FIRST ASSET CANADIAN REIT ETF

(formerly, First Asset Canadian REIT Income Fund)

Annual Management Report of Fund Performance for the year ended

December 31, 2015

FIRST ASSET
A CI Financial Company

Fund:

First Asset Canadian REIT ETF
(formerly, First Asset Canadian REIT Income Fund)

Securities:

Common Units - Listed Toronto Stock Exchange ("TSX"): RIT (formerly, RIT.UN - see Recent Developments)
Advisor Class Units - Listed TSX: RIT.A

Period:

January 1, 2015 to December 31, 2015

Manager, Trustee & Investment Advisor:

First Asset Investment Management Inc. ("First Asset")
95 Wellington Street West, Suite 1400
Toronto, Ontario M5J 2N7
(416) 642-1289 or (877) 642-1289
www.firstasset.com • info@firstasset.com

Notes:

1. This annual management report of fund performance contains financial highlights but does not contain the complete annual financial statements of the Fund. You can get a copy of the annual financial statements at your request, and at no cost, by contacting us (contact information above) or on SEDAR at www.sedar.com. Holders may also contact us to request a free copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

2. This report may contain forward looking statements. Forward looking statements involve risks and uncertainties and are predictive in nature and actual results could differ materially from those contemplated by the forward looking statements.

3. Unless otherwise indicated all information is as at December 31, 2015.

4. None of the websites that are referred to in this report, nor any of the information on any such websites, are incorporated by reference in this report.

5. On July 14, 2015 the Fund converted into an exchange-traded fund ("ETF"). In connection with the conversion, the Fund's name changed to "First Asset Canadian REIT ETF"; the Fund's existing units were re-designated as common units of the ETF, and their ticker symbol changed to RIT from RIT.UN; and a new class of advisor units of the ETF were created under the ticker symbol RIT.A.

Investment Objectives and Strategies

Prior to its conversion into an exchange traded fund on July 14, 2015 (the “Conversion”), the Fund’s investment objectives were to provide holders with the benefits of high monthly cash distributions together with the opportunity for capital appreciation through the active management of a portfolio of real estate investment trusts (‘‘REITs’’) and real estate corporations ("REOCs") that are listed on Canadian stock exchanges.

In conjunction with the Conversion, the Fund’s investment objective was restated as follows: “to seek long-term total returns consisting of regular income and long-term capital appreciation from an actively managed portfolio comprised primarily of securities of Canadian real estate investment trusts, real estate operating corporations and entities involved in real estate related services.”

Risks

On July 14, 2015, the Fund converted from a closed-end fund into an exchange traded fund (“ETF”). In connection with the Conversion, the Fund filed a final prospectus dated July 10, 2015 with securities regulators of all the provinces and territories of Canada. Holders should refer to the prospectus as it contains a detailed discussion of risk and other considerations relating to an investment in the Fund. The prospectus is available free of charge on our website at www.firstasset.com and on SEDAR at www.sedar.com. As discussed in the prospectus, the following additional risk factors may apply to the Fund following the Conversion:

Short Selling Risk – If the Fund engages in short selling, the Fund will adhere to controls and limits that are intended to offset these risks by short selling only securities of larger issuers for which a liquid market is expected to be maintained and by limiting the amount of exposure for short sales. The Fund will also deposit collateral only with lenders that meet certain criteria for creditworthiness and only up to certain limits. Possible losses from short sales differ from losses that may be incurred from purchases of securities because losses from short sales may be unlimited, whereas losses from purchases are limited to the total amount invested. To deliver securities to a purchaser, the Fund must arrange through a broker to borrow the securities, and, as a result, the Fund becomes obligated to replace the securities borrowed at the market price at the time of replacement, whatever that price may be. A short sale therefore involves the theoretically unlimited risk of loss occasioned by an increase in the market price of the security between the date of the short sale and the date on which the Fund covers its short position. In addition, the borrowing of securities entails the payment of a borrowing fee (which may increase during the borrowing period) and the payment of any dividends or interest payable on the securities until they are replaced. If the Fund engages in short selling it is required to maintain cash cover for its short positions and other investments may need to be sold quickly (and at potentially unattractive prices) in order to maintain sufficient cash cover.

Corresponding Net Asset Value Risk – Similar to other exchange traded funds, the closing trading price of the securities may be different from its net asset value. As a result, dealers may be able to acquire or redeem a prescribed number of units (or “PNU”) at a discount or a premium to the closing trading price per security. Such price differences may be due, in large part, to supply and demand factors in the secondary trading market for securities being similar, but not identical, to the same forces influencing the price of the underlying securities of the Fund at any point in time. As the designated brokers and dealers may subscribe for or redeem a PNU at the applicable net asset value per security, First Asset expects that large discounts or premiums to the net asset value per security will not be sustained.

Designated broker/Dealer Risk - As the Fund will only issue securities directly to designated brokers and dealers, in the event that a purchasing designated broker or dealer is unable to meet its settlement obligations, any resulting costs and losses incurred will be borne by the Fund.

Fund of Funds Investment Risk - The Fund may invest in other exchange traded funds, mutual funds, closed-end funds or public investment funds as part of its investment strategy. If the Fund invests in such underlying funds, its investment performance largely depends on the investment performance of the underlying funds in which it invests. Additionally, if an underlying fund suspends redemptions, the Fund may be unable to accurately value part of its investment portfolio and may be unable to redeem its securities. Underlying funds in which the Fund may invest can be expected to incur fees and expenses for operations, such as investment advisory and administration fees, which would be in addition to those incurred by the Fund.

Exchange Traded Funds Risk - The Fund may invest in exchange traded funds that seek to provide returns similar to the performance of a particular market index or industry sector index. Any such exchange traded fund may not achieve the same return as its benchmark market or industry sector index due to differences in the actual weightings of securities held in the fund versus the weightings in the relevant index and due to the operating and administrative expenses of the fund. For example, the exchange traded fund incurs a number of operating expenses not applicable to the underlying index, and incurs costs in buying and selling securities, especially when rebalancing the exchange traded fund’s securities holdings to reflect changes in the composition of the underlying index.

Absence of an Active Market for the Units and Lack of Operating History - The Fund has limited operating history as an exchange-traded fund. Although the securities are listed on the TSX, there can be no assurance that an active public market for the securities will develop or be sustained.

Multi-Class Structure Risk - The securities are available in multiple classes. If the Fund cannot pay the expenses or satisfy the obligations entered into by the Fund for the sole benefit of one of those classes of securities using that class of security's proportionate share of the assets, the Fund may have to pay those expenses or satisfy those obligations out of another class of security's proportionate share of the assets, which would lower the investment return of such other class of securities. In addition, a creditor of the Fund may seek to satisfy its claim from the assets of the Fund as a whole, even though its claim or claims relate only to a particular class of securities.

Readers are also directed to note 5 and the Fund Specific Notes of the Fund's 2015 annual financial statements, which discusses management of financial risks.

Results of Operations

In connection with the Conversion:

• The Fund's name changed from "First Asset Canadian REIT Income Fund" to "First Asset Canadian REIT ETF".
• The Fund's existing units were re-designated as Common Units and their ticker symbol changed from RIT.UN to RIT.
• The annual management fee payable to First Asset, as manager, in respect of the outstanding Common Units was reduced to 0.75% (from 1.05%) of the net asset value of the Fund.
• A new class of Advisor Class Units of the Fund were created under the ticker symbol RIT.A and started trading on the TSX on July 21, 2015.

For the year ended December 31, 2015, the Fund's Common Units returned 8.0%, significantly outperforming the S&P/TSX Capped REIT Total Return Index and the S&P/TSX Composite Total Return Index, which returned -4.7% and -8.3%, respectively. Please refer to the "Year-by-Year Returns" section which outlines the performance of the Fund's other classes of securities.

The Fund's net assets as at December 31, 2015 was $85.2 million, an increase from $65.0 million as at December 31, 2014. The largest factors contributing to this increase were net subscriptions of $22.2 million and net gains on investments of $5.5 million. This was offset in part by distributions of $6.9 million.

A number of macro-economic events dominated headlines during the 12-month period ended December 31, 2015, all of which drove negative market sentiment. These included a slowdown in global growth, volatility in the energy markets, eurozone uncertainty and U.S. monetary policy. Credit markets had a dismal year, with credit spreads driven wider by poor equity market performance and elevated default risks, especially from the energy sector.

Greece was in the headlines again after the left-leaning Syriza party won Greek elections with a pledge to citizens of relief from austerity while remaining in the eurozone. Initial proposals by the Greek government to reduce austerity measures fell short of European Central Bank expectations and raised concerns that Greece would be forced to exit the eurozone. The Greek debt crisis was averted when the government agreed to austerity measures in exchange for more debt to pay off its current obligations.

The price of oil collapsed over 50.0% from mid-year highs of US$60 per barrel to close 2015 around US$30. Crude inventories continued to rise even as rig counts declined in both Canada and the U.S. Sentiment for oil prices remained soft as the Organization of the Petroleum Exporting Countries ("OPEC") maintained production quotas to protect market share along with elevated Iranian supply potentially hitting the market in early 2016. Primarily as a result of the pullback in energy prices and its impact on the economy, the Bank of Canada ("BoC") cut interest rates twice in 2015, further weakening the Canadian dollar, which finished down 16.5% versus the U.S. dollar. Sentiment in the market is for one additional 25 basis point ("bp") cut in rates in 2016.

The Chinese government took several steps to stabilize equity markets and support its economy, including devaluation of the yuan, equity market controls and forced buying by state-owned agencies of equities. These moves all added volatility to the markets. The estimated growth rate for China was downgraded during the year, which did not help sentiment for commodities.

The U.S. Federal Reserve Board ("Fed") waited until its December meeting before raising the federal funds rate by 25 bps, basing the decision primarily on improving employment numbers. There is some debate on the pace of future rate hikes, but with recent economic trends pointing to a slowing in the U.S. and global economy, the pace of future hikes is expected to be measured.

In contrast, the Bank of Canada implemented two quarter-point rate cuts during the year, reducing its target overnight rate to 0.5%. The Canada 10-year bond yield dropped 40 bps, finishing the year at 1.4%.

On a relative basis, Canadian real estate investment trusts ("REIT") outperformed the broader market in 2015. For the year, the S&P/TSX Capped REIT Total Return Index returned -4.6% versus -8.3% for the S&P/TSX Composite Index. After strong results in January, REIT sentiment soured amid the "sell Canada" trade, as energy and commodity related weakness and expectations of higher rates in the U.S.-dominated headlines. Unsurprisingly, REITs with exposure to Alberta were hit the hardest.

Exposure to seniors housing, and Amica Mature Lifestyles Inc. ("Amica") in particular, significantly contributed to the Fund's performance in 2015. In September, Amica was acquired by BayBridge Seniors Housing Inc., a wholly owned subsidiary of the Ontario Teacher's Pension Plan, at a significant 113% premium. The transaction took place shortly after Regal Lifestyle Communities Inc. ("Regal") was acquired by Revera Inc. and Welltower, Inc., announced in mid-June at a 27.1% premium to the prior day's closing price. Both transactions benefited the Fund.

The Fund's investment in several U.S. REITs (TSX-listed REITs with U.S. domiciled portfolios) also contributed to its performance, notably from its Milestone Apartments REIT ("Milestone REIT"), Pure Multi-Family REIT LP and WPT Industrial Real Estate Investment Trust holdings. Top individual contributors to the Fund's performance included Amica, Milestone REIT and Tricon Capital Group Inc. ("Tricon Capital"). Milestone REIT is a multi-family residential REIT concentrated in high-growth U.S. sunbelt markets, which benefited from strong apartment fundamentals and a weak Canadian dollar. Similarly, Tricon Capital benefited from its exposure to the strengthening U.S. housing market and the weak Canadian dollar.

Holdings in REITs with Alberta exposure detracted from the Fund's performance. Individual detractors included Morguard Real Estate Investment Trust, Boardwalk Real Estate Investment Trust and Allied Properties Real Estate Investment Trust ("Allied REIT"). Allied's results were weighed down by tenant failures and lower recoveries to tenants, which created an unexpected drag on same property net operating income.

In late 2015, First Asset introduced a small weight in new holdings Dream Office Real Estate Investment Trust ("Dream Office REIT") and Cominar Real Estate Investment Trust ("Cominar REIT") to the Fund. While office fundamentals in Alberta are challenged and expected to remain so for the foreseeable future, valuation was compelling on a relative and absolute basis. Near-term, asset sales and unit buybacks could bolster unit valuation. Longer-term, Dream Office REIT could be a takeout candidate, especially given the low Canadian dollar. At a double-digit yield, investors are being paid to wait. Similarly, while Cominar REIT is facing challenges relating to weakness in its retail and Ottawa office portfolios, its valuation discount and double-digit yield became appealing late in the year. Earlier in the year, the Fund has increased its position in Regal Lifestyle Communities on the basis of its modest valuation, supportive fundamentals, strong funds from operations and net asset value ("NAV") growth potential, and the view that Regal may be an interesting mergers and acquisitions target.

Given its transition from closed-end fund to actively traded ETF, the Fund's convertible debenture holdings (including Altus Group Limited and Pure Multi-Family REIT LP) were eliminated to improve the Fund's liquidity position. First Asset also trimmed positions in a number of seniors housing names, notably Sienna Senior Living Inc., following strong performance from the group on the back of active mergers and acquisitions, which served to bolster valuations across the space.

BORROWING

Prior to the Conversion, First Asset, on behalf of the Fund, had entered into a revolving term facility with a Canadian bank. Under the facility, the Fund could borrow up to 10% of its total assets. The proceeds of the loan facility were used to purchase additional securities in accordance with the investment guidelines and restrictions relating to the Fund, in order to attempt to increase the potential returns of the Fund. Amounts borrowed under the facility were collateralized by a security interest in the assets and undertakings of the Fund. Amounts borrowed were charged interest at the bank's prime rate or, if incurred by way of banker's acceptance, at rates slightly below prime. The terms, conditions, interest rates and expenses were typical for a loan of this nature. The amount of the loan ranged between nil and $4.0 million during the period. The loan facility was terminated in July 2015.

Recent Developments

Looking forward, First Asset favours multi-family and seniors housing, industrial, and defensive, daily necessity-oriented retail, while remaining neutral on retail more broadly. The Fund has positioned with an underweight exposure to office REITs, given supply concerns and deteriorating fundamentals, particularly in Edmonton and Calgary. First Asset has a bias toward holdings with value-add development and intensification opportunities, exposure to higher growth markets, lower payout and leverage ratios, and with less dependence on the capital markets to execute their strategy.

At current levels, many REITs offer attractive value relative to NAV, implied cap rates and adjusted funds from operations ("AFFO") multiples. Additionally, the carve out of real estate as a stand-alone global industry classification standard ("GICS") sector in August 2016 is expected to be positive for the REIT sector.

On June 30, 2015, securityholders approved the Conversion, including changes to the Fund's investment objectives, strategies and restrictions and certain other provisions in the Fund's declaration of trust. The Conversion was implemented on July 14, 2015, and in connection with the Conversion: the Fund's name changed to "First Asset Canadian REIT ETF"; the Fund's existing units were re-designated as Common Units and their ticker symbol changed to RIT from RIT.UN; the management fee was reduced to 0.75% from 1.05% of the Fund's net asset value; and, on July 21, 2015, the Fund commenced offering Advisor Class Units under the ticker symbol RIT.A.

On October 23, 2015, CI Financial Corp. announced that it had agreed to acquire First Asset Capital Corp. The transaction, which closed on November 30, 2015, resulted in a change of control of First Asset.

Related Party Transactions

First Asset is deemed to be a related party to the Fund. Please refer to the "Management Fee" section below which outlines fees paid to First Asset. F.A. Administration Services Inc., an affiliate of First Asset, administers the Fund's relationship with the Fund's Independent Review Committee ("IRC") on behalf of First Asset, however, it receives no compensation for doing so.

The Fund has received standing instructions from its IRC with respect to the certain related party transactions: (a) since November 30, 2015, trades in securities of CI Financial Corp. (referred to as "Related Issuer Trades"), which indirectly owns and controls First Asset; (b) purchases or sales of securities of an issuer from or to another investment fund managed by First Asset (referred to as "Inter-Fund Trades"); (c) purchases or sales by the Fund of securities of another investment fund managed by First Asset (referred to as "Related Fund Trades"); and (d) mergers of funds with another fund that is subject to National Instrument 81-102 ("Fund Mergers").

The applicable standing instructions require that related party transactions be conducted in accordance with First Asset's policies and procedures. First Asset is required to advise the IRC of any material breach of a condition of the standing instructions. The standing instructions require, among other things, that the investment decision in respect to related party transactions (a) are made by First Asset free from any influence by any entities related to First Asset and without taking into account any consideration to any affiliate of First Asset; (b) represent the business judgment of First Asset uninfluenced by considerations other than the best interests of the Fund; and (c) are made in compliance with First Asset's policies and procedures. Transactions made by First Asset in respect of the Fund under the standing instructions are subsequently reviewed by the IRC on a semi-annual basis to monitor compliance.

Except as otherwise noted below, First Asset and the Fund were not party to any related party transactions during the year ended December 31, 2015.

Inter-Fund Trades – During the period, the Fund engaged in Inter-Fund Trades. The Inter-Fund Trades were executed by an unrelated broker and through the facilities of the TSX at prevailing market prices on the days of the transactions. No related parties received any fees in connection with the trades. The trades were executed in reliance on a standing instruction issued by both funds' IRC.

Related Fund Trades – During the period, the Fund engaged in Related Fund Trades or held positions in Related Funds at the end of the period. The Related Fund Trades were executed by an unrelated broker and through the facilities of the TSX at prevailing market prices on the days of the transactions. No related parties received any fees in connection with the trades. The trades were executed in reliance on a standing instruction issued by both funds' IRC.

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years.

THE FUND'S NET ASSETS PER SECURITY(1)

					Common Units
	2015	**2014**	**2013**	**2012**	**2011**
Net Assets, beginning of period	$13.13	$12.28	$13.07	$11.76	$10.81
Increase (decrease) from operations					
Total revenue	0.70	0.65	0.60	0.60	0.63
Total expenses	(0.17)	(0.22)	(0.18)	(0.17)	(0.17)
Realized gains (losses) for the period	1.29	0.59	1.25	1.01	1.52
Unrealized gains (losses) for the period	(0.87)	0.49	(1.73)	0.73	(0.28)
Total increase (decrease) from operations(3)	0.95	1.51	(0.06)	2.17	1.70
Distributions					
From income (excluding dividends)	(0.04)	(0.05)	0.00	0.00	0.00
From dividends	(0.19)	(0.20)	(0.22)	(0.09)	(0.02)
From capital gains	(0.98)	(0.48)	(1.16)	(0.36)	(1.34)
Return of capital	0.00	(0.01)	(0.01)	(0.15)	(0.01)
Total Distributions(4)	(1.21)	(0.74)	(1.39)	(0.60)	(1.37)
Net Assets, end of period(5)	$13.52	$13.13	$12.28	$13.02	$11.76

THE FUND'S NET ASSETS PER SECURITY[1]

	Advisor Class Units 2015[2]
Net Assets, beginning of period	$13.76
Increase (decrease) from operations	
Total revenue	0.35
Total expenses	(0.11)
Realized gains (losses) for the period	0.61
Unrealized gains (losses) for the period	(0.79)
Total increase from operations[3]	0.06
Distributions	
From income (excluding dividends)	(0.04)
From dividends	(0.06)
From capital gains	(0.35)
Return of capital	0.00
Total Distributions[4]	(0.45)
Net Assets, end of period[5]	$13.56

Notes:

(1) This information is derived from the Fund's audited annual financial statements. The term "net assets" used in this report and the term "net assets attributable to holders of redeemable securities" used in the Fund's financial statements are interchangeable. The Fund adopted International Financial Reporting Standards ("IFRS") on January 1, 2014. Previously, the Fund prepared its financial statements in accordance with Canadian generally accepted accounting principles ("Canadian GAAP") as defined in Part V of the CPA Canada Handbook. Under Canadian GAAP, the Fund measured the fair values of its investments in accordance with CICA Handbook Section 3855 which required the use of bid prices for long positions and ask prices for short positions. Under IFRS, the Fund measures the fair value of its investments using the guidance in IFRS 13 which requires that if an asset or liability has a bid price and an ask price, then its fair value is to be based on a price within the bid-ask spread that is most representative of fair value. Accordingly, the opening net assets as at January 1, 2013 was restated to reflect the accounting policy adjustments made in accordance with IFRS. All figures presented for periods prior to January 1, 2013 remain in accordance with Canadian GAAP.

(2) Results for the period from July 21, 2015 (launch date) to December 31, 2015.

(3) Net assets and distributions are based on the actual number of securities outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of securities outstanding over the financial period.

(4) Distributions were paid in cash or reinvested in additional securities of the Fund.

(5) This is not a reconciliation of the beginning and ending net assets per security.

RATIOS AND SUPPLEMENTAL DATA

	2015 Common Units	2014 Common Units	2013 Common Units	2012 Common Units	2011 Common Units
Total net asset value (000s)(1)	$84,549	$65,028	$68,747	$87,587	$79,831
Number of securities outstanding(1)	6,253,986	4,953,986	5,599,063	6,701,406	6,778,941
Management expense ratio excluding offering expenses(2)	1.24%	1.44%	1.46%	1.38%	1.49%
Management expense ratio(2)	1.24%	1.44%	1.24%	2.00%	1.49%
Management expense ratio before waivers or absorptions(2)	1.24%	1.44%	1.24%	2.00%	1.49%
Portfolio turnover rate(3)	79.70%	49.85%	62.85%	61.41%	66.54%
Trading expense ratio(4)	0.12%	0.08%	0.17%	0.15%	0.23%
Net asset value per security	$13.52	$13.13	$12.28	$13.07	$11.78
Closing market price(5)	$13.60	$12.41	$11.74	$12.53	$11.19

	2015 Advisor Class Units
Total net asset value (000s)(1)	$678
Number of securities outstanding(1)	50,000
Management expense ratio(2)	1.77%
Management expense ratio before waivers or absorptions(2)	1.77%
Portfolio turnover rate(3)	79.70%
Trading expense ratio(4)	0.12%
Net asset value per security	$13.56
Closing market price(5)	$13.61

Notes:

(1) This information is provided as at December 31 of the year shown.

(2) Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. In connection with the Conversion, the overall MER is anticipated to be lower in 2016.

(3) The Fund's portfolio turnover rate indicates how actively First Asset manages the Fund's portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between high turnover rate and the performance of a fund.

(4) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.

(5) If the securities traded during the period, the closing market price on the last trading day during the period that the securities traded, as reported on the TSX.

Management Fee

First Asset manages and administers the business, operations and affairs of the Fund, and is also responsible for providing all investment advisory and portfolio management services required by the Fund. As compensation for the services it provides to the Fund, First Asset receives an annual management fee from the Fund. Prior to the Conversion, First Asset received an annual management fee from the Fund in an amount equal to 0.75% of the net asset value of the Fund, which was calculated daily and paid monthly in arrears plus an amount equal to the service fee (the "Service Fee") payable to registered dealers which was equal to 0.30% annually of the net asset value of the Fund held by clients of the registered dealers, calculated daily and paid quarterly in arrears. After the Conversion, the Fund pays First Asset an annual management fee of 0.75% on the net asset value of the Common and Advisor Class Units, calculated daily and paid monthly in arrears, and in respect of the Advisor Class Units, an amount equal to the Service Fee payable to registered dealers which is equal to 0.75%, calculated daily and paid quarterly in arrears.

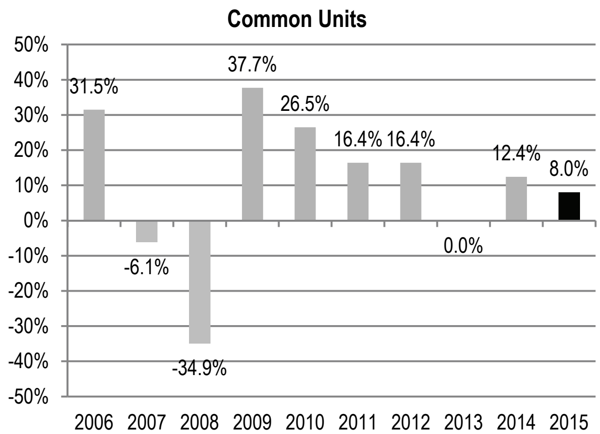
In addition to investment advisory and portfolio management, the services provided by First Asset to the Fund include, without limitation, implementation of the Fund's investment strategies, negotiating contracts with certain third-party service providers, authorizing the payment of operating expenses incurred on behalf of the Fund, maintaining certain accounting and financial records, calculating the amount and determining the frequency of distributions by the Fund, ensuring that securityholders are provided with financial statements and other reports as are required from time to time by applicable law, ensuring that the Fund complies with all other regulatory requirements including continuous disclosure obligations under applicable securities law and administering purchases, redemptions and other transactions in securities.

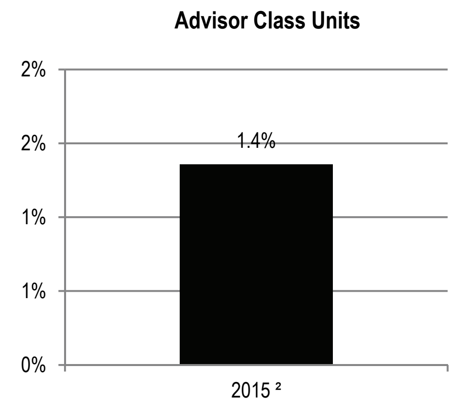
Past Performance

Please note that the performance information shown in this section assumes that all distributions made by the Fund in the periods shown were reinvested in additional securities of the Fund. Also note that the performance information does not take into account sales, redemption, distribution or other optional charges that would have reduced returns on performance. The performance of the Fund in the past does not necessarily indicate how it will perform in the future.

YEAR-BY-YEAR RETURNS (1)

The following bar charts show annual performance for each class of the Fund's securities for the financial years shown and illustrate how the Fund's performance has changed from year to year. The bar charts show, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the last day of each financial year.





ANNUAL COMPOUND RETURNS

The table below summarizes the Fund's annual compound total returns for the periods ended December 31 as indicated. As a basis for comparison we have provided the performance of the S&P/TSX Composite Total Return Index ("Index A") and the S&P/TSX Capped REIT Total Return Index ("Index B"). The S&P/TSX Composite Total Return Index is a capitalization-weighted index designed to measure market activity of stocks listed on the Toronto Stock Exchange with the S&P/TSX Capped REIT Total Return Index being a subset thereof. As the criteria for determining the constituents of the Fund and the indices differ, it is not expected that the Fund's performance will mirror that of the indices. Further, the return of the indices is calculated without the deduction of management fees and fund expenses whereas the performance of the Fund is calculated after deducting such fees and expenses.

Period	Common Units (1)	Index A	Index B
1 year	8.0%	(8.3)%	(4.7)%
3 year	6.7%	4.6%	(0.2)%
5 year	10.4%	2.3%	7.2%
Since inception	10.2%	4.9%	8.7%

(1) Returns based on net asset value per security. In connection with the Conversion, the annual management fee payable to First Asset, as manager, in respect of the Common Units, was reduced to 0.75% (from 1.05%) of the net asset value of the Fund and certain changes were made to the investment objectives, strategies and restrictions applicable to the Fund. If these changes had been in effect when the Fund was created, the performance would have been different.

(2) Returns for the period July 21, 2015 (launch date) to December 31, 2015. No annual compound return is provided as term is shorter than full reporting period.

Summary of Investment Portfolio

The following is a summary of the Fund's investment portfolio as at December 31, 2015. This is a summary only and will change due to ongoing portfolio transactions of the Fund. A quarterly update is available on www.firstasset.com.

TOP 25 HOLDINGS AS AT DECEMBER 31, 2015

Description	% of Net Asset Value
Canadian Real Estate Investment Trust	4.52
WPT Industrial Real Estate Investment Trust	4.48
RioCan Real Estate Investment Trust	4.26
Milestone Apartments Real Estate Investment Trust	4.24
H&R Real Estate Investment Trust	4.16
Canadian Apartment Properties REIT	4.10
InterRent Real Estate Investment Trust	3.79
Killam Apartment Real Estate Investment Trust	3.70
Cash and Cash Equivalents	3.53
Pure Multi-Family REIT LP	3.49
American Hotel Income Properties REIT LP	3.46
Chartwell Retirement Residences	3.45
Boardwalk Real Estate Investment Trust	3.32
First Capital Realty, Inc.	3.21
Allied Properties Real Estate Investment Trust	3.20
Morguard North American Residential Real Estate Investment Trust	3.19
Tricon Capital Group, Inc.	2.92
Morguard Real Estate Investment Trust	2.72
Artis Real Estate Investment Trust	2.69
Dream Industrial Real Estate Investment Trust	2.59
Crombie Real Estate Investment Trust	2.52
Brookfield Property Partners LP	2.31
Pure Industrial Real Estate Trust	2.25
CT Real Estate Investment Trust	2.10
Agellan Commercial Real Estate Investment Trust	2.07
Total Net Asset Value	**$85,227,036**

SECTOR ALLOCATIONS AS AT DECEMBER 31, 2015

Industry	% of Net Asset Value
Residential REITs	26.75
Diversified REITs	18.60
Industrial REITs	11.01
Retail REITs	10.40
Real Estate Operating Companies	9.40
Office REITs	8.76
Health Care Facilities	4.15
Cash and Cash Equivalents	3.53
Asset Management & Custody Banks	2.92
Specialized REITs	2.00
Real Estate Services	1.51
Diversified Real Estate Activities	1.14
	100.17
Other Liabilities, Net of Assets	**(0.17)**
Total Net Asset Value	**100.00**

FIRST ASSET
A CI Financial Company

95 Wellington Street West, Suite 1400, Toronto, Ontario M5J 2N7
(416) 642-1289 or (877) 642-1289
www.firstasset.com • info@firstasset.com