave rise to the cause of action; or

(b) in the case of an action for damages, on notice given to the Fund not later than the earlier of (i) 180 days from the date the Subscriber first had knowledge of the facts giving rise to the cause of action; or (ii) three years from the date of the transaction that gave rise to the cause of action,

and also provided that:

(a) the Fund or a Signatory will not be held liable under this paragraph if the Signatory or the Fund proves the defendant purchased the Units with knowledge of the misrepresentation;

(b) in an action for damages, the Fund or the Signatory will not be liable for all or any portion of those damages that they prove do not represent the depreciation in value of the Units as a result of the misrepresentation; and

(c) in no case will the amount recoverable under this paragraph exceed the price at which the Units were sold to the Subscriber.

Subscribers Resident in Ontario

Securities laws of Ontario provide that, subject to the following paragraph, a Subscriber resident in Ontario shall have, in addition to any other rights the Subscriber may have at law, a right of action for damages or rescission against the Fund and a selling security holder on whose behalf the distribution is made if an offering memorandum, such as this Offering Memorandum, contains a "misrepresentation" (for the purposes of this section, as defined in the *Securities Act* (Ontario))

(the "**OSA**"), without regard to whether the Subscriber relied on the misrepresentation. Subscribers should refer to the applicable provisions of the Ontario securities laws for particulars of these rights or consult with a lawyer.

OSC Rule 45-501 Ontario Prospectus and Registration Exemptions provides that, when an offering memorandum is delivered to a prospective Subscriber in connection with a distribution made in reliance on the "accredited investor" prospectus exemption in section 2.3 of NI 45-106, the rights of action referred to in section 130.1 of the OSA ("**Section 130.1**") will apply in respect of the offering memorandum unless the prospective Subscriber is:

(a) a Canadian financial institution, meaning either:

(i) an association governed by the *Cooperative Credit Associations Act* (Canada) or a central cooperative credit society for which an order has been made under section 473(1) of that Act; or

(ii) a bank, loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services corporation, or league that, in each case, is authorized by an enactment of Canada or a jurisdiction of Canada to carry on business in Canada or a jurisdiction of Canada;

(b) a Schedule III bank, meaning an authorized foreign bank named in Schedule III of the *Bank Act* (Canada);

(c) the Business Development Bank of Canada incorporated under the *Business Development Bank of Canada Act* (Canada); or

(d) a subsidiary of any person referred to in paragraphs (a), (b) and (c), if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by the directors of that subsidiary.

Subject to the foregoing, Section 130.1 of the OSA provides a Subscriber who purchases Units offered by this Offering Memorandum during the period of distribution with a statutory right of action for damages or rescission against the Fund and a selling security holder on whose behalf the distribution is made in the event that the Offering Memorandum or any amendment to it contains a "misrepresentation", without regard to whether the Subscriber relied on the misrepresentation. A "misrepresentation" is defined in the OSA as an untrue statement of material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it is made. A "material fact", when used in relation to securities issued or proposed to be issued, is defined in the OSA as a fact that would be reasonably expected to have a significant effect on the market price or value of the securities. In the event that this Offering Memorandum, together with any amendment to it, is delivered to a Subscriber of Units and this Offering Memorandum contains a misrepresentation which was a misrepresentation at the time of purchase of the Units, the Subscriber will have a statutory right of action for damages against the Fund and a selling security holder on whose behalf the distribution is made or, while still the owner of the Units, for rescission against the Fund and a selling security holder on whose behalf the distribution is made, in which case, if the Subscriber elects to exercise the right of rescission, the Subscriber will have no right of action for damages against the Fund and a selling security holder on whose behalf the distribution is made, provided that:

(a) no action shall be commenced more than, in the case of an action for rescission, 180 days after the date of the transaction that gave rise to the cause of action; or, in the case of any action other than an action for rescission, the earlier of (i) 180 days after the Subscriber first had knowledge of the facts giving rise to the cause of action, or (ii) three years after the date of the transaction that gave rise to the cause of action;

(b) no person or company will be liable if he, she or it proves that the Subscriber purchased the Units with knowledge of the misrepresentation;

(c) in an action for damages, the defendant will not be liable for all or any portion of the damages that the defendant proves do not represent the depreciation in value of the Units as a result of the misrepresentation relied upon;

(d) no person or company will be liable for a misrepresentation in "forward-looking information" (as defined in the OSA) if he, she or it proves that:

the Offering Memorandum contains, proximate to the forward-looking information, reasonable cautionary language identifying the forward-looking information as such, and identifying material factors that could cause actual results to differ materially from a conclusion, forecast or projection set out in the forward-looking information, and a statement of material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection set out in the forward-looking information; and

it had a reasonable basis for drawing the conclusions or making the forecasts and projections set out in the forward-looking information;

(e) in no case will the amount recoverable exceed the price at which the Units were offered to the Subscriber; and

(f) the right of action for damages or rescission is in addition to, and does not derogate from, any other right or remedy the Subscriber may have at law.

Subscribers Resident in Saskatchewan

The Securities Act, 1988 (Saskatchewan), as amended (the "**Saskatchewan Act**") provides that where this Offering Memorandum or any amendment to it is sent or delivered to a purchaser resident in Saskatchewan and it contains a misrepresentation (as defined in the Saskatchewan Act), a purchaser who purchases a security covered by this Offering Memorandum or any amendment to it is deemed to have relied upon that misrepresentation, if it was a misrepresentation at the time of purchase, and has a right of action for rescission against the Fund or has a right of action for damages against:

(a) the Fund;

(b) every promoter and trustee of the Fund, as the case may be, at the time this Offering Memorandum or any amendment to it was sent or delivered;

(c) every person or company whose consent has been filed respecting the Offering, but only with respect to reports, opinions or statements that have been made by them;

(d) every person who or company that, in addition to the persons or companies mentioned in (a) to (c) above, signed this Offering Memorandum or the amendment to this Offering Memorandum; and

(e) every person who or company that sells securities on behalf of the Fund under this Offering Memorandum or amendment to this Offering Memorandum.

Such rights of rescission and damages are subject to certain limitations including the following:

(i) if the purchaser elects to exercise its right of rescission against the Fund, it shall have no right of action for damages against the Fund;

(ii) in an action for damages, a defendant will not be liable for all or any portion of the damages that he, she or it proves do not represent the depreciation in value of the Units resulting from the misrepresentation relied on;

(iii) no person or company, other than the Fund, will be liable for any part of this Offering Memorandum or any amendment to it not purporting to be made on the authority of an expert and not purporting to be a copy of, or an extract from, a report, opinion or statement of an expert, unless the person or company failed to conduct a reasonable investigation sufficient to provide reasonable grounds for a belief that there had been no misrepresentation or believed that there had been a misrepresentation;

(iv) in no case shall the amount recoverable exceed the price at which the Units were offered; and

(v) no person or company is liable in an action for rescission or damages if that person or company proves that the purchaser purchased the securities with knowledge of the misrepresentation.

In addition, no person or company, other than the Fund, will be liable if the person or company proves that: (a) this Offering Memorandum or any amendment to it was sent or delivered without the person's or company's knowledge or consent and that, on becoming aware of it being sent or delivered, that person or company gave reasonable general notice that it was so sent or delivered; or (b) with respect to any part of this Offering Memorandum or any amendment to it purporting to be made on the authority of an expert, or purporting to be a copy of, or an extract from, a report, an opinion or a statement of an expert, that person or company had no reasonable grounds to believe and did not believe that there had been a misrepresentation, the part of this Offering Memorandum or any amendment to it did not fairly represent the report, opinion or statement of the expert, or was not a fair copy of, or an extract from, the report, opinion or statement of the expert.

Not all defences upon which the Fund or others may rely are described herein. Please refer to the full text of the Saskatchewan Act for a complete listing.

Similar rights of action for damages and rescission are provided in the Saskatchewan Act in respect of a misrepresentation in advertising and sales literature disseminated in connection with an offering of securities.

The Saskatchewan Act also provides that where an individual makes a verbal statement to a prospective purchaser that contains a misrepresentation relating to the security purchased and the verbal statement is made either before or contemporaneously with the purchase of the security, the purchaser is deemed to have relied on the misrepresentation, if it was a misrepresentation at the time of purchase, and has a right of action for damages against the individual who made the verbal statement.

The Saskatchewan Act provides a purchaser with the right to void the purchase agreement and to recover all money and other consideration paid by the purchaser for the securities if the securities are sold in contravention of the Saskatchewan Act, the regulations to the Saskatchewan Act or a decision of the Saskatchewan Financial Services Commission.

The Saskatchewan Act also provides a right of action for rescission or damages to a purchaser of securities to whom this Offering Memorandum or any amendment to it was not sent or delivered prior to or at the same time as the purchaser enters into an agreement to purchase the securities, as required by the Saskatchewan Act.

The rights of action for damages or rescission under the Saskatchewan Act are in addition to and do not derogate from any other right which a purchaser may have at law.

The Saskatchewan Act provides that no action shall be commenced to enforce any of the foregoing rights more than: (a) in the case of an action for rescission, 180 days after the date of the transaction that gave rise to the cause of action; or (b) in the case of any other action, other than an action for rescission, the earlier of: (i) one year after the plaintiff first had knowledge of the facts giving rise to the cause of action; or (ii) six years after the date of the transaction that gave rise to the cause of action.

A Shareholder resident in Saskatchewan who has entered into an agreement for the purchase of Units, which has not yet been completed, and who receives an amendment to this Offering Memorandum that discloses: (A) a material change in the affairs of the Fund; (B) a change in the terms or conditions of the Offering as described in this Offering Memorandum; or (C) securities to be distributed that are in addition to the Units described herein, that occurred or arose before the unitholder entered into the agreement for the purchase of the Units, may within two Business Days of receiving the amendment deliver a notice to the Fund or the agent through whom the Units are being purchased indicating the unitholder's intention not to be bound by the purchase agreement.

Subscribers Resident in Manitoba

The *Securities Act* (Manitoba), as amended, provides in effect, that, subject to certain limitations, where this Offering Memorandum, together with any amendment, or any advertising or sales literature relating to the offering of Units contains a misrepresentation, a purchaser resident in Manitoba, or otherwise subject to the applicable securities legislation of Manitoba to whom this Offering Memorandum has been sent or delivered, and who purchases the Units hereby offered, will be deemed to have relied upon the misrepresentation if it was a misrepresentation at the time of purchase, and the purchaser will have a statutory right of action for damages against the Fund, and, subject to certain additional defenses, against the trustees of the Fund (who were trustees at the date of this Offering Memorandum) and any person or company

who signed this Offering Memorandum, but may elect instead to exercise a right of rescission against the Fund, in which case the purchaser will have no right of action for damages against the Fund or the trustees of the Fund (who were trustees at the date of this Offering Memorandum) or any other person or company who signed this Offering Memorandum, provided that, among other limitations:

(a) in an action for rescission or damages, no person or company will be liable if the person or company proves that the purchaser purchased the Units with knowledge of the misrepresentation;

(b) in an action for damages, the Fund will not be held liable for all or any portion of the damages that it proves do not represent any depreciation in value of the Units as a result of the misrepresentation relied upon; and

(c) in no case will the amount recoverable under the right of action described above exceed the price at which the Units were offered.

In addition, no person or company other than the Fund is liable if the person or company proves that:

(a) this Offering Memorandum was sent or delivered to the purchaser without the person's or company's knowledge or consent and that, on becoming aware of its delivery, the person or company gave reasonable general notice that this Offering Memorandum was delivered without the person's or company's knowledge or consent;

(b) after delivery of this Offering Memorandum and before the purchase of the Units by a purchaser, on becoming aware of any misrepresentation in this Offering Memorandum, the person or company withdrew the person's or company's consent to this Offering Memorandum and gave reasonable general notice of the withdrawal and the reason for it; or

(c) with respect to any part of this Offering Memorandum purporting to be made on the authority of an expert, or to be a copy of, or an extract from, a report, an opinion or a statement of an expert, the person or company had no reasonable grounds to believe and did not believe that: (i) there had been a misrepresentation; or (ii) the relevant part of this Offering Memorandum: (A) did not fairly represent the report, opinion or statement of the expert; or (B) was not a fair copy of, or an extract from, the report, opinion or statement of the expert.

In addition, no person or company other than the Fund is liable with respect to any part of this Offering Memorandum not purporting to be made on the authority of an expert and not purporting to be a copy of, or an extract from, a report, opinion or statement of an expert, unless the person or company: (i) failed to conduct an investigation sufficient to provide reasonable grounds for a belief that there had been no misrepresentation; or (ii) believed that there had been a misrepresentation.

In addition, no action shall be commenced to enforce these rights more than: (a) in the case of an action for rescission, 180 days after the date of the purchase; or (b) in the case of any action, other than an action for rescission, the earlier of: (i) 180 days after the date on which the purchaser first had knowledge of the facts giving rise to the cause of action; or (ii) two years after the date of the purchase.

The statutory rights discussed above are in addition to and without derogation from any other right or remedy which a purchaser may have at law, are intended to correspond to the provisions of the applicable securities legislation of Manitoba and are subject to the defenses contained therein.

Subscribers Resident in Nova Scotia

Under Nova Scotia securities legislation, a purchaser resident in Nova Scotia who purchases securities offered by an offering memorandum that is sent or delivered to such purchaser resident in Nova Scotia will have, subject to certain limitations and statutory defences, a statutory right of action for damages against the issuer, every person who signed the offering memorandum and every director of the issuer or, while still the owner of the securities, for rescission against the issuer, in the event that the offering memorandum contains a misrepresentation at the time of purchase, on which a purchaser is deemed to have relied. If a purchaser elects to exercise the right of action for rescission, the purchaser will have no right of action for damages. In no case will the amount recoverable in any action exceed the price at which the securities were

offered to the purchaser and if the purchaser is shown to have purchased the securities with knowledge of the misrepresentation, no person will be liable. No action to enforce the foregoing rights may be commenced more than 120 days after the date on which payment was made for the securities or after the date on which the initial payment for the securities was made, where payments subsequent to the initial payment are made pursuant to a contractual commitment assumed prior to, or concurrently with, the initial payment.

Other Rescission Rights

In certain provinces a Subscriber of Units may, where the amount of the purchase does not exceed the sum of $50,000, rescind the purchase by written notice given to the registered dealer from whom the purchase was made (i) within 48 hours after receipt of the confirmation for a lump sum purchase, or (ii) within 60 days after receipt of the confirmation for the initial payment under a contractual plan. Subject to the registered dealer's reimbursement of sales charges and fees to the Subscriber as described below, the amount a Subscriber is entitled to recover on exercise of this right to rescind shall not exceed the price of the Units purchased. The right to rescind a purchase made under a contractual plan may be exercised only with respect to payments scheduled to be made within the time specified above for rescinding a purchase made under a contractual plan. Every registered dealer from whom the purchase was made must reimburse the Subscriber who has exercised this right of rescission for the amount of sales charges and fees relevant to the investment of the Subscriber in the Fund in respect of the Units for which the written notice of the exercise of the right of rescission was given.

Subscribers must exercise these rights within the prescribed time limits under applicable securities legislation. Subscribers should refer to the applicable provisions of the securities legislation in their province of residence to determine whether they have similar rescission rights or consult with their legal advisor for more details.

Contractual Rights of Action

Subscribers Resident in British Columbia or Subscribers Resident in Alberta in Reliance on the "Accredited Investor" Exemption

If this Offering Memorandum, or any amendments thereto, contains a misrepresentation, a Subscriber resident in British Columbia who purchased Units under this Offering Memorandum, or a Subscriber resident in Alberta who purchased Units under this Offering Memorandum in reliance on the "accredited investor" exemption under NI 45-106, will not be entitled to the statutory rights of action described above. However, in consideration of purchasing Units under this Offering Memorandum and upon acceptance by the Trustees of the Subscriber's subscription in respect thereof, Subscribers in those jurisdictions are hereby granted a contractual right of action for damages or rescission that is the same as the statutory rights of action described above provided to Subscribers resident in Ontario under the OSA.

General

The foregoing summary is subject to the express provisions of the relevant provincial securities legislation and the regulations, rules and policy statements thereunder and reference should be made thereto for the complete text of such provisions. The rights of action described herein are in addition to and without derogation from any other right or remedy that the purchaser may have at law.

RISK FACTORS

In addition to factors set forth elsewhere in this Offering Memorandum, potential Subscribers should carefully consider the following factors, many of which are inherent to the ownership of the Units. The following is a summary only of the risk factors involved in an investment in the Units. Prospective Subscribers should consult with their own professional advisors to assess the income tax, legal and other aspects of an investment in the Units.

No Guaranteed Return

There is no guarantee that an investment in Units will generate a return to Unitholders in the short or long term. Moreover, the interest rates being charged for mortgages reflect the general level of interest rates and, as interest rates fluctuate, the aggregate yield on Permitted Investments may also change. The Offering is not suitable for investors who cannot afford to assume any significant risks in connection with their investments.

Speculative Investment

An investment in the Fund may be deemed speculative. A subscription for Units should be considered only by persons financially able to maintain their investment and who can bear the risk of loss associated with an investment in the Fund. Subscribers should review closely the investment objectives and investment strategies to be utilized by the Partnership which will directly affect the Partnership and the Fund as outlined herein to familiarize themselves with the risks associated with an investment in the Fund. There is no assurance that the Partnership will be able to achieve its investment or income objectives, which would preclude the Fund from achieving its income objectives.

No Market for the Units

There is no market through which the Units may be sold and the Fund does not expect any market will develop in the future. The transfer and redemption of Units is subject to certain restrictions set out in the Declaration of Trust and will be affected by restrictions on resales pursuant to applicable securities laws. The Partnership may suspend redemption rights. Investors may not be able to resell or redeem Units purchased under this Offering Memorandum. Accordingly, an investment in Units should only be considered by investors who do not require liquidity. See "*Resale Restrictions*".

The Units Are Not Insured

The Fund is not a member institution of the Canada Deposit Insurance Fund and the Units offered pursuant to this Offering Memorandum are not insured against loss through the Canada Deposit Insurance Fund. The Units are redeemable at the option of the holder, but only under certain circumstances. See "*Description of Units*".

"Mutual Fund Trust" Status

It is intended that the Fund continue to qualify as a "mutual fund trust" for the purposes of the Tax Act. There can be no assurance that the Canadian federal income tax laws and administrative policies of the CRA respecting the treatment of "mutual fund trusts" and "unit trusts" will not be changed in a manner which adversely affects the holders of Units. See "*Certain Canadian Income Tax Considerations – Mutual Fund Trust Status*". **If the Fund fails to meet one or more conditions to qualify as a "mutual fund trust", the income tax considerations described under "Certain Canadian Income Tax Considerations" would, in some respects, be materially different.**

If the Fund ceases to qualify as a "mutual fund trust", the Units will cease to be qualified investments for trusts governed by Registered Plans. Where, at any time in a calendar year, property held by a trust governed by a TFSA, RRSP or RRIF becomes a non-qualified investment for the trust, the trust must, in respect of such calendar year, pay a tax equal to 50% of the fair market value of the property at the time that the property became a non-qualified investment for the trust. Where, at the end of a month, a trust governed by a DPSP holds property that is not a qualified investment for the trust, the trust is required, in respect of that month, to pay a tax equal to 1% of the fair market value of the property at the time it was acquired by the trust. In addition, trusts governed by a TFSA, RRSP or a RRIF may be subject to tax on the income attributable to the holding of non-qualified investments including tax on 100% of the capital gains, if any, realized on the disposition of the non-qualified investment.

Additionally, if the Fund ceases to qualify as a "mutual fund trust", the Fund may be required to pay a tax under Part XII.2 of the Tax Act. The payment of Part XII.2 tax by the Fund may have adverse income tax consequences for certain Unitholders, including non-resident persons, DPSPs and Registered Plans that acquire an interest in the Units directly or indirectly from another Unitholder.

Unitholder Liability

The Declaration of Trust limits the liability of Unitholders in respect of the Fund and states that the assets of the Fund only are intended to be liable and subject to levy or execution for satisfaction of Fund liabilities and that no resort is to be had to, nor recourse or satisfaction sought from, the private property of any Unitholder in respect of such liabilities. The Fund is the sole limited partner of the Partnership, with the goal of providing enhanced liability protection for Unitholders. As a result of this structure, no business operation will be conducted by the Fund and the liability of the Fund is intended to be limited to its capital contribution as a limited partner in the Partnership.

Notwithstanding the above, to the extent that claims are not satisfied by the Fund, there is a risk that a Unitholder or annuitant will be held personally liable for obligations of the Fund where the liability is not disclaimed in the contracts or arrangements entered into by the Fund with third parties. Personal liability may also arise in respect of claims against the

Fund that do not arise under contracts, including claims in tort, claims for taxes and certain other statutory liabilities. The possibility of any personal liability of this nature arising is considered by the Fund's management to be remote due to the nature of the Fund's activities as beneficiary and creditor. In the event that payment of a Fund obligation is required to be made by a Unitholder, such Unitholder is entitled to reimbursement from the available assets of the Fund.

Tax Treatment and Possible Changes in Tax Laws

There can be no assurance that income tax laws and the treatment of a "mutual fund trust" will not be changed in a manner which adversely affects Unitholders. See "*Certain Canadian Federal Income Tax Considerations*". Prospective Unitholders should consult with their tax advisors for advice with respect to the tax consequences to them having regard to their own particular circumstances.

Dilution

The number of Units the Fund is authorized to issue is unlimited. The proceeds of the Offering may not be sufficient to accomplish all of the Fund's proposed objectives. In addition to alternate financing sources, the Fund may conduct future offerings of Units in order to raise the funds required which may result in a dilution of the interests of the Unitholders in the Fund.

Reliance on Trustees

In assessing the risks and rewards of an investment in Units, potential investors should appreciate that they are relying on the Trustees in administering and managing the Fund. Although approval of the Unitholders is required for certain matters, Unitholders have no right to take part in the management of, or the stated purpose of the Fund and the Fund will be bound by the decisions of the Trustees as provided in the Declaration of Trust. It would be inappropriate for investors who are unwilling to rely on the Trustees to this extent to subscribe for Units. There is no certainty that the persons who are currently Trustees will continue to be available to the Fund for the entire period during which it requires the provision of their services.

Reliance on the Manager

Because the Fund and the Partnership's activities are managed and administered by the Manager, the Fund and the Partnership may be exposed to adverse developments in the business and affairs of the Manager, to the Manager's management and financial strength, to the Manager's ability to operate its businesses profitably and to the Manager's ability to retain its mortgage brokerage and administrative licenses issued to it under the MBLAA and its mortgage brokerage licence issued to it under the *Mortgage Brokers Act* (British Columbia) and the *Real Estate Act* (Alberta). The termination of the Management Agreement could have a material adverse effect on the Partnership's business, financial condition and results of operations. See "The Manager".

Although the employees and key personnel of the Manager who will be primarily responsible for the Partnership's and the Fund's performance have extensive experience, there is no certainty that such individuals will continue to be employees of the Manager in the future. The loss of the services of one or more of those individuals could have a material adverse effect on the Fund. In addition, the Management Agreement may be terminated in certain circumstances. See "The Manager". There is no assurance that the Manager will continue to provide services to the Fund and the Partnership.

There is no certainty that the persons who are currently officers and directors of the Manager will continue to act in such capacity. Unitholders will be required to rely on the good faith, expertise and judgment of the individuals comprising the management of the Manager from time to time. Unitholders do not have the right to direct or influence in any manner the business or affairs of the Manager.

Changes in the Economy and Credit Markets

Historically, global financial markets have been subject to periods of volatility and uncertainty, driven by a wide range of factors at any given point in time. Currently, financial markets continue to gradually recover from the unprecedented volatility caused by the impairment of financial assets held by lending institutions around the world. Access to financing has narrowed in many market segments, most particularly real estate, as a result of post-credit crisis regulatory changes and secondary order impacts, including: Basel III; the Dodd-Frank Reform Act; The Volcker Rule; FDIC risk retention, liquidity oversight, compliance and reporting, and capital requirement changes for all regulated financial institutions; and well over $100 billion of settled claims and fines by the U.S. Department of Justice against many domestic and foreign, U.S.-based lending institutions. This has led to a meaningful reduction in financial liquidity and credit resulting in a widespread de-

leveraging and repricing of financial asset classes. These factors may impact the ability of the Partnership to maintain a funding facility with arm's length third party institutions on terms favourable to the Partnership. Volatility in financial markets may also be reflected in volatility in the market value of the real property underlying the Mortgage Loan Portfolio.

Sensitivity to Interest Rates

The value of the Units and the value of the Mortgage Loans at any given time may be affected by the level of interest rates prevailing at such time. The Partnership's income will consist primarily of interest payments on Mortgage Loans. If there is a decline in interest rates (as measured by the indices upon which the interest rates of the mortgages are based), the Fund may find it difficult to make additional mortgages bearing rates sufficient to achieve the targeted payment of distributions on the Units. There can be no assurance that an interest rate environment in which there is a significant decline in interest rates would not adversely affect the Fund's ability to maintain distributions on the Units at a consistent level.

As well, if interest rates increase, the value of the Mortgage Loans may be negatively impacted. An increase in interest rates may decrease the ability of borrowers to make timely mortgage payments and may result in an increase in borrower defaults. There can be no assurance that an interest rate environment in which there is a significant increase in interest rates would not adversely affect the Partnership's ability to maintain distributions on the Partnership Units at a consistent level.

Changes in Real Estate Values

The Partnership's Mortgage Loans will be secured by real estate, the value of which can fluctuate. The value of real estate is affected by general economic conditions, local real estate markets, the attractiveness of the property to tenants where applicable, competition from other available properties, fluctuations in occupancy rates, operating expenses and other factors. The value of income-producing real property may also depend on the credit worthiness and financial stability of the borrowers and/or the tenants. Changes in market conditions may decrease the value of the secured property and reduce the cash flow from the property, thereby impacting the ability of the borrower to service the debt and/or repay the loan based on the property income. A substantial decline in value of real property provided as security for a Mortgage Loan may cause the value of the property to be less than the outstanding principal amount of the Mortgage Loan. Foreclosure by the Partnership on any such Mortgage Loan might not provide it with proceeds sufficient to satisfy the outstanding principal amount of the Mortgage Loan.

While independent appraisals by a qualified appraisal company will be obtained in connection with Mortgage Loans, the appraised values provided, even where reported on an "as is" basis, are not necessarily reflective of the market value of the underlying real property, which may fluctuate. In addition, the appraised values reported in independent appraisals may be subject to certain conditions, including the completion of construction, rehabilitation, remediation or leasehold improvements on the real property providing security for the loan. There can be no assurance that these conditions will be satisfied and if, to the extent they are not satisfied, the appraised value may not be achieved. Even if such conditions are satisfied, the appraised value may not necessarily reflect the market value of the real property at the time the conditions are satisfied.

Availability of Investments

The Partnership's ability to make Mortgage Loans in accordance with its objectives and policies depends upon the availability of suitable loans and the amount of funds available. There can be no assurance that the yields on the Mortgage Loans at any point in time will be representative of yields to be obtained on future Mortgage Loans. The Partnership may not be able to source suitable mortgages in which to reinvest its funds as Mortgage Loans are repaid, in which case the funds will be invested in Permitted Interim Investments. The rates of return on Permitted Interim Investments are typically lower than the rates of return on mortgages. An inability to find suitable investments may have an adverse effect on the Fund's ability to sustain the level of distributions. The Partnership competes with individuals, corporations and institutions for opportunities in the financing of real property. Certain of these competitors may have greater resources than the Partnership and may therefore operate with greater flexibility.

Reliance on the General Partner

In assessing the risk of an investment in Units, potential investors should be aware that they will be relying on the good faith, experience and judgment of management of the General Partner and those advisors appointed by the General Partner to assess the acquisition and disposition of the Partnership's Permitted Investments. Although Permitted Investments will be carefully chosen, there can be no assurance that such investments will earn a positive return in the short or long term or that losses may not be suffered by the Partnership from such investments.

Borrowing

The Partnership may incur indebtedness secured by its assets to purchase mortgages or for ongoing mortgage investments, subject to restrictions contained in the Partnership's investment policies (see "*Investment Strategy – Borrowing Strategy*"). There can be no assurance that such a strategy will enhance returns and in fact the strategy may reduce returns. The security which the Partnership is required to furnish may include an assignment of its Mortgage Loans to a third-party lender. If the Partnership is unable to service its debt to such lender, a loss could result if the lender exercises its rights of foreclosure and sale.

Limited Sources of Borrowing

The Canadian financial marketplace is characterized as having a limited number of financial institutions that provide credit to entities such as the Partnership. The limited availability of sources of credit may limit the Partnership's ability to take advantage of leveraging opportunities to enhance the yield on its Mortgage Loans. The Partnership limits exposure to potential scarcity of funds by seeking out new sources of credit and may also enter into a credit facility or similar borrowing. Any such loans would be liabilities resulting from the funding of the Partnership's Mortgage Loans. The obligations for future mortgage advances under the Partnership's Mortgage Loan Portfolio are anticipated to be funded from sales of Units, any future credit facility or similar borrowing and borrower mortgage repayments. Upon funding of same, the funded amount forms part of the Partnership's Mortgage Loans. If payment under any loan obtained by the Partnership is demanded, including as a result of the Partnership failing to meet certain financial covenants under such loan, and there is not a corresponding repayment of the Partnership's Mortgage Loans or if the Partnership is unable to find sources of credit to fund its Mortgage Loans, there would be an adverse effect on the Partnership's ability to pay distributions and there could also be a material adverse effect on the Partnership's business, financial condition and results of operation.

Renewal of Mortgage Loans

There can be no assurances that any of the mortgages comprising the Mortgage Loan Portfolio can or will be renewed at the same interest rates and terms, or in the same amounts. With respect to each mortgage comprising the Mortgage Loan Portfolio, it is possible that the mortgagor, the mortgagee or both, will elect to not renew. In addition, if the mortgages in the Mortgage Loan Portfolio are renewed, the principal balance of such renewals, the interest rates and the other terms and conditions of such mortgages will be subject to negotiations between the mortgagors and the mortgagees at the time of renewal.

Composition of the Mortgage Loan Portfolio

The composition of the Mortgage Loan Portfolio may vary widely from time to time and may be concentrated by type of security, industry or geography, resulting in the Mortgage Loan Portfolio being less diversified than at other times. A lack of diversification may result in the Partnership being exposed to economic downturns or other events that have an adverse and disproportionate effect on particular types of security, industry or geography.

Subordinated and Subsequent Debt Financing

Secondary financing which may be carried on by the Partnership is generally considered to be riskier than primary financing because the Partnership would not have a first-ranking charge on the underlying property. When a charge on a real property is in a position other than first ranking, it is possible for the holder of a prior charge on the property, if the borrower is in default under the terms of its obligations to such holder, to take a number of actions against the borrower and ultimately against the real property to realize on the security given for the loan. Such actions may include a foreclosure action, the exercising of a giving-in-payment clause or an action forcing the real property to be sold. A foreclosure action or the exercise of a giving-in-payment clause may have the ultimate effect of depriving any person having other than a first-ranking charge on the real property of the security of the real property. If an action is taken to sell the real property and sufficient proceeds are not realized from such sale to pay off creditors who have prior charges on the property, the holder of a subsequent charge may lose its investment or part thereof.

Failure to Meet Commitments

The Partnership may commit to making future Mortgage Loan investments in anticipation of repayment of principal outstanding under existing Permitted Investments. In the event that repayments of principal under existing Permitted Investments are not made in contravention of the borrowers' obligations, the Partnership may be unable to advance some

or all of the funds required to be advanced pursuant to the terms of its commitments for future Mortgage Loan investments, and the Partnership may face liability in connection with its failure to make such commitments.

Non-Performing Mortgage Loans

If a borrower under a Mortgage Loan subsequently defaults under any terms of the loan, the Manager, on the Partnership's behalf, has the ability to exercise the Partnership's mortgage enforcement remedies in respect of the Mortgage Loan. Exercising mortgage enforcement remedies is a process that requires a significant amount of time to complete, which could adversely impact the Partnership's cash flow. In addition, as a result of potential declines in real estate values, there is no assurance that the Partnership will be able to recover all or substantially all of the outstanding principal and interest owed to the Partnership in respect of such Mortgage Loans by exercising mortgage enforcement remedies. Should the Partnership be unable to recover all or substantially all of the principal and interest owed to it in respect of such Mortgage Loans, the returns, financial condition and results of operations of the Partnership could be adversely impacted.

Foreclosure and Related Costs

One or more borrowers could fail to make payments according to the terms of their Mortgage Loan, and the Partnership could therefore be forced to exercise its rights as mortgagee. The recovery of a portion of the Partnership's assets may not be possible for an extended period of time during this process and there are circumstances where there may be complications in the enforcement of the Partnership's rights as mortgagee. Legal fees and expenses and other costs incurred by the Partnership in enforcing its rights as mortgagee against a defaulting borrower are usually recoverable from the borrower directly or through the sale of the mortgaged property by power of sale or otherwise, although there is no assurance that they will actually be recovered. In the event that these expenses are not recoverable, they will be borne by the Partnership.

Furthermore, certain significant expenditures, including property taxes, capital repair and replacement costs, maintenance costs, mortgage payments, insurance costs and related charges must be made through the period of ownership of real property regardless of whether the property is producing income or whether mortgage payments are being made. The Partnership may therefore be required to incur such expenditures to protect its investment, even if the borrower is not honouring its contractual obligations.

Environmental Matters

The Partnership may from time to time take possession, through enforcement proceedings, of properties that secured defaulted Mortgage Loans to recover its investment in such Mortgage Loans. Prior to taking possession of properties which secure a Mortgage Loan, the Partnership may assess the potential environmental liability associated with it and determine whether it is significant. If the Partnership subsequently determines to take possession of the property, it could be subject to environmental liabilities in connection with the property, which could exceed its value. If hazardous substances are discovered on a property on which the Partnership has taken possession, the Partnership may be required to remove such substances and clean up the property. The Partnership may also be liable to tenants and other users of neighbouring properties and may find it difficult to resell the property prior to or following such clean-up.

Litigation Risk

The Fund and/or the Partnership may, from time to time, become involved in legal proceedings in the course of their businesses. The costs of litigation and settlement can be substantial and there is no assurance that such costs will be recovered in whole or at all. During litigation, the Partnership may not be receiving Mortgage Loan payments, thereby impacting cash flows. The unfavourable resolution of any legal proceedings could have an adverse effect on the Fund and its financial position and results of operations that could be material.

Ability to Manage Growth

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

Size of Offering and Concentration Risk

The amount of funds raised under the Offering will directly affect the number and degree of diversification of the Mortgage Loans to be made by the Partnership and will affect the scope of Mortgage Loan opportunities available to the Partnership.

Effect of Fees and Expenses on Return

The Fund and the Partnership will pay its ongoing operating expenses, including the Management Fee. Such fees and expenses will reduce actual returns to investors. Certain of the fees and expenses will be paid regardless of whether the Partnership produces positive returns.

Change in Legislation

There can be no assurance that certain laws applicable to the Fund and the Partnership, including Canadian federal and provincial tax laws, tax proposals, other governmental policies or regulations and governmental, administrative or judicial interpretation thereof, will not change in a manner that will adversely affect the Fund and/or the Partnership or fundamentally alter the tax consequences to unitholders acquiring, holding or disposing of Units.

No Review by Regulatory Authorities

This Offering Memorandum constitutes a private offering of the Units in the Offering Jurisdictions pursuant to prospectus exemptions under the securities laws of such applicable Canadian provinces. This Offering Memorandum is not, and under no circumstances is to be construed as, a prospectus, advertisement, or public offering of Units. Neither this Offering Memorandum nor any other material relating to this Offering has been reviewed or considered by any securities commission, tax authority, or any other governmental or regulatory authority.

Significant Redemptions of Units

Units are redeemable by the Unitholder as described under "*Description of Units – Unitholder Redemption Rights and Redemption Notice Requirements*". In extraordinary circumstances where the aggregate number of Units tendered for redemption on a particular Redemption Date exceeds 3%, the Trustees are entitled to modify or suspend Unitholder redemption rights.

Competition

The Partnership will be competing for Mortgage Loans with Persons who are seeking investments similar to those desired by the Partnership. Many of these investors will have greater financial resources than those of the Partnership or operate without the investment or operating restrictions of the Partnership or according to more flexible conditions. An increase in the availability of investment funds and an increase in interest in Mortgage Loan investments may increase competition for Real Property investments, thereby increasing purchase prices and reducing the yield on such investments. While the Trustees do not anticipate a significant increase in competition in the markets in which it intends to continue to invest, changing market conditions may increase the level of competition for profitable Mortgage Loan investments and thus may reduce the number of suitable investment opportunities for the Partnership.

Changes in Regulatory Regime

There can be no assurances that certain laws applicable to the Fund, the Partnership and/or the Manager, including, without limitation, mortgage lender and brokerage laws and securities laws, will not change in a manner that will adversely affect them.

Currency Risk

There is a risk that changes in the value of the Canadian dollar, compared to the U.S. dollar, will affect the value of the Fund and the amount of Canadian-dollar income flowing thereto. The Partnership may engage in hedging strategies to mitigate this risk.

Potential Conflicts of Interest

The Fund and the Partnership are subject to various potential conflicts of interest because the Manager is controlled by Trustees of the Fund and directors and officers of the General Partner. See "*Conflicts of Interest*". These conflicts of interest may have a detrimental effect on the business of the Fund and the Partnership.

The Fund and the Partnership will rely upon the Manager to manage their businesses. The directors and officers of the Manager may have a conflict of interest in allocating their time between the respective businesses and interests of the Manager and the Fund and the Partnership, and other businesses or projects in which they may become involved.

Certain of the Trustees of the Fund and the directors and officers of the General Partner also serve as directors and/or officers of the Manager and/or its affiliates. These directors and officers owe fiduciary duties to these other entities as well as to the Fund and the Partnership. It is possible that these duties may come into conflict during the management of the Fund and the Partnership.

The Trustees of the Fund and the directors of the General Partner may from time-to-time deal with parties with whom the Fund and/or the Partnership are dealing or may be seeking investments similar to those desired by the Partnership. The General Partner has conflict of interest policies requiring members of its board of directors to disclose material interests in material contracts and transactions and to refrain from voting thereon.

The services of the directors and officers of the Manager are not exclusive to the Partnership and the Fund, and the directors and officers of the Manager may, from time to time, engage in the promotion or management of another entity. The services of the Manager are not exclusive to the Partnership and the Fund.

The Partnership may acquire or co-invest in mortgages, the investors in which are in some cases affiliated with the Manager, including BSHY III. The Partnership proposes to complete such acquisitions on the equivalent of arm's length terms. See "*Use of Proceeds*" and "*Conflicts of Interest*".

There are potential conflicts of interest with respect to the Investment Committee. The General Partner may remove and replace any member of the Investment Committee. See "*Management of the Partnership - Investment Committee*". It is possible that decisions by members of the Investment Committee could be influenced by a desire to remain on the Investment Committee or by other relationships they may have with the General Partner, the Fund, the Manager or any of their respective affiliates.

S. Scott Cameron, a director and officer and indirect shareholder of the General Partner and a Trustee of the Fund, is also a dealing representative of CSSL and will be facilitating purchases of Units pursuant to the Offering in his capacity as a dealing representative of CSSL but does not receive compensation for such services. See "*Conflicts of Interest*" and "*Related & Connected Issuer*".

Any of the aforementioned conflicts of interest, as well as others, may be difficult, if not impossible, to resolve equitably.

CONFLICTS OF INTEREST

General

Conflicts of interest may exist, and others may arise, between holders of Units and the directors and officers of the Manager and the General Partner and their respective associates and affiliates.

Certain of the Unitholders and Trustees of the Fund and directors and officers of the General Partner are also shareholders, directors and officers of the Manager. As the Manager is paid the Management Fee (as more particularly described elsewhere in this Offering Memorandum) by the Partnership, there exists the possibility that such shareholders, officers and directors will be in a position of conflict. See "*Manager – Manager Fees and Expenses*".

There is no assurance that any conflicts of interest that may arise will be resolved in a manner most favourable to holders of Units. Persons considering a purchase of Units must rely on the judgment and good faith of the directors, officers and employees of the Manager and the General Partner and the Trustees of the Fund in resolving such conflicts of interest as may arise. In addition, the Investment Committee is tasked with adjudicating and advising on transactions involving conflicts of interest or potential conflicts of interest as they may arise from time to time as between the Manager, BSHY, CSMIC, the Fund and the Partnership. See "*Investment Committee*".

The Manager

The Fund and its Unitholders are dependent in large part upon the experience and good faith of the Manager, which is entitled to earn fees for providing services to the Fund and the Partnership. Officers and directors of the Manager may also serve from time to time as officers and directors of the General Partner, Trustees of the Fund and/or members of the Investment Committee.

The Manager and its associates are entitled to act in a similar capacity for other companies with investment criteria similar to those of the Fund and the Partnership. As such, there is a risk the Manager will not be able to originate sufficient suitable investment opportunities to keep the Partnership's funds fully invested. Also, the officers and directors of the General Partner and the Manager and the Trustees of the Fund may be employed by, or act in other capacities for, other entities involved in mortgage and lending activities. Investments in the Fund will not carry with it the right to invest in any other property or venture of the Manager or its associates, or to profit therefrom or to earn any interests therein. The Manager may decide not to invest in mortgages in which the Partnership subsequently invests, the Manager may elect to invest in mortgages which have been rejected by the Partnership, or the Manager may invest in mortgages in which the Partnership invests. In certain cases, the Manager may transfer its interest in a mortgage or mortgages from entities for which it acts as an adviser or manager to the Partnership.

BSHY III

The Partnership may purchase mortgages from BSHY III and proposes to co-invest with BSHY IIII in future mortgages. The directors and senior officers of the General Partner, S. Scott Cameron and George Frankfort, are the general partners for BSHY III; Mr. Cameron holds, directly or indirectly, approximately 3% of the units of BSHY III and Mr. Frankfort holds, directly or indirectly, approximately 30% of the units of BSHY III.

CSMIC

The Manager also manages CSMIC, a mortgage investment corporation, which had an outstanding loan balance of approximately $58.8 million as at December 31, 2022. The Fund intends to co-invest with CSMIC on a *pari passu* basis in certain transactions. Certain of the officers and directors of CSMIC are also officers and directors of the Manager and the General Partner and Trustees of the Fund.

CSSL

S. Scott Cameron, a director, officer and indirect shareholder of the General Partner and the Manager and a trustee of the Trust, is also an indirect shareholder, director, officer and dealing representative of CSSL and will be facilitating purchases of Units pursuant to the Offering in his capacity as a dealing representative of CSSL. Stephen G. Cameron, a director and officer of the Manager and a trustee of the Trust, is also a director, officer and dealing representative of CSSL and will be facilitating purchases of Units pursuant to the Offering in his capacity as a dealing representative of CSSL. CSSL has adopted policies and procedures to identify and avoid, or address and disclose to investors, conflicts between its own interests and the interests of the Partnership and the Fund and/or its limited partners and Unitholders, respectively, in accordance with applicable securities legislation. As part of CSSL's disclosure to investors, CSSL will provide a description of all relationships it shares with the Fund and the Partnership and all related or associated parties or entities.

See also the "*Related & Connected Issuer*" section below.

Lack of Separate Legal Counsel

The purchasers of Units, as a group, have not been represented by separate counsel. Legal counsel for the Fund, the Partnership, the Manager and CSSL have not acted, and are not acting, for the purchasers of Units and have not conducted any investigation or review on their behalf.

RELATED & CONNECTED ISSUER

The Fund is considered to be a "related issuer" and "connected issuer" of CSSL in connection with the Offering.

S. Scott Cameron, a director and the President, Secretary, Treasurer and an indirect 50% shareholder of CSSL is a Trustee and unitholder of the Fund and a director and officer of the General Partner. George Frankfort is an indirect 50% shareholder of CSSL and is a Trustee and unitholder of the Fund and a director and officer of the General Partner. Stephen G. Cameron, a director and the Ultimate Designated Person and Chief Executive Officer of CSSL is a Trustee and unitholder of the Fund.

CSSL is a wholly owned subsidiary of the Manager and S. Scott. Cameron's and George Frankfort's indirect interest in CSSL results from their ownership of the Manager. CSSL is registered as a dealer in the category of exempt market dealer under the securities legislation of the Provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario and Nova Scotia.

All of the issued and outstanding shares of the General Partner are owned by entities owned by George Frankfort and S. Scott Cameron. S. Scott Cameron is the President, Chief Executive Officer and a director of the General Partner and George Frankfort is the Secretary, Treasurer and a director of the General Partner. The General Partner is responsible for management of the business of the Partnership. The Partnership reimburses the General Partner for all costs incurred by the General Partner in the performance of its duties as General Partner.

CSSL has acted as agent for the Fund in prior offerings for which it did not receive any fees or commissions from the Fund other than: (i) prior to June 1, 2021, on a monthly basis, one-quarter (1/4) of the Management Fee earned or received by the Manager from the Partnership from time to time pursuant to the Management Agreement, and (ii) the entitlement to receive reimbursement for reasonable out-of-pocket expenses in connection with the Offerings. On June 1, 2021, the Dealer Agreement was revised such that there is no sharing of Management Fees. Should additional agents be retained, the Fund, the Manager or CSSL may pay a commission to such agents in connection with the Offering, such as a percentage-based commission of the proceeds of the Offering raised.

S. Scott Cameron, Stephen G. Cameron and George Frankfort may receive compensation and/or reimbursement of expenses in acting as Trustees or as directors and/or officers of the General Partner, Manager and Agent, as applicable. S. Scott Cameron, Stephen G. Cameron and George Frankfort are directors and officers of the Manager, and each of S. Scott Cameron and George Frankfort indirectly own 50% of the issued and outstanding shares of the Manager and the Manager receives compensation from the Partnership pursuant to the Management Agreement. As Trustees of the Fund and directors and officers of the General Partner, as applicable, S. Scott Cameron, Stephen G. Cameron and George Frankfort were involved in the decision to undertake the Offering and in determining the terms of the Offering. The terms of the Offering and the Dealer Agreement were agreed to by the Fund, the Partnership, CSSL and the Manager in the context of the market, having regard to market conditions and the prospects of the Fund.

The Partnership intends to co-invest with BSHY III and CSMIC in connection with new investments. See *"Manager"* above. S. Scott Cameron and George Frankfort are directors, officers and indirect shareholders of the general partner of BSHY III and Trustees of the Fund and officers, directors and indirect shareholders of the General Partner. S. Scott Cameron holds, directly or indirectly, approximately 3% of the units of BSHY III and George Frankfort holds, directly or indirectly, approximately 30% of the units of BSHY III. S. Scott Cameron holds, directly or indirectly, approximately 1.8% of the shares of CSMIC, Stephen G. Cameron holds, directly or indirectly, approximately 0.3% of the shares of CSMIC and George Frankfort holds, directly or indirectly, approximately 1.2% of the shares of CSMIC. S. Scott Cameron, Stephen G. Cameron and George Frankfort hold, directly or indirectly, approximately 0.27% of the Units of the Fund and may acquire directly or indirectly, additional Units in the future.

PROMOTER

The Manager may be considered a promoter of the Fund by reason of its initiative in forming and establishing the Fund and taking the steps necessary for the distribution of the Units. The Manager will receive certain remuneration as described herein. See "*The Manager – Manager Fees and Expenses*" and see "*Conflicts of Interest*". The Manager will not receive any benefits, directly or indirectly from the issuance of the Units other than as described in this Offering Memorandum.

TRANSFER AGENT AND REGISTRAR

Odyssey Trust Company will act as registrar and transfer agent for the Units at its principal office in Vancouver, British Columbia. Units may be transferred by a holder on the books of the Fund maintained by or on behalf of the transfer agent as indicated herein. Transfers of Units are subject to restrictions. See "*Resale Restrictions*".

AUDITOR

The auditor of the Fund is Grant Thornton LLP, 200 King Street West, 11th Floor, Toronto, ON M5H 3T4.

LEGAL COUNSEL

Legal counsel to the Fund is Fogler, Rubinoff LLP, 77 King Street West, Suite 3000, P.O. Box 95, TD Centre North Tower, Toronto, Ontario, Canada M5K 1G8.

LEGAL PROCEEDINGS

There are no legal proceedings outstanding or, to the best of the knowledge of the Fund, threatened against the Fund or the Manager.

ENGLISH LANGUAGE

Upon receipt of this document, each Canadian investor hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of the securities described herein (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. Par la réception de ce document, chaque investisseur canadien confirme par les présentes qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières décrites aux présentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais seulement.

CERTIFICATE

This Offering Memorandum does not contain a misrepresentation.

DATED as of October 16, 2023.

CAMERON STEPHENS HIGH YIELD MORTGAGE TRUST

"S. SCOTT CAMERON"

(SIGNED) S. SCOTT CAMERON
Chairman of the Board of Trustees

"GEORGE FRANKFORT"

(SIGNED) GEORGE FRANKFORT
Trustee

"*BRANDON FRANKFORT*"

(SIGNED) BRANDON FRANKFORT
Trustee

"*KATIE BONAR*"

(SIGNED) KATIE BONAR
Trustee

"*STEPHEN G. CAMERON*"

(SIGNED) STEPHEN G. CAMERON
Trustee

CAMERON STEPHENS MORTGAGE CAPITAL LTD.

"S. SCOTT CAMERON"

(SIGNED) S. SCOTT CAMERON
President and Director

"GEORGE FRANKFORT"

(SIGNED) GEORGE FRANKFORT
Secretary and Director