MAPLEWOOD
INTERNATIONAL REIT

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the three months ended December 31, 2013 and
for the period from January 15, 2013 to December 31, 2013

February 12, 2014

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MANAGEMENT'S DISCUSSION AND ANALYSIS

The following Management's Discussion and Analysis ("MD&A") outlines the financial position and results of operations of Maplewood International Real Estate Investment Trust ("Maplewood REIT" or "Maplewood", or the "REIT"), and should be read in conjunction with the REIT's consolidated financial statements and accompanying notes for the period from January 15, 2013 to December 31, 2013.

The information contained in the MD&A, including forward-looking information, is based on information available to management as of February 12, 2013.

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

Certain statements contained in this MD&A constitute forward-looking information within the meaning of securities laws. Forward-looking information may relate to our future outlook and anticipated events or results and may include statements regarding the future financial position, business strategy, budgets, litigation, projected costs, capital expenditures, financial results, taxes and plans and objectives of or involving the REIT. Particularly, statements regarding our future operating results and economic performance are forward-looking statements. In some cases, forward-looking information can be identified by terms such as "may", "will", "should", "expect", "plan", "anticipate", "believe", "intend", "estimate", "predict", "potential", "continue" or other similar expressions concerning matters that are not historical facts. Forward looking-information is subject to certain factors, including risks and uncertainties, which could cause actual results to differ materially from what we currently expect. The forward-looking statements made in this MD&A relate only to events or information as of the date on which the statements are made in this MD&A. Except as specifically required by applicable Canadian law, the REIT undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events.

BASIS OF PRESENTATION

This MD&A is based on financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"). The REIT's functional currency is the Canadian dollar. Unless otherwise stated, amounts expressed in this MD&A are in Canadian dollars.

NON-IFRS MEASURE

Certain terms used in this MD&A such as net operating income ("NOI") are not measures recognized under IFRS and do not have standardized meanings prescribed by IFRS. "NOI" is defined as investment properties revenue less investment properties operating expenses.

NOI should not be construed as alternatives to net income or cash flow from operating activities determined in accordance with IFRS as indicators of the REIT's performance. The REIT's method of calculating NOI may differ from other issuers' methods and accordingly may not be comparable to measures used by other issuers.

BUSINESS OVERVIEW

Maplewood REIT is an open-ended real estate investment trust established under the laws of the province of Ontario pursuant to a Declaration of Trust dated May 30, 2013, and as amended and restated on September 9, 2013.

Prior to its reorganization as a real estate investment trust, Maplewood REIT was known as Holland Global Capital Corporation ("Holland Global"), a capital pool company, as defined in Policy 2.4 of the TSX Venture Exchange (the "TSXV"). Holland Global was incorporated on January 15, 2013 under the Canada Business Corporation Act. On April 11, 2013, Holland Global's common shares were listed for trading on the TSXV as a Capital Pool Company.

In accordance with a plan of arrangement on September 9, 2013, the common shares of Holland Global were exchanged for REIT Units of Maplewood REIT, or Class B LP Units of Maplewood International Limited Partnership ("MWLP"), a wholly owned subsidiary of Maplewood REIT. (the "Plan of Arrangement"). Maplewood REIT became the continuing public entity with its REIT Units listed on the TSXV under the symbol MWI.UN

Maplewood REIT is considered to be a continuation of Holland Global following the continuity of interest method of accounting. As a result, the financial statement reflects a continuation of the Holland Global with the results of the Holland Global from January 15, 2013 to September 9, 2013, and the REIT from that date forward.

On September 16, 2013, The REIT completed the acquisition of its first investment property located at Einsteinstraat 1 in s'-gravenzande, the Netherlands (the "Initial Property"), known as the Qualifying Transaction previously announced by Holland Global.

INVESTMENT OBJECTIVE AND STRATEGY

Maplewood REIT was established as a Canadian based international real estate investment vehicle to invest in high-quality income producing commercial real estate outside of Canada. Our initial geographic focus is on the investment grade countries of Europe, with an initial target market of the Netherlands.

The objectives of the REIT are to:

(a) provide Canadian investors with international real estate diversification that delivers attractive risk-adjusted investment yields;

(b) build a diversified, growth-oriented portfolio of income producing commercial properties in target markets outside of Canada, with an initial focus on the Netherlands;

(c) grow the value of assets and maximize the long-term value of REIT Units through the active and efficient management of the REIT's assets; and

(d) provide predictable, sustainable and growing cash distributions on a tax-efficient basis.

The Netherlands

Management believes that the current yields on certain commercial real estate in certain European countries are higher than yields currently available from commercial real estate in Canada. Notably, in certain European countries that have attractive sovereign credit ratings, such as the Netherlands, the higher yields on commercial real estate are even more compelling on a risk-adjusted basis.

The Netherlands enjoys a strong economic position within Europe and globally. The Netherlands has a market-based mixed economy that is noted for its stable industrial relations, moderate unemployment and inflation, a sizable trade surplus, and an important role as a European transportation hub. Dutch industrial activity is predominantly in food processing, chemicals, petroleum refining, and electrical machinery. The Netherlands' location gives it prime access to markets in the United Kingdom and Germany, with the port of Rotterdam being the largest port in Europe.

Management believes these are positive indicators of a stable and growing economy, one that is appealing to investors seeking stable, sustainable and growing cash flows. In addition, Management believes the Netherlands' operating and business environment in the real estate sector is comparable to Canada's in many important ways. For example, in comparing the Dutch market to the Canadian market, Management believes there is a similar focus in the Netherlands on building and maintaining long-term relationships with tenants, the brokerage community and lenders, as well as a similar leasing environment.

Target Markets

In addition to investments in the Dutch market, the REIT will seek opportunities to invest in income-producing properties outside of Canada that provide stable, sustainable and growing cash flows. In considering future acquisitions, the REIT will focus on countries with a stable business and operating environment, a liquid market for real estate investments, a legal framework that provides adequate rights and protections for owners of property and a manageable foreign investment regime.

Although the REIT will not be restricted in the geographies in which it may invest outside of Canada, it will have an initial focus primarily on the following target markets:

- the Netherlands, where Management believes there will be more opportunities for acquiring additional assets to complement the Initial Property;
- Germany, whose economy is the largest in Europe and one of the most stable; and
- other investment grade countries in Europe, to the extent that those markets are compelling to Management and provide the potential to realize synergies with the REIT's asset base.

RESULTS OF OPERATIONS

	For the three months ended December 31, 2013	For the period from January 15 to December 31, 2013
Investment property revenue	266,371	317,999
Investment property operating expenses	(13,680)	(17,731)
Net operating income	252,691	300,268
Finance costs-operation	(59,001)	(70,722)
Finance costs-distribution on Class B LP Units	(347,136)	(347,136)
Plan of arrangement costs	(45,686)	(950,946)
General and administrative	(117,140)	(139,203)
Unit-based compensation expense	(165,855)	(245,995)
Interest income	261	11,446
Loss before undernoted:	(481,866)	(1,442,288)
Fair value adjustments to investment property	-	(705,928)
Fair value adjustments to warrants	110,618	130,386
Fair value adjustments to Class B LP Units	2,187,500	(8,812,500)
Net loss	1,816,252	(10,830,330)
Other comprehensive loss		
Foreign currency translation adjustment	230,935	224,183
Comprehensive loss	2,047,187	(10,606,147)

Investment Property Revenue

Investment property revenue includes base rents as well as property tax and operating cost recoveries. For the three months ended December 31, 2013, the REIT reported investment property revenue of $226,371 from its first full quarter of operation of the Initial Property acquired on September 16, 2013. For the period from January 15, 2013 to December 31, 2013, investment property revenue totaled $317,999.

Investment Property Operating Expenses

Investment property operating expenses are comprised of costs associated with the management and maintenance of investment properties including common area maintenance expense, property taxes, property insurance, and property management fees. For the three months ended December 31, 2013, the REIT reported investment property operating expenses of $13,680 from its first full quarter of operation of the Initial Property acquired on September 16, 2013. For the period from January 15, 2013 to December 31, 2013, investment property expenses totaled $17,731.

Net Operating Income

Net operating income ("NOI") is not a measure defined by IFRS and, accordingly the term does not have any standardized meaning prescribed by IFRS and may not be comparable to similar measures defined by other issuers. We define NOI as investment property revenue less investment property operating expenses. NOI for the three months ended December 31, 2013 was $252,691, from the first full quarter of operation of the Initial Property acquired on September 16, 2013. For the period from January 15, 2013 to December 31, 2013, NOI from investment property totaled $300,268.

Finance Costs - Operation

Finance costs-operation includes interest expense on mortgages payable and amortization of deferred financing costs. For the three months ended December 31, 2013, finance costs-operation of $59,001 was recorded on the Initial Property. For the period from January 15, 2013 to December 31, 2013, finance costs-operation totaled $70,722.

Finance Costs – distribution on Class B LP Units

The Class B LP Units are treated as a financial liability and hence distributions on Class B LP Units are recorded as a finance cost. For the three months ended December 31, 2013 and for the period from January 15, 2013 to December 31, 2013, finance costs – distributions on Class B units were $347,137 and $347,137, respectively.

Plan of Arrangement Costs

In connection with the Plan of Arrangement, the REIT incurred certain one-time costs consisting of legal fees, tax structuring advisory, regulatory filing fee and other consulting fees, amounting to $45,686 and $950,946, respectively, for the three months ended December 31, 2013 and the period from January 15, 2013 to December 31, 2013.

General and Administrative Expenses

General and administrative expenses consist of corporate management, professional fees, investor relations and asset management fees. For the three months ended December 31, 2013 and the period from January 15, 2013 to December 31, 2013, general and administrative expenses were $117,140 and $139,203, respectively.

Unit-based Compensation Expense

Unit-based compensation expense relates to the Unit options granted to trustees, officers, employees and consultants and is a non-cash expense. Unit options are recognized as liabilities and measured initially at fair value. The option liability is subsequently measured at fair value at each reporting period, with the change in fair value recognized in net income as unit-based compensation expense. For the three months ended December 31, 2013 and the period from January 15, 2013 to December 31, 2013, unit-based compensation expense was $165,855 and $245,995, respectively.

Fair Value Adjustment to Investment Property

The REIT has elected to use the fair value model to account for its investment property. For the three months ended December 31, 2013, there was no change to the fair value of the investment property. Since the acquisition of the Initial Property on September 16, 2013, the REIT recognized a fair value loss of $705,928 on investment property, as a result of the write-off of acquisition costs.

Fair Value Adjustments to Warrants

Warrants issued in connection with the private placement are recognized as liabilities and measured initially at fair value. The warrants liability is re-measured to fair value at each reporting period and change in fair value are recognized in net income as a fair value adjustment. For the three months ended December 31, 2013 and the period from January 15, 2013 to December 31, 2013, a fair value gain of $110,618 and $130,386, respectively, was recorded, mainly as a result of decrease in Trust Units closing price at the end of the period.

Fair Value Adjustments to Class B LP Units

The REIT's Class B LP Units are recorded as financial liabilities and measured at fair value at each reporting period. The change in fair value of Class B Units correlates to the fluctuations of the price of the REIT Units.

For the three months ended December 31, 2013, a fair value gain to Class B LP Units of $2,187,500 was recognized, as a result of the decrease in REIT Unit closing price at the end of the period. For the period from January 15, 2013 to December 31, 2013, a fair value loss of $8,812,500 to Class B LP Units was recognized, as a result of the increase in REIT Unit trading prices during the period.

INVESTMENT PROPERTY

On September 16, 2013, the REIT completed its acquisition of its Initial Property, located at Einsteinstraat 1 in s'-Gravenzande, the Netherlands. The Initial Property is a large-scale industrial complex, comprised of approximately 130,450 square feet of gross leasable area of which approximately 20,785 square feet are used for an integrated 3-storey office building. The Initial Property is 100% leased pursuant to an annual inflation-indexed lease with a remaining lease term of approximately 8 years, and with unlimited automatic five-year renewal terms, to Rexnord FlatTop Europe B.V., a wholly-owned subsidiary of Rexnord Corporation ("Rexnord"), a leading global industrial components company headquartered in Milwaukee, Wisconsin, USA, with approximately 7,300 employees worldwide. Rexnord has a corporate history dating back to 1892 and is listed on the New York Stock Exchange.

As at December 31, 2013, the fair value of investment property determined by management was $9,940,000. Management determines fair value using the direct capitalization method and/or the discounted cash flow method. The direct capitalization method applies a capitalization rate to stabilized NOI and incorporates allowances for vacancy and management fees. The resulting capitalized value will be further adjusted for extraordinary costs to stabilize income and non-recoverable capital expenditures, where applicable. The discounted cash flow method discounts the expected future cash flow, generally over a term of ten years, and uses discount rates and terminal capitalization rate. On a regular basis, independent appraisers are to be engaged to appraise investment property.

MORTGAGE PAYABLES

As at December 31, 2013, the REIT had $5,846,619 of principal mortgages payable, which were secured by first charge on the Initial Property. The mortgages carry an average interest rate of 3.89% term to maturity of five years. As at December 31, 2013, one mortgage had a fixed rate 4.53% and one mortgage had a variable rate of 3.25%.

	As at December 31, 2013
Current:	
Mortgages payable	176,724
Unamortized financing costs	(12,224)
	164,500
Non-current	
Mortgages payable	5,669,895
Unamortized financing costs	(44,819)
	5,625,076
	$5,789,576

EQUITY

REIT Unit and Class B LP Units

The discussion of equity includes Class B LP Units, which along with related Special Voting Units are economically equivalent to the REIT Units, and are exchangeable at the option of the holder on a one-for-one basis for the REIT Units. The Class B LP Units meet the definition of a financial liability under IAS 32, Financial Instrument-Presentation and are classified as fair value through profit or loss, measured at fair value at each reporting period with any changes in fair value recorded in profit or loss. The distributions on Class B LP Units are accounted for as finance costs.

The REIT's Declaration of Trust authorizes the issuance of unlimited number of REIT Units. Each REIT Unit represents a unitholder's ownership interest in the REIT and carries voting rights.

Pursuant to the Plan of Arrangement on September 9, 2013, 40,500,000 common shares of Holland Global shares were exchanged for 687,500 REIT Units and 4,375,000 Class B LP Units.

On September 10, 2013, the REIT issued 625,000 Units (the "Private Placement Units") at a price of $3.20 per Private Placement Unit. Each such Private Placement Unit include one REIT Unit and one warrant, for gross proceeds of $2,000,000. Each warrant entitles the holder to purchase a REIT Unit at an exercise price of $3.20 within 24 months of the date of issuance.

As at December 31, 2013, there were 1,405,338 REIT Units outstanding and 4,375,000 Class B LP Units outstanding.

Unit Option Plan

Under the REIT's Unit Option Plan, the Board of Trustees may from time to time, at its discretion, grant trustees, officers, employees and consultants options to purchase REIT Units.

Pursuant to the Plan of Arrangement, on September 9, 2013, 4,050,000 of outstanding options of Holland Global were exchanged for Unit Options on an eight-for-one basis.

As at December 31, 2013, there are 506,250 Unit Options outstanding. Each Unit Option entitles the holder to purchase one REIT Unit, at an exercise price of $0.80.

Warrants

Agent's Warrants

On April 5, 2013, in connection with the Initial Public Offering, Holland Global granted on the closing date to the agent of the offering an option to purchase up to 400,000 common shares, at a price of $0.10 per share. ("Agent's Warrants"). The Agent's Warrants will expire 24 months from the date the common shares of Holland Global were listed on the TSX.

Pursuant to the Plan of Arrangement on September 9, 2013, 400,000 of outstanding Agent's Warrants have been exchanged for 50,000 REIT unit warrants at an exercise of $0.80 per unit warrant.

Private Placement Warrants

On September 10, 2013, the REIT issued 625,000 Private Placement Units which included one REIT Unit and one warrant by way of a private placement at $3.20 per unit for gross proceeds of $2,000,000. Each warrant entitles the holder to purchase a Unit at an exercise price of $3.20 within 24 months of the date of issuance.

LIQUIDITY AND CAPITAL RESOURCES

The REIT's primary sources of capital are cash generated from operations, mortgage financing, equity and debt issues. The REIT's primary uses of capital include the payment of distributions, debt serviceing, property maintenance, tenant improvements, leasing costs and property acquisition.

The REIT's Declaration of Trust provides that total indebtedness of the REIT may not exceed 65% of the Gross Book Value as defined; as at December 31, 2013, this ratio is 53.9% according to the calculation as defined in the Declaration of Trust.

For the period from January 15, 2013 to December 31, 2013, the changes in cash and cash equivalents are summarized as follows:

Operating activities provided cash flow of $265,408 primarily from related to the collection of revenue from the investment property including prepaid rent, net of Plan of Arrangement costs paid.

Financing activities generated $10,472,002 of cash flow, relating to net proceeds received on the issuance of REIT Units of $5,149,139, and net proceeds from mortgage financing on the Initial Property of $5,434,228, partially offset by the principal repayment of debt of $44,181 and distributions paid of $67,184.

Investing activities used $10,032,499 of cash flow, as a result of the acquisition of the Initial Property.

SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies, including significant judgments and critical accounting estimates made by management of the REIT, are described in Note 3 of the REIT"s consolidated financial statements for the period from January 15, 2013 to December 31, 2013. Our critical accounting policies outlined below are those we believe are most subject to management judgment and estimates.

(i) Investment properties

Management determines fair value using the direct capitalization method and/or the discounted cash flow method. The direct capitalization method applies a capitalization rate to stabilized NOI and incorporates allowances for vacancy and management fees. The resulting capitalized value will be further adjusted for extraordinary costs to stabilize income and non-recoverable capital expenditures, where applicable. The discounted cash flow method discounts the expected future cash flow, generally over a term of ten years, and uses discount rates and terminal capitalization rate. Critical assumptions relating to the estimates of fair values of investment properties include capitalization rates, stabilized future cash flow, the receipt of contractual rents, expected future market rents, renewal rates, maintenance requirements and discount rates,. If there is any change in these assumptions, the fair value of investment properties may change materially.

(ii) Financial instruments

Critical judgments and estimates are also made in the determination of fair value of financial instruments and include assumptions and estimates regarding market price of Units, future interest rates, the relative creditworthiness of the REIT to its counterparties, the credit risk of the REIT's counterparties relative to the REIT, the estimated future cash flows and discount rates. Critical estimates relating to the fair value of the Unit options and warrants include the estimated forfeitures on the grants, the life of the Unit options, and the market price, volatility and distribution yield of Units.

Future changes in accounting standards

IFRS 9 - Financial instruments

IFRS 9, *Financial Instruments* ("IFRS 9") is the first of a multi-phase project to replace International Accounting Standard 39, *Financial Instruments: Recognition and Measurement ("IAS 39)*. It addresses the classification, measurement and derecognition of financial assets and financial liabilities.

IFRS 9 divides all financial assets that are currently in the scope of IAS 39 into two classifications – those measured at amortized cost and those measured at fair value. Classification is made at the time the financial asset is initially recognized when the entity becomes a party to the contractual provisions of the instrument. Most of the requirements in IAS 39 for the classification and measurement of financial liabilities have been carried forward, unchanged to IFRS 9. Where an entity chooses to measure its own debt at fair value, IFRS 9 now requires the amount of the change in fair value due to changes in the issuing entity's own credit risk to be presented in other comprehensive income (loss). An exception to the new approach is made where the effects of changes in the liability's credit risk would create or enlarge an accounting mismatch in operating income, in which case all gains or losses on that liability are to be presented in operating income.

This mandatory effective date of IFRS 9 has been tentatively deferred from the original date for fiscal years beginning on or after January 1, 2015 pending finalization of the impairment and classification and measurement requirements. Early application is still permitted. Management is currently evaluating the impact of this standard.

INTERNAL CONTROLS

The REIT'S Chief Executive Officer and Chief Financial Officer are designing or causing to be designed disclosure controls and procedures and internal controls over financial reporting, as those terms are defined in National Instrument 52-109, "Certification of Disclosure in Issuers' annual and interim Fillings" to provide reasonable assurance regarding the reliability of financial reporting.

RISKS AND UNCERTAINTIES

The REIT faces a variety of significant and diverse risks, many of which are inherent in the business conducted by the REIT. Certain of these risks are described below. The management information circular of Holland Global dated August 9, 2013 (the "Circular") and prospectus of Holland Global dated August 9, 2013 (the "Prospectus") contains a detailed summary of risk factors pertaining to the REIT and its business. The Circular and Prospectus is available on SEDAR at www.sedar.com.

Real Property Ownership and Tenant Risks
All real property investments are subject to elements of risk. The value of real property and any improvements thereto depend on the credit and financial stability of tenants and upon the vacancy rates of the properties. The properties generate revenue through rental payments made by the tenants thereof. The ability to lease unoccupied suites in properties may be affected by many factors, including changes in general economic conditions (such as the availability and cost of mortgage funds), local conditions (such as an oversupply of space or a reduction in demand for real estate in the area), government regulations, competition from other available properties, and various other factors. Cash available for distribution to Unitholders will be adversely affected if a significant number of tenants are unable to meet their obligations under their leases or if a significant amount of available space in the properties becomes vacant and cannot be leased on economically favourable lease terms. If properties owned by the REIT do not generate revenues sufficient to meet operating expenses, including debt service and capital expenditures, the REIT's results from operations and ability to make distributions to Unitholders will be adversely affected.

Upon the expiry of any lease, there can be no assurance that the lease will be renewed or the tenant will be replaced. The terms of any subsequent lease may be less favourable to the REIT than those of an existing lease. Historical occupancy rates and revenues are not necessarily an accurate prediction of the future occupancy rates for a property or revenues to be derived therefrom. Reported estimated market rents can be seasonal and the significance of any variations from quarter to quarter would materially affect the REIT's annualized estimated gain-to-lease amount. There can be no assurance that upon the expiry or termination of existing leases, the average occupancy rates and revenues will be consistent with historical occupancy rates and revenues and it may take a significant amount of time for market rents to be recognized by the REIT due to internal and external limitations on its ability to charge these new market-based rents in the short term.

Illiquidity

Real estate investments are relatively illiquid, with the degree of liquidity generally fluctuating in relation to demand for and the perceived desirability of such investments. Such illiquidity may limit the REIT's ability to vary its portfolio promptly in response to changing economic or investment conditions. If the REIT were to need to liquidate a property, the proceeds to the REIT might be significantly less than the aggregate carrying value of such property. In addition, by concentrating commercial rental properties, the REIT is exposed to the adverse effects on that segment of the real estate market and will not benefit from a diversification of its portfolio by property type.

Interest Rate Risk

The REIT may be subject to higher interest rates in the future, given the current economic climate. The REIT may also be unable to renew its maturing debt either with an existing or a new lender, and if it is able to renew its maturing debt, significantly lower loan-to-value ratios may be used. The REIT will seek to manage this risk by negotiating fixed interest rates where possible.

Public Market Risk

It is not possible to predict the price at which the Units will trade and there can be no assurance that an active trading market for the Units will be sustained. The Units will not necessarily trade at values determined solely by reference to the value of the Initial Property or future properties acquired by the REIT. Accordingly, the Units may trade at a premium or a discount to values implied by the value of the Initial Property or future properties acquired by the REIT. The market price for the Units may be affected by changes in general market conditions, fluctuations in the markets for equity securities and numerous other factors beyond the control of the REIT.

Acquisitions

The REIT's strategy includes growth through identifying suitable acquisition opportunities, pursuing such opportunities, consummating acquisitions and effectively operating and leasing such properties. If the REIT is unable to manage its growth effectively, it could adversely impact the REIT's financial condition and results of operations and decrease the amount of cash available for distribution. There can be no assurance as to the pace of growth through property acquisitions or that the REIT will be able to acquire assets on an accretive basis, and as such there can be no assurance that distributions to Unitholders will increase in the future.

Access to Capital

The real estate industry is highly capital intensive. The REIT will require access to capital to maintain its properties, as well as to fund its growth strategy and significant capital expenditures from time to time. There can be no assurance that the REIT will have access to sufficient capital or access to capital on terms favourable to the REIT for future property acquisitions, financing or refinancing of properties, funding operating expenses or other purposes. Further, the REIT may not be able to borrow funds due to the limitations set forth in the Declaration of Trust. In addition, global financial markets have experienced a sharp increase in volatility during recent years. This has been, in part, the result of the re-valuation of assets on the balance sheets of international financial institutions and related securities. This has contributed to a reduction in liquidity among financial institutions and has reduced the availability of credit to those institutions and to the issuers who borrow from them. It is possible that financing which the REIT may require in order to grow and expand its operations, upon the expiry of the term of financing, on refinancing any particular property owned by the REIT or otherwise, may not be available or, if it is available, may not be available on favourable terms to the REIT. Failure by the REIT to access required capital could adversely impact the REIT's financial condition and results of operations and decrease the amount of cash available for distribution. As well, the degree of leverage could affect the REIT's ability to obtain additional financing in the future.

Changes in Currency Exchange Rates Could Adversely Affect the REIT's Business

Substantially all of the REIT's investments and operations will be conducted in currencies other than Canadian dollars; however, the REIT will pay distributions to Unitholders in Canadian dollars. The REIT will also raise funds primarily in Canada from the sale of securities in Canadian dollars and invest such funds indirectly through its Subsidiaries in currencies other than Canadian dollars. As a result, fluctuations in such foreign currencies against the Canadian dollar could have a material adverse effect on the REIT's financial results, which will be denominated and reported in Canadian dollars, and on the REIT's ability to pay cash distributions to Unitholders. When appropriate, the REIT intends to implement active hedging programs in order to offset the risk of revenue losses and to provide more certainty regarding the payment of distributions to Unitholders if the Canadian dollar increases in value compared to foreign currencies. However, to the extent that the REIT fails to adequately manage these risks, including if any such hedging arrangements do not effectively or completely hedge changes in foreign currency rates, the REIT's financial results, and the REIT's ability to pay distributions to Unitholders, may be negatively impacted.

Hedging transactions involve the risk that counterparties, which are generally financial institutions, may be unable to satisfy their obligations. If any counterparties default on their obligations under the hedging contracts or seek bankruptcy protection, it could have an adverse effect on the REIT's ability to fund planned activities and could result in a larger percentage of future revenue being subject to currency changes.

Taxation of the REIT and the REIT's Subsidiaries

Although the REIT and its Subsidiaries have been structured with the objective of maximizing after-tax distributions, taxes (including withholding, land transfer, and other taxes) in the various jurisdictions in which the REIT invests will reduce the amount of cash available for distribution to the REIT by the REIT's Subsidiaries and, therefore, reduce the amount of cash available for distribution by the REIT to Unitholders. No assurance can be given as to the future level of taxation suffered by the REIT or the REIT's Subsidiaries.

SUBSEQUENT EVENTS

On January 13, 2014, the REIT announced a cash distribution of $0.02267 per Unit for the period from January 1, 2014 to January 31, 2014, which will be paid on February 18, 2014 to unitholders of record on January 31, 2014.

On February 12, 2014, the REIT announced a cash distribution of $0.02267 per Unit for the period from February 1, 2014 to February 28, 2014, which will be paid on March 17, 2014 to unitholders of record on February 28, 2014.

QUARTERLY RESULTS

The results by quarter are as follows:

	For the three months ended December 31, 2013	For the three months ended September 30, 2013	For the three months ended June 30, 2013	For the period from January 15 to March 31, 2013
Investment property revenue	266,371	51,628	-	-
Investment property operating expenses	(13,680)	(4,051)	-	-
Net operating income	252,691	47,577	-	-
Finance costs-operation	(59,001)	(11,721)	-	-
Finance costs-distribution on Class B LP Units	(347,136)	-	-	-
Plan of arrangement costs	(45,686)	(305,934)	(593,916)	(5,410)
General and administrative	(117,140)	(14,403)	(201)	(7,459)
Unit-based compensation expense	(165,855)	(63,767)	(16,373)	-
Interest income	261	4,053	7,132	-
Loss before undernoted:	(481,866)	(344,195)	(603,358)	(12,869)
Fair value adjustments to investment property	-	(705,928)	-	-
Fair value adjustments to warrants	110,618	19,768	-	-
Fair value adjustments to Class B LP Units	2,187,500	(11,000,000)	-	-
Net loss	1,816,252	(12,030,355)	(603,358)	(12,869)
Other Comprehensive loss				
Foreign currency translation adjustments	230,935	(6,752)	-	-
Comprehensive loss	2,047,187	(12,037,107)	(603,358)	(12,869)