CONFIDENTIAL OFFERING MEMORANDUM

This Offering Memorandum constitutes an offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. No securities commission or similar authority in Canada, the United States of America or elsewhere has reviewed this Offering Memorandum or has in any way passed upon the merits of the securities offered hereunder and 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. No person is authorized to give any information or make any representation not contained in this Offering Memorandum in connection with the offering of these securities and, if given or made, any such information or representation may not be relied upon.

*The securities offered under this Offering Memorandum have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**") or any state securities law and may not be offered or sold in the United States or to U.S. persons except in compliance with the registration requirements of the U.S. Securities Act and applicable state securities laws or pursuant to an exemption therefrom.*

Continuous Offering **January 4, 2021**

Alignvest Student Housing Real Estate Investment Trust

ALIGNVEST
STUDENT HOUSING

REIT Units
Minimum Purchase: $25,000

Alignvest Student Housing Real Estate Investment Trust (**"Alignvest Student Housing REIT"** or the **"REIT"**), is an unincorporated open-ended investment trust formed under the laws of Ontario pursuant to the Declaration of Trust (as defined herein). The REIT is offering an unlimited number of class A units (the "**Class A REIT Units**") and class F units (the "**Class F REIT Units**" and together with the Class A REIT Units, the "**REIT Units**") on a continuous basis pursuant to this confidential amended offering memorandum (the "**Offering Memorandum**"). The REIT Units are being distributed to investors on a private placement basis on the basis that the REIT is exempt from the requirement to prepare and file a prospectus with the relevant Canadian securities regulatory authorities.

The objectives of Alignvest Student Housing REIT are to: (i) provide holders of the REIT Units (each, a "**Unitholder**") with stable and growing cash distributions, payable monthly and, to the extent reasonably possible, tax deferred, from investments in a diversified portfolio of purpose-built student accommodations ("**PBSA**") located in Canada; and (ii) maximize REIT Unit value through the ongoing management of its properties and through the future acquisition of additional PBSA.

The REIT expects to generate returns to Unitholders through both current income and long-term appreciation of its assets targeting an annual distribution to Unitholders of approximately $6.00 per REIT Unit for each calendar year (*prorated* during the initial year of the REIT).

The REIT intends to use the net proceeds of the Offering combined with cash-on-hand and mortgage debt to indirectly purchase, through Canadian Student Living Group Limited Partnership ("**CSL**"), high-quality PBSA in Canada. Schedule "A" to this Offering Memorandum lists PBSA that the REIT has indirectly entered into purchase agreements to acquire and Schedule "B" to this Offering Memorandum describes PBSA that the REIT indirectly owns. Alignvest Student Housing Inc. (the "**General Partner**") is the general partner of CSL.

The REIT Units have the same rights and attributes in all respects with the exception that the Class A REIT Units are indirectly subject to a management fee charged in relation to the corresponding Class A LP Units of CSL held by the REIT charged by the General Partner. Subscription agreements between each subscriber for REIT Units (each, a "**Subscriber**") and the REIT ("**Subscription Agreements**") and cleared funds received on or before the last Business Day (as defined herein) of each month (or such other date as may be determined by the trustees of the REIT (the **"Trustees**")) are accepted on the last Business Day of such month (or on such other as may be determined by the Trustees) (each, a "**Closing Date**"). Subscription Agreements received after a Closing Date are accepted on the next Closing Date. Class A REIT Units and Class F REIT Units are issued at a price per Class A REIT Unit and Class F REIT Unit, respectively, equal to the Fair Market Value (as defined herein) for each of the Class A REIT Units and Class F REIT Units on the applicable Closing Date. The Trustees calculate and announce the Fair Market Value of the REIT Units approximately 10 days prior to each Closing Date. See "*Declaration of Trust and Description of Units-Issuance of Units*" and "*Closing of Offering*". REIT Units may be surrendered for redemption on the applicable Redemption Date (as defined herein) for the Redemption Price (as defined herein) on a monthly basis on the last

Business Day of each month, provided a redemption request is made in writing to the REIT at least 30 days prior to the last day of each month.

Investment funds managed and/or advised by or affiliated with Alignvest Management Corporation (the "**Alignvest Investor**") have subscribed to acquire greater than $20,000,000 of Class F REIT Units, on the same terms as third-party Subscribers (the "**Alignvest Commitment**"). An agreement dated June 15, 2018 (the "**Commitment Date**") reflects the terms of the Alignvest Commitment, including that the investment shall remain in the REIT for three years from the Commitment Date and may thereafter be reduced or fully redeemed.

The minimum initial investment in the REIT Units for Subscribers resident in any province or territory of Canada (the "**Offering Jurisdictions**") who qualify as "accredited investors" (as such term is defined in National Instrument 45-106 *Prospectus Exemptions* ("**NI 45-106**") and, in Ontario, as such term is defined in Section 73.3 of the *Securities Act* (Ontario)) is $25,000. The Trustees, in their discretion, may accept subscriptions for lesser amounts subject to compliance with Securities Laws (as defined herein). A minimum subsequent investment in REIT Units of $1,000 applies to existing Unitholders after their initial purchase of REIT Units.

The REIT Units are offered for sale through Alignvest Capital Management Inc. ("**Alignvest Capital**") and by other qualified dealers. Alignvest Capital in its capacity as an exempt market dealer of the REIT, is offering the REIT Units on a private placement basis, however no fees are payable to Alignvest Capital in its capacity as exempt market dealer. **The REIT is a "connected issuer" of Alignvest Capital under Securities Laws in connection with the distribution of REIT Units.** See "*Conflicts of Interest*".

Alignvest Student Housing REIT is not a trust company and is not registered under applicable legislation governing trust companies as it does not carry on or intend to carry on the business of a trust company. The REIT Units are not "deposits" within the meaning of the *Canadian Deposit Insurance Corporation Act* (Canada) and are not insured under the provisions of that act or any other legislation.

NOTICE TO SUBSCRIBERS

The information contained in this Offering Memorandum and delivered in connection with the private placement of the REIT Units by the REIT, is for the confidential use of only those Persons to whom it is delivered in connection with the Offering solely for the purpose of considering the purchase of the REIT Units and is not to be used for any other purpose or made available to anyone not directly concerned with the decision regarding such purchase. By their acceptance of the delivery of this Offering Memorandum, prospective investors agree that this Offering Memorandum is personal to them, that they will not transmit, reproduce or make available to anyone this Offering Memorandum or any information contained herein nor will prospective investors use such information for any purpose other than for making an investment decision regarding the purchase of REIT Units. Distribution of this Offering Memorandum by you to any Person other than those Persons retained to advise you is unauthorized, and any disclosure of any of the contents of this Offering Memorandum without out prior written consent is prohibited.

Purchasers of REIT Units must qualify to invest in accordance with the requirements of Securities Laws of the jurisdiction in which they reside. Purchasers of REIT Units are required to make certain representations regarding their eligibility under Securities Laws to purchase the REIT Units, as set out in the Subscription Agreement. Subscriptions are received (including through the investment fund order system, Fundserv) subject to rejection or allocation in whole or in part and the Trustees reserve the right to close the subscription books at any time without notice.

The distribution of the REIT Units is being made on a private placement basis only and is exempt from the requirement that Alignvest Student Housing REIT prepare and file a prospectus with the relevant Canadian securities regulatory authorities. Accordingly, any resale of the REIT Units must be made in accordance with Securities Laws which may require resales to be made in accordance with prospectus and dealer registration requirements or exemptions from the prospectus and dealer registration requirements. Subscribers of REIT Units are advised to seek legal advice prior to any resale of the REIT Units.

An investment in REIT Units is speculative. A Subscription for REIT Units should be considered only by Person (as defined herein) financially able to maintain their investment and who can bear the risks of loss associated with an investment in the REIT.

Investing in the REIT Units involves significant risks. There is currently no secondary market through which the REIT Units may be sold and there can be no assurance that any such market will develop. A return on an investment in REIT Units of Alignvest Student Housing REIT is not comparable to the return on an investment

in a fixed-income security. The recovery of an initial investment is at risk, and the anticipated return on such an investment is based on many performance assumptions. Although Alignvest Student Housing REIT intends to make regular distributions of its available cash to Unitholders, such distributions may be reduced or suspended. The actual amount distributed will depend on numerous factors, including Alignvest Student Housing REIT's financial performance, debt covenants and obligations, interest rates, the occupancy rates of PBSA, redemption requests, working capital requirements and future capital requirements. In addition, the market value of the REIT Units may decline if Alignvest Student Housing REIT is unable to meet its cash distribution targets in the future, and that decline may be material. It is important for an investor to consider the particular risk factors that may affect the industry in which it is investing and therefore the stability of the distributions that it receives. There can be no assurance that income tax laws and the treatment of mutual fund trusts will not be changed in a manner which adversely affects Alignvest Student Housing REIT or the REIT Unitholders. See "Risk Factors".

Transfer of the REIT Units is subject to approval by the Trustees and the REIT Units are also subject to resale restrictions under Securities Laws. Persons who receive this Offering Memorandum must inform themselves of, and observe, all applicable restrictions with respect to the acquisition or disposition of REIT Units under Securities Laws. Redemptions of REIT Units will be suspended in certain circumstances.

The REIT Units are not listed on any securities exchange or any automated quotation system, and currently there is no public market for the REIT Units. It is not anticipated that a public market will ever develop for the REIT Units.

No person is authorized to provide any information or to make any representation not contained in this Offering Memorandum and any information or representation, other than that contained in this Offering Memorandum, must not be relied upon. This Offering Memorandum is a confidential document furnished solely for the use of prospective purchasers who, by acceptance hereof, agree that they will not transmit, reproduce or make available this document or any information contained in it.

This Offering Memorandum does not constitute an offer to sell or the solicitation of an offer to buy securities within the United States or by residents of the United States. There will be no sale of these securities in any jurisdiction in which such offer, solicitation, or sale would be unlawful.

References to "$", "CDN $", "C$", or "Dollars" are to Canadian Dollars.

FORWARD LOOKING STATEMENTS

This Offering Memorandum contains "forward-looking information". Forward-looking information includes, but is not limited to, information with respect to the operations, investment strategy and processes of the REIT and CSL, as well as the REIT's and CSL's ability to identify and conclude transactions with acquisition targets and complete subsequent liquidity events. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects", or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "does not anticipate", or "believes" or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might", or "will be taken", "occur", or "be achieved". Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the REIT, to be materially different from those expressed or implied by such forward-looking information, including risks associated with the real estate equity industry such as economic and market conditions, the ability to raise sufficient capital, the ability to identify and conclude acquisitions of suitable investment opportunities and complete liquidity events on favorable terms. Implicit in this forward-looking information are assumptions regarding the general economy, debt financing availability, availability of investment opportunities, and interest rates. These assumptions, although considered reasonable by the REIT based on information currently available to it, may prove to be incorrect. Although the General Partner has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. The REIT does not undertake to update any forward-looking information, except in accordance with Securities Laws.

The forward-looking statements contained in this Offering Memorandum reflect the current beliefs of the Trustees and management of the General Partner with respect to future events and are based on information currently available. These statements involve significant known and unknown risks, uncertainties and assumptions. Many factors could cause the REIT's actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements, including, without limitation, those listed in "Risk Factors". Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results, performance or achievements could vary materially from those expressed or implied by the forward-looking statements contained herein. These risks include those related to real property ownership generally, the illiquidity of real property investments, obtaining debt financing on favorable terms, no assurance that the targeted properties will be acquired, the concentration of the portfolio in one sector, possible failure to complete any or all targeted acquisitions, general risks associated with acquisitions and due diligence related matters, possible failure to realize expected returns on acquisitions, integration of the assets on a post-acquisition basis and the ability to successfully manage and operate the assets, appraisals of the assets may not be accurate, the ability of the properties to generate income, risk associated with developing the properties, competition from other comparable properties, credit risks associated with tenants of the properties, an increase in the supply of comparable properties in the same market, competition in the market for tenants, rent control, risks related to prices of utilities, energy, and property tax, changes in interests rates, general economic conditions, geographic concentration of the portfolio, the potential of or uninsured losses, the potential for litigation or other legal proceedings, a lack of cash available to make distributions to Unitholders, changes in government regulation, environmental matters, the liability of Unitholders, dependence of operations on key personnel, failure or unavailability of computer and data processing systems and software, cyber security risks, potential conflicts of interest, risks specific to tax matters, critical estimates, assumptions and judgments related to the preparation of financial statements may be incorrect, a lack of independent experts representing the Unitholders in relation to the purchase of REIT Units, the potential necessity of joint arrangements with third parties, dilution of the REIT Units, restrictions on potential growth related to reliance on operating cash flow, inability to make future investments due to obligations to satisfy existing financial obligations, restricted redemption rights, that Unitholders do not have the same rights as shareholders of a corporation, an absence of a public market for the REIT Units, that the REIT Units are not a direct investment in PBSA indirectly acquired by the REIT, and a lack of credit rating of the REIT Units.

MARKETING MATERIALS AND DOCUMENTS INCORPORATED BY REFERENCE

The investment summary in respect of the Offering and the presentation of the REIT in respect of the Offering dated January 2021 and any other marketing materials relating to the distribution of REIT Units under this Offering Memorandum and delivered or made reasonably available to prospective Subscribers prior to the termination of the distribution of the REIT Units, are hereby specifically incorporated by reference into and form an integral part of this Offering Memorandum.

Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purposes of this Offering Memorandum to the extent that a statement contained herein or in any other subsequent document which also is, or is deemed to be, incorporated by reference herein modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that was required to be stated or that was necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Offering Memorandum.

INDUSTRY DATA AND OTHER STATISTICAL INFORMATION

This Offering Memorandum includes industry data and other statistical information that the REIT has obtained from independent industry publications, government publications and other published independent sources. Such publications and reports generally state that the information contained therein has been obtained from sources believed to be reliable. Although the REIT believes these publications and reports to be reliable, it has not independently verified any of the data or other statistical information contained therein, nor has it ascertained or validated the underlying economic or other assumptions relied upon by these sources and cannot, and does not, provide any representation or assurance as to the accuracy or completeness of the information or data, or the appropriateness of the information or data for any particular analytical purpose and, accordingly, disclaims any liability in relation to such information and data.

ELIGIBILITY FOR INVESTMENT

Provided that, at all times, Alignvest Student Housing REIT qualifies as a "mutual fund trust" for the purposes of the *Income Tax Act*, (Canada), as amended (the "**Tax Act**"), the REIT Units will be qualified investments under the Tax Act and the regulations thereunder for trusts governed by a registered retirement savings plan ("**RRSP**"), registered retirement income fund ("**RRIF**"), registered disability savings plan ("**RDSP**"), registered education savings plan ("**RESP**"), deferred profit sharing plan, and tax free savings account ("**TFSA**").

Notwithstanding that REIT Units may be qualified investments for a trust governed by a TFSA, RRSP, RDSP, RESP, or RRIF (each, a "Prescribed Plan"), the holder of a TFSA or RDSP, the annuitant of an RRSP or RRIF, or the subscriber of an RESP (each, a "Controlling Individual") will be subject to a penalty tax if the REIT Units are a "prohibited investment" (as defined in the Tax Act) of the Prescribed Plan. The REIT Units will not be a prohibited investment of a Prescribed Plan if the Controlling Individual (i) deals at arm's length with the Alignvest Student Housing REIT for the purposes of the Tax Act, and (ii) does not have a "significant interest" (as defined in the Tax Act) in the Alignvest Student Housing REIT. In addition, the REIT Units will not be a "prohibited investment" of a Prescribed Plan if the REIT Units are "excluded property" (as defined in the Tax Act) of the Prescribed Plan. Prospective investors who intend to hold their REIT Units in a Prescribed Plan should consult with their own tax advisors regarding the application of the foregoing having regard to their particular circumstances.

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OFFERING SUMMARY

OVERVIEW:

Alignvest Student Housing Real Estate Investment Trust is an unincorporated, open-ended investment trust established under the laws of the Province of Ontario pursuant to an amended and restated declaration of trust dated as of January 1, 2021, and as the same may be further amended, restated or supplemented from time to time (the "**Declaration of Trust**").

The objectives of Alignvest Student Housing REIT are to: (i) provide registered Unitholders with stable and growing cash distributions, payable monthly and, to the extent reasonably possible, tax deferred, from investments in a diversified portfolio of PBSA located in Canada; and (ii) maximize REIT Unit value through the ongoing management of its properties and through the future acquisition of PBSA.

Alignvest Student Housing REIT will seek to generate attractive returns to Subscribers in what the Trustees and management of the General Partner believe is a low-risk student housing sector by focusing on (1) indirectly acquiring high-quality, newly-built, operating assets in attractive student housing markets; (2) taking advantage of its early-mover position to consolidate the industry at attractive purchase prices; (3) improving the underlying operations of purchased assets; (4) maximizing economies of scale and creating operation savings by integrating the operations of assets; and (5) consolidation of property management in house with CSL to enhance long-term margins, control and value realization for Unitholders. The REIT expects to generate returns to Unitholders through both current income and long-term appreciation of its assets targeting an annual distribution to Unitholders of approximately $6.00 per REIT Unit for each calendar year (*prorated* during the initial year of the REIT.

The REIT intends to use the net proceeds from the Offering combined with cash-on-hand and mortgage debt to indirectly purchase, through CSL, PBSA in Canada. Schedule "A" to this Offering Memorandum lists PBSA that the REIT has indirectly entered into purchase agreements to acquire and Schedule "B" to this Offering Memorandum describes PBSA that the REIT indirectly owns.

The REIT expects to fund its growth strategy of acquiring high-quality PBSA by offering REIT Units on a continuous basis combined with cash-on-hand and mortgage debt. Subscription Agreements and cleared funds received on or before the last Business Day of each month (or such other date as may be determined by the Trustees) are accepted on Closing Dates. Subscription Agreements received after a Closing Date are accepted on the next Closing Date. Class A REIT Units and Class F REIT Units are issued at a price per Class A REIT Unit and Class F REIT Unit, respectively, equal to the Fair Market Value for each of the Class A REIT Units and Class F REIT Units on the applicable Closing Date. The Trustees calculate and announce the Fair Market Value of the REIT Units approximately 10 days prior to the end of each Closing Date.

REIT Units may be surrendered for redemption on the applicable Redemption Date for the Redemption Price on a monthly basis on the last Business Day of each month, provided a redemption request is made in writing to the REIT at least 30 days prior to the last day of each month.

Following the acquisition of each PBSA property, there will be a shift over time to 'in-house' property management for the acquired PBSA to be managed by CSL. The General Partner will target PBSA assets that have compelling long-term investment qualities, such as having a close proximity to campus, attractive student oriented amenities and a high-quality tenant base. The General Partner will look to make investments where it believes value can be added through operational improvements and by integrating properties into the local and national footprint of the General Partner. The General Partner will seek to grow CSL's properties' revenues and net operating income ("**NOI**") at rates above its traditional multi-family peers by leveraging the attractive supply/demand imbalance for university student beds to drive organic revenue growth, seek additive revenues streams and crystallize asset integration synergies/economies of scale in its operating business to grow NOI margins**.**

MARKET OPPORTUNITY:

The General Partner believes the PBSA market opportunity in Canada is uniquely attractive relative to student housing investment opportunities around the rest of the world.

Student Housing is a Proven Global Investment Strategy:

Worldwide student enrollment in post-secondary institutions has grown consistently (even in recessions) over the past 20+ years. The globalization of post-secondary education, along with the increase in local participation rates in most developed countries, is forecasted to grow worldwide student enrollment in post-secondary schools to approximately 265 million by 2025 (up from 100 million in 2000)[1]. The increase in the number of students has not been met with a corresponding increase in the supply of "beds" given global budget constraints on universities and colleges. As such, a robust private sector has developed to support the 'demand for beds' that is expected to continue to benefit from the "student bed" supply/demand imbalance for the foreseeable future.

Privately owned PBSA has developed into a $200 billion market with over $15 billion of new investments made each year since 2015.[2] PBSA ownership has become a successful, low-risk investment strategy for global institutional investors who have been attracted to the sector's high occupancy rates, quality tenants, consistent revenue per bed increases, strong and consistent free-cash-flows and non-market correlated returns that have exceeded expectations over the past 20 years.

Certain markets, such as the US and UK, have been investing in PBSA since the early 2000s. The early stages in those markets were marked with uncertainty for many investors – uncertainty regarding the market appetite for higher-quality student housing and the sustainability of cash flows for assets focused on 'students'. Early investors required premium returns in comparison with the larger and more established sectors (such as the multi-family apartment sector) and valued PBSA at cap rates 100 to 200bps higher than the multi-family sector. The US and UK PBSA markets have grown dramatically in the past 15 years - privately held PBSA in the US and UK currently offer almost as many beds to students as the 'on-campus' supply. Local enrollment growth, combined with consistent PBSA operating performance, has lowered investor's uncertainty with the asset class and lead to a substantial increase in capital allocation to support development/growth as well as a dramatic upwards shift in long-term values. PBSA that once traded at a discount to multi-family apartments in the US and UK now trade at an equal or better valuation (cap rates for PBSA and multi-family are very similar).

The Canadian PBSA Market is Poised to Grow Dramatically:

The Canadian PBSA market is 10 to 15 years behind global leaders such as the US and UK. Only 4% of Canadian university full-time students live in off-campus PBSA[3] vs. 10% in the US and 14% in the UK. The market has yet to develop to the same scale as it closest peers for a few reasons that Trustees and management of the General Partner believe are quickly disappearing given the overwhelming growth in Canadian university enrollment and substantial shift in life-style preferences that are impacting the students' accommodation decision.

The market's supply/demand fundamentals in Canada are arguably more attractive than most of their OECD market peers. Canada's post-secondary enrollment growth has accelerated in recent years and surpassed its global peers such as the US and UK. The combination of continued increases in 'local' student penetration and the globalization of students have driven Canada's enrollment to record levels. Canada's increasing share of global students has been a strong driver of recent enrollment growth. The quality of Canada's education, its relatively low-cost, ease of access to student visas and permanent work visa post local education, as well as the safety and quality of living have made it an attractive location for global students seeking a western post-secondary education. From 2010 to 2018, total international student enrollment in Canadian universities has increased by 154%[4].

Canadian post-secondary institutions can accommodate approximately 11-12% of their students with on-campus beds. Similar to its global peers, the Canadian post-secondary institutions do not have the capital necessary to grow on-campus student accommodations as the strong majority of annual capital is focused on current operations and academic endeavors. This, combined with the minimal PBSA footprint to date, creates a very weak 'supply' story to one of the most attractive demand growth stories in the OECD community. Continued growth in Canadian student enrollment, combined with post-secondary institutions' lack of capital for new on-campus accommodations, creates an attractive environment for substantial private sector investment in student housing over the next 10 years.

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[1] Source: UNECSO.
[2] JLL Global Student Housing Report, RCA and Bloomberg – "Recession-Proof Student Housing Attracts Investors."
[3] StatsCan, OECD, UCAS, NCES and C&W "UK Student Housing Accommodation Report".
[4] Canadian Bureau for International Education.

PBSA Investment to Date in Canada:

The PBSA industry already exists in Canada, but it is much smaller than its global peers. The REIT estimates that there are approximately 39,000 off-campus PBSA beds in Canada that are worth approximately C$3 to $4 billion. This sector has been developed predominately by local developers. The majority of developments have occurred in the past 5 years and have mirrored the latest PBSA global trends with respect to student oriented amenities and unit configurations. This highly fragmented development/ownership provides an attractive portfolio of newly-developed, operating, PBSA to be acquired by the REIT.

Limited Competition to Acquire Canadian PBSA:

There is currently very little institutional capital targeting the Canadian PBSA sector. The General Partner believes that Alignvest Student Housing REIT is the only pure-play investment vehicle focused on the sector. There are a few real estate investors that have allocated a small portion of their capital to the PBSA sector; however, their focus is predominantly in larger, more traditional real estate sectors. The large Canadian pensions have purchased substantial portfolios of PBSA in the US, UK and other global markets; however, they have yet to make any substantial investment in Canada. The REIT believes that the large scale of the local pensions (and global PBSA investors) makes it difficult for them to consider pursuing a one-by-one PBSA accumulation approach that is necessary to build an attractive asset portfolio in Canada. A such, large global investors would likely be more interested in purchasing an aggregated portfolio of premium Canadian PBSA in the future when compared to building a portfolio from scratch.

Limited competition for acquisitions, combined with the local developers desire to monetize their investments, has created an attractive environment to consolidate the PBSA sector in Canada. Purchase prices, on average, are at substantially higher cap rates (100 to 200bp premiums) than local multi-family apartment assets, despite offering more attractive long-term supply/demand dynamics, as well as newer, higher-quality assets. The Trustees and management of the General Partner believe that over time, cap rates for the Canadian PBSA sector should be similar (or better) than the multi-family sector as we have witnessed in other developed markets such as the US and UK.

INVESTMENT STRATEGY:

Alignvest Student Housing REIT is focused on the near-term consolidation opportunity that exists in the Canadian PBSA sector. There is a substantial long-term PBSA development opportunity in Canada; however, the Trustees and management of the General Partner believe the near-term consolidation strategy is currently the more attractive risk/reward opportunity for the REIT. Over-time, the REIT is expected to increase its participation in new project development as well as other potential PBSA opportunities such as public private partnerships or third-party property management.

Ongoing Consolidation: The REIT is focused on indirectly acquiring newly-built, operating, high-quality student housing assets adjacent to tier-1 post-secondary institutions. Management has been in discussions with owners of Canadian PBSA over the past three years, completed various levels of due diligence on over $1 billion worth of assets and has a very strong/structured investment process that is focused on acquiring PBSA with certain attributes, including: (a) targeting high-quality student housing markets supporting high-quality post-secondary institutions; (b) close proximity to campus (typically within one kilometer); (c) newer facilities (under approximately 10 years old); (d) high-quality build with proper ongoing investments to date; (e) high-end student-oriented amenities; (f) established student community and reputation, as well as (g) safety and privacy for tenants. The General Partner will seek to drive the scale of the business but not at the expense of the quality of the portfolio or the price paid for the assets. Scale will benefit the returns of the Unitholders in many ways, including (i) economies of scale will help reduce administrative costs on a per facility basis while, maximizing operating cash flows of the business; (ii) increased access to capital markets which should lower the REIT's cost of debt financing; and (iii) increased interest by global PBSA investors will increase exit options, flexibility and pricing.

Focus on Operational Excellence: The REIT, through CSL, will focus on operations, the development of in-house property management and the integration of acquired PBSA into a local and national platform. Student housing is both an operating and a real estate investment business, so there are significant opportunities for the General Partner management team to realize operating efficiencies across a wide portfolio of assets.

Leverage Platform to Maximize Long-Term Value Realization: The REIT will seek to monetize its position in CSL in the future in a manner which maximizes returns to its Unitholders. The General Partner believes that the creation of CSL as a fully-integrated operating entity that owns and operates PBSA will make it appealing to a wide audience of long-term investors and/or acquirers. Long-term options for the REIT could include the sale of CSL (and indirectly its

PBSA portfolio) to long-term private investors, to another PBSA owner/operator looking to diversify into the growing and attractive Canadian market or an initial public offering.

The General Partner believes that increased investor understanding of the Canadian PBSA sector, combined with operating performance similar to other less attractive global PBSA markets, should help drive new investor interest in the sector and hopefully push cap rates closer to its Canadian multi-family apartment peers which would enhance the long-term returns of our investment strategy.

INVESTMENT HIGHLIGHTS:

The General Partner believes that the following outlines some of the key strengths and investment highlights of the REIT:

- Opportunity to gain exposure to a unique real estate asset class
- PBSA benefit from strong underlying market fundamentals
- Student preferences have shifted to high-quality PBSA assets, particularly regarding security, quality, proximity to campus and student-oriented amenities
- Attractive lease structures – parental guarantees for beds results in higher credit quality tenants than most multi-family residential apartments
- The per bed lease structure allows owners to charge higher rent per unit than multi-family apartments, which translates into higher operating margins
- Proven global investment strategy – over $15 billion of new investment in each of the past 3 years; returns have regularly outperformed traditional real estate sectors
- Recession resistant – student enrollment has proven to increase during recessionary periods; the US student housing market has enjoyed over 50 consecutive quarters with same store revenue growth
- Stable and predictable cash flows - lower NOI volatility relative to the multi-family apartment sector
- The Canadian PBSA market is highly fragmented and has attractive acquisition opportunities The REIT is focused on, indirectly, acquiring a large, attractive, high-end, diversified portfolio of PBSA assets across the Canadian market
- Significant economies of scale exist in student housing (local and national operations)
- Experienced management team with significant alignment of interest
- Compelling distribution and long-term return potential with capital appreciation
- Long-term return upside with possible valuation cap rate compression to levels similar to the multi-family sector and other OECD PBSA markets

MANAGEMENT OF ALIGNVEST STUDENT HOUSING REIT AND CSL:

The investment policies and operations of Alignvest Student Housing REIT are subject to the control and direction of the Trustees. Management of the General Partner and the Trustees of the REIT have significant experience in all aspects of the Canadian student housing and niche real estate businesses, including acquisitions and dispositions, construction and renovation, and property management, including operations, sales and marketing, and finance and administration. These skills will permit Alignvest Student Housing REIT to capitalize upon many opportunities which may be unavailable to other real estate investors who lack the requisite diversity of real estate experience.

CAPITAL IMPROVEMENTS AND EXPENDITURES:

Acquired PBSA buildings will primarily be constructed within the past 10 years and offer a broad package of student oriented amenities and apartment lay-outs. Due diligence investigations have been conducted on many of the targeted PBSA assets, including with respect to financial, title, construction, environmental and operational matters. The targeted PBSA assets have been well maintained by the current owners; therefore, the component systems of the properties are in very good shape. During the due diligence period for future acquisitions, the General Partner will use its experience to inspect the properties under consideration and when required, the General Partner will call upon various trades-people to inspect and report on systems that they specialize in.

BORROWING STRATEGIES:

CSL will target, that no indebtedness shall be incurred or assumed by CSL if, after giving effect to the incurring or assumption thereof of the indebtedness, the total indebtedness as a percentage of gross book value, would be more than 65%, subject to increase to 70% for short periods of time.

DISTRIBUTION POLICY:

The REIT expects to generate returns to Unitholders through both current income and long-term appreciation of its assets targeting an annual distribution to Unitholders of approximately $6.00 per REIT Unit for each calendar year (*prorated* during the initial year of the REIT).

SUMMARY OFFERING TERMS:

The following information presented is a summary of certain key terms of the REIT.

The REIT:	Alignvest Student Housing REIT is a limited purpose, unincorporated open-ended investment trust formed under the laws of the Province of Ontario pursuant to the Declaration of Trust.
Objective:	To provide Unitholders with stable and growing cash distributions, payable monthly and, to the extent reasonably possible, tax deferred, from investments in a diversified portfolio of PBSA located in Canada; and maximize REIT Unit value through the ongoing management of its properties and through the future acquisition of PBSA.
Issue:	Class A REIT Units Class F REIT Units
Fundserv:	The REIT Units are offered through the investment fund order system, Fundserv with Fundserv Code ASH101 for Class A REIT Units and ASH100 for Class F REIT Units.
Price:	Class A REIT Units and Class F REIT Units are issued at a price per Class A REIT Unit and Class F REIT Unit, respectively, equal to the Fair Market Value for each of the Class A REIT Units and Class F REIT Units on the applicable Closing Date. The Trustees will calculate and announce the Fair Market Value of the REIT Units approximately 10 days prior to each Closing Date. See '*Declaration of Trust and Description of Units – Issuance of Units" and 'Closing of Offering*".
Minimum Subscription Amount:	$25,000. The Trustees, in their discretion, may accept subscriptions for lesser amounts subject to compliance with Securities Laws. A minimum subsequent investment in REIT Units of $1,000 will apply to existing Unitholders after their initial purchase of REIT Units.
Management Fees Payable in Respect of CSL Limited Partnership Units Held by REIT:	The Class A REIT Units are indirectly subject to a 1.00% management fee per annum, plus applicable taxes (the "**Management Fee**"), payable to the General Partner based on the net asset value of corresponding Class A LP Units of CSL (as defined herein) held by the REIT.
Closings	The REIT expects to conclude additional closings for the purchase of REIT Units on the last Business Day of each calendar month (or such other date as may be determined by the Trustees).

Dealer Compensation:	In the event that an investor purchases Class A REIT Units through a registered dealer, the investor may be required to pay the dealer a sales commission which is negotiated between the investor and the registered dealer and is paid by the investor to such dealer. The General Partner may pay a trailing commission out of its own funds of up to 1.00% per annum to registered dealers and/or other person legally eligible to accept a commission in connection with their client's holdings of Class A REIT Units. Trailing commissions may be modified or discontinued by the General Partner at any time. No sales commission or trailing commissions will be payable by the General Partner in respect of the Class F REIT Units.
Redemptions	Monthly. Aggregate redemptions in cash are limited to $250,000 in cash per month unless a higher amount is approved by the Trustees, but in no case may the total amount payable in cash in respect of REIT Units tendered for redemption in a month exceed 50% of Unencumbered Cash (as defined herein) and subject to the Class V Redemption Right (as defined herein).
Targeted Annual Distributions to Unitholders:	The REIT expects to generate returns to Unitholders through both current income and long-term appreciation of its assets targeting an annual distribution to Unitholders of approximately $6.00 per REIT Unit for each calendar year (prorated during the initial year of the REIT). The REIT permits Unitholders to receive distributions in the form of additional REIT Units or cash. Unitholders of Class A REIT Units and Class F REIT Units may enroll in the distribution reinvestment plan (the "**DRIP**") which will allow them to elect to have some or all of their cash distributions on their Class A REIT Units and Class F REIT Units, respectively, automatically reinvested in additional Class A REIT Units or Class F REIT Units, as applicable at a 2.0% discount to Fair Market Value of the Class A REIT Units or Class F REIT Units purchased through the DRIP.
Attributes of REIT Units:	The REIT is authorized to issue an unlimited number of REIT Units. The REIT Units represent the beneficial ownership interest of the holders thereof in Alignvest Student Housing REIT. The REIT Units have the same rights and attributes in all respects with the exception that the Class A REIT Units are indirectly subject to a management fee charged in relation to the corresponding Class A LP Units of CSL held by the REIT charged by the General Partner. Each REIT Unit carries one (1) vote at meetings of Unitholders, is entitled to equal participation in distributions, rights of redemption and rights upon dissolution of the REIT. See "*Declaration of Trust and Description of Units.*"
General Partner	Alignvest Student Housing Inc. (the "**General Partner"**).
Alignvest Investor Commitment:	Investment funds managed and/or advised by or affiliated with Alignvest Management Corporation (the "**Alignvest Investor**") have subscribed to acquire greater than $20,000,000 of Class F REIT Units, on the same terms as third-party Subscribers (the "**Alignvest Commitment**"). An agreement dated June 15, 2018 (the "**Commitment Date**") reflects the terms of the Alignvest Commitment, including that the investment shall remain in the REIT for three years from the Commitment Date and may thereafter be reduced or fully redeemed.
Use of Proceeds:	The REIT intends to use the net proceeds from the Offering combined with cash-on-hand and mortgage debt to indirectly purchase, through CSL, PBSA in Canada. Schedule "A" to this Offering Memorandum lists PBSA that the REIT has indirectly entered into purchase agreements to acquire and Schedule "B" to this Offering Memorandum describes PBSA that the REIT indirectly owns.

Liquidity Preference:	It is intended that, prior to the disposition of all or substantially all of the fixed assets of CSL (as determined by the General Partner, acting reasonably) (a "**Liquidity Event**"), CSL will distribute (i) 75% of its distributable cash, being an amount equal to all cash of CSL less any amount that the General Partner may reasonably consider necessary to provide for the payment of any costs or expenses that have been or are reasonably expected to be incurred and less such reserves or amounts deemed necessary or desirable at the discretion of the General Partner ("**Distributable Income**") on a pro rata basis to the holders of the limited partnership units of CSL ("**LP Units**"); and (ii) 25% of its Distributable Income to the General Partner (collectively, the "**Periodic Distributions**"). Upon the occurrence of a Liquidity Event, the assets of CSL shall, in the discretion of the General Partner, be paid or distributed in one or more tranches in the following order of priority: (a) first, an amount will be paid to extinguish the liabilities of CSL, if any; (b) second, an amount shall be distributed to holders of the LP Units equal to (i) the invested capital in the LP Units, *minus* (ii) Periodic Distributions previously paid on the LP Units; (c) third, an amount shall be distributed to holders of LP Units equal to a return of 7% per annum, compounded annually, on the invested capital in the LP Units (the "**Preferred Return**")(which Preferred Return, for greater certainty, shall accrue from day to day and shall be calculated on the basis of the balance of the capital account for the applicable LP Units on each such day from the date or dates upon which any such invested capital was received by CSL and which capital account is reduced in accordance with the Partnership Agreement by any such invested capital that has been distributed; (d) fourth, an amount shall be distributed to the General Partner equal to 25% of the combined aggregate amounts paid (i) as Preferred Return under Section (c) and (ii) under this Section (d); and (e) fifth, the balance shall be distributed as to 25% to the General Partner and 75% on a *pro rata* basis to the holders of the LP Units.
Risk Factors:	There are certain risks inherent in an investment in the REIT Units and in the activities of Alignvest Student Housing REIT. See "*Risk Factors*"

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS:

This is a general summary only and is not intended to be exhaustive. Investors should seek the advice of their own tax advisors with respect to the tax consequences of investing in the REIT Units.

This summary assumes Alignvest Student Housing REIT will (i) qualify as a "mutual fund trust" under the Tax Act (as defined herein) at all times; and (ii) at no time will constitute a "SIFT trust" for the purposes of the Tax Act. In the event that Alignvest Student Housing REIT were not to qualify as a mutual fund trust, or were to be a SIFT trust, the Canadian federal income tax consequences described below would, in some respects, be materially and adversely different.

Alignvest Student Housing REIT will generally be subject to tax under the Tax Act in respect of its taxable income and net realized capital gains in each taxation year, except to the extent such taxable income and net realized capital gains are paid or payable or deemed to be paid or payable in such year to Unitholders and deducted by Alignvest Student Housing REIT for tax purposes.

A Unitholder is required to include in computing income for tax purposes in each year the portion of the amount of net income and net taxable capital gains of Alignvest Student Housing REIT, determined for the purposes of the Tax Act, paid or payable to such Unitholder in the year. Distributions in excess of Alignvest Student Housing REIT's net income in a year will not generally be included in computing the income of the Unitholders for tax purposes. However, a Unitholder who holds his or her REIT Units as capital property is required to reduce the adjusted cost base of his or her REIT Units by the portion of any amount paid or payable to him or her by Alignvest Student Housing REIT (other than the non-taxable portion of certain capital gains) that was not included in computing his or her income and will realize a capital gain in the year to the extent the adjusted cost base of his or her REIT Units would otherwise be a negative amount.

Alignvest Student Housing REIT will designate, to the extent permitted by the Tax Act, the portion of the taxable income distributed to Unitholders as may reasonably be considered to consist of net taxable capital gains of Alignvest Student Housing REIT. Any such designated amount will be deemed for tax purposes to be received by Unitholders in the year as a taxable capital gain.

Upon the disposition or deemed disposition by a Unitholder of a REIT Unit held as capital property, a capital gain (or a capital loss) will generally be realized to the extent that the proceeds of disposition of the REIT Unit exceed (or are exceeded by) the aggregate of the adjusted cost base to the Unitholder of the REIT Unit immediately before the disposition and any reasonable costs of the disposition.

The adjusted cost base to a Unitholder of a REIT Unit will be determined by averaging the cost base of all REIT Units owned by a Unitholder as capital property at a particular time. Generally, one-half of any capital gain (a "taxable capital gain") realized by a Unitholder will be included in the Unitholder's income for the year of disposition. One-half of any capital loss so realized (an "allowable capital loss") may generally be deducted against taxable capital gains of the Unitholder for the year of disposition, subject to the detailed provisions of the Tax Act See "*Risk Factors*" and "*Certain Canadian Federal Income Tax Considerations*".

TAX RELATED RISKS:

There can be no assurance that tax laws and the treatment of mutual fund trusts will not be changed in a manner which adversely affects Alignvest Student Housing REIT or the Unitholders. If Alignvest Student Housing REIT ceases to qualify as a mutual fund trust or constitutes a SIFT Trust, the Canadian federal tax considerations described under "*Certain Canadian Federal Income Tax Considerations*" and "*Eligibility for Investment*" would be materially and adversely different, and Alignvest Student Housing REIT, and the Unitholders may be reassessed for additional taxes from time to time. Such reassessments together with associated interest and penalties could adversely affect Alignvest Student Housing REIT. See "*Risk Factors*" and "*Certain Canadian Income Tax Considerations*". Investors should consult their own tax advisors with respect to the tax consequences of investing in the REIT Units.

MARKET OPPORTUNITY

Student housing is a well-known sector to global investors

- Global student enrollment growth far exceeds population growth
- Long-term supply/demand imbalance for 'student beds' has created a $200 billion global market
- Proven, recession resistant and stable industry
- Consistent operating results and familiarity has increased investor support, resulting in substantially improved valuations in the past 10 years in other international markets

Global investors have invested billions of dollars (over $16 billion per year recently) in developed PBSA markets such as the US and UK

- Growing interest in other, less developed OECD markets that are poised for growth

Canadian PBSA sector is underdeveloped relative to its global peers

- Historical reasons for PBSA underdevelopment are being pushed to the side by the growing student bed supply/demand imbalances and shifting student/parent preferences
- Canada's post-secondary enrollment growth is higher than its global peers
- Canada is becoming one of the most attractive destinations for global students
- Canadian universities face similar economic pressures to the rest of the world and do not have the capital to build new on-campus beds – creating an attractive environment for the private PBSA sector

Canadian PBSA sector investment to date is lacking leadership and is highly-fragmented

- Driven primarily by local developers who are ready to sell their operating assets and re-deploy capital into new development projects
- High-quality assets but in a small niche sector with little institutional investor focus
- Opportunity to consolidate a highly-fragmented industry to create the leading PBSA owner/operator
- Opportunity to grow Canadian PBSA via new development to support outsized demand
- Limited competition to consolidate the sector or drive a national development strategy given perceived operating complexities of the sector and limited institutional capital focused on the opportunity to date

Student housing is a specialized segment of the residential real estate asset class and is broadly defined to include multi-tenant housing designed to accommodate students enrolled in post-secondary education programs. Overall, the student housing sector has certain unique characteristics that distinguish it from other segments of residential real estate, including targeted tenants enrolled in post-secondary institutions, leasing cycles defined by the academic year and properties designed to accommodate and appeal to the collegiate lifestyle.

There are two major types of student housing properties: on-campus and off-campus. On-campus housing is predominantly owned and operated by educational institutions and is located on school property. Off-campus housing is typically owned and operated by private investors and is located within close proximity to the campus. PBSA refers to housing that is specifically designed and constructed as student housing with a view towards targeting the unique characteristics of the student-tenant.

THE GLOBAL STUDENT HOUSING SECTOR

Increased demand for post-secondary education, combined with the globalization of students and limited new investment in on-campus student residences, has created a $200 billion global market for purpose-built student housing[5]. Student housing is a proven investment sector with over $15 billion new investment globally each year since 2015. Sector performance has been driven by strong long-term supply/demand imbalances for student beds that have benefited PBSA operators due to the unprecedented growth in global student population. The growing demand for a post-secondary education and the recent increase in international student mobility has dramatically increased student enrollment in certain "Western" markets. This growth in student enrollment has been met with minimum growth of on-

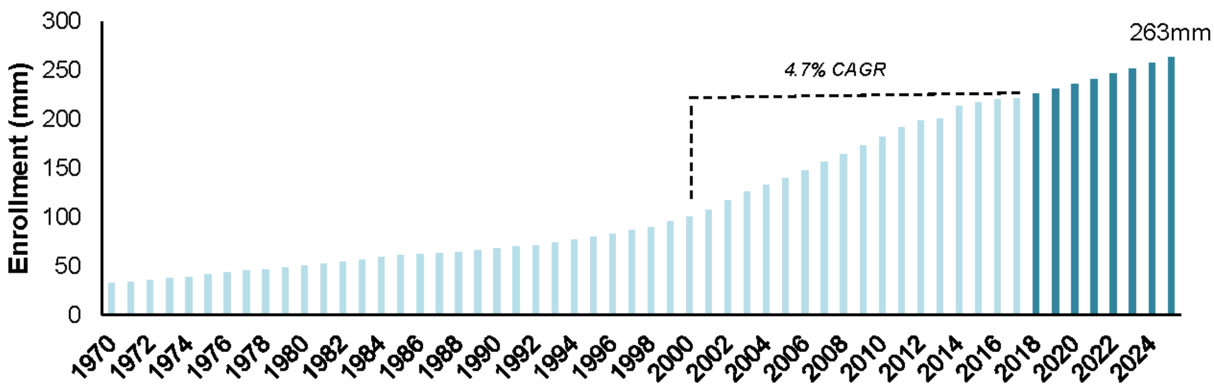
[5] JLL Global Student Housing Report.

campus beds given the limited capital available for post-secondary institutions to invest in non-academic related capital expenditures.

Supply/Demand Dynamics

Global enrollment in higher education reached 220 million in 2017 up from 100 million in 2000 (4.7% CAGR or 3 to 4 times the global population growth). This growth is forecasted to continue and enrollment is projected to reach over 263 million by 2025.[6]

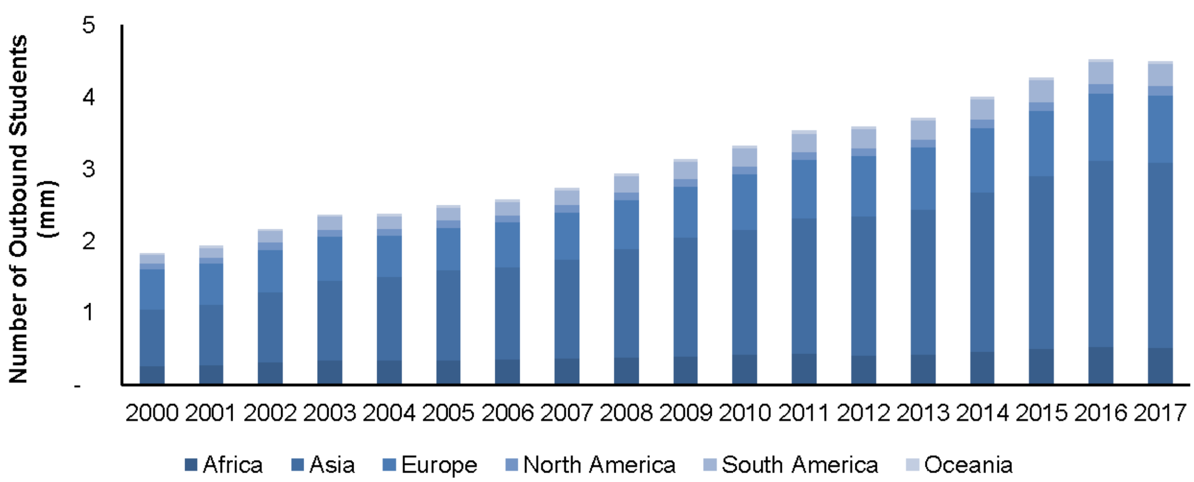
Global Student Enrollment



Source: UNESCO

In certain Western markets, including Canada, increased enrollment of international students has amplified the demand for PBSA. The globalization of students (students studying abroad) has increased dramatically over time, exceeding 5 million in 2016, more than doubling from 2000, implying an annual increase of approximately 10%. The OECD has projected that international student mobility will exceed 8 million students per year by 2025. Students from Asia, driven primarily by China, India and South Korea, have led this trend due to their growing middle class and interest in a differentiated Western post-secondary education.

Internationally Mobile (Outbound) Students



Source: UNESCO

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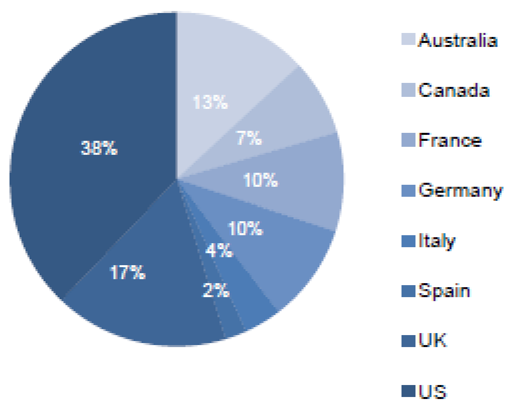
[6] UNESCO.

Western countries are equipped with well-regarded post-secondary schools and have therefore garnered the highest percentages of international students over the years. In the early stages of student globalization, the European and US markets absorbed the highest percentage of international students; however, recently, markets such as Australia and Canada have begun to take an increasing share of the global student population.

Inbound Students (per Geography) as a Percentage of Total International Students



Source: UNESCO, 2016.

On the "supply side" of the student bed problem, post-secondary institutions globally have faced budgetary constraints, which have negatively impacted the availability of capital needed to accommodate the growing demand for student housing. According to the 2018 "OECD Education at a Glance" report, the average OECD country has 88% of its total annual expenditures on tertiary education devoted to current operating costs, leaving only 12% for capital expenditures, which needs to be divided to support renovations and repairs of existing assets, as well as the building of new educational facilities, and then finally, to build new residences/beds.

Global Sector Characteristics

Recession Resistant: As discussed above, the sector benefits from attractive long-term supply/demand dynamics, which have been consistent across business cycles, proving the recession resistant nature of the investment opportunity. For example, during the last recession, post-secondary enrollment in the US grew by 4.7% in 2008 and 6.9% in 2009, the highest-growth years since 1981.[7] During the same period, demand for student housing increased, and the performance of the student housing industry rose. Similarly, the recession resistance of the post-secondary student population was visible in the UK and Canada, as they grew by 4.0%[8] and 2.5%[9], respectively in 2008.

Shifting Student Preferences to Higher-Quality Accommodations: Globally, there has been a shift in the preferences of student-tenants from traditional dormitory-style facilities and shared houses to purpose-built properties designed to appeal to modern day students. This shift has resulted in an increasing demand for new, high-quality student housing, with private student rooms and a wide array of amenities that cater to the collegiate lifestyle. The amenities that differentiate these properties are those that focus on academics (study areas, internet connectivity), entertainment (games rooms, theatre rooms, lounging areas), privacy (individual bedrooms, private washrooms), security (key fobbed access, staffed front desks, closed-circuit cameras), convenience (close proximity to campus), and health and parking facilities.

Attractive Lease Structures: Lease terms are a unique attribute to PBSA, as they are typically 12 months, "by the bed", and based on the academic calendar, which results in low month-to-month turnover following the start of the academic year. Furthermore, each lease typically requires a parental guarantor, which drastically improves the underlying credit quality of the tenant and reduces their default risk on lease payments.

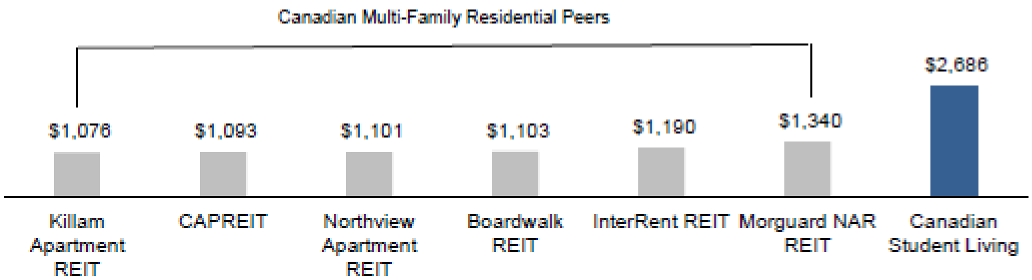
High Annual Tenant Turnover is Proactively Managed: The tenants are short-to-medium term because of the length it takes to obtain a post-secondary education. As such, the turnover in PBSA is typically higher than the multi-tenant residential sector; however, high-quality operators are prepared for the turnover cycles and actively manage the known turnover months in advance of the actual departure of a tenant – for example, operators will market known vacant "May"

[7] National Centre for Education Statistics.
[8] Higher Education Statistics Agency.
[9] Statistics Canada.

beds in November of the previous year to ensure occupancy for the following academic year. As such, the annual variance in occupancy with a quality operator in attractive markets is relatively low. Turnover can be viewed as a positive by good operators since it creates a natural opportunity to re-set pricing per bed based on the current supply/demand dynamics for the market, which has allowed operators in certain markets to raise monthly rents well in excess of inflation.

Higher Revenue per Unit: PBSA typically has higher rent per unit than traditional multi-residential properties as a result of its "by the bed" lease structure and optimal unit configurations, which increases the number of beds per unit. Substantially higher revenue per unit (or per square foot) against a predominantly fixed cost for operations generates attractive operating margins for the business relative to the traditional multi-family apartment sector. As an example, the REIT has been in discussions with multiple property owners who expect to generate monthly revenue of —$2,850 per unit compared to the CMHC average of —$950 for traditional multi-residential properties, as well as the public multi-residential REIT average of —$1,100.

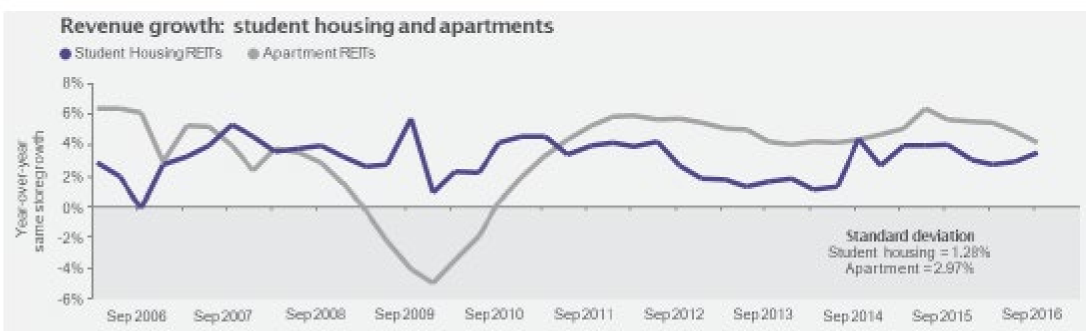
Significantly Higher Rent per PBSA Unit than Multi-Family Peers



Source: Recent Public Filings and Equity Research

Global Sector Performance

Student housing has proven to be a very defensive sector that has an established track record of stable and predictable growth over the past decade. This has been best witnessed in the US student housing market which has enjoyed 50 consecutive quarters with same store revenue growth.[10]



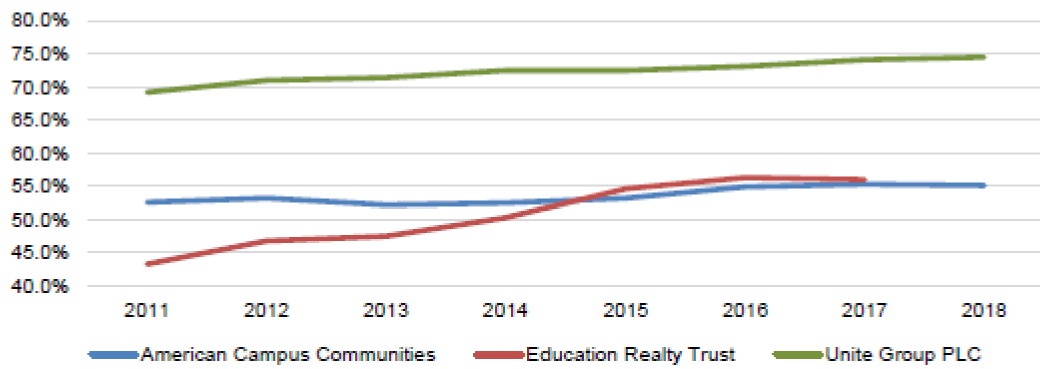
Source: Bloomberg, Principal Real Estate Investors, January 2017

As the sector has developed over time, investors have become accustomed to its stable cash flow growth driven in part by consistent revenue per bed growth (as seen above), but also by the steady improvement in operating margins. The major operators in developed markets have proven to their investors that the "operating" business can be managed proactively and can generate stable cash flows and growing margins. Management teams have developed and executed on revenue maximization and expense control strategies, including realizing economies of scale through utilities management, process and contract standardization, and utilizing scale to achieve purchasing efficiencies. For example, three large PBSA owners in the US and UK markets, American Campus Communities,

[10] Goldman Sachs, CBRE and Bloomberg.

Education Realty Trust, and Unite Group PLC, have all increased their NOI margins by 2% to over 8% over the past 5 years.

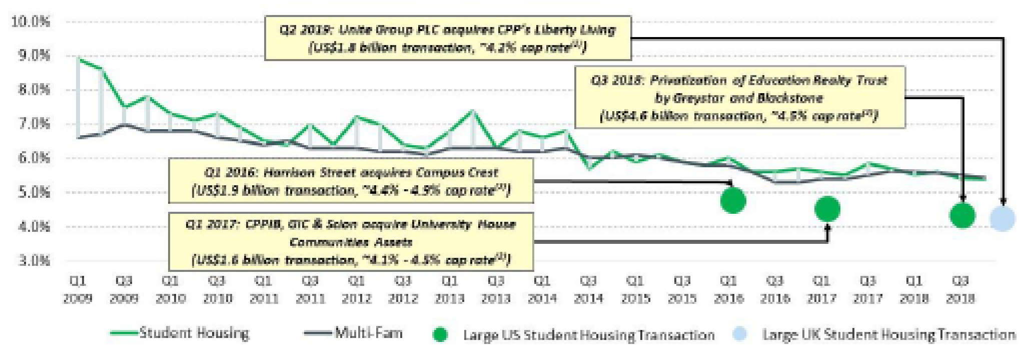
Public NOI Margin Stability and Growth in Mature Markets



Source: Company Financials.

In certain developed markets, such as the UK and the US, early stage development of the sector was marked with some uncertainty from investors. At the time, student housing investments required premium returns, driving up cap rates in comparison to traditional multi-residential properties. Over the past 15 years, global student housing has become recognized as a more stable asset class (due to continued student enrollment growth and asset-level operating performance), which has led to an overall upward shift in long-term values for the sector. In the US, the student housing sector has experienced cap rate compression, moving from rates 200bps above its multi-residential peers to cap rates that are nearly identical, as investors have become more familiar and comfortable with the subsector.

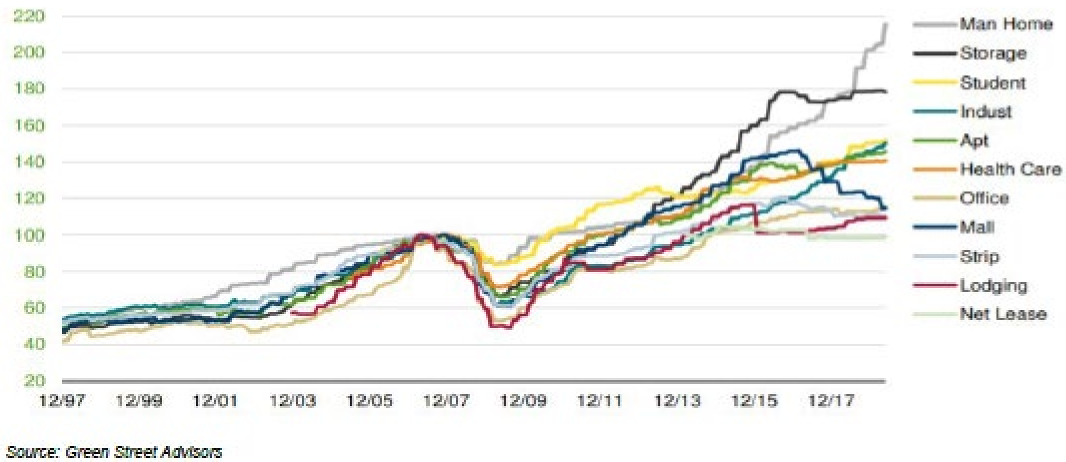
Historical US Cap Rates



Source: CBRE; cap rates based on Management analysis.

Valuation of US PBSA sector properties over the past 10 years has offered investors an attractive combination of downside protection during the recession in 2008 and total return.

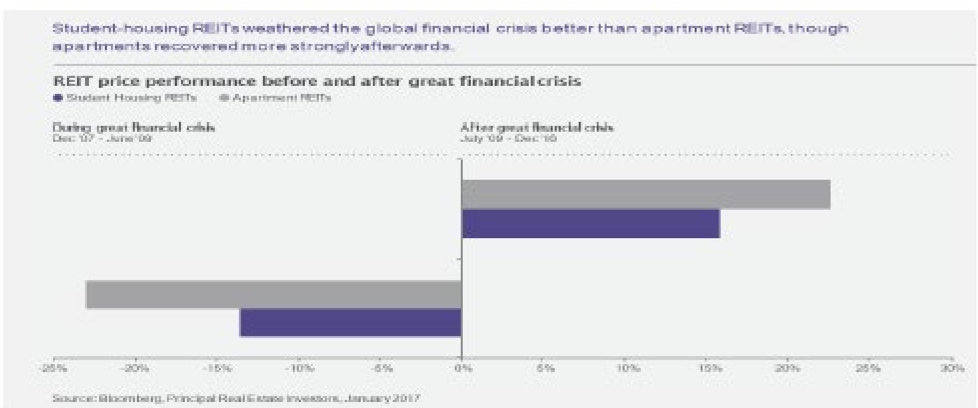
Green Street Property Sector Indexes



Source: Green Street Advisors

Worldwide Sector Investment

The US Student Housing Market has proven to offer investors greater stability in economic recessions that the multi-family sector.



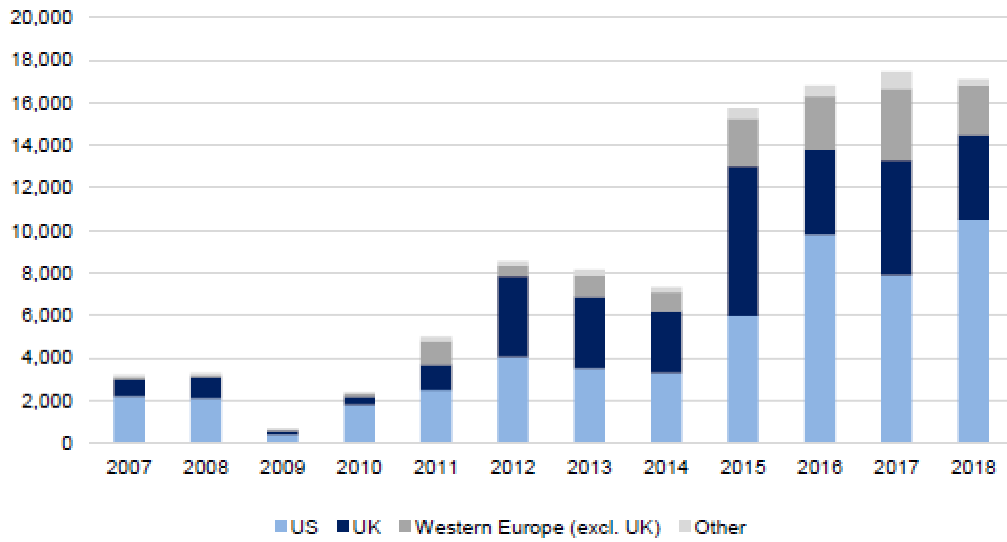
Favorable student housing market fundamentals, characterized by limited supply and excess demand, have attracted substantial institutional capital and generated significant transaction activity in mature global markets. As is evident from the illustration below, the clear majority of institutional investment flowing into the student housing sector has been concentrated in the two most mature student housing markets, the US and the UK. Global investment in the student housing sector increased from $0.8 billion in 2009 to approximately $17.1 billion in 2018.[11]

Total transaction volume in the United States, based on statistics of CBRE National Student Housing Group statistics, increased from US$5.6bn in 2015 to US$10.8 billion in 2018 with record low transaction cap rates. Global institutional investors continue to purchase assets in the US despite the increased valuations in the market.

The UK student housing market has also experienced significant investment activity over the last decade and has recently led all countries in global investment in certain years.

[11] Savills Global Student Housing Report.

Student Housing Global Investment



Source: Savills Spotlight Student Housing 2019

Global Investment Leaders:

CPPIB	GIC	Temasek
PSP	Blackstone	Starwood
Brookfield	KKR	TIAA
QuadReal (bcIMC)	Goldman Sachs	Wellcome Trust
Harrison Street	Greystar	APG
	Carlyle Group	ICBC Int'l Holdings

The large Canadian pensions have been active investors abroad with CPPIB, PSP and BCI making major investments in the sector globally in the past 3 years. CPPIB has been the most active of the Canadians. In January 2016, CPPIB, GIC and The Scion Group announced their US student housing joint venture, Scion Student Communities LP, had acquired a set of assets worth approximately US $1.4 billion from University House Communities. Since then, the joint venture has announced two more portfolio acquisitions valued at an additional $2.7 billion. On March 6, 2015, CPPIB announced that it had purchased Liberty Living, one of the UK's largest providers of student housing, for approximately £1.1 billion ($2.1 billion). CPPIB invested further in 2016 and 2017 with the £330 million ($672 million) purchase of the Student Castle Portfolio and £460 million ($575 million) Union State Portfolio purchase.

Recent Global PBSA Transactions:

Date	Property / Portfolio	Beds	Region	Price (US$mm)	Purchaser
Jul-19	Liberty Living Group PLC	24,021	UK	$2,750	Unite Group PLC
Jun-18	Education Realty Trust	42,300	US	$4,600	Greystar
Feb-18	Curlew / CBRE JV	5,407	UK	676	Brookfield
Jan-18	Harrison Street & Scion Portfolio	13,666	US	1,100	CPPIB, GIC, Scion
Sep-17	Core Spaces / DRW Portfolio	3,776	US	591	ACC
Jun-17	Kayne Anderson Portfolio	3,751	US	1,600	MapleTree (Temasek)
Jun-17	CA Portfolio	4,713	US	600	QuadReal (bcIMC)
Apr-17	Union State Portfolio	6,484	UK	575	CPPIB
Mar-17	29 Student Housing Comm.	19,192	US	1,600	CPPIB, GIC, Scion
Feb-17	UNITE Portfolio	4,175	UK	590	Brookfield
Nov-16	ACC Portfolio of Assets	11,026	US	433	Campus Advantage, Saban
Sep-16	Oaktree Portfolio	7,150	UK	900	GIC, GSA

Date	Property / Portfolio	Beds	Region	Price (US$mm)	Purchaser
Jun-16	Spring/Rose Portfolio	5,684	UK	840	Brookfield
Mar-16	Campus Crest	38,000	US	1,900	Harrison Street
Mar-16	Mansion Portfolio	5,500	UK	594	MapleTree (Temasek)
Jan-16	iQ and Prodigy Living	23,500	UK	2,600	Goldman Sachs, Greystar, Wellcome Trust
Jan-16	University House Comm	13,000	US	1,400	CPPIB, GIC, Scion
Aug-15	Student Castle Portfolio	2,153	UK	672	CPPIB
Mar-15	Brandeaux / Liberty Living	16,748	UK	1,400	CPPIB
Mar-15	Nido Portfolio	2,521	UK	774	Greystar, PSP
Mar-15	Westbourne Portfolio	5,867	UK	697	Greystar
Mar-15	Pure Student Living	2,150	UK	686	LetterOne

Source: JLL Student Housing Report, Press Releases and public filings. Note – Cap Rate valuations for certain larger transactions calculated by the General Partner to be as follows: Mar – 15 CPPIB acquisition of Liberty Living at 4.75 – 5.00%; Aug – 15 CPPIB acquisition of Student Castle at 4.25 – 4.50%; Nov – 15 Harrison Street acquisition of Campus Crest at 4.40 – 5.20%; Jan -16 CPPIB/GIC/Scion acquisition of University House Communities at 4.0 – 4.5%; and, Sep -17 ACC acquisition of Core Spaces Portfolio at 5.1%.

The US and UK markets are the most developed markets globally and, as seen in the above graphs and tables, have started to have their ownership positions consolidated. The major owners/operators in each market include:

Owner	Number of Beds	Private or Public	Recent Market Cap (USD mm)
US Market:			
American Campus Communities	104,078	Public	$6,701
Harrison Street	76,664	Private	N/A
The Scion Group	60,085	Private	N/A
Greystar	49,136	Private	N/A
The Collier Companies	25,801	Private	N/A
Campus Advantage	20,413	Private	N/A
The Preiss Company	18,889	Private	N/A
CA Ventures	18,757	Private	N/A
Vesper Holdings	17,296	Private	N/A
Campus Apartments	17,064	Private	N/A
UK Market:			
UNITE Group	73,000	Public	$3,776
UPP	32,900	Private	N/A
iQ (Goldman / Welcome Trust)	28,000	Private	N/A
Brookfield	17,800	Private	N/A
Campus Living Villages	13,000	Private	N/A
Sanctuary Student	10,000	Private	N/A
Empiric	9,397	Private	N/A
Victoria Hall / Host	10,367	Private	N/A
MapleTree / Temasek	6,689	Private	N/A

Source: CBRE U.S. Student Housing Report 2019, Student Housing Business Magazine (November/December 2017), and Bloomberg.

Many other OECD countries have an emerging PBSA asset class, including most of Western Europe and Australia. These markets are behind the UK and US markets in PBSA development but have started to generate investment interest from global institutional investors that are familiar with the sector.

Purpose-Built Student Accommodation – Global Comparison

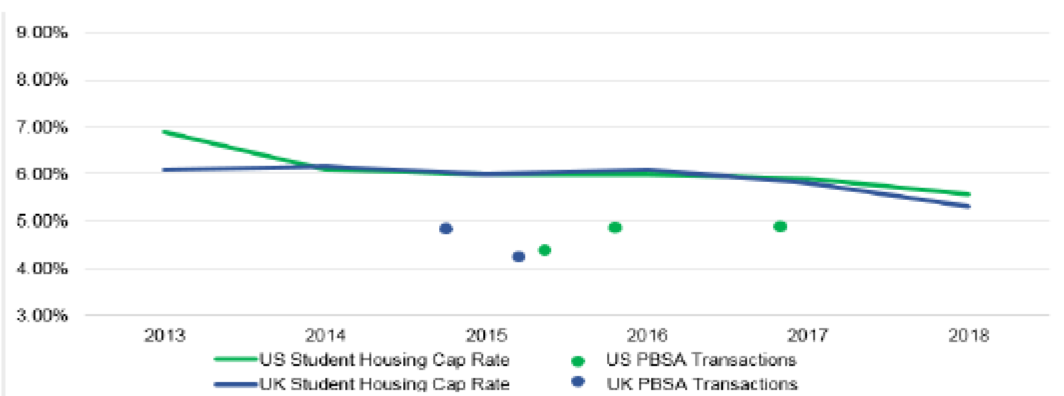
		Number of PBSA Beds			PBSA as a Percentage of Full-Time Students		
Country	Full-Time Students	On-Campus	Off-Campus	Total	On-Campus	Off-Campus	Total
US	12,077,300	1,430,000	1,170,000	2,600,000	12%	10%	22%
UK	1,844,545	363,591	263,524	627,115	20%	14%	34%
Canada	1,298,005	121,164	39,178	160,342	9%	3%	12%
Australia	1,079,042	69,300	24,590	93,890	6%	2%	9%
Germany	2,800,000	234,200	40,800	275,000	8%	1%	10%
Ireland	200,000	11,114	18,886	30,000	6%	9%	15%
Italy	1,700,000	40,033	24,967	65,000	2%	1%	4%
Spain	1,500,000	23,086	69,914	93,000	2%	5%	6%
Netherlands	662,000	1,000	54,000	55,000	0%	8%	8%
France	2,600,000	155,547	194,453	350,000	6%	7%	13%
Global	**25,760,892**	**2,449,035**	**1,900,312**	**4,349,347**	**10%**	**7%**	**17%**

Note – The 4% Off-Campus Beds in Canada is overstated, given the 39,178 off-campus beds includes colleges and universities, but the 1,067,370 FT student enrollment does not include college enrollment.

Source: StatsCan, JLL – "European Student Housing Report" 2017, CSC, Savills Australian Student Accommodation Report 2018, C&W – "UK Student Accommodation Report" 2018/19, C&W – "European Student Accommodation Guide" Spring 2018, Knight Frank – "Australian Student Housing – 2018", Knight Frank – "Global Student Property", 2019, Universities Canada, HESA, NCES.

Large PBSA acquisitions over the past few years in the US and UK markets have been priced at premium valuations relative to the single-asset valuation cap rates witnessed in their respective markets. Management of the General Partner believes that the 'beach-head' investments have warranted premium valuations given the quality of the portfolios, the long-term economies of scale advantage created in the acquisitions and the built-in management capabilities of certain acquisitions.

Student Housing Capitalization Rates:



Sources: CBRE, JLL, Savills Spotlight Global Student Housing 2019, News Articles, Public Filings

Recent Global Non-US & UK PBSA Transactions

Date	Acquirer	Beds	Region	Value (US$mm)
Mar-16	Deutsche Real Estate Funds (DREF)	NA	Germany	75
Jun-16	Deutsche Real Estate Funds (DREF)	1,100	Germany	79
Jul-16	GSA (GIC JV)	988	Germany	N/A

Date	Acquirer	Beds	Region	Value (US$mm)
Oct-15	Greystar	939	Netherlands	100
Nov-16	Student Hotel	1,500	Netherlands	206
Nov-16	University of Ottawa	385	Canada	42
Dec-16	Allianz, CBRE, Intl Campus	1,238	Germany	N/A
Dec-16	Woodbourne Private Equity	963	Canada	80
2016	Xior (multiple deals)	768	Netherlands	113
2016	Swiss Life REIM (multiple deals)	NA	France	171
2016	La Francaise	282	France	9
Feb-17	Harrison Street / HPC (developer)	1,200	France	N/A
Apr-17	GIC	1,043	Australia	302
2017	Scape Fund II	N/A	Australia	400
2017	BlueSky Fund I / Goldman Sachs	N/A	Australia	300
Sep-17	Greystar JV	9,309	Spain	N/A
Sep-17	Woodbine Private Equity	502	Canada	39
May- 18	Knightstone Capital Management	1,023	Canada	47
Aug-18	Canadian Student Living Group LP	455	Canada	35
Sep- 18	Woodbourne Private Equity	589	Canada	36
Sep- 18	Woodbourne Private Equity	1,146	Canada	72
Nov- 18	Canadian Student Living Group LP	357	Canada	42
Jan-19	Woodbourne Private Equity	238	Canada	11
Mar-19	Canadian Student Living Group LP	503	Canada	70
April-19	Canadian Student Living Group LP	536	Canada	40
April-19	Canadian Student Living Group LP	419	Canada	31
April-19	Canadian Student Living Group LP	449	Canada	34
April-19	Canadian Student Living Group LP	588	Canada	23

Source: Savills - World Student Housing 2016/17, PropertyEU and public announcements.

THE CANADIAN STUDENT HOUSING SECTOR

As shown in the above tables, the Canadian off-campus PBSA sector is in the early stages of development in comparison to the US and UK markets. Canada currently has only 4% of its students living in off-campus PBSA, which is substantially below developed markets such as the US and UK, which have 10% and 14% living in off-campus PBSA, respectively. The General Partner believes that the Canadian market presents attractive PBSA investment opportunities given the underlying supply/demand imbalance for student beds and the current attractive acquisition pricing environment for high-quality Canadian PBSA (driven by early-stage sector unfamiliarity and limited competition for assets).

The General Partner believes that the Canadian PBSA sector is under-developed relative to many of its peers for the following reasons:

- ***Relatively Local Nature of University Selection*****:** The Canadian market has historically witnessed higher ‘local’ university selection (more students living at home) than other major OECD countries and therefore the need for PBSA beds has been lower than other markets. This has been driven in large part by the concentration of universities in major city centers, as well as the French language post-secondary education concentration in Montréal and Québec City. There is however, a recent trend towards greater out-of-province enrollment by Canadian students, as well as the globalization of post-secondary students, which is accelerating the need for additional beds in the major university markets.

- ***Regional/Historical Preferences for Traditional Housing*****:** Until recently, many Canadian students have favoured traditional off-campus housing in basement apartments and/or multi-tenant homes. These facilities typically have not had substantial capital investment over the years and offer limited security and amenities to the students other than a bed and shared bathroom. The REIT has noticed a shift in preference with students and their parents looking for a higher-quality product with greater security/safety and amenities, while still experiencing the student life-style. Similar to other markets around the world, student preferences have increasingly moved away from traditional facilities and towards purpose-built properties that are specifically designed to appeal to modern day university students.

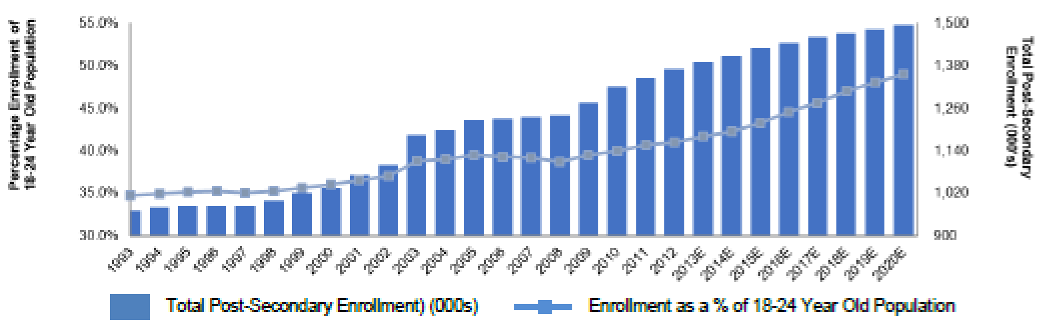
- ***Urban Locations and the Resulting Prohibitive Cost of Building*****:** Canadian post-secondary institutions have been largely clustered in urban centres. In contrast, US universities and colleges are much more dispersed, many of which are in suburban/rural areas with cheap adjacent land for PBSA development. Canadian PBSA developments have been hampered by the higher cost to build in urban centres (vertical build on expensive land) and lack of institutional capital to fund the sizeable projects. The growing spread between student enrollment growth and available beds in Canada is making the upfront costs of development more palatable for local developers and the expected introduction of institutional capital (such as this REIT) should further the development of new PBSA across the country.

- ***Lack of Institutional Capital Focused on the Sector*****:** Large-scale institutional capital has not yet made investments in the Canadian PBSA sector; therefore, growth in development and consolidation of this highly-fragmented industry has been limited. Interest is starting to grow in the space and the General Partner believes that Canadian and global institutional support is likely to develop following further consolidation of the sector and proof on execution by the major/known operators.

As a result of the changing dynamics in the Canadian market, the REIT expects the Canadian student housing sector will unfold over-time to have similar characteristics to its global peers.

Continued Growth in Canadian Enrollment: According to Employment and Social Development Canada, post-secondary education enrollment as a percentage of the 18 to 24 age group population increased dramatically from 35% in 1993 to 41% in 2012, and is forecasted to continue to increase over the next three years, reaching 49% in 2020. Over the last 20 years, Canada has experienced enrollment growth at a compounded annual growth rate of approximately 2.0%, with enrollment increases each year, demonstrating the recession resistant nature of the asset class. Over the last 17 years, total undergraduate enrollment in the US grew at a lower compound rate of 1.4%[12] and in the UK, student enrollment has stayed relatively stable over the last 10 years[13].

Canadian Post-Secondary Enrollment

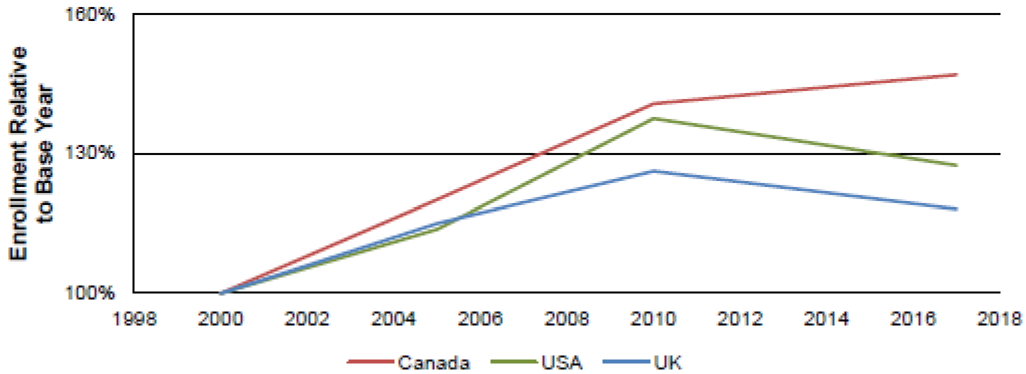


Source: Statistics Canada, Employment and Social Development Canada and Association of Universities and Colleges of Canada.

Canada's enrollment growth of post-secondary students is currently outpacing the traditionally strong US and UK markets.

[12] Undergraduate Enrollment, National Centre for Education Statistics. https://nces.ed.gov/programs/digest/d18/tables/dt18_306.10.asp
[13] HESA, https://www.hesa.ac.uk/

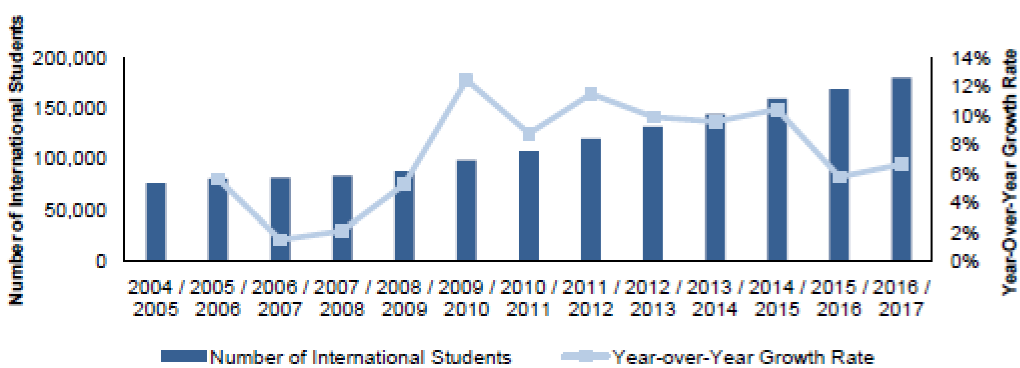
Global Post-Secondary Enrollment



Source: Statistics Canada, National Center for Education Statistics, and Higher Education Statistics Agency, 2009-2017.

International Enrollment in Canada is Gaining Momentum: The increase in post-secondary enrollment has been driven by growth in both domestic and international student enrollment. The Trustees and management of the General Partner believe that international students are an important source of demand for student housing and trends point to continued growth in the international student population. Attracting foreign students to Canadian post-secondary institutions has garnered increased attention in recent years by the government and schools who are seeking to capture the increased economic benefits that these students provide. In 2016, the Federal Government calculated that international students in Canada spent around $15.5 billion on tuition, accommodation and discretionary spending (14.5% of Canada's total service exports to the world). The Government also announced a new International Education Strategy with the goal of more than doubling the international student and researcher population by 2022. These policy changes have helped drive the changing trends over the last decade; as the US and UK market share of international students are declining, Canada is gaining popularity, according to Research from Oxford University[14]. Between 2010 and 2018, the number of international students in Canada increased by 154%, representing an eight-year CAGR of 12.4%.[15] International student enrollment at Canadian universities for the 2017/2018 school year has risen 16% from the previous year.[16]

International Post-Secondary Students in Canada



Source: Statistics Canada – International Students in Canadian universities.

Canada's appeal to international students is accelerating given a broad spectrum of influences, including (a) the quality of the Canadian education system; (b) the relative cost of a Canadian education to other major English-speaking countries; (c) quality of living standards; (d) the safety of Canada; (e) the ease of access to student visas and (f) the

14 University of Oxford, International Trends in Higher Education, 2015.
15 Canadian Bureau for International Education.
16 Canadian Bureau for International Education.

subsequent access to work visas. 96% of international students recommend Canada as a study destination.[17] The REIT believes international student growth will remain robust for the foreseeable future for many reasons, including:

- ***Canadian Dollar Decline:*** Student enrollment from outside of Canada has increased/accelerated in the past few years as the Canadian dollar has declined relative to the USD. Compared to staying in their country of origin or other alternatives such as the US, the low Canadian dollar provides students with a reduced price for tuition, housing, books, and other living expenses. In 2016, international students paid approximately C$26,395 on average in tuition, according to Statistics Canada. With the exchange rate at roughly 77 US cents per CAD (as of November 30, 2020), students would pay approximately US$20,150 in comparison to a US education which averages an annual tuition cost of US$35,676, according to a September 2018 US News article[18].

- ***Increase in Student Visas***: In 2014, the Canadian federal government announced an International Education Strategy aiming for 450,000 international students and researchers by 2022. Between 2008 and 2018, the number of student permits that became effective each year nearly tripled from 128,411 permits to 356,545 permits; by the end of 2018, there were more than 572,000 active study permits. Many international students are further enticed by the program as a pathway to permanent residency through post-graduate work permits offered for up to three years post-graduation. Of the international students admitted to Canada in the early 2000s, 25% became permanent residents over the 10 years that followed[19].

- ***Top Ranked Cities for Global Students:*** Canadian post-secondary institutions have been characterized by their high-quality educations, multi-cultural environments, and safe campuses. In 2018, Montréal ranked as the world's fourth-best city for students by the 2018 QS Best Student City rankings, based on its multi-cultural, inclusive and student-centered environment. Canada was the only country with three cities in the top 20, including Toronto (#13) and Vancouver (#17).

In a recent report published on August 8, 2018 at the Australian International Education Conference, IDP Education released its latest Student Buyer Behaviour research which examined more than 2,977 students' perceptions of the five main English speaking countries and Canada ranked first in 4 of the 5 major categories driving the student's post-secondary school destination decision.

Source: IDP Education Research

Continued Restrictions for On-Campus Student Housing Supply:

On-campus housing supply is very limited at most Canadian post-secondary institutions. The on-campus capacity will typically support only a fraction of total university enrollment (targeting predominantly 1st year students). On-campus development is limited at post-secondary institutions due to financial constraints placed on the institutions by provincial governments. New on-campus housing developments have been limited in Canada with most universities barely being

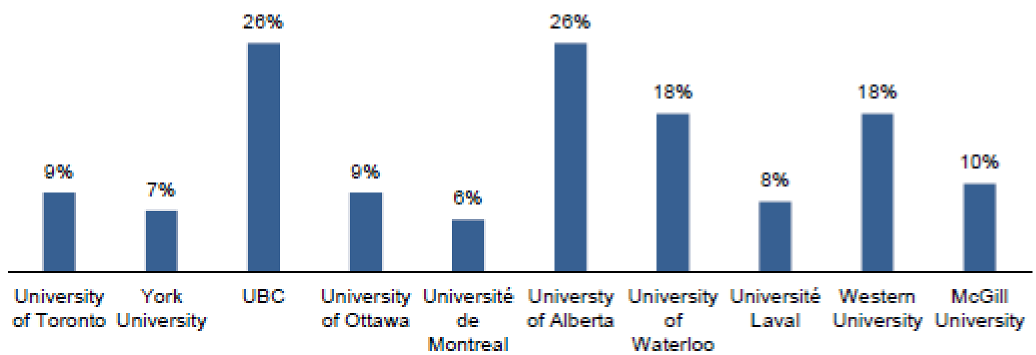
[17] CBIE International Student Survey 2018.
[18] US News – "What You Need to Know About College Tuition Costs."
[19] Statistics Canada. Study: International Students, Immigration and Earnings Growth (22-08-2017).

able to support the maintenance on their existing facilities. According to the 2014 OECD Education at a Glance Report, Canada's post-secondary schools spend over 86% of their available cash on current operations leaving very little for capital investments. According to the 2014 Student Housing Report by Urban Strategies[20] as part of York University's housing plan, the Ontario government does not provide support for housing construction, operation or maintenance, meaning Ontario universities must operate residences at full cost-recovery. At that time, the growing deferred maintenance costs for the University's aging housing was $133 million, which is substantial when compared to York's 2014 current income of only $2 million.

In a study prepared by Sightlines LLC with contributions from the Canadian Association of University Business Officers in 2014, it was estimated that the deferred maintenance for the 51 participating Canadian universities was $8.4 billion, more than double the amount reported in 2000 by the same group. A review of the deferred maintenance by building function shows that mission-critical facilities represent the bulk of the reinvestment need. The current state of infrastructure at Canadian universities highlights that access to capital to expand the bed-count (and/or improve the current beds) is very limited and will be secondary to many other more important capital needs.

Based on information made publicly available for the top 10 post-secondary institutions in Canada (based on full-time enrollment), the average available on-campus accommodation as a percentage of full-time enrollment is only 11-12% (see below), which is similar to the US market, and is not expected to grow in the near-future.

Selected On-Campus Student Housing as a Percentage of its Full-Time Enrollment



Source: Statistics Canada, Employment and Social Development Canada, Association of Universities and Colleges of Canada and Canadian Bureau for International Education ("CBIE"), University Websites.

Limited New PBSA Build Relative to Student Growth:

The private off-campus PBSA sector in Canada is growing with new developments coming on-line each year; however, the growth is not keeping up with the growth in student population (need for beds). In Canada, the General Partner estimates that there are 3,000 PBSA new beds being built each year which is well below the estimated 15,874 new beds needed each year to support the typical student population growth. The student bed supply/demand imbalance is actually growing in Canada as compared to other markets in the world, such as the US and UK where new PBSA bed development is similar to the organic growth in student population.

	US	UK	Australia	Canada
Students (Full-Time)	12,077,300	1,844,545	1,079,042	1,067,370
Growth per year (%)	(0.40%)	2.59%	3.71%	2.68%
Growth per year (#)	(48,000)	46,495	38,595	27,849
% Local Students (No beds needed)	48.00%	20.00%	35.00%	43.00%
New Beds Needed per year (#)	(24,960)	37,196	25,087	15,874
Run-Rate Yearly Off-Campus Housing Supply Growth	45,000	25,000	6,000	3,000
% of New Beds Needed	N/A	67%	24%	19%
New Supply as % of Current				

[20] Urban Strategies.

Off-Campus	4%	9%	24%	8%

Note – Canadian enrollment data only includes university statistics – no updated information for colleges; growth understated as it does not incorporate college enrollment growth

Sources: HESA, StatsCan, UnivCan, NCES, Australian Government Department of Education, and the General Partner.

Comparing the Canadian and US PBSA Markets:

Management of the General Partner believes the Canadian market offers compelling investment and operating metrics relative to its more developed neighbor to the south.

	USA	Canada	Commentary
Student Enrollment Growth	~(0.5%)	~2.7%	Canada's underlying demand for beds is growing at faster pace than the US.
Current Off-Campus PBSA as % Full Time Students	10%	4%	Canada's market is underdeveloped and therefore less competitive = long-term price and occupancy advantages
Annual New Supply as % of Full Time Student Growth	N/A	11%	Canada's new supply not keeping up with student population growth – the already light competitive environment is not getting any tougher
Risk of New On-Campus Beds	Limited	Limited	Canada and the US universities face similar access to capital hurdles and are not expected to build substantial numbers of new on-campus beds
Average University Enrollment	~4,000	~10,000	Canada's universities are typically larger than its US peers and therefore present a more attractive, lower risk operating environment for off-campus PBSA
Annual Tenant Retention	20-30%	50-70%	Canada has substantially less annual turnover (tenants stay for 2-3 years, not 1 year) – very large reduction in operating risks and costs compared to the US market which requires 2 to 3 times the number of new tenants each year to keep occupancy in the mid 90s
NOI Margin	50-55%	65-70%	Canada's less competitive environment and substantially lower turnover allows the company to control its expenses and manage towards a higher NOI margin
Construction	Sticks and Bricks	Poured Concrete	Canada's vertical build market costs more per bed to develop; however, it greatly reduces the long-term maintenance and capex costs relative to lower quality building in the US market.
Amenities	Resort	Condo	Canada's amenities are attractive and costs less to maintain every year than the resort style facilities in the US.
Value Comparison to Multi-Family Apartments (Cap Rates)	Similar	+150bp	Canada's PBSA sector is underdeveloped...the M&A market is even more underdeveloped and offers attractive buy in pricing relative to the multi-family apartment sector

Canadian Market Growth in PBSA:

All of the foregoing characteristics and trends highlight that there is a significant market growth opportunity in the Canadian PBSA sector. The continued growth in student population, combined with the lack of new on-campus beds, under-investment in traditional sources of housing and the shifting demands of the modern student, is creating an environment of inevitable growth in off-campus PBSA. The missing elements to the opportunity include a broader/more educated PBSA industry (operators and developers) and institutional capital to fund its development.

The REIT believes it is well positioned to take advantage of these opportunities with a particular focus in the near term on consolidating the current market to create the large-scale asset owner/operator company that can provide operating insight and market support to the developer community. The General Partner believes that the right capital backing, combined with a broadening of operating expertise/focus, will help drive the PBSA sector in Canada to levels currently witnessed by its global peers. The General Partner believes that the Canadian PBSA sector can grow from approximately 39,000 beds today to well over 100,000 beds in the next ten years, assuming capital and expertise are properly sourced by the industry.

Canada's PBSA Sector Development to Date:

The PBSA industry already exists in Canada, but it is much smaller than its global peers. The Trustees and management of the General Partner estimate that there are approximately 39,000 off-campus PBSA beds in Canada that are worth approximately $3 to $4 billion. Almost 16,000 of those beds are in the Waterloo market servicing the ~55,000 students at the University of Waterloo and Wilfrid Laurier University. The remaining 23,000 beds are located broadly across the country.

The Canadian PBSA sector offers the same underlying operating characteristics witnessed in other global markets, such as the US; however, there are slight variances which require a different approach to certain operations. As an example, the Canadian market typically has two tenant turnover or cycle dates per year (May and September), which is different than the US's single cycle model. This model forces the Canadian operating teams to prepare for turnover semi-annually. The turnover in Canada is operationally more manageable for an owner, as there are a smaller number of individuals moving in/out on a particular day and therefore less wear-and-tear on the building. The Canadian market is also a 12-month lease market, which is easier to manage and offers a lower-risk profile, whereas certain global markets have 8-month leases, which requires the local leasing staff to try and find "off-term" tenants.

The net results are similar to the other major markets – the strong underlying demand for beds have allowed the good operators to realize and maintain near 100% occupancy in their buildings, grow pricing at premium levels and realize attractive net operating margins.

This sector in Canada has been developed predominantly by local developers who have built assets to support the local market's need for student beds. The development projects have tried to mirror the newest global trends in PBSA amenities (bed/bath parity, student-oriented amenities, in-unit laundry, etc.) and the majority of this development has occurred in the past 5 years, providing an abundance of newly-developed, operating, PBSA to be acquired. There has not been a major consolidator in the sector to date. As such, the sector is highly-fragmented with very few owners of greater than 1,000 total beds. Owners with greater than 1,000 beds are typically focused on a single market or a particular region (local developer).

Large Canadian PBSA Owners:	**Est. Beds**
Woodbourne Private Equity	3,441
Canadian Student Living LP	**3,394**
Knightstone Properties & Investors	2,500
Centurion Apartment REIT	2,402
CSC/JD Development	1,697
ACCOMOD8U	1,537
KW4Rent	1,500
Schembri	1,148
Starlight Investments	1,022
CLC/London Property Group	1,000
Campus Suites	1,000
EVO (Baumont Partners)	800
Rise Real Estate	754
CHC Student Housing	695
Ashcroft	500
Regent	468
WerkLiv	300

Source: Public Information, news articles, Management estimates.

The REIT believes that local developers are not interested in owning/operating these assets for the long-term. They, and their investors, planned for a build-then-sell approach to their PBSA investments - similar to their multi-family apartment developments. The general investment strategy of the developer was to build the property at an effective cap rate of 7.25% to 7.50% with the plan to sell the asset immediately after commencing operations at a lower 'operating' cap rate. The value differential between the build and sale cap rates presents an attractive return to the developer given the 4-to-5 year investment period and the amount of leverage embedded in the project. The General Partner has been in discussions with developers/owners of over 12,000 beds for the past 24 months. There is a substantial universe of Canadian developers that would like to sell their operating PBSA in order to redirect their capital gains into new local developments (including additional PBSA investments). Many of the local developers are facing increasing pressure from their investment partners to monetize their operating assets and are actively looking at divestiture alternatives.

Many of the operating assets in Canada have been managed by local developers. The General Partner believes there is an opportunity to improve the operating results of the typical developer-operated assets. Based on management's continued due diligence of assets, there are many examples of simple operating efficiencies that can be gained quickly when acquiring a developer-operated PBSA.

Limited Competition to Acquire Canadian PBSA

There is currently very little institutional capital targeting the Canadian PBSA sector and the Trustees and management of the General Partner believe the REIT is the only pure-play investment vehicle focused on the sector and its consolidation.

There are a few real estate investors in the sector that allocate a portion of their capital to the opportunity; however, their focus is predominantly on the larger real estate sectors in the country. As mentioned earlier, many of the larger PBSA developers reluctantly own their operating assets and are not looking to grow their operating asset base. The General Partner believes that the largest current PBSA owners are not likely to compete with the REIT to consolidate the sector. Certain multi-family real estate investment trusts such as Timbercreek and Centurion have a portion of their fund invested in student housing; however, the General Partner believes that the operating nature of the PBSA business is different from the typical multi-family real estate investment trust asset management approach and they have therefore been reticent to increase their exposure to date. Woodbourne, a private equity real estate investment company, recently purchased a portfolio of PBSA from developers and are looking to allocate a portion of their fund to the sector. Lastly, there is a regular flow of small, one-off private market deals for PBSA in Canada that are supported by high net worth individuals. These buyer groups are typically brought together by the developer and/or investors in a new-build and are not natural long-term competition for the REIT looking to consolidate a large portfolio of assets.

The large Canadian pension funds have purchased multi-billion-dollar portfolios of PBSA in the US, UK and other markets; however, they have yet to make similar investments in Canada. The General Partner believes that the scale of the local pensions (and the global investor peers) makes it difficult for them to consider pursuing a one-by-one asset accumulation approach that is necessary to build an attractive asset portfolio and operating company in Canada.

Similar to the early stages of development in the US and UK markets, investor uncertainty/limited education have created a unique environment of limited/no competition for the REIT, providing the optimal environment for a market leader to emerge and dominate the sector.

INVESTMENT STRATEGY

Focused on the near-term consolidation of the existing Canadian PBSA sector

- Consolidate high-quality assets in attractive student housing markets
- Secure attractive purchase prices
- Focusing on acquiring operating assets rather than pursuing development or conversion opportunities

Quality assets and speed to market

- Leverage extensive work completed to date to quickly target and close attractive acquisitions

Focused management on operational excellence

- Operational upside in the industry from economies of scale, best practices and acquisition synergies

Develop scale to drive long-term economics and exit options

Leverage platform and execution to maximize long-term returns to Unitholders

The REIT is focused on the near-term indirect consolidation of high-quality operating assets in the Canadian PBSA sector. Although there is substantial PBSA development opportunity in Canada, the REIT believes that the near-term consolidation strategy is the more attractive near-term risk/reward opportunity. The Trustees and management of the General Partner believe that the creation of a large scale consolidated owner/operator will also help drive the long-term development opportunity in the sector.

The REIT's primary objective is to indirectly acquire high-quality PBSA at attractive valuations and incorporate those assets into CSL. CSL's management will focus on generating stable, inflation-protected and growing cash flows from those assets. Management focuses on the sector and identifies high-quality targeted PBSA assets across the country which are valued in excess of $1 billion. The General Partner has executed a substantial amount of due diligence on a number of PBSA acquisition targets, which should allow the General Partner to proceed quickly on its growth strategy.

Consolidate Quality Assets in Quality Markets

The REIT is focused on indirectly acquiring newly-built, operating, high-quality PBSA adjacent to growing tier-1 universities.

This is achieved by (a) identifying potential acquisitions targets; (b) developing the optimal top-down and bottom-up asset level due diligence process; (c) conducting extensive due diligence on a number of student housing assets and (d) identifying operating efficiencies across an established portfolio of assets, management has gained a substantial understanding of the market and its operations. Management's efforts negotiating transactions with potential vendors and financiers has honed their skills and helped develop an investment assessment process that is both thorough and efficient.

The REIT is focused on the entire Canadian PBSA market and expects in the long-term to provide investors with exposure to a diversified cross-country portfolio of assets with a national operating platform that capitalizes on both local and national economies of scale. Throughout management's due diligence of the sector, there have been some regional discoveries that will likely impact the near-term acquisition patterns of the General Partner, which include, (a) the limited interest to invest in the Vancouver and Toronto markets given the current pricing environment and student location flexibility; (b) 40% of Canadian university enrollment is in Ontario which creates a disproportionate number of investment opportunities in the province; (c) the Quebec market opportunity for PBSA is smaller than the rest of Canada because of its higher "local" student population driven in part by its French language school concentration in its two largest cities; and (d) the smaller city universities in Canada are growing at attractive rates, absorbing the local and international demand, and offer attractively priced PBSA opportunities.

The REIT is focused on indirectly acquiring newly-built, operating, high-quality student housing assets adjacent to tier 1 post-secondary institutions. Management has been in discussions with owners of Canadian PBSA over the past three years, completed various levels of due diligence on over $1 billion worth of assets and has a very strong/structured investment process that is focused on acquiring PBSA with certain attributes, including: (a) targeting high-quality student housing markets supporting high-quality post-secondary institutions; (b) close proximity to campus (typically within one kilometer); (c) newer facilities (under approximately 10 years old); (d) high-quality build with proper ongoing investments to date; (e) high-end student-oriented amenities; (f) established student community and reputation, as well as (g) safety and privacy for tenants. The General Partner will seek to drive the scale of the business but not at the expense of the quality of the portfolio or the price paid for the assets. Scale will benefit the returns of the Unitholders in many ways, including (i) economies of scale will help reduce administrative costs on a per facility basis while maximizing operating cash flows of the business; (ii) increased access to capital markets which should lower the REIT's cost of debt financing; and (iii) increased interest by global PBSA investors will increase exit options, flexibility and pricing.

Some of the broader themes the REIT is using in its planned consolidation of the Canadian PBSA sector include, but are not limited to the following:

- ***Geography***. Acquiring PBSA in established student markets poised for future demand growth including:

    (i) high-quality universities ensuring high levels of attendance and sustained demand for student housing;

    (ii) high levels of international student enrollment, as international students are more likely to live in PBSA than domestic students;

(iii) universities with limited on-campus residences and limited opportunity to build additional on-campus residences thereby creating market demand for PBSA;

(iv) universities with limited off-campus PBSA relative to student demand or off-campus housing that is predominately apartments or housing;

(v) universities with established brands resulting in sustained student enrollment; and

(vi) a focus on universities as opposed to colleges with shorter degree durations resulting in:

(A) higher student turnover; and

(B) lower tenant quality; and

(vii) limited competing PBSA under construction or expected in the near-term.

- ***Assets.*** Acquiring PBSA that are:

(i) walking distance to a university or universities and ideally to student-oriented entertainment districts;

(ii) fully built (not under development) allowing for:

(A) immediate profit generation upon acquisition;

(B) lower risk profile than PBSA under development.

The REIT may consider (a) newly occupied PBSA (just built and doors recently opened to tenants) if the asset can be acquired at an attractive price and (b) new development PBSA in the medium-term to support or compliment then current operating assets of CSL. The REIT will also consider the indirect purchase of underproducing PBSA due to poor management or other factors if the assets are in an attractive market, can be acquired at a market discount and management is confident they can quickly improve underlying operation of the assets (value-add and/or repositioning type assets);

(iii) recently built, high-end, institutional PBSA that are Grade A to A+ facilities allowing for:

(A) easy marketability to potential tenants; and

(B) a reduction in unanticipated maintenance costs post acquisition;

(iv) typically in excess of two hundred beds allowing for maximization of economies of scale within the asset; and

(v) well maintained with attractive student-oriented amenities and a student-oriented environment that is appreciated by the current tenants;

- ***Portfolio Strategy***. The PBSA portfolio strategy will include:

(i) leveraging its first mover advantage by being the first market participant to acquire multiple PBSA in concentrated geographies areas;

(ii) accumulation of multiple PBSA in a concentrated geographic areas to realize economies of scale and develop regional brand presence;

(iii) diversifying portfolio by acquiring PBSA in varying geographic areas avoiding overexposure to one market;

(iv) integration of PBSA management and support services over time including sales, leasing, and maintenance; and

(v) avoidance of acquiring PBSA in certain large metropolitan markets such as Toronto of Vancouver given heightened competition, high acquisition costs, and easily accessible public transportation providing students with opportunities to reside further away from campus thereby decreasing the market demand for proximate PBSA.

The Trustees and management of the General Partner strongly believe that an in-market roll-up strategy is very attractive for long-term value creation. Local operating synergies can be realized on purchased assets which will improve acquired NOIs substantially within a short time period, significantly increasing the acquired property's value. The General Partner will consider an acquisition in a new university market if it (a) can initially purchase a premiere asset, and (b) can expect to acquire additional assets in the near future to capitalize on in-market operating efficiencies at the local and national level.

Focusing on the investment criteria highlighted above, in tandem with the extensive market due diligence conducted, has allowed management to create a target acquisition pipeline of over $1 billion worth of PBSA. Approximately 60% of the targeted acquisition pipeline has already been through some due diligence by management. Acquisitions can be executed quickly, which will allow the REIT to indirectly capitalize on its position as a first-mover in the market.

The work done by the General Partner has helped develop a comprehensive due diligence process when assessing new investment opportunities. Below is an outline of the anticipated process, subject to property specific considerations:

- ***Assess the Market Opportunity:*** The General Partner will assess the overall market opportunity of the property with three levels of analysis. First, site visits will provide information to assess the location, property staff and tenants. Second, a local market analysis will provide a top-down view of the regional market with respect to student enrollment growth, demand/supply dynamics, and expansion potential at each university. Third, an assessment of the competitive landscape will show near-by available and future student housing alternatives including on-campus housing.

- ***Property-Level Operations:*** The General Partner will conduct a review of property-level operations, including:

  (i) Tenant leases – Reviewing guarantors, lease terms, and validating authenticity;

  (ii) Rent Rolls – Reviewing historical and current rent rolls;

  (iii) Debt Terms – Reviewing terms and conditions of existing debt, any complexity upon change of control;

  (iv) Service Contracts – Reviewing all out-sourced service contracts at each property (i.e. landscapers, painters, cleaners, internet providers, etc.); and

  (v) Property-Level Expenses – Reviewing/comparing every expense at the property level in their operating ledgers.

- ***Third Party Experts:***

  (i) Environmental Site Assessments – Conducting environmental site assessments with environmental engineering consulting firms;

  (vi) Building Condition Reports – Conducting and updating building condition reports with engineering consulting firms over ten-year horizon; and

  (vii) Appraisals – Conducting and updating appraisals.

- ***Underwriting Work:***

    (i) NOI underwriting based on data collection and forward-looking strategies;

    (viii) Bottom-up approach;

    (ix) Synergy analysis (top-line and bottom-line opportunities);

    (x) Sourcing debt financing options;

    (xi) Conducting audit work; and

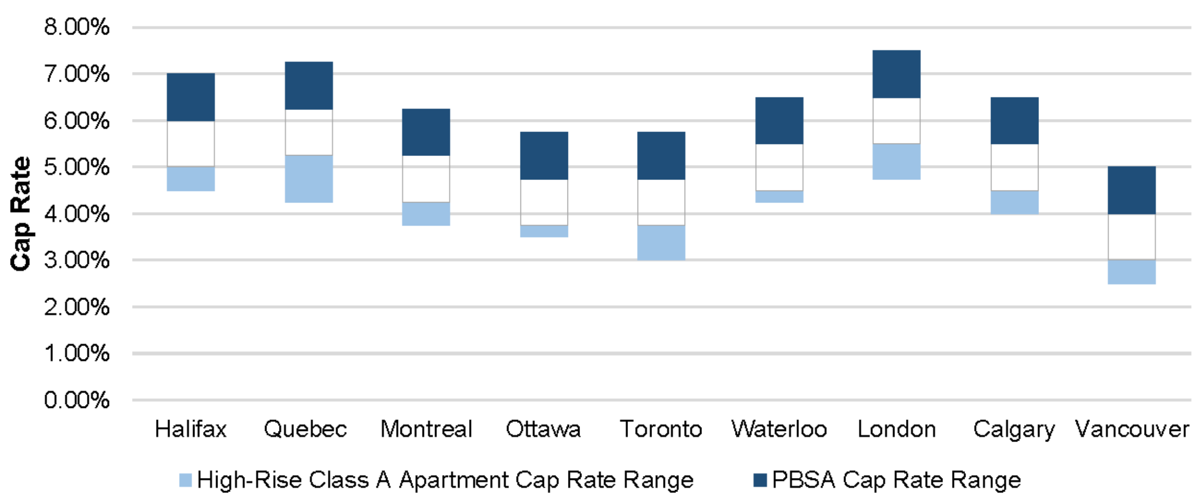
    (xii) Conducting title searches.

<u>Leverage Near-Term Acquisition Price Leadership:</u>

The General Partner plans to leverage its recent work and leadership in discussions with possible PBSA vendors to realize a favourable purchase price on its property acquisitions. Management is in ongoing discussions with owners and developers of PBSA in Canada regarding their current operating assets and future development plans. As such, management has developed a unique insight into the selling pressures faced by individual vendors and has portrayed the REIT as a viable near-term exit solution for asset owners. The industry is attractive for the REIT to consolidate the sector and vendors may be accommodating on valuation discussions (to a degree) given the limited current competition for assets, as well as the developer community's long-term need for a robust secondary market for operating assets.

The REIT's primary investment strategy is to indirectly acquire high-quality operating assets, and therefore, it is essential for the REIT to indirectly acquire assets at attractive prices. The General Partner believe that will be successful in acquiring assets at attractive cap rates that will allow for significant long-term value to be realized by the Unitholders.

High-quality PBSA in attractive markets can be purchased at a cap rate premium when compared to older, more traditional multi-family apartments in the same market. The General Partner believe that (a) limited understanding in Canada of the PBSA sector combined with (b) limited institutional capital to date and (c) the local PBSA developers being past their planned exit date on their developments has created a potentially attractive market environment for a knowledgeable buyer. The REIT intends to be focused on protecting this acquisition price discount for as long as possible by being strict with the REIT's acquisition pricing, leveraging its speed to close and ensuring vendors appreciate its ability to deploy its limited capital towards other acquisitions 'down the street or in another part of the country'. The General Partner's targeted acquisition cap rate varies by market (see below chart).



Increases in acquisition pricing is expected by the Trustees and management of the General Partner in the long-term given the likely increase in PBSA sector focus, which will benefit Unitholders as its valuation should increase in tandem with high-quality PBSA acquisition pricing.

Buy Operating Assets vs. Build/Converting Opportunities

Given the scale of the consolidation opportunity for high-quality fully-built and operating assets, the REIT will not seek in the near-term to allocate substantial capital to early stage student housing developments or the repurposing of multi-family residential real estate or hotels into purpose-built student housing. The REIT is in preliminary discussions with high-quality developers to help build our acquisition pipeline in the future (post-sector consolidation).

Development and conversion strategies currently offer limited return premiums to the consolidation strategy but have a higher risk profile.

Conversion Opportunities: The typical conversion opportunity will start with a multi-family apartment or hotel that is close to a university and will require capital, time and management focus to convert the asset into a student housing asset. The premium returns associated with these conversion opportunities proposed by developers and/or investment partners are highly volatile given the magnitude of assumptions and risks on execution. In management's due diligence, management has witnessed a series of precedents in the Canadian PBSA space that highlights the pitfalls of conversions and the risks of 'perfect execution' to match promised returns. The ability of effectively converting a hotel property or traditional 30-year-old multi-family apartment into a high-quality PBSA is limited by 'what you are starting with'. There is more to student housing than location of an asset – the asset layout, amenities and student environment are essential for short and long-term success of any asset. Therefore, the risk profile of (a) buying a traditional multi-family asset at a premium valuation to PBSA, (b) investing substantial additional capital to improve the layout and amenities to students and then (c) charging a substantial premium to the previous rental rates to support returns is too much risk relative to the ability of the General Partner to purchase fully-built high-quality PBSA at current valuations.

Development Opportunities: Development projects have more underlying risks, including permitting, construction, financing and timing risks which the REIT does not need to take on in the near-term given the quality and scale of the consolidation opportunity. Developments could take 5 years to build and would not be cash flow generating at the time capital is deployed and may not have achieved maximum value by the time the REIT is considering liquidity options for its Unitholders. The General Partner believes that development projects currently do not provide the same risk-adjusted returns as operating properties - for example, although development projects can be acquired at marginally higher cap rates (plus synergies to get higher) for operating assets, the General Partner believes the risk for development does not currently outweigh the potential premium return. The General Partner believes that there is an attractive investment opportunity in the development sector (especially given the creation of a Canadian PBSA consolidation market to support post-development sales) and will monitor the opportunities in the near-term and develop a long-term strategy at the right time in the future. The General Partner expects to offer purchase solutions to developers that are nearing completion on attractive new PBSA developments to help them secure a near-term sale of an asset.

Focus Management on Operational Excellence and Upside:

The REIT's structure will allow the management team at CSL to focus on its current acquisitions and the integration of all future acquisitions, which is essential given student housing is as much an operating business as it is a real estate investment. There are opportunities for the CSL management team to realize operating efficiencies, including (a) the integration of property management functions, (b) the realization of best practices and local/national economies of scale in operations and (c) the realization of integration synergies (local and national) following the purchase of new PBSA.

The Trustees and management of the General Partner believe that CSL should be able to achieve 95% tenant occupancy in acquired PBSA and attractive annual rental rate growth in excess of inflation and its multi-family apartment peers due to the underlying supply/demand dynamics for the PBSA sector and the higher annual tenant turnover in student housing. The Trustees and management of the General Partner also believe that CSL will be able to realize additional new revenue growth through value-enhancing initiatives on its portfolio of PBSA. Management of CSL will be focused on cost savings at a local and national level given the scale the REIT expects to realize with the acquisition of PBSA. At a local level, CSL will focus on bundling its property operations (such as maintenance and leasing operations/marketing), and third-party services (such as garbage removal, snow removal and landscaping services) to maximize efficiencies and NOI margins. At a national level, CSL will be focused on using its scale to help increase bargaining power for contracted expenses such as security, internet and insurance contracts.

Management of CSL will be tasked with the integration of all property management services in-house as quickly as feasible. The development of property management in-house will eliminate the annual 4% to 6% net revenue fee and will allow CSL to realize the full economies of scale available from its fixed cost property management structure. The development of a top-quality property management back-office will allow the management to have control over their operations, maximize CSL distributions to the REIT and REIT distributions to Unitholders.

CSL's management will be tasked with developing integration strategies for all acquired PBSA. Management will develop 90, 180 and 360-day programs for every acquisition and will be tasked with executing on their schedule.

Scale to Drive Long-Term Economics

The General Partner will seek to drive the scale of CSL by acquiring additional PBSA; however, not at the expense of the quality of the portfolio or the prices paid for the assets. Scale will help the returns of the REIT, including (a) economies of scale to help maximize operating cash flows of the business (scale important for in-house property management and the realization of cost efficiencies with certain operating expenses such as internet, security or insurance pricing); (b) increased access to capital markets which should lower the cost of debt financing, and (c) increased interest by global PBSA investors which will increase exit options, flexibility and long-term value.

In addition, the REIT believes that growth in scale will increase its brand and become more reputable among students, universities and parents.

Scale will benefit long-term access to debt capital at attractive rates. This is true for most industries; however, the REIT believes it to be particularly true and impactful in the PBSA sector. The limited amount of institutional support to date for Canadian PBSA is not just an equity phenomenon, but also one that exists in the debt markets. As such, the typical terms for debt financing in the Canadian PBSA sector have been less attractive or flexible relative to the multi-family apartment sector or other niche segments such as nursing homes or long-term care facilities. Scale of operations is expected to increase debt investor interest in the sector and in a market leader such as CSL, which should translate into long-term cost of debt savings and flexibility for the REIT.

The Trustees and management of the General Partner believe that scale of operations will increase the monetization options in the long-run which will likely increase distributions to Unitholders. Scale and market leadership position (combined with quality of assets and operations) will broaden the universe of potential acquirers to include some of the largest private pensions in the world (including Canadian pensions), as well as the larger public and private PBSA owners/operators that are looking to diversify operations to include the fast-growing Canadian market. Scale of operations also makes an initial public offering a potentially attractive alternative for the REIT given the global public market receptivity to large PBSA companies.

Leverage Platform and Execution to Maximize Long-Term Value Realization

CSL will operate the PBSA acquired by the General Partner which will create profit maximization to CSL and ultimately to the REIT and Unitholders:

- High-quality PBSA maintained at high standards will benefit from strong underlying supply/demand forces to experience outstanding NOI and value growth;
- High-quality and experienced management will be allowed to focus on operational improvements to drive long-term control and NOI growth;
- Acquisitions will be executed with exacting standards (including price) and will be integrated in the operating platform to maximize synergies and value;
- Leverage local and national scale to minimize risk-profile and maximize operating and capital structure efficiencies to drive NOI and free cash flow growth;
- Broaden PBSA market interest in Canada which should drive down the long-term cap rates for the PBSA sector to levels comparable to the rest of the world and/or the Canadian multi-family apartment segment; and
- Leverage scale and structure to maximize interest (and options) during potential exit periods.

PBSA ACQUISITIONS

Strong Pipeline of Potential Future PBSA Acquisitions

- Diligence by management on properties conducted routinely

- High-quality, recently built operating assets in Canada
- Attractive high-end amenities in close proximity to high-growth universities
- Scale to integrate property management in-house and realize certain operating efficiencies
- Diligence substantially completed resulting in ability to close quickly
- Targeting acquisition of further PBSA at attractive purchase prices
- Targeting letters of intent on PBSA in near-term
- Over 30 additional assets worth in excess of $1 billion

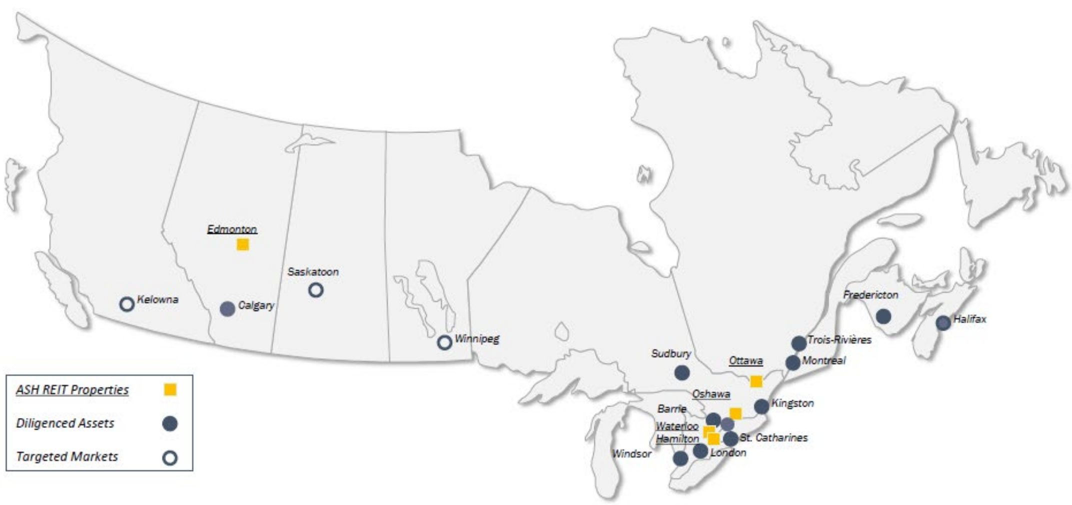
Integration Strategy for each Asset to Grow Long-Term Value

- Already developed integration strategies for certain assets

PBSA

The REIT routinely identifies targeted PBSA assets to be acquired, contingent on proceeds of the Offering and access to mortgage debt. Management is in various stages of negotiation on the targeted PBSA assets. Once management has completed substantial due diligence on PBSA and once letters of intent are signed, the REIT is in a position to move quickly to close.

Near Term Targeted Assets Location Map



Management is routinely in discussions with owners of Canadian PBSA and completes various levels of due diligence on over $1 billion worth of assets and has a very strong/structured investment process that is focused on acquiring PBSA with certain attributes, including: (a) targeting high-quality student housing markets supporting high quality post-secondary institutions; (b) close proximity to campus (typically within one kilometer); (c) newer facilities (under approximately 10 years old); (d) high-quality build with proper ongoing investments to date; (e) high-end student-oriented amenities; (f) established student community and reputation, as well as (g) safety and privacy for tenants. The General Partner will seek to drive the scale of the business but not at the expense of the quality of the portfolio or the price paid for the assets. Scale will benefit the returns of the Unitholders in many ways, including (i) economies of scale will help reducing administrative costs on a per facility basis while maximizing operating cash flows of the business; (ii) increased access to capital markets which should lower the REIT's cost of debt financing; and (iii) increased interest by global PBSA investors will increase exit options, flexibility and pricing.

Each of the targeted PBSA assets currently uses some component of third-party property management services at a cost ranging from 4% to 6% of net revenues.

PBSA Markets / Universities

City	*Targeted University*	*Full-Time Enrollment*	*Full-Time 5-Yr Growth*	*2018 Application Growth*	*On-Campus Beds (%)*
Waterloo	Waterloo	37,372	11.2%	5.8%	18%
Waterloo	Wilfrid Laurier	16,422	3.7%	3.8%	18%
St. Catharines	Brock	16,357	1.2%	5.2%	16%
Hamilton	McMaster	32,100	23.1%	9.2%	13%
London	Western	36,285	5.6%	4.0%	18%
Oshawa	U.O.I.T	9,419	0.9%	5.3%	15%
Ottawa	University of Ottawa & Carleton University	61,294	4.8%	15%	11%

Sources: Enrollment growth as of 2014; Common University Data Ontario, Universities Canada, and University websites. Note: 5 year growth and application growth for Western based on main campus only and does not include related colleges. 2018 Application growth as of January 18, 2018 compared to previous year. On-campus bed % based on Universities Canada full-time enrollment data and university websites.

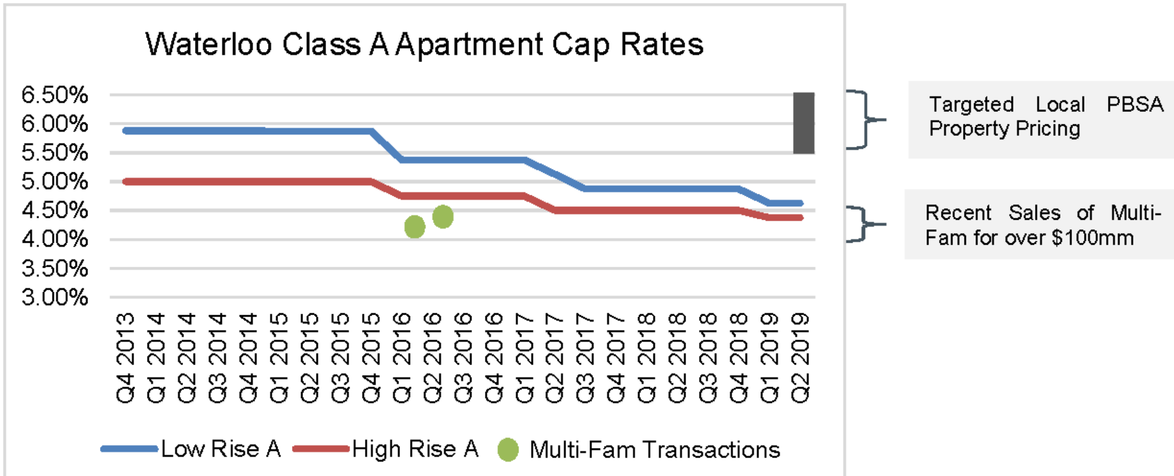
The General Partner is in various stages of discussions with owners in the targeted markets for the acquisition of additional PBSA. The assets targeted are all Class-A buildings that the General Partner believes can be purchased at a fair and attractive price in the near-term.

PBSA Purchase Prices

The General Partner has been in discussions with vendors of PBSA and intends to complete the acquisition of PBSA with the net proceeds from the Offering combined with cash-on-hand and debt from mortgages at valuations similar to recent transactions. The General Partner believes that M&A has been somewhat limited to date in the Canadian PBSA sector and that the average price paid for PBSA in Canada over the past few years has been approximately 150bp higher than traditional multi-family apartment cap rates.

Targeted Market Valuations

The General Partner is targeting markets such as Waterloo, Ontario in Canada for PBSA. The Waterloo market is the most developed PBSA market in Canada. The region (including the cities of Cambridge, Waterloo and Kitchener) is comprised of approximately 523,894 residents making it the tenth largest census metropolitan area in Canada and is recognized as a leading Canadian Technology region. The General Partner believes that Waterloo has over 2,000 PBSA beds that may be available for purchase in the near-term. The targeted beds match-up with the REIT's investment criteria and may be available at purchase prices with cap rates similar to the recent Canadian PBSA transactions. The General Partner believes that such acquisition prices would be attractive given the quality of the targeted assets and relative to the prices being paid for traditional multi-family apartments in the region.



The Canadian PBSA market has witnessed multiple transactions in the past year in markets outside of Waterloo which have been priced at 100-200bp cap rate premiums to the national apartment rate.

FUTURE ACQUISITIONS

Management is routinely in acquisition discussions across the country with various PBSA owners and completes various levels of due diligence (including third-party assessments) on over 30 potential acquisitions with over 14,000 beds, worth over $1 billion. The assets match-up with the REIT's targeted investment strategy/criteria and present an attractive portfolio of assets to pursue in the short-term.

Acquisition Strategy

The General Partner believes that it should move quickly to acquire additional PBSA. The REIT is in a unique position to consolidate the fragmented industry in Canada in advance of major third-party participation.

Due Diligence Process and Oversight

Management has developed an asset level due diligence strategy based on the team's top-down and bottom-up due diligence on over $1 billion of PBSA in the past two years. The General Partner believes that the anticipated process is both efficient and complete. The General Partner's database of asset level operations and profits and loss statements has positioned the REIT well to move quickly to consolidate the market with high-quality underwriting scenarios for asset-level NOIs, synergies and capital costs

Market Opportunity	Property-Level Operations	Third Party Experts	Underwriting Work
• **Site Visits:** Visiting properties to assess location, property staff and tenants • **Market Analysis:** Analyzing regional market on student enrollment growth, expansion at each university cities/towns, etc. • **Competitive Landscape:** Assessing near-by available student housing alternatives including on-campus housing offerings, as well as planned development projects	• **Tenant Leases:** Reviewing guarantors, lease terms and validating authenticity • **Rent Rolls:** Reviewing historical and recent rent rolls • **Debt Terms:** Reviewing terms and conditions of existing debt, any complexity upon change of control • **Service Contracts:** Reviewing all out-sourced service contracts at each property (i.e. landscapers, painters, cleaners, internet providers, etc.) • **Property-Level Expenses:** Reviewing/comparing every expense at property level in operating ledgers	• **ESAs:** Conducting environmental site assessments with environmental engineering consulting firms • **BCRs:** Conducting and updating building condition reports with engineering consulting firms over ten-year horizon • **Appraisals:** Conducting and updating appraisals	• NOI underwriting based on data collection and forward-looking strategies • Bottom-up approach • Synergy analysis (top-line and bottom-line opportunities) • Sourcing debt financing options • Conducting audit work • Conducting legal background checks (i.e. title searches)

Acquisition Synergies / Purchase Integration Strategy

Management maintains an asset-level integration strategy to ensure quality of service offering is improved on all new assets and NOI efficiencies are maximized.

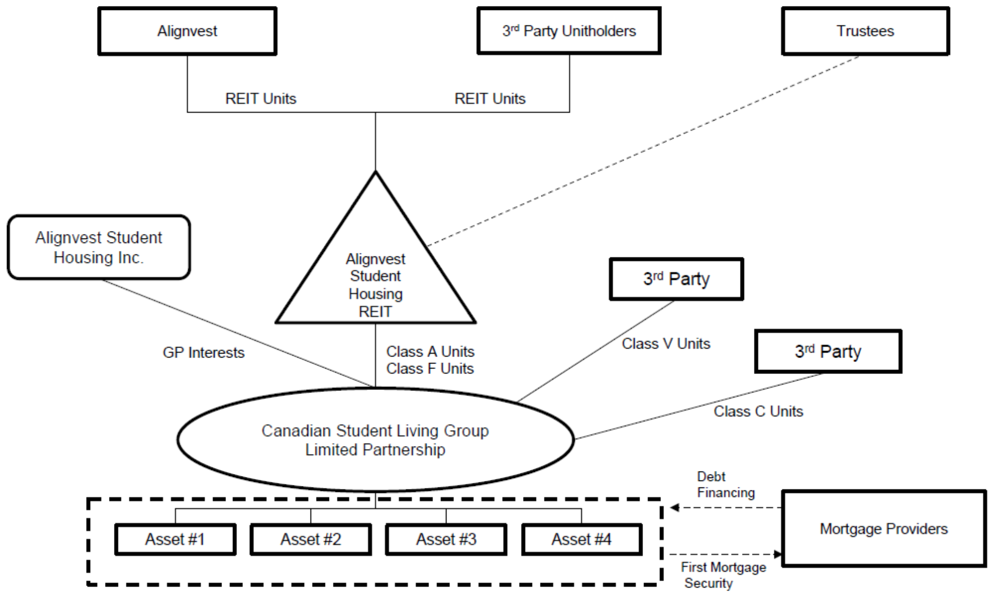
Integration Strategy	Targeted Local Synergies
• Developed during the due diligence process • Targeting a few key items: - Specific expense saving opportunities (local and national pricing comparison analysis) - Detailed personnel plan for each asset and integration plan for regional operations - Top-line assessment and plan for next 12 months • Management to develop 90,180 and 360-day plans for assets focused on above items • Post-close oversight - CSL Management responsible for delivery on plans - Single REIT team member assigned to each asset to monitor monthly rent roll and P&L - Monthly dash-board memos circulated internally at REIT to monitor progress and facilitate discussions with CSL management - Management presentations to REIT with planned updates and proposed changes	• Enhanced/Shared Services • Shared resources into regional operations - Wages & Benefits savings potentially substantial (i.e., single market General Manager vs. one-per-building, maintenance staffing, leasing staff) - G&A into centralized operations - Marketing costs – integrated leasing • Greater usage of R&M human hours – central 'part' depot • Local buying power advantage (i.e., landscape/snow removal, cleaning, temporary turnover and garbage removal expenses) **Targeted National & Scale Synergies** • Brand development and reputation with students, universities and parents • National buying strength / economies - Security, internet services, elevator maintenance, etc. - Head office costs, including internet / website - Service offerings (value enhancement and jvs) • Scale to tackle unique opportunities - Utility reduction strategies - Technology initiatives (i.e., internet services)

The General Partner has been in discussions with various operating teams and believes that there are substantial synergy opportunities available to the REIT when it indirectly acquires PBSA in a market where the REIT already has a presence. As an example, the General Partner has developed a strategy to pursue when it acquires a substantial stand-alone 400-500 bed PBSA in an established market which will target an NOI margin increase of 3 to 4% from payroll reductions from operational integration, marketing integration, and local contract improvements as well as efficiencies. Such improvements, if realized, would benefit Unitholders as it is projected that an original acquisition cap rate would effectively increase 50bp, post synergies. Similarly, the General Partner has developed strategies for adjacent smaller asset purchases which would leverage incumbent asset amenities and operations to improve the product offering to tenants of the newly acquired assets and realize substantial operating synergies which may, if realized, increase the NOI margin by as much as 10% and increase effective cap rates by up to 100bp.

REIT STRUCTURE

The following sets forth the principal operating structure of Alignvest Student Housing REIT:

The REIT will indirectly acquire all PBSA through CSL. The REIT intends to use the proceeds from the Offering in combination with cash-on-hand and mortgage debt to fund further indirect acquisitions of PBSA. CSL may also enter into additional acquisition financing debt transactions at the CSL level to facilitate the timely purchase of additional properties. See "*Financing Strategy Considerations*". Alignvest Management Corporation controls the General Partner. Investment funds managed and/or advised by the Alignvest Investor have subscribed for the Alignvest Commitment. An agreement dated Commitment Date reflects the terms of the Alignvest Commitment, including that the investment shall remain in the REIT for three years from the Commitment Date and may thereafter be reduced or fully redeemed.



FINANCING CONSIDERATIONS

Debt Financing Strategy

CSL is targeting long-term leverage of approximately 65% loan-to-value. The debt is expected to be provided from first-mortgages on an asset-by-asset basis. There may be times in the life of CSL that leverage is above or below the targeted percentage because of various market factors; however, CSL's management team will seek to remedy those variances as soon as practically possible. CSL will also seek to (a) minimize the amount of floating rate debt to limit cash-flow volatility and (b) secure longer-term debt financing when appropriate based on market prevailing terms and conditions. CSL will use its judgment regarding the optimal balance of fixed rate debt along with any decisions regarding term of any new debt financing.

Overall Strategy:

- Target 65% loan-to-value
- Acquisition facility to improve speed to purchase assets
    - (i) reside at CSL
    - (ii) 2nd lien on specific assets
    - (iii) target leverage up to 65%, subject to increase to 70% for short periods of time
    - (iv) pay-down quickly with equity issuance to reduce leverage back to target levels

- Fixed Rate Debt to minimize FCF volatility
- Term of debt depends on market environment at the time of quotes from various lenders
- Diversified base of mortgage providers
- Bundle assets when appropriate to generate better terms for CSL
- CMHC supported debt when appropriate

Target PBSA:

PBSA acquisition discussions are expected to result in some PBSA being acquired by CSL with their current outstanding debt being retained by CSL. The average leverage of the PBSA being considered for acquisition where the debt is expected to be retained by CSL has a loan-to-value of approximately 60%.

Depending on the final asset mix of PBSA held indirectly by the REIT, the REIT will likely need to seek some new first mortgage debt financing at certain acquired assets and develop a medium-term strategy to refinance the retained asset level debt at attractive terms. CSL will seek to work with multiple lenders on new acquisition financing to generate an attractive set of options to finance the free and clear future PBSA.

Additional Asset Acquisitions:

It is expected that additional assets to be acquired will be 'free and clear' of any ongoing debt obligations. CSL is expecting to work with multiple parties to develop a favourable financing package for each transaction. Similar to management's experience with previous acquisitions, the expectation is that multiple options will be presented to CSL in order to finance the acquisition of new assets.

MANAGEMENT OF ALIGNVEST STUDENT HOUSING REIT

GENERAL

The investment policies and operations of Alignvest Student Housing REIT are subject to the control and direction of the Trustees. The Trustees manage the day-to-day operations of Alignvest Student Housing REIT. The General Partner is responsible for due diligence on all PBSA and acquisitions of PBSA. The General Partner, on behalf of itself and on behalf of CSL, maintains an investment committee that will make all decisions relating to the acquisition and financing of PBSA. CSL manages all acquired PBSA acquired thereafter.

Trustees

The Declaration of Trust provides that the assets and operations of Alignvest Student Housing REIT are subject to the control and authority of the Trustees. The General Partner is, during the term of the Partnership Agreement, entitled to appoint all of Trustees.

Pursuant to the Declaration of Trust, each Trustee is required to exercise the powers and duties of his or her office honestly, in good faith with a view to the best interests of Alignvest Student Housing REIT and the Unitholders and, in connection therewith, to exercise that degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

<u>Conflict of Interest Restrictions and Provisions.</u> The Declaration of Trust contains "conflict of interest" provisions that serve to protect Unitholders without creating undue limitation on Alignvest Student Housing REIT. Given that the Trustees and senior officers of Alignvest Student Housing REIT are engaged in a wide range of real estate and other activities, the Declaration of Trust contains provisions that require if a Trustee or an officer of the REIT is a party to a material contract or transaction or proposed material contract or transaction with the REIT or its subsidiaries, or is a director or officer or employee of, or otherwise has a material interest in, any Person who is a party to a material contract or transaction or proposed material contract or transaction with the REIT or its subsidiaries, such Trustee or officer of the REIT, as the case may be, shall disclose in writing to the Trustees or request to have entered in the minutes of meetings of Trustees or a committee of the Trustees, as the case may be, the nature and extent of such interest.

Trustees

The name and municipality of residence, office held with Alignvest Student Housing REIT and principal occupation of each Trustee of Alignvest Student Housing REIT are as follows:

Name	Municipality	Office	Principal Occupation
Sanjil Shah	Toronto, ONT	Trustee	Managing Partner, Alignvest Student Housing Inc. Managing Partner, Alignvest Management Corporation
Nancy Lockhart	Toronto, ONT	Chair of Trustees and Trustee	Director, George Weston Limited; Director, Choice Properties REIT; Director, Atrium Mortgage Investment Corporation
Reza Satchu	Toronto, ONT	Trustee	Managing Partner, Alignvest Management Corporation
Rajiv Silgardo	Toronto, ONT	Trustee	Director, OMERS Administration Corporation; Chair, Greyhawk Investments
Robert Wolf	Toronto, ONT	Trustee	Corporate director, active investor and financial management professional

Sanjil Shah, Managing Partner

Sanjil Shah is a Trustee of the REIT and the Managing Partner of the General Partner. Mr. Shah is also a Managing Partner of Alignvest Management Corporation and on the board of directors of Edgewood Health Network. Prior to joining Alignvest, Mr. Shah was the Chief Financial Officer and Chief Operating Officer of StorageNow, a niche real estate business that consolidated a fragmented real estate sector in Canada. Mr. Shah oversaw the acquisition, development and operations of 11 self-storage stores in Ontario, Saskatchewan and Alberta. The portfolio was successfully built over a four-year period and sold to InStorage REIT for cash consideration of $110 million. Prior to joining StorageNow, Mr. Shah was a Senior Manager at KPMG LLP. Mr. Shah holds a Bachelor of Arts from the University of Toronto and is a Chartered Professional Accountant and Certified Professional Accountant (Illinois).

Nancy Lockhart, Chair of Trustees and Trustee

Nancy Lockhart is the Chair of the Trustees and a Trustee of the REIT. Ms. Lockhart is a director of George Weston Limited, Choice Properties REIT and Atrium Mortgage Investment Corporation. Previously, Ms. Lockhart was the Chair of Gluskin Sheff + Associates, Inc., and a director of Loblaw Companies Limited, Canada Deposit Insurance Corporation, Retirement Residence REIT and Barrick Gold Corporation. Additionally, Ms. Lockhart was formerly the Chief Administrative Officer of Frum Development Group and a Vice President of Shoppers Drug Mart Corporation. Currently, she is the Chair Emeritus of Crow’s Theatre Company and Director of The Royal Conservatory of Music, and was previously Chair of the Ontario Science Centre, President of the Canadian Club of Toronto, Chair of the Canadian Film Centre, Director of the Centre for Addiction and Mental Health Foundation and Director of The Canada Merit Scholarship Foundation. Ms. Lockhart was awarded the Order of Ontario in 2006

Reza Satchu, Trustee

Reza Satchu is a Trustee of the REIT. Mr. Satchu is a Managing Partner and co-founder of Alignvest Management Corporation, an alternative asset management company with interests in a broad spectrum of investments, including real assets and real estate. Mr. Satchu has co-founded, built, and/or managed several operating businesses from inception including: Alignvest Management Corporation, SupplierMarket, a supply chain software company with over 125 employees and investors that included KKR & Co. L.P. executives and Sequoia Capital, which was sold to Ariba Inc. for share consideration implying an enterprise value of US$924 million; StorageNow, which became one of Canada’s largest self-storage companies prior to being sold to InStorage REIT for cash consideration of $110 million; and KGS-Alpha Capital Markets L.P., a U.S. fixed-income broker dealer with over US$150 million of equity capital. Mr.

Satchu has a bachelor's degree in economics from McGill University and a Masters of Business Administration from Harvard University.

Rajiv Silgardo, Trustee

Rajiv Silgardo is a Trustee of the REIT. Mr. Silgardo is a director of the OMERS Administration Corporation, where he serves as a member of the Board's Investment and the Human Resources Committees. Mr. Silgardo has over 30 years' experience in the investment industry as a senior executive in the areas of asset and wealth management. He retired in late 2019 as President and CEO of UBC Investment Management Trust, where he spearheaded the allocation and investment of the University's Endowment and Pension portfolios across private and public asset classes. Prior to joining UBC in December 2016, Mr. Silgardo was Co-CEO of BMO Global Asset Management ("BMO GAM"), which he helped establish and grow from approximately $50 billion in assets under management in 2009 to over $300 billion by mid-2016. Earlier, Mr. Silgardo spent 14 years with Barclays Global Investors ("BGI"). Mr. Silgardo served initially as Chief Investment Officer and subsequently led the firm as President and CEO in Canada. In addition to OMERS, Mr. Silgardo serves as Chair of the Investment Advisory Committee of Greyhawk Investments. He is a past member of the Investment Committee of the Vancouver Foundation, the TSX Trading Advisory Committee and of the Board of Governors of the Bishop Strachan School in Toronto. He has also served on the Advisory Board at The Ted Rogers School of Business at Ryerson University and the Board of Directors of Canada Exchange Traded Funds Association. Mr. Silgardo received his B. Comm (Honours) and M. Com degrees from Delhi University, India, and an MBA from the University of North Carolina at Chapel Hill. He is a CFA Charterholder.

Robert Wolf, Trustee

Robert Wolf is a Trustee of the REIT and a corporate director, active investor and financial management professional. Since 2008, through RTW Capital Corporation, he has been making active investments in and providing advisory services to North American businesses in a variety of sectors. Mr. Wolf is currently a trustee/director of (i) WPT Industrial REIT (TSX:WIR.UN), serving as Lead Trustee and member of the Audit Committee; and (ii) MYM Nutraceuticals Inc. (CSE:MYM), serving as Chair of the Audit Committee. Mr. Wolf previously was also a director of (i) InnVest REIT (TSX:INN.UN), serving as Chair of the Investment Committee and member of the Audit Committee, Nominating and Governance Committee and Capital Structure Task Force; (ii) OneREIT (TSX:ONR.UN), serving as Chair of the Investment Committee and member of the Governance and Compensation Committee; (iii) C.A. Bancorp Canadian Realty Finance Corp. (TSX:RF.A), and (iv) Monarch National Insurance Company, serving as Chair of the Audit Committee. Prior to 2008, Mr. Wolf was the Chief Financial Officer of RioCan REIT from its inception in 1994. In this role, he led all efforts to raise equity and debt capital in the public markets. In addition to being responsible for all financial reporting and compliance functions, he also played a key role in a number of significant transactions, including corporate acquisitions, joint ventures and debt restructurings. Prior to 1994, Mr. Wolf held a variety of positions in both public accounting and private/public real estate companies. Mr. Wolf is a Chartered Professional Accountant and holds a Masters of Business Administration from the Schulich School of Business at York University and a Bachelor of Commerce from McGill University.

Trish MacPherson, Partner

Trish MacPherson is a Partner of the REIT and the General Partner. Ms. MacPherson most recently ran an independent consulting business and spent 14 years with Canadian Apartment Properties REIT ("CAPREIT") as Executive Vice President, Operations and Vice President, Sales and Marketing. Ms. MacPherson's responsibilities included revenue management, leasing and marketing, investor relations, customer experience, commercial and field operations, and new-build development for CAPREIT's portfolio of residential rental suites and manufactured home sites across Canada, the Netherlands and Ireland. Prior to CAPREIT, Ms. MacPherson worked in public relations, and sales and marketing in diverse industries such as pharmaceuticals, software, and consulting and accounting firms. Additionally, Ms. MacPherson currently acts as a mentor for Toronto CREW and sits on the advisory board of a real estate software company. Ms. MacPherson received her BScH from Queens University and her MBA from the Richard Ivey School of Business at Western University.

Celia Chan, Chief Financial Officer

Celia Chan is the Chief Financial Officer of the General Partner as well as the Vice President of Finance of Alignvest Management Corporation. Prior to joining Alignvest, Ms. Chan was a Manager at Ernst & Young LLP, a global professional services firm, where she specialized in providing audit and advisory services to clients in the financial services industry, specifically asset management companies and mutual funds. Ms. Chan is a Chartered Professional Accountant and holds a Bachelor of Commerce and Finance from the University of Toronto.

Greg Duggan, Vice President

Greg Duggan is a Vice-President at Alignvest Management Corporation. Since joining Alignvest in 2016, Mr. Duggan has worked on a number of the firm's initiatives including the acquisitions of Sagicor Financial Corporation and Trilogy International Partners, the fundraising for Alignvest Acquisition II Corporation, and the ongoing portfolio management of a number of Alignvest's businesses including Edgewood Health Network, Trilogy International Partners, Alignvest Student Housing, and NorthPoint Investment Partners Limited. During this time, Mr. Duggan has also been actively involved in evaluating new investment opportunities for Alignvest. Prior to joining Alignvest, Mr. Dugganwas an Associate at Onex Partners focused on evaluating private equity investments across a number of industries, including Onex's investments in BBAM, FLY Leasing, and Meridian Aviation. As part of his role, Mr. Duggan was also involved in fundraising efforts for a strategy-agnostic aircraft leasing platform. Mr. Duggan began his career in the investment banking division of Credit Suisse in Toronto where he advised companies on M&A, equity, and debt transactions with coverage focused on the natural resource and diversified sectors. Mr. Duggan holds an MBA from Harvard Business School, a Bachelor of Commerce (Honours) from Queen's University and is a CFA Charterholder.

Jake Mandel, Senior Associate

Jake Mandel is a Senior Associate at Alignvest Management Corporation. Since joining Alignvest, Mr. Mandel has been actively involved in evaluating new investment opportunities for Alignvest Student Housing REIT and has been responsible for the management of the REIT's existing portfolio. Prior to Alignvest, Mr. Mandel was instrumental in underwriting and conducting due diligence for prospective transactions at Dundee Private Equity, which included the qualifying acquisition for the first listed Canadian Special Purpose Acquisition Corporation. Mr. Mandel also spent two years overseeing the portfolio management of Dundee Corporation's existing investments, as well as the Purpose-Built Student Accommodation ("PBSA") activities of Dundee Acquisition, including the due diligence of over $400 million of PBSA acquisitions in Canada. Mr. Mandel earned an HBA from the Richard Ivey School of Business, graduated on the Dean's Honour List and passed with Distinction.

Bradley Williams, Vice President, Operations

Bradley Williams is the Vice President, Operations at Canadian Student Living. Since joining CSL, Mr. Williams has overseen all capital projects including the renovation at Village Suites Oshawa, the cabling retrofit at 1Eleven, the upcoming Hamilton lobby renovation and the upcoming Waterloo unit configuration retrofit. With expertise in contract negotiation and a strong supplier network, he has persistently realized 10-20% savings throughout each of these capital projects. Mr. Williams also oversees market research, budget and rent analysis and operational review for current and new acquisitions, as well as development projects. Prior to Canadian Student Living, Mr. Williams worked at CHC Student Housing as VP, Operations. In this role, Mr. Williams oversaw all operations for both the public and private companies, and regularly conducted due diligence for new acquisitions and potential development projects. With a 20-year history in student housing, Mr. Williams has an extensive experience in all areas of the industry. Mr. Williams holds a Bachelor's of Science from Colorado State University and a Master's Degree from Western Illinois University in College Student Personnel graduated with Honours.

Amanda Kalbfleisch, Director, Operations

Amanda Kalbfleisch is the Director, Operations at Canadian Student Living. Since joining CSL, Ms. Kalbfleisch has been actively involved in overseeing all property management activities. Ms. Kalbfleisch has strengthened partnerships with local universities, streamlined operational inefficiencies, and begun developing a web presence for Canadian Student Living, with a new website under development. Ms. Kalbfleisch has numerous projects underway to promote revenue growth, including a water retrofit at the Waterloo properties, and EV charging installations portfolio wide. Prior to Canadian Student Living, Ms. Kalbfleisch was directly managing PBSA as a Regional Director at CHC Student Housing. In this role, Ms. Kalbfleisch directly supervised all property operations, including staff management, financial reporting and receivables. Ms. Kalbfleisch is currently enrolled in the MBA program at Lazaridis School of Business and Economics, has earned certificate in Project Management and a Bachelor of Arts, passed with Distinction.

Remuneration of Trustees

The Trustees will be paid such annual or other compensation for their services as the Trustees may from time to time determine.

A Person who is employed by and receives salary from Alignvest Student Housing REIT, the General Partner or Affiliates thereof will not receive any remuneration from Alignvest Student Housing REIT for serving as a Trustee or senior officer.

The Trustees will also be reimbursed for reasonable travel and other expenses properly incurred by them in attending meetings of the Trustees or in connection with their services as Trustees.

CSL

CSL is a limited partnership formed under the laws of the Province of Ontario pursuant to a limited partnership between Alignvest Student Housing Inc. as its general partner and the REIT as the initial limited partner pursuant to the terms of a limited partnership agreement dated as of May 4, 2018 as further amended and restated as of January **[1]**, 2021 (the "**Partnership Agreement**"). CSL owns and manages all PBSA and will own and manage any subsequently acquired PBSA. The General Partner is responsible for conducting due diligence on all potential PBSA acquisitions, negotiating as well as acquiring all PBSA, disposition matters, and related financing matters. In addition, it is responsible for the day to day operations of the assets of CSL, which are anticipated to be PBSA, as well as providing advice and guidance to the Trustees.

The General Partner is majority owned by Alignvest Management Corporation and is subject to a unanimous shareholders agreement (the "**Shareholders Agreement**") that gives Alignvest Management Corporation control of the General Partner, subject to minority shareholder protections. Pursuant to the Shareholders Agreement, the General Partner, on behalf of itself and on behalf of CSL, will maintain an investment committee that will make all decisions relating to the acquisition and financing of PBSA.

The General Partner may be entitled to receive a special distribution upon the occurrence of a Liquidity Event or contemporaneously with a redemption of REIT Units or as part of Periodic Distributions. See "*Partnership Allocations and Distributions*".

Under the Partnership Agreement, the General Partner has the authority to (i) offer Class A LP Units, Class B LP Units, Class C LP Units, Class F LP Units and Class V LP Units, including at a discount as an incentive to encourage existing limited partners to reinvest distributions made by CSL in LP Units, and (ii) admit additional limited partners to CSL**.**

The General Partner may from time to time, at its discretion, create and issue other classes of units of CSL, provided that such units do not have more favorable terms than the Class V LP Units, unless consented to by the holder of Class V LP Units (the "**Class V LP Unitholder**"). Currently: (i) all of the issued and outstanding Class A LP Units are held by the REIT; (ii) all of the Class B LP Units are held by the General Partner; (iii) all of the issued and outstanding Class C LP Units are held by the Class C LP Unitholder (as defined herein) and were issued pursuant to the terms of the Class C LP Unit Purchase Agreement (as defined herein); (iv) all of the issued and outstanding Class F LP Units are held by the REIT; and (v) all of the issued and outstanding Class V LP Units are held by a third party that is arm's length to the REIT, CSL, and the General Partner and were issued to the Class V LP Unitholder as a portion of the purchase price of 265 Laurier Avenue East, Ottawa Ontario (the "**Annex**").

Pursuant to the terms of a purchase agreement between the purchaser of the Class C LP Units (the "**Class C LP Unitholder**"), (a third party that is arm's length to the REIT, CSL, and the General Partner) and CSL for Class C LP Units dated March 29, 2019 (the "**Class C Purchase Agreement**"), the Class C LP Unitholder subscribed for $13,500,000 of Class C LP Units. Pursuant to the terms of the Class C Purchase Agreement, (i) the Class C LP Unitholder may not, for a period of two years from the effective date of the Class C Purchase Agreement (the "**Lock-up Period**") transfer or redeem its Class C LP Units. For one year after the completion of the Lock-up Period (the "**Class C Redemption Period**"), notwithstanding the terms of the Partnership Agreement, the Class C LP Unitholder may redeem its Class C LP Units upon providing 90 days written notice to CSL and shall be entitled to receive a price per Class C LP Unit equal to the fair market value per Class C LP Unit (the "**Class C Redemption Price**"), subject to an early redemption penalty of 3% of the Class C Redemption Price (the "**Class C Early Redemption Penalty**") notwithstanding that in the event that the fair market value per REIT Unit is below $100.61 or the distribution per REIT Unit is less than $6.00 per REIT Unit on an annualized basis over the trailing of four quarters, then the Class C LP Units tendered for redemption shall not be subject to the Class C Early Redemption Penalty. Upon the expiration of the Class C Redemption Period, the Class C LP Unitholder may redeem its Class C LP Units in accordance with the terms of Partnership Agreement and upon the same terms and conditions as those applicable to REIT Units. In order to satisfy the Class C Redemption Price, CSL (i) will use available cash of the Partnership; (ii) use capital raised from new or existing investors in the Partnership; and (iii) with respect to the Special GP Distributions and/or Periodic Distributions payable to the General Partner, either satisfy them by way of promissory note or, if applicable, defer them in accordance with the Partnership Agreement. Notwithstanding the preceding terms, the Class C LP Unitholder is able to redeem its

Class C LP Units during the Lock-up Period upon the occurrence of certain prescribed events as set forth in the Class C Purchase Agreement.

Pursuant to the terms of a unit exchange right agreement dated March 4, 2019, between CSL, the Class V LP Unitholder, and the REIT, the Class V LP Unitholder is granted the right to exchange its Class V LP Units for REIT Units on a one for one basis. Pursuant to the terms of the Partnership Agreement, if at any time, the holder of any Class V LP Units exchanges Class V LP Units for REIT Units, such that the REIT becomes the holder of Class V LP Units, the REIT may elect to have all or a portion of the Class V LP Units re-designated as Class F LP Units on a one-for-one basis.

Pursuant to the terms of its purchase agreement for Class V LP Units dated March 4, 2019 (the "**Class V Purchase Agreement**"), under which the Class V LP Unitholder subscribed for $10,000,000 of Class V LP Units, for Class V LP Units purchased in excess of $4,000,000 (the "**Excess Units**"), the Class V LP Unitholder is entitled to redeem such Class V LP Units for a period of 24 months, up to a maximum of $3,000,000 of Excess Units per calendar quarter (the "**Class V Redemption Right**"). In the event of the exercise of the Class V Redemption Right, CSL shall pay to the Class V LP Unitholder an amount in respect of each Excess Unit equal to the fair market value of such Excess Unit, which, for greater certainty, will account for any corresponding Special GP Distributions (as defined herein) required to be paid in connection with any Redemption Distribution (as defined herein), minus the amount of any Redemption Distribution made pursuant to the Partnership Agreement (the "**Excess Redemption Price**"). The General Partner may satisfy payment of the Excess Redemption Price in cash or, in its discretion, unsecured, interest bearing, promissory notes repayable at any time, ranking senior to other classes of LP Units and any LP Notes, but shall not be secured against the property or assets of CSL. Upon satisfaction of the Excess Redemption Price, the Excess Units for which the Excess Redemption Price was paid shall no longer be issued and outstanding.

Alignvest Commitment

Investment funds managed and/or advised by or affiliated with Alignvest Management Corporation (the "**Alignvest Investor**") have subscribed to acquire greater than $20,000,000 of Class F REIT Units, on the same terms as third-party Subscribers (the "**Alignvest Commitment**"). An agreement dated June 15, 2018 (the "**Commitment Date**") reflects the terms of the Alignvest Commitment, including that the investment shall remain in the REIT for three years from the Commitment Date and may thereafter be reduced or fully redeemed.

DECLARATION OF TRUST AND DESCRIPTION OF UNITS

General

Alignvest Student Housing REIT is a limited purpose unincorporated open-ended investment trust established under the laws of the Province of Ontario pursuant to the Declaration of Trust.

REIT Units

The beneficial interests in Alignvest Student Housing REIT are divided into units. The REIT offers two classes of units, the Class A REIT Units and the Class F REIT Units (collectively referred to herein as the "**REIT Units**"). The REIT Units have the same rights and attributes with the exception that the Class A REIT Units are indirectly subject to the Management Fee charged in relation to the corresponding Class A LP Units held by the REIT. The number of REIT Units Alignvest Student Housing REIT may issue is unlimited. Each REIT Unit when issued shall vest indefeasibly in the holder thereof. The issued and outstanding REIT Units may be subdivided or consolidated from time to time by the Trustees with the approval of the majority of the Unitholders, or as otherwise provided in the Declaration of Trust. Each REIT Unit shall represent an undivided beneficial interest in Alignvest Student Housing REIT and distributions by Alignvest Student Housing REIT, whether return of capital, net income, net realized capital gains, or other amounts, and, in the event of a liquidation, dissolution, winding-up or other termination of Alignvest Student Housing REIT, in the net assets of Alignvest Student Housing REIT remaining after satisfaction of all liabilities.

No REIT Unit shall have preference or priority over any other.

Purchase of REIT Units

Alignvest Student Housing REIT shall be entitled to purchase for cancellation at any time the whole or from time to time any part of the outstanding REIT Units, at a price per REIT Unit and on a basis determined by the Trustees in compliance with Securities Laws.

Redemption of REIT Units

Subject to the restrictions set out below, REIT Units are redeemable on the last day of each month by the holders thereof upon delivery to the REIT of a duly completed and properly executed notice in a form reasonably acceptable to the Trustees requesting redemption, together with written instructions as to the number of REIT Units to be redeemed. REIT Units properly surrendered for redemption by a Unitholder at least 30 days prior to the last day of each month are redeemed on the last day of that month (the "**Redemption Date**"), provided that such notice period may be waived or shortened at the discretion of the Trustees. A Unitholder who properly surrenders a REIT Unit for redemption shall be entitled to receive a price per REIT Unit equal to the Fair Market Value per REIT Unit on the applicable Redemption Date, as determined by the Trustees pursuant to the Declaration of Trust (the "**Redemption Price**"), minus (i) if the REIT Units have been held for less than one (1) year, 5% of the Redemption Price of the REIT Units being redeemed; (ii) if the REIT Units have held for between 1 and 3 years, 3% of the Redemption Price of the REIT Units being redeemed; and (iii) if the REIT Units have been held for over 3 years, there is no applicable fee on redemption. All rights to and under the REIT Units tendered for redemption shall be surrendered on the applicable Redemption Date except for the right to receive the Redemption Price and any declared but unpaid distributions (not otherwise forming part of the Redemption Price).

Where REIT Units that are subject of a redemption were purchased from a distributor on the Fundserv network, a redemption request must also be entered into through the Fundserv network, and payment of the Redemption Price is made through the Fundserv network.

Subject to the above and a suspension of redemptions in the circumstances, the aggregate Redemption Price payable by the REIT in respect of any REIT Units surrendered for redemption during any month shall be satisfied by way of a cash payment in Canadian dollars within 15 days following the applicable Redemption Date, provided that the entitlement of Unitholders to receive cash upon the redemption of their REIT Units is subject to the limitation that the total amount payable by the REIT in cash in respect of REIT Units tendered for redemption in respect of the same month shall not exceed $250,000 in cash and in no case may the total amount payable by the REIT in cash in respect of REIT Units tendered for redemption in a month exceed 50% of Unencumbered Cash (provided that such limitation may be waived at the discretion of the Trustees) and subject to the Class V Redemption Right.

Cash payable for redemptions in respect of a particular month are paid pro rata to Unitholders on the basis of the Fair Market Value of the REIT Units tendered for redemption in respect of the month. To the extent a Unitholder is not entitled to receive redemption proceeds solely in cash as a result of redemption proceeds payable by the REIT exceeding $250,000 in cash in respect of the applicable month, (subject to the Class V Redemption Right), the balance of the aggregate Redemption Price for such REIT Units shall, subject to any applicable regulatory approvals, be paid and satisfied by way of a distribution in specie of assets held by the REIT. In such circumstances, it is expected that LP Units of a value equal to the balance of the aggregate redemption proceeds not to be satisfied by the REIT in cash (the "**Redemption Balance**") are redeemed by the REIT in consideration of the issuance by the CSL to the REIT of debt securities of CSL (each, a "**LP Note**") with an aggregate principal amount equal to the Redemption Balance. The LP Notes will then be distributed in satisfaction of the Redemption Balance. No LP Notes in integral multiples of less than $100 are distributed and, where LP Notes to be received by a Unitholder include a multiple less than $100, that number shall be rounded to the next lowest multiple of $100 and the excess are paid in cash. The REIT shall be entitled to all interest paid on the LP Notes, if any, on or before the date of the distribution in specie. Where the REIT makes a distribution in specie on the redemption of a Unitholder's REIT Units, the REIT may allocate to that Unitholder any capital gain or income realized by the REIT on or in connection with such distribution. LP Notes, which may be distributed to Unitholders in connection with a redemption, will not be listed on any exchange, no market is expected to develop in the securities of the CSL, and such securities may be subject to resale restrictions under applicable securities laws. LP Notes will *not* be qualified investments for RRSPs, RRIFs, DPSPs, RESPs, RDSPs and TFSAs under the Tax Act.

Redemption of REIT Units at the Option of the REIT

REIT Units may be redeemed at the option of the Trustees at any time by providing written notice to the applicable Unitholders at least ten (10) days prior. Redemptions at the option of the Trustees are on a pro rata and first in first out (FIFO) basis unless otherwise determined by the Trustees. Notwithstanding the broad discretion of the Trustees to redeem REIT Units, the Trustees may redeem REIT Units:

- to ensure that the REIT qualifies as a "mutual fund trust" for the purposes of the Tax Act;
- if a Unitholder becomes a "designated beneficiary" for the proposes of the Tax Act; or

- if the Unitholder's ownership of REIT Units would cause the REIT to become a "financial institution" for the purposes of the Tax Act.

Suspension of Redemption of REIT Units

The redemption of REIT Units may be temporary suspended by the REIT in the discretion of the Trustees for a period of no longer than 12 months if:

- the number of REIT Units tendered for redemption in a month would, if the Redemption Price were paid for such REIT Units, exceed 20% of the Fair Market Value of all of the issued and outstanding REIT Units at such time; or

- the redemption of REIT Units would result in the REIT no longer qualifying as a "mutual fund trust" for the purposes of the Tax Act.

In the event that the Trustees suspend redemptions the redemption of REIT Units are processed on a pro rata basis on the next, and if necessary, subsequent Redemption Date. The General Partner may also, in its discretion, suspend redemptions to the limited partners under the Partnership Agreement in such circumstances.

Redemption Distribution

CSL may make further distributions in respect of redeemed LP Units in the amount determined by the General Partner to reflect any income or gains arising in connection with the redemption of LP Units that the General Partner has determined should be allocated to the respective class of LP Units (a "**Redemption Distribution**"). See "*Distribution Policy*" below.

Meetings of Unitholders

The REIT does not intend to hold annual meetings of Unitholders. The Trustees shall have power at any time to call special meetings of the Unitholders at such time and place in Canada as the Trustees may determine. Unitholders holding in the aggregate not less than 25% of the votes attaching to all outstanding REIT Units (on a fully diluted basis) may requisition the Trustees in writing to call a special meeting of the Unitholders for the purposes stated in the requisition. A requisition must state in reasonable detail the business proposed to be transacted at the meeting. Unitholders may attend and vote at all meetings of Unitholders either in person or by proxy and a proxy need not be a Unitholder.

Holders of Class A REIT Units and Class F REIT Units are entitled to vote separately as a Class if required by securities legislation or if the Trustee determines that such Class is affected by any matter in a manner materially different from the other classes of units of the REIT. In this case, the Trustees shall convene a separate meeting of Unitholders of that Class, which meeting may be held concurrently with the meeting of Unitholders of the REIT as a whole.

Issuance of Units

The Trustees may allot and issue Class A REIT Units and Class F REIT Units at such time or times and in such manner (including pursuant to any plan from time to time in effect relating to reinvestment by the Unitholders of distributions of Alignvest Student Housing REIT in REIT Units) and to such "Person, Persons or class of Persons" as the Trustees in their discretion shall determine. The price or the value of the consideration for which REIT Units may be issued is the Fair Market Value of the Units and the terms and conditions of issuance of the REIT Units shall be determined by the Trustees in their sole discretion. In the event that REIT Units are issued in whole or in part for a consideration other than money, the resolution of the Trustees allotting and issuing such REIT Units shall express the fair equivalent in money of the other consideration received.

Subscription Agreements and cleared funds received on or before the last Business Day of each month (or such other date as may be determined by the Trustees) are accepted on Closing Dates subject to the discretion of the Trustees. Subscription Agreements received after a Closing Date are accepted on the next Closing Date. Class A REIT Units and Class F REIT Units are issued at a price per Class A REIT Unit and Class F REIT Unit, respectively, equal to the Fair Market Value for each of the Class A REIT Units and Class F REIT Units on the applicable Closing Date. The Trustees will calculate and announce the Fair Market Value of the REIT Units approximately 10 days prior to the end of each Closing Date. In the event that there is a material change in the business or assets of the REIT following the announcement of the Fair Market Value of the REIT Units but prior to the applicable Closing Date, the Trustees will recalculate and announce a revised Fair Market Value of REIT Units. In such circumstances, subscribers for REIT Units in that month will be entitled to rescind their subscription or purchase of REIT Units within three (3) Business Days of the announcement of the revised Fair Market Value.

REIT Units may be surrendered for redemption on the applicable Redemption Date for the Redemption Price on a monthly basis on the last Business Day of a month, provided a redemption request is made in writing to the REIT at least 30 days prior to the last day of each month.

No certificates evidencing ownership of the REIT Units are issued to a Unitholder (including reflecting subscriptions of REIT Units through Fundserv). REIT Units are represented by a physical register or such electronic means in accordance with industry standards as may be determined by the Trustees from time to time.

The Trustees have the discretion to reject any subscription request. The decision to accept or reject any subscription request is made as soon as possible, and in any event, within two (2) Business Days of receipt of the subscription funds, completed Subscription Agreement and any other required documents, provided the closing for such subscription will close on the applicable closing date. If a subscription request is rejected, all payments received with the request are refunded without interest or deduction. The Trustees may permit subscriptions from Subscribers outside of the Offering Jurisdictions in their sole discretion, provided they have determined that doing so will not have an adverse impact on the REIT or the existing Unitholders.

Limitation on Non-Resident Ownership

Notwithstanding any provision of this Offering Memorandum or the Declaration of Trust to the contrary, at no time may more than 47**%** of the REIT Units then outstanding be held by or for the benefit of Persons who are not resident in Canada for the purposes of the Tax Act ("**Non-Resident Beneficiaries**"). The Trustees may require declarations as to the jurisdictions in which beneficial owners of REIT Units are resident or declarations from holders of REIT Units as to whether such REIT Units are held for the benefit of Non-Resident Beneficiaries. If the Trustees become aware that more than 47% of the REIT Units then outstanding are, or may be, held by or for the benefit of Non-Resident Beneficiaries or that such a situation is imminent, the Trustees may make a public announcement thereof and shall not accept a subscription for such REIT Units from or issue or register a transfer of such REIT Units to a Person unless the Person provides a declaration that the Person is not a non-resident for the purposes of the Tax Act and does not hold his REIT Units for a Non-Resident Beneficiary. If, notwithstanding the foregoing, the Trustees determine that more than 47% of the REIT Units then outstanding are held by or for the benefit of Non-Resident Beneficiaries, the Trustees may send a notice to non-resident holders of REIT Units and holders of REIT Units for Non-Resident Beneficiaries 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 or redeem their REIT Units or a portion thereof within a specified period of not more than 60 days.

Establishment, Offering and Operating Expenses of the REIT

The REIT is responsible for the costs of its establishment and the Offering, including but without limitation, the fees and expenses of legal counsel to the REIT and the REIT's auditors. These costs may be amortized over a five-year period on a straight-line amortization schedule.

The REIT is responsible for the payment of fees and expenses relating to its ongoing operations. The operating fees and expenses to which the REIT is subject include, without limitation, Trustee fees, if any, audit, accounting, record keeping, legal fees and expenses, certain due diligence expenses, custody and safekeeping charges, providing financial and other reports to Unitholders and convening and conducting meetings of Unitholders and all taxes, assessments or other regulatory and governmental charges levied against the REIT. The REIT is generally required to pay applicable sales taxes on most administration expenses that it pays.

Management Fees Payable in Respect of CSL Limited Partnership Units Held by REIT

CSL pays the General Partner a management fee plus applicable taxes (the "**Management Fee**") equal to 1.00% per annum of the net asset value of the Class A LP Units held by the REIT, plus applicable taxes.

Management Fees are calculated and paid to the General Partner monthly as at the last Business Day of each month or as at any other day as the General Partner may determine.

No management fee is payable in respect of the Class F LP Units held by the REIT.

Dealer Compensation

In the event that an investor purchases Class A REIT Units through a registered dealer, the investor may be required to pay the dealer a sales commission which is negotiated between the investor and the registered dealer and is paid by the investor to such dealer. The General Partner may pay a trailing commission out of its own funds of up to 1.00% per annum to registered dealers and/or other person legally eligible to accept a commission in connection with their client's holdings of Class A REIT Units. Trailing commissions may be modified or discontinued by the General Partner at any time.

No sales commission or trailing commissions will be payable by the General Partner in respect of the Class F REIT Units.

Amendments to Declaration of Trust

The Declaration of Trust may be amended by a vote of a majority of the votes cast at a meeting of Unitholders duly called for that purpose.

Term of Alignvest Student Housing REIT

Unless the REIT is sooner terminated as otherwise provided herein, the REIT shall continue in full force and effect so long as any property of the REIT is held by the Trustees, and the Trustees shall have all the powers and discretions, expressed and implied, conferred upon them by law or by the Declaration of Trust.

The REIT may be terminated only by a special resolution of Unitholders holding in the aggregate not less than a majority of the outstanding REIT Units entitled to vote or by the Trustees, without the approval of Unitholders if in the discretion of the Trustees it would be in the best interests of the REIT to terminate the REIT. The REIT will provide Unitholders with notice in writing no less than 30 days prior to such termination.

Upon the termination of the REIT, the liabilities of the REIT shall be discharged with due speed and the net assets of the REIT shall be liquidated and the proceeds distributed proportionately to the Unitholders. Such distribution may be made in cash or in kind or partly in each, all as the Trustees in their sole discretion may determine.

VALUATION POLICY

PBSA Valuation

Alignvest Student Housing REIT will account for its investment properties using the fair value model in accordance with IAS 40 – Investment Properties. Investment property is defined as property held to earn rentals or for capital appreciation or both. Investment properties are initially recorded at cost, including related transaction costs.

Subsequent to initial recognition, investment properties are measured at fair value, which reflects market conditions at the reporting date.

Alignvest Student Housing REIT applies judgment in determining if the acquisition of an individual property qualifies as a business combination in accordance with IFRS 3 Business Combinations or as an asset acquisition. Transaction costs (including commissions, land transfer tax, appraisals, legal fees and third-party inspection reports associated with a purchase) related to property acquisitions not considered business combinations are capitalized in accordance with IAS 40. Transaction costs are expensed in accordance with IFRS 3 where such acquisitions are considered business combinations.

The fair value of investment properties is determined using a detailed valuation framework developed by Alignvest Student Housing REIT's internal and external valuation teams. Each of these teams includes experts in the industry. The valuation teams considered the following approaches in determining the fair value:

- consideration of recent prices of similar properties within similar market areas; and
- the direct capitalization method, which is based on the conversion of current and future normalized earnings potential directly into an expression of market value. The NOI for the year is divided by an overall capitalization rate (inverse of an earnings multiplier) to arrive at the estimate of fair value.

The external team comprised of the auditors and valuators are responsible for:

Quarterly by the valuators:

- Determining the capitalization rates that would be used in valuing the properties; and
- Providing charts of comparable sales and supporting relevant market information.

Annually by the valuators:

- Determining the capitalization rates that would be used in valuing the properties;
- Providing charts of comparable sales and supporting relevant market information;
- Determining the appropriate industry standard "set off" and normalization assumptions used in the calculation of NOI;
- Reviewing the valuation framework to determine whether any changes or updates are required;
- Reviewing, for the audited year-end financial statements, the resultant values for reasonableness, compliance with the valuation framework and compliance with IAS 40; and
- Supplying a "Fair Value" Report for financial statement purposes.

Annually by the auditors:

- Reviewing the valuation framework to determine whether any changes or updates are required;
- Evaluating the work of the valuator including assumptions and comparisons to market;
- Reviewing of the controls over the underlying data provided to the valuator from the REIT's accounting system
- Reviewing the "Fair Value" Report prepared by the valuators; and
- Reviewing, for the audited year-end financial statements, the resultant values for reasonableness, compliance with the valuation framework and compliance with IAS 40.

The internal team, comprised of the Trustees and the management of the General Partner, is responsible monthly and annually for:

- Assembling the property specific data used in the valuation model based on the process set forth in the valuation framework;
- Reviewing the valuation framework to determine whether any changes or updates are required;
- Inputting the capitalization rates, "set offs" and normalization assumptions provided by the valuators; and
- Delivering the completed valuation framework to the external team for review at year-end for the audited financial statements

Investment properties are derecognized when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of investment property are recognized in the income statement in the year of retirement or disposal.

Development Equity Investments Valuation

Development equity investments will be carried at book value less any impairments plus the anticipated increase, if any, to fair market value upon completion multiplied by the percentage of completion plus or minus adjustments (i.e. Development Equity Valuation = book value – impairments + (fair market value increase upon completion x percentage completion) +/- adjustments). Adjustments can be, but are not limited to discounts for the time value of money, leasing costs, stabilization costs and discretionary risk adjustments.

Other Investment Valuation

Other Investments will be carried at fair value.

Calculation of Fair Market Value

The fair market value of the REIT Units (the "**Fair Market Value**") shall be determined by the Trustees, in their sole discretion, using reasonable methods of determining Fair Market Value. For clarity, the Fair Market Value of the Class A REIT Units and the Fair Market Value of the Class F REIT Units is determined separately for each class of REIT Units. The Fair Market Value of the REIT Units may or may not be equal to the net asset value of the REIT Units. The description of the methodology of investment property valuations and the calculation of the Fair Market Value of REIT Units reflects the methodology anticipated to be used by the Trustees as at the date hereof in calculating Fair Market Value. The Trustees may, in their discretion, adopt alternative methodologies to calculate investment property values and Fair Market Value from time to time, without notice to, or approval by, Unitholders.

It is anticipated that the Fair Market Value is to be calculated monthly based on the IFRS balance sheet carrying values and certain adjustments ("**Adjustment Factors**"). The Fair Market Value of the REIT Units may change between months, at month end or not at all unless there are material changes or considerations that would impact the REIT Units, including, but not limited to changes in capitalization rates or acquisitions and dispositions of acquired PBSA.

The Trustees will calculate and announce the Fair Market Value of the REIT Units approximately 10 days prior to each Closing Date. In the event that there is a material change in the business or assets of the REIT following the announcement of the Fair Market Value of the REIT Units but prior to the applicable Closing Date, the Trustees will recalculate and announce a revised Fair Market Value of the REIT Units. Subscribers for REIT Units in that month will be entitled to rescind their subscription or purchase of REIT Units within three (3) Business Days of the announcement of the revised Fair Market Value.

The Fair Market Value of the Class A REIT Units is calculated by taking the pro rata share of CSL's IFRS balance sheet assets relating to the Class A LP Units, subtracting the pro rata share of CSL's IFRS balance sheet liabilities relating to the Class A LP Units (including, for greater clarity, any accrued and unpaid Management Fees attributable to Class A LP Units), and reflecting any appropriate Adjustment Factors (as discussed below).

The Fair Market Value per Class A REIT Unit is computed by dividing (i) the Fair Market Value of the Class A REIT Units as calculated above, by (ii) the total number of outstanding Class A REIT Units.

The Fair Market Value of the Class F REIT Units is calculated by taking the pro rata share of CSL's IFRS balance sheet assets relating to the Class F LP Units, subtracting the pro rata share of CSL's IFRS balance sheet liabilities relating to the Class F LP Units, and reflecting any appropriate Adjustment Factors (as discussed below).

The Fair Market Value per Class F REIT Unit is computed by dividing (i) the Fair Market Value of the Class F REIT Units as calculated above, by (ii) the total number of outstanding Class F REIT Units.

The Adjustment Factors are:

(a) Portfolio premiums, if any; plus

(b) capitalization of certain capital expenses, whose benefits accrue over a long period of time and should be allocated between exiting, remaining and incoming Unitholders but may be written off or effectively written off under IFRS, or where the value of such expense is not as yet reflected, in whole or in part, in the PBSA valuation due to timing lags, if any; plus

(c) portfolio inter-month timing adjustments, if any; less

(d) discretionary adjustments, if any, including adjustments to reflect the timing of particular investments in CSL.

"**Portfolio premium**" means an adjustment to IFRS valuations to account for the difference that buyers may pay for a portfolio of properties over individual component properties considered on their own. The IFRS valuation approach evaluates each property on a standalone basis, without considering the value of economies of scale, clustering advantages, the time, expense and difficulty of assembling a portfolio and the attractiveness of a portfolio to potential buyers.

The calculation of Fair Market Value involves critical estimates, assumptions and judgments as part of the process.

DISTRIBUTION POLICY

Partnership Allocations and Distributions

It is intended that, prior to the disposition of all or substantially all of the fixed assets of CSL (as determined by the General Partner, acting reasonably) (a "**Liquidity Event**"), CSL will distribute (i) 75% of its distributable cash, being an amount equal to all cash of CSL less any amount that the General Partner may reasonably consider necessary to provide for the payment of any costs or expenses that have been or are reasonably expected to be incurred and less such reserves or amounts deemed necessary or desirable at the discretion of the General Partner ("**Distributable Income**"), on a pro rata basis to the holders of LP Units; and (ii) 25% of its Distributable Income to the General Partner (collectively, the "**Periodic Distributions**").

Upon each redemption of Class A LP Units, Class C LP Units, Class F LP Units or Class V LP Units, the Partnership will make a distribution to the General Partner in an amount equal to 25% of the amount obtained by taking: (i) the fair market value used to calculate the redemption price payable by the Partnership to the Limited Partner plus the Redemption Distribution minus (ii) the Net Capital of the Redeemed LP Units (as defined herein) (a "**Special GP Distribution**") (such that the value above the Net Capital of the Redeemed LP Units held by the REIT is effectively split 25%/75% between the General Partner and the REIT, respectively).

Upon the occurrence of a Liquidity Event, the assets of CSL shall, in the discretion of the General Partner, be paid or distributed in one or more tranches in the following order of priority:

(a) first, an amount will be paid to extinguish the liabilities of CSL, if any;

(b) second, an amount shall be distributed to holders of the LP Units equal to (i) the invested capital in the LP Units, minus (ii) Periodic Distributions previously paid on the LP Units;

(c) third, an amount shall be distributed to holders of LP Units equal to a return of 7% per annum, compounded annually, on the invested capital in the LP Units (the "**Preferred Return**")(which Preferred Return, for greater certainty, shall accrue from day to day and shall be calculated on the basis of the balance of the capital account for the applicable LP Units on each such day from the date or dates upon which any such invested capital was received by CSL and which capital account is reduced in accordance with the Partnership Agreement by any such invested capital that has been distributed;

(d) fourth, an amount shall be distributed to the General Partner equal to 25% of the combined aggregate amounts paid (i) as Preferred Return under Section (c) and (ii) under this Section (d); and

(e) fifth, the balance shall be distributed as to 25% to the General Partner and 75% on a *pro rata* basis to the holders of the LP Units.

"Net Capital of the Redeemed LP Units" means (a) in respect of the Class A LP Units, an amount equal to the capital invested in the Partnership for the purchase of the Class A LP Units subject to redemption calculated at the time of the purchase of the Class A LP Units, subject to redemption minus the amount of the Periodic Distributions previously paid by the Partnership in respect of such Class A LP Units; (b) in respect of the Class C LP Units, the product of (i) the capital invested in the Partnership in respect of the Class C LP Units, minus the amount of the Periodic Distributions previously paid by the Partnership to holders of the Class C LP Units, multiplied by (ii) a fraction with a numerator equal to the number of Class C LP Units redeemed and a denominator equal to the number of Class C LP Units outstanding immediately prior to the subject redemptions; (c) in respect of the Class F LP Units, an amount equal to the capital invested in the Partnership for the purchase of the Class F LP Units subject to redemption calculated at the time of the purchase of the Class F LP Units, subject to redemption minus the amount of the Periodic Distributions previously paid by the Partnership in respect of such Class F LP Units and (d) in respect of the Class V LP Units, the product of (i) the capital invested in the Partnership in respect of the Class V LP Units, minus the amount of the Periodic Distributions previously paid by the Partnership to holders of the Class V LP Units, multiplied by (ii) a fraction with a numerator equal to the number of Class V LP Units redeemed and a denominator equal to the number of Class V LP Units outstanding immediately prior to the subject redemptions.

In each instance the Net Capital of any Redeemed LP Units is calculated on a pro rata and first in first out (FIFO) basis as it relates to any Unitholder unless otherwise determined by the General Partner.

Distribution Rate per REIT Unit

The REIT expects to generate returns to Unitholders through both current income and long-term appreciation of its assets targeting an annual distribution to Unitholders of approximately $6.00 per REIT Unit for each calendar year (*prorated* during the initial year of the REIT).

Distribution Reinvestment Plan

The REIT permits Unitholders to receive distributions in the form of additional REIT Units or cash. Unitholders of Class A REIT Units and Class F REIT Units may enroll in the distribution reinvestment plan (the "**DRIP**") which will allow them to elect to have some or all of their cash distributions on their Class A REIT Units and Class F REIT Units, respectively, automatically reinvested in additional Class A REIT Units or Class F REIT Units, as applicable, at a 2.0% discount to Fair Market Value of the Class A REIT Units or Class F REIT Units purchased through the DRIP.

CLOSING OF OFFERING

The REIT expects to fund its growth strategy of acquiring high-quality PBSA by offering REIT Units on a continuous basis combined with cash-on-hand and mortgage debt. Subscription Agreements and cleared funds received on or before the last Business Day of each month (or such other date as may be determined by the Trustees) are accepted on Closing Dates at the discretion of the Trustees. Subscription Agreements received after a Closing Date are accepted on the next Closing Date. Class A REIT Units and Class F REIT Units are issued at a price per Class A REIT Unit and Class F REIT Unit, respectively, equal to the Fair Market Value for each of the Class A REIT Units and Class F REIT Units on the applicable Closing Date. The Trustees will calculate and announce the Fair Market Value of the REIT Units approximately 10 days prior to each Closing Date. In the event that there is a material change in the business or assets of the REIT following the announcement of the Fair Market Value of the REIT Units but prior to the applicable Closing Date, the Trustees will recalculate and announce a revised Fair Market Value of REIT Units. Subscribers for REIT Units in that month will be entitled to rescind their subscription or purchase of REIT Units within three (3) Business Days of the announcement of the revised Fair Market Value.

REIT Units may be surrendered for redemption on the applicable Redemption Date for the Redemption Price on a monthly basis on the last Business Day of each month provided a redemption request is made in writing to the REIT at least 30 days prior to the last day of each month.

The REIT Units are offered through the investment fund order system, Fundserv with Fundserv Code ASH101 for Class A REIT Units and ASH 100 for Class F REIT Units.

FINANCIAL REPORTING

The year end of the REIT is December 31.

The audited annual financial statements of the REIT are prepared and sent to Unitholders who elect to receive the financial statements. Audited financial statements are sent within 90 days of each fiscal year end.

RISK FACTORS

There are certain risk factors inherent in an investment in the REIT Units and in the activities of Alignvest Student Housing REIT, including the following, which investors should carefully consider before subscribing for the REIT Units.

COVID-19

There has been and continues to be a global pandemic related to an outbreak of the novel coronavirus disease (“**COVID-19**”). This outbreak, and any future outbreaks of COVID-19 has led and may continue to lead to disruptions in global economic activity, resulting in, among other things, a general decline in equity prices and lower interest rates. These circumstances are likely to have an adverse effect on levels of employment, which may adversely impact the ability of tenants, borrowers and other counterparties to make timely payments on their rents, mortgages and other loans. In addition, an increase in delinquent payments by tenants, borrowers and other counterparties may negatively affect the REIT’s financial position.

Canadian universities and the way they operate have been impacted by COVID-19, including shifting classroom instruction and activity to virtual formats. These circumstances may have an impact on student preferences for accommodations including that students who typically occupy student housing may seek alternative types of housing, including staying at home with parents or rental arrangements in less densely populated living spaces. In either instance, as a result, the demand for student housing could decrease and vacancy rates could increase, both which may negatively impact the REIT’s financial position.

While governments are closely monitoring the rapidly evolving situation, no assurance can be made regarding the policies that may be adopted by the Bank of Canada, the Canadian federal, provincial or municipal governments, their agencies, the United States government or any other foreign or sub-national government to address the effects of COVID-19 or any resulting market volatility. Following multiple interest rate cuts by the Bank of Canada in March 2020, which cuts were announced in an attempt to curb the economic effects of COVID-19, it is possible that the Bank of Canada may make further interest rate cuts or that it may in the future resume interest rate increases. Any such increases or decreases may occur at a faster rate than expected. To the extent that interest rates increase as a result of the Bank of Canada’s actions or otherwise, the availability of refinancing alternatives for credit facilities, mortgage and other loans may be reduced. No assurance can be made regarding such matters or their effect on real estate markets generally and on the value and performance of mortgage loans. The REIT actively monitors regulatory developments and will adjust to any regulatory changes that may arise as a result of the COVID- 19 outbreak.

In addition, the Canadian federal government or provincial governments could implement policies or laws directly targeted at Canadian universities and post-secondary institutions that may have unforeseen impacts on student housing and the REIT. Furthermore, while universities and other post-secondary institutions are monitoring the situation, there is no way to predict the decisions that will be implemented by these institutions as a continued response to COVID-19, and accordingly no way to predict the impact of these decisions on the REIT.

The COVID-19 outbreak may lead to disruptions of the REIT’s normal business activity and a sustained outbreak may have a negative impact on the REIT and its financial performance. The REIT has business continuity policies in place and is developing additional strategies to address potential disruptions in its operations. However, no assurance can be made that such strategies will successfully mitigate the adverse impacts related to the COVID-19 outbreak. A prolonged outbreak of COVID-19 could adversely impact the health of the REIT’s employees, borrowers, counterparties and other stakeholders.

The full extent of the duration and impact that COVID-19, including any regulatory and educational institutional responses to the outbreak, will have on the Canadian, United States and global economies and the REIT’s business is highly uncertain and difficult to predict at this time.

Real Property Ownership

All real property investments are subject to elements of risk. Such investments are affected by general economic conditions, local real estate markets, demand for multi-unit residential premises, competition from other available residential premises and various other factors.

Certain significant expenditures, including property taxes, capital repair and replacement costs, maintenance costs, mortgage payments, insurance costs and related charges must be made throughout the period of ownership of real property regardless of whether the property is producing any income. If CSL is unable to meet mortgage payments on any PBSA, losses could be sustained as a result of the mortgagee’s exercise of its rights of foreclosure or sale.

Real property investments tend to be relatively illiquid, with the degree of liquidity generally fluctuating in relation to demand for and the perceived desirability of such investments. Such illiquidity may tend to limit CSL’s ability to vary its portfolio of PBSA promptly in response to changing economic or investment conditions. If CSL was required to liquidate its real property investments, the distributions of CSL to the REIT and distributions by the REIT to Unitholders might be significantly less than the aggregate value of PBSA held by CSL on a going-concern basis.

Alignvest Student Housing REIT will indirectly be subject to the risks associated with debt financing, including the risk that existing mortgage indebtedness secured by the PBSA held by CSL will not be able to be refinanced or that the terms of such refinancing will not be as favorable as the terms of existing indebtedness.

Failure to Acquire PBSA Under Purchase Agreements

It is contemplated that General Partner will complete the purchase of PBSA referenced under Schedule “A” to this Offering Memorandum, subject to closing conditions. However, the REIT has no control over whether or not the conditions are met and there can be no assurance that all conditions will be satisfied or waived or that the acquisition of the PBSA under purchase agreement will be consummated, or, if consummated, will be on terms that are exactly the same as disclosed herein.

Failure to Acquire Future PBSA

While the General Partner may enter into non-binding letters of intent with respect to PBSA under review, there can be no assurance that such properties will be acquired. There is no guarantee that suitable PBSA investment opportunities will be found, that acquisitions on favorable terms can be negotiated or that the CSL will be able to realize on the value of PBSA once acquired. Competition for suitable investments from other investors may reduce the availability of investment opportunities. In addition, such competition may mean that the prices and terms on which investments may be made may be less favorable than would otherwise have been the case. The General Partner may incur significant expenses identifying, investigation, and attempting to acquire potential assets that are ultimately not consummated, including fees and expenses relating to due diligence and travel related expenses and competitive bidding processes. If the General Partner is unable to make accretive acquisitions of PBSA, the growth of its portfolio could be adversely impacted.

Concentration of Investments

If a limited number of PBSA are acquired, such concentration may be detrimental to profitability if these PBSA underperform. Investments will be concentrated in one sector and may also be concentrated in a limited number of regions. During periods of difficult market conditions or economic slowdown in certain regions or affecting certain infrastructure sectors, the adverse effect on the REIT, may be exacerbated by geographical and or sectoral concentration of PBSA held.

General Risks Relating to the Acquisitions

Although the General Partner has conducted due diligence of PBSA to potentially be acquired, an unavoidable level of risk remains regarding any undisclosed or unknown liabilities of, or issues concerning these properties. Following the acquisition of PBSA, CSL may discover that it has acquired substantial undisclosed liabilities or that certain of the representations made by the vendors of the properties prove to be untrue. There can be no assurance of recovery by CSL from the vendors for any breach of the representations, warranties or covenants provided by the vendors because there can be no assurance that the amount and length of the indemnification obligations will be sufficient to satisfy such obligations or that the vendors will have any assets or continue to exist.

Possible Failure to Realize Expected Returns on the Acquisitions

Acquisitions involve risks, including the failure of acquired PBSA to realize the results the Trustees and management of the General Partner expect. If any of such acquisition, fails to realize the results that the REIT expect, such failure could materially and adversely affect the REIT’s business plan and could have a material adverse effect on the REIT and its ability to make distributions to Unitholders.

Risks Related to the Integration of the Acquisitions

In order to achieve the benefits of acquisitions of PBSA, the REIT will rely upon CSL’s ability to successfully retain staff, consolidate functions and integrate operations, procedures and personnel in a timely and efficient manner and to realize the anticipated growth opportunities from consolidating the Canadian student housing market. The integration of the acquisitions and related operations requires the dedication of CSL’s effort, time and resources. The integration process may result in the disruption of ongoing business and customer relationships that may adversely affect CSL’s ability to make distributions to the REIT and the REIT’s ability to make distributions to Unitholders.

Risks Related to the Appraisals

The General Partner may retain third parties in relation to conducting appraisals of PBSA to provide an independent estimate of their fair market value. It should be noted that appraisals are estimates of fair market value at a specific point in time and represent the opinion of qualified experts as of the effective date of such appraisals. Accordingly, appraisals are not guarantees of present or future value. There is no assurance that the appraisals correctly reflect an amount that would be realized upon a current or future sale of PBSA. As real estate prices fluctuate due to numerous factors, the appraised value of PBSA may not accurately reflect current fair market value.

Revenue Producing Properties

It is anticipated that acquired PBSA will generate income through rental payments made by the tenants thereof. Upon the expiry of any lease, there can be no assurance that such lease will be renewed or the tenant replaced. The terms of any subsequent lease may be less favorable than the existing lease. Unlike commercial leases which generally are "net" leases and allow a landlord to recover expenditures, residential leases are generally "gross" leases and the landlord is not able to pass on costs to its tenants.

Competition for Real Property Investments

The REIT competes for suitable real property investments with individuals, corporations and institutions (both Canadian and foreign) and other real estate investment trusts which are presently seeking, or which may seek in the future, real property investments similar to those desired by the REIT. A number of these investors may have greater financial resources than those of the REIT and CSL, or operate without the investment or operating guidelines of the REIT or according to more flexible conditions. An increase in the availability of investment funds, and an increase in interest in real property investments, may tend to increase competition for real property investments, thereby increasing purchase prices and/or reducing the yield on them.

Credit Risk Related to Tenants

Credit risk arises from the possibility that tenants may experience financial difficulty and be unable to fulfill their lease term commitments. The risk of credit loss will be mitigated through the diversification of its existing portfolio and limiting its exposure to any one tenant.

Increased Supply Risk

Increased supply risk is the risk of loss from increased competition from the addition of PBSA in the REIT's core market. Numerous other student residential developers and student housing owners compete for potential tenants. Some of the housing alternatives available from competitors may be newer, better located, offer lower rents or more rental incentives. An increase in alternative housing could have a material adverse effect on the ability to lease units of acquired PBSA which could affect the REIT's ability to make distributions to Unitholders.

Rent Control Risk

Rent control exists in Ontario and other jurisdictions in which PBSA may be acquired, limiting the percentage of annual rental increases to existing tenants. In addition, the REIT is indirectly exposed to the risk of the implementation of, or amendments to, existing legislative rent controls which may have an adverse impact on the REIT's operations.

Utility, Energy and Property Tax Risk

Acquired PBSA are subject to volatile utility and energy costs and increasing property taxes. Utility and energy expenses, mainly consisting of natural gas, oil, water and electricity charges have been subject to price fluctuations over the past several years. CSL will have some ability to raise rents, subject to the overall rental market conditions and the discussion of rent control above, to offset rising energy and utility costs; however, rental increases may be limited by market conditions.

Interest Rates

It is anticipated that the market price for the REIT Units at any given time may be affected by the level of interest rates prevailing at that time. A rise in interest rates may have a negative effect on the price of the REIT Units and the cost of servicing mortgages on the PBSA. A decrease in interest rates may encourage tenants to purchase other types of housing, which could result in a reduction in demand for rental properties. Changes in interest rates may also have effects on vacancy rates, rent levels, and other factors affecting the profitability of acquired PBSA.

Debt Financing

Acquired PBSA are subject to the risks associated with debt financing, including the risk of inability to make interest or principal payments or meet loan covenants, the risk that defaults under a loan could result in cross defaults or other lender rights or remedies under other loans, and the risk that existing indebtedness may not be able to be refinanced or that the terms of such refinancing may not be as favorable as the terms of existing indebtedness.

Geographic Concentration

It is anticipated that all of the business and operations of acquired PBSA will be located in Canada and is therefore vulnerable to any decrease in international demand for Canadian Universities. The market value of acquired PBSA and the income generated there from could be negatively affected by changes in national, local or regional economic conditions which may be amplified due to a concentration of the assets in one geographic area. Acquired PBSA may also be located in this general geographic area and this geographic focus could contribute to further portfolio concentration thereby increasing vulnerability to changes in local and regional economic conditions.

General Uninsured Losses

CSL carries comprehensive general liability, fire, flood, extended coverage, rental loss and pollution insurance with policy specifications, limits and deductibles customarily carried for similar properties. There are, however, certain types of risks (generally of a catastrophic nature such as from wars) which are either uninsurable or not insurable on an economically viable basis. Should an uninsured or underinsured loss occur, CSL could lose its investment in, and anticipated profits and cash flows from acquired PBSA, but CSL would continue to be obligated to satisfy any mortgage on these properties.

Litigation Risks

The REIT, the Trustees, CSL, the General Partner, or the management of the General Partner may, from time to time, become involved in legal proceedings in the course of their respective 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. The unfavorable resolution of any legal proceedings could have an adverse effect on the REIT or CSL and their respective financial positions and results of operations.

Availability of Cash for Distributions

Cash distributions by the REIT to Unitholders are not guaranteed. CSL will be required to make repayments on debt and satisfy capital expenditures related to acquired PBSA. In addition, CSL will require capital to acquire additional PBSA and such capital may not be available or may not be available on favorable terms. Accordingly, distributions by the REIT to Unitholders may decrease or cease.

Environmental Matters

Environmental and ecological legislation and policies have become increasingly important, and generally restrictive. Under various laws, CSL could become liable for the costs of removal or remediation of certain hazardous or toxic substances released on or in its properties or disposed of at other locations. The failure to remove or remediate such substances, if any, may adversely affect CSL's ability to sell such real estate or to borrow using such real estate as collateral, and could potentially also result in claims against the owner by private plaintiffs. Where a property is purchased and new financing is obtained, Phase I Environmental Assessments are performed by an independent and experienced environmental consultant. In the case of mortgage assumption, the vendor will be asked to provide a satisfactory Phase I and/or Phase II Environmental Assessment that the General Partner will rely upon and/or determine whether an update is necessary.

Unitholder Liability

The Declaration of Trust provides that no Unitholder will be subject to any liability whatsoever to any person in connection with the holding of a REIT Unit. However because of uncertainties in the law relating to investment trusts, there is a risk that a Unitholder could be held personally liable for obligations of Alignvest Student Housing REIT (to the extent that claims are not satisfied by Alignvest Student Housing REIT) in respect of contracts which Alignvest Student Housing REIT enters into and for certain liabilities arising other than out of contracts including claims in tort, claims for taxes and possibly certain other statutory liabilities. The Trustees intend to cause Alignvest Student Housing REIT's operations to be conducted in such a way as to minimize any such risk including by obtaining appropriate insurance and, where feasible, attempting to have every material written contract or commitment of Alignvest Student Housing REIT contain an express disavowal of liability against Unitholders.

Dependence on Key Personnel

In assessing the risk of an investment in the REIT Units offered hereby, potential investors should be aware that they will be relying on the good faith, experience and judgment of the Trustees and the management of the General Partner to manage the business and affairs of acquired PBSA. The loss of these key personnel could have a materially adverse effect on the REIT.

Failure or Unavailability of Computer and Data Processing Systems and Software

The REIT is dependent upon the successful and uninterrupted functioning of its computer and data processing systems and software. The failure or unavailability of these systems could interrupt operations or materially impact the REIT's ability to collect revenues and make payments. If sustained or repeated, a system failure or loss of data could negatively and materially adversely affect the ability of the REIT to discharge its duties and the impact may be material.

Cyber Security Risk

A cyber incident is considered to be any adverse event that threatens the confidentiality, integrity or availability of the REIT's information resources. More specifically, a cyber incident is an intentional attack or an unintentional event that can include gaining unauthorized access to information systems to disrupt operations, corrupt data or steal confidential information. The REIT's primary risks that could directly result from the occurrence of a cyber incident include operational interruption, damage to its reputation, and damage to the REIT's business relationships with third parties. The REIT intends to implement processes, procedures and controls to help mitigate these risks, but these measures, as well as its increased awareness of a risk of a cyber-incident, do not guarantee that its financial results will not be negatively impacted by such an incident.

Potential Conflicts of Interest

The Trustees, and CSL management may be subject to various conflicts of interest as these parties are engaged in a wide range of real estate and other business activities. The Trustees and management of CSL may from time to time deal with Persons which may be seeking investments similar to those desired by Alignvest Student Housing REIT. The interests of these Persons could conflict with those of Alignvest Student Housing REIT. In addition, from time to time, these Persons may be competing with Alignvest Student Housing REIT for available investment opportunities. The Declaration of Trust contains "conflict of interest" provisions requiring Trustees to disclose material interests related to transactions and to refrain from voting thereon.

Tax Related Risks

There can be no assurance that tax laws and the treatment of mutual fund trusts will not be changed in a manner which adversely affects Alignvest Student Housing REIT or the Unitholders.

If Alignvest Student Housing REIT fails or ceases to qualify as a mutual fund trust for the purposes of the Tax Act or constitutes a SIFT trust at any time for the purposes of the Tax Act, the tax consequences described under "Canadian Federal Income Tax Considerations" and "Eligibility for Investment" would, in some respects, be materially and adversely different. In addition, Unitholders may become subject to provincial taxes, such as Ontario Land Transfer Tax, in respect of their REIT Units.

If investments in Alignvest Student Housing REIT become publicly listed or traded, there can be no assurances that Alignvest Student Housing REIT will not be subject to the SIFT Rules, as described under "Tax Considerations – SIFT

Rules”, at that time. Alignvest Student Housing REIT or its subsidiaries may be reassessed for taxes from time to time. Such reassessments together with associated interest and penalties could adversely affect Alignvest Student Housing REIT.

The REIT may be subject to loss restriction rules (the “**Loss Restriction Rules**”) contained in the Tax Act. If the REIT experiences a “loss restriction event”: (i) the REIT will be deemed to have a year-end for tax purposes (which would result in an allocation of the REIT’s net income and net realized capital gains at such time to unitholders so that the REIT is not liable for income tax under Part I of the Tax Act on such amounts), and (ii) the REIT will be deemed to realize any unrealized capital losses and its ability to carry forward losses will be restricted. Generally, the REIT will have a loss restriction event when a person becomes a “majority-interest beneficiary” of the REIT, or a group of persons becomes a “majority-interest group of beneficiaries” of the REIT, as those terms are defined in the Tax Act.

Lack of Independent Experts Representing Unitholders

The REIT has consulted with legal counsel regarding the formation and terms of the REIT and the Offering. Unitholders have not, however, been independently represented. Therefore, to the extent that the REIT, Unitholders or this offering could benefit by further independent review, such benefit will not be available. Each prospective investor should consult his or her own legal, tax and financial advisors regarding the desirability of purchasing REIT Units and the suitability of investing in the REIT.

Joint Arrangements

CSL may invest in, or be a participant in, joint arrangements and partnerships with third parties. A joint arrangement or partnership involves certain additional risks which could result in additional financial demands, increased liability and a reduction in CSL’s control over mortgages of acquired PBSA and its ability to dispose of acquired PBSA.

Dilution

The number of REIT Units Alignvest Student Housing REIT is authorized to issue is unlimited. The Trustees have the discretion to issue additional REIT Units. Any issuance of additional REIT Units may have a dilutive effect on the holders of REIT Units.

Restrictions on Potential Growth and Reliance on Credit Facilities

The distribution to Unitholders of a substantial part of operating cash flow could adversely affect the ability to grow acquired PBSA unless additional financing can be obtained. Such financing may not be available, or renewable, on attractive terms or at all. In addition, if credit facilities were to be cancelled or could not be renewed at maturity on similar terms, CSL, and ultimately the REIT could be materially and adversely affected.

Restricted Redemption Rights

Redemption Redemption rights under the Declaration of Trust are restricted and provide limited opportunity for Unitholders to liquidate their investment in the REIT Units for cash. Unitholders will not be able to liquidate their investment or withdraw their capital at will other than in accordance with the redemption provisions attached to the REIT Units and in accordance with the Declaration of Trust. The sole method of liquidation of an investment in REIT Units is by way of redemption of the REIT Units. Aggregate redemptions for cash are limited to $250,000 per month unless a higher amount is approved by the Trustees, but in no case may the total amount payable in cash in respect of REIT Units tendered for redemption in a month exceed 50% of Unencumbered Cash, and subject to the Class V Redemption Right. To the extent a Unitholder is not entitled to receive redemption proceeds solely in cash as a result of redemption proceeds payable by the REIT exceeding $250,000 in respect of the applicable month, (subject to the Class V Redemption Right), the balance of the aggregate Redemption Price for such REIT Units shall, subject to any applicable regulatory approvals, be paid and satisfied by way of a distribution in specie of assets held by the REIT. Accordingly, in the event that the REIT experiences a large number of redemptions, the REIT may not be able to satisfy all of the redemption requests in cash.

Nature of REIT Units

The REIT Units are not the same as shares of a corporation. As a result, the Unitholders will not have the statutory rights and remedies normally associated with share ownership, such as the right to bring “oppression” or “derivative” actions.

Absence of Public Market for the REIT Units

No public market exists for the REIT Units. An active and liquid market for the REIT Units will not develop. If an active public market does not develop or is not maintained, Unitholders may have difficulty selling their REIT Units.

REIT Units Not a Direct Investment in PBSA

The REIT Units do not represent a direct investment in PBSA indirectly owned by the REIT and should not be viewed by Unitholders as a direct interest in acquired PBSA.

Lack of Credit Rating of the REIT Units

The REIT Units not been rated by any relevant credit rating agency.

CONFLICTS OF INTEREST

The Trustees are also management of the General Partner. The General Partner is responsible for making distributions to the REIT as the initial holder of limited partnership units of CSL. This relationship may create conflicts of interest.

Pursuant to the Declaration of Trust, each Trustee is required to exercise the powers and duties of his or her office honestly, in good faith with a view to the best interests of Alignvest Student Housing REIT and the Unitholders and, in connection therewith, to exercise that degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

Securities Laws require securities dealers and advisors, when they trade in or advise with respect to their own securities or securities of certain other issuers to which they, or certain other parties related to them, are related or connected, to do so only in accordance with particular disclosure and other rules. These rules require dealers and advisors, prior to trading with or advising their customers or clients, to inform them of the relevant relationships and connections with the issuer of the securities. Clients and customers should refer to the applicable provisions of these securities laws for the particulars of these rules and their rights or consult with a legal advisor.

The REIT Units are offered for sale through Alignvest Capital and by other qualified dealers. Alignvest Capital in its capacity as an exempt market dealer of the REIT only offers REIT Units on a private placement basis for which there are no fees or commission payable. An investor purchasing Class A REIT Units through a registered dealer other than Alignvest Capital may be required to pay a negotiated sales commission in relation to the purchase of such Class A REIT Units to such dealer. The REIT is a “connected issuer” of Alignvest Capital under Securities Laws in connection with the distribution of REIT Units. Reza Satchu is a Trustee of the REIT and a director of Alignvest Capital, and Sanjil Shah is a Trustee of the REIT and is the President, director and Chief Financial Officer of Alignvest Capital.

Certain of the Trustees and members of REIT management hold, directly or indirectly, Class F REIT Units for investment purposes and may acquire additional Class F REIT Units from time to time. These persons do not in the aggregate hold more than 10% of the issued and outstanding Class F REIT Units.

Certain of the Trustees and members of REIT management hold equity interests in the General Partner.

LEGAL CONSIDERATIONS

Representations of Subscribers

Each Subscriber of REIT Units is deemed to have represented to Alignvest Student Housing, and any dealer who sells the REIT Units to such Subscriber that:

(a) the offer and sale of REIT Units was made exclusively through the Offering Memorandum and was not made through an advertisement of the REIT Units in any printed media of general and regular paid circulation, radio, television or telecommunications, including electronic display, or any other form of advertising in Canada;

(b) it has reviewed and acknowledges the terms referred to above under the section entitled "Resale Restrictions";

(c) where required by law, it is purchasing as principal, or is deemed to be purchasing as principal in accordance with Securities Laws in which it is resident, for its own account and not as agent for the benefit of another person;

(d) it is an accredited investor as defined in NI 45-106 if resident in a province in Canada; and

(e) it is not a person created or used solely to purchase or hold the REIT Units as an accredited investor as described in paragraph (m) of the definition of accredited investor in section 1.1 of NI 45-106.

(f) In addition, each resident who purchases the REIT Units is deemed to have represented to Alignvest Student Housing and each dealer from whom a purchase confirmation is received, that such Subscriber has been notified by Alignvest Student Housing:

(i) that Alignvest Student Housing may be required to provide certain personal information ("**personal information**") pertaining to the Subscriber as required to be disclosed in Schedule I of Form 45-106F1 under NI 45-106 (including its name, address, telephone number and the number and value of any REIT Units purchased), which Form 45-106F1 may be required to be filed by the REIT under NI 45-106;

(ii) that such personal information may be delivered to the securities commissions in which REIT Units are distributed (the "**Securities Regulators**") in accordance with NI 45-106;

(iii) that such personal information is collected indirectly by the Securities Regulators under the authority granted to the Securities Regulators under Securities Laws;

(iv) that such personal information is collected for the purposes of the administration and enforcement of the securities legislation; and

(v) that the public officials who can answer questions about the Securities Regulators' indirect collection of such personal information is set out in the Subscription Agreements; and

(vi) has authorized the indirect collection of the personal information by the Securities Regulators.

Furthermore, the Subscriber acknowledges that its name, address, telephone number and other specified information, including the number of REIT Units it has purchased and the aggregate purchase price paid by the Subscriber may become available to the public in accordance with the requirements of Securities Laws. By purchasing REIT Units, the Subscriber consents to the disclosure of such information.

Resale Restrictions

The distribution of the REIT Units is being made on a private placement basis only and is exempt from the requirement that Alignvest Student Housing prepare and file a prospectus with the relevant Canadian securities regulatory authorities. Accordingly, any resale of the REIT Units must be made in accordance with Securities Laws which may require resales to be made in accordance with prospectus and dealer registration requirements or exemptions from the prospectus and dealer registration requirements. In addition, the transfer of the REIT Units is subject to approval by the Trustees. Subscribers of REIT Units are advised to seek legal advice prior to any resale of the REIT Units.

The REIT Units are not listed on an exchange. There is currently no secondary market through which the REIT Units may be sold, there can be no assurance that any such market will develop and the REIT has no current plans to develop such a market. Accordingly, the sole method of liquidation of an investment in REIT Units is by way of redemption of the REIT Units. Aggregate redemptions in cash are limited to $250,000 per month unless a higher amount is approved by the Trustees, but in no case may the total amount payable in respect of REIT Units tendered for redemption exceed in a month 50% of Unencumbered Cash, and subject to the Class V Redemption Right. Accordingly, in the event that the REIT experiences a large number of redemptions, the REIT may not be able to satisfy all of the redemption requests in cash.

Proceeds of Crime (Money Laundering Legislation)

In order to comply with Canadian legislation aimed at the prevention of money laundering, the Trustees may require additional information concerning Unitholders and prospective investors. The Subscription Agreements contain detailed guidance on the verification of identity documentation to accompany the Subscription Agreements.

If, as a result of any information or other matter that comes to the attention of the Trustees, or any officer or employee of the REIT of CSL, or its professional advisors, knows or suspects that a Unitholder or prospective investor is engaged in money laundering, such person is required to report such information or other matter to the Financial Transactions and Reports Analysis Centre of Canada and such report will not be treated as a breach of any restriction upon the disclosure of information imposed by law or otherwise.

Purchasers' Rights of Action

If you purchase these securities you will have certain rights, some of which are described below. For information about your rights you should consult a lawyer.

If you purchase the REIT Units you will have certain rights, some of which are described below. For information about your rights you should consult a lawyer.

Two Day Cancellation Right

You can cancel your agreement to purchase the REIT Units. To do so, you must send a notice to the REIT by midnight on the second Business Day after you sign the agreement to purchase the REIT Units.

Statutory and Contractual Rights of Action in the Event of a Misrepresentation

Securities legislation in certain of the Canadian provinces provides certain Subscribers, or requires certain Subscribers to be provided with, in addition to any other rights they may have at law, a remedy for rescission or damages, or both, where the Offering Memorandum and any amendment to it and, in some cases, advertising and sales literature used in connection therewith contains a “misrepresentation”. The term “misrepresentation” is generally defined under securities laws as an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. A “material fact” is generally defined under securities laws as a fact that would reasonably be expected to have a significant effect on the market price or value of the offered securities. These remedies, or notice with respect to these remedies, must be exercised or delivered, as the case may be, by the Subscriber within the time limits prescribed by applicable securities legislation. Each Subscriber should refer to provisions of the securities legislation of their province or territory of residence for particulars of any rights which may be available to them or consult with a legal advisor.

All of the following statutory or contractual rights of action are in addition to, and without derogation from, any other right or remedy which Subscribers of REIT Units may have at law and are intended to correspond to the provisions of the relevant securities legislation and are subject to the defenses contained therein. These remedies, or notice with respect thereto, must be exercised, or delivered, as the case may be, by the Subscriber within the time limits prescribed by the applicable provisions of the provincial securities legislation. The following summaries are subject to the express provisions of the applicable securities statutes and instruments in the below-referenced provinces and the regulations, rules and policy statements thereunder. The summaries below are not a complete description of such rights or the limitations applicable thereto and reference should be made to the securities law of the jurisdiction where the Subscriber are resident for the complete text of such rights. Such law is subject to varying interpretation. Subscribers should obtain legal advice to determine any rights that are available to the Subscriber, including in relation to the rights referred to below.

Ontario

In accordance with Section 130.1 of the Securities Act (Ontario) (the “**Ontario Act**”) and Ontario Securities Commission Rule 45-501, in the event that this Offering Memorandum or any amendment thereto contains a misrepresentation (as defined in the Ontario Act), the Subscriber who purchases REIT Units offered by this Offering Memorandum during the period of distribution has, without regard to whether the Subscriber relied upon the misrepresentation, a right of action against the REIT for damages, or, while the Subscriber is still the owner of the REIT Units purchased by that Subscriber, for rescission, provided that:

(a) if the Subscriber elects to exercise the right of rescission, the Subscriber will have no right of action for damages against the REIT and any selling security holder;

(b) the REIT will not be liable if it proves that the Subscriber purchased the REIT Units with knowledge of the misrepresentation;

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

(d) in no case will the amount recoverable in any action exceed the price at which the REIT Units were sold to the Subscriber.

This Offering Memorandum is being delivered in reliance on the exemption from the prospectus requirements contained under section 2.3 (the "accredited investor exemption") of NI 45-106. The foregoing rights provided in accordance with Section 130.1 of the Ontario Act do not apply to the following Subscribers relying upon the accredited investor exemption in Ontario:

(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 issuer, trust corporation, insurance issuer, 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 in 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) or (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 the subsidiary.

Section 138 of the Ontario Act provides that no action will be commenced to enforce these rights more than:

(a) in an action for rescission, 180 days from the date of the transaction that gave rise to the cause of action; or

(b) in an action for damages, the earlier of:

    (i) 180 days after the plaintiff 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.

Manitoba

In accordance with Section 141.1 of the Securities Act (Manitoba) (the "**Manitoba Act**"), if this Offering Memorandum or any amendment to it contains a misrepresentation (as defined in the Manitoba Act), a Subscriber who purchases REIT Units offered by this Offering Memorandum is deemed to have relied on the representation if it was a misrepresentation at the time of purchase, and the Subscriber has:

(a) a right of action for damages against the REIT; every director of the REIT; and every Person or company who signed this Offering Memorandum; or

(b) a right of rescission against the REIT.

If the Subscriber chooses to exercise a right of rescission against the REIT, the Subscriber has no right of action for damages against a Person referred to above.

If a misrepresentation is contained in a record that is incorporated by reference in, or that is deemed to be incorporated into, this Offering Memorandum, the misrepresentation is deemed to be contained in this Offering Memorandum. If a misrepresentation is contained in this Offering Memorandum, no Person or company is liable:

(c) if the Person or company proves that the Subscriber had knowledge of the misrepresentation;

(d) other than with respect to the REIT, if the Person or company proves:

   (i) that the Offering Memorandum was sent to the Subscriber without the Person's or company's knowledge or consent; and

   (ii) that, after becoming aware that it was sent, the Person or company promptly gave reasonable notice to the REIT that it was sent without the Person's or company's knowledge and consent;

(e) other than with respect to the REIT, if the Person or company proves that, after becoming aware of the misrepresentation, the Person or company withdrew the Person's or company's consent to the Offering Memorandum and gave reasonable notice to the REIT of the withdrawal and the reason for it;

(f) other than with respect to the REIT, if, with respect to any part of the Offering Memorandum purporting to be made on the authority of an expert or to be a copy of, or an extract from, an expert's report, opinion or statement, the Person proves that the Person or company did not have any reasonable grounds to believe and did not believe that:

   (i) there had been a misrepresentation; or

   (ii) the relevant part of the Offering Memorandum:

      (A) did not fairly represent the expert's report, opinion or statement; or

      (B) was not a fair copy of, or an extract from, the expert's report, opinion or statement; or

(g) other than with respect to the REIT, with respect to any part of the Offering Memorandum not purporting to be made on an expert's authority and not purporting to be a copy of, or an extract from, an expert's report, opinion or statement, unless the Person:

   (i) did not conduct an investigation sufficient to provide reasonable grounds for a belief that there had been no misrepresentation; or

   (ii) believed there had been a misrepresentation.

A Subscriber to whom an Offering Memorandum was required to be sent in compliance with Manitoba securities legislation, but was not sent within the prescribed time has a right of action for rescission or damages against the dealer, offeror or REIT who did not comply with the requirement.

A Subscriber to whom an Offering Memorandum is required to be sent may rescind the contract to purchase the security by sending a written notice of rescission to the REIT not later than midnight on the second day, excluding Saturdays and holidays, after the Subscriber signs the agreement to purchase the securities.

The amount recoverable will not exceed the price at which the REIT Units were offered under this Offering Memorandum. In an action for damages, the defendant is not liable for all or any part of the damages that the defendant proves do not represent the depreciation in value of the REIT Units as a result of the misrepresentation. Not all defenses upon which the REIT or others may rely are described herein. Please refer to the full text of the Manitoba Act for a complete listing.

Section 141.4 of the Manitoba Act provides that no action may be commenced to enforce any of the foregoing rights:

(a) in the case of an action for rescission, more than 180 days after the day of the transaction that gave rise to the cause of action; or

(h) in any other case, more than the earlier of:

(i) 180 days after the day that the plaintiff first had knowledge of the facts giving rise to the cause of action; or

(ii) two years after the day of the transaction that gave rise to the cause of action.

New Brunswick

Section 2.1 of New Brunswick Securities Commission Rule 45-802 provides that the statutory rights of action in rescission or damages referred to in Section 150 of the Securities Act (New Brunswick) (the "**New Brunswick Act**") apply to information relating to an offering memorandum, such as this Offering Memorandum, that is provided to a Subscriber of securities in connection with a distribution made in reliance on the "accredited investor" prospectus exemption in Section 2.3 of NI 45-106. Section 150 of the New Brunswick Act provides that, subject to certain limitations, where this Offering Memorandum or any amendment thereto, which is provided to a Subscriber of the REIT Units contains a misrepresentation (as defined in the New Brunswick Act), a Subscriber who purchases the REIT Units will be deemed to have relied on the misrepresentation if it was a misrepresentation at the time of purchase and the Subscriber has, subject to certain defenses, a right of action for damages against the REIT and a selling security holder on whose behalf the distribution is made, or may elect to exercise a right of rescission against the REIT, in which case the Subscriber will have no right of action for damages.

The foregoing rights are subject to, among other limitations, the following:

(a) in an action for damages or rescission, the defendant will not be liable if it proves that the Subscriber purchased the REIT Units with knowledge of the misrepresentation;

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

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

Section 152 of the New Brunswick Act provides that, subject to certain limitations, where a Person makes a verbal statement to an Subscriber of REIT Units that contains a misrepresentation relating to the REIT Units purchased, and the verbal statement is made either before or contemporaneously with the purchase of the REIT Units, the Subscriber will be deemed to have relied on the misrepresentation if it was a misrepresentation at the time of purchase, and the Subscriber has a right of action for damages against the Person who made the verbal statement.

No action to enforce the foregoing rights may be commenced:

(d) in the case of an action for rescission, more than 180 days after the date of the transaction that gave rise to the cause of action; or

(e) in the case of any action, other than an action for rescission, more than 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.

The liability of all persons and companies referred to above is joint and several.

Newfoundland and Labrador

Section 130.1 of the Securities Act (Newfoundland and Labrador) (the "**Newfoundland Act**") provides that if an offering memorandum (such as this Offering Memorandum) contains a misrepresentation, a Subscriber who purchases REIT Units offered by this Offering Memorandum is deemed to have relied on the representation if it was a misrepresentation at the time of purchase, and the Subscriber has:

(a) a right of action for damages against:

(i) the REIT;

(ii) every director of the REIT at the date of the Offering Memorandum; and

(iii) every Person who signed this Offering Memorandum; and

(b) a right of rescission against the REIT.

If the Subscriber chooses to exercise a right of rescission against the REIT, the Subscriber has no right of action for damages against a Person referred to above.

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

When a misrepresentation is contained in this Offering Memorandum, no Person is liable:

(c) if the Person proves that the Subscriber had knowledge of the misrepresentation;

(d) other than the REIT, if the Person proves that:

(i) this Offering Memorandum was sent to the Subscriber without the Person's knowledge or consent; and

(ii) after becoming aware that it was sent, the Person promptly gave reasonable notice to the REIT that it was sent without the Person's knowledge and consent;

(e) other than the REIT, if the Person proves that, after becoming aware of the misrepresentation, the Person withdrew the Person's consent to this Offering Memorandum and gave reasonable notice to the REIT of the withdrawal and the reason for it;

(f) other than the REIT, if, 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, an expert's report, opinion or statement, the Person proves that the Person did not have any reasonable grounds to believe and did not believe that:

(i) there had been a misrepresentation; or

(ii) the relevant part of the Offering Memorandum did not fairly represent the expert's report, opinion or statement; or was not a fair copy of, or an extract from, the expert's report, opinion or statement; or

(iii) other than the REIT, with respect to any part of this Offering Memorandum not purporting to be made on an expert's authority and not purporting to be a copy of, or an extract from, an expert's report, opinion or statement, unless the Person:

(A) did not conduct an investigation sufficient to provide reasonable grounds for a belief that there had been no misrepresentation; or

(B) believed there had been a misrepresentation.

The amount recoverable will not exceed the price at which the REIT Units were offered under this Offering Memorandum. In an action for damages, the defendant is not liable for all or any part of the damages that the defendant proves do not represent the depreciation in value of the REIT Units as a result of the misrepresentation.

All or any one or more of the Persons or companies that are found to be liable or accept liability in an action for damages are jointly and severally liable. A defendant who is found liable to pay a sum in damages may recover a contribution, in whole or in part, from a Person who is jointly and severally liable to make the same payment in the same cause of action unless, in all circumstances of the case, the court is satisfied that it would not be just and equitable.

No action will be commenced to enforce these contractual rights more than:

(g) 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

(h) in the case of an action for damages, before the earlier of:

  (i) 180 days after the plaintiff first has 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.

Nova Scotia

Section 138 of the Securities Act (Nova Scotia) (the "**Nova Scotia Act**") provides that, subject to certain limitations, where this Offering Memorandum, together with any amendment thereto sent or delivered to a Subscriber, or any advertising or sales literature (as such terms are defined in the Nova Scotia Act) contains a misrepresentation (as defined in the Nova Scotia Act), a Subscriber who purchased REIT Units referred to in it 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 REIT, and subject to certain additional defenses, every director and every seller (other than the REIT) of REIT Units at the date of the Offering Memorandum and Persons who have signed this Offering Memorandum.

Alternatively, where the Subscriber purchased REIT Units from the REIT and is still the owner of those securities, the Subscriber may elect to exercise a right of rescission against the REIT. If the Subscriber exercises its right of rescission against the REIT, the Subscriber will not have a right of action for damages against the REIT or against any aforementioned Person.

The foregoing rights are subject to, among other limitations, the following:

(a) no action will be commenced to enforce any of the foregoing rights more than 120 days after the date on which the initial payment was made for the REIT Units;

(b) no Person will be liable if the Person proves that the Subscriber purchased the REIT Units with knowledge of the misrepresentation;

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

(d) the amount recoverable in any action may not exceed the price at which the REIT Units were offered to the Subscriber under this Offering Memorandum or amendment thereto.

In addition, no Person or company, other than the REIT, is liable if the Person proves that:

(e) this Offering Memorandum or the amendment thereto was sent or delivered to the Subscriber 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 it was delivered without the Person's knowledge or consent;

(f) after delivery of this Offering Memorandum or the amendment thereto and before the purchase of the REIT Units by the Subscriber, on becoming aware of any misrepresentation in this Offering Memorandum, or amendment thereto, the Person or company withdrew the Person's or company's consent to this Offering Memorandum, or amendment thereto, and gave reasonable general notice of the withdrawal and the reason for it; or

(g) with respect to any part of this Offering Memorandum or amendment thereto purporting (i) to be made on the authority of an expert, or (ii) 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 (1) there had been a misrepresentation, or (2) the relevant part of this Offering Memorandum or amendment thereto (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.

Furthermore no Person or company, other than the REIT, is liable with respect to any part of this Offering Memorandum or amendment thereto not purporting (a) to be made on the authority of an expert or (b) 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 a reasonable investigation to provide reasonable grounds for a belief that there had been no misrepresentation; or (ii) believed that there had been a misrepresentation.

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

The liability of all persons or companies referred to above is joint and several with respect to the same cause of action.

Prince Edward Island

Section 112 of the Securities Act (Prince Edward Island) (the "**PEI Act**") provides, subject to certain limitations, that if this Offering Memorandum contains a misrepresentation (as defined in the PEI Act), a Subscriber who purchases REIT Units offered by this Offering Memorandum during the period of distribution has, without regard to whether the Subscriber relied on the misrepresentation, a right of action for damages against:

(a) the REIT;

(b) the selling security holder on whose behalf the distribution is made;

(c) any director of the REIT at the date of the Offering Memorandum; and

(d) every Person or company who signed this Offering Memorandum.

Alternatively, the Subscriber may elect to exercise a right of rescission against the REIT. If the Subscriber exercises its right of rescission against the REIT, the Subscriber will not have a right of action for damages against a Person referred to above.

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

If a misrepresentation is contained in this Offering Memorandum, no Person is liable if the Person proves that the Subscriber purchased the REIT Units with knowledge of the misrepresentation.

A Person or company, other than the REIT, is not liable in an action for damages if the Person proves that:

(e) this Offering Memorandum was sent to the Subscriber without the Person's knowledge or consent, and that, on becoming aware of its being sent, the Person had promptly given reasonable notice to the REIT that it had been sent without the Person's knowledge and consent;

(f) the Person or company, on becoming aware of the misrepresentation, had withdrawn the Person's or company's consent to this Offering Memorandum and had given reasonable notice to the REIT of the withdrawal and the reason for it; or

(g) 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, opinion or 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.

A Person, other than the REIT, is not liable in an action for damages 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:

(h) failed to conduct a reasonable investigation to provide reasonable grounds for a belief that there had been no misrepresentation; or

(i) believed there had been a misrepresentation.

The amount recoverable must not exceed the price at which the REIT Units purchased by the plaintiff were offered. In an action for damages, the defendant is not liable for any damages that the defendant proves do not represent the depreciation in value of the REIT Units resulting from the misrepresentation.

A Subscriber of REIT Units to whom this Offering Memorandum is required to be sent may cancel the contract to purchase the REIT Units by sending written notice to the REIT by midnight on the second Business Day after the Subscriber signs the agreement to purchase the REIT Units.

A Person who is an Subscriber of REIT Units to whom this Offering Memorandum was required to be sent or delivered under the PEI Act but which was not sent or delivered as required has a right of action for damages or rescission against the REIT.

Section 121 of the PEI Act provides that no action may be commenced to enforce a right:

(a) in the case of an action for rescission, more than 180 days after the day of the transaction that gave rise to the cause of action; or

(b) in any other case, more than the earlier of:

  (i) 180 days after the day that the plaintiff first had knowledge of the facts giving rise to the cause of action, or

  (ii) three years after the day of the transaction that gave rise to the cause of action.

Saskatchewan

Section 138 of the Securities Act, 1988 (Saskatchewan) as amended (the "**Saskatchewan Act**") provides, subject to certain limitations, that if this Offering Memorandum or any amendment thereto sent or delivered to an Subscriber contains a misrepresentation (as defined in the Saskatchewan Act), a Subscriber who purchases REIT Units pursuant to this Offering Memorandum or an amendment thereto has, without regard to whether the Subscriber relied on the misrepresentation, a right of action for rescission against the REIT or a selling security holder on whose behalf the distribution is made or has a right of action for damages against:

(a) the REIT or a selling security holder on whose behalf the distribution is made;

(b) every promoter and director of the REIT at the time this Offering Memorandum or any amendment thereto was sent or delivered;

(c) every Person or company whose consent has been filed with this Offering Memorandum or an amendment thereto but only with respect to reports, opinions or statements that have been made by them;

(d) every Person who or company that signed this Offering Memorandum or any amendment thereto; and

(e) every Person who or company that sells REIT Units on behalf of the REIT under this Offering Memorandum or any amendment thereto.

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

(f) if the Subscriber elects to exercise its right of rescission against the REIT or selling security holder, it will have no right of action for damages against that party;

(g) 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 securities resulting from the misrepresentation relied on;

(h) no Person or company, other than the REIT or a selling security holder, 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 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;

(i) in no case will the amount recoverable exceed the price at which the REIT Units were offered; and

(j) no Person or company is liable in an action for rescission or damages if that Person proves that the Subscriber purchased the REIT Units with knowledge of the misrepresentation.

In addition, no Person or company, other than the REIT, will be liable if the Person proves that:

(k) 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

(l) 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 defenses upon which the REIT 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 Section 138.1 of the Saskatchewan Act also provides that, subject to certain limitations, where any advertising or sales literature (as defined in the Saskatchewan Act) disseminated in connection with the offering of REIT Units contains a misrepresentation, a Subscriber who purchases the REIT Units referred to in that advertising or sales literature, is deemed to have relied on that misrepresentation if it was a misrepresentation at the time of purchase and has a right of action against the REIT, every promoter of the REIT at the time the advertising or sales literature was disseminated, and every Person who, that, at the time the advertising or sales literature was disseminated, sells REIT Units on behalf of the REIT in the Offering with respect to which the advertising or sales literature was disseminated.

Section 138.2 of the Saskatchewan Act provides that, subject to certain limitations, where an individual makes a verbal statement to a prospective Subscriber of REIT Units that contains a misrepresentation relating to the REIT Units purchased, and the verbal statement is made either before or contemporaneously with the purchase of the REIT Units, the Subscriber has, without regard to whether the Subscriber relied on the misrepresentation, a right of action for damages against the individual who made the verbal statement.

There are various defenses available to the Persons or companies who may be sued, including that no Person is liable if the Person proves that the Subscriber purchased the REIT Units with knowledge of the misrepresentation. In an action for damages, the defendant will not be liable for all or any part of the damages that the defendant proves does not represent the depreciation in value of the REIT Units resulting from the misrepresentation relied on. The amount recoverable pursuant to these rights will not exceed the price at which the REIT Units were offered.

The Saskatchewan Act also provides a Subscriber who has received an amended Offering Memorandum delivered in accordance with subsection 80.1(3) of the Saskatchewan Act a right to withdraw from the agreement to purchase the REIT Units by delivering a notice to the Person who is selling the REIT Units, indicating the Subscriber's intention not to be bound by the purchase agreement, provided such notice is delivered by the Subscriber within two Business Days of receiving the amended Offering Memorandum.

If the REIT Units are sold in contravention of the Saskatchewan Act, the regulations or a decision of the Saskatchewan Financial Services Commission, the Subscriber of such REIT Units has a right to void the purchase agreement and recover all money and other consideration paid therefore from the vendor of the REIT Units. Further, a Subscriber of REIT Units who is not sent or delivered a copy of this Offering Memorandum or any amendment thereto prior to entering into an agreement of purchase and sale has a right of action for rescission or damages against the REIT or, if purchased through a dealer, the dealer who failed to so send or deliver this Offering Memorandum or any amendment thereto.

Section 147 of the Saskatchewan Act provides that no action to enforce the foregoing rights may be commenced:

(a) in the case of an action for rescission, more than 180 days after the date of the transaction that gave rise to the cause of action; or

(b) in the case of any action, other than an action for rescission, more than 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.

Yukon Territory

The Securities Act (Yukon) (the "**Yukon Act**") provides that if an offering memorandum (such as this Offering Memorandum) contains a misrepresentation, a Subscriber who purchases a security offered by this Offering Memorandum during the period of distribution has, without regard to whether the Subscriber relied on the misrepresentation:

(a) a right of action for damages against:

    (i) the REIT;

    (ii) the selling security holder on whose behalf the distribution is made;

    (iii) every director of the REIT at the date of the Offering Memorandum; and

    (iv) every person who signed the Offering Memorandum; and

(b) a right of rescission against:

    (i) the REIT; or

(ii) the selling security holder on whose behalf the distribution is made.

If the Subscriber chooses to exercise a right of rescission against the REIT, the Subscriber has no right of action for damages against a person or company referred to above.

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.

If a misrepresentation is contained in the Offering Memorandum, no person is liable if the person proves that the Subscriber purchased the securities with knowledge of the misrepresentation.

A person, other than the REIT or selling security holder, is not liable in an action for damages if the person proves that:

(c) the Offering Memorandum was sent to the Subscriber without the person's knowledge or consent, and that, on becoming aware of its being sent, the person had promptly given reasonable notice to the REIT that it had been sent without the person's knowledge and consent;

(d) the person, on becoming aware of the misrepresentation, had withdrawn the person's consent to the Offering Memorandum and had given reasonable notice to the REIT of the withdrawal and the reason for it; or

(e) with respect to any part of the Offering Memorandum purporting to be made on the authority of an expert or to be a copy of, or an extract from, a report, opinion or statement of an expert, the person had no reasonable grounds to believe and did not believe that

(i) there had been a misrepresentation, or

(ii) the relevant part of the 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.

A person, other than the REIT or selling security holder, is not liable in an action for damages with respect to any part of the 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

(f) failed to conduct a reasonable investigation to provide reasonable grounds for a belief that there had been no misrepresentation, or

(g) believed there had been a misrepresentation.

The amount recoverable shall not exceed the price at which the securities were offered under the Offering Memorandum. In an action for damages, the defendant is not liable for all or any part of the damages that the defendant proves do not represent the depreciation in value of the security as a result of the misrepresentation.

All or any one or more of the persons or companies that are found to be liable or accept liability in an action for damages are jointly and severally liable. A defendant who is found liable to pay a sum in damages may recover a contribution, in whole or in part, from a person who is jointly and severally liable to make the same payment in the same cause of action unless, in all circumstances of the case, the court is satisfied that it would not be just and equitable.

The REIT, and every director of the REIT at the date of the Offering Memorandum who is not a selling security holder, is not liable if the REIT does not receive any proceeds from the distribution of the securities and the misrepresentation was not based on information provided by the REIT, unless the misrepresentation,

(h) was based on information previously publicly disclosed by the REIT;

(i) was a misrepresentation at the time of its previous public disclosure; and

(j) was not subsequently publicly corrected or superseded by the REIT before completion of the distribution of the securities being distributed.

No action may be commenced to enforce a right more than,

(k) in the case of an action for rescission, 180 days after the date of the transaction giving rise to the cause of action; or

(l) in the case of any action other than an action for rescission,

(i) 180 days after the plaintiff first had knowledge of the facts giving rise to the cause of action, or

(ii) three years after the date of the transaction giving rise to the cause of action,

whichever period expires first.

The rights of action for rescission or damages conferred are in addition to and do not derogate from any other right that the Subscriber may have at law. This summary is subject to the express provisions of the Yukon Act and the regulations and rules made under it, and prospective Subscribers in the Yukon should refer to the complete text of those provisions or consult with a legal advisor.

Northwest Territories

The Securities Act (Northwest Territories) (The "**Northwest Territories Act**") provides that if an offering memorandum (such as this Offering Memorandum) contains a misrepresentation, a Subscriber who purchases a security offered by the offering memorandum during the period of distribution has, without regard to whether the Subscriber relied on the misrepresentation:

(a) a right of action for damages against:

(i) the REIT;

(ii) the selling security holder on whose behalf the distribution is made;

(iii) every director of the REIT at the date of the Offering Memorandum, and

(iv) every person who signed the Offering Memorandum; and

(b) a right of rescission against:

(i) the REIT; or

(ii) the selling security holder on whose behalf the distribution is made.

If the Subscriber chooses to exercise a right of rescission against the REIT, the Subscriber has no right of action for damages against a person or company referred to above.

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.

If a misrepresentation is contained in the Offering Memorandum, no person is liable if the person proves that the Subscriber purchased the securities with knowledge of the misrepresentation.

A person, other than the REIT or selling security holder, is not liable in an action for damages if the person proves that:

(c) the Offering Memorandum was sent to the Subscriber without the person's knowledge or consent, and that, on becoming aware of its being sent, the person had promptly given reasonable notice to the REIT that it had been sent without the person's knowledge and consent;

(d) the person, on becoming aware of the misrepresentation, had withdrawn the person's consent to the Offering Memorandum and had given reasonable notice to the REIT of the withdrawal and the reason for it; or

(e) with respect to any part of the Offering Memorandum purporting to be made on the authority of an expert or to be a copy of, or an extract from, a report, opinion or statement of an expert, the person had no reasonable grounds to believe and did not believe that:

   (i) there had been a misrepresentation, or

   (ii) the relevant part of the 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.

A person, other than the REIT or selling security holder, is not liable in an action for damages with respect to any part of the 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:

(f) failed to conduct a reasonable investigation to provide reasonable grounds for a belief that there had been no misrepresentation, or

(g) believed there had been a misrepresentation.

The amount recoverable shall not exceed the price at which the securities were offered under the Offering Memorandum. In an action for damages, the defendant is not liable for all or any part of the damages that the defendant proves do not represent the depreciation in value of the security as a result of the misrepresentation.

All or any one or more of the persons or companies that are found to be liable or accept liability in an action for damages are jointly and severally liable. A defendant who is found liable to pay a sum in damages may recover a contribution, in whole or in part, from a person who is jointly and severally liable to make the same payment in the same cause of action unless, in all circumstances of the case, the court is satisfied that it would not be just and equitable.

The REIT, and every director of the REIT at the date of the Offering Memorandum who is not a selling security holder, is not liable if the REIT does not receive any proceeds from the distribution of the securities and the misrepresentation was not based on information provided by the REIT, unless the misrepresentation,

(h) was based on information previously publicly disclosed by the REIT;

(i) was a misrepresentation at the time of its previous public disclosure; and

(j) was not subsequently publicly corrected or superseded by the REIT before completion of the distribution of the securities being distributed.

No action may be commenced to enforce a right more than,

(k) in the case of an action for rescission, 180 days after the date of the transaction giving rise to the cause of action; or

(l) in the case of any action other than an action for rescission, 180 days after the plaintiff first had knowledge of the facts giving rise to the cause of action, or three years after the date of the transaction giving rise to the cause of action, whichever period expires first.

The rights of action for rescission or damages conferred are in addition to and do not derogate from any other right that the Subscriber may have at law. This summary is subject to the express provisions of the Northwest Territories Act and the regulations and rules made under it, and prospective Subscribers in the Northwest territories should refer to the complete text of those provisions or consult with a legal advisor.

Nunavut

The Securities Act (Nunavut) (the "**Nunavut Act**") provides that if an offering memorandum (such as this Offering Memorandum) contains a misrepresentation, a Subscriber who purchases a security offered by the offering memorandum during the period of distribution has, without regard to whether the Subscriber relied on the misrepresentation:

(a) a right of action for damages against:

  (i) the REIT;

  (ii) the selling security holder on whose behalf the distribution is made;

  (iii) every director of the REIT at the date of the Offering Memorandum, and

  (iv) every person who signed the Offering Memorandum; and

(b) a right of rescission against:

  (i) the REIT; or

  (ii) the selling security holder on whose behalf the distribution is made.

If the Subscriber chooses to exercise a right of rescission against the REIT, the Subscriber has no right of action for damages against a person or company referred to above.

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.

If a misrepresentation is contained in the Offering Memorandum, no person is liable if the person proves that the Subscriber purchased the securities with knowledge of the misrepresentation.

A person, other than the REIT or selling security holder, is not liable in an action for damages if the person proves that:

(c) the Offering Memorandum was sent to the Subscriber without the person's knowledge or consent, and that, on becoming aware of its being sent, the person had promptly given reasonable notice to the REIT that it had been sent without the person's knowledge and consent;

(d) the person, on becoming aware of the misrepresentation, had withdrawn the person's consent to the Offering Memorandum and had given reasonable notice to the REIT of the withdrawal and the reason for it; or

(e) with respect to any part of the Offering Memorandum purporting to be made on the authority of an expert or to be a copy of, or an extract from, a report, opinion or statement of an expert, the person had no reasonable grounds to believe and did not believe that

  (i) there had been a misrepresentation, or

  (ii) the relevant part of the 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.

A person, other than the REIT or selling security holder, is not liable in an action for damages with respect to any part of the 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:

(f) failed to conduct a reasonable investigation to provide reasonable grounds for a belief that there had been no misrepresentation, or

(g) believed there had been a misrepresentation.

The amount recoverable shall not exceed the price at which the securities were offered under the Offering Memorandum. In an action for damages, the defendant is not liable for all or any part of the damages that the defendant proves do not represent the depreciation in value of the security as a result of the misrepresentation.

All or any one or more of the persons or companies that are found to be liable or accept liability in an action for damages are jointly and severally liable. A defendant who is found liable to pay a sum in damages may recover a contribution, in whole or in part, from a person who is jointly and severally liable to make the same payment in the same cause of action unless, in all circumstances of the case, the court is satisfied that it would not be just and equitable.

The REIT, and every director of the REIT at the date of the Offering Memorandum who is not a selling security holder, is not liable if the REIT does not receive any proceeds from the distribution of the securities and the misrepresentation was not based on information provided by the REIT, unless the misrepresentation:

(h) was based on information previously publicly disclosed by the REIT;

(i) was a misrepresentation at the time of its previous public disclosure; and

(j) was not subsequently publicly corrected or superseded by the REIT before completion of the distribution of the securities being distributed.

No action may be commenced to enforce a right more than,

(k) in the case of an action for rescission, 180 days after the date of the transaction giving rise to the cause of action; or

(l) in the case of any action other than an action for rescission,

    (i) 180 days after the plaintiff first had knowledge of the facts giving rise to the cause of action, or

    (ii) three years after the date of the transaction giving rise to the cause of action,

whichever period expires first.

The rights of action for rescission or damages conferred are in addition to and do not derogate from any other right that the Subscriber may have at law. This summary is subject to the express provisions of the Nunavut Act and the regulations and rules made under it, and prospective Subscribers in Nunavut should refer to the complete text of those provisions or consult with a legal advisor.

Contractual Rights for Subscribers in British Columbia, Alberta and Québec

Each Subscriber of securities resident in the Province of Alberta, British Columbia, and Quebec purchasing under the exemption contained in section 2.3 (the “accredited investor exemption”) will be granted contractual rights of action that are equivalent to the statutory rights of action set forth above with respect to Subscribers resident in the Province of Ontario.

Language of Documents

Upon receipt of this document, each Subscriber hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of securities described herein (including for greater certainty any purchase confirmation or notice) be drawn up in the English language only. Par la réception de ce document, chaque investisseur 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.

ANCILLARY MATTERS

Material Contracts

The following is a list of all material documents related to the REIT and CSL:

- the Declaration of Trust;
- the Partnership Agreement; and
- the Subscription Agreement.

Auditor, Transfer Agent and Registrar

Ernst and Young LLP is the auditor of Alignvest Student Housing REIT and CSL.

Pinnacle Fund Services is the fund administrator for Alignvest Student Housing REIT.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following is a summary of certain of the principal Canadian federal income tax considerations generally applicable to the acquisition, holding and disposition of REIT Units by a Unitholder that is an individual (other than a trust) who acquires Units pursuant to this Offering Memorandum and who, for purposes of the Tax Act and at all relevant times, is resident in Canada, deals at arm's length and is not affiliated with the REIT and holds REIT Units as capital property. Generally, REIT Units will be considered to be capital property of a Unitholder for the purposes of the Tax Act provided the Unitholder does not hold such REIT Units in the course of carrying on a business of trading or dealing in securities and has not acquired them in one or more transactions considered to be an adventure or concern in the nature of trade. Certain Unitholders who might not otherwise be considered to hold their REIT Units as capital property may, in certain circumstances, be entitled to make the irrevocable election permitted by subsection 39(4) of the Tax Act to have their REIT Units and all other "Canadian securities" (as defined in the Tax Act) owned or subsequently acquired by them treated as capital property. **Unitholders considering making such an election should consult their own tax advisors regarding whether such an election is available or advisable under their particular circumstances.**

This summary is not applicable to Unitholders that have entered into or will enter into, in respect of the REIT Units, a "derivative forward arrangement", as defined in the Tax Act. All such Unitholders should consult their own tax advisors to determine the tax consequences to them of the acquisition, holding and disposition of REIT Units acquired pursuant to this Offering Memorandum.

This summary is based on the facts set out in this Offering Memorandum, the provisions of the Tax Act and the regulations promulgated thereunder (the "**Regulations**") in force as of January 1, 2021, and the published administrative policies and assessing practices of the Canada Revenue Agency (the "**CRA**") publicly released prior to January 1, 2021. This summary takes into account all specific proposals to amend the Tax Act and the Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to January 1, 2021 (the "**Proposed Amendments**"). There can be no assurance that the Proposed Amendments will be enacted in their current form or at all, or that the CRA will not change its administrative policies and assessing practices, potentially with retroactive effect. Except for the Proposed Amendments, this summary does not otherwise take into account or anticipate any changes in law, whether by legislative, governmental or judicial decision or action. There can be no assurances that such changes, if made, might not be retroactive. This summary also does not take into account provincial, territorial or foreign tax legislation or considerations, which may differ significantly from those discussed in this summary.

This summary is not exhaustive of all possible Canadian federal tax considerations applicable to an investment in REIT Units and does not address the tax treatment of amounts borrowed to acquire REIT Units. The income and other tax consequences of acquiring, holding or disposing of REIT Units will vary depending on the particular circumstances of each Unitholder. Accordingly, this summary is of a general nature only and is not intended to be legal or tax advice to any prospective purchaser of REIT Units. The REIT has not obtained, nor sought, an advance tax ruling from the CRA in respect of the Offering. ***Prospective purchasers should consult their own tax advisors for advice with respect to the tax consequences of an investment in Units based on their particular circumstances.***

Tax Status of the REIT

Qualification as a "Mutual Fund Trust"

This summary assumes that the REIT will constitute a "mutual fund trust" for the purposes of the Tax Act at all times and that the REIT will be able to elect, and will elect, to be deemed to be a "mutual fund trust" from the date of its settlement.

In order to qualify as a mutual fund trust, the REIT must satisfy the following conditions: (i) the REIT must be a "unit trust" for the purposes of the Tax Act, (ii) the undertaking of the REIT must be limited to a combination of the investing of its funds in property (other than real property or interests in real property) and the acquiring, holding, maintaining, improving, leasing or managing of any real property or an interest in real property, that is capital property of the REIT; (iii) the REIT must comply on a continuous basis with certain requirements relating to the qualification of the Units for distribution to the public, the number of Unitholders and the dispersal of ownership of REIT Units; and (iv) the REIT may not reasonably be considered to have been established or maintained primarily for the benefit of non–residents (as defined for the purposes of the Tax Act).

For the REIT to qualify as a "unit trust", (i) it must be an *inter vivos* trust, (ii) the interest of each Unitholder in the REIT must be described by reference to units of the REIT, and (iii) the Units must be subject to conditions requiring the REIT to accept, at the demand of the holder thereof and at prices determined and payable in accordance with the conditions, the surrender of the REIT Units that are fully paid.

The Trustees intend to ensure that the REIT will meet each of the foregoing requirements at all times. If the REIT were not to qualify as a mutual fund trust at any particular time, the Canadian federal income tax considerations described below would, in some respects, be materially and adversely different.

The SIFT Rules

This summary has been prepared on the assumptions that the REIT will not be a "specified investment flow-through trust" for the purposes of the Tax Act (a "**SIFT Trust**"), and that CSL will not be a "specified investment flow-through partnership" for the purposes of the Tax Act. The Trustees have no current intention to arrange to have the REIT Units listed on a stock exchange or on any other public market and, as such, the REIT is not expected to constitute a SIFT Trust. If the REIT were to become a SIFT Trust, the income tax consequences for the REIT and for Unitholders would be materially and adversely different than those described below.

Taxation of the REIT

In each taxation year, the REIT will be subject to tax on its income for the year, including net realized taxable capital gains, less the portion thereof that it deducts in respect of the amounts paid or declared payable in the year by the REIT to Unitholders. 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 REIT or if the Unitholder is entitled in that year to enforce payment of the amount.

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

The REIT may realize a capital gain or loss on the disposition or deemed disposition of its partnership interests in CSL held as capital property. The adjusted cost base of interests in CSL held by the REIT will be increased at a particular time by the REIT's share of the income of CSL for a fiscal period of CSL ended before that time, and will be reduced by the REIT's share of the losses of CSL for a fiscal period of CSL that ended before that time and all distributions of cash or other property made by CSL to the REIT before that time. If, at the end of any fiscal period of CSL, the adjusted cost base of such interests in CSL held by the REIT would otherwise be less than zero, the REIT will be deemed to have realized a capital gain equal to the negative amount, and the REIT's adjusted cost base of such interest in CSL will be nil immediately thereafter.

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

The Declaration of Trust provides that, to the extent cash of the REIT is unavailable for distribution, and the income of the REIT in a taxation year exceeds the cumulative cash distributions for that year, such excess income will be distributed to Unitholders in the form of additional REIT Units or otherwise. Income of the REIT payable to Unitholders, whether in cash, additional REIT Units or otherwise, will generally be deductible by the REIT in computing its taxable income. Losses incurred by the REIT in a particular taxation year may be deducted by the REIT, in the case of non-capital losses, in the particular year and in the ensuing twenty taxation years, and, in the case of capital losses, in the particular year and in any future taxation year to the extent of capital gains, in accordance with, and subject to, the applicable provisions and limitations contained in the Tax Act.

For each taxation year, the REIT will be entitled 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 REIT 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 REIT's tax liability for that taxation year arising in connection with the distribution of its property on the redemption of REIT Units. The Declaration of Trust provides that all or a portion of a taxable capital gain realized by the REIT as a result of a redemption may, at the discretion of the Trustee, be treated as a taxable capital gain paid to, and designated as a taxable capital gain of, the redeeming Unitholders.

The REIT may be subject to Loss Restriction Rules contained in the Tax Act. If the REIT experiences a "loss restriction event": (i) the REIT will be deemed to have a year-end for tax purposes (which would result in an allocation of the REIT's net income and net realized capital gains at such time to unitholders so that the REIT is not liable for income tax under Part I of the Tax Act on such amounts), and (ii) the REIT will be deemed to realize any unrealized capital losses and its ability to carry forward losses will be restricted. Generally, the REIT will have a loss restriction event when a person becomes a "majority-interest beneficiary" of the REIT, or a group of persons becomes a "majority-interest group of beneficiaries" of the REIT, as those terms are defined in the Tax Act.

Taxation of CSL

CSL is not subject to tax under the Tax Act. Each partner of CSL (including the REIT) is required to include, in computing its income, its share of the income or loss of CSL for its fiscal period ending in or coincidentally with the partner's taxation year, whether or not any such income is distributed to the partner in the taxation year. For this purpose, the income or loss of CSL will be computed for each fiscal period as if it were a separate person resident in Canada. In computing such income or loss, deductions may be claimed for reasonable amounts in respect of administrative and other expenses incurred for the purpose of earning income from business or property. The income or loss of CSL for a fiscal period will be allocated to each partner on the basis of the partner's share of such income or loss subject to the terms of the Partnership Agreement and the detailed rules in the Tax Act, including, in the case of allocation of losses to limited partners, the "at-risk" rules in the Tax Act.

If CSL incurs losses for purposes of the Tax Act, a limited partner, including the REIT, will be entitled to deduct in the computation of its income for purposes of the Tax Act its share of any such losses for any fiscal year to the extent of that limited partner's "at-risk amount" in respect of CSL. In general, the "at-risk amount" of a limited partner in respect of CSL for any taxation year will be the adjusted cost base of the limited partner's partnership interest in CSL at the end of the year, plus any undistributed income allocated to the limited partner for the year, less any amount owing by the limited partner (or a person with whom the limited partner does not deal at arm's length) to CSL (or a person with whom it does not deal at arm's length), and less the amount of any benefit that the limited partner (or a person with whom the limited partner does not deal at arm's length) is entitled to receive or obtain for the purpose of reducing, in whole or in part, any loss of the limited partner from the investment in CSL.

Taxation of Unitholders

Distributions

A Unitholder will generally be required to include in computing income for a particular taxation year, all net income and net realized taxable capital gains of the REIT, if any, that is paid or payable by the REIT to the Unitholder in the particular taxation year, whether that amount is paid in cash, additional REIT Units, or otherwise. Provided that the appropriate designations are made by the REIT, such portion of the REIT's net taxable capital gains that are paid or payable to a Unitholder will effectively retain their character and be treated as such in the hands of the Unitholder for the purposes of the Tax Act.

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

The Declaration of Trust provides that net income and net taxable capital gains of the REIT for the purposes of the Tax Act will be allocated among the Unitholders in the same proportion as distributions received by them, unless the Trustee otherwise determines.

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

Dispositions of REIT Units

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

REIT Units issued to a Unitholder in lieu of a cash distribution will have a cost to the Unitholder equal to the amount of income (including the applicable non-taxable portion of net capital gains) distributed by the issuance of such REIT Units. The adjusted cost base of REIT Units issued to a Unitholder in lieu of a cash distribution will be averaged with the adjusted cost base of all other REIT Units already owned by the Unitholder in order to determine the respective adjusted cost base of each such REIT Unit.

Where REIT Units are redeemed and the redemption price is paid by the delivery of LP Notes to the redeeming Unitholder, the proceeds of disposition to the Unitholder of the REIT Units will be equal to the fair market value of the LP Notes so distributed less any income or capital gain realized by the REIT in connection with such redemption which has been designated by the REIT to the Unitholder. Any income or capital gain realized by the REIT on a disposition of interests in CSL to effect redemption of REIT Units will generally be designated to the redeeming Unitholder such that the Unitholder will be required to include in computing its income the income or taxable portion of the capital gain so designated.

Taxation of Capital Gains and Capital Losses

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

Alternative Minimum Tax

The Tax Act provides for a special "alternative minimum tax" applicable to individuals and certain trusts based upon the amount of their "adjusted taxable income". In general terms, adjusted taxable income of a Unitholder who is an individual must be increased by, among other things, any capital gains realized by such Unitholder on the disposition of REIT Units and by any net income of the REIT that is paid or payable to such Unitholder and that has been designated as a taxable dividend or as a taxable capital gain.

Eligibility for Investment

Provided that the REIT qualifies as a "mutual fund trust" (as defined in the Tax Act) at all times, the REIT Units will be a "qualified investment" under the Tax Act for an RRSP, RRIF, DPSP, RDSP, RESP and a TFSA (collectively, "**Registered Plans**"). LP Notes will not be a qualified investment for Registered Plans.

Notwithstanding that the Units may be qualified investments for Registered Plans, a Controlling Individual of a Prescribed Plan will be subject to a penalty tax if the REIT Units held in the Prescribed Plan are a "prohibited investment" as defined in the Tax Act. The REIT Units will generally be a "prohibited investment" for a Prescribed Plan if the Controlling Individual of the Prescribed Plan does not deal at arm's length with the REIT for the purposes of the Tax Act, or has a "significant interest", as defined in the Tax Act, in the REIT. Generally, a Controlling Individual will have a significant interest in the REIT if the Controlling Individual, together with any persons that do not deal at arm's length with the Controlling Individual, directly or indirectly, hold interests as a beneficiary under the REIT that have a fair market value of 10% or more of the fair market value of the interests of all beneficiaries under the REIT. In addition, REIT Units will not be a "prohibited investment" if the Units are "excluded property" (as defined in the Tax Act) for a Prescribed Plan. Prospective investors who intend to hold their REIT Units in a Prescribed Plan should consult their own advisors regarding the application of the foregoing having regard to their particular circumstances.

International Tax Information Reporting

In March 2010, the U.S. enacted the Foreign Account Tax Compliance Act ("**FATCA**"), which imposes certain reporting requirements on non-U.S. financial institutions. The governments of Canada and the United States have entered into an Intergovernmental Agreement (the "**IGA**"), which establishes a framework for cooperation and information sharing between the two countries and may provide relief from a 30% U.S. withholding tax under U.S. tax law ("**FATCA Tax**") for Canadian entities, such as the REIT, provided that (i) the REIT complies with the terms of the IGA and the Canadian legislation implementing the IGA in Part XVIII of the Tax Act, and (ii) the government of Canada complies with the terms of the IGA. The REIT will endeavour to comply with the requirements imposed under the IGA and Part XVIII of the Tax Act. Under Part XVIII of the Tax Act, Unitholders are required to provide identity and residency and other information to the REIT (and may be subject to penalties for failing to do so), which, in the case of "Specified U.S. Persons" or certain non-U.S. entities controlled by "Specified U.S. Persons", will be provided, along with certain financial information (for example, account balances), by the REIT to the CRA and from the CRA to the U.S. Internal Revenue Service. The REIT may be subject to FATCA Tax if it cannot satisfy the applicable requirements under the IGA or Part XVIII of the Tax Act, or if the Canadian government is not in compliance with the IGA and if the REIT is otherwise unable to comply with any relevant and applicable U.S. legislation. Any such FATCA Tax in respect of the REIT would reduce the REIT's distributable cash flow and net asset value.

On December 15, 2016, Part XIX of the Tax Act was enacted, which came into force on July 1, 2017, and which implements the Common Reporting Standard developed by the OECD. Pursuant to Part XIX of the Tax Act, "Canadian financial institutions" that are not "non-reporting financial institutions" (as both terms are defined in Part XIX of the Tax Act) are required to have procedures in place to identify accounts held by residents of foreign countries (other than the U.S.) or by certain entities the "controlling persons" of which are resident in a foreign country, and to report required information to the CRA. Such information is expected to be exchanged on a reciprocal, bilateral, basis with the tax authorities of the foreign country in which the account holders or such controlling persons are resident, pursuant to the Multilateral Convention on Mutual Administrative Assistance in Tax Matters or the relevant bilateral tax treaty. Pursuant to Part XIX of the Tax Act, Unitholders are required to provide certain information regarding their investment in the REIT for the purpose of such information exchange, unless the investment is held within certain Registered Plans.

DEFINITIONS

The following terms in this Memorandum have the following meanings:

"**Adjustment Factors**" has the meaning set out in "*Calculation of Fair Market Value*".

"**Alignvest Student Housing REIT**" or the "**REIT**" have the meaning set out on the cover page of this Offering Memorandum.

"**Affiliate**" has the meaning attributable thereto in NI 45-106.

"**Alignvest Capital**" has the meaning set out on the second page of this Offering Memorandum.

"**Alignvest Commitment**" has the meaning set out on the cover page of this Offering Memorandum.

"**Alignvest Investor**" has the meaning set out on the cover page of this Offering Memorandum.

"**Annex**" has the meaning set out in "*CSL*".

"**BCR**" means Building Condition Report.

"**Business Day**" means a day, other than a Saturday or Sunday, on which Schedule I chartered banks are open for business in Toronto, Ontario.

"**CBRE**" means CBRE Group, Inc..

"**CMHC**" means Canada Mortgage and Housing Corporation.

"**capital gains refund**" has the meaning set out in "*Certain Canadian Federal Tax Considerations*".

"**Class A REIT Units**" has the meaning set out on the cover page of this Offering Memorandum.

"**Class A LP Units**" means class A limited partnership units of CSL.

"**Class B LP Units**" means class B limited partnership units of CSL.

"**Class C Early Redemption Penalty**" has the meaning set out in in "*CSL*".

"**Class C Purchase Agreement**" has the meaning set out in in "*CSL*".

"**Class C Redemption Period**" has the meaning set out in in "*CSL*".

"**Class C Redemption Price**" has the meaning set out in in "*CSL*".

"**Class C LP Unitholder**" has the meaning set out in in "*CSL*".

"**Class C LP Units**" means class C limited partnership units of CSL.

"**Class F REIT Units**" has the meaning set out on the cover page of this Offering Memorandum.

"**Class F LP Units**" means class F limited partnership units of CSL.

"**Class V Redemption Right**" has the meaning set out in "*CSL*".

"**Class V LP Units**" means class V limited partnership units of CSL.

"**Class V Purchase Agreement**" has the meaning set out in "*CSL*".

“**Class V LP Unitholder**” has the meaning set out in “*CSL*”.

“**Commitment Date**” has the meaning set out on the cover page of this Offering Memorandum.

“**Controlling Individual**” has the meaning set out in “*Eligibility for Investment*”.

“**CPPIB**” means the Canadian Pension Plan Investment Board.

“**CSL”** has the meaning set out on the cover page of this Offering Memorandum.

“**CRA**” has the meaning set out in ‘*Certain Canadian Federal Income Tax Considerations*”.

“**Declaration of Trust**” has the meaning set out in “*Offering Summary*”.

“**Distributable Income**” has the meaning set out in has the meaning set out in “*Partnership Allocations and Distributions*”.

“**DRIP**” has the meaning set out in “*Distribution Reinvestment Plan*”.

“ESA” means Environmental Site Review.

“**Excess Redemption Price**” has the meaning set out in “*CSL*”.

“**Excess Units**” has the meaning set out in “*CSL*”.

“**FATCA**” has the meaning set out in “*International Tax Information Reporting”.*

“**FATCA Tax**” has the meaning set out in “*International Tax Information Reporting”.*

“**Fair Market Value**” has the meaning set out in “*Valuation Policy”.*

*“***General Partner***”* has the meaning set out on the cover page of this Offering Memorandum.

“**IGA**” has the meaning set out in “*International Tax Information Reporting”.*

“**Commitment Date**” has the meaning set out on the cover page of this Offering Memorandum.

“**IFRS**” means International Financial Reporting Standards.

“**Liquidity Event**” has the meaning set out in “*Partnership Allocations and Distributions*”.

“**Lock-Up Period**” has the meaning set out in in “*CSL*”.

“**LP Note**” has the meaning set out in “*Redemption of REIT Units”.*

“**LP Units**” means together, Class A LP Units, Class C LP Units, Class F LP Units and Class V LP Units.

“**Management Fee**” has the meaning set out in “*Management Fee*”.

“**Manitoba Act**” has the meaning set out in “*Purchasers’ Rights of Action*”.

“**New Brunswick Act**” has the meaning set out in “*Purchasers’ Rights of Action*”.

“**Newfoundland Act**” has the meaning set out in “*Purchasers’ Rights of Action*”.

“**Net Capital of the Redeemed LP Units**” has the meaning set out in “*Partnership Allocations and Distributions*”.

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

"**NOI**" has the meaning set out in "*Offering Summary*".

"**Non-Resident Beneficiaries"** has the meaning set out in "*Limitation on Non-Resident Ownership*".

"**Northwest Territories Act**" has the meaning set out in "*Purchasers' Rights of Action*".

"**Nova Scotia Act**" has the meaning set out in "*Purchasers' Rights of Action*".

"**Nunavut Act**" has the meaning set out in "*Purchasers' Rights of Action*".

"**OECD**" means the Organization for Economic Cooperation and Development.

"**Offering**" means the Offering of REIT Units by the REIT pursuant to the terms described in this Offering Memorandum.

"**Offering Jurisdictions**" has the meaning set out on the cover page of this Offering Memorandum.

"**Offering Memorandum**" means this confidential amended offering memorandum of the REIT relating to the Offering dated as at June 10, 2019 relating to the as may be amended or restated from time to time.

"**Ontario Act**" has the meaning set out in "*Purchasers' Rights of Action*".

"**Partnership Agreement**" has the meaning set out in "*CSL*".

"**PEI Act**" has the meaning set out in "*Purchasers' Rights of Action*".

"**Periodic Distributions**" has the meaning set out in "*Partnership Allocations and Distributions*".

"**Person**" means an individual, partnership, limited partnership, corporation, unlimited liability company, trust, unincorporated organization, association, government, or any department or agency thereof and the successors and assigns thereof or the heirs, executors, administrators or other legal representatives of an individual, or any other entity recognized by law.

"**Personal information**" has the meaning set out in "*Representations of Subscribers*".

"**PBSA"** has the meaning set out on the cover page of this Offering Memorandum.

"**Preferred Return**" has the meaning set out in "*Partnership Allocations and Distributions*".

"**Prescribed Plan**" has the meaning set out in "*Eligibility for Investment*".

"**Proposed Amendments**" has the meaning set out in '*Certain Canadian Federal Income Tax Considerations*".

"**Redemption Balance**" has the meaning set out in "*Redemption of REIT Units".*

"**Redemption Date**" has the meaning set out in "*Redemption of REIT Units".*

"**Redemption Distribution**" has the meaning set out in "*Redemption Distribution*".

"**Redemption Price**" has the meaning set out in "*Redemption of REIT Units".*

"**Registered Plans"** has the meaning set out in "*Eligibility for Investment*".

"**Regulations**" has the meaning set out in '*Certain Canadian Federal Income Tax Considerations*".

"**REIT Unit**" has the meaning set out on the cover page of this Offering Memorandum.

"**RESP**" has the meaning set out in "*Eligibility for Investment*".

"**RDSP**" has the meaning set out in "*Eligibility for Investment*".

"**RRIF**" has the meaning set out in "*Eligibility for Investment*".

"**RRSP**" has the meaning set out in "*Eligibility for Investment*".

"**Saskatchewan Act**" has the meaning set out in "*Purchasers' Rights of Action*".

"**Securities Laws**" means, as applicable, the securities laws, regulations, rules, rulings and orders in each of the provinces and territories of Canada, and the applicable policy statements issued by the securities regulators in each of the provinces and territories of Canada, having application over this Offering and including those laws in the jurisdiction in which the Subscriber is ordinarily resident.

"**Securities Regulators**" has the meaning set out in "*Representations of Subscribers*".

"**SIFT Trust**" has the meaning set out in '*Certain Canadian Federal Income Tax Considerations*".

"**Special GP Distribution**" has the meaning set out in '*Partnership Allocations and Distributions*".

"**Subscriber**" has the meaning set out on the cover page of this Offering Memorandum.

"**Subscription Agreement"** has the meaning set out in "*Notice to Subscribers*".

"**Tax Act**" has the meaning set out in "*Eligibility for Investment*".

"**TFSA**" has the meaning set out in "*Eligibility for Investment*".

"**Trustees**" has the meaning set out on the cover page of this Offering Memorandum.

"**Unencumbered Cash**" means excess cash balances that have been determined by the General Partner as available to satisfy payment of redemption proceeds and have not been designated as required to satisfy impending obligations such as monthly distributions, capital expenditures, debt repayment and acquisitions.

"**Unitholder**" has the meaning set out on the cover page of this Offering Memorandum.

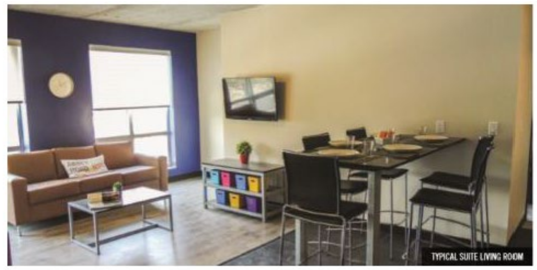
"**Vendor**" has the meaning set out in "*Offering Summary*".

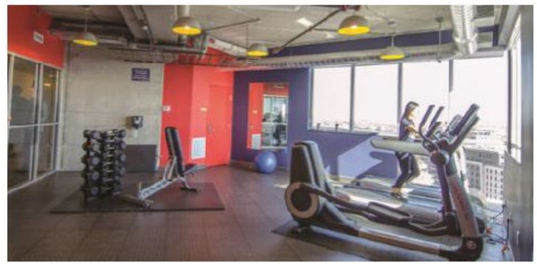
"**Yukon Act**" has the meaning set out in "Purchasers' Rights of Action".

SCHEDULE "A"
PURPOSE-BUILT STUDENT ACCOMODATION UNDER PURCHASE AGREEMENTS

None

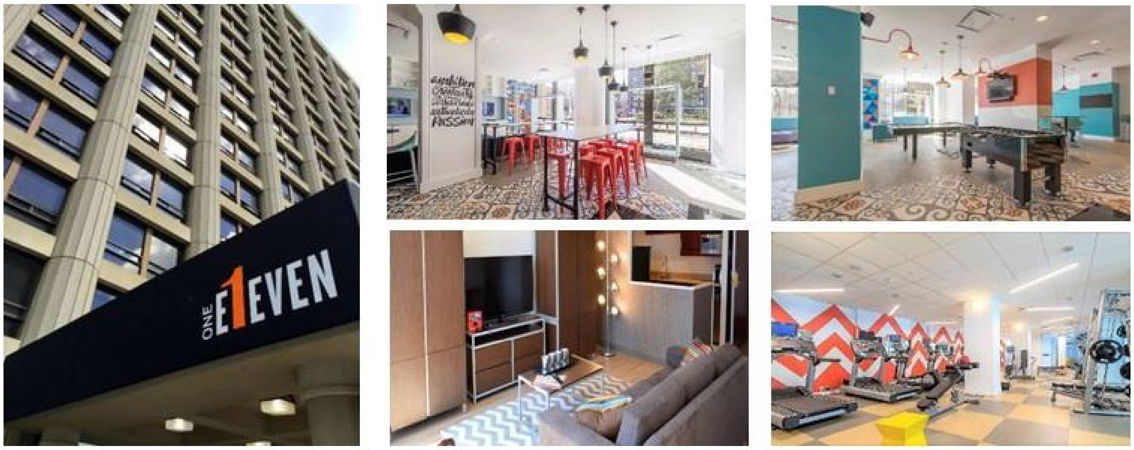
SCHEDULE "B"
PURPOSE-BUILT STUDENT ACCOMODATION OWNED AND UNDER MANAGEMENT





181 Lester Street, Waterloo Ontario ("MyRez")

181 Lester Street is an 18-storey purpose-built student housing building that was constructed in 2014 using pre-cast concrete and offers modern design and condominium quality amenities throughout the property. The building is located within 500 meters of both the University of Waterloo and Wilfrid Laurier University and is close to key student- oriented shops/restaurants. The building has 91 suites and 455 fully furnished bedrooms, an enclosed private parking garage, student lounges, study rooms, a games room, a fitness facility, in suite laundry and wi-fi throughout the building. The students pay a monthly utility fee in addition to their rent to cover their hydro, water, gas and internet charges.



111 Cooper Street, Ottawa Ontario (“1Eleven”)

1Eleven is a 16-storey PBSA asset that opened its doors to students on September 1, 2015 – approximately 3 years ago – as a premier, off-campus PBSA property in the Ottawa market. The building is located approximately 500 meters from the University of Ottawa via a pedestrian bridge over the Rideau Canal and less than a 10-minute commute to Carleton University. 1Eleven is highly-amenitized with a unique modern lobby, study lounges, a high-end gym, a yoga studio, games and social lounges, on-site laundry facilities, on-site parking, secure bike storage, high-speed internet, security and controlled access, and on-site maintenance and management teams. The building has 357 beds in 224 fully furnished 1-bedroom, 2-bedroom and 4-bedroom units.

265 Laurier Avenue East, Ottawa Ontario (the "Annex")

The Annex is a nine-storey PBSA asset that opened in September 2018 as the newest addition to the University of Ottawa's residence portfolio and is located approximately 300 meters from the University. The Annex is highly-amenitized with a lobby fireplace lounge, a free membership to the on-site Anytime Fitness facility, a games room, quiet study spaces, high-speed Wi-Fi, a communal terrace with picnic tables, 24-hour on-site maintenance, controlled and secured access, interior bike parking and underground parking. The building has 503 beds in 159 fully-furnished studios, 2-bedroom, 3-bedroom, 4-bedroom and 5-bedroom units, all of which have full kitchens with stainless steel appliances, individual locking private bedrooms with en-suite bathrooms and in-suite laundry. Additionally, the property is equipped with ~16,000 square feet of commercial space with tenants that specifically target the student demographic.





333 (“King Street Tower I”) and 339 King Street North (“King Street Tower II”) – Waterloo, Ontario

King Street Tower I is a purpose-built student housing property located at 333 King Street North in Waterloo, Ontario, approximately 400 meters from Wilfrid Laurier University and 800 meters to the University of Waterloo. The property consists of one modern 17-storey building constructed in 2011 with 536 beds in 126 fully furnished units.

King Street Tower II is a purpose-built student housing property located at 339 King Street North in Waterloo, Ontario, adjacent to King Street Tower I. The property consists of a modern 22-storey building constructed in 2013 with 419 beds in 80 fully furnished units.

The properties offer the highest-quality amenities in the Waterloo market including exercise facilities, games rooms, study rooms, conference/boardrooms, a computer center, a theatre room, a rooftop patio with a fire pit, tanning beds, saunas and several other attractive offerings. The buildings consist of an optimal mix of suite configurations ranging from 3 to 5-bedroom units.



1686 Main Street West – Hamilton, Ontario ("West Village Suites")

West Village Suites is a LEED Platinum certified property and is the only PBSA in Hamilton servicing McMaster University's ~31,000 students. The property was constructed in 2008 and has established itself as the "go-to" off-campus housing. West Village Suites is located within 1.0km of the University campus and is adjacent to many shops and restaurants that are targeted to McMaster students. The nine-storey building has high-end amenities for its tenants, including a fitness studio, various study rooms, student lounges, games rooms, a yoga studio and ~12,300 sq. ft. of ancillary ground floor commercial space. The building offers a mix of 2 to 5-bedroom units with a total of 449 beds in 107 units.


1700 Simcoe Street North – Oshawa, Ontario ("Village Suites Oshawa")

Village Suites Oshawa is a LEED Gold certified purpose-built student accommodation located at 1700 Simcoe Street North in Oshawa, Ontario, approximately 600 meters from the University of Ontario Institute of Technology ("**UOIT**") – UOIT has ~10,000 students and has grown from ~5,000 students only 10 years ago. The property consists of one modern six-storey building and one modern 4-storey building, which were both built in 2010 with a total of 588 beds in a mix of 133 3 to 5-bedroom units and over 4,000 sq. ft. of ancillary ground floor commercial space. The building offers its tenants high-end amenities, including a fitness studio, various study spaces, student lounges, games rooms and a yoga studio.



11024 82 Avenue – Edmonton, Alberta ("1TEN on Whyte")

1TEN on Whyte is a 4-storey PBSA asset that is located 300 metres from the University of Alberta, along White Avenue (82 Avenue) between 110 Street and 111 Street – an optimal location for University of Alberta students to reside. The property offers 37 fully furnished units, with a total of 72-beds in four primary configurations that include bachelor, two-bedroom, three-bedroom, and four-bedroom suites. The property is equipped with significant programmable amenity spaces, such as a full commercial kitchen, office space, games room, boardroom, event space and a fitness center. In 2010, the property underwent extensive renovations, including the addition of two floors, replacement of all mechanical equipment, roofs and electrical.