SUMMIT INDUSTRIAL INCOME REIT

(FORMERLY PROVENTURE INCOME FUND)

Management's Discussion & Analysis

December 31, 2012

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The following Management's Discussion and Analysis ("MD&A") of Summit Industrial Income Real Estate Investment Trust's ("Summit II" or the "Trust" or the "REIT") results of operations and financial condition for the year ended December 31, 2012 should be read in conjunction with the REIT's audited consolidated annual financial statements for the year ended December 31, 2011. Information provided in this MD&A is as of April 4, 2013.

FORWARD-LOOKING INFORMATION ADVISORY

Certain statements in this MD&A are "forward-looking statements" within the meaning of applicable securities laws. These statements reflect management's expectations regarding Summit II's future growth, results of operations, performance and business prospects and opportunities including expectations for the current financial year, and include, but are not limited to, statements with respect to management's beliefs, plans, estimates and intentions, and similar statements concerning anticipated future events, results, circumstances, performance or expectations that are not historical facts. Statements that contain the words such as "could", "should", "would", "can", "anticipate", "expect", "does not expect", "believe", "plan", budget", "schedule", "estimate", "intend", "project", "will", "may", "might", "continue" and similar expressions or statements relating to matters that are not historical factors constitute forward-looking statements. Such forward-looking statements reflect management's current beliefs and are based on information currently available to management.

These statements are not guarantees of future events or performance and, by their nature, are based on Summit II's current estimates and assumptions, which are subject to significant risks and uncertainties. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements including, but not limited to, risks associated with real property ownership, debt financing, interest and financing, capital requirements, credit risk, general uninsured losses, developments, future property acquisitions, competition for real property investments, environmental matters, land leases, potential conflicts of interest, governmental regulations, the relative illiquidity of real property, taxation and reliance on key personnel. These risks, and others, are more fully discussed under the "Risk Factors" section of this MD&A. Material factors and assumptions that were applied in drawing a conclusion or making an estimate set out in the forward-looking information may include, but are not limited to: relatively low and stable interest costs; access to equity and debt capital markets to fund, at acceptable costs, the future growth of Summit II and to enable it to refinance debts as they mature; Summit II's ability to maintain occupancy and to lease or re-lease space at current or anticipated rents; and the availability of purchase opportunities for growth in Canada. Summit II has attempted to identify important factors that could cause actual results, performance or achievements to be other than as expected or estimated and that could cause actual results, performance or achievements to differ materially from current expectations. These factors are not intended to represent a complete list of the factors that could affect Summit II. Although the forward-looking statements contained in this MD&A are based upon what management believes to be reasonable assumptions, Summit II cannot assure investors that actual results will be consistent with these forward looking statements.

The forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement and readers should not place undue reliance on such forward-looking statements. In addition, certain statements included in this MD&A may be considered "financial outlook" for purposes of applicable securities laws, and such financial outlook may not be appropriate for purposes other than in this MD&A. These forward-looking statements are made as at the date of this MD&A and Summit II assumes no obligation to update or revise them to reflect new events or circumstances unless otherwise required to do so by applicable securities legislation.

Summit II's other regulatory filings are available on SEDAR as www.sedar.com.

SECTION I – OVERVIEW VISION AND STRATEGY

OVERVIEW

Summit Industrial Income REIT ("Summit II", the "Trust", or the "REIT") formerly known as Proventure Income Fund "Proventure", is an unincorporated mutual fund trust governed by the laws of the Province of Ontario pursuant to the terms of its amended and restated Declaration of Trust dated November 9, 2012 (the "Declaration of Trust"). Summit II's Units are publicly traded on the Toronto Stock Venture Exchange under the symbols SMU.UN.

Summit II is focused primarily on the light industrial segment of the Canadian real estate industry. As at December 31, 2012, Summit II's property portfolio was comprised of 10 properties totalling 729,992 square feet of gross leasable area ("GLA") with a net book value of approximately $79 million compared to 20 properties totalling 414,737 square feet of GLA as at December 31, 2011.

NON-IFRS FINANCIAL MEASURES

Readers are cautioned that certain terms used in this MD&A such as Funds from operation ("FFO"), Adjusted Funds from Operations ("AFFO"), Net Operating Income ("NOI") and any related per unit amounts used by management to measure, compare and explain the operating results and financial performance of the Trust do not have any standardized meaning prescribed under IFRS and, therefore, should not be construed as alternatives to net income or cash flow from operating activities calculated in accordance with IFRS. Such terms do not have a standardized meaning prescribed by IFRS and may not be comparable to similarly titled measures presented by other publicly traded entities.

SIGNIFICANT ACCOUNTING POLICIES

Summit II's MD&A is based on its consolidated financial statements which have been prepared in accordance with IFRS. Summit II's significant account policies are described in Note 3 to its audited Consolidated Financial Statements for the year ended December 31, 2012 and 2011.

The preparation of financial statements requires Summit II to make estimates and judgments that affect the reported results. For a detailed discussion of the critical estimates refer to Note 2 to its Consolidated Financial Statements for the year ended December 31, 2012, and 2011.

SUMMIT II'S BUSINESS, VISION AND STRATEGY

SUMMIT'S II BUSINESS

Primary Investment

Light Industrial Segment

Summit II is focused on the light industrial sector of the Canadian real estate industry. Light industrial properties are generally one-story properties located in or near major cities. The properties house such activities as warehousing and storage, light assembly and shipping, call centers and technical support, professional services and a number of other similar uses. There are no significant heavy industrial activities conducted in the properties owned by Summit II.

Summit II has selected this focus due to the long-term strength and stability of light industrial real estate. Since 1995, light industrial properties have generated, on average, higher income returns than any other segment within the Canadian real estate industry[1]. These solid returns are attributable to a number of characteristics of light industrial real estate including lower market rent volatility, lower operating costs and more generic-use space that is highly marketable. In addition, the scale and diversity of the tenant base occupying light industrial properties is broad and generally tracks the overall economy, reducing risk and providing predictable and consistent cash flow. Finally, capital expenditure and maintenance requirements, leasehold improvement and tenant inducement costs are lower with light industrial properties compared to other types of real estate.

[1] Russell Canada and ICREIM/IPD Canada

SUMMIT II'S VISION AND STRATEGY

Summit II mission is to provide "best-in-class" services to its tenants while delivering solid, stable, and secure returns to its Unitholders. Over the long term, Summit II is dedicated to maximizing funds from operations through effective property management, realizing on efficiencies and synergies from critical mass, accretive acquisitions, innovative financings and selective development opportunities.

To achieve these goals, Summit II has developed the following key objectives:

1. *To produce superior, dependable returns over the long term for its Unitholders.*

   To meet this objective Summit II plans to generate accretive growth while purchasing properties at values that are at or below replacement cost. Summit II also intends to maximize, over time, available development and expansion opportunities on its existing properties and, through a mortgage-backed mezzanine financing program, undertake development projects through third parties. In the pursuit of generating increasing funds from operations, Summit II plans to maximize operating synergies and to increase economies of scale. Summit II's goal is to achieve growth in Funds from Operations over the long term.

2. *To be the leading industrial landlord in its chosen markets.*

   By building critical mass in its chosen market, Summit II plans to capture increasing economies of scale and operating synergies to grow its Funds from Operations. Further, Summit II will continue to create diversity in its tenant base and industrial inventory to accommodate changing tenant needs. In addition, Summit II is consistently presented with acquisition opportunities by sellers of industrial real estate.

   To meet its growth objective, Summit II will continue to acquire light industrial properties, to expand GLA in its owned properties based on tenant demand, and to grow through direct and third party development projects. Management is confident through its strong relationships with its lenders and the ability it has demonstrated to access the capital markets that it will generate sufficient capital to meet its growth targets over the long term.

3. *To be the top manager of real estate in Canada.*

   Summit II plans to accomplish its vision to be a “best-in-class” service provider to tenants through innovative programs that focus on tenant retention, real estate leasing broker loyalty, standardization of operations, operating efficiency, and proactive employee management.

   By strengthening its reputation as a leading service provider and continuing to meet the needs of its tenants, Summit II will enhance portfolio occupancy, average monthly rents and tenant retention over the long term. Retaining a tenant is much more efficient and much less expensive than attracting a new to tenant to a vacant space. High occupancies and strong tenant retention ratios assist in maximizing cash flow from Summit II’s income properties.

SECTION II – KEY PERFORMANCE INDICATORS

Summit II measures the long-term success of its strategies through a number of key financial and operating performance indicators as described below:

FINANCIAL INDICATORS

FUNDS FROM OPERATIONS

Management has determined Funds from Operations (“FFO”) to be a useful measure of operating performance as it focuses on cash flow from operating activities. FFO is net income (computed in accordance with IFRS), extraordinary items, amortization expense, future income taxes and after adjustments for equity-accounted for entities and non-controlling interests. Management will strive to increase FFO over the long term.

The Trust’s FFO and AFFO per unit are calculated as follows:

(in Thousands of Canadian dollars)		**December 31, 2012**		December 31, 2011 (1)		December 31, 2010 (1)
Net Income	**$**	**8,567**	$	1,413	$	1,826
adjustments						
Fair value adjustment to investment properties		**(7,661)**		(20)		1,748
FFO	**$**	**906**	$	1,393	$	3,574
FFO per unit	**$**	**0.033**	$	0.179	$	0.469
Weighted average number of units outstanding		**27,533**		7,769		7,617
FFO per unit - post “consolidation”	**$**	**0.395**		-		-
Weighted average number of units outstanding - post ‘“consolidation”		**2,294**		-		-
Units issued and outstanding at the end of the period		**82,718**		7,851		7,638

(1) Restated for change in accounting policy. Refer to Note 2 to the Audited Consolidated Financial Statements for the year ended December 31, 2012 and 2011.

ADJUSTED FUNDS FROM OPERATIONS

Adjusted Funds from Operations (“AFFO”) is defined as FFO net of actual leasing commissions, tenant improvements, capital expenditures that maintain the current rental operations, and straight-line rent. Management considers leasing activities and capital expenditures to be fundamental to the operating activities of the REIT in order to maintain the current level of rental operations, and is not a discretionary investment. Management has excluded from the calculation of AFFO those capital expenditures and leasing costs that relate to the generation of a new rental stream. Management also considers AFFO to be an effective measure of the cash generated from operations and is a measure of the REIT’s ability to pay distributions.

The fund did not have any leasing costs or capital expenditures for the year ended and prior year and as a result AFFO and AFFO per unit is the same as FFO and FFO per unit.

NET OPERATING INCOME

Net operating income “NOI” is a generally accepted proxy for operating cash flow and represents earnings before interest expense, income tax expense, amortization expense, plus losses / less any gains on disposition of property, and excluding non-recurring items, such as asset impairment or unrealized gains/losses that may occur under IFRS.

CASH DISTRIBUTIONS PER UNIT

Summit II is focused on increasing distributions to its Unitholders over the long term. Management intends to accomplish this goal by increasing the net cash flow generated from its real estate assets over the long term.

ADJUSTED FUNDS FROM OPERATIONS PAYOUT RATIO

To ensure it retains sufficient cash to meet its capital improvement and leasing objectives, Summit II will strive to maintain its AFFO Payout Ratio (cash distributions per unit divided by funds from operations per unit) in the range of 90% and 95%.

DEBT LEVERAGE RATIO

A conservative leverage ratio mitigates Unitholders’ risk. Summit II measures its debt leverage ratio in accordance with its Declaration of Trust. Leverage is calculated as the sum of mortgages payable, convertible debentures, preferred units payable, unsecured debentures and bank loans payable divided by the book value of total assets. The maximum permitted debt leverage ratio under the Declaration of Trust is 65%. While expanding its portfolio, Summit II intends to maintain its leverage ratio in the mid-50% range over the long term.

OPERATING INDICATORS

TENANT RETENTION

Summit II places a very high value on tenant retention, as the cost to retain a tenant is typically lower than the cost to attract a new one. When a tenant is retained, lost rent due to unoccupied space is eliminated and leasing commissions and tenant inducements are typically lower than the cost of putting new tenants in place. Over the long term, Summit II will continue to aim at a target of 75% tenant retention level.

OCCUPANCY

Consistently high occupancies also generate greater cash flow over the long term. Through its proactive property management and leasing activities, management anticipates maintaining occupancy at levels higher than the average occupancy in each of the markets in which it operates. Economic “full occupancy” in a light industrial portfolio is realistically at a level less than 100% due to the fact that there will always be some vacancy in the portfolio due to tenant turnover or during the time certain properties are under development or renovation.

AVERAGE RENTS

Increasing average cash rents contributes to higher funds from operations. Annual contractual increases in rent are beneficial to tenants in managing their costs, as significant rental increases at maturity are avoided and replaced with a predictable expenditure pattern. Summit II intends to negotiate annual increases in rent in the majority of new lease transactions and renewals. The collection of rents is enhanced by Summit II's preauthorized payment program, which provides administrative efficiencies to both Summit II and its tenants, as well as providing more consistent cash flow and reducing exposure to delinquent accounts.

LEASE PORTFOLIO MANAGEMENT

As noted above, a high tenant retention ratio is strongly valued at Summit II. A properly balanced lease maturity schedule facilitates maintaining higher occupancies and spreads leasing costs more predictable over future years. Summit II will endeavor to have no more than 15% of its leases maturing in any one year.

CAPITAL EXPENDITURES

Through its focused capital expenditure program, Summit II anticipates maintaining its properties so they remain functional and competitive within their respective geographic markets. Based on its current capital program, Summit II plans to spend $0.15 to $0.20 per square foot per annum on non-recoverable capital expenditures.

CAPABILITY TO DELIVER RESULTS

Summit II is confident that it has the management team, asset base, access to investment opportunities and access to capital to meet its objectives. The achievement of Summit II's objectives is partially dependent on successful mitigation of business risks. Summit II believes it has identified and mitigated such risks to the extent practical and is committed to identifying and implementing the actions required in achieving its strategy.

Management's capabilities and the business risks that must be managed are discussed in Summit II's Annual Information Form dated November 15, 2012.

Certain statements above may be forward-looking and readers are cautioned that such statements are subject to certain risks and uncertainties that could cause actual results, performance or achievements of Summit II, or industry results, expressed or implied by such forward-looking statements to differ materially from those contained in such forward-looking statements – see "Forward-Looking Disclaimer" on page 1.

SECTION III – FINANCIAL RESULTS

The following is a summary of key financial information for the periods indicated (see SECTION II – KEY PERFORMANCE INDICATORS for a description of the key terms):

(in Thousands of Canadian dollars) (except per unit amounts)	**December 31, 2012**	December 31, 2011 [2]	December 31, 2010 [2]
Revenue from income properties	**$ 2,497**	$ 3,388	$ 3,344
Property operating expenses	**517**	39	88
Net operating income	**1,980**	3,349	3,256
Interest expense	**705**	1,739	2,814
Gain (loss) sale of investment properties and other assets	**157**	-	(344)
Fair value adjustment to investment properties	**7,661**	20	(1,748)
Net income and comprehensive income	**8,567**	1,413	1,826
Net income and comprehensive income per unit - Basic [1]	**0.311**	0.182	0.240
Net income and comprehensive income per unit - Diluted [1]	**0.311**	0.182	0.188
FFO	**906**	1,393	3,574
FFO per unit - basic [1]	**0.033**	0.179	0.469
AFFO	**906**	1,393	3,574
AFFO per unit [1]	**0.033**	0.179	0.469
As at	**December 31, 2012**	December 31, 2011 [2]	December 31, 2010 [2]
Total assets	**81,571**	38,714	56,268
Total debt (loans and borrowings and preferred units payable)	**38,299**	19,937	29,870
Total equity	**41,064**	15,158	20,762
Weighted average units outstanding [1]	**27,533**	7,769	7,617
Debt to fair value (including preferred units payable)	**47.0%**	51.5%	53.1%
Interest coverage ratio	**2.40**	2.53	4.20
Debt service coverage ratio [3]	**2.39**	1.50	2.16
Weighted average interest rate	**4.0%**	5.2%	5.1%
Portfolio occupancy	**97%**	100%	100%

[1] Per unit amounts are prior to the unit consolidation completed on January 28, 2013 where the REIT consolidated all of its issued and outstanding units on the basis of one post consolidation Unit for every twelve pre-consolidation Unit.
[2] Restated for change in accounting policy. Refer to Note 2 to the Audited Consolidated Financial Statements for the year ended December 31, 2012 and 2011.
[3] The 2012 ratio has been calculated based on Q4 2012 results which aligns the issuance of debt with the new acquisitions.

REVENUE, PROPERTY OPERATING EXPENSES, NOI, INTEREST

Revenue from income producing properties for the year ended December 31, 2012, decreased to $2.5 million from $3.4 million in 2011 and $3.3 million in 2010. This decrease is primarily due to the sale of 14 properties with gross leasable area of 314,727 square feet on January 5, 2012 (the “Dispositions”). The newly acquired properties (the “Acquisitions”), which were acquired on and after September 27, 2012, contributed approximately $1.5 million to revenues for the year ended December 31, 2012.

Property operating expenses increased to $517 thousand for the year ended December 31, 2012, compared to $39 thousand in 2011 due primarily to the increase in the property portfolio during the last quarter of 2012 and the nature of the leases in place related to the properties sold earlier in the year. Early in 2012, and in prior years, leases in place were triple net whereas, leases under the Acquisition properties are ones where the landlord pays the expenses and then recovers from the tenant.

Interest expense for the year ended December 31, 2012, decreased to $0.7 million from $1.7 million in the prior year. The decrease was due to the repayment of debt in 2012 and the decline in the weighted average interest rate from 5.2% in 2011 to 4.0% in 2012. Proceeds from the sale of the properties in January and December were partially used to repay approximately $12.7 million of borrowings.

The net income for the Trust for the year ended December 31, 2012 was $8.6 million compared to $1.4 million in 2011 and $1.8 million in 2010. The higher net income is due primarily to positive fair value adjustments of $7.7 million on income producing properties in 2012.

FUNDS FROM OPERATIONS, ADJUSTED FUNDS FROM OPERATIONS

For the year ended December 31, 2012, FFO and AFFO per unit was $0.033 compared to $0.179 in 2011 and $0.469 in 2010. The fund did not have any leasing costs or capital expenditures for the year ended December 31, 2012 or the prior year, and as a result AFFO and AFFO per unit is the same as FFO and FFO per unit. The reduction in FFO and AFFO per unit was due primarily to the reduction in the size of the portfolio which occurred earlier in the year, as 14 properties with a total GLA of 314,727 were sold at the start of the first quarter of 2012. The Acquisitions occurring on and after September 27, 2012 had minimal impact on the results for the period covered in this MD&A. The fund did not have any leasing costs or capital expenditures for the year ended and prior year and as a result the AFFO per unit is the same as the FFO per unit.

On January 28, 2013, the REIT consolidated all of its issued and outstanding units on the basis of one post consolidation Unit for every twelve pre-consolidation Unit (the “Consolidation”) held as of the record date for the Consolidation. The Consolidation was effected after receiving approval from the Unitholders at a special meeting of Unitholders held on January 16, 2013 and after receiving approval from the TSXV. Following the Consolidation, the number of outstanding Units was reduced from 82,717,645 to 6,893,110 Units. Based on this Consolidation, for the year ended December 31, 2012, AFFO and FFO per unit would be $0.395.

CASH DISTRIBUTIONS

The cash distributions during the year ended December 31, 2012, were $13.4 million compared to $11.5 million in the prior year. On January 23, 2012, the Trust paid a special distribution to Unitholders using proceeds from the sale of 14 properties that were sold on January 5, 2012. The Trust did not pay any further distributions during the year ended December 30, 2012.

As a result of the additional offering and property acquisitions described in Note 18 of the consolidated financial statements for the year ended December 31, 2012, the Trust announced on March 15, 2013, a declared cash distribution to pay $0.0408 per Trust Unit on a monthly basis to Unitholders, aggregating $0.4896 on an annual basis. The first cash distribution will be paid on April 15, 2013 to Unitholders of record on March 29, 2013.

DISTRIBUTION REINVESTMENT PLAN

The Trust also announced that it has implemented as Distribution Reinvestment Plan ("DRIP") whereby registered or beneficial holders of the Trust's Units who are resident in Canada can acquire additional Trust Units by reinvesting all or a portion of their monthly cash distributions without paying brokerage commissions. In addition, Unitholders who elect to participate in the DRIP will receive a further distribution of Trust Units equal to 5% of each distribution that was reinvested by them.

TOTAL ASSETS

Summit II's total assets increased to $81.6 million for the year end December 31, 2012, compared to $38.7 million in 2011 and $56.3 million in 2010. On January 5, 2012, the REIT sold 14 properties for a sale price of $26.3 million. On September 27, 2012, Summit II purchased three light industrial properties totalling 402,207 square feet of GLA for a purchase price of $44.8 million (excluding closing costs). On October 5, 2012, a property with GLA of 101,601 square feet was acquired for a purchase price of $5.3 million and on December 27, 2012, a property with 142,386 square feet of GLA was acquired for $9.4 million. All of the properties acquired in 2012 were in the Ontario region.

TOTAL DEBT

Total debt for the year ended December 31, 2012, increased to $38.3 million compared to $19.9 million in 2011 and $29.9 million in 2010. On September 27, 2012, the Trust closed a debt financing of $28.8 million secured by three properties and an assignment of its leases and rents. A fourth property was added to the facility, which increased the credit limit to $32 million. As of December 31, 2012, $26.1 million was drawn on the loan.

EQUITY

Equity increased to $41.1 million for the year ended December 31, 2012, compared to $15.1 million in 2011 and $20.8 million in 2010. On September 25, 2012, Summit II completed a private offering of 8,200,000 pre-consolidation trust units at a price of $0.32 per pre-consolidation unit for proceeds of $2.6 million. On September 27, 2012, Summit II completed a second private offering of 66,666,667 pre-consolidation units at a price of $0.45 per pre-consolidation unit for gross proceeds of $30 million. The two offerings raised a total $32.6 million and incurred issue costs of $1.9 million for net proceeds of $30.7 million.

SUMMARY OF QUARTERLY RESULTS

The summary of quarterly results for the past eight quarters is as follows:

(in Thousands of Canadian dollars) (except per unit amounts)	December 31, 2012	September 30, 2012	June 30, 2012 (1)	March 30, 2012 (1)
Revenue from income properties	$ 1,670	$ 306	$ 263	$ 258
Net income and comprehensive income	7,704	768	18	77
Earnings (loss) per unit - Basic	0.093	0.068	0.002	0.010
Weighted average units outstanding				
Basic	82,718	11,284	7,851	7,851
Diluted	82,718	11,284	7,851	7,851

(in Thousands of Canadian dollars) (except per unit amounts)	December 31, 2011 (1)	September 30, 2011 (1)	June 30, 2011 (1)	March 30, 2011 (1)
Revenue from income properties	$ 858	$ 856	$ 837	$ 837
Net income and comprehensive income	(136)	11	911	627
Earnings (loss) per unit - Basic	(0.017)	0.001	0.117	0.082
Weighted average units outstanding				
Basic	7,829	7,817	7,780	7,647
Diluted	7,929	9,918	9,881	9,750

(1) Restated for change in accounting policy. Refer to Note 2 to the Audited Consolidated Financial Statements for the year ended December 31, 2012 and 2011.

Revenues from income producing properties increased to $1.7 million during the quarter ended December 31, 2012, compared to $0.3 million in the prior quarter, due primarily to the $50.1 million in property acquisitions that occurred in late September and early October. On January 5, 2012, 14 properties with gross leasable area of 314,727 were sold which represents the decline in 2012 revenues as compared to 2011.

Net income increased to $7.7 million for the quarter ended December 31, 2012, due primarily to the increase in appraised fair value of the acquisition properties. Approximately 75% of the properties were appraised by third party valuation professions in 2012.

Liquidity

(in Thousands of Canadian dollars)	Total	Less than 1 year	2-3 years	4-5 years	After 5 years
Loans and borrowings	37,174	4,357	26,548	1,584	4,685
Trade and accrued liabilities	736	736	-	-	-
Other liabilities	1,097	1,097	-	-	-
Preferred units payable	1,125	1,125	-	-	-
Total	40,132	7,315	26,548	1,584	4,685

TAXATION

Summit II is generally subject to tax in Canada under the Income Tax Act (The "Tax Act") in respect to its taxable income each year, except to the extent such taxable income is paid or deemed to be payable to Unitholders and deducted by Summit II for tax purposes.

Pursuant to Summit II's Declaration of Trust, the Trustees intend to distribute or designate all taxable income directly earned by Summit II to Unitholders of the Trust such that Summit II will not be subject to income tax under Part I of the Tax Act.

OCCUPANCY

Summit II works diligently to maximize occupancy throughout its portfolio in accordance with local market conditions.

	December 31, 2012	
	GLA	Occupancy %
Investment properties		
Ontario	646,194	100%
Saskatchewan	30,000	100%
British Columbia	21,500	100%
Alberta	8,000	100%
	705,694	**100%**
Investment properties held for sale		
Saskatchewan	24,298	0%
	24,298	0%
Total	**729,992**	**97%**

LEASE ROLLOVER

The following table represents the expected lease rollover for the next five years for the investment properties:

	GLA	**Percentage**
2013	31,831	4.5%
2014	30,000	4.3%
2015	16,856	2.4%
2016	13,500	1.9%
2017	258,371	36.6%

The lease rollover profile will continue to change and normalize as the portfolio expands.

TRANSACTIONS

ACQUISITIONS

For the year ended December 31, 2012, Summit II purchased five light industrial properties totalling 646,194 square feet of GLA at a weighted average capitalization rate ("cap rate") of 7.83%. Details of these acquisitions are shown in the following table:

ACQUISITIONS

Property	City	Province	Closing date	GLA		Sale Price
200 Iber Road	Ottawa	Ontario	September 27, 2012	75,743	$	7,267,983
240 Laurier Blvd.	Brockville	Ontario	September 27, 2012	68,093	$	14,034,726
501 Paladium Drive	Ottawa	Ontario	September 27, 2012	258,371	$	23,558,291
710 Neal Drive	Peterborough	Ontario	October 5, 2012	101,601	$	5,250,000
134 Bethridge Road	Etobicoke	Ontario	December 27, 2012	142,386	$	9,400,000
				646,194	$	59,511,000

Details of dispositions for the year ended December 31, 2012 are presented in the following table:

DISPOSITIONS

Property	City	Province	Closing date	GLA		Sale Price
14 dealerships sold (1)	Various	Alberta/Sask	January 5, 2012	314,727	$	25,900,000
164005 Road 119N	Manitoba	Russell/Manitoba	December 17, 2012	22,000	$	1,641,266
				336,727	$	27,541,266

(1) 11 Alberta locations and 3 locations in Saskatchewan sold to Cervus Equipment Corp.

DEBT LEVERAGE RATIO

The maximum debt leverage permitted by Summit II's Declaration of Trust is 65%. However, it is Summit II's goal to operate in the mid-50% range over the long term. At December 31, 2012, Summit II's debt leverage ratio was down from December 31, 2011, due to the fact that the Trust issued units and raised a total of $30.8 million. The twelve-month forward looking debt service coverage ratio for the fund, including the property acquisitions and financing activities noted in subsequent events, is 2.00x. If Summit II were to increase its borrowing to the 65% maximum allowed under its Declaration of Trust in pursuit of a strategic opportunity, it would have the capacity to purchase approximately $42 million in new properties as at December 31, 2012.

(In Thousands of Canadian dollars)	**As at December 31, 2012**	**As at December 31, 2011**
Total Assets	81,571	38,714
Debt		
Mortgages payable	11,095	18,812
Preferred units payable	1,125	1,125
Bank loans	26,079	-
Total debt	38,299	19,937
Leverage ratio	**47.0%**	**51.5%**

CONTRACTUAL OBLIGATIONS

Summit II's most significant contractual obligations relate to the long-term debt including mortgages payable and bank loans as described below.

LONG TERM DEBT

The following table presents the future principal repayments and maturities on long-term debt and respective weighted average interest rates:

(In thousands of Canadian Dollars)

Year	**Principal Repayment**	**% of Total**	**Weighted Average Interest Rate**
2013	4,357	11.7%	4.0%
2014	26,309	70.8%	3.9%
2015	239	0.6%	3.8%
2016	1,429	3.8%	3.8%
2017	155	0.4%	3.8%
Thereafter	4,685	12.6%	3.8%

CASH FLOW

The following table represents the changes in cash flow for the year ended December 31, 2012, compared to December 31, 2011.

(In thousands of Canadian dollars)		2012		2011
Cash flow from operating activities	$	460	$	1,743
Cash flow from (to) financing activities	$	46,963	$	(11,681)
Cash flow (to) investing activities	$	(46,968)	$	9,673

The cash flow from operating activities for the year ended December 31, 2012, was $0.5 million compared $1.7 million for the prior year. The reduction in cash flow from operations in comparison to the prior year is due to the fact that there was a smaller portfolio for a large part of the year in 2012 compared to 2011.

The cash flow from financing activities was $47 million for the year ended December 31, 2012, as a result of repayment of long term debt, special distributions to Unitholders, financing arranged for acquisitions, and equity raised from two private offerings.

On September 25, 2012, the Trust issued 8,200,000 trust units at a price of $0.32 per Unit for proceeds of $2,624,000. The subscribers under the Private Placement are individuals that are members of senior management of Sigma Asset Management Limited and their family members. On September 27, 2012, the Trust completed a private placement of 66,666,667 units at a price of $0.45 per Unit for gross proceeds of $30 million.

On September 27, 2012, the Trust closed a debt financing of $28.8 million. The Debt Financing is secured by three properties acquired on September 27, 2012, and an assignment of its leases and rents. On October 5, 2012, a fourth property was added to the facility, which increased the credit limit to $32 million. As of December 31, 2012, there was $26.1 million drawn on the facility.

Mortgage financing of $5.4 million, for a five year term at a rate of 3.75%, was obtained to fund the property acquisition on December 27, 2012. The proceeds from the above noted equity raised, the funds from the credit facility and mortgage financing were utilized to pay for the properties acquired during 2012.

The cash distributions for the 2012 year were $13.3 million compared to $11.5 million in the prior year. On January 23, 2012, the Trust paid a special distribution to the Unitholders. The special distribution was paid for from the proceeds of the sale of 14 properties on January 5, 2012.

Cash outflow to investing activities increased to $47 million for the year ended December 31, 2012 compared to an inflow of $9.7 million in 2011. For the year ended December 31, 2012 the Trust had proceeds from sale on investments of $27.5 million which, after repayment of long term debt, produced net proceeds of $15.5 million. As well, the Trust acquired five properties in Ontario for a purchase price of $59.5 million.

RELATED PARTY TRANSACTIONS

Until September 25, 2012 the CEO of the Fund was the Executive Chairman of the Board of Directors of Cervus Equipment Corporation ("Cervus"). He was also the single largest equity holder of the Fund and Cervus. It must be noted that until September 25, 2012, the Fund and Cervus shared a common Board of Directors. Effective September 25, 2012 as a result of the units issued on that date the Chairman of Cervus is no longer the CEO of the Fund, he is no longer the controlling shareholder and the Fund does not share a common board of directors with Cervus. In addition to transactions discussed elsewhere in these financial statements, the Fund had the following transactions with Cervus while they were still a related party which were recorded at fair exchange amount, which is the amount agreed to between the two parties:

(in Thousands of Canadian dollars)	2012	2011
Income		
Rental income	$ 267	$ 3,086
Guarantee fees	14	83
Expenses		
Management fees for administration	23	30
Interest on advances	35	91
Fee for assumption of related party loan	-	400

As described in Note 7, the Fund sold land and buildings to Cervus and Cervus assumed certain mortgage liabilities related to those assets. The sales price was at fair value and aggregated $26.3 million, of which $11.5 million was an assumption of mortgage debt and the balance of $14.8 million, was in the form of cash in the amount of $13.3 million and $1.5 million was applied as a reduction in the loan between the Fund and Cervus. As at December 31, 2012, the balance of the loan between the Fund and Cervus is $1.1 million.

The Fund paid $2.5 thousand per month to Cervus to carry out all administrative and management tasks related to the Fund's operations until September 25, 2012.

The Fund received a guarantee fee from Cervus equal to 3% per annum for the guaranteed amounts that the Fund has provided to John Deere. This guarantee is a result of guarantees provided to John Deere prior to the establishment of the Fund and for which John Deere released the Fund from the contractual obligation in February 2012.

(a) Management agreement

Pursuant to the terms of the Management Agreement with Sigma Asset Management Limited (the "Manager") (formerly Founders Asset Management Corp.), the Manager provides Summit II with the services necessary to manage its day-to-day operations. The Management Agreement has an initial term of ten years, subject to earlier termination in certain circumstances, and will be automatically renewed for successive five-year terms.

The Management Agreement sets out the fees payable to the Manager for the services provided, such fees being: A base annual management fee equal to 0.25% of the gross value of Summit II's assets; an incentive fee equal to 15% of Summit II's AFFO per unit, in excess of a $0.04 hurdle amount such hurdle amount to be increased by 1.5% each year; an acquisition fee for the purchase price paid by Summit II on the acquisition of a property equal to 1% of the first $50 million of the purchase price, 0.75% of the next $50 million of the purchase price, and 0.50% of any portion of the purchase price in excess of $100 million, payable so long as the gross book value of the properties owned by Summit II does not exceed $1 billion; a development fee in an amount to be negotiated between Summit II and the Manager, not to exceed the fair market value for comparable services; a property management fee equal to 3.5% of the gross rental income from each multi-tenant property, and 2.5% of the gross rental income from each single-tenant property; a leasing fee equal to $1.00 per rentable square foot only for those properties where the Manager provides leasing services; and a capital expenditures fee equal to 5% of all hard construction costs incurred on any capital project of Summit II, where the Manager is the project manager for the project and the hard construction costs of the project are in excess of $200,000.

The Manager can elect to take all (or any percentage of all) fees payable to it under the Management Agreement (and any property management agreement) in the form of Units, rather than in cash.

Under the terms of the management agreement the Fund has incurred the following fees as of December 31, 2012:

(in $ thousands)	**2012**	2011
Acquisition fees (capitalized to investment properties)	**$ 595**	$ -
Asset management fees	**42**	-
Property management	**44**	-
	$ 681	$ -

SECTION IV – OUTLOOK

Certain statements below may be forward-looking and readers are cautioned that such statements are subject to certain risks and uncertainties that could cause actual results, performance or achievements of Summit II, or industry results, expressed or implied by such forward-looking statements to differ materially from those contained in such forward-looking statements.

INVESTMENT MANAGEMENT

Management believes that property values in the Canadian light industrial sector, which have risen over the last few quarters, will experience further modest increases in 2013. Light industrial real estate, particularly when packaged in large portfolios, continues to be in very high demand and attracts premium valuations. Institutional, public and private investors, recognizing good value in this sector in relation to global markets and alternative investments, were particularly active buyers in 2012. Their low cost of capital, coupled with an increasingly competitive investment climate, will continue to influence valuations in 2013. Interest rates, which are expected to remain stable at historically low levels, will contribute to modest upward pressure on valuations in light of the very strong demand for this asset class.

Within the context of this highly competitive investment climate, Summit II will continue to expand its presence in the highly stable light industrial sector of the Canadian real estate industry on a selective basis to achieve its goal of becoming the leading industrial landlord in the markets in which it chooses to operate. To enhance the size and quality of its portfolio, Summit II will continue to seek out and evaluate acquisition opportunities in the light industrial sector which meet its strict criteria, with a particular focus on purchasing individual assets or small portfolios that complement Summit II's existing portfolio and which provide value enhancement opportunities. Summit II will carefully evaluate acquisition opportunities, but will not complete a transaction unless it is accretive to its Unitholders and meets Summit II's strict real estate criteria, including an assessment of replacement cost. Management remains confident it will be able to continue to expand the size of its portfolio through a program of selective and accretive acquisitions over the long term.

Summit II's goal in 2013 is to invest approximately $300 million in further expanding its portfolio through acquisitions and expansions. Furthermore, Summit II expects to expand direct access to potential acquisitions through mezzanine financing agreements with third-party developers, providing Summit II with rights to acquire these development projects upon completion, and by broadening its ties to the external development community.

Summit II's disposition efforts will continue in 2013, and will remain focused on its three remaining non-core assets. Summit II intends to use proceeds from dispositions to reduce debt and to reinvest accretively in further acquisitions of Canadian light industrial properties.

OPERATING PERFORMANCE

Management believes the light industrial market will remain stable in 2013. Management expects national market occupancy and rental rates to be steady for the year as North American economies enter a period of modest but steady growth. Activities such as warehousing and storage, light assembly and shipping, professional services and a number of other similar uses carried out in Summit II's properties tend to grow in tandem with the broader economy. As a consequence, a period of stable growth in the broader economy points to stability in the industrial sector.

Summit II is also directing its focus on enhancing the cash flow and returns from its existing property portfolio. Summit II will strive to maintain its current high occupancy levels and average monthly rents. Pivotal to Summit II's strategy is to provide tenants with "best-in-class" services to ensure their needs are met and to build Summit II's reputation as the leading service provider in the Canadian real estate industry.

MANAGING DEBT

The market consensus is that interest rates will remain stable or experience only very modest increases in 2013. Over the long term, Summit II expects to maintain its leverage in the mid-50% range. Conservative debt service coverage ratios are expected to be maintained during the year. Where appropriate, Summit II plans to utilize hedging instruments to reduce exposure to floating rate debt, and will refinance shorter term debt over the course of the year.

EVENTS SUBSEQUENT TO DECEMBER 31, 2012

(a) Unit Consolidation

On January 28, 2013, the REIT consolidated all of its issued and outstanding units on the basis of one post consolidation Unit for every twelve pre-consolidation Unit (the "Consolidation") held as of the record date for the Consolidation, which was announced publicly to Unitholders. The Consolidation was effected after receiving approval from the Unitholders at a special meeting of Unitholders held on January 16, 2013, and after receiving approval from the TSXV. Following the Consolidation, the number of outstanding Units was reduced from 82,717,645 to 6,893,110 Units.

(b) Public offering

On February 26, 2013, the REIT completed a public offering for gross proceeds of $75.1 million through the issuance of 11,120,000 units at a price of $6.75 per unit. The net proceeds of the offering were approximately $70.2 million after deducting the REIT's estimated expenses of the offering of $0.8 million and the underwriters' fee of $4.1 million.

(c) Property Acquisitions

Summit acquired the following income producing properties for approximately $171.4 million satisfied using proceeds from the above noted offering and the assumption of new financings totaling $107.5 million:

- On February 28, 2013, two single tenant one-storey buildings located in Edmonton, Alberta, with a combined GLA of 76,163 square feet on a combined 5.5 acre site for a total purchase price of $13.1 million (excluding closing costs). The acquisition was funded from proceeds from the offering and mortgage financing of $8.5 million for a five year term at a rate of 3.22%.

- On March 4, 2013, a complex of three adjoining multi-tenant industrial warehouse buildings located in Scarborough, Ontario, with a combined GLA of 295,086 square feet on a 13.9 acre site for a total purchase price of $21.7 million (excluding closing costs). The acquisition was funded from proceeds from the offering and mortgage financing of $15.0 million for a five year term at a rate of 3.61%.

- On March 6, 2013, a one-storey building located in Aurora, Ontario, having GLA of 322,187 square feet located on a 20.55 acre site for a total purchase price of $27.6 million (excluding closing costs). The acquisition was funded from proceeds from the offering and the Trust's revolving credit facility.

- On March 11, 2013, a one-story warehouse building located in Moncton, New Brunswick, having a GLA of 169,474 square feet located on a 9.9 acre site for a total purchase price of $20.5 million (excluding closing costs). The acquisition was funded from proceeds from the offering and the assumption of a $13.0 million mortgage with four years of term remaining and an interest rate of 3.70%.

- On March 13, 2013, eight light industrial warehouse buildings located on Brampton, Ontario, comprising a GLA of 1,132,495 square feet on a combined 55 acres for a total purchase price of $88.5 million (excluding closing costs). The acquisition was funded from proceeds from the offering and mortgage financing of $54.0 million with a seven year term at a rate of 3.68%.

(d) Property Disposition

Summit II has entered into an agreement to sell a 30,000 square foot building in Moosomin, Saskatchewan, for a total consideration of $1.7 million. The disposition will result in the pay down of approximately $1.2 million in mortgage debt and $0.5 million due to Cervus.

(e) Revolving Credit Facility

On February 20, 2013, the credit facility was increased to $38 million and on March 11, 2013 it was increased to $55 million.

(f) Distribution

On March 15, 2013, a distribution in the amount of $0.0408 per Unit for Unitholders of record on March 29, 2013, was declared and will be paid on or about April 15, 2013. These monthly distributions aggregate to $0.4896 on an annual basis and will result in an AFFO Payout Ratio between 90% and 95%.

(g) Distribution Reinvestment Plan

The Trust announced on March 15, 2013, that it has implemented a Distribution Reinvestment Plan ("DRIP") whereby registered or beneficial holders of the Trust's Units who are resident in Canada can acquire additional Trust Units by reinvesting all or a portion of their monthly cash distributions without paying brokerage commissions. In addition, Unitholders who elect to participate in the DRIP will receive a further distribution of Trust Units equal to 5% of each distribution that was reinvested by them.

UPDATED PORTFOLIO

The following table provides information regarding the updated portfolio following the completion of the property acquisitions in the above noted subsequent events:

Summit II REIT Portfolio by Property

Address	City	Year Built / Renovated	Single vs. Multi-Tenant	No. of Tenants	GLA	Occupancy		NOI
				(#)	(sf 000)	(%)		($000)
British Columbia								
6708, 87A Avenue	Fort Saint John	2006	Single	1	13,500	100.0%	$	276,001
2500 Cranbrook Street	Cranbrook	1970	Single	1	8,000	100.0%	$	116,121
Alberta								
6882 & 6884, 52nd Avenue	Red Deer (1)	~1970	Single	1	8,000	100.0%	$	-
Saskatchewan								
Hwy 1 & 8 North, 109 Hwy 8	Moosomin (2)	1972/1995/1996	Single	1	30,000	100.0%	$	197,521
4010 & 3930 Thatcher Avenue	Saskatoon (1)	1975	Single	1	24,298	-	$	-
Ontario								
501 Palladium Drive	Ottawa	2007	Single	1	258,371	100.0%	$	2,016,829
134 Bethridge Road	Bethridge	~1965	Single	1	142,386	100.0%	$	766,629
710 Neal Drive	Peterborough	1973 / Ongoing	Single	1	101,601	100.0%	$	413,149
200 Iber Road	Ottawa	2007	Multi	4	75,743	100.0%	$	526,354
240 Laurier Boulevard	Brockville	2005 / 2010	Single	1	68,093	100.0%	$	1,131,252
Total Current Portfolio				13	729,992	96.7%	$	5,443,855
	Alberta							
3703 98th Street	Edmonton	1978	Single	1	45,752	100.0%	$	481,354
5880 56th Ave	Edmonton	1997/ 2004	Single	1	30,411	100.0%	$	447,983
	Ontario							
155-161 Orenda Road (3)	Brampton	1970	Multi	3	319,077	100.0%	$	1,569,236
8705 Torboram Road (3)	Brampton	1980 / 2003	Multi	3	295,957	100.0%	$	1,397,355
6 Shaftsbury Lane	Brampton	1975	Single	1	125,871	100.0%	$	685,273
40 Summerlea Road	Brampton	1987	Single	1	121,138	100.0%	$	653,246
296-300 Walker Drive	Brampton	1976	Multi	2	102,972	100.0%	$	546,740
292-294 Walker Drive (3)	Brampton	1987	Multi	3	74,583	100.0%	$	499,806
165 Orenda Road	Brampton	2003	Single	1	57,055	100.0%	$	305,089
1075 Clark Boulevard	Brampton	1974	Single	1	35,842	100.0%	$	293,557
200 Vandorf	Aurora	1985	Single	1	322,187	100.0%	$	2,104,573
125 Nashdene	Scarborough	1992	Multi	2	163,402	100.0%	$	862,454
40 Dynamic Drive	Scarborough	1988	Multi	4	86,681	100.0%	$	394,108
50 Dynamic Drive	Scarborough	1986	Single	1	45,003	100.0%	$	224,715
New Brunswick								
290 Frenette	Moncton	2012	Single	1	169,474	100.0%	$	1,501,963
Total Acquired Portfolio				**26**	**1,995,405**	**100.0%**	**$**	**11,967,451**
Total				**39**	**2,725,397**	**99.1%**	**$**	**17,411,307**

(1) Currently held for sale, non-core assets, income excluded from presentation.
(2) Accepted offer to purchase in March 2013.
(3) Expected occupancy over the course of the period with vendor leases in place.

SECTION V – RISKS AND UNCERTAINTIES

Income producing properties are inherently subject to certain risks and uncertainties due to their relative illiquidity and long term nature of the investment. SUMMIT II's financial results; are therefore, dependent on the performance of its properties and by various external factors that impact the real estate industry and geographic markets in which the REIT operates. Some of the external factors that the REIT is exposed to include fluctuations in interest and inflation rates; access to debt; fulfilling legal and regulatory requirements; and expansion or contraction in the economy as a whole.

Summit ii's current business strategy is to focus on acquiring and managing a portfolio of light industrial commercial properties, in both primary and secondary markets throughout Canada and that generate stable cash flows over the long term. The quality of the REIT's current portfolio, management believes, provides the leverage the REIT needs to expand the business in new markets and acquire high performing properties. Management believes this strategy will enable the REIT's operations to achieve highly sustainable cash flows.

The following is an examination of the key factors that influence Summit II's operations. A more detailed description of all of our risk factors is contained in the REIT's Annual Information Form.

(A) Interest rate risk

The REIT is exposed to interest rate risk when funds are drawn under the revolving credit Facility and variable rate mortgages, which have a floating rate of interest. An increase in interest rates would increase the interest cost of the REIT's loans and have an adverse effect on the REIT's comprehensive income and earnings per unit. Based on the outstanding balance of the Acquisition Facility and variable rate mortgages at December 31, 2012, a 1% increase or decrease in the Bank's prime rate would have an impact of $304 thousand on the REIT's annual interest expense (December 31, 2011 - $194 thousand) for the period then ended. The REIT intends to structure its fixed rate financing so as to stagger the maturities of its mortgages, thereby minimizing exposure to future interest rate fluctuations.

(B) Credit risk

Credit risk arises from the possibility that tenants may experience financial difficulty and be unable to fulfill their lease commitments. The REIT attempts to mitigate this risk by conducting credit assessments on new lessees, by ensuring that its tenant mix is diversified and by limiting its exposure to any one tenant. The maximum credit risk exposure at December 31, 2012, and December 31, 2011, relates to the carrying value of the accounts receivable balance without taking into account any collateral held or other credit enhancements. Collateral held on certain leases are letters of credit or security deposits from the tenants. Refer to Note 8 for details of accounts receivable.

(C) Liquidity risk

Liquidity risk arises from the possibility of not having sufficient debt and equity capital available to the REIT to fund future growth, refinance debts as they mature or meet the REIT's payment obligations as they arise. Furthermore, liquidity risk also arises from the REIT not being able to obtain financing or refinancing on favourable terms. The year ended December 31, 2012, the REIT's main liquidity requirements arise from ongoing working capital requirements, debt servicing and repayment obligations, capital and leasing expenditures on existing properties, property acquisitions and distributions to Unitholders. All of the aforementioned liquidity requirements, except for debt repayment obligations at maturity and property acquisitions, are generally funded from cash flows from operations or from drawing on the REIT's revolving credit Facility. Debt repayment obligations (Note 9) are generally funded from refinancing the related debt and property acquisitions are generally funded from equity raises as well as obtaining debt financing on the related property. Between capital raises, the REIT may use its Revolving credit facility to fund the equity portion of property acquisitions.

The REIT's financial condition and results of operations would be adversely affected if it were unable to obtain financing/refinancing or cost-effective financing/refinancing, or if it were unable to meet its other liquidity requirements from ongoing operating cash flows.

The REIT intends to mitigate its liquidity risk by staggering the maturities of its debt. As well, the REIT's distributions are made at the discretion of the REIT's Trustees. Finally, the REIT does not enter into property acquisitions unless it has secured or knows that it can secure the appropriate capital (debt and equity) to fund the particular acquisition.

DISCLOSURE AND INTERNAL CONTROLS

The Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") of the Fund will file a Venture Issuer Basic Certificate with respect to the financial information contained in the consolidated financial statements and MD&A. In contrast to the certificate required for non-venture issuers under National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* (NI 52-109), this Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"). The Fund's CEO and CFO are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate. Investors should be aware that inherent limitations of the CEO and CFO to design and implement on a cost effective basis, DC&P and ICFR, may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports.

Due to the inherent limitations in all controls systems, a control system can provide only reasonable, not absolute assurance, that the objective of the control system are met and may not prevent or detect misstatements or instances of fraud. Management's estimates may be incorrect, or assumptions about future events may be incorrect, resulting in varying results. Additionally, controls may be circumvented by the unauthorized acts of individuals, by collusion or two or more people or by management override.

FUTURE CHANGES IN ACCOUNTING POLICIES

The future accounting policies changes are discussed in the Trust's audited consolidated financial statements for the year ended December 31, 2012 and the notes contained therein.